

**Caughlin Ranch Homeowners Association
Board of Directors General Business Meeting Minutes
6:30PM Wednesday, November 16, 2022
Meeting held in-person at Reno Elks Lodge and virtually via GoToMeeting**

Board Members in attendance in-person or via teleconference and/or telephone:

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

Others in attendance in-person or via teleconference and/or telephone:

Lisa Nunley, General Manager	Randy Lisenby, L & M Superintendent
Kim Teepe, Assistant Manager/CAM	Shawn Oliphant, Legal Counsel

87 Homeowners In Person; 1 Homeowner Virtual

1. **Call to order and establish quorum:** President Dennis called the meeting to order at 6:47p.m. A quorum was established with seven (7) Board Members present either in person, via teleconference and/or telephone.
2. **Member Comments.** President Dennis provided the information and guidelines regarding Member Comments to the Homeowners present.
 - A homeowner addressed the Board regarding a concrete swale that was installed in the common area behind his home. He stated it is “useless and looks hideous.” It is installed too high above the ground. He offered to remove the swale at his expense and install a trench instead. After providing additional, similar, comments, the Board let him know this item is on the agenda and will be addressed later in the meeting.

3. Minutes:

3.1 Review & Approve September 28, 2022 Board of Directors General Meeting Minutes

The Board was provided with draft minutes from September 28, 2022 Board of Directors General Meeting.

Motion: Director Black moved to approve the September 28, 2022 Board of Directors General Meeting Minutes. Vice President Attaway seconded. Motion carried unanimously.

4. Finances:

4.1 Review & accept (unaudited) Financial Reports dated Aug 31, 2022 and Sept 30, 2022*

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

- 2022 CD Schedule enclosed.
- 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 September 30, 2022.
- The bank statements are being reconciled and the financial reports reviewed and adjusted as needed monthly by the GL Accountant and Assistant Manager Wheeler to ensure CRHA is reporting on a true accrual accounting basis.
- The Association’s cash position through September 30th: Operating cash = \$1,363,677.42
Reserve cash and CD’s: Mountainshyre = \$296,500; Caughlin Creek/Deer Creek = \$644,578; CRHA = \$865,801; Grand Total = \$1,806,879.
- CRHA continues to accrue for the Whispering Canyon reserve contributions based on the 2020 Draft Reserve Study.

- Through September 30th on an accrual basis, Total (Operating) Income was \$1,701,994; under YTD Budget by \$7,022. At this time, all reserve transfers are being deposited on a quarterly basis due to the positive cash flow.
- Total (Operating) Expense was \$1,720,971; under YTD Budget by \$123,637.
- Expense recap: Operating = \$43,238 under budget; Payroll = \$59,131 under budget; R&M = 8,598 under budget; Utilities = \$12,669 under budget.
- Total (Operating) Excess Revenue / Expense = (\$18,977).
- Total Reserve Income was \$226,981; under budget by \$404.
- Total Reserve Expenses were \$311,270; 2022 Reserve Expense Budget = \$280,813.

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 Black moved to accept the un-audited Financial Reports dated August 31, 2022 and September 30, 2022 as presented; Secretary Naccarato seconded. Motion unanimously carried.

4.2 Review & approve Bad Debt Write-offs There were none to present at this time.

5. Reports & Updates:

5.1 Finance & Budget Committee (F&B)

Treasurer Bremer provided the report, stating the Finance & Budget Committee will be meeting on December 8, 2022, along with McClintock Accountancy, for a 2022 Audit Planning Meeting. A recap of that meeting will be provided at the January 25, 2023 Board Meeting.

Treasurer Bremer provided a recap of the F&B report that was provided to the Board via email by F&B Chairperson, Mike Heffner.

President Dennis thanked Mike Heffner and the F&B Committee continuing their hard work this year.

5.2 Landscaping & Maintenance; L&M Superintendent Lisenby, NV Contractor's Lic. #0081131 **Miscellaneous Projects / Weekly Maintenance**

In addition to the daily landscape maintenance tasks, the following projects were addressed.

- Irrigation systems are being shutdown throughout the community. Backflow devices are being stored for the winter.
- Maintenance Crews are cleaning up leaves, leaves and more leaves.
- Maintenance Crews are finishing up the second round of defensible space clearing.
- Crews are cutting down the last of the wildflowers and the cattails.
- Third and final fertilizer application is completed.
- Working with Seth and Kent (engineers) on Caughlin Glen creek crossover planning.
- Installed 2 new memorial benches in Caughlin Ranch.
- Holiday lights are being installed. They will be officially lit up the day after Thanksgiving.
- Snowplows are being hooked up in preparation for winter.
- Snowblowers being tuned up and readied for winter.
- Annual Landscape BBQ was held on 10/21. Thank you, Deer Creek/Caughlin Creek homeowners.
- Parks are inspected and cleaned daily.

SMALL LANDSCAPE PROJECTS:

- Village Green Park Pathway Beautification Project:
 1. Moved sprinklers 10' from path
 2. Removed sod 10' from path
(sod reused throughout the ranch)
 3. Planted 60 trees along path
- Village Green Park's parking lot repaired and sealed by SNC.
- Slurry coat on scheduled 2022 path repair is complete.
- Office parking lot repaired and slurry sealed.
- Replacing plants along Caughlin Pkwy behind Cottages.
- Misc. small landscape projects taking place throughout the ranch.

The seasonal crew's last day will be this Friday, November 18th. We look forward to seeing them again in the Spring.

5.3 Architectural Control Committee (ACC); Secretary Naccarato

There were 51 projects reviewed from 08/01/2022 through 09/30/2022. Of those, 47 were approved with the standard conditions, 2 were returned unapproved, and 2 were returned with a request for more information and resubmit. The ACC meets twice per month on the 2nd and 4th Thursdays, except for November and December when they meet once per month. (A copy of the detailed list of submittals was provided to the Board in their Executive Session packet.)

Secretary Naccarato provided information on types of submittals and highlights of the ACC's primary focus.

5.4 Community Events; Vice President Attaway

Vice President Attaway provided a recap of the year's events to the Board.

This was a fantastic year with no smoke or weather issues for the July concert.

Cross Peak Hikes and Bird Walks (both twice yearly) went well, as did the Annual BBQ and Shredding Event.

This year's Caughlin Gives Back events included:

- "Socktober," where 588 pairs of socks were donated to support Project 150 and Kids Kottage;
- Angel Tree Program. 100 elementary school students at Alice Smith Elementary and 48 seniors through Washoe County Senior program are available through the CRHA office for holiday gifts. Please call, email or stop by the office to pick up an Angel. Cash donations are also accepted (staff will do the shopping). Gifts are due back by December 7th;
- Blanket Drive. New blankets are being accepted as donations to the Washoe County Senior program.
- On-going support of Food Bank of Northern Nevada.

The Committee will meet on November 18th to prep for the next Caughlin Rancher and to plan next year's events. A copy of the updated 2022 CRHA Community Events was provided to the Board and is located on the association's website.

5.5 Branding / Signage Ad Hoc Committee; Vice President Attaway

Vice President Attaway displayed a copy of the new logo and relayed that the new logo is gradually being added. Some office stationery and the For Rent/For Sale signage has been updated. Monument signage changes will begin in December. It is anticipated that this will be a five to six year project.

5.6 Executive Session Summary and Pending Legal Action against the Association

The following items were reviewed during the Executive Session held on November 14, 2022:

- Approved the 09/28/2022 Executive meeting minutes.
- Pending legal action notices as follows:
 - Workers' compensation claim made by a former employee. Discussed the status of the reopened claim. No pending litigation.
 - Discussed the status of the Eastridge common area deeds, communication with attorneys regarding pending turnover(s), and action on how proceed.
 - Discussed the status of a homeowner complaint/dispute involving CRHA and Washoe County regarding potential easement deed associated with recent spur road abandonment.
 - Discussed license to use common area by homeowner.
 - Discussed Common Area Turnover of Tim Lewis Community, Whispering Canyon
 - Discussed Alternative Dispute Resolution (ADR) claim filed by homeowner with the Real Estate Division
 - Discussed a property boundary issue with a homeowner which generated a cease and desist notice
- Reviewed the Violation Report & fines.
- Reviewed the most recent Architectural Control Committee Report.
- Reviewed Homeowner disputes, appeals and alleged violations.
- Reviewed the Accounts Receivable Aging Report.
- There were no bad debt write-offs.
- Discussed Personnel items.

5.7 Community (and other important) Information; GM Nunley

In addition to the items on this agenda, below are some other highlighted items and projects being addressed by management and staff since the last meeting (the list is not all-inclusive):

- In late September, SNC resurfaced the pathways per this year's schedule and as approved by the Board. The project was successful and was overseen by Seth and Randy.
- In early October and in conjunction with Caughlin Crossing Commercial Center, the office parking lot was repaired and resurfaced/slurry sealed. It looks great!
- The Annual Meeting and Elections Mailer was sent out per the timelines governed by statute. Many thanks to Sandy for her assistance on this big project.
- A Meet the Candidates Forum held on Thursday, Nov 3rd.
- Staff assisted with the Oktoberfest event on Oct 3rd.
- Kim and Lisa continue to provide support and assistance to Caughlin Creek HOA as they work to transition to their new management company.
- Community Patrols by ESI continue on their usual schedule (Thursday through Sunday, 10 hr/shift). Kevin Cralle, ESI's officer assigned to CRHA for a good length of time, has taken another assignment. The new officer's name is Ben Murphy, and staff is working with him to become acclimated and understand the expectations.
- Staff is preparing for Maura's absence until after the first of the year (she will be out on maternity leave effective Nov 21).

- Thank you to all the staff for stepping up while I was on vacation in October.
- As a follow up to a recent meeting with Commissioner Alexis Hill regarding speeding concerns on Caughlin Parkway, she has contacted us to let us know that the County will begin field data collection by the end of November. Analysis and recommendations will follow, and then about 6 weeks later a report with written recommendations. Depending on those recommendations, any weather dependent items to be constructed in the field would be deferred until next spring. President Dennis provided additional background information to those present.

a) Provide Board with Follow Up Info in Response to Homeowner Concern re Mountainshyre Gate

During homeowner comments at the July 27, 2022 Board Meeting, a homeowner from Mountainshyre expressed concern and requested action be taken so that his, and other Mountainshyre residents', motorcycles can activate the exit gate when they approach (and also so they don't have to purchase a remote for the exit gate operator). At the September 28, 2022 Board Meeting he provided additional letters from 3 other residents who ride motorcycles, expressing safety concerns.

Additional meetings were held with the technician from Sierra Gate Controls and additional optical sensors were installed to detect the motion which now opens the gates as the motorcycles approach. The owners no longer have to purchase a gate remote to open the gates.

This item is on the agenda to ratify the additional reserve expense.

6. Old Business:

6.1 Review & possibly accept common area turnover of Ridge Hollow neighborhood (aka: Whispering Canyon)

Attorney Oliphant provided a recap as well as the following update regarding the common area turnover efforts with Tim Lewis Communities (TLC) for Ridge Hollow / Whispering Canyon. TLC submitted their version of as-builts. L&M Superintendent Lisenby reviewed the plans for accuracy (the plans are dated 2018) and made the corrections to the plans to reflect the actual locations of irrigation components.

On Nov. 7th, Tina Cruce with TLC submitted the turnover reserve study as completed by Robert Browning. The full study was provided to the Board.

Motion: Treasurer Bremer moved to approve the turnover reserve study for Whispering Canyon as presented. Director Ginsburg seconded. Motion unanimously carried.

Next steps are: Developer funding of the reserves, a final inspection (scheduled for 11/29/2022) and any follow up repairs, the Developer to record a Notice of Completion of the Common Areas, and then the Developer to deed each Common Area Parcel to the Association by Grant Bargain and Sales Deed.

An email has been sent to Tina Cruce reminding her there are further steps per the Improvement Agreement that the developer must continue to follow.

The Board entertained questions from Whispering Canyon homeowners. Questions included timeline for turnover (40 days following **deeding of common areas**), who will remove snow (TLC until turnover to Association).

It is recommended this item be postponed to the next regular meeting.

Motion: Treasurer Bremer moved to postpone this item to the next regularly scheduled Board Meeting; Director Ginsburg seconded. Motion unanimously carried.

6.2 Review & possibly approve License Agreement for common area adjacent to Lot JT-449
**This item is moved after Item 7.9*

6.3 Review & Consider Request to Permit Construction of Sierra Front Trail on Caughlin Ranch HOA Property

President Dennis provided the following recap: In late March, Kevin Joell, a local trail advocate who is working with Washoe County Parks and the US Forest Service, contacted GM Nunley to inquire about the possibility of those entities working with CRHA to extend the Sierra Front Trail through Caughlin Ranch HOA Common Areas. Mr. Joell provided some background and corresponding maps for review. Attorney Oliphant reviewed the request and recommended the Board respond with additional questions regarding responsibility for trails maintenance (and related costs), liability and reserve funding for future trails maintenance.

A response was received from Joanne Lowden, Natural Resource Planner with Washoe County. After the Board's review, they directed staff to request additional information regarding location plan, proximity to residents, planned use and materials and any other information.

The response from Kevin Joell was provided for the Board's review and possible action.

Discussion ensued regarding fire concerns, who will maintain, will CRHA crews be responsible for any maintenance, etc.

Motion: Director Allen moved to postpone any decisions and direct staff to arrange for Kevin Joell and/or Joanne Lowden to make a presentation to the Board. Secretary Naccarato seconded. Motion unanimously carried.

6.4 Review & Approve Creek Crossing (Caughlin Glen) Design Proposal *

Kent Hanford, engineer and associate of Seth Padovan, was in attendance and presented the three (3) design options and answered the Board's questions.

The three (3) design options include associated material and labor costs for the Creek Crossing in Caughlin Glen. No engineering, construction management or quality control costs are included in the estimated totals. The Board was also provided with the scope of work and rough exhibits.

Discussion focused on the differences between the three options, with the primary focus on Option 3. This option includes a bridge, which, per Randy Lisenby, would look best aesthetically and is very functional. Per Kent, it is conducive to long-term maintenance and would eliminate the type of flooding which has occurred in past years.

Motion: Vice President Attaway moved to approve design option #3 in the amount of \$63,910.00 for the Alum Creek Crossing Design Proposal as presented by Padovan Consulting; Director Black seconded.

Discussion ensued confirming the amount of the proposal is an estimate. The final design proposal will be finalized and presented at a future meeting.

Motion unanimously carried.

6.5 Review & Approve Revision to Village Green Park Use & Special Event Permit Application

GM Nunley reported that Attorney Oliphant has drafted a revised Village Green Park Use & Special Event Permit Application. Staff is in the process of reviewing and providing feedback to Attorney Oliphant. A final draft will be presented at the January 25, 2023 General Board Meeting.

Motion: Vice President Attaway moved to postpone this item to the next General Board Meeting; Treasurer Bremer seconded. Motion unanimously carried.

6.6 Review/Possible Decision On Homeowner Concern re Concrete Swale in Common Area

President Dennis provided a recap of the homeowner's concern, stated earlier in the meeting, about the recent installation of a concrete swale in the common area behind his home which was initiated by prior management. The association's engineer, Seth Padovan, has inspected the area and the concrete swale and provided the Board with an assessment and recommendation.

Seth recommends either 1) backfilling the swale, or 2) removing the swale and installing a clay plastic-lined swale at grade. Additional details were provided to the Board in their packet.

President Dennis thanked the homeowner for offering to pay, but this is a Board expense.

Motion: Director Allen moved to approve recommendation #2 (remove the swale and install a clay plastic-lined swale at grade); Secretary Naccarato seconded.

Discussion ensued. Director Ginsburg issued a point of correction that this is not a Board expense but an Association expense.

Motion unanimously carried.

The Board thanked the homeowner for working with them through this process.

7. New Business:

7.1 Review & Approve 2022/2023 Staff Compensation Plan

The Board was provided with the 2023 Staff Compensation Plan (as presented previously during the 2023 budget review) and the 2022 Bonus Schedule.

Motion: Secretary Naccarato moved to approve the 2023 Staff Compensation Plan and the 2022 Bonus Schedule as presented. Treasurer Bremer seconded. Motion unanimously carried.

7.2 Review & Approve Workers Compensation Insurance Policy eff. 01/01/2023

Per Alpine Insurance, the Workers Comp carrier does not release quotes more than 30 days prior to the effective date of January 1. The current year's premium is \$18,165.00. While the agent does not anticipate an increase, the Board has approved a budgeted amount of \$23,000.00 for 2023.

Motion: Director Allen moved to approve a not-to-exceed amount of \$23,000.00 for the Workers Comp insurance policy, effective January 1, 2023, and carry this item to the January 25, 2023 meeting for ratification; Vice President Attaway seconded. Motion unanimously carried.

7.3 Review & Approve BEST Life Dental Insurance Renewal Eff 12/01/2022

BEST Life Dental Insurance renews 12/01/2022. Premiums remain the same at \$363.09 per month, or \$4,357.08 per year.

Motion: Treasurer Bremer moved to approve the BEST Life Dental Insurance premium effective 12/01/2022 in the amount of \$4,357.08 per year; Secretary Naccarato seconded.

Motion unanimously approved.

7.4 Review & Approve Assured Partners Ancillary Coverage Eff 12/01/2022

Dental coverage was addressed under Item 7.3

Vision coverage with Hometown Health renews 12/01/22 in the amount of \$596.64/year (\$3.96 increase)

Basic Life & AD&D coverage with Principal renews 12/01/22 in the amount of \$616.44/year (0 increase).

Short Term Disability coverage with Principal renews 12/01/22 in the amount of \$4,451.69/year (\$261.86 increase).

Long Term Disability coverage with Principal renews on 12/01/2022 in the amount of \$5,232.09 per year (no increase).

Motion: Treasurer Bremer moved to approve the Assured Partners Ancillary Coverage (for Vision, Basic Life & AD&D, Short Term Disability and Long Term Disability) for a total amount of \$10,896.86 per year as presented; Director Black seconded. Motion unanimously carried.

7.5 Ratify Concrete Repair Change Order from SNC for Office Parking Lot

In September, the office parking lot was resurfaced as part of the Caughlin Crossing Commercial Center project. A section of the CRHA parking lot needed additional concrete repairs over and above what was originally proposed; thus, a change order from SNC in the amount of \$1,970.00 for CRHA was issued and approved. This is a reserve expense.

Motion: Secretary Naccarato moved to ratify the change order from SNC for the CRHA office parking lot repairs in the amount of \$1,970.00 as presented; Treasurer Bremer seconded. Motion unanimously carried.

7.6 Ratify Mountainshyre Gate Repairs for Additional Sensors (motorcycles) from Sierra Gate & Controls

As provided in Item 5.7a) above, additional modifications were made to the Mountainshyre Gate to allow motorcycles to exit the gate without having to use a gate remote and to improve safety. In early October, Sierra Gate & Controls installed new safety motion sensors on the exit gate in the amount of \$5,745.76. This is a reserve expense.

Motion: Secretary Naccarato moved to ratify Sierra Gate & Controls contract and the cost to install safety motion sensors on the Mountainshyre exit gate in the amount of \$5,745.76 as presented; Treasurer Bremer seconded. Motion unanimously carried.

7.7 Review & Approve Revision to Rules & Regulations

One additional revision to the Rules and Regulations is provided for the Board's consideration. Per the Board's previous request last year, the addition of ATV's, ORV's etc are included in the prohibited vehicles section on Page 4 of the Rules and Regulations.

Motion: Treasurer Bremer moved to approve the revisions to the rules and regulations as presented; Director Allen seconded. Motion unanimously carried.

7.8 Review & Approve General Manager Contract

The Board was provided with the General Manager's Contract effective January 1, 2023, for consideration.

Motion: Treasurer Bremer moved to approve the General Manager's Contract effective January 1, 2023 as presented; Secretary Naccarato seconded. Motion unanimously carried. GM Nunley thanked the Board.

7.9 Review & Approve Policy re Board Process for Granting Permanent Non-Revocable Easement (Policy titled: Policy for Common Area Encroachments)

Attorney Oliphant presented the draft policy which provides the process for granting easements, licenses and other agreements for common area encroachment. There are currently three instances where the Board has found that a homeowner is encroaching on common area. This policy allows

the Board and Association to research how the encroachments came about and to offer either an easement or a license depending on the individual circumstances of how they came about.

Motion: Vice President Attaway moved to approve the Policy for Common Area Encroachments as presented. Director Ginsburg seconded. Motion unanimously carried.

The Board addressed the following item at this point in the meeting.

6.2 Review & possibly approve License Agreement for common area adjacent to Lot JT-449

Attorney Oliphant provided a recap of this item which has been on the agenda for some time.

At a previous meeting, Attorney Oliphant informed the Board that, per NRS116.3102, the Board could grant the owner a permanent easement, rather than a revocable license.

Homeowner and his counsel have agreed to the easement, and the only thing left is to agree on a price for the easement.

At the last meeting, staff gathered information on the square footage price for raw land sales over the last two years. This was provided to the homeowner but was not accepted.

As part of the policy approved earlier in the meeting, the process is to have staff collect raw land sale data for the last 24 months in the area. For an easement, the discount would be 20% in exchange for an easement. For a license agreement, the discount would vary depending on what the Board felt was acceptable.

Motion: Vice President Attaway moved to offer the property owner easement with a purchase price based on policy approved in today's meeting. Director Ginsburg seconded. Motion unanimously carried.

Attorney Oliphant will draft the agreement for the Board to sign and record. This will be presented at the January meeting.

7.10 Review & Consider Homeowner Request to Remove Two Common Area Pine Trees

President Dennis presented a request from a homeowner who wants two common area pine trees removed which are located outside his back fence. The Board has looked at this item previously, but the homeowner is requesting additional consideration with this request.

The Board was also provided with copies of the Tree Growth Maintenance and the Tree Removal policies as a reference.

Motion: Director Black moved to deny the homeowner's request to remove two common area pine trees as it does not fit with the Association's policies; Treasurer Bremer seconded.

Discussion ensued. Attorney Oliphant provided criteria from the policies on how decisions are made for the removal of common area trees. There are two ways this can occur. One is if the tree is dead, dying or diseased and the arborist confirms that. The second way is if the tree is deemed to be a hazard by the General Manager or the Landscape Superintendent. The General Manager and the Landscape Superintendent have looked at these trees recently. Both GM Nunley and Superintendent Lisenby confirmed during this meeting that they do not consider the trees to be hazardous. They are irrigated and healthy. It was also confirmed that Dale Carlon (arborist) has looked at the trees and has stated they are healthy.

The homeowner was unable to attend tonight's meeting but informed Attorney Oliphant that they would accept a decision to remove just one of the trees.

Motion unanimously carried.

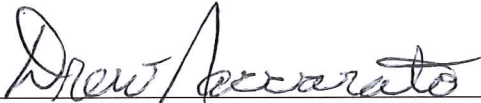
8. Member Comments:

- A homeowner encouraged the Board to invite the landscape crews to attend the annual meeting/dinner in the future and introduce them to the homeowners. This has been done in the past and it was something everyone looked forward to. The Board and Superintendent Lisenby let the owner know that it was considered for tonight, but because of the lateness of the meeting and the distance the crews had to drive to get home, it wouldn't have been fair to them. The Board will find a way to make this work for the next annual meeting/dinner.

9. Announce Future Meeting Dates & Adjourn:

- Board Orientation / Training December 2, 2022 at 9:00 a.m. – TENTATIVE
- Finance & Budget Meeting – Audit Planning Session – December 8, 2022 @ 2pm
- Board Agenda Workshop on Monday, January 23, 2023 at 4:00 p.m.; Executive Session Workshop will immediately follow.
- Board of Directors Executive Session on Wednesday, January 25, 2023 at 5:00 p.m. and General Business Meeting at 6:00 p.m.

Motion: Secretary Naccarato moved to adjourn the meeting at 8:10p.m.; Treasurer Bremer seconded. Motion unanimously carried.



Drew Naccarato, Secretary Board of Directors
Caughlin Ranch Homeowners Association