The Nepenthe News

MERIT PROPERTY MANAGEMENT

April 2013

Please Remove Items from Common Area

One of the Association's goals for 2013 is to enhance the appearance of the grounds by removing personal articles and plants that homeowners have placed in the common area. The CC&Rs, which all homeowners have agreed to follow, state clearly that no object or plant may be placed in the common area without Association approval (Sec. 7.01).

The purpose is to maintain neat, consistent and predictable landscaping throughout the community. That is what buyers expect when they purchase homes here, and the Association has a duty to meet that expectation through reasonable enforcement of the CC&Rs.

The great majority of homeowners willingly comply with the CC&Rs, and they expect their neighbors to comply as well. They know that in purchasing property here they sacrificed individual landscaping choices in order to ensure uniform appearance and efficient maintenance of the grounds.

A few, however, have placed lights, statuary, flags, bird feeders, etc. in the common area. Others have planted flowers, shrubs and even trees. Management has sent notices of non-compliance, and most have readily complied. Their cooperation is appreciated.

If you have articles in the common area, other than signs for security systems, please remove them by June 1. This includes pots, garden hoses and garbage cans. All articles found in the common area after June 1 will be removed and held at the office for two weeks.

(See Common Area, page 3)

4 Candidates' Running for the Board of Directors

The Nepenthe's Nominating Committee is happy to announce the running of four candidates for election to the Board with three Director seats to fill this year. The candidates are Richard Coombs, Ivan Gennis, Otis Turner, and Will Vizzard.

Candidates' statements are attached to this Newsletter on pages 8 through 12. Be sure to attend the Candidates' Night on Thursday, April 11th in the Clubhouse at 6:30 PM. You will have an opportunity to listen to each candidate and ask questions that are important to you.

The Annual Election for the Nepenthe Board of Directors will be held on Wednesday, May 22nd at 5:00 PM in the Nepenthe Clubhouse.

Ballots will be sent out to residents no later than April 22. It is a privilege and the right of each Nepenthe residence (one vote per household) to participate in this process by casting your vote.

(See Board Election, page 3)

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Next Meeting

The next Board of Directors Meeting will be held:

April 24, 2013
5:00 PM

Homeowner comments and suggestions are welcome!

Special Meeting on Clubhouse Project Set for April 15

On Monday, April 15th, at 6:00 pm, the Ad Hoc Committee on Capital Improvements will be holding a Homeowner Forum to discuss the proposed floor plan and design options for the finishes for the Clubhouse and Cabanas renovations. The architect firm, LPAS, will be attending the forum to present the design options and the floor plan, and to answer any questions that homeowners may have.

All homeowners are encouraged to attend this forum and to provide feedback on the floor plan and design options. Feedback can be submitted via email to Nepenthe@meritpm.com or it can be turned in to the office, in writing. All homeowner comments will be provided to the board for review.

The Board of Directors will be reviewing the final floor plan and hard costs at the May 22nd board meeting. If approved, construction could start as early as July of this year. The proposed floor plans can be found on the Nepenthe website at www.MeritConnect.com/NepentheAssociation. If you have any questions, please contact the office.

Patio Trees, Shrubs Should be Neatly Pruned

With spring weather upon us in Nepenthe, now is a great time to check out the landscaping within your patio and determine what needs pruning, trimming, or replacing. While the Association maintains the Common Area landscaping outside of your patio, it is your responsibility to maintain the landscaping inside the fence.

Regular care should be paid to the landscaping within your patio in order to maintain the quality of appearance everyone enjoys in our community. Please remember that trees, shrubs, vines, and plants must be maintained so that they do not interfere with, or touch, your and your neighbor's siding, roof, or fencing.

An overgrown tree in a resident's patio that requires pruning.

If any tree, shrub, vine, or plant that is visible to the common area from your patio is failing, it should be replaced in a timely manner. Also, any landscaping within the patio that begins damaging any structures, should be removed.

Please call the management office at 916-929-8380 if you have any questions or need clarification.

Volunteers Urged to Apply for Committees

Along with the annual elections, each year the Board of Directors reappoints committee members to serve on the seven volunteer committees in Nepenthe. Committees are always seeking new members and any interested homeowner is encouraged to apply. You may apply for or serve on more than one committee. Current members already serving on a committee must also apply for reappointment.

Serving on a committee is a great way to be involved with and make a positive difference in the community. The deadline to submit an application is May 15th. Appointments are for one year and will be announced in late May or early June. If you are interested in applying to volunteer on a committee or are an existing member who would like to be reappointed, applications are available at the management office. Please call the office at 916-929-8380 with any questions.

Common Area

(continued from Page 1)

Articles not claimed after two weeks will be donated to Goodwill Industries. The Association will not be responsible for loss of or damage to any article.

Please do not plant anything in the common area. The Association has the right to remove without notice all unapproved homeowner plantings and to charge the responsible person for the cost of restoring the planted area.

Some of the plants and articles in question are unquestionably attractive. That is not the issue. The issues are (1) how to ensure the uniform appearance of the grounds (2) how to efficiently maintain the grounds, and (3) how to treat everyone fairly.

Items, such as these empty flower pots, are not permitted in the Common Area.

The board has determined that the best policy, the one most easily understood, and the one least likely to cause friction between neighbors, is to bar all personal objects and plantings from the common area.

The board does have authority to grant exceptions, also known as variances, but that will be done rarely. Any request for an exception will be placed on the board meeting agenda and debated in public session. If approved, it will be recorded both in the minutes and in the homeowner's file.

If you have questions, please contact the office at (916) 929-8380.

Board Election

(continued from Page 1)

Please remember that your vote is critical to the success of the election process at Nepenthe. Twenty-five percent or 148 of the 590 Nepenthe homeowners must vote for the election to be valid. One of the Board's goals is to achieve a 50% quorum. Failure to achieve the 25% number would result in costly re-mailings to the community.

Ballots will be received via mail. If you do not receive your election ballot by May 1st, please contact the management office and we will provide you with one. Please be sure to exercise your right and cast your vote in this year's election.

Dog Owners Must Pick up Their Pets' Waste

Dog owners and dog walkers in Nepenthe have a responsibility to pick up and dispose of their dog's waste properly while walking in the community. Dog waste should always be disposed of in your own trash can or a special dog waste receptacle.

Improperly disposed of dog waste is unsanitary and can spread infectious diseases such as Salmonella, Giardia, and worms. One gram of dog waste is estimated to contain as many as 23 million fecal coliform bacteria which can cause intestinal illness in humans. We need your help to keep our community clean and safe!

Approved Architectural Applications

At the March 27, 2013, Board of Directors Meeting, the following architectural applications were conditionally approved:

506 Dunbarton—Sklight
1209 Vanderbilt—Window Replacement
112 Dunbarton—Window Replacement
1390 Commons—Window Replacement
501 Elmhurst—Skylight
1227 Vanderbilt—Solar Tubes
1000 Dunbarton—Window Replacement

If you wish to make any exterior changes to your unit that are visible to the community or interior changes that impact the roof, you must submit an architectural application for review and approval by the Architectural Committee and Board of Directors prior to commencing any work to your unit. Applications are to be turned into the Nepenthe office by the Wednesday prior to the Architectural Committee Meeting. The Architectural Committee meets on the 1st Saturday of each month at 9:30 a.m. in the Clubhouse.

Nepenthe's Year-To-Date Cash Flow As of 2/18/13

Sources / Uses	Operations	General Reserves	Private Streets
Beginning Balance 1/1/2012	354,215	3,158,799	224,354
Plus Income	497,855		
Reserve Investment Income		851	120
Contributions to Reserve		285,978	2,840
Audit Adjustment Reserve Interest Recognition			
Payback Operating			
Less Operating Expenses	(184,040)		
Reserve Funding	(285,978)		
Reserve Expenses		(59,998)	(15,035)
Ending Balance	**376,324**	**3,385,630**	**212,279**

February 2013 Budget Report

Actual year to date income of $497,856 versus year to date budgeted income of $498,524 produced a negative year to date income variance of $668.

Actual year to date operating expenses of $184,040 versus year to date budgeted expenses of $157,284 produced a negative year to date operating expenses variance of $26,756.

The two combined variances produced a negative year to date variance of $27,424.

Other Information
Unpaid Assessments at February 28, 2013 were: $44,831
Prepaid Assessments at February 28, 2013 were: $99,147

Parking is Growing Problem on Commons, Swarthmore

Cars line Swarthmore Drive on both sides of the street on most mornings.

Lately, there has been an increase in the number of cars parked on Swarthmore and Commons Drive every day. Many cars remain parked for hours, or days, without being driven or moved. While management is unable to tow or ticket cars parked on city-maintained streets, we would like to ask Nepenthe residents' to aid in addressing this problem.

While we realize that residents may own several cars or occasionally have guests who park on the street, we would like to ask that all residents make the effort to park in their garages whenever possible. This may mean rearranging or removing clutter from your garage. Additionally, we ask that residents report any vehicles that are in violation of either the 2-hour time limit for parking where posted or the 72-hour time limit for parking on any city-maintained street to the City of Sacramento Neighborhood Code Enforcement Program at 916-264-5011. You may also dial 3-1-1 or look online at CityOfSacramento.Org/Transportation/Parking for more information on parking or to report a violation.

As a reminder, parking on Dunbarton and Elmhurst private streets is prohibited between 2:00 am and 6:00 am and you will be ticketed by Stonegate Protection on behalf of the Association. If you receive two parking violations within a six-month period, your vehicle is subject to be towed when found in violation on the third time. Parking permits for short periods of time are available in the management office.

Some Homeowners May be Ineligible to Vote

The Board of Directors revoked the voting rights of five homeowners who were in delinquency of 60 days or longer for unpaid assessments at the time of the Executive Board Meeting on March 27, 2013. If the delinquent accounts are paid in full by the time of the elections, those homeowners' right to vote will be restored.

The Board is taking assessment delinquency seriously and hopes that this action will encourage homeowners to remain current with their assessment payments.

Briefly...

- In the month of April, GP Landscape will be aerating the grounds. They will also be applying fertilizer to the turf areas with weed killers. Pruning throughout the community will also be taking place, as well as weekly spraying for weeds.

- The automation of the irrigation system on the outside of Dunbarton Circle is completed. Crews are now working on the outside of Elmhurst Circle. The last zone to be automated will be the area north of Swarthmore and west of Commons Drive.

- At the next board meeting on April 24th, the board will be discussing a proposal to allow homeowners to pay for plantings around their homes if (a) they choose from a plant list provided by the Association and (b) planting and maintenance are done by Nepenthe's landscaping crews.

- During the last board meeting, the board approved to reallocate some reserve funds to improve return-on-investment, increase diversity and reduce risk, as recommended by Nepenthe's financial adviser.

- The year-end financial summary for 2012 will be mailed to all homeowners by April 30th.

April 2013

SUN	MON	TUE	WED	THU	FRI	SAT
	1 Tai Chi 3 pm *Cabana Rental*	*2*	*3*	*4 Nominating Committee Meeting* *Outreach Committee Meeting 6 pm*	*5 Yoga 9 am*	*6 Architectural Committee Meeting 9:30 am in the Cabana* *Clubhouse Rental*
7	*8 Tai Chi 3 pm*	*9 Yoga 9:30 am*	*10*	*11 Grounds Committee Meeting 4 pm* *Candidates' Night 6:30-7:30 pm in the Clubhouse*	*12 Yoga 9 am*	*13 Clubhouse Rental*
14 Clubhouse Rental	*15 Tai Chi 3 pm* *Finance Committee Meeting 6:30 pm* *Homeowner Forum for Clubhouse Renovation 6 pm*	*16 Yoga 9:30 am* *Book Club Meeting in the Cabana 1:30 pm*	*17*	*18*	*19 Yoga 9 am*	*20*
21	*22 Tai Chi 3 pm*	*23 Yoga 9:30 am*	*24* ***Board of Directors Meeting 5:00 pm in Clubhouse***	*25*	*26 Yoga 9 am*	*27*
28	*29 Tai Chi 3 pm*	*30 Yoga 9:30 am*				

Monday—Friday: 9:00a.m. – 6:00p.m.
Saturday—Sunday (Winter): 9:00a.m—1:00p.m.

Nepenthe Management Office: 916-929-8380 nepenthe@meritpm.com

Community Manager:	Sarah McCalla	smccalla@meritpm.com
Facility Administrator:	Roger Work	nepenthe@meritpm.com
Associate Community Manager:	Sara Beth Jue	sjue@meritpm.com
Administrative Assistant :	Chardae Jones	cjones@meritpm.com

MERIT Emergency Hotline: 888-596-4984 — Toll free 24 hours

MERIT Customer Care Center: 800-428-5588

PayLease (Auto Pay) 866-729-5327 -or- support@paylease.com

Stonegate Protection- Patrol Service: 888-774-0035 -or- security@stonegateprotection.com

Electrical Outages: 888-456-SMUD

Nepenthe Insurance: Farmers Insurance Group
Ryan DeShong 916-636-0115

Board Members:
(The Board meets at 5:00 p.m. on the 4th Wednesday of the month in the Clubhouse)

Otis Turner, President
otisturner@hotmail.com / 916-927-3575

Richard Coombs, Vice President
rec1146@aol.com / 916-568-6100

Marcia Britton-Gray, Secretary
mcbmd@comcast.net / 916-929-3858

William Vizzard, Treasurer
vizzardw@gmail.com / 916-923-9308

Bo Grebitus, Director-at-Large
bogrebitus@gmail.com / 916-923-0733

Committee Chairs:

Architectural Review – Ken Luttrell
Meets 9:30 a.m. on the 1st Saturday of the month in the Clubhouse

Elections – Yvonne Del Biaggio

Finance – Greg Crissman
Meets 6:30 p.m. on the 3rd Monday of the month in the Clubhouse

Grounds – Ivan Gennis
Meets 4:00 p.m. on the 2nd Thursday of the month in the Clubhouse

Insurance – Bill Newbill

Nominating/Outreach – Nicki Shearer
Meets 6:00 p.m. on the 1st Thursday of the month in the Clubhouse

Richard E. Coombs
815 Dunbarton Circle
Sacramento, CA 95825

916-564-8287 (h)
916-798-6100 (c)
Rec1146@aol.com

Having lived in Nepenthe since 1988 on Commons, Elmhurst, and now Dunbarton, my appreciation of the community and its residents continues to grow. Through the countless and tireless efforts of our volunteer committee members, board members and residents our community remains a premier homeowners treasure. The able leadership of the current Board ensures knowledgeable, capable, and skillful leadership. I am proud to have been able to contribute for the past two years and look forward to lending my experience and skills to our community.

A few areas I have assisted with over the last two years:

- **Negotiating a new and favorable contract with our property management firm and strengthening our relationship**
- **Reviewing contracts and suggesting modifications**
- **Establishing fiscal, operational and legal goals for Nepenthe**
- **Acting as liaison with Nepenthe's legal counsel**
- **Assisting with solutions to homeowners' concerns**
- **Engaging homeowners in the process of operating our community**
- **Planning for and accommodating an aging Nepenthe community**

Directors are stewards of our community – now and in the future. I view that responsibility seriously. Thank you for your support.

Richard

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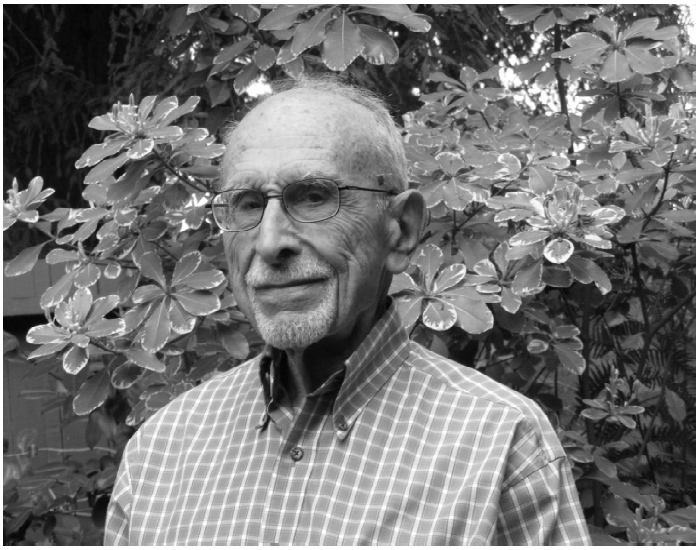
Ivan Gennis, candidate for Nepenthe Board



Nepenthe resident, 13 years. Nepenthe Grounds Committee Chair, 3 years. Graduate of UC Berkeley. Navy veteran. Licensed as a civil engineer and land surveyor in California; also in Nevada and Oregon (inactive). Licensed Contractor in California (inactive). LEED Accredited Professional, Green Building Certification Institute. Completed Leading Education and Awareness in urban Forestry (LEAF) Steward Program, Sacramento Tree Foundation.

If elected, I hope to bring to the Board an environmental awareness and a sensitivity to the wishes of homeowners regarding trees and landscaping. I have been active in calling for improved policies and procedures regarding preservation of our tree canopy and avoiding mass tree removals. I hope to promote civil discourse and a sense of community.

My background in engineering and construction will be useful in dealing cost-effectively with construction, maintenance and management issues.

My experience as Chair of the Grounds Committee has allowed me to become familiar with many of the financial and management issues involved in Nepenthe's operations, so that I'll be able to hit the ground running.

Your vote would be appreciated.

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Statement of Board Candidate Otis Turner

Otis Turner is a retired journalist who has lived in Nepenthe with his wife Naomi since 1976. After serving on two committees, he was elected to the board in 2004 and 2006, sat out three years, and was elected again in 2011. He has served as president of the board for a total of five years. Otis is also active in the Community Associations Institute, a national organization of homeowners, managers and businesses serving homeowner associations.

NEPENTHE MUST DO TWO THINGS IF WE ARE TO SUCCEED: Maintain the property and respond to homeowners' requests for service and information. If we are great at everything else and fail to meet those two core responsibilities, we still fail as an Association. That has been my focus, and the board's, for the last two years. We have also given special attention to finances and communication.

MAINTENANCE At a time when other homeowner associations are deferring maintenance, Nepenthe has persevered in its responsibility to maintain the property. In the last two years, we have:

- Repaired roofs, siding and fences as soon as the need was discovered
- Resurfaced and sealed Dunbarton Circle, Elmhurst Circle and all alleys
- Repaired all concrete walkways, making them safer
- Inspected 103 of the oldest roofs and made repairs
- Hired a new landscaping contractor and took a more disciplined approach to the maintenance of the grounds
- Continued the automation of the irrigation system to save water and money
- Removed and replaced trees that posed threats to people or to property
- Helped homeowners who wanted to make improvements to their homes while protecting architectural standards

RESPONSIVENESS The board's policy, for itself and for staff, is to respond promptly, courteously and factually to all homeowner requests. If there is a question, we answer it. If there is a problem, we fix it. We once had a backlog of aging service orders but are now current on all requests. On the rare occasion when we cannot do as asked, we explain why and offer alternative solutions.

FINANCES We never forget that we are entrusted with other people's money and that we must be able to account for all investments and expenditures. We have rigorous bidding procedures, we monitor all work on the property, and we keep good records.

Last year, for the first time, we set financial goals. We wanted to end the year with $12,000 in the Operating Fund, $2.1 million in the General Reserve Fund, and $80,000 in the Private Streets reserve fund. We exceeded each of those goals. Goals again have been set for 2013, and the results will be published.

We also:

- Ended the 2011 and 2012 fiscal years with small budget surpluses
- Reduced the number of delinquent homeowners
- Updated the reserve studies to make sure we are saving enough money to replace roofs, siding, fences, etc. as they wear out over the next 30 years

(Over)

COMMUNICATION The board has made a special effort to keep homeowners informed about the issues, to invite comment, and, above all, to listen. Everyone has a chance to weigh in before key decisions are made.

For instance, tree removals are a touchy subject, but we have handled them carefully and with respect for everyone's opinion. As a result, that work is being accomplished with minimal disruption in the community.

The clubhouse/cabanas project is another potentially contentious issue, but informing and involving homeowners in the planning stage will ensure broad support for the project.

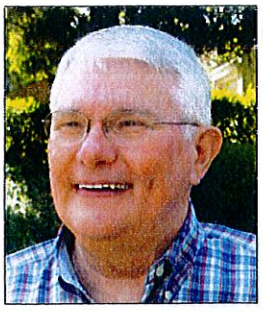
We have also strengthened communication by:

- Publishing board members' telephone numbers and email addresses in the monthly newsletter
- E-mailing all homeowners not only the agendas for board meetings, but also the packet of supporting information prepared for board members
- Also e-mailing follow-up reports on monthly board meetings to all homeowners, including a list of items that may appear on the next meeting agenda
- Improving the newsletter so that homeowners have a better understanding of the issues and of their rights and responsibilities
- Holding orientation meetings for new homeowners
- Publishing "Nepenthe A-Z," a user's guide for homeowners
- Meeting with Realtors to discuss ways to better market Nepenthe to homebuyers
- Creating a committee to update the Nepenthe website

I am pleased with what the board has accomplished, but there is more to do, notably the completion of the **clubhouse/cabanas project**. I also hope the board will create a **master plan for the grounds** so that we all have a clear vision of what the property should look like for the next thirty years. And I would like to develop an **emergency preparedness plan** to ensure Nepenthe's continued operation in event of a flood or other disaster.

My wife Naomi and I want to live in a community that is well maintained, financially sound, safe and friendly. A community where homeowners are informed, listened to and treated with respect. A community with reasonable rules that are reasonably enforced. A community that has confidence in its leaders and in its future. That is what I have worked for as a Nepenthe homeowner and as a board member.

I would be grateful for your continued support.



Otis Turner
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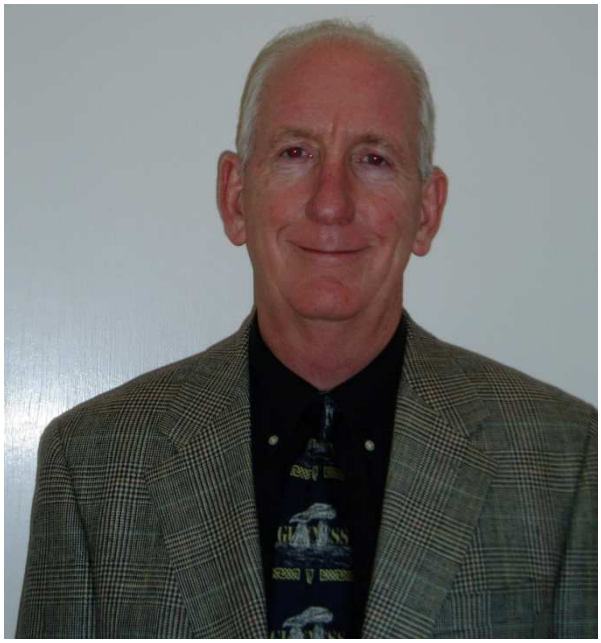
Candidate Statement

William J Vizzard

I have resided in Nepenthe since 1997. During that time I have served as the chair of the ad hoc committee on siding, ad hoc committee on gym expansion and the Finance Committee. For the last two years, I have served as a board member and Treasurer. I am the board liaison to the Finance Committee and the board representative on the Club House Renovation Committee.

My professional experience includes 29 years in local and federal law enforcement, much of that as a supervisor or manager. Since 1994 I have taught and researched in the field of criminal justice, first at the University of Wisconsin, Oshkosh and then at Sacramento State. I served as division chair for nine years, supervising a faculty of forty and managing a three million dollar budget. I retired in 2010, but continue to teach part time in the areas of investigations, policing, management and justice policy.

I believe the Nepenthe Board has functioned responsibly over the past two years. Our finances are sound. We have embarked on an overdue renewal of facilities including the clubhouse, pools and cabanas as well as being on the verge of finishing the conversion to an automated irrigation system. I am committed to seeing these projects through to completion and to maintaining the financial responsibility that made them possible.



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