

**CAPE GEORGE COLONY CLUB
ANNUAL MEMBERSHIP MEETING
July 14, 2018
2:00 PM**

President Katie Habegger called the meeting to order at 2:00 p.m.

Welcome

Trustees in Attendance: Richard Hilfer, Karen Krug, Carol Wood, Katie Habegger, Joel Janetski and Ray Pierson

Action on Minutes: Craig Muma moved and Thad Bickling seconded to approve the minutes of the Annual Membership Meeting of July 15, 2017. Passed by those in attendance.

Annual Membership Report: Carol Wood

There were 49 properties sold between July 6, 2017 and July 9, 2018. Of the properties purchased 5 were lots. An additional 9 properties are now in escrow. As of July 9, 2018, six homes have been completed and five more are currently under construction.

Annual Reports:

The following reports were submitted to the Board of Trustees and the membership prior to today's meeting: Annual Treasurer's Report, Manager's Report, Water Manager's Report also the following committee reports: Building, Elections, Emergency Preparedness, Environmental, Fitness, Marina, Nominating, Roads, Pool, Water and Workshop.

The reports are attached to these minutes and incorporated by reference.

The Social Club also submitted a report to the board.

Member Participation:

Phyllis Ballough inquired about the broken walkway and sidewalk extension to the fitness room. The manager, Sharon Mitchel said bids are being received now and the project looks like possibly starting in September. Marina & workshop volunteers may do some of the work.

Richard Hilfer asked Thad Bickling- Emergency Preparedness Chair about the FEMA program in the report submitted. FEMA and DART are providing training to organized neighborhoods like ours who already have emergency preparedness plans and people in place. FEMA and Dart can use our own infrastructure to set up and distribute supplies much faster. Training starts this September & October. See complete report attached.

Katie Habegger acknowledged Richard Hilfer for his eight years of service on the board. A heartfelt "Thank you" to Rich for all he has done for the community as trustee.

CAPE GEORGE COLONY CLUB
ANNUAL MEMBERSHIP MEETING
July 14, 2018
2:00 PM

Election Results: Report by Scott James, presented by Carol Wood, Secretary

The Election Committee, including the Board Secretary, met on July 13, 2018 at 9:00am in the Cape George office to count appropriately submitted Member ballots for the election of two new Board members.

There are 662 equivalent lots with 659 actual lots. The maximum unduplicated voting lots are 587 and for this tally, 582 of those belong to Members in Good Standing. A quorum of Members is therefore 146 (25% of 582).

A total of 231 ballots were received and nine (9) of those could not be counted, two (2) contained no inside security envelope and seven (7) trust accounts were not properly identified. There were 222 total votes counted. Nothing in this election required a super majority.

There were no votes for write-in candidates. The voting results are:

Candidate	Number of Votes
Bill Hamilton	85
George Martin	166
Ray Pierson	169

Members of the Election Committee at today's meeting were: Co-Chair Scott James, Mercy DelValle, Bernie DelValle, Margie Fellows, Mary Maltby, Dick Maltby, Laurie Owen, Jean Pennington, Tom Rice and Betty Walker. Special thanks to Sharon Mitchel, manager and Terri Brown, Office Administrator for assistance in obtaining the required information and materials.

Adjournment:

Richard Hilfer moved and Ray Pierson seconded to adjourn at 2:15 pm. Passed unanimously

Submitted by:

Approved by:

Carol Wood, Secretary

Katie Habegger, President

CAPE GEORGE COLONY CLUB
ELECTION COMMITTEE ANNUAL REPORT
July 2017 – June 2018

The Election Committee is primarily responsible for ensuring the integrity and accuracy of all elections and votes including elections to the Board of Trustees as well as items from budget votes to changes in bylaws and regulations. In addition to preparing mailing materials for votes and elections, the Committee must verify that only Member “in good standing” are counted. The Committee works closely with the Board Secretary and like all committees at Cape George is advisory to the Board.

The work of the Committee’s occurs in June/July around the annual Board election and also in October/November for the annual budget vote and other matters to be voted on by community Members.

A complete list of the duties and responsibilities of the Election Committee are detailed in the Charter which can be found on the Cape George website.

Members of the Committee this past year include Carol Wood – Board Secretary; Joyce Skoien - Co Chair, Scott James – Co Chair; Barbara Barnhart, Bernie Del Valle, Mercy Del Valle, Ben Fellows, Margie Fellows, Kate Franco, Jan Freeman, Gail Krentzman, Mary Maltby, Dick Maltby, Laurie Owen, Jean Pennington, Marilyn Rogers, Kitty Rucker, Leanne Ryan, Tom Rice, Betty Walker, Cricket Morgan, Suzanne Selisch

CAPE GEORGE COLONY CLUB
Treasurer's Report - Annual Meeting - July 14, 2018

Page 1 of 3

TAXES

Cape George Colony Club, Inc. is incorporated in the state of Washington as a not-for-profit entity. It is exempt from certain Washington taxes but it is not exempt from Federal income tax. As a homeowners' corporation it does receive some favorable tax treatments so only certain of the corporation's activities are subject to Federal income taxation. Cape George must pay other kinds of taxes like State and Federal payroll taxes, certain Washington business and excise taxes and a few county property taxes.

Reserves

As is required for audit purposes, Cape George separates accounting transactions between routine recurring operations and the reserve funds that are held for major repair and/or replacement of long lived assets. The audit report along with commentary and analysis was provided to the Board in March 2018 and is published on the website.

Cape George, as it is required to do, separates accounting transactions between routine recurring operations and the reserve funds that are held for major repair and/or replacement of long lived assets. Internally Cape George categorizes all transactions, both operational and reserve, into three cost centers, General, Water and Marina. Each cost center is funded through separate methods, i.e. general assessments, water fees, etc. and each cost center has a unique corresponding reserve account. Each cost center's reserve is funded through a combination of that cost center's excess cash from its operations and a Bylaw prescribed portion of the routine Reserve Assessment.

Tracking reserve activities can be a challenge since deposits and draws may not take place in the same year they are authorized and project activities can span multiple fiscal years. These timing issues are common in most homeowners' associations. At Cape George reserve transactions are monitored monthly and reconciled at least twice each year including during the external audit.

Each reserve - General, Water, Marina - is funded with year-end cash from the activities of each respective cost center. In 2015, by Member vote, a second funding mechanism was added. This reserve assessment is allocated into the three reserves at year-end in percentages specified by the external reserve study.

RESERVES	General	Water	Marina	Routine Reserve
Audited Reserve Balance - 12/31/2016	\$ 161,994	\$ 459,397	\$ 77,753	\$ 14,657
(1) 2016 Final excess cash from operations (03/22/17)	12,230	17,625	4,208	0
(2) 2017 Budgeted excess cash from operation (12/26/17)	31,873	40,672	9,586	0
(3) Interest and other misc. reserve collections	156	475	80	446
(4) 2017 Reserve assessment collections	0	0	0	106,381
(5) 2017 Allocation of Reserve Assessment (12/26/16)	56,752	46,708	17,546	(121,006)
(6) 2017 Member approved Reserve Project Draws:				
Clubhouse flooring	(25,373)			
Replacement 1/2-T Ford Ranger	(8,304)	(8,304)	0	0
Replacement of final marina dock floats	0	0	(4,193)	
Major repair - F450 Truck	(2,803)	(2,803)	0	0
Replace exercise room bike	(2,047)	0	0	
Proceeds from sale of 1992 heavy truck	900	900	0	
(7) Prepayments of 2018 Reserve assessment				11,866
Audited Balance - 12/31/2017	225,378	554,670	104,980	12,344
(8) Final 2017 excess cash from operation (3/19/18)	11,914	8,840	6,788	0
(9) 2018 YTD collections Reserve Assessment	0	0	0	68,618
(10) 2018 YTD interest and other minor activity	259	636	120	61
(11) 2018 YTD Project Draws (thru 6/30/18):				
Marina electrical project	0	0	(32,791)	0
Replace one pool heat pump	(11,262)	0	0	0
Pool painting & repair	(10,254)	0	0	0
Fitness room bike replacement	(3,500)	0	0	0
Unaudited Balance - 06/30/2018	212,536	564,146	79,097	81,023

As part of the 2018 budget, Members approved \$123,000 in reserve expenditures for four separate projects. The marina electrical project is complete and the final draw of \$71,000 will occur in July. Due to the unexpectedly high price quotes, the marina has decided to postpone the piling repair project. The fitness room equipment has been completed and the pool shower update has not yet been started.

CAPE GEORGE COLONY CLUB
Treasurer's Report - Annual Meeting - July 14, 2018

Page 2 of 3

SUMMARIZED BALANCE SHEETS FOR PERIODS INDICATED

	Year-to-date 06/30/18	Audited 12/31/17	Audited 12/31/16		Year-to-date 06/30/18	Audited 12/31/17	Audited 12/31/16
Assets				Liabilities & Fund Balances			
Operations - Checking	\$ 160,343	\$ 89,933	\$ 126,964	Current Liabilities:			
Operations - Savings	82,092	82,024	88,249	Accounts Pay. & Other Liabilities	\$ 86,373	\$ 19,761	\$ 23,487
Petty Cash (2 accounts)	600	600	600	Unearned Income General/Water	73,744	71,324	77,679
Reserves-General, Water, Marina	855,791	885,022	699,145	Unearned Reserve Assessment	18,425	11,866	14,608
Routine Reserve (1)	81,023	12,344	14,657	Unearned Marina Waiting List	1,400	1,650	1,000
Total Cash & Equivalents	1,179,849	1,069,923	929,615	Due to Operations (2)	-	11,263	5,283
Net Accounts Receivable	2,296	334	690	Total Current Liabilities	179,942	115,864	122,057
Due from Reserves (2)	-	11,263	5,283	FUND BALANCES:			
Total Net Fixed Assets (2)	1,888,822	1,771,040	1,818,723	Fund Balances (Combined)	2,761,054	2,653,054	2,507,695
Total Prepaid & Other Assets	39,757	24,357	20,800	Modified Cash Basis Income(2)	169,729	107,999	145,359
TOTAL ASSETS	\$3,110,725	\$2,876,917	\$2,775,111	Total Liabilities & Fund Balance	\$3,110,725	\$2,876,917	\$2,775,111

(1) At year end the routine reserve will be allocated to the various reserves: General=30.3%; Water=53.9%; Marina=15.7%.

(2) Due from Reserve/Due to Operations and Depreciation are only recognized at year end.

The balance sheet shows slow but steady fiscal growth over the past eighteen months. The improvement in total cash and the increase in net fixed assets are due in part, to the reserve assessment which started in 2015. Current liabilities on 6/30/18 include \$71,000 in invoices for the marina electrical project which were paid in July through marina reserves.

SUMMARIZED OPERATING RESULTS

There are 662 equivalent lots that pay the general assessment used for overall operations through the Association. The general assessment accounts for about 88% of all general operations revenue which is recognized on a quarterly basis. The remainder of general operations revenue is generated by various fees, charges, donations and fines throughout the year.

As of 6/30/18, there were 524 water connections throughout the association. Lots with water connections are the only lots charged the basic \$360 annual water fee and this basic fee accounts for around 97% of all water revenues.

The operations of the marina are funded by the 120 plus Members who use the marina, through moorage, trailer parking, rampage and a number of other revenue categories. Marina revenue is not generated throughout the year as are the other two cost centers but rather. Instead, nearly 97% of all marina revenue is collected during the first three months of the year.

The **mid-year (unaudited)** operating results are presented below with a more detailed view on the next page.

UNAUDITED	6/30/2018	6/30/2018	
Modified Cash Basis	YTD Actual	YTD Budget	Difference
General Operations			
Total Revenue	\$ 168,030	\$ 161,565	\$ 6,465
Expenses	(137,712)	(145,876)	8,164
Deprn & Bad Debts (3)	(1,063)	(1,704)	641
General Net Income	\$ 29,255	\$ 13,985	\$ 15,270
Water Operations			
Total Revenue	\$ 99,834	\$ 95,460	\$ 4,374
Expenses	(62,578)	(75,152)	12,574
Deprn & Bad Debts (3)	(540)	(900)	360
Water Net Income	\$ 36,716	\$ 19,408	\$ 17,308
Marina Operations			
Total Revenue	\$ 69,943	\$ 66,314	\$ 3,629
Expenses	(29,529)	(25,081)	(4,448)
Deprn & Bad Debts (3)	-	-	-
Marina Net Income	\$ 40,414	\$ 41,233	\$ (819)
Reserve Net Income	\$ 63,344	\$ 61,679	\$ 1,665
Combined Net Income	\$ 169,729	\$ 136,305	\$ 33,424

(3) Depreciation is not recognized until the year-end.

Each month the Board receives a complete copy of the monthly financial statements and other related material. That information is available on the website and in the office.

The **audited** operating results with commentary were present in the March 2018 Board meeting material.

AUDITED	12/31/2017	12/31/2016	
Full Accrual	Audited	Audited	Difference
General Operations			
Total Revenue	\$ 326,556	\$ 313,948	\$ 12,608
Expenses	(279,760)	(251,974)	(27,786)
Deprn & Bad Debts	(79,422)	(68,194)	(11,228)
General Net Income	\$ (32,626)	\$ (6,220)	\$ (26,406)
Water Operations			
Total Revenue	\$ 192,504	\$ 192,393	\$ 111
Expenses	(141,192)	(128,954)	(12,238)
Deprn & Bad Debts	(24,862)	(25,159)	297
Water Net Income	\$ 26,450	\$ 38,280	\$ (11,830)
Marina Operations			
Total Revenue	\$ 69,382	\$ 65,149	\$ 4,233
Expenses	(53,007)	(49,915)	(3,092)
Deprn & Bad Debts	(22,047)	(21,699)	(348)
Marina Net Income	\$ (5,672)	\$ (6,465)	\$ 793
Reserve Net Income	\$ 119,847	\$ 119,744	\$ 103
Combined Net Income	\$ 107,999	\$ 145,339	\$ (37,340)

The Board receives a complete copy of the audited financial statements and related material. That information is available on the website and in the office.

A more detailed commentary on mid-year operating results is included on the next page.

CAPE GEORGE COLONY CLUB
Treasurer's Report - Annual Meeting - July 1X, 2018

Page 3 of 3

MID-YEAR OPERATING RESULTS

Modified Cash	6/30/2018 ACTUAL	6/30/2018 Budgeted	Variance	%	Comments on Operations through June 30, 2018
General					General
General Assessment	\$ 148,288	\$ 148,288	\$ -	0%	Other revenues include \$8,000 in donations, mostly from the Fitness Committee, a \$4,000 bad debt recovery and a \$5,000 loss on disposal of a pool heat pump that failed before fully depreciated.
Revenue - Other sources	19,742	13,278	(6,464)	(0)	
Total General Revenue	\$ 168,030	\$ 161,566	\$ (6,464)	\$ 0	
Expenses:					
Salaries, Benefits, etc.	69,075	75,188	6,113	8%	The labor variance is a seasonal timing artifact and will diminish throughout the remainder of the year. Each of the six distinct categories of repairs that make up this grouping exhibit minor unfavorable variances, none of which are cause for concern.
Repairs & Maintenance	5,574	4,423	(1,151)	-26%	
Contracted Services	21,416	23,134	1,718	7%	The supply variance is the result of the purchase of a piece of fitness equipment for which a donation was received and is included above in other revenue.
Supplies & Small Tools	7,245	4,841	(2,404)	-50%	
Insurance	9,599	9,844	245	2%	The favorable variance in pool expenses is mostly due to utility costs that are not as high as budgeted. There are also small favorable variances in pool repairs and supplies.
Pool expenses	17,238	20,500	3,262	16%	
Taxes, Federal & State	1,227	1,650	423	26%	Baring unforeseen events, general operations should be able to meet its year-end budget goal of \$29,000.
Utilities	5,290	5,070	(220)	-4%	
Other operating expenses	2,111	2,931	820	28%	
Total General Expenses	138,775	147,581	8,806	6%	
General Net Income	\$ 29,255	\$ 13,985	\$ 15,270	109%	
Water					Water
Total Water Revenue	\$ 99,834	\$ 95,460	\$ 4,374	5%	Increased water revenue is due to new water meters, bad debt recoveries and excess water fees.
Expenses:					
Salaries, Benefits, etc.	31,101	33,334	2,233	7%	The labor variance is a seasonal timing artifact and will diminish throughout the remainder of the year.
Repairs & Maintenance	410	5,665	5,255	93%	
Contracted Services	9,291	11,505	2,214	19%	Water repairs are budgeted with a bit of room for unexpected events. In addition, repairs are budgeted evenly throughout the year but generally occur in the summer and fall so some of the variance will diminish.
Supplies & Small Tools	5,098	6,580	1,482	23%	
Insurance	4,832	4,956	124	3%	In contract services a placeholder was budgeted for potential consulting related to an update of the water systems plan. It appears that \$2,000 expense will not be necessary in 2018.
Utilities	5,680	6,225	545	9%	
Taxes, Federal & State	5,802	6,150	348	6%	Baring unforeseen events, water operations should be able to meet its year-end budget goal of \$41,000.
Other operating expenses	905	1,637	732	45%	
Total Water Expenses	63,119	76,052	12,933	17%	
Water Net Income	\$ 36,715	\$ 19,408	\$ 17,307	89%	
Marina					Marina
Total Marina Revenue	\$ 69,943	\$ 66,314	\$ 3,629	5%	Increased boat trailer parking, very positive ramp fees and the sale of old electrical copper are driving the positive marina revenues.
Expenses:					
Salaries, Benefits, etc.	7,661	8,082	421	5%	As above, the labor variance is seasonal timing. Actual repairs include the \$8,800 annual channel dredging cost but it was not budgeted until in July; the unfavorable variance will go away next month.
Repairs & Maintenance	11,616	5,378	(6,238)	-116%	
Contracted Services	1,962	2,921	959	33%	The completion of the electrical replacement project should have a positive impact on electrical utilization although it will take several months to begin to understand the true benefits.
Supplies & Small Tools	967	788	(179)	-23%	
Insurance	3,404	3,200	(204)	-6%	Since the marina has already received nearly all its revenue for the year, managing expenses for the remainder of the year will be crucial in meeting the year-end budget goal of \$10,165.
Utilities	3,416	3,250	(166)	-5%	
Taxes, Federal & State	266	1,000	734	73%	
Other operating expenses	237	462	225	49%	
Total Marina Expense:	29,529	25,081	(4,448)	-18%	
Marina Net Income	\$ 40,414	\$ 41,233	\$ (819)	-2%	
Reserve Assessment					Reserve Assessment
Reserve Income & Expense	\$ 63,344	\$ 61,679	\$ 1,665	100%	The assessment should reach the year-end target of \$123,000.
Combined Net Income	\$ 169,729	\$ 136,304	\$ 33,423	25%	

Each month, in addition to the Treasurer's Report, Board members receive a copy of an extensive financial statement package. That entire financial package is posted on the website as part of the monthly Board packet and is also available for review in the office.

Annual Membership Report:

There were 49 properties sold between July 6, 2017 and July 9, 2018.

Of the properties purchased 5 are lots. An additional 9 properties are currently in escrow.

As of July 9th 2018, six new homes have been completed and five more are currently under construction.

BUILDING COMMITTEE ANNUAL REPORT

July 2018

Committee Members: Roger Anderson, Mac McDonald, Bill Woodson, John Hanks, Mike Hinojos, Steve Mitchel, Ken Owen, Richard Hilfer, Ray Pierson, and Bill Deckman (Chair).

During the past year the committee approved/processed: 18 Building Permits
22 Earth Works
1 Variance Requests

June 2017 *Building Permits Issued*

George Conner 30 Maxwell, New Single Family Residence.
Victoria Smith 330 N. Palmer, Shed

July 2017 *Earth Works Permits Issued*

Robert Foster, 341 Colman Dr.

Aug. 2017 *Building Permits Issued*

Neil D'Acquisto 131 Cape George Dr. New Garage

Sept. 2017 *Building Permits Issued*

Clayton Smith 150 Ridge, New Deck

Earth Works Permits Issued

Jill Goodnight, 61 Hemlock
Marvin Horton 451 Dennis

Oct. 2017 *Earth Works Permits Issued.*

Dorothy Lynn, Lot8 S. Palmer

Nov. 2017 *Building Permits Issued*

Craig Muma, 360 Saddle Dr. Garage with Variance
Bill Woodson, 256 Sunset, Addition

Earth Works Permits Issued

Steve Duniho & Ray Graves, 33N. Palmer
Glen Svendsen, Lot 33 S.Rhody

Dec. 2017 *Earth Works Permits Issued*

John McCurtain 110 San Juan Dr
Maria Porter, Lot 14 S. Rhody
Connie Nelson, 10 Maple Dr.

Jan. 2018 *Building Permits Issued*

John McCurtain 110 San Juan Dr. New Single Family Residence

Connie Nelson 10 Maple Dr., New Single Family Residence
Jim Angle, 142 Bridle Way, New Single Family Residence

Earth Works Permits Issued

John McCurtain 110 San Juan Dr
James Doros Lot 2 Rhody St.
Connie Nelson, 10 Maple Dr.
Jim Angle 142 bridle Way

Feb. 2018 *Building Permits Issued*

Robert Peterson, 192 Maple Dr. New Single Family Residence
Don Rees, 51 Sequim Pl. Greenhouse
Phillip Harvey, 191 Ridge, Deck
Carl Clark, 221 Colman

Earth Works Permits Issued

Robert Peterson, 192 Maple Dr

Mar. 2018 *Building Permits Issued*

Chris Dunmire, 311 Colman, Shed

Earth Works Permits Issued

Denise Dowd, Lot 4 Cresthaven
Clayton Smith, 150 Ridge

Apr. 2018 *Building Permits Issued*

Chris Easterday/Mike Heckinger, 170 Sunset. Remodel
Gail Krentzman, 270 Sunset. Shed

Earth Works Permits Issued

Chris Easterday/Mike Heckinger, 170 Sunset
Marta Favati, 451 Sunset

May 2018 *Building Permits Issued=0*

Earth Works Permits Issued

Steve Mitchel, 231 Victoria Loop
Brad Taylor, 241 Colman

June 2018 *Building Permits Issued*

Charles Rogers, 170N. Palmer. New Deck

Earth Works Permits Issued

Gordon Wainwright, 351 Ridge
Rick Keller, Lot 4 Sunset

ENVIRONMENTAL COMMITTEE ANNUAL REPORT FOR 2018

COMMITTEE MEMBERS: Kyanne Andersen, Jo Blair, Varn Brooks, Christine Buzzard, Sue Dunning, Kitty Rucker, Katie Habegger, Betty Hanks, Pat Hartman, Joan Hommel, Ann Jimenez, Marta Krissoovich, Norma Lupkes, Dennis McDaniel, Stephen McDevitt Stephen, Sharon Mitchel, Ruth Ross, Robin Scherting, Fayla Schwartz, Darrell and Lorna Smith, Llinda Sutton

CHAIRPERSON: Kitty Rucker

PURPOSE: To protect the environment and to maintain our community common areas.

ACTIVITIES FOR 2017-18:

Work parties to maintain common areas
Moved rock for memorial for Ann Simpson
Beach Walk for Members
Maintained Berm area
Moved Rocks from Member to marina area
October Dinner for members
Cleaned and polished the Bronze Bell at the Clubhouse
Presented 6 Movies and Nature Discussions by Lorna and Darrell Smith and Varn Brooks
Redid the Map in the Directory adding parks and trails
Replanted the berm with more native plants
Bought grass seed for beach area and had it planted
Worked with Marine Science Center Coordinator Betsy Carlson and Protection Island Intertidal Reserve to take part in their annual beach survey
Established a Whale Watching notification program with the Cape George Office to notify members when whales are in our bay
Updated our Member Volunteer List to have individuals maintain common areas of our community.
Contacted the Fish and Game people to find out what the current rules are for protecting eagles.

Cape George Emergency Preparedness Committee Annual Report July 2018

The Cape George Emergency Preparedness Committee (EPC) was established in 2005. There are 35 volunteers today between all of our EP committees and teams.

The EPC continues to prepare for potential disaster impacts on all CG residents (members, renters, and visitors). EPC is the one committee that hopes to never activate, but all participants must be trained and prepared to react immediately in the event of a disaster or potential disaster which could impact Cape George residents.

As always, we strongly encourage all residents to have a 30 day supply of food, water, medications and fuel (if needed for cooking or generators).

The EPC typically meets twice during the year to provide guidance to the committee chair(s). In June we started a series of meetings that will help us shape our plans for evacuations following a disaster. The Department of Emergency Management (DEM) has created two new significant training and education opportunities for Jefferson County organized neighborhoods like ours.

The first trainings are related to evacuation of critically injured and electrically dependent individuals in the first days following a disaster. We will learn how to triage and transfer individuals to float planes (Disaster Airlift Response Team DART) for transport out of our area. Boats can also be used to transfer individuals from CG to another predetermined safe beach location where they will be transported by shuttle to our Jefferson County International Airport (it has a higher than 90% survivability rating – very lucky for us!) The need for these plans is great because the latest numbers from Government response agencies indicate it will likely be at least 18 days after a major disaster before they can handle evacuations and supply distribution in East Jefferson County.

As FEMA and other agencies are able to start distributing food and supplies in our area following a disaster, CG will be able to implement our own plans to receive and distribute these supplies ourselves for CG residents. FEMA is excited to not have to worry about the distribution infrastructure. This also means CG residents won't have to venture out of our area to get disaster relief supplies. Stay tuned as we move through this training and planning process. Please contact us if you are interested in participating on our teams as we develop our plans.

Activations: Thankfully there was only one minor activation this year. It was on January 23rd after the 8.2 earthquake in the Gulf of Alaska. Our NOAA Alert Radio's woke us up at 1:35am to warn of this quake and potential tsunami. Thankfully it was not the sort of quake that causes tsunamis. What it did remind us of is the fact that we could be affected by a tsunami from a distant quake that we never even feel. Such was also the case for the Japanese quake of 2011. ***We strongly suggest CG residents acquire a NOAA Public Alert Radio for their home and work.***

Disaster Preparedness Education: Resident education continues to be a top priority for CG EPC. Cassie Reeves is our EP committee co-chair and education chair and helps to coordinate presentations and newsletter articles.

The educational opportunities this year included information tables set up at community events in the clubhouse as well as newsletter articles. We also co-hosted the St. Patrick's Day dinner where disaster preparedness information was also available. We will do this again in 2019.

We always welcome input from members regarding desired emergency preparedness education topics.

Disaster Planning Activities: The entire Cape George community has been divided into 15 specific areas with one or more **Neighborhood Responders (NR's)** assigned to each area (20+ NR's throughout CG).

The CG Emergency Preparedness teams primary responsibilities, in a real disaster, are to assess and gather CG condition information and transmit it to the Jefferson County Department of Emergency Management (JCDEM) so appropriate resources can be dispatched to us from Federal, State, or Local agencies. Some triage is planned for both people and property, however that is only available as our volunteers are willing and able following a disaster.

The EPC **Disaster First Aid Sub-Committee (DFAC)** and **Priority Assistance** sub-committee gathers information from those residents who self-identify as potentially needing extra help in the event of a disaster. This team will provides preparedness information directly to those folks. They regularly update our emergency medical supplies that are customized to the types of needs CG residents might have during a community disaster.

Pet/Animal Preparedness Sub-Committee: Chair Cassie Reeves has extensive experience with pet sheltering and preparedness and maintains a portfolio of helpful education materials and plans for CG pets in the event of a disaster.

Greater Community Outreach and Education: The EPC co-chairs and other EPC members are invited to participate in quarterly Neighborhood Representatives' training opportunities (JPREP) and Neighborhood Preparedness (NPREP) training opportunities sponsored by JeffCo DEM and Local 20/20 (L2020.org). Through these meetings the CG EPC maintains valuable relationships with county DEM personnel and related agencies as well as other East Jefferson community organizers and EPC's. Also, please note we have a new County Director of the DEM – Willie Bence. He will be a fantastic addition to the DEM and the disaster preparedness community in general.

Cape George EPC will also participate in the 6th annual **All-County Picnic** on **Sunday August 19th** (11am-4pm) at H.J. Carroll Park in Chimacum. This *free* event focuses on emergency preparedness, disaster resilience and related neighborhood organizing

efforts. There will be many information and education booths and great guest speakers. You will be able to meet JeffCo public officials and DEM personnel. This event is FREE (including corn on the cob and music) and is open to everyone who lives in Jefferson County. **Please join us there!**

Submitted by:

Thad Bickling, chair Emergency Preparedness Committee

Joan Ballough, chair Disaster First Aid Sub-Committee

Sue Gee, chair Priority Assistance Sub-Committee

Cassie Reeves, co-chair EP Committee and Pet Prep. Sub-Committee

Yearly Fitness Report for 2018

We had a very successful Fund raising event in February of 2018, we have raised \$4058 this year to date. Our goal was to upgrade our old Landice L7, with the Commercial Landice L8. It is a more powerful treadmill and stand up better to runners and the deck has a softer and wider surface as well as many other upgraded features.

With the help of the Reserves set aside for the Fitness room of \$3500.00 for the year of 2018. The Fitness committee made up the difference of \$2112.42 for the purchase of a new treadmill, the total cost with shipping and set up was \$5612.42. The treadmill was donated to the Cape George Fitness Room.

The Committee try's to maintain quarterly meetings. We met on May 22nd and the decision was made that due to the response of the Fund Raising drive we would also replace the next two pieces of equipment on our Priority list. We purchased a new Elliptical. We were able to buy a refurbished demo model Elliptical that new costs \$9000.00 for \$3499.00 also a demo model Life Fitness bike. These machines should arrive in July of 2018 and again will be donated to the Cape George Fitness Room.

We asked the club to purchase new seats and rubber grip handles for the big Body Solid machine, along with touch up paint. These have been installed with surplus grips stored in our cabinet.

As of July 1st, we have approximately \$2500.00 in our account.

We have picked up many new members this year using the Fitness Room and as in previous years the most heavily used pieces of equipment are the aerobic machines. We were happy to be able to replace ones that were worn out and thank all our members for their support.

Phyllis Ballough
Fitness Chair

2017-2018 Manager's Annual Report

This year we welcomed a new seasonal maintenance assistant, Aimee Garrett. Aimee has been a delightful addition to our Cape George staff.

After a long search, the 1999 Ford Ranger maintenance pickup truck was replaced with a 2008 Ford Ranger.

This year we deployed our speed survey equipment on all the main streets. We determined that while some people drive over 20 mph, their speeds weren't as high as feared. In areas of higher speeds, we added additional speed limit signs and installed orange caution flags to all of our speed limit signs. Speed bumps will be installed this fall on Marina Drive to help us all slow down before reaching the clubhouse parking lot.

Each year we identify areas on our roads in need of repair. Last year several locations were identified and repaired. We recently drove the roads again and will be requesting a small number of road repairs this fall including the Marina Drive speedbumps.

Parking violations forms were created and are routinely being used. Many members have come in for decals after receiving this "reminder." Oftentimes the untagged vehicles belong to guests of members. More members are now picking up green guest parking passes for their visitors. Hopefully the warnings will help discourage non-members from coming into Cape George to access the beach.

A new Reserve Study consultant was selected in 2017 to replace our previous vendor who was no longer in business. Every 3 years we are required by state law to conduct an onsite Reserve Study so this gave the new consultant an opportunity to view Cape George facilities. The Consultant, Treasurer and I met with the Water Manager and several committee chairs to identify our future repair/replacement needs. The new reserve study is available on our website. Please take a look; I think you'll find that it is much easier to read.

The clubhouse roof developed a small leak and had to be repaired. The roof is due to be replaced in 2020.

Sadly, items were removed without permission from the clubhouse art wall. We continue to look for ways to secure the clubhouse and its contents.

We had to replace one of our pool heat pumps earlier than anticipated. We also had the sheetrock repaired and the pool facility painted. Once the room was painted, the showers' copper water line developed a major leak, so one area had to be repainted. The water line was replaced with pex pipe instead of copper that we expect will last for many years.

After many years with our former janitorial service, we selected a new company to clean the shower facilities, clubhouse and office. The service from the new vendor is much better!

East Jefferson Fire Rescue came by the first time in many years to conduct their annual inspection of our facilities. They found two minor infractions that were repaired within the week.

The Huckleberry mailboxes were vandalized multiple times over the last few years to the point they were no longer repairable. The neighborhood purchased two cluster mail box units and Cape George had an enclosure built at the base of the street by the ravine.

We are running out of space for additional mailboxes in the Colony and Village. Members occasionally ask why Cape George doesn't get cluster boxes. The members own the mailboxes and Cape George provides the enclosures. We encourage members to partner with neighbors to purchase cluster mailboxes since they are far more secure and space saving.

Recently a group of volunteers patched and repainted our aging picnic tables and benches. We are officially now ready for summer!

Marina Committee Annual Report July 2018

It is difficult to separate 2017 from the goings on of 2018. Three different Harbormasters served during these eighteen months and each have left their individual imprint on the marina. Ben Fellows was recently appointed Harbor Master and hopes that with the continued support of the marina users, the Board and the Community, the marina will continue to be a valuable amenity at Cape George. Ben has a solid understanding of the nuts and bolts of the marina and is respected by all who have worked alongside him on Volunteer Days.

The marina sale in 2017, working in partnership with the Workshop Committee, raised a record breaking level of funds for the marina Memorial Fund. Volunteer Committee Members spend that money for community development around the waterfront. In 2017 a shortfall of funds existed to repair the road leading to the south end parking lot of the marina. The committee approved unanimously to use \$1500 of discretionary money from the Memorial Fund proceeds to close this shortfall and get the road repaired. When the Workshop Committee pleaded their case for funds to shore up the workshop the Marina Committee once again showed up with a \$2500 donation to keep the shop vibrant. The hard work and dedication of the Marina Committee in supporting many of the "outside" projects requested by the community for volunteer labor was gratefully acknowledged with a one-time celebration costing \$500 from the Memorial Fund for food and drink at Marty's Place on Protection Island. It was well deserved and well attended; an overzealous Federal Employee on the island notwithstanding.

In 2017 it was discovered that the marina electrical project was going to be short about \$20,000 for replacing the dock electricity with new wiring and pedestals due to regulatory code changes. The project was put on hold for 2017 and a request for additional Reserve funds was submitted and approved. We are elated to report that the electrical project is now complete. Our electrical system on the docks was antiquated and possibly dangerous. Twenty years ago, we purchased "used" pedestals from Boat Haven when they upgraded to "appropriate" units. They served us well but continued to show their age even falling over at times. The new pedestals look sleek and modern and all new service panels and wiring will add safety and reliability to our dock electricity. Our thanks to the Cape George Community for its continued support of our beautiful little marina.

In 2017 the Tuesday Volunteers finished a five-year project of replacing our marina dock floats. The Styrofoam blocks under the docks that had become waterlogged and overgrown with Tube Worms were replaced, one by one, with state of the art poly flotation blocks. The floats were first assembled by volunteers in the shop with a frame using four by four wood. A train of these floats could be seen being dragged over the rocks down to the water and towed by boat to where they were next needed. It was a massive undertaking and each old float was painstakingly removed and its replacement wedged into the vacated space. Every Tuesday for five years when weather permitted a float crew would be cobbled together to work with the float removal and replacement tool designed and built by John Hanks. To see point man Ben Fellowes standing on a float in the water while hanging onto the dock and add his weight and work his feet to guide and slide the new floats under the dock was a sight to behold. These floats may very well take us into the next fifty years of marina ownership.

The Waterfront Festival is an opportunity to involve the entire community with the marina and all it has to offer. The event is funded by the Marina Committee Memorial Fund and includes a racing regatta, family activities, free beer and wine with dance music performed this year by a massively popular regional band.

Marina usage has continued to be active. The wait list is healthy and revenues from slip fees is strong. For the first time in years our revenue for marina electrical usage is close to our actual charges for electricity.

Dredging the inlet to keep the marina accessible is an ongoing task and was done in both 2017 and 2018. Protecting our steel seawall with sacrificial anodes (zincs) is another annual project. The committee is evaluating alternate methods of placing the anodes, alternate materials and even an alternate process called

"impressed current". Research projects and literature searches are underway to find the most effective and affordable modality for seawall protection.

Our marina is a prized jewel of the community. The committee and volunteers work hard and long to keep it vibrant and successful. Our thanks to them and to the support of the community.

2018 ANNUAL REPORT FOR NOMINATING COMMITTEE

MEMBERS: Ross Anderson, Sharon Mitchel, Ken Owen, Jeannie Ramsey, Kitty Rucker, Jan Stone

CHAIRPERSON: Kitty Rucker

PURPOSE: To find and recruit members to run for the Board of Trustees, to publicize the election, and to have a meeting for members to meet the candidates.

ACTIVITIES:

We met in March to plan our activities

We prepared fliers to notify members of the coming election

We contacted current board members and committee chairpersons to generate names of possible nominees

We wrote articles for the newsletter asking members for names of nominees

We contacted those members who were nominated to explain the process and ask if they would be willing to run for the Board

We contacted those who were willing to run to explain the process

We arranged a meeting for the community to introduce the candidates for office

We wrote an article telling members to come to the Meet The Candidates Meeting

Cape George Pool Committee Annual Report

July 3, 2018

Pool-associated activities over the past year

- In September the board of trustees introduced Joel Janetski as the pool committee liaison. Also in September the frames around pool windows were replaced and painted blue.
- The process of managing funds for the Pool Committee was turned over to the Social Committee.
- In December the new heat pump was delivered and installed.
- Ken Owen completed the welding for the bench legs and they were installed.
- In Jan/Feb the pool area was sheet rocked and painted. Work was also done in both dressing rooms. A survey was done and determined that there was an average of over 600 user entries per month into the pool.
- In March the Pool Committee and the Emergency Preparation Committee sponsored the St. Patrick's dinner. 55 people attended. The money raised will go to help replace showers in both men's and women's dressing rooms. Also the first ever fund raiser for the pool was held in April. Thanks to all who donated.
- In June the pool had its annual inspection by the County Health Dept. and passed with flying colors.
- The pool remains a tremendous asset for the community. Everyone is encouraged to use it. A list of activities is posted on the first inside door. Persons associated with those activities can be contacted for demonstrations.

Respectfully, Neil D'Acquisto, Chairman

CAPE GEORGE COLONY CLUB
ROADS COMMITTEE ANNUAL REPORT
July 2017 – June 2018

Members: Sharon Mitchel – Manager; Ray Pierson – Board Liaison; Larry Southwick – Chair

The purpose of the Committee is to: review and advise the Board regarding all roads and drainage issues; review and approve driveway and ditch/culvert permits; work with the Manager on roads operations, maintenance and repair issues; and submit recommendations for annual budget needs for roads.

The business for the 2017 – 2018 year was as follows:

On-going Activity

Most of the Committee activity involves on-going review, approval and inspection of driveway permits and other permits related to roads and drainage in the community-owned rights-of-way. The Chair is required to sign off on driveway and earthwork permits to assure that Board-adopted rules and regulations are met. This is done in conjunction with the Building Committee.

The Committee inspects our roads and advises the Manager and Board regarding on-going maintenance and operation. Good maintenance of road shoulders and ditches is important and a cost-effective measure to help preserve our roads. Although our roads appear to be in good shape, we still need to conduct annual inspection and evaluation to insure their future service to our membership.

We assist the Manager and Board with the review of the Reserve Study related to long-term pavement repair planning. We are setting aside reserves for future larger scale projects but none are in the near term. We'll be more specific as those projects get nearer. See the Reserve Study for more information.

Pavement Repairs

Last fall we contracted for several small pavement repairs throughout Cape George. In June 2018, we again assisted the Manager in identifying locations that need pavement repairs and are preparing a Request for Bids which will be sent to the two primary paving contractors in the area. This year, we are continuing to pave the inside of corners at several intersections where cars drive over the edge and erode the shoulder. We are also planning for a similar contract for 'crack sealing' where cracks in the pavement are cleaned and liquid asphalt poured in to seal them to prevent water intrusion from causing further damage.

This type of contract repair is done periodically as needed and budgeted. Typically, they are just small localized settlements or breaks in the pavement. We are seeing a couple areas that will need similar repairs in the future but over a longer section of roadway with related higher costs.

Speed Bumps

We have several speed bumps in the Colony and Village but don't generally recommend them. Now we are going to include a new speed bump to be installed at the bottom of Marina Drive in the 2018 pavement repair project to deter speeding into the parking lot area.

Street Signs

We added a number of speed limit signs and installed new orange flags on the older ones.

Vegetation Issues

Periodically we inspect roadside vegetation that blocks sight lines at intersections or is growing over the pavement and need to be trimmed.

Survey Monuments

We had an instance where we had to restore a survey monument in the pavement including hiring a licensed surveyor to oversee the repair. We need to protect survey monuments from damage or restore them as needed.

Drainage Issues

The Committee also worked with the Manager and property owners on several minor drainage issues along our roadways this year.

CAPE GEORGE COLONY CLUB
WATER ADVISORY COMMITTEE ANNUAL REPORT
July 2017 – June 2018

Members: Sharon Mitchel – Manager; Karen Krug – Board Liaison; Greg Rae – Water System Manager; Larry Southwick – Chair; and members Thad Bickling, Scott James and Stewart Pugh

The Committee is advisory to the Board of Trustees on all matters pertaining to the water system and works to maintain the integrity of the water system. The Committee membership is approved by the Board. Meetings are typically held on the first Tuesday of each month at 5 pm at the Office. Meeting reports are provided to the Board after each meeting.

Greg Rae is the licensed 'Water Manager' and oversees the technical and health-related operations. The day-to-day operations of the water system such as operation of the pumps, tanks and filter treatment system, meter reading, leak repairs and new connections are performed by the Manager (Sharon) and staff (Donnie). Emergency coverage is provided 24/7 as needed.

The main items of Committee business for the July 2017 – June 2018 year were as follows:

OPERATIONS

1. We changed the locks and keys at the water facilities.
2. Greg hired a contractor to run a load test on the emergency generator, test was successful, no issues or repairs needed.
3. We replaced the chlorine pump with an automatic chlorine injector. It's working well and reduced the amount of chlorine that we use.
4. We are training a backup member for operating the water systems when Donnie is not available or needs to take time off. Donnie and the backup work under the direction of Greg, the Water Manager.
5. Greg drafted a preventive maintenance schedule/plan for Sharon and Donnie in a spreadsheet form that can be adapted as needed.
6. After each water meter reading cycle, Stew reviews the 'leak report' and contacts residents that are shown to have a water leak so they can be repaired. That helps the owner to reduce any water overage costs and is an important part of our water use efficiency efforts as required by the Dept. of Health.
7. We've had a few incidents where we can't easily locate or operate a water meter because it's grown over or covered or, in one case, a vehicle is parked over it. We've drafted a revision to the rules and regs to require 24/7/365 access to water meters for operational and emergency purposes.
8. We've added a program to have a summer temp employee exercise all water system valves, again to assure that they can all be readily located and operated as necessary.
9. A contractor dug up a water service line and we had to shut the local system down to make repairs. After it was turned back on, we had some dirty water and the office sent out an email to notify residents to run an outside hose bib to flush it out. Greg reviewed the incident and developed a written procedure for staff to follow whenever a part of the system is shut down, including notification of the Dept. of Health, issuing a 'boil water notice', taking water samples and issuing an 'all clear' notice after testing confirms that the water is safe to consume.
10. We've had low water pressure complaints from a resident on Cole Avenue. The entire upper portion of the Highlands is supplied by a pump station that operates on demand. We replaced the pump controls with a programmable computer system and are still working to adjust/improve the operations. We are still studying the problem and may need to make additional improvements in the future.

VARIANCE

1. Lot 2 in Cresthaven, the plat west of North Palmer between Sunset and West Vancouver is being converted to an 'orchard' with a number of water standpipes off the new water meter. Water rules currently require a building permit before a water connection can be provided. The owners have submitted a request for a variance to the rules because they don't intend to build on lot 2; they have a home on the adjacent lot 5. We have drafted a revision to the rules to remove the limitation to building permits.

WATER QUALITY

1. Federal and state laws require every water system operator to take periodic water quality samples to test and document levels of a list of potential contaminants. Results in excess of the established maximum contaminant level would require corrective action. The laws require the water system operator to publish and send a Consumer Confidence Report (CCR) to every customer showing the annual test results. Our CCR was mailed to all of our members with the annual ballots for the Board. Copies of the CCR can be obtained at the office. Cape George does have a water filtration and treatment system to maintain a high water quality.
2. We also have to prepare and submit a Water Use Efficiency Report which is required by DOH and was also mailed to all members.
3. We conduct an annual cross connection control testing program for all backflow assembly valves on individual connections, primarily for irrigation systems, boiler systems and some water quality systems. The tests must be conducted by independent, certified contractors (typically plumbers) at the owners' expense and results reported to the office.

BUDGET AND RESERVES

1. The Committee reviewed and provided input on the annual water operations budget as well as on-going expenses throughout the year.
2. The Committee also reviewed and provided input to the update of the financial reserve study.

WATER MANAGEMENT

1. Greg Rae has been our contracted Water Manager for a number of years. He is a full-time water manager at Port Ludlow and his supervisor may retire at the end of this year which means he would need to step up work at Port Ludlow and resign from Cape George. We have begun discussions with potential replacements as our water manager.
2. Larry Southwick is resigning as Chair of the Water Advisory Committee after 10 years so the Board can appoint a new Chair after the elections.
3. We also need to consider hiring an engineering firm/contractor in the foreseeable future for water and roads issues, partly because of Greg and Larry's departures, but also in anticipation that we'll need to update the Water System Plan in a few years.

Work Shop Annual Report
FOR BOARD MEETING JULY 2018

Major Accomplishments of the Work Shop:

- Purchased trailer as a transport for the generators.
- Assisted the Marina Committee with the electrical project on the docks.
- Kitchen in the workshop has been painted.
- Hosted the New Year's Eve celebration.
- Hosted the 2017 salmon barbeque.
- Inventoried the workshop and submitted to the office.
- Repaired and painted the storage area on the south side of the workshop.

CAPE GEORGE SOCIAL CLUB
Annual Report July 2018

This year the Social Club has been busy. In addition to the usual potluck BBQs, we also held the annual Band on the Beach in August with \$700 from Granny's Attic and the Social Club general fund.

We continue to sponsor the popular pickleball court and the petanque court. Our newcomers were welcomed by Jo Nieuwsma and the Social Club contributed towards their dinner at the Sock Hop dinner in October sponsored by the Environmental Committee. We keep clubhouse supplies stocked for use by all of the committees (plates, cups, napkins, etc.).

We held the ever-popular Granny's Attic sale in April, raising \$3,200 for our treasury. Cape George University continues to be well attended with a wide range of interests and interesting speakers. The Soup Suppers are also very popular with members.

The Art Wall has been appreciated by all. Watch for new exhibits to enjoy!

For the Clubhouse, we purchased a digital projector, a lectern light, a Radio/CD player, and a roller blind for the kitchen pass through window. We also paid to have the delightful Mountain Print framed so it can be used for reference in the window when looking out at the mountains. We also accepted a donation of an additional microwave oven and a replacement VHS/DVD player.

We look forward to the year ahead and doing more for the community.

We would like to thank those active members for their support and encourage everyone to get involved and attend the bi-annual Social Club meetings. We discuss and vote on all of our larger expenditures at these meetings, so if you want your voice to count, please come.