

**RVRMA EXECUTIVE BOARD
Record of Proceedings
Regular Monthly Meeting
Wednesday, June 26, 2019, 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, June 26, 2019 at 444 River Valley Ranch Drive, Carbondale, Colorado, CO 81623 with the following people present:

Executive Board of Directors

Yvonne Perry, President
Gary Lesser, Vice President
Todd Richmond, Treasurer
Gary Harada, Director-at-Large
Ben Johnston, Director-at-Large
Cathy Cooney, Director-at-Large

Management Representatives

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

Homeowner Attendees

Richard Sills
John Krousouloudis

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 Minutes and Consent Agenda

Vice President, Gary Harada and Director Cathy Cooney, moved and seconded to approve the agenda and the adoption of the Board Meeting minutes of May 22, 2019. The motion passed unanimously.

Public Comment

Homeowner, Richard Sills questioned whether there will be a call-in option for part time residents to participate in the Board meetings. He referenced Section 6.4 of Articles which does say a member can participate by attending or by conference call.

Yvonne Perry stated the Board did have legal counsel review the request and there is not legal obligation on the HOA's parts to provide a call-in option. She expressed concerns about this opening up the possibility of owners sitting in their living rooms locally and call in because they do not feel like making the effort to attend in person.

Ben Johnston explained if you look at the Covenants, By-laws and CCIOA, the rules reference call-in participation for member meetings not Board meetings. If there is a meeting of members they must be allowed to participate by telephone. He also noted there is an option to send a proxy to meetings in an owner's place.

Cathy Cooney noted that RJ Spurrier put some information together which shows the cost of creating this accessibility is typically not a good return on investment.

Richard expressed his concern with the fact he and others at a distance cannot participate in discussions on issues, such as the vote at the last Board meeting which was a significant issue (Fines and Violation Enforcement Policy), of which he was not able to attend. Richard feels like there should be some flexibility for those who are restricted due to circumstances out of their control to be able to participate.

Gary Lesser requested Sterling and Kendra do a benchmarking on what is standard with other Boards and other HOA's regarding allowances for call-in participation.

Ben Johnston noted he represents a series of HOA's and it is not common to have call-in options for homeowners for Board meetings just for Board members.

Announcements

- June 28-30 RVR USTA Tennis Tournament
- July 4 -Groovin' Valley Ranch
- July 12- Hone Williams Art Opening
- July 18- Talk with Dr. David Miller
- July 24 – Annual RVR Homeowner Community Gathering

Ranch House - Operational - and Finance Reports

General Update

Although the weather has not made us feel as if “summer is here,” the increased activity around the Ranch House is most definitely a reminder of the season. We have 15 additional summer staff on board as lifeguards, snack shack servers and slide attendants. You will also see some of them on occasion at the front desk helping to make it possible for our regular dedicated staff to take some breaks and enjoy a summer vacation here and there. We are grateful for our summer staff's flexibility and willingness to step into different roles to keep things going smoothly during such a busy time for the Ranch House.

This weekend is the annual RVR USTA Tennis Tournament. The tournament takes place Friday June 28 through Sunday June 30. There will be volunteers managing sign-ins, scheduling and registration in the great room of the Ranch House and a lot of activity at the tennis courts. Everyone is welcome to watch and enjoy some fantastic matches. A tournament of this size also means quite a few additional cars in the parking lot so walking and or biking to the Ranch House is always a great option to know you have a spot.

The new Square Pay system has been extremely well received by our members and their guests. The streamlining of payments has freed up our staff to have more time to attend to members' needs and more efficient daily operations of the Ranch House. This new system tracks guest visits, daily sales and inventory, and allows for us to get a big picture of so much that goes on here. It also allows us to see when and where our demands are the highest, so we can effectively adjust food, drinks and staffing in line with needs.

This year's July 4 event is just around the corner. The theme is “Groovin Valley Ranch” and it will take place on Thursday, July 4 from 4-8 pm. The cost is \$22/adult and \$17/kids. The Confluence Band will be performing, and additional entertainment will include The Sopris Soares, Tumble Bubbles, Kayak demonstrations, tie-dyeing t-shirts, a chance to experience some Virtual Realty adventures, and more! The food will be catered by Homestead Bar and Grill, the menu is building your own Rainbow (Buddha) Bowls, BBQ Pork Sliders and delectable desserts. The cost includes an open bar. The RSVP deadline is June 30.

Just a few weeks after the July 4 festivities, we will be hosting the Annual Community Gathering on July 24. A taco bar will be provided as well as complimentary drinks. More details will be provided in upcoming newsletters.

The beautiful flower arrangements around the Ranch House are being created weekly by our Front Desk manager Becky Denning.

Human Resources

There is a new face at the Front Desk in the evenings. Ellen Huttenhower has been hired to cover some regular evening front desk shifts. Ellen is a long time local and teacher. She has a history with RVR, having worked at the front desk in the early years starting in 1998. It has been some time since then, but she has the general lay of the land and is familiar with many members from the community. We are looking forward to having her and would like to welcome her as part of our Front Desk team.

Fitness

We are sad to announce that in just a few weeks we will no longer have Barbara Segaul's infectious energy and spirit as our dedicated and beloved RVR water aerobics instructor. Barbara and Arthur have sold their home in the Settlement neighborhood and are moving to Denver to be closer to family. Barbara has been committed to building a robust water aerobics program at RVR for many years and her class members look forward to the start of it every season. We so love having her fitness enthusiasm and outstanding music tracks around the Ranch House and she will truly be missed. JoAnn Scott has been amazing with her willingness to step into Barbara's role and keep the water aerobics program going through October. We are grateful she has offered to take this on and are looking forward to having her as a new instructor.

Communications

With so much going on at the Ranch House during the summer season, **please follow us on Instagram** "RVRCarbondale". We will have events, current news items, announcements and community pictures posted regularly.

Design Review Committee

We have been processing a significant amount of Administrative Review request primarily related to landscape changes although some are for minor exterior revisions. We receive a lot of questions about guideline requirements leading up to the request. We strongly encourage homeowners to reference the Design Guidelines and DRC Amendments posted on our website as their primary resource. We have the guidelines posted and easily accessible for owners, architects, landscapers and contractors to review.

- Week of June 6: 1 Preliminary Review, 1 Final, 3 Revisions.
- Week of June 17: 2 Pre-Construction/New Homes started.
- Three homes are in the building permit process with the Town of Carbondale.

Operations Report -Sterling Page

Governance

- Covenants, By-Laws, Resolutions and Policies.
 - Summer Hiatus of the IT Committee.
 - Covenants and Policy Committee is seeking participating members

Facilities

- Ranch House
 - We are experiencing ongoing maintenance of all mechanical systems as this is the busiest season with all equipment in use.
 - The A/C compressor for the lobby, great room and offices stopped working in June. This replacement part takes several weeks as the manufacturer only builds parts as ordered. An additional compressor has been ordered for standby for the next time this happens. When the time comes to replace the full system, we will choose a manufacturer who stocks parts on the western slope.
- Pools & Tennis
 - The annual RVR USTA tournament was a great success with over 80 players from around Colorado. Christina estimates a 25 – 25 – 50 % split between owners, tennis members and guest players. RVR proves to be a big draw for this event.
 - Our pools are open and functioning, weather permitting.

Grounds

- Common Areas
 - Repairs of the sprinkler system are ongoing. The additional snow and late spring rains have increased the volume of native grass to mow. This is taking longer than planned.
 - Dead Ash trees were removed on RVR Dr. and Heritage Dr. They will be replaced with Silver Maples which match the those along the driving range.
 - Spraying for noxious weeds will be skipped this year as our post emergent application is doing a good job of control. The same effort will be postponed for a year on lots as a sample survey of vacant lots found only 1 weed type from the State of Colorado “C” list. The State goal and plan is to not stop the continued spread of these species but to provide additional education, research, and biological control resources. We will review and take action in future years.

Irrigation

- Main Line and Cla-Valves
 - Our crew repaired a major 4” mainline failure at 3862 Crystal Bridge Dr. This disrupted service to the D and JJ blocks from Friday evening until Tuesday Morning.
- Community Service
 - We are implementing an email protocol for irrigation service requests using the RVRirrigation@rvrcommunity.com address. All members are invited to take a pic and send it with the Street address only in the subject line. The General Manager gets a copy of all emails to this address. The irrigation crew picks up the emails every morning and will complete the

work. When finished they will REPLY ALL to inform the member reporting and management of the completed task.

Operations

- Old Town
 - Continuing to educate owners on the split system of front and back yards.
- The Settlement
 - The Settlement Advisory Committee met to discuss the agenda of topics for their upcoming neighborhood meeting which is scheduled for August 20th at 5:00 pm. Topics for the agenda include DRC approval of new roofing materials. Irrigation – over and under watering, lawn maintenance, tree quantity, snow removal, organic lawn care practices, painting schedule and budget.
- Boundary
 - Residents have requested that the drainage area between building 1 and the Barn parking area be filled in. They were asked to submit a plan approved by a civil engineer for review by DRC.
- The 24
 - In a meeting with the developer it was agreed that they would submit fencing details with their landscape plans to simplify the process and avoid confusion.
- Crystal Bluffs
 - The golf course maintenance crew has closed the half gates on the access road. This will only allow smaller golf and maintenance type vehicles access to the area. It won't stop pedestrians or bicycles which would be trespassing.

Finance Report – James Maguire

The Association is still running under budget. May came in at \$14K under budget and YTD came in at \$70K under budget. The reasons for this are varied but the major contributors are:

- a. DRC Fee income is \$22K over budget
- b. Wages are \$7K under budget
- c. Golf legal expenses are \$20K under budget

We have moved a total of \$750K to Edward Jones so far. Those funds are currently invested in 6 CD's for \$125K each. We have 2 each in a 1-year, 2-year and 3-year CD with a rate of approximately 2.5% each.

There is approximately \$1 million in our operating account of which only \$250K is insured by FDIC. We are researching other accounts to move about \$500K of those funds so they will be protected by FDIC. Yvonne and James are working on this.

James is currently working with Woodbridge to clean up their past balances and credits. He will have another phone meeting with their accounting manager this week. Page 7 of the financial reports shows a long list of old Woodbridge balances due. We are close to an agreement of getting these all cleared up.

Regarding homeowners' dues, we are mostly caught up. There is only one homeowner who owes a full month of dues. She is on autopay, but it hasn't been going through. I have been communicating with her for the last month and she finally found the bank had made a mistake in blocking the payment. So, she will be caught up this week.

The Boundary sub-association owes us \$1,314 for irrigation reimbursement. They reached out today to let me know they have a new contact, Richard Heinz, who handles payments. He was contacted and we should be getting payment soon. See page 11 of the financials.

We used some capital reserve funds in May for the following:

- a. Resealing, fixing cracks and striping the parking lot
- b. Extending the irrigation out around lots JJ and the Boundary
- c. Staining the restroom at Triangle park.
- d. Painting houses in the Settlement.

Further details and numbers can be found on page 4 of the financial reports.

The new Square point of sale is setup and operational. We are currently running concessions and guest passes through it. The feedback from homeowners, guests, and employees has been positive. Checkout is faster, homeowners get instant receipts, employees are not chasing down declined credit cards or dealing stacks of paperwork, and guests can pay with their own cards – a relief to many homeowners. Cards are stored on file so homeowners can quickly checkout.

James is in talks with Gary Porter, CPA about filing our tax return. He is the foremost expert on HOA tax law and accounting. He co-authored the most extensive reference manual in existence on CIRA and HOA accounting and taxes. We are trying to establish if we are eligible for filing the 1120-H and it'd be in our best interest. See <http://www.garyportercpa.com/> So far, it's been free consultations.

I. Old Business

- **Repair and Maintenance of Common Fence RVR/Old Town**

Yvonne stated that Sterling, Ben and Todd had a walk around Old Town to sort out the who owns the fences and who must repair them and the best way to manage it.

Ben's conclusion is 90% of the fences are without question the responsibility of the owners. The 90% are not at all in common area. The only in question would be the fences that are on the back side of old town that face the ranch house. He believes even the 10% that face the ranch house are also on the Homeowners property but not conclusively. That is essentially the conclusion on who is responsible.

Sterling explained that how the repair and replacement of the fences gets handled is something that is going to have to be posed to their association committed. The issue with having each owner take care of their own fences is it would be done completely differently on each property. There may be a need for a special assessment or an option to add it to their regular community assessment.

There will have to be a conversation with the Old Town association group leaders and then discuss it during their annual community meeting.

- **Violation and Warnings**

Sterling stated there have been 4 reports of violations from the community and all four took care of the problem in a very reasonable time.

The types of infractions were trailers, cluttered yards, construction materials stored around house, trampoline

Gary Lesser requested that a follow up message goes out to the community in the newsletter or View from the Board on how well the warnings and communications are working to date.

- **Carbondale Single Trash Hauler**

The Board expressed interest in talking with the Town authorities (Mayor and Town Manager) regarding the cost around this new system.

John Krousouloudis stated he sees the increase will be 115% adding an extra 27.52 /month for the same service received currently by RVR owners. He suggested RVR should be able to negotiate with Mountain Waste and Waste Management separate from the Town's contract.

Yvonne agreed to set up a meeting with the town management, Sterling and John to have a discussion about these concerns.

- **Golf Update**

The meeting with DHM regarding their draft Open Space report will take place in early July. There will likely be a few drafts after the golf committee and the Board provide their feedback and their questions about the report. When the report is final there will be some cost analysis about open space versus golf course option. This will be presented to the community. The final report will be some months out.

- **IT Update**

Sterling, Kendra and James have continued to meet with the IT Committed to explored different platforms to help streamline systems and databases. The issues are the options are either strong in management side or strong in health club side. The conclusion is to use QuickBooks. Currently we are exploring the paths and options QuickBooks offers and seeing if it can accomplish what we do now with our systems. It appears it will but some trials will be done with it. The one missing piece is a member check in system but there do seem to be some viable options available that work with QuickBooks. RJ Spurrier is vetting those to determine the best one. Sterling noted the strength in using QuickBooks is that it is the system we use now for our master recordkeeping and owner data.

Kendra addressed the implementation of the new Square Pay system and how the transition is working for the members and the operations at the Ranch House. The move to this system has been well received by the owners. It also allows the staff to see daily reports and sales, such as hours of activity and up to the minute inventory. The next steps will be to get the Tennis program incorporated into it as well for sale items like clinics and lessons. There is still some impacts of tracking sales in Square but having other data in CSI to be explored before moving more sales items to it.

- **Landscape Committee**

Gary Harada commented that he has been taking weekly and biweekly rides around the community and taking notes and trying to determine what the best use of the landscape committee's time will be. For the

committee itself he has determined he would like to look at two areas. The first is the DRC guidelines and what is required of properties at the onset and how these might need to be adjusted and working towards some recommendations being made in this regard. The second is the current landscape rules which are part of the fines and violations and in many cases are vague and determine how to better define them. These are the long-term goals for the next year. He expressed that overall he thinks compared to many other neighborhoods in the valley RVR looks great but some of the overgrowth does need to be managed.

Sterling mentioned the irrigation system works fantastic if everyone maintains their filters. There is currently a significant issue of filters being plugged all over the community because they are not getting cleaned and the river is running so high the filters are filling up with debris and sediment. Owners believe they do not have pressure, but it is just a simple clean out that is the issue.

II. New Business

- **Biz Buzz Disclaimer**

Ben Johnston explained the Board wants to make sure it does not seem like RVR endorses a business advertised on the Biz Buzz. There was some discussion around how we vet who gets to advertise in the Business Directory and it was determined that although in past years there was an “approval” process, this is not currently in place. Any business who pays the required fees can advertise in the business directory.

There was discussion around the concept of the Business Buzz, why we have it, who references it and the revenue that is generated. The advertisers do seem to find it beneficial for them so residents must be reading it and using their services.

For the time being as we continue with the Business Directory the following disclaimer will be attached to the advertising:

" RVRMA is not affiliated with, nor does it endorse, any business advertised herein. The information contained in this email is provided by the respective businesses, and RVRMA makes no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, suitability, or availability with respect to the information contained herein, nor the representations, products, goods, or services of any business listed in the Business Directory. For additional legal disclaimers, please visit the RVRMA Business Directory."

James noted the negative financial effect the income from the Business Directory could pose, is preventing the HOA from qualifying to file as an 1120- H tax return. This type of filing could have a more significant benefit overall than the income generated from the directory.

- **Renewal of Gary Lesser and Gary Harada until 2022**

Motion: Board Director, Cathy Cooney moved and Treasurer Todd Richmond seconded, a Motion to renew Gary Lesser and Gary Harada’s terms until 2022. The motion passed unanimously.

Adjourn

The meeting was adjourned 6:30 pm.

Executive Session

