

**RIVER CLUB OF MARTIN COUNTY
DECEMBER 07, 2019 BUDGET MEETING**

The meeting was called to order by John Mears, Vice President at 10 a.m. followed by the Pledge of Allegiance.

Calling of the Roll: Tony King, President; John Mears, Vice President; Tom Edwards, Treasurer; Karen Vertesch, Secretary; Watson (Chip) Bellows, Director at Large.

Proof of Notice of Meeting: The notice was posted on November 21, 2019 followed by an email distribution.

Reading/Disposal of minutes of October 22, 2019: Tom Edwards made a motion to approve the minutes; seconded by Karen Vertesch. All approved; motion carried.

Treasurer's Report:

Tom Edwards reviewed the financial statements through November showing cash and CD's totaling \$449,000 of which \$428,000 is in Reserves and \$20,000 in Operating. Prepaid Insurance is as scheduled and \$4,000 of assessments have been paid in advance through December. Everything is on budget other than the two items mentioned before, Building Maintenance and Concrete Restoration which have been offset by other accounts under budget. The November financial statements are available on the owners website: rcmcowners.org

Karen Vertesch made a motion to approve the November financial statements; seconded by Tony King.

Discussion : Chip Bellows mentioned there are three projects coming up between \$3,000- \$3,500 in December. Tom Edwards stated the grounds actual amount is in the \$73,000 range with the budget of \$85,000. There are sufficient funds to cover the projects.

Call for the vote: All approved; motion carried.

2020 Proposed Budget:

#10-108 Linda Crichton commented that Jon Korda had a question regarding rewriting the Dock Association contract. Tom Edwards stated there were no problems with the numbers, but the contract needed to be reworded for clarity.

Tom Edwards stated that Tony King and Cindy helped with the history of the numbers, estimates, and the \$41,000 for the embankment restoration that was approved. The Budget Committee held two meetings to review the budget.

Landscape Repairs: \$24,000 was in the Reserve account for Shoreline Repair but \$17,000 more was needed which brings the total to \$20,528. This is the big anomaly on the main operating budget.

Property Appraisal: \$1.050 had to be added to the budget.

Concrete Restoration: \$66,000 is needed of which \$35,000 will be paid from the Reserves, then \$31,000 paid from Operating.

Pool Maintenance: Increased by 3% for future replacement; ie, cupala, tables, chairs, etc.

Termite Control: Eliminated the Termite Reserve of \$3,000 and moved it to operating.

Salaries: Increased by 3 % for staff.

That is the total Operating Increase from \$794,038 to \$829,809 for basically a 4.5 % increase.

#10-102 Dick Tackley asked if Gabions had been addressed in the proposals for the embankment? Gabions bring in steel baskets with rocks for the shoreline. John Mears stated a number of vendors had made bids for repair, but that was not suggested by any of the local vendors that made proposals. We have voted and moved on.

#10-108 Linda Crichton commented that Gabions had been used on Alice Street by the new gazebo at the Rio Nature Park, just as a future reference.

Dick also asked about the 7 year contract with AT&T with no rate increases. Tony King replied that there is a 5% increase annually in the contract.

Tom Edwards stated he reworked the Reserve spreadsheet which shows the Reserves went up from \$201,635 to \$216,792, an increase of 7.72% .

Painting: Paid for last year, now collecting for the next 9 years which is \$7.77 per unit per month.

Pool/Deck: Fine tuned, went down 23%

Shoreline: Increased from \$8,135 to \$ 9,074 due to \$24,000 taken out early for the embankment repair and now needs to be funded.

Irrigation Pump/Well: Repair of components to the well, valves, etc.

. Increased from \$1,200 to \$2,138.

Underground Repair: Hydrants were done; underground drainage pipes were not included last year. Increased from \$5,000 to \$6,710.

That is the macro of the Reserve Accounts. The final figure works out to \$463.97 per unit per month. Then subtract \$3,000 in income and \$5,831 in interest from the grand total which comes down to \$460.00 per month per unit, an increase of 4.57%.

Tom thanked Tony, Cindy, and the Budget Committee for all of their work, but remarked this is the number needed for this year. Hopefully, the big ticket items will go away, but there is always a need for something; ie, cameras for the parking lot, a recreational area, etc.

Discussion:

#13-104 Jon Korda, Chairman of the Budget Committee, commented that he feels comfortable for what they are proposing and found that historically the common charge has gone down. It was either increase the common charge or do a special assessment. The Budget Committee decided it was better to increase the monthly common charge and get the embankment fixed. He thanked Tom and everyone involved and after discussion asked to move it from the floor to accept the \$460 common charge per month per unit.

#7-101 Ken Kusen commented that the place looked like a morgue and questioned if there was any money of that \$20,000, maybe \$200 to decorate the front entrance way with Christmas lights? Everyone around us has the Holiday Spirit. John Mears responded that Karen Dee was looking into Christmas lighting and appreciated the suggestion. Ken also commented that in the past Club on the River had also helped with the expense.

Tony King made a motion to approve the 2020 Proposed Budget; seconded by Karen Vertesch. All approved, motion carried.

John Mears stated the purpose of the meeting was to go over the budget and approve it which has been accomplished; and asked for a motion to adjourn.

Tom Edwards made a motion to adjourn; seconded by Chip Bellows. All approved; motion carried.

The meeting was adjourned at 10:31 a.m.

Respectfully submitted,

Karen Vertesch, Secretary

NOTE: This meeting can be viewed on the website under "Recorded Meetings".

