



ELKHORN

IN SUN VALLEY

Sun Valley Elkhorn Association Board of Directors Minutes Friday July 11, 2025

Attendance

| Board Members | Staff, Counsel & Others |
|------------------------------------|------------------------------------|
| Jeff Mihalic- President | Jim Laski- Legal Counsel |
| Tom Eklund – Treasurer | Linda Horensavitz- General Manager |
| Pete Petersen – Secretary | Sue Ahern, SVEA Staff Member |
| John Sobba – Director | KoriOnna Brune, SVEA Staff Member |
| Tom Kling- Director | |
| Scott Pertel- Director | |
| Rachel Clark – Director | |
| Marlene Fletcher – Director (zoom) | Owners and Others: |
| | |
| Board Members Not Attending | 21 Owners attended by Zoom |
| Oleg Elkhunovich– Vice President | 21 Owners attended in person |

Call to Order

Jeff Mihalic called the meeting to order at 2:03 PM.

Establishment of a Quorum

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

REPORT FROM THE SUN VALLEY MAYOR

Mayor Hendricks was present along with the Sun Valley City Manager Jim Keating and City Councilman Mike Burchmore. Together they addressed several Sun Valley City-related issues, such as:

- The City is about to start their budgeting process for next year.
- Councilman elections are this November. Mike Burchmore and Councilmen Saks are up for reelection.
- The upcoming lot tax changes that all Sun Valley residents should be aware of.
- The Sun Valley Fire Department will be attending the SVEA Owners Picnic with information on FireWise.
- Several issues related to the State of Idaho Highway 75 Project and how the city is making efforts to work with the state to mitigate the impact of the project on the residents and business partners in Sun Valley.
- Ongoing traffic control efforts in Elkhorn: the city is evaluating the “blinking light” (located at Saddle and Sun Valley Road; note that the light is not located in Elkhorn). It was noted that the city is working on



obtaining a grant to address the area and possibly add a traffic circle. The proposed budget for next year has funds set aside to address traffic measures.

- A discussion on free PO Boxes for Sun Valley residents, residents were encouraged to reach out to the City Council on this issue. The situation for Sun Valley is different from Ketchum, because the US Postal Service initially offered to provide home delivery of mail, but the City of Sun Valley declined, therefore the cost of the PO Boxes is borne by the residents.

OWNERS ADDRESSING THE BOARD

Mary Thiesen - 108 Highland: The owners' questions are related to the Arrowleaf Annexation:

How large is the property that is being annexed, and what is its monetary value?

- The Arrowleaf Annexation area consists of five one-acre lots that are located next to the community school's playing field and your subdivision.
- Sagewillow is a fully developed subdivision with about 20 homes in it and about 22 lots (some homes sit on double lots).
- Clark Furlow has more info to share later, and the HOA has no role in zoning, and all the owners should be answered at that time.

APPROVAL OF THE FINANCIALS

Jeff Mihalic presented the 2025/2026 second quarter YTD financial statements (ending April 31, 2025). These statements were included in the board packet along with a summary. The Finance Committee has reviewed and approved these financial statements and recommends board approval. Jeff provided the following highlights:

Overall net income (ops and cap) of \$30,426 YTD is \$21,657 better than planned due to expenses being below plan.

The ordinary net income (\$17,262) is \$40,691 better than planned, primarily due to management expenses running \$73,571 lower than budget, offset by above-plan racquet sports housing expense and below-plan income due to rental amenity fee credits due to the transition to a new program.

In March of this year, the Executive Committee approved a budget adjustment to address a staffing expense shortfall to address the need for a temporary operations manager and salary adjustments for seasonal staff to align with current local market rates. The impact of these changes will occur primarily in Q3 (June – September).

Tom Eklund moved to approve the second quarter financials as presented, Pete Petersen seconded, and the motion passed unanimously

Jeff provided a brief update in the May financials.

- We continue to perform better than expected, with overall net income \$33,000 better than expected primarily due to below budget administrative staff expenses.



- Account receivables grew in May due to billing of second half dues and rental amenity fees. At this time, we have collected all but \$18,000 in outstanding aged accounts receivable
- Total reserves are \$1.7M. We expect to end the year slightly below the forecast because of above plan operating expenses this summer and a shortfall in interest income due to funds held by Treasury Direct that are not earning interest. We have engaged our general counsel to escalate the issue. Senator Crapo's office has been asked to assist.
- Staff did a great job transitioning owners to the new Rental Amenity Program. Actual revenues are now very close to the budget of \$150,000.

Arrowleaf Annexation

Clark Furlow, Committee Chair and Fritz Haemmerle outside counsel for SVEA presented the Arrowleaf Annexation history and documents to the Board. This matter is being addressed now to resolve questionable paperwork from twenty years ago and properly executes the annexation of this territory into SVEA.

It was noted during discussion that SVEA made no concessions to reaching this agreement. The Arrowleaf territory includes five one acre lots. As a result of mediation between the Community School and adjacent HOA's, three of the five lots will remain as open space while only two lots will be developed. The City of Sun Valley is the entity that approved this plan with no input from SVEA, although SVEA was supportive of the mediation effort that resulted in this conclusion.

Whereas, having determined that the Sun Valley Community School, Inc, agrees and consents to the annexation of the Arrowleaf Subdivision, recorded as Blaine County Instrument No. 444647, into Elkhorn at Sun Valley under the governance of its Master Association, as reflected in the attached addition, now therefore

Peter Petersen, moved to approve and consent to the annexation of the Arrowleaf Subdivision into Elkhorn at Sun Valley, as reflected in the attached Notice of Addition: AND to authorize the President and Secretary, or other authorized Officers, to execute the Notice of addition on behalf of Sun Valley Elkhorn Association Inc. Rachel Clark seconded, and the motion passed unanimously.

Whereas, The Board of the Sun Valley Elkhorn Association, Inc. has authorized a Notice of Annexation of the Arrowleaf Subdivision, Blaine County Instrument No. 44647, into Elkhorn at Sun Valley, now therefore,

Peter Peterson, moved to approve the Supplemental Declaration for the Arrowleaf Subdivision, attached hereto: AND authorize the President and Secretary, or other authorized Officers, to execute the Supplemental Declaration on behalf of the Sun Valley Elkhorn Association, Inc. It was seconded by Tom Kling and the motion passed unanimously.

Sagewillow Annexation Update

Fritz Haemmerle, Council for SVEA, provided the following update:

Sagewillow has hired a new attorney to address the issue; they are reviewing the documents. We are hopeful that the issue will be resolved at the September board meeting.

Jadallah Village Parking Agreement Update:



Clark Furlow, Committee Chair, reminded all owners that last year Sam Jadallah, graciously allowed SVEA owners to park on his parking lot. That agreement is supported by consideration, is that SVEA pays a small annual fee, that is equal to the assessments he pays. Recently we have seen construction and commercial vehicles parking in the lot. This reduces the parking available for SVEA members. The agreement only allows parking for those SVEA members who are using the SVEA Facilities. We ask SVEA members please tell vendors that are working for you to not park on Mr. Jadallah's parcel.

Clark Furlow, spoke to negotiations with SVEA, ESMA and the Resort to address a parking agreement to address the use to the Village parking lot and possible efficiency, in the striping of the lot. Owners' questions were addressed about the Jewish Center and the Elkhorn Inn; both are members of ESMA and have parking rights as members of ESMA.

Jericho Project: No submissions have been made to SVEA's ADC to date for consideration.

If the new parking entity has the desire to purchase part of the Jericho project, that will be something that the entity will need to discuss with the landowner.

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.
- As of today, we have had over 4000 patrons check in at two pool facilities.
- As a reminder we keep the hot tubs at 104, however the temperature will fluctuate due to several factors.
- Brad Munck has graciously agreed to change his hours to Tuesday through Saturday to provide extra oversight to the pool staff.
- A number of ADC submittals were reviewed.
- On June 26, 2025, SVEA held its first Sub-Association President's meeting since 2016 and was well attended. We hope to do this annually in June, moving forward.
- Nice comments from the owners were made about the Racquet Sports Staff.

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 all of the projects.
 - We plan to launch the site at the Annual meeting in January.
 - Encourage owners to look at the current website for any information you are interested in about our neighborhood.
- Executive Committee—Jeff Mihalic, the committee was engaged in March and April to address anticipated budget shortfall. The executive committee approved additional funds to cover the budget funds in the following areas at an overage of \$89,000.00 for the following areas:
 - Additional funds for the Website Project – security features
 - Additional funds for staffing, (A temporary Operations manager and salary increases for temporary summer staff)
- Finance Committee — Jeff Mihalic, no other items to report.
- Fire Safety Committee: Tom Kling



- The Fire Department will be at our Owners' Picnic. Please stop at their table for more information.
- Firewise information is available on the current website at:
 - <https://elkhorninsunvalley.com/wp-content/uploads/2025/03/Firewise-Paper.pdf>
- The Recreation Committee, Peter Petersen
 - Thank you to Sue Ahern for all her hard work in the events.
 - Pool, we have some issues with the equipment; we hope that next year we can address the furniture.
 - Saturday is the fishing derby; Fish and Game will be on site to help.
 - If you would like to volunteer for the homeowner's picnic on July 23, 2025, please contact Sue Ahern at the office.
- Governance Committee—Peter Petersen presented a proposed civility policy to address hostile, abusive, or harassing behaviors directed at volunteers or staff. We need to put this policy in place because of the more aggressive behaviors that have recently occurred. The policy includes the ability to assess penalties where appropriate.
 - Rachel Clark moved to approve the new policy as presented with the modification that a hearing be required prior to a fine being applied; updating the current rules and regulations with the new policy it was seconded by Scott Pertel and passed.
- Raquet Sports – Rachel Clark,
 - Raquet Sports is up and running with some of the best participation yet.
 - We have received a lot of good feedback on the new hours for pickleball with only one complaint.
 - We are looking for more participation in the paddle up program.
 - Tennis: Juniors program is going very well; ladies' day is going amazingly well.
 - Ladies Day: Currently 75% to 90% of the those playing are Elkhorn owners and we allow participation on a first come first basis. A text goes out to everyone who has expressed interest in participation. Courts are granted on a first to respond bases.
- Vision Committee – Scott Pertel
 - Scott reminded the community that they can make suggestions via email, and the internet, they have received a few suggestions like adding a waterslide to the pool.
 - The addition of menus from the Elkhorn golf course restaurant has been well received by users of the Village Pool.

Other Business:

No other business was addressed.

EXECUTIVE SESSION

Motion: Tom Eklund 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 SVEA's attorney for legal advice related to potential legal action. We will also discuss sensitive personnel matters. We will ask Linda Horensavitz, our general manager, and Clark Furlow to remain for the executive session. Rachel Clark seconded, and the meeting moved to the executive session.

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

Pete Petersen moved to adjourn the meeting; it was seconded, and the meeting was adjourned at 5:44 pm.



ELKHORN
IN SUN VALLEY

Respectfully submitted

Peter Peterson, Secretary

Items to be attached:
Annexation Documents
Civility Policy