RANCH CONDOMINIUM ASSOCIATION
ANNUAL MEMBERSHIP MEETING
SEPTEMBER 1, 2024

MINUTES

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

OWNERS PRESENT:
See Attached Listing

OTHERS:
Sharon & Chuck Williamson - Managers

CALL TO ORDER
Margaret Work called the meeting to order at 9:13 a.m.

ESTABLISH A QUORUM
A quorum was established with 51% of the membership represented in person or by proxy.

READ AND APPROVE 9/3/23 MEETING MINUTES
The minutes were sent to all owners prior to the meeting. With no corrections or additions, ***MOTION: Clarence Jones moved to approve the September 3, 2023, annual meeting minutes as presented, Karen Curry seconded, and motion was unanimously approved.***

SVEA REPORT
Chuck Williamson, SVEA General Manager, reported on the following:

New General Manager – Chuck reported that SVEA has hired his replacement. Chuck has been working with Linda Horensavitz since July 15, during a transition period. Chuck will meet later in the week with the SVEA Executive Committee to finalize his exit strategy. Chuck reported he is proposing that he transition from employee status to a consultant role starting October 18^{th}.

Harker & Village Pool – The Harker Pool is fully operational. However, the Harker pool is scheduled to close for the season on September 2^{nd}. The Village pool will remain open into September and will close as weather and colder temperatures dictate.

Jericho Project – Village Core – Chuck explained that the 19-unit rental project received approval from Sun Valley City Planning and Zoning. The project is now being developed as a townhome project whereby Mr. Jadallah intends to sell the units individually. The next approval meeting will be in October when the City Council reviews the project for zoning and variance issues.

Community School Arrowleaf Subdivision Annexation - The Community School is working with SVEA to annex the Arrowleaf Subdivision property that has been recently rezoned to common area and multifamily residential by the City of Sun Valley. It is expected that this process will be concluded soon.

Sagewillow Subdivision Annexation – The same issues that created the annexation problems with the Arrowleaf Subdivision exists with the Sagewillow Subdivision. When originally developed the Arrowleaf Subdivision was initially part of the Sagewillow Subdivision. The Arrowleaf Subdivision was created by removing 5 lots from the original Sagewillow Subdivision, in doing so it created an administrative disconnect from Elkhorn which exists today. SVEA is working with the Sagewillow Subdivision Board to resolve the annexation matters. It is expected to be fully resolved in the near future.

PRESIDENT'S COMMENTS

Purpose of the Meeting – Margaret stated the purpose of the meeting was to update the membership on the Association projects and finances and to conduct the Board election. She asked those present if the meeting date change from Monday of Labor Day weekend to Sunday was more convenient for everyone. The general consensus was that it makes it easier to attend. Margaret asked everyone to inform their neighbors on the importance of submitting their meeting proxies if they are not able to attend to avoid the last minute rush for a quorum to officially hold the annual meeting without having to reschedule.

Introduction of Board Members – Margaret introduced the Board members present and thanked them for their service.

TREASURER'S REPORT

Chuck W. presented the Association financial report.

Balance Sheet Report – The cash and investment account balances were reported as follows:

Capital Reserve Account – Zions Bank:	$567,310.65
Operational Checking – US Bank:	$126,906.04
Operational Savings – US Bank:	$ 6,266.29

Total Cash and Investments:	$700,482.98
Accounts Receivable:	$ 21,546.28
Total Cash/Receivable:	$722,028.26

He explained that of the total cash and receivable ($722,028.26) indicated on the balance sheet, the division between Operations and Capital accounts is $659,660.53 belongs in capital reserves while $62,368.73 represents the operational cash and receivables on hand.

Profit/Loss and Budget Report – Chuck expressed his concerns about the expenses in the coming year related to Insurance Premiums, Water and Sewer and Landscaping. These items represent the largest unknowns that can have a significant impact on the budget. He explained that he requested that the Board not raise the dues when the budget was approved, allowing for some time to see if the insurance could be reduced in the coming year. If expenses proceed as anticipated the Board may need to balance the budget with a 5% to 10% dues increase later this fiscal year.

Capital Reserves – Chuck reviewed the capital reserve budget spreadsheet with those present. He reported that the item replacement costs were recently updated, and that the budget amounts shown reflect the actual replacement cost for the items included in the capital reserve budget. The budget shows that the roofing replacement costs are up over $400,000 from the previous estimate 4 years ago. He reported that the Board reviewed the costs for entry deck renovations, and roof modifications to prevent ice dam buildup. The entry deck renovation project has been estimated at $500,000 to $550,000. The current roofs have an R-9 insulation value and today's code is approximately R-40. To upgrade the insulation R-value to meet current code, the insulation would need to be installed inside the units filling the space between the rafters with foam insulation and sheetrock the ceiling. The cost was estimated at nearly $1,000,000 or approximately $10,000 per unit. According to the insulation specialist, Owners wanting to install the insulation individually may do so and could potentially reduce their electrical power consumption by up to 2/3rds. Margaret explained that there is not enough space to modify and install a cold roof on the Ranch units without impacting the kitchen and dining area windows of the upper units. Chuck mentioned that the Board is forming an Exterior Finishes Committee to review the capital projects and prepare a plan to reroof, renovate the entry decks and review the exterior colors and finishes. He explained that he wanted to inform the owners that significant expenses may soon be required and that the Board will be reviewing financing and scheduling alternatives.

OLD BUSINESS

Entry Deck Repairs & Handrails – Management reported that the redesign plans for the entry decks have been developed and cost estimates received. The renovation cost is estimated at $500,000 - $550,000. The Board determined that this item should not be included in the capital reserve and will be special assessed when the renovation project is approved.

Exterior Finishes Committee – Margaret reported that the Board will establish an Exterior Finishes Committee that will review the exterior color scheme and finishes for when the exterior painting, roof replacement, entry decks and handrail addition projects are implemented. The Board is scheduled to finalize the committee and set the scope and objectives in the Board meeting immediately following the annual meeting.

Tree Removal – Management reported that the first phase of the tree removal master plan has been completed. The next phase of tree removal will be put on hold until the newly formed committee has the opportunity to consider landscape improvements as part of the overall capital improvement project planning.

Bike Security Bars – Chuck reported the Board approved the installation of bicycle security bars for placement under the stairwells which is available upon the owner's request. Presently, ten (10) buildings have a bike rack security bar installed for owners to lock and secure their bikes. This helps to eliminate the need for carrying bikes up and down the stairs and into the units. Margaret reported that there have been recent incidents of borrowing bicycles without permission and that the security bars have helped with this issue.

Fire Break Installation Request - Art Berry – Unit 3698 – Chuck reported that the Sun Valley Fire Department and SVEA are working together to obtain funding to assist in providing fire breaks and restoring common area access between subdivisions in Elkhorn. The Fire Department has requested funding in excess of $400,000 to help with this issue. The Fire Department is hoping to hear back on the funding request later this year.

NEW BUSINESS

Roof Replacement/Ice Dam Report – *(See Capital Reserve discussion above)*

FHA Financing Approval – Bob Deuter explained that the Board reviewed qualifying the Ranch Association as an FHA approved association. The goal was to provide the Ranch owners with an opportunity to realize and draw on the equity in their condominiums through a reverse mortgage if desired or needed. In addition, it would allow access to FHA loans, often at a lower interest rate, when selling their condominiums. To qualify it would be necessary for the Ranch to increase their fidelity insurance coverage to 1½ times the amount currently in reserves and cash on hand. A 1.5-million-dollar policy fidelity policy was estimated at $1,500 to $1,800 annually. The Board decided to let the owners vote on this matter before spending the funds required to increase insurance coverages. The results of proxy voting received (30 total proxies) had 24 voting "No" and six (6) voting "Yes". The Board will discuss the results and make a final decision in their upcoming meeting.

Trash Removal Changes – Management reported that the Board has approved a modified trash removal schedule to keep costs at a minimum. Chuck explained that Mike Bennett, owner of Association Maintenance, retired and moved to Colorado. Bids were received to remove the trash from the trash enclosures and transport it to the dumpster on a twice a week schedule. The bids received were nearly double the budgeted cost. The Board approved that a fourth container will be inserted into the trash receptacle areas under stairwells. The trash will be removed once a week on Wednesday's during slower times of the year. During the months of July and August and over the Christmas Holidays trash will be removed twice a week. Owners are encouraged not to place anything outside the containers and take all excess garbage, boxes and recycling to the dumpster in front of the Clubhouse. Excess garbage, boxes and recycling will be billed extra for special handling. Owners may be billed $100 per occurrence for excess trash when the unit is identified.

Other Matters: Margaret Work wanted to bring the following matters to the owner's attention:

BBQ's and Gas Grills – Only propane and natural gas barbecues are permitted in the Ranch Association. All charcoal and wood burning grills are not permitted.

Long Term Rental Program – Karen Curry explained that Ketchum is offering a long-term rental "Lease to Locals" assistance program that pays up to $6,000 for providing local work force housing. If you have never rented your condominium previously, this program is made available for you to rent long-term to house local workers in the valley. Chuck stated that he would include the information in the next newsletter and post it online.

Remodel Approval Required – Owners were reminded that all improvements that may affect the exterior appearance must first be approved by the Association. Prior approval will help avoid a violation process where you may be required to put the condominium back to its original condition. Any alteration to plumbing and electrical must also be approved. The Association has a building standards booklet that owners can view at the administrative office for many of the standard approved finishes.

Crawlspace Heaters – Management will turn on and off crawlspace heaters as needed throughout the winter season. Please inform guests that they should not turn on or off the breakers controlling the crawlspace heaters. Owner may install a thermostat at their own discretion and expense to regulate the heat and to help reduce power costs.

Website Communication Issues Reported – When asked by owners present, Chuck stated that owners should not use the Ranch website form to report problems or make repair requests. Please report all problems or send repair requests by email to infoaltinc@cox.net.

ELECTION OF DIRECTORS

Nominations – Chuck reported that there were three board positions available. Kathy Large and Margaret Work agreed to run for a second term. Donna Beaux and Jeff Evans volunteered to serve. Nominations from the floor were taken. Mike Neklason nominated Kathy Large; Bob Deuter nominated Margaret Work; Clarence Jones nominated Donna Beaux and Karen Curry nominated Jeff Evans. With no other nominations the nominations were closed. ***Voting proceeded and those receiving the highest number of votes were Kathy Large, Margaret Work and Jeff Evans who will serve a three (3) year term in office.***

ADJOURNMENT

There being no further business, Margaret adjourned the meeting at 10:37 a.m.

Respectfully Submitted,

Chuck Williamson
Recording Secretary