

**RANCH CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING**

April 12, 2024

MINUTES

PRESENT: Margaret Work – President
Rod Merrigan – Treasurer - Zoom
Kathy Large – Secretary
Bob Deuter – Director
John Hendricks – Director
Mike Neklason – Zoom
Mike Frelleson – Director

OTHERS:
Managers – Sharon & Chuck Williamson

NOT PRESENT:
Mason Frederickson - Director
Karen Curry - Director

OWNERS:
Deanna Melin - Director

CALL TO ORDER

The meeting was called to order at 9:00 a.m.

ESTABLISH A QUORUM

A quorum was established with seven (7) directors present in person or by Zoom conference call. Deanna Melin, Owner of unit 3558, was present and Margaret Work requested a motion to amend the agenda to move Deanna Melin's Board hearing to the start of the agenda; ***MOTION: Kathy moved to approve revising the order of the agenda, Bob Deuter seconded, and motion was unanimously approved. (See discussion under new business.)***

SVEA REPORT

Chuck reported on the following:

Harker Pool – The Harker Pool reconstruction remains on schedule for a July 4th completion date.

Community School Rezone – The Community School has received approval from the City of Sun Valley for the proposed rezoning of the Arrowleaf Subdivision and Sagewillow Campus. There are some SVEA annexation issues the Board is currently reviewing with regard to the Sagewillow Subdivision and the Arrowleaf Subdivision. The Sagewillow Campus property consisting of the playing fields and barn area are properly annexed onto Elkhorn and subject to the Elkhorn master declarations.

Jericho Property - There has been no movement on the development of the Jericho property in the Village core area.

General Manager Replacement – The search for a new general manager continues. The search committee has reviewed several qualified candidates and in the process of finalizing their selection.

READ & APPROVE JANUARY 12, 2024 MEETING MINUTES

The minutes of the January 12, 2024, Board of Directors meeting was sent to all Board members for their review prior to the meeting. With no corrections or additions, ***MOTION: Bob Deuter moved to approve the January 12, 2024, minutes as presented, Mike Frelleson seconded, and motion was unanimously approved.***

FINANACIAL REVIEW

Balance Sheet Review – Chuck reported the following account balances as of March 31, 2024:

Capital Reserve – Zions Bank:	\$ 562,455.29
Operational Checking:	\$ 126,345.64
Operational Savings:	\$ 6,244.33
Treasury Bills:	\$ 0.00
Account Receivable:	\$ 32,089.64

He explained that the Due to Operations as shown in both assets and liability would be corrected to reflect that the Operational account owes the Capital account \$58,511.96. The transfer of funds will be delayed until yearend because the capital expenses are paid from the operational account and it is anticipated the capital reserve balance owed could be substantially reduced by yearend.

Income Statement Review – Management reviewed the Income and Expense statement for the period ending March 31, 2024. Chuck reported on expenses where actual costs may be over budget at yearend:

Insurance Premiums – Insurance premiums have been adjusted on the budget to reflect Board approval of the 2023/24 insurance policy. The budget is now aligned with the anticipated cost at yearend. Chuck stated that the Association will continue to market the Ranch Insurance for better premiums and coverage.

Board members directed that management contact the insurance agent and find out if lower premiums could be secured if the Ranch advises their owners to remove all gas, wood and charcoal barbecues from the Association. Chuck was instructed to receive confirmation that if there is a loss as a result of a barbecue-initiated fire that the Association would be covered since owners are not in compliance with the City of Sun Valley ordinance regarding barbecues.

Landscaping – Chuck discussed the Ranch concerns with Native Evergreen Landscaping about the landscaping expense. Changes in operations with reduced mowing at the start and end of the season will occur to reduce overall mowing expenses. The pruning will not be done until the next fiscal year. Tree pruning will be deferred into the new fiscal year with the exception of removing dead trees or damaged limbs. Fall cleanup will be done only once to reduce cost. While the changes suggested will reduce overall expenses it is anticipated that the 2023/24 budget will be over at yearend.

Capital Reserves – Chuck reported that the capital budget is tracking as anticipated and that interest income on Treasury Bill investments has exceeded expectation producing \$14,330.72 in the current fiscal year.

Management was directed to provide a report identifying and prioritizing all the capital expenses anticipated including those beyond what is currently budgeted on the capital reserve replacement study. This would include landscaping improvements and entry deck renovations and other items so owners can be fully informed on the future expenses anticipated by the Association.

OLD BUSINESS

Exterior Finishes Committee – Chuck stated that he was unclear on the Exterior Finishes Committee proposal. The information provided to the Board for review suggests that the Association will be creating a Design Review Committee, which is a governing process, as opposed to an Ad Hoc Committee for the purpose of reviewing and proposing alternatives to the exterior finishes of the Association. Margaret explained that the Architectural Design Committee concept is a way of insuring that owners understand all alterations must be approved by an independent body of the Association and that the architectural design committee would review and propose the exterior finishes discussed. Chuck asked those present if they had any concerns about the current architectural approval process of the Association. Board members expressed that owners seem to be unaware of the standards

approved by the Association for doors, decks, windows, screen doors, window covering, railings, vents, etc. Management was directed to catalog all the Association improvement standards to be kept in a binder or online for easy owner access. After discussion, ***MOTION: Kathy moved to approve that the Exterior Finishes Committee remain an Ad Hoc Committee with the purpose of evaluating and recommending exterior modification and finishes and present to the Board for their consideration, Margaret seconded, and motion was unanimously approved.***

Bike Rack and Storage – Kathy reported that she found several bike rack options suitable for E-bike parking and storage for up to 8 bikes for \$300 to \$600 each. She commented that bike racks pose a problem in that they would likely require space within the parking area which would interfere snow removal and the limited available parking. The suitable locations for bike racks would place bikes away from the units, which would likely result in security concerns. Kathy questions whether the owners would use the bike racks if they had concern about their bikes being stolen. Those present expressed the logical place for bike storage, other than the owner's decks, would be under stairwells. It was suggested that a secure metal bar could be attached under the stairwells allowing owners to lock their bikes to something that does not damage the common area posts. ***After discussion, MOTION: Margaret moved to approve that if requested by the owners a security bar under the stairwells would be installed by the Association for securing and storing bikes, Mike Neklason seconded, and motion was unanimously approved.*** Management was directed to notify owners.

Entry Deck Repairs – Chuck reported that management has received a bid for rebuilding the entry decks in accordance with the engineered plans. After discussion, the Board members concluded that the information should be provided to the Exterior Finishes Committee to be included in their report. The costs will be included in the complete capital reserve expense listing requested by the Board.

Tree Removal and Master Landscape Plan – Information – Management reported that the tree removal for phase I is complete. The stump grinding is anticipated to be done when the snow melts and the ground becomes firm enough to support the grinding equipment. The landscape renovation cost will be added to the capital reserve expense listing to be reviewed by the Board to assist in prioritizing future capital expenses. Those present directed that management inform the owners that replanting of any landscaping desired by the owners individually must be approved by the Association prior to installation. The planting palette as developed by the landscape designer will be used for future planting requests.

Keys to Units – Sharon reported that there were three keys outstanding, two are working on getting her keys when they are in the area and the third person lives at the Ranch full time. Board members instructed that management continue to pursue keys for accessing condominiums in the event of an emergency.

Roof Repair – Architect Proposal – Margaret reported that she spoke with the Sun Valley building inspector, Brendon Campbell, as to what would be required when the Association reroofs or rebuilds portions of the roofs. The inspector informed her that there was really nothing that could be done to bring the roofs into compliance with the current construction code. Margaret inquired about adding insulation to the roofs and Brendon suggested this would not require a building permit. Sharon stated that the architect, Mike Doty, expressed concern about the potential for condensation in the units if the insulation is not in balance from inside to outside the unit. After discussion, management was directed to contact an insulation contractor to review the possibility of installing and filling in the cold roof portion of the roofs with foam insulation. They would like the contractor's advice on the condensation concerns expressed. After discussion, ***MOTION: Margaret moved to forgo the use of Mike Doty's architectural services as proposed, Bob Deuter seconded, and motion was unanimously approved.***

NEW BUSINESS

Deanna Melin's – Board Hearing - Entry Door (3558) Compliance

Deanna informed the Board that she has a background as an interior designer and most recently has been working as a real estate agent. She purchased her condominium in 2006 and has recently completed an extensive interior remodel of the unit which included the use of high-quality solid core exterior doors. She expressed that in her review of the Ranch condominiums there appear to be many doors that are not in compliance. She stated that her doors are on the second floor, and not visible from below and do not appear that much different from other exterior doors in the association. Ms. Melin stated that she is not in a position financially to replace the doors if required to do so. She requested that she be permitted to keep the exterior doors by installing an approved screen storm door to hide the doors from view. Board members expressed the following concerns:

Kathy Large expressed that the doors were visible and the difference in appearance is substantial. She stated that if this was made an exception, then the Association would have little to no control of others installing various door types and colors.

Mike Frelleson asked Deanna if she contacted the Association about the remodel prior to making the interior changes to which she stated she had not.

Bob Deuter expressed concern that by allowing the unapproved change, it opens the Association to other unauthorized exterior changes.

Margaret Work asked Deanna if she had an alternate plan to present if the Board determined that the doors must be removed and replaced with the approved door standard. Deanna stated she did not have an alternate suggestion for Board consideration.

Executive Session – With no additional comments from Deanna, Margaret requested that the Board convene in Executive Session to discuss the matter, all present agreed, and Deanna was excused from the meeting.

Motion as a result of Executive Session:

MOTION: Kathy Large moved to deny Deanna Melin's request to keep the unapproved doors, and that the doors be replaced with an approved Ranch door style, and the doors must be replaced or proven to the Association to have been scheduled with a contractor to be replaced, within 90 days from the time of the notice. The must be completed no later than 120 days from the time of notice, Mike Frelleson seconded, and motion was unanimously approved.

Water Pipe Hammering – Management reported that owners had recently reported severe water hammering in the pipes on several Ranch buildings. Sun Valley Water and Sewer was contacted on multiple occasions about the issue and did several site inspections. They suggested that the pressure reducing valves be replaced on the buildings where problems had been reported. Owners have recently reported that the hammering has stopped. SVWS did not disclose what action they took to resolve the problem.

FHA Approval – Bob Deuter requested that the Association consider acquiring FHA approval so that owners can have access to condominium equity through the reverse mortgage process without the need to sell their units. Chuck reported this has been tried in the past and it was determined that the Ranch would not qualify due to the percentage of rental properties within the Association. Margaret suggested that Chuck meet with the finance specialist from Sound Financial Mortgage Company, John Barlow, to discuss the possibilities as the rental requirements may have relaxed.

ADJOURNMENT

With no further business, Margaret Work adjourned the meeting at 11:35 a.m.

Respectfully Submitted,

Chuck Williamson
Recording Secretary