



RIVER VALLEY RANCH

RVRMA EXECUTIVE BOARD MEETING Wednesday, Feb. 28, 2024, at 5:30 p.m. Ranch House Conference Room and Zoom Meeting

Executive Board of Directors

Michael Banbury, President
John Lund, Vice President
Todd Richmond, Treasurer
(absent)
Ben Johnston, Secretary
RJ Spurrier, Director
Sherry Stripling, Director **(absent)**
Carl Hostetter, 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
Travis Green, Facilities & Grounds Superintendent

Homeowner Attendees:

Zoom:

Patti Crockett
Krys Greenwood

In-Person

Sarah Gilbertson
Laura Hanssen
Steve Laverty

I. Call to Order- Establish Quorum

- Board President, Mike Banbury, called the meeting to order at 5:31 p.m. Board Secretary, Ben Johnston and Board Director RJ Spurrier arrived at 5:32 and a quorum was established.

II. Approval of Minutes

- **MOTION:** Board Vice President, John Lund and Board Director, Carl Hostetter, moved and seconded the approval of meeting minutes of the RVRMA Executive Board meeting held on Wednesday, Jan. 24, 2024. The motion passed.

III. Public Comment

- Steve Laverty commented on the Long Range Plan community vote. He started by saying that he felt a lot of good work was done by a small group of people over a long period of time. Steve continued to say that he was talking to a neighbor in the community, and they asked him what would happen if the Long Range Plan and Special Assessment did not pass. They asked if the reserve funding improvements would still go forward?
- Sarah Gilbertson commented on the Annual Survey item on the agenda. Sarah noted that the language on question 22 of last year's survey about tennis could use some rejiggering. According to Sarah, the question seemed irrelevant, and the 20 percent response looks low. Sarah added that amenities like tennis should be gauged against the supply.

IV. Month End Financial Review – James Maguire

RVRMA Controller, James Maguire, shared a financial presentation looking at January's performance and the reserve account. Since January and Year to date numbers are the same, James commented that the report would be brief.

According to James, we are off to a good start for the new year. January income was just slightly under by \$1,500. Costs of goods sold were under budget by \$846 and expenses were under budget by \$5,668, leaving us with a \$5,011 surplus for the month. This can be mostly attributed to our irrigation water reconciliation with the golf course. Every year we reconcile our water use and costs for the shared water system. This year, the golf course wound up owing RVRMA \$5,900 so that is mostly where the surplus comes from.

James then drilled down into the income for January, noting that everything was on target for the most part and the assessments collected in January matched the budget at around \$187,000.

DRC Income was a bit shorter even though the budget was reduced \$6,000 per month. There has been an increase in February, so it is expected to shoot up next month.

Almost \$210,000 out of \$211,000 was brought in, only a difference of \$1,500.

James then highlighted expenses for January. The largest cost item is personnel. Out of \$115,000 we spent \$117,000, a variance of only \$1,653 or 1.4%.

Grounds were also a little bit over budget due to the purchase of an expensive hot tub pump. We saved the most money in irrigation, a little over \$6,000. This was almost entirely due to the \$5,900 refund we received from the golf course for the

annual water reconciliation. This also carries down to the bottom line where a net total of \$5,668 was saved in the month of January.

As of January 1 RVRMA had a \$2.405 million dollar reserve balance carried over from 2023. We transferred the surplus of \$17,808 from last year and brought in \$44,320 in reserve assessments and \$9,192 in interest income for a total addition of \$71,320. Reserve funds were not spent in January. The ending reserve balance on January 31 was \$2,476,175.

v. Management Update

- **General Manager Report- Ashley Lynch**
Ashley commented that the Crystal River Restoration project will restart on March 17. They will largely be working on new plantings in the riparian area. Ashley also shared that Morgan Neely is a new front desk employee.
- **Programming & Community Engagement Report- Ali Royer**
- **DRC Report- Jessica Hennessy**
- **Finance Report- James Maguire**
- **Facilities & Grounds Report- Travis Green**

VII. Old Business

- **Long Range Planning Vote Update**

Ashley reviewed updated numbers to the Long Range Plan vote. Ashley

shared that as of February 27, there were;

141 yes votes

61 no votes

total 202 votes.

We need 332 votes to reach a quorum. Therefore, 130 votes are still needed by May 7 to reach a quorum.

The Board discussed ways to get out the word for this important community vote. It was commented that the votes that have come in do not seem to be on pace for what's needed to pass and there seems to be a lack of enthusiasm from the community compared to the recent STR vote. Board members noted that the STR vote was very different as it cost homeowners nothing and the LRP plan hinges on paying a good chunk of money to move forward. It was also said that the board encourages homeowners to support of the plan and everyone should weigh in.

Homeowner testimonials could help get the word out and perhaps people on the Long Term Planning Committee could be influential to others in the

community and encourage them to vote.

John touched on Steve Laverty's question concerning what will happen if the vote did not pass. He said that there will have to be some hard choices to make about how to spend reserve money.

Ashley commented that priority items that would have to be done no matter what happens with the vote. For example, the roof and the pool deck are a priority, but he does not have the answers.

A board member asked if it would be helpful to change the payment schedule. It was noted that the ballot specifies the payment options, and the HOA may be boxed into that format because you cannot change the ballot.

John suggested that a phone tree could be utilized to get the word out and RJ shared that isolated email blasts could also be done. Reminder emails can also be sent that carve out people who haven't voted yet. A View from the Board email blast could call attention to the effort as well.

Carl mentioned that a stronger presence in the Ranch House would be helpful. For example, a flyer or sandwich board in the mail room for more visibility.

Ben Johnston commented that this initiative is very different than STR. The Board stayed neutral on that vote and this vote is fully supported by the board. Ben emphasized that if we are not on the right path, we will need to change course.

Everyone agreed that after this Board meeting, it is time for a fresh push.

- **EAB Update**

Ashley commented that they have been in conversation with Carl Meinke, the Town of Carbondale Arborist and quotes have been collected from Earthwise. The Town is asking RVRMA to treat 146 trees through trunk injections this spring in the right of way, most of which are on RVR Drive. The cost will be \$23,000. There is also an additional amount of 132 trees to be taken out over time.

There were questions from the board as to whether the trees that are being referenced in the right of way are Town of Carbondale property that RVRMA looks after? Ashley confirmed that that is the case. It was also asked why the

Town believes it is RVRMA' obligation to fund this project. Ashley said that there is an ordinance within the Town, that if it is in the right of way and is a danger, it is the property owner's obligation. Ashley added that he is asking the Town if they are asking more of RVR owners than they are asking the rest of the Carbondale community and what their legal proof is to do so.

Ashley commented that he is pursuing legal avenues, and he will follow up with more information.

Ben asked for clarification on what trees are marked and where they are located. Ashley noted that these are indicated on the Town inventory that everyone can access.

Ashley emphasized that the large RVR canopy is very important to the community, and it affects home values. The trees in RVR have also been watered and others in the Town of Carbondale have not.

RJ commented that he agrees that these trees are very important to the community and protecting homeowner property values. The side effect of doing nothing is degradation of the aesthetic of the community. RJ added that he believes there is a question of fairness and we do need to raise it but at the end of the day, we need to protect homeowner values.

VII. New Business

- **Allocated Interest**

Ben Johnston introduced the topic of Allocated Interest. According to Ben, the term Allocated Interest was adopted by CCIOA concerning the number of votes in the common interest community, each individual homeowner's percentage share of liability for the common expenses of the association and percentage ownership for the common elements. This is a very important concept and because these are such important concepts, CCIOA made it very difficult to change, and in most instances, it will require votes of the homeowners to change any of the allocated interests (in RVR's case 67%).

In RVR each lot gets on vote. In RVR there are five combined lots, and in order to combine lots it is necessary to go through a process to get approval by the board. All combined lots were required to go through this process. Historically, when approving the lot combinations, they would maintain those lot owners' responsibility for two shares of the common expense liability but restricted their number of votes to one.

This approval process and policy carried over until very recently. As the HOA went through a recent vote of the community one of the combined lot owners spoke up to note that this was not fair. This board decided to take another look at this and consult with legal counsel about the topic. It appears that there is language in the Declaration that states that if you combine lots you have to go to one vote. When this was researched by the HOA's attorney, it was noted that CCIOA 's provision would restrict the ability to modify allocated interests unless there was a vote of 67% of the homeowners to override that, it would also override the board's decision to restrict those lot owners to one lot. So essentially, the attorney said that you cannot do that you have to keep the allocated interest the same.

Thus, if an RVR homeowner combines lots they still get two votes and two shares of the common expense liability. Those past board actions were void and still have no course of effect. It was researched and learned that this would not have made a difference in past community votes.

The board has two options:

- 1) Pursue a Declaration amendment to clarify that the board may approve alteration of boundaries between lots or units, or the combine of lots or units but that 67% of the owners must approve relocation of allocated interests.
- 2) The board could adopt a resolution interpreting the declaration and CCIOA to clarify that 67 % of the owners must approve any reallocation of the allocated interests that may result from boundary alterations or combination of lots or units.

The Board discussed an amendment that could be in the guidelines, or a written resolution posted on the website for future boards to see.

MOTION: Ben Johnston motioned to rescind the board's restriction of combined lot owners to one vote and reinstate those owners to two votes for combined lots. Mike Banbury seconded the motion. RJ Spurrier abstained. The motion passed.

- **Annual Survey**

The Board discussed the option of releasing another survey to the community. Mike commented that if an Annual Survey was sent out, it should be done after the LRP vote sometime in the summer. The Board agreed with this.

It was also suggested that the survey could be cut down and refined. The board reacted favorably to this suggestion.

It was noted that the Board would defer to Robin Boyar as to how questions should be farmed for the new survey.

VIII. Adjourn

The meeting adjourned at 7:08 p.m.