

RIVER CLUB OF MARTIN COUNTY, INC.
12/14/2023 BUDGET MEETING

The meeting was called to order at 9:10 a.m. followed by the Pledge of Allegiance and a prayer for Mark Jennings.

Calling of the Roll: Tony King, Vice President; Eric Vermilye, Director; Karen Vertesch, Secretary, with Chris Brennan, Director; Thomas Edwards, Treasurer; and Jon Korda, Communications Director on Zoom.

Proof of Notice of Meeting: Karen Vertesch, Secretary, stated the notice was posted on November 30, 2023 followed by an email distribution.

Reading/Disposal of the minutes of November 14, 2023: Eric Vermilye made a motion to approve the minutes as written; seconded by Karen Vertesch. All in favor, motion carried.

Tony King, Vice President, stated the purpose of the meeting was to review and adopt the 2024 Proposed Budget. Tony thanked Jon Korda and his team for putting the Budget together which was submitted to the Board for \$691 per month Common Charge.

Eric Vermilye made a motion to approve the 2024 proposed budget as submitted by the committee; seconded by Karen Vertesch.

Discussion followed:

Eric Vermilye proposed to round up the Common Charge to \$695. The spalling concrete repair will include additional aluminum work that has not been assessed at this point. This little bit of increase will go a long way to help.

Thomas Edwards, Treasurer, suggested putting it into General Deferred Maintenance & Capital Improvements for more versatility.

Karen Vertesch made a motion to increase the General Deferred Maintenance & Capital Improvement by \$9,024 to round the monthly common charge to \$695; seconded by Eric Vermilye.

Committee Report - Property Management:

Unit # 14-101 Lindsay Lugo thanked the Board members for their time to protect the community for their investment and Jon Korda with the help of other residents that put the budget together. She talked about what Property Management Companies provide vs what we do as an Association.

- Create a Budget - We already do that.
- Collect Delinquent Assessments - There are no delinquencies.
- Enforce the Rules & Regulation when there is a violation
- Maintenance - Verify Vendors credentials - The Architectural requirements were just revised to insure vendors were licensed and insured with River Club as an "additional insured".
- Supervise & Control Employees - The Board handles the staff.
- Get Contract Bids for the Board - Only the Board approves contracts.
- Personal Assistant for the Board - There is no way to guarantee that a Management Company lives up to its promises or works well with the Board.

. She personally feels that spending money on a Management Company is a poor investment of our common funds. If proceeding, be careful with contract verbiage i.e., the right to amend the contract to suit our needs or a probationary period for termination for monies refunded, etc.

Jon Korda stated \$35,000 was put into the budget for a part-time LCAM and temporary labor was part of the budget discussion, but more money may be needed to hire that part time LCAM. He thanked Lindsay for supporting the Proposed Amendment

Lindsay wanted to inspire more residents to actively participate on a Committee with the Board to eliminate the need to hire an LCAM to protect our investment.

Eric Vermilye echoed the call for residents with experience in financial planning for suggestions to the Board in reviewing the Reserve Study. The Board would welcome the participation and help.

Bonnie Kocur questioned the Board Status: Tony King stated he and Eric Vermilye agreed to stay on and there was one respondent to complete a full Board of 5 for 2024.

Tony King, Vice President, stated informal interviews have been done to hard proposals with an ala carte situation. We hope to work through these three proposals with another forthcoming to find an LCAM delegate that is willing to

work with us to keep our employees in place, trained and supported by the LCAM for resources and training that we don't have. We are represented by an LCAM; our licensed bookkeeper runs a community in West Palm to answer any question that we might need.

- Concrete Reconstruction : The contract has been signed and the work will start at the beginning of the year on building 14-107 & 108 and a schedule to follow for buildings with an opportunity of improvement.
- Warner Creek Construction: The money that we spent is still good and we are picking up where we left off. The contract pending is for \$165,000 instead of \$280,000 previously which will be reviewed by the lawyer to start the work next year. Thanks to Eric's effort, we found this vendor.
- Property Management: Tony asked for the proposal to include another \$15 a month increase over the current proposal for enough money available to go after a full time contract. Since then, the other Board members wanted it left at \$35,000 to find a 20 hour a week LCAM; an office manager who also inspects the property and vendors credentials for compliance, violations, etc. on behalf of the Board. If a full time Cam is needed, it will be addressed.

Thomas Edwards commented that this has become a job for the Board and there needs to be a change.

Chris Brennan agreed and stated there would be more participation from the residents without the time pressures and demands that are currently placed on the Board.

Tony surveyed the Board for the hours spent working on projects, i.e., Eric covers various maintenance issues and checks to see if the work is done correctly for monies spent on an average of 15 hours a week

Eric commented he was proud to be part of the team with Chris reviewing the contracts submitted for any corrections; Tom & Jon monitoring the monies spent in the budgeted categories; and Tom working diligently with a part time bookkeeper to keep us on track.

Further Questions:

How was the reserve schedule and figures determined ? Response: The Reserve Study lists the useful life, when it should be replaced and how much should be allocated to that reserve. That is done with the exclusion of the Warner Creek Restoration which will be an assessment of approximately \$1,200.

Tony King commented there was an exception due to early failures on some of the roofs due for replacement in 2027 now to be completed in 2024 which will be of an assessment of \$800.

Shingles guaranteed or prorated ? Response: We found the problem was not with the shingles, but with the nails used during the installation, also color match and storm wind ratings played a part.

Larry Hanlon had questions regarding Mark Jennings employment while on medical leave ? He has volunteers that would assist in some of his jobs.

Eric stated that a local handyman would charge \$40 per hour on a part time basis

Tony King also responded that employee payroll is not an open discussion and cannot be addressed in an open meeting.

Eric Vermilye stated he was in favor of rounding up the Common Charge to \$695 for the budget for the input available and with follow up on the Reserve Study.

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

Eric Vermilye made a motion to adjourn; seconded by Karen Vertesch.
All in favor, motion carried.

The meeting adjourned at 12:15 p.m.

Respectfully submitted,

Karen Vertesch, Secretary

