



Board of Directors

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HOA Management Company

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HOA Regular Board Meetings

Board Meetings are typically held the second Wednesday of each month and are open to the public. Please contact Tom at TRAC Management if you would like to speak or bring an issue before the Board so that we can put this on the agenda.

Speakers are allowed 5 minutes to present their questions or concerns.

SAVE THESE DATES!

Community Roofing Meetings

6:30pm Monday, August 19, 2024
6:30pm, Monday, September 23, 2024

DEADLINE FOR VOTES ON RE-ROOFING

Friday, October 4, 2024

Got Your 2024 Parking Sticker?

If you need a current parking sticker for 2024, please visit canterburycarrboro.com and go to the Essential Info page to register your vehicle.

Each unit can register up to two vehicles. Owners can apply for a third vehicle for an additional \$50 but availability is not guaranteed since Canterbury has a limited number of parking spaces available per unit. *There will not be assigned parking spaces.*

For more information visit the
canterburycarrboro.com

Canterbury Communications

Summer 2024 Canterbury Townhome Community Newsletter Vol 4, Number 3



Update from the Long-Term Planning Committee

In order to be able to better address questions and concerns that owners have about the funding needs for the re-roofing and other long-term infrastructure repairs, members of the Long-Term Planning Committee held several Zoom meetings to give owners a chance to voice concerns about the roof project. Here are their findings and responses from the Board.

Between individual calls, parking lot conversations, emails and drop-in sessions, the committee spoke with 27 owners. It was not stated specifically, but we are assuming that we got as much candor from owners as we did because feedback was confidential, so there is no identifying information included here on who we spoke with or when.

The majority of these owners felt that the initial quote for the Special Assessment based on the Reserve Study by the engineering company at \$6k per unit and included repaving and other projects was too high and these owners are interested in finding a more affordable solution.

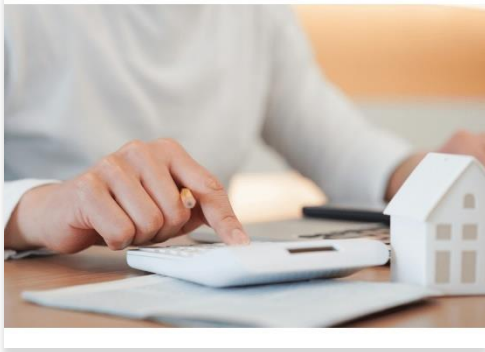
Most felt that the Special Assessment cost should only include the roof project, not other long-term issues identified in the engineering study such as the parking lot paving and landscape walls. **This is certainly an option to be considered if owners realize that more assessments will be needed for these other repairs. One plan could be to vote for several assessment installments over the next 3 to 5 years.**

Some expressed the opinion that the estimates of what the Special Assessment will cost should be based on specific quotes generated for our property, not based on the engineering study. Ideally 5-10 quotes should be considered. **All plans have been based on actual quotes received from multiple companies in addition to the aggregate of more than 50 local companies provided by the Reserve Study engineers. Assuming the assessment vote passes, we will ask several companies to bid again on the project, and then select a company based on cost and quality.**

So, while we are in the process of updating our quotes again for the Fall vote, quotes are usually only good for 30-60 days. We must keep in mind that the quotes could change again in Spring 2025.

Several different folks indicated that even the \$4k per unit assessment is still too high, based on conversations they have had with roofers. **However, cost differences may be a result of companies providing low ball quotes without the quality standards we should expect. Historically, the reputable estimates are consistently at \$4k per unit.**

Some felt that the bids should look at different types of shingles or other long term roofing materials, which may cost more in the short run but may save money in the long term. **We have received quotes for shingles and metal and can present this to the community. Metal is more expensive but lasts longer and may be worth the investment.**



Will the project be more affordable if it is done in stages, or will it be more affordable if it is done all at once? **That is a detail that we will better be able to answer once we get specific quotes.**

Are “payment plans” an option? Can owners pay in installments? Do roofing companies offer any financing? **We are looking into this, but it is doubtful that a roofing company would offer individuals financing or installation payments. There are home equity loans available through banks that could give homeowners a way to make payments on this. Information was provided about this last year, and we will continue to share what we find out. However, homeowners will need to talk to their bank to see what is available to them and what they qualify for.**

OTHER CONCERNS & QUESTIONS

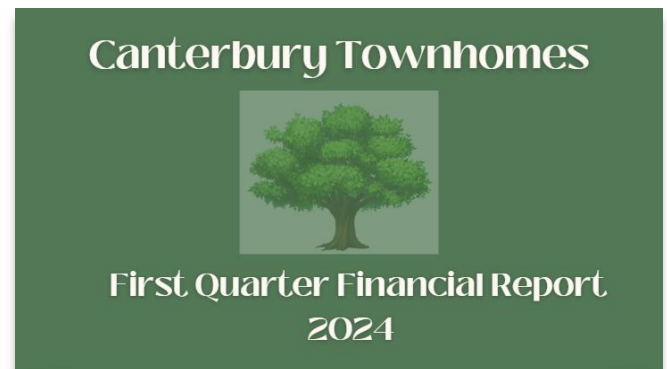
Some owners expressed a desire for more financial information delivered to them by email and the website. **In response, the Board, LTP Committee, and TRAC has worked to create a detailed quarterly report to be emailed to owners and posted to the website. The first of these reports went out at the end of June.**

Are there other ways that the community can generate revenue so that we are not so dependent on annual HOA dues and special assessments? **According to the current Covenants of the community, the HOA can only generate revenue through dues and assessments. We have sent questions about this to the HOA attorney for review.**

Can we increase the transfer fee when a property is sold? **We are exploring this with the HOA attorney. We may be able to add a “Capitalization Fee” that would put money into the Reserve at the closing, but most likely would require a change in the Covenants.**

There are some HOA rules that are not being enforced (Airbnb, storm doors, AC window units, derelict cars)- can the HOA fine owners who are not in compliance? **While fines can be charged for violations, this is not a good source of revenue for the HOA. The Airbnb issue is a difficult one because we have rules in place that say there cannot be rentals under 30 days. Unfortunately, there is not a good mechanism for Airbnb enforcement for people who knowingly flaunt the rules.**

In conclusion, the LTP committee, Board and Trac Management have created a new set of Roof Replacement RFPs (Requests for Proposal) to get up-to-date figures and answers to some of the questions that have been raised by members. With this information we will put together a comparison chart of the quotes/features that will be shared in the upcoming meetings planned for this fall. These conversations have generated a list of questions for the HOA attorney, Michael Ganley of Bagwell, Holt, Smith, who will provide guidance and will be available at the upcoming meetings. The Board thanks all the owners who responded and to the LTP committee who generously gave their time to listen and report the findings.





Good News About Our Water Meters

In 2021, the CTHOA Board and management was faced with community water bills that ranged between \$8,000 and \$10,000 per month. They had been creeping up in recent years but between unreported water leaks, pipe breaks, and increasing costs from OWASA, this became the single largest expense for the community. It was literally draining the bank account.

The decision to install individual water meters was a tough one but seemed to be the only fair option for both the short-term and long-term health of the community. Members agreed but asked for a delay until 2022 to put this into action and therefore, the water meter installation occurred in July 2022.

The meters and installation cost approximately \$50,000 and were paid from the General Reserve Fund. Within months, we began to recoup money from the EBS collections. In fact, we were able to replace the \$50,000 in the General Reserve Fund plus an additional \$20,000 to the Emergency Repair Reserve Accounts. A total of \$70,000 in savings!

This action has been a significant help to the HOA as:

- The OWASA water bills have dropped by about \$3,000 per month on average (Est \$36,000 per year)
- Outside water leaks are discovered and fixed quicker
- The significant but unreported water leaks in units were found and fixed
- Is fairer to all owners and residents as they pay for what they use and not their neighbor's usage.
- The funds not directly spent on the OWASA bills have helped keep the need for a significant increase in the General Budget and allowed us to concentrate on special funding issues for new roofs and other long-term repairs.

One question that comes up is: ***“will the payments from owners for their water usage ever fully cover the OWASA bills?”*** The short answer is “no”. For one thing, the OWASA bills may not be fully covered by individual usage (see below). The HOA must cover the difference between collected and billed. Also, there will always be some people that get behind on their payments to EBS (they eventually catch up – but there is not an exact match of payments to bill on a month-to-month basis). There may be some unidentified leaks and will be new leaks outside of the units, and there will be times when the HOA needs to use water such as repair clean up and when power washing when needed (but the HOA will try to avoid using someone personal water line that is metered – or need to offer to reimburse them).

The water meters have saved the community money, saved thousands of gallons of water from leaks that were repaired, and has given the community some control, fairness, and accountability for water usage.



A History of the Canterbury Reserves

In the conversations members had this Spring with the Long-Term Planning Committee, there were some questions about how money in the reserve accounts had been used. The **Operating Account** is just that, the money needed to pay for the anticipated expenses of the annual budget. The **Reserve Account** is the savings for the community that is there for emergency expenses or large capital improvement expenses that will not occur again for many years. Prior to 2017, there was only one reserve account for various reserve items, but this was a cause of confusion for the specific purposes with earmarked amounts –

including **Water Line Repairs Reserve**. People kept seeing one “pot of gold” forgetting about the encumbered funds. Additionally, the accounts at Bank of America (BOA) were special commercial accounts required for the way the HOA had to handle payments in the past.

Thanks to TRACs management and BB&T (now TRUIST) the HOA was able to **add Truist HOA Services** (a way to collect the assessments through the bank instead of the management handling checks directly – with payment options for the owners including Auto draft and CC), a less costly Operating Account, and two new Reserve Accounts (savings) with dedicated purposes. A **Contingency Reserve** earmarked for emergency situations (Gov Regulations, Significant events like Storm or Fire) and a **Water Line Repairs Reserve** created from the 2008 amendments (earmarked to back up the general funds for significant water line breaks). This also allowed the HOA to convert the BOA Reserve Account to a standard savings account and reduce the bank fees. The Operating account at BOA was transferred to Truist and closed at BOA. The net effect on the Reserve at BOA was the balance was reduced appropriately with the remaining funds properly earmarked for **Capital Improvements and Long-term Repairs** (its true intended purpose).

When possible – additional funds were deposited, but there were also some significant withdrawals for Capital Projects including:

- Rebuilding retaining wall on Friar Lane (directly behind units) that required special engineering (2019)
- Purchasing new mailbox units and building the gazebos to house them. (2019-2020)
- Repaving and striping the parking lot (2019)
- Rebuilding stairs, walls, and sidewalks following major waterline breaks (multiple years)
- Removing and installing new shutters throughout the community (2019)
- Installing individual water meters in all 112 units (2022)

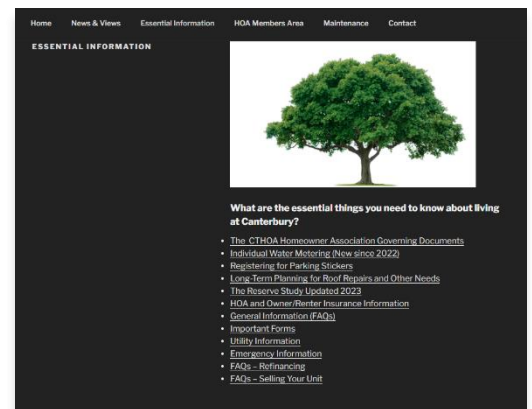


There were a couple of years when funds were deposited into the other reserves as they needed funding as well. Generally, excess funds in the General Fund are moved into whichever Reserve account the board determines has the most immediate need.



Make Regular Visits to the Canterbury Website

We are committed to keeping members updated about everything you need to know on the Canterbury website. As you know, printing is expensive, and we will print what is necessary but the most economical way for us to share information is through the list serve and website. We’ve been updating and reorganizing information to make it easier to find.



One new category is called **“Essential Information.”** A lot of this information was only available behind the password of the Member Area but because it affects home buyers, tenants, and others who are not owners, we want to be sure it is easily accessible. Most importantly, we will be updating the site with information about the Roof Project as well as other Long-Term Planning information that will be needed for the Community Vote to be held on this in the Fall.