



Sun Valley Elkhorn Association
Board of Directors’ Executive Session Notes Minutes
Thursday, March 13, 2025

Attendance

Board Members	Staff, Counsel & Others
Jeff Mihalic- President	Jim Laski- Legal Counsel
Oleg Elkhunovich– Vice President (Zoom)	Linda Horensavitz- General Manager
Tom Eklund – Treasurer	Sue Ahern - Staff
Pete Petersen – Secretary	Mark Lube – Unable to attend
John Sobba – Director	Kori Brune -Staff
Tom Kling- Director	
Rachel Clark – Director (Joined the meeting at 2:04 pm) (Zoom)	Owners and Others:
Marlene Fletcher – Director	Attending by Zoom – 17 Owners attended Online
Board Members Not Attending	In person –7 Owners in Attendance
Scott Pertel- Director	

Call to Order

Jeff Mihalic called the meeting to order at 2:00 PM.

Establishment of a Quorum

Eight (8) directors were present in person and or by Zoom to establish a quorum.

Mr. Mihalic welcomed the new board members, John Sobba and Oleg Elkhunovich, as new committee chairs and members and thanked them for their service to the community.

REPORT FROM THE SUN VALLEY MAYOR

The mayor was unable to attend the meeting.

OWNERS ADDRESSING THE BOARD

Barbara Bear, (2691 Ridge), addressed the board. She presented information to the community about the 5850 Fest (related to the activities in Ketchum and the World Cup). Owners can find information on the website and in the Spector guide available for download on the website. 5850 Fest is all of the events available off the mountain



during the World Cup. Events include entertainment, food and sports. She will pass on additional information to the office staff. <https://www.5850fest.com/>.

Roger Buckthal— (4629 Arrowwood)—expressed his support of a new budget line item to address the open space corridors. Jeff Mihalic thanked him, explained that the Fire Safety Committee would address this issue later in the meeting and thanked him for his email earlier in the budget year.

Joel Bergenfeld (115 Angani Way) expressed his concern with and asked questions about the new Rental Amenity Fee Program. Jeff Mihalic pointed out that this has been in process for over a year and provided a short explanation of the process. Staff will email links to the related data to Mr. Bergenfeld after the meeting, and both the staff and the board are available for further questions. The owner noted that he feels that the fees are unfair.

Dave Monroe (206 Camas Loop)—Mr. Monroe inquired about the plats for the open space corridors. He has been looking for them and is unable to locate them. The Board inquired for more clarity in his inquiry, and it was explained that the Association owns a lot of open space and that plats could be in the name of the Elkhorn Property Owners Association and can be obtained from the Blaine County Assessor's Office.

APPROVAL OF THE FINANCIALS

Jeff Mihalic presented the first quarter 2024/2025 financials for review (Nov. 1–Jan. 31 financial statements). The reports have been reviewed by the Finance Committee. Jeff Mihalic provided the highlights below:

- Income Statement- Overall net Q1 income of \$441,235 is \$39,129 better than budget mainly due to higher than budget income and lower than budget management expense.
- Cash Flow- Cash at the end of Q1 was \$1,511,347, an increase of \$299,668 versus the end of Q4. This is primarily due to the collection of semi-annual dues partially offset by only three months of expenses.
- Balance Sheet- Q1- January 31, 2025 versus Q4- October 31, 2024
 - Current Assets increased to \$1,621,859 due to the increase in cash (see Cash Flow above)
 - Fixed Assets decreased to \$6,225,456 due to \$58K of additional depreciation.
 - Total Assets rose by \$230,676 driven by the increase in Current Assets, partially offset by depreciation
 - Liabilities decreased to \$1,247,760, a reduction of \$210,758 due to decreases in accounts payable and the Village Pool loan balance.
 - Homeowner's Equity excluding Q1 net income remained essentially flat at \$6,369,077.
- Accounts Receivable increased to \$83,038, an increase of \$17K versus Q4 due to unpaid 1st half dues and special assessment payments totaling \$65,000. Collections escalation is underway, delivering \$17,000 of receipts in roughly two weeks.

The Finance Committee recommends that the board approve SVEA's 2024/2025 Q1 Financial Statements as summarized herein and included in your board packet.

Peter Petersen moves to approve the first quarter financials as presented, Marlene Fletcher seconded, and the motion passed.

SVEA 2024-2025 Priorities



Jeff Mihalic presented the 2024-2025 SVEA Priorities. Peter Petersen suggested adding the amenities and recreation to the list, given their significant role in the association's responsibilities. We will include these items.

Note: We will add the 2024-2025 Priorities to the website.

[Tom Eklund moves to approve the SVEA 2024/2025 Priorities with the addition of the Amenities and Recreation; Tom Kling seconded, and the motion passed.](#)

Policy Update: Capital vs Operating Expenses

Jeff Mihalic presented an update to the Capital Expenses vs. Operating Policy; the changes are noted below: The threshold for capital items will be raised from \$500.00 to \$1000.00. A requirement for any unbudgeted reserve items to be approved by the Board prior to the funds being committed. Jeff Mihalic suggested changing the word "spent" to "committed."

[Marleen Fletcher moved to approve updating the Capital Expenses vs. Operating Policy, Tom Eklund seconded, and the motion passed.](#)

Annexation Update—Status

Sagewillow Annexation: Clark Furlow has volunteered to assist the Association. The Association's outside counsel is working on the matter with Sagewillow's attorney, and we expect the issue to be resolved.

The Arrowleaf Annexation is not progressing at this time as the Association is currently concentrating on the Sagewillow matter. We expect to renegotiate with the Community School this Fall.

Village Parking Lot: The Association is still in ongoing discussions with Mr. Jadallah, Elkhorn Springs, and SVEA about increasing parking.

Other Business

No other business items were discussed.

Staff Reports

Linda Horensavitz provided a staff update that included some of the following:

- An update on the Rental Amenity Fee Program was provided.
- An update on the new website:
 - A demo of the homepage is due to the HOA in March. Ally is working this week on the software updates.
- Charles Schwab Bank Accounts:
 - The new accounts are open and awaiting the final approvals from the bank.
- The Harker Center:
 - Harker Center will have sewer pipes replaced on March 31, 2025, and the office will be closed to facilitate the work. The Harker Center will have two of the four heaters replaced on March 20, 2025; the repairs should not disturb the office functions.
- Racquet Sports update:



- We are working on securing rentals for Scott Teller and his pros that are coming in for this year's program. We are looking at securing three rentals for the pros this season. We look forward to Scott and Daniel returning along with two new pros, including one female pro.

Committee updates

- Communications Committee – Tom Kling provided an update on the new website:
 - Mr. Kling expressed his gratitude to the staff for their assistance with the website.
 - We plan to launch the site once it is complete and ready. We aim to ensure the website is flawless before its release.
 - The draft is ready for the committee and board to review. If community members would like to volunteer to help, please contact the office.
 - In the future, the committee would like the board to budget for an app that will work with the site and to budget for website maintenance for the next fiscal year.
- Executive Committee—Jeff Mihalic has no update currently, as the committee has not met in the first quarter.
- Finance Committee — Jeff Mihalic, reported the following:

We have not filed the taxes for this year yet. The association has filed an extension as we have found that we can save funds by adjusting non-exempt function income. The anticipated saving is about \$5,000.00. The association is amending the 2022/2023 state taxes because the interest was overstated, this will allow us to save approximately \$1,600.00. When the taxes are complete, we will sign the engagement letter with the auditor.

The Finance Committee sees three areas of potential budget challenges this year that they are monitoring:

Treasury Direct's holding of our funds prevents us from earning interest in the reserve accounts. This is a revenue issue. We hope to resolve the issue. We are doing all we can, even seeking legal counsel.

The update to the technology and website raises concerns that the project may exceed its budget. If this project goes over budget, the team will notify the board.

Wildfire Committee: We would like to start mitigating fire hazards this summer, including small sections of the corridors and the area around the Harker Center; however, the current budget has no funds set aside for these items. Anything we do would have an impact on our financials.

The Recreation Committee has submitted a request, for \$89,000.00, for ancillary items to finish the Harker Pool Project. The Finance Committee has recommended the approval of \$57,000.00, the amount of funds allocated from the current reserves funds to be spent in this year's budget this year to fulfill similar requirements.

Ancillary items (fire pit, pergola, landscaping, furniture etc.)

After a lengthy discussion by the board and staff, including the availability of reserve funds and the quality of the products to be purchased. It was discussed whether the Finance Committee should convene and rereview the request, the scope of the previous special assessment, the expectations of the owners, the current state of the reserve funds, and the plan to build the fund that was presented to the owners— the desire to meet all the needs without having to approve additional funds. In the fall, we will address the fire



pit at the Harker Center and add pergolas to the village pool. The Recreation Committee's budget was reviewed. The following motion received approval:

Tom Kling, who moved to approve \$100,000.00 out of the reserve funds to pay for ancillary items to finish the Harker Pool rebuild, Marlene Fletcher seconded, and the vote passed five in favor to three in opposition.

Yea: Tom Kling, Marlene Fletcher, Peter Petersen, John Sobba, and Rachel Clark

Nay: Jeff Mihalic, Oleg Elkhunovich, and Tom Eklund

- Governance Committee Oleg Elkhunovich reported that the committee is in the process of setting up the first meeting to address the following items:
 - We will review the current policies to ensure they are consistent with governing documents.
 - The possible implementation of a new policy related to civility. The policy aims to address the issues staff encounter when enforcing the rules and regulations, particularly in relation to facilities. The policy also includes guidelines and a channel of communication between staff and the Board.
- Recreation Committee – Pete Petersen, provided the update below:
 - We are planning the summer activities, and we are grateful to Sue Ahern and the staff.
 - We are planning the same events as last year.
 - Fishing derby, new trails & trail maps, 8 grilling classes (two additional classes), Grand Celebration of the Harker Pool Opening, and freshening up the park
 - No action is planned for the splash pads this year as interest has been low.
 - A sip and Paint event was suggested, and possible new speakers were suggested.
 - Burger nights.
 - We are also seeking owners who possess a unique talent they wish to share.
- Raquet Sports – Rachel Clark, nothing to report.
 - The Committee would like to meet in April.
 - Rachel Clark asked Linda Horensavitz to help set up the meeting.
- Fire Safety Committee – Tom Kling reported
 - The committee has met with the Sun Valley and Blaine County representatives.
 - We are adding a page to the website with information for the community.
 - SVEA will be hosting a Firewise meeting with the Sun Valley Fire Department on April 15, 2025, and April 16, 2025, at 2 PM. Owners can sign up on the Elkhorn website. An email will be sent at the end of the month to all owners. We will invite the sub-association board presidents/contacts to attend.
 - The Fire Department will also be at the owner's picnic.
 - The Fire Department is also willing to come out to the owners' homes to inspect them and help them address their landscaping.
 - The committee would like to address the corridors; however, the current budget has no funds for this issue. Perhaps a volunteer day could help with this issue.
 - The City of Sun Valley is still trying to secure additional grants and updating the process to remove hazard trees throughout the city. State/Federal funds would not be available for Elkhorn until 2026.

Other Business:

No other business was addressed.



EXECUTIVE SESSION

Motion: Peter Petersen moved pursuant to section 55-3204 (2) of the Idaho Homeowner’s Association Act and Article V, Section 12 of the SVEA Bylaws that the Board adjourn this meeting and reconvene in Executive Session for the purpose of consulting with SVEA’s attorney for legal advice regarding Idaho state law relative to the application of sales tax to certain aspects of our new Rental Amenity Access Fee. We will also discuss sensitive personnel matters. We will ask Linda Horensavitz, our General Manager and Clark Furlow to remain for the Executive Session.

Motion: Peter Petersen moved to come out of the executive session and returned to the general session, Marlene Fletcher seconded, and motion passed unanimously.

Pete Petersen moved to adjourn the meeting; it was seconded the meeting was adjourned at 5:17 pm.
Respectfully submitted

Peter Peterson, Secretary

Action Items

Action Items	Notes	Completed
Draft minutes	Open done / Closed meeting done	
Minutes Approval	Sent to BOD 3 17 25	
Post Minutes		
Post Priorities	In the minutes section	3/14/25
Send B. Bare email	Requested Clear information from owner twice. 3 14 25	



Send Joel Bergenfield Information on RAF		3/14/2025
Posted Fin. Reports		3/14/25
Set up racquet Sports meeting For April	3 14 25 Reached out to Scott Teller for dates he is available	
Website: Follow up with CMG draft home page ready?		
Monthly Follow up with TD		
Gov Committee: Schedule Meeting		
Fire Safety Information added to website	Request sent 3 14 25	



**SUN VALLEY ELKHORN ASSOCIATION
POLICY RELATING TO CAPITAL EXPENSES VS OPERATIONAL**

PURPOSE

This policy is intended as a guide for spending/expensing funds for the purpose of the repair and replacement of existing assets.

GENERAL RULE

Expenses for the repair or replacement of a SVEA owned component that total \$1,000.00 or more and extend the life of an asset will be paid out of Capital funds.

Any unbudgeted capital reserves funds must be approved by the SVEA Board prior to the funds being committed.

SOURCE

This matter was discussed with the CPAs noted below while they were performing SVEA audits. All agreed the above policy is appropriate.

- Amended Date:
- Approved at the March 13, 2025 Board Meeting
- Brent Hyatt – 12/1/05
- Mark Brady – 11/25/08
- Dennis Brown – 12/8/11



SVEA Priorities- 2024-2025

1. Continue building Financial Reserves
 - a. Village Pool loan payments per plan
 - b. Re-set dues annually with CPI to fund operations and reserves
 - c. Invest reserves in Treasuries/CD's through a brokerage account
2. Resolve Annexation and Village Parking matters (new Annexation & Parking Committee)
 - a. Sagewillow Subdivision
 - b. Arrowleaf Subdivision
 - c. Village Parking LLC
3. Preserve Elkhorn's unique character (new Elkhorn Community Vision Committee)
 - a. Open Space preservation
 - b. Re-create the vibrancy of Elkhorn's core
 - c. Master Plan development
4. Wildfire education & mitigation actions (new Wildfire Committee)
 - a. Communicate and educate SVEA staff, sub-associations and homeowners
 - b. Encourage mitigation actions on SVEA properties and fire corridors
 - c. Collaboration with City of SV, SV Fire, Blaine County Emergency Mgmt
5. Build SVEA's organizational capabilities & resilience
 - a. Cross-train staff and provide learning opportunities
 - b. Engage Board Committees with relevant missions and deliverables
6. Implement new technology to streamline processes and improve user experience
 - a. Enhance Ally system to connect with four separate ancillary systems
 - b. Expand website functionality to be more useful for SVEA members and guests
7. Expand Communications with membership
 - a. Collaborate with SV City to reinforce relevant information for our homeowners
 - b. Engage with Sub-Associations with two-way communication
8. Implementation of the New Rental Amenity Process (May 1, 2025)
 - a. Develop Accounting Processes
 - b. Standard Operating Procedures for the office staff
 - c. Owner Assistance: Education and assistance with implementation
9. Rental Recreation and Amenities
 - a. Addition of ancillary amenities in the area of the Harker Pool and Spa
 - b. Publication of a trail map for SVEA members showing all trails on SVEA open space
 - c. Identification of potential new trails (and connectors) to add to SVEA's trail network

Approved at the March 13, 2025 Board Meeting