

RVRMA EXECUTIVE BOARD MEETING
Wednesday, Jan. 24, 2023, at 5:30 p.m.
Ranch House Conference Room and Zoom
Meeting Minutes

Executive Board of Directors

Michael Banbury, President
John Lund, Vice President (*via Zoom*)
Todd Richmond, Treasurer
Ben Johnston, Secretary (*absent*)
RJ Spurrier, Director (*Via Zoom*)
Sherry Stripling, Director
Carl Hostetter, Director (*via Zoom*)

Management Attendees

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

Homeowner Attendees

In-Person:

Marc Margulies
Steve Laverty
Wolf Gensch
Cari Shurman
Sarah Gilbertson
Hugh Sontag

Zoom:

Diane Cavarra
Paul Brown
Nina Factor
John Krousouloudis
Peggy Sontag
Karen Harvey

I. Call to Order- Establish Quorum

- Board President, Mike Banbury, called the meeting to order at 5:30 p.m. A quorum was established.

II. Approval of Minutes

- **MOTION:** Board Directors Sherry Stripling and Todd Richmond moved and seconded the approval of meeting minutes of the RVRMA Executive board meeting held on Wednesday, Dec. 13, 2023. The motion passed.

III. Public Comment

- Hugh Sontag commented that he is interested in the details concerning the Short-Term Rental Amendment and its implementation.
- Sarah Gilbertson thanked the board and staff for all their work that surrounded the Fourth Amendment. Sarah offered her assistance concerning the implementation of the amendment and offered to help with ways to automatically search the internet concerning a complete list of who in RVR is short term renting their home.
- Cari Shurman commented that the experience of going through the Fourth Amendment vote was fabulous and that through the process she was reminded of how great the RVR community is. Cari also said that many homeowners would like to help with implementation and perhaps a list could be provided so they can reference it to know if reservations were made prior to the recorded date of the amendment (January 25).
- Wolf Gensch commented that he echoed what Sarah mentioned and he commends the staff and the board for their help on the matter.
- John Krousouloudis thanked the board and Ashley for putting the rules together and for administrating the vote. John also commented that he would also like to hear more about how the amendment is going to be implemented.

IV. Committee Report

- Long Range Planning
The Long-Range Planning update was discussed during the Old Business portion of the meeting.

Month End Financial Review – James Maguire

RVR Controller, James Maguire, shared a financial presentation featuring December's performance and 2023-year end details.

James shared that in December income was over budget by \$1,000 and expenses were over budget by \$11,000. There were extra expenses including the purchase of speed limit signs, dog waste containers, vehicle repairs, and fence repairs. The ending deficit in December was \$11,000, which was a bit higher than expected but didn't have a major impact on the overall year end performance.

James continued by sharing a slide that showcased the overall summary for year-end 2023. Actual income surpassed the budget by \$23,700 (.9%). Costs of goods sold went over budget by \$15,359 (6%) and Expenses were under budget by \$9,467 or (.4%) leaving us with a \$17,808 surplus for the year.

James then drilled down on the operating income for the year. Food and Beverage sales exceeded the budget the most by \$11,497. This is attributed to the improved menu options and overall efficiency in the snack bar. Tennis income was over by almost \$11,000 which was mostly

from increased tennis lessons. Tennis memberships were also better than expected. Memberships up by \$10,500. These include guest fees, Thompson Corner and ADU memberships to the Ranch House. At the bottom of the list is DRC Fee income which we've seen lapsing throughout the year. We ended \$18,000 below budget and have made adjustments for the 2024 budget as we expect the decline to continue. Overall, total income was \$23,700 more than budget.

Next was a detailed look at the operating expenses for the year. Personnel expenses stick out as the most under budget item for the year at \$50,000 below budget. However, since the actual and budget are such high numbers, over \$1.4 million, the variance is only 3%. Personnel costs not only include wages, but workers comp insurance, payroll taxes/fees, uniforms, training, and recruitment. DRC expenses were also down by 3% overall.

Ranch House expenses were over budget by almost \$19,000 or 14%. The majority of this came from repairs and updates to the Ranch house including plumbing and HVAC fixes, painting the locker rooms, signage around the pool, and our security system. The Admin and Finances line was also over by \$11,000. The bulk of this came from legal fees which went over budget by \$9,000 and online and computer expenses which went over budget by \$5,000. The overall net bottom line for expenses was a savings of \$9,467 only .4% under budget for the year.

Finally, James shared the ending balance for the year. As of December 1, RVRMA had a \$2.362 million reserve balance. December assessments were \$38,780 and interest income was \$9,142 for a total increase of \$47,922. December spending was \$5,594. The ending reserve balance on December 31 was \$2,404,855. The year ending for 2023 is a net surplus of \$17,807.64 out of a budget of \$2.49 million, this equates to only .72% variance. This is the lowest variance in ten years, since 2014.

V. Management Update

- **General Manager Report- Ashley Lynch**

Ashley commented that many items in his report will appear later on in the agenda. Ashley added that temporary speed limit signage was added throughout the community. The Annual Ranch House closure is upcoming, and management was able to shorten it by two days this year.

- **Programming & Community Engagement Report- Ali Royer**

- **DRC Report- Jessica Hennessy**

Jessica noted that the DRC was able to perform their first grading inspection since the Twenty First Amendment was passed in November. We look forward to performing more of these grading inspections in the spring.

- **Finance Report- James Maguire**

- **Facilities & Grounds Report- Travis Green**

VI. Old Business

- **Short Term Rental – Final Vote Update**

Ashley went over the final tally for the fourth amendment vote:

Yes- 390

No- 110

Did not vote- 48

Total: 548

The vote exceeded the two thirds necessary threshold to pass and will go into effect and be enforceable when it is filed with the county on January 25. Ashley added that an email notification will be sent out the evening of the board meeting updating the community with this information. As a reminder to the community the minimum lease would be 30 days. Ashley added that management does have a plan to review STR advertisements, and the Town of Carbondale is aware that the Fourth Amendment has passed in RVR.

Mike Banbury commented that there was a lot of grass roots efforts to get the amendment passed and it was impressive to see. Mike also said that as a reminder, 22% of votes cast voted to keep STR's so it would be prudent to keep in mind that there are folks in the community that may find hardship in the results of the vote. Mike emphasized that enforcement is a management job.

For those living near STR's, it's important to keep in mind that RVRMA will honor any preexisting commitments (before January 25). John Lund commented that any violations to the amendment would fall within the existing RVRMA Enforcement Policy and the appropriate process would need to be followed. Ashley agreed and noted that RVRMA would comply with HB 22-1137 and the RVRMA Enforcement policy.

- **Long Range Planning**

John commented that there was a fairly lengthy report and slide show in the board packet. It was emphasized that what was included in the packet was the result of three years of work and the Long Range Planning Committee feels as though they were very thorough and took into account a lot of community input.

The plan that the committee settled on includes several major features of enhancement around the pool deck and the main floor of the Ranch House. The plan does not include any new work upstairs at this point. Although, there may be replacement of exercise equipment as part of the overall

refresh of the entire property.

John went through the list of enhancements that are included in the plan including refurbished locker rooms, an addition to the east side of the Ranch House to accommodate ADA compliant restrooms, two ADA compliant family changing rooms and outdoor showers and storage cubbies for pool users. Positioning the new restrooms in this area will make them more accessible to tennis players and reduce traffic in the locker rooms. The family changing rooms will provide parents with young children with private changing space regardless of gender and also reduce traffic in the locker rooms

The plan also shows an expansion of the existing mail room which is a much more cost-effective option than new construction on the north side that was proposed in previous iterations of the plan.

The bar area of the great room will get a significant update to enhance service by creating more space. The space behind the bar will be opened up to create views to the pool deck and relocating food storage etc. to the space near the front desk.

What was proposed last fall for the improvement plan had a \$6,500 price tag per homeowner and the revised plan now has a \$5,500 per homeowner charge. The committee recommends that the special assessment be scheduled so that half is paid on July 1, 2024, and the second half to be paid on July 1, 2025, which fits with when the funding will be needed.

John shared that the last part of the report lined out the various reserve related projects that could be done in association with the upgrades. In the end, for a relatively small price per homeowner charge of \$5,500 we will come out with a fresh modernized Ranch House that will be a gem for the community.

The board shared their support for the plan. Comments were made as to how appreciative the board is for the committee's hard work including listening to homeowner feedback and getting creative about ways to accomplish value engineering. The board recognized the length of time that the committee has been working on the project and shared their appreciation.

There was discussion surrounding how long the vote should be and how the timeframe for voting should be included in the motion. Concern was

expressed that there would be more property transactions during a longer voting period and that was something to consider.

John commented that it would be beneficial to have more time to collect votes. He also pointed out that the vote would need a minimum quorum of 62 percent of all RVR homeowners to participate and the majority of the 60 percent quorum would decide whether or not to approve the assessments.

RJ commented that this is a very important decision for homeowners and if there was a three month window, we would likely see many votes coming through in April. RJ continued to say that last year there were two homes sold in February, one in March and three in April and if this year is like last year only 6 homes would be sold in this period. RJ added that it is a greater good to get 60 more votes to pass versus making it simpler for home sales if the voting period was longer.

The board agreed that a 90 day voting period may be the best option for this vote.

MOTION: John Lund motioned that the board vote in support of this plan and also authorize the presentation of a special assessment vote for a 90 day period to the community. Todd Richmond seconded the motion. Ben Johnston was not present for the vote, but submitted his proxy, in writing, to vote “in favor” on the motion. The motion passed unanimously.

VII. New Business

- **Reallocation of Funds for Old Town, Settlement and RVRMA to Reserve**

Ashley shared that at the end of every fiscal year, the net profit or loss from the previous year is moved to or from the RVRMA reserve fund upon approval from the board. For year-end 2023, the Master Association had a \$17,807.64 surplus, \$164.11 surplus for Old Town and (\$899.19 shortfall) for Settlement. Upon board approval, the Settlement and Old Town deficits/surpluses would be added to/deducted from to their specific reserve funds, while the RVRMA surplus would be moved to the separate RVRMA reserve fund.

John commented that this surplus amounts to only \$32 per homeowner that was collected than what was needed for the year. This is excellent financial management and commendable.

Ashley thanked the staff for their work towards making this happen.

MOTION: John and Carl moved and seconded to shift the deficit and surplus funds to/from their specific reserve account, per Ashley's recommendation. The motion passed unanimously.

- **OTAC New Members**

Ashley commented that the Old Town Advisory Committee discussed the proposition of adding new members to bring the total number of members up from the minimum number of three to five, which is the maximum number of representatives allowable under the Committee Charter.

Three homeowners applied for the two available positions, Laura Hanssen, Collin Galbraith and Kale Lacroux. Given that only two individuals can be selected, the chair of the committee (Wolf Gensch) is recommending to the board that Laura Hanssen and Kale Lacroux be nominated to serve.

MOTION: Todd and Sherry motioned and seconded to support the recommendation to appoint Laura and Kale to the Old Town Advisory Committee.

VIII. Adjourn

The meeting adjourned at 6:30 p.m.