

CAUGHLIN RANCH

HOMEOWNERS ASSOCIATION

Board of Directors General Business Meeting Minutes Wednesday, July 26, 2023 at 6:00pm

Meeting held in-person at the Caughlin Ranch HOA conference room & virtually via GoToMeeting

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

Al Dennis, President	Allen Black, Director
Steve Bremer, Treasurer	Thomas Keiffer, Director
Michael Ginsburg, Director	

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

Lisa Nunley, General Manager	Randy Lisenby, L & M Superintendent
Sandy Wheeler, Asst. Manager/CAM	Shawn Oliphant, Legal Counsel

1 Homeowners In Person; 0 Homeowners Virtual

1. **Call to order and establish quorum:** President Dennis called the meeting to order at 6:15p.m. A quorum was established with five (5) 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.
 - No comments at this time.

3. Minutes:

3.1 Review & approve May 24, 2023 & June 29, 2023 (reconvened) Board of Directors General Meeting Minutes

The Board was provided with the draft minutes from the May 24, 2023 & June 29, 2023 (reconvened) Board of Directors General Meeting.

Motion: Treasurer Bremer moved to approve the May 24, 2023 & June 29, 2023 (reconvened) Board of Directors General Meeting Minutes. Director Allen seconded. Motion unanimously carried.

4. Finances:

4.1 Review & accept (unaudited) Financial Reports dated April 30, 2023 and May 31, 2023

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

- 2023 CD Schedule was provided to the Board.
- Treasurer Bremer has been provided with 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 April 30, 2023 and May 31, 2023.
- 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 May 31st: Operating cash = \$1,534,705;
- Reserve cash and CD's: Mountainshyre = \$303,663; Caughlin Creek = \$672,797; Whispering Canyon = \$34,162 CRHA = \$794,630; Grand Total = \$1,805,252.
- CRHA continues to accrue for the Whispering Canyon reserve contributions.

- Through May 31st on an accrual basis, Total (Operating) Income was \$1,016,595; under YTD Budget by \$1,698. At this time, all reserve transfers are being deposited on a quarterly basis due to the positive cash flow.
- Total (Operating) Expense was \$883,153; under YTD Budget by \$55,420.
- Expense recap: Operating = \$9,763 under budget; Payroll = \$25,892 under budget; R&M = \$6,092 under budget; Utilities = \$13,673 under budget.
- Total Reserve Income was \$178,384; over budget by \$23,880.
- Total Reserve Expenses were \$175,984; 2023 Reserve Expense Budget = \$868,092.

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.

Recommended Motion: I move to accept the unaudited financial reports dated April 30, 2023 and May 31, 2023 as presented.

Motion: Director Allen moved to accept the unaudited financial reports dated April 30, 2023 and May 31, 2023 as presented. Director Ginsburg seconded. Motion unanimously carried.

4.2 Review & approve Bad Debt Write-offs. There are none at this time.

5. Reports & Updates:

5.1 Finance & Budget Committee (F&B); Treasurer Bremer & Mike Heffner, Committee Chair

The Finance & Budget Committee will meet in conjunction with the Board on August 21st to review the draft 2024 Annual Operating and Reserve Budgets as presented by staff. Any resulting revisions will be made and then presented to the Board for consideration at their September meeting.

5.2 Landscaping and Maintenance; L&M Superintendent Lisenby, NV Contractor's License #0081131

Superintendent Lisenby presented his report to the Board.

Miscellaneous Projects / Weekly Maintenance

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

- Defensible space cleanup underway and will continue through the season.
- Sheep still eating away.
- Irrigation systems are running well.
- Planted summer flowers in the usual places.
- Replaced 70 trees from the winter storms.
- Still removing broken tree branches from the storms.
- Fertilized turf for the second time this season.
- Pruning shrubs.
- Trying to keep up with the weeds.
- Making repairs to vandalism at Village Green Park (damage to memorial bench; lights cut off top of two light poles; graffiti; etc). Discussion ensued re: ESI patrols, additional cameras and lights.
- Addressing Graffiti cleanup throughout the Ranch.
- Crew members helping with the concerts on Sunday during July.
- All three (3) Parks are inspected and cleaned daily.

Landscape crews have been short-staffed this year, so defensible space cleanup and other projects are a bit behind.

5.3 Architectural Control Committee (ACC); Secretary Naccarato (Board Liaison to ACC)

President Dennis provided the report on behalf of Secretary Naccarato. Eighty-one (81) applications were reviewed from 05/01/2023 through 06/30/2023. Of those, seventy-two (72) were approved with the standard conditions, three (3) were denied, one (1) was withdrawn by the homeowner, and two (2) were returned unapproved with suggestions for resubmittal. 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.)

5.4 Community Events/Caughlin Rancher; Vice President Attaway

Director Ginsburg provided the report on behalf of VP Attaway.

The Events/Caughlin Rancher Committee met on May 31st and July 18th to review potential topics and articles for the Caughlin Rancher. Also discussed were upcoming events for Summer 2023, with special emphasis on the July Concerts in the Park series.

The Beatles Flashback play in the Park this coming Sunday which is usually the best turnout for all the concerts. This year's concert series has been well-attended.

A copy of the updated 2023 CRHA Community Events is provided to the Board in their packet.

The Committee is currently looking at venues for the Oktoberfest and the Annual Meeting events. The Elks Lodge is not available this year for the dates these events are scheduled.

The Annual Residents BBQ is scheduled for August 26th.

The Fall Birdwalk, Fall Crosspeak Hike, and the Fall Garage Sales are all on the schedule.

5.5 Branding / Signage Ad Hoc Committee; Vice President Attaway

Director Ginsburg provided the report on behalf of VP Attaway.

The new logo is gradually being incorporated into CRHA. Office stationery, the For Rent/For Sale signage, banners, Landscape/Maintenance uniforms, and CRHA vehicles have been updated. The Branding Committee met in April and reviewed a presentation created by homeowner Gregg Stokes for entry signage ideas. Per the Committee and Board's direction, GM Nunley has reached out to YESCo for signage design ideas and quotes. They have committed to providing designs and related quotes by the next Board Meeting.

5.6 Strategic Plan Update; Secretary Naccarato

Director Black provided the report on behalf of Secretary Naccarato.

The Board was scheduled to meet on Thursday, May 18, 2023, for a Strategic Plan review and update. To reschedule this meeting, new proposed dates were sent to the Board. The new date for the Board to meet and review the 2020-2024 Strategic Plan **is September 12th at 5PM**. Action items will be updated and discussion of ideas for future plans will take place.

The Board was reminded that we are nearing the end of the 5-year plan and it needs to be updated.

This helps with budgeting for the future.

5.7 Executive Session Summary and Pending Legal Action against the Association; Attorney Oliphant

The following items were reviewed during the last Executive Session Meeting held on July 26, 2023:

- Approved the 05/24/2023 Executive meeting minutes.
- Pending legal action notices as follows:
 - 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(s).
- Discussed Common Area Turnover of Tim Lewis Community, Whispering Canyon
- Reviewed the Violation Report & fines.
- Reviewed the most recent Architectural Control Committee Report.
- Reviewed Homeowner disputes, appeals and alleged violations. There was one in-person appeal.
- Reviewed the Accounts Receivable Aging Report.
- There were no bad debt write-offs.
- There were no Personnel items to discuss, except for landscaping staff shortages.

5.7 Community (and other important) Information & Future Agenda Item(s); 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):

- As a follow-up to a recent meeting with Commissioner Alexis Hill regarding speeding concerns on Caughlin Parkway, she has informed us that a Traffic Policy process was initiated before winter and staff will perform the second phase after roads are clear. Rapid Flashers at the pedestrian crossing for the Alum Creek bridge (at Sourdough Circle) were installed in late April. Restriping of several of the pedestrian crossings was scheduled for the week of 4-24, but we have not observed that it has been completed yet. They were also scheduling speed and volume studies will be scheduled for Juniper Creek and Hackamore (which is outside of Caughlin Ranch and not near the Parkway. This data will inform if there is additional traffic calming required. We have not received any further updates. Per Commissioner Hill, she is waiting for a response from other departments.
 - President Dennis, Bill Houston, Donn Daggett and GM Nunley met on Tuesday, July 11th to discuss next steps to try and get the City/County to respond to numerous requests for assistance. GM Nunley is to reach out to Sheriff Balaam asking to meet again to discuss.
- CAI Classes attended since the last meeting: Community Managers and Ethics in the CIC Industry (GM Nunley); Issues In Design Review (GM Nunley); Litigation: Working Effectively with the Attorney when your HOA is Named in a Lawsuit (GM Nunley); 2023 Legislative Update and CAI Trade Show (Pres. Dennis, GM Nunley, K Teepe, S Wheeler).
- Lisa and Sandy continue to gather material and data for 2024 budget prep.
- The annual registration with the NV Real Estate Division and the annual Secretary of State filings and payments have been made.
- ESI is assigning and training another new officer to CRHA.
- Village Green Park was vandalized over the July 4th weekend/holiday. Graffiti, lights cut off poles, bench pulled out of footings, metal mesh window on bathroom cut out.
- Erlach Computer Consulting has initiated a Cyber Security Training Program. Look for emails on this subject.
- The Victory Sheep grazing project has been going well with only a couple of complaints and a couple of wayward sheep needing to be rescued. The timeline will most likely be extended past the August 1, 2023 date as there is much grass left to be grazed.
- Randy and Lisa met with Seth and Apex on July 19th to prep for the CCRK/DRCK asphalt maintenance project to begin Monday, July 24. The paths will be addressed in early fall by SNC.
- The HOA buildings painting project also begins July 24th.

- Upcoming (non-routine) Agenda Items:
 - CRHA Office Bldg:
 - Possible Window Replacements; Upgrade Lighting Fixtures throughout;
 - Possible wireless mic system and acoustic improvements for large conference room
 - Cottages Fences: CRHA Painting
 - Policies:
 - Events, Advertising and Caughlin Rancher Content Policy
 - Employee Handbook review/revisions

6. Old Business:

6.1 Common Area Turnover of Ridge Hollow neighborhood (Whispering Canyon)- Status

Attorney Oliphant provided the update.

At the reconvened Board Meeting on June 29, 2023, the Board accepted the Grant, Bargain and Sale Deed and approved the Bond Release Letter for Tim Lewis Communities (TLC) for Ridge Hollow/Whispering Canyon.

The Deed has been recorded for the Common Area and Caughlin Ranch HOA is now the owner of the Whispering Canyon common areas. A copy is provided for the Board's information.

Title Insurance was issued with the closing date. There is one exclusion in the title policy to exclude the Subdivision Improvement Agreement with TLC. Title is reissuing the report without that exclusion.

The Landscape crews have been working on addressing irrigation concerns and weed removal.

Sandy is working on transferring the water meter and electric bills into CRHA's name, as well as working with Charter to connect the phone lines to the gates.

Once the gates are connected, we can work with homeowners on updating, adding gate remotes.

GM Nunley confirmed that it is okay to release the Bond and the Security Deposit back to TLC.

This item can be removed from the Board Agenda.

6.2 Review & Approve Revised Common Area Encroachment Policy

Additional revisions to the Common Area Encroachment Policy have been drafted by Attorney Oliphant for Items 1 and 5. The revisions address what Attorney Oliphant has heard the Board say, which is they wish to first address common area encroachment items that are created by the homeowner. Attached is the redline and a clean copy for the Board's information.

Motion: Director Black moved to approve the Revised Common Area Encroachment Policy as presented. Treasurer Bremer seconded the motion. Motion unanimously carried.

6.3 Review & possibly approve Easement Agreement for common area adjacent to Lot JT-449

The Board was provided with a copy of the newly revised and approved easement agreement.

The homeowner, through his legal counsel, has been provided with the new easement agreement and the price as previously provided. The signed and notarized easement agreement has not been delivered to the CRHA office as of 07.19.2023. The homeowner's legal counsel is unsure why it has not been provided to the CRHA office.

Motion: Director Black moved to postpone the Easement Agreement until the next regularly scheduled meeting; Treasurer Bremer seconded. Motion unanimously carried.

6.4 Review & Possibly Approve Easement and other Documents to Permit Construction of Sierra Front Trail Construction on Caughlin Ranch HOA Property

At the last Board Meeting, the Board approved a Right of Entry request from Washoe County so that the County's consultant may complete the surveys within the proposed trail alignment for use in developing the legal description for the Agreement.

Per Kevin Joell with Sierra Trailworks, they have been fine tuning the trail alignments (the Board was provided with a current copy of the map). Also, botany surveys are underway on the entire trail corridor. The cultural (archeological) surveys will be performed by the consultant in a couple of months. Once complete, the package will go to the USFS and the State Historical Preservation Office for review, which could take 6-12 months.

No action is required by the Board for this meeting.

The Trail Easement and Maintenance Agreement will be provided for Board approval at a future meeting.

6.5 Update on Status of Bridge/Creek Crossing on Alum Creek

The most recent update from Kent Hanford PE on the Alum Creek Bridge/Creek Crossing project was provided as follows:

Lisa,

I will be meeting with the civil engineer today to coordinate some modifications to the site design. I expect to have the design finished and submitted for permit to the City of Reno by the end of next (this) week. Depending on feedback from contractors, I may put the project out to bid before I have a permit if scheduling requires it. I'd prefer to wait until I have review comments back from the city before bidding. I will provide updates as we move forward and I will let you know when the plans have been submitted.

I do plan on this being built before Winter.

Kent Hanford, P.E.

No action is required by the Board at this time.

6.6 Review & Consider Request from Eaglesnest HOA to Install Locked Gate at Pedestrian Path

At the March 22nd Board Meeting, the Board reviewed this request from Eaglesnest HOA and returned it to Eaglesnest so they could conduct their due diligence and provide a legal opinion from Eaglesnest HOA legal counsel on whether it is legally possible to close the walking path.

As of this meeting, the Eaglesnest Board is still working with their legal counsel.

No action required by the Board at this time.

6.7 Discuss & Consider Revision to Rules & Regulations: Flags/Signs/Yard Art

The Board was provided with the following: **1)** Excerpts from CRHA Rules and Regulations regarding Flags, Signs, Yard Art, Holiday Décor (which includes flags); **2)** Items from Statute regarding flags, signs and development of rules; **3)** a recap of six (6) local Associations' rules pertaining to flags/signs/yard art; and **4)** a copy of what was provided in the last Board Packet (communication with Attorney Oliphant and photos of some recent sign/flag/yard art items). This information was provided for the Board's information and discussion regarding possibly revising the existing rules.

Attorney Oliphant provided a summary of the history of CRHA's rules and how they were originally stated to allow for what statute allowed. Over time, staff began to receive numerous ACC requests for flags, signs, yard art that were outside of what was permitted in the rules and staff requested a revision to permit holiday and team flags, as well as some yard art items. This has created difficulty for homeowners to know what is and is not permitted. Discussion ensued on how to proceed with revising the rules regarding flags/signs/yard art.

Motion: Director Keiffer moved to revise the rules for Flags/Signs/Yard Art to keep in line with what is permitted per state statute, and without the option of applying to the ACC for items outside of what is permitted. Treasurer Bremer seconded. Motion unanimously carried.

Attorney Oliphant clarified that any open violations on the above rules be put in abeyance and on hold until the revision to the rules is approved and mailed to all homeowners.

7. New Business:

7.1 Review/Possibly Approve Annual Preventive Maintenance Agreement from Sierra Gate & Controls (for Whispering Canyon Gate)

The Board was provided with the Annual Preventive Maintenance Agreement from Sierra Gate & Controls in the amount of \$300.00 per quarter (\$1,200.00/year) for the servicing of gates at Whispering Canyon. (Note: this will be included with the annual agreement for all gates in November for January 1 effective date.)

Motion: Director Black moved to approve the Annual Preventive Maintenance Agreement from Sierra Gate & Controls for Whispering Canyon in the amount of \$300.00 per quarter (\$1,200.00/year) as presented. Director Keiffer seconded. Motion unanimously carried.

7.2 Ratify purchase and installation of three (3) iWave-R Air Scrubbers in HOA offices

GM Nunley recapped comments from a previous meeting about the efforts being made to reduce fragrances and improve air quality in the HOA offices. To that end, three (3) iWave-R Air Scrubbers were recently installed by Sierra Air in the large conference room, the main office area, and the bookkeeper's office in the amount of \$3,506.00. Discussion ensued regarding how the vendor was selected. The work was approved by GM Nunley with confirmation by President Dennis.

Motion: Treasurer Bremer moved to ratify the purchase and installation of three (3) iWave-R Air Scrubbers by Sierra Air in the HOA offices in the amount of \$3,506.00. Director Black seconded. Motion unanimously carried.

7.3 Review & Possibly Approve Purchase/Installation of Mini-Split HVAC Unit in Small Conference Room

GM Nunley provided an overview of the lack of A/C and Heating in the small conference room. Sierra Air has inspected and evaluated the HVAC system and has determined that the duct work, as installed, does not support air flow into the small conference room. Aside from replacing the existing system to reroute the ductwork (an expensive fix which is currently not necessary for the rest of the office), an alternative is to install a "mini-split" system in the small conference room which will provide the needed heating and A/C.

Sierra Air has submitted a quote for the purchase and installation of a Mini-Split system in the amount of \$13,853.00.

Discussion ensued regarding placement and other installation details.

Motion: Treasurer Bremer moved to approve the purchase and installation of a Mini-Split system for the small conference room as quoted by Sierra Air in the amount of \$13,853.00. Director Thomas seconded. Motion unanimously carried.

7.4 Review & Consider Homeowner Request to Install Basketball Court at Village Green Park

The Board was provided with a letter from a homeowner who is requesting the Board consider the installation of a basketball court at Village Green Park.

Motion: Director Thomas moved to deny the request for the Association to install a basketball court at Village Green Park. Treasurer Bremer seconded. A brief discussion ensued. Motion unanimously carried.

7.5 Board Appointment of Ad Hoc Committee to Review and Possibly Draft Revisions to the Sign/Flag/Yard Art Rules

This item is no longer applicable given the decision by the Board earlier in the meeting under Item 6.7.

Motion: Director Ginsburg moved to not move forward with appointing an Ad Hoc Committee given the decision made earlier in the meeting under Item 6.7. Treasurer Bremer seconded. Motion unanimously carried.

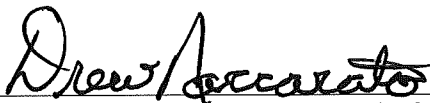
8. Member Comments:

There were no comments.

9. Announce Future Meeting Dates & Adjourn (or Recess):

- Budget Review Workshop, Mon., August 21, 2023 at 4:00 p.m. with Board & Finance & Budget Comm
- Strategic Planning Session, September 12, 2023 at 5:00 p.m.
- Board Agenda Workshop on Mon., September 25, 2023 at 4:00 p.m.; Exec. Session Workshop will follow.
- Board of Directors Executive Session on Wednesday, September 27, 2023 at 5:00 p.m. and General Business Meeting at 6:00 p.m.

Motion: Director Black moved to recess the meeting at 7:09 p.m.; Treasurer Bremer seconded. Motion unanimously carried.



Drew Naccarato, Secretary Board of Directors
Caughlin Ranch Homeowners Association