

Message to the RINN Valley Ranch Homeowners from the Board of Directors

Although it may not be obvious, much activity has taken place to establish a board of homeowners. Kelly Whitmer and Vic Valadez have joined Ron Dageforde to establish the complete board. Going forward, the term for one board member will expire each year and the replacement will be elected at the annual budget ratification meeting.

Much work needs to be done in the next few weeks, Kathy Foster-Patton is no longer with the management company and the management company will no longer be servicing our Association, although they are supporting our transition. The board is reviewing various options to achieve bookkeeping, record keeping and communication in the most efficient, effective and legally compliant manor.

In the near future it is anticipated that a P.O.Box will be established to accommodate communication with the HOA, we anticipate following up quickly with a web site and e-mail communication. A small sign board will be placed near the mailboxes for HOA communications, please be respectful of the purpose of this board so it does not become a catch-all for business cards and sale signs.

The next Board of Directors meeting will take place in the garage at 3560 Cottonwood Circle on July, 11, 2006 at 6:30 pm. Residents that would like to attend the meeting need to BYOC (Bring Your Own Chair) or plan to stand.

The agenda for the meeting will include:

- Attendance
- Approval of Minutes
- Open Forum for Residents (limited to a maximum of 3 minutes / resident)
- Financial review
- Enforcement Committee
- Design Review Committee
- Budget Proposal for FY07
- New Business
 - Proposed Web site
 - Neighborhood Party

Following this Board meeting the proposed budget will be mailed to residents along with the location, date and time for the annual budget ratification meeting.

The Rinn Valley Ranch By-laws have been modified as required to be compliant with state law (SB100). As a matter of course these modifications are available to all members for comments. Please view the changes at

<http://www.persmgt.com/Associations/HOAs/RinnValley>

The budget and actual for the year to date is as follows:

148 lots in Rinn Valley at \$180 per lot = \$26,640 available funds.

<u>Actual / Forecast 2005 - 2006</u>	<u>Budgeted thru August 2006</u>		<u>Total</u>		<u>Variance to Budget</u>
			<u>Act / Fcst</u>		<u>(Unfavorable)</u>
<u>Expenses:</u>					
Accounting for taxes	\$150	0.6%	\$ 105.00	\$	45.00
Business Registration	\$10	0.0%	\$ 10.00	\$	-
Church rental	\$50	0.2%	\$ -	\$	50.00
General Maintenance	\$1,000	3.8%	\$ -	\$	1,000.00
Insurance	\$500	1.9%	\$ 467.00	\$	33.00
Landscaping including field mowing	\$6,000	22.5%	\$ 11,019.00	\$	(5,019.00)
Legal	\$1,000	3.8%	\$ 4,322.00	\$	(3,322.00)
Property Management	\$7,800	29.3%	\$ 6,141.79	\$	1,658.21
Petty Cash	\$0	0.0%	\$ 1,170.00	\$	(1,170.00)
Trash Collection	\$0	0.0%			
Postage	\$100	0.4%	\$ -	\$	100.00
Sprinkler work	\$1,000	3.8%	\$ -	\$	1,000.00
Transfer to Reserves	\$1,000	3.8%	\$ -	\$	1,000.00
Utilities: Left Hand Water	\$5,000	18.8%	\$ 3,809.70	\$	1,190.30
Utilities: United Power	\$3,000	11.3%	\$ 2,286.10	\$	713.90
Weld County taxes	\$50	0.2%	\$ 146.00	\$	(96.00)
	<u>\$ 26,660</u>	<u>100.0%</u>	<u>\$ 29,476.59</u>	<u>\$</u>	<u>(2,816.59)</u>
Income from Dues (148 * \$180):	\$ 26,640				

From a cash perspective we will continue to be very tight through the remainder of the year. The board is currently scrutinizing our current mowing and watering practices to preserve funds where possible.

Regards,

Rinn Valley Ranch Board of Directors