



AUBERGE
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Auberge Board Policies

Version 2021.03

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Changes

#	Description	Approved	Effective
2019.0	Replace prior policies in their entirety.	28MAY2019	28MAY2019
2019.1	Add 1.5 Investment Policy	01JUL2019	01JUL2019
2019.2	Replace 1.3 Budget Policy	17SEP2019	17SEP2019
2020.01	Revise 1.6 Financial Management Policy	23JUN2020	23JUN2020
2020.01	Revise 4.7 ASK	23JUN2020	23JUN2020
2020.01	Revise 1.5 Investment Policy	23JUN2020	23JUN2020
2020.02	Revise 1.6 Authorization of Large Transfer Funds	27OCT2020	27OCT2020
2020.02	Add 3.1 Board Code of Conduct	27OCT2020	27OCT2020
2020.02	Revise 4.3.3(a) Facilities Committee Charter	27OCT2020	27OCT2020
2021.01	Amended 1.3 Budget/Accounting Policy	26JAN2021	26JAN2021
2021.02	Add Purchasing and Contracting Policy	23FEB2021	23FEB2021
2021.03	Revise 4.3.1 & 4.3.2 Facilities Committee Charter	23MAR2021	23MAR2021
2021.03	Add 4.8 Compliance Committee Charter	23MAR2021	23MAR2021

Section 1 Financial Management

1.1 Signature Authority Policy

23 June 2020

- 1.1.1 By vote of the Board, the Association may authorize signature for the exoneration of assessment bonds, provided that the builder is not delinquent on any outstanding balances due to the Association.
- 1.1.2 Any two officers of the Association shall be authorized to establish and maintain reserve bank accounts subject to the provision of Civil Code 5510.
- 1.1.3 The Chief Financial Officer, acting together with the President shall be authorized to initiate contracts provided the associated fees are within the established budget.
- 1.1.4 As the Managing Agent of the Association, Keystone Pacific Property Management shall be authorized to sign checks on behalf of the Association.
- 1.1.5 As the Managing Agent of the Association, Keystone Pacific Property Management, apart from previously approved contracts, shall be authorized to expend funds from the Operating Account for purchases or minor repairs to the Common Area in an amount not to exceed the \$1,000 in which case approval should be obtained from the President and/or CFO.

1.2 Purchasing and Contract Policy

23 February 2021

- 1.2.1 To establish a policy for the Association for the purchase of supplies, materials, equipment, and services and promote transparency, accountability, and administrative efficiency by establishing clear policies for the purchasing activities of the Association.
- 1.2.2 Purchases shall be for supplies, materials, and equipment, including any installation or fabrication labor costs, necessary to achieve the purposes of the Association, and shall be in amounts that are consistent with the approved Association budget.
- 1.2.3 The General Manager is authorized to purchase on behalf of the Association materials, supplies, equipment, and services without further approval of the Board, in amounts less than one thousand dollars (\$1,000).
- 1.2.4 All purchases between one thousand dollars (\$1,000) and five thousand dollars (\$5,000) may be authorized by either the Treasurer or President along with one other Board Member provided that such purchase is of an emergency need and shall be disclosed in the General Manager's report at the next scheduled Board meeting. In the event the amount exceeds five thousand dollars (\$5,000) an emergency meeting of the Board shall be called in accordance with section 2.8.5 of the Association's Bylaws.
- 1.2.5 All purchases with a series of payments for a single purchase when aggregated totals One Thousand Dollars (\$1,000) or more will require Board approval prior to purchase.
- 1.2.6 **Written Proposals/Bids** - The Association shall obtain written proposals or bids from a least three vendors, if reasonably available in the marketplace, for any single purchase of one thousand dollars (\$1,000) or more.

- (a) If fewer than three (3) written proposals are obtained for a purchase of one thousand dollars (\$1,000) or more, or if the lowest bidder is not selected, a record justifying such action shall be made and kept on file. Sole source purchases of one thousand dollars (\$1,000) or more, are disfavored and should only be used when required to meet technical requirements of Association assets or when other vendors are not available. While written proposals are only required for purchases of one thousand dollars (\$1,000) or more, the Association shall strive in every case to ensure it is receiving the lowest cost for goods.

1.2.11 **Contracting** - To establish a policy for the Association for the contacting of services and promote transparency, accountability, and administrative efficiency by establishing clear policies for the contracting activities of the Association.

1.2.12 The division of individual Association contracts and subsequent amendments to Association contracts for a discrete project into smaller component parts with the intent of avoiding the approval thresholds established by this Policy shall be prohibited. The purpose of these thresholds is to ensure that the Association oversight of an individual contract is not circumvented through an amendment process.

1.2.13 Authority and Requirements for Contract Approval

- (a) The General Manager is authorized to enter into contracts and amendments to contracts with a service provider for services if the cumulative amount of the contract plus any amendment(s) is less than one thousand dollars (\$1,000) in any single fiscal year provided:
 - (i) The contract is consistent with the approved Association budget.
 - (ii) The contract is reported to the Board via the General Manager's Report at the next scheduled Board meeting.
 - (iii) The General Manager shall, prior to the commencement of work on the contract, confirm with the Treasurer, that the necessary funds are currently available.
- (b) All contracts in excess of one thousand dollars (\$1,000) must be approved by the Board.
- (c) All contracts for capital improvements to the common property of the Association in excess of five percent (5%) of the budgeted gross expenses require an affirmative simple majority vote of the Members.

1.2.14 Contract Provisions

- (a) All contracts for the furnishing of goods or services for the Association shall be for a term of one year or less, unless approved by the Members with a simple majority vote, except for the following:
 - (i) A contract with a public utility company.
 - (ii) Prepaid casualty and/or liability insurance policies for a period not to exceed three years, provided that the policy permits short rate cancellation.
 - (iii) Agreements for cable television services.
 - (iv) Agreements for sale or lease of burglar/fire alarm and fire equipment.
 - (v) A contract for a term not to exceed three (3) years that is terminable by the Association after no longer than one year without cause, penalty, or other obligation with a ninety (90) notice of termination.

- (b) Contracts with a service provider in excess of seven thousand five hundred dollars (\$7,500) for any twelve-month period shall be entered into only after a competitive bid and/or Request for Proposal (RFP) process.
- (c) Contracts for goods and services in excess of seven thousand five hundred dollars (\$7,500) for any twelve-month period shall be competitively bid every three (3) years or in any year where the contract is increased by more than four percent (4%) without any corresponding increase in the scope of work,
- (d) Contracts for goods and services that are less than seven thousand five hundred dollars (\$7,500) in any twelve-month period should be reviewed annually and competitively bid, if desired by the Board.
- (e) All contracts for services shall not contain any provision for mark-up on the purchase of materials required in performing such services.
- (f) All contractors providing services to the Association shall provide all tools, equipment, gloves, masks, etc. necessary to perform such services.
- (g) All contracts providing services that are not fixed in the work performed shall contain provisions that require the detailing of all hours worked or fraction of hours work, supported by a description of the work performed.
- (h) All contracts providing service to the Association must provide evidence of general liability insurance and or professional liability insurance with a minimum of one million dollars (\$1,000,000) coverage, the appropriate workers compensation insurance, business and/or contractor's license, and any other licenses required by regulatory agencies for the specific work being performed.

1.3 Budget/Accounting Policy

28 May 2019

1.3.1 Per Bylaws ¶16.6, the Association *fiscal year* shall run concurrent with the calendar year.

1.3.2 The Association collects assessments to support anticipated operational, reserve, and capital expenses:

- (a) Operational expenses include the day-to-day costs of managing the Association and maintaining the common area;
- (b) Reserve Funds are established for the replacement and repair of Associations assets anticipated in future years;
- (c) Capital expenses are for Capital Investments.

1.3.3 The assessment for each lot within the Association shall include a General Assessment Component and a Cost Center Assessment Component:

- (a) The General Assessment Component includes the required fees to cover the Association's operational and reserve expenses for the Common Areas;
- (b) The Cost Center Component for Summer House, Villas and Cottages includes:
 - (i) The accumulation of reasonable reserves for replacement of enhanced paving in the private alleys serving each cost center, tree trimming, landscape replacements and irrigation upgrades, associated with the front yards of each lot and private alleys and;

(ii) The cost to maintain the landscaping of the front yards of each lot and private alleys associated with each cost center

1.3.4 Per CC&R ¶ 7.2, the Association shall maintain separate fund accounts for operational and reserve expenses for both the General and each of the Cost Center components.

1.3.5 Certain landscaping and irrigation expenses shall be allocated to the individual Cost Centers according to their fraction of Common Property landscaped area.

(a) The following allocation ratio may be updated when the Association takes responsibility for the Auberge Park and the Water Collection Basin.

(i) 56% General Operating Fund

(ii) 13% Cottages Cost Center

(iii) 13% Villas Cost Center

(iv) 18% Summer House Cost Center

(b) The above allocation ratio shall be applied to the sum of all the expenses in the Landscape Maintenance budget category except for Landscape Replacement and Tree Maintenance.

(c) Landscape Replacements and Tree Maintenance expenses shall be charged directly to the respective Cost Centers. Such area consists of the “front yards” and areas adjacent to the Courtyards, Villas, and the Cottages. Parkway areas adjacent to the streets are considered Common Area.

1.3.6 At times, repairs are necessary to the water lines, sewer lines, and drain lines that service the homes located within the Courtyards, Private Alleys, and/or front yards of owners' Lots. Expenses incurred for such repairs are to be charged to the Association's Reserve account for Waterline/valve/replacement to the extent funds are available or charged to the Plumbing Repair line item in the current budget.

1.4 Financial Review Policy

23 June 2020

1.4.1 Per Civil Code §5500, Financial Reviews shall be conducted on a monthly basis and shall include the following:

(a) Review current reconciliation of the association’s operating accounts, reserve accounts and account statements prepared by financial institutions holding the Association’s funds.

(b) Review of the current years’ operating revenue and expenses compared to the current years’ budget, monthly and on a year to date basis.

(c) Review income and expense statement for the associations reserve accounts

(d) Review the check register, general ledger and delinquent receivable report.

(e) Review all transfers in excess of \$10,000 and verify that they are supported by written Board approval.

1.4.2 The **Finance Committee** shall be an executive committee of the Board consisting of the Treasurer and one other officer of the Association. The Finance Committee shall review Association financial documents on a monthly basis and present the results to the Board for ratification at its next regularly scheduled meeting.

1.5 Investment Policy

1.5.1 Operating Funds

Association Operating Funds equal to a minimum of 25% of total annual operating budget shall be maintained in FDIC insured checking accounts or money market accounts for near term required expenditures.

1.5.2 The remaining 75% of the association's Operating Funds shall be invested in a brokerage account and investments within that account will have staggered maturities to allow for anticipated future needs for operating funds.

1.5.3 Operating funds in the brokerage account may be invested in one of the following asset classes:

(a) FDIC Insured Money Market Funds

(b) FDIC Insured mutual funds invested in U.S. Treasuries, FDIC insured certificates of deposit or similar securities

(c) Certificates of Deposit with FDIC insured financial institutions, with no more than \$250,000 invested in any one financial institution. Funds may be held in a brokerage account that utilizes a liquid insured deposits program wherein funds will be allocated among certificates of deposit with FDIC insured banks with no more than \$250,000 per bank to ensure maximum FDIC insurance coverage.

(d) U.S. Treasury bills, notes or bonds, purchased with the intent to hold to maturity.

1.5.4 Review and Control:

(a) All investments will be purchased in the name of the Association;

(b) Investments must be authorized by the President and Treasurer/CFO;

(c) Monthly statements shall be reviewed in accordance with California Civil Code Section 5500.

(d) If a brokerage firm or bank is engaged to invest its funds in accordance with this policy, such firm must agree in writing to adhere to the same.

1.5.5 Reserve Funds

An annual review of the estimated reserve expenditures for the year shall be done and amounts maintained at 120% of such needs are to be maintained in separate checking accounts, money market accounts and or short-term certificates of deposit with maturities of up to twelve months.

Except for amounts required to cover estimated annual reserve expenditures, remaining reserve funds may be invested on a laddering basis with maturities from one to five years.

As new funds are added to the Reserves, amounts shall be invested or added to the laddering investments as they mature.

1.5.6 Securities and investments for Reserve funds may include any items listed in section 1.5.3 above.

1.5.7 Review and Control:

(a) All investments will be purchased in the name of the Association.

(b) Signatures of a least two Board members must be obtained for any withdrawals or transfers of reserve assets. Banks and brokerage firms must agree to confirm such signatures.

(c) Reviews of monthly statements shall be done in accordance with California Civil Code Section 5500.

(d) If a brokerage firm or bank is engaged to invest its funds in accordance with this policy, such firm must agree in writing to adhere to the same.

1.6 Approval for Large Transfers

27 October 2020

1.6.1 The Managing Agent shall be authorized to pay the monthly water bills up to \$20,000. This authority expires on June 30, 2021.

1.7 Auto-Payment

28 May 2019

1.7.1 Subject to Civil Code §5502, the Managing Agent shall be authorized to use autopay to expedite payment of the monthly gas and electric bills.

Section 2 Meeting Policy

2.1 Meeting Definition and Notice 28 May 2019

- 2.1.1 Per Civil Code §4090, A Board Meeting is a congregation of a sufficient number of directors to establish a quorum of the board, to hear, discuss, or deliberate upon any item of business that is within the authority of the board. Therefore, ***no more than two Directors may meet to discuss business outside of a formally noticed Board Meeting.***
- 2.1.2 Per Civil Code §4920, the Association “shall give notice of the time and place of a board meeting at least four days before the meeting. These requirements do not apply to Board orientations, which are informational meetings for new Directors to learn about the Board’s duties and receive historical background information.

2.2 Meeting Agenda Preparation [Future Policy]

2.3 Board Meeting Participation 28 May 2019

- 2.3.1 By law, Members of the Association (Homeowners) may attend all meetings of the Board of Directors that are not Executive Sessions. However, Member participation is limited to making a statement at the Homeowners Forum (which requires prior submission of a speaker’s slip).
- 2.3.2 Unless authorized by a majority of Directors present, Homeowners are not permitted to participate in deliberations. Deliberations include all agenda topics other than the Homeowners Forum.
- 2.3.3 Other discussions may occasionally be held immediately following the Board Meeting.

2.4 Board Meeting Conduct 28 May 2019

- 2.4.1 Meetings are conducted via an abbreviated parliamentary procedure wherein the Chair introduces a topic; the topic is discussed, motions are made (and possibly amended); and a vote is called for and taken.
- 2.4.2 Under Parliamentary Procedure, all speakers must be recognized by the Chair and speakers must address all remarks to the Chair.
- 2.4.3 The Homeowner’s Forum provides up to two minutes for each Homeowner to speak. Homeowners must submit speaker’s slips before the meeting starts.
- 2.4.4 Reports are informational items submitted to the Directors and should be reviewed prior to the meeting. Since, no decisions are required at this point in the meeting, there should not be any discussion. Note that relevant Board action will be addressed under “Business.”
- 2.4.5 Unfinished Business and New Business will be conducted via motions as follows:
- (a) The Chair introduces the motion and may call on another Director to provide additional information.
 - (b) Other Directors request the floor, are recognized, and speak on the motion.
 - (c) All Directors have the opportunity to speak before any Director speaks for a second time.
 - (d) The Director with the floor can make one of the following motions:

- (i) Move to Table (Requires second and vote),
- (ii) Move to Amend (Requires amending language, second, and vote), or
- (iii) Move to Vote (Requires second and vote).
- (iv) When there are no more Directors wishing to speak, Chair calls for a vote.

2.5 Minutes of Board Meetings

28 May 2019

The Association is required to make minutes available to members within 30 days of a Board Meeting. Meetings of Executive Sessions are only posted on a Board-private site; all other minutes are posted on a site available to all Association Members (Homeowners).

2.6 Executive Session of the Board

28 May 2019

- 2.6.1 Per Bylaws 2.8.4 and Civil Code §4935, the Board may meet in Executive Session to discuss litigation, formation of contracts, Member discipline, Member payment plans, and personnel matters.
- 2.6.2 Executive Sessions differ from regular Board Meetings (often called Open Sessions) in that the notice period is reduced from five days to two, and access to minutes is restricted to Directors.
- 2.6.3 To the extent possible without violating confidentiality requirements, decisions made at an Executive Session will be announced at the next regular meeting of the Board and shall be summarized in the minutes thereof.

2.7 Annual Meetings of the Membership

28 May 2019

- 2.7.1 The Association shall conduct an Annual Meeting of the Membership on or about the first Tuesday in May of each year.
- 2.7.2 Directors shall be elected at the Annual Meeting.

Section 3 Directors

3.1 Code of Conduct for the Board of Directors

27 October 2020

The Board of Directors ("Board") of Auberge Community Association ("Association") has the authority and responsibility to make decisions for the benefit of the entire Auberge community. The Board wishes to ensure that a high standard of ethical conduct is maintained in the performance of Association business. Therefore, the following Code of Conduct is adopted:

3.1.1 Meeting Code of Conduct

With respect to Association meetings, a Board director shall:

- a) Attend Board meetings and behave professionally at all meetings. Act in the best interests of the Association foregoing personal agendas.
- b) Be polite, kind, and considerate to all persons participating in the meeting including other directors, members, management staff, guests, and other attendees. Profanity, personal attacks, offensive comments or insults, harassment, threats or intimidation tactics against directors, members, management staff, guests and other attendees will not be tolerated.
- c) Speak only when recognized by the chair of the meeting and address only the topic at hand, which is placed on the meeting agenda.
- d) Not be disruptive, unruly, or non-cooperative. Any director engaging in any inappropriate behavior will be asked to leave the meeting.
- e) Directors are responsible for protecting the association's confidential information. As such they may not use confidential information for the benefit of themselves or their relatives. Except when disclosure is duly authorized or legally mandated, no director may disclose confidential information. Confidential information includes, without limitation:
 - i. private personal information of fellow directors,
 - ii. private personnel information of the association's employees,
 - iii. disciplinary actions against members of the association,
 - iv. assessment collection information against members of the association, and
 - v. legal disputes in which the association is or may be involved--directors may not discuss such matters with persons not on the board without the prior approval of the association's legal counsel. Failure to follow these restrictions could constitute a breach of the attorney-client privilege and loss of confidential information.
- f) Approach all Board issues honestly, with integrity and with an open mind. Board directors shall use sound judgment to make the best possible business decisions for the Association, taking into consideration all available information, circumstances and resources.

- g) Support all duly adopted Board decisions – even if the Board director was in the minority regarding actions that may not have obtained unanimous consent.
- h) Perform their duties without bias for or against any individual or group of owners or non-owner residents.
- i) Not misrepresent known facts in any issue involving Association business.
- j) Abide by the Open Meeting Act by not communicating with more than one other Board member regarding their position on an item that will or may eventually be on a Board Agenda and refraining from conducting meetings via a series of electronic transmissions, including, but not limited to, e-mail unless e-mail is used to conduct an emergency board meeting and by not having meetings outside of a board meeting. The definition of “board meeting” is either of the following:
 - i. A congregation, at the same time and place, of a sufficient number of directors to establish a quorum of the board, to hear, discuss, or deliberate upon any item of business that is within the authority of the board.
 - ii. A teleconference, where a sufficient number of directors to establish a quorum of the board, in different locations, are connected by electronic means, through audio or video, or both.

3.1.2 Code of Conduct for Auberge Director Communications Outside Board Meetings

With respect to communications outside a Board meeting, a Board director shall:

- a) Behave professionally in all communications made as a Board director. Board directors shall endeavor to maintain a good and professional working relationship with other directors, management staff and all Association contractors, vendors and agents.
- b) Not conduct, or attempt to conduct, any business of the Board unless specifically authorized to do so by the Board and such authorization shall be reflected in minutes of Board meetings.
- c) Not engage in personal attacks, profanity, offensive comments or insults, harassment, threats or intimidation tactics against directors, members, management staff, contractors, or vendors through any form of communication including, but not limited to, electronic mail. A violation of this rule, as determined by the remaining directors, may result in a refusal by the directors to accept electronic mail transmission from the offending director. Furthermore, the offending director’s communication with other directors and management staff can be limited to phone calls, letters, or some other less invasive form of communication.
- d) Ensure that the content of proper electronic mail transmissions is limited to business pertaining to the Association.

- e) Not communicate with Owners or act in a way that conflicts with any of the codes of conduct set forth above.

3.1.3 General Conduct

- a) Board directors must represent unconflicted loyalty to the interests of the members of the entire Association. This accountability supersedes any conflicting loyalty such as that to any advocacy, interest groups, club affiliation, or membership on other Associations or staffs. This accountability supersedes the personal interest of any Board director acting as an individual consumer of the Association's services.
- b) Board directors must avoid any fiduciary conflict of interest in accordance with state laws and/or Association governing documents. Board directors will immediately report to the Board any perceived or real conflict of interest as soon as they have knowledge of the potential conflict.
- c) Board directors may not attempt to exercise individual authority over the Association except as explicitly set forth in the Association governing documents.
- d) Board directors shall not take any special advantage of services or opportunities for personal gain that are not available to all association members. They shall refrain from accepting any gifts, favors or promises of future benefits which might compromise or give the appearance of compromising their independence of judgment or action.
- e) When a Board director leaves the Board, that director shall turn over all confidential information and Association work product obtained by the exiting Association director through their position on the Board. Exiting Board directors shall not alter, deface, or remove any Association record, including electronic records, without the express written permission of the Board.
- f) In keeping with the role of stewards of the Association's interests, Board directors shall not appear on behalf of the private interests of third parties before the Association Board or any committee.
- g) Board directors are required to abide by the same rules, restrictions, and provisions that all other Association members are. They shall not receive any kind of special or preferential treatment or deferral of penalties based on their status as Association directors. At all times, Board directors shall act in a manner which sets a good example for the community, and never act in a manner contrary to the policies, procedures, and rules that govern the association and its members.

- h) A Board director's duty to keep confidential information confidential to the Board includes an obligation to take all reasonable precautions to ensure that any confidential information is not disclosed to any unauthorized person and such obligation continues when the director is no longer serving on the Board.

3.1.4 Adoption

This Resolution was adopted at a duly noticed Board meeting at which a quorum was present on October 27, 2020. No provision of this Code of Conduct can be rescinded, altered, and/or amended without a majority vote of the members of the Board of Directors.

DocuSigned by:

Clifford R. Baughn

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Clifford R. Baughn, Secretary, Auberge Community Association

10/28/2020 | 4:09 PM PDT

Date

Section 4 Committees

4.1 General Policy

28 May 2019

4.1.1 The Board may by resolution establish such committees as it deems appropriate.

- (a) Homeowners and Directors of the Association may serve on Board-appointed Committees.
- (b) Per Civil Code §7212(b), membership in Board Committees exercising the authority of the Board (Executive Committees) shall be limited to Directors.
- (c) Each Board-appointed Committees shall include a Director, whose role shall be to
 - (i) Advise the Committee, and
 - (ii) Authorize the General Manager to execute the decisions of the Committee that fall within its charter.

4.1.2 The purpose and specific duties of each Committees shall be defined in its Charter.

4.1.3 Committee members are appointed by and serve at the pleasure of the Board.

- (a) Each Committee may choose its own chair.
- (b) Committees may establish sub-committees for specific tasks and invite Residents to participate in those tasks.
- (c) Each Committee is expected to meet on a monthly basis and may choose its own meeting times.
- (d) Committees are encouraged to hold open meetings as needed to collect Homeowner input on controversial topics.

4.1.4 The General Manager will provide information as needed to support committee deliberations.

4.1.5 Committees shall report the following information at each regularly scheduled meeting of the Board. Committees document this information either in formal minutes of each meeting or in a consolidated report.

- (a) Issues investigated;
- (b) Recommendations made and approved by the Director member.
- (c) Recommendations to the Board for further action.

4.2 Landscape Committee Charter

28 May 2019

4.2.1 The purpose of the Landscape Committee is to advise the Board in preserving and enhancing the physical landscape of the Common Area and Association Maintained Area of Auberge del Sur.

4.2.2 The specific duties of the committee include the following.

- (a) Make recommendations to the Board regarding landscape and irrigation system maintenance and repair.
- (b) Create and maintain a plant palette for the Common Area.
- (c) Accept, review, and prioritize Homeowner requests for plant replacements.
- (d) Defining and assessing landscaping improvements to be considered by the Board.

4.2.3 This is an advisory committee to which the following limited authority is delegated. The Board retains the right to overrule any and all committee decisions.

- (a) Authorizing replacement of plants within the budget line item 7220 (Landscape Replacement).
- (b) Authorizing removal of dead plants without replacements.

4.3 Facility Committee Charter

23 March 2021

- 4.3.1 The purpose of the Facilities Committee is to advise and assist the Board regarding maintenance, repair, and improvements of the Association common areas to ensure that they are safe, comfortable, attractive, and supportive of the needs of the residents.
- 4.3.2 The specific duties of the committee include:
- (a) Make recommendations to the Board regarding facility maintenance and repair in the common areas (excluding landscaping and irrigation).
 - (b) Make recommendations which are sensitive to the operational and reserve fund budgets.
 - (c) Accept, review, and prioritize Homeowner recommendations regarding facility enhancements.
 - (d) Define and assess facility improvements to be considered by the Board.
- 4.3.3 This is an advisory committee to which the following limited authority is delegated. The Board retains the right to overrule any and all committee decisions.
- (a) Authorizing the General Manager to expend funds within budget line item 7520 (Clubhouse Expense-Minor Improvements) provided that no single expenditure exceeds 5% of the budget and expenditures have not exceeded the current YTD budget and does not exceed \$500 in any one month;
 - (b) Allocating storage space to clubs and classes that utilize the Common Area facilities; and
 - (c) Rearranging furniture within The Club.

4.4 Design Review Committee Charter

28 May 2019

- 4.4.1 The purpose of the Design Review Committee is to establish and ensure compliance with Design Guidelines.
- 4.4.2 The specific duties of the committee include:
- (a) Timely review of all requests for design review.
 - (b) Ensuring accurate documentation of all decisions made.
 - (c) Documenting the design review process.
 - (d) Proposing Design Guideline updates as needed.
- 4.4.3 This is a decision-making committee with the authority to approve or deny requests for architectural changes. The Board retains the right to overrule any and all committee decisions.

4.5 Guidelines Committee Charter

28 May 2019

- 4.5.1 The purpose of the of the Guidelines Committee is to advise the Board in the drafting of guidelines, policies and procedures.
- 4.5.2 The specific duties of the committee include:

- (a) Researching and recommending language for new and modified guidelines, policies, and procedures as directed by the Board.
- (b) Documenting existing administrative procedures in use by the Association.
- (c) Maintaining master copies of all governing documents, guidelines, policies, and procedures.
- (d) Updating guidelines, policies, and procedures no less than annually to incorporate Board approved changes.
- (e) Creating and maintaining a library of all governing documents, guidelines, policies, and procedures in a format available to all Homeowners.
- (f) Updating the Frequently Asked Questions posted on the community website to ensure conformance with changes in governing documents, guidelines, policies, and procedures.

4.5.3 This is an advisory committee to which no powers of the Board are delegated.

4.6 Finance Committee Charter

23 June2020

4.6.1 The purpose of the Finance Committee is to provide oversight of financial management in accordance with Civil Code §5500.

4.6.2 This is an executive committee of the Board consisting of the President and the Treasurer to which the following Board responsibilities are delegated:

- (a) Performance of the monthly Financial Review in accordance with board policy.
- (b) Development of a draft budget for Board consideration.
- (c) Authorization of transfers in excess of \$10,000.
- (d) Oversee contract administration and make recommendations to the Board, when appropriate.

4.6.3 The Finance Committee has the authority to appoint up to three Homeowners to serve as a committee advisor. The committee advisors may assist with the work of the committee and may have access to sensitive information.

4.7 Auberge Social Kommittee (ASK)

23 June 2020

4.7.1 The Association recognizes the Auberge Social Kommittee (ASK) as a Community Service Organization as defined in Civil Code §4110.

4.7.2 The purpose of the ASK is to organize events such as on-site events and off-site outings which meet the following criteria.

- (a) Activities must be organized for and by Residents of Auberge at Del Sur.
- (b) Activities may not have a fund-raising purpose.
- (c) Where there is a cost of participation, funds must be collected either by the Auberge Social Kommittee or by Resident organizing the event.
- (d) For onsite events, whenever alcohol is to be purchased or poured by someone other than the person who consumes it, additional event insurance valued at no less than \$1,000,000 must be acquired by the General Manager and paid for by ASK or by the resident organizing the event;

- (i) The event insurance must name the Association and its Managing Agent as additional insured. parties.
- (ii) The event insurance must include a host alcohol liability endorsement.
- (iii) The event insurance must be acquired by the General Manager and paid for from the Social Fund described below.

4.8 Compliance Committee

23 March 2021

- 4.8.1 The *purpose* of the Compliance Committee is to advise the Board and work with the General Manager toward ensuring compliance with the governing documents of the Association. These documents include the Articles of Incorporation, the By-Laws, the CC&R's, Board Policies, Board Resolutions, the Design Guidelines, and the Community Guidelines. The Compliance Committee should not be an enforcement vehicle but should assist management to ensure that all violations are tracked, recorded, and resolved.
- 4.8.2 The *composition* of the Compliance Committee will be no more than five (5) resident homeowners who are in good standing. Each cost center (Cottages, Villas, Summer Houses) will be represented in the Compliance Committee. In the event there are no applicants from a specific cost center, then the Board would choose from available applicants. Members would serve for two years.
- 4.8.3 The *duties* of the Compliance Committee:
 - (a) Develop clear understanding of the Association Governing Documents.
 - (b) Maintain a document log of all violations by type and resolution to enable future boards and committees to have access to this information when dealing with new and/or repeated violations.
 - (c) Assist the General Manager in research to determine if alleged violations are non-compliant.
 - (d) Reference the governing documents and/or prior dispositions for resolutions of violations and/or disputes ensuring that all dispositions and violations are handled equitably for all homeowners.
 - (e) Provide education to the homeowners to help them understand the Association Documents through newsletters, e-blasts, and the website.
- 4.8.4 The Compliance Committee will have access to sensitive information as needed and required.

Section 5 Common Area

5.1 Facility Improvement Plan [Future Policy]

5.2 Landscape Improvement Plan [Future Policy]

Section 6 **Dispute Resolution**

6.1 Internal Dispute Resolution **28 May 2019**

6.1.1 The Board of Directors shall use the procedure defined in Civil Code 5915 to resolve disputes between Homeowners and the Association. [August 19, 2016]

6.1.2 The Association President shall have the authority to enter into agreements for the resolution of Homeowner disputes with the Association. [January 15, 2019]

6.2 Alternative Dispute Resolution **28 May 2019**

6.2.1 The Board of Directors shall comply with the requirements of Civil Code §5926 - §5965 regarding the use of Alternative Dispute Resolution (ADR) as a pre-requisite to civil action for the enforcement of the governing documents or applicable law as defined in §5925.

6.2.2 Per Civil Code §5930(d), the requirement for ADR does not apply to an assessment dispute except as otherwise provided by law.

6.3 Disputes between Homeowners **28 May 2019**

6.3.1 The Association shall not participate in disputes among Homeowners.

6.3.2 In the event that a dispute among Homeowners pertains to a violation of the governing documents or Community Guidelines, the Board shall follow the Enforcement Procedures in the Community Guidelines.

Section 7 Ownership and Occupancy

- 7.1 For Sale or Rent** **[Future Policy]**
- 7.2 Escrow Documents** **[Future Policy]**
- 7.3 Age and Occupancy** **[Future Policy]**