

RVRMA EXECUTIVE BOARD MEETING
Wednesday, August 24, 2022, 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
Ben Johnston, Secretary (*via Zoom*)
Laura Hanssen, Director
RJ Spurrier, Director
Sherry Stripling, 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
Travis Green, Facilities & Grounds Superintendent

Homeowner Attendees:

Cheryl Bumgarner (*via Zoom*)
Jennifer Wherry (*Via Zoom*)
Sarah -Jane Johnson (*Via Zoom*)
Ben Johnston (*Via Zoom*)
Mary Catherine Conger (*Via Zoom*)
Steve Laverty (*Via Zoom*)
Diane Cavarra (*Via Zoom*)
David Willis (*Via Zoom*)
Krys Greenwood (*Via Zoom*)
John Krousouloudis (*Via Zoom*)
Matt Freeman (*Via Zoom*)
Paul Brown (*Via Zoom*)
Gary Wesselink (*Via Zoom*)
Wolf Gensch (*in Person*)
Carl Hostetter (*in Person*)
Stan Kleban (*in person*)
Mike Waski (*in person*)
Rosemary Lavender (*in person*)
Betsy Gatehouse (*in person*)

I. Call to Order- Establish Quorum, the meeting was called to order at 5:30 p.m.

II. Approval of Minutes and the Consent Agenda

Motion: Board Director, Laura Hansen, and Board Secretary, Todd Richmond, moved and seconded the approval of the consent agenda and meeting minutes of the RVRMA Executive Board Meeting held on Wednesday, July 27, 2022.

III. Public Comment

- Homeowner, Stan Kleban, commented on the Long-Range Planning meeting that he attended earlier in the month. He had concerns about a proposed mail pavilion, dumpster location, and results of the Long-Range Planning Survey.
- Homeowner, Wolf Gensch, commented that he believed that the entryway of the Ranch House is beautiful. He complimented Travis Green, RVR Facilities & Grounds Superintendent, and his crew on a job well done and emphasized how special and well-kept the landscaped area appeared.
- Homeowner, Betsy Gatehouse, commented that she has seen a positive change in RVRMA operations. Betsy stated that she has had wonderful experiences and added that she has seen a huge change in how things are run.

IV. Committee Report

John Lund began by reminding everyone that there is a written long-range planning report included in the board packet. John shared that the committee continues to work with the McMahon Group on ideas for Ranch House facilities. The committee has been holding regular meetings. The next meeting will take place on Tuesday, Sept. 13 at 1 p.m. in the board room and anyone who is interested is welcome to attend. John emphasized that there is a plan in process and there is nothing set in stone at this time. John added that ultimately what will come from this process is that the committee and the board will have a plan that will then be presented to the community. There has been a lot of good input from community members as well as the RVR Tennis Director, Cristina Sirianni. A meeting was also held with RVR homeowner, Jim Noyes, a person that was instrumental in getting pickleball courts developed in the Town of Carbondale. John reminded everyone that the committee received multiple proposals from different groups and that ultimately, they settled on the McMahon Group. John then asked the board for their thoughts and input.

Laura Hanssen, board director commented that the piece that makes her nervous is providing early viewing of some of the improvements that are being considered. Laura also stated that she would like more feedback from the community before voting.

John clarified that the board would vote to have McMahon share their proposal to the community. It would not be a vote to approve the plan or sign off on the expenditure of the plan.

Sherry Stripling, Board Director, commented we hired McMahon for their expertise, and we should trust the process. She continued to say that we should consider floating the idea to the community of an assessment, not an amount, but to understand that the methodology that we would use to pay for this would come from an assessment that could be paid in multiple ways either in full or overtime.

Todd Richmond, Board Treasure, asked about interpretation of the survey results in a conversation at the board level to see if everyone is on the same page.

V. Month End Financial Review – James Maguire

RVR Controller, James Maguire, presented a financial insight presentation. James reviewed numbers through the end of July which included a high-level overview, a more detailed look, and a review of the reserve account.

James showed a very high-level snapshot of budget versus actual. James noted that we are doing very well, and income is exceeding budget by \$45,000 which is less than a 2% variance. Cost of goods sold is over by \$10,000 and expenses are under budget by only \$1,681 which is close to 0% variance. The bottom line is that we are running at a \$36,955 surplus overall.

James went on to present income budget versus actual by month through July and shared a graph to demonstrate how well we are staying within budget. We brought in more income than expected (except in April).

James then drilled down into detail the HOA's income. Eighty percent of our income comes from dues. Dues are easy to predict and will generally be very close to budget. Guest fees and ADU Thompson Corner memberships are in line. Swim lessons were double what we predicted. Tennis lessons are doing better than budgeted; however, we only receive 10% of this income. Tennis memberships are down. We've earned \$61,000 out of a budgeted \$75,000. The budget was rather aggressive here. Last year by this time we earned \$62,000 as well. Irrigation and community events are doing well. Concession sales are almost double what we budgeted, thanks in part to an updated menu, better service, and Ali Royers management.

Our biggest boost to income comes from DRC which is currently \$36,000 over budget. Property Member/Transfers are under budget mostly due to reduced home sales. The bottom line again, is that we are over budget by \$45,000 which is only a 2.6% variance.

James moved on to expenses, stating that in July expense went slightly over budget but for the most part, the year has been right on target. Personnel

expenses and RVR community expenses are under budget and offsetting other areas that are over budget. The big contributors to going over budget are the same as previous months, golf water reconciliation, cleaning services, natural gas, and computer expenses. However, our bottom line is less than a 1% variance. We budgeted to spend \$1.065 million by this time this year, and we spent \$1.058 million.

James ended his presentation with a quick overview of the reserve account activity in July. The opening balance was \$1.802 million. \$33,000 was collected from reserve assessments and \$2,000 in interest income.

Outgoing payments from reserves were only \$952.00 in additional long term planning expenses. The ending reserve account balance was \$1.836 million.

Director-at-large, RJ Spurrier, asked if tennis was declining in popularity. Ashley replied that he recently compiled numbers on profitability of the program, and he doesn't think that is reflective of the profitability numbers that he reviewed year after year.

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

Board President, Michael Banbury, asked about a section on Ashley's report that stated, "the waterfall pump is being replaced and an understanding of the issue is clear." Ashley believes that there was a mistake in the initial installation on the pump and it was not programmed properly.

Ashley also announced that the Ranch House now has Starlink internet service. Although, it is not performing as well as we hoped due to a defective dish. A new dish was shipped, and we are hoping it will address the issues.

Board Director, Laura Hanssen, asked Ali Royer, Director of Programming and Community Engagement, what has made the Juice Bar so successful this year. Ali reported that she believes food options, friendly staff, alcohol selections and featured specials all contributed to the Juice Bar's success. Ashley also noted that pricing was given thoughtful consideration. Todd mentioned that we could also compare from previous years to see if we have returned to normal pre-covid sales.

VII. Old Business

- **House Bill 22-1137**

Ashley stated that Ben Johnston, Board Secretary, has been working with the association's lawyer on new policies for House Bill 22-1137. According to Ashley, the House Bill is a bit convoluted and drafting new policies has been difficult. Drafts have been written but we are being thorough to make sure the right policies are brought forward. Ben Johnston supported what Ashley shared regarding the legislation being very convoluted. Ben shared that he believes there will be a policy ready by the September meeting. However, it will depend on how quickly the HOA's lawyer can get it back to RVRMA.

- **RVR Fence Maintenance & Repair Policy + Nineteenth Amendment, Fences**

Ashley shared that the Fence Committee met and recommended changes to the Fence Policy. The DRC also had a chance to review the changes and approved resulting in updated versions of the Fence Policy and the Nineteenth Amendment. Ashley said that the big change to the documents were that vertical plank fencing will now be permitted to be stained. The stain would be selected by the DRC. The Board would vote on the new policy and amendment at the September Board meeting.

MOTION: John Lund and Ben Johnston motioned and seconded to post the Fence Policy and Nineteenth Amendment for public community comment. The motion passed unanimously.

- **Short Term Rental Committee**

Mike Banbury announced the applicant names of the Short-Term Rental Committee. Wolf Gensch, Charles Lozner, Peggy Sontag and Bruce Warren will join the Chair, Gary Lesser on the committee.

Sherry Stripling asked what the thought process was on the number of committee members. Michael Banbury answered that it is best to have an odd number of members on a committee in case there needed to be a tie breaker on a decision. Sherry noted that she has no issues with the people who were selected for the committee but wondered if any realtors volunteered to be in the committee. Michael Banbury replied that no realtors had submitted a statement of interest.

MOTION: Sherry Stripling and RJ Spurrier motioned and seconded to

approve the candidates presented to the board for the Short-Term Rental Advisory Committee. The motion passed unanimously.

VIII. New Business

- **Eighteenth Amendment, Xeriscape & Ground Cover**

Jessica Hennessy, Director of Design Review and Admin Services, shared that there are currently two sections of the Design guidelines that are actually out of sync with Colorado law. Sections 6.20 and 6.21. She continued to say that the proposed Eighteenth Amendment rewrites sections 6.20 and 6.21 so that the RVR design guidelines are in alignment with Colorado law and encourages water conservation practices and the use of drought tolerant landscape.

Michael Banbury stated that he saw the lot coverage/gravel surface was bumped to only 6% in the proposed amendment. Michael did not think that was adequate and asked if that could be bumped up to at least 12%. Jessica replied that she believed the DRC would be receptive to that increase.

Board Director, RJ Spurrier, shared his dislike for the small amount of allowable 6% Gravel coverage on RVR homesites. He continued to say that with his experience of having gone through the design review process recently, he has looked at other HOA's guidelines and found that no other HOA is carving out xeriscaping separately from a typical landscape design. RJ noted that all the designs need to be approved by the DRC anyway, so all the guidelines and rules listed in the new amendment are unnecessary.

Jessica shared that many have a misconception of what xeriscaping actually is and that perhaps the listed items were inserted as a way to try and assist homeowners and guide them on how to accomplish a true xeriscape.

RJ stated that the new amendment should simply emphasize that we encourage the use of xeriscape principles and water conservation practices in landscape plans.

Ben commented that more gravel usage should definitely be raised and that any changes should be reviewed by the HOA's lawyer to make sure we are in compliance with Colorado law.

Laura Hansen asked about the number of Shrubs and trees that are required by the guidelines and if that number has stayed consistent throughout the years. Jessica answered that, the required number was recently reduced by the fourteenth Amendment in 2019. RJ asked that the DRC should

communicate with the board and wants to empower the DRC to put in front of them what they really think a good drought resistant number would be for homes in RVR. RJ added that the Board is happy to receive a new perspective on shrub and tree counts.

Ben Johnston stated that the entire DRC guidelines should have a fresh look and many things have changed over the years since they were written. Michael thought a comprehensive reevaluation of the guidelines is good idea.

- **Check Signing Threshold**

Ashley went through the new check signing guidelines that will be implemented by staff. Currently, the process of getting checks signed can take over a week which can be frustrating to vendors and homeowners who have construction refunds due to them. Our current guidelines state the following for check signing:

- Checks over \$5,000 require 2 Board signatures.
- Checks between \$2,500 and \$5,000 require 2 signatures, one which can be GM and one Board.
- Checks under \$2,500 require 1 signature.

Management proposes the guidelines be changed to a simpler formula:

- Checks \$5,000 or more require 2 signatures (of any signers)
- Checks under \$5,000 require 1 signature (of any signer)

Secondly, Management recommends that the following Board Members become check signers, in addition to the GM:

1. President
2. Vice President
3. Secretary

Ashley continued to say that the combination of these changes to our check signing guidelines will allow for a quicker payment of our stakeholders and changing signers each year, while still maintaining strong internal controls.

IX. Adjourn

MOTION: John Lund and RJ Spurrier motioned and seconded to adjourn the meeting. The meeting adjourned at 6:56 p.m.