Highland Ranches Property Owners Association
P. O. Box 1039, Virginia City, Nevada 89440

BOARD OF TRUSTEES MEETING MINUTES

January 31, 2006

Mike McDonough-President
Maggie Hohn-Treasurer
Jack Kennedy-Architectural Committee

1. Meeting was called to order at 6:30 pm by Mike McDonough

Sign-in: Bill & Shelley Hansen, Jack Kennedy, Nicole Barde, Mary Osgood, Keith Osgood, Iris Campbell, Mickey Melton, Sheri Melton, Bill Bridge, Angie Morran, Sandra Kosinski, Lydia Hammack, Danny Jones, Keith Judson, Anita & Richard Henderson, Sandra Medau, Jeff Leathley, Jerry Tarner, David Abel, Giana Edberg, Paul Carbone, Kelly Romer, Cynthia Kennedy, Fred Svertz, Mark Clarkson, Ernie Middleton and Bill Craig.

2. Review and approval Agenda for January 31, 2005 Meeting. One item (3b) was added to the January agenda calling for a Motion to take action on the well issue as presented by our guest speakers.
M: Maggie Second: Jack Passed

3. Fill vacant Board positions left by Lou Tassone and Sharon Dixon. There two volunteers as follows-Steve Dragovich and Shelley Hansen.
M: Jack Second: Maggie Passed

Steve will fill the Board position as Vice President and Shelley Hansen will fill the Secretary position. The position of Vice President will terminate on 7/1/06 and the Secretary position will terminate on 7/1/07.

4. Our first guest speaker was Gary Hames, Storey County Fire Chief. Gary presented the proposal for the well to be located at the park here in the Highlands. This new well would be used not only by the Highland's park, but it would provide an excellent source of water for the Fire Department should the need arise in the event of fire. The new well may also lower all of our insurance rates in the future. Storey County would pay for the cost of installing the well and all associated with the Fire Department set-up. County Commissioner Bob Kershaw also spoke on the merits of this well. A straw poll was taken in the audience and the general consensus was for the placement of the new well at the park. Jack suggested that 4-6 people should check with their insurance carriers to see if a rating of 4 would lower their rates and by how much. Gary implied that it could be as much as 40%. Jack asked anyone who inquired about this to report back next month and then the Board would take action at that time.

5. Public Comments: Our sign-in list was used as a means of having owners speak and their time was limited to the three (3) minute period as called for by NRS 116.3108(3). Almost all of those present spoke about the Special Assessment vote that was occurring later in the agenda. Keith Judson reported that the committee formed to suggest a "Fine Schedule" would have it ready in about a week. It would then be presented at the February 2006 meeting.

6. Review and approve the October 2005 minutes:
M: Jack Second: Shelley Passed
**A question was raised by the public regarding the rocking of Fandango Pass Road as noted in the minutes. Bill Hansen confirmed that this was indeed correct as noted.

7. Review and approve the November 2005 minutes: No Changes
M: Jack Second: Shelley Passed

8. Treasurers Report:
The 2005 Balance Sheet for the Association is as follows:

	Total Assets:	$217,098.28
	Total Income:	$124,952.87
	Total Expenses:	$158,235.46
2005	Net Income:	-$ 33,282.59

We have replaced one plow blade on the Ford this year. Maggie pointed out that the cost of the plow blade could come out of the Reserve Fund Account if the Board votes to do that.

The Budget for the year 2006 was presented. Five hundred and six lots @ $200.00 each, presenting a working balance of $101,200.00 for the year. The only change presented was an increase in our bookkeeper's fees which were approved, at the November meeting, after the dues mailing was sent out.
M: Jack Second: Maggie Passed

The January 2006 Balance Sheet for the Association reflects cash of $90,987.88 in the checking and savings accounts, $59,953.67 in the reserve CD account and $4,992.34 in the culvert deposit account. Accounts Receivable is stated at $21,535.00. Expenses totaled $35,359.85 for the month.

9. Review and approve Special Assessment proposal: Mike reviewed the overall plan as presented by the Road Committee last May. The issue of the 40 acre owners possible paying our Association for road improvements was briefly discussed and dropped at this time. Mike read the following correspondence before a vote was taken:

Brian Underdahl
Don Pressey
Janice Earll
Pete Benzel
Ruth Kocour
Grande Road complaint

Keith Osgood made a brief presentation regarding forming a GID and it was agreed that a forum will be presented in the future. Bill Hansen and Steve Dragovich outlined their work experience for this undertaking and how the 3 year plan will work. Mike read Dave Thomas's chat line review of our roads and the Board members presented their opinions.

The motion presented was as follows:
A Special Assessment of $300.00/lot dedicated only for the roads in the 10 acre Association to sunset in three (3) years would begin June 1, 2006 and end on June 1, 2009.
M: Steve Second: Jack Passed

Two payments may be made when the owners are billed. One payment can be made on May 1 and the second being due on July 1. This will ease any burden to owners.

10. Insurance Policies carried by the Association: Jack reported that he has received copies of the policies and is working on clarifying the issue of "Independent Contractor" vs. "Employee". He will report back next month on this issue.

11. Road Committee Report: Bill Hansen explained why our winter work was done and why some roads weren't rocked as we had hoped-the weather turned. He also spoke about the purchase of the new plow blade and the old plow blade was saved and in our yard in case we purchase another truck or need parts. Bill has been looking at graders for the Association to purchase for road work. The overall cost per mile would be greatly reduced by purchase rather than renting the 1 acre grader from them. Hopefully a vote will be taken in February regarding this purchase.

12. Architectural Committee Report: Jack currently has plans for Lot 365 (Palisade) and 133 (Yellowjacket). Jack proposed that the culvert fee of $2,500.00 be used as a tool to enforce overall compliance of our CC & R's. It was agreed that for the time being research would be done regarding Storey County waiting to issue "Final Approval" until we have signed off on full compliance. It was suggested that the Road Committee could do the culvert inspections and also inspect all installed culverts. Letters of noncompliance would then be sent out by the Board. The entire issued was tabled until the February meeting.
The issue of the $1.00/sqft. Road Impact Fee was briefly revisited and tabled until February's meeting.

13. Board Member Updates: None

14. Correspondance: Mike read his letter of intent NOT to run for re-election in 2006.

15. Next Meeting will be February 28, 2006

16. Adjournment at 10:20 pm