

CAUGHLIN RANCH HOMEOWNERS ASSOCIATION
Board of Directors Meeting Minutes
1070 Caughlin Crossing, Reno, NV
Wednesday, January 24, 2018

Board Members Present:

Al Dennis, President
Michele Attaway, Vice President
Tony Termini, Secretary
Vince Ames, Treasurer
Joan Mullen, Director
Mike Chern, Director
Drew Naccarato, Director

Others Present:

Lorrie Olson, Community/General Manager
Randy Lisenby, L & M Superintendent
Sandy Wheeler, Bookkeeper/Provisional Manager
Shawn Oliphant, Association Attorney
5 Homeowners

1. Call to Order and Determination of Quorum:

President Dennis called the meeting to order at 6:07 p.m. A quorum was established with all seven (7) Board Members present.

2. Member Comments: There were none.

3. Minutes:

3.1. Review & approve November 15, 2017 Board of Directors Meeting Minutes:

Motion: Secretary Termini moved to approve the November 15, 2017 meeting minutes including a correction of Vice President Attaway's last name; Director Naccarato seconded. Motion carried unanimously.

4. Finances:

4.1. Review & accept (un-audited) Financial Reports dated October 31 and November 30, 2017:

- Treasurer Ames and F&B Member Mr. Cody Jackson, CPA have been provided a copy of all the bank/investment statements and associated reconciliations along with the supporting financial reports
- Treasurer Ames and Mr. Jackson, CPA reviewed both sets of financial reports and found no material discrepancies
- The bank statements are being reconciled and the financial reports reviewed and adjusted as-needed monthly by the GL Accountant to ensure CRHA is reporting on a true accrual accounting basis
- The Board has been provided copies of the GL Balance Sheet by Fund and the Actual vs. Budget Comparison through October 31 and November 30, 2017
- The Association's cash position through November 30th: Operating cash = \$779,248
Reserve cash and CD's: Mountainshyre = \$217,679; Caughlin Creek = \$541,396; CRHA = \$669,649;
Grand Total = \$1,428,724. Capital funds set aside to purchase 1070 Caughlin Crossing = \$300,752 (includes interest earned)
- Through November 30th on an accrual basis, Total Operating Income was \$1,980,159 after Reserve and funds to purchase 1070 Caughlin Crossing were transferred; under budget (\$20,043).
- Total (Operating) Expense was \$1,992,040; under budget \$111,802:
Operating Expense = over budget (\$11,165); Payroll = under budget \$28,602;
Repairs and Maintenance = under budget \$30,392; Utilities = under budget \$63,973
- Total (Operating) Excess Revenue / Expense = (\$11,881)

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- Total Reserve Income was \$224,874; of which Interest = \$12,224. 2017 Transfers = \$154,650/CRHA, \$40,000/CCRK and \$18,000/Mountainshyre. Reserve transfers are occurring quarterly.
- Total Reserve Expenses were \$268,691; 2017 Reserve Budget = \$332,752.
- The Board is required to review the Association's financial information in accordance with NRS 116.31083. The Association is following paragraph (b) of subsection 2 of NRS 116.3115 and confirms that reserve funds have not been used for daily maintenance.

Motion: Director Naccarato moved to accept the un-audited financial reports dated October 31 and November 30, 2017 as presented; Director Chern seconded. Motion carried unanimously.

4.2. Approve Bad Debt write-off amount due to foreclosures: There was none at this time.

5. Reports & Updates:

5.1. Finance & Budget Committee (F&B):

Treasurer Ames advised that the F&B and staff met with McClintock Accountancy to discuss the up-coming audit. The timeline was established, and the audit will begin the week of 2/26/18, the draft audit will be provided on 3/16/18 and the final available on 3/22/18 for review by the committee.

Treasurer Ames advised that there was a \$65,545 saving in irrigation cost due to the use of the water project and that CRHA had full use of Steam Boat Ditch for irrigation this year.

5.2. Architectural Control Committee (ACC):

President Dennis advised that the total number of request received in November and December were 16 and the majority were approved.

5.3. Landscaping, Irrigation/Conservation & Maintenance; L&M Superintendent Lisenby provided the following updates:

Winter Projects:

- Excavated maintenance yard and installed new gravel base
- Installed new entrance monument sign lighting and shrubs/bushes

Trucks, mowing tractors and walk-behind mowers, weed eaters, blowers and chain saws will go in for maintenance and tune-ups.

Flood Clean-up:

- Lower ponds - completed
- Wild flowers by bridge – completed 1/17/2018
- South of greenbelt – completed 1/24/2018
- Completed repairs to greenbelt bridge area where surface was washed-out

Fall Planting and Water Conservation Projects:

- 70 trees, deciduous and pine, were planted – completed 1/17/2018
- Removed several hazardous, leaning and/or dead trees

Holiday Lights:

- In the process of removing

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New equipment acquisition:

- Replace 2003 Ford Ranger, F&B member Larry Morris is currently looking for a vehicle
- Researching equipment and working on getting proposals for the next Board Meeting in March

Vice President Attaway asked if there had been any wild life sightings. Randy advised that he has not seen very much.

President Dennis inquired about the equestrian trails and when they expect to begin work to clean up those areas. Randy advised it will be placed on the schedule to be completed in spring once the seasonal employees are here.

Director Naccarato inquired about the new Billy Goat machine for leaf abatement. Randy advised it has been working very well and made the fall cleanup more efficient.

Vice President Attaway asked if there were any updates from Steam Boat Ditch regarding the low amount of moisture this winter. Randy advised he has heard nothing.

5.4. Community Events:

Vice President Attaway went over the 2018 events schedule and shared the Thank You notes that were received from the Seniors and School for all the Angel Tree gifts that were provided.

The following is the 2018 Events Schedule dates:

- Spring Share Your Wine at Moana Nursery (tentative location): April 12th
- Spring Bird Walk/Watching meet at Caughlin Ranch office: June 9th
- Shredding day truck will be at Caughlin Ranch parking lot: June 9th
- Garage Sales; individual lots: June 16th & 17th
- Concerts in the Village Green Park: Every Sunday in July & additions dates TBD
- 8th Annual BBQ at the Village Green Park: September 9th
- Cross Peak Hike (meet behind the Caughlin Club): September 15th
- Fall Bird Walk/Watch (meet at Caughlin Ranch office): September 29th
- Garage Sales; individual lots: October 6th & 7th
- Angel Tree for Children and Seniors Citizens: November 1st thru 30th
- Holiday Share Your Wine at Moana Nursery (tentative location): November 8th
- 34th Annual Members Meeting & 2019 Budget Ratification Meeting: November 14th

5.5. General Manager:

GM Olson advised that the Building vote is 94 yes votes short of passing for the purchase of the office building. We have volunteers who are knocking on doors encouraging people to vote.

GM Olson advised that we are required to review the Notice of possible/pending litigation at every meeting. At this time there has been no change to the existing notice that was attached to the 11/15/17 Meeting Minutes and will be attached to these minutes also.

She also advised that CRHA is required to provide a summary of the items reviewed in Executive Session; those are as follows:

“At the E.S. preceding this meeting, the Board reviewed and/or discussed, along with the Association Attorney, the following items: the previous E.S. Summary was approved, violation reports, legal matters

involving: possible/pending litigation related to common area lots not deeded to CRHA, both matters listed on the litigation disclosure, a DETR complaint, homeowners' complaint, and an unapproved staircase. A personnel matter was discussed, and the Accounts Receivable Report was reviewed."

GM Olson also provided the following:

- CRHA received a check in the amount of \$7,500 for storage fees pertaining to the abandoned Ford Backhoe. The backhoe was removed from CRHA. These funds are to be allocated to the Landscape and Maintenance department.
- GM Olson has our IT company (ECC) looking into upgrading our phone system to include recording calls for "quality assurance purposes".
- The City of Reno advised that Waste Management Franchise Agreement amendments are still in-progress. However, they have, as GM Olson requested, "copied the page from Washoe County", and will now distribute and service animal-resistant containers to anyone in the City who goes on-line to order one. GM Olson has not tried it yet but will at some point to ensure there are no ordering complications. If she experiences any issues they will be reported to Waste Management for resolution.

6. New Business:

6.1. Appoint ACC Members and Board Liaison:

All the current Members are re-enlisting except one, Bob Hayes who is a builder/contractor. John Curry, a retired builder/contractor, has completed the required documents and has agreed to serve for a two-year term along with Paul Gianoli and Guy Grimsley who serve as co-chairs, Kelvin Voeller a landscape contractor, and Wayne Wiswell. Architects Chuck Matetich and Gail Richie will also remain on the ACC. Director Naccarato has volunteered to serve as the Board Liaison to the ACC.

Motion: Treasurer Ames moved to appoint John Curry, Paul Gianoli, Guy Grimsley, Kelvin Voeller, Wayne Wiswell and Director Naccarato to the ACC; each serving a 2-year term, and Director Naccarato as the Board Liaison as presented; Director Chern seconded. Motion carried unanimously.

6.2. Appoint F&B Members and Chair/Co-Chairperson:

All the current Members are re-enlisting except one, Carole Vogel. Allen Black submitted all the required documents and will then replace Carole. Long-time F&B Members Mike Heffner and Larry Morris have agreed to Co-Chair the Committee. They will assist in establishing meeting dates with GM Olson and the Committee Members, and with establishing the agendas and required documents for each meeting.

Motion: Treasurer Ames moved to accept the resignation of Carole Vogel and appoint Mike Heffner, Larry Morris as Co-Chairs, Allen Black, to the F&B Committee; each serving a 2-year term as presented; Vice President Attaway seconded. Motion carried unanimously.

6.3. Ratify cost to replace new gate controller at Caughlin Creek Gate I (rammed by vehicle):

Gate Operator Replacement Cost: \$4,740. Reserve funds can be used. GM Olson filed an insurance claim; there is a \$1,000 deductible.

Motion: Director Chern moved to approve to replace new gate controller at Caughlin Creek Gate I with a not to exceed amount of \$4,740; Vice President Attaway seconded. Motion carried unanimously.

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6.4. Ratify cost to replace new gate controller at Mountainshyre Gate (rammed by vehicle):
Gate Operator Replacement Cost: \$3,942. Reserve funds can be used. GM Olson filed an insurance claim; there is a \$1,000 deductible.

Motion: Vice President Attaway moved to ratify the cost to replace new gate controller at Mountainshyre Gate with a not to exceed amount of \$3,942 as presented; Director Chern seconded. Motion carried unanimously.

6.5. Approve costs to install cabling and camera monitoring systems at Caughlin Creek Gates I and II:

The item will be placed on a future agenda.

6.6. Approve costs to install cabling and camera monitoring system at Mountainshyre Gates:

The item will be placed on a future agenda.

6.7. Approve cost to Upgrade Server (warranty expires on 07/30/18):

The item will be placed on a future agenda.

6.8. Approve costs of 2018 Financial Updates Caughlin Ranch, Caughlin Creek and Mountainshyre Reserve Studies:

GM Olson provided the cost as follows: Caughlin Ranch \$1,013, Caughlin Creek \$506, and Mountainshyre \$506 Reserve Studies with Browning Reserve Group.

Motion: Vice President Attaway moved to approve the costs of 2018 Financial Updates for Caughlin Ranch \$1,013, Caughlin Creek \$506.00 and Mountainshyre \$506.00 as presented; Director Naccarato seconded. Motion carried unanimously.

6.9. Approve Revised Rules & Regulations, Violation & Fine Policy, and Construction Penalty Schedule:

An Ad Hoc committee of the Board has been formed to review the R&R's and to make a recommendation to the Board on any proposed changes.

The item will be placed on a future agenda.

6.10 Approve Eaglesnest Management Agreement Eff. February 1, 2018:

GM Olson advised that there will be no increase or change in costs or services recommended.

Motion: Vice President Attaway moved to approve the Eaglesnest Management Agreement Eff. February 1, 2018 as presented; Secretary Termini seconded. Motion carried unanimously.

6.11 Approve Caughlin Creek Landscape Maintenance and Management Agreements Eff. March 1, 2018:

GM Olson advised there will be no increase or change in costs or services recommended for either.

Motion: Secretary Termini moved to approve the Caughlin Creek Landscape Maintenance and Management Agreements Eff. March 1, 2018 as presented; Vice President Attaway seconded. Motion carried unanimously.

7. Member Comments: There were none.

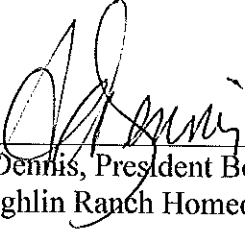
9. Announce Future 2018 Meeting Dates & Adjourn:

Board Agenda Workshop; 4:00 p.m., Monday, March 26, 2018; Board of Directors Executive Session; 5:00 p.m. and General Business Meeting; 6:00 p.m., Wednesday, March 28, 2018

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Motion: Director Naccarato moved to adjourn the meeting at 6:45 p.m.; Vice President Attaway seconded. Motion carried unanimously.

Subsequently approved at a duly noticed Board of Directors Meeting on March 28, 2018.



Al Dennis, President Board of Directors
Caughlin Ranch Homeowners Association