

NORTHAMPTON RESIDENTS' ASSOCIATION MEETING
November 6, 2019

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Co-President Chris Hjelt opened the quarterly Association meeting at 10:00 a.m. by lighting candles to invite into our gathering those who died in 2019: Dana Wright, Patricia Van Pelt, Robert First, and Ellie Gaudreau.

She asked us to take a moment of silence to center ourselves in preparation for our meeting.

COMINGS & GOINGS

- Helen Armstrong is at Fisher Home Hospice.
- Ellen Urbano is home from Linda Manor.
- Joel Dansky and Nancy Felton arrived at 17 Butternut October 31.
- Claire Frierson and George Kriebel moved into 66 Goldenchain November 4.
- Arlene Jennings has moved from 66 Goldenchain to 77 Hawthorn.
- Chris Scheinost, former Director of Dining Services, has died.

GRATITUDES

- Tree Committee and all who contributed for installation and maintenance of 16 new trees
- Physical Fitness Committee for a wonderful grand opening and to the anonymous donor who got it all started
- Dining at the Inn, with thanks to Bill Wallace for his persistence
- The new Library computer and printer with thanks to Dave, Sarah, and Mateo
- New plantings on Shallowbrook near Goldenchain, with special thanks to Mike and John
- Thanks also to Mike and his team for our newly completed guest room in the Blue House.

MINUTES from the Council Meeting of October 2, 2019, were approved as distributed. **TREASURER'S REPORT. Dale LaBonte**

| Free Business Checking | | | |
|-------------------------------|------------|------------|-------------|
| Month | Income | Expenses | |
| August | \$7,025.00 | \$57.09 | \$13,581.06 |
| September | \$0 | \$1,738.83 | \$11,842.23 |
| October | \$0 | \$2,347.97 | \$9,494.26 |
| Balance | \$7,025.00 | \$4,143.89 | \$9,494.26 |

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Income: 2019 Community Fund: \$7,025.00

Expenses: fitness center and meeting house equipment and furniture; tree planting; reimbursement for lunches and socials; butterfly garden; program honoraria.

| 15 Month CD | | |
|--------------------|-----------------|------------|
| Month | Interest (2.3%) | \$5,170.42 |
| May | \$9.69 | \$5,180.11 |
| June | \$10.03 | \$5,190.14 |
| July | \$10.05 | \$5,200.19 |
| Balance | \$29.77 | \$5,200.19 |

2018 Community Fund: Fitness Account Balance \$1331.89.

MANAGEMENT REPORTS

Thom Wright, Executive Director. Management Update.

The new **Director of Dining Services**, Jack Curley, has long experience in food service and the hospitality industry. He will join us at our Thanksgiving dinner.

The **Emergency Communications System** will be tested soon.

The **Safety Committee**, previously a management group, now has additional resident participation. There will be a discussion on the security cameras next week on the Northampton campus. The committee will also be considering a gun policy for our locations. Other concerns for discussion are critical incidents and fire safety. One issue to be considered is senior depression.

Master Plan. A required conservation restriction in Easthampton has not yet been fulfilled. Management is working with resident Barbara Walvoord, Berkshire Design, and the Town of Easthampton with a commitment to meet the requirements within the next 90 days. It is likely that the Kestrel Land Trust will also assist.

Mike Strycharz, Facilities Director. Master Plan Update. There is now an estimator working on developing a bid package for construction of about 36 units.

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Jack Hjelt observed that about 3/5 of the Easthampton land is not suitable for development, primarily because of conservation restrictions.

MANAGEMENT REPORTS. Frank Sansom. Director of Finance. Financial Update through 8/31/2019.

Occupancy



| As of 8/31/2019 | Inn | Townhomes | Total |
|----------------------------|------------|------------------|--------------|
| Inventory | 50 | 137 | 187 |
| Actual | 98% | 97% | 97% |
| Budgeted | 86% | 98% | 93% |

Entrance Fee Activity



| | Total as of 8/31/2019 |
|---------------|------------------------------|
| Refunds Paid | \$(3,723,525) |
| New Ent. Fees | <u>\$3,115,500</u> |
| Net Ent. Fees | \$(608,025) |

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Cash Net Operating Margin

| As of 8/31/2019: | Actual | Budget | Variance |
|-------------------------------|--------------------|--------------------|-----------------|
| Revenue | \$3,697,566 | \$3,626,608 | \$70,958 |
| Expense | <u>\$3,440,023</u> | <u>\$3,453,945</u> | <u>\$13,922</u> |
| Cash, Net Income (Loss) | \$257,543 | \$172,663 | \$84,880 |
| N.O.M. | 6.9% | 4.8% | |

CHANGE IN NET ASSETS

| As of 8/31/2019: | Actual | Budget | Variance |
|------------------------------|------------------|---------------|------------------|
| Revenue | \$3,992,538 | \$3,826,608 | \$165,930 |
| Expense | \$4,406,687 | \$4,420,609 | \$(13,922) |
| Non- Operating Revenue | <u>\$150,041</u> | <u>\$-0-</u> | <u>\$150,041</u> |
| Change in Net Assets | \$(264,108) | \$(594,001) | \$329,893 |

Days Cash on Hand

- 5 Days Cash on Hand
- 150 Days Is Benchmark
- YTD Cash Flow: Decrease
of \$998K

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Statement of Financial Position

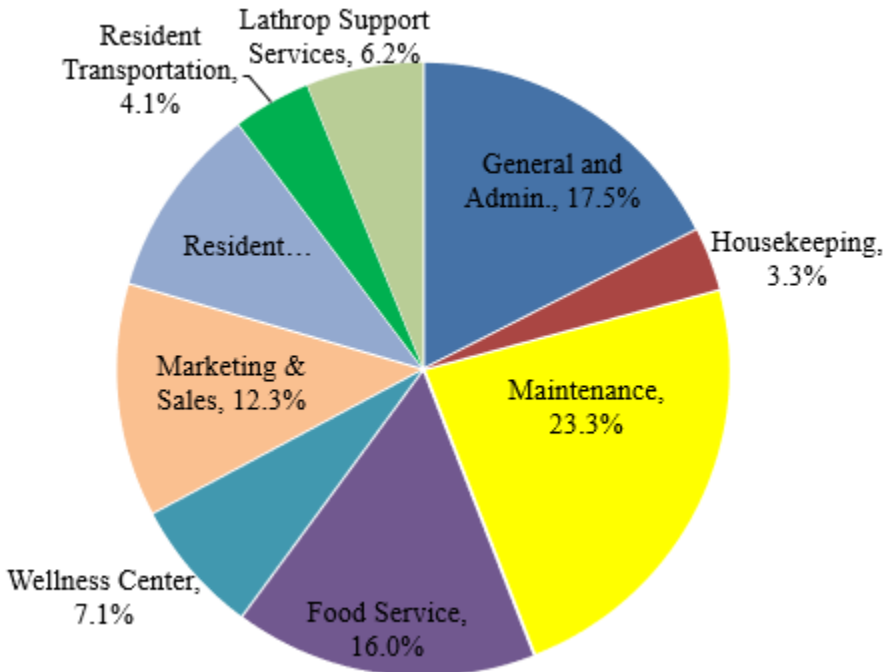
| | 8/31/2019 |
|-------------|------------------|
| Assets | \$22,294,736 |
| Liabilities | \$44,379,860 |
| Net Assets | \$(22,085,124) |

2020 Budget. Operating Budget Assumptions.

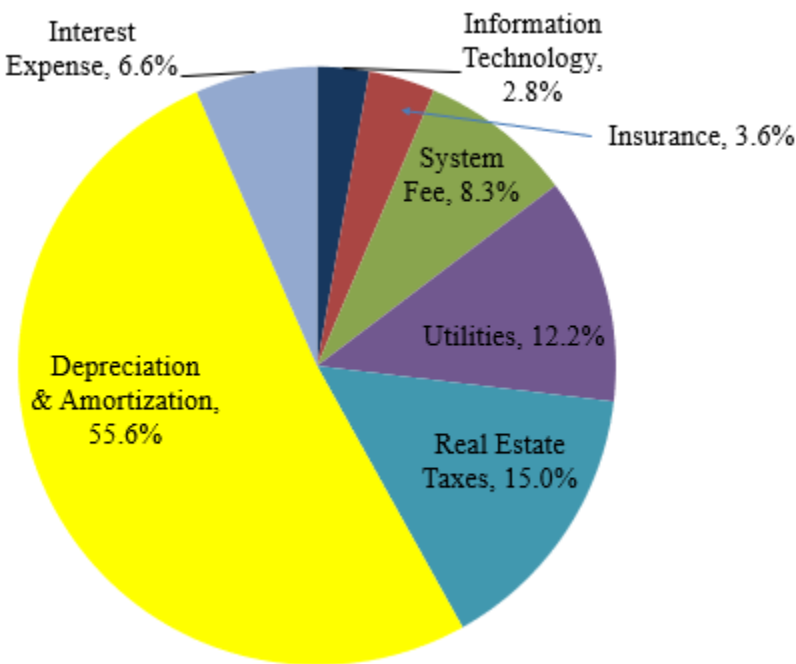
- Occupancy: 97% total (Inn 96%; Townhomes 97%)
- Monthly Fee Increase: 2.5% Townhomes and Apartments (Residents' Assistance Fund is available)
- Ancillary service fees: minor increases (Guest Meals, Guest Rooms, Cable)
- Cash; resident-based revenue increase: 2.3%
- Cash; resident-based expense increase: 3.9%
 - Net Operating Margin: 5.0%
- Performance-based wage increases: 2% Salaried; 3% Non-salaried
- 2019 FTE: 50.2 as compared to 2018 FTE: 47.9
- Interest expense: mortgage, 716 Bridge Rd., Kendal loan to the Line of Credit
- Donations and investments not budgeted

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Departmental Expenses



Non-Departmental Expenses



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SUMMARY OF OPERATING BUDGET

| | 2019 Projected | 2019 Budget | 2020 Budget Proposed | % Change |
|---|-----------------------|--------------------|-----------------------------|-----------------|
| Total Revenues | \$6,111,274 | \$5,787,876 | \$6,234,368 | 2.3% |
| Total Expenses | <u>\$6,954,261</u> | <u>\$6,621,489</u> | <u>\$6,662,974</u> | 3.9% |
| Change in Net Assets | \$(842,987) | \$(880,660) | \$(803,801) | |
| Cash; Resident Basis- Removes Depreciation/Amortization | \$372,013 | \$269,340 | \$296,199 | |
| Net Operating Margin | 6.5% | 5.0% | 5.0% | |

Projected Occupancy at end of 2019

| | |
|-------------------|------|
| Northampton | 96% |
| Easthampton | 100% |
| Inn | 96% |
| Average Occupancy | 98% |

Comments. New entrance fees are negative because we have refunded Inn entrance fees and now receive only a lower community fund payment from an incoming resident.

Amortization and depreciation in accrual basis account for negative numbers.

Cash on hand. Apartments are now generating a positive cash flow.

Liabilities are mostly resident fees eventually owed back.

Sales and Marketing Update. Suzie Dickson Moyer.

Suzie brought the new sign that will be posted at the three entrances to the Northampton campus loop trail (two off Boggy Meadow Road and one off Shallowbrook.) It reads:

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LATHROP LOOP TRAIL

**SUPPORTED BY KENDAL CORPORATION
AND LATHROP RESIDENTS**

**PLEASE CLEAN UP AFTER YOUR PETS
NO MOTORIZED VEHICLES**

Lathrop Reservation List YTD

- New Reservation List Deposits 2019 = **63**
- Total Reservation List = **242**
- (New Reservation List Deposits 2018 = **66**)

Sales Turnover Report as of 10/29/19 (Sold and Under Renovation)

- Northampton Townhomes **8**
- Easthampton Townhomes **4**
- The Inn Apartments **18**

Occupied & Sold (as of 10/28/19)

- Northampton **100%** (77/77)
- Easthampton **100%** (61/61)
- The Inn **102%** (51/50)
- Lathrop Total Occupancy **100.005%**

The overage at the Inn results from taking one guest suite out of service to become an apartment.

Other news--the Lathrop website is being redone.

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REPORTS FROM COMMITTEES.

Meeting House Committee. Dave Morrissey. Eventually we expect to expand the Meeting House. Meanwhile the committee is recommending enhancements. This is a multi-year project dependent on what funds are available.

The Fitness center is now complete as is the guest room at the blue house. We have a new computer in the library and a printer with scanner. Work has been done on the porch. We moved the grill and trash cans and have put a winter cover on the grill.

Other actions under consideration depending on funds available include new chairs, plantings, and a different lock system. The lock system, at \$7000, may be possible in the first quarter of next year. We also need a new sideboard in the Gathering Room. There is interest in a Wii system for sports on the tv in the Gathering Room. There are concerns about the condition of the roof. Porch upgrades might include installing fans and staining the concrete floor. The committee would like to paint the sitting room and lobby, also to provide new window treatments in the Gathering Room and new furniture. And to change the lighting in the Gathering Room for greater efficiency.

Also of interest is a soda stream system. The committee suggests this be a topic for discussion at lane meetings.

The electronic bulletin board will be operating next week.

The security cameras are of concern to some residents. There will be a discussion meeting on the topic next week. The cameras record when there is motion and store the recording for 1 month. They are on 24 hours a day with monitoring in our office, not in Easthampton.

The next meeting of the committee will be November 26. All are welcome. There is no Hawthorn representative on the committee.

GUIDELINES FOR USE OF THE GUEST SUITE.

The guest suite will be open for viewing Monday from 9 a.m. to 3 p.m.

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To book the room, make reservations and pick up the key in the office. The cost is \$50 per night. Payment can be by check or billed to the monthly account.

COMMUNITY DISCUSSION. Landscaping without a watering system. Chris Hjelt.

David Jones suggested that we use our Association time to help shape priorities and the agenda for the Council rather than primarily asking the Association for final approval after the idea is shaped. So, we gave this idea a try.

At this meeting we shared ideas around the following concern: Our landscape watering system is badly broken and repeated repairs for a poor system seem like a waste of money, yet a full replacement is very expensive. At least for next summer and maybe beyond, we are likely to be without a watering system.

What questions do we need to begin to consider over the winter for both ourselves and Lathrop management to help us address this reality creatively and sustainably? We only focused on the questions and not the answers. We will look to a smaller group to help us find the answers and a way forward and help shape a follow-on conversation at our February Association meeting.

Process rules

1. One question at a time
2. Don't ask a 2nd question until others have had an opportunity.

Questions proposed for irrigation system discussion

1. How can we use our cottage garden water more effectively?
2. Why not have less grass and substitute something else such as clover.
3. What can we use as models of alternative landscape?
4. What are the cost implications of using city water? What are the implications when there is a water ban?
5. Is there a happy medium such as spigots at intervals...an alternative between no system and a full system?

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6. How will communal plantings get watered? Lane signs, entryway?
7. What was the impact once the watering system was not operating this past summer?
8. Will it be necessary to remove the existing system if it is not to be used? What are the cost implications of that?
9. What was our experience when we had no water in 2016?
10. Who is already using alternatives to grass?
11. Where is clover already growing and what is our experience with it?
12. Is there an alternative to grass that can reduce mowing and watering?
13. What is past experience with clover?
14. Will Lathrop replant to help facilitate the process of switching to clover?
15. Would residents be interested in clover as a protection for pollinators?
16. Can we expand areas where we are now using mulch rather than grass?
17. Is Lathrop willing to invest savings from not watering and mowing to installing alternatives?
18. How does Easthampton manage without a watering system?
19. What are other benefits of clover?
20. Is it possible to expand current grassy areas into mulched areas?
21. How much does mowing cost?
22. How much would alternatives cost?

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23. What was the impact this summer when the watering system broke mid-summer?
24. If we don't use the watering system, what happens to what's in place? Do we need to remove pipes?
25. Who is already using alternate plantings (Clover)?
26. Can we adapt, accept brown grass in August?
27. We all have water how do we use it more effectively?
28. Can we have less grass?
29. What kind of grass substitutes can we use?
30. Are there models of different landscapes we can look at?
31. If we use our own water, what are the cost implications and what about when there is a water ban?
32. Is there a happy medium between current system and no system?

CONCERNS FROM THE COMMUNITY

Those who wish to sign the ranked choice voting petition and have not yet done so can sign up with Dale LaBonte after the meeting.

For more information on the Nepal Presentation November 8 at 3:00 see Fran.

Carol Neubert announced an envelope stuffing event for Habitat for Humanity Wednesday at 9 a. m. in the Gathering Room.

Shelley Schieffelin reported that the speakers for the Sunday November 10 Huddle will be Lora Sandhusen from Citizens' Climate Lobby with Vis Taraz, a development economist from Smith whose primary research interests lie at the intersection of development and environmental economics. The presentation will be from 5:30 - 7:00 p. m. in the Gathering Room.

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Jack Hjelt asked residents to tell Bonnie if they want printed notices rather than emails about meetings.

Virginia Irvine noted that our next-door neighbor, Michael Quinlan, won the recent municipal election to be our Ward 1 City Councilor.

John Schieffelin announced that ranked choice voting won in the Easthampton election.

Dale reported that Patty Gambarini from the Pioneer Valley Planning Commission will be leading a discussion on the Easthampton campus watershed. There will be a future follow up conversation on Northampton's watershed.

UPCOMING EVENTS

Photo-talk by Charlotte Stetson, Trekking in Nepal: A Powerful Experience with Nature and Culture, November 8, 3 p. m., Gathering Room.

Blue House Guest Room open for visits, November 11, 9 a.m. – 4 p.m.

Discussion with Thom regarding security cameras, November 14, 3:15 p. m., Gathering Room.

Thanksgiving Lunch November 20, 12:30 p. m., \$15.75, Gathering Room.

Overcoming Obstacles to Effective End of Life Planning, Mark Peterson, November 22, 2:00 p. m., Gathering Room.

Music, The O Tones, November 24, 2:30 p. m., Gathering Room.

Quarterly Birthday Celebration, November 27, 1:15 p. m., Gathering Room.

Thanksgiving Day, November 28. Elly Rumelt will coordinate this year's potluck Thanksgiving dinner. Sign up in the Mail Room.

The meeting adjourned at 11:30.

Respectfully submitted,

Arlene Jennings

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