



**Southern Village Homeowners Association  
Management Report  
September 30, 2019**

Financials

Monthly financials are shared with the full Board & posted to a private section of the community website. For any member that wants to see the financials all they need to do is send an e-mail to HOA Management and they will be shared. The August financials are the most current ones available.

Next, seven (Common Areas, Courtyard Homes, Alleyways, TH1, TH2, Westend THs & Highgrove THs) 1<sup>st</sup> pass of all 2020 budgets have been shared with the Board Treasurer. Additionally, they were all shared with the full Board at the September 11<sup>th</sup> meeting. Also, the long-range financial model for HG THs has been updated & shared again with the Board Treasurer. This was done on September 12<sup>th</sup>.

Next, the 3<sup>rd</sup> Party audit of the 2018 financials has been completed & signed off by both the SVHOA Board of Directors & HOA Management. For the second consecutive year the audit was successful with no concerns being raised at all about the HOA financials. Clearly this is excellent news for all involved.

Last, a current aging report has been shared with the Board Treasurer.

Work Orders

Since the last report 5 work orders were opened & 4 work orders were closed. As always, if any HOA member wants to see the work orders they are available in the management office. Also, we have included some basic information on work orders as part of this report (see last page).

Landscape, Trees & Ponds

Pathways, Parks & Common Areas: Ruppert continued to service the property as needed during the summer/fall months. Weekly landscape service continued in September & will continue for the entire growing season. As a reminder, the current landscape contract with Ruppert expires on 12/31/19.

Recycling Centers, Dog Waste Stations: Ruppert continues weekly service of the 3 recycling centers and the 3 dog waste stations. Obviously, the dog waste stations are well used by members/residents.

Courtyard Homes & Townhomes: Ruppert continued weekly landscape services in September. As a reminder, services for the Courtyard Homes changed on 1/1/19, with only the 100-block getting basic landscape service (ex, mow, blow & go) during the growing season. As a reminder, the current landscape contract with Ruppert expires on 12/31/19.



Trees: Davey Tree Service continued with limited pruning of the street trees to ensure they remain safe and healthy. As a reminder, Davey Tree Service was given a not to exceed pricing target for all of 2019, which ensures street tree expenses are under control and tightly management by both Management & the Board. Davey Tree Service will not go over budget for street tree maintenance.

Ponds: Dragonfly Pond Management visits monthly to perform maintenance and check all ponds. As always, the monthly services reports from DragonFly are posted on the website. As a reminder, the 2019 annual inspection was done in September, once ready those results will be shared with the Town of Chapel Hill. Additionally, DragonFly's contract remains month to month, with no expiration date.

### ARB

All approvals and denials of ARB submissions are posted on the community website. Additionally, formal communication goes out from the ARB chair, as well as Berkeley, about all applications.

Michelle continues to serve as the primary contact for Gregg (ARB chair) on a weekly basis. Additionally, Rana has agreed to serve as the Board liaison with the ARB, which is a much-needed step for even better communication between the SVHOA Board & the ARB.

Management share with the Board a memo about suggestions/improvements to the ARB process.

Additionally, Management has shared with the Board President the current ARB Guidelines & the ARB FAQ document posted on the community website. At present the Board President is preparing some suggested changes to both documents. Once ready those suggestions will go to the full Board & later the full ARB. Any approved changes to the ARB documents will be posted on the community website.

Finally, two decisions of the ARB were overturned by the SVHOA Board. This was because the affected homeowners appealed, as is their right, to the SVHOA Board of Directors. These decisions (to overturn) happened on September 11<sup>th</sup> & appropriate information was posted on the community website.

### Alleyways

Nothing to report this cycle, other than HOA Management is suggestions a 15% increase in dues for 2020 as part of the 2020 Budget cycle. This recommendation will be reviewed by the Board Treasurer.

### Website

Management continues to update the website as needed. There is no charge for these services. Additionally, over 1650 individual e-mails have signed up to receive electronic newsletters from SVHOA. MailChimp is now the e-mail system SVHOA is using for communication.



### Condos

Nothing to report this cycle, other than HOA Management is suggestions a 15% increase in dues for 2020 as part of the 2020 Budget cycle. This recommendation will be reviewed by the Board Treasurer.

### Townhome I

Nothing to report this cycle, other than HOA Management is suggestions a 15% increase in dues for 2020 as part of the 2020 Budget cycle. This recommendation will be reviewed by the Board Treasurer.

### Townhome II

Trim painting & repairs for TH2 will happen in late 2019, per direction from the Board. Additionally, some urgent roof repairs will be done on parts of the TH2 units per findings from the annual roof inspection the HOA conducts each year. Chief Roofing has been given the contract for this work. This work is set to begin on September 30<sup>th</sup> & will last about two weeks. Communication (letters, e-mails & website postings) have already gone out to all the affected unit owners/residents.

Next, HOA Management is recommending 15% dues increase for the 2020 Budget.

### Westend Townhomes

Juan Carlos & team have finished all exterior trim work on the 900 block of Highgrove. The team is nearly done with the 1000 block of Highgrove. HOA Management has been on-site each day to check-in with the vendor. Additionally, Rana has stopped by often to review this work. Rana has been very pleased with all the trim work that was done to date for Westend THs.

Special note, once the 1000 block is done no more exterior work will be provided by the HOA for the next six years (other than to repair a roof leak). This proactive replace of all trim with PVC has been expensive in the short term, but the long-range financial models suggest it will yield significant savings in the future for all Westend THs owners.

Next, HOA Management is recommending 15% dues increase for the 2020 Budget.

### Highgrove Townhomes

Per SVHOA Board direction the exterior trim project has been delayed until 2020. The SVHOA Board is working with the ad hoc group of Highgrove THs owners to come up with a new plan for dues, repairs & longer-range planning on reserves. The next step in that discussion is at the November SVHOA Board



### Highgrove Townhomes (continued)

meeting. HOA Management has strongly suggested this ad hoc group select one leader to act as an official liaison with the SVHOA Board going forward. Additionally, HOA Management continues to point this group to the community website to find the wealth of data available to all concerned members of SVHOA. The website has over 10 years of meeting agendas, meeting minutes, manager reports, etc.

Next, HOA Management is recommending 15% dues increase for the 2020 Budget.

### Complaints

As per Board direction, complaints are shared monthly (end of each month) with the Board President. Additionally, a full list of all complaints is shared with the full Board prior to each Board meeting.

### Other

Landscaping bids received from 4 vendors (Ruppert, US Lawns, Brightview & Bland) for 2020, 2021 & 2022 services. All prices show an increase from 2019 rates. Management shared findings (including pricing), along with a recommendation to the Board President & Board Treasurer last month. Based on the information HOA Management has received & reviewed the recommendation is to consider either Ruppert Landscape or BrightView Landscaping for 2020, 2021 & 2022 services.

Next, at the SVHOA Board's request, Management has securing bids from Ruppert Landscape for trail (path) improvements for the two natural paths off of (1) Highgrove Park (leading to Culbreth Middle School) and (2) Fan Branch Trail (leading to Culbreth Middle School); these bids have been shared with the Board President & Board Treasurer. The SVHOA Board will need to advise on next steps.

Last, Management has spent a tremendous amount of time supporting various questions from owners of the Highgrove THs. Literally hours & hours of time are being spent to answer questions for many of the owners. Often the questions are the same. Management continues to ask for very clear direction on how exactly it should be supporting Highgrove THS now & into the future.



### 3Q19 Highlights

The following items were successfully done for the SVHOA in June, July & August:

- Ponds serviced monthly (July, August, September, with no maintenance issues to report)
- Supported 2 Board meetings, one in July & a second one in September
- Supported 1 meeting with members of Highgrove Townhomes, one meeting in August
- Supported 3 ARB meetings, monthly in Jul, August & September
- Assisted with 1 affirmation of an ARB decision, which was appealed to the SVHOA in July
- Assisted with 2 overturning of ARB decisions (were appealed to the SVHOA Board in September)
- SVHOA Collections (aging) tightly managed (compares to 2019 are favorable)
- Helped the SVHOA Board Treasurer with one-unit collection at the very end of the process
- Successfully managed the TH1 roofing contact with Chief Roofing; 16-unit roofs replaced in July
- Successfully managed Westend THs trim project (proactively replacing wood trim with PVC trim & then painting all trim); project is now complete on the 1000 block (of Highgrove); the 900 block (of Highgrove) is nearly done (note, final work will happen in very early October)
- Continued supporting the SVHOA Townhome Committee, with Rana Singh serving as Chair; biggest topics: (1) trim projects, (2) roofing projects, (3) proactive roof inspections, (4) HG THs irrigation, (5) creating new rules for annual gutter cleanings, (6) creating, sharing & educating stakeholders on long range (ex, 25 years) financial planning models for all 141 Townhomes
- Worked with 4 vendors (Ruppert, US Lawns, Bland & Brightview) for 2020 landscaping bids
- Managed annual alleyways repairs performed by Asphalt Enterprises; all work done in August
- Financials: provided 1<sup>st</sup> pass of all budgets (7 total) for fiscal year 2020
- Reserves: provided long range (ex, 25 years) financial models for all townhome groups (4 total), common areas & alleyways; data was tied out with all relevant stakeholders; going forward HOA Management, lead by Tara Furze, will update these models & share with SVHOA Board Treasurer (Alan) as required
- Audit: the SVHOA successfully completed the audit of its financials for fiscal year 2018; this was done by very strong support of HOA Management, most especially Tara Furze
- Transition to Mill House Properties: with the merger of Berkeley Property Management & Mill House Properties, effective in late August, all parties have successfully merged all HOA Management operations under the ownership & direction of Adam Jones; note, all Berkeley Property Management staff (Patsy, Michelle, Tara & Peggy) remain in their current roles



**SVHOA Work Orders Opened Since Last Report**

<u>Address</u>	<u>Item</u>
103 Westside Drive	Wood rot
123 Nolen Drive	Wood rot
403 Copperline	Inspection report
Westend TH	Riser room door replacement
Westend & Highgrove THs	Riser rooms cleaned