

RIVER VALLEY RANCH

RVRMA EXECUTIVE BOARD MONTHLY MEETING

Wednesday, December 19, 2018, 5:30 p.m.
The Ranch House Meeting Room

Executive Board of Directors

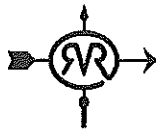
Yvonne Perry, President
Leslie Marcus, Secretary
Todd Richmond, Treasurer
Gary Lesser, Director

Management Attendees

Sterling Page, General Manager
Kendra Ford, Community Services Manager
James MaGuire, Accounting

Homeowner Attendees

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- I. Call to Order- Establish Quorum
 - II. Approval of the Consent Agenda
 - III. Approval of the Minutes
 - Approval of meeting minutes of the regular Board meeting, held on November 14, 2018.
 - IV. Public Comment
 - V. Announcements
 - New Year's Eve Celebration at the RVR Sales Barn- December 31
 - Poker Night- January 12
 - Sterling and Kendra Meet and Greet -January 15
 - Women's Health Talk with Valley View- January 30
 - Golf Fireside Chats – January dates TBD
 - VI. Management Update
 - Ranch House Report-Kendra Ford
 - Operational Report- Sterling Page
 - Finance Report- James McGuire



RIVER VALLEY RANCH

VII. Old Business

- Golf Update- Gary Lesser

VIII. New Business

- New Board member - Gary Harada
- 2019 Board of Directors Meeting Schedule and 2019 DRC Meeting Schedule
- Water Resolution Meeting with Dan Coleman
- Technology Sub-Committee

Introduction of items for early 2019

- Fine schedule for trailers and others-Sterling Page
- Sunset of 1 percent lot ownership/memberships
- Short-term vacation rentals

IX. Adjourn

X. Executive Session

XI. Annual Meeting

RVRMA EXECUTIVE BOARD
Record of Proceedings
Regular Monthly Meeting
Wednesday, November 14, 2018, 5:30 p.m.
The Ranch House Meeting Room

A regular meeting of the Executive Board Members of the River Valley Ranch Master Association, in the county of Garfield, State of Colorado was held on Wednesday, November 14, 2018 at 444 River Valley Ranch Drive, Carbondale, Colorado, CO 81623 with the following people present:

Executive Board of Directors

Yvonne Perry, President
Leslie Marcus, Secretary
Todd Richmond, Treasurer
Gary Lesser, Director-at-Large
Ben Johnston, Director at Large

Management Representatives

Sterling Page, General Manager
Kendra Ford, Community Services Manager
James Maguire, Accounting

Homeowner Attendees

Stan and Carolyn Kleban
Howard Gunther
Gary Harada

Call to Order

RVR Executive Board President, Yvonne Perry, called the meeting to order at 5:30 p.m. A quorum was established.

Approval of Agenda

Director Gary Lesser and Treasurer Todd Richmond moved and seconded to approve the agenda. The motion passed unanimously.

Consent Agenda

Director Ben Johnston and Secretary Leslie Marcus moved and seconded the adoption of the Board Meeting minutes of October 24, 2018. The motion passed unanimously.

Public Comment

Carolyn Kleban mentioned the \$15 increase in dues which totals \$98,000 for the HOA and requested clarification on what the funds are needed for in 2019.

Yvonne explained that although the RVRMA has a good reserve fund there are quite a few significant capital expenditures over the next five years and if the HOA does not continue to add to the reserve we will deplete it.

Todd Richmond explained that over the last few years the RVRMA has run at a profit, however it is not anticipated that it will in 2019. Because the HOA has had a profit, the dues have not been raised in four years. However, money needs to continue to go into the reserve account and this goal is the major driver for the

increase. The large items that will draw on the reserve account are such things as irrigation, maintenance, pool and other similar projects. The intent each year is for the budget to run at a zero balance and if the budget comes in above the surplus, funds go to the reserve account and if the budget comes in too low, funds come out of the reserve account. With addressing the community's golf issue and all the expenditures around it, there needs to be enough in the budget to cover those expenses while also continuing to fund the reserve account.

The \$5 increase for operations is accounted for with mostly golf-related legal expenses to manage the issues and challenges around keeping development off the driving range and the golf course. Although the PUD to date is interpreted as needing the majority of owners in the PUD to agree to a rezoning application, the new owners will likely challenge this. That's why the RVRMA needs legal advice regarding our rights and how the PUD may be interpreted in the future and how we can respond.

Ben Johnston explained the golf course owner is appealing the Town of Carbondale's initial interpretation of the PUD. The appeal could conceivably go as far as the Colorado Supreme Court. This could become a very expensive legal fight, so the RVRMA needs to be prepared and represented.

Leslie Marcus further stated that RVRMA has submit our interpretation of the PUD to the Town of Carbondale and homeowners can additionally influence the Town's response by demonstrating their individual concerns .

Yvonne reiterated the statement that has been made by the Golf Advisory committee, which is this is not a conversation about golf but rather about maintaining the quality of our community and our property values. The focus of the Golf Committee is to evaluate RVR's options if we end up with control of the golf course, if we decided to buy it, because we have no other choice. There are so many possibilities of what could happen.

As for the Billy Casper report, it is currently in draft form and the Board and Golf Advisory Committee are working with Billy Casper Golf to make sure the final report meets RVR's needs.

Todd Richmond recapped that the attorney fees and consulting fees around golf are what is primarily impacting the budget this year.

As for the reserved fund, Todd stated most associations typically do not fund 100 percent of the reserve study. Reserve studies are only done every few years and they tend to be conservative in cost estimates, but also a very complete list of everything that needs to be done, so they are great guidepost. Most associations will fund reserves between 50-100 percent. When it is stated that we are underfunded it just means our reserve is not at 100 percent and it is important to keep the reserve fund at a point where it won't be depleted as major projects come up.

There was discussion around how accessible the Billy Casper Golf report will be to the community and the concern with what information should be out there publicly. The Board is strategizing on how to best share this information with owners.

There were some questions around any foreseen need for expansion of the facilities which has been discussed in past years. The answer is, there was some alleviation of that pressure when the Board created the new guest policy, and this cut down significantly on the amount of additional people utilizing the Ranch House. So there does not seem to be a current need for facility expansion although this might be addressed down the line as RVR builds out.

There was also some discussion around the idea of having a meeting just for budget questions prior to the ballot deadline. The Board stated they did see how this could be helpful and would take this under consideration for next year.

Announcements

- **November 16:** Susan and Marshall Art Opening
- **November 16:** Mail remaining budget ballot packets
- **November 20:** Kids Thanksgiving wreath craft
- **December 8:** Annual Holiday Party
- **December 15:** Kids Holiday
- **December 19:** Executive Board Meeting and Annual Meeting

Ranch House Report: Kendra

General Update

The budget ballots were available on November 6 for owners to pick up at the Ranch House. As of today, about one third of homeowners have picked them up. A special email blast went out today (Wednesday, November 14) to remind everyone they have another day to stop by and get them. The rest will be mailed out this Friday. The ballots are due back by December 17 at 5 p.m.

With the holidays upon us the Ranch House staff is putting a great deal of effort towards planning a festive environment around the Ranch House and some beautiful events for both adults and kids. The holiday party on December 8 will be from 6 p.m. to 9 p.m. and geared toward adults. We will be serving a variety of appetizers and desserts that will be presented on trays by servers. Both floors of the Ranch House will be used to allow for more conversation areas. There will also be piano music and carols in the studio. The event is free, and we are asking owners to RSVP to help give us a good estimate of attendance. There will be a kids' holiday party on Saturday, December 15, in the afternoon, with Santa and hopefully Mrs. Claus, holiday crafts, pictures, snacks and more.

The shift in the fitness schedule for the months of November and December has been very well received and attendance for all the classes has been strong. Some of the changes made are the times and the variety of classes, both during the day and evening. The significant addition for the evenings is yoga and ski conditioning classes at 6 p.m. There is also a stretch and restorative yoga class on Sunday, which previously had been offered on Tuesday; with the change of day, it immediately had a significant increase in attendance at the first class.

The firepit area is set up for the winter. There are smores kits, skewers and blankets so kids and adults can sit out and enjoy it in the evenings.

Human Resources

Sterling and I recently met with counsel at Karp Neu Hanlon to review the RVR Employee Handbook. We are working toward having it fully updated for 2019. We are also working on new contracts for our independent contractors, including fitness instructors. We intend to have those in place in December as well.

Member Services

Art

John Runne will be the artist for December and January.

Programming

November 16th: Remaining Budget Packets are Mailed
November 16th: Art Opening for Susan and Marshall Olson
November 20th: Community Hike with Yvonne at Sunlight
November 20th: Kids Thanksgiving Craft at Ranch House
December 8th: RVR Holiday Party
December 15th: Kids Holiday Party
December 19th: Annual Meeting

Communications

The full newsletter is now available on the website. On the home page of the RVR website, there is a centrally placed icon "Weekly News" which is linked to the newsletter exactly as it appears when it goes out to owners on Fridays.

There is a notice in the budget packet asking owners to please provide email addresses if they do not currently receive our electronic communications. Electronic communications (weekly newsletters and individual email blasts) are the primary way we reach our RVR community, so it is essential we have every owner signed up to receive these. To sign up, one must email Jessica Hennessey at memberservices@rvrcommunity.com.

There has been an effort made in the past few months to send separate email blasts during the daytime hours to get notices out, to capture the broadest attention with a specific message that may have missed in the newsletter.

Design Review Committee Report for November

There is a noticeable increase in applicants heading into the winter and the start of 2019. We have been doing quite a few pre-design meetings with owners and architects who are looking to get on the agenda for preliminary review over the course of the next few months.

November 1, 2018

Lot: F-50

Owner: Hamilton

Review Type: Landscape and exterior additions

Lot: Y-10

Owner: Brown

Review Type: Preliminary

November 15, 2018

Lot: AA-18

Owner: Stumpf

Review Type: Preliminary

Lot: FF-6
Owner: Kelly
Review Type: Preliminary

Lot: X-07
Owner: Carresse
Review Type: Revisions to approved

Lot: HH-07
Owner: Stowell
Review Type: Revisions to approved

The DRC will be meeting once for December on the 13th. The meeting schedule is updated online; all current and potential applicants were notified of this in the past two weeks.

Operations Report- Sterling Page

Governance

- Covenants, By-Laws, Resolutions and Policies
 - The policy regarding document requests by owners has been reviewed by RVR staff. Our by-laws follow Colorado statutes which dictate the CCIOA guidelines.

Facilities

- Ranch House
 - Maintenance of the mechanical system in the building is ongoing. Mechanical engineered upgrades done in 2010 will be reviewed to plan system improvements both in comfort and efficiency.
- Pools & Tennis
 - Nothing new to report.

Grounds

- Common Areas
 - Our maintenance crews have been busy winterizing all areas around the or community. We have chipped all the limbs and brush left over from this summer's tree pruning. We had a 30-yard dumpster at the Ranch House for all Owners to dispose of their leaves. This was filled, and we will get a 40-yard dumpster next year. Our landscape contractor has been busy removing leaves from the Settlement, Old Town and the Ranch House. Pathways and pot holes are being filled in common areas and approaches to bridges. Soon we will need to rebuild the access bridge to the common area between Lakeside Dr. and North Heritage Dr. As the last homes are built on lots HH16, HH18 and HH26 we will need access for equipment larger than a golf cart.
- Parks
 - Minimum maintenance to collect refuse is ongoing for the winter.

Irrigation

- Usage

- We turned the irrigation water off in early October for blow out. Significant rain fell in the second week of the month and kept the irrigated areas green throughout the balance of the month.
- Repairs
 - Blow out by our irrigation and Ranch House staff was successful this season. It took four weeks and other than rain, which we desperately needed, we had good weather throughout. Leaks discovered in this process are being repaired to be ready for next year. The \$15k investment in new Cla-Valve parts paid off well. The new enamel-coated parts show no sign of wear and required minimal cleaning. This was previously a \$12k per year contract.

Operations

- Old Town
 - Painting of six homes is complete and plans for next year are in process.
 - The snow removal contracts are being reviewed for winter 2018/2019.
 - Crosswalk signs are being installed at the new Crosswalk at RVR Dr. and Lamprecht Dr.
- The Settlement
 - Painting of nine homes is complete and plans for next year are in process.
 - The snow removal contracts are being reviewed for winter 2018/2019.
- Boundary
 - No News
- The 24
 - Sign posts will be installed naming the street for delivery drivers. Cost of the sign is being paid by the Sub-Association.
- Crystal Bluffs
 - No News

Finance Report – James Maguire

- Income is within five percent over what was budgeted. On the expense side, we are spending less than what we budgeted.
- At the year-end, there are less than five owners who owe money for dues.
- We are currently researching ways to better invest reserve funds.

Old Business

- **Golf Report** - Gary Lesser, Chair of Golf Advisory Committee
 Gary noted that with the weekly golf updates which are posted to the website as well as the Friday newsletter, the community is being kept up to speed with anything there is to report. However, the one new item since the last golf update, is that the Board met this past Monday with the owner. The report and summary of this meeting will be published for the community on Friday.

As for any future potential decisions regarding the golf course ,the Board made it clear the entire community would be involved by vote. If any action were to be taken, the Board would make a recommendation to the community and it would be put to a vote.

New Business

- **Twelfth Amendment to Design Review Guidelines -submittal date requirements**

Kendra Ford explained, the current DRC Guidelines state that the submittal documents are due two days prior to the DRC meeting. However, the general standard that has been established over the course of some years has been a five-day minimum submittal. Kendra's recommendation is that the Design Review Guidelines are amended to have a five-day minimum for documents to be submitted prior to the DRC meeting and review.

Motion A: Resolved, that the RVRMA Executive Board approves the Twelfth Amendment to the Design Review Guidelines as presented.

Motion A was moved and seconded by Director Gary Lesser and Secretary Leslie Marcus. The motion passed unanimously.

- **One-percent lot ownerships**

There was discussion around the existing "one percent" lot ownerships which had been grandfathered in after there were changes to the Rules and Regulations around memberships and how to go about sunsetting the membership privileges around this type of ownership. It was recommended that if they can prove they own one percent of a lot and it is legally recorded, they can maintain the membership. It was evident after discussion and various examples given, an audit needs to be done around partial and one percent lot ownerships that have existed as well as lot transfers to determine if they have legitimate ownership. Kendra will report back to the Board on which ones show up as not having actual ownership and they will be addressed personally.

Gary Lesser expressed that his view is, only actual owners should be allowed memberships in any situation at RVR.

- **Street Lights**

Xcel has requested that RVR get new street light fixtures which will support LED lights and be a cost savings to the Town of Carbondale in RVR's electric bill; however, the Town wants RVR to buy them. They are \$5,500 apiece if you buy through Xcel and \$1,500 if you buy them online. We are currently researching how to buy the current light bulb and change them out ourselves.

- **Credit Card Parameters and Controls**

Todd Richmond suggested that there should be a reasonable limit credit card usage. Then any charges in excess of \$500 would require pre-approval by any of the check signors and there should also be a petty cash account; Sterling would have check signing authority on that account. Sterling did not see a need for a petty cash account. Approval for expenditures between \$500-\$2500 can be done via email by one signor and above \$2,500 would require email approval by two signors. Yvonne Perry and Todd Richmond will be the first contacts for these approvals.

Adjourn

It was moved and seconded to adjourn the meeting. The meeting was adjourned at 7 pm.