

RIVIERA COMMUNITY CLUB
Budget Ratification Minutes
11016 Country Club Dr.
Anderson Island, WA 98303
Zoom Meeting



BOARD OF TRUSTEE MEMBERS
Christopher Frye, President
Gabe Sachwitz, Vice President
Deb Parker, Secretary
Jerry Hines, Treasurer
Jeff Hayes, Trustee

Annual Budget Ratification Meeting Minutes
Saturday, September 28th, 2024 at 9:30am
(This meeting will be recorded)

To join this meeting click <https://us06web.zoom.us/j/83018503239> or call 253-215-8782 Meeting ID 830 1850 3239#

1. Call meeting to order: 9:30 am
2. Roll Call *Present: Chris Frye, Jerry Hines, Jeff Hayes, Deb Parker, Absent: Gabe Sachwitz*
3. Stand for Pledge of Allegiance
4. Motion 2024-09-28: Adoption of the previous Member Meeting Minutes September 30, 2023.
Josie Thompson moved, seconded by Laura Mack, passed unanimously
5. Voting Announcement: "If you have not yet voted for the budget please do so now."
6. We'd like to thank all Budget Committee Members Arthur Willetts, Jerry Hines, Andy Knudson, Bill Quinn, Sue Fountain, Phyllis Zander
7. Member Comments: Open discussion – Limit of 3 minutes per member
8. Close of voting announcement
9. Budget Rejection Vote Tally
 - a. Total Number of No Votes: 69
 - b. 2024-2025 Budget Adopted Yes or No (circle one)
9. Adjourn Meeting: 9:54 am

MEMBER COMMENTS

*MEMBERS - TO SPEAK AT THE END OF THE BOARD OF TRUSTEES MEETING ON ANY TOPIC FOR A MAXIMUM OF THREE MINUTES, PLEASE USE THE SIGN IN SHEET PRIOR TO THE START OF THE MEETING. ZOOM PARTICIPANTS, PLEASE INDICATE YOUR INTENTION TO SPEAK AT THE BEGINNING OF THE MEETING AND THE NATURE OF YOUR COMMENT OR QUESTION

Bill & Catherine Spears 03/003 & 23/004

Subject: Riviera Budget Proposal 2024-25 Budget Year and Beyond

Questions:

1. You have proposed a Capital Budget amount of \$212,000 for 2024-25. This includes a \$16,000 expenditure for the Outdoor Stage. Is this for replacement or construction/repairs and how did you come up with this amount? It also includes repair or replacement of the pickle ball/tennis court for \$40,000. What is the issue, what is proposed as a solution, what alternatives were considered, will this be a recurring problem that needs to be addressed, and how did you determine the fix and cost of the repair?
2. In the next two years you have projected Capital Expenditures of \$216,000 in 2025-26 and \$618,000 in 2026-27. The major items in this 2026-2027 year are foundation and deck replacement at the restaurant (\$250,000) and the Marina launch ramp (\$250,000).

What are the issues, what are the proposed solution, what alternatives were considered, will this be a recurring problem that needs to be addressed, and how did you determine the fix and cost of the repair?

Most importantly, how did you plan to pay for it?

3. What kind of guardrails in spending exist for spending on such things as a major furniture purchase for the restaurant and if there are workmanship or materials issues on capital improvements does the Riviera pursue compensation?

Comments:

The Capital cost in two years is proposed to triple what it is this year! Typically, this cost is born by members/owners in the Riviera through dues and dues increases. There is no mention of what the possibility is of receiving outside funding for these projects. Once dues increase there is typically, overall, no significant decrease once the project is completed. Nor is there any guarantee that the funds will not be diverted into other projects or expenses. The Riviera needs to propose separate funding for these major Capital Improvement projects and have the project and funding approved by the members, not include them in dues. It could propose a one-time assessment payable over time or a one-time payment. The approved funds can only be used for that project and bids for work and any permits and engineering must be included. The scope of work must be available for review and comment before committing funds.

The BOT needs to be aware that the majority of residents that live here on Anderson Island are over 55, may or may not use all of the available assets the Riviera has to offer and live on fixed incomes. They do not have expendable funds for play, and the cost of the ferry is difficult for many people.

The Riviera restaurant, golf course, and marina are community/public assets. Some means of capturing resources outside of the Riviera members needs to be explored if these island amenities are to remain.

Chris Response: Most of those questions have already been answered and we will answer in the talking points afterwards so we can give you the proper answers.

The stage was talked about months ago. The stages is for outside and can actually be taken apart and put back together and can be used anywhere in the parks of the Riviera. You will see things in the budget for Marina and the restaurant, etc. The reason those are in the budget is because it's more of an FYI for the future. We're going to propose a five-year estimated budget to make people more aware of these things. There are many steps to a project or purchases, and getting these things on the budget is the first, so there is a history of these subjects.

One of the things the membership has to do is, when you see something on a budget that says we paid or will pay X amount of money for an engineering report – ask where is the copy or information on this? Things must be posted because things get forgotten until someone brings something up again. This history is for that new board or GM for the answer for when someone brings it up. Membership has to do is demand transparency and copy. We'll answer all these questions on the talking points summary for all members.

The member said: he really would like us to approach membership about a special assessment on large projects. Response - We're a nonprofit with community support and we're working with public agencies, like the fire department, we're looking for grants. Talking Points and Summaries are posted online. We are also going to attempt -with the proper checks and balances – to post the recordings of these meetings online (YouTube) and it'll be a channel just for the HOA membership can watch at any time.