

RIVER STRAND GOLF AND COUNTRY CLUB, INC.

MEETING OF THE BOARD OF DIRECTORS

MARCH 27, 2017

A REGULAR meeting of the Board of Directors was held on Monday March 27, 2017 at 6:00 PM in the offices of ICON property Management located at 5325 East State Road 64, Bradenton, FL 34208.

A quorum of the Board of Directors was present in person with Mr. Scott Hancock, Mr. Eddie Hicks, Mr. Terry Lyons, Mr. Charles Glasser, Mr. Bob Walsh in person, and Ms. Anita Tierney via conference call for the start of the meeting and arriving in person during the discussion with the insurance agent, in attendance. Also present were Shaun Fitzner, LCAM, Community Manager for River Strand, Pat Cattanach, General Manager for River Strand, and Dennis Colletti Owner of ICON property management.

Terry Lyons called the meeting to order at 6:00 PM. Proper meeting notice was posted throughout the property and emailed to all owners in accordance with the Florida statutes and the governing documents of River Strand Golf and Country Club, and desire of the Board of Directors.

There were approximately 10 owners present at the meeting.

Upon a motion made by Bob Walsh, seconded by Charles Glasser,

It was voted 17-28: to approve the minutes of the March 20th, 2017 meeting of the board of directors as presented, motion passed unopposed. **Motion passed.**

OWNER COMMENTS:

None of the owners present offered comments to the board.

ON MATTERS RELATING TO INSURANCE FOR THE ASSOCIATION:

The following policy discussion after receiving additional information in response to the questions asked to the agent of record last week:

Directors and Officers: Neither the association attorney nor the association insurance agent would make a clear recommendation of the level of coverage to carry. The current coverage of 1 million dollars for a developer controlled board is not appropriate for an owner controlled board is all that would be officially stated by the service providers. The agent estimated a return premium based on a short term rewrite date of approximately \$3600. Management feels this amount may not be correct as there will be some type of penalty and prepared the board for a refund based on a 4/1 short term date in the range of \$2700.

The alternatives offered were a \$5 million primary coverage and an additional layer of \$5 million to go over the top. The agent explained that the additional layer was within 10% of the primary due to that being the minimum premium amount which the carrier would write. The agent

showed a list of 11 other carriers who were approached about writing the coverage who all declined to bid on the risk.

Crime: The current coverage of \$250,000 is not sufficient to provide required coverage for the maximum amount of cash funds on hand. The total cash as of February 28th, 2017 was \$1.52 million, but will go up as collections start for the second quarter. The board discussed the coverage enhancements which had been offered as a part of the policy, and property manager reminded the board of an additional coverage for Cyber crime which had been proposed by the agent.

Accident Coverage: The accident coverage of the association is for people who might get hurt while participating in events or otherwise enjoying the common facilities. It is an additional layer of coverage over the liability insurance policy which would cover the first \$15,000 of a loss. This coverage would then pick up an additional \$25,000 of coverage up to a maximum of \$125,000 per policy year. The manager asked the agent if a recent incident where a homeowner was injured while participating in a fitness class would fall under this policy, as the owners insurance was attempting to subrogate the claim against the association. The agent explained that the liability coverage would rise to the defense of the association and would pay the claim if required.

Umbrella: The association currently has an umbrella coverage of \$4 million dollars the attorney recommended a coverage of at least \$20 million. A \$10 million and a \$25 million coverage were offered by the agent the cost differential was less than \$1,000 between the two levels of coverage.

Upon a motion made by Scott Hancock, seconded by Anita Tierney,

It was voted 17-29: To approve the following changes to the association insurance, and authorize the board president and general manager to sign all applications and forms needed and to run concurrent with the current policies:

Directors and Officers: \$5 million coverage

Crime: \$2 million coverage with additional enhancements

Umbrella: \$25 million worth of coverage

Motion carried unopposed. **Motion passed.**

ON MATTERS RELATED TO LEGAL COUNSEL, ENGINEERING, AND CPA

Legal counsel: It was reported that the retainer agreement had been signed with the law firm of Wells, Olah. Items that were discussed with the attorney included the following:

Collection Matters: the property manager was authorized to work with the attorney on current collections matters which are more than 90 days in arrears. The property manager is requesting the attorney to send a notice of intent to create lien to these parties as numerous attempts have been made by mail and phone to collect on these debts on behalf of the association. At next weeks meeting the board will be asked to suspend the use rights of these parties who still have not paid and will be more than 90 days in arrears.

Golfing matters: The board asked the attorney if they can restrict play in their "River Strand" authorized championships which have been advertised and are being played over the next two weeks (April 2 for the couples, and April 8-9 for the individuals). The attorney responded that the board could restrict participation. ICON was reminded that the member board should have a say in these matters. ICON reminded the board that they will use past experience as a guide as we get instruction from the committees and the board; however the club is a robust business with multiple daily decisions that need to be made and the management group must be given guidelines as to the board expectations in order to facilitate the business of the club.

Upon a motion made by Anita Tierney, seconded by Charles Glasser,

It was voted 17-30: that the couples championship for this year will include participation of both golf homeowner members, golf transfer members, and golf annual members; and that for the singles club championships for this year, participation will include golf homeowner members, and golf annual members, but that transfer members will not be allowed. Motion carried unopposed. **Motion passed.**

Reserve Study: It was reported that a committee of members of the community and the board of directors had met with the two finalists, LCM and Delta this week. Delta, the larger firm located in Sarasota is the preferred firm; however there are still items which need to be negotiated as they have increased the original bid price based on the inclusion (which had been disclosed in the original RFP) of the golf course greens and bunkers. Their price was estimated to be in the \$65,000 range. It was the comment of the committee member present that LCM hourly prices and travel time, along with the success Delta has had in working with Lennar communities would still make Delta more attractive; however a price needs to be fixed and a payment schedule agreed to in order to recommend approval. This matter will be brought up at next weeks board meeting.

CPA firm: The engagement letter has been received and is being reviewed by the finance committee who will meet again and anticipates the agreement to be signed by the next board meeting.

ON MATTERS RELATING TO COMMITTEE MEMBER CONTACTS:

Over 45 requests to participate in committees have been received by the property manager who provided an updated list to the board. As the manager received requests he saves the email and responds to the party making the request that the appropriate board member will be in touch. The board discussed who would communicate, and appoint the members to the committees. Would a chair be appointed and then allow the chair to select the committee, or would the board as a whole select the committees members? In any event the names of those on the committees need to be recorded in the minutes in order to make them official and eligible for protection offered by the association insurance. A question was raised to be referred to legal counsel if the committee's are bound by the same sunshine rules as promulgated by FL Statute 720 by which the association is governed requiring all meetings of the committee to be posted and open. Since several of the committees might be just 3 members it would make their ability to meet and discuss matters complicated. The board president will check with the association counsel and report back. The board discussed not contacting any of the applicants until the chair has been selected for each committee.

ON MATTERS RELATING TO THE ARC AND FINING COMMITTEES:

The ARC committee met on Friday March 24th and approved multiple homeowner requests for modifications. The property manager discussed the process, and also discussed concerns that the committee had raised regarding one of the requests. The request had been rejected and the manager had reached out to the member to offer an alternative by email and phone with no response as of the time of the meeting. Should an owner perform a modification that has not been approved that owner may be subject to censure which would be referred to the compliance committee for recommendation of that censure.

ON MATTERS RELATING TO FUTURE ELECTIONS:

The property manager has provided information from 2 firms – one through CAI and another through a large law firm, Becker and Poliakoff who can help to organize the association so that an election can be held by electronic vote.

The board also discussed possible amendments to the current structure of the board, term limits, and other suggestions for changes. The board needs to come up with a plan to present to legal counsel so that it can be framed and an opinion provided as to the required vote to implement.

OTHER ITEMS OF DISCUSSION:

The board requested management to provide a list of upcoming events

The property manager has established at no additional cost to the association an exchange server domain which would provide email for the board members.

Next meeting to be held on April 3, 2017 at 6PM at the offices ICON management

There being no further business the meeting was properly adjourned at 8:14 PM.

Respectfully Submitted,

_____rtw_____, Secretary on Behalf of River Strand Golf and Country Club, Inc.

Shaun Fitzer, LCAM On Behalf of River Strand Golf and Country Club, Inc.