MINUTES OF MEETING - DRAFT
CAVE ROCK ESTATES GENERAL IMPROVEMENT DISTRICT
Friday, October 31, 2025
1:30pm

This meeting of the Cave Rock Estates General Improvement District Board of Trustees was held Friday, October 31, 2025 at 1:30pm at 1317 Winding Way, Glenbrook NV 89413. The on line Teams login was:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_MjE0NzE5MTMtNzI4ZS00NGM3LWJkZjctMDczYjRmMzI3MzVm%40thread.v2/0?context=%7b%22Tid%22%3a%22f7e124e1-3cbb-4714-b90e-d08652874b65%22%2c%22Oid%22%3a%224fe9cf07-e903-465a-9024-0d13b2e6f3e2%22%7d

Meeting ID: 394 483 051 671 0 ; Passcode: 3L8hB3UT
Call-In Phone Number: +1 (213) 282-5258; Phone conference ID: 451 956 640#

Copies of the agenda were posted at the following locations at least 3 business days prior to the meeting day: Cave Rock Drive street sign below the Cave Rock Villas, Cave Rock Winding Way street sign, and the street sign at the corner of Wren/Pheasant Lane and Winding Way. Electronic copies of the agenda can be found at https://NoticeNV.gov and https://www.CaveRockGID.org

1. **CALL TO ORDER**: Meeting called to order by Mark Holmlund at 1:30pm. There were no objections to recording the meeting.

2. ROLL CALL - Establish Quorum:
Present: Mike Smart, Norman Hauge, Dick Dernbach, and Mark Holmlund
Absent: Perry Muhr

GUESTS: Steve McVicar, Marge Hauge and Bjorn Thalor

3. PUBLIC COMMENT - Bjorn thanked the Board for the opportunity to attend and participate in the meeting.

DISCUSSION AND ACTION MAY TAKE PLACE ON ANY OF THE FOLLOWING ITEMS:

4. Approval of Agenda
Dick made the motion to approve the agenda with a second by Mike. All Ayes.

5. Approval of minutes of regular meeting on September 9, 2025

Dick made the motion to approve the minutes of the regular meeting on September 9, 2025 with a second by Mike. All ayes.

6. Financial Update and Budget from Steve McVicar, Accountant
Discussion:
Steve presented the GID's completed financial documents, including its balance sheet, income statement, and budget to actual comparison for the fiscal year ending June 30, 2025. The GID ended the year with a surplus of approximately $11,700 and an equity balance of just over $511,500.

Steve also presented a Petition and Resolution for Exemption, which exempts the GID from a number of reporting and audit requirements with the Nevada Department of Taxation provided the GID's expenditures for the upcoming fiscal year do not exceed $300,000. This is an exemption signed every year by the GID.

Steve also discussed ways for the GID to increase its revenue. Many GIDs charge a snow removal fee, or it could ask Douglas County for a tax increase. Steve's experience is that not all of the increase in tax revenue that is generated actually goes to the GID. Mark asked whether the government entities that own residential lots in the GID (35 out of 101) can be charged a snow removal fee. Steve will research whether this is allowable and will advise the Board.

Mark verified with the Douglas County assistant treasurer that receipt of tax revenue is more heavily weighted at the beginning of the fiscal year as many homeowners pay their property tax installments ahead of time, with the remainder coming into the GID during the latter half of the fiscal year. Mark also learned that direct deposit of the GID's tax revenue is available and should be considered by the Trustees.

Summary and Action Steps:
Mike made the motion to initiate an EFT (Electronic Fund Transfer) into the CREGID account from the ad valorem taxes collected. The motion was seconded by Dick. All ayes. Norm Hauge, Treasurer, was directed to make this change.

Mike made the motion to approve the Financials and the Petition and Resolution for Exemption with a second by Dick. All ayes.

The Board discussed the current payment for meeting attendance issue. Steve noted that there are GIDs where Trustees are not paid, especially in small GIDs. There is no requirement for payment for Trustees.

Dick noted that he received a notice from the State of Nevada Library which notes that this is the comment period for revisions of requirements. Dick will work with Steve McVicar to develop comments as appropriate.

7**. Discussion and approval of road maintenance**
Entrance gate update and tribal conversations
Discussion:

Dick has received another utility print and continues to pursue the print from Southwest Gas.

Bjorn Thaler offered input from residents with whom he has spoken including anxiety and concern over the installation of the gate due to many unanswered questions that they have regarding its implementation and operation.

Summary and Action Steps:
The production of the prints for the engineering firm will be the next step. Dick will continue to follow up and advise the Board of his progress.

Mark is aware of many of the issues Bjorn expressed and will attempt to provide answers through his correspondence with Cave Rock residents via email communication. Dick noted that it may be prudent and necessary to await the actual "print, requirements and function" which will further clarify the plans for the entrance gate. Mark will contact the owners of the Professional Building to inform them of the results of the survey work recently completed.

Snow Plowing Contract
Discussion:
The contract with Buckeye Enterprises LLC has been received and reviewed by the CREGID Board for the 2025-26 Snow Removal. Installments are paid over a six month period.

Summary and Action Steps:
Mike made the motion to approve the snow removal contract with Buckeye Enterprises LLC with a second by Dick. All ayes.

NDSL Snow Storage Permit
Discussion:
Mark received a letter from NDSL and informed the trustees that it is imperative that snow storage is done appropriately. Inserted into the snow plowing contract was language that the GID's contractor understands and acknowledges this concern. Mark had previously sent a letter to NDSL indicating that the CREGID would not be following through with seeking a permit.
Summary and Action Steps:
None at this time

Crack sealing
Discussion:
No discussion - project completed
Summary and Action Steps:
None at this time

Road Sweeping
Discussion:
No discussion
Summary and Action Steps:
None at this time

Drain cleaning
Discussion:
Mark received a bid of $4,900 from Graymar. The Board had previously approved the the potential cost in excess of this bid.
Summary and Action Steps:
Mark will follow up with Graymar to ensure that this project is completed.

Road Erosion Mitigation
Discussion:
Matt Hurst continues to be the contact person for this project. Mark appointed Dick to work directly with Matt regarding the concept for re-landscaping the entrance area and addressing all erosion issues within the CREGID.
Summary and Action Steps:
Mark will contact Matt to provide him with Dick's contact information. Dick will meet with Matt as soon as possible.

8. Discuss CREGID bank account(s) changes for increased returns and changes to signatories
Discussion:
Steve McVicar was asked whether his firm continues to have access to the GID accounts in a "view only" format. Although this has been allowed in the past, it seems that it needs to be reinstated. Treasurer Norman Hauge will follow up to be sure allow this needed access.

Mike reported that an account has been set up at Schwab in Reno and that it is ready to be funded. This was done after repeated attempts to get CD investments at Wells Fargo approved failed. Mark noted that the investment at Schwab would likely be in US Treasury Bills. The GID's checking account will remain at Wells Fargo.

Summary and Action Steps:

Mike made the motion to move $50,000 from the Wells Fargo savings account to the Wells Fargo checking account, move the remaining savings account funds (approximately $200,000) into the Schwab account and close the Wells Fargo savings account. Dick seconded the motion. All ayes.

Discussion of replacement CREGID insurance carrier and policy
Discussion: Delayed until future meeting

Summary and Action Steps: None at this time

9. Entrance tree and monument lighting
Discussion:
Perry has made some improvements on the lighting issue to brighten the lights on the tree.
Summary and Action Steps:
Further follow up with Perry will be done.

10.Trustee Compensation
Discussion:
Mark reviewed the current $150 per Trustee per meeting. Mike and Dick expressed their approval and Perry had previously indicated his support. Norman has expressed his interest in being paid.

Mike made the motion that going forward, beginning with this meeting, the Trustees will no longer receive compensation. Mark seconded the motion. The motion did not pass.

Discussion: Dick offered his input related to their being a decision on the part of each Trustee to accept the payment.
Summary and Action Steps:
This issue will be left to the individual Trustees to make decisions regarding payment.

11. Annual Recurring Expense Approvals
Discussion:
Mark proposed approving "regularly occurring expenses" at the Fall GID meeting for work that is typically completed between Spring and Fall (e.g., street sweeping, landscape maintenance, drain cleaning, trash pickup) rather than approving them individually throughout the year. Dick noted that it may be important to revisit each of the billings and contracts as they occur each year.
Summary and Action Steps:
No action taken at this time.

12. Documentation Retention
Discussion:
Dick advised the Board that there may be additional record-keeping responsibilities for GIDs. He will continue to keep the Board informed as more information becomes available.
Summary and Action Steps:
No action taken

13. Online Meeting Access
Discussion: The issue has been solved thanks to Mike Smart's expertise.

Summary and Action Steps:
None needed at this time.

14. General discussion not to be acted on
Chairman's Remarks:
Mark noted the CREGID's 50th Year Anniversary occurred in October, 2025.
He announced that there is a need to recruit need two community volunteers- one volunteer to serve on the Lake Tahoe's Fire Wise Council and the other to serve as the GID's "webmaster" as Colin Dawson will be stepping down in the future. Colin was acknowledged for his fine work and many years of professional service to the CREGID.

Other items will be added as needed for the next agenda.

The next meeting will be scheduled in March, 2026.

11. ADJOURNMENT

The motion was made by Dick to adjourn the meeting with a second by Mike. All ayes.
The meeting was adjourned at 2:42pm.

Respectfully submitted,

Dick Dernbach, Secretary
Cave Rock Estates General Improvement District