

CAUGHLIN RANCH HOMEOWNERS ASSOCIATION
Board of Directors Organizational and General Business Meeting Minutes
1070 Caughlin Crossing, Reno, NV
Wednesday, January 15, 2020

Board Members Present:

Al Dennis, President
Michele Attaway, Vice President
Drew Naccarato, Secretary
Allen Black, Treasurer
Mike Chern, Director
Margaret Getz, Director
Michael Ginsburg, Director

Others Present:

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

1. Call to Order and Determination of Quorum: President Dennis called the meeting to order at 6:02 p.m. A quorum was established with seven (7) of seven (7) Board Members present.

2. Member Comments: There were none.

3. Minutes:

3.1 Review & approve November 20, 2019 Board of Directors Organizational/General Meeting Minutes.

Motion: Vice President Attaway moved to approve the November 20, 2019 Meeting Minutes as presented; Treasurer Black seconded. Motion carried unanimously.

4. Finances:

4.1 Review & accept (un-audited) Financial Reports dated October 31 and November 30, 2019: Treasurer Black advised that we will not be reinvesting the operating funds due to the pending cost associated with the retaining wall repairs that will occur later this year.

Treasurer Black provided the following report:

- Treasurer Black has been provided a copy of all the bank/investment statements and associated reconciliations along with the supporting financial reports
- The bank statements are being reconciled and the financial reports reviewed and adjusted as-needed monthly by the GL Accountant and CRHA Bookkeeper 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 Statement of Revenues and Expenses as of November 30, 2019
- The Association's cash position through November 30th: Operating cash = \$1,181,552
Reserve cash and CD's: Mountainshyre = \$261,778; Caughlin Creek = \$635,416; CRHA = \$672,837; Grand Total = \$1,570,031
- Through November 30th on an accrual basis, Total (Operating) Income was \$2,165,519; over YTD Budget by \$50,961. At this time, all reserve transfers are being deposited on a quarterly basis due to our positive cash flow

- GL # 3417, Interest income (\$18,506 thru 11/30) is higher than anticipated due to funds being held and invested in the Wealth Management Operating Account (2019 Budget = \$3,068)
- Total (Operating) Expense was \$2,163,172; under YTD Budget by \$7,225
- Expense recap: Operating = \$4,656 under budget. Payroll = \$49,486 under budget; R&M = (\$25,873) over budget; Utilities = \$(21,044) over budget
- Total (Operating) Excess Revenue / Expense = \$2,347; positive variance of \$58,186
- Total Reserve Income was \$261,618; of which Interest = \$21,087 (2019 Budget = \$19,314)
- Total Reserve Expenses were \$92,072; 2019 Reserve Expense Budget = \$126,061
- 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 October 31 and November 30, 2019 as presented; Director Getz seconded. Motion carried unanimously.

5. Reports & Updates:

5.1 Finance & Budget Committee (F&B); Treasurer Black:

Treasurer Black advised that the F&B and staff met with the Auditor via Skype to discuss and finalize the timeline for the audit. The F&B discussed the 10-Year Cash Flow Report and the potential impact from the impending wall repairs.

5.2 Landscaping, Maintenance (Village Green Park) and Walls:

Superintendent Lisenby advised that the monitoring system was installed by CFA and prior to the installation he conducted daily visual inspections of the wall. He also provided the following:

Flood Clean-up:

- Caughlin Glen – large cleanup is in progress
- West Point path drainage issue

Winter Projects:

- Clean and organize shop and equipment yard
- Mowers, weed eaters, and blowers go in for maintenance this month
- Trucks expected to be serviced in February
- Continue to vacuum up leaves, leaves and more leaves

Education classes for Superintendent Lisenby:

- Green Industry Continuing Education Class re: Soil Health and Effects of Conservation Practices on Soil Properties – attend on 12/11/19
- Practical Aspects of Tree Selection for high desert climates

Vice President Attaway asked if it is ok to leave pine needles or should they be cleaned up. Superintendent Lisenby advised that they should be cleaned up as they will damage your lawn and you want to remove for fire protection.

Director Ginsburg asked when the holiday lights will be removed. The Rules & Regulations state that light must be removed no later than the last full weekend of January.

5.3 Architectural Control Committee (ACC):

Secretary Naccarato advised that the committee meets once a month in November and December; a total of 36 requests were received during that time.

5.4 Community Events:

Vice President Attaway shared that we received a thank you letter from Alice Smith Elementary School for the Angel Tree Gifts; it will be in the next Rancher edition and posted on the CRHA website. There have been no changes since the last meeting for the 2020 events schedule. She advised that GM Olson wants to add an Ice Cream Social to be held for the CRES children at the Village Green Park on the last day of school. Vice President Attaway advised we are looking for a new member for the Rancher Committee, Director Ginsburg volunteered.

The following Events are scheduled for 2020:

- Spring Share Your Wine at location TBD: April 2nd
- Garage Sales; individual lots: June 5th, 6th & 7th
- Spring Bird Walk/Watch; meet at Caughlin Ranch office: June 13th
- Shredding Day; truck will be at Caughlin Ranch Office parking lot: June 13th
- Concerts in the Village Green Park: Sunday June 28th and all four (4) Sundays in the month of July
- Operation Backpack: May 1st thru July 27th
- Cross Peak Hike (meet at the Caughlin Club): Sept. 12th
- 10th Annual Homeowner Appreciation BBQ at the Village Green Park: Sept. 13th
- Fall Bird Walk/Watch; meet at Caughlin Ranch office parking lot: Sept. 19th
- Garage Sales; individual lots: October 2nd, 3rd & 4th
- Oktoberfest (formerly Holiday Wine) at location TBD: October 15th
- Trick or Treating & Pup Costume Parade at Caughlin Ranch Office: October 29th
- Angel Tree for Children and Seniors Citizens: November 2nd thru November 30th
- 36th Annual Members Meeting & 2021 Budget Ratification Meeting: November 18th

5.5 Branding / Signage Ad Hoc Committee:

Vice President Attaway advised that Chairperson Gregg Stokes is working on signage to create continuity throughout the Ranch so that when you are in the Ranch you will know it. This includes basic sign designs, possibly changing the logo, font. May even include getting rid of the part of the logo that has been referred to as "Bullwinkle".

5.6 Pending Legal Matters & Executive Session Summary;

Attorney Oliphant provided the following summary:

- Discussed possible legal matters
- Reviewed and approved the prior Executive Meeting Minutes
- Reviewed the Accounts Receivable Report
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- Reviewed the Violation Report
- Discussed personnel matters

5.7 Community Information:

GM Olson advised on 12/13/19, the Board met for training, to review the Strategic Plan and to establish 2020 Objectives for staff. Management will report their progress at each Board Meeting. The five (5) 2020 Primary Objectives are posted on the Conference Room wall.

She also provided the following report:

- CRHA will serve as a WC Polling place for the Primary on June 9th and for the General Election on November 3rd.
- The camera set-ups for both Caughlin Creek Gate systems and Mountainshyre are installed and fully operational. Invoices for each owner's portion of the expenses will be mailed shortly. It was originally anticipated there would be monthly re-occurring costs due to the new phone and internet services. However, the Charter/Spectrum monthly charges are less than what was being charged by AT&T for phone service only.
- NDOT has been asked to re-install the failing and missing median stakes located on the center median outside the entry/exit of Greensburg Circle. Due to safety reasons, NDOT advised they can only install flexible stakes; not rigid as GM Olson suggested.
- Updated Board Member list and Committee assignments have been made and will be included in the next Rancher.
- Records Retention Process and Schedules for all historical documents has been initiated. A scanner has been rented and the daunting project of reviewing, sorting, scanning, destroying, storing, documenting, etc., etc. 35 years of CRHA records has begun. A majority of the scanning will be done by our part-time Compliance Inspector Bel. The previously established Records Retention Process and Schedules is being followed.
- GM Olson is in the process of updating/preparing to update the R&R's, ACC Charter and ACS&G's.

There was a very lengthy discussion between the Board of Directors and GM Olson regarding the scanning and storage of the various documents that have been retained for the last 35 years, including how to search and locate documents that will be stored electronically.

6. Old Business:

6.1 Approve Revised Ground Cover Material List:

GM Olson advised that all suggested ground covers are being recommended for use in both the front and backyards. The previously suggested ground covers recommended for backyards only have been eliminated.

Motion: Secretary Naccarato moved to approve the Revised Ground Cover Material List as presented; Director Ginsburg seconded. Motion carried unanimously.

7. New Business:

7.1 Ratify Shields Engineering, inc Limited Professional Services Agreement:

GM Olson advised that since the condition of the Keystone stacked stone wall is a Health and Safety matter, the Agreement was reviewed and edited by Attorney Oliphant, signed by President Dennis and accepted by Shields Engineering's President on 12/17/19.

Motion: Secretary Naccarato moved to ratify the Shields Engineering, inc Limited Professional Services Agreement as presented; Treasurer Black seconded. Motion carried unanimously.

7.2 Ratify CFA, Inc. Proposal for Keystone Wall Monitoring:

GM Olson advised the Agreement was reviewed and edited by Attorney Oliphant and signed by President Dennis on 12/23/19. The monitors were installed the week of January 6th.

Motion: Secretary Naccarato moved to ratify the CFA, Inc. Proposal for Keystone Wall Monitoring as presented; Treasurer Black seconded. Motion carried unanimously.

7.3 Approve Padovan Consulting, LLC Preconstruction Project Management Proposal:

GM Olson advised that Engineer Padovan is also serving as a Consultant for the Keystone stacked stone wall in need of repairs. Attorney Oliphant reviewed the proposal and made recommendations that were distributed to the Board of Directors.

Motion: Secretary Naccarato moved to approve Padovan Consulting, LLC Preconstruction Project Management Proposal with the recommendations made by Attorney Oliphant; Director Gatz seconded. Motion carried unanimously.

7.4 Approve Community Association Institute's NV Legislative Action Committee Pledge:

GM Olson advised that the CRHA budgets \$1.00 per single-family door. 2020 Budget = \$2,261

Motion: Treasurer Black moved to approve the Community Association Institute's NV Legislative Action Committee Pledge as presented; Directory Chern seconded. Motion carried unanimously.

7.5 Approve installation of window motion detectors at 1070 Caughlin Crossing:

GM Olson advised that the "not so secure" drop box located near the front entry was removed after it was broken into a second time. Additional cameras were added to the front and sides of the building in an effort to capture what is happening out there. Hypodermic needles were recently found in the parking lot and a pick-up truck next door had all its tires removed. We have cameras and both office buildings have alarms. It was suggested we install window sensors also. A quote was obtained for additional components in the amount of \$719.00. GM Olson asked for a not to exceed of \$2,000.00 to further protect the building.

Motion: Secretary Naccarato moved to approve the installation of security components with a not to exceed \$2,000.00 to be installed at 1070 Caughlin Crossing; Treasurer Black second. Discussion ensued.

Director Chern made the recommendation to authorize GM Olson up to spend up to \$5,000.00. Vice President Attaway agreed as did other Board of Director members. Vice President Attaway asked that carbon monoxide detectors and smoke alarms be installed also.

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Revised Motion: Secretary Naccarato moved to approve the installation of security devises/components with a not to exceed amount of \$5,000.00 to be installed at 1070 Caughlin Crossing; Treasurer Black seconded. Motion carried unanimously.

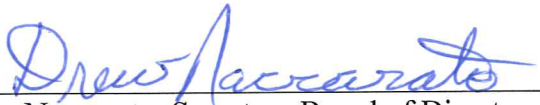
8. Member Comments: There were none.

9. Announce Future Meeting Dates & Adjourn:

- *CAI Board Leadership Development Class at 8:00 p.m. to 4:00 p.m., Saturday, February 22, 2020*
- *Board Agenda Workshop at 4:00 p.m., Monday, March 16, 2020*
- *Board of Directors Executive Session at 5:00 p.m. and General Business Meeting at 6:00 p.m. Wednesday, March 18, 2020*

Motion: Treasurer Black moved to adjourn the meeting at 7:02 p.m.; Director Ginsburg seconded. Motion carried unanimously.

Subsequently approved at a duly noticed Board of Directors Meeting on March 18, 2020.



Drew Naccarato, Secretary Board of Directors
Caughlin Ranch Homeowners Association