FAIRWAY NINE I CONDOMINIUM ASSOCIATION
BOARD OF DIRECTORS MEETING
AUGUST 4, 2026

MINUTES

PRESENT: Chris Black – President – Present
Chuck Lockhart – Vice President - Zoom
Gary Burt – Secretary/Treasurer - Present
Jen King – Director – Zoom
Nyle Brown – Director – Zoom
Shelly Tutt – Alternate Board Member - Present

NOT PRESENT: None

OWNERS: None

OTHERS: Sharon & Chuck Williamson - Managers

CALL TO ORDER
Chris called the meeting to order at 9:12 a.m.

ESTABLISH A QUORUM
A quorum was established with all directors present in person or by Zoom.

READ AND APPROVE 7-31-25; 9-8-25; AND 10-8-25 MEETING MINUTES
The prior meeting minutes were sent to all Board members in advance of the meeting. With no corrections or additions, ***MOTION: Gary Burt moved to approve the July 31, 2025, September 8, 2025 and October 8, 2025 meeting minutes as presented, Chuck Lockhart seconded, and motion was unanimously approved.***

FINANCIAL REVIEW
Chuck W. reported the following cash balances as of July 24, 2026:

Operational Checking:	$208,021.04
Capital Reserve Checking:	$177,607.36
Capital Reserve Savings:	$113,337.18

He explained that the "Due (to) From Ops" still needs to be reconciled however, after the third installment is paid on the pool renovation, the balance in the capital reserve will be approximately $95,708.04 plus interest earned.

Financial Statement Review & Budget Approval
The Board reviewed the current financial statements as of July 31, 2026. Chuck W. explained that the proposed budget has some area in which the Board should be aware in the next fiscal year. These areas include the following:

Operational Revenues:
Members Dues – Management is proposing a 15% increase in the member operational dues to provide a breakeven budget; however, this may prove to be inadequate based on potential expense increases that may be realized in the coming year. Chuck W. explained the expenses most prone to potential budget shortfall are as follows.

Operational Expenses:
Management Fees – As reported in the prior fiscal year management raised their monthly per unit fee to $37. Chuck W. explained that this remains lower than the current market rate of $45-$50 per unit.

Dryer Vent Cleaning – Dryer vents are cleaned on a every three year schedule. This work has been scheduled for 2026/27 and the bid received is $9,890.

Insurance Premiums – Insurance Premiums have been increased with annual increase projection of 10%; however, Chuck W. expressed that the association insurance may be based on a too low replacement value. The insurance company valuation program indicates that current square footage replacement cost is 25% higher than their model indicates is adequate. However, the square footage replacement cost for insurance purposes is approximately $300 per square foot. Chuck W. suggested that local construction costs could range from $500 to $1,000 per square foot, and that at a minimum the replacement cost for insurance coverage should be $500. If this is done, then the actual cost of insurance could increase from $55,000 to $80-$85,000 annually.

Maintenance – General Repairs – Management increased this line item from $12,000 to $20,000 in the coming year. During 2025/26 there was $26,000 spent on replacing and repairing dry rot on deck supports, deck structures and roof beams and roof sheeting. In addition, mold remediation and general debris removal were required in two crawlspaces. Chuck W. suggested that mold remediation, crawlspace debris removal and vapor barrier installation be considered as a future major project to be done throughout the entire Association.

Snow Removal – Snow removal was approximately $32,000 under budget on the year. The low snow year provided a small financial cushion where other budgeted expenses have exceeding cost projections.

Water & Sewer – Irrigation – Sun Valley Water and Sewer have given indications that the irrigation water cost may be increasing 200-300% in 2026/27. The rationale behind the increase is to charge a similar amount to that of the neighboring cities of Ketchum and Hailey. If this increase occurs, irrigation water costs are expected to be $40,000 per year.

Capital Revenues:
Capital Reserve Member Dues – No increase is proposed in capital reserve collections in 2026/27. Management stated that the capital reserve long term budget will need to be updated after the Recreational Amenity Reconstruction Project is complete.

Special Assessment – The special assessment of $222,000 is what is anticipated will be required for the recreational area overages of approximately $377,000. The overage has occurred as a result of unanticipated site preparation and Idaho Power requirements for a new transformer.

Capital Expenses:
Touchup Painting – Based on owner requests for handrail painting touchup, management has increased this item from $2,000 to $8,000 in 2026/27.

Deck Repairs - $25,000 has been budgeted to repair any deteriorated decks due to dry rot. All second floor decks will be inspected and repaired as may be required.

Paver Walkway Repairs ($4,000), Landscape Improvements ($35,000) and Drainage Repairs ($10,000) have been budgeted in 2026/27.

After Discussion, ***MOTION, Gary moved to approve the 2026/27 Operational and Capital Budgets as proposed, Nyle seconded, and motion was unanimously approved.***

OLD BUSINESS
Pool/Hot Tub Facilities Rebuild & Special Assessment Discussion – Chris explained that the pool house project is over budget by a projected $377,000 due to city requirements for handicap parking, ADA Compliance, soil stabilization, and Idaho Power's transformer installation requirement. The project is expected to be completed in November with the hot tub operational for Thanksgiving. A special assessment of $220,000 or more will be required to cover the shortfall anticipated. The exact amount is yet to be determined. The group discussed potential financing options and agreed to provide a rough

estimate of the per-unit cost at the next meeting to help residents better understand their individual assessment obligation.

NEW BUSINESS

Annual Meeting Preparations – Board Elections - Nyle Brown indicated that he may be stepping down as a Board member. All remaining Board Members stated they would be willing to serve if elected by the membership. Chuck W. explained that if Nyle were to step down, that Shelly Tutt serving as the alternate could advance into his position on the Board. A new alternate director could join the Board. Those present agreed.

ADJOURNMENT

With no further business the meeting was adjourned at 10:14 a.m.

Respectfully Submitted,

Chuck Williamson
Recording Secretary