River Club

Review

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The Official Newsletter of the River Club Board of Directors

February 13, 2023

The Board of Directors has been busy conducting the business of River Club. The following is a review of the various other projects in the works.

Financials

The following financial report through February 13th is as follows. We had total assets of $1,139,565.15, of which $1,085,334.82 was cash, $53,026.43 was pre-paid insurance and we had $1,204 in receivables. Our liabilities and equity balanced out at $1,139,565.15. Our liabilities were payables of $25,320.01, and pre-paid common charges of $38,203.00. There was $1,020,862.00 in our reserves, and that left us with equity of $55,180.14.

Special Assessment Board Meeting

There will be a board meeting to be held Monday, March 6th at 10am. The purpose of this meeting will be to discuss the shortage of funding to our budget, that was caused by unexpected insurance costs, related work and inspections. Below is a break down of the costs for your review.

Insurance

Some of this information will be redundant. Since the budget meeting in December, at all of our meetings and the News Letters, we have been talking about the rising costs of insurance and what we have been doing to lessen the impact to us all as much as possible. Our insurance renewal date is March 3rd. The following is a recap of what we have been doing to keep the premium as low as possible, and what the actual costs are going to be when we renew.

To recap: Due to all the damage incurred in our state by hurricane Ian several of the past insurers working in our State have left and will no longer be writing policies in Florida. To get the best possible insurance rate this year we will submit to Citizens insurance Company. To do this, we needed three things to happen.

First, we needed to get a new replacement cost appraisal for our buildings done. This has been done. The old replacement cost appraisal was $24,796,091.00, the new appraisal came in at $35,890,668.00, a 45% increase. The insurance money we put into this year's budget was based in part on a 29% increase in replacement cost, not 45%. This could mean a renewal cost higher than what was budgeted for.

Second, we needed to get a new wind mitigation report done for all our buildings. To be able to save as much money as possible on the renewal, we needed to hire a contractor prior to inspection to install the third nail or nails in the truss tie down straps. It turns out that there are a lot of straps that are not located properly. The strap needs to come out of the concrete within 1.5 inches of the truss. Some of the straps are as much as 5 inches away from the truss. This required us to install a clip. The clip is screwed to the side of the truss and then tap conned down into the cement. This work has been completed at a non-budgeted cost to us of $35,200.00 The new wind mitigation inspections have been completed for each building, at a non-budgeted amount of $2,125.00, and are posted on our web site. Since each building needed at least one clip installed we did not get credit for a one wrap truss attachment. Instead, we got rated with clip attachment. The clip attachment gets us a 25% reduction in premium over toenailed designation. As an example, last year building one had a toenail truss attachment rating. The cost to insure that building was approximately $24,000.00. If we had the clip attachment rating, we would have paid $18,000.00, a 25% savings.

Thirdly, we needed to have a Citizens roof condition report completed. This report has been completed at a non-budgeted cost of $4,500.00. These reports will state the age of each roof and what its useful life is. The good news here is that our oldest roofs still have 2 years of expected life left. These reports, one for each building can be viewed on our website.

We have received the cost information from our insurance agent, and it is not all good. Sit down and strap yourself in before reading this.

Here are the renewal numbers from Keith Carroll, our insurance agent. On our current policy that expires this March 3rd, we currently have a 3% hurricane deductible.

Description of Coverage	2022 Premium	3% 2023 premium	5% 2023 Premium
Property	$203,940.50	$356,893.00	$305,456.00
Increase Prop. Values to 2023	NA	$159,674.00	$136,665.00
Total Property Premium	$203,940.50	$516,567.00	$442,128.72
Machinery & Equipment	$591.11	$956.55	$956.55
General Liability	$19,804.05	$24,805.20	$24,805.20
Directors & Officers crime	Inc. Above	Inc. Above	Inc. Above
Third party crime	$415.00	$415.00	$415.00
Umbrella	$4,602.85	$3,673.00	$3,673.00
Total premium	**$229,353.51**	**$546,416.75**	**$471,978.47**

If we stay with a 3% deductible our renewal cost will be $546,416. An option we have is to go to a 5% hurricane deductible. This will reduce the renewal amount down to $471,978.

Last year we paid $229,353 for the policies that all renew on March 3rd. The problem we have is we have only budgeted $364,500 for this renewal based on the info we had in November of last year. We are $181,916 short if we stay with a 3% deductible. We are $107,478 short if we go with the 5% deductible.

The Board is unanimous that we go with the 5% deductible. Please feel free to weigh in on this issue.

This increase in addition to the $41,825 that was spent on adding nails, clips and inspections which was not budgeted for will need to be collected in a special assessment probably in March. If we go with the 5% deductible option, the assessment will be $149,303 total or $795.00 per unit. We may need to work out payment options, like $200 per month over four months, or increase the monthly common charge for the last 9 months to $654.50. If we stick with the 3% deductible it is much worse.

The $41,825 we spent to ensure that we got the clip rating for our roofs is saving us approximately 25 to 30% on the renewal premium. Plus, each unit owner will save on their own condo insurance policy, usually between $100 and $200 per year.

QXC

As previously stated QXC will be replacing the outdoor fiber runs on some phase 1 units and all of the phase 2 units. This work has started today February 13th as planned, although they didn't show up to work until 11:00. Hopefully they will complete this work in an agreed to manner in 4 days. We will see. Already they are falling behind. It's 3pm and they are just starting on building 5. We will update the schedule when we have a better idea of how long it will really take them to do the job. Thanks for your patience in advance.

QXC has also finally admitted that there is a problem with speed and jitter on a lot of the routers we have at River Club. This problem is especially evident in the congested areas of our property. What happens in these areas all of the routers are competing for the same few channels available, causing congestion and basically interference. QXC is working with TP-link the manufacturer of the router to come up with a software change to resolve the problem. Again, we shall see.

We are all still having many problems with the APP's performance. Please call the support number even for a minor problem. We need to be the squeaking wheel.

Parking lots and roads

We will be sealcoating all the parking lots and roadways this coming year in April or May. Included will be repainting all the car stops and reapplying the numbers, and repainting the parking lines, and crosswalk markings. Please start thinking about this now if you will be away and you leave a vehicle here. On any given day per the schedule, that will be established, each parking area to be sealed and painted will need to be vacant of all vehicles. Please make arrangements with a neighbor to be able to move your vehicle when needed, or park it elsewhere off the property while you are away this coming summer. This will be one of many reminders on this subject. Please pay attention. All vehicles with no one to move them will be towed off property at the owner's expense. Thankyou

ACH Common Charge Payments

Thank you to all that have signed up for ACH method of common charge payment. Currently we have 134-unit owners taking advantage of this feature. Your common charge is never late. It is usually deducted from your checking account on the 8th of the month. If you are one of the 54-unit owners still writing out a hand check or sending a bank check, please consider switching over to the ACH payment method.

There are four owners who are late paying their February common charge payment. They will each be assessed a $25.00 late fee.

Emails

If you are one of the few unit owners still requesting that Newsletters, official notices, and other informational notes be hand delivered or snail mailed to you, please consider switching over to email delivery.

It's Your Money

Construction Dumpster

We need to remind everyone about the use of our construction dumpster located back by the maintenance building. This dumpster is there so that we all have a place to dispose of unit owner generated trash that cannot be put into the residential garbage dumpsters located conveniently around the property. This dumpster is for incidental disposal of items. You cannot dispose of any hazardous waste in the dumpster, such as paint, batteries, tires, etc. If you are remodeling your unit or have a contractor doing the work, you need to make other arrangements to dispose of these large quantities of debris. It costs us on average $300 each time the dumpster is emptied. It is not fair to all owners if you fill up the dumpster on your own and expect all unit owners to pay. If you have a whole room remodel or more, your contractor will need to haul away the debris, or you could have your own dumpster delivered to your parking spot after obtaining permission from the BOD, or you could volunteer to pay for a portion of the dump fee for the community dumpster. Be considerate of your neighbors.

Remember - *IT'S YOUR MONEY*

Neighborly Reminders

The recycling bins are for items that can be recycled. Plastic shopping bags and kitchen garbage bags cannot be recycled. Please if you bring your recyclables to the enclosure in a bag, dump the contents into the proper bin and throw the bag in the garbage dumpster. Please break down any boxes to be recycled. This will save space in the bins for other recyclables.

Rules and Regulations

Per our rules and regulations section VII, paragraph 1 Each owner has an assigned parking space with a number corresponding to the unit number for their passenger vehicle. The unit owner's vehicle shall be parked in this assigned spot. If the owners have a second vehicle it can be parked in an available guest spot. You cannot leave your assigned spot empty and park elsewhere. If you have a problem where your assigned spot is located, you can contact the Board of Directors who may be able to reassign your designated spot.

Per our rules and regulations item IX. GUESTS & VISITORS 1. Any guest occupying owner-member's unit is required to register at the office. The Board of Directors must have a guest form or letter from the owner-member giving the guest permission to occupy the unit; not to exceed fourteen (14) days. This guest form or letter must include the dates of guest occupancy.

As owners and residents of River Club it is the responsibility of all of us to obey the rules and regulations and to inform our visitors and guests of them. Contrary to a common belief, it is not the responsibility of the Board of Directors to patrol our grounds 24 hours a day to search for violations. It is collectively the responsibility of all of us.

Please take note of rule IXI. Guests & Visitors, item 4. Your Guests and visitors who are not residing overnight must be accompanied by the Unit Owner or the Approved Lease while using or entering any of the common areas of River Club. This also includes use of the leased dock area.

Please be considerate of your neighbors and obey the rules.

Your Board of Directors

Ken Kusen   *Tony King*   *Karen Vertesch*

Larry Hanlon