

SunRiver Annual Homeowners Association Meeting
Saturday, July 20th, at 9:00 A.M. MDT

Attendance

In Person: A203 (Coleman), B102 (McDonald), D104 (Query), D105 (Zimmerman), D108 (Wright), D201 (Rogers), D202 (Luce), D205 (Cannon), D208 (Schroeder), E101 (Stevenson), E203 (Villella), F201 (George), F205 (Farrer),

Zoom: A202 (Moore), B101 (Margol), E105 (Cassaday), F204 (Bindle)

Proxy: B202 (Marx), B302 (Thompson), C101 (Karls), C204 (LaCarrubba), D101 (Pharr), D102 (Coffey), D103 (Baiel), D105 (Zimmerman), E102 (Buchan), E106 (Keith), E201 (Weissman), E204 (Klein), E302 (Hoyt), E305 (Holen), E306 (Boxer), F103 (Woolf/Gottlieb), F204 (Bindle).

Janet Stevenson, HOA president, called the meeting to order at 9:10 am.

Quorum: 33 by person, Zoom & proxy

She then reviewed the rules of meeting and obtained approval from owners present.

Manager's Report:

Allen Formanack reported that:

- The painting project, including siding repair, is taking longer than expected. Railing caps need to be addressed but they are being painted at the moment.
- Pool needs to be resurfaced and hot tub tiles fixed but we can go another season if necessary.
- We need to address trees that have fallen by the river and stairs down to the river.
- Retaining walls have been inspected and none are in danger of falling down. However, we need to move irrigation lines and trees near the south wall of E building to prevent further degradation.

Owner Comments:

- Jackson asked if we had found structural issues. No.
- Susan asked if we budgeted for pool resurface. Yes, but it might have to wait to next year.
- Deb Hoyt asked if we can move stuff off her deck. Yes.
- Janet noted we are close to getting our water right finalized. We need a form filled out and submitted regularly to the water board.

Financial Reports:

1. Past year results

Janet reviewed last year's expenses and noted we are now getting 4.6% on our reserves. She noted that we have collected about \$174,000 but that at least ¼ of our owners have paid nothing. We will begin putting liens on those owners if half of their assessment is not paid by Aug. 5th. We have had to take \$30,000 out of reserves due to those owners not stepping up.

2. Budget for FY 24-25

Janet reviewed the key points in both the budget for next year, including a 20% dues increase. She noted that we will need to look into replacing building E and F roofs shortly.

3. Insurance

The meeting was interrupted to hear from our new insurance agent, Meghan Wilson of Mountain West. She gave an overview of issues within the insurance markets in western Colorado and the difficulty of getting standard insurance.

Janet noted that the board opted to take only the first layer, pending a vote of the owners. This was done to avoid a lapse in coverage. However, we had to take \$52,000 from reserves to pay to start coverage, although this is budgeted and will be returned to reserves.

Owner questions:

- Would interior sprinklers help with wild fire risk? Cost would be at least \$450,000, assuming our existing water lines could accommodate.
- Where did the \$33 million valuation come from? Meghan explained that SunRiver has about 77,000 square feet, building costs \$400-475 per sq. ft.
- What if we ban short-term rentals? Companies won't quote until the ban happens, not clear that they would not come back with something else. Different companies have given us other reasons for not wanting to insure.
- Does it matter what type of fire? No.
- Janet explained we are looking at other options, including a new line for larger properties from AmFam, who does not rate us as a severe fire risk.
- Don't our Decs require full coverage? Yes, we can insure fully but it would cost close to \$500,000 yearly. Janet mentioned that we are also looking at amending the Decs to give us more flexibility.
- We will not have copies of the full policy for 120 days under E&S policies.
- Per Meghan, relief is at least Janet 2-3 years off.
- Building permits needed if fireplace is removed to diminish risk of fire.

4. Budget (cont.)

After insurance discussion, Janet continued on the proposed budget and discussed major repairs needed, including D building hallways, repair of E203 structural rot, and the walkway by the office.

Dean was asked about the county work on the roundabout and he noted that the culvert is plugged. The county might need to access it through our property but he would keep us posted on this.

5. Ten Year Plan

Janet noted that both E and F roofs need to be done soon. We might be able to cover one of them but might need a small assessment for the second one. Both are out of warranty. We will probably have to spend \$10,000 to replace one of our boilers. Nicola asked if reserves would cover the second roof but Janet noted that our insurance deductible is \$250,000 so probably not a good idea.

Owner questions:

- Skylight leaks – who is responsible? Janet noted that skylights are an owner responsibility. If the leak is from the roof, it is on the HOA.

MOTION: Barbara Luce moved and Wright B. George seconded to accept the minutes from last year's annual owners meeting. Passed unanimously.

MOTION: Wright B. George moved and Barbara Luce seconded to accept the proposed budget for the 2024-25 fiscal year. After a short discussion, it was made clear that this budget, and the resultant owner dues, could change depending on the owner vote on insurance. Passed unanimously.

Board of Director Voting:

MOTION: Wright moved and Jackson seconded to reelect Janet and Chris to new 2-year terms and Dean to complete the next year. Approved unanimously.

Old and New Business:

The board will keep looking at other options for insurance, with the goal of getting close to fully insured at a more affordable price.

Owner Discussion:

George asked about our painting punch list. The final bill will not be paid until all items are resolved.

Barbara asked about ceiling tiles being fixed in the garages. She also offered to help paint the D building hallway.

Nicola asked about the wood on the landings. Allen suggested that we bid each building separately to get the worst fixed first.

A discussion was had about banning smoking on the property. Janet noted that we might not be able to legally ban within an owner's unit but common areas are fine, per our attorney.

MOTION: Susan Coleman moved and Barbara seconded that we ban smoking in all common areas. Passed with one nay vote.

Jack Cannon noted that our snow removal needs improvement. Allen noted we are shopping around.

Jack moved and Mel seconded to adjourn the meeting. Meeting adjourned at 12:00 pm.

Respectfully Submitted,
Janet Stevenson, Acting Recording Secretary, from notes taken by Mel Villella