

RVRMA EXECUTIVE BOARD MEETING
Wednesday, October 26, 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
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

I. Call to Order- Establish Quorum

II. Approval of Minutes and the Consent Agenda

- Approval of Meeting Minutes of the RVRMA Executive Board Meeting held on Wednesday, Sept. 28, 2022.

III. Public Comment

- Format Update
- Comments in public comment are for agenda items only.

IV. Committee Report

- Long Range Planning

V. Month End Financial Review – James Maguire (info.)

VI. Management Update

- General Manager Report- Ashley Lynch
- Programming & Community Engagement Report- Ali Royer
- DRC Report- Jessica Hennessey
- Finance Report- James Maguire
- Outside Service Report- Travis Green

VII. Old Business

- Short Term Rental Proposal (decision)

VIII. New Business

- Budget 2023 (*info*)
- Strategic Planning Update (*info*)
- Meeting Recordings (*info*)

IX. Adjourn

RVRMA EXECUTIVE BOARD MEETING
Wednesday, September 28, 2022, at 5:30 p.m.

Ranch House Conference Room and Zoom Meeting

Executive Board of Directors

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

Management

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

Homeowner Attendees

At the Ranch House

David Pietsch
Vicki Arnold
Bud Arnold
Sara Gilbertson
Jocelyne Durrance
Anne Blackwell
Wolf Gensch
Carl Hostetter
Rosemary Lavender
Stan Kleban

Via Zoom

John Krousouloudis
Mary Catherine Conger
Rebecca Aronoff
Joel Aronoff
Todor Radmilovich
Paul Brown
Nina Factor
Doug Factor
Diane Cavarra
Richard Sills
John and Kathy Schoenecker
Krystina Greenwood
Gary Wesselink
Jillian Banbury
Claudia Carroll
Peter & Donna Belch
John and Kathy Schoenecker

I. Call to Order- Establish Quorum

- Board President, Michael Banbury, called the meeting to order at 5:30 p.m.

II. Approval of Minutes and the Consent Agenda

- Board Directors, Laura Hanssen and Sherry Stripling, moved and seconded the approval of the consent agenda and meeting minutes of the RVRMA Executive Board Meeting held on Wednesday, Aug. 24, 2022.

III. Public Comment

- Dave Pietsch (*in person*) - Dave commented on Long Range Planning. Dave expressed concerns about assessments going up and asked about the different phases of Long-Range Planning. Michael Banbury reiterated that this section of the meeting is for comment only and not a Q&A exchange. Ashley Lynch, RVR General Manager, offered to address Dave's questions outside of the meeting.
- Sara Gilbertson (*in person*) - Sara commented that she felt there were inconsistencies in the Long-Range Planning meeting minutes versus what was communicated at the board meeting. Sara asked for the agenda for the evening's meeting.
- Jocelyn Durrance (*in person*) - Jocelyn commented on the positive aspect of a tennis facility at RVR. Jocelyn added that removing court number one would deter from the tennis program.
- Anne Blackwell (*in person*) - Anne commented that she appreciates that half of the doggie bags in the community are recyclable. Anne continued to say that she appreciates that RVR is also cutting back on watering. Anne expressed concern about removing court one and putting it in a land fill.
- Richard Sills (*via zoom*) - Richard asked where the forum would be to ask questions regarding Long-Term Planning. Richard also asked when that forum would occur so that the community can become more engaged in the various scenarios that are being considered and the cost associated with those scenarios.
- Todor Radmilovich (*via zoom*) – Todor asked for a list of issues or problems that are attempted to be solve for with the Short-Term Rental situation in RVR. Todor also asked for a projection for a potential decline in property values.
- Joel Aronoff (*via zoom*) - Joel seconded all of Todor's comments and added that Short Term Rentals bring in tax revenue and bring people into Carbondale to spend money in town. Joel stated that there are not enough hotels in Carbondale.

- Rebecca Aronoff (*via zoom*)- Rebecca commented that there are not enough hotels or Bed and breakfast establishments to support tourism in the area. Rebecca added that she and her family would like to retire soon in the very home that they purchased. She also asked about the selection of the committee and was curious as to how a non-biased group was formed. Rebecca stated that she voted to restrict short term rentals.

IV. Committee Report

- **Long Range Planning**

Board President, Michael Banbury, described what happened at the most recent Long Range Planning meeting. Michael stated that the committee did vote to move a plan along for the board to consider at their meeting. Michael added that the plan shared at the meeting was a conceptual drawing from McMahan Group only and the committee chair asked that plan not be put on the agenda for September or October because he wanted to reconfirm with the committee regarding the plan. The Long Range Planning committee will continue its work of trying to get a concept to float to the board, which the board will then pass to the community and the community will then vote on. Michael emphasized that nobody, including committee members, want this to be a contentious process. Michael added that the community should let the process work and to resist temptation to feel like the sky is falling.

Sherry Stripling, Board Director, asked when the Long-Range plan will likely come to the board. Michael noted that he does not have an answer for that at this time.

- **Short Term Rental Committee**

Michael announced that the Short-Term Rental topic would be highlighted under new business on the agenda.

V. Month End Financial Review

RVR Controller, James Maguire, presented a financial insight presentation highlighting the budget versus actual and ended with an update on the budget process.

According to James, income is running about \$40,000 over budget, COGS are \$10,000 over budget and expenses are \$2,600 under budget, leaving us with a net \$31,943 year to date.

Tennis is under by \$10,000 and other income is over budget by over \$43,000 due mostly in part to better-than-expected DRC income.

The major points of interest are personnel costs under budget by \$45,000 which is only a 4.8% variance. Ranch House expenses are over budget mostly due to cleaning services and some unexpected electrical work completed in July. Utilities are over by \$20,000 mostly due to natural gas and admin expenses are over by \$11,000 due to computer expenses. Overall, total expenses are with \$2,600 of the year-to-date budget.

James indicated that Ashley and he completed the 2022 forecast, the first draft of the 2023 budget, and presented it to Todd and Michael for review and feedback. In October, final revisions will take place and the plan is to propose it to the Board by the next meeting. In November, the budget will be presented to the community, in December we will email the ballot for a vote and do the final ratification.

Todd Richmond, complimented Ashley and James for their work on the budget so far. He stated that it was the best effort he has seen bar-none at drafting the budget for the HOA.

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

Sherry asked about the RVR Census that she saw in the General Manager Report. Sherry asked how that information would help with updating the online Member Directory. Ashley answered that the census will ask homeowners to verify email addresses and phone numbers of residents should they choose to have this information added to the directory. Michael added that collecting this information will also be helpful to get information out to homeowners for upcoming HOA voting materials etc.

VII. Old Business

- **House Bill 22-1137, Enforcement Policies**

Ashley and Michael briefly went over the new enforcement policies that were drafted and vetted by the association's Attorney. The policies were drafted so our governing documents are in alignment with House Bill 22-1137.

Motion: Todd Richmond and Laura Hanssen moved and seconded to approve the Collection of Unpaid Assessments Policy and Enforcement of Covenant and Rules. Ben Johnston, Board Secretary, and John Lund, Board Vice President were not present for the vote, but submitted their proxy, in writing, to vote "in favor" on the motion. The motion passed.

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

Michael introduced the Fence Policy and Revised Nineteenth Amendment. Ashley commented that the new amendment and policy mostly addresses vertical plank fences in RVR. The DRC amended the guidelines to allow staining of these fences.

Motion: Todd Richmond and Laura Hanssen moved and seconded to approve the RVR Fence Policy and Nineteenth Amendment. Ben Johnston, Board Secretary, and John Lund, Board Vice President were not present for the vote, but submitted their proxy, in writing, to vote "in favor" on the motion. The motion passed.

- **Eighteenth Amendment & Minimum Planting Report**

Jessica Hennessy, Director of Design Review & Admin Services, commented that at the last board meeting, the DRC proposed a new amendment to the design guidelines that contained alterations to sections 6.20 and 6.21 regarding gravel/stone ground cover and xeriscape. After receiving thoughtful feedback and recommendations from the board, the DRC went back to the drawing board to create a revised Eighteenth Amendment. Jessica added that updated wording to siding requirements were also added to the amendment. This was done with the intention to empower the DRC to approve siding alternatives that offer fire protection, but still maintain the aesthetic of natural wood, which has been established within the existing architecture of RVR. The HOA's attorney also reviewed the amendment and after some minor tweaks, gave his stamp of approval.

RJ commented that he thought Jessica and the DRC did a fabulous job revising the amendment from the last meeting and appreciated that the amendment gave the DRC more authority to use their judgement. RJ stated

that he thinks the DRC is thoughtful and responsible in protecting the community's interest.

Motion: RJ Spurrier and Sherry Stripling moved and seconded to approve the Eighteenth Amendment. Ben Johnston, Board Secretary, and John Lund, Board Vice President were not present for the vote, but submitted their proxy, in writing, to vote "in favor" on the motion. The motion passed.

Michael Banbury added that Jen DiCuollo provided a report regarding minimal planting requirements for the board packet. The report illustrated that the DRC sees no further action needed to reduce the current planting requirements.

RJ pointed out that Jen did propose revisions to appendix F in her report. RJ thought this would be a great next step. Jessica stated that she thought that would be a good idea and the DRC could work on it.

The Short-Term Rental topic was slotted to be discussed before the Eighteenth Amendment on the agenda. However, this was skipped in an oversight at the meeting and was discussed *after* the Eighteenth Amendment Decision.

- **Short Term Rental Committee Proposal**

Michael went the STR proposed documents. Michael reminded everyone that at this point, the board would decide if the STR document was ready to send to the HOA's Attorney so that the attorney can review the legality of it. The Attorney would then return it to the board. At that point, if the board finds the document acceptable a ballot initiative would be submitted to the community because it would propose a change of land use for individual property owners in RVR. Michael added that Two-Thirds (370 homeowners) of the community would need to vote in favor of the document for it to pass.

Ashley went over highlights of the STR report and reminded everyone that all documents can be found in the packet.

Laura asked about voter counts and what percentage historically we have had in participation. James answered that we typically see about 100 to 150 homeowners turn out to vote.

Sherry asked why the Town of Carbondale regulations are not adequate for RVRMA? Ashley replied that it is important to note that the Town ordinance is only a temporary ordinance.

Todd asked what would qualify as a primary residence per the Town's regulations. Ashley answered 180 days.

Laura stated that the Short-Term Rentals listed on the Town's permit list may not be accurate and that number may be undercounted.

Todd commented that Short Term Rentals may become a problem if we don't take care of it. Todd added that he believes it's worth the effort to pursue.

RJ stated that per the last Short Term Rental Survey, 70% of homeowners who answered wanted restrictions. RJ continued to say that he was concerned about the complexity of getting two-thirds vote from the community and that complication in a ballot could create a vote risk. RJ then stated that he would love to see what homeowners would say if asked if they would approve just a 30-day limit for leases.

There was more dialogue around the possibility of putting out another survey that would ask homeowners if they would be receptive to restrict leases to a 30-day maximum and possibly a limit of 6 leases per year. The Board discussed how much they appreciate the packet provided and all the recommendations included.

Motion: Michael and Todd motioned and seconded to ask the committee to release another simple survey to the community rather than sending the proposed Short Term Rental document to the HOA's Attorney. The motion passed unanimously.

VIII. New Business

- STR Committee Member Replacement

Michael announced that the Board of Directors unanimously gave written consent via email to replace Peggy Sontag with Carl Hostetter on the Short-Term Rental Committee due to scheduling conflicts.

Motion: Michael Motioned to ratify the action of replacing Peggy Sontag with Carl Hostetter on the Short-Term Rental Committee. Ben Johnston, Board

Secretary, and John Lund, Board Vice President were not present for the vote, but submitted their proxy, in writing, to vote “in favor” on the motion. The motion passed unanimously.

IX. Adjourn

Motion: Michael and Todd motioned and seconded to adjourn the meeting. The meeting adjourned at 7:05 p.m.

X. Executive Session

- Staff Wage Discussion 2023

Long Range Planning Committee Board Report - October 2022

After several iterations of design ideas for the Ranch House and surrounding facilities, the committee had nearly come to the point of having a plan and cost estimate to present to the Board. However, we agreed that it should not be presented until the cost estimate had been vetted with a reputable local contractor.

It's a good thing we waited. That review by a local contractor led to a significant increase in the overall cost estimate due to the fact that the local construction costs were estimated to be 30 to 40% higher than had been predicted by McMahon. Perhaps those cost estimates will soften with the general downturn in the real estate and construction resulting from interest rate hikes but right now builders are still dealing with tight labor markets and supply shortages.

In light of this development, the Committee is now retooling and reworking the plan to be much more limited in scope, to focus on the most pressing needs and to seek ways to get a worthwhile update and upgrade of the facilities as cost effectively as possible. This will require at least one more revision of the plan by McMahon but we do not plan to ask them for that until after the Committee's November meeting when the Committee plans to work through some prioritization of different elements of the plan with cost estimates attached to them.

All of this means there will not be a plan ready for board consideration until after the first of year.

We remain in the sausage-making phase of this work. And lots of people prefer not to watch that part. However, our meetings are open to the community and there has been a significant amount of both community and attendance at the meetings. While we welcome that and value the input, it can be a difficult dynamic for people to hear one part of the plan or one fact about the potential cost and then pass judgment on the entire effort based on that. We have tried to emphasize that the process needs time to work, that there will be careful and complete presentation of the plan to the entire community when the time is right and also that there will be a survey of all members conducted by McMahon at that point which survey will then guide the process further as to what is supported by the community as a whole and what is not. These are not easy issues because many of the more strident voices about the process and aspects of the plan may not represent the preferences and expectations of the more silent majority of homeowners out there. Thus, while the committee is certainly cognizant of the sometimes strongly expressed views of some homeowners, we must also be guided by overall survey findings based on hundreds of responses. In addition we are guided by our own assessments and those of the staff as to what the facilities need in order for them to remain for the long term, a valuable and positive aspect of our community as opposed to a negative impact on both property values and community life.

I would like to express a great deal of thanks to the 8 other volunteer members of the committee for the hard work they are doing and also to Ashely Lynch for his diligent efforts. I would also like to again thank the community members who have made the time to attend our meetings and provide comment and feedback as well as those who have responded to our surveys. This is the hard work that is needed to come to a result that the community as a whole will feel good about. We are certain not to please all of the people on every issue. We do hope to find solutions that provide significant benefit to the community as a whole at a reasonable level of expense.



General Manager's Monthly Report to the Board of Directors

October 26, 2022

Governance

- We are submitting the 2023 draft budget for Board feedback.
 - The public has had the opportunity to weigh in on the draft. We will take feedback from the Board and amend the budget (if necessary) for the November meeting, where it will be up for decision.
 - That decision would bring it to vote amongst the community.
 - We are continuing to update our forecast with month end actuals. As we closed September, we were pleased to see that our forecasted numbers seem to be holding strong.
- Long Range Planning held a committee meeting on Wednesday 10/19. McMahon was not present. The committee discussed plans for an amended renovation plan, reducing overall scope.
- We have added a discussion of recorded meeting RVRMA meetings to this month's agenda.
 - Please refer to the report contained in the board packet for details

Staffing

- We are hiring for a front desk position.
 - If anyone has referrals, they would be welcomed, as our applicant pool is not very strong at this time.
- Seasonal landscaping staff will remain on board throughout October as we completed blowouts and conclude flower bed maintenance.

Operations

- We have completed all blowouts (as noted above). We had budgeted overtime to cover the extra man hours. As the team finished the scope of work ahead of schedule, we are hoping to see some cost savings to forecast.
- Painting is complete in Settlement for the 2023 season.
- Comcast is moving forward with their work to bring a line across RVR Drive to the Ranch house.
 - Comcast expected this to be completed by 10/14/2022 but there have been delays.
 - Once active we plan to use Starlink in conjunction with Comcast to ensure that our internet has a backup in case of outages.
- Our fall yard waste dumpster has been deployed. We have yet to set an end date.
 - We pay per load, as opposed to paying for a set timeframe.
 - We will leave it out as long as possible depending upon overall costs

- The concrete at the main entrance has been re-sealed with added texture to increase slip resistance (as previously announced).
- Management has released a homeowner questionnaire to update our contact information. We continue to ask that homeowners take the time to provide this important information.
 - We have received 167 responses as of 10/21/22.
 - This form also asks some necessary questions to ensure compliance with HB 22-1137.

Sub-Associations & Neighborhoods

- **The Boundary** –
 - 10/13 Boundary Board Meeting was held.
- **Crystal Bluffs** – No Report
- **24/Fairway Residences** – No Report
- **Old Town** –
 - No Report
- **The Settlement** –
 - No Report

Ranch House Report 10.26.2022– Ali Royer, Director of Programming & Community Engagement

Fitness – September

Group fitness classes started picking up again towards the end of September. We provided 49 group fitness classes in the month of September.

Meredith Bristol, long time Pilates instructor, provided notice that she will be moving to Florida at the end of November/beginning of December. We've interviewed a few very qualified instructors to fill these spots.

After a decrease of classes for the summer, we'll start adding in more classes the first week of November, including a night class and Saturday class for those who are working.

Ranch House Usage - September

1. We had 4,695 check-ins at the Ranch House for the month of September
 - a. 3,918 were homeowners or transferred memberships
 - b. 282 were monthly Thompson Corner or ADU members
 - c. 495 were tennis members

Tennis

Tennis courts will be officially closed starting Monday, October 24. Cristina has been busy with lessons until the end!

Pool

The recreation pool closed for the winter on Sunday, October 2. The lap pool heater was broken for a couple of days on 10/18 and 10/19 but is working again with some manual work involved for the maintenance team. A part is ordered for the pump.

Events

September:

- US Open Tennis Event/Tournament
- Meet the Artist Happy Hour: Dave Durrance
- Cocktail Tasting Social



Staff

We are currently short staffed at the desk and interviewing.

DRC Report October 2022 -Jessica Hennessy

The last five DRC meetings (Aug. 25, Sept. 1, Sept. 22, Oct. 6 and Oct 20) have shown a deceleration in new construction applicants. Remodels and renovations are becoming a more popular item on the agenda. Administrative requests are at a steady rate of approximately **four** per week.

The following projects were reviewed by the DRC in October:

Lot: A40, 429 Settlement

Review: Back Yard Improvements

Lot: Z20, 376 Crystal Canyon

Review: Changes to Approved

Lot: J03, 10 Crystal Canyon

Review: New Construction, First Prelim

Lot: GG14, 110 Bowles

Review: New Construction, First Prelim

Notable DRC numbers:

- There are currently **25** homes in the construction phase (from breaking ground to the final inspection phase/closeout).
- There are **7** applicants in the Preliminary Design Review phase.
- There are **13** applicants finalized by DRC and waiting on permits from the Town of Carbondale.
- There are currently **45** total active DRC files.

Financial Report

September 2022

Prepared by James Maguire

Budget vs Actual

September ended with a net surplus of \$3,257, budget vs actual. Actual income surpassed budget by \$1,100. DRC income has slowed down and is now in line with the monthly budget. Expenses came in \$15K under budget mostly due to savings in wages and irrigation. The savings in expenses offset a one-time increase in cost of goods sold from credit card fees which were deferred due to complication with our new membership software. Bottom line for September is that we were within 3% variance and came out with a surplus.

As for year-to-date, we are running at a net surplus of \$35K, budget vs actual. Actual income is exceeding budget by \$41K. Cost of goods sold is over budget by \$23K, which is proportional to the increased income. Expenses are under budget by \$18K (out of \$2 million spent) which is less than 1% variance. Again, personnel and irrigation costs are the areas with the greatest cost savings.

Our forecast for year-end still projects a small surplus and ending within 1% of budget.

Reserve Funds

The beginning RVRMA reserve fund balance in September was \$1,870,787.

Total reserve income for September was \$36,441.

Two purchases were made from reserves for new IT equipment totaling \$6,684.

The ending balance in the reserve account was \$1,900,545.

The 2021 reserve study estimated a fully funded reserve balance of \$3,079,338, which puts us at 62% funded, not considering changes in the inflationary environment since its creation.

Investments

As interest rates increase, we are prudently investing funds to maximize interest income.

In October, we invested another \$249K into a 2-year CD earning 4.50% interest which will yield over \$11K per year.

That is in addition to \$1.3 million in 8 other CD's earning around \$25K per year. The CDs are laddered to ensure adequate liquidity.

As well, we have \$1.250 million parked in a fully liquid insured deposit account earning a little over 1%.

2023 Budget

The 2023 budget is moving forward. We recently released a draft version to the public and held 2 meetings with homeowners to get their feedback. At the October Board meeting, the budget will be presented to the Board. In November, we will revise the budget based on the Board's feedback and present the final budget for ratification at the next meeting. In December, the budget will go out to the community for vote and then to the Board for final ratification.

2021 Taxes

Tax returns were filed for year 2021 by the extension due date in October. No balance was due on either the Federal or State return. We budgeted \$4,500 for taxes, so we gained that back.

River Valley Ranch Master Association
PUBLIC - Profit & Loss Budget Performance
September 2022

	September	Budget	YTD Actual	YTD Budget	Annual Budget
Income					
Assessments	198,332	197,600	1,782,902	1,778,400	2,371,392
Memberships	7,037	8,000	54,173	51,000	62,000
Swim & Fitness.	0	200	9,600	6,800	7,500
Tennis Programming Income	12,666	10,000	182,337	189,887	194,887
Homeowner Reimbursable Assessmt	8,068	7,800	79,104	83,600	107,000
Other Income	19,049	20,380	207,901	165,420	214,500
Total Income	245,152	243,980	2,316,017	2,275,107	2,957,279
Cost of Goods Sold					
Swim & Fitness	3,653	4,350	51,845	42,625	55,875
Tennis	17,307	16,000	144,302	141,000	150,000
Concessions	1,975	1,500	23,385	17,300	18,750
Credit Card Fees	12,547	500	14,954	10,000	11,500
Total COGS	35,482	22,350	234,486	210,925	236,125
Gross Profit	209,670	221,630	2,081,531	2,064,182	2,721,154
Expense					
Personnel	106,179	121,382	986,917	1,047,299	1,429,440
Grounds	32,702	34,125	291,731	299,625	348,000
Irrigation	6,767	10,375	77,072	83,375	99,500
Ranch House Expenses	10,632	8,725	98,754	83,025	112,000
Utilities	12,935	9,155	106,941	82,795	109,200
Administrative	7,763	7,625	79,234	67,765	88,574
Finance	1,617	1,750	4,801	3,750	9,000
Design Review Committee	3,875	3,250	39,085	29,250	39,000
RVR Community Expenses	2,462	5,750	46,769	53,750	73,000
Reserve Accounts	36,441	34,453	311,690	310,077	413,440
Total Expense	221,373	236,590	2,042,994	2,060,711	2,721,154
Net Surplus / Deficit	(11,703)	(14,960)	38,537	3,471	0

River Valley Ranch Master Association

Public - Balance Sheet

As of September 30, 2022

ASSETS

Current Assets

Checking/Savings

Wells Fargo Operating 2674 97,789

Investment Accounts 2,623,861

Total Checking/Savings 2,721,650

Accounts Receivable

Homeowner Accounts Receivable 0

Total Accounts Receivable 0

Other Current Assets

Interest Receivable 3,646

Prepaid Expenses 25,748

Undeposited Funds 1,128

Inventory 759

Total Other Current Assets 31,281

Total Current Assets 2,752,931

Fixed Assets 225,127

TOTAL ASSETS 2,978,058

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable - Vendors 65,159

Accounts Payable - Payroll 45,369

Accounts Payable - Payroll Tax 3,585

Accounts Payable - P&D Deposits 576,750

Total Accounts Payable 690,863

Credit Cards

Wells Fargo Credit Card 5,583

Total Credit Cards 5,583

Other Current Liabilities

Payroll Taxes Payable 5,632

Prepaid HOA Dues 26,853

Prepaid Income - DRC Fees 55,390

Sales Tax Payable 1,810

AVLT Payable 0

Total Other Current Liabilities 89,685

Total Current Liabilities 786,131

Total Liabilities 786,131

Equity

Reserves 1,936,658

Prior Operating Fund 861,006

Transfers to from Reserves (604,204)

Retained Earnings (31,676)

Net Income 30,141

Total Equity 2,191,925

TOTAL LIABILITIES & EQUITY 2,978,056

Rounding 2

TOTAL LIABILITIES & EQUITY 2,978,058

Outside Services Report – Travis Green

Sprinklers have been winterized as of Thursday, Oct. 20. We will continue to prepare the grounds for winter, installing deer fences, cleaning flower beds, and removing annuals. Tennis courts will close on Sunday, Oct. 23. We will be rebuilding the parking area at the end of Pioneer court, replacing the worn-out timbers with stone. We will also be cleaning out weeds, cat tails, and overgrowth around the ponds. Thank you for another great season. Let it snow!

2023 Projected Dues (RVRMA)



2021 Actual	2022 Budget	2022 Actual	2023 Budget Total	\$ Increase	% Increase
243	298	298	323.00	25	8.4%
47	60	60	65.00	5	8.3%
290	358	358	388.00	30	8.4%

CPI Increased by 8.5% over the last 12 months ending August 2022.

We believe that presenting a budget below CPI would be a risk to the community, creating a potential overspend in 2023 which would impact reserves.

Given inflationary pressures, outside of our control, a well funded reserve fund is vital for the community's future.

2022 Projected Year End

We are currently projecting a surplus of \$16,140 for YE 2022. This represents less than a 1% variance from the budgeted \$0 year end finish. This total is based upon a detailed forecast for the last financial quarter of 2022... so fingers crossed!

We faced some challenges in 2022 with rising inflationary pressures. As an example, the price for natural gas far exceeded budgeted predictions. We offset these factors through thoughtful cost savings throughout the year.

We exceeded budgeted revenues, given the tremendous amount of construction coming through the DRC in 2022. These revenues have a cost, as our DRC meets regularly to review all phases of the construction process.

That said, we managed to bring a large proportion of that extra income to the bottom line.



2022 Achievements

We are proud of what we accomplished in 2022, and we believe that those accomplishments are worth holding on to.

We saw a tremendous amount of change. Much of our Management team transitioned and Ashley Lynch was brought on board. Travis, James, Ali and Jessica further add to what is a very strong leadership team at RVR.

This team brought results, driving a customer focused culture, which can be felt from the Ranch House, to the irrigation and maintenance crews. All of this with financial acumen to boot.

On the heels of Covid-19, we welcomed the community back to the Ranch House with events and festivities. If you have not participated, come on by. RVR loves community– we believe that this sort of engagement is what makes RVR a place where people love to live!

As we crafted the 2023 budget, our methodology was to build upon the 2022 YE forecasted actual. There are adjustments for inflation where appropriate, hence the final due increases that match inflationary projections.



2023 RVRMA Budget

RIVER VALLEY RANCH MASTER ASSOCIATION 2023 Proposed Budget



Note: a small fee of \$3 per class will be added for fitness classes in 2023. This is being done to offset the expense for instructor led group fitness.

	2022 BUDGET	2022 EST.	2023 BUDGET
INCOME			
Assessments	\$ 2,371,392	\$ 2,377,897	\$ 2,579,700
Memberships & Recreation	69,500	74,449	90,900
Tennis Programming Income	194,887	187,338	187,000
Other Income	321,500	348,249	337,700
TOTAL INCOME	\$ 2,957,279	\$ 2,987,932	\$ 3,195,300
COGS			
Swim & Fitness	(55,875)	(64,297)	(70,500)
Tennis	(150,000)	(154,802)	(154,500)
Concessions & Other	(30,250)	(28,265)	(30,300)
TOTAL COGS	\$ (236,125)	\$ (247,364)	\$ (255,300)
GROSS PROFIT	\$ 2,721,154	\$ 2,740,568	\$ 2,940,000
EXPENSES			
Personnel & Wages	(1,429,440) #	(1,368,916)	(1,492,400)
Grounds & Irrigation	(447,500)	(442,407)	(484,000)
Ranch House Expenses	(112,000)	(131,231)	(139,400)
Utilities	(109,200)	(139,817)	(137,300)
G&A	(97,574)	(110,128)	(112,800)
DRC Expenses	(39,000)	(49,585)	(42,000)
Community Expenses	(73,000)	(67,164)	(76,000)
Capital Reserves	(413,440)	(415,728)	(456,100)
TOTAL EXPENSES	\$ (2,721,154) #	\$ (2,724,976) #	\$ (2,940,000)
NET INCOME (LOSS)	\$ - #	\$ 15,592 #	\$ -
RESERVE ACCOUNTS			
Reserve Allocation	\$ 397,440	\$ 398,520	\$ 432,100
Reserve Interest Allocation	16,000	17,688	24,000
Net Income (Loss)	-	15,592	-
TOTAL RESERVE ACCOUNTS	\$ 413,440	\$ 431,800	\$ 456,100

2023 RVRMA Dues by Neighborhood



Note: Irrigation assessments have not been altered since 2017. We did raise these fees nominally for all residents.

2023 Dues by Neighborhood

RVRMA HOA Dues	
Operating Assessment	323
Reserve Assessment	65
	<hr/>
	\$388
RVRMA - Custom Homes	
HOA Dues	388
Irrigation Assessment ^[1]	30
	<hr/>
	\$418
RVRMA (Block "B"/Sopris View)	
HOA Dues	388
Irrigation Assessment ^[1]	19
	<hr/>
	\$407
THE SETTLEMENT	
HOA Dues RVRMA	388
The Settlement (Additional Services) Painting, Mowing, Snow Removal	147
The Settlement Painting Reserves	111
Irrigation Assessment ^[1]	19
	<hr/>
	\$665
OLD TOWN	
HOA Dues RVRMA	388
Old Town (Additional Services) Painting, Mowing, Snow Removal	67
Painting Reserve	90
Irrigation Assessment ^[1]	9
	<hr/>
	\$554
CRYSTAL BLUFFS	
HOA Dues RVRMA ^[2]	\$388
THE BOUNDARY	
HOA Dues RVRMA ^[2]	\$388
TWENTY FOUR RESIDENCES	
HOA Dues RVRMA ^[2]	\$388

NOTES:

[1] Irrigation not charged to unirrigated vacant lots.

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

2023 Projected Dues (Old Town)



	2020 Actual	2021 Actual	2022 Actual	2023 Budget
OLD TOWN DUES				
Number of homes	65	65	65	65
HOA Dues RVRMA	298	290	358	388
Old Town (Added Services)	57	60	65	67
Painting Reserve	80	80	85	90
Irrigation Reimbursement Assessment	8	8	8	9
	443	438	516	554

Old Town dues in 2023 show an increase of \$2 in operating + \$5 in reserves totaling a \$7 increase overall.

We are projecting a budget surplus of \$5,948 as we finish 2022. This is largely due to cost savings in Irrigation Repair and Maintenance throughout the year. We eliminated some unnecessary expenditures this year, and we had some good luck in terms of a lack of largescale issues/main line breaks.

Reserve Balances Over Time



	2020	2021	2022	2023
Reserve Beginning Balance	31,651	54,796	45,106	33,978
Operating Surplus from previous year	7,999	(848)	(2,959)	5,948
Reserve Common Assessments	62,320	62,400	66,300	70,200
Reserve Expenses-Painting	(47,174)	(71,242)	(74,469)	(66,922)
Reserve Estimated Ending Balance	54,796	45,106	33,978	43,204

We are ending 2022 with a healthy reserve balance of \$33,978. With current due increases, we anticipate ending 2023 with \$43,204, which is a healthy position.

OLD TOWN 2023 Proposed Budget



Income

	2022 Actual Est.	2023 Budget
Common Assessments-Reserve	66,300	70,200
Common Assessments-Operating	50,700	52,260

Total Income

117,000	122,460
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Expenses

Snow Removal	12,730	13,800
Lawn Maintenance	23,481	25,500
Irrigation System R & M	8,541	12,960
Reserve Allocation	66,300	70,200

Total Expenses

111,052	122,460
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Net Income

5,948	0
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Reserve Beginning Balance

45,106	33,978
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Operating Surplus from previous year

(2,959)	5,948
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Reserve Common Assessments

66,300	70,200
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Reserve Expenses-Painting

(74,469)	(66,922)
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Reserve Estimated Ending Balance

33,978	43,204
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OLD TOWN DUES

HOA Dues RVRMA	\$358	\$388
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Old Town (Added Services)	\$65	\$67
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Painting Reserve	\$85	\$90
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Irrigation Reimbursement Assessment	\$8	\$9
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\$516	\$554
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2023 Projected Dues (Settlement)



SETTLEMENT DUES

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

	2020 Actual	2021 Actual	2022 Budget	2022 Actual Est.	2023 Budget
HOA Dues RVRMA	298	290	358	358	388
Settlement (Added Services)	120	127	131	131	147
Painting Reserve	95	95	101	101	111
Irrigation Reimbursement Assessment	17	17	17	17	19
	530	529	607	607	665

Settlement dues in 2023 show an increase of \$16 in operating + \$10 in reserves totaling a \$26 increase overall.

This increase is due to multiple factors at play. In years past, the Settlement ended the year with deficits, which were then taken from the reserve fund. Over time, this has driven the reserve fund from an ending balance of \$55,205 in 2020 down to an estimated balance of \$26,062 to end the current year.

Inflationary factors are also coming to bear.

While we originally thought that smaller annual increases would continue financial wellbeing, as we budget for 2023, we believe that the proposed increases are necessary to maintain the integrity of the Settlement reserve fund.

See the next slide for detailed reserve balances over time.

Reserve Balances Over Time (Settlement)



Reserve Beginning Balance
 Operating Surplus from previous year
 Reserve Common Assessments
 Reserve Expenses-Painting
Reserve Estimated Ending Balance

2020 Actual	2021 Actual	2022 Actual Est.	2023 Budget
48,657	55,205	46,406	26,062
10,446	(8,036)	(13,567)	(6,691)
63,840	63,840	67,872	74,592
(67,738)	(64,603)	(74,649)	(82,524)
55,205	46,406	26,062	11,440

Under our existing proposed due increase, we would end the year (2023) with \$11,014 in reserves. This amount is the slimmest margin that we recommend. Any further decreases in Operating, or Reserve dues would decrease the reserve fund going into 2024.

Such a decrease would only increase the necessary dues to be assigned in 2024.

Globally, the issue revolves around an underfunded reserve, which needs to be addressed to maintain the painting costs into the future.

2023 Budget (Settlement)



The Settlement 2023 Proposed Budget

Income

Common Assessments-Reserve	67,872	74,592
Common Assessments-Operating	88,032	98,784

Total Income

155,904	173,376
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Expenses

Snow Removal	27,572	29,532
Lawn Maintenance	48,974	49,601
Irrigation System R & M	18,177	19,651
Reserve Allocation	67,872	74,592

Total Expenses

162,595	173,376
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Net Surplus / Deficit

(6,691)	0
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Reserve Beginning Balance

46,406	26,062
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Operating Surplus from previous year

(13,567)	(6,691)
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Reserve Common Assessments

67,872	74,592
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Reserve Expenses-Painting

(74,649)	(82,524)
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Reserve Estimated Ending Balance

26,062	11,440
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SETTLEMENT DUES

HOA Dues RVRMA	\$358	\$388
Settlement (Added Services)	\$131	\$147
Painting Reserve	\$101	\$111
Irrigation Reimbursement Assessment	\$17	\$19

\$607	\$665
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Note: Irrigation assessments have not been altered since 2017. We did raise these fees nominally for all residents.

RVRMA EXECUTIVE BOARD MEETING
Wednesday, October 26, 2022 at 530pm

Zoom Meeting Recordings

Since the onset of the pandemic, RVRMA has increasingly used Zoom video conferencing as a way to allow participation in public meetings. As with most organizations, we have found value in this method of meeting, which allows homeowners to participate from remote locations.

Another added benefit has been the ability to record such meetings. In the past, these recordings have been used to assist with notetaking, to ensure that meeting minutes can be accurately recorded.

Up to this point, these recordings have been discarded once the meeting minutes have been approved and published.

In an effort to allow more homeowners access to past dialogue, we would like to begin publishing these video recordings via the RVRMA website. In some instances, these recordings will be released along with meeting minutes to assist with record keeping. In other instances, RVRMA will allow the posted video of the meeting to take the place of the recorded meeting minutes.

Management wishes to bring this topic to the attention of both the board and the community at large to ensure that everyone is aware of the public nature of these recordings moving forward.

Management will edit video recordings to ensure that discussions prior to a meetings start, or after a meetings conclusion are removed.