

**RIVIERA DUNES MARINA CONDOMINIUM ASSOCIATION
BOARD MEETING
SEPTEMBER 16, 2023**

Meeting Minutes

Location of Meeting: Captain's Room of Dockside at Riviera Dunes Restaurant
102 Riviera Dunes Way, Palmetto, FL 34221

Board Members Present: Physically Present: Michael Harris, Gary Schuster, Anthony Shoaf, Jamie Switzer, AND Present Via Zoom: Steve Immerman

Marina Staff Present: Lucas Knuttel, Peggy Trotter

Other Non-Members Present: John Westerholt (Zoom meeting assistant)

Attendance Sheet Signed by Members who were present, and those verified to be present by Zoom are also noted.

- 1) Meeting called to order at 9:03 AM by Michael Harris
- 2) Confirmation by Trotter of proper noticing of this board meeting, as well as a quorum of board members with all present either in person or by Zoom.
- 3) Motion to approve meeting minutes from the 6/3/23 board meeting made by Switzer and seconded by Shoaf; unanimous affirmative vote by all five board members to approve the minutes as provided.
- 4) Switzer provided a budget and reserve update and explained the need to increase the Association's reserves by re-allocating funds from the operating income to the pooled reserves.
- 5) Immerman made a motion for the Board to vote on whether to increase reserve funding by \$156,000 for fiscal year 2023 by adjusting the 4th quarter assessment invoices to make the re-allocation from operating to reserves. Switzer seconded the motion, and all five board members voted in favor of re-allocating \$156,000 out of the 4th quarter dues from operating to reserves.
- 6) Knuttel gave an update on the new security/access system explaining that they were pretty much all set up now with the new system and the Brivo app.
- 7) Knuttel and Immerman gave a reminder that the Association will be upgrading the Wi-Fi system before the end of October 2023 so that boaters will be able to stream their entertainment, since we will not be renewing the cable contract with Spectrum when it expires at the end of October.
- 8) Harris set the upcoming RDMCA Owners' annual meeting date for December 9th at 10 AM. No other Board members had opposition to this date.
- 9) There being no other business to discuss, Harris made a motion to adjourn the meeting at about 9:50 am, Schuster seconded the motion, and all five board members voted to adjourn the meeting at this time.

General Narrative from Board Meeting Held on September 16, 2023

Board President, Michael Harris, called the meeting to order at 9:03 am, and he asked Trotter to verify that the board meeting had been properly noticed, which she confirmed it had, and that there was a quorum of Board members, which she verified that four were physically present and Steve Immerman was present via Zoom.

Harris stated that the meeting minutes from the meeting held on June 3, 2023, need to be approved. There being no discussion needed or questions, Switzer made a motion to approve those minutes, Shoaf seconded the motion, and the five board members all agreed to approve the June 3rd, 2023, meeting minutes as provided.

Board Treasurer, Jamie Switzer, then gave an update on the RDMCA financials, including the reserves. He explained that we have had to increase the reserves in 2023 to offset serious expenses that are expected in the 2024 fiscal year. He explained that our total reserves have gone from \$578,000 in the beginning of 2023 to over \$900,000 presently. He said our expected net income for 2023 will be about \$206,000, so the Board wants to re-allocate \$156,000 of those funds to the reserve budget. This will help bolster the reserves and will also greatly lower the tax penalty for the Association. He explained that the Board would like to vote to re-allocate the 4th quarter dues totaling \$232,797 (\$1,063 per slip x 219 slips) to have about \$221,573 go into the reserves instead of the \$65,535 that have gone into reserves each in the previous quarters.

Immerman made a motion for the Board to vote on whether to increase reserve funding by \$156,000 for fiscal year 2023 by adjusting the 4th quarter assessment invoices to make the re-allocation from operating to reserves. Switzer seconded the motion and the five Board members unanimously approved the motion to re-allocate \$156,000 of expected 4th quarter dues income from the operating account to the reserves account in order to increase reserve funding for 2023 by that amount.

Switzer then gave an update on his new investment strategy. He said that by the end of this month we will have completed the move of all our reserve monies to USB where we can expect approximately \$60,000 per fiscal year in interest income, while keeping all the funds FDIC approved. He explained that we have previously had the funds spread out in several different bank accounts to keep them FDIC insured and had only earned a few thousand dollars in interest on over \$500K for 2022. He also mentioned that we changed our credit card processing merchant for the fuel dock, and this will save the Association several thousand dollars per year as well. He said that we have been able to find ways to save a lot of money in 2023, which is great. What is not so great, he explained, was that from the meeting he, Harris, and Knuttel had with the insurance agent the other day, it looks like our insurance rates are going to increase from about \$118K this year to over \$400K next year. He said our current carrier is exiting the market and that there are only about four carriers in Florida that carry what our marina needs, so not much to choose from and the carriers know that. He did say they are continuing to work on it and hope to have it figured out by the annual meeting. Shoaf asked if there are any options for self-insuring, and Switzer said they are indeed considering partial self-insuring and that is another reason we need to get the insurance reserve increased. He explained that he and Harris

decided not to get full coverage (about \$5 million) for 2023 as it would have cost us more than \$200,000 to do so – they just insured us for \$3.2 million, which is about \$2 million less than our book assets. Switzer said that Harris brought up an excellent idea at their last insurance meeting of changing our policy end date from the end of the fiscal year, which it is currently, to May 1st or June 1st so the renewal period is before hurricane season. They are looking at having an 18-month policy, if possible, to get this started. Harris explained that if the numbers they were given the other day for the new policy stay the same, then the owner of each slip will be responsible for more than \$1,800 per slip. Switzer explained that our current insurance deductible is \$250,000, and it will be \$300,000 in this new policy so we will need to move another \$50,000 to the insurance reserve for that. He explained we already increased it in 2023 from \$150,000 to \$250,000. Switzer stated that it is highly unlikely that we would lose all \$5.2 million in assets to a hurricane, so self-insuring above a certain amount makes sense. Harris mentioned that they are trying to be mindful that debris removal may be much more expensive than what insurance will cover, as well. Immerman thanked Harris and Switzer for their efforts.

Luke Knuttel, General Manager, gave the security update. He said that there are no longer codes offered as they were passed around way too much. He said the Brivo system is all set up now and they are pretty happy with the new system. He said the vendors took a little while to get updated, but other than very few minor issues it is better now. He explained that they have decided to charge a vendor administrative fee of \$125 for the remainder of 2023 to each vendor for access to the docks to help offset the cost of the system, have already collected \$5,625, and they have had very little kick back over that as many marinas charge for access. He said vendors will be charged \$250 for a full year, starting in 2024, and this will re-coup the cost of the system in just two to three years. Switzer mentioned that Immerman brought up the idea of possibly adding a fingerprint reader. Knuttel said that he did look into it and the security system providers said that although it is possible with our system, our outdoor marina environment with the humidity and sunlight would make it unreliable. Knuttel offered to research it more, perhaps at least for the gate, as was suggested to him. Immerman stated that the fingerprint readers are several thousand dollars, but he will do some research on it himself as well. Knuttel also stated that he has a few sticker-type readers for vehicles that he wants to give to owners that are at the marina quite often, and that he can order more as needed.

Immerman gave the cable update, explaining that Knuttel is moving forward with the Wi-Fi upgrade as the plan is still to drop the cable at the end of October when the contract ends. He said OnSpot will be replacing the hardware for the upgrade. Knuttel said Onspot should be here to start the Wi-Fi upgrade around the 9th of October. Switzer mentioned that the cable costs \$28,000 and is fed through a failing cable infrastructure. He explained that boaters will need a smart TV to stream. He said that the upgrade will be about \$8,000. Switzer also said Knuttel has increased the capacity of our system from 300 gig to 500 gig for only \$10/month. He has asked him to see if we can increase that even more so that we have a real robust Wi-Fi system so that users don't get dropped like they do now.

Harris stated that annual meeting will take place on Saturday, December 9th, at 10:00 am. Switzer asked if the convention center will even be open with the renovations they are doing. Trotter said she will contact the convention center to find out, and so Switzer said the location of the meeting is to be determined.

Although not on the agenda, Harris wanted to remind members that they are working on the new rules and regulations and the Board will be voting on those at the organizational/budget meeting that will most likely take place right after the annual meeting. He said he wanted to inform them that they are considering a liveaboard fee of somewhere between \$75-\$100 per month for each month that a slip is being considered a liveaboard. Switzer stated that this is still remarkably lower than the market rate. Harris also stated that we have no more liveaboard permits available. He reminded the slip owners that permits do not go with a slip as they are a common element of the Association, so if a slip owner is selling their slip, they cannot say the slip comes with a liveaboard permit.

Switzer asked Harris what the status of the lawsuit against the Master Association was and he replied that we are waiting for a deposition to take place from a key party on the other side that hasn't happened yet.

Switzer then asked if anyone had any questions and some discussion regarding the liveaboard policy took place.

There being no other business to discuss, Harris made a motion to adjourn the meeting, Schuster seconded the motion and all five Board members voted to adjourn the meeting at approximately 9:50 am.

Respectfully submitted,

Peggy Trotter
Assistant to Secretary