



OWNERS' ASSOCIATION INC.

November 16, 2021 BOARD OF DIRECTORS' MEETING MINUTES

The Caldera Springs Owners' Association, Inc. (CSOA) Board of Directors' Meeting was called to order by the President, Tom Sidley at 9:03 A.M. at the Lake House in Caldera Springs. Owners were invited to attend in-person and by telephone.

ROLL CALL

Directors Present: Owners Carol Scherman, Vice-President; Tom Sidley, President; Dan Taylor, Director; and Krista Miller, Director and the Golf Course Representative all attended in person; Alan Dinger, Director and President of the Caldera Cabins Owners' Sub-Association; attended telephonically.

Other Association Representatives Present: Catherine Smith, CSOA Association Manager.

QUORUM AND PROOF OF NOTICE

Catherine noted that proper notice of the meeting had been sent electronically on October 29, 2021 and a quorum was present with all five directors present.

OPEN OWNER FORUM

Owners were invited to present their concerns to the Board of Directors in writing prior to the meeting or in-person at the meeting.

Owner, Carol Berg asked the Board about what the Security Company is required to do and asked about the lack of compliance by a contractor on Fireglass Loop. The Board explained that Security works limited hours each month. They close the pool and spa area each evening and have nightly hours from 10:00 p.m. to midnight, to drive the community and enforce the parking restrictions. They also have occasional daytime hours. Catherine also noted owners should call 911 or the non-emergency number for the Sheriff's office if they need help after midnight. She also suggested owners also contact the Security Company, so they are aware of any issues. She also noted she would follow up with the contractor on Fireglass Loop.

Owner, Vance Wonderlich shared his concerns of the overgrowth of the lake banks and streams and asked the Board to consider options that will address this. Catherine noted that she had been working on a solution for the lakes and streams and was presenting a bid to the Board to clean out the lake banks in 2022. Dan Taylor also mentioned that the newly formed Environmental and Landscape Committee would be holding their first meeting the following day and they would be looking into all environmental issues.

Catherine then shared an email that had been sent in, in advance of meeting, by owners David and Lisa Brooks regarding the 2021 survey results and how the questions were worded, and results identified. Tom Sidley noted that the Board had carefully debated how to word each question and had agreed if there was a cost involved, related to the question, the owners should be informed up front, and also that the Board had not yet had the opportunity to review all of the comments and answers but would be doing so in the coming months.

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CONSENT AGENDA APPROVAL:

Upon a motion duly made by Carol Scherman and seconded by Dan Taylor and unanimously approved, it was:

RESOLVED, that the Board meeting minutes from September 7, 2021; October 19, 2021; and the 2021-2021 Snow Removal Contracts with Spring River Tree Service and Springtime Landscaping are approved as presented.

APPROVE OFFICERS

Tom Sidley noted that when Joel Witmer's vacant Director seat was replaced by Dan Taylor, the Board had not appointed a new Treasurer. In light of the fact that Dan is now the Board Liaison to the newly formed Environmental and Landscape Committee, Tom recommended that Randy Smith, the Chair of the Finance Committee, be nominated as the Treasurer. This would help share the workload amongst the volunteers and the Association Bylaws allow for this officer position to be held by a non-director. Randy would not have a voting role on the Board.

Upon a motion duly made by Tom Sidley and seconded by Dan Taylor and unanimously approved, it was:

RESOLVED, that the owner, Randy Smith, also the Chair of the Finance Committee, hold the office of Treasurer for the Association.

DISCUSSION OF THE MASTER ASSOCIATION ASSESSMENT CALCULATION AND THE DECLARATION OF ANNEXATION

Catherine noted that she had received several calls/emails after the last working session regarding the upcoming budget and the issue with the percentage of costs and votes held by the Cabin Sub-Association and the Golf Course, so she wanted to explain more of the history, so more owners could understand the issues faced by the Board at this time.

Catherine shared that when the Master Association Finance Committee began working on the 2022 budget with the projected expansion figures, they noted that the Cabin Sub-Association's required payment of 10% of all the Master Association expenses, and Golf Course requirement to pay 5%, were increasing substantially, while the owner's assessments were increasing at a much lower percentage. (Both entities have the same respective percentages of the votes of the Association.) The Declarant reviewed this issue with their legal council earlier in the year and it was determined that there was no way to modify Section 2.9 of the Master Association CC&R's without a unanimous vote of the Master Association Membership.

The Master Association Board and the Declarant agreed to have their attorneys work together on an alternative, other than modifying Section 2.9, to create a fairer percentage of expenses and voting for the Cabin Association and Golf Course. The attorneys were able to find a suitable resolution, utilizing the Declaration of Annexation, to address assessment calculations, so as additional lots are annexed into the Master Association, the Cabin Sub-Association and Golf Course percentages of the expenses would represent a closer percentage of their membership.

2022 ASSOCIATION BUDGET AND CONTRACTS

Randy Smith, Finance Committee Chair, then presented the Committee's recommended 2022 draft budget and contracts to the Board. Randy stated that until the changes to the Declaration of Annexation are finalized and the final plats approved by the County, the Finance Committee felt it was better to recommend a budget based on the current ownership percentages. They would then present a revised budget to the Board to consider during the first quarter of 2022.

The currently drafted budget shows assessments increasing by 9.71% to the lot owners (from \$278 per month to \$305 per month) and 10.1% to the Cabins Sub-Association and the Golf Course. The 2022 Contracts were from the same providers as last year and most increased by 10% based on labor increases in the current labor market.

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Catherine noted that she had provided the Board with copies of each of the 2022 contracts from Resort Association Management Services (RAMS); Catherine Smith Consulting, LLC.; Deschutes Patrol Services (security); Springtime Landscaping and Irrigation; Aquatechnex (the contractor who manages the lakes) and Spring River Tree Service (contract for 2022 Ladder Fuel removal.)

Upon a motion duly made by Carol Scherman and seconded by Dan Taylor and unanimously approved, it was:

RESOLVED, that each of the 2022 Contracts noted above are approved.

Upon a motion duly made by Alan Dinger and seconded by Carol Scherman and unanimously approved, it was:

RESOLVED, that the 2022 budget recommended by the Finance Committee is approved.

There was additional discussion by the Board regarding the fact that the Declaration of Annexation would only be able to address the assessment calculation inequities but would not be able to address this same change to the voting percentages. The Board was not in agreement as to whether they supported the assessment changes if it did not equally address the voting changes.

Krista noted that the Declarant (Developer) would want the Board's support if they were going to move forward with the changes the Board had requested to address the assessment inequities. It was agreed that the Board would wait to see the advice from the Association's attorney before deciding if they would agree to support this change.

APPROVED SPENDING LIMITS

Catherine then asked the Board if they would approve spending limits for the maintenance staff, the Community Manager and the Board President for unbudgeted expenses, without having to go to the whole Board for these types of decisions.

Upon a motion duly made by Tom Sidley and seconded by Carol Scherman and unanimously approved, it was:

RESOLVED, to approve that the maintenance staff can approve unbudgeted purchases up to \$250; the Community Manager up to \$500 and the President up to \$2,000, without further Board approval.

Catherine then noted for the minutes that two of the Association's CDARS accounts with First Interstate Bank had recently matured and the funds were moved to the Association's checking account, causing it to be over the \$250,000 insured limit. When Tom Sidley and Randy Smith met with First Interstate Bank regarding all the investments, they instructed the bank to move \$450,000 from the checking account to a 13-week CDARS account to make sure it was insured. The Finance Committee will be reviewing all the investment accounts and making a recommendation to the Board regarding ways to increase the current interest rates.

There being no further discussion, the meeting was adjourned by President Tom Sidley at 10:48A.M.

Respectfully submitted by Catherine Smith, Secretary