

EXECUTIVE BOARD OF DIRECTOR'S & ARCHITECTURAL REVIEW MEETING MINUTES

Tuesday, January 31, 2023 – 6:30 PM
Highlands Fire Station – 2610 Cartwright Road
Virginia City Highlands, NV 89521

Larry Austin – President - Present
Jess Lattin – Secretary - Present
Summer Pellett – Treasurer - Present
Roger Huff – Vice-President - Absent
Mike Tozzi – Director of Architecture - Absent

- 1) Meeting called to order by President Larry Austin at 6:31pm
- 2) Roll Call for the Establishment of a Quorum: Quorum established.
- 3) Public Comment – (full recording of public comment on website)
 - Roads** (referring to agenda item #9): After much discussion, Larry reported that after the roads clear, he will assess the road conditions and get bids for road repairs to get roads back to where they should be and determine a possible assessment to pay for the road improvements. Sharon Dixon mentioned “we on Cartwright would like to form a roads committee to figure out what to do” and asked the board to listen to the recommendations the committee suggests. Larry and Summer said it was in her right to form a committee. Currently the bylaws state in order to increase the annual dues, we need a vote of 50% + 1. In order to raise annual dues, the bylaws need to be changed. Summer suggested someone oversee changing the bylaws but no one volunteered to oversee it at this time.
 - Taxes** (referring to agenda item #6): A property owner brought up tax code section 528 that the HRPOA is exempt from taxes and wanted to know why we paid \$2500 in 2021 and what it was for. Summer mentioned that a hired CPA does the HOA taxes and she would ask him why we paid taxes when we are supposed to be exempt. UPDATE per an email received from the HRPOA CPA on February 4: *“Income that is not exempt functioning income is considered taxable under code section 528. That includes the gain from selling equipment and interest income for Highland Ranches POA. All expense that were allowed to offset the taxable income were included in the tax return. Because the equipment was fully depreciated there was no expense to decrease the proceeds/gain on the sale. If the association doesn't have any other taxable income besides the interest earn on the bank accounts it most likely will not pay tax as there are offsetting expenses that decrease the taxable income to zero”*.
- 4) Summer suggested an amendment to agenda item 6B. Instead of ratification by the numbers present of the HRPOA budget, she would like to request a revision to the budget and discuss the ratifications at the next meeting. Summer motioned to approve the January 31st, 2023, Board of Directors Meeting agenda with the amendment. Mike seconded. Unanimous. Motion carried.
- 5) Mike motioned to approve the Minutes for the Tuesday, October 25th, 2022, Board of Directors Meeting. Larry seconded. Unanimous. Motion carried.
- 6) Treasurer's Report from Summer Pellett
 - a. Savings \$67,369.15; Checking \$35,007.12; Culvert Account \$68,008.05; Reserve Account \$44,137.17
 - b. Ratification by the members present of the 2023 HRPOA Budget. Summer is resigning after this meeting and asked to amend the budget pulling funds from the roads budget to the bookkeeping budget with an increase in fees from \$5000 to \$10,400.
Summer motioned to approve the amended budget. Jess seconded. Unanimous. Motion carried.

- 7) Summer motioned to approve the adoption of the 2022 Reserve Study Update. Jess seconded. Unanimous. Motion carried.
- 8) Larry motioned to approve the resignation of Summer Pellett from the Board of Directors effective February 1, 2023. Jess seconded. Unanimous. Motion carried.
- 9) Roads Update
 - a) Discussion of 2023 road projects that may require a special assessment (see agenda item #3)
 - b) Larry reported there are 3 plow trucks operating and due to bad cell connection and safety issues, he is looking into getting short wave radios which he is guessing will be around \$2500.
- 10) Summer motioned to approve the Tuesday, February 28th, 2023 Board of Director's & Architectural Review meeting date. Jess seconded. Unanimous. Motion carried.
- 11) No reviews and/or approvals were received regarding the architectural submittals by the Board prior to January 31st, 2023. Summer reported there is a variance request that was posted to the mailboxes and certified letters were sent to all adjacent property owners to allow a code and CC&R procedural change.
- 12) Public Comment (2 minutes per member)

It was suggested that the board look into google voice to get a hold of the plow drivers in a timelier fashion while they are out plowing roads. Phil Greaves (late arrival so not on the attendance list) asked what it would take to get the extra 50' of road plowed to his driveway. Larry said if he obtains a building or grading permit, they will plow the road to his driveway, which is outlined in the CC&Rs'
- 13) Motion to adjourn by Larry

* Notes that the item is a possible Action item and may be voted on by the HRPOA Board of Directors. All Action items allow for public comment before action is taken by the Board. Public comment is limited to 2 minutes per member and must be related to the agenda item.