

**Minutes  
Board of Directors  
Orchard Villa Homeowners Association  
Grand County Library – 257 E Center, Moab, UT  
Board Room  
November 21, 2015 – 9:30 a.m.**

Board members present: Alan Gillette, Gail Solomon, Marc Thomas, and Ron Trimble. Also in attendance: Jerry Weber, Landscape Committee Chair JoAnn Simbeck and Board Secretary Helen Thomas.

President Marc Thomas called the meeting to order at 9:38 a.m.

Approval of Minutes

A motion was made to approve the minutes from the September 19 and October 24, 2015 Board meetings as written. The motion was seconded and passed.

Landscape Committee Report

JoAnn Simbeck provided an update on landscaping. She has been working on the new groundskeeping contract with Frost Landscaping. Frost originally proposed a three-year deal, but Orchard Villa is only willing to commit to a one-year contract. The Landscaping Committee recommended that tree maintenance be excluded from the new contract since Frost is not as proficient in this area. However, Frost would not agree to this stipulation in a contract that was for only one year. JoAnn and Marc will meet with Frost in early December to go over and sign a one-year contract that includes tree maintenance and no increase in cost from last year.

JoAnn made a request to purchase and plant six trees in the common area. The original plan was to purchase and plant trees in the spring. However, Kara of Wildland Scapes recommends planting new trees in the fall. According to Kara, the roots will usually grow deeper, resulting in a healthier tree. JoAnn expects the trees to cost about \$260. Jeff would dig the holes, but it was not known whether Orchard Villa would be charged for this. Alan Gillette noted that purchasing the trees would not have a major impact on the budget. Although we are slightly over budget on the landscape improvements line item, we are about \$7,000 under budget overall. There was discussion about where the trees would be planted, and six locations were identified.

Several concerns were raised and discussed. Ron Trimble asked whether the trees would be under warranty. Trees can usually be purchased with a one-year warranty. Alan raised a concern about whether Frost could dig the holes in time to plant the trees this fall. Several of the trees to be purchased are ash trees. Gail Solomon noted that there is an ash pest that is currently on the Front Range that could be in the Moab area in a few years.

A motion was made to approve the purchase of six trees under the following conditions: the trees must have a one-year warranty, and Jeff must be able to dig the holes within the next week. The motion was seconded and passed.

There was additional discussion about trees. A representative from the Grand County Extension Service looked at our trees recently and said that they were not in good shape. The trees should ideally have a separate water line and watering schedule. This would be very costly however. A lower-cost alternative suggested by Kara is to use tree watering stakes. Each stake costs about \$13, and two stakes per tree should be sufficient.

The corkscrew willows near 479 Alberta Court were discussed. They are large, old trees and their health is questionable. The Grand County Extension Service representative recently looked at these trees and recommended that they be taken down. A similar assessment was made about seven years ago. It was suggested that the trees be pruned first before taking any other action.

### Financial Report

Marc reported that the HOA currently has \$22,635 in checking, but several major bills will be paid out of this account soon. The balance in the reserve accounts is currently \$79,251. There are no overdue assessments.

### Old Business

Alan provided an update on recent maintenance work:

- A water line break was repaired on Alberta Court. The cost was \$1,800, which was higher than usual since a tree had to be removed. The water bill was about \$400 higher than usual as a result of this break. Marc has submitted a request to the City for credit for the excess amount billed.
- Roof repairs were needed at two units, 642 and 686 West Hale. The cost of the repairs is not yet known.
- The gutter was repaired on the building where 688 West Hale is located. The cost was \$75. The HOA does not usually cover gutter maintenance costs. However, the Board decided to pay for this repair for several reasons: the gutter is attached to multiple units and it was not clear who had originally paid for it; it was important to repair it in a timely manner to prevent further damage and some of the units were vacant; and it was an inexpensive repair.
- The RV parking lot fence was evened out.

Marc briefly reviewed the annual meeting. He was pleased with the meeting overall. The three open Board positions were filled. It was helpful to have Moab City Manager Rebecca Davidson at the meeting to answer questions about the *Entrada at Moab* development and water line easements.

In other old business, Alan noted that the motion sensor lights will be installed in the pool area soon. These lights should help to deter vandalism. There was discussion about the pool lock and how to prevent intruders from reaching over the gate and opening it from the inside, since the new keypad lock only locks the gate on the outside. Additional research is needed to see what other designs are available for gate locks. Until then, a bicycle lock can be used to keep intruders out after hours.

### New Business

Alan led a discussion on the draft 2016 budget. He reviewed a handout showing the proposed budget for 2016 alongside 2015 expenditures to date, estimated expenditures for the rest of the year, and the differences between what was budgeted vs. what was spent. He recommended that the 2016 O&M budget be set at \$122,000 (vs. \$120,000 in 2015). He explained the factors driving the changes from 2015 and reviewed each of the 2016 line items with us.

He proposed a reserve fund budget of \$57,000 (vs. \$54,000 in 2015). This amount is in line with the 2015 budget plan, which forecast 2016 reserve expenditures of \$57,026. Alan displayed a reserve funding profile graph, which showed the reserve contributions, expenses, and balances from 2015 through 2030. Alan then reviewed a handout showing the reserve projects planned for each year through 2030.

Alan raised a concern about roof repairs. We are currently addressing individual roof issues on an as needed basis, and do not have roof replacement incorporated in the reserve plan. Alan recently obtained estimates for overhauling our roofs and found that it would cost about \$25,000 per building. This work is recommended when the buildings reach 30 to 40 years of age, so it should be considered for the oldest buildings in Orchard Villa within 10 years. There was talk on how this expense could be funded by the reserve without resorting to a special assessment. Ron suggested that we approach the city of Moab about possibly taking over the maintenance of Orchard Villa streets. Another possibility was to postpone some of the planned fence projects. This topic will be considered again during 2017 budget discussions.

A motion was made to approve the 2016 budget as presented with the following adjustments: reduce Legal and Miscellaneous by \$500 each so that the O&M budget is \$121,000, and raise reserve funding by \$1,000 to \$58,000. The total budget would be \$179,000, resulting in a 2.9% increase in assessments. The motion was seconded, but was not approved. The main concern with this budget was that the 2.9% increase in assessments was above the preliminary 2.7% increase that has been communicated to homeowners at the annual meeting.

Alan will prepare some additional budget alternatives to try and get the assessment increase lower. The budget needs to be approved by about mid-December, either by e-mail or in a formal meeting. The Board will communicate via email to determine whether a December meeting is needed.

Alan suggested that the HOA consider electronic funds transfer for the payment of homeowner assessments. It could save money and might be more convenient for some homeowners. This topic will be discussed at a future meeting.

#### Comments from Homeowners

Jerry Weber asked to be notified about future Board meetings via email.

The meeting was adjourned at 12:00 p.m.