

RIVER CLUB OF MARTIN COUNTY, INC.
09/22/2020 MEETING MINUTES

The meeting was called to order at 10:00 a.m., followed by the Pledge of Allegiance

Calling of the Roll: John Mears, President; Thomas Edwards, Treasurer; Karen Vertesch, Secretary; with Watson (Chip) Bellows, Vice President; and Loretta Gill, Director at Large on Zoom.

Proof of Notice of Meeting: The Notice was posted on September 20, 2020 followed by an email distribution.

Reading/Disposal of the Minutes of September 15, 2020: Thomas Edwards made a motion to accept the minutes as written; seconded by Chip Bellows. All in favor, motion carried.

Reports of Officers:

Thomas Edwards, Treasurer, gave an explanation of the Association's By-Laws regarding the Board of Directors and the Executive Offices. The By-Laws stipulate that there will be five Directors. They also state the Association will have these Executive Offices: President, Vice President, Treasurer, Secretary and if desired an Assistant Secretary. The President and Vice President must also be Directors. The Treasurer and Secretary could be executive officers that are appointed by the Board for a one year term. If you want to run for the Board, you are not running for a specific office. The slots occupied by Chip Bellows and Karen Vertesch are up for renewal or reelection in January 2021. You would be running for a slot on the Board for a term of 3 years. After the 5 Board members have been established, the officer designation would be assigned in the Executive Meeting following the election. It is feasible that the Association leadership would consist of: a President, Vice President, three at large Board members, an appointed Treasurer and Secretary.

John Mears thanked Tom for a better explanation of the by-laws which would give more participation for residents to serve. Karen Vertesch will still serve as secretary if appointed. We want to give everyone the opportunity to serve.

Chip Bellows, Vice President, made a motion to accept the estimates received from Lawn Landscaping by 707:

- 1) \$6,200 for 1600 bags of mulch.
- 2) \$3,800 for clean up/ top off/ trimming along Warner Creek, the Preserve, around the Clubhouse, by the St. Lucie River & the east end of the property
- 3) \$340 to trim the foxtail palm trees at the pool.

The motion was seconded by Thomas Edwards. No Discussion.

Call for the vote All in favor, motion carried.

Chip Bellows made a motion to accept the proposal submitted by Spath Spray for \$13,350 for 6 applications of fertilizer and insecticide for the lawn and ornamentals for 2020-21; seconded by Karen Vertesch.

Discussion followed: The Landscape Committee did an analysis of the proposal. Other vendors were surveyed with Spath Spray coming in with the lowest price. The Committee realized that last year the job was underestimated. It is a fair increase for the job and an excellent job was done compared to previous vendors. John Mears agreed with their evaluation.

Call for the Vote: All in favor, motion carried.

Chip Bellows also commented that Lawn Landscape by 707 was called for Lawn Maintenance for next year and was told verbally that the price would not increase. They would accept the contract agreed upon in March/April 2020 for 2021.

John Mears thanked Chip for all of his work on and off property.

OLD BUSINESS: None

NEW BUSINESS:

- a) **Appointment of a Nominating Committee:** It is the requirement that we need to promote and make available the information regarding Board members and Board membership. Jon Korda is the Chairman for the Nominating Committee. He mentioned that it was worthy to know from today's meeting that there could be up to 7 Individuals to share the workload. He will be working with his committee for candidate applications for participation in the upcoming election. John Mears thanked Jon for volunteering to chair the committee.
- b) **Attorney Letter for Flexibility in Funding Reserve Accounts:** John Mears stated this has to do with paying for the Insurance in a timely manner. Last year we paid \$4,000 in interest charges since there was not enough money to pay the full premium by March. The reason for that is the state law requires we evenly fund our Reserve Accounts throughout the year. By

doing that, our first three months of maintenance payments is funding those Reserve Accounts. If the Board had the flexibility, we could put off putting it into the Reserve Account toward the end of the year and pay for the Insurance at the end of March in bulk and save the interest charge.

In order to accomplish this, we have to have the approval of the majority of our residents. A motion is needed for our attorney to write this letter of explanation which would be included in our Annual meeting notification.

John Mears made a motion for an attorney letter to accompany the yearly package of the announcement of the Annual meeting for the majority of the River Club residents to sign off giving the Board the flexibility to back load the Reserve accounts in order to pay the Insurance which would be front loaded; seconded by Thomas Edwards.

Discussion followed: Thomas Edwards pointed out that only \$17,000 per month was put into the Reserve Accounts; therefore, 3 months would be \$51,000. That would save \$50,000, but we would still be financing \$100,000. A question was raised if we could legally borrow from the Reserve Account with payback stipulations for the same year?

#12-203 Tony King - suggested as an alternative to set aside a lump sum as a Reserve in the bank and replenish it year after year as a third option..

Thomas Edwards commented that it couldn't be done this year. It would have to be funded this year to pay the following year. The bulk of the Reserve money is sitting in the two Roofing Accounts totaling 300,000.

John Mears stated that further discussion is needed prior to engaging an attorney.

Chip Bellows made a motion to table this motion for further discussion; seconded by Karen Vertesch. All in favor, motion tabled.

Chip Bellows made a motion to adjourn; seconded by Karen Vertesch.

The meeting adjourned at 10:28 a.m.

Respectfully submitted,

Karen Vertesch, Secretary

