

# Community & BOD Minutes

## Countryhouse Service Group V, Inc.

**DATE** September 17, 2024

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**TIME** 9:30 am

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**MEETING CALLED TO ORDER BY** Larry Hicks, President

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### IN ATTENDANCE

Board members: Larry Hicks, Suzanne White, Tom O'Connell, Diana Sinisi, Glenn Alexander, Martha Martin  
Quorum established.

Committee Chairs: John King, Dell Ford, Betty Robie

Mill House Director: Michelle Johnson

20 HOA members who introduced themselves

### MOTION TO APPROVE THE CONSENT AGENDA

**Motion 09-08-24, Approved 9/17/2024**, Diana Sinisi moved to approve the consent agenda with one change to Motion 09-02-24: change the approved vendor from Kingsford to CTI. Tom O'Connell seconded the motion. All others approved.

### PRESIDENT'S REMARKS, LARRY HICKS

- **Landscaping RFP** – 3 proposals have been received. The Board and the Landscaping Committee will meet to review and select the vendor.
- **NC Forest Service** – The NC Forest Service is doing 2 surveys on our grounds. We will use these reports as part of our assessment. We are forming a separate Tree Committee to fully evaluate these needs. The 2024 Budget is \$60k a year and this is tight.
- **Roofing Update** – Roofing Update – We have identified 25 units for re-roofing this year and 17 roofs for 2025. At that point, we will have replaced the 70 oldest roofs that had 25-year shingle warranties. The 2024 replacements will start within a couple of weeks. Mill House will notify residents.  
After next summer, 2025, there will be a two year pause in re-roofing to replenish our financial resources before moving ahead. This is a similar pattern as occurred with the previous replacements in early 2000. The entire townhouse roofing project is scheduled to be completed in 2034, on or before the end of the shingle warranties. Meanwhile, we will continue to address roof issues if/as they occur. We are well within our replacement schedule and progress is ongoing. The proposed roof schedule will be posted on AppFolio. As the project continues, there may be adjustments to this schedule.
- Paving has been removed from the capital projects list, in deference to other capital projects on the current list, including roofs, drainage, and eventually siding. Instead, annual monies will be set aside for paving repairs as needed.
- Internal and External audits on our 2023 Budget are planned to be completed this year, or early spring 2025.

## **TREASURER'S REPORT, MARTHA MARTIN**

We continue to reconcile the method for journal entry being used by Mill House. There is a monthly variance showing bookkeeping differences between the HOA methodology and the PM methodology: Cash vs. Accrual Basis. The current fund balance is accurate. The internal audit is presently underway.

The budget continues to operate in the black for fiscal 2024 and we are on track with the Roofing Project without any pauses in work and are able to fill the full slate of roofs to be replaced this year. Once we have confirmation of which new landscape vendor will serve Countryhouse and an estimate on our insurance rates for FY2025, we will be able to finalize the 2025 budget. As per our usual schedule, the community will be presented with the budget in November at the annual meeting.

## **PROPERTY MANAGER'S REPORT, MICHELLE JOHNSON**

- Garage windows are being installed by Kingsford.
- Delayed - Chief Roofing planned to start re-roofing on September 17<sup>th</sup> but is delayed due to recent rains. Mill House will issue a schedule to the community.
- Four companies showed up to the landscaping pre-bid meeting. Three companies provided quotes.
- The landscaping committee has started providing weekly updates to the community. The community is grateful.
- HOA owned decks that need repairs have been identified. The Maintenance Committee inspected and most of the repairs are minor. However, there are some that require major repairs. Those that have not been maintained and are moss covered need to be maintained by the homeowner.

## **VOLUNTEERING, TOM O'CONNELL**

- The seats of two Board members will be open in November. Please contact Tom O'Connell if you have an interest in joining the Board of Directors to help manage Countryhouse.

## **OPEN FORUM**

Martha Martin introduced the panel:

- Robert Taylor, Insurance Broker with the Morris Agency (HOA Insurance Carrier)
- Matt Phillips, Insurance Broker with State Farm (Pat's insurance agent)
- Pat Arnold, Countryhouse homeowner and retired insurance industry expert and professor of insurance.
- Martha Martin, Countryhouse Treasurer.

The insurance agents gave a brief bio of their services. The presentation and handouts are available on our website: [www.countryhousehoa.org](http://www.countryhousehoa.org)

Pat Arnold explained that there are two parts to an insurance policy: (1) one part for physical damage to the structure (dry wall out) which is covered by Master policy and (2) internal structure covered by the homeowner's policy. We covered what the HOA policy covers, received a description of exactly what an HO6 policy is vs. an HO3.

Pat Arnold presented the information on the slides and reviewed the handouts. We discussed the "supplement" to add to your homeowner's insurance policy which will cover the deductible of the HOA policy should you have a claim against the HOA policy. An important supplement that can be acquired from your personal insurance broker for a small amount of money each year (an additional \$10- \$15/year to your homeowner's policy. We learned that standard insurance policies do not cover earthquakes and floods, as we discussed Foundations, which are not covered by Master Policy – earth movement, mud slides, flood are not covered and are not considered to be insurable in most states. Pat and Martha want to do more research on this for our homeowners to confirm. But this makes maintenance even more important. The homeowner must let Millhouse know when roots are growing up under the foundation so action can be taken to protect the foundation. We learned that the HOA master policy covers the "dry wall out" at an estimated \$180/SF plus blanket coverage. The good news is that between your own homeowner's policy and the HOA policy you are 100% covered for total replacement, if that were ever necessary.

Pat Arnold recommends that you secure a policy that will cover 60% minimum total replacement for your homeowner/HO6 policy. The HO6 covers the interior contents and the loss assessment endorsement on your HO6 will cover the Master Policy deductible of \$25,000. Be sure to include the contents of your garage in your homeowner's policy. The HOA owns the garage, but you are responsible for the contents you store within the garage.

### **Questions and Answers**

Betty Robie asked if settling and/or foundation damage caused by common area drainage and erosion is covered by the master policy. The agent wasn't sure and will get back to us.

A resident asked about the difference between HO3 and HO6 policies. The HO3 for full house and townhouses in NC where a homeowner maintains their own exterior. With an HO3, you may be over insured. Check with your broker. The insurance agent recommends using an HO6 (condo insurance) for our townhouses.

Is an HO6 more expensive than an HO3? Generally, no. HO6 policies are known to be more affordable. But it is an individual assessment of your home, and each home may vary depending on what you own and what you are covering. Your carrier needs to understand where you live and what you need to insure (e.g. an expensive art collection, jewelry, etc.).

The action you need to take when something needs to be repaired is to (1) call Millhouse and (2) if needed, call your insurance agent. There is not a need to call the HOA insurance agent. Millhouse and your personal insurance agent will handle those negotiations for you.

### **NEXT COMMUNITY & BOD MEETING**

October 15th at 9:30 AM, The Gathering Place

10 AM Meeting Adjourned.

Respectfully submitted,

Diana Sinisi, Secretary

#### Abbreviations:

CSG – Countryhouse Service Group V HOA

HOA – Homeowner's Association

BOD – Board of Directors

RFP – Request for Proposal

HOG – Homeowner's Guide

FHA – Fearington Village Homeowners Association