

NEPENTHE ASSOCIATION

BOARD OF DIRECTORS MEETING

October 7, 2015, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

OPEN SESSION MINUTES

I. CALL TO ORDER 5:33 PM

| Present | Board Member | Positon |
|---------|---------------------|-----------------|
| x | Ivan Gennis | President |
| x | Steve Huffman | Vice President |
| x | Marcia Britton-Gray | Secretary |
| x | Melanie Herman | Treasurer |
| x | Pamela Zanze | Member at Large |

II. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met in Executive Session on October 7, 2015 in order to consider matters relating to personnel, member discipline and the formation of third-party contracts.
- b. **General Announcements from the Board**

III. COMMITTEE REPORTS

- a. **Ad Hoc Committee on Website Development**-Verbal report provided at meeting.
- b. **Architectural Review Committee.** Verbal report provided at meeting. Minutes provided to Board in their packet.
- c. **Finance Committee**- Verbal report provided at meeting. Minutes provided to Board in their packet.
- d. **Grounds Committee**- Minutes provided to Board in their packet.
- e. **Insurance, Legal and Risk Management Committee**- Verbal report provided at meeting.
- f. **Outreach Committee**- Verbal report provided at meeting. Minutes provided to Board in their packet.
- g. **Social Committee**- Verbal report provided at meeting. Minutes provided to Board in their packet.

IV. MANAGEMENT REPORTS

- a. **Operations Report**-Manager provided report in writing to the Board. Items of note include:
 - i. Phase I Siding Repair and Painting is complete. Phase II Siding and Fencing Repair and Painting is in process.
 - ii. The Scope of Work has been prepared for concrete repairs throughout the community and bids will be solicited for Board approval.
 - iii. 19 work orders were generated for Roger Work since the last meeting. 12 work orders were closed during the same period.

- iv. GP has been issued 40 work orders since the last report. 25 work orders have been completed and closed during that time period, the remaining are still in process.
- v. The 2015 Tree Care Request for Proposal was published September 14th. The Bids have been received and are in the Board packet for review and approval.

HOMEOWNER FORUM -- A number of Homeowners addressed the Board on various issues. Management made note of the concerns for possible Board action on a later agenda.

V. CONSENT CALENDAR

Motion: Director Steve Huffman

Second: Director Marcia Britton-Gray

Vote: All in favor

Resolution: The Board approves Consent Calendar items A to E as presented. Architectural Application for 1242 Vanderbilt to be removed from Consent Calendar.

Begin Consent Calendar

a. Approval of Minutes: September 2, 2015 Open Session

Resolution: The Open Session minutes dated September 2, 2015 were approved as presented.

b. Financial Statement: August 2015

Resolution: The Board accepted the August 2015 interim financial reports and bank reconciliations as presented, subject to annual review. The report reflects a positive year-to-date variance of of \$2,532.55 and year-to-date reserve funding of \$1,267,157.18 compared to the reserve funding budget of \$1,261,824. The reserves are funded through August 2015. The Association has \$549,841 in operating funds, which represents 2.8 months of budgeted expenses and reserve contributions. The Association has \$4,692,769 in reserve funds.

- c. Resolution:** Per the enclosed Resolution dated September 17, 2015, Management is requesting authorization to place liens on the following accounts should the delinquent assessments not be paid within the time period established in the Intent-to-Lien letter.

| Account Number | Past Due |
|----------------|----------|
| 2038-01 | \$938.45 |
| 2187-01 | \$916.46 |

d. Applications for Committee Membership

Resolution: The Board appointed Joan Barrett, a member in good standing, to serve on the Outreach Committee. Her application has been received and reviewed by management and she has agreed to abide by the Conflict of Interest Policy.

e. Architectural Applications:

Resolution: The Board approved the following applications as recommended by the committee.

| <i>Address</i> | <i>Application for</i> |
|-----------------------|--------------------------------|
| 204 Dunbarton Circle | Window Replacements |
| 1015 Dunbarton Circle | Sky lights and solar tubes |
| 708 Elmhurst Circle | Window and slider replacements |
| 2259 Swarthmore Drive | Window Replacements |
| 1101 Dunbarton Circle | Window and slider replacements |
| 1191 Vanderbilt Way | Motorized retractable awning |

End Consent Calendar

VI. UNFINISHED BUSINESS

a. 2016 Annual Budget

Motion: Director Melanie Herman

Second: Director Pamela Zanze

Vote: All in favor

Resolution: The Board adopted the 2016 Budget as presented showing the assessment for the next fiscal year at \$457 per unit per month.

b. Insurance Renewal Quote

Motion: Director Steve Huffman

Second: Director Pamela Zanze

Vote: All in favor

Resolution: The Board accepted the quote from Farmers for complete insurance coverage for an annual premium in the amount of \$95,786 to be paid from operating funds.

c. Facilities Use Procedure

Motion: Director Melanie Herman

Second: Director Marcia Britton-Gray

Vote: All in favor

Resolution: The Board adopted the Facilities Use Procedure and its accompanying form, the Facilities Use Proposal for use by the clubhouse staff in administering the use of the clubhouse.

d. Formation of Safety Committee

Action: Director Steve Huffman to facilitate conversation to come for Board at November meeting.

e. Website Advertising Policy

Motion: Director Melanie Herman

Second: Director Steve Huffman

Vote: All in favor

Resolution: The Board of Directors adopted the Website Advertising Policy as presented.

VII. NEW BUSINESS

a. Roof Cleaning Services Proposal

Motion: Director Marcia Britton-Gray

Second: Director Melanie Herman

Vote: All in favor

Resolution: The Board approved the contract for roof, gutter and downspout cleaning by Randy Ross Services for the amount of \$57,872 payable from the operating account.

b. 2016 Tree Care Proposals

Motion: Director Melanie Herman

Second: Director Marcia Britton-Gray

Vote: All in favor

Resolution: The Board approves the Contract with Arborwell in the amount of \$56,715.75, payable from Reserves which has a remaining 2015 allocation of \$65,370. Subject to contract review by Risk Management.

VIII. HOMEOWNER FORUM-The Board expressed appreciation to Director Melanie Herman for her dedication and time served as Treasurer.

IX. NEXT MEETING: Wednesday, November 4, 2015 at 5:30 pm in the Nepenthe clubhouse

X. ADJOURN 6:54pm