

RVRMA EXECUTIVE BOARD MEETING
Wednesday, November 16, 2022, at 5:30 p.m.
Ranch House Conference Room and Zoom Meeting

Executive Board of Directors

Michael Banbury, President
(*absent*)
John Lund, Vice President
Todd Richmond, Treasurer
Ben Johnston, Secretary
(*absent*)
Laura Hanssen, Director
RJ Spurrier, Director
Sherry Stripling, Director

Management Attendees

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

I. Call to Order- Establish Quorum

- Board Vice President, Michael Banbury, called the meeting to order at 5:33 p.m.

II. Approval of Minutes and the Consent Agenda

- Board Directors, Laura Hanssen and John Lund, moved and seconded the approval of the consent agenda and meeting minutes of the RVRMA Executive Board Meeting held on Wednesday, Oct. 26, 2022. The motion passed unanimously.

III. Public Comment

- Comments in public comment are for agenda items only.
 - Diane Cavarra commented that she currently resides between two short term rental properties. The homes near her are being rented out continuously and the influx of the turnover of multiple unvetted strangers troubles her. Diane stated that she feels like she is living next door to a hotel but without security. Diane continued to say that most communities like RVR have restrictions on these types of rentals. Diane also brought up that section 3.4 of the RVRMA governing documents lays out the definition of occupancy for homes in RVR and she believes VRBO's are not in compliance with this section of the Master Declaration. Diane also stated that the homes in her neighborhood (Settlement) were not designed to be rented out as they have been, these homes are only 15 to 17 feet apart. Diane ended by saying that she would not have purchased her home with the knowledge that a short-term rental would be next door to her.

- Camille Shuman commented that she suggests that two or three short term rental owners should be involved in any upcoming surveys that would go out to the community. Camille emphasized the importance of providing unbiased questions for the survey and an educational piece should also be included in. She continued to say that 14 homes in RVR are currently legally licensed. Camille also mentioned that forcing STR's to be eliminated will cause significant financial hardships to the owners of these homes. Camille commented that she has never been contacted with any complaints or concerns about her rental. Camille ended by saying that herself, Todor and Joel would like to be involved in structuring of specific questions in any upcoming surveys.
- Abby Radmilovich commented that she responded on October 29 for a post-holiday survey input and recommended a survey in two steps. Step one would share basic facts on restrictions and license fees that local authorities recently imposed to STR's, then ask if respondents need more restrictions above and beyond the more recent fees and restrictions imposed by the local authorities. The second step would be to ask the community if they have a desire for more stringent restrictions other than local authorities. For example, do we need a 30-day minimum lease requirement? Abby ended by saying that she looks forward to hearing back from the board on her suggestions.
- Todor Radmilovich stated that he did analyze about 391 RVR home sales since 2006 and found that RVR suffered extremely long and deep drops in property values following the last recession, where, according to Todor, values dropped about 50 to 53 percent in a 3-year period. A slow recovery didn't happen until late 2020 and 2008 values were regained. Todor stated that his recommendation and in the best interest of the community to slow down any drops in values and not make decisions that would fuel or accelerate drops in values. Given that property values are already coming down and facing multiple storms ahead, Todor believes the STR decision will force many families to sell their properties quickly and aggressively and add to homes that are currently on sale that and already dropping in property value. Todor also commented that the voice recordings of meetings should be kept as long as possible, at least two-year period. Todor shared that an inquiry from a board member at the last meeting had implied to cast doubts on what he presented. Todor ended by saying that most of the people who purchased STR's did so not as investors but as second homeowners where families gather.
- Sara Gilbertson shared concerns that meetings are not being recorded and suggested that meetings be recorded and shared. Sara stated that if you are doing anything that you don't want people to hear she questions that. She continued to say that she is not accusing the board of doing

anything wrong, but she would like to hear meetings when she can't attend them. Sara stated that in minutes, some items get missed and a recording provides a pure verifiable source about what was said and what was decided.

- Mary Catherine Conger commented that she wanted to reinforce what was said by Sara and agrees that meetings should be recorded and that she would like to have access to the recorded meetings.

IV. Committee Report

- **Long Range Planning**

John reminded everyone that the Long Range Planning report can be found, as usual, in the Board Packet. John stated that the committee continues to work through things, and he is optimistic that cost reduction will be significant based on the items the committee put in front of McMahan. John also stated that he and Ashley talked with the McMahan on Monday, prior to the board meeting. John continued to say that the December meeting is still up in the air, and the committee is considering holding the next committee meeting in January. John is in contact with Robin Boyar to work on community input gatherings, perhaps even over the holidays. Ashley added that he met with the postmaster, and the post master had a lot of concerns about our mailroom saying that it is too small and aggravates the postal workers.

V. Month End Financial Review – James Maguire

- **Financial Presentation**

James Maguire, RVR Controller, gave a financial presentation with a quick overview of the budget versus actual year-to-date through the end of October. James shared that income is over budget by almost \$42,000. Cost of goods sold are over budget by \$24,000 which is about 50% of the additional income. And expenses are running under budget by almost \$46,000. We are running at a surplus of \$63,000. As of last month, we were at a \$35,000 surplus, so it almost doubled since last month. Drilling down into the income section, most line items are on target. It should remain this way for the rest of the year. The greatest variance was with “Other” income which was \$42,000 over budget. James also shared expenses, our greatest cost savings has been in Personnel costs, mostly due to reduction in overtime hours and savings on outside contract labor for irrigation. Grounds and irrigation are running under budget as well. October was the busiest month for irrigation and we're still able to come in under budget. This was mainly due to changes we made with renting heavy equipment. The time and cost of renting equipment such as excavators was cut in half compared to last year. Utilities continue to be the largest budget overrun mainly due to increased natural gas prices. We received another letter from Black Hills Energy recently saying prices were

going to increase even more this year. We've adjusted our 2023 budget for this increase. Bottom line is we spent \$2.26 million out of a budgeted \$2.30 million for a difference of almost \$46K which is a 2% variance.

VI. Management Update

- **General Manager Report- Ashley Lynch**
Ashley spoke and said that he connected with Comcast, and they are projecting a December date, but we are pushing them to get them across the finish line. Ashley also commented that the Formstack initiative received 222 surveys so far. There is complexity in the data bases that need to be updated. Staff started that work last week and we will continue these efforts. Ashley stated that the Pioneer court work is complete, and that credit goes to Travis and team who completed the work in house. Sherry Stripling, Board Director asked about the homeowner questionnaire and if there are any issues that the response was so low? Ashley stated that all the HOA had to do is ask the question to homeowners if a language preference and if they would like someone to speak in their behalf to be in compliance.
- **Programming & Community Engagement Report- Ali Royer**
- **DRC Report- Jessica Hennessy**
- **Finance Report- James Maguire**
- **Outside Service Report- Travis Green**

VII. Old Business

- **Short Term Rental**
John shared that there is intention to move forward with the survey and Board President, Mike Banbury, will be informed of the input that was received during public comment. Board Director, RJ Spurrier, commented that he remains an advocate for a simple one question survey to get homeowners view on a 30-day lease limit. RJ continued to say that he is the board member that Todor was referring to earlier in the meeting. RJ apologized to Todor if he misinterpreted his questions as asking him to disclose private financial information, that was not his intention. RJ continued to say that Todor has multiple times stated that a 30-day restriction would force him into a situation of economic duress and RJ was trying to understand how. RJ stated that if Todor could help illustrate why that situation is fundamental. RJ emphasized that he wasn't asking Todor to disclose his personal financial situation. RJ also noted that RVR has a vibrant long term rental market. RJ stated that he is still confused that if there were no short-term rentals the only economic choice for STR homeowners would be to sell their property in a quick rapid sell.

John suggested that comments should be addressed in a written form and that is something board president, Mike Banbury, is working on. Board

members also discussed how difficult the decision is to balance valid perspectives from both sides of the short-term rental argument.

- **Meeting Recordings**

A proposal was made at the previous board meeting to possibly allow for meeting recordings to be released to the public. Meeting recordings have been suspended while the Board of Directors decided how to proceed.

The Board discussed how they endeavor to be transparent and forthright. RVRMA meetings can be attended by everyone, there is always advance notice of meetings and agendas are provided. Staff also produces detailed minutes of meetings and that is the official document for the HOA.

There was a comment made that when people know that they are being recorded, it makes them hesitate to be open in discussion and once recordings are out there, they are out there forever. Board members also discussed how the release of recordings making them uncomfortable and recordings are open to manipulation. Board members also communicated discomfort in posting videos online that anyone can access. It was also discussed that the board would like more attorney input.

Motion: John Lund and RJ motioned and seconded to continue the practice of discarding meeting recordings after minutes have been drafted. Additionally, RVRMA will not post or share recordings (subject to lawyer input). Michael Banbury and Ben Johnston were not present for the vote, but submitted their proxy, in writing, to vote “in favor” on the motion. The motion passed unanimously.

- **2023 Budget**

The board discussed the changes to the budget since the previous meeting. The board asked for an increase to reserve dues of \$5 on top of the increase that had already been proposed. Management proposed an increase of \$1 to operating to cover the rising costs of natural gas. All associated documents are attached in RVRMA budget packet. All neighborhood budgets remained the same from the previous meeting.

The board also discussed ways that the Ranch House could improve in energy efficiency.

Todd commented that the effort made by James and Ashley to the budget was impressive and well done. He also commented that the process was much healthier than previous years.

Motion: Todd and RJ motioned and seconded to approve the 2023 Budget.

Michael Banbury and Ben Johnston were not present for the vote, but submitted their proxy, in writing, to vote “in favor” on the motion. The motion passed

VIII. New Business

- N/A

IX. Adjourn

- John and Todd motioned and seconded to adjourn the meeting. The meeting adjourned at 6:48 p.m.

X. Executive Session

- Staff Wage Discussion

