

Riva Ridge South Condominium Association

Winter Owner's Meeting Saturday December 10, 2022

MINUTES

Roll Call. Present: Randy Fishman 665/760, Tracy Tally 655, Mark Metzger 750, Wendy Smith 755, Chris Smith 755, Patsy Smith 755, Sue Popkin 670, Nancy Popkin 670, Cathy Roberts 725, Tracy Fauver 755, Bill and Julie Lohre 715, Tim Hargreaves Willows Management.

Reading of Minutes from Preceding Meeting. A motion to dismiss reading of the minutes was made and passed.

Financial Review. Presented by Tim, the presentation is attached to the minutes.

The meeting voted to approve the proposed operating budget as presented. There followed discussion about the amount of building reserves currently on hand. Members present agreed that adding a line item for “Capital Expenditures” is something that should be explored. Tim will begin working on a spreadsheet of potential anticipated projects. Tracy Tally talked about the philosophy of reserves, and that historically there has been an approach at Riva Ridge South to minimize Association Dues, to build small reserves slowly over time, and to make Special Assessments for larger capital expenditures. An alternative approach is to consider likely longer-term expenditures and to collect reserves over time that are adequate to take care of larger cost items. He recommended that we should look at increasing the assessment to avoid Special

Assessments. Tim and Fritz will present options to the Board for creating a reserve that can then be presented to the owners. It

Old & Unfinished Business

There were a couple of items that remain outstanding that were originally anticipated as part of the building upgrade – updated building signage and replacement handrail for the building entryway. It was agreed that Tim would source and present options for new signage and that the railing is something that should be completed to increase safety in that area.

New Business

Tim shared a number of items with the meeting. He is currently working on Contractor Permission and Rules for the Willows and would like to include Riva Ridge South. Tim will present his work to the Board as it progresses for their review and ultimately share with the owners. The meeting agreed that there is a need to ensure that rules are not overly onerous on contractors.

When HOA documents were reviewed and new documents created they did not include Building Rules and Regulations. These are useful because they are something the Board can change without the need for a 67% approval – as is the case with the Declaration and Bylaws for the building. Tim will seek a proposal from Tom Pohl who drafted the other documents to add these.

Election of Officers. Tim informed the meeting that after many years of service with the Riva Ridge Board, Mark Metzger was going to step down from his position. Tim expressed his thanks and the thanks of the owners for Mark's contribution to the building

over the years. He will be greatly missed in this capacity. Mark explained that he was spending less time in Vail and that he felt it was a good time to pass the torch. Tracy Tally confirmed that he is willing to run for the board seat vacated by Mark. There was unanimous approval for Tracy's election to the board. Randy Fishman noted that having the meeting in a Zoom format was helpful in engaging the maximum number of owners. Randy asked that Tim verify that voting by Zoom was consistent with the building documents. Note – the bylaws (3.1 & 4.10) allow access for meetings by methods other than in person. Tim suggested that owners could meet on a more social level when there were a number in Vail and offered the Willows lobby as a gathering place for a glass of wine.

A motion to adjourn was entertained and passed.

Meeting adjourned at 10:20 am

Riva Ridge South Annual Meeting

December 10, 2022

Zoom

Building Updates

- Outstanding work from building upgrade - signage and entryway railing
- Possible upgrades to grounds including irrigation and trees for berm
- The budget presented is an operating budget and does not include special projects or reserves for future capital expenditures
- Elevator is main concern as major potential expenditure in the near future

Balance Sheet – October 31, 2022

- Cash position improved over previous year. Currently \$33,122 versus \$1,828 this time last year
- Assessments receivable, most of this is money owed to FirstBank for owners who chose to finance. This number reduced from \$149,188 last year to current level \$114,116

Riva Ridge South

Balance Sheet Comparison

As of October 31, 2022

	TOTAL	
	AS OF OCT 31, 2022	AS OF OCT 31, 2021 (PY)
ASSETS		
Current Assets		
Bank Accounts		
FBOV Operating	28,776.95	483.21
FBOV Reserve	1,345.40	1,345.08
Total Bank Accounts	\$30,122.35	\$1,828.29
Accounts Receivable		
Assessments Receivable	198,974.86	199,850.52
Parking Revenue Receivable	0.00	0.00
Upgrade Expense Receivable	-2,765.38	0.00
Total Accounts Receivable	\$196,209.48	\$199,850.52
Other Current Assets		
A/R Willows	0.00	0.00
A/R Willows Complex	1,210.75	522.00
A/R WMLP	68.67	0.00
Ass Rec	0.00	0.00
Prepaid Expenses	0.00	0.00
Prepaid Income Tax	491.00	491.00
Total Other Current Assets	\$1,770.42	\$1,013.00
Total Current Assets	\$228,102.25	\$202,691.81
Fixed Assets		
Building Improvements	1,112,957.80	1,075,083.35
Total Fixed Assets	\$1,112,957.80	\$1,075,083.35
TOTAL ASSETS	\$1,341,060.05	\$1,277,775.16
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable/Trade	1,159.83	111.18
Total Accounts Payable	\$1,159.83	\$111.18
Other Current Liabilities		
A/P Willows	0.00	0.00
A/P Willows at Vail Owners	0.00	0.00
A/P WMLP	0.00	34.34
Accrued Income Tax	0.00	0.00
Income Tax Payable	0.00	0.00
Prepaid Assessments	0.00	0.00
Total Other Current Liabilities	\$0.00	\$34.34
Total Current Liabilities	\$1,159.83	\$145.52

Riva Ridge South

Balance Sheet Comparison

As of October 31, 2022

	TOTAL	
	AS OF OCT 31, 2022	AS OF OCT 31, 2021 (PY)
Long-Term Liabilities		
Notes Payable	114,116.26	149,187.96
Total Long-Term Liabilities	\$114,116.26	\$149,187.96
Total Liabilities	\$115,276.09	\$149,333.48
Equity		
Beginning Equity	10.00	10.00
Capital Contribution	626,356.03	626,356.03
Emergency Reserve Fund	0.00	0.00
Opening Bal Equity	0.00	0.00
Retained Earnings	500,906.64	478,008.78
Net Income	98,511.29	24,066.87
Total Equity	\$1,225,783.96	\$1,128,441.68
TOTAL LIABILITIES AND EQUITY	\$1,341,060.05	\$1,277,775.16

Profit & Loss – October 31, 2022

- Profit and loss comparison shows increased operating expense year-over-year of \$18,065
- Items of note are:
 - Large increases in utility expense, particularly natural gas
 - Heating repairs: including failed bearing assembly main boiler pump, failed hot water pump, leaks in boiler room plumbing lines
 - General Maintenance: of note - replacement clothes dryers, parking gate repairs

Riva Ridge South

Profit and Loss Comparison

January - October, 2022

	TOTAL	
	JAN - OCT, 2022	JAN - OCT, 2021 (PY)
Income		
Assessments	340,000.00	278,600.00
Interest Income	0.30	0.12
Total Income	\$340,000.30	\$278,600.12
GROSS PROFIT	\$340,000.30	\$278,600.12
Expenses		
Accounting	1,785.00	1,930.00
Advertising	10,000.00	10,000.00
Alarm	4,331.03	2,019.00
Bank Service Charges	80.00	110.00
Cable	17,031.44	16,167.43
Common Area		171.26
Computer	652.04	899.60
Electricity	17,538.78	14,954.42
Elevator	12,597.00	10,378.26
Front Desk Services	30,000.00	30,000.00
General Maintenance	11,367.18	14,936.01
Grounds Maintenance	8,530.55	10,100.71
Heating Repairs	13,055.46	2,635.96
Insurance	16,499.56	14,814.18
Interest Expense	904.51	543.55
Legal Fees	10.00	10.00
Maid Service	30,000.00	30,000.00
Management Fees	19,000.00	19,000.00
Natural Gas	17,392.66	11,546.54
Painting	571.01	57.59
Phone System Services	7,000.00	7,000.00
Postage and Office	540.54	79.00
Supplies & Amenities	1,116.70	256.51
Trash Removal	3,928.93	3,102.68
Water & Sewer	17,556.62	15,946.10
Total Expenses	\$241,489.01	\$216,658.80
NET OPERATING INCOME	\$98,511.29	\$61,941.32
Other Expenses		
2020 Renovations		37,874.45
Total Other Expenses	\$0.00	\$37,874.45
NET OTHER INCOME	\$0.00	\$ -37,874.45
NET INCOME	\$98,511.29	\$24,066.87

Proposed 2023 Budget

- Recommend increase in assessments for the operating budget stay in line with prior year's budget – no increase in owner assessments
- Increases in contractual expenses per the management agreement. 8% increase, this is in-line with Willows payroll increases over the period 2017-2021. These will be fixed per the contract until renewal in 2026

Riva Ridge South
Budget Overview: 2023 Budget - FY23 P&L

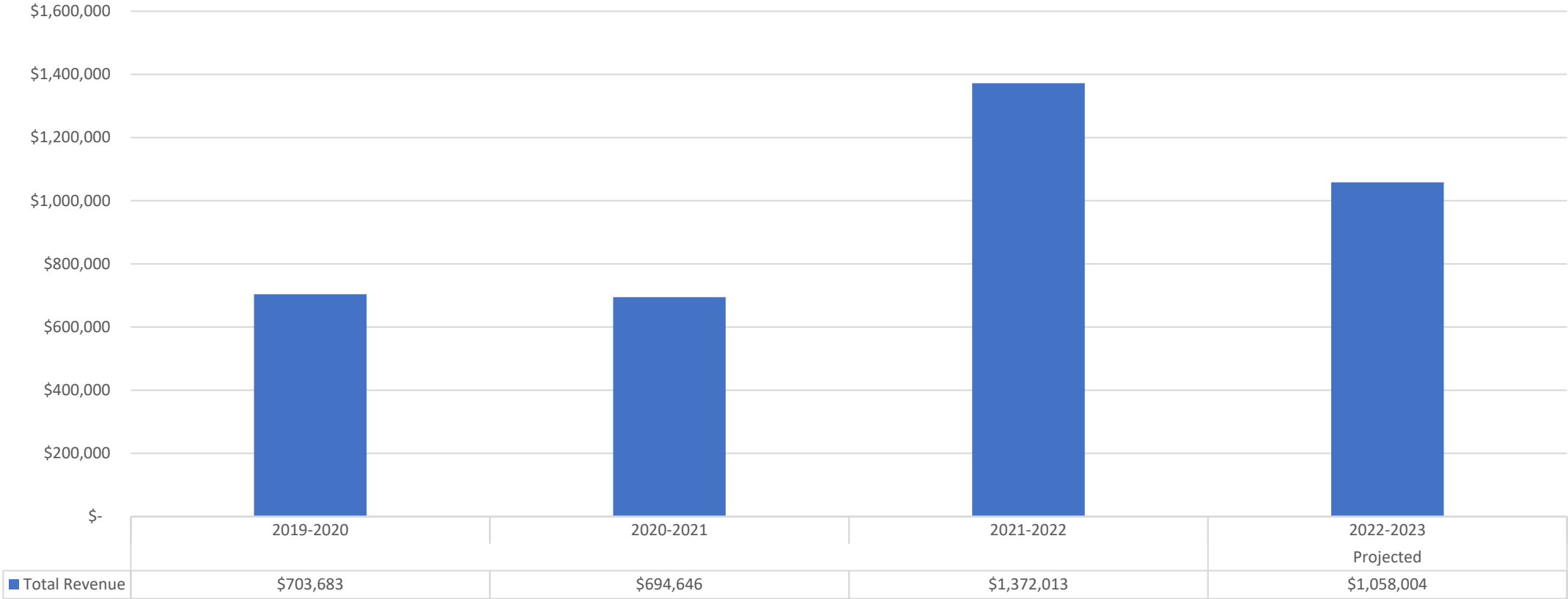
	2023	2022
	Budget	Budget
Income		
Assessments	340,000.00	340,000.00
Total Income	\$ 340,000.00	\$ 340,000.00
Gross Profit	\$ 340,000.00	\$ 340,000.00
Expenses		
Accounting	1,800.00	2,000.00
Advertising	12,000.00	12,000.00
Alarm	4,200.00	1,200.00
Bank Service Charges	120.00	120.00
Cable	21,000.00	19,200.00
Common Area	600.00	500.00
Computer	1,500.00	1,200.00
Electricity	21,600.00	18,000.00
Elevator	15,000.00	12,000.00
Front Desk Services	39,072.00	36,000.00
General Maintenance	15,600.00	12,000.00
Grounds Maintenance	9,000.00	11,400.00
Heating Repairs	10,200.00	6,000.00
Income Tax	0.00	100.00
Insurance	24,000.00	18,000.00
Interest Expense	600.00	800.00
Legal Fees	10.00	10.00
Maid Service	39,072.00	36,000.00
Management Fees	25,872.00	22,800.00
Natural Gas	21,600.00	12,600.00
Painting	1,200.00	0.00
Phone System Services	8,400.00	8,400.00
Postage and Office	300.00	600.00
Supplies & Amenities	1,200.00	900.00
Trash Removal	4,800.00	3,600.00
Water & Sewer	21,000.00	18,420.00
Total Expenses	\$ 299,746.00	\$ 253,850.00
Net Operating Income	\$ 40,254.00	\$ 86,150.00
Net Income	\$ 40,254.00	\$ 86,150.00
Thursday, Dec 01, 2022 10:03:19 AM GMT-8 - Accrual Basis		

Rental Program

- Currently 12 of 18 owners are in the rental program
- The improvements to the building have helped with guest satisfaction
- 2022-2023 we are seeing strong rental activity, slightly reduced from the record stays of one year ago

Total Gross Rental Revenue

Total Revenue May 1 - April 30





Board Position

Board Position		
	Term	
	Starts	Ends
Vacant	Dec-22	Dec-25
Randy Fishman	Dec-20	Dec-23
Wendy Smith	Dec-21	Dec-24