

CAUGHLIN RANCH HOMEOWNERS ASSOCIATION
Board of Directors General Business Meeting Minutes
1070 Caughlin Crossing, Reno, NV
Wednesday, January 27, 2021

Board Members in attendance via teleconference and/or telephone:

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

Others in attendance via teleconference and/or telephone:

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

1. Call to Order and Determination of Quorum: President Dennis called the meeting to order at 6:00 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. Minutes:

3.1 Review & approve December 2, 2020 Board of Directors Organizational and General Meeting Minutes:

Motion: Treasurer Bremer moved to approve the December 2, 2020 Board of Directors Organizational and General Meeting Minutes as presented; Director Ginsburg seconded. Motion carried unanimously.

4. Finances:

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

The following report was provided to the Board of Directors which includes bank balances for the operating and reserve accounts:

- Maturing CDs are not being reinvested at this time due to the paltry rates being offered; the F&B will revisit this decision once the rates begin increasing again.
- Treasurer Bremer 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 October 31 and November 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 November 30th: Operating cash = \$1,244,292, Reserve cash and CD's: Mountainshyre = \$278,467; Caughlin Creek = \$588,065; CRHA = \$772,961; Grand Total = \$1,639,493

- 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 November 30th on an accrual basis, Total (Operating) Income was \$2,110,630; under YTD Budget by \$(2,350). 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 \$2,150,264; under YTD Budget by \$272,357
- Expense recap: Operating = \$24,840 under budget; Payroll = \$202,885 under budget; R&M = \$1,407 under budget; Utilities = \$43,226 under budget
- Total (Operating) Excess Revenue / Expense = \$(39,634); positive variance of \$270,007
- Total Reserve Income was \$762,199; over budget by \$497,204 due primarily to the Reserve Assessment (\$458,600)
- Total Reserve Expenses were \$692,092; 2020 Reserve Expense Budget = \$292,766; over budget due primarily to the Reserve Assessment

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.

Unfortunately, upon review of the recording of this meeting, no motion was made to accept the Financial Reports. This item will be placed on the March Agenda to be finalized.

5. Reports & Updates:

5.1 Finance & Budget Committee (F&B)

Treasurer Bremer advised the F&B met recently with the Auditors from McClintock Accountancy; the 2020 Draft Audit will be available by March 10, 2021. The F&B will meet on March 15th to review the Draft Audit. At the March 24th Board of Director's Meeting, an Auditor from McClintock Accountancy will review the 2020 Audit prior to Board acceptance.

F&B Co-chair Mr. Mike Heffner provided an updated Cash Flow report. Mr. Heffner estimates assessment increases will be needed beginning in 2022. The SRW repair costs recap was provided to the Board and F&B. The Reserve Fund had a net gain of \$162,370 due to the SRW repair costs being considerably lower than originally estimated.

5.2 Landscaping, Maintenance:

Superintendent Lisenby provided the following updates:

Miscellaneous Projects / Weekly Maintenance:

- Truck fleet annual vehicle maintenance inspection ongoing
- Annual Maintenance equipment annual inspection ongoing
- Leaf removal is ongoing
- Hand watering newly planted trees biweekly as needed
- Holidays lights all removed
- Parks inspected and cleaned daily

Superintendent Lisenby advised that he has been working with NDOT on the fire mitigation along McCarran Blvd. NDOT has concerns about possible erosion from the sloped areas that were burnt due to the Pinehaven fire. Straw waddles have been installed as well as silt fencing. He met with Engineer Seth Padovan to review the area and discuss ideas for mitigation. Some areas have been re-seeded.

Vice President Attaway asked about wildlife in the area. Superintendent Lisenby advised that he saw a group of deer at about 3:30 a.m. this morning walking down Caughlin Pkwy.

5.3 Architectural Control Committee (ACC):

Secretary Naccarato advised the committee meets twice a month except in November and December due to holidays. There were 56 projects reviewed since the last meeting; all were approved with conditions that were met.

5.4 Community Events:

Vice President Attaway stated that we are cautiously optimistic that we will be able to have some events in 2021. The Spring Wine event is cancelled and hopefully the first event this year will be the Ice Cream Social on the last day of school for the kids. Garage Sales in June are expected to be held at individual homes with no participation from CRHA as was the case in 2020.

Vice President Attaway pondered that maybe CRHA can have a drive through shredding event. Where people drive up in their cars and the shredding is removed from the trunk of the car with as little contact as is possible between the homeowners and shredding company.

She also advised that the band Beatles Review contacted her and offered to perform the last Sunday in July for the Art Town Concert in the Park.

5.5 Branding / Signage Ad Hoc Committee:

Vice President Attaway advised that everything is on hold until such time as the committee can meet in person to review the logo options, as it will be necessary to view the options in person for the committee to get the full effect.

5.6 Pending Legal Matters & Executive Session Summary:

Attorney Oliphant provided the following summary:

Pending legal action notices as follows:

- Workers' compensation claim made by a former employee. Claimant wants the workers compensation claim to be reopened.
- Complaint received on January 26, 2021, involves CRHA, ENA and Washoe County. Eaglesnest homeowners are seeking declarative relief for a Washoe County parcel located within CRHA for the sole and exclusive use of the three (3) homeowners who are adjacent to that parcel.

The following items were reviewed during the Executive Session Meeting:

- Discussed the possibility of litigation related to the items noted above
- Reviewed and approved the Executive Summary from the last Executive Session Meeting

- Reviewed the Violation Report & fines
- Reviewed the Accounts Receivable Aging Report
- Discussed personnel matters

5.7 Community Information; GM Olson provided the following report:

- Provided Board with all documents and info. received to-date regarding proposed NRCS Steamboat Ditch Project
- Provided Board with notice that Steamboat Canal & Irrigation Co. increased their assessments by 10% in 2021; no advance notice provided. Total charged and paid in 2021: \$13,735. 2021 Budget = \$13,000
- Provided Board with article on Pinehaven fire
- Provided Board with year-end "Thank You" from Vilorio, Oliphant, Oster & Aman LLP
- Provided Board with year-end recap from Food Bank of Northern Nevada
- Provided Board with article to be published in next Rancher magazine regarding NAS collection company who is assisting the owners, with their 2021 assessments, whose homes were a total loss in the Pinehaven fire
- Included info. on GM Olson's attempt to get legislation passed in 2021 which will allow NV HOA's to conduct on-line (electronic) voting for Board Members

President Dennis advised that the engineering firm spearheading the Steamboat Ditch Project provided an outline of the project. This included the possible funds that are available, the comments that they are soliciting from the community, and that at this time the project is in the fact gathering stage. There will be a wildlife study conducted should the project proceed. The comment period has now been extended into February due to the responses that have been provided. There is not definitive plan at this time.

6. Old Business:

6.1 Ratify repairs to Mountainshyre gates:

GM Olson advised that the gears had been damaged and needed to be replaced. Damage occurred about the same time as the high winds and fire.

Motion: Secretary Naccarato moved to ratify the repairs to the Mountainshyre gates as presented; Treasurer Bremer seconded. Motion carried unanimously.

7. New Business:

7.1 Accept Whispering Canyon 2020 Full On-site Reserve Study:

GM Olson suggests we accept the final report from Browning in order to avoid further delays. Based on this reserve study TLH is required to fund the reserve account with an estimated \$23,700 so that it is approx. 100% funded.

Motion: Treasurer Bremer moved to accept the Whispering Canyon 2020 Full On-site Reserve Study as presented; Vice President Attaway seconded. Motion carried unanimously.

7.2 Accept turn-over of Whispering Canyon, streets, sidewalks, curbs and gutters, and gate system:

GM Olson advised that at this time, none of the punch list items have been completed. It may be necessary to get the CRHA Attorney involved. Attorney Oliphant requested that everything be provided to him should that be the case, GM Olson agreed.

Motion: Secretary Naccarato moved to table this item to a future meeting;

Director Ginsburg seconded. Motion carried unanimously.

7.3 Approve 2021 Reserve Study Financial Updates; CRHA, Caughlin Creek (& Deer Creek) and Mountainshyre:

Motion: Treasurer Bremer moved to Approve 2021 Reserve Study Financial Updates; CRHA, Caughlin Creek (& Deer Creek) and Mountainshyre as presented; Director Getz seconded. Motion carried unanimously.

7.4 Approve cost to replace reception area desk and cabinets:

GM Olson advised that we obtained two (2) bids and that the new station will include plexiglass, new cabinets, counter tops and a second workstation at a cost of just over \$13,000 from Reno Business Interiors.

Vice President Attaway asked if the protective panels will remain post Covid-19. GM Olson responded yes.

Motion: Treasurer Bremer moved to approve cost to replace reception area desk and cabinets as presented; Secretary Naccarato seconded. Motion carried unanimously.

7.5 Approve request from VPHOA to relocate portion of asphalt trail to avoid removing mature trees:

GM Olson advised that the cost will be paid by VPHOA and the contractor is SNC who does all of CRHA's trail work.

Vice President Attaway inquired if Superintendent Lisenby had reviewed the plan. GM Olson advised no.

Secretary Naccarato asked if this is part of the trail system as opposed to a trail that leads to a pool.

Bookkeeper Wheeler advised that this trail does lead to VPHOA's pool.

President Dennis clarified that they are not removing the trail they are just moving it over.

Attorney Oliphant addressed Secretary Naccarato's concern stating that this trail portion is not within the Washoe County trail system. It is located within the VPHOA common area and should not be an issue or concern with Washoe County.

Motion: Secretary Naccarato moved to approve request from VPHOA to relocate portion of asphalt trail to avoid removing mature trees as presented; Treasurer Bremer seconded. Motion carried unanimously.

7.6 Consider request from owners to plant additional trees in common area, at their cost, for safety & privacy:

GM Olson advised that a Pine Bluff homeowner requested to plant 5 trees in the common area behind their home at their cost. The trees will be added to the existing CRHA irrigation lines and will become the responsibility of CRHA to maintain going forward.

Attorney Oliphant advised that this needs to be considered globally and not just for a single homeowner if a tree is to be planted on CRHA owner property, either an agreement needs to be entered into or a policy that will address who is responsible for maintenance, planting costs, irrigation as well as removal is necessary.

President Dennis concurred that a policy may need to be developed as there are 2,000+ homeowners.

Attorney Oliphant suggested that a subcommittee be appointed to look into this and either develop an agreement or policy to be considered when these types of requests are made.

President Dennis asked for volunteers for the committee. Directors Getz, himself, and Director Chern volunteered as well as GM Olson to help facilitate with Superintendent Lisenby to be consulted.

Motion: Secretary Naccarato moved to table this item to a future meeting until there is either an agreement or policy is developed by the committee; Director Getz seconded. Motion carried unanimously.

7.7 Approve Earthquake and Flood Insurance Policy Renewal effective May 1, 2021:

GM Olson advised that the earthquake coverage is for the office building.

Motion: Vice President Attaway moved to approve Earthquake and Flood Insurance Policy Renewal effective May 1, 2021 with a not to exceed \$2,211.00; Treasurer Bremer seconded. Motion carried unanimously.

7.8 Approve replacement of photo eyes and reflectors at Mountainshyre gates:

GM Olson advised that the photo eyes and reflectors become frosted and ice over in the freezing temperatures which prevents the gates from operating properly. Cost to replace = \$1,583.25

Vice President Attaway asked what makes them not ice over. Bookkeeper Wheeler advised that they are equipped with a heating element.

Motion: Secretary Naccarato moved to approve replacement of photo eyes and reflectors at Mountainshyre gates as presented; Vice President Attaway seconded. Motion carried unanimously.

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8. Member Comments:

A homeowner expressed her gratitude for the trees that have been trimmed along the trail where she walks. She is very happy with the work that was completed.

The homeowners thanked the Board of Directors for their time and attention to their request associated with item 7.6 on tonight's agenda.

9. Announce Future Meeting Dates & Adjourn:

Board Agenda Workshop at 4:00 p.m., Monday, March 22, 2021; Board of Directors Executive Session at 5:00 p.m. and General Business Meeting at 6:00 p.m. on Wednesday, March 24th, 2021; these meetings will be conducted virtually. We apologize in advance for any inconvenience.

Motion: Secretary Naccarato moved to adjourn the meeting at 6:55 p.m.; Vice President Attaway seconded. Motion carried unanimously.

Subsequently approved at a duly noticed Board of Directors Meeting on March 24, 2021.



Drew Naccarato, Secretary Board of Directors
Caughlin Ranch Homeowners Association