



RIVER VALLEY RANCH

RVRMA EXECUTIVE BOARD MEETING
Wednesday, Nov. 13, 2024, at 5:30 p.m.
Ranch House Conference Room & Zoom

Executive Board of Directors

Michael Banbury, President
John Lund, Vice President
Todd Richmond, Co-Treasurer
Carl Hostetter, Co-Treasurer
Ben Johnston, Secretary
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
Travis Green, Facilities & Grounds Superintendent

I. Call to Order- Establish Quorum

II. Approval of Minutes

- Approval of Meeting Minutes of the RVRMA Executive Board Meeting held on Wednesday, Oct. 23, 2024.

III. Public Comment

- Comments in public comment are for agenda items only.

IV. Month End Financial Review – James Maguire

- Special Assessment Collection update

V. Management Update

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

VI. Old Business

- Ranch House Renovation Update (*info.*)

VII. New Business

- 2025 Budget (*Decision*)

VIII. Adjourn

IX. Executive Session

- Legal Discussion Concerning Community Assets
- RVRMA Collections Policy



RIVER VALLEY RANCH

**RVRMA EXECUTIVE BOARD MEETING
Wednesday, Oct. 23, 2024, at 5:30 p.m.
Ranch House Conference Room & Zoom
DRAFT Meeting Minutes**

Executive Board of Directors

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John Lund, Vice President
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Ashley Lynch, General Manager
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Jessica Hennessy, Director of Design Review & Admin.
Services
Ali Royer, Director of Programming & Community
Engagement (via Zoom)
Travis Green, Facilities & Grounds Superintendent (via
zoom)

I. Call to Order- Establish Quorum

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

II. Approval of Minutes

MOTION: John Lund, Board Vice President, and Carl Hostetter, Board Co-Treasurer, motioned and seconded the approval of meeting minutes of the RVRMA Executive Board Meeting held on Wednesday, Sept. 25, 2024. The motion passed unanimously.

III. Public Comment

- There was no public comment.

IV. Month End Financial Review

RVR Controller James Maguire, shared a financial presentation and reviewed the budget versus actual, the reserve account and the special assessment progress.

The September budget versus actual was slightly over budget at \$6,000 which came mostly from tennis lessons. Costs of goods sold were over \$4,000 and expenses were barely over \$2,000. The bottom line for September was a \$441 deficit.

Year-to-date income is running over by \$50,000. COGS are also slightly over \$8,000. Expenses are precisely on target with only a \$3,000 variance. The year-to-date surplus is \$39,315. Tennis is up due to the increased lessons in September and everything else is spot on. We are carrying a \$50,000 surplus in income for the year. James noted that DRC income is still over \$33,000. Memberships are also up.

Next, James shared year-to-date expenses. Utilities are still running under budget, mostly due to natural gas and the reduction of the major price increases seen last year. Grounds are slightly over budget by 1%. DRC expenses are over 19%, but as mentioned, this is in proportion to the excessive DRC income. Out of a \$1.795 million dollar budget, we have spent \$1.787 million, a variance of only \$8,551.

James highlighted a snapshot of the reserve account in September. The starting balance was \$5.858 million on an accrual basis. The HOA collected \$44,320 in reserve assessments and earned \$10,085 in interest for a total reserve funding of \$54,405. The ending balance in the reserve account on September 30 was \$5,912,817.

Finally, James featured an update on the special assessments collection progress. There are only three owners who haven't paid the special assessment. They have each received at least five emails, one snail mail, and three phone calls from James. Two of the three said they didn't vote for it and can't afford it and one who is contesting it based on another issue.

In accordance with our collection policy, we sent out a notice of delinquency today via email and certified mail along with assessing a \$50 late fee. The homeowners will have 30 days to cure the delinquency either by making a payment or entering into a written payment plan agreement. The payment plan would be over 18 months, with 8% annual interest and a \$25 minimum payment, on the balance of \$2,750 plus the late fee. The notice also notifies them of the potential consequences of not curing the delinquency in 30 days, which includes turning the account over to our lawyer for collections or a lawsuit, a lien on their property, and most aggressively, a foreclosure. Before the account can be turned over our lawyer for legal action, there must be a majority Board vote to do so. We don't believe it will come to that, but those are the HOA's options in accordance with the collection policy and Colorado law. The plan is to continue to reach out and try to amicably get payment or get these owners on a payment plan.

V. Management Update

- **General Manager Report- Ashley Lynch**

Ashley noted that irrigation blow outs will be wrapped up by next week. Stickers are being added to the homeowner's controllers with the year 2024 written on them to show that their property has been blown out. Ashley commented that the leaf dumpster will continue to stay out well into November. Community leaf pick up is also underway. We have received some inquiries from homeowners as to why we even perform leaf pick up and questions from neighbors asking when it will take place. The contractor will continue to re-visit sites as leaves continue to fall. There was a question as to whether the political sign policy should be increased to allow more signs. The policy currently only allows one sign per property. There was a consensus that a motion would not be made at this time to increase the allowed sign count.

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

Ali commented that there are three events upcoming for the weekend including Halloween parties for adults and kids as well as an end of tennis season party.

- **DRC Report- Jessica Hennessy**

Jessica said that there continues to be a slowdown in new construction submittals. There was only one DRC meeting for the month of October and inspections are being performed as usual.

- **Finance Report- James Maguire**

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

Travis highlighted the blow-out process and reiterated that they should be done by the final week of October.

VI. Old Business

- **Ranch House Renovation Update**

The complete Ranch House Renovation report can be found in the October board packet. Since September's update, a meeting has been held with the GC, Architect and the Design Advisory Group (DAG) to discuss the early stages of schematic design.

Ashley added that the biggest thing to note in the report was the timeline. At this point most things are very hypothetical and ultimately, we won't know what things will look like until we get to the end of the pricing round

which should be around mid-November. There is schematic design scope alignment and that will happen between mid- October and the end of October. Once we get to the end of the SD scope alignment, we will have a little bit more of an idea of what the plans will look like. At the moment, there have been some small deviations from the plan which is to be expected. The core of the renovation remains the same.

We are hoping for a permit application in mid-March. It could take three months to receive a permit from the Town of Carbondale, which means we could theoretically break ground in June. Although, we will not likely break ground in the busy summer season so it can be expected that the work will start in the fall of 2025.

Carl asked if the survey of the Ranch House was completed yet and Ashley said that it is happening now.

Ashley commented that the pricing round will have some green programming within it, such as a high efficiency boiler and solar on the roof to offset energy. At the end of the day, we will do what we can afford.

John asked if fitness equipment would be rolled into the budget for the project. Ashley commented that it is an open question as to how we want to spend reserve money as part of maintenance in the workout facility. Ashley added that we are due for new fitness equipment.

There was also discussion concerning reserve money and the pool deck, FF & E on the pool deck, shade structures, window and door replacement.

VII. New Business

- **Special Assessment Collection Update**

Mike commented that this topic was covered earlier in the meeting during the financial presentation. Mike asked the group if there were any other questions or comments.

John added that we should be careful about getting to wound up about the very few people who haven't paid. The other issue is that the homeowners who haven't paid think that they don't owe the special assessment money. James added that two of the three had mentioned that they will likely go on the payment plan and the third one is a special situation. Ashley noted that as long as they go on a payment plan, they will all take care of themselves.

- **2025 Budget Draft - Discuss Community Feedback**

Ashley commented that Public Q&A Sessions concerning the 2025 budget were held at the Ranch House that were not very well attended. Ashley added that he has not received feedback via email either. Ashley commented that it is probably a good sign. As a reminder what is being proposed is a seven-dollar increase in operating dues and a five dollar increase in reserve dues. The board agreed that they are happy with the budget as shown in the board packet. The board will vote on the budget in the November meeting.

VIII. Adjourn

MOTION: John Lund and RJ Spurrier motioned and seconded to adjourn the meeting. The motion passed. The meeting adjourned at 6:12 p.m.



November 13, 2024

General Manager's Report

Governance/Operations:

- We continue to work on items concerning the execution of the Ranch House renovation plan. Please refer to the renovation update in the board packet.
- The leaf dumpster will likely be taken away during the week of 11/18. That decision will be based upon how much the community is utilizing it.
- 2025 Budgeting is moving forward as scheduled. The budget will be voted on tonight. If approved it will go to out for a vote not less than 14 days following the ratification by the BOD per our governing documents..
- Fall leaf pickup is wrapping up. The contract with Rocky Mountain Landscaping goes into Mid November.

Staffing

- Staffing is complete.

Sub-Associations & Neighborhoods

- **The Boundary** – the community had a meeting on Oct 17
- **Crystal Bluffs** – the community had a meeting on Oct 16th
- **The Fairways**– No updates
- **The Settlement--**
- **Old Town and Settlement** –
 - Painting and siding is complete. Emails with information have gone out to all homeowners who will be painted/stained in 2025.
 - An email went out on Oct. 28 to all Old Town Homeowners soliciting applications or the two committee positions that expire in 2025. At this time there are no applicants.
- **Thompson Corner**
 - No updates

Fitness

We are in the fall transition phase for fitness classes. We've changed PEAK fitness to M/W/F and removed two Pilates classes. We're working on replacing the Pilates classes – instructor scheduling is proving difficult. We have a different class on Wednesday's (GRIT instead of Barre) and added a Cycle/Strength class on Fridays. We're working on adding another early morning cycle on Tuesday or Thursday. Shaylee's Boot Camp class on Saturdays moved inside and a little bit later in the morning. We purchased a new air bike for the gym called an Assault Bike. It was requested by a few different members and is supposed to be an amazing cardio workout!

Day	Time	Location	Class	Instructor
Monday 11/11				
	6:00-7:00 AM	Studio	PEAK Fitness	Jace
CANCELED	8:00-9:00 AM	ZOOM	Qigong-Moving Meditation	Gari
	8:00 - 9:00 AM	Studio	Pilates for Everyone	Alexandra
	9:30 - 10:30 AM	Studio	Strong & Stable	Shaylee
Tuesday 11/12				
	8:00 - 9:00 AM	Studio	Gentle Slow Flow Yoga	Anthony
	9:30 - 10:30 AM	Studio	HIIT	Lauren
	5:30 - 6:30 PM	Lap Pool	Master Swim	Dave
Wednesday 11/13				
	6:00-7:00 AM	Studio	PEAK Fitness	Jace
CANCELED	8:00-9:00 AM	ZOOM	Qigong-Moving Meditation	Gari
	8:00-9:00 AM	Studio	Cycling + Upper Body Strength	Susan
NEW CLASS	9:30 - 10:30 AM	Studio	GRIT + Core/Stretch	Lauren
	11:00 - 12:00 PM	Studio	Gentle Slow Flow Yoga	Shelly
Thursday 11/14				
	7:30 - 8:30 AM	Studio	Vinyasa Flow (moderate)	Shelly
	9:30 - 10:30 AM	Studio	Dynamic Strength	Bonnie
	5:30 - 6:30 PM	Lap Pool	Master Swim	Dave
Friday 11/15				
	6:00-7:00 AM	Studio	PEAK Fitness	Jace
	8:00 - 9:00 AM	Studio	Gentle Slow Flow Yoga	Shelly
NEW CLASS	9:30 - 10:30 AM	Studio	Cycle + Strength	Shaylee
Saturday 11/16				
	9:00 - 10:00 AM	Studio	Ageless Athlete	John
NEW TIME	10:15 - 11:15 AM	Studio	Bootcamp	Shaylee
Sunday 11/17				
	4:30 - 5:30 PM	Studio	Restore & Renew Yoga	Ellen

Ranch House Usage – October Summary

1. We had 3,208 check-ins in October (compared to 3,844 last month, September 2024, and compared to 2,925 in October 2023).
 - a. 194 were Thompson Corner or ADU members.
 - b. 380 were Tennis members.
 - c. 2,634 were homeowners or transferred members (long-term renters)

Tennis

Tennis courts closed for the season on Tuesday, Oct. 29. Players enjoyed an extended season with beautiful fall weather!

Past & Upcoming Events

Recent Events

- 10/8 Nonprofit presentations meet & greet
- 10/18 Geology talk with Don Marlin II
- 10/25 End of season tennis party
- 10/26 Halloween adult event
- 10/27 Halloween kids' event
- 11/2 Fall Craft Fair
- 11/7 Cyber Security Presentation

Upcoming Events

- 11/12 Nonprofit #2 Presentation and Meet & Greet
- 11/19 Ski Club 2024/2025 Meeting and Social
- 11/22 Bourbon Tasting
- 12/7 Annual RVR holiday party
- 12/14 Donuts with Santa

DRC Report, November 2024 - Jessica Hennessy

November DRC Review Projects:

- **Lot:** Y04, 179 Sopris Meas | **Review:** Garage Remodel & New Room
- **Lot:** GG05, 115 Bowles | **Review:** Grading Changes to Approved
- **Lot:** Z21, 384 Crystal Canyon | **Review:** Changes to Approved – New Construction

The DRC met once during the month of November, which is typical because of the Thanksgiving holiday. Inspections and site visits are being performed as usual.

DRC Numbers:

- There have been **138** Administrative Approvals processed so far this year compared to **94** in November of 2023.
- There are currently **19** homes in the construction phase (from breaking ground to the final inspection phase/closeout).
- There are **4** applicants in the Preliminary Design Review phase.
- There are **6** applicants finalized by DRC and waiting on permits from the Town of Carbondale.

Financial Report

October 2024

Prepared by James Maguire

Budget vs Actual

Being that the Board meeting is so early this month, estimates had to be used for a couple of vendor invoices that haven't been received yet including DRC architects, fitness instructors, and the natural gas bill, but the margin of error is expected to only be less than \$500.

In October, we executed a number of projects and purchases that were mentioned in previous reports that would ramp up our spending and bring down the overall net surplus to our forecasted range for year-end. Last month, the net surplus was \$39K. This month it is at \$23K. We have been forecasting about \$25K for year-end.

Some of the purchases included lawn fertilization, tree removals and plantings, salt cells for the pool, new towels for the locker rooms, a new bike for the fitness center, and increased legal fees. In total, expenses were over budget in October by \$11K. In addition, DRC income was down \$4K below budget. The net deficit for October was \$16,600, hence the deflation of the net surplus for the year down to \$23K or within 1% of the budget.

As for year-to-date, total income is \$2.466M out of a budgeted \$2.415M, an overage of \$51K. This excess consists of \$28K from DRC income, \$11K from tennis lessons, \$8K from irrigation assessments, and \$5K from memberships.

COGS are \$281K out of a budgeted \$266K, an overage of \$14K. This is mostly due to increased tennis costs directly related to increased tennis income.

Expenses are \$2.169M out of a budgeted \$2.155M, an overage of \$14K or less than 1% variance. This all nets out to a \$23K net surplus for year-to-date so far.

Our forecast shows us remaining steady till year-end.

Special Assessment

As of November 8th, we have 3 homeowners who have not paid the first half of the special assessment which was due October 1st. In compliance with our collection policy and state law, on October 23rd we sent out a Notice of Delinquency via certified mail and email. The homeowners have 30 days (November 22) to either cure the delinquency by making a payment or requesting a payment plan. The payment plan would allow payments over 18 months at 8% interest. To date, we have not received a reply from any of the 3 homeowners.

Investing

I made a cash flow projection in alignment with timeline of the ranch house renovation project. With the influx of cash from the special assessment payments, we calculated and decided to invest \$2 million in short term CD's while interest rates are still high. This will produce an additional \$40,000 for the reserve

fund in just 6 months. There will be enough liquid funds available to begin the renovation projects next year and pay for the design, planning, and permits this year, if applicable.

Reserve Funds

The beginning RVRMA reserve fund balance in October was \$5,912,817 on an accrual basis. Total reserve income from dues was \$44,320 and interest income was \$11,413.

We spent \$18,580 from the reserve fund on federal estimated tax payments on the interest income and \$23,820 on the architectural schematic design phase for ranch house project.

The ending balance in the reserve account on October 31st was \$5,926,150 of which \$3M is from the special assessment.

River Valley Ranch Master Association
Profit & Loss Budget Performance
October 2024

	October	Budget	YTD Actual	YTD Budget	Annual Budget
Income					
Assessments - Operating	187,402	187,275	1,872,670	1,872,750	2,247,300
Memberships	4,602	5,300	79,510	74,200	83,000
Swim & Fitness	1,358	1,000	20,289	18,300	20,300
Tennis	10,582	5,000	206,946	197,000	197,000
Homeowner Reimbursable Assessments	10,273	9,000	111,799	105,000	123,000
Other Income	4,474	10,300	174,908	147,700	167,800
Total Income	218,691	217,875	2,466,122	2,414,950	2,838,400
Cost of Goods Sold					
Swim & Fitness	5,061	5,000	63,739	59,700	69,700
Tennis	15,648	10,100	172,229	162,750	162,750
Concessions	871	900	27,354	25,700	26,300
Credit Card Fees	1,932	1,000	17,191	18,000	20,000
Total COGS	23,512	17,000	280,513	266,150	278,750
Gross Profit	195,179	200,875	2,185,609	2,148,800	2,559,650
Expense					
Personnel	127,442	127,335	1,253,198	1,257,559	1,536,935
Grounds	46,629	40,470	363,690	353,625	370,665
Irrigation	16,779	18,700	102,837	105,500	117,900
Ranch House Expenses	13,512	11,450	124,393	115,650	141,550
Utilities	11,797	11,867	113,868	119,470	144,700
Administrative	15,561	10,340	110,310	104,000	124,800
Finance	2,746	2,200	5,303	6,500	6,900
Design Review Committee	831	3,000	31,893	29,000	34,000
RVR Community Expenses	5,071	4,100	63,411	63,500	82,200
Total Expense	240,368	229,462	2,168,903	2,154,804	2,559,650
Net Operating Surplus / Deficit	(45,189)	(28,587)	16,706	(6,004)	0

Reserve Activity
October 2024

	October	Budget	YTD Actual	YTD Budget	Annual Budget
Reserve Income					
Reserve Assessment Income	44,320	44,320	443,200	443,200	531,840
Investment Interest Income	11,413	8,000	98,747	84,000	100,000
Total Reserve Income	55,733	52,320	541,947	527,200	631,840
Reserve Balance October 1	5,912,817				
Income - Reserve Dues & Interest	55,733				
Spending	(42,400)				
Reserve Balance October 31	5,926,150				

River Valley Ranch Master Association

Public - Balance Sheet

As of October 31, 2024

ASSETS

Current Assets

Checking/Savings

Wells Fargo Operating	207,528
Investment Accounts	5,847,870

Total Checking/Savings	6,055,398
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Accounts Receivable

Special Assessments A/R	1,161,725
HOA Dues A/R	2,537
Miscellaneous A/R	200

Total Accounts Receivable	1,164,462
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Other Current Assets

Undeposited Funds	3,605
Interest Receivable	24,957
Prepaid Expenses	41,764
Inventory	6,421

Total Other Current Assets	76,747
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Total Current Assets	7,296,607
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Fixed Assets	604,338
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TOTAL ASSETS	7,900,945
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LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable - Vendors	108,754
Accounts Payable - Payroll	56,790
Accounts Payable - Payroll Tax	4,431
Accounts Payable - P&D Deposits	995,740

Total Accounts Payable	1,165,715
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Credit Cards

Wells Fargo Credit Card	10,217
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Total Credit Cards	10,217
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Other Current Liabilities

Interest Payable - P&D Deposits	11,999
Prepaid HOA Dues	27,175
Prepaid Income - DRC Fees	47,485
Sales Tax Payable	46
AVLT Payable	17,063
Payroll Liabilities	192

Total Other Current Liabilities	103,960
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Total Current Liabilities	1,279,892
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Total Liabilities	1,279,892
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Equity

Reserves (RVRMA, OT, TS)	6,005,032
Prior Operating Fund	1,058,167
Transfers to from Reserves	(604,204)
Retained Earnings	154,302
Net Income	7,758

Total Equity	6,621,055
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Rounding	(2)
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TOTAL LIABILITIES & EQUITY	7,900,945
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Dear Board Members,

I am pleased to provide an update on the recent grounds and facilities activities at River Valley Ranch.

Irrigation: Winterization has been completed to all homes and common areas in RVR.

Trees: Tree removals around the ponds on Heritage and on Perry Ridge are scheduled for this week. Additional removals around the south entrance and behind the Ranch House will take place in December. We will plant a few replacement trees behind the tennis courts and by the upper pond this month.

Tennis: We are beginning the project to clean out the root growth around the perimeter of the tennis courts to help preserve the clay and hopefully help the court's drainage between courts #2 and #3. We will most likely remove a few Aspen trees in this process and will plan on supplemental plantings where needed to keep the courts shaded in the summer. The courts have been winterized for the season.

Turf: Leaf removal will continue until 11/15.

Snow: Omar's crew is back to help out with the snow removal in Old Town and Settlement.

Pools: The recreational pools have been winterized. The crew is working hard to keep the leaves out of the lap pool.

Travis Green
Landscape and Facilities Superintendent

Ranch House Renovation Updates

11/13/2024

Given that our last board meeting occurred in late October, there are no significant updates. We have been working to ensure that details have been considered to get the most accurate preliminary pricing from RA Nelson.

As we receive that pricing, we will be in a better position to consider a path forward as we progress through the design process. We are also continuing a due diligence process with an HVAC contractor. Conversations related to HVAC are related to reserve expenditures, as opposed to items related to the Special Assessment portion of the project.

As we receive pricing, we want an estimated idea of what an overhaul of the current heating/cooling system of the Ranch House might cost. Our boilers are original to the building. Those boilers ultimately serve to heat the Ranch House and they also have a role in heating the pool via dedicated heat exchangers. The specific projects that we want preliminary cost estimates related to these mechanicals are:

- 1) A full replacement of our cast iron boilers, replacing them with high efficiency boilers
- 2) Transitioning our HVAC system to a variable air volume (VAV) system.
 - a. Our current system uses constant velocity, meaning that air is always circulating (the vents are always blowing air). This system utilizes an ERV (energy recovery Ventilator) which reduces the workload of the air conditioning units.
 - b. While constant velocity is not as efficient as a VAV system would be, it does allow for maximum air exchange in the building, which is useful in a health club setting.

We have an appointment set to have the current boilers inspected. Our HVAC maintenance purveyor will be physically inspecting the inside of the boilers. We hope that this will give us the most accurate indication of remaining useful life.

Boiler upgrades and VAV would have ROI, but they are some of the most expensive items addressed on our reserve study. While they are due for replacement, with funding via our reserve study, there could be enormous cost savings from delaying that project if the current units have a clean bill of health.

The due diligence that we are doing concerning our HVAC system is a good way to understand where we stand on the overall planning for the renovation at this time. The current schematic design sets have been crafted to ensure that we receive pricing, giving us enough information to forge a path forward.

I should also note that due diligence is also being conducted to understand the costs related to solar as we consider the roofing project at the Ranch House.

Previous Report from 10/24/2024

The update that was included in September’s Board Report appears below this update. For anyone who is not familiar with what was discussed at the September Board meeting, please refer to that report.

Since that time, a meeting was held with the GC, Architect, and RVR Design Advisory Group (DAG) to discuss early stages of Schematic Design. The conversation largely centered on specific plans for the added square footage to the east of the Great Room, along with specific ideas for a restructuring of the current bar. We also walked the locker rooms to discuss the remodel scope that might be included in the Schematic Design for subsequent pricing. This meeting was helpful to guide us toward a preliminary Schematic Design.

The timeline for design phases is included below, though it might require you to zoom in on the PDF file to read. We hope to conclude SD and have cost estimates provided by the GC by 11/15. This will give us a better understanding of overall costs for both the special assessment portion of the project as well as the portion that would be funded by existing reserves.

As has been discussed previously, from an accounting perspective, we are tracking costs for the reserve portion vs. the assessed portion of the project separately.

Concerning Engineering: Sopris Engineering has been working on a site survey and Bighorn Engineering will soon be engaged to review M&E. A meeting was also held to walk mechanicals with the vendor who maintains our boilers/HVAC, to better understand the current systems.



Previous Report from 9/25/2024

During the annual meeting I covered this topic in more detail. This document will further discuss processes that have unfolded since that time.

As noted in that meeting, we have selected RA Nelson (RAN) as a General Contractor. We ultimately decided on them after pursuing 2 other alternatives. RAN offered the best pricing structure via their RFP. They also provided references alongside comparative projects that were very similar in size and scope to our renovations at the Ranch House, inclusive of work on pools/community centers. The references provided were also outstanding. RAN had pre-existing knowledge of our project, having volunteered to assist us during the Long-Range Planning Committee's OPC (opinion of probable cost) phase with the McMahon Group. In this way, they fully understood what we were hoping to accomplish at the Ranch House.

Since that time, we have also selected an Architectural firm. After interviewing other architects, we ultimately decided to work with Land + Shelter (L+S), led by Andrea Korber. L+S is a well-known local architecture and planning firm. They have been involved with Carbondale projects such as: the Carbondale Pool/Rec Center and True Nature. As a long-time local, Andi has family in RVR and has familiarity with both our community, and our facility.

While we have made commitments to both L + S and RAN, our current obligations do not yet extend to the full scope of the renovation project. As we begin the Schematic Design (SD) process, we are working toward a full contract with both firms. As this SD phase comes to a close, we will work with RA Nelson for a preliminary pricing round. That will give us a more detailed idea of costs allocated to specific portions of the scope.

Up to this stage, our internal team has largely consisted of a working group, which is growing over time. I'd like to thank the following homeowners for providing their expertise to consult on the project. As we move through the SD phase, this group will serve a more formal role as a Design Review Team.

- Ashley Lynch (GM)
- Carl Hostetter (Co-Treasurer of the RVRMA Board)
- Marc Margulies (Boundary homeowner and retired Architect & Owners Rep)
- Rob Morey (Owners Rep, Old Town Homeowner)
- Zach Smith (RVR Custom Homes owner, Builder)
- Elizabeth Lozner (Caryatid Structural Engineering, RVR Homeowner)
- Jennifer Dicuollo (DRC Committee Member, Landscape Architect)

The timeline of the project will become clearer as we march through the planning stages, but we hope to accomplish the bulk of project from Labor Day 2025 to Memorial Day 2026. The

Architectural phases of the plan leading up to the construction documents and construction administration phases will take some time to complete.

This puts us on track to accomplish the bulk of the improvements in 2025/2026. As a reminder to the community, the full plan, inclusive of financial data, remains available on the RVRMA website. You will find it on the top of the homepage. In that PDF, you will find a detailed accounting of expenditures, projecting those to happen in 2025/2026.

As we move deeper into the planning stages, more comprehensive cost estimates will be forthcoming.

It should be noted that the top priorities for this project remain to be:

- 1) To come in on, or below, budget.
- 2) To minimize disruption to the Ranch House as much as possible, focusing on timeframes outside of the peak summer season.
 - a. It is our goal to keep the facility open to the public to allow use of the building at all times.

Ashley Lynch

GM RVRMA

2025 Projected Dues (RVRMA)



	2022	2023	2024	2025	Increase	
					\$	%
Monthly Operating Dues	\$298	\$324	\$338	\$345	\$7	2.1%
Monthly Reserve Dues	\$60	\$70	\$80	\$85	\$5	6.3%
Total Dues	\$358	\$394	\$418	\$430	\$12	2.9%

Our goal for 2025 is to minimize the increase in operating dues and keep it below the Consumer Price Index (CPI). CPI increased by 2.5% over the last 12 months. The proposed \$7 increase to operational dues represents a 2.1% increase, so we were able to achieve our goal through a careful vetting of our expenditures.

The Board felt that a \$5 increase to the reserve portion of dues was warranted to ensure that we are properly funded into the future.

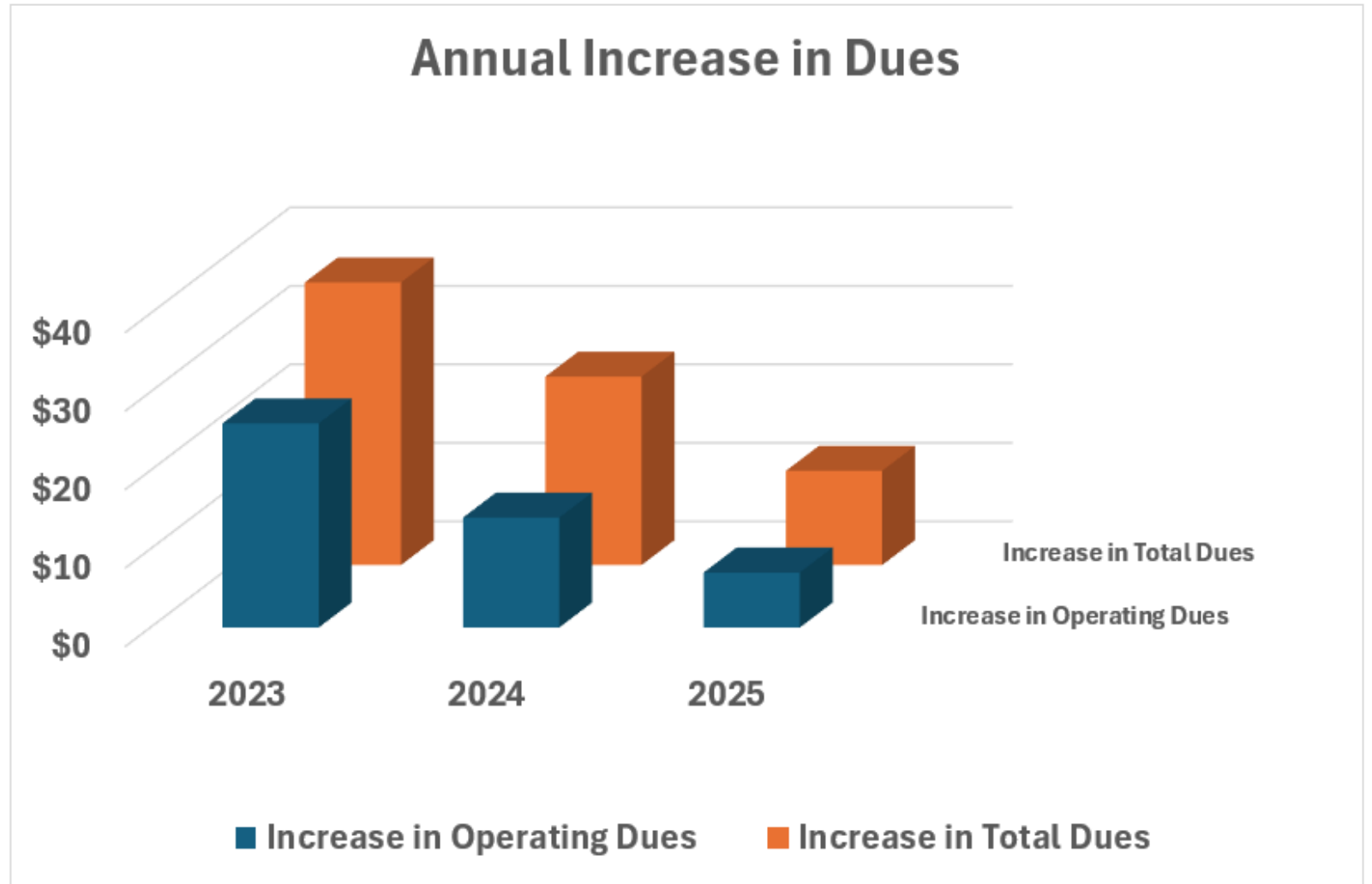
There will be no increase to irrigation assessments in 2025.

These combined totals result in a cumulative 2.9% increase largely driven by the \$5 reserve increase year-over-year.

RVRMA Dues Over Time



Year	Operating		Total	
	Dues	Increase	Dues	Increase
2023	\$324	\$26	\$394	\$36
2024	\$338	\$14	\$418	\$24
2025	\$345	\$7	\$430	\$12



The above charts show the increase in operating and total dues over the last 3 years. Both have decreased by almost 50% year-over-year.

2024 Projected Year-End



We anticipate ending the year with a \$25K surplus.

Our 2024 year-end forecast predicts around a \$50K surplus in income as we have been reporting throughout the year. Close to \$33K of this surplus will come from Design Review Committee income.

Total expenses are anticipated to end the year within 1% of our budgeted target.

2025 Proposed Budget



	2024 BUDGET	2024 FORECAST	2025 BUDGET
INCOME			
Assessments (Operating)	\$ 2,247,300	\$ 2,247,114	\$ 2,294,100
Assessments (Irrigation)	\$ 123,000	\$ 131,477	\$ 135,000
Memberships & Recreation	83,000	88,970	82,500
Swim & Fitness	20,300	21,358	27,100
Tennis Programming	197,000	199,259	207,000
Food & Beverage	51,200	51,780	51,000
DRC Fees	76,000	109,157	115,000
Other Income	40,600	40,905	40,500
TOTAL INCOME	\$ 2,838,400	\$ 2,890,020	\$ 2,952,200
COGS			
Swim & Fitness	69,700	72,123	71,500
Tennis	162,750	163,735	170,200
Concessions & Other	46,300	48,406	48,500
TOTAL COGS	\$ 278,750	\$ 284,264	\$ 290,200
GROSS INCOME	\$ 2,559,650	\$ 2,605,756	\$ 2,662,000
EXPENSES			
Personnel & Wages	1,536,935	1,530,379	1,603,400
Grounds & Irrigation	488,565	505,930	498,800
Ranch House Expenses	141,550	150,062	153,300
Utilities	144,700	136,011	138,100
G&A	131,700	131,223	137,700
DRC Expenses	34,000	43,606	46,000
Community Expenses	82,200	83,892	84,700
TOTAL EXPENSES	\$ 2,559,650	\$ 2,581,103	\$ 2,662,000
NET INCOME (LOSS)	\$ -	\$ 24,653	\$ -

RVRMA Reserve



We estimate ending 2024 with a little over \$3M in Reserves. In addition to this, we have \$3,047,000 in special assessment collections that will be received between now and August 2025, as was voted on by the community. Of course, this special assessment money will be spent down as we execute the Ranch House Renovation Plan.

We will also be spending money out of the reserves, as was noted in the plan put forward by the Long-Range Planning Committee. You can find details on the full renovation plan by clicking [here](#). Correspondingly, you will find recent updates on the execution of the plan by clicking [here](#). These documents are located on the home page of the RVRMA website.

The 2024 Reserve study shows us as 56.3% funded. For anyone interested in a detailed look at that reserve study it can be found [here](#).

Upon completion of the renovation, we will have another reserve study conducted.

2025 Dues By Neighborhood



RVRMA HOA Dues

Operating Assessment	345
Reserve Assessment	85
	<hr/>
	\$430

RVRMA - Custom Homes

HOA Dues	430
Irrigation Assessment ^[1]	31
	<hr/>
	\$461

RVRMA (Block "B"/Sopris View)

HOA Dues	430
Irrigation Assessment ^[1]	20
	<hr/>
	\$450

THE SETTLEMENT

HOA Dues RVRMA	430
The Settlement (Additional Services) Painting, Mowing, Snow Removal	158
The Settlement Painting Reserves	116
Irrigation Assessment ^[1]	20
	<hr/>
	\$724

OLD TOWN

HOA Dues RVRMA	430
Old Town (Additional Services) Painting, Mowing, Snow Removal	73
Painting Reserve	99
Irrigation Assessment ^[1]	9
	<hr/>
	\$611

CRYSTAL BLUFFS, THE BOUNDARY, THE FAIRWAYS

HOA Dues RVRMA ^[2]	\$430
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NOTES:

[1] Irrigation not charged to unirrigated vacant lots.

[2] Does not include sub-association dues or irrigation charged directly to the sub-associations.

2025 Projected Dues (Old Town)



OLD TOWN DUES

HOA Dues RVRMA
Old Town (Added Services)
Painting Reserve
Irrigation Reimbursement Assessment
TOTAL OLD TOWN DUES

	2023	2024	2024	2025	Increase	
HOA Dues RVRMA	\$394	\$426	\$418	\$430	\$12	2.9%
Old Town (Added Services)	\$67	\$71	\$71	\$73	\$2	2.8%
Painting Reserve	\$90	\$97	\$97	\$99	\$2	2.1%
Irrigation Reimbursement Assessment	\$9	\$9	\$9	\$9	\$0	0.0%
TOTAL OLD TOWN DUES	\$560	\$603	\$595	\$611	\$16	2.7%

Old Town dues in 2025 show an **increase of \$2 in operating + \$2 in reserves totaling a \$4 increase overall**. This stands in contrast to last year's increase of \$4 in operating + \$7 in reserves totaling a \$11 increase overall. Please refer to the next slide to gain an understanding of this dynamic.

The 2.4% increases reflect inflationary price increases from our vendors which are in line with the Consumer Price Index.

We are projecting to end 2024 virtually flat to the budget.

Irrigation assessments will not be increasing in 2025.

Reserve Balances Over Time



NUMBER OF LOTS
Monthly Reserve Dues per Lot
Reserve Beginning Balance
 Operating Surplus from previous year
 Reserve Common Assessments
 Reserve Expenses-Painting
Reserve Estimated Ending Balance

2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
65	65	65	65	65	65
80	80	85	90	97	99
31,651	54,796	45,106	33,978	49,642	32,204
7,999	(848)	(2,959)	(286)	164	156
62,320	62,400	66,300	70,110	75,660	77,220
(47,174)	(71,242)	(74,469)	(54,160)	(93,262)	(104,751)
54,796	45,106	33,978	49,642	32,204	4,830

We are ending 2024 with a healthy reserve balance of around \$32,204. With current reserve increases of \$2 per month, we anticipate ending 2025 with \$4,830 which is a healthy position.

2024 saw larger reserve increases because 2024 and 2025 are big painting years for Old Town– the cost of paint also increased. In 2026 there will be zero homes to paint (it is a scheduled year off). For this reason, we are letting the reserves run lower to end 2025. That balance will then rebound in 2026. Throughout 2026, reserves will be collected with no corresponding expenditure. This will allow us to end that year with a high balance anticipated to be over \$80,000, starting the 10-year cycle over again (every 10 years we experience one year with no homes to paint).

Operating Budget



Old Town 2025 Operating Budget

NUMBER OF HOMES

Income

Common Assessments-Operating

Total Income

Expenses

Lawn Maintenance

Snow Removal

Irrigation System R & M

Total Expenses

Net Income

	2023 Actual	2024 Budget	2024 Forecast	2025 Budget
NUMBER OF HOMES	65	65	65	65
Income				
Common Assessments-Operating	52,193	55,380	55,380	56,940
Total Income	52,193	55,380	55,380	56,940
Expenses				
Lawn Maintenance	27,456	29,000	28,441	29,900
Snow Removal	13,464	13,900	13,783	14,300
Irrigation System R & M	11,109	12,480	13,000	12,740
Total Expenses	52,029	55,380	55,224	56,940
Net Income	164	0	156	0

OLD TOWN DUES

HOA Dues RVRMA

Old Town (Added Services)

Painting Reserve

Irrigation Reimbursement Assessment

TOTAL OLD TOWN DUES

	2023	2024	2024	2025
HOA Dues RVRMA	\$394	\$426	\$418	\$430
Old Town (Added Services)	\$67	\$71	\$71	\$73
Painting Reserve	\$90	\$97	\$97	\$99
Irrigation Reimbursement Assessment	\$9	\$9	\$9	\$9
TOTAL OLD TOWN DUES	\$560	\$603	\$595	\$611

2025 Projected Dues (Settlement)



SETTLEMENT DUES

HOA Dues RVRMA
Settlement (Added Services)
Painting Reserve
Irrigation Reimbursement Assessment
TOTAL SETTELMENT DUES

2023	2024	2025	Increase	
\$394	\$418	\$430	\$12	2.9%
\$147	\$153	\$158	\$5	3.3%
\$111	\$114	\$116	\$2	1.8%
\$19	\$20	\$20	\$0	0.0%
\$671	\$705	\$724	\$19	2.7%

The Settlement operating dues for 2025 are projected to increase by \$5. This increase is required to keep pace with inflationary increases related to snow plowing, irrigation parts/supplies and lawn care. Our 2024 forecast also indicates an operational shortfall of around \$3K largely attributed to Irrigation Repair and Maintenance. As we budgeted for 2025, we were careful to provide enough budgeted money for that area to prevent a shortfall in 2025.

Reserve dues also show a modest \$2 increase for 2025, please refer to the next page for more detail on that subject.

Note: there are no increases in irrigation assessments in 2025.

Reserve Balances Over Time (Settlement)



The Settlement 2025 Reserve Budget

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Forecast	2025 Budget
NUMBER OF LOTS	56	56	56	56	56	56
Monthly Reserve Dues per Lot	\$95	\$95	\$101	\$111	\$114	\$116
Reserve Beginning Balance	48,657	55,205	46,406	20,063	11,700	72,056
Operating Surplus from previous year	10,446	(8,036)	(13,567)	(8,955)	(899)	(3,789)
Reserve Common Assessments	63,840	63,840	67,872	74,592	76,608	77,952
Reserve Expenses-Painting	(67,738)	(64,603)	(80,648)	(74,001)	(15,360)	(86,767)
Reserve Estimated Ending Balance	55,205	46,406	20,063	11,700	72,056	59,452

We anticipate ending 2024 with a reserve balance of \$72,056. We only painted 2 homes in 2024. This allowed the reserve balance to grow over the course of the year.

Adding \$2 per month to the 2025 Settlement reserve dues will allow us to end the year with a healthy balance of \$59,452.

Every 6 years, we experience one year with zero homes on the painting schedule. Starting that cycle with just over \$72K should keep the reserve fund in a good position. We expect modest increases each year to keep up with inflation.

2025 budget (Settlement)



The Settlement 2025 Operating Budget

NUMBER OF HOMES

Income

Common Assessments-Operating

Total Income

Expenses

Lawn Maintenance

Snow Removal

Irrigation System R & M

Total Expenses

Net Income

	2023 Actual	2024 Budget	2024 Forecast	2025 Budget
NUMBER OF HOMES	56	56	56	56
Income				
Common Assessments-Operating	98,784	102,816	102,816	106,176
Total Income	98,784	102,816	102,816	106,176
Expenses				
Lawn Maintenance	49,628	51,000	51,438	52,530
Snow Removal	29,689	31,400	31,167	32,100
Irrigation System R & M	20,336	20,416	24,000	21,546
Total Expenses	99,653	102,816	106,605	106,176
Net Income	(869)	0	(3,789)	0

SETTLEMENT DUES

HOA Dues RVRMA

Settlement (Added Services)

Painting Reserve

Irrigation Reimbursement Assessment

TOTAL SETTLEMENT DUES

	2023	2024	2025
HOA Dues RVRMA	\$394	\$418	\$430
Settlement (Added Services)	\$147	\$153	\$158
Painting Reserve	\$111	\$114	\$116
Irrigation Reimbursement Assessment	\$19	\$20	\$20
TOTAL SETTLEMENT DUES	\$671	\$705	\$724

Note: there are no increases in irrigation assessments for 2025