

RVRMA EXECUTIVE BOARD MEETING
Wednesday, May 25, 2022, at 5:30 p.m.
Ranch House Conference Room and Zoom Meeting

Executive Board of Directors

Gary Lesser, President
John Lund, Vice President
Todd Richmond, Treasurer
(*absent*)
Ben Johnston, Secretary
(*absent*)
Laura Hanssen, Director
RJ Spurrier, Director (*via Zoom*)
Michael Banbury, Director

Management Attendees

Ashley Lynch, General Manager
James Maguire, Controller
Jessica Hennessey, Director of Design Review & Admin. Services
Ali Royer, Director of Programming & Community Engagement (*Absent*)
Travis Green, Facilities & Grounds Superintendent

Homeowner attendees

Krystina Greenwood (*via zoom*)
Sherry Stripling (*via zoom*)
Carl Hostetter

I. Call to Order- Establish Quorum

- Board President, Gary Lesser, called the meeting to order at 5:32 p.m.

II. Approval of Minutes and the Consent Agenda

- **Motion:** Vice President, John Lund and Board Director, Michael Banbury moved and seconded the approval of the consent agenda and meeting minutes of the RVRMA Executive Board Meeting held on Wednesday, April 27, 2022.

III. Public Comment

- There was no public comment.

IV. Committee Report

- **Long Range Planning**
John Lund, Board Vice President, highlighted that the Long-Range Planning Committee will be releasing a survey to the community. John announced that the survey will be a bit lengthy due to the pivotal point in the planning process and emphasized that it is critical that thorough questions are asked to obtain solid feedback. Homeowners are strongly encouraged to participate.

V. Month End Financial Review – James Maguire (info.)

James Maguire, RVR Controller, presented a financial insight report. James reviewed the budget versus actual from a high level down to a more granular level and then review our balance sheet.

James indicated that the month of April came up short primarily due to a timing issue with tennis memberships. Over \$10,000 was sold in tennis memberships in March than was anticipated and \$10,000 less in April. When both months are combined, it turns out to be a wash.

James then spoke about budget versus actual for the year (through April). April was extraordinarily accurate as we spent \$271,009 out of an allowance of \$271,467.

As for all four months combined, RVRMA spent \$866,829 out of a budget of \$861,078 which is less than a 1% variance. We are doing very well overall.

James continued with a very high-level overview of budget versus actual for year-to-date through April. Cost of goods sold, and expenses were separated out. James shared that income is performing well at \$4,800 over budget. Expenses are still remarkably close to budget, only \$2,737 over which is again less than 1% variance. A surplus of \$86,842 is expected by April 30 and we are running a surplus of \$85,900 so we are very close and right on track.

According to James, personnel expenses are running \$27,000 under budget which is covering the areas where we are running over budget. Irrigation will continue to be over budget throughout the year. The water reconciliation alone will be over budget by \$1,000 per month or \$12,000 by the end of the year. Irrigation repair and maintenance is variable and could improve or impair this line item with time. Other overages include cleaning, natural gas and computer expenses. We are still extraordinarily accurate at only point 3 tenths of a percent variance in budget versus actual.

James then presented a quick overview of our Reserve account activity in April. Opening balance was \$1.726 million. Almost \$35,000 was added and \$12,000 was spent. We are in the process of replacing the refrigeration equipment that cools the coolers under the bar. We currently have no working refrigeration in the bar area. We also spent \$2,800 on pool deck concrete repairs. The total cost for the pool deck repairs will be close to \$9,000 when it's finished. The ending reserve account balance was \$1.749 million.

John Lund asked James what type of efforts are initiated to address areas that are over budget. James indicated that monthly meetings are being held by management. Supplies, material, and labor are topics of discussion to investigate

areas where costs can be cut. James responded by saying that wherever cuts can be made, we do so, with the goal of not compromising quality of service.

Finally, James reviewed our balance from a very high-level view. The balance sheet that was presented showed a snapshot of April 30. On April 30, we had a little over \$3 million in assets, \$940,000 in liabilities, and a little over \$3 million in equity. James ended with a drill down on assets and liabilities. The monthly financial packet that is distributed in board packets every month breaks down these line items.

VI. Management Update

- General Manager Report- Ashley Lynch
- Programming & Community Engagement Report- Ali Royer
- DRC Report- Jessica Hennessy
- Finance Report- James Maguire
- Outside Service Report- Travis Green

VII. Old Business

- **RVR Fence Maintenance & Repair Policy (*info.*)**

Board President, Gary Lesser, reported that at the April Board meeting, it was discussed, under New Business, the need for a Fence Maintenance and Repair Policy. At the end of the discussion, a “Working Group” was named. The group was tasked with developing a policy that would come to the Board for approval in the next few months and a progress report would be announced at May’s Board meeting.

Gary then shared the progress report for the group. The working group, consisting of Ashley, Jessica, Ben, Kevin Kreuz, Wolf Gensch, and Gary. The group met on May 10. Kevin completed some great research that helped the group on their way to developing a policy that the Board and community can review at the June Board meeting. Director, Ben Johnston, has put together an initial draft of a policy. It will be ready for presentation to the board at the June meeting.

At that June meeting, the Board will discuss the proposal, and set a Board vote on it for the July monthly meeting. Between the June and July meetings, the community is invited to comment on the proposal.

Then, the Board will vote on the proposed policy, with any modifications – based on homeowner and Board comment – at the July meeting. And, if approved, the new Fence policy will take effect shortly after that.

VIII. New Business

- **Establishment of Enforcement Committee (*decision*)**

Gary Lesser introduced the need to establish an Enforcement Committee in RVR, as defined in our Enforcement Policy.

Fortunately, the community generally complies with our governing documents. And when a homeowner doesn't, we are generally able to get compliance without resorting to penalties and fines.

Occasionally, the Association has no choice but to assess a fine. When that happens, homeowners have the right to appeal, and the right to a hearing. This hearing or appeal comes before an Enforcement Committee. Currently RVRMA does not have such a committee. RVRMA is about to take action against a property owner that could result in a need for this committee. Gary suggested the board establish a standing committee.

MOTION: Gary Lesser and Laura Hanssen, moved and seconded that a standing Enforcement Committee be established, in line with our governing documents and existing Enforcement Policy. Ben Johnston, Board Secretary, was not present for the vote, but submitted his proxy, in writing, to vote "in favor" on the motion. The motion passed.

Ashley also emphasized that fines wouldn't be imposed unless absolutely warranted.

There was discussion as to who will chair the committee. An offline discussion would take place to establish members of the Enforcement Committee.

- **House Bill 222 – 1137 (*info.*)**

Gary announced that the Colorado legislature earlier this month passed a bill amending various provisions of CCIOA (the Colorado Common Interest Ownership Act), which governs HOA's like RVRMA. The bill is scheduled to go into effect on August 9.

The bill significantly affects an HOA's enforcement powers, and places additional burdens on the HOA in collecting amounts owed. It will cause RVRMA to modify our "Enforcement Policy and Fine Schedule."

Gary noted that the hope is to have a proposed policy revision available at the June Board meeting to address the requirements in this legislation and would follow a similar policy revision approach to what was described in the fence policy.

- **Executive Board Meeting Schedule August 2022 through July 2023 (info.)**

Gary presented the new Board meeting schedule. He noted that meetings are held on the 4th Wednesday of the month, except November and December, when the meetings are held earlier to avoid conflicts with Thanksgiving and Christmas.

John Lund suggested calendar invites would be helpful for upcoming Board meetings. Ashley agreed to send out invitations.

- **Call for Candidates and Election Timeline (Info.)**

The Annual Board election timeline was presented by Gary. Gary stated that two office terms would end in June (Gary and John's). A timeline of events was published in the Board packet and will be shared throughout the election process.

Gary noticed that one item on the timeline was out of sync and needed updating. The Candidate Meet-and-Greet should happen before ballots are sent out not after. Ashley and Jessica agreed to adjust this section of the timeline.

- **Fence Variance Hearing (Decision)**

Gary informed the room that the last item on the agenda would be a hearing on a requested fence variance.

Jessica provided a brief overview of the variance request. In April 2020, the Spurriers presented to the DRC a written, detailed, logical explanation as to why they should be able to install a corral fence in the front yard of their proposed new house located at 417 Crystal Canyon Drive, even though, The RVR Design Guidelines state that fences are not permitted between the front faces of the residence and the street.

At the April 28th DRC meeting, the DRC reviewed and approved the final architectural and landscape design of the Spurrier project and found that the fence design in the front yard is acceptable and justified. The DRC recommended approving this variance.

John Lund was curious as to why the Spurriers required a variance. Jessica said that RVR fencing Guidelines seem to apply to the normal configuration and size of RVR custom home lots, where houses face the street in a normal way, are close together, and have usable rear yards. The Spurriers lot is uniquely different in size, configuration, and orientation so a typical RVR fence configuration wouldn't make sense on this lot.

- There was no public comment on variance.

MOTION: Gary Lesser and Michael Banbury moved and seconded to approve the Spurrier Fence Variance. The motion passed unanimously. Ben Johnston, Board Secretary, was not present for the vote, but submitted his proxy, in writing, to vote “in favor” on the motion. The Motion passed. RJ Spurrier, Board Director, abstained from the vote.

IX. Adjourn

Motion: Board members, John Lund, and Michael Banbury, moved and seconded to adjourn the meeting. The meeting adjourned at 6:19 p.m.

X. Strategic Planning Follow-Up Workshop (*working session staff & Board*)