

# Orchard Villa HOA Newsletter

December 2011

Website: <http://www.orchardvilla.net>

**Assessments:** At its December meeting, the Orchard Villa Homeowners Association Board approved a 2012 budget of \$156,803. Of this amount, \$117,162 will be used for annual operations and maintenance. \$35,152 has been set aside to pay for three reserve fund projects (sidewalk and driveway concrete repair; the purchase and installation of a simulated stone fence to screen visibility of the RV parking lot; street crack sealing). An additional \$4,488 in revenue will be used to boost our end-of-year reserve balance to \$48,950. Please look at the back of this newsletter for a summary of the 2012 HOA budget, including projected income and expenditures.

To fund this budget, two bedroom assessments will now be \$163.78 per month or \$491.35 per quarter, while three bedroom assessments will be \$197.19 per month or \$591.57 per quarter. This is an increase of 3.4% from last year. If you have your bank make payments automatically, please have it adjust your monthly or quarterly withdrawals.

**Finances:** As of December 18, 2011, the Association had \$6,886 in its operations checking account and \$44,000 in its three reserve fund accounts.

**Board Election:** At the annual meeting in October, Sue Noah was elected to serve a three-year term on the Board of Trustees. Outgoing trustee Chris Ensworth was thanked for her many years of service to the Board and presented with a gift certificate to Moab's Sunset Grill restaurant. At our annual meeting next October, there will be two Board seats open for election to three-year terms. To avoid the cost of hiring a property management firm to oversee our community, please consider serving on our Board.

**Fall 2011 Reserve Expenditures:** Two significant reserve fund projects were completed this fall. The doorjambes for the units on North Hale Ave. (Buildings 13-17) were repaired and painted. Some minor stucco repairs were made to the rear of Building 6 (433-453 Alberta Ct.) and Building 15 (451-457 N. Hale). During the project, touch-up of other exterior doors and walls occurred. We also had the entire exterior fence line repaired and stained.


**Common Area News:** TLC Landscaping has shut down our sprinklers for the winter, blown out our sprinkler lines, and cleaned up the fall leaf drop. Trees under stress and in need of trimming are being attended to in December. The trimming of bushes and grasses will occur in late winter or early spring. After lawn aeration in March, a pre-emergent herbicide will be applied to prevent the germination of invasive weeds.

**New States Laws Regulating HOA's:** 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. Please read the enclosed "Notice for Unit Owners" to learn more about the new insurance obligations.

**Phone Book:** We hope to have an updated phone book of our owners ready to mail out in March 2012. Please help us speed up the process by either emailing your preferred contact phone number to the Board at [tomasso3@yahoo.com](mailto:tomasso3@yahoo.com) or by calling 435-259-2208. Your cooperation will be much appreciated.

**Happy Holidays:** In mid-December, Orchard Villa held a well-attended holiday party in the common area by the pool house. Nearly two dozen residents showed up to share turkey chili, hot cider, mulled wine, chips, cookies, and stories around a well-stoked fire. Your Board hopes that you too are enjoying a holiday season spent in the company of friends and family that is filled with food, warmth, and cheer!

## Orchard Villa HOA 2012 O&M and Reserve Budget

<b>Income &amp; Expenditures</b>	<b>Budget-2012</b>	<b>Contact Us:</b>
<b>Total Income</b>	<b>\$156,803</b>	<b>Board of Trustees</b>
<b>Assessment Income</b>		<b>Orchard Villa Homeowners Association</b>
Three bedroom-56% (\$197.19 per month)-37 units	\$87,552	President - Marc Thomas (435-259-2208)
Two bedroom-44% (\$163.78 per month)-35 units	\$68,789	Vice President - Barb Crossan (435-259-0777)
<b>Total Assessment Income</b>	<b>\$156,341</b>	Vice President - Sue Noah (435-259-7946)
<b>Other Revenue -Reserve Interest, etc</b>	<b>\$462</b>	Vice President - Bill Topper (435-210-0443)
		Treasurer - Connie Baty (435-259-7307)
<b>Total Expenditures</b>	<b>\$156,802</b>	
<b>Operations &amp; Maintenance Costs</b>		
<b>Utilities (22.4% of total expenditures)</b>		
Water	\$8,874	
Sewer	\$10,098	
Garbage	\$13,900	
Storm sewer fee	\$1,728	
Yard Waste Dumpsters	\$600	
<b>Total Utilities</b>	<b>\$35,200</b>	
<b>Groundskeeping (25.8% of total expenditures)</b>		
Lawn Care	\$17,000	
Fertilizing/weed spraying	\$3,600	
Aerate Lawn	\$1,100	
Edge Lawn	\$1,000	
Lawn care, other	\$1,370	
Clear fence lines	\$1,000	
Trees, maintenance & replacement	\$3,750	
Trim bushes/weeding	\$2,000	
Sprinkler maintenance	\$3,700	
Sprinkler start-up/shut down	\$1,230	
Sprinkler system parts	\$1,800	
Pest Control	\$1,122	
Street sweeping/snow removal	\$1,000	
Maintenance, other	\$750	
<b>Total Groundskeeping</b>	<b>\$40,422</b>	
<b>Swimming Pool (8.5% of total expenditures)</b>		
Electricity -Utah Power	\$1,325	
Gas-Questar	\$1,225	
Health Dept testing	\$180	
Pool Operator	\$7,200	
Pool Supplies	\$1,000	
Pool Maintenance	\$2,400	
<b>Total Swimming Pool</b>	<b>\$13,330</b>	
<b>Administration (0.7% of total expenditures)</b>		
Postage/Post office box	\$300	
Website	\$100	
Supplies	\$400	
Miscellaneous	\$300	
<b>Total Administration</b>	<b>\$1,100</b>	
<b>Professional (17.3% of total expenditures)</b>		
Meetings	\$100	
Corporate License	\$100	
Taxes	\$500	
Accountant	\$6,100	
Legal	\$2,000	
Insurance	\$15,810	
Contingency	\$2,500	
<b>Total Professional</b>	<b>\$27,110</b>	
<b>Total Operations &amp; Maintenance Costs</b>	<b>\$117,162</b>	
<b>Reserve Fund Project Costs</b>		
<b>Reserve Projects (25.3% of total expenditures)</b>		
Concrete repair (sidewalks & driveways)	\$17,410	
Simulated stone fence/other enhancements (RV screen)	\$16,000	
Asphalt crack seal (streets)	\$1,742	
Year-end rollover to the reserve fund	\$4,488	
<b>Total Reserve Fund Project Costs***</b>	<b>\$39,640</b>	

Residents sharing good cheer around the fire at our holiday party

\*\*\*Orchard Villa ends 2011 with a reserve fund balance of \$44,000. While we project taking in \$39,640 toward the reserve in 2012, \$35,152 of that is set aside to fund our three reserve projects. The remaining \$4,488 will be used to bump up our reserve balance to \$48,951 by the end of 2012.

# **Orchard Villa Homeowners Association**

## **Notice to Unit Owners**

December 20, 2011

This document is provided to help **you as a unit owner** comply with the new state law required under **SB167**.

**Our HOA master insurance policy is subject to SB 167 as well.**

### **Owner Insurance- SB167 mandates the following:**

1. The HOA Master policy shall include coverage for 100% full replacement cost - including any fixture, improvement, or betterment installed by a unit owner to a unit or to a limited common area, including a floor covering, cabinet, light fixture, electrical fixture, heating or plumbing fixture, paint, wall covering, window, and any other item permanently part of or affixed to a unit or to a limited common element. **This means your HOA master policy now covers the buildings, your unit including the interior, and any other common areas; unit owner liability and contents are not included.**
2. Our master policy deductible is **\$10,000**. In practice, that means the Association will not file any claim under \$10,000: However, a unit owner who owns a unit that suffered damage as part of a covered loss is responsible for an amount calculated by applying the unit damage percentage for that unit to the amount of the deductible under the property insurance policy of the HOA. **This means you are now responsible or partially responsible to pay for the HOA insurance deductible in the event of a claim.**
3. The above noted **changes took effect on 10-27-2011**.

**Unit Owner Checklist** - Consult with your personal insurance agent to determine if you have appropriate coverage

- ✓ Insurance policy with at least the amount of the HOA deductible (\$10,000) in dwelling coverage - *noted as Coverage A and/or building property in your policy*
- ✓ Coverage for your personal contents
- ✓ Personal liability protection
- ✓ Loss of use/additional living expenses
- ✓ Loss assessment - *your share of the deductible coverage*
- ✓ Loss of rent - *if your unit is a rental.*

### **Individual homeowner's insurance questions?**

Please contact Marc Thomas, Board President at 435-259-2208 or your insurance agent.

**Please continue to send your insurance declaration renewals to us:**

Orchard Villa HOA  
P.O. Box 1409  
Moab, UT 84532.