

CAUGHLIN RANCH HOMEOWNERS ASSOCIATION

Minutes of the Board of Directors Meeting

Wednesday, May 18, 2011, 7:00 P.M.

Board of Directors Present:

Michael Chern, Vice President
Michele Attaway, Secretary
Michael Heffner, Treasurer
Larry MacNeil, Director
Gina Pedrini, Director

Directors Absent:

Millie Burke, President
Ken Walters, Director

Others Present:

Paul Hershey, Manager
Linda Jussen, Administrative Assistant
Katrina Rehkop, Secretary
Randy Lisenby, Landscape Supervisor
Shawn Oliphant, Legal Counsel
Gayle Wassenberg, Recording Secretary
Approximately 25 Homeowners

1. **EXECUTIVE SESSION SUMMARY (Closed Session Prior to Board Meeting)**

Shawn Oliphant, General Counsel, was present to advise the Board relative to proposed litigation or defense thereof related to the water irrigation project, as allowed by NRS 49.035 to 49.115 (Attorney-Client Privilege).

2. **OPEN MEETING – CAUGHLIN RANCH BOARD OF DIRECTORS**

The meeting of the Board of Directors was called to order by Vice President and presiding officer, Michael Chern, at 7:03 P.M. at Caughlin Ranch Elementary School, 4885 Village Green Parkway, Reno, NV. A quorum was established.

Prior to welcoming members' comments, Director Chern outlined the basic purpose of an Association's Board of Directors. Directors are fiduciaries who, on an informed basis and with ordinary and reasonable care and business judgment, have the responsibility of making decisions in the best interests of the Association.

2.1 Members' Comments (Agenda Items Only/2 Minutes per Member)

There were no comments at this time.

3. **LANDSCAPE SUPERVISOR'S REPORT**

Randy Lisenby reported the following:

- The irrigation system in the large park is now a high tech program.
- The first step in the water conservation project is removal of 125,000 linear feet of sod.
- Water stats are being evaluated with the assistance of UNR; their website will be linked to ours so homeowners can see the results of the analysis.
- The crew is working diligently on the usual spring duties.

4. **CONSENT AGENDA**

4.1 Approval of April 27, 2011 Board Meeting Minutes

4.2 Request for Appointment to the Architectural Review Committee

No action was taken at this time; item 4.2 was tabled.

MOTION: Director Attaway made a motion, which was seconded, to approve the Consent Agenda, with the exception of Item 4.2. Motion carried unanimously.

5. BUSINESS ITEMS

5.1 *Manager's Report*

Paul Hershey reported:

5.1.1. *Business Plan*

Report will be given at a future date.

5.1.2. *Discuss Additional Board Meetings for June and July*

For the purpose of timely membership notification, the Board determined that interim meetings should be scheduled for June and July in case there is a need to meet at that time. Paul requested that either the June or the July meeting be utilized for a Strategic Planning workshop. Director Chern asked that Paul prepare a draft of the Strategic Planning workshop by June 8. Paul and Larry MacNeil will meet to prepare an agenda and plan.

A homeowner asked if all necessary information could be obtained in time for a June 8 meeting in order to insure that the cost of the meeting (such as mailing costs to notify homeowners) would be justified. Director Chern encouraged members to sign up for email notifications, which would defray the cost of mailing out notifications. The meetings are tentatively scheduled for June 8 and July 13; firm dates will be announced in the Caughlin Rancher.

5.2 *Approval of Guidelines for the Community Events Committee*

Director Attaway advised that the guidelines for setting up the Community Events Committee have been drafted. She will be sending out an email requesting volunteers for the Committee.

MOTION: Michele made a motion, which was seconded, to approve the guidelines for the Community Events Committee. Motion carried unanimously.

5.3 *Update on Water Irrigation Project*

The first phase of the water conservation project is nearing completion and is still under budget. As noted previously, it will be reviewed by the Finance and Budget Committee before being considered by the Board.

5.4 *Amendment to Collection Policy and Payment Plan Procedure/GM Report*

Paul Hershey reported:

Caughlin Ranch homeowners pay an annual assessment on a quarterly basis. When an assessment account is 90-days delinquent, a late fee is assessed. At 120-days delinquent, a certified letter is sent to the homeowner notifying him/her that the account is being sent to collections. The amended Collection Policy offers the option of a payment plan with the Association. If the homeowner chooses this option, an agreement to abide by the plan must be signed by both the homeowner and the Caughlin Ranch Manager. In addition, the homeowner will sign a "Confession of Judgment," admitting to the delinquent balance and promising to pay it off within a designated time period. The Confession of Judgment was prepared by the Association's legal counsel and serves delinquent homeowners by providing them with the opportunity to make payments without having to pay collection fees.

MOTION: Director MacNeil made a motion, seconded by Director Heffner, to approve the Amended Collection Policy, including the Confession of Judgment requirement. Director Attaway was opposed. The motion carried by majority.

5.5 Review Budget and Financial Reports

Budget: Director Heffner reported that he and Mr. Hershey reviewed the 2011 Budget and agreed that we are now in a position to forecast cost under runs in several line items—specifically staff, seasonal labor, and water costs. In total we anticipate savings relative to budget of about \$70,000. However, at this time we believe it is prudent to hold these potential savings in contingency until the full costs of the water project are better defined.

Financials: Since bank statements from some accounts have not yet been received, the April financial report was not available for review.

5.6 Discuss Assistant Manager Position and Initiate Hiring Process and Timeline

After a determination that management and the Board were not ready to discuss this matter at this time, it was tabled for future discussion.

6. MEMBERS' COMMENTS

- Regarding the use of ditch water for irrigation, Jim Thacker warned that many filters are necessary and would require daily cleaning due to bugs, trash, etc. in the water. Paul assured the homeowners that this issue is being studied. Director Chern encouraged homeowners to share any helpful knowledge they may have on ditch water irrigation.

7. ADJOURNMENT

With no further business to address at this time, the Board Meeting was adjourned at 8:00 P.M

Respectfully submitted by:
Gayle Wassenberg
Recording Secretary
Transcends Transcription Services

Approved by:

Caughlin Ranch Board Member