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April 1st, 2023 NEVADA COMMISSION FOR COMMON INTEREST COMMUNITIES AND CONDOMINIUM HOTELS

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Sierra Ranchos Property Owners Association Members and Community Management

Letter of Resignation (effective May 12th, 2023)

SRPOA Members,

The following sections are meant to clarify my reasoning for this date and action :

RECENT HISTORY

Over the past 15 months, Joy Marvin and I have (1) tried to pay unpaid bills (\$ 22 K) left by the INSOLVENT 2021 Board and Management, (2) tried to work on resolution of the "unpermitted excavation" complaints filed with Washoe County in 2019, and (3) worked with the State of Nevada (NRED / CICC), Engineers, and new Community Managers (Equus Management) to get SRPOA back to SOLVENCY and back to following Reserve Study Plans required by the State for road repairs and improvements (Common Areas). By April of 2022 we were able to : (1) Pay off contractors (\$ 12.5K to *West Coast Dirt Works*) for work done in Nov. 2021, pay for Insurance and finance New Community Management (1st one quit - Equus started Sept. 2022).

By April of 2023 we were able to:

(2) After 3 failed attempts, we were able to keep a Civil Engineer working long enough to complete both a Site Visit and Report with Recommendations to answer 2019 complaints,(3) We met 4 times with State Regulators to demonstrate progress and work out compliance schedules for SRPOA shortcomings in meeting their requests.

Most of the Legal Debt run up by the 2021 Board (\$ 10,000 to LKG) remains unpaid.

RECALL / ELECTION OPTIONS

We are now facing a demand for Recall. My colleague Joy Marvin wanted to "stick it out", but came to agree with my thinking that a **Recall Election is a waste of Time and SRPOA funds.** I know that significant (> 3.5 % of budget) spending requires a quorum of the Board to approve and spend (2 signatures required on checks). I therefore feel obligated to remain on the Board long enough to approve payments for essential functions until a **non-disruptive Early Election can be held to select a new Board.** State Law requires that Recall Elections be held within 90 days of receipt of a valid Petition. The regulations also mandate a minimum time of Election Notice to members of 30 days, and 15 days to return Ballots. So the minimum time to conduct an election is 45 days after the decision is made. Since we have already lost 30 days of the 90 mandated for a Recall, only 60 days remain to conduct a Recall.

The Alternative - resignation followed by Early Election, is one we have used before, and which has less restrictive Timelines. It will also cost the Association less, since we have Elections every year - we still would have only ONE - this one would just be Early.

DATE CERTAIN

Based on the above considerations, I will resign from the SRPOA Board with an Effective Date of May 12th, 2023 - 42 days from today (April Fool's Day !) giving the Management Company 40 days to use my Vote and Signature to approve an Early Election, pay essential bills, and possibly complete other high-priority tasks such as :

A) Order and finalize a Reserve Study Update using the Engineering Report and current costs,

B) Complete and Approve Road Repair / Improvement contracts for any affordable projects,

C) Get approval for any Special Community Management charges.

I cannot guarantee or promise more. The past 3+ years have been dominated by continuous battles, WASTE of SRPOA funds on attorneys for unproductive Projects (ie. "Membership Project"), INSOLVENCY (unpaid bills) and MORE fighting over the pathetic condition of SRPOA left from previous battles. THERE IS VERY LITTLE LEFT TO FIGHT OVER.

William Roth SRPOA Secretary 2021-2023