

CAUGHLIN RANCH HOMEOWNERS' ASSOCIATION
Board of Directors General Business Meeting Minutes
Virtual via GoToMeeting
Wednesday, May 26, 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	

Board Member Absent

Others in attendance via teleconference and/or telephone:

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

1. Call to Order and Determination of Quorum: President Dennis called the meeting to order at 6:10 p.m. A quorum was established with all seven (7) Board Members present via teleconference and/or telephone.

2. Member Comments: There were none.

3. Review & approve March 24, 2021, Board of Directors General Business Meeting Minutes:

Motion: Secretary Naccarato moved to approve the March 24, 2021; Board of Directors General Meeting Minutes as presented; Treasurer Bremer seconded. Motion carried unanimously.

Item 7.3 has been moved forward

7.3 Discuss Manager's Employment and Contract:

Motion: Director Chern moved to immediately terminate the at will employment of Lorrie Olson without cause pursuant to section 5.2 of the Management Agreement dated 1/1/2019, pay 30 days base compensation in lieu of notice and authorize the Manager Review Committee to negotiate the payment upon receipt of The General Release of Claims signed by Lorrie Olson. If passes we will need to authorize the President to secure an interim manager and form a search committee for a new manager; Director Ginsburg seconded. Discussion ensued.

Director Chern asked if the President could provide some background details.

Attorney Oliphant responded that the Board reviewed the manager's review in the Executive Session and that personnel issues are not appropriate to discuss in open session. He advised that the Board may discuss their views regarding being in favor of termination or not. The contract is valid through 12/31/2021 and the options for termination include you can terminate and give her

30 days' notice and she can continue to work, terminate immediately and pay the 30 days in lieu of notice. The Management Agreement includes a General Release of all claims, if she signs this, she will be entitled to 30 days additional pay less withholdings.

Secretary Naccarato asked for clarification regarding the motion. Director Chern clarified, then asked if authorizing the President to appoint an interim manager need to be a separate motion.

Attorney Oliphant advised if the termination was approved there needs to be a separate motion to authorize the President to appoint an interim manager.

Revised Motion: Director Chern motion moved to immediately terminate the at will employment of Lorrie Olson without cause pursuant to section 5.2 of the Management Agreement dated 1/1/2019, pay 30 days base compensation in lieu of notice and authorize the Manager Review Committee to negotiate the payment upon receipt of The General Release of Claims signed by Lorrie Olson; Director Ginsburg seconded. Discussion ensued. Motion carried unanimously.

Director Ginsburg inquired as to why this was "not cause".

President Dennis advised that the contract allows for termination to be at will for any reason.

Attorney Oliphant advised that there are two different provisions in the contract; first being termination with cause that has specific sets of circumstances that you would need to prove were met in order to up-hold it or without cause which is for any reason and that is the reason for the 30 days pay.

President Dennis stated that now a motion needs to be made regarding appointing an interim manager.

Attorney Oliphant advised that in the past CRHA has used a management company as well as appointed from within the association. He recommends that the Board authorize the President to make this appointment, so a manger is in place as soon as possible.

Motion: Director Chern motioned to authorize President Dennis to secure an Interim Manager and form a search committee for new General Manger; Treasurer Bremer seconded. Motion carried unanimously.

4. Finances:

4.1 Accept February 28 and March 31, 2021 (unaudited) Financial Reports:

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

- **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 February 28 and March 31, 2021.**

- **The bank statements are being reconciled and the financial reports reviewed and adjusted as-needed monthly by the GL Accountant and Office Manager/Bookkeeper Wheeler to ensure CRHA is reporting on a true accrual accounting basis.**
- **The Association's cash position through March 31st: Operating cash = \$1,535,338 Reserve cash and CD's: Mountainshyre = \$280,080; Caughlin Creek = \$597,408; CRHA = \$833,728; Grand Total = \$1,711,216**
- **CRHA continues to accrue for the Whispering Canyon reserve contributions based on the 2020 Reserve Study completed by Browning Reserve group and subsequently accepted by the CRHA Board of Directors. Office Manager/Bookkeeper Wheeler is acquiring Board Member signatures in order to open a new account with Charles Schwab for the Whispering Canyon Reserve Account.**
- **Through March 31st on an accrual basis, Total (Operating) Income was \$570,570; over YTD Budget by \$2,605. At this time, all reserve transfers are being deposited on a quarterly basis due to the positive cash flow.**
- **Total (Operating) Expense was \$405,276; over YTD Budget by \$(6,292).**
- **Expense recap: Operating = \$2,105 under budget; Payroll = \$(9,087) over budget; R&M = \$(3,823) over budget; Utilities = \$4,513 under budget.**
- **Total (Operating) Excess Revenue / Expense = \$165,294; under budget by \$(3,687).**
- **Total Reserve Income was \$72,901; under budget by \$(94,150).**
- **Total Reserve Expenses were \$50,854; 2021 Reserve Expense Budget = \$284,345.**

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: Treasurer Bremer moved to accept the un-audited Financial Reports dated February 28 and March 31, 2021, as presented; Secretary Naccarato seconded. Motion carried unanimously.

5. Reports & Updates:

5.1 Finance & Budget Committee (F&B):

Treasurer Bremer Steve advised the committee has been honing the expenses associated to the 2022 budget.

5.2 Landscaping, Maintenance:

Superintendent Lisenby provided the following updates:

Miscellaneous Projects / Weekly Maintenance:

- Seasonal crew started 4/5/21.
- Spring clean-up took a little over 3 weeks to complete.
- We have started mowing and weeding weekly.
- Irrigation is up and running and the pumps are hooked up and running.
- Steamboat is running and it took a week and a half to fill the ponds.
- Removed several dead trees, will replace most this spring.
- Spring flowers have been planted.

- Wildflowers are growing.
- Fertilized the common areas.
- New sod around the pond we dredged this winter along with other small areas.
- Parks inspected and cleaned daily.
- One large project: We had to dig and install 550' of electrical conduit for an irrigation controller that lost power. Still waiting on Action Electric to pull the new wire.
- Fire Mitigation: Additional Fire Mitigation work being done on the Fire access road behind Mountainshyre and behind the water tank in Eastridge along with common area behind Bid Bend. This work consists of removing dead burnt plant material, repairing irrigation, reseeding with our native seed mix and new plant material being replaced in the spring.

Vice President Attaway asked about wildlife in the area. Superintendent Lisenby advised that the orange fish that was in one of the ponds died, ducks are continuing to be hit by cars. He has seen coyotes and deer within the Ranch.

President Dennis asked who had built the rock dam in front of the ditch. Superintendent Lisenby advised that it was made by our crew in order to raise the ditch water so as to reach the gate and fill the ponds. This was done with permission from Steamboat Ditch.

Vice President Attaway asked if the ponds have been stocked with fish. Superintendent Lisenby advised not yet, and he will be contacted Washoe County Vector division still does this, if not he will be checking into getting some fish.

Director Getz expressed her appreciation for all of the crew's hard work.

5.3 Architectural Control Committee (ACC):

Secretary Naccarato advised the committee is meeting twice a month. There were 85 projects reviewed since the last meeting; 78 were approved, 6 were declined 1 required additional information.

5.4 Community Events:

Vice President Attaway advised that CRHA Community Events will resume and provided the 2021 Community Events as follows:

- Garage Sales June 4th, 5th, and 6th
- Shredding – Cancelled unable to get a vendor.
- Spring Bird Walk/Watch – meet at Caughlin Ranch office 8:00 am June 12th
- Operation Backpack – Being held virtually please visit our website for details
- Concerts in the Village Green Park: All four (4) Sundays in the month of July 6-8pm
- Cross Peak Hike – meet at the Caughlin Club at 8:30 am Sept. 18th
- 10th Annual CRHA BBQ Village Green Park Sun. Sept. 19th 1:00 pm to 4:00 pm
- Fall Bird Walk / Watch meet at Caughlin Ranch office 8:00 am Sat. Sept. 25th
- Garage Sales Oct. 1st, 2nd & 3rd 7:00 am to 3:00 pm
- Oktoberfest TBD

- Trick or Treat & Pup Costume Parade at the CRHA office 3:00 pm to 4:30 pm Thur. Oct. 28th
- Angel Tree November 1st through November 30th
- Annual Homeowner Spaghetti Feed CRHA office Wed. Nov. 17th Beginning at 5:30 pm
- 2021 Budget Ratification & 37th Annual Members Meeting at the CRHA office Wed. Nov. 17th Beginning at 6:30 pm

5.5 2021 Strategic Plan:

Secretary Naccarato advised that two meetings were held on 4/7/21 and 4/21/21 to go over primary objectives included review the financial budgetary needs for 2022 fiscal year and review budgetary impacts on assessments. Attendees include various Board members and F&B committee members.

5.6 Pending Legal Matters & Executive Session Summary:

Attorney Oliphant advised that the Executive meeting was recessed and will resume immediately following the General Board of Director's meeting.

The following items were reviewed during the Executive Session Meeting:

- Approved the 3/24/2021 Executive meeting summary.
- Pending legal action notices as follows:
 - Workers' compensation claim made by a former employee. Claimant wants the workers compensation claim to be reopened.
 - Discussed the status of the Eastridge common area deeds.
 - Complaint received on January 26, 2021, involves CRHA, ENA and Washoe County. This is a dispute over access of a road owned by Washoe County.
- Discussed the possibility of litigation related to common areas that had been improved upon.
- Reviewed the Violation Report & fines.
- Reviewed the Accounts Receivable Aging Report.
- Homeowner Claims.
- Discussed personnel matters.

5.7 Community Information

President Dennis provided the following:

- Reno City Councilwoman Jenny Brekhus provided a response regarding complaints received from owners concerned with activities on Caughlin Parkway. Owners are requesting speed bumps, additional signage and additional electronic speed indicating signs. We have not received any further updates in the request to reroute big trucks off Caughlin Pkwy. She did recommend flashing duck signs to bring attention to drivers that ducks are in the area.
- CRHA's IT company has assured us that we have the appropriate backup in the event of being hacked. The worst that could happen is we could lose a couple of hours of work.
- Advised that TMWA has suspended the free arborist evaluation program.

- ESI Patrol liaison has been active in the Ranch. And we are getting a lot of good feedback.
- The CRHA Trail Map has been updated by Engineer Seth Padovan and will be posted to the website.

5.8 Status of Whispering Canyon's (WC) common area turn-over to CRHA:

President Dennis advised that there has a new employee appointed to getting the necessary work completed but here has been no progress. Assistant Manager Wheeler advised that she requested a meeting between Tim Lewis' staff and the landscape company who is handling the common areas along with Superintendent Lisenby to inspection the common areas including the streets, curbs, and gates.

Attorney Oliphant advised Assistant Manager Wheeler to continue to work to get resolution at this time but, if necessary, he can assist.

6. Old Business:

6.1 Ratify 2021/2022 Earthquake Insurance premium

The Board approved not to exceed \$2,211 at their January 27, 2021, Meeting. Actual premium = \$2,366.85. Exceeds approved amount by \$155.85.

Motion: Vice President Attaway moved Ratify 2021/2022 Earthquake Insurance premium in the amount of \$2,366.85; Treasurer Bremer seconded. Motion carried unanimously.

6.2 Ratify cost to install window shades on new conference room double doors (2-sets)

Actual cost was \$870.; we used the same company from whom we previously received bids.

Motion: Secretary Naccarato moved Ratify cost to install window shade on the new conference room double doors (2-sets) as presented; Vice President Attaway seconded. Motion carried unanimously.

7. New Business:

7.1 Approve cost to replace 2nd/last set of conference room double doors

APS also replaced the first set of double doors in the conference room. The doorframe and hardware have failed, and the doors no longer operate properly. Cost to replace = \$3,081.

Motion: Secretary Naccarato moved to approve the cost to replace 2nd/last set of conference room double doors as presented; Director Ginsburg seconded. Motion carried unanimously.

7.2 Approve cost to reseal/repair Village Green Park tennis courts

President Dennis advised that the tennis courts need to be re-sealed.

Motion: Vice President Attaway moved to approve the cost to reseal/repair the Village Green tennis courts as presented; Director Chern seconded. Discussion ensued.

Vice President Attaway clarified that the quote is for \$25,800.

Assistant Manager Wheeler agreed and advised that the estimated cost provided in the reserve study was \$15,188 and the cost to complete the work is \$25,800.00

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Vice President Attaway advised that some companies are using companies out of the Sacramento area and have we looked for other vendors that do tennis courts.

Superintendent Lisenby agreed he could check into other companies.

Director Chern commented that at this time there are a great number of people who are trying to capitalize on what is happening in the marketplace and recommends we put this on hold in order to be more cost effective.

Secretary Naccarato asked if CRHA can do a temporary repair.

Superintendent Lisenby advised CRHA does not have the equipment to melt rubber.

Revised Motion: Vice President move for Superintendent Lisenby to look into different options for repair of the tennis courts and report back at the July meeting; Treasurer Bremer seconded. All in favor of tabling this item.

8. Member Comments: There where none.

9. Announce Future Meeting Dates & Adjourn:

Board Agenda Workshop at 4:00 p.m., Monday, July 26, 2021; Board of Directors Executive Session will immediately follow. Board of Directors Executive Session at 5:00 p.m. and General Business Meeting at 6:00 p.m. on Wednesday, July 28th, 2021; these meetings will be conducted virtually.

Motion: Treasurer Bremer moved to adjourn the meeting at 7:17 p.m.; Director Ginsburg seconded. Motion carried unanimously.

Subsequently approved at a duly noticed Board of Directors Meeting on July 28, 2021.

Drew Naccarato, Secretary Board of Directors
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