

**Southern Village Homeowners Association
Board of Directors Meeting**

101 Market Street, 1st Floor Conference Room
Tuesday, November 13, 2018
6:35pm to 8:15pm

Attendees

SVHOA Board of Directors	Susana Dancy	President
	Jerry VanSant	Treasurer
	Steve White	Secretary
	Susanna Trevino	Member-at-Large

Nancy Draughon, Member-at-Large was absent.

Berkeley Property Management (BPM) Tony Smith Community Manager

Courtyard ((Eastgreen) home owner Scott Morrison

Establish Quorum / Call to Order

President Susana Dancy established a quorum and opened the SVHOA BOD meeting at approximately 6:35pm.

Open Comments

Scott Morrison, a courtyard homes owner, expressed his concern about the reduction in services in the landscaping contract for the courtyard homes (block 100 of Eastgreen Dr) for 2019. Susan Blount, a courtyard homes owner, also sent an email to the Board on the matter. The new service contract includes only mowing grass and blowing cut grass and leaves for 32 visits during "grass-growing season." As outlined in a letter to homeowners, the new contract does not include seeding and aerating lawns, or pruning and trimming bushes and trees on individual properties, which will be the responsibility of the property owner. The board asked Mr. Morrison to give the new arrangement "some time" and to provide feedback during the summer and fall, as the board prepares the scope of contracts and budgets for 2020.

When applicable, the Board's principle in situations like this where there are conflicting preferences is to rely on the SVHOA covenants. In this case it provided the basis for the reduction in service this year to "mow and blow".

Approve Minutes of Previous Meeting

The minutes for the September 18, 2018 SVHOA Board Meeting was formally approved by the Board for the record.

President's Report

- **Natural Learning Institute (NLI) contract**

On August 23, 2018 the Board approved contracting with NLI. Due to scheduling conflicts there has been little interaction between NLI and the Board since this decision. Susana will follow up with Professor Moore at NC State to determine the current status and path forward.

HOA Manager Reports & Recommendations

- **ARB**

The current status of the ARB requests through October was briefly reviewed. The Board's opinion is the ARB continues to function efficiently and smoothly. The Board requested BPM to follow up with the ARB on items listed as "Conditional Approved" to ensure they have completed the approval process. In the future this will be included in the process of updating the SVHOA site ARB Approvals list.

- **Townhomes – Maintenance, Repairs, Landscaping Courtyard Homes**

Due to ongoing concerns about townhome reserves being reallocated to short-term repairs and requests, all non-emergency requests will require Board approval.

Highgrove's Fire Safety system transition to a wireless system is going to be accelerated in order to take advantage of the costs savings and improvements in the new technology.

- **Condos**

There were no discussions related to the Condominiums.

- **Alleyways**

The Board is currently evaluating how to incorporate new alleyway repaving estimates into the Alleyways dues and reserve planning process. The plan is to have a path forward by the next Board meeting.

- **Landscaping, Street Trees, Ponds**

In 2018 Hurricanes Florence and Michael have resulted in damage beyond that anticipated in the routine street and common areas tree budget. The plan is to use the common areas reserves to cover the shortfall. The reserves will be replenished in future budgets.

The cost of the hurricanes was minimal for the HOA, but not for individual property owners. Tony suggested that the board consider changing the cycle for tree replacement to the fall so that tree plantings could be skipped during years with unusual storm events, as a strategy for keeping that line item within budget. The board directed the manager to continue with the current approach because storm repairs are an appropriate use for HOA reserve funds, which increase in typical years.

- **Recycling Centers, Dog Waste Stations**

The addition of the Dog Waste Stations continues to receive positive feedback. Due to the amount of use the addition of a 2nd waste can at each location has been completed. The relatively small charge for the cans was significantly less expensive than the ongoing cost of adding a 2nd weekly waste pickup.

Follow up from 9/18/2018 Board meeting - BPM will follow up with the MSA and Chapel Hill/Orange County to determine if there are any cost savings if they collect the waste and recycling from the SVHOA parks.

- **Complaints to Management**

One resident complaint related to a request to remove a healthy tree in the common area that is leaning over their property required a Board action. The current policy of the SVHOA is not to remove healthy trees, as determined by the contracted tree service.

Over the year there have been a number of complaints concerning the algae level and the frequency of occurrence in SVHOA WP#1, located on Highgrove. The pond management company Dragonfly has reviewed the issue and indicated that this is not an uncommon problem and it needs to be addressed on a case by case basis when it occurs.

Board Discussion & Actions Items

- **2019 Budget**

The Board reviewed the documents that were presented. A motion was made to approve the Budgets and the Board unanimously approved the 2019 Budgets.

Reserves Planning – Process & Expectations

- The Board has been concerned about the underfunding of the Townhome reserves that fund their long-term capital projects. This in turn has carried over into discussions about SVHOA Common Area and Alleyway reserves. Board discussions have highlighted two areas of concern.

- The lack of long term (25 to 30 year) reserve funding plans.
- The current use of flat rate reserve funding vs. inflation rate adjusted reserve funding protocols.

Both of these items appear to be aligned with Community Associations Institute (CAI) principles.

- The Board will provide BPM with examples of both forms of these types of documentation. The expectation is that PBM will determine what the current best practices are in these regards, and develop their own documentation to satisfy these requirements. At our next meeting in January we would like BPM to provide us an update on their approach and methodology to reserve planning and funding.

Adjourn

- The meeting adjourned at 8:15pm.