

**FAIRWAY NINE I CONDOMINIUM ASSOCIATION  
ANNUAL MEMBERSHIP MEETING  
August 12, 2017**

**MINUTES**

**AGENDA BUSINESS ITEMS**

1. Financial Review
2. 2017/18 Capital Projects/Landscaping/Tree Removal
3. Election of Directors

**IN ATTENDANCE**

<b>Board Members</b>	<b>Owners, Staff &amp; Others</b>
Bob Nicholson - President	Owners – See Listing
Bert Hughes – Secretary/Treasurer	Sharon Williamson
Nyle Brown – Vice President	Chuck Williamson

**CALL TO ORDER**

Bob Nicholson called the meeting to order at 9:05 a.m.

**ESTABLISHMENT OF A QUORUM**

A quorum was established 57.1018% of the owners represented in person or by proxy.

**COMMENTS FROM SVEA**

Chuck reviewed the SVEA summer programs with those present and reported on the popularity of pickleball, the upcoming solar eclipse, new trail signage and parking plan and open space zoning. SVEA will be approaching Associations about implementing Elkhorn community rules with regard to short term rentals. Rules under consideration include requiring local 24 hour on-call emergency response personnel; limiting the number of people in a unit/home; imposing pet restrictions; limiting the number of vehicles; etc. SVEA has three open board position each year with two Board members terming out in the coming year, Chuck asked those present to consider applying for an SVEA Board position or participate on a committee.

**PRESIDENT'S COMMENTS**

Bob Nicholson reported on the Board's completion of various tree removal projects. Bob explained that the Board assesses the trees each year to determine if there are diseased, dying and overgrown trees imposing on buildings requiring removal. In most cases the trees are replaced when appropriate to do so. Trees which are diseased, dead or a threat to property are removed at the Association expense. Trees removed for aesthetic and view preservation are paid by the individual homeowner upon approval of the Board and neighbors. Bob reviewed the Board's action to date with regard to the natural landscape planting. The tall grasses grew much higher than anticipated due to the abundance of water after the winter. The tall grasses were mowed leaving the shorter undergrowth exposed giving it a much cleaner appearance. The purpose of the project is to determine if a natural grass installation, using significantly less water, can be possible while also proving aesthetically pleasing to owners. The plan to install a new irrigation water trunk line was deferred and moved into next year allowing time to review new advancements in irrigation clock technology. With new irrigation controller technology a new trunk line may not be required. Snow removal in 2016/17 was significantly over budget (\$41,000); however, the overage in expense was absorbed with cash on hand without the need for a special assessment. Chuck reported that special assessments for snow removal were required by many associations in Elkhorn this past winter season. The Board reviewed the overall budget in detail and concluded a 7% increase in operational dues, primarily due to water rate increases totaling thirty percent (30%) in 2016/17, was necessary in the coming year. The net effect is an overall dues increase of 5% with capital reserve collections remaining the same.

**READ AND APPROVE 8-13-16 MEETING MINUTES**

Those present waived the reading of the minutes and after discussion, ***MOTION: Carol Hughes moved to approve the minutes as presented, Lynn Nicholson seconded, motion unanimously approved.***

## **FINANCIAL REVIEW**

Chuck Williamson reviewed the financial statements with those present. He stated the entire budget was little changed from the previous year. The 2016/17 budget indicated a deficit at year end anticipated to be approximately (\$40,000) over budget due to snow removal and water rate increases. The water rate adjustments by Sun Valley Water and Sewer in 2016/17 has resulted in an overall \$11,000 (30%) annual increase in expenses. Chuck reviewed the changes approved by the Board in the capital reserve budget. The Board previously approved up to \$70,000 for the irrigation water line replacement and a new irrigation controller. This was moved into 2017/18 to utilize as may be required.

Bert Hughes, Secretary/Treasurer, explained the budgeting process. Bert explained the Board members review each line item and extensively deliberate on the budget prior to approving. The increase in the operational dues, given the history over the last 8 years, remains under inflation. Bert explained the Board takes seriously its fiduciary responsibility on behalf of the owners in properly managing the Association finances. This year's approved budget is breakeven; however, the budget assumes a normal snow year. Should the coming winter produce another record year the Board will review the necessity for a line item assessment as may be required. The snow removal budget is based on historical averages so as not to over collect when unnecessary.

## **OLD BUSINESS**

### **Capital Reserve Projects**

***Landscape Improvements*** – Bob Nicholson explained the natural landscape areas are a work in progress. The Board will continue to monitor and make adjustments until the association finds the proper balance of natural grasses, maintained lawn and tree management. This is a long term project taking several years to achieve.

While the majority of owners present expressed that with the removal of the tall grasses the appearance is much better, a few owners stated they remain concerned the natural grass appearance is still unattractive.

***Tree Removal*** – Bob reported that the Board would be walking the project and making some decisions on tree removal in various locations. Impacted owners will be contacted prior to removal of trees. The Association will replant trees where appropriate.

***Flowers*** – Owners present requested the Board consider introducing colorful plantings in areas by decorative rock installed on the property.

## **NEW BUSINESS**

***None***

## **ELECTION OF DIRECTORS**

Chuck reported the current directors expressed a willingness to serve in the coming year and have presented a slate of existing Board members for owner approval. Four at-large owners expressed on their proxies a willingness to serve on the Board. Management suggested that those owners interested in serving on the Board participate as non-voting Board members-at-large. These owners would be allowed to participate in Board meetings and learn about the Association before being officially elected. Currently the By-laws allow for only 5 voting directors without amendment. After discussion, ***Motion: Lynn Nicholson moved to approve the Board slate proposed, Bard Glenne seconded, motion unanimously approved.***

## **ADJOURN**

With no further business the meeting was adjourned by unanimous consent at 10:25 a.m.

Respectfully Submitted,

Chuck Williamson  
Recording Secretary

DRAFT