



**NEPENTHE ASSOCIATION
BOARD OF DIRECTORS MEETING**

December 5th, 2018, 5:30 PM

Nepenthe Clubhouse | 1131 Commons Drive | Sacramento, CA 95825

**OPEN SESSION
MINUTES**

I. CALL TO ORDER

Present	Arrival	Board Member	Position	Departure
X	5:30pm	Frank Loge	President	6:20pm
X	5:30pm	Linda Cook	Vice President	6:20pm
X	5:30pm	Christina George	Treasurer	6:20pm
X	5:30pm	Steve Huffman	Secretary	6:20pm
X	5:30pm	Jan Summers	Member at Large	6:20pm

II. ANNOUNCEMENTS

- a. **Executive Session Disclosure:** In accordance with Civil Code Section 4935(a), the Board met in Executive Session on December 5th, 2018 in order to consider matters relating to personnel, contract negotiations, legal matters and member discipline.

III. COMMITTEE REPORTS

- a. Architectural Review Committee
- b. Finance Committee
- c. Grounds Committee
 - I. Don Landsittel provided separate report and showed progress of Swarthmore View Project.
- d. Insurance, Legal and Safety Committee
- e. Outreach Committee

IV. MANAGEMENT REPORT

- a. Report
- b. November Nepenthe News
- c. Master Calendar
- d. Facility Manager Zone Walk Notes

V. CONSENT CALENDAR

Resolution: The Board approves Consent Calendar Items A to F as presented.

Motion: Steve Huffman

Second: Christina George

Vote: All in Favor

a. **Approval of Minutes November 7th, 2018 Open Session Minutes**

Resolution: The Open Session minutes dated November 7th, 2018 are approved as presented with the following correction:

The Board accepts the September 2018 interim financial reports and bank reconciliations as presented, subject to annual review. The reports reflect a ~~positive~~ negative year to date variance of ~~\$49,495~~ \$47,495 and reserve funding of \$1,626,011 compared to the reserve funding budget of \$1,583,919. The reserves are funded through September 2018. The Association has \$417,197 in operating funds, which represents 1.43 months of budgeted expenses and reserve contributions. The Association has \$6,833,131 in reserve funds.

b. **Appoint Nominating Committee**

Resolution: Pursuant to Bylaws Article IV, Section 4.6(a), the Board hereby appoints Alan Waters, Dale Shaw, Barbara Murman, Barbara Henry and Linda Cook as Chair to serve as this year’s Nominating Committee.

c. **Appoint Finance Committee Chair**

Resolution: The Board appoints Joan Haradon, a member in good standing, as the Chair for the Finance Committee.

d. **Financial Statement: October 2018**

Resolution: The Board accepts the October 2018 interim financial reports and bank reconciliations as presented, subject to annual review. The reports reflect a negative year to date variance of (\$53,851) and reserve funding of \$1,802,002 compared to the reserve funding budget of \$1,759,910. The reserves are funded through October 2018. The Association has \$437,029 in operating funds, which represents 1.43 months of budgeted expenses and reserve contributions. The Association has \$6,943,569 in reserve funds.

e. **Lien Resolution**

Per the enclosed Resolution dated November 14th, 2018, 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 Amount
2017-02	\$976.00
2286-01	\$976.00
2224-03	\$1521.00

f. **Architectural Applications**

The Architectural Review Committee met on November 13th, 2018 to review the application listed below. The application is in a binder on the directors' table.

Resolution: The Board confirms the recommendations of the committee.

	<i>Address</i>	<i>Application for</i>	<i>Recommendation</i>
1	1225 Vanderbilt Way	Window Replacement	Approval

End Consent Calendar

VI. UNFINISHED BUSINESS

a. **Finalize 2019 Board Goals**

The Nepenethe Board of Directors has a long-standing history of adopting yearly goals pertinent to the association for the Board to focus on achieving. Last month the Directors discussed possible goals and submitted their goal list which was rated in order of importance. The final list has been compiled by management and is enclosed for review.

Resolution: The Board adopts the 2019 Board Goals listed as follows:

- 1) Review financial practices, procedures and internal controls.
- 2) Review and revise as necessary the FirstService Residential Management Contract
- 3) Research fencing material options
- 4) Oversee installation of water meters
- 5) Correct and Revise if necessary the Nepenethe Bylaws and CC&Rs

Motion: Linda Cook

Second: Christina George

Vote: All in Favor

VII. NEW BUSINESS

a. **Architectural Decision Appeal -716 Elmhurst Circle**

Application for windows/slider replacement. At last month's meeting the Board approved the application as recommended by the ARC. As the ARC was not clear on the homeowners' intent regarding the mullions, they recommended approval without mullions. The homeowner has submitted an appeal as he has, indeed, had the sliding doors installed with the mullions.

A history of the application process has been prepared by the secretary of the ARC. The owner has also submitted a letter of appeal.

It is possible that the ARC may have recommended approval of the mullions had they been specified clearly on the application. They are not particularly visible from outside the patio. In the Nepenthe Architectural Guidelines, criteria #20 states, "Same as windows description, except wider frames similar to original Blomberg sliding doors are to be used. Swing opening doors are permitted. Divided window panes are acceptable where not prominently visible from adjacent areas. Replacement screens should be similar to the original."

Resolution: The Board approves the sliding patio doors as installed and reminds the homeowners that the Architectural Review Committee is empowered by the Board to uphold the value of the asset. Their requests for information are serious and should be met with compliance and responded to in a timely manner.

Motion: Christina George

Second: Jan Summers

Vote: All in Favor

b. **Architectural Decision Appeal -714 Dunbarton Circle**

Application after installation for window and patio door replacement. The owners purchased the unit in August and commenced with a major renovation shortly thereafter. In so doing, they removed the garden window over the sink and the slider door next to the long kitchen counter. They replaced the slider with a single unit French door and the garden window with a smaller conventional window that is not compliant with the Nepenthe Architectural Guidelines. They also did not seek approval for these changes until after they were contacted by management via courtesy violation notice.

The committee met on October 18, 2018 in a special meeting to consider the owners' application and approved the door, but recommended that the window be replaced with one that complies with the criteria. The minutes are enclosed. The Board confirmed the committee's recommendation at the November 7 Open Session. The owners have submitted the enclosed appeal letter.

Resolution: The Board denies the appeal and requires the owners to comply with the conditions of the application. The owners are instructed to apply to the ARC for approval for the installation of a window that meets the Nepenthe criteria. Failure to comply may result in further disciplinary action in conformance with the CC&Rs which may include an invitation to hearing and the imposition of fines per the adopted Fines Schedule.

Motion: Steve Huffman

Second: Linda Cook

Vote: All in Favor

c. **Facilities Use Procedure Revisions**

The policy currently in place for Facilities Use Procedures has been instrumental in the organization of the use and rental of the amenities, such as the Clubhouse, Library and Cabana. Since its implementation in 2015, management has discovered some shortfalls

in the document. This revised Procedures corrects these and provides language that strengthens the hierarchy of use. Included for review:

- Proposed Revised Facilities Use Procedure
- Current Facilities Use Procedure

Resolution: The Board adopts the revised Facilities Use Procedure policy as presented.

Motion: Steve Huffman

Second: Linda Cook

Vote: All in Favor

d. **Flood Insurance Discussion**

President Loge received the enclosed email from a homeowner. The homeowner points out that improvements made to the levee may have eliminated the need for the association to carry flood insurance. President would like to discuss this with the other directors.

Action Required: Discussion Only

VIII. HOMEOWNER COMMENTS - None

IX. NEXT MEETING: Wednesday, January 2nd, 2019 at 5:30 pm in the Nepenthe Clubhouse

X. ADJOURN: 6:20pm