

Rinn Valley Ranch HOA Membership Meeting and Election Notice

BOARD ELECTION – VOTING AUGUST 27th FROM 6:00pm to 8:30pm

The election will be conducted with write-in ballots as has been done in the past two elections. The ballots can be submitted in person at the annual meeting or can be voted by using the proxy attached to the top of the ballot. Each lot is entitled to one vote for each open position (maximum votes = 148) Please be patient, supportive and courteous of the volunteers manning the ballot box. The volunteers will need to identify each voter and mark them off the list of property owners to ensure an accurate election.

ANNUAL BUDGET RATIFICATION MEETING – August 27th at 7:00 pm

The annual membership meeting will take place on Monday, August 27th at 7:00pm, at 3410 Cottonwood Circle in the Garage, please bring a chair.

AGENDA:

- Neighborhood Watch Presentation and Discussion
- Budget Discussion and Ratification Vote
- New Business
- Election Results

BUDGET RATIFICATION – IMPORTANT – PLEASE READ CAREFULLY

The proposed budget for the next fiscal year has been approved by the board and is included in this mailing. Input from residents regarding the budget has been sought in previous newsletters and board meetings and was taken into consideration in the new budget. The purpose of the membership meeting is to either ratify the proposed budget, or in the event the budget is not ratified, revert to the previously ratified budget. Section 4.10 of the covenants explains the budget ratification process. The budget will be ratified unless “67% of the owners present who are entitled to vote reject the budget, the budget shall be deemed ratified, whether or not a quorum is present.”

After finishing three consecutive fiscal years in a cash poor position the board has decided to propose a significant dues increase. In spite of careful spending and the lack of placing funds in reserve, the HOA barely squeaks through the fiscal year. The board believes that a reserve fund is fiscally responsible and ultimately will help the value of homes in our neighborhood. Should we face a significant repair to the large de-watering pumps, irrigation ditches, sprinkler systems, walking trails, mailboxes or entrances, the work would most likely be delayed until a special assessment could be implemented; this would likely take at least a couple months. Many residents have attended board meetings over the past several months and the board has heard general support for this budget increase with the primary objective being the establishment of a reserve fund.

There is also an increase in the legal budget, this is being used to fund an overall review of the governing documents to help the board understand any deficiencies, as well as, to provide essential guidance to the board to ensure the documents are being interpreted correctly. This is imperative for the long term viability of the HOA. Legal services will also be used as needed to encourage compliance with the rules we all agreed to abide by.

In recognition of the inconvenience this increase in dues may cause residents, the board has approved a plan to accept annual dues in two payments. With approval of the new budget, residents will receive an invoice with clearly stated terms, 50% of the annual dues (\$150) will be due within 30 days with full payment due by January 31st. Fines will be applied to any late payments and may be turned over for legal proceedings at the Board’s discretion.

Please study the current spending and the proposed budget to fully understand how your funds have been spent and the proposed changes. There will be an opportunity for questions prior to the ratification vote.

Financial Report

We are on track to essentially break-even this year which is a significant improvement from the previous year. It should be noted; however, that this was accomplished partially by receipt of a donated lateral file cabinet and by deferring any commitment of funds to reserves. The summary below shows our current year budget and the variance to that budget, as well as, the proposed budget for comparison.

	Proposed Budget thru August 2008		Proposed Budget thru August 2007		Actual / Forecast 2007	Variance to Budget 2007
Expenses:						
Accounting for taxes	\$300	0.7%	\$150	0.5%	\$ 275.00	\$ (125.00)
Business Registration	\$10	0.0%	\$10	0.0%	\$ 20.00	\$ (10.00)
Room Rental - 1x	\$150	0.3%	\$75	0.3%	\$ 100.00	\$ (25.00)
General Maintenance	\$400	0.9%	\$400	1.3%	\$ 263.00	\$ 137.00
Insurance	\$700	1.6%	\$600	2.0%	\$ 897.50	\$ (297.50)
Landscaping including field mowing	\$14,000	31.6%	\$12,000	40.5%	\$ 12,713.50	\$ (713.50)
Legal	\$5,000	11.3%	\$3,000	10.1%	\$ 2,571.00	\$ 429.00
Postage / Printing / Envelopes	\$500	1.1%	\$770	2.6%	\$ 381.58	\$ 388.02
Web site / e-mail	\$240	0.5%	\$240	0.8%	\$ -	\$ 240.00
P.O. Box	\$44	0.1%	\$36	0.1%	\$ 40.00	\$ (4.00)
General Accounting	\$3,500	7.9%	\$3,300	11.1%	\$ 2,725.00	\$ 575.00
Property Management	\$0	0.0%	\$0	0.0%	\$ 643.00	\$ (643.00)
Petty Cash	\$200	0.5%	\$250	0.8%	\$ -	\$ 250.00
Filing Cabinet - fireproof	\$1,000	2.3%	\$1,000	3.4%	\$ -	\$ 1,000.00
Sprinkler work	\$600	1.4%	\$500	1.7%	\$ 606.00	\$ (106.00)
Transfer to Reserves	\$9,880	22.3%	\$1,000	3.4%	\$ -	\$ 1,000.00
Utilities: Left Hand Water	\$5,300	11.9%	\$3,800	12.8%	\$ 5,943.80	\$ (2,143.80)
Utilities: United Power	\$2,400	5.4%	\$2,375	8.0%	\$ 2,320.23	\$ 54.77
Weld County taxes	\$150	0.3%	\$150	0.5%	\$ 83.94	\$ 66.06
					\$ -	\$ -
	\$ 44,374	100.0%	\$ 29,656	100.0%	\$ 29,583.55	\$ 72.05
Cost per unit	\$ 300		\$ 200			

HOA CONTACT INFORMATION

Board meetings are posted both on the web site (www.rinnvalleyranch.org), as well as, on the sign board next to the mail boxes on the north side of Rinn Valley Road. The mailing address for the HOA is:

Rinn Valley Ranch HOA, P.O. Box 462, Frederick, CO 80530

The board can also be contacted via the web site.

IMPROVEMENTS

Please remember that all landscaping plans, outbuildings, fences or structural changes must be submitted and approved by the design committee prior to the start of work. For more details see the covenants and design guidelines posted on the web or available on request. Please refer to www.rinnvalleyranch.com for the most recent guidelines.

COMMON COVENANT VIOLATIONS

It is the intent of the board to encourage residents to abide by the covenants they agreed to and to take the necessary steps to enforce the covenants. Please read the entire covenants for the neighborhood.

ANNUAL NEIGHBORHOOD PARTY

Mark your calendar for Saturday September 8th! Volunteers are beginning to plan for this date, if you would like to assist please contact the board.