

Orchard Villa Homeowners Association (HOA)
Minutes, Annual Meeting
Grand Center Conference Room, Moab UT
October 22, 2011 – 1 p.m.

Board president Marc Thomas called the meeting to order at 1:05 PM, declaring that between the number of homeowners present and proxies received by the Board, a quorum existed.

Board members present: President Marc Thomas, Treasurer Connie Baty, Secretary Chris Ensworth, and Barb Crossan. Board member Bill Topper was absent.

Homeowners present: Gail Roy, Helen Thomas, Diane Mackey, Charlie Mackey, Judy Turner, Christine Kallmeyer, Gail Rushing, Paul Dremann, Victoria Fuget, Carol Baer, Joann Simbeck, and Bob and Jhonnie Taylor representing homeowner Dottie Wilson.

Board members and homeowners introduced themselves. Ballots were issued to homeowners as they signed into the meeting for the purpose of electing one new member to the Board.

Marc Thomas made a motion to approve the October 23, 2010 annual meeting minutes as written. The motion was seconded and approved.

The Board thanked outgoing member Chris Ensworth for all her work on behalf of the HOA and presented her with a card, gift certificate, and flowers.

Financial Report:

At the time of the meeting, the Board reported that the Association had \$65,733 in its checking and savings accounts, with \$31,455 of that amount set aside in the HOA's reserve fund.

Old Business:

The Board reported on three reserve fund projects in the last 12 months:

1. In October, the doorjambs for the units on North Hale Ave. were repaired and painted, along with additional touch-ups of exterior doors and walls at other buildings.
2. Also in October, the Association had the entire exterior fence line repaired and stained.
3. A new pool liner was installed in late 2010, a few months earlier then planned, to take advantage of a 20% discount from the contractor.

The Board also reported that a year ago, it hired one contractor to do all groundskeeping tasks: mowing, trimming, watering, etc., so that landscaping costs were kept under one umbrella. Because we signed a 5-year contract, it stipulates that the annual flat rate we pay will not rise over the life of the agreement.

Several homeowners voiced concerns about over-watering, saying that even in July and on hot, sunny afternoons, it's swampy behind their units. Joann Simbeck and Diane Mackey suggested setting a goal to reduce water use, but Marc Thomas said the Board had already passed a resolution to cut usage 20% by everyone, including homeowners. Connie Baty proposed that the landscaping contractor be held accountable to meeting this goal.

Regarding other landscaping issues, Victoria Fugit said that certain things have to be done at certain times of the year, and we should prepare a seasonal punch list for the contractor to follow. It was proposed that the HOA Landscape Committee give the board a list of what needs to be done when, and that the Board provide sufficient oversight to make sure the tasks get done.

New Business:

Marc Thomas discussed the new state laws that impact the HOA and unit owners. He reminded homeowners that state and federal laws trump HOA rules.

Senate Bill 117 stipulates that the vote required to adopt an amendment to the HOA's governing documents may not be greater than 67% of the voting interests, notwithstanding our own provision requiring 100% approval.

Senate Bill 167 significantly amends the insurance obligations of unit owners and associations, particularly regarding which policy covers what, the size of the master policy deductible, and the owner's liability for the amount of the deductible. Our master insurance policy is in line with the new law. We have complete replacement cost coverage and will have a fully funded deductible.

Senate Bill 89 requires that a reserve fund analysis must be conducted if one has not been done in the last five years. We are currently working off of an in-house reserve analysis from 2008, but there may be a need to contract out for a newer reserve study.

House Bill 104 requires that the HOA register with the State Department of Commerce. Once a year, we are required to update who is serving on our Board. House Bill 175 stipulates that if a HOA member wants to look at our financial documents, by putting the request in writing, we must release the information within 14 days.

The Board unveiled the first draft of the 2012 budget it will vote on for approval at its December 2011 meeting. It encouraged the homeowners present to provide feedback on the budget before the meeting.

On the reserve fund side, the budget includes three capital improvement projects:

1. Crack-sealing our streets.
2. Erecting a fence to screen the RV parking lot.
3. A concrete repair project covering our driveways and sidewalks.

The reserve fund also needs to increase in order to fund the \$10,000 HOA insurance deductible mandated by new state law.

On the operations budget side, which deals principally with utilities, groundskeeping, administration, and the pool, the Board suggests adding a line item for tree replacement since there are a handful of common area trees that may be dead at this point and have to be replaced.

To fund the proposed reserve projects and the operations budget in 2013 would necessitate a \$5,000 budget increase. If enacted, assessments for two bedroom units would rise about \$15 a quarter, compared to \$20 a quarter for three bedroom units.

The Board of Director election ballots were tabulated and it was announced that Sue Noah had been elected with 39 votes to serve a three-year term on the Board.

The meeting adjourned at 2:50 p.m.

**Orchard Villa Homeowners Association (HOA)
Minutes, Board of Directors Meeting
Grand Center Conference Room, Moab UT
October 22, 2011 – 3:00 p.m.**

Board members present: Marc Thomas, Connie Baty, Barb Crossan, and Sue Noah. Board member Bill Topper was absent. Also present: Board Secretary Judi Simon

A motion was made, seconded, and approved to elect officers of the Board as follows: Marc Thomas - President, Connie Baty - Treasurer, and Sue Noah, Bill Topper and Barb Crossan - Vice Presidents.

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Marc Thomas made a motion, seconded by Connie Baty, to approve a banking resolution giving Marc Thomas, Bill Topper, Barbara Crossan, Connie Baty, and Sue Noah signing authority on the Association's checking and savings accounts, Certificate of Deposits, and safe deposit box. The motion passed unanimously. The Association's governing documents require that the president and treasurer sign all checks, with the proviso that other authorized board members can sign for them whenever they are unavailable.

The next regular meeting of the Board was scheduled for November 15th at the Grand County public library.

The meeting was adjourned.