



## **RIVER VALLEY RANCH**

### **RVRMA EXECUTIVE BOARD MEETING Wednesday, October 22, 2025 Ranch House Conference Room & Zoom Meeting Agenda**

#### **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  
Laura Hanssen, 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, September 24, 2025.

#### **III. Public Comment**

- Comments in public comment are for agenda items only.

#### **IV. Month End Financial Review – James Maguire**

#### **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
- Carbondale Agricultural Heritage Fund (CAHF) Update
- Investment Policy Amendment

**VII. New Business**

- 2026 Budget Draft, Discuss Community Feedback
  - Old Town Siding allowance discussion

**VIII. Adjourn**



## RIVER VALLEY RANCH

**RVRMA EXECUTIVE BOARD MEETING**  
**Wednesday, September 24 2025**  
**Ranch House Conference Room & Zoom**  
**Meeting Minutes - DRAFT**

### **Executive Board of Directors**

Michael Banbury, President *Via Zoom*  
John Lund, Vice President *absent*  
Todd Richmond, Co-Treasurer  
*absent*  
Carl Hostetter, Co-Treasurer  
Ben Johnston, Secretary  
RJ Spurrier, Director *Via Zoom*  
Laura Hanssen, 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 *Via Zoom*  
Travis Green, Facilities & Grounds Superintendent

### **Homeowner Attendees**

***Via Zoom:***  
Krys Greenwood  
Cathey Cooney

#### **I. Call to Order- Establish Quorum**

Board Co-Treasurer, Carl Hostetter called the meeting to order at 5:30 pm. A Quorum was established.

#### **II. Approval of Minutes**

**MOTION:** Board Secretary, Ben Johnston and Board Director Laura Hanssen motioned and seconded the approval of meeting minutes of the RVRMA Executive Board Meeting held on August 27, 2025.

#### **III. Public Comment**

There was no public comment

#### **IV. Month End Financial Review**

RVR Controller, James Maguire presented a financial report for August and year-to-date. In August, the net variance between the budget and actual bottom line was only \$70. Total income for the month was \$256,334, which fell short of budget

by (\$9,282). Costs of Goods Sold closed at \$35,893 out of a budgeted \$38,600, a savings of (\$2,707). Expenses closed at \$225,871, or (\$6,505) versus the budget of \$232,376, also helping to offset softer revenues. This result brings the year-to-date net surplus to \$3,292.

Carl Hostetter thanked James for a great job collecting the special assessment from homeowners. James mentioned that all special assessments have been collected, with only one homeowner on a payment plan.

- **Fees for 2026 Budget.**

The fee schedule agenda item was taken out of order and discussed earlier since James already had the schedule displayed on the screen. The board discussed fee increases for various services, including irrigation, DRC construction, and group fitness classes. Ashley explained that some fees were adjusted to account for inflation and to cover some costs, such as higher water usage due to fewer empty lots. The group fitness class fee was increased to \$4, and there was a brief discussion about potentially offering unlimited membership options. Ali mentioned that there may be challenges with the administrative piece to offering a monthly membership, but she could look into it. Ashley explained that the fee increases for fitness classes aren't meant to cover the full cost of running them.

RJ raised concerns about the fairness of current water usage and fees, particularly noting that custom homes may use significantly more water than settlement or Old Town neighborhood homes for example. RJ also brought up the need for long-term infrastructure funding, suggesting that future water shortages could require significant upgrades. RJ shared that he had three main concerns on the topic: **1. Fairness 2. Reasonableness and 3. Long term infrastructure.**

Travis discussed the challenges and costs of implementing pressure reduction valves and other water-saving measures across the community. Travis noted that he's glad to help with improvement efforts and work with RJ to brainstorm ideas. Ben Johnston suggested reaching out to homeowner Peer Ericson, noting that he has valuable knowledge on the topic.

## **V. Management Update**

- **General Manager Report- Ashley Lynch**

Ashley shared that irrigation blowouts in the community are scheduled to begin the first week of October. He also said that the leaf dumpster is scheduled to be installed in the Ranch House parking lot on September 29.

Ashley then introduced the topic of the painting policy for the Old Town and Settlement neighborhoods, specifically addressing the \$750 siding allowance. He explained that the Old Town Advisory Committee had decided to eliminate the siding allowance. The policy document will need to be updated, reviewed by the HOA's attorney, and presented at a future board meeting. Ashley added that there is some time to address this, as Old Town is in an "off year" in 2026.

Laura Hanssen commented that there have been some misunderstandings in the neighborhood regarding the policy. She suggested that this presents an opportunity to educate Old Town homeowners on their responsibility to maintain their homes.

- **Programming & Community Engagement Report- Ali Royer**  
Carl congratulated Ali for continuing a full event schedule through the renovation.
- **DRC Report- Jessica Hennessy**
- **Finance Report- James Maguire**
- **Facilities & Grounds Report- Travis Green**

## VI. Old Business

- **Ranch House Renovation Update**

Ashley reported that the renovation project's permit application is still pending town approval, and he is hopeful that it will be ready by Friday, Sept. 26. The timeline is now pushed out and the large rec. pool will not be open for Memorial weekend. Lap lanes will also be delayed. Ashley went on to say that he met the new Town Manager, Ryan Hyland to discuss the permit delay and other topics.

Janis Leasure has been brought on for design input on the project. The mailroom dates are still holding firm. A temporary mailroom will be set up in the parking spaces closest to the Ranch House on October 15. All existing mailboxes will be relocated on Sunday, Oct. 26, and the process will be completed before Monday, Oct. 27. Mail pickup will be unavailable on Sunday, October 26 as boxes are moved.

- **Carbondale Agricultural Heritage Fund (CAHF) Update**

Ben Johnston gave an update on progress for CAHF. Ben shared that James Maguire will serve as the bookkeeper for the project. Ben added that he

believes that it would be convenient to have CAHF's banking operations at the same banking location as RVR's. Ben added that he did start working on the bylaws for CAHF and Jody Edwards agreed to serve as the attorney for CAHF. Ben said that he would need authorization to open the bank account for CAHF.

**MOTION:** Ben motioned to approve that James advance funds to CAHF for purposes of opening a bank account and paying the lawyer to review the bylaws that Ben wrote. Mike added into the motion that any other funds necessary to establish CAHF as an ongoing concern. Laura Hanssen seconded. The motion passed.

- **Investment Policy Amendment**

Ben shared that at the last meeting James and Ashley had done some work on the current investment policy to make it slightly more flexible. Ben went on to say that after he reviewed the document, he realized that the policy is rigid and restricting which is not typical for this type of policy.

The board agreed that it would be appropriate to approve the amended investment policy with more flexibility, allowing for immediate investment decisions while planning to adopt a completely restated policy at the next meeting.

**MOTION:** Ben motioned to approve the amended policy that was circulated to the community at the last board meeting and further circulate an amended and restated policy to the community for consideration at the October meeting. Laura seconded the motion. The motion passed.

## **VII. New Business**

- **Fees for 2026 Budget**

This topic was discussed after the financial presentation.

## **VIII. Adjourn**

- The meeting adjourned at 6:50 p.m.

## **IX. Executive Session**

- Staff Wage Discussion



**October 2025**

## **General Manager's Report**

### **Governance/Operations:**

- Please refer to the Renovation Update in the Board Packet for details on the project.
- Irrigation blowouts have begun. We are placing stickers on all homeowners clocks once blowouts are complete.
- We have arranged for a fall leaf dumpster/yard waste container again this year. We gave parking consideration in light of the renovation. RA Nelson has parking signage to open spaces when they are not needed for subcontractors. A big thank you to Brian Leasure for allowing us to use the barn parking lot for overflow use.
- We continue to work on the 2026 budget. Timelines can be found in this board packet.
- The temporary mailroom has arrived on site and boxes will be transferred on Sunday 10/26.
- In the Old Town Advisory Committee Meeting there was a motion made to discontinue the \$750 Siding allowance tied to their painting contract. In 2013 the RVRMA Board passed a Painting Contract Inclusion Policy which the board may want to consider changing. That policy is included in this packet.
  - The policy seems confusing and prone to misunderstanding.
  - While it does say that there "may" be a \$750 allowance, the Old Town Community should have the chance for public feedback before the \$750 is discontinued given limited attendance at the OTAC Meeting.
  - Changing the policy to clean up the language may be a good opportunity to solicit opinions from the Old Town Community via a 30-day posting before voting.
  - Note: The policy is tied to both the Settlement and Old Town, The Settlement Committee has not yet brought the allowance into question.
  - Eliminating the \$750 should theoretically lower dues given that less \$ would be required in their reserve fund.

### **Staffing**

- We are fully staffed.

### **Sub-Associations & Neighborhoods**

- **The Boundary** – They held a meeting on 10/16/2025.
- **Crystal Bluffs** – They are holding a meeting on 10/21 at 3pm
- **The Fairways**– No updates
- **Old Town and Settlement** –
  - We have completed all homes in the Settlement and Old Town. We are painting 11 homes in The Settlement and 9 homes in Old Town this year.
  - We had advisory committee meetings for both communities scheduled on 8/28 (Settlement) and 9/3 (Old Town).
    - Old Town will be selecting new paint colors which will then need to be approved by the DRC.
    - Old Town also voted to remove the \$750 siding allowance (details noted above)
- **Thompson Corner**
  - No Updates

**Fitness**

We’ve received positive feedback about the new MFR + Recover Class. Attendance has been excellent. See below for the recent schedule. We have 19 classes per week.

I’ve been testing a way to offer an “Unlimited Fitness” membership in Club Automation. It looks promising.

Day	Time	Location	Class	Instructor
<b>Monday 10/20</b>				
	8:00 - 9:00 AM	ZOOM	Qigong: Moving Meditation	Cari
	8:00 - 9:00 AM	Studio	Pilates for Everyone	Alexandra
	9:30 - 10:30 AM	Studio	Strong & Stable	Shaylee
<b>Tuesday 10/21</b>				
<b>Canceled</b>	<del>8:00 - 9:00 AM</del>	Studio	Gentle Slow Flow Yoga	TBD
	9:30 - 10:30 AM	Studio	HIIT	Lauren
	5:30 - 6:30 PM	Lap Pool	Master Swim	Dave
<b>Wednesday 10/22</b>				
	6:00-7:00 AM	Studio	PEAK Fitness	Shaylee
	8:00 - 9:00 AM	ZOOM	Qigong: Moving Meditation	Cari
	8:00-9:00 AM	Studio	Cycling + Upper Body Strength	Susan
	9:15-10:15 AM	Studio	Gentle Slow Flow Yoga	Ellen (sub)
<b>Thursday 10/23</b>				
	7:30 - 8:30 AM	Studio	Vinyasa Flow Yoga	Natalie (sub)
	9:30-10:30 AM	Studio	Pilates for Everyone	Christy
	12:00 - 1:00 PM	Studio	Strong & Stable	Shaylee
<b>NEW CLASS</b>	4:00 - 5:15 PM	Studio	MFR + Recovery Yoga	Lindsay
	5:30 - 6:30 PM	Lap Pool	Master Swim	Dave
<b>Friday 10/24</b>				
	6:00-7:00 AM	Studio	PEAK Fitness	Shaylee
	8:00 - 9:00 AM	Studio	Gentle Slow Flow Yoga	Karin (sub)
	9:30 - 10:30 AM	Studio	Cycle + Strength	Shaylee
<b>Saturday 10/25</b> No classes - Happy Saturday!				
<b>Sunday 10/26</b>				
	4:30 - 5:30 PM	Studio	Restore & Renew Yoga	Ellen

**Ranch House Usage –September 2025 summary**

1. We had 3,108 check-ins in September 2025, compared to 4,876 check-ins for August 2025, and compared to 3,844 in September 2024. The decrease from 2024 to 2025 can be attributed to the recreational pool being closed earlier this year. Last year it was closed on September 20 vs. this year the rec pool closed on August 25.
  - a. 221 were Thompson Corner or ADU members.
  - b. 4,655 were homeowners or transferred members (long-term renters)
  - c. 528 were tennis members

**Tennis**

Tennis courts are still open as of 10/14/25. The tennis courts will remain open while temperatures stay above freezing. Once temperatures drop below freezing at night, the courts form a layer of frost on the surface. Then, daytime temperatures melt the front, and the courts become soft, muddy, and un-playable. At that point, the courts will close for the winter. The end of season tennis party will take place on 10/24.

**Pool**

Besides a couple of days for construction fence set-up, lap lanes and hot tubs have remained open through this first part of the renovation project. We anticipate our next closure to be in mid-November, for approximately 30 days, while roof work is being completed.

#### **Recent Events**

- Pre-Season Ski Conditioning Presentation 10/9
- Kids' Halloween Event 10/19 (\*60 registrants as of 10/14)

#### **Upcoming Events**

- Adult Halloween Event 10/25
- Women's Self Protection Workshop 10/27
- Fall Craft Fair 11/1
- Tai Chi for Kids Book Presentation 11/8
- Venture Capital Presentation 11/13
- Jingle & Mingle Annual Holiday Party 12/6
- Cookies with Santa 12/21
- Vision Board Collage Workshop 1/3

## **DRC Report, October 2025 - Jessica Hennessy**

The Design Review Committee experienced another light schedule in October, with two new construction projects under review. One project presented for its first preliminary review, while another advanced to its second preliminary review. Administrative reviews have remained steady, as homeowners continue to submit smaller-scale improvements and exterior updates.

As is typical for the end of the year, the DRC anticipates a lighter schedule throughout the holiday season, with only one meeting planned for both November and December.

### **October New Construction Reviews:**

- **Lot:** EE12, 850 Perry Ridge | **Review:** Second Preliminary
- **Lot:** V12, 751 Perry Ridge | **Review:** First Preliminary

### **DRC Numbers October 2025:**

- There have been **132** Administrative Review Applications processed so far this year (compared to **135** in October 2024).
- There are currently **10** 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.



Executive Summary

In September, the Association achieved a net operating surplus of \$10,308, which exceeded the budgeted surplus of \$1,403 by \$8,905. Total income for the month was \$239,715, surpassing the budget of \$237,626 by \$2,089. Expenses closed at \$201,041, or \$6,182 under budget, helping to generate a strong positive variance for the month.

Year-to-date through September, total income stands at \$2,268,146 compared to a budget of \$2,288,714, reflecting a small shortfall of (\$20,568). Expenses total \$1,983,227 against a budget of \$2,015,831, resulting in savings of \$32,604. The year-to-date net operating surplus is \$26,430, outperforming the budgeted \$14,233 by \$12,197, keeping the Association slightly ahead of plan as we enter the final quarter of the year.

Table with 7 columns: Category, September (Actual, Budget, Variance), and Year-to-Date (Actual, Budget, Variance). Rows include Total Income, Less COGS, Gross Income, Total Expenses, and Net Operating Surplus/(Deficit).

Revenue Analysis

September

Total revenue for September exceeded budget by \$2,089, driven largely by strong tennis program performance and Design Review Committee (DRC) fees. Tennis Lessons generated \$17,186, exceeding the \$16,000 budget by \$1,186. DRC Fees were particularly strong, totaling \$12,567, which was \$2,967 above budget. Memberships produced mixed results: Guest Fees & Locker Rentals totaled \$1,528 (above budget by \$528), while Thompson Corner & ADU Dues reached \$3,789 (exceeding budget by \$1,789). Offsetting these gains were softer revenues in Fitness Programs (below budget by \$1,135) and Concession Sales (under by \$2,426).

Year-to-Date

Year-to-date, total actual revenue stands at \$2,268,146, compared to a budgeted \$2,288,714, reflecting a small shortfall of \$20,568, which is less than a 1% variance.

The most significant variance is attributable to property transfer fees, which are down \$8,000 on the year, primarily due to reduced home sales within the community. Tennis memberships and lessons are also down, generating \$7,248 less than budgeted. Fitness and swim class income is also below budget by \$4,047.

Expense Analysis

September

Total expenses for September were \$201,041, coming in \$6,182 (3%) under budget. The primary drivers of these savings were modest reductions across several categories. Personnel costs came in slightly under budget



by \$1,424, while Grounds Maintenance was spot-on with only a \$673 variance from budget. Irrigation costs ran modestly over budget by \$1,077 but this was offset by Ranch House expenses, which finished the month \$3,481 under budget thanks to careful management of repairs and supplies.

### **Year-to-Date**

Year-to-date, total expenses were \$1,983,227, compared to a budget of \$2,015,831, reflecting savings of \$32,604, or just over a 1% favorable variance. Personnel costs remain well-controlled, running within 1% of budget. Irrigation costs are exceeding budget by \$13,730 year-to-date; however, this variance is being more than offset by savings in grounds maintenance, which is currently \$35,414 under budget.

### **Budget vs. Actual — Bottom Line**

Year-to-date, the Association is running with a net bottom line surplus of **\$12,197**. Our year-end forecast projects the Association to close the fiscal year within 1% of the budget, which means a variance of less than \$26,000 from the budgeted break-even position of \$0.

### **Reserve Fund Summary**

At the start of September, the Association's combined reserve balance stood at \$5,996,887, consisting of \$3,227,136 in the Capital Reserve Fund and \$2,769,751 in the Special Assessment Fund.

During the month, the Association recorded \$64,581 in total reserve income, derived from \$47,090 in reserve assessments and \$17,491 in interest earnings.

Reserve spending for September totaled \$254,152 of which \$150,654 was from Capital Reserves and \$103,498 was from the Special Assessment Fund. The bulk of the spending was for the first cash draw for RA Nelson for the renovation project (\$231,794) for construction fencing, earthwork, sub-base gravel, excavators, demolition of the east wing patio, demo of the kid pool deck, foundation work, and a deposit on the new roof.

By September 30, the Capital Reserve Fund closed with a balance of \$3,141,063, while the Special Assessment Fund ended at \$2,666,253, bringing the total reserve balance to \$5,807,316. These results reflect continued investment activity and measured spending in alignment with the Association's long-term capital and renovation funding plans.

### **Conclusion**

On the operational side, expense controls helped counter softer revenues in both September and year-to-date. We remain slightly ahead of budget year-to-date. As we head into Q4, we will continue to monitor and adjust our forecast and aim for a year-end within 1% of budget.

On the reserve side, significant work remains as we navigate the ongoing renovation project, with a continued emphasis on maintaining alignment with approved cost projections, managing change orders carefully, and ensuring expenditures remain within the established contingency plan. Phase 1, encompassing the pool deck, roof, mail room, and east wing addition, is scheduled for completion by spring 2026. Upon its completion, the Association will conduct a comprehensive review of its financial position and make any necessary adjustments before advancing to Phase 2, which is expected to commence in late summer 2026.

**River Valley Ranch Master Association**  
**Profit & Loss Budget Performance**  
**September 2025**

	September	Budget	YTD Actual	YTD Budget	Annual Budget
<b>Income</b>					
Assessments - Operating	191,149	191,193	1,720,352	1,720,517	2,294,100
Homeowner Reimbursable Assessments	10,769	10,300	104,762	104,100	135,000
Memberships	5,317	3,000	73,532	75,000	82,500
Swim & Fitness	948	2,083	19,700	23,747	27,100
Tennis	17,186	16,000	191,752	199,000	207,000
Design Review Committee	12,567	9,600	85,523	86,400	115,000
Other Income	1,780	5,450	72,525	79,950	91,500
<b>Total Income</b>	<b>239,716</b>	<b>237,626</b>	<b>2,268,146</b>	<b>2,288,714</b>	<b>2,952,200</b>
<b>Cost of Goods Sold</b>					
Swim & Fitness	4,748	5,000	55,248	56,500	71,500
Tennis	21,835	21,300	156,922	156,650	170,200
Concessions	357	700	27,622	27,000	28,500
Credit Card Fees	1,428	2,000	18,697	18,500	20,000
<b>Total COGS</b>	<b>28,368</b>	<b>29,000</b>	<b>258,489</b>	<b>258,650</b>	<b>290,200</b>
<b>Gross Profit</b>	<b>211,348</b>	<b>208,626</b>	<b>2,009,657</b>	<b>2,030,064</b>	<b>2,662,000</b>
<b>Expense</b>					
Personnel	120,190	121,614	1,181,503	1,196,018	1,603,400
Grounds	37,623	36,950	275,836	311,250	374,000
Irrigation	9,227	8,150	107,580	93,850	124,800
Ranch House Expenses	9,287	12,768	112,575	114,496	153,300
Utilities	9,000	10,410	101,032	102,690	138,100
Administrative	10,802	10,606	105,250	99,302	130,200
Finance	251	200	2,282	2,400	7,500
Design Review Committee	2,781	4,000	30,799	36,000	46,000
RVR Community Expenses	1,879	2,525	66,372	59,825	84,700
<b>Total Expense</b>	<b>201,040</b>	<b>207,223</b>	<b>1,983,229</b>	<b>2,015,831</b>	<b>2,662,000</b>
<b>Net Operating Surplus / Deficit</b>	<b>10,308</b>	<b>1,403</b>	<b>26,428</b>	<b>14,233</b>	<b>0</b>

**RVRMA Reserve Activity**  
**September 2025**

	September Actual	September Budget	YTD Actual	YTD Budget	Annual Budget
<b>Reserve Income</b>					
Reserve Assessment Income	47,090	47,090	423,810	423,810	565,080
Investment Interest Income	17,491	6,000	160,421	114,000	120,000
<b>Total Reserve Income</b>	<b>64,581</b>	<b>53,090</b>	<b>584,231</b>	<b>537,810</b>	<b>685,080</b>
	<b>Capital Reserve</b>	<b>Special Assess.</b>	<b>Total RVRMA</b>		
<b>Reserve Balance September 1</b>	<b>3,227,136</b>	<b>2,769,751</b>	<b>5,996,887</b>		
Income - Reserve Dues & Interest	64,581	0	64,581		
Spending	(150,654)	(103,498)	(254,152)		
<b>Reserve Balance September 31</b>	<b>3,141,063</b>	<b>2,666,253</b>	<b>5,807,316</b>		

## River Valley Ranch Master Association

### Public - Balance Sheet

As of September 30, 2025

#### ASSETS

##### Current Assets

##### Checking/Savings

Wells Fargo Operating 62,283

Investment Accounts 6,515,834

Total Checking/Savings 6,578,117

##### Accounts Receivable

Special Assessments A/R 4,260

HOA Dues A/R 3,593

Miscellaneous A/R 150

Total Accounts Receivable 8,003

##### Other Current Assets

Undeposited Funds 10,515

Interest Receivable 47,963

Prepaid Expenses 35,525

Inventory 5,235

Total Other Current Assets 99,238

Total Current Assets 6,685,358

Fixed Assets 604,338

**TOTAL ASSETS 7,289,696**

#### LIABILITIES & EQUITY

##### Liabilities

##### Current Liabilities

##### Accounts Payable

Accounts Payable - Vendors 79,222

Accounts Payable - Payroll 50,818

Accounts Payable - Payroll Tax 4,103

Accounts Payable - P&D Deposits 475,740

Total Accounts Payable 609,883

##### Credit Cards

Wells Fargo Credit Card 2,980

Total Credit Cards 2,980

##### Other Current Liabilities

Retainage Payable - Renovation 8,338

Interest Payable - P&D Deposits 6,520

Prepaid HOA Dues 17,284

Prepaid Income - DRC Fees 42,122

Sales Tax Payable 2,064

Conservation Fund Payable 106,010

Payroll Liabilities 2,030

Total Other Current Liabilities 184,368

Total Current Liabilities 797,231

**Total Liabilities 797,231**

##### Equity

Reserves (RVRMA, OT, TS) 5,867,345

Prior Operating Fund 1,058,167

Transfers to from Reserves (604,204)

Retained Earnings 154,302

Net Income 16,857

**Total Equity 6,492,467**

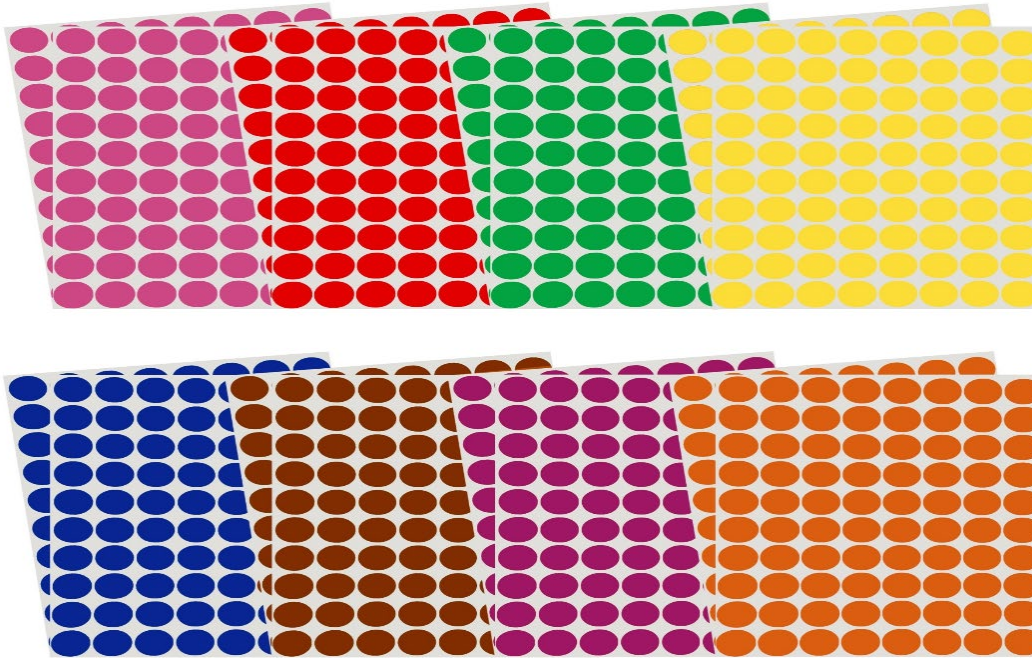
Rounding (2)

**TOTAL LIABILITIES & EQUITY 7,289,696**

Dear Board Members,

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

**Irrigation:** Winterization is in progress. We will place a sticker on your controller with the date when your blow-out is complete.



**Trees:** We are planting the remaining required tree replacements for the Ash trees we removed during the first week of November, once blow-outs have been completed.

**Deer Fence:** It's time to protect your investment, wrap your trees and shrubs.

**Turf:** Organic fertilizer has been applied to all common areas, parks, and homes maintained by the HOA.

**Dumpster:** The leaf dumpster is in place, **please remember leaves and garden plants are OK, but no plastic or paper bags, no branches over 4 inches diameter, and no wastes from outside of RVR.**

Travis Green

## October 2025 Renovation Updates

To view previous renovation updates for historical context you may click [here](#) to view the posted version on the RVRMA website.

### Permitting and Initial Work

We have been in a holding pattern awaiting the approval of our building permit, which took longer than expected. While we completed the design process and submitted the permit application on schedule (in April), final approvals took longer than anticipated.

To mitigate potential delays, we had previously submitted for a demolition permit, which allowed us to accomplish a significant amount of preparatory work. Specifically, we excavated and adjusted the irrigation system where the east wing addition will be constructed and demolished the roofline/structure on the east side of the Ranch House. We also removed the pool deck and coping surrounding the children's pool, installed construction fencing, established an office for RA Nelson, and placed construction dumpsters on site.

### Construction Resumption and Timeline Impacts

Once the final building permit was issued by the Town of Carbondale, we remobilized subcontractors and resumed work. Because permit approval timelines are unpredictable, there was a lag as RA Nelson rescheduled subcontractors and adjusted overall construction timelines.

The unexpected delay in permitting affected the broader schedule, particularly the anticipated reopening dates for the recreation pool and lap lanes. Due to the type of concrete selected, the pool deck and coping around the children's pool cannot be poured this fall as originally planned. The weather will simply be too cold for the contractor to guarantee high quality work.

Demolition of the larger pool deck has not yet been completed, as exposing soils to moisture over the winter would cause complications. The disturbed ground around the children's pool will therefore be covered and protected from moisture throughout the winter.

As a result of the permitting delays, the project schedule has been revised. RA Nelson now projects that the recreation pool will be completed by June 10, with the lap lanes reopening on July 7. Unfortunately, lap lane closures will still need to begin in March 2026, as demolition work commences. RA Nelson remains committed to identifying opportunities to accelerate this process. The dates above should be considered a worst-case scenario, assuming no weather-related disruptions in spring 2026 (for example, prolonged snowfall into April).

## **Project Scope and Community Impact**

As a kind reminder to the community, the work on the pool deck and to the bodies of water in general are not part of the scope of the special assessment approved by the community. This is deferred maintenance. In this way, the work would need to be completed regardless of circumstances. Simply stated, If the community had not voted to approve the special assessment, the pool deck, coping, concrete work and roofing would still be necessary.

We realize that this delay is not good news for the community, particularly concerning the lap lanes. We will continue to work with RA Nelson concerning any opportunities that might exist to accelerate the process in hopes that the timelines noted above can be accelerated.

## **Mailroom Transition**

The temporary mailroom was delivered on Wednesday, October 15. Existing mailboxes will be relocated on Sunday, October 26, with the transition completed before Monday, October 27. Mail pickup will be unavailable on Sunday, October 26, while the boxes are moved. Other than that brief interruption, we anticipate a seamless transition. Your mailbox number and key will remain the same—you will simply pick up your mail at the new location. Signage has been installed, and we will continue to provide renovation updates in our weekly newsletter. We anticipate the new mailroom to be open toward the end of February.

## **Financial Update**

Financially, we remain on track. We have issued our first payment to RA Nelson in the amount of \$231,794. Several change orders have also been signed, but we also have some anticipated savings coming from allowances that we will achieve cost savings on (which are difficult to quantify at this time).

## **Upcoming Work**

The concrete foundations for the east wing and mailroom are scheduled to begin on Monday, October 20. Please note that this concrete work differs from the pool deck. While the pool deck cannot be poured this late in the season, the foundation for the addition can proceed as planned.

As this work takes place, there will be temporary parking disruptions on Wednesday, October 22, and again on Monday, October 27, to accommodate large concrete trucks. We anticipate that approximately half of the parking lot will be closed on these dates.

## River Valley Ranch Master Association

### Investment of Reserve Funds Policy

In compliance with the Colorado Common Interest Ownership Act, the Board of Directors desires to adopt a uniform and systematic policy and procedures to address the investment of the Association's reserve funds. This policy is intended to comply with C.R.S. § 38-33.3-209.5(1)(b)(VI).

The Association hereby adopts the following policy and procedures to address the management of the Association's investment of its reserve funds.

#### A. Investment Objectives

1. This policy is designed to protect and preserve reserve funds for maintenance, repair and replacement of those items for which the Association is responsible and that must be periodically maintained, repaired or replaced ("Reserve Funds"). Reserve Funds are to be invested in a manner that assures maximum safety and appropriate liquidity and, secondarily, maximizes yield within such constraints. The investment objectives are, in order of priority, as follows:
  - a. Preservation and safety of principal;
  - b. Liquidity to meet expected and unexpected expenditures; and
  - c. Maximization of yield.

#### B. Reserve Fund Investment Responsibilities

1. The Executive Board has sole authority to approve and amend, alter or otherwise make changes to this Policy. Any modifications to this policy shall be in writing and approved by the Executive Board in accordance with its amendment policy.
2. The Executive Board shall have direct control with regard to opening appropriate bank accounts and establishing safekeeping accounts or other arrangements for the custody of securities and execute such documents as may be necessary for the Reserve Fund. The Executive Board may employ the service of a qualified investment advisor to direct a portion or all of the investment activities of the Association consistent with guidelines set forth in this investment policy.
3. The Executive Board will monitor ongoing investment activities to ensure property safety and liquidity of the Reserve Fund are being provided and that the investment strategy is consistent with the Association's objectives. The Executive Board shall review investment performance no less than quarterly.

#### C. Reserve Fund Investment Guidelines

1. Eligible Investments: The Reserve Fund portfolio will be limited to the following investments:
  - a. Certificates of deposit (CDs);
  - b. Money market deposit accounts;
  - c. Money market funds; and
  - d. U.S. treasuries and U.S. treasury zero coupons.

2. Credit Quality Restrictions: All investments shall be deemed low risk or U.S. Treasury securities.
3. Maturity Limits
  - a. No individual investment may exceed 2 years in maturity; and
  - b. The Association must structure its investment portfolio in order to meet anticipated cash requirements.
4. Strategy
  - a. Investments shall be structured so they mature in successive years for liquidity.
5. Custodian
  - a. Investments will be held in custodial accounts with approved banks or financial institutions federally insured either through FDIC or the US Government, with no more than the insured limit in any one bank.

D. Reserve Fund Investment Procedures

1. Transfers of budgeted additions to reserves shall be made at least annually;
2. A quarterly report of earnings shall be prepared by bookkeeper or financial advisor and presented at a Executive Board meeting;
3. To withdraw funds from investment accounts, a signature must be provided by one of the following with an exception of when making transfers between accounts of the Association:
  - a. The RVRMA Board President plus RVRMA General Manager; or
  - b. One RVRMA Treasurer; plus the RVRMA General Manager;
4. In addition to any requirements provided by the Declaration, the Association shall obtain coverage by fidelity insurance to protect the Association from loss due to theft for any person with access to its investments.

E. Reserve Studies. The Association shall arrange for reserve studies as the Executive Board determines such studies are necessary. Once a reserve study is completed, the Executive Board shall update such reserve study as it determines necessary. All reserve studies and updates shall be based on a physical analysis and a financial analysis of the portions of the Association which are maintained, repaired, replaced and subject to improvement by the Association. All reserve studies and updates shall include an inventory, a condition assessment based on a site inspection and contain an estimate of remaining useful life.

F. Deviations. The Executive Board may deviate from the procedures set forth in this policy if, in its sole discretion, it finds such deviations reasonable and necessary under the circumstances.

G. Replacement. This policy supersedes and replaces prior policies adopted by the Board dealing with the subject matter herein.

H. Definitions. Unless otherwise defined in this Policy, capitalized terms shall have the same meaning ascribed by the Declaration.

- I. Amendment: This policy and procedure may be amended at any time by the Board of Directors, pursuant to the amendment policy.

# 2026 Projected Dues (RVRMA)



						Increase	
	2022	2023	2024	2025	2026	\$	%
<b>Monthly Operating Dues</b>	\$ 298	\$ 324	\$ 338	\$ 345	\$ 362	\$ 17	4.9%
<b>Monthly Reserve Dues</b>	\$ 60	\$ 70	\$ 80	\$ 85	\$ 95	\$ 10	11.8%
<b>Total Dues</b>	\$ 358	\$ 394	\$ 418	\$ 430	\$ 457	\$ 27	6.3%

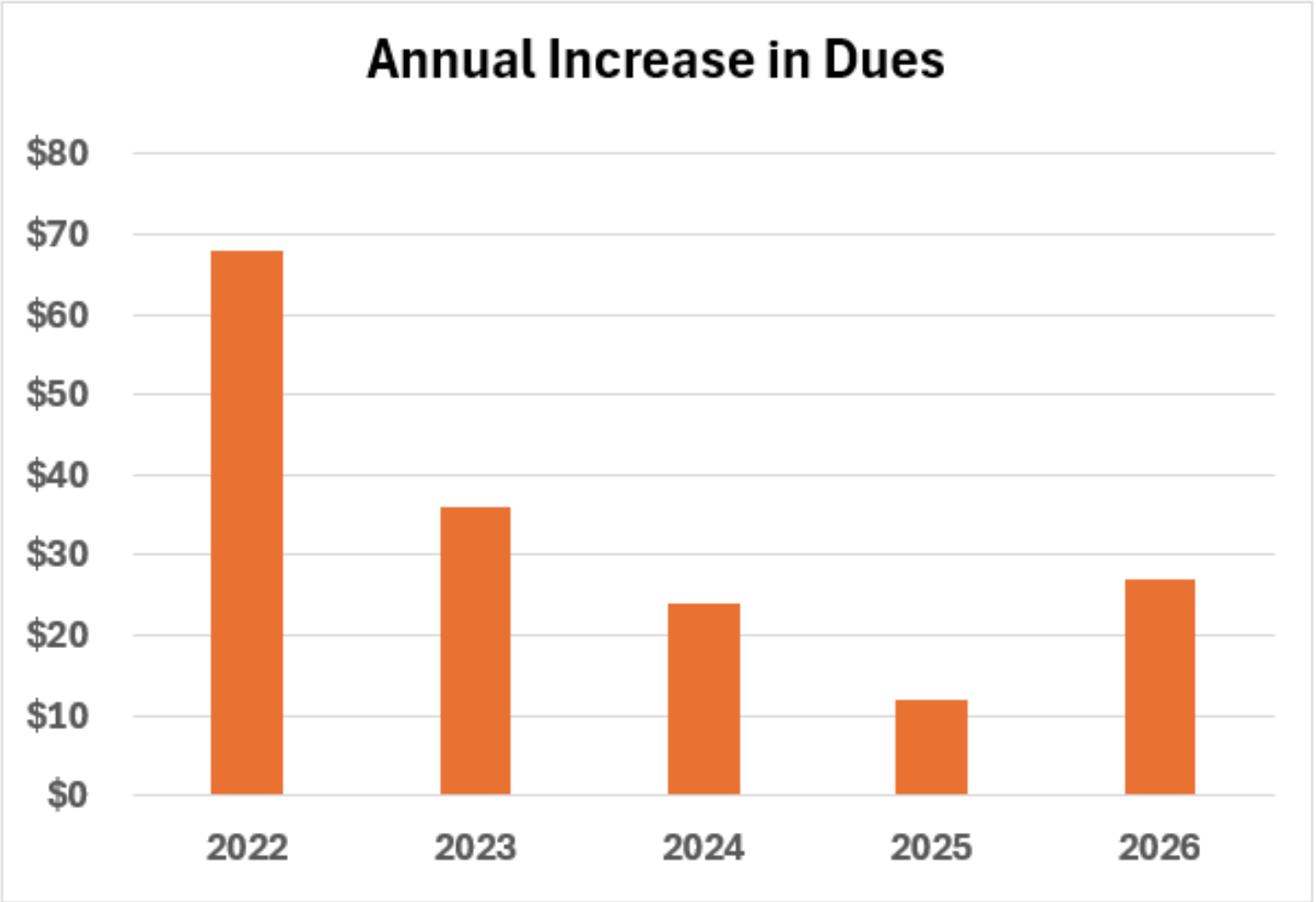
The Consumer Price Index (CPI) for the 12 months ending August 2025 increased by **2.9%**, influencing the assumptions used in the 2026 budget. The 4.9% increase in operational dues reflects both the impact of inflationary pressures and additional contributing factors, which will be examined in detail in the following slides.

Key drivers of increases beyond inflation include a slowing real estate market (impacting DRC and related transaction fees) and declining ancillary revenue overall.

# 2026 Projected Dues (RVRMA)



Year	Dues	Increase
2022	\$358	\$68
2023	\$394	\$36
2024	\$418	\$24
2025	\$430	\$12
2026	\$457	\$27



# 2026 Income and Expense Trends



The next slide presents a year-over-year comparison of income and expenses, highlighting a 2024 peak in ancillary income (non-assessment revenue) followed by subsequent declines. A significant portion of these revenues is tied to real estate development and sales.

While the dollar amounts may appear modest, each \$1 in monthly dues generates only \$6,648 in revenue, meaning even small shortfalls can have a disproportionate impact on financial stability and place additional pressure on dues.

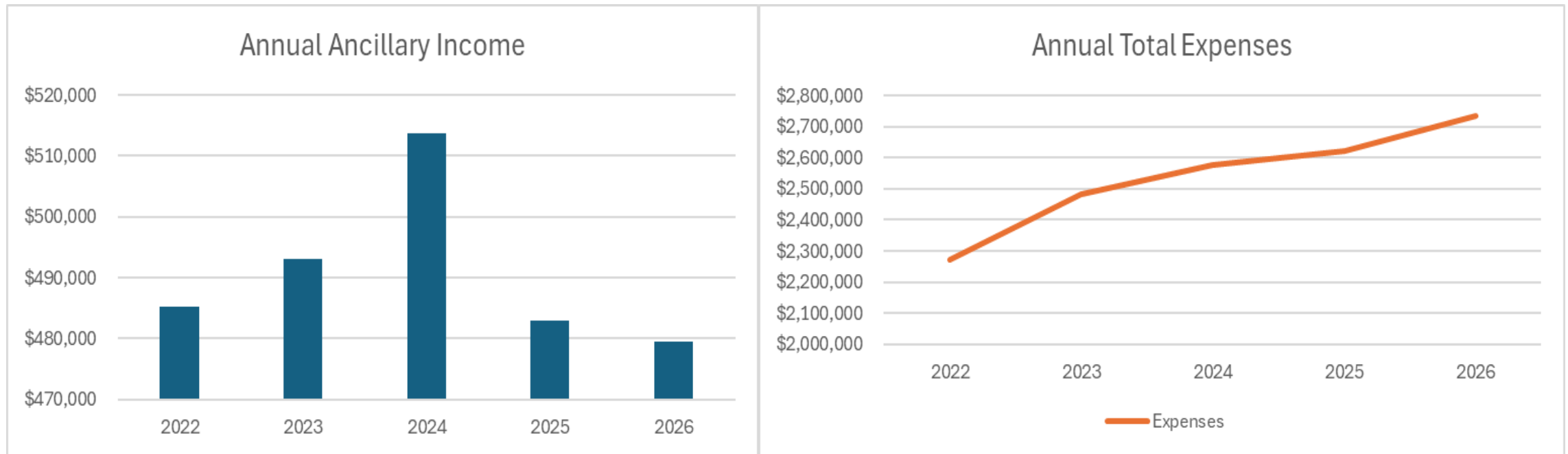
In 2025, we aligned expenditures with budget targets, implementing cost-saving measures as needed. As detailed later in the 2025 year-end forecast, we expect to meet our budget despite declining revenues.

Maintaining these savings into 2026 will be challenging, as critical investments in the tree canopy and common area upkeep are necessary to prevent deferred maintenance costs. This includes expenses related to the Emerald Ash Borer treatment program—mandated by the Town of Carbondale for trees within the Town’s right-of-way. Our aging canopy, particularly overplanted Aspen and Cottonwood trees nearing the end of their lifespan, continues to require significant maintenance and removals. Nonetheless, we remain focused on identifying cost-efficient strategies for tree care, which are reflected in the 2026 budget.

# Annual Ancillary Income & Total Expenses

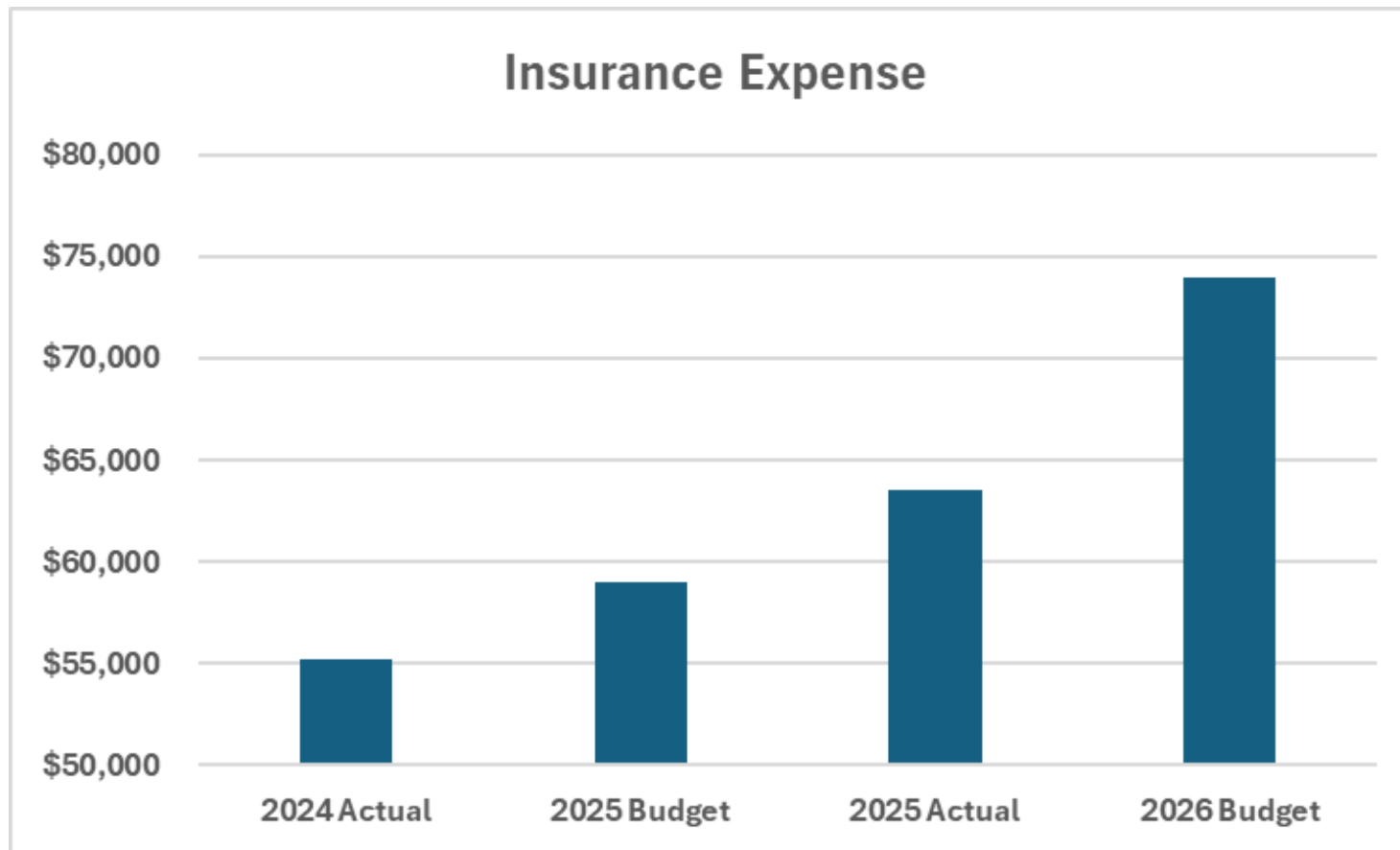


Year	2022	2023	2024	2025	2026
Ancillary Income	\$ 485,180	\$ 493,081	\$ 513,769	\$ 482,900	\$ 479,500
Expenses	\$2,270,575	\$2,480,933	\$2,575,353	\$2,620,022	\$2,733,600



# 2026 Insurance Costs

In addition to these pressures, we are also facing rising insurance costs. For 2026, we anticipate an 18% increase in premiums, as recommended by our broker, Mountain West Insurance, in response to the broader trend of escalating insurance costs affecting the market.



# 2025 Projected Year-End



As noted previously, 2025 has presented significant challenges, requiring close monitoring of expenses to remain within budgeted parameters. The primary driver has been the decline in ancillary revenue, which necessitated identifying cost-saving measures to offset the shortfall.

We continue to update our year-end forecast regularly and remain on track to close 2025 at break-even. Specifically, we anticipate ending the year within 0.5% of our budgeted targets.

# RVRMA Reserve



## RVRMA Reserve Activity

### 2025 Q4 Estimate

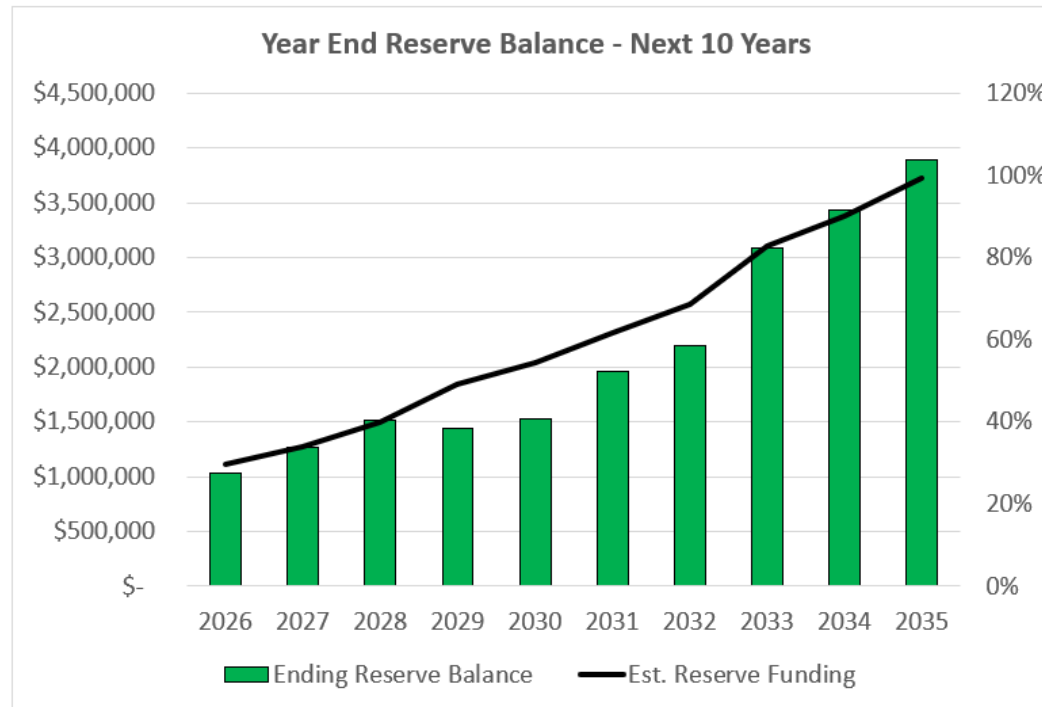
<b>Reserve Balance September 30</b>	<b>5,756,633</b>
Q4 assessments and interest income	193,743
Building permit, tap fees, use tax	(101,318)
RA Nelson draws Q4	(1,102,314)
Other reserve expenditures	(46,700)
<b>Reserve Balance December 31</b>	<b>4,700,044</b>

As we progress through the Ranch House Renovation project, accurately projecting the timing of expenses remains challenging due to the nature and sequencing of the work.

As of September 30, the reserve balance stands at \$5.76 million. We have developed a schedule of anticipated expenditures through the end of 2025 and currently project \$194,000 in income for Q4 2025, offset by approximately \$1.2 million in expenses. Based on these estimates, we expect to conclude the year with an approximate reserve balance of \$4.7 million.

We continue to closely monitor all renovation-related costs and actively seek opportunities to achieve savings wherever possible. As a reminder, this project was initiated with a **\$500,000 contingency** to address unforeseen expenses

# RVRMA Reserve



This chart, previously shared with the community, shows projected reserve balances over time with the renovation factored in. Balances remain above **\$1 million** at each year-end—a level we consider financially secure. We rebuilt the reserve study and carefully reviewed all future expenses to identify major items that could impact reserves. These projections suggest we’re well-positioned to avoid special assessments, and importantly, reserves are expected to **rebound quickly once construction is complete**. This chart is predicated on future reserve dues that are palatable. Our models show that reserve increases of only \$5 per month could produce a healthy situation inside of a short timeframe.

## 2026 Proposed Budget



	2025 BUDGET	2025 FORECAST	2026 BUDGET
<b>INCOME</b>			
Assessments (Operating)	2,294,100	2,293,766	2,406,700
Assessments (Irrigation)	135,000	136,697	142,400
Memberships & Recreation	82,500	87,033	85,000
Swim & Fitness	27,100	23,372	28,000
Tennis Programming	207,000	200,752	206,000
Food & Beverage	51,000	49,033	46,000
DRC Fees	115,000	97,263	80,000
Other Income	40,500	32,080	33,000
<b>TOTAL INCOME</b>	<b>\$ 2,952,200</b>	<b>\$ 2,919,996</b>	<b>\$ 3,027,100</b>
<b>COGS</b>			
Swim & Fitness	71,500	71,101	73,700
Tennis	170,200	171,406	170,800
Concessions & Other	48,500	50,234	49,000
<b>TOTAL COGS</b>	<b>\$ 290,200</b>	<b>\$ 292,741</b>	<b>\$ 293,500</b>
<b>GROSS INCOME</b>	<b>\$ 2,662,000</b>	<b>\$ 2,627,255</b>	<b>\$ 2,733,600</b>
<b>EXPENSES</b>			
Personnel & Wages	1,603,400	1,596,941	1,682,300
Grounds	374,000	323,688	349,400
Irrigation	124,800	137,611	135,300
Ranch House Expenses	153,300	152,245	157,800
Utilities	138,100	138,307	131,500
Admin & Finance	137,700	144,332	152,300
DRC Expenses	46,000	41,517	37,000
Community Expenses	84,700	90,318	88,000
<b>TOTAL EXPENSES</b>	<b>\$ 2,662,000</b>	<b>\$ 2,624,959</b>	<b>\$ 2,733,600</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ -</b>	<b>\$ 2,296</b>	<b>\$ -</b>

# RVRMA Dues by Neighborhood



## RVRMA HOA Dues

Operating Assessment	362
Reserve Assessment	95
	<hr/>
	<b>\$457</b>

## RVRMA - Custom Homes

HOA Dues	457
Irrigation Assessment <sup>[1]</sup>	33
	<hr/>
	<b>\$490</b>

## RVRMA (Block "B"/Sopris View)

HOA Dues	457
Irrigation Assessment <sup>[1]</sup>	21
	<hr/>
	<b>\$478</b>

## THE SETTLEMENT

HOA Dues RVRMA	457
The Settlement (Additional Services) Painting, Mowing, Snow Removal	169
The Settlement Painting Reserves	119
Irrigation Assessment <sup>[1]</sup>	21
	<hr/>
	<b>\$766</b>

## OLD TOWN

HOA Dues RVRMA	457
Old Town (Additional Services) Painting, Mowing, Snow Removal	76
Painting Reserve	102
Irrigation Assessment <sup>[1]</sup>	10
	<hr/>
	<b>\$645</b>

## CRYSTAL BLUFFS, THE BOUNDARY, THE FAIRWAYS

HOA Dues RVRMA <sup>[2]</sup>	<b>\$457</b>
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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.

# 2026 Projected Dues (Old Town)



**OLD TOWN DUES**  
Old Town (Added Services)  
Painting Reserve  
Irrigation Reimbursement Assessment  
**TOTAL OLD TOWN DUES**

2023	2024	2025	2026	Increase	Increase
\$67	\$71	\$73	\$76	\$3	4.1%
\$90	\$97	\$99	\$102	\$3	3.0%
\$9	\$9	\$9	\$10	\$1	11.1%
<b>\$166</b>	<b>\$177</b>	<b>\$181</b>	<b>\$188</b>	<b>\$7</b>	<b>3.9%</b>

Old Town dues for 2026 reflect a **\$3 increase in operating expenses**, a **\$3 increase in reserves**, and a **\$1 increase for irrigation assessments**, resulting in a **total monthly increase of \$7**.

These adjustments account for modest inflationary cost increases from vendors as well as anticipated expenses related to irrigation system repairs and maintenance in 2026.

Irrigation assessments have been raised for all RVR properties to align with the budgeted irrigation expenses for the upcoming year. The \$1 increase for Old Town Properties aligns with this overall increase.

We anticipate closing 2025 on budget, with slight surplus of \$151.

# 2026 Budget (Old Town)



## Old Town 2026 Operating Budget

	2023 Actual	2024 Actual	2025 Budget	2025 Forecast	2026 Budget
NUMBER OF HOMES	65	65	65	65	65
<b>Income</b>					
Common Assessments-Operating	52,193	55,380	56,940	56,940	59,280
<b>Total Income</b>	<b>52,193</b>	<b>55,380</b>	<b>56,940</b>	<b>56,940</b>	<b>59,280</b>
<b>Expenses</b>					
Lawn Maintenance	27,456	28,441	29,900	29,407	31,275
Snow Removal	13,464	13,784	14,300	14,310	14,732
Irrigation System R & M	11,109	12,026	12,740	13,072	13,274
<b>Total Expenses</b>	<b>52,029</b>	<b>54,251</b>	<b>56,940</b>	<b>56,789</b>	<b>59,280</b>
<b>Net Income</b>	<b>164</b>	<b>1,129</b>	<b>0</b>	<b>151</b>	<b>0</b>

# Reserve Balances Over Time



## OLD TOWN 2026 Reserve Budget



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 Actual	2025 Forecast	2026 Budget
65	65	65	65	65	65	65
80	80	85	90	97	99	102
31,651	54,796	45,106	33,978	49,642	32,204	5,803
7,999	(848)	(2,959)	(286)	164	1,129	0
62,320	62,400	66,300	70,110	75,660	77,220	79,560
(47,174)	(71,242)	(74,469)	(54,160)	(93,262)	(104,751)	0
54,796	45,106	33,978	49,642	32,204	5,803	85,363

The year 2026 marks the conclusion of the current 10-year painting cycle, with no homes scheduled for painting during this period. This planned pause provides an opportunity for the reserve fund to rebuild from a temporarily low balance, consistent with our long-term financial strategy. At the end of 2026 the reserve will hold a balance of \$85,363.

At the most recent Old Town Advisory Committee meeting, the community discussed potential changes to the siding allowance, which is funded through this reserve. As no final decision has been made, the 2026 budget continues to include funding for this expense. Should the Committee and the RVRMA Board decide to eliminate this allowance, future reserve increases would be adjusted downward once the change is approved.

Note: Eliminating the siding allowance would require the Board to amend the current policy governing siding repairs. Any proposed policy change would be shared with the community for a 30-day public comment period (at a minimum) prior to a Board vote. Additional details would be provided during that process.

# 2026 Projected Dues (Settlement)



## SETTLEMENT DUES

Settlement (Added Services)
Painting Reserve
Irrigation Reimbursement Assessment
<b>TOTAL SETTELMENT DUES</b>

	2023	2024	2025	2026	Increase	
Settlement (Added Services)	\$147	\$153	\$158	\$169	\$11	7.2%
Painting Reserve	\$111	\$114	\$116	\$119	\$3	2.6%
Irrigation Reimbursement Assessment	\$19	\$20	\$20	\$21	\$1	5.0%
<b>TOTAL SETTELMENT DUES</b>	<b>\$277</b>	<b>\$287</b>	<b>\$294</b>	<b>\$309</b>	<b>\$15</b>	<b>5.2%</b>

The Settlement's operating dues for 2026 are projected to increase by \$15. This adjustment is necessary to keep pace with inflationary cost increases related to snow plowing, irrigation parts and supplies, and lawn care.

The larger portion of the increase is primarily due to rising irrigation repair and maintenance costs. In 2025, we are forecasting an operational deficit of \$3,213, largely attributed to this budget line item. To prevent similar shortfalls in the future—which would otherwise impact the reserve fund, as shortfalls are covered from that account—we have increased the expense allocation for this category accordingly.

Additionally, reserve dues will increase by \$3 in 2026 to ensure continued, adequate funding for future needs.

Irrigation assessments for all property owners will also increase in 2026 to align with anticipated costs reflected in the budget.

# 2026 budget (Settlement)



## 2026 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 Actual	2025 Budget	2025 Forecast	2026 Budget
NUMBER OF HOMES	56	56	56	56	56
Income					
Common Assessments-Operating	98,784	102,816	106,176	106,176	113,568
<b>Total Income</b>	<b>98,784</b>	<b>102,816</b>	<b>106,176</b>	<b>106,176</b>	<b>113,568</b>
Expenses					
Lawn Maintenance	49,628	51,440	52,530	53,162	55,257
Snow Removal	29,689	31,167	32,100	31,727	33,311
Irrigation System R & M	20,336	22,049	21,546	24,500	25,000
<b>Total Expenses</b>	<b>99,653</b>	<b>104,656</b>	<b>106,176</b>	<b>109,389</b>	<b>113,568</b>
<b>Net Income</b>	<b>(869)</b>	<b>(1,840)</b>	<b>0</b>	<b>(3,213)</b>	<b>(0)</b>

Above is the operating budget for the Settlement. It reflects a 2025 operational deficit of \$3,213, primarily due to irrigation repair and maintenance costs. This line item is challenging to forecast accurately, as it is often influenced by unforeseen circumstances.

To help mitigate recurring year-end deficits, we have budgeted 2026 at \$3,454 above the 2024 budget amount.

Although these past deficits have not significantly impacted the reserve fund, increasing the budget should help ensure a more stable and accurate financial plan going forward.

# Reserve Balances Over Time (Settlement)



## The Settlement 2026 Reserve Budget

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Forecast	2026 Budget
NUMBER OF LOTS	56	56	56	56	56	56	57
Monthly Reserve Dues per Lot	\$95	\$95	\$101	\$111	\$114	\$116	\$119
Reserve Beginning Balance	48,657	55,205	46,406	20,063	11,700	72,057	60,709
Operating Surplus from previous year	10,446	(8,036)	(13,567)	(8,955)	(899)	(1,840)	
Reserve Common Assessments	63,840	63,840	67,872	74,592	76,608	77,952	79,968
Reserve Expenses-Painting	(67,738)	(64,603)	(80,648)	(74,001)	(15,352)	(87,460)	(89,620)
Reserve Estimated Ending Balance	55,205	46,406	20,063	11,700	72,057	60,709	51,056

We anticipate ending 2025 with a reserve balance of \$60,709. In 2024, only two homes were painted, which allowed the reserve balance to grow throughout the year.

An increase of \$3 per month to the 2026 Settlement reserve dues will help ensure we end that year with a healthy projected balance of \$51,056.

Every six years, there is one year in which no homes are scheduled for painting—the next such year will be 2030. Our goal is to end each painting cycle with a lower reserve balance, knowing it will naturally rebound during the year when no painting occurs. The proposed \$3 increase positions us on a solid, sustainable financial path toward that goal.



## RIVER VALLEY RANCH

### RIVER VALLEY RANCH MASTER ASSOCIATION (RVRMA) BLOCK F AND BLOCK A PAINTING CONTRACT INCLUSION POLICY

The River Valley Ranch Master Association (RVRMA) has a declaration of protective covenants, bylaws and rules and regulations. Article 9.9 of the Declaration (*Power to Adopt Master Rules and Regulations*) empowers the Board of Directors to adopt, amend, repeal and enforce such Master Rules and Regulations as the Executive Board may consider necessary, desirable, or appropriate with respect to the operation of the master Association.

As per Section 3.3(b) of the Amended and Restated Master Declaration of Protective Covenants for River Valley Ranch whereby the Master Association is responsible for periodically repainting the residences in Tracts A (The Settlement) and F (Old Town); The Executive Board deems it necessary to adopt a policy for inclusion of incidental exterior wood or composite building material minor repair and/or replacement to be included in the Contractor's Scope of Work and contract in provision of painting services. Therefore the following policy and procedure will govern the residences in Tract A (The Settlement) and F(Old Town).

#### THE POLICY AND PROCEDURE

There may be a \$750 wood or composite material repair and/or replacement allowance allocated to any homes receiving service during the term of a contract. The allowance is strictly intended for work that is incidental to effective performance of the paint contract. The allowance is not intended for wood repairs identified during the annual pre-contract scope review. Any wood or composite material repair and/or replacement identified during the annual scope review will be the Owners responsibility prior to provision of paint services.

The Executive Director will coordinate wood or composite material repair and/or replacement work identified in the annual pre-contract scope review with those Owners prior to provision of paint services.

The Contractor will submit estimates for each home's repair/replacement for the Executive Director to review and approval prior to commencement of work. If the estimate for the repairs exceeds the \$750 allowance, then work will cease and desist immediately on that home and the Owner will be noticed of the repairs required that must be performed at their own expense prior to commencement of painting services. If the work exceeds the \$750 allowance, the Owner could then receive a \$750 credit for performance of this work only by the Owner or the Owner's Contractor. Upon completion of the work that is approved within the allowance, the Executive Director will inspect the work and confirm it is



## RIVER VALLEY RANCH

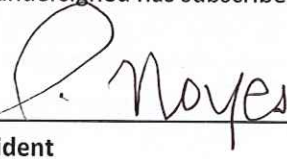
consistent with the scope and the estimate. The material repair/replacement work will be billed on a time and materials basis not to exceed the \$750 allowance and as approved by the Executive Director.

The Board of Directors may consult with the Old Town and Settlement Advisory Committees as it deems appropriate and necessary in this process.

This policy and procedure may be amended from time to time by the Board of Directors.

### PRESIDENT'S CERTIFICATION:

The undersigned, being the President of the RVRMA certifies that the foregoing resolution was adopted by the Board of Directors of the RVRMA at a duly called and noticed meeting of the Board of Directors held on this date 26 day of June, in the year 2013 and in witness thereof, the undersigned has subscribed his/her name.

  
\_\_\_\_\_  
RVRMA President

June 26, 2013  
\_\_\_\_\_  
Date adopted