

Sunridge at Avon II
Executive Session – Board of Directors
Online Meeting via Zoom
February 12, 2025
5:30PM MST

1. Call to order 5:36
2. Rollcall and Verification of Quorum – Drew, Mike, Eugene, Aisha and Jonathan. No members present. Property Manager (Steve) present.
3. General discussion around Reserve Study policy and adoption by HOA, as required by Colorado law
 - Discussion around Reserve Study and adopting a policy as required by Colorado law. @Steve included some additional language around guidance from Colorado lawyer around need for policy and reserve study.
 - o @Drew asked that @Board review and provide input before going back to outside counsel to conclude prior to Special Member Meeting to vote on how to fund costs for painting repair.
4. Discussion of First quarter financials presented to @Board prior to the meeting. Open discussion of financials, including: aging (doing well with past dues with members on payment plan other than one member disputing recharge by HOA). Additional discussion around specific homeowner and issue driving.
 - Booting: @Aaron asked if booting company could cover fee for website that uses the website to boot. @Drew asked @Eugene to add additional color around utilizing the system and services. Broad discussion around fees and @Steve will review the costs to confirm what options are based on how the HOA utilizes the system (e.g. for more than parking) and benefit
5. Discussion of Painting and Exterior Repair project (*notes abbreviated to overview to prevent misreading/confusion*), led by @Drew
 - Timing: have some flexibility on timeline because the contractors have availability and weather window should allow us to move more cautiously to approach members.
 - Options:
 - i. Special assessment figures \$550k/\$600k for painting (~\$450k) and siding (\$100k)
 1. Some discussion around overlay of collections policy and fact that members could get a payment plan to make payment, which would prevent us from collecting the full amount for work/start date commitment. This is a consequence of Colorado law
 2. Discussion of approaches to: (1) address urgent issues and (2) delay full painting/siding repair
 3. @Jonathan – asked question around state of property by building to understand what approach could be viable.... General discussion followed

- ii. Financing through local banks Alpine Bank or First Bank (@Drew disclosed any potential conflict), but also discussed his attempts to find alternatives
 - 1. ~7.45% for both
 - 2. Some discussions around the update on the fire litigation (*this is left out due to attorney client privilege guidance from outside counsel*)
 - 3. Options
 - a. 5 years fully amortized or 5 years term with 10 years amortized
 - b. No pre-payment penalty
 - c. Both allow for principal reduction
 - 4. Bank collateral would be right to special assessment revenue
 - 5. Discussion around impact of loans on current and future finances during the period loan is outstanding.
 - iii. Individual Board member input as to what the option is that would be voted on and presented to members.
 - iv. @Drew will delay vote for all of the Board members to give the analysis some thought and discuss with Spaeth around overall impact to finances over course of the loan and to firm up the process to execute loan agreement by HOA prior to bringing vote to Board in preparation for presenting proposal to members.
 - 1. \$550 2Br v. \$850 3 Br cost of financing to each owner.
- 6. Board agreement to regroup on 26 February on all agenda items for this meeting to bring it to vote in preparation of Special Meeting of Members
 - 7. Discussion of timing/communication of both Board and Member meetings expected for next two (2) months.
 - 8. @Drew motioned to adjourn with @Mike seconding. No objections.
 - 9. Meeting adjourned.