



Board Adopts 2017 Budget

The Board of Directors has approved the 2017 budget. It will result in a \$12.00/month (2.62%) increase in assessments for coming year. This reflects a .2% increase in the operating budget and a 3.6% increase in reserve contributions.

As most of you know, our budget is made up of an operating budget, which covers management costs, taxes, insurance, utilities and contracts for services--such as grounds, security and pool maintenance. Although we achieved some savings in this area, they were offset by an increase in the grounds contract driven by the new California minimum wage law and by a 2.5% increase in our management contract. This is the first increase in this contract in several years.

The major portion of the increased assessment goes toward building the reserve fund. Our current reserve plan calls for increasing contributions by 3.8% yearly. This study is reviewed and updated yearly and our reserve study contractor, Bob Browning, conducts an onsite inspection every third year. This year management staff, the finance committee, the Treasurer and the President closely reviewed the study with Mr.

Browning and jointly concluded that the long term useful life of the siding could be extended. This resulted in a recalculation of the required yearly contribution increase from 3.8% to 3.6% beginning with the 2017 budget. Although this had minimal impact on reducing costs for 2017, it will compound over the coming years.

You may ask why the plan has an increase the reserve contribution each yearly. The answer is that the fund would otherwise be inadequate to meet our long term projected costs for roofing, fences, siding, painting, grounds restoration, sewers and storm drains, etc. The alternative to these modest increases would be to front load more into the reserve fund in a lump sum. It is analogous to setting up a retirement fund at age 25 and increasing the contribution by a fixed percentage yearly in order to have adequate funds to retire at 65. Keep in mind, the reserve fund is an asset of the association and increases the value of the entire community, informed buyers should always examine the viability of the reserve fund before buying into any HOA. A copy of the reserve study is available in the club house for review.

Successful 2016 Jazz By The Pool

Thank you to all residents and guests for supporting another successful season of Jazz @ the Pool. The Nepenthe Pool area was filled with wonderful musical sounds, good food, quiet conversation, and laughter among audience members on the last Sundays of summer.

Music from Rio Americano High School Jazz Band, Valerie V and the Big Band, and the Alan Ginter Trio entertained us in style. Ticket sales this year exceeded 100 at each of the three events. Food Trucks catered with tasty items to enjoy, but many residents chose to provide their own gourmet picnics. Great wine was furnished by GP Landscaping and Ryan Deshong, Farmers Insurance Agent.

A special thank you to Nepenthe Office staff who handles all Jazz @ the Pool pre-sale tickets. The concerts are a big success because of your hard work and diligent record keeping.

Next summer, 2017, promises more of the same beautiful evenings full of music, but with some new musical groups and new food trucks.



Nepenthe Approved Architectural Modifications

Address	Modification
716 Elmhurst Circle	Window Replacement
1185 Vanderbilt Way	HVAC Replacement
510 Elmhurst Circle	Chimney Cap Replacement
1423 Commons Drive	Solar Panel Installation
2257 Swarthmore Drive	Trellis Installation
2283 Swarthmore Drive	HVAC 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 2nd Monday of each month at 4:30 p.m. in the Clubhouse.



August Budget Report

Actual year-to-date income of \$2,174,095 versus year-to-date budgeted income of \$2,173,032 produced a positive variance of \$1,873.47.

Actual year-to-date operating expenses of \$629,280 versus year-to-date budgeted expenses of \$862,904 produced a positive expenses variance of \$233,624.

The two combined variances produced a positive year-to-date variance of \$235,497.

August Cash Flow Report

Sources / Uses	Operations	Reserves
Beginning Balance 1/1/2016	267,381	4,935,051
Prior year due to Ops from mgmt	91	
Plus Income	\$2,174,905	
Reserve Investment Income		\$23,058
Contributions to Reserve		\$1,310,128
Less Operating Expenses	(\$629,280)	
Reserve Funding	(\$1,310,128)	
Reserve Expenditures		(\$856,533)
Receivable from Management	(0)	
Ending Balance 08/31/2016	\$502,777	\$5,411,705

Outreach Committee

One of the purposes of this committee is to create events that will encourage more of our residents to meet other residents. For instance there is a Coffee every Saturday at 10 AM at the Neptune Clubhouse. On the second Thursday of each month we have a Happy Hour Social at 5 PM, Also in the Clubhouse. The summer Jazz at the Pool



has been a huge success and we plan to do it again next. Summer.



We also have had guests come to a Coffee with information to share with the community. On October 15th we will have representatives from the Yes on Prop B and the No on Prop B com-

mittees. They will be available for questions and answers.

Mark your calendars for December 8. That will be the date of our annual Holiday Party. Plan to join the festivities!

The committee meets on the third Wednesday of the month. We meet at 5 PM at the clubhouse. You are invited to attend and/or email the chairperson with your thoughts and suggestions. We would love to have your input.

Gerry, Chairperson

Gerry@gerrygelfand.com

A Letter From Your President

Security was the dominant theme in last Wednesday's board meeting public forums, with a number of homeowners stating security concerns and making suggestions. While the level of awareness is heightened periodically by local crime events, security has been a primary concern of the Board. In the past, we've investigated various patrol levels, joint patrol with the Campus Commons Villages, replacing our lights with modern LED fixtures, and formation



of neighborhood watch groups. We already have collected information on these topics. Some new suggestions came out of the recent discussion. At

last Wednesday's Board meeting, I gave the Insurance, Legal and Security Committee a specific charge to come up with a list of recommended actions that the Board could take quickly to increase real security and that are cost-effective.

Benches were another item discussed at the Board meeting. It's interesting how the interest in having benches comes and goes. Benches as an encouragement to walking were first proposed several years ago in the Wood-Rodgers report on landscaping. The idea was well received in the Grounds Vision public forum and was incorporated into the Grounds Vision document. At one time, several homeowners offered to donate benches, but previous Boards were cool to the idea. Later, an ad hoc committee on benches developed criteria for siting benches, and recommended 19 locations in open space areas that would least impact adjacent homeown-

ers. One bench has been installed, one was previously approved and will be installed soon, and one was approved at Wednesday's meeting. The criteria includes provisions for donating a bench at one of the 19 locations.

Your Board heard loud and clear that homeowners adjacent to the University/Elmhurst tennis courts prize those courts as an essential amenity in spite of any perception of limited utilization. At a previous meeting, the Board directed the University lot ad hoc committee to confine the land use alternatives to those which would not remove the tennis courts. The overflow parking garage and contractor yard proposal that will be studied further will be on the westerly parcel which is now being used entirely as a contractor corporation yard.

Sincerely, Ivan Gennis, President

Managers Report

Summer is winding down and soon we will enjoy the turning of the leaves. Here in Nepenthe, it is a lovely phenomenon to see our stately trees change color. With the changing color comes the leaf drop and there are a number of processes we in the management office undertake in order to be prepared.

We start by conducting an annual clearance pruning to address any tree limbs overhanging roofs or impinging on exteriors of homes. If you have trees on your patio, this is a good time for you to also look at your trees with an eye towards clearing them away from your home. This minimizes the possibility of damage during winter storms.



Remember- the only day green waste is picked up is Monday morning so hang on to your leaf bags until Sunday afternoon. At that point, you can place it at the corner where your alley meets the street for Monday pickup. That is the only day that Juan brings the trailer. If it is left out any other day, he does not have the means to pick it up.

As the leaves begin to fall, our contractor, Randy Ross Services, will begin clearing the roofs. He will be beginning in November and he usually starts with the homes affected by evergreen trees- the cedars, pines and redwoods. Then he monitors the leaf drop and makes the decision when to clean a roof based on the amount of leaves dropped from the nearby trees. By early January, he and his crews are usually finished.

As they clean the roofs, they communicate with our landscaping crews from GP to ensure that the leaves get picked up. GP will make use of their vacuum truck during the heaviest part of the leaf drop. If you should notice piles of leaves from the roof cleaning being left in place for more than a day or two, please call the office

so we can make sure that GP knows of it and can address it. Another thing that we see happening as the days shorten is that as GP prepares a stack of leaves in the street for the vacuum truck, residents will come park on top of the stack. Please do not do this- leaves that get left behind under cars become very slick and hazardous. If you see a pile of leaves near a curb, do not cover it so it can be vacuumed up.

In other news, the Board approved the 2017 budget at their meeting on October 5th. Beginning January 1st, the new monthly assessment will be \$469. If you are already signed up on an ACH agreement with the association, they will automatically adjust the amount they pull from your checking account each month, so there is nothing you need to do. If you are signed up with your bank's bill pay service, you will need to adjust the amount of the payment.

If you're curious about the breakdown of what your monthly payment takes care of, here is a short summary:

First of all, from the \$469, \$288 is immediately transferred to the reserve fund which pays for the repair and replacement of the many assets of the association- roofs, siding, walkways, clubhouses, pools, etc.

The remaining \$181 is used for the monthly operations and is broken down like this:

- Utilities \$14; landscape maintenance \$49;
- common area maintenance which covers things like the pool contract, janitorial contract, coffee supplies, security patrol, etc. \$19;
- management/administration \$56;
- insurance, including flood insurance for every unit \$48.

Watch your mail as we will be mailing the annual budget disclosure packets very soon. This disclosure is mandated by California civil code and is meant to serve as a protection for you. The information enclosed is intended by your legislators to help you be more informed about the finances and operation of your association. It is good information to review and keep on hand if you find that you have questions throughout the year.

As always, the team here in the office- Crystle, Roger, Roshuna and I, all enjoy serving this community and hope that we can be of real assistance to you.



Nepenthe Clubhouse
1131 Commons Drive
Sacramento, CA 95825

Phone: 916.929.8380
Fax: 916.929.1773

E-mail: nepenthe@fsresidential.com

Office Hours:

Monday—Friday 9:00 AM to 6:00 PM

Closed for lunch, 1:00 to 2:00 PM

Saturday-Sunday (Winter) 9:00AM to 1:00 PM

Saturday—Sunday (Summer) 12:00 PM to 4:00 PM

We're on the Web!

NepentheHOA.com

Management Staff:

Bettsi Ledesma, General Manager, bettsi.ledesma@fsresidential.com

Crystle Rhine, Assistant Community Manager crystle.rhine@fsresidential.com

Roshuna Creswell, Administrative Assistant, roshuna.creswell@fsresidential.com

Roger Work, Facility Administrator, nepenthe@fsresidential.com

FirstService Residential Customer Care Center: 1-800-428-5588

PayLease (Auto pay assessments): 1-866-729-5327 or support@paylease.com

Other Important Contacts:

Lyons Security: 916-844-2912 or sacramentosecuritycompany.com

Power Outages: 1-888-456-SMUD

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

Board of Directors:

Ivan Gennis, President, ivan.gennis@gmail.com, 916-564-3007

Steve Huffman, Vice-President, steve@huffmanstrategy.com, 916-214-4500

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

Linda Cook, Secretary, linda_cook@att.net, 916-847-8996

Joan Haradon, Member at Large, joanh3860@gmail.com, 916-993-5344

Committees of Nepenthe

Board of Directors - 5:30 PM, Clubhouse, 1st Wednesday of the month

Architectural Review— 4:30 PM, Clubhouse, 2nd Monday of the month

Elections—Yvonne Del Biaggio, meets ad hoc

Finance—Ken Butler, 4:00 PM, Dunbarton Cabana, 4th Monday of the month

Grounds—Pamela Livingston, 3:00 PM, Dunbarton Cabana, 2nd Thursday of the month

Insurance, Legal & Safety—Bill Newbill, 5:00 PM, Dunbarton Cabana, 2nd Tuesday each month

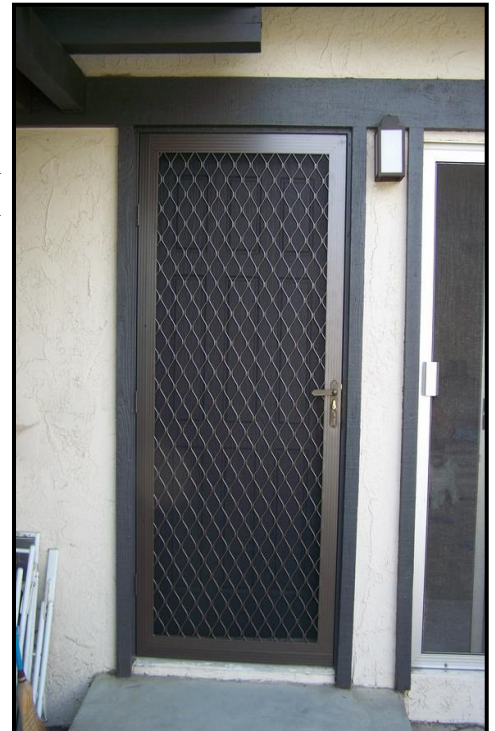
Outreach/Social—Gerry Gelfand, 5:00 PM, Clubhouse, the 3rd Wednesday of the month

Dates and times may vary, check calendar on website

Looking for replacement locks and handles for older screen doors?

Back in the 1990s, Nepenthe's approved screen doors were the Active Window Products' Sentry or Scotsman doors (bronze aluminum with diamond grid overlay). Will Vizzard has discovered that a replacement hardware kit can be obtained from Swisco.com, in its Product Code: 40-186.

http://www.swisco.com/Security-Lever-Mortise-Set/pd/Replacement-Storm-Door-Handles_Locks/40-186



* For calendar of events please see the Nepenthe website (address above). Event Calendar is also located on the bulletin board in front of the office.