

**Orchard Villa Homeowners Association
Minutes, Annual Meeting
Grand Center Conference Room, Moab UT
October 23, 2010 – 1 p.m.**

Board members present: President Marc Thomas, Treasurer Connie Baty, and Secretary Chris Ensworth. Board members Mike Stringham and Bill Topper were absent.

Homeowners present included: Herb and Barbara Crossan, Carol Baer, Christine Kallmeyer, Gail Roy, Audie Harper, Catherine Shank, J.D. Wilson, Craig Hibberd, Sue Noah, Hub and Fran Davis, JoAnn Simbeck, Rock and Sherrie Smith, and Helen Thomas.

President Marc Thomas called the meeting to order and declared a quorum present with 13 homeowner units represented in person and 29 by proxy. Board members and homeowners introduced themselves. Chris Ensworth issued ballots to homeowners as they signed into the meeting for the purpose of electing two members to the Board. Handouts were also available that summarized the proposed 2011 budget.

President Marc Thomas made a motion to approve the minutes from the October 24, 2009 annual meeting. Treasurer Connie Baty seconded the motion. The motion was approved unanimously.

President Marc Thomas announced that the Association had \$44,873 in its bank accounts as of October 23, 2010. A little over \$6,000 was in its operations checking account, while the reserve fund contained \$12,516 in a savings account and \$26,327 in Certificates of Deposits.

Secretary Chris Ensworth reported that maintenance projects completed in the past year included repairing and patching a soft spot on West Hale Avenue (\$13,633) and crack sealing all roads (\$1,500); pouring new concrete entrances for the RV parking lot and a concrete pad at the pool house (\$4,880); painting the pool fence and bathrooms (\$5,300); and inspecting and repairing the roof tiles on all buildings (\$3,300).

Additionally, she reported that a utility survey was conducted for the area on North Hale between Buildings 13 & 14 in order to study the feasibility of installing a storm sewer drain there (\$1,215). However, she said the neighboring rafting company had installed a new septic system in the way of the proposed pipeline path, thereby eliminating the feasibility of that option.

Chris Ensworth said the Board had planned to have a new pool liner installed next spring, based on the 14-year age of the current liner and a recommendation that it be replaced following an inspection by Gary Walters, a homeowner knowledgeable on the issue. The Board then voted to move the installation of the new liner to this fall, because the contractor offered us a 22 percent discount if we did. With the discount the cost of the liner was \$7,832.

On the landscaping front, the Board decided to plant photinas in the RV screen line to create a single hedge like effect (cost: \$1,529). At the recommendation of the Landscape Committee, the extra plants (arbor vitas and cedars) were transplanted to the 400 North entrance and west of the pool house, along with additional landscaping, at a cost of \$2,300. Unplanned expenses included \$1,200 to repair a broken water line at Building 15 and fence repairs because of high winds that cost \$2,200.

This year, the Board also set a goal to conserve 20 percent on water use. However, after a survey of the sprinkler system was conducted by Board member Bill Topper and volunteers from the Landscape Committee, it was determined that the sprinkler system, in Bill Topper's words, "was a mess." As a result,

the board hired a contractor to dig out and adjust sprinkler heads. Over 200 sprinkler heads and five valves were replaced, and the size of numerous nozzles was adjusted to match the area to be watered. The cost for this project was \$7,055 in labor and about \$2,500 in parts.

Marc Thomas explained the Board's preliminary budget proposal for 2011. Since the annual Operations and Maintenance (O&M) expenditures account for three-fourths of the budget, changes made there have a sizable impact on how much assessments increase, he said. The Board hopes to reduce the O&M budget by two percent by taking the Association's insurance coverage to bid and by hiring one contractor to handle all of the maintenance of the common area. He explained if the new contractor for the common area works out, his price will remain the same for five years and it would greatly simplify management of the common area, which now takes a half dozen contractors to maintain. Catherine Shank said \$36,000 a year is a lot of money to spend maintaining the common area. She suggested the Board consider xeriscaping the area in the future.

The Board has a goal of raising the reserve fund by 8 percent each year to make sure there is enough money on hand for the big projects scheduled to begin in ten years, including repaving the streets, and to avoid the need for special assessments, Marc Thomas said. As a result, the Board estimates that the 2011 budget will increase assessments 3.9 percent to fund a total budget of \$150,054, split \$111,195 for Operations and Maintenance and \$38,559 for reserve projects. If approved, this would raise assessments for two-bedroom units by about \$70.00 a year and \$84.00 a year for three-bedroom units. He said if the Association could stay within budget, the increases should stay at about the same annual rate of change for the rest of the decade. He added that the Board would continue working on the 2011 budget until it was voted on at its December meeting and that any suggestions/recommendations from homeowners were welcome.

One Reserve project planned for next year includes repairing and staining the fence line on 500 West behind Alberta Court, then continuing around Alberta Court to the west side of the RV parking lot. The second project will be to paint the doorjamb and garage trim on the phase two units on North Hale Ave, Chris Ensworth said.

Carol Baer said she did not know why she made the effort to come to the annual meeting from out of town since homeowners were not allowed to vote on the budget. She said they had been allowed to vote on the budget in the past. She also said she believed the Board needed broader representation and should be expanded to seven members. Chris Ensworth replied that the governing documents of the Association require the Board to develop a balanced budget and pass it annually, the same process that is done for city, state and federal government. Marc Thomas said that as the duly elected representative of the Association, the Board would not finalize the budget until December and all suggestions were still welcome.

Craig Hibberd suggested the Board consider charging a fee for parking in the RV parking lot, as a means of raising revenue. JoAnn Simbeck asked the Board to consider allowing homeowners to install motion sensor lights on the exterior of their units, as a way of trying to reduce the number of the thefts occurring in the neighborhood and across town.

Catherine Shank noted that \$36,000 was a lot of money to spend on maintaining the common area. She recommended for the second year that the Board take a serious look at xeriscaping in the common area to reduce the cost of maintenance and watering.

Secretary Chris Ensworth tabulated ballots and reported Connie Baty and Barbara Crossan had been elected to serve three-year terms on the Board. Each received 38 votes. The meeting was adjourned.