

CAUGHLIN RANCH HOMEOWNERS ASSOCIATION
Board of Directors Organizational and General Business Meeting Minutes
1070 Caughlin Crossing, Reno, NV
Wednesday, December 2, 2020

Board Members in attendance via teleconference and/or telephone:

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|-----------------------------|---------------------------------|
| Al Dennis, President | Michele Attaway, Vice President |
| Drew Naccarato, Secretary | Mike Chern, Director |
| Margaret Getz, Director | Michael Ginsburg, Director |
| Steve Bremer, newly elected | |

Others in attendance via teleconference and/or telephone:

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|---|--------------------------------------|
| Lorrie Olson, Community/General Manager | Randy Lisenby, L & M Superintendent |
| Sandy Wheeler, Bookkeeper/Assistant Manager | Shawn Oliphant, Association Attorney |
| Seth Padovan, Engineer | |
| 4 Homeowners | |

1. Call to Order and Determination of Quorum: President Dennis called the meeting to order at 6:33 p.m. A quorum was established with seven (7) of seven (7) Board Members present via teleconference and/or telephone.

2. Member Comments: There were none.

3. Introduce new and returning Board Members and appoint 2021 Officers

President Dennis introduced the board members, himself, Mike Chern, Michele Attaway, Margaret Getz, Drew Naccarato, Mike Ginsburg, and new member Steve Bremmer. President Dennis thanked Allen Black for serving on the Board and advised that as a homeowner Allen Black will be remaining on the F&B Committee.

Motion: Director Ginsburg moved to appoint Al Dennis as President, Michele Attaway as Vice President, Drew Naccarato as Secretary, and Steve Bremmer as Treasurer; Director Chern seconded. Motion carried unanimously.

4. Minutes:

4.1 Review & approve September 23, 2020 Board of Directors General Meeting Minutes:

Motion: Vice President Attaway moved to approve the September 23, 2020 Board of Directors Meeting Minutes as presented; Director Ginsburg seconded. Motion carried unanimously.

5. Finances:

5.1 Review (un-audited) Financial Reports dated August 31 and September 30, 2020:

GM Olson provided the following report:

- The CD Schedule is included; the CD's maturing in the 4th quarter of 2020 will not be reinvested at this time due to the paltry rates being offered. The F&B will revisit this decision when the rates begin increasing again.
- Treasurer has been provided a copy of all the bank/investment statements and associated reconciliations along with the supporting financial reports

- The Board Members have been provided copies of the GL Balance Sheet by Fund and the Statement of Revenues and Expenses as of August 31 and September 30, 2020
- The bank statements are being reconciled and the financial reports reviewed and adjusted as-needed monthly by the GL Accountant and Bookkeeper Wheeler to ensure CRHA is reporting on a true accrual accounting basis
- The Association's cash position through September 30th: Operating cash = \$1,662,404
Reserve cash and CD's: Mountainshyre = \$275,643; Caughlin Creek = \$592,958; CRHA = \$650,821; Grand Total = \$1,519,422
- CRHA continues to accrue for the Whispering Canyon/Ridge Hollow reserve contributions based on the preliminary (pre-construction) Reserve Study completed by Browning Reserve group
- Through September 30th on an accrual basis, Total (Operating) Income was \$1,728,181; under YTD Budget by \$(17,769). The Whispering Canyon/RH Reserve Transfer was not budgeted. At this time, all reserve transfers are being deposited on a quarterly basis due to our positive cash flow
- Total (Operating) Expense was \$1,687,571; under YTD Budget by \$215,666
- Expense recap: Operating = \$36,979 under budget; Payroll = \$145,942 under budget; R&M = \$8,704 under budget; Utilities = \$24,041 under budget
- Total (Operating) Excess Revenue / Expense = \$40,610; positive variance of \$197,898
- Total Reserve Income was \$693,652; over budget by \$493,637 due primarily to the Reserve Assessment
- Total Reserve Expenses were \$251,013; 2020 Reserve Expense Budget = \$292,766

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: Vice President Attaway moved to accept the un-audited Financial Reports dated August 31 and September 30, 2020 as presented; Director Ginsburg seconded. Motion carried unanimously.

6. Reports & Updates:

Item 6.7. has been moved forward to allow Attorney Oliphant to provide his report and return to his family vacation.

6.7. Pending Legal Matters & Executive Session Summary:

Attorney Oliphant provided the following summary:

- Reviewed and approved the minutes from the last Executive meeting

Legal items reviewed:

- Discussed issues regarding turnover of common areas in the new development
- Workers compensation claim made by a former employee
- Approval of a Construction improvement agreement settlement
- Discussed a nuisance abatement issue with a property that is owned by Washoe County
- Reviewed the Violation Report & fines

- Reviewed the Accounts Receivable Aging Report
- Correspondence from homeowners
- Personnel matters
- Possible Pending legal action notice includes an Architectural dispute and Workers compensation claim

6.1 Finance & Budget Committee (F&B);

GM Olson advised the F&B will hold their 2020 Pre-Audit Meeting with McClintock Accountancy via GoToMeeting at 2:00 p.m. on Tuesday, December 8th.

Item 6.3., 6.4., 6.5. and 6.6. were moved forward while waiting for Superintendent Lisenby to log onto the meeting.

6.3 Segmental Retaining Wall Repair Field Reports;

Engineer Padovan advised that the project started in early September and finished on time in early November. The over all project went smoothly. In the beginning, GM Olson received complaints regarding the traffic controls which subsided once the project was underway. As the wall was deconstructed, it was discovered that the geogrid placement was slightly higher than where the original plans indicated which allowed for the elimination of a layer of soil nails and as a result there was an approximate savings of \$40k. The project finished on time and under budget. Engineer Padovan commended Versa Grade stating they did a very good job; the project ran very smoothly.

Treasurer Bremer commented that that the entire project was done very well, he was impressed.

Vice President Attaway asked if Engineer Padovan participated in the crack sealing of the paths this year and how the project went.

Engineer Padovan responded it went pretty well and he is satisfied with the treatment. The project included areas affected by tree roots and SNC again was the low bidder and service was very good as in the past.

Director Getz thanked Engineer Padovan and Versa Grade for the work that was completed.

6.4 Architectural Control Committee (ACC):

Secretary Naccarato advised the committee meets twice a month except in November and December due to holidays. There were 93 projects reviewed since the last meeting; 88 approved with conditions, 2 needed more information, 2 declined and 1 was not voted.

6.5 Community Events:

Vice President Attaway stated that all events are on hold pending things getting back to normal.

6.6 Branding / Signage Ad Hoc Committee:

Vice President Attaway advised that Chairman Stokes has produced possible logo options. She is uncertain that the virtual meetings will be the best way to present these.

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She does have her own Zoom account that allows for document sharing and proposed to set-up a Zoom meeting to preview the proposed new logos.

Vice President Attaway discussed involving a few homeowners who are involved in Commercial Real Estate to assist and provide comments regarding the Shopping Center signage criteria via Zoom also.

6.2 Landscaping, Maintenance:

Superintendent Lisenby provided the following updates:

Miscellaneous Projects / Weekly Maintenance:

- Irrigation system has been shut down
- Leaf removal is ongoing
- Wildflowers have been cut down along with the cattails
- One last cleaning of defensible space completed
- SNC path repair and crack seal completed 11/5/20
- Holiday Lights going up throughout Caughlin Ranch
- Seasonal crew's last day was 11/20/2020
- We have 4 staff members
- Cleaning parks and emptying trash cans

GM Olson added that a seasonal staff member has been promoted to fulltime as of October along with the hiring of Tina Jaramillo to fill the Receptionist/Administrative Assistant position. Tina is bilingual in Spanish.

6.8. Community Information and 2020 Strategic Plan status

GM Olson provided the following report:

- GM Olson received an e-mail from Attorney Drinkwater's office advising the Covid Protocols had changed. The e-mail included the revisions which have been added to the CRHA COVID-19 Protocols.
- CRHA received a "Thank You" for the yearly donation to the Truckee Meadows Parks Foundation.
- The Alum Creek Community Manager advised their gates are being replaced. We have received several complaints which we route back to their Community Manager.

7. Old Business:

7.1 Ratify final insurance premiums approved on 09/23/20 for 11-month cycle eff.

11/01/20:

Motion: Vice President Attaway moved to approve the final insurance premiums in the amount of \$64,993 for 11-month cycle eff. 11/01/2020; Treasurer Bremer seconded. Motion carried unanimously.

7.2 Ratify termination of Management Agreement with Eaglesnest Homeowners Association eff. 12/31/20:

Motion: Treasurer Bremer moved to Ratify termination of the Management Agreement with the Eaglesnest Homeowners Association eff. 12/31/20; Vice President Attaway seconded. Motion carried unanimously.

7.3 Ratify termination of Landscape Services Agreement with Caughlin Creek Homeowners Association eff. 12/31/2020:

Motion: Director Chern moved to Ratify termination of the Landscape Services Agreement with the Caughlin Creek Homeowners Association eff. 12/31/2020; Treasurer Bremer seconded. Motion carried unanimously.

7.4 Approve Employee Insurance Policies eff. 12/01/2020 and 125 Premium Only Plan:

Motion: Secretary Naccarato moved to approve the Employee Insurance Policies eff. 12/01/2020 and 125 Premium Only Plan; Director Ginsburg seconded. Motion carried unanimously.

8. New Business:

8.1 Approve 2020/2021 Staff Compensation plan:

Motion: Treasurer Bremer moved to approve the 2020/2021 Staff Compensation plan as presented; Director Ginsburg seconded. Motion carried unanimously.

8.2 Approve Workers Compensation Insurance Policy eff. 01/01/2021:

GM Olson advised that the policy renewal was \$26,191; 2021 Budget = \$29,712

Motion: Treasurer Bremer moved to approve Workers Compensation Insurance Policy eff. 01/01/2021; Vice President Attaway seconded. Motion carried unanimously.

8.3 Approve Caughlin Crossing Commercial Center and Eaglesnest HOA Landscape Maintenance Agreements eff. 01/01/2021:

GM Olson advised Both Agreements were increased by 2.5% monthly and Eaglesnest has accepted their Landscape Maintenance Agreement.

President Dennis asked if CCCC had approved their agreement. GM Olson advised that she may not find out until March; they operate on a different calendar.

Motion: Secretary Naccarato moved approve to the Caughlin Crossing Commercial Center and Eaglesnest HOA Landscape Agreements eff. 01/01/2021; Treasurer Bremer seconded. Motion carried unanimously.

8.4 Approve Proposal to install four (4) new bollard posts at trailheads to restrict vehicular traffic:

GM Olson asked Superintendent Lisenby how he liked the new bollards. He responded that he would like to see all the bollards eventually replaced with these new ones.

Motion: Secretary Naccarato moved to approve the proposal to install four (4) new bollard posts at trailheads to restrict vehicular traffic as presented; Vice President Attaway seconded. Motion carried unanimously.

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8.5 Approve Quotes to replace Village Green Park Sonic Wall, Door King computer and one (1) workstation:

Motion: Vice President Attaway moved to approve the quotes to replace the Village Green Park Sonic Wall, Door King computer and one (1) workstation; Treasurer Bremer seconded. Motion carried unanimously.

9. Member Comments:

Vice President Attaway commended everyone on adapting to the new normal of having the meetings virtually and how far we have all come since this all started. Kudos to everyone and wished everyone a Happy Holiday.

GM Olson read the following letter that was received from a Homeowner who lives in the West Point Neighborhood.

“After 2 destructive fires have burned through a Caughlin neighborhood in 9 years, is it time to review and revamp the landscaping requirements? Landscaping has matured since homes were first built and there is some that is very overgrown and too close to houses. Many yards are attractive with rock, grass, shrubs, and flowers. Also, your requirements contradict the HOA planting guide. For instance, to plant a tree 30 feet from my house, I am on the sidewalk. Many of the trees on Westpoint yards are less than 30 feet from the house.

I fear that if an ember lands in the Westpoint neighborhood, we’ll all lose our homes. When a tree catches fire, it becomes a torch spreading to anything close, another tree or the house, or the layers of pine needles underneath the trees. If it is another windy situation all these trees are vulnerable which in turn makes all our houses vulnerable.

Please consider allowing and encouraging thinning of overgrown vegetation and not always replacing it. The small lots are limited to how much defensible space a homeowner can establish.”

10. Announce Future Meeting Dates & Adjourn:

At this time, we anticipate the January 25th Board Agenda Workshop at 4:00 p.m. and January 27th Board General Business Meeting at 6:00 p.m. will be conducted virtually. We apologize in advance for any inconvenience.

Motion: Secretary Naccarato moved to adjourn the meeting at 7:18 p.m.; Vice President Attaway seconded. Motion carried unanimously.

Subsequently approved at a duly noticed Board of Directors Meeting on January 27, 2021.



Drew Naccarato, Secretary Board of Directors
Caughlin Ranch Homeowners Association