



## Sierra Canyon Association 2017 BUDGET RATIFICATION MEETING

November 2, 2016

Dear Sierra Canyon Owner:

Enclosed for your review are the 2017 Budget and a Summary of the latest Reserve Study for Sierra Canyon. Additionally you will find a copy of the Association's Collection Policy and schedule of fees, as well as the newly adopted Bullying/Harassment Policy.

A Budget Ratification Meeting has been scheduled for Monday, November 21 at the Aspen Lodge. In accordance with Nevada law, NRS 116.31151 (3), "Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present."

There will be an increase in the monthly Sierra Canyon Assessment for 2017 of \$11 to \$89 with a corresponding decrease in the Somerset General Common Assessment of \$11 to \$69. The monthly Sierra Canyon and Somerset will result in the same combined assessment of \$158 per month. Sierra Canyon will recapture funds for Capital Improvements/Special Projects as a result of the Somerset Owners Association abating their general common assessment by \$11 per month for 2017. No Special Assessments are anticipated, at this time, for 2017. The Operating Budget contains estimates for the day-to-day operation of the Association.

The Reserve portion of the Budget contains the amounts to be contributed to the Reserves. The amount of cash reserves that are necessary per the Reserve Study at the end of 2017 is \$1,349,660. The amount of accumulated cash reserves will be \$1,131,998, which is 83.9% funded. The Reserve expenditures for 2017 are expected to be \$175,954 with \$212,447 being contributed. The Reserve Study has been prepared by Browning Reserve Group (an independent reserve study company). The study is produced by using the Cash Flow Funding method.

Per NRS116 attached is a copy of the Association's Collection Policy, Investment Policy and Penalty Policy with Fine Schedule. Homeowners who become more than 60 days delinquent on any past due obligation to the Association will be subject to a \$50.00 Pre-collection Processing Fee.

Per NRS116 the Community Manager shall provide notice to each unit's owner that the board is aware of all legal requirements pursuant to the applicable laws and regulations.

AT THE DIRECTION OF  
THE BOARD OF DIRECTORS



Onsite Office  
[nevada.fsrconnect.com/sierracanyon](http://nevada.fsrconnect.com/sierracanyon)  
Customer Care: 775.624.9152

1798 Del Webb Pkwy W | Reno, NV | 89523  
[sierracanyon@fsrnevada.com](mailto:sierracanyon@fsrnevada.com)  
Onsite: 775.624.2900 Fax: 775.624.2909



**Sierra Canyon Association**  
**2017 BUDGET RATIFICATION MEETING**

***Budget Ratification Agenda***

**MONDAY, NOVEMBER 21, 2016 at 8 AM**  
**SIERRA CANYON ASPEN LODGE**  
**1798 DEL WEBB PKWY W ▪ RENO, NV 89523**

- I. Call to Order / Introductions**
- II. Homeowner Open Forum**  
In accordance with NRS116.3108.4(c) this portion of the meeting is devoted to unit owners' comments and discussion.
- III. 2017 Budget Ratification**  
In accordance with Nevada law, NRS 116.31151 (3), "Unless at that meeting a majority of all units' owners, or any larger vote specified in the declaration, reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present."
- IV. Adjournment**

*Unit owners are permitted to receive a copy of the minutes or a summary of the minutes in electronic format at no charge to the unit owner, or in paper format at a cost of \$.25 per page for the first ten pages, and \$.10 per page thereafter.*



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**Sierra Canyon Association**  
**2017 Operating Budget**

Total YE Units - 1212

Monthly Assessment - \$89

Account #	Description	2016 Annual Budget	2016 Projection	2017 Annual Budget
<b>REVENUE</b>				
40005-010	Assessments- Operating	\$1,061,424	\$1,069,614	\$1,292,280
45156-010	Late Fees- Operating	\$4,246	\$3,640	\$3,600
45245-010	Fines- Operating	\$0	\$5,550	\$6,000
45565-010	Guest Fees for Facility- Operating	\$600	\$0	\$240
45645-010	Int - Financial - Operating	\$120	\$0	\$122
45646-010	Int - Homeowners- Operating	\$0	\$0	\$0
45845-010	Fitness Program Revenue- Operating	\$32,000	\$32,500	\$37,200
45965-010	Rental Revenue- Operating	\$900	\$2,400	\$2,400
46045-010	Event Program Revenue- Operating	\$32,000	\$40,000	\$36,000
46085-010	Developer Transition- Operating	\$0	\$18,750	\$0
46365-010	Advertising - Operating	\$10,800	\$12,000	\$12,000
46700-010	Other Revenue- Operating	\$1,200	\$600	\$600
90000-010	Reserve Transfer- Operating	(\$212,477)	(\$212,477)	(\$218,850)
<b>TOTAL REVENUE</b>		<b>\$930,813</b>	<b>\$972,577</b>	<b>\$1,171,592</b>
<b>EXPENSES</b>				
60005-010	SWB - Sited Staff- Operating	\$276,000	\$330,000	\$401,000
<b>TOTAL SALARY AND BENEFITS</b>		<b>\$276,000</b>	<b>\$330,000</b>	<b>\$401,000</b>
70005-010	LS - Contract Services- Operating	\$120,000	\$105,000	\$126,000
70010-010	LS - Non Contract - Operating	\$5,000	\$30,000	\$10,000
70025-010	LS - Repairs & Maintenance- Operating	\$5,000	\$10,000	\$2,400
71025-010	LS - Annual Color- Operating	\$600	\$500	\$500
71040-010	LS - Backflow Preventative Maintenance	\$1,200	\$1,400	\$1,400
71410-010	LS - Fuel Modification	\$0	\$0	\$30,000
<b>TOTAL LANDSCAPING</b>		<b>\$131,800</b>	<b>\$146,900</b>	<b>\$170,300</b>
72000-010	R/M - Repairs & Maintenance- Operating	\$5,500	\$7,500	\$7,800
72035-010	R/M - Snow Removal- Operating	\$13,000	\$15,000	\$12,000
72040-010	R/M - Pest Control- Operating	\$1,200	\$1,000	\$1,200
72120-010	Clubhouse - Maintenance- Operating	\$20,000	\$14,000	\$14,400
72125-010	Clubhouse - Refreshments- Operating	\$9,000	\$7,200	\$7,200
72130-010	Clubhouse - Supplies- Operating	\$7,200	\$7,700	\$7,800
72135-010	Clubhouse - Activities- Operating	\$2,200	\$1,850	\$1,800
72140-010	Clubhouse - Fitness Supplies- Operating	\$3,000	\$2,200	\$2,400
72142-010	Clubhouse - Fitness Equipment Maintenance	\$2,800	\$2,550	\$2,400
72145-010	Clubhouse - Office Equipment Lease	\$0	\$0	\$4,800
72146-010	R/M - Office Equipment- Operating Fund	\$3,000	\$6,000	\$1,200
72150-010	R/M - Elevator Service Contract- Operating	\$3,000	\$2,600	\$3,000
72190-010	Janitorial - Services- Operating	\$44,000	\$46,000	\$46,200
72200-010	Janitorial - Supplies- Operating	\$2,400	\$5,100	\$5,400
72300-010	Pool/Spa - Service Contract- Operating	\$1,200	\$500	\$600
72310-010	Pool/Spa - Chemicals	\$12,000	\$10,000	\$10,800
72330-010	R/M - HVAC Contract- Operating	\$4,000	\$4,000	\$4,000

Account #	Description	2016 Annual Budget	2016 Projection	2017 Annual Budget
72430-010	Special Capital Projects	\$0	\$0	\$110,000
72435-010	R/M - Special Projects- Operating	\$48,000	\$28,000	\$28,800
72462-010	Contingency- Operating	\$1,200	\$1,400	\$0
	<b>TOTAL REPAIRS AND MAINTENANCE</b>	<b>\$182,700</b>	<b>\$162,600</b>	<b>\$271,800</b>
74005-010	Common Area irrigation power	\$12,000	\$12,000	\$12,000
74065-010	Common Area irrigation water	\$46,000	\$37,000	\$37,650
74125-010	Clubhouse - Telephone - Operating	\$2,700	\$3,000	\$3,000
74205-010	Trash Disposal- Operating	\$3,300	\$3,500	\$3,600
74305-010	Clubhouse - Electric- Operating	\$42,000	\$35,000	\$36,000
74325-010	Clubhouse - Internet	\$1,320	\$2,700	\$1,360
74365-010	Clubhouse - Water- Operating	\$1,600	\$1,200	\$1,200
74385-010	Clubhouse - Cable TV- Operating	\$1,800	\$1,500	\$1,500
74395-010	Clubhouse - Natural Gas - Operating	\$18,000	\$14,000	\$15,000
	<b>TOTAL UTILITIES</b>	<b>\$128,720</b>	<b>\$109,900</b>	<b>\$111,310</b>
75005-010	Alarm Monitoring Service- Operating	\$2,400	\$1,500	\$1,800
75225-010	Name Badges- Operating	\$1,500	\$2,000	\$1,500
	<b>TOTAL COMMUNITY SAFETY</b>	<b>\$3,900</b>	<b>\$3,500</b>	<b>\$3,300</b>
77005-010	Bad Debt - Operating	\$4,246	\$3,300	\$3,600
77015-010	Fees & Permits- Operating	\$2,500	\$1,000	\$1,100
77050-010	Collection Cost- Operating	\$1,200	\$200	\$300
77070-010	Reserve Analysis- Operating	\$1,500	\$5,000	\$1,000
77100-010	Mileage- Operating	\$600	\$300	\$300
77200-010	Management Fees- Operating	\$54,432	\$54,600	\$58,080
77230-010	Office Supplies, Copies, Postage- Operating	\$9,000	\$17,000	\$13,200
77260-010	Lodge Office Supplies/Copies/Postage	\$7,200	\$6,000	\$6,000
77270-010	Website - Operating	\$12,000	\$7,500	\$3,600
77300-010	Board of Directors Expenses Operating	\$0	\$0	\$1,602
77530-010	Bank Charges- Operating	\$2,400	\$2,700	\$2,400
77632-010	Fitness Instructors- Operating	\$33,000	\$24,000	\$24,000
77645-010	Event Program Expense- Operating	\$33,000	\$37,000	\$36,000
77655-010	Office Network- Operating	\$6,900	\$5,000	\$5,100
77689-010	Magazine Expense	\$0	\$11,000	\$12,000
77750-010	Audit & Tax Service- Operating	\$5,800	\$6,000	\$6,000
77760-010	Legal Fees Expense- Operating	\$18,000	\$15,127	\$15,600
	<b>TOTAL ADMINISTRATIVE</b>	<b>\$191,778</b>	<b>\$195,727</b>	<b>\$189,882</b>
78005-010	Taxes - Real Property- Operating	\$1,200	\$1,200	\$1,200
78045-010	Taxes - Federal Income- Operating	\$600	\$600	\$600
78105-010	Ins - Liability & Property- Operating	\$24,000	\$21,500	\$21,600
78240-010	Ins - Workmens Comp- Operating	\$600	\$650	\$600
	<b>TOTAL TAXES AND INSURANCE</b>	<b>\$26,400</b>	<b>\$23,950</b>	<b>\$24,000</b>
	<b>TOTAL EXPENSES</b>	<b>\$941,298</b>	<b>\$972,577</b>	<b>\$1,171,592</b>
	<b>EXCESS OF REVENUE/EXPENSES</b>	<b>-\$10,485</b>	<b>\$0</b>	<b>\$0</b>

Board of Directors Approved the 2017 Budget on Friday, October 28, 2016.

September 19, 2016

This is a summary of the Reserve Study that has been performed for Sierra Canyon Association, (the "Association"). This study was conducted in compliance with Nevada *NRS 116.31151 and NRS 116.31152* and is being provided to you as a member of the Association. A full copy is available (through the Association) for review by members of the Association.

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. This is done utilizing the "Cash Flow Method." This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund.

Browning Reserve Group prepared this Full Study for the January 1, 2017 - December 31, 2017 fiscal year.

Sierra Canyon Association is a Planned Community with a total of 1,212 Lots.

At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 2.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

This reserve study was produced under the responsible charge of Robert W Browning who, pursuant to Nevada regulation R145-06, is a Nevada Reserve Study Specialist (RSS #5).

### **Funding Assessment**

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

Nevada statute imposes no reserve funding level requirements nor does it address funding level adequacy, and although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

Sierra Canyon Association  
Nevada Member Summary  
Final  
Prepared for the 2017 Fiscal Year

Reserve Component	Current Replacement Cost	Useful Life	Remaining Life	2016 Fully Funded Balance	2017 Fully Funded Balance	2017 Line Item Contribution based on Cash Flow Method
<b>01000 - Paving</b>	<b>125,622</b>	<b>2-25</b>	<b>1-15</b>	<b>59,252</b>	<b>69,686</b>	<b>10,226</b>
<b>02000 - Concrete</b>	<b>35,500</b>	<b>5-10</b>	<b>1-8</b>	<b>7,800</b>	<b>10,080</b>	<b>4,606</b>
<b>03000 - Painting: Exterior</b>	<b>72,408</b>	<b>5-10</b>	<b>0-5</b>	<b>55,986</b>	<b>62,536</b>	<b>7,506</b>
<b>03500 - Painting: Interior</b>	<b>56,661</b>	<b>10-10</b>	<b>1-5</b>	<b>40,055</b>	<b>46,864</b>	<b>5,832</b>
<b>04000 - Structural Repairs</b>	<b>160,484</b>	<b>5-30</b>	<b>4-20</b>	<b>56,951</b>	<b>64,619</b>	<b>8,933</b>
<b>05000 - Roofing</b>	<b>318,240</b>	<b>5-40</b>	<b>5-40</b>	<b>19,286</b>	<b>21,467</b>	<b>6,380</b>
<b>08000 - Rehab</b>	<b>110,115</b>	<b>18-30</b>	<b>7-20</b>	<b>55,316</b>	<b>62,272</b>	<b>6,713</b>
<b>11000 - Gate Equipment</b>	<b>1,200</b>	<b>12-12</b>	<b>2-2</b>	<b>1,000</b>	<b>1,128</b>	<b>100</b>
<b>12000 - Pool</b>	<b>47,728</b>	<b>3-24</b>	<b>1-14</b>	<b>32,782</b>	<b>38,178</b>	<b>4,655</b>
<b>13000 - Spa</b>	<b>13,246</b>	<b>5-24</b>	<b>3-23</b>	<b>2,421</b>	<b>4,399</b>	<b>2,073</b>
<b>14000 - Recreation</b>	<b>224,720</b>	<b>5-25</b>	<b>1-15</b>	<b>110,105</b>	<b>144,976</b>	<b>32,826</b>
<b>17000 - Tennis Court</b>	<b>56,137</b>	<b>4-21</b>	<b>1-11</b>	<b>30,580</b>	<b>37,045</b>	<b>5,997</b>
<b>18000 - Landscaping</b>	<b>96,250</b>	<b>1-20</b>	<b>1-10</b>	<b>39,600</b>	<b>72,647</b>	<b>31,309</b>
<b>19000 - Fencing</b>	<b>145,420</b>	<b>18-30</b>	<b>10-20</b>	<b>62,821</b>	<b>72,302</b>	<b>9,632</b>
<b>20000 - Lighting</b>	<b>53,100</b>	<b>5-30</b>	<b>2-20</b>	<b>22,500</b>	<b>26,199</b>	<b>3,787</b>
<b>21000 - Signage</b>	<b>4,125</b>	<b>10-15</b>	<b>5-5</b>	<b>2,333</b>	<b>2,759</b>	<b>388</b>
<b>22000 - Office Equipment</b>	<b>8,433</b>	<b>2-20</b>	<b>2-10</b>	<b>3,328</b>	<b>4,481</b>	<b>1,976</b>
<b>23000 - Mechanical Equipment</b>	<b>512,265</b>	<b>9-18</b>	<b>2-11</b>	<b>304,699</b>	<b>344,919</b>	<b>35,762</b>
<b>23500 - Elevator</b>	<b>103,000</b>	<b>25-30</b>	<b>15-19</b>	<b>38,367</b>	<b>42,968</b>	<b>5,328</b>
<b>24000 - Furnishings</b>	<b>138,750</b>	<b>6-25</b>	<b>1-19</b>	<b>65,698</b>	<b>75,972</b>	<b>10,035</b>
<b>24500 - Audio / Visual</b>	<b>15,080</b>	<b>10-12</b>	<b>2-9</b>	<b>3,888</b>	<b>5,510</b>	<b>1,716</b>
<b>24600 - Safety / Access</b>	<b>17,400</b>	<b>5-8</b>	<b>4-7</b>	<b>3,450</b>	<b>5,996</b>	<b>2,650</b>
<b>25000 - Flooring</b>	<b>162,426</b>	<b>4-25</b>	<b>2-15</b>	<b>67,155</b>	<b>81,919</b>	<b>14,742</b>
<b>25500 - Wallcoverings</b>	<b>2,142</b>	<b>25-25</b>	<b>15-15</b>	<b>857</b>	<b>966</b>	<b>119</b>
<b>26000 - Outdoor Equipment</b>	<b>64,300</b>	<b>3-30</b>	<b>2-20</b>	<b>36,872</b>	<b>41,871</b>	<b>4,547</b>
<b>27000 - Appliances</b>	<b>12,550</b>	<b>8-15</b>	<b>0-10</b>	<b>8,072</b>	<b>7,903</b>	<b>1,013</b>
Totals	<b>\$2,557,302</b>			<b>\$1,131,175</b>	<b>\$1,349,660</b>	<b>\$218,850</b>
Estimated Ending Balance				<b>\$1,062,015</b>	<b>\$1,131,998</b>	<b>\$15.05</b>
Percent Funded				<b>93.9%</b>	<b>83.9%</b>	/Lot/month @ 1212

**SIERRA CANYON ASSOCIATION  
COLLECTION POLICY AND FINE POLICY**

Adopted Aug. 12<sup>TH</sup>, 2015

RECITALS

1. Timely payment of regular, reserve, individual and special assessments is of critical importance to the Association.
2. The failure of any owner to pay assessments when due creates a cash-flow problem for the Association and causes those owners who make timely payment of their assessments to bear a disproportionate share of the Association's financial obligations.
3. Owners who have the governing documents violated should pay fines pursuant to the Association's Declaration of Covenants, Conditions and Restrictions, its By-Laws and Nevada Revised Statutes 116, Sections 116.3115 through 116.3118 inclusive and 116.3118.
4. Upon its effective date, this Policy replaces all previously adopted collection and fine policies and procedures.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of Sierra Canyon Association adopts the following Collection Policy and Fine Policy ("Policy") as of Aug 12<sup>TH</sup>, 2015. The policies and procedures set forth herein and the charges set forth on the Schedule of Collection Fees and Costs attached shall become effective thirty (30) days after the date this Policy is first mailed to the Members. It shall remain in effect unless it is modified.

The Board establishes the Association's fiscal year, January 1 through December 31, as the Regular Assessment period. Monthly payments of regular assessments are due on the first day of each month.

1. **Assessment due dates.** The regular or annual assessment is due and payable in twelve (12) equal installments on the first day of each month. Special, reserve or individual assessments shall be due and payable on the due date specified by the Board of Directors in the notice imposing the assessment. Assessments shall be delinquent if not paid within 30 days after they become due. The Association may send a notice identifying possible collection activity.

The Association will give the owners notice of the annual assessment each year. Notice will be sent by first-class mail to addresses on the membership register as of the date of notice or by electronic mail if written instruction has been given by the owner. It is the responsibility of each owner to advise the Association of any address changes in writing. The Board of Directors may elect to provide additional periodic statements of account, but lack of such statements does not relieve the owners of the obligation to pay assessments. If payment is not received when due, the assessment includes any late charges, interest, collection fees, collection costs, attorney's fees and costs.

2. **Late Charges and Interest.** When an installment payment of any assessment becomes delinquent, the owner's account shall be assessed a late charge of \$25.00, and such fee(s) shall be part of the assessment and lien. If assessment payment becomes delinquent, interest may be assessed on the delinquent assessment at the legal rate allowed, such interest to be part of the assessment and the lien.

3. **Dishonored Checks.** At any time that the Association or its designated agent receives a check dishonored by the bank for any reason, an administrative charge of \$20.00 shall be imposed. The owner shall be responsible for any other charges imposed by the bank or financial institution. The Board may immediately proceed with the collection process if the amount of the dishonored check is not paid within 10 days after notice of dishonored check is sent to the owner. The Association may also seek damages in accordance with the Nevada Revised Statutes.

4. **Dispute of Charges.** If the owner questions the accuracy of the calculation of an account or the amount charged to the account, a written objection to the specific charges must be made (received) to the Board within 30 days of the date notice of the charge or balance is sent. A telephone call will not reserve any rights. The disputed amount may remain unpaid during the investigation, but the undisputed portion of the account must be paid before the delinquency date in order to avoid collection charges. No action will be taken to collect the disputed amounts until completion of the investigation and the decision is provided to the owner. The owner must provide the following information in writing regarding any dispute.

The owner's name, mailing address, and account number.

The exact dollar amount in dispute or in error.

For each charge or payment in dispute, an explanation of the reasons the owner believes there is an error, with sufficient detail such as dates, names and check numbers, so that the dispute may be investigated. If an owner does not know how the error was made, that statement may be made.

Copies of checks (both front and back), letters and other documents referred to or claimed must accompany the written objection.



5. **Delinquency Notice.** Sixty (60) days after an assessment, or any portion thereof, becomes past due, the Association shall mail a delinquency notice stating all amounts past due as of the date of the notice. The notice shall enclose: (1) a copy of this Collection Policy which shall constitute notice of the fees that may be assessed if the delinquency is not paid; (2) a proposed repayment plan that the owner may pay the delinquency in equal monthly payments that will bring the account paid in full within six months, plus any current assessments made; and (3) notice that the owner may request a hearing with the Board to contest the past due obligation. If no hearing is requested and no repayment plan executed and commenced within thirty (30) days of the date of this notice, the account may be referred to legal counsel or a collection agent for collections.

6. **Collection Costs Are Recoverable and Are Part of the Assessment and Any Lien.** The Association is entitled to recover all reasonable costs incurred in collecting delinquent assessments including, but not limited to, the following: (i) reasonable charges imposed to defray the cost of preparing and mailing demand letters or notices; (ii) legal expenses incurred; (iii) costs of collection; (iv) recording costs; (v) costs incurred with title companies or foreclosure service providers; (vi) management company fees; and (vii) any other costs of collection identified in NRS 116.310313. All such costs shall be part of the assessment and lien. Examples of such costs that may be incurred are set forth on the Schedule of Collection Costs attached hereto. Collection costs are recoverable as part of the super-priority lien as provided in NRS 116.3116.

7. **Notice of Delinquent Assessment and Claim of Lien.** The Association has a lien for any unpaid assessment, abatement assessments, late fee, fine, construction penalty, collection fee, collection cost, attorney's fee or cost that is imposed against a homeowner. The recording of the CC&Rs constitutes record notice and perfection of the Association's lien that shall include any and all sums due including but not limited to any unpaid assessment, abatement assessments, late fee, fine, construction penalty, collection fee, attorney's fee or cost. No further recordation of any claim of lien is required. If payment for all sums that are then delinquent is not made, the Association, or its agent, may record a Notice of Delinquent Assessment and Claim of Lien. This step in the non-judicial foreclosure process shall not be commenced before the expiration of your (4) months from the date of unpaid assessments unless action must be taken sooner to protect the Association.

8. **Non-Judicial or Judicial Foreclosure.** If the account remains delinquent, any action may be taken to proceed with or complete a non-judicial or judicial foreclosure as provided by Nevada law. A lien for unpaid assessments is extinguished unless a notice of default and election to sell is recorded as required by NRS 116.31162(1)(b) or judicial proceedings are instituted within three years after the assessment became due.

9. **Application of Payments and Partial Payments.** Payments shall be applied to the oldest balance owing unless otherwise specified in writing by the owner. Payments for assessments may not be applied to fines unless authorized by the owner. Partial payments will be accepted and applied. However, absent a written and approved payment plan, there is no obligation to stop any collection or foreclosure if a partial payment is tendered.

10. **Payment of Fines for Non-Compliance.** Owners shall be responsible to pay all fines, as the same may be levied from time to time by the Board, pursuant to the powers of the Board granted in the governing documents and subject to the provisions of NRS Chapter 116. Fines may vary depending upon the infraction and fines shall be determined on the basis of the severity of the violation. The owner shall be provided with notice of the fine to be imposed prior to any hearing or the levying of any fine. If owner fails to pay a fine, the Association may record a notice of violation and claim of lien against the owner's property and the Association has the right to charge any amount allowed by law to collect unpaid fines from the owner. There is no cumulative limit to the amount of a continuing violation fine. The Association does not have the right to foreclose on a lien for fines, unless such fines were for a health, safety, or welfare violation or for a construction penalty. The Association may avail itself of other remedies allowed by law to collect the assessment made for a fine. This includes but is not limited to commencement of an action pursuant to Chapter 38 of the Nevada Revised Statutes.

11. **Abatement/Maintenance Liens.** As provided by NRS 116.310312, and the Association governing documents, the Association may take action to enter the grounds of a Lot to conduct maintenance or remove or abate a nuisance, after notice and hearing. All costs, expenses, damages, attorney's fees and costs, management fees and costs incurred in connection with such action may be assessed against the Lot. Such amounts may be included in any Notice of Delinquent Assessment or be reflected in a separate Notice of Delinquent Assessment, at the discretion of the Board.

12. **Other Remedies.** The Association reserves the right to avail itself of any other remedy permitted by law and the Association's governing documents to collect any past due obligation and related costs and charges, including but not



limited to bringing an action under Chapter 38, in Small Claims, Municipal or District Court. Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy as allowed by law.

13. **Void Provisions.** If any provision of this Policy is determined to be null and void, all other provisions of this Policy shall remain in full force and effect.

By: Donald C. [Signature]  
 , President

Attested by: [Signature]  
 , Secretary

**SCHEDULE OF COLLECTION RELATED FEES AND COSTS**

a)	Demand Letter	\$150.00
b)	Notice of Delinquent Assessment and Claim of Lien	\$325.00
c)	Notice of Intent to take next action (follow up letter)	\$90.00
d)	Notice of Default	\$400.00
e)	Intent to Notice Sale Letter	\$90.00
f)	Notice of Sale	\$275.00
g)	Intent to Conduct Foreclosure Sale	\$25.00
h)	Conduct Foreclosure Sale	\$125.00
i)	Prepare and Record Transfer Deed	\$125.00
j)	Payment Plan Agreement	\$30.00
k)	Payment Plan Breach Letter	\$25.00
l)	Release of Notice of Delinquent Assessment and Claim of Lien	\$30.00
m)	Notice of Rescission Fee	\$30.00
n)	Bankruptcy Package Preparation and Monitoring	\$100.00
o)	Mailing Fee Per Piece	\$2.00
p)	NSF Fee	\$20.00
q)	Escrow Payoff Demand Fee	\$150.00
r)	Substitution of Agent Document Fee	\$25.00
s)	Sale Postponement Fee	\$75.00
t)	Foreclosure Fee	\$150.00
u)	Reasonable Management Company Fees	\$200.00
v)	Reasonable attorney's fees and actual costs	hourly rate

By way of example only: advice to client, bankruptcy pleadings (Proof of Claim, Notice of Perfection of Claim of Lien, Objection to Plan, Motion for Relief of Stay), forbearance agreements, evaluations of accounts, evictions, etc.

w) Additional costs include, but are not limited to, the cost of a trustee's sale guarantee, recording costs, posting and publishing costs, sale costs, mailing costs, express delivery costs skip trace fees, Pacer searches, court filing fees, etc. which may be charged at the actual cost incurred.



**SIERRA CANYON BOARD OF DIRECTORS RESOLUTION**

1. The Nevada Legislature enacted NRS 116.31184 which provides in pertinent part:  
“The Association’s community manager, an agent or employee of the community manager, a member of the executive board, an officer, employee or agent of the Association, a unit’s owner or a guest or tenant of a unit’s owner shall not willfully and without legal authority threaten, harass, or otherwise engage in a course of conduct against any other person who is the community manager of the Association or agent or employee of the community manager, member of the executive board of the Association, an officer, employee or agent of the Association, another unit’s owner in his or her common interest community or guest or tenant of a unit’s owner in the Association which:
  - (a) causes harm or serious emotional stress or the reasonable apprehension thereof, to that person; or
  - (b) creates a hostile environment for that person.”
2. It is the opinion of the Board of Directors of the Association that it would be in the best interest of the Association to adopt the language of NRS 116.31184 as a rule of the Association in order to address conduct that threatens, harasses, causes harm or emotional distress or a hostile environment.
3. The Association enters into contracts with vendors and must prevent inappropriate communication or conduct that would interfere with the services and work of the vendors.
4. The Board has the power to adopt rules and regulations in accordance with the CC&Rs, Sections 2.02 and 2.08(a); Bylaws, Section 9.01(d); and NRS 116.3102(1)(a) and NRS 116.31065.

**NOW THEREFORE, BE IT RESOLVED,** that the Association hereby adopts, as a rule, the following:

1. The Association’s community manager, an agent or employee of the community manager, a member of the executive board, an officer, employee or agent of the Association, a unit’s owner or a guest or tenant of a unit’s owner shall not willfully and without legal authority threaten, harass, interfere with the services or work, or otherwise engage in a course of conduct against any other person who is the community manager of the Association or agent or employee of the community manager, member of the executive board of the Association, an officer, employee or agent of the Association, a vendor of the Association, another unit’s owner in the Association or guest or tenant of a unit’s owner in the Association which:
  - (a) causes harm or serious emotional stress or the reasonable apprehension thereof, to that person;
  - (b) creates a hostile environment for that person; or
  - (c) interferes with any work, service or action being performed by or on behalf of the Association by any third party individual or entity acting with the Association’s authorization or under any contract with the Association.




**Sierra Canyon Association**

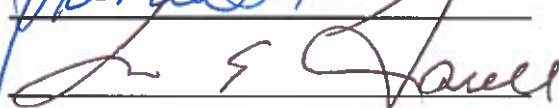
**RESOLUTION – SACN BULLYING 10.12.16**

2. Any person who violates this Rule shall be subject to a fine, assessment of attorney's fees and costs and management fees and costs under the Association's enforcement policy and NRS 116.31031, after proper notice and hearing. In addition, the Association may bring an action for declaratory relief or any other lawful action. The prevailing party shall be entitled to an award of reasonable attorney's fees and costs.
  
3. If any provision of this Rule is ruled invalid by a court, then any valid intent of that provision and the remaining provisions of this Resolution shall remain in full force and effect.
  
4. **RESOLVED FURTHER**, that the Board of the Association is hereby authorized to take any and all necessary steps to disseminate this new rule to the members of the Association prior to the commencement of the enforcement thereof. Thereafter, it shall be incorporated into the Sierra Canyon Policies, Rules and Guidelines.

This resolution was duly adopted by the Board of Directors on this 12 day of October, 2016.

President: 

Date: 11/1/16

Secretary: 

Date: 11/1/16