

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
January 12, 2017  
7:00 PM

**President Richard Hilfer called the meeting to order at 7:02 p.m.**

Welcome

The manager has provided notice of his intent to resign and has agreed to work with the Board on assisting with the transition process.

**In Attendance:** Richard Hilfer, Katie Habegger, Leslie Fellner, Karen Krug, Carol Wood, Raul Huerta and Ray Pierson

**Action on Minutes:** Leslie Fellner moved and Katie Habegger seconded to approve the minutes of the Regular Board Meeting, December 15, 2016. Passed – 6/0

**Membership Report:** Leslie Fellner

Victor & Nancy Rodriguez purchased 481 Sunset from the bank.

**Treasurer's Report:** Karen Krug

**PRELIMINARY SUBJECT TO CHANGE- As of December 31, 2016**

*A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website. The detailed statements as well as additional monthly financial material and are also available for review in the office as are the quarterly internal control reports.*

It has not been the practice to provide December or year-end financial data until all audit preparations and reconciliations have been completed. Generally December financial material, ready for audit, has been available in the second or third week in January. This year highly preliminary statements are being provided in the normal month-end time frame. **ALTHOUGH IT IS NOT ANTICIPATED THERE WILL BE MATERIAL CHANGES BETWEEN THESE PRELIMINARY STATEMENTS AND THOSE PROVIDED FOR AUDIT, CAUTION SHOULD BE EXERCISED WHEN REVIEWING OR RELYING ON THIS PRELIMINARY INFORMATION.**

**2016 BALANCE SHEET COMMENTS**

Bank statements have been received and reviewed with no exceptions. No banks are over the FDIC/NCUA limits.

Cash positions remain strong when compared to the prior year. Of the \$126,964 in the checking accounts as of December 31, \$77,679 of the amount represents prepayments of 2017 assessments and fees leaving about \$49,000 to pay the \$21,000 in 2016 accounts payable already recorded and to make any additional reserve transfers at the conclusion of the audit.

Similarly, \$14,608 of the \$14,657 in the reserve assessment account represents 2017 prepayments.

Minimum excess cash transfers, i.e. the original 2016 budgeted income of \$85,226 were transferred to the individual reserves in November. Additional transfers might be made at the conclusion of the audit. The allocation to individual reserves of the 2016 reserve assessment in the amount of \$118,306 was also made in November and no further transfers are anticipated.

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Accounts receivable, net of expected uncollectibles, are exceptionally low due to full implementation of the 180 day collection policy. Twice per year Cape George now reviews outstanding accounts and turns over to an outside collection agency any account that is outstanding for 180 days or more. During the review there is also an estimate made of the accounts that are unlikely to be collected over the next six months. As of December 31, 2016 total receivables were about \$5,400 with an estimate that about \$5,000 of that amount will prove uncollectible.

Net fixed assets of \$1.9 million and the modified cash basis income of \$247,710 appear to be much higher than the prior year values. This is not really the case however as depreciation expense of about \$111,000 has not yet been posted. This entry will reduce both net fixed assets and the modified cash income bringing both values in line with last year.

**OVERALL 2016 OPERATING COMMENTS**

Combined net income for the year is about \$44,000 better than the original budget and about \$2,000 lower than last year.

The favorable 2016 actual to budget performance from combined activity was generated through higher revenues and lower operating costs. The higher than budget revenues of about \$15,000 were generated in donations, bad debt recoveries and new water users; all things that typically aren't, and shouldn't be, budgeted. Lower combined operating expenses are primarily \$22,000 from repairs and maintenance, \$5,000 from contract services and \$3,000 from labor. The lower than expected expenditures in repair and maintenance costs were more a matter of the unpredictability of repairs rather than a matter of routine repairs being intentionally postponed.

Late in the year Cape George learned there had been an error in PUD billing that went back at least three or four years. After considerable investigation and communications with PUD it was determined that a six month retroactive recoupment of about \$5,000 was mutually agreeable. That amount has been reflected in the preliminary operating statements.

**A LOOK AHEAD TO NEXT YEAR**

In 2017, major revenue categories are expected to perform similar to 2016 since with only two minor exceptions there were no increases in assessments, charges or fees.

Expenses in general operations cost center could feel some strain as a result of the PUD billing correction mentioned above which could cause utility costs to be \$12,000 to \$15,000 over the original 2017 budget. Also placing strain on the general cost center's budget is the completion of the workshop drainage project which is expected to add another \$8,000 to \$9,000 in unbudgeted new capital expenses in 2017. The project had been expected to be completed in 2016 but permitting required much more time than expected. New capital projects must be paid for from the current year's cash income.

**CAPE GEORGE COLONY CLUB**  
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**CAPE GEORGE COLONY CLUB**  
**PRELIMINARY - SUBJECT TO CHANGE**

*Balance Sheet as of December 31, 2016 and 2015*

Assets	2016	2015	Liabilities and Fund Balances	2016	2015
Cash and Cash Equivalents:			Current Liabilities:		
Operations Checking	\$ 125,964	\$ 147,964	Accounts Payable & Other Liabilities	\$ 21,008	\$ 28,293
Operating Investment-Savings	88,249	70,068	Unearned Income General/Water/Etc.	77,679	91,145
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assessment	14,808	21,199
Reserves - General, Water & Marina	899,145	835,242	Unearned Income Other	-	-
Special Assmnts (Berm/S. Seawall)	-	7,337	Unearned Income Marina Wait List	1,000	1,300
Routine Reserve Assessment	14,657	20,842	Due to General Reserve (Loan)	-	2,323
Total Cash & Equivalents	929,615	882,051	Total Current Liabilities	114,295	144,260
Net Accounts Receivable	421	2,026			
Due from S. Seawall Reserve (Loan)	-	2,323			
Net Spcl Assmnts Receivable	-	2,906			
Total Net Fixed Assets	1,918,865	1,737,106	<b>FUND BALANCES:</b>		
Total Prepaid & Other Assets	20,799	20,292	Fund Balances (Combined)	2,507,895	2,360,256
			Modified Cash Basis Income (2)	247,710	142,188
<b>TOTAL ASSETS</b>	<b>\$2,869,700</b>	<b>\$2,646,704</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,869,700</b>	<b>\$ 2,646,704</b>

(1) In 2016 and 2015, this amount was equal to the prepayments for the next year's Routine Reserve Assessment.

(2) Depreciation expenses of approximately \$111,000 will reduce 2016 modified cash basis income to about \$140,000.

**Summary Revenue and Expense Statements for the periods ended December 31, 2016 and 2015 respectively (Modified Cash Basis)**

2016 Year to Date					COMPARATIVE				
	Actual	Budget	Variance	%		2016 YTD	2015 YTD	Variance	%
General Assessment	\$ 286,408	\$ 286,408	-	0%	General Assessment	\$ 286,408	\$ 286,408	\$ -	0%
Revenue - All Other Sources	27,540	18,730	8,810	47%	Revenue - All Other Sources	27,540	23,589	3,951	17%
Total General Revenue	313,948	305,138	8,810		Total General Revenue	313,948	309,997	3,951	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	137,041	139,054	2,013	1%	Salaries, Benefits, PR Tax	137,041	131,930	(5,111)	-4%
Repairs & Maintenance	9,833	22,573	12,740	56%	Repairs & Maintenance	9,833	17,871	8,038	45%
Contracted Services	36,203	41,239	5,036	12%	Contracted Services	36,203	37,310	1,107	3%
Insurance	18,688	21,422	2,736	13%	Insurance	18,688	20,488	1,782	9%
Pool Expense	24,444	20,500	(3,944)	-19%	Pool Expense	24,444	14,201	(10,243)	-72%
Other Expenses (incl taxes)	35,369	29,839	(5,530)	-19%	Other Expenses (incl taxes)	35,369	27,964	(7,405)	-26%
Total General Expenses	261,576	274,627	22,525		Total General Expenses	261,576	249,744	5,816	
General Net Income	\$ 52,372	\$ 30,511	\$ 21,861	72%	General Net Income	\$ 52,372	\$ 60,253	\$ (7,881)	-13%
<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 185,130	\$ 183,960	\$ 1,170	0%	Revenue - Water Use Fees	\$ 185,130	\$ 183,960	\$ 1,170	1%
Revenue - All Other Sources	7,263	2,000	5,263	263%	Revenue - All Other Sources	7,263	3,908	3,355	86%
Total Water Revenue	192,393	185,960	6,433		Total Water Revenue	192,393	187,868	4,525	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	61,769	63,218	1,449	2%	Salaries, Benefits, PR Tax	61,769	59,986	(1,783)	-3%
Repairs & Maintenance	5,704	10,777	5,073	43%	Repairs & Maintenance	5,704	7,378	1,674	23%
Contracted Services	17,141	17,341	200	1%	Contracted Services	17,141	14,274	(2,867)	-20%
Insurance	9,807	11,243	1,436	13%	Insurance	9,807	10,901	1,094	10%
Other Expenses (incl taxes)	37,338	38,990	1,652	4%	Other Expenses (incl taxes)	37,338	32,370	(4,968)	-15%
Total Water Expenses	131,759	141,569	9,810		Total Water Expenses	131,759	124,909	(6,850)	
Water Net Income	\$ 60,634	\$ 44,391	\$ 16,243	37%	Water Net Income	\$ 60,634	\$ 62,959	\$ (2,325)	-4%
<b>Marina</b>					<b>Marina</b>				
Revenue - Moorage/Parking	\$ 55,345	\$ 55,500	\$ (155)	0%	Revenue - Moorage/Parking	\$ 55,345	\$ 56,064	\$ (719)	-1%
Revenue - All Other Sources	9,804	9,590	\$ 214	2%	Revenue - All Other Sources	9,804	10,067	(263)	-3%
Total Marina Revenue	65,149	65,090	59		Total Marina Revenue	65,149	66,131	(982)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	13,394	13,781	387	3%	Salaries, Benefits, PR Tax	13,394	13,079	(315)	-2%
Repairs & Maintenance	14,392	18,401	4,009	22%	Repairs & Maintenance	14,392	17,992	3,600	20%
Contracted Services	6,623	8,169	1,546	19%	Contracted Services	6,623	2,128	(4,495)	-211%
Insurance	6,024	6,335	311	5%	Insurance	6,024	6,044	20	0%
Other Expenses (incl taxes)	9,487	8,080	(1,407)	-17%	Other Expenses (incl taxes)	9,487	7,481	(1,996)	-27%
Total Marina Expenses	49,920	54,766	4,846		Total Marina Expenses	49,920	46,734	(3,186)	
Marina Net Income	\$ 15,229	\$ 10,324	\$ 4,905	48%	Marina Net Income	\$ 15,229	\$ 19,397	\$ (4,168)	-21%
Routine Reserve	119,160	119,160	-		Routine Reserve	119,160	119,160	0	
Spcl Assmnt Income/(Exp)	(143)	(1,260)	1,117		Spcl Assmnt Income/(Exp)	(143)	(12,978)	12,835	
Reserve Interest - all	458	65	393		Reserve Interest - all	458	765	(307)	
Cmbnd Net Income/(Loss)**	\$ 247,710	\$ 203,190	\$ 44,519	22%	Cmbnd Net Income/(Loss)(3)	\$ 247,709	\$ 245,555	\$ (2,154)	-1%

(3) Modified Cash Basis, Excludes Depreciation in 2016 and 2015 of approximately \$111,000 and \$109,000 respectively.

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
January 12, 2017  
7:00 PM**

**Manager's Report:** Art Burke

After approximately a year-long process, we have received a permit to address the drainage issues in the vicinity of the Workshop. The approved system will involve the rehabilitation and expansion of an existing dry well. I have met with a contractor this week to get a quote on installing the system.

Projects being worked on by the Office Administrator:

- Marina registrations are well underway.
- Invoices for annual water overages are being mailed.
- Backflow testing has been completed for 2016.

Projects being worked on by the Caretaker:

- Wind damage cleanup.
- Rebuilding chlorine pump at tank farm.
- Replacing fan timer at Clubhouse.

I have received the following reports/complaints over the past month:

- Complaint of exterior lights being left on all night in the Huckleberry area.
- Complaint of fireworks being discharged in the Colony.

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Environmental, Pool, and Marina.

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

**Information Items:**

A. Upon review of recommendation from the Pool Committee to seek community input regarding the member request for a designated time for nude swimming, the Trustees directed the manager to place an article in the next newsletter asking for comment.

B. The manager provided information received from PUD concerning the electric billing error for the pool building. After review of the information and discussion the Trustees recommended paying the past due amount.

C. The Trustees reviewed the speed survey conducted on Sunset Blvd. and discussed the continuation of information gathering before any additional steps were taken.

D. The Trustees discussed the pros and cons to changing the time of the Board meeting from 7pm to 3pm on the Thursday following the Study Session. It was decided that the meeting time would be changed to 3pm for a trial period. A schedule change will be published in the next 2 newsletters.

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**Member participation:** Paul Happel inquired about the Clubhouse decorations as a follow up to the letter submitted to the board by the Harbormaster. Richard Hilfer confirmed the survey results are currently being summarized and are expect to be published in the upcoming newsletter.

**New Business Action Items:**

**Motion 1:** Karen Krug moved and Ray Pierson seconded to approve the installation of a replacement drainage system in the vicinity of the workshop not to exceed \$9,000. Passed – 6/0

**Motion 2:** Katie Habegger moved and Leslie Fellner seconded to approve the increase of expenditure for the replacement of the one ton truck from \$24,000 to \$27,600.48. Passed – 6/0

**Motion 3:** Katie Habegger moved and Carol Wood seconded to approve Resolution 1/01/17 to transfer \$2,803.15 from General Reserves and \$2,803.15 from Water Reserves to Operations Checking for 1Ton Truck Replacement, Short Stop Truck Repair \$3,533.69, Quality 4x4 Truck Supply \$2,072.61. Passed – 6/0

**Motion 4:** Carol Wood moved and Richard Hilfer seconded to approve 8 member requests for due date adjustments. Passed – 6/0

**Motion 5:** Raul Huerta moved and Katie Habegger seconded to add member Ken Owen to the Building Committee. Passed – 6/0

**Open Board Discussion:** The Trustees discussed how to proceed with advertising for the open manager's position. Employment ads with the Community Associations Institute and Peninsula Daily News will be posted in the next couple of days.

**Announcements:**

- A. Study Session – February 14, 2017 3:00 P.M.
- B. Board Meeting – February 16, 2017 3:00 P.M.

**Adjournment:** Ray Pierson moved and Leslie Fellner seconded to adjourn the regular session at 7:35 pm. Passed – 6/0

**Submitted by:**

**Approved by:**

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**Leslie Fellner, Secretary**

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**Richard Hilfer, President**

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
January 12, 2017  
7:00 PM

**Committee reports: ENVIRONMENTAL COMMITTEE MINUTES - Monday, December 12, 2016**

**IN ATTENDANCE:** Varn Brooks, Art Burke, Dennis Fellner, Ben Fellows, Katie Habegger, Norma Lupkes, Kitty Rucker, Steve Shapiro, Robin Scherting. The meeting was called to order by Kitty at 9:15.

The minutes of the last meeting were approved.

**Fiscal report:** Kitty reported that the Environmental Committee fund is now \$3482.81 (*these are not funds belonging to Cape George Colony*). A thank-you to Pat Hartman for a \$100 donation to the EC.

**OLD BUSINESS:**

1. **Tree Round:** Varn reported that he is still waiting for the 1.5 " wide samples cut from the tree round being housed in the gazebo to be processed and returned from a professor at Centralia College. Tables that were stacked in front of the round in the gazebo have been moved so access is now open to view the round.
2. **Movie Night:** Lorna and Daryl presented an interesting movie "**Animals in Danger of Extinction**" in the clubhouse on Nov 29 at 7:00 with 38 people in attendance. Varn will be in charge of showing the movie "**The Rise of Black Wolf**" as the January movie with the date yet to be determined.
3. **Work Party:** Kitty thanked those who participated in the pruning and weeding at the next northeast corner of the clubhouse last week.
4. **Plaque Repairs:** A letter from Jack Scherting was shared detailing the renovation of the Memorial Park Plaque and a motion was made, seconded and carried to send payment to Jack for \$26.38 for materials he used in the process. He also informed the committee that the brass piece on the plaque will require polishing or it will return to its past condition; Steve Shapiro will check on it periodically and do the polishing! It was also noted that a vehicle struck the plaque and the Colony mailboxes in front of "Amy's tree" and the plaque beneath has been repaired and Donny placed a huge stone in front to protect it.
5. **Boiler Room Donations:** Several members brought in items on the Boiler Room wish list for the holidays. Robin will take them in today. The suggestion was made to give the Farberware stamps from Safeway collected by members to the Dove House as the Boiler Room has ample cookware.

**NEW BUSINESS:**

1. **Drain Field Project:** Art reported that the area around the workshop is being renovated where the old dry-well (catch basin) has failed. An engineering design has been submitted and we are waiting for permitting to be done by the county which hopefully will happen by year-end.
2. **Budgeted Hours for Weed and Pruning:** Art reported that 50 hours have been added to the seasonal employee's schedule to support landscaping.
3. **Thank-You:** Year-end thanks were given: Kitty thanked Ben Fellows for his attention and work on the marina dredging projects; Kitty was also thanked by the entire committee for her unending "devotion" to ensure that the Environmental Committee functions so successfully!!

**ADJOURNMENT:** The meeting was adjourned at 10:30 a.m. - Respectfully Submitted: Norma J. Lupkes

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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**POOL COMMITTEE MEETING – Jan 4, 2017**

**ATTENDEES:**

Art Burke, Rocky D'Acquisto – Chair, Mary Hilfer, Robin Scherting, Leslie Fellner, Norma Lupkes & Penny Jensen

**NOTES:**

The current Pool Committee Treasury amount is \$3,795.24. *These funds are not a part of Cape George Colony Club Homeowner's Association.*

The temperature of the water was discussed. There have been concerns about it being inconsistent and at times too cold. Outside weather temperatures appear to affect this issue.

The PUD notified the Colony that for the last several years the charge for electrical service at the pool has been incorrectly calculated. This likely dates back to when the single phase service was upgraded. The error is based on a "multiplier" that is used for some meter connections. The Board will be researching how to handle this issue.

The new stairs into the deep end of the pool continue to rust. A new cleaning product is being tried to address the issue.

A laminated set of rules and regulations for use of the pool which were hanging in the ladies dressing room was removed and presented. I had a date of April 16, 2009 on the bottom; Art will check and see if there is a more updated version and will be reviewed at the next pool meeting.

Penny Jensen routed a letter written to inquire about the possibility of nude swimming being allowed in the pool. The Pool Committee made a motion to pass the issue to the Board to send the request to the resident membership for their feedback before any decisions were made.

The project of applying window film on the west windows in the exercise room has been completed.

Norma will contact Thad Bickling of the Emergency Prep Committee to determine if they would be willing to help with the St Pat's event on Mar 18.

Robin and Penny were welcomed back to the Swim Pool Committee.

Respectfully submitted, Norma J. Lupkes.

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**Marina Committee Minutes, - Jan 3, 2017**

The meeting was convened at 11 am at the marina shop.

Members present: Paul Happel, Richard Woodcock, Brian Ritchie, John Hanks, Jim Bodkin, Mac McDonald, Marta Favati, Stewart Pugh, Bob Schlentner, Scott Munson, Mike Lapointe, Ross Anderson, and Art Burke.

Harbormaster Scott Munson reported that the 27 foot Newport sailboat that has been abandoned and is in arrears on its moorage payments, is now the legal property of Cape George. He and others have begun cleaning it out to prepare it for sale, hopefully early this year. Stewart Pugh is working on the 15 hp outboard engine.

Various members said they plan to start towing stray logs out of the marina.

Mack McDonald reported that Ann Simpson, a longtime marina volunteer and sailor, has died of cancer, and an informal memorial is being planned – perhaps in February.

Thad Bickling, who has served as volunteer “bosun,” or assistant to the harbormaster, announced that he needs to step down from that position, and asked if any other member is willing to take over the job.

Scott reported that he intends to purchase the zincs that will be needed on the seawall later this year. He suggested that members study whether the zincs would be more effective if they were wired together.

Manager Art Burke reported that Cape George plans to send out a request for quotation soon for replacing the dock electrical system, a project planned later this year – perhaps in late spring.

The meeting was adjourned at 11:45 am.

--Ross Anderson.



CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
January 27, 2017  
1:00 PM

The Special Board of Trustees Meeting was called to order by President, Richard Hilfer, at 1:00 p.m. in the Cape George Office Meeting Room.

Other Trustees present were: Katie Habegger, Karen Krug, Ray Pierson and Carol Wood

Karen Krug moved and Katie Habegger seconded the motion to grant an exception to the carry over balance to allow the Manager to carry 134 hours of unused vacation into 2017.  
Passed 4-0

Carol Wood moved and Ray Pierson seconded a motion to adjourn to Executive Session to discuss personnel matters. Passed 4-0

Note: Trustee Raul Huerta arrived.

Carol Wood moved and Ray Pierson seconded a motion to adjourn to regular session at 2:00 p.m. Passed 5-0

Ray Pierson moved and Raul Huerta seconded a motion to adjourn the meeting at 2:03 p.m.  
Passed 5-0

Submitted by:

Approved by:

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Katie Habegger, Vice President

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Richard Hilfer, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
February 13, 2017  
1:00 PM

The Special Board of Trustees Meeting was called to order by President, Richard Hilfer, at 1:04 p.m. in the Cape George Office Meeting Room.

Trustees present: Richard Hilfer, Katie Habegger, Karen Krug, Ray Pierson, Leslie Fellner, Raul Huerta and Carol Wood

Ray Pierson moved and Raul Huerta seconded a motion to immediately adjourn to Executive Session to discuss personnel matters. Passed 6-0

Ray Pierson moved and Karen Krug seconded a motion to adjourn to regular session at 2:40 p.m. Passed 6-0

Raul Huerta moved and Karen Krug seconded a motion to adjourn the meeting at 2:41 p.m. Passed 6-0

Submitted by:

Approved by:

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Leslie Fellner, Secretary

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Richard Hilfer, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
February 14, 2017  
1:00 PM

The Special Board of Trustees Meeting was called to order by President, Richard Hilfer, at 1:15 p.m. in the Cape George Office Meeting Room.

Trustees present: Richard Hilfer, Katie Habegger, Karen Krug, Ray Pierson, Leslie Fellner, Raul Huerta and Carol Wood

Ray Pierson moved and Carol Wood seconded a motion to immediately adjourn to Executive Session to discuss personnel matters. Passed 6-0

Ray Pierson moved and Raul Huerta seconded a motion to adjourn to regular session at 2:27 p.m. Passed 6-0

Raul Huerta moved and Ray Pierson seconded a motion to adjourn the meeting at 2:28 p.m. Passed 6-0

Submitted by:

Approved by:

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Leslie Fellner, Secretary

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Richard Hilfer, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
February 16, 2017  
3:00 PM

**Vice President Katie Habegger called the meeting to order at 3:01 p.m.**

Welcome

An Executive Session is scheduled immediately following the Board Meeting for the purpose of discussing personnel matters.

**In Attendance:** Katie Habegger, Leslie Fellner, Karen Krug, Carol Wood, Raul Huerta and Ray Pierson

**Action on Minutes:** Leslie Fellner moved and Ray Pierson seconded to approve the minutes of the Regular Board Meeting January 12, 2017, Special Board Meeting January 27, 2017, Special Board Meeting February 13, 2017 and Special Board Meeting February 14, 2017. Passed- 5/0

**Membership Report:** Leslie Fellner

David & Ruth Ross purchased 21 S Rhododendron from Harry Hider estate  
Charles & Barbara Thompson purchased lot 16 on Dennis from Evelyn Knauss

**Treasurer's Report:** Karen Krug

TREASURER'S REPORT - as of January 31, 2017

A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website. The detailed statements as well as additional monthly financial material and are also available for review in the office as are the quarterly internal control reports.

#### 2017 BALANCE SHEET COMMENTS

Bank statements have been received and reviewed with no exceptions. No banks are over the FDIC/NCUA limits although balances at two institutions are very close to the limits. Longer term permanent solutions are being reviewed to reduce the FDIC/NCUA limit strain on current banking arrangements.

As is evidenced in the condensed balance sheet on the next page, there has been little change in most line items when compared to January 2016. There has been a noticeable increase in cash and the changes in net fixed assets resulting from the capitalization of the berm and the new F450 truck.

#### 2017 REVENUE AND EXPENSE COMMENTS

With only one month of the current fiscal year completed, there are few meaningful comments on operations. In addition, staff is still in the process of verifying budget inputs and monthly distributions.

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
February 16, 2017  
3:00 PM**

**2016 AUDIT**

The audit of the 2016 financial activities and results is well underway. Fieldwork, where auditors are on-site reviewing detailed records and transactions, was completed on February 2, 2017 and there were no significant issues raised.

Although subject to change, the current audit schedule projects that audit results may be available as early as mid-March.

There are differences between how Cape George prepares monthly financial statements and the statements that are sent to the auditors for their review. Most of the differences are related to a full accrual basis of accounting which is required for audit and the modified cash basis used monthly, the major difference between the two being depreciation.

A highly summarized comparison of the two versions, internal versus as sent to auditors, is included as the last page of this Treasurer's Report. As with all Cape George financial information, more detail is available at the office.

CAPE GEORGE COLONY CLUB						
Balance Sheet as of January 31, 2017 and 2016						
Assets	2017	2016		Liabilities and Fund Balances	2017	2016
Cash and Cash Equivalents:				Current Liabilities:		
Operations Checking	\$ 244,579	\$ 221,223		Accounts Payable & Other Liabilities	\$ 13,292	\$ 12,799
Operating Investment-Savings	88,261	70,068		Unearned Income General/Water/Etc.	78,776	74,768
Petty Cash (2 accounts)	600	600		Due to General Reserves	-	2,323
Reserves - General, Water & Marina	693,585	642,657		Unearned Income Marina Wait List	1,200	1,000
Routine Reserve Assessment	44,208	41,907		Total Current Liabilities	93,268	90,890
Total Cash & Equivalents	1,071,233	976,455				
Net Accounts Receivable	11,713	18,428		FUND BALANCES:		
Total Net Fixed Assets	1,820,768	1,754,109		Fund Balances (Combined	2,654,252	2,502,444
Total Prepaid & Other Assets	17,860	17,399		Modified Cash Basis Income	174,054	173,057
TOTAL ASSETS	\$2,921,574	\$2,766,391		TOTAL LIABILITIES & FUND BALANCE	\$2,921,574	\$ 2,766,391

**CAPE GEORGE COLONY CLUB**  
**BOARD OF TRUSTEES MEETING**  
February 16, 2017  
3:00 PM

**Summary Revenue and Expense Statements for the periods ended January 31, 2017 and 2016 (Modified Cash Basis)**

2017 Year to Date					COMPARATIVE				
	Actual	Budget	Variance	%		2017 YTD	2016 YTD	Variance	%
<b>General</b>					<b>General</b>				
General Assessment	\$ 71,602	\$ 71,602	-	0%	General Assessment	\$ 71,602	\$ 71,602	-	0%
Revenue - All Other Sources	355	921	(566)	-61%	Revenue - All Other Sources	355	901	(546)	-61%
Total General Revenue	71,957	72,523	(566)		Total General Revenue	71,957	72,503	(546)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	9,689	11,194	1,505	13%	Salaries, Benefits, PR Tax	9,689	9,194	(495)	-5%
Repairs & Maintenance	325	1,673	1,348	81%	Repairs & Maintenance	325	860	535	62%
Contracted Services	1,891	3,282	1,391	42%	Contracted Services	1,891	1,876	(15)	-1%
Insurance	1,572	2,068	496	24%	Insurance	1,572	1,566	(6)	0%
Pool Expense	2,236	2,250	14	1%	Pool Expense	2,236	1,292	(944)	-73%
Other Expenses (incl taxes)	2,289	1,935	(354)	-18%	Other Expenses (incl taxes)	2,289	1,475	(814)	-55%
Total General Expenses	18,002	22,402	4,740		Total General Expenses	18,002	16,263	19	
<b>General Net Income</b>	<b>\$ 53,955</b>	<b>\$ 50,121</b>	<b>\$ 3,834</b>	<b>8%</b>	<b>General Net Income</b>	<b>\$ 53,955</b>	<b>\$ 56,240</b>	<b>\$ (2,285)</b>	<b>-4%</b>
<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 46,530	\$ 45,990	\$ 540	0%	Revenue - Water Use Fees	\$ 46,530	\$ 45,990	\$ 540	1%
Revenue - All Other Sources	1,556	2,000	(444)	-22%	Revenue - All Other Sources	1,556	3,065	(1,509)	-49%
Total Water Revenue	48,086	47,990	96		Total Water Revenue	48,086	49,055	(969)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	4,504	5,122	618	12%	Salaries, Benefits, PR Tax	4,504	4,300	(204)	-5%
Repairs & Maintenance	915	648	(267)	-41%	Repairs & Maintenance	915	(901)	(1,816)	202%
Contracted Services	1,098	1,362	264	19%	Contracted Services	1,098	1,111	13	1%
Insurance	806	1,104	298	27%	Insurance	806	822	16	2%
Other Expenses (incl taxes)	4,322	4,450	128	3%	Other Expenses (incl taxes)	4,322	4,894	572	12%
Total Water Expenses	11,645	12,686	1,041		Total Water Expenses	11,645	10,226	(1,419)	
<b>Water Net Income</b>	<b>\$ 36,441</b>	<b>\$ 35,304</b>	<b>\$ 1,137</b>	<b>3%</b>	<b>Water Net Income</b>	<b>\$ 36,441</b>	<b>\$ 38,829</b>	<b>\$ (2,388)</b>	<b>-6%</b>
<b>Marina</b>					<b>Marina</b>				
Revenue - Moorage/Parking	\$ 47,763	\$ 53,905	\$ (6,142)	-11%	Revenue - Moorage/Parking	\$ 47,763	\$ 48,725	\$ (962)	-2%
Revenue - All Other Sources	8,375	8,140	\$ 235	3%	Revenue - All Other Sources	8,375	7,060	1,315	19%
Total Marina Revenue	56,138	62,045	(5,907)		Total Marina Revenue	56,138	55,785	353	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	1,090	1,122	32	3%	Salaries, Benefits, PR Tax	1,090	974	(116)	-12%
Repairs & Maintenance	6	316	310	98%	Repairs & Maintenance	6	768	762	99%
Contracted Services	215	318	103	32%	Contracted Services	215	114	(101)	-89%
Insurance	561	578	17	3%	Insurance	561	505	(56)	-11%
Other Expenses (incl taxes)	1,107	957	(150)	-16%	Other Expenses (incl taxes)	1,107	1,210	103	9%
Total Marina Expenses	2,979	3,291	312		Total Marina Expenses	2,979	3,571	592	
<b>Marina Net Income</b>	<b>\$ 53,159</b>	<b>\$ 58,754</b>	<b>\$ (5,595)</b>	<b>-10%</b>	<b>Marina Net Income</b>	<b>\$ 53,159</b>	<b>\$ 52,214</b>	<b>\$ 945</b>	<b>2%</b>
<b>Reserve Activity</b>					<b>Reserve Activity</b>				
Routine Reserve Revenue	30,452	30,452	-	0%	Routine Reserve Revenue	30,452	29,790	662	2%
Bad Debts, Recoveries, Misc.	-	-	-	0%	Bad Debts, Recoveries, Misc.	-	(3,842)	3,842	-100%
Reserve Interest - all	47	-	47	0%	Reserve Interest - all	47	39	8	21%
<b>Net Reserve Income</b>	<b>\$ 30,499</b>	<b>\$ 30,452</b>	<b>\$ 47</b>	<b>0%</b>	<b>Net Reserve Income</b>	<b>\$ 30,499</b>	<b>\$ 25,987</b>	<b>\$ 4,512</b>	<b>17%</b>
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 174,054</b>	<b>\$ 174,631</b>	<b>\$ (577)</b>	<b>0%</b>	<b>Cmbnd NetIncome/(Loss)(3)</b>	<b>\$ 174,054</b>	<b>\$ 173,269</b>	<b>\$ 122</b>	<b>0%</b>



**CAPE GEORGE COLONY CLUB**  
**BOARD OF TRUSTEES MEETING**  
February 16, 2017  
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<b>CAPE GEORGE COLONY CLUB</b>						
<b>COMPARISON OF INTERNAL AND AS SENT FOR AUDIT - 12/31/2016</b>						
<b>Assets</b>		<b>Internal</b>	<b>Sent to Audit</b>		<b>Liabilities and Fund Balances</b>	
Cash and Cash Equivalents:					Current Liabilities:	
Operations Checking		\$ 126,964	\$ 126,964		AP & Other Liabilities (3)	\$ 21,008 \$ 22,289
Operating Investment-Savings		88,249	88,249		Unearned Income Gen./Water/Marina	77,679 77,679
Petty Cash (2 accounts)		600	600		Unearned Reserve Assessment	14,608 14,608
Reserves - General, Water & Marina		699,145	699,145		Unearned Income Other	- -
Special Assmnts(Berm/S.Seawall)		-	-		Unearned Income Marina Wait List	1,000 1,000
Routine Reserve Assessment		14,657	14,657		Due to General Reserve (Loan)	- -
Total Cash & Equivalents		929,615	929,615		Total Current Liabilities	114,295 115,576
Net Accounts Receivable		421	691 (1)			
Net SpclAssmnts Receivable		-	-		<b>FUND BALANCES:</b>	
Total Net Fixed Assets		1,918,865	1,818,723 (2)		Fund Balances (Combined	2,507,695 2,507,695
Total Prepaid & Other Assets		20,799	20,799		Modified Cash Income (4)	247,710 146,557
<b>TOTAL ASSETS</b>		<b>\$2,869,700</b>	<b>\$2,769,828</b>		<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,869,700 \$ 2,769,828</b>
<b>2016 Year to Date</b>						
		<b>Internal</b>	<b>To Audit</b>	<b>Change</b>		
General Assessment	\$ 286,408	\$ 286,408	-			
Revenue - All Other Sources	27,540	27,540	-			
Total General Revenue	313,948	313,948	-			
Expenses:						
Salaries, Benefits, PR Tax	137,041	137,809	768 (5)			
Repairs & Maintenance	9,833	8,066	(1,767) (6)			
Contracted Services	36,203	36,203	-			
Insurance	18,686	18,686	-			
Pool Expense	24,444	24,444	-			
Depreciation	-	65,927	65,927 (7)			
Other Expenses (incl taxes)	35,369	28,384	(6,985) (8)			
Total General Expenses	261,576	319,519	57,943			
<b>General Net Income</b>	<b>\$ 52,372</b>	<b>\$ (5,571)</b>	<b>\$ 57,943</b>			
<b>Water</b>						
Revenue - Water Use Fees	\$ 185,130	\$ 185,130	\$ -			
Revenue - All Other Sources	7,263	7,263	-			
Total Water Revenue	192,393	192,393	-			
Expenses:						
Salaries, Benefits, PR Tax	61,769	62,153	384 (5)			
Repairs & Maintenance	5,704	3,937	(1,767) (6)			
Contracted Services	17,141	17,141	-			
Insurance	9,807	9,807	-			
Depreciation	-	23,737	23,737 (7)			
Other Expenses (incl taxes)	37,338	37,338	-			
Total Water Expenses	131,759	154,113	22,354			
<b>Water Net Income</b>	<b>\$ 60,634</b>	<b>\$ 38,280</b>	<b>\$ 22,354</b>			
<b>Marina</b>						
Revenue - Moorage/Parking	\$ 55,345	\$ 55,345	\$ -			
Revenue - All Other Sources	9,804	9,804	-			
Total Marina Revenue	65,149	65,149	-			

**Changes from Internal to Statements Sent For Audit**

(1) \$270 net increase - To correctly allocate the Allowance, write-offs and recoveries between routine and reserves. See also #(9).

(2) \$100,142 net decrease - Four changes: \$110,660 decrease for 2016 depreciation a non-cash item; \$3,534 CIP addition -F450 truck component \$4,023 CIP addition - workshop drainage project; \$2,965 addition - fitness equipment reclassified. See also #(6), (7), & (8).

(3) \$1,280 net increase - Two changes: \$2,500 increase in earned and unused vacation; and a \$1,233 decrease in accrued year-end payroll. See also #(5)s

(4) \$101,152 net decrease. The sum of changes in #(5), (6), (7), (8) & (9). Change mostly due to depreciation of \$110,660.

(5) \$1,280 net increase. Allocation for \$2,500 vacation accrual less \$1,233 year end payroll accrual. See also #(3).

(6) \$3,534 net decrease allocated between general and water to correct coding of an F450 related item. It is a reserve expenditure, not an operating expense. See also #(2).

(7) \$110,660 net increase for depreciation expense. See also #(2).

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
February 16, 2017  
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Expenses:					
Salaries, Benefits, PR Tax	13,394	13,522	128	(5)	(8) \$6,985 net decrease - Two changes: \$ 4,023 decrease to correct coding of workshop drainage project; and \$2,965 decrease to correct coding of fitness equipment.
Repairs & Maintenance	14,392	14,392	-		
Contracted Services	6,623	6,623	-		
Insurance	6,024	6,024	-		
Depreciation	-	20,997	20,997	(7)	(9) \$270 net increase to correctly allocate allowance, write-offs and recoveries between routine and reserves. See also #(1).
Other Expenses (incl taxes)	9,487	9,487	-		
Total Marina Expenses	49,920	71,045	21,125		
<b>Marina Net Income</b>	<b>\$ 15,229</b>	<b>\$ (5,896)</b>	<b>\$ 21,125</b>		
<b>Routine Reserve</b>	119,160	119,160	-		
Reserve expenses/recoveries	(143)	126	(270)	(9)	
Reserve Interest - all	458	458	-		
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 247,710</b>	<b>\$ 146,557</b>	<b>\$ 101,152</b>		<b>&lt;&lt;&lt;&lt; \$146,557 is full accrual income, not excess cash.</b>

**Manager's Report:** Art Burke

The Workshop drainage rehabilitation project is scheduled to get underway the week of February 20<sup>th</sup>.

In response to ongoing questions concerning the temperature of the pool water we have started a new practice of posting the daily temperature of the pool water outside the pool utility room door. We will be using a new thermometer with an accuracy of 2 tenths of a degree. These measurements will be posted Monday through Friday.

Amendments approved by the membership to the Articles of Incorporation have been updated to the WA Secretary of State's office. Amendments approved by the membership to the Bylaws have been recorded at the Jefferson County Auditor's office.

Earlier this month I received an inquiry from a non-member who was pursuing the purchase of two pieces of property. One of the properties was a Cape George vacant lot and the other an adjoining non Cape George lot. During the course of our conversation he described his intent to build a home that would likely straddle both lots. The question arose as to whether he would be able to connect to the Cape George water system if his house were only ½ in the community. After consultation with the Board President, Treasurer and Water Committee Chair it was everyone's perspective that once a connection is made on Cape George property it is up to the member as to how (and where) it is used.

The Peninsula Credit Union CD that matured on 1/24/17 has been placed in the main share account.

The Senior Bookkeeper has sent out all vendor 1099 and employee W-2 forms as required.

Projects being worked on by the Office Administrator:

- Work continues on assigning marina slips for the 2017 season.

Projects being worked on by the Caretaker:

- Window seal and frame repairs are underway at the pool.



CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
February 16, 2017  
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I have received the following reports/complaints over the past month:

- Report of an overflowing septic tank in the Village.
- Complaint of an outside light being left on all night in the Village.

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Water, and Marina.

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

**Information Items:**

In review of the community's considerable negative responses to the request of a designed time for nude swimming a motion was made. Item E in New Business below

The Trustees reviewed the speed survey conducted at the Colony entrance. Further sites will be tested.

**Member participation:** None

**New Business Action Items:**

**Motion 1:** A motion was made by Carol Wood and seconded by Karen Krug to approve the recommendation of the Social Club as stated in a letter dated 2/10/17 regarding the Clubhouse Wall Décor and request that the Social Club provide a summary of comments received re: the Clubhouse Wall Décor at the June Board meeting. Passed – 5/0

**Motion 2:** Raul Huerta moved and Ray Pierson seconded to accept the recommendations of the Social Club for the removal and disposal of old flooring and installation of new flooring in the Clubhouse by accepting the proposal from Strait Floors for installation of Converse Basin 936 flooring tile from the General Reserves fund in the amount of \$23,041.47 of which \$11,520.74 is required as a deposit. Passed – 5/0

**Motion 3:** Leslie Fellner moved and Carol Wood seconded to refund the \$10 marina key deposit that was paid on 1/6/2016 to Imre Horvath, as he requested. Passed – 5/0

**Motion 4:** Katie Habegger moved and Leslie Fellner seconded to approve 1 member requests for 2 due date adjustments. Passed – 5/0

**Motion 5:** Carol Wood moved and Katie Habegger seconded to reject members' request to designate special times in the community pool for nude swimming. Passed -5/0

**Open Board Discussion:**

Karen Krug suggested in future requests for community comment, member responses not be printed or considered unless signed. It was agreed and a notice shall be posted in the next newsletter.

**Announcements:**

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
February 16, 2017  
3:00 PM**

- A. Study Session – March 14, 2017 3:00 P.M.
- B. Board Meeting – March 16, 2017 3:00 P.M.

**Adjournment:** Katie Habegger moved and Carol Wood seconded to adjourn the regular session at 3:32 pm.  
Passed – 5/0

The Executive Session was called to order to discuss personnel issues by Vice President, Katie Habegger, at 3:37 pm.

Trustees present: Katie Habegger, Karen Krug, Ray Pierson, Leslie Fellner, Raul Huerta and Carol Wood.

Carol Wood moved and Leslie Fellner seconded to adjourn the Executive Session and resume to the Regular Board meeting. Passed - 5/0

**Adjournment:** Carol Wood moved and Ray Pierson seconded to adjourn, the meeting was adjourned at 4:09 pm  
Passed – 5/0

**Submitted by:**

**Approved by:**

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**Leslie Fellner, Secretary**

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**Katie Habegger, Vice President**

**Committee reports:**

**WATER ADVISORY COMMITTEE MEETING, FEBRUARY 7, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Art Burke, Manager; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and members Stewart Pugh, Scott James, and Thad Bickling.

1. Follow up discussion about the tank draw down exercise with respect to a major earthquake. The procedure calls for shutting down the water system after an earthquake, leaving one tank in operation and monitoring the tank draw down to indicate any significant leaks in the system. There is a high degree of variation in normal water use, both time of day and seasonal, so it's hard to determine a single draw down rate to compare to. The solution is to monitor tank levels in the middle of the night following an earthquake when normal use should always be minimal. Similarly, the pressure zone could be monitored in the middle of the night to see if there are any significant leaks. Greg said they might still monitor the tank draw down at times throughout the year to get a better sense of normal draw down rates.
2. The Dept. of Health Sanitary Survey of our water system occurred on October 20. All of the requirements have been completed.
3. Backflow assembly testing is complete for this annual process.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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4. Stew reported on the monthly meter read and leak report that we did have a few frozen line breaks but that the owners had found and repaired them. That's particularly a concern for vacant houses during cold spells. He reported that there were 62 houses with zero flow and 86 with flows below 30 gallons per day. Overall low flows for the winter.
5. Greg calculated the 2016 water use at 93.5% accounted for, that is well within the 10% range for unaccounted for water use.
6. Art reported that we continue to have new homes being planned and permitted, increasing our water customers.

The next meeting will be on **March 7, 2017 at 5 pm at the Office.**

Marina Committee Meeting, February 7, 2017

**THE MARINA NEEDS YOUR USED BOATING AND EQUIPEMNT FOR THE  
UPCOMING MARINA SALE. LOOK FOR CONTACT INFO ON THE BULITIN  
BOARDS.**

Attendees: Cape George Manager Art Burke, Harbor Master Scott Munson, Richard Woodcock, Jack Sherting, Bob Schlentner, Chuck Hommel, Jim Bodkin, Arch Bickling. Thad Bickling, Dave Lampshire, Mac McDonald, Brian Ritchie, Sonja Ericson and Paul Happel.

The meeting was called to order at 11:00 am by Marina Chairperson Scott Munson. The sailboat which was defaulted to Cape George will be put on sale on Craig's List as soon as the sea trials and photos have been taken. We would like to thank all the marina volunteers who cleaned and prepped the boat to sell. Volunteer gate closers for the month of February are Sonja Ericson, Jim Bodkin and Arch Bickling. A motion was made by Penny Jensen and seconded by Mac McDonald to design and construct a table for the inside of the gazebo. Funds will come from the marina memorial fund. A motion by Penny Jensen and seconded by Paul Happel to buy a portable VHS radio for water emergencies at the marina. Funds not to exceed \$150.00 will come from the marina memorial funds and will be purchased through the Cape George Office. The contract for draining water from the front and back of the marina building has been let and is awaiting the contractor to start. The office will contact contractors to do the annual dredging of the marina entrance. Reserve funds are not available at this time to do major dredging of the inside of the marina. The electrical shore power RFP has been written and is ready for bids from contractors. Thirty Six dock floats have been ordered to finish up that project. The Marina Sale needs new reader board signs for the sale. The Cape George manger will order twenty 20 pound zincs for the seawall for this year. There are three 20 foot slips available in the marina. Scott may be moving some boats around to accommodate moorage in the marina. A motion by Penny Jensen and seconded by Richard Woodcock to nominate Sonja Ericson to be the boson for the marina.

Meeting adjourned at 11:55 am

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
March 1, 2017  
1:00 PM

The Special Board of Trustees Meeting was called to order by President, Richard Hilfer, at 1:15 p.m. in the Cape George Office Meeting Room.

Trustees present: Richard Hilfer, Katie Habegger, Karen Krug, Ray Pierson, Leslie Fellner, Raul Huerta and Carol Wood

Ray Pierson moved and Raul Huerta seconded a motion to immediately adjourn to Executive Session to discuss personnel matters. Passed 6-0

Ray Pierson moved and Carol Wood seconded a motion to adjourn to regular session at 2:50 p.m. Passed 6-0

Leslie Fellner moved and Ray Pierson seconded a motion to adjourn the meeting at 2:51 p.m. Passed 6-0

Submitted by:

Approved by:

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Leslie Fellner, Secretary

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Richard Hilfer, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
March 7, 2017  
3:30 PM

The Special Board of Trustees Meeting was called to order by President, Richard Hilfer, at 3:30 p.m. in the Cape George Office Meeting Room.

Trustees present: Richard Hilfer, Katie Habegger, Karen Krug, Ray Pierson, Raul Huerta and Carol Wood

Ray Pierson moved and Raul Huerta seconded a motion to immediately adjourn to Executive Session to discuss personnel matters. Passed 5-0

Carol Wood moved and Ray Pierson seconded a motion to adjourn to regular session at 4:07 p.m. Passed 5-0

Karen Krug moved and Raul Huerta seconded a motion to adjourn the meeting at 4:08 p.m. Passed 5-0

Submitted by:

Approved by:

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Katie Habegger, Vice President

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Richard Hilfer, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
March 16, 2017  
3:00 PM

**President Richard Hilfer called the meeting to order at 3:02 p.m.**

**Welcome**

**In Attendance:** Richard Hilfer, Katie Habegger, Leslie Fellner, Karen Krug, Carol Wood, Raul Huerta and Ray Pierson

**Action on Minutes:** Leslie Fellner moved and Katie Habegger seconded to approve the minutes of the Regular Board Meeting February 16, 2017, Special Board Meeting March 1, 2017 and Special Board Meeting March 7, 2017. Passed- 6/0

**Membership Report:** Leslie Fellner

Liam Carmody purchased lot 14 on Huckleberry from Teresa Thomas-Killeen  
Dale Koenig purchased 81 Alder from Widad Willey  
Chuck & Christine Rogers purchased 170 N Palmer from Richard & Karen Woodcock

**Treasurer's Report:** Karen Krug

As of February 28, 2017

A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.

NOTE: A page of the January Treasurer's Report was inadvertently left out of the material published in the March 2017 newsletter. That page compared the published December 2016 financial statements with those actual sent to the auditors. The major difference in the two versions is the inclusion, for audit purposes, of depreciation. A copy of that missing page is available in the office.

**2016 AUDIT**

The 2016 fiscal audit has been completed and is in draft form. Once the entire Board has reviewed and accepted the audit, representation letters, tax return and report on internal control, a final copy of the audited financial statements will be issued. A separate narrative and a comparison to the prior year's audit is included as the last two pages of this report.

**FEBRUARY 2017 BALANCE SHEET COMMENTS**

All bank accounts have been reconciled and the bank statements reviewed. No bank exceeds the FDIC/NCUA limits.

In general, comparing this year's balance sheet with the same period last year yields favorable results. Cash positions are strong, receivables are moving in the proper direction and the increase in net fixed assets is mostly the result of the pool dehumidification system and the new work truck. Payables are a bit higher than at this time last year but not high enough to be of concern.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
March 16, 2017  
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FEBRUARY 2017 OVERALL OPERATING COMMENTS

Overall operations, i.e.: all three cost centers, are performing about 3% better than the budget predicted and are virtually identical to this time last year. Timing issues between budget and actual, mostly in repairs and labor are primarily responsible for the positive outcomes.

In the case of the marina, the favorable results due to expense timing differences are partially offset by the underperformance in the main sources of Marina revenue, moorage and parking. There could be some improvement in these revenues in the next month or two.

In February, Cape George was able to sell a boat. The boat became the property of the corporation as a result of legal settlement of a debt. The proceeds of the sale have been credited to Marina operating revenues. The hard work by Marina volunteers in preparing the boat for sale resulted in the boat selling for double of the original debt.

CAPE GEORGE COLONY CLUB							
<i>Balance Sheet as of February 28, 2017 and February 29, 2016</i>							
Assets	2017	2016		Liabilities and Fund Balances	2017	2016	
Cash and Cash Equivalents:				Current Liabilities:			
Operations Checking	\$ 219,789	\$ 235,096		Accounts Payable & Other Liabilities	\$ 21,708	\$ 18,861	
Operating Investment-Savings	88,271	70,071		Unearned Income General/Water/Etc.	66,275	63,363	
Petty Cash (2 accounts)	600	600		Unearned Income Reserve Assemnt	16,884	15,728	
Reserves - General, Water & Marina	693,630	606,238		Unearned Income Marina Wait List	1,300	1,050	
Special Assmnts(Berm/Sseawall)	-	7,412		Due to General Reserve (Loan)	-	2,323	
Routine Reserve Assessment	46,563	44,523		Total Current Liabilities	106,167	101,325	
Total Cash & Equivalents	1,048,853	963,939					
				-	-	-	
Net Accounts Receivable	4,550	5,534		-	-	-	
Due from S. Seawall Reserve (Loan)	-	2,323					
Net SpclAssmnts Receivalbe	879	893		FUND BALANCES:			
Total Net Fixed Assets	1,836,622	1,762,432		Fund Balances (Combined	2,654,252	2,502,444	
Total Prepaid & Other Assets	14,922	14,508		Modified Cash Basis CY Income	145,407	145,860	
<b>TOTAL ASSETS</b>	<b>\$2,905,826</b>	<b>\$2,749,629</b>		<b>Total Liabilities and Fund Balance</b>	<b>\$2,905,826</b>	<b>\$2,749,629</b>	

**CAPE GEORGE COLONY CLUB**  
**BOARD OF TRUSTEES MEETING**  
**March 16, 2017**  
**3:00 PM**

Summary Revenue and Expense Statements for the periods ended February 28, 2017 and February 29, 2016 respectively									
2017 Year to Date					COMPARATIVE				
	Actual	Budget	Variance	%		2017 YTD	2015 YTD	Variance	%
General Assessment	\$ 71,602	\$ 71,602	-	0%	General Assessment	\$ 71,602	\$ 71,602	\$ -	0%
Revenue - All Other Sources	2,098	1,630	468	29%	Revenue - All Other Sources	2,098	2,355	(257)	-11%
Total General Revenue	73,700	73,232	468		Total General Revenue	73,700	73,957	(257)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	20,577	23,704	3,127	13%	Salaries, Benefits, PR Tax	20,577	20,166	(411)	-2%
Repairs & Maintenance	1,772	3,569	1,797	50%	Repairs & Maintenance	1,772	2,098	326	16%
Contracted Services	3,427	5,257	1,830	35%	Contracted Services	3,427	7,355	3,928	53%
Insurance	3,143	3,255	112	3%	Insurance	3,143	3,133	(10)	0%
Pool Expense	6,234	3,583	(2,651)	-74%	Pool Expense	6,234	2,424	(3,810)	-157%
Other Expenses (incl taxes)	5,202	4,360	(842)	-19%	Other Expenses (incl taxes)	5,202	2,826	(2,376)	-84%
Total General Expenses	40,355	43,728	6,866		Total General Expenses	40,355	38,002	3,833	
General Net Income	\$ 33,345	\$ 29,504	\$ 3,841	13%	General Net Income	\$ 33,345	\$ 35,955	\$ (2,610)	-7%
Water					Water				
Revenue - Water Use Fees	\$ 46,530	\$ 46,530	\$ -	0%	Revenue - Water Use Fees	\$ 46,530	\$ 45,990	\$ 540	1%
Revenue - All Other Sources	2,635	2,000	635	32%	Revenue - All Other Sources	2,635	2,305	330	14%
Total Water Revenue	49,165	48,530	635		Total Water Revenue	49,165	48,295	870	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	9,602	10,669	1,067	10%	Salaries, Benefits, PR Tax	9,602	9,350	(252)	-3%
Repairs & Maintenance	1,243	2,398	1,155	48%	Repairs & Maintenance	1,243	70	(1,173)	-1676%
Contracted Services	2,196	3,026	830	27%	Contracted Services	2,196	3,522	1,326	38%
Insurance	1,612	1,669	57	3%	Insurance	1,612	1,644	32	2%
Other Expenses (incl taxes)	7,191	8,139	948	12%	Other Expenses (incl taxes)	7,191	7,459	268	4%
Total Water Expenses	21,844	25,901	4,057		Total Water Expenses	21,844	22,045	201	
Water Net Income	\$ 27,321	\$ 22,629	\$ 4,692	21%	Water Net Income	\$ 27,321	\$ 26,250	\$ 1,071	4%
Marina					Marina				
Revenue - Moorage/Parking	\$ 50,794	\$ 55,500	\$ (4,706)	-8%	Revenue - Moorage/Parking	\$ 50,794	\$ 52,387	\$ (1,593)	-3%
Revenue - All Other Sources	9,712	10,230	\$ (518)	-5%	Revenue - All Other Sources	9,712	7,723	1,989	26%
Total Marina Revenue	60,506	65,730	(5,224)		Total Marina Revenue	60,506	60,110	396	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	2,314	2,501	187	7%	Salaries, Benefits, PR Tax	2,314	2,080	(234)	-11%
Repairs & Maintenance	195	1,375	1,180	86%	Repairs & Maintenance	195	768	573	75%
Contracted Services	433	942	509	54%	Contracted Services	433	684	251	37%
Insurance	1,122	1,076	(46)	-4%	Insurance	1,122	1,010	(112)	-11%
Other Expenses (incl taxes)	2,300	1,759	(541)	-31%	Other Expenses (incl taxes)	2,300	2,048	(252)	-12%
Total Marina Expenses	6,364	7,653	1,289		Total Marina Expenses	6,364	6,590	226	
Routine Reserve	30,452	30,452	-		Routine Reserve	30,452	29,790	662	
Spcl Assmnt Income/(Exp)	54	-	54		Spcl Assmnt Income/(Exp)	54	258	(204)	
Reserve Interest - all	93	11	82		Reserve Interest - all	93	85	8	
Cmbnd Net Income/(Loss)**	\$ 145,407	\$ 140,672	\$ 4,734	3%	Cmbnd Net Income/(Loss)**	\$ 145,406	\$ 145,860	\$ (451)	0%



CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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**TREASURER'S REPORT**  
**Fiscal Year 2016 Audit**  
**CAPE GEORGE COLONY CLUB**

The 2016 financial audit by Cagianut and Company (C&C) has concluded and a clean, or unqualified, audit opinion has been issued. The auditor's recommended five adjustments with most routine in nature and only one have bottom line impact.

The adjustment impacting the bottom line is to recognize the remaining portion of the 2016 Federal Income tax liability. The total 2016 Federal income tax is \$2,238 and about \$1,200 of that amount had not been recognized prior to audit.

Comparative Balance Sheets:

The balance sheet comparison shows little change from the prior year. The three reserve balances show a \$65,000 increase and this is after the expenditures for the pool dehumidification and several other projects. Net fixed assets also show an increase and that too is due to the projects that drew from reserves. Unearned income has declined since the prior year meaning that fewer Members prepaid their assessments for the upcoming year. The 2016 unearned income from prepaid general assessments and water fees comprises about \$78,000 of the balance in the operations checking account.

Comparative Revenue and Expense Statements (next page):

Despite some noticeable changes in individual line items, the bottom line for the individual revenue and expense statements show very little difference when comparing 2016 and 2015. Differences in labor in all cost centers was mostly the result of budget approved rate increases. Overall results were about 3% better than the prior year.

General operations in total were nearly identical year-over-year. Due to budgeted maintenance projects and an unbudgeted increase to electrical expense, pool expenses were 70% higher than the prior year. This difference was mostly offset by lower repair and maintenance costs in other areas like buildings and road. No maintenance was deferred during 2016 but rather maintenance to the level budgeted was not necessary.

Water operations exhibited a bit more variation year-over-year with only a 3% overall decrease. Water revenue was higher due in part to the addition of five new water connections. These new connections were also responsible for some of the increase in supplies as additional water meters were added to ensure stock on hand. Contract services are higher than last year but this was a budgeted increase.

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Marina operations show the biggest change between 2016 and 2015. Marina revenues were down slightly and overall expenses were up. Contracted services were higher than the previous year but consulting studies in this line item were budgeted and actual expenditures were lower than the 2016 budget. Dredging costs were lower than the prior year as it was determined that additional rock was not necessary in 2016.

A separate memo dated March 11, 2017 contains the recommendations for the final 2016 transfer of excess operating cash.

*Summarized comparative audit information in the Cape George format is presented below and on the following page. Detailed audited statements will be available in the office after March 20, 2017.*

<b>Audited Balance Sheets for the years ended December 31 (Cape George Format)</b>					
<b>Assets</b>	<b>2016</b>	<b>2015</b>	<b>Liabilities and Fund Balances</b>	<b>2016</b>	<b>2015</b>
Cash and Cash Equivalents:			Current Liabilities:		
Operations Checking	\$ 126,964	\$ 147,964	Accounts Payable & Other Liabilities	\$ 23,487	\$ 25,301
Operating Investment-Savings	88,249	70,066	Unearned Income General/Water	77,679	91,145
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assemnt	14,608	21,199
Reserves - General, Water, Marina	699,145	635,242	Unearned Income Marina Wait List	1,000	1,300
Special Assmnts(Berm/SSewall)	-	7,337	Due to General Reserve (S Seawall)	-	2,323
Routine Reserve Assessment	14,657	20,842	Due To Operations	5,283	2,992
Total Cash & Equivalents	929,615	882,051	Total Current Liabilities	122,057	144,260
Net Accounts Receivable	691	1,940			
Total Net Fixed Assets	1,818,723	1,737,106			
Total Prepaid & Other Assets	20,799	20,292	<b>FUND BALANCES:</b>		
Due from S. Seawall Reserve	-	2,323	Fund Balances (Combined)	2,507,695	2,360,256
Due from Reserves**	5,283	2,992	Net Income after Depreciation	145,359	142,188
<b>TOTAL ASSETS</b>	<b>\$2,775,111</b>	<b>\$2,646,704</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$2,775,111</b>	<b>\$2,646,704</b>

\*\* Although not technically an audit adjustment, an entry to move \$323 from general operations to the general reserve is being made in March 2017. This minor adjustment will tie internal reconciliations to the funds flow in the audit report. An internal memo dated January 10, 2016 discussing 2015 reserve transactions shows a similar amount as a variance in the then new routine reserve assessment reconciliation.

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CAPE GEORGE COLONY CLUB				
<i>Audited Results for the years ended December 31 (Cape George Format)</i>				
	2,016	2,015	Variance	%
General Assessment	\$ 286,408	\$ 286,408	-	0%
Revenue - All Other Sources	27,540	22,132	5,408	24%
Total General Revenue	313,948	308,540	5,408	2%
Expenses:				
Salaries, Benefits, PR Tax	137,809	131,930	(5,879)	-4%
Repairs & Maintenance	8,066	17,871	9,805	55%
Contracted Services	36,203	37,310	1,107	3%
Insurance	18,686	20,468	1,782	9%
Pool Expense	24,444	14,307	(10,137)	-71%
Supplies & Small Tools	10,974	11,844	870	7%
Utilities	8,645	9,204	559	6%
Other Expenses and Taxes	9,394	5,565	(3,829)	-69%
Total General Expenses	254,221	248,499	6,815	-2%
<b>General Net Income</b>	<b>\$ 59,727</b>	<b>\$ 60,041</b>	<b>\$ (314)</b>	<b>-1%</b>
<b>Water</b>				
Revenue - Water Use Fees	\$ 185,130	\$ 183,960	\$ 1,170	0%
Revenue - All Other Sources	7,263	3,254	4,009	123%
Total Water Revenue	192,393	187,214	5,179	3%
Expenses:				
Salaries, Benefits, PR Tax	62,153	59,986	(2,167)	-4%
Repairs & Maintenance	3,937	6,463	2,526	39%
Contracted Services	17,141	14,274	(2,867)	-20%
Insurance	9,807	10,901	1,094	10%
Supplies & Small Tools	11,500	8,585	(2,915)	-34%
Utilities	11,060	11,862	802	7%
Other Expenses (incl taxes)	14,779	11,087	(3,692)	-33%
Total Water Expenses	130,377	123,158	(7,219)	-6%
<b>Water Net Income</b>	<b>\$ 62,016</b>	<b>\$ 64,056</b>	<b>(2,040)</b>	<b>-3%</b>

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<b><u>Marina</u></b>				
Revenue - Moorage/Parking	\$ 55,345	\$ 56,064	\$ (719)	-1%
Revenue - All Other Sources	9,804	10,066	\$ (262)	-3%
Total Marina Revenue	65,149	66,130	(981)	-1%
Expenses:				
Salaries, Benefits, PR Tax	13,522	13,079	(443)	-3%
Repairs & Maintenance	14,392	17,992	3,600	20%
Contracted Services	6,623	2,128	(4,495)	-211%
Insurance	6,024	6,044	20	0%
Supplies & Small Tools	2,298	1,766	(532)	-30%
Utilities	5,152	5,164	12	0%
Other Expenses (incl taxes)	2,606	1,024	(1,582)	-154%
Total Marina Expenses	50,617	47,197	(3,420)	-7%
<b>Marina Net Income</b>	<b>\$ 14,532</b>	<b>\$ 18,933</b>	<b>(4,401)</b>	<b>-23%</b>
<b><u>Reserves</u></b>				
Reserve Assessment	119,160	119,160	-	0%
Interest & Project Costs	584	(12,727)	(13,311)	105%
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 256,019</b>	<b>\$ 249,463</b>	<b>(6,556)</b>	<b>3%</b>
<i>Less: Depreciation Expense</i>	<i>110,660</i>	<i>107,275</i>	<i>(3,385)</i>	<i>-3%</i>
<b>Net Income/(Loss) after Dprn.</b>	<b>\$145,359</b>	<b>\$142,188</b>	<b>(\$3,171)</b>	<b>-2%</b>

**Manager's Report:** Art Burke

The Workshop drainage rehabilitation project has been completed by Shold Construction. We are waiting for a stretch of dry weather to undertake some concrete replacement. Everything went according to plans and we are looking forward to the first heavy rain event to see how it operates.

I met with two representatives from the PUD concerning the placement of an electric utility device at the entrance to the Highlands. After reviewing the location and discussing they indicated that they would be sending a detailed description of the project to be included in the Study Session packet for review by the Board of Trustees.

The Clubhouse flooring replacement project has been completed. Although there were some challenges in dealing with the transition between where the carpet and tile were, the installers did a great job of working through the problem. The end result is fantastic. Special thanks to Mary Hilfer, Norma Lupkes, Laurie Owen and Terri Brown for all of their additional assistance in tearing the rooms down, painting, cleaning and putting things back together at the end of the project.

A member had a medical emergency and struck the side of the office with his car. The damages were minor and I am working with the claims department from their insurance company to have repairs completed.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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Projects being worked on by the Office Administrator:

- Working with manager on identifying procedures to change bank signatories.

Projects being worked on by the Caretaker:

- Window sill and frame repairs continue at the pool.

I have received the following reports/complaints over the past month:

- Report of a telephone and cable being cut in the Village.

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Water and Pool.

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

**Information Items:**

- A. The Trustees have listed the job announcement for the manager position in additional locations and are reviewing resumes.
- B. The Trustees reviewed a site plan proposal from Jefferson County PUD for the installation of a regulator bank just south of the entrance to the Highlands.
- C. Discussions concerning the review of proposals from reserve consultants will be deferred to the April Study Session.
- D. The Trustees are developing a transition plan to cover the responsibilities of the manager in the event a replacement is not found prior to his departure.

**Member participation:** None

**New Business Action Items:**

**Motion 1:** Leslie Fellner moved and Carol Wood seconded to transfer \$4,192.82 from Marina Reserves Account to General Checking Account, to pay Kadco USA for the Dock Float Replacement Project, which was listed in the member approved budget. Passed - 6/0

**Motion 2:** Carol Wood moved and Katie Habegger seconded to approve Resolution 3/02/17 to transfer \$11,688.69 from General Reserves to Operations Checking for Clubhouse Floor Replacement Project, Strait Floors \$11,520.74, Henery Hardware \$39.33, Arrow Lumber \$128.62. Passed – 6/0

**Motion 3:** Karen Krug moved and Leslie Fellner seconded to accept the three Representation letters from the 2016 audit. Passed – 6/0

**Motion 4:** Karen Krug moved and Carol Wood seconded to approve the 2016 financial statements audit and included report of internal control. Passed – 6/0

**Motion 5:** Karen Krug moved and Richard Hilfer seconded to approve the 2016 Federal income tax return, form 1120-H prepared by Cagianut & Company. Passed – 6/0

**Motion 6:** Katie Habegger moved and Leslie Fellner seconded to approve entering into a lease agreement with FP Mailing Solutions, for the Optimail 30 postage machine. Passed –6/0

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**Motion 7:** Ricard Hilfer moved and Ray Pierson seconded to approve a member request for a refund of a credit balance. Passed – 6/0

**Motion 8:** Raul Huerta moved and Karen Krug seconded to appoint Karen Krug as Board liaison to the Water Committee and Ray Pierson as member of the Building Committee. Passed – 6/0

**Motion 9:** Karen Krug moved and Carol Wood seconded to remove manager Art Burke as signer on all corporate accounts effective March 23, 2017. Passed – 6/0

**Motion 10:** Karen Krug moved and Ray Pierson seconded to transfer \$323.08 from General Operations Cash to General Reserves to reconcile the result of audit. Passed - 6/0

**Motion 11:** Karen Krug moved and Leslie Fellner seconded to approve final 2016 excess operating cash transfer to reserves as detailed by Treasurer in her March 11, 2017 memo. Passed – 6/0

**Open Board Discussion:** In anticipation of Art's last day of employment it was decided the trustees should meet on Monday, March 20<sup>th</sup> in the CG office for some education on current projects and procedures.

Art participated in his last Board meeting today. President, Richard Hilfer toasted on behalf of the board and community, a huge "Thank you" in appreciation for all Art has done for us.

**Announcements:**

- A. Study Session – April 11, 2017 3:00 P.M.
- B. Board Meeting – April 13, 2017 3:00 P.M.

**Adjournment:** Karen Krug moved and Ray Pierson seconded to adjourn the regular session at 3:55 pm. and immediately go into Executive Session. Passed – 6/0

Carol Wood moved and Leslie Fellner seconded to adjourn the Executive Session and resume the Regular Board Meeting: at 4:30 pm. Passed – 6/0

Carol Wood moved and Leslie Fellner seconded to adjourn the regular session at 4:30 pm. Passed – 6/0

**Submitted by:**

**Approved by:**

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Leslie Fellner, Secretary

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Richard Hilfer, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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March 15, 2017

To: Trustees  
From: Art Burke  
Re: Bank Signatories

Trustees, below you will find an updated listing of bank accounts and signatories for your approval.

**Chase Bank**

XXXXXX9928	Checking Account	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,
XXXXXX1366	Checking Account	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,
XXXXXX5161	Savings Account	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,

**Kitsap Bank**

XXXXXX9111	Checking Account	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,
XXXXXX9120	Savings Account	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,

**Peninsula Credit Union**

XXXXXX8414	Main Share Account	Richard Hilfer, Kathleen Habegger, Karen Krug,
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**Wells Fargo Bank**

XXXXXX5374	Savings Account	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,
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**1st Security Bank**

XXXXXX8630	Money Market	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,
XXXXXX7070	Money Market	Richard Hilfer, Kathleen Habegger, Leslie Fellner, Karen Krug,



CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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**Committee reports:**

**CAPE GEORGE POOL COMMITTEE MEETING NOTES**  
**CG Clubhouse – Feb 9, 2017**

**ATTENDEES:**

Art Burke	Robin Scherting
Rocky D'Acquisto – Chair	Mary Hilfer
Norma Lupkes	Penny Jensen
Ruth Asare	

**NOTES:**

The current Pool Committee Treasury amount is \$3800. *These funds are not a part of Cape George Colony Club Homeowner's Association.*

The temperature of the water was again discussed. Efforts have been made by maintenance to keep the temperature between 84-85 degrees and a new digital thermometer is being used daily. That temperature is then posted on a white board outside the double doors near the entrance. Pool users have been appreciative of the efforts to keep the water warmer.

The PUD notified the Colony that for the last several years the charge for electrical service at the pool has been incorrectly calculated. This likely dates back to when the single phase service was upgraded. The error is based on a "multiplier" that is used for some meter connections. The Board moved to pay the entire billed amount.

The possibility of nude swimming being allowed in the pool was again discussed. The issue was passed to the Board to poll the resident membership for their feedback which has been done and results will be addressed at the next Board meeting. Penny Jensen has a petition which she will present at that meeting as well.

Norma will contact the Emergency Prep Committee to coordinate their co-hosting of the St Pat's event which will be a Baked Potato Bar on Mar 18.

Art has proposed that replacement benches with stainless steel supports would be the best option for the humid pool environment and will contact the shop to see if that can be done. The pool committee funds would be used to pay for the benches.

The work on the pool room windows has begun in the deep end area with painted wooden frames. The outside trim matches the windows around the exercise room.

Respectfully submitted, Norma J. Lupkes



CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
March 16, 2017  
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**CAPE GEORGE WATER ADVISORY COMMITTEE  
MEETING REPORT, MARCH 7, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Art Burke, Manager; Karen Krug, sub for Ray Pierson, Board Liaison; Larry Southwick, Committee Chair; and members Stewart Pugh, Scott James, and Thad Bickling.

1. Art reported that they had a leak in the pump house piping. Donnie was able to isolate and repair it without having to shut the system down. He also reported that they had a water service call where the owner couldn't get any water in the house. It turned out that the pressure reducing valve (PRV) had failed and closed entirely. The owners had to call a plumber to resolve it.
2. Scott asked about the location of the water main on Huckleberry and wondered if it might have a leak that is affecting a settlement area in the pavement. Art said they have been having some leaks from failed service saddles.
3. Stew reported on the monthly meter read and leak report that we just received yesterday. He subsequently sent an email summarizing: 21 leaks reported, none very serious; 53 reported no usage at all; and 91 measured less than 30 gpd average.
4. Art reported that we will add three new water connections in the near future.
5. We talked about water operations after Art leaves at the end of the month until a new manager is on the job. Donnie has full operational control and can call on Greg Rae at any time if needed. Larry said he could be added to the call list if needed for backup. Administration will be handled by Terri with the Board as backup.

The next meeting will be on **April 4, 2017 at 5 pm at the Office.**

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
March 20, 2017  
10.00 AM

The Special Board of Trustees Meeting was called to order by President, Richard Hilfer, at 10:05 am in the Cape George Office Meeting Room.

Trustees present: Richard Hilfer, Katie Habegger, Karen Krug, Ray Pierson, Raul Huerta, Leslie Fellner and Carol Wood

The purpose of the meeting was board training with the manager.

Carol Wood moved and Ray Pierson seconded to move into Executive Session to discuss personnel matters at 11:05 am. Passed 6/0

Raul Huerta moved and Carol Wood seconded a motion to adjourn to regular session at 11:48 am. Passed – 6/0

Karen Krug moved and Ray Pierson seconded to offer the manager position to candidate interviewed. Passed- 6/0

Raul Huerta moved and Ray Pierson seconded a motion to adjourn the meeting at 11:49 am  
Passed - 6/0

Submitted by:

Approved by:

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Leslie Fellner, Secretary

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Richard Hilfer, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
April 13, 2017  
3:00 PM

**President Richard Hilfer called the meeting to order at 3:07 p.m.**

Welcome

An Executive Session is scheduled to immediately follow the Board Meeting for the purpose of discussing a legal issue and a personnel issue.

**In Attendance:** Richard Hilfer, Katie Habegger, Leslie Fellner, Ray Pierson, Carol Wood, Raul Huerta and Karen Krug.

**Action on Minutes:** Leslie Fellner moved and Ray Pierson seconded to approve the minutes of the Regular Board Meeting March 16, 2017 and Special Meeting on March 20, 2017. Passed 5/0/0

**Membership Report:** Leslie Fellner

Elizabeth Shapiro purchased 191 Maple Dr from William Will & Rebecca Johanson

**Treasurer's Report:** Karen Krug

As of March 31, 2017

A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.

#### 2016 AUDIT

The final copy of the 2016 audit will be posted on the Cape George website after April 14, 2017. A copy of the audit can also be viewed in the Cape George office.

#### MARCH 2017 BALANCE SHEET COMMENTS

All bank accounts have been reconciled and the bank statements reviewed. At the end of the month one bank was over the FDIC limit by about \$5,500. This will be corrected before the end of April. Over the next several months Cape George will be looking for additional banking relationships to help ensure all accounts stay easily within FDIC/NCUA limits.

When comparing this year's balance sheet with the same period last year overall results are favorable. Cash positions are stronger than the prior year and prepayments nearly identical to this time last year. Net receivables are lower due in part to the more assertive collection practices. The change in net fixed assets from year to year is mostly the result of the installation of the pool dehumidification system.

Payables are slightly higher than at this time last year and nearly all the increase can be traced to the higher PUD pool utility invoices.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
April 13, 2017  
3:00 PM

MARCH 2017 OVERALL OPERATING COMMENTS

On a year-to-date basis overall operations are underperforming the overall budget. Performance is also unfavorable when compared to this time last year. Since it is very early in the year the underperforming cost centers are not of great concern but expenditures do need to be carefully monitored through the remainder of the year.

GENERAL OPERATIONS

General operations are currently \$2,000 below their March 31 budget target. While many line items vary from their budgets, both favorable and unfavorable, the two having the biggest impact are recruitment costs and pool expenses.

Recruitment for a new manager resulted in about \$3,800 of costs not budgeted. These costs included the cost of placing local and national ads and interview expenses, including criminal and financial background checks, for the four final candidates.

Pool expenses are exceeding their budget due to the increase in pool utilities. This increase first came to light in December of last year and will be responsible for a variance of between \$1,000 and \$1,400 per month in pool electrical costs. In addition, propane costs are higher due to the colder weather. It is expected that the new dehumidification system will lower the heating costs but it will take about a year to determine the real benefit of the drier air.

WATER OPERATIONS

Operations in the water cost center are producing results that are very favorable to the budget. There are small seasonal variances in some line items but nothing that stands out as problematic.

This year a major tank cleaning has been scheduled for later in the at an estimated cost of \$9,500 but the budget was split evenly across the 12 months so there will be some timing differences through the year.

MARINA OPERATIONS

The underperformance in the marina is mostly due to lower than budget revenue. Eighty percent (80%) of the marina's annual revenue is generated in parking and moorage fees and most of this is generated during the first two months of the year. This line item is \$4,850 behind where it was projected to be by the end of March. There are generally a few additions to either the boat basin or the parking lot as the year progresses so it is possible this variance will be reduced as the year goes on.

The income from the sale of the boat, less about \$100 in advertising costs, has been credited to marina revenues.

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<b>Balance Sheet as of March 31, 2017 and 2016</b>						
<b>Assets</b>	<b>2017</b>	<b>2016</b>		<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>
Cash and Cash Equivalents:				Current Liabilities:		
Operations Checking	\$ 148,995	\$ 235,746		Accounts Payable & Other Liabilities	\$ 13,150	\$ 11,892
Operating Investment-Savings	98,282	70,074		Unearned Income General/Water/Etc.	87,319	87,282
Petty Cash (2 accounts)	600	600		Unearned Income Reserve Assemnt	22,153	21,848
Reserves - General, Water & Marina	711,861	597,016		Unearned Income Marina Wait List	1,300	1,050
Special Assmnts(Berm/Sseawall)	-	4,938		Due to General Reserve (Loan)	-	2,323
Routine Reserve Assessment	52,662	51,314		Total Current Liabilities	123,922	124,395
Total Cash & Equivalents	1,012,400	959,687				
				-	-	-
Net Accounts Receivable	1,850	4,142		-	-	-
Due from S. Seawall Reserve (Loan)	-	2,323				
Reserve Assmnts Receivable	376	225		<b>FUND BALANCES:</b>		
Total Net Fixed Assets	1,851,149	1,762,472		Fund Balances (Combined)	2,653,054	2,502,444
Total Prepaid & Other Assets	11,983	11,612		Modified Cash Basis CY Income	100,782	113,622
<b>TOTAL ASSETS</b>	<b>\$2,877,758</b>	<b>\$2,740,461</b>		<b>Total Liabilities and Fund Balance</b>	<b>\$2,877,758</b>	<b>\$2,740,461</b>

**Summary Revenue and Expense Statements for the periods ended March 31, 2017 and 2016 respectively**

<b>2017 Year to Date</b>					<b>COMPARATIVE</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>%</b>		<b>2017 YTD</b>	<b>2016 YTD</b>	<b>Variance</b>	<b>%</b>
General Assessment	\$ 71,602	\$ 71,602	-	0%	General Assessment	\$ 71,602	\$ 71,602	\$ -	0%
Revenue - All Other Sources	3,225	2,445	780	32%	Revenue - All Other Sources	3,225	3,254	(29)	-1%
Total General Revenue	74,827	74,047	780		Total General Revenue	74,827	74,856	(29)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	32,080	35,556	3,476	10%	Salaries, Benefits, PR Tax	32,080	31,172	(908)	-3%
Repairs & Maintenance	3,018	5,354	2,336	44%	Repairs & Maintenance	3,018	3,673	655	18%
Contracted Services	8,034	7,886	(148)	-2%	Contracted Services	8,034	9,557	1,523	16%
Insurance	4,715	4,882	167	3%	Insurance	4,715	4,699	(16)	0%
Pool Expense	11,365	5,375	(5,990)	-111%	Pool Expense	11,365	4,906	(6,459)	-132%
Other Expenses (incl taxes)	9,410	6,739	(2,671)	-40%	Other Expenses (incl taxes)	9,410	7,655	(1,755)	-23%
Total General Expenses	68,622	65,792	5,831		Total General Expenses	68,622	61,662	1,254	
<b>General Net Income</b>	<b>\$ 6,205</b>	<b>\$ 8,255</b>	<b>\$ (2,050)</b>	<b>-25%</b>	<b>General Net Income</b>	<b>\$ 6,205</b>	<b>\$ 13,194</b>	<b>\$ (6,989)</b>	<b>-53%</b>

<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 46,530	\$ 46,530	\$ -	0%	Revenue - Water Use Fees	\$ 46,530	\$ 45,990	\$ 540	1%
Revenue - All Other Sources	3,605	2,000	1,605	80%	Revenue - All Other Sources	3,605	3,275	330	10%
Total Water Revenue	50,135	48,530	1,605		Total Water Revenue	50,135	49,265	870	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	14,896	16,003	1,107	7%	Salaries, Benefits, PR Tax	14,896	14,272	(624)	-4%
Repairs & Maintenance	1,684	3,596	1,912	53%	Repairs & Maintenance	1,684	131	(1,553)	-1185%
Contracted Services	4,957	4,540	(417)	-9%	Contracted Services	4,957	4,944	(13)	0%
Insurance	2,418	2,504	86	3%	Insurance	2,418	2,466	48	2%
Other Expenses (incl taxes)	8,547	10,609	2,062	19%	Other Expenses(incl taxes)	8,547	9,310	763	8%
Total Water Expenses	32,502	37,252	4,750		Total Water Expenses	32,502	31,123	(1,379)	
<b>Water Net Income</b>	<b>\$ 17,633</b>	<b>\$ 11,278</b>	<b>\$ 6,355</b>	<b>56%</b>	<b>Water Net Income</b>	<b>\$ 17,633</b>	<b>\$ 18,142</b>	<b>\$ (509)</b>	<b>-3%</b>

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Marina					Marina				
Revenue - Moorage/Parking	\$ 50,650	\$ 55,500	\$ (4,850)	-9%	Revenue - Moorage/Parking	\$ 50,650	\$ 53,329	\$ (2,679)	-5%
Revenue - All Other Sources	9,994	10,543	\$ (549)	-5%	Revenue - All Other Sources	9,994	8,053	1,941	24%
Total Marina Revenue	60,644	66,043	(5,399)		Total Marina Revenue	60,644	61,382	(738)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	3,639	3,751	112	3%	Salaries, Benefits, PR Tax	3,639	3,146	(493)	-16%
Repairs & Maintenance	2,031	2,063	32	2%	Repairs & Maintenance	2,031	795	(1,236)	-155%
Contracted Services	1,242	1,412	170	12%	Contracted Services	1,242	804	(438)	-54%
Insurance	1,683	1,614	(69)	-4%	Insurance	1,683	1,514	(169)	-11%
Other Expenses (incl taxes)	3,713	2,565	(1,148)	-45%	Other Expenses(incl taxes)	3,713	3,093	(620)	-20%
Total Marina Expenses	12,308	11,405	(903)		Total Marina Expenses	12,308	9,352	(2,956)	
Marina Net Income	\$ 48,336	\$ 54,638	\$ (6,302)	-12%	Marina Net Income	\$ 48,336	\$ 52,030	\$ (3,694)	-7%
Routine Reserve	30,452	30,452	-		Routine Reserve	30,452	29,790	662	
Assmnt Income/(Exp)	(1,993)	-	(1,993)		Spcl Assmnt Income/(Exp)	(1,993)	333	(2,326)	
Reserve Interest - all	149	16	133		Reserve Interest - all	149	131	18	
Cmbnd Net Income/(Loss)**	\$ 100,782	\$ 104,639	\$ (3,857)	-4%	Cmbnd Net Income/(Loss)**	\$ 100,781	\$ 113,622	\$ (12,838)	-11%
**Modified Cash Basis, Excludes Depreciation					KCK 06/10/15				

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I am aware of the following recent complaints / concerns /reports over the past month:

- Clogged toilets in the pool changing rooms.
- Personal care items that don't belong in the pool are getting into the pool filters which is unsanitary and can be costly if repairs are needed
- Clubhouse furniture is soiled and in need of cleaning (to be scheduled)
- A vacant home in the village has trash piling up around the yard.

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Environmental, Water, and two from Marina.

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

**Information Items:**

- A. A request by Cathy & Paul Tibert, 175 Bridal Way, to build a storage shed prior to construction of their home has been deferred until an approved building permit has been received.
- B. The Clubhouse flooring project has been completed.
- C. Review of a proposed 3 year HVAC maintenance agreement was deferred until next month to gather more information and additional bids.
- D. A member request concerning the debris being found in and around the pool was referred to the Pool Committee for consideration.

**Member participation:** Concern over the effectiveness of the cleaning service has been expressed by several members. The manager will meet with the service provider to discuss our current level of service.

Members on the Fabric Arts group asked that Board meeting be moved to 4 pm to accommodate their meeting. Sharon Mitchel and Leslie Fellner will respond.

**New Business Action Items:**

**Motion 1:** Carol Wood moved and Katie Habegger seconded to approve the height variance requested by Cathy & Paul Tibert, 175 Bridal Way, to build a home up to 26' –Passed 6/0

**Motion 2:** Leslie Fellner moved and Carol Wood seconded to approve Resolution 4/6/17 to transfer \$13,711.46 from General Reserves to Operations Checking for Clubhouse Floor Replacement Project, Strait Floors, \$13,684.31 and Henery Hardware \$27.15. – Passed 6/0

**Motion 3:** Karen Krug moved and Leslie Fellner seconded to add Manager, Sharon Mitchel, to the updated corporate account signatory list effective 4/10/17. – Passed 6/0

**Motion 4:** Richard Hilfer moved and Katie Habegger seconded to designate Manager, Sharon Mitchel, as Registered Agent at WA State Secretary of State's Office. – Passed 6/0



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**Motion 5:** Katie Habegger moved and Karen Krug seconded to approve corrective action plan in response to Internal Control Report from 2016 Audit – Passed 6/0

**Motion 6:** Carol Wood moved and Katie Habegger seconded to approve Resolution 4/5/17 to transfer \$2,047.00 from General Reserves to Operations Checking for Fitness Room Equipment Replacement, One Shot Fitness, LLC \$2,047.00 –Passed 6/0

**Motion 7:** Karen Krug moved and Carol Wood seconded, based on the discussion at the 4/11/17 Study Session to purchase a ½ ton truck to replace current 1999 Ford Ranger pickup truck, the cost not to exceed, \$16,600. – Passed 6/0

**Motion 8:** Katie Habegger moved and Leslie Fellner seconded to move forward in negotiations with Reserve Consultants, LLC as our new Reserve Consultant –Passed 6/0

**Motion 9:** Carol Wood moved and Ray Pierson seconded to approve 9 due date adjustments for 8 members – Passed 6/0

**Open Board Discussion:** none

**Announcements:**

- A. Study Session – May 9, 2017 3:00 P.M.
- B. Board Meeting – May 11, 2017 3:00 P.M.

**Adjournment:** Ray Pierson moved and Raul Huerta seconded to adjourn at 3:30 pm to Executive Session for the purpose of discussing personnel matters and a legal issue. - Passed 6/0

Carol Wood moved and Karen Krug seconded to adjourn at 4:15 pm to the Regular Board Meeting. - Passed 6/0

Karen Krug moved and Richard Hilfer seconded to adjourn the regular meeting at 4:15 pm. - Passed 6/0

**Submitted by:**

**Approved by:**

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**Leslie Fellner, Secretary**

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**Richard Hilfer, President**



CAPE GEORGE COLONY CLUB  
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**Committee reports:**

**ENVIRONMENTAL COMMITTEE MINUTES  
CAPE GEORGE CLUBHOUSE - Monday, March 23, 2017**

**IN ATTENDANCE:** Varn Brooks, Art Burke, Katie Habegger, Norma Lupkes, Kitty Rucker, Robin Scherting

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved.

**Fiscal report:** Kitty reported that the Environmental Committee fund is now \$3456.47. *(these are not funds belonging to Cape George Colony).*

**OLD BUSINESS:**

1. **Community Garden:** In Marta's absence there was no report on the status of this endeavor.
2. **Plant in Memory:** The ladies from the quilting group have requested that a Pink Rhody Bush be planted in memory of Ann Simpson. The location for the bush has yet to be determined.
3. **Cookware Stamps:** Robin reported that due to the generosity of Cape George members there were enough Safeway stamps collected to redeem for three sets of Farberware cookware which were then donated to the Dove House. Robin will insert an article in the next newsletter expressing the Environmental Committees thanks to the community for supporting this project.
- 4.

**NEW BUSINESS:**

1. **Movie Night:** Lorna and Daryl will present a movie entitled **"OR7 – The Journey, wolves in Oregon and California"** in the clubhouse on March 14 at 7:00. Of course popcorn will be served.
2. **Beach Walk:** Kitty will arrange the annual beach walk at the appropriate date corresponding with a low tide and announce the details at the next meeting.
3. **Additional Beach Walks:** Varn will be organizing additional "geology beach walks" in the area this spring and will be notifying the EC of the details.
4. **Manager Appreciation:** Kitty thanked CG Manager Art Burke for all of his support over the past seven years and expressed how much he will be missed as he moves on to new adventures. A motion was made and seconded to spend \$75-\$100 to purchase a cooler stocked with cheese, wine, crackers etc. to take back to Ohio. It will be presented at the Farewell Celebration sponsored by the Social Club on March 26 at the clubhouse. Motion carried.

**ADJOURNMENT:** The meeting was adjourned at 9:45 a.m.  
Respectfully Submitted: Norma J. Lupkes

**CAPE GEORGE COLONY CLUB  
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**CAPE GEORGE WATER ADVISORY COMMITTEE MEETING REPORT, APRIL 4, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Karen Krug, Board Liaison; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and members Scott James and Stewart Pugh.

1. No holdover or outstanding issues.
2. Greg reported we had a power outage and the auto-dialer didn't call out. Afterward, it all checked out ok so he will monitor it for future outages.
3. At the Open House for Art's going away, Helen Ann Skowyras asked Greg about having another water open house at some point. We talked about perhaps sometime this summer, again at the Ed Skowyras Memorial Water Facilities. We could especially invite new residents to get acquainted with their water supply and also talk about backflow prevention.
4. Several discussions about leaks and leak monitoring. There was a new water tap and then an existing service was found. Greg will talk to Donnie about how that was resolved so we don't have an extra live tap that could become an issue in the future.
5. Water was turned on at the Marina docks. Some discussion about the project to upgrade the utility pedestals including water service. We don't have a water system concern as long as the backflow devices are operating properly.
6. Karen said that the Board is now soliciting proposals for a firm to update our reserve study. The Water Committee will need to review the water asset and replacement schedules.  
The next meeting will be on **May 2, 2017 at 5 pm at the Office.**

**Cape George Marina Committee Minutes. March 7, 2017**

Harbormaster Scott Munson called the meeting to order at 11 am in the marina shop. About 20 members were present.

The committee recognized and thanked departing manager Art Burke for his many years of service to the community.

Scott reported that the Newport sailboat that was abandoned in the marina has been sold. He thanked committee members who cleaned up and repaired the boat to prepare it for sale.

Scott reported that plans are proceeding for rewiring of the marina docks. He expects a request for proposals to be available later in the spring.

Scott reported that plans are being made for the annual fundraising marina sale in the clubhouse April 28-29-30.

Penny Jensen moved that the committee purchase a handheld depth sounder for use in checking marina depths. The committee voted unanimously to support the purchase for up to \$125.

The meeting was adjourned at 11:45 am. --Ross Anderson

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**Cape George Marina Committee - April 2017 Minutes**

Harbormaster Scott Munson called the meeting to order at 11 am, Tuesday, April 4, at the marina shop. About 18 members were present.

Scott reported that member Brian Ritchey had agreed to move his boat to another slip in an effort to clear a slip for another large boat.

Sonja Ericson reported that plans are proceeding for the upcoming Marina Sale.

Sonja and Scott are compiling a “decision tree” with specific members listed as “go to” people for specific areas such as docks, wiring, plumbing, shop, etc.

Scott listed marina related projects that have been undertaken and completed by volunteers over the previous winter. These included:

- New road signs for the marina sale.
- Mixing and laying concrete into trenches left over from previous work on the drainage system.
- Cleaning up a derelict boat so it could be sold.
- Preparation of a “Request for Proposals” for a new wiring system on the docks.
- Purchase of a hand-held depth sounder for the marina.

Each of these projects involved multiple volunteers – too many to mention here.

Ross Anderson reminded members that there will be two vacancies on the Board of Trustees, and that candidates are needed.

Sonja reported that she is updating the list of members who keep kayaks and other small boats on marina racks.

The committee acknowledged and thanked Richard Woodcock for his service to the marina and to the community.

The meeting was adjourned at 11:45 am. --Ross Anderson

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**President Richard Hilfer called the meeting to order at 3:00 p.m.**

**Welcome**

**In Attendance:** Richard Hilfer, Leslie Fellner, Karen Krug, Raul Huerta and Ray Pierson

**Action on Minutes:** Leslie Fellner moved and Karen Krug seconded to approve the minutes of the Regular Board Meeting dated April 13, 2017. Passed -4/0

**Membership Report:** Leslie Fellner

Dawn Pierson purchased 74 Huckleberry from Ray & Eileen Pierson

Donna Curley purchased 30 Dennis Blvd from Charles & Christine Rogers

**Treasurer's Report:** Karen Krug

As of April 30, 2017

*A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.*

**2017 BALANCE SHEET COMMENTS**

All bank accounts have been reconciled and the bank statements reviewed. At the end of the month two banks were over the FDIC limit; one by \$5,500 and the other by \$4,000. Both these overages were corrected on 05/08/2017 and both were the result of reestablishing banking access and protocols. Cape George is looking at additional banking relationships to help ensure all accounts stay within FDIC/NCUA limits.

Balance sheet items are quite consistent when compared to this time last year. Cash balances are a bit higher which is a good thing and accounts receivable are also a bit higher, which is not a good thing.

**OVERALL OPERATING COMMENTS**

There are several things that are placing significant strain on operating activities - the unbudgeted workshop drainage project and utility costs. The strain caused by these items and there potential impact for the remainder of the year will be discussed in a separate analysis so will only be briefly mentioned here.

The workshop drainage project, which is not a reserve item but a new capital asset, was originally expected to be completed in 2016 at a total cost of \$8,000 to \$10,000. As a result, nothing was budgeted for 2017.

Only \$4,000 of the project was expensed in 2016 and in 2017 an additional \$12,000 has been expensed for a total project cost of \$16,000. The negative impact on the 2017 general operations budget is \$12,000.

The other item putting significant pressure on all three cost centers are utility costs. Utility costs for all of 2017 were budgeted at \$34,000 with \$11,300 budgeted for the first four months. Through April 30 a total of \$21,200 has been spent, an unfavorable variance of \$9,900. A large unfavorable pool utility variance was expected to the multiplier correction but only a variance of about \$4,500 for these first four months. Higher electricity and propane use was not expected and is generating unfavorable variances.

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**General Operations**

The unbudgeted \$12,000 workshop drainage expenditures has placed significant pressure on financial performance. Of greater concern is the unfavorable utility variance. Pool utilities for the year were budgeted at \$12,500 with the first four months budgeted at \$3,800. Actual costs year-to-date are \$11,300, an unfavorable variance of \$7,500. The multiplier correction only explains about 1/2 this variance. Additional discussion of the variances and pro forma projections are presented in a separate analysis.

**Water Operations**

Water operations for the first four months are faring better than either general or marina operations. Utility usage for water is limited mostly to pumps and varies more in summer months, just the opposite of other utility usage. Even though the bottom line looks favorable through April, the major expense for complete cleaning of the water tanks has not yet occurred. Pro forma projections are presented in a separate analysis.

**Marina Operations**

Marina operations are also feeling the negative impact of higher than budgeted utility costs. The pressure on marina operations is exacerbated by the unfavorable revenue variances in moorage and to a lesser extent parking. Additional discussion of the variances and pro forma projections are presented in a separate analysis.

CAPE GEORGE COLONY CLUB						
<i>Balance Sheet as of April 30, 2017 and 2016</i>						
Assets	2017	2016	Liabilities and Fund Balances	2017	2016	
Cash and Cash Equivalents:			Current Liabilities:			
Operations Checking	\$ 188,442	\$ 225,038	Accounts Payable & Other Liabilities	\$ 9,060	\$ 9,402	
Operating Investment-Savings	98,294	70,088	Unearned Income General/Water/Etc.	47,790	43,555	
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assemnt	11,860	10,728	
Reserves - General, Water & Marina	696,151	641,613	Unearned Income Marina Wait List	1,250	1,200	
Special Assmnts(Berm/Sseawall)	-	3,362	Total Current Liabilities	69,960	64,885	
Routine Reserve Assessment	70,206	67,992				
Total Cash & Equivalents	1,053,693	1,008,692				
			-	-	-	
Net Accounts Receivable	16,200	11,310				
Reserve Assmnts Receivable	3,041	2,220	<b>FUND BALANCES:</b>			
Total Net Fixed Assets	1,849,104	1,764,420	Fund Balances (Combined)	2,653,054	2,502,444	
Total Prepaid & Other Assets	9,569	9,220	Modified Cash Basis CY Income	208,594	228,533	
<b>TOTAL ASSETS</b>	<b>\$2,931,607</b>	<b>\$2,795,862</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$2,931,607</b>	<b>\$2,795,862</b>	

**CAPE GEORGE COLONY CLUB**  
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Summary Revenue and Expense Statements for the periods ended April 30, 2017 and 2016 respectively									
2017 Year to Date					COMPARATIVE				
					Actual	Budget	Variance	%	2017 YTD
General Assessment	\$ 143,204	\$ 143,204	-	0%	General Assessment	\$ 143,204	\$ 143,204	-	0%
Revenue - All Other Sources	8,515	8,190	325	4%	Revenue - All Other Sources	8,515	9,697	(1,182)	-12%
Total General Revenue	151,719	151,394	325		Total General Revenue	151,719	152,901	(1,182)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	41,567	47,408	5,841	12%	Salaries, Benefits, PR Tax	41,567	42,296	729	2%
Repairs & Maintenance	2,965	7,138	4,173	58%	Repairs & Maintenance	2,965	4,965	2,000	40%
Contracted Services	14,263	15,256	993	7%	Contracted Services	14,263	13,453	(810)	-6%
Insurance	6,287	6,510	223	3%	Insurance	6,287	6,265	(22)	0%
Pool Expense	14,031	7,167	(6,864)	-96%	Pool Expense	14,031	6,463	(7,568)	-117%
Other Expenses (incl taxes)	20,845	8,743	(12,102)	-138%	Other Expenses (incl taxes)	20,845	10,990	(9,855)	-90%
Total General Expenses	99,958	92,222	11,230		Total General Expenses	99,958	84,432	1,897	
General Net Income	\$ 51,761	\$ 59,172	\$ (7,411)	-13%	General Net Income	\$ 51,761	\$ 68,469	\$ (16,708)	-24%
Water					Water				
Revenue - Water Use Fees	\$ 93,150	\$ 93,060	\$ 90	0%	Revenue - Water Use Fees	\$ 93,150	\$ 92,160	\$ 990	1%
Revenue - All Other Sources	3,604	2,000	1,604	80%	Revenue - All Other Sources	3,604	4,245	(641)	-15%
Total Water Revenue	96,754	95,060	1,694		Total Water Revenue	96,754	96,405	349	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	19,100	21,338	2,238	10%	Salaries, Benefits, PR Tax	19,100	19,235	135	1%
Repairs & Maintenance	2,385	4,795	2,410	50%	Repairs & Maintenance	2,385	365	(2,020)	-553%
Contracted Services	6,055	6,053	(2)	0%	Contracted Services	6,055	6,269	214	3%
Insurance	3,224	3,338	114	3%	Insurance	3,224	3,288	64	2%
Other Expenses (incl taxes)	13,939	15,404	1,465	10%	Other Expenses (incl taxes)	13,939	13,040	(899)	-7%
Total Water Expenses	44,703	50,928	6,225		Total Water Expenses	44,703	42,197	(2,506)	
Water Net Income	\$ 52,051	\$ 44,132	\$ 7,919	18%	Water Net Income	\$ 52,051	\$ 54,208	\$ (2,157)	-4%
Marina					Marina				
Revenue - Moorage/Parking	\$ 50,770	\$ 55,500	\$ (4,730)	-9%	Revenue - Moorage/Parking	\$ 50,770	\$ 53,449	\$ (2,679)	-5%
Revenue - All Other Sources	10,208	10,805	\$ (597)	-6%	Revenue - All Other Sources	10,208	8,282	1,926	23%
Total Marina Revenue	60,978	66,305	(5,327)		Total Marina Revenue	60,978	61,731	(753)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	4,527	5,002	475	9%	Salaries, Benefits, PR Tax	4,527	4,223	(304)	-7%
Repairs & Maintenance	2,292	2,750	458	17%	Repairs & Maintenance	2,292	1,829	(463)	-25%
Contracted Services	1,459	1,883	424	23%	Contracted Services	1,459	3,741	2,282	61%
Insurance	2,244	2,152	(92)	-4%	Insurance	2,244	2,019	(225)	-11%
Other Expenses (incl taxes)	4,785	3,294	(1,491)	-45%	Other Expenses (incl taxes)	4,785	4,148	(637)	-15%
Total Marina Expenses	15,307	15,081	(226)		Total Marina Expenses	15,307	15,960	653	
Marina Net Income	\$ 45,671	\$ 51,224	\$ (5,553)	-11%	Marina Net Income	\$ 45,671	\$ 45,771	\$ (100)	0%
Routine Reserve	60,904	60,904	-		Routine Reserve	60,904	59,580	1,324	
Assmnt Income/(Exp)	(1,993)	-	(1,993)		Spcl Assmnt Income/(Exp)	(1,993)	333	(2,326)	
Reserve Interest - all	202	21	181		Reserve Interest - all	202	172	30	
Cmbnd Net Income/(Loss)**	\$ 208,594	\$ 215,453	\$ (6,857)	-3%	Cmbnd Net Income/(Loss)**	\$ 208,595	\$ 228,535	\$ (19,937)	-9%

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**CAPE GEORGE COLONY CLUB**

**April Variance Analysis and Pro-Forma Year End Projections  
As of April 30, 2017 - Items in ( ) are unfavorable**

This has been a very atypical expenditure year and the pro forma projections on the next page definitely are not be as healthy as the original budget. Even though the pro forma is less than pleasant, Cape George is not losing money, is still projecting positive bottom lines and has strong cash balances both for operations and reserves. It is early in the year so there is time for some recovery.

The workshop drainage project was discussed in the April Treasurer's Report. What is key for pro forma purposes is that there is a \$12,000 unbudgeted item. Because the project will be treated as a new capital asset, it may be possible to use cash from general savings to mitigate the adverse bottom line impact.

<b>Utility costs are causing significant unfavorable variances that will probably continue through the year.</b>							
		YTD	YTD			Entire 2017	Pro Forma
		Actual	Budget	Variance	%	Budget	Projection
	Pool	11,325	3,800	(7,525)	-198%	11,500	28,000
	General	3,240	1,500	(1,740)	-116%	4,500	7,000
	Marina	3,525	2,000	(1,525)	-76%	6,000	8,800
	Water	3,110	4,000	890	22%	12,000	11,000
	Total	\$21,200	\$11,300	(\$9,900)	-368%	\$34,000	\$54,800

- ◆ Weather is a major factor in all the utility variances. Average daily temperatures so far this year were 5o colder than last year and every 1o temperature change is responsible for about a 3% change in utilization. Weather likely accounts for at least 15% of the utilization increase. The weather variance should moderate over the summer and fall.
- ◆ Budget timing, i.e. seasonality, accounts for another 10% to 20% of each the variance. This also means that as the year progresses the seasonality variance will become a bit self-correcting. Next year's budget split needs to more carefully pattern the seasonal trends.
- ◆ Unlike the other areas, the water system is favorably impacted by the weather and budget timing issues. In the winter there is less demand for water so the pumps don't cycle as often. This will of course change in the summer and fall.

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♦ Pool utility costs are the largest variance. Weather and budget timing have an impact but there are also other factors.

- Correction of the multiplier was expected to have an \$1,100 per month adverse budget impact so roughly 1/2 of the current variance is the result of this change. This will continue throughout 2017.

- Kilowatt hour (KwH) usage in the pool has increased 45% between the first four months of this year and the same four months last year. The dehumidifier is really a very large air conditioner, and is responsible for a portion of the increase in KwHs. It will take a full two years to better understand the impact of the dehumidifier on pool utility costs.

- Propane costs year-to-date are \$5,600 compared to \$2,300 at this point last year. Propane is used to heat the water in the pool. So far this year the 1,200 gallons of water flowing into the pool each day is colder than it was last year. Colder water takes more propane to heat. Propane use was 27% higher this January through April than the same period last year.

- The average price per gallon of propane was 38% higher than the same period last year. The increase is consistent with all bulk suppliers in the area and is somewhat seasonal.

**Marina operations has additional considerations**

In addition to unfavorable utility variance, the marina is also experiencing lower than anticipated revenue. Revenue for parking and moorage is \$4,700 behind budget year-to-date. Historically 97% of parking and moorage revenue gets collected before April 1 so only minor change is expected for the rest of the year. The budget was patterned to reflect this historical trend. The new amenity fee, part of Other Revenue, has generated \$1,820 of the \$2,015 that was budgeted.

**Pro- forma projections**

The summarized pro- forma presented on the next page show year-end results absent major changes in operations. The increase in utility cost is projected to moderate with the warmer weather of summer and fall. Each cost center has a major planned expenditure which is shown at the original budgeted estimate since it is too early to determine the final cost of these vital items. All expenditures throughout the remainder of the year need to be subject to careful consideration to ensure optimal benefit and appropriate expenditure.



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**Pro-Forma 2017 Year End Forecast using Year-to-Date April 2017 Actual Data**

*Numbers in ( ) are unfavorable*

	Original Budget	Pro Forma Forecast		NOTES
<b>General</b>				
Total General Revenue	\$ 310,978	\$ 311,600	\$ 575	
Expenses:				
Salaries, Benefits, PR Tax	142,223	135,000	7,223	Budgeted seasonal labor is included
Repairs & Maintenance	10,415	17,000	(6,585)	
Road Repairs	11,000	11,000	0	Cost estimate not yet available
Contracted Services	45,768	45,000	768	
Insurance	19,529	18,600	929	
Utilities (excludes phone)	4,500	7,000	(2,500)	Already reduced \$2,500 for seasonal improvement
Pool Utilities-Electric & Propane	11,500	28,000	(16,500)	Already reduced \$6,000 for seasonal improvement
Other Pool Expenses	5,000	5,000	0	
Workshop Drainage	-	12,000	(12,000)	Perhaps a transfer from general savings to mitigate
Supplies, Phone, BD, etc.	29,168	25,000	4,168	Includes 1/2 recruiting expenses
Total General Expenses	279,103	303,600	2,335	
<b>General Net Income</b>	<b>\$ 31,875</b>	<b>\$ 8,000</b>	<b>\$ (23,875)</b>	Auditors expect year-end cash transfer of \$31,875
<b>Water</b>				
Total Water Revenue	\$ 188,120	\$ 189,800	\$ 1,677	
Expenses:				
Salaries, Benefits, PR Tax	64,012	62,000	2,012	Budgeted seasonal labor is included
Repairs & Maintenance	4,885	7,400	(2,515)	Might be minor reductions for equip. & bldg. repairs
Tank Cleaning	9,500	9,500	0	Cost estimate not yet final - may be some reduction
Contracted Services	18,158	17,600	558	
Utilities	12,000	11,000	1,000	Already adjusted for seasonality
Insurance	10,014	9,500	514	
Excise & State Taxes	11,300	12,000	(700)	Excise tax increase tied to revenue increase
Supplies, BD, etc.	17,578	20,900	(3,322)	Includes 1/2 recruiting expenses & seasonal supplies
Total Water Expenses	147,447	149,900	(2,453)	
<b>Water Net Income</b>	<b>\$ 40,673</b>	<b>\$ 39,900</b>	<b>\$ (773)</b>	Auditors expect year-end cash transfer of \$40,673
<b>Marina</b>				
Revenue - Moorage/Parking	\$ 55,500	\$ 52,800	\$ (2,700)	Already increased for patterns of prior two years
Revenue - All Other Sources	11,305	11,500	195	
Total Marina Revenue	66,805	64,300	(2,505)	
Expenses:				
Salaries, Benefits, PR Tax	15,005	13,900	1,105	No real seasonal labor for marina
Repairs & Maintenance	8,250	7,950	300	Majority is dock repair
Dredging	12,500	12,500	0	Cost estimate not yet available
Contracted Services	5,649	5,600	49	
Utilities	6,000	8,800	(2,800)	Already reduced \$1,800 for seasonal improvement
Insurance	6,456	6,300	156	
Supplies, etc.	3,359	4,150	(791)	Increases in general supply&small tools-4 month pattern
Total Marina Expenses	57,219	59,200	(1,981)	6
<b>Marina Net Income</b>	<b>\$ 9,586</b>	<b>\$ 5,100</b>	<b>\$ (4,486)</b>	Auditors expect year-end cash transfer of \$9,586

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**Manager's Report:** Sharon Mitchel

The workshop drainage project was completed and after recent heavy rains, we are able to report that it is working as planned.

After hearing concerns about our janitorial service, I talked with our janitor and found that he wasn't cleaning the clubhouse floor because he didn't want to damage it. He is now dust mopping the floor and will use a neutral PH cleaner as necessary.

The water tank walls are scheduled to be cleaned this year. Our water manager has sought a bid from a new vendor. The price is a just below \$5000 a savings of over \$1000. We are hoping to schedule the cleaning for later this month.

The request for proposal for the dock electrical reserve project has been presented to 3 electrical contractors. We hope to negotiate the contract in June with the work potentially be scheduled in September.

The second round of vacant lot mowing is scheduled for the week of May 22<sup>nd</sup>. If you have a vacant lot and did not elect to have our contractor mow your lot, you must have your lot mowed by Memorial Day.

Channel dredging is scheduled for the June low tide – June 23-24. We will begin the permitting process later this month.

Projects being worked on by the Office Administrator:

- Processing April payments
- Coordinating vacant lot mows.

Projects being worked on by the Caretaker and Assistant Caretaker:

- Mowing and string trimming ditches. The wet spring has caused the grasses to grow very quickly this year so the ditches are really overgrown and wet. The caretaker and his assistant are getting to each area as quickly as they can and ask for your patience.
- Repaired a water leak under Dennis Blvd.
- Installing a water connection on Rhododendron Street

I have received the following reports/complaints/concerns over the past month:

- Report of a barking dog in the Village
- Report of junk vehicles in the Village
- Report of porch light on all night in the Village
- Report of unfilled perc holes on Huckleberry
- Report of scotch broom on Huckleberry
- Report of tansy throughout our ditch system

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**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Environmental, Water, Pool, Building and Marina.

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

**Information Items:**

- A. The Workshop Committee's purchase of a generator and transfer switch has been deferred to the June Study Session
- B. The Trustees reviewed an annual prepaid HVAC maintenance agreement
- C. At the request of some members, the monthly Board Meeting will commence at 3:30 P.M, effective June 2017

**Member participation:** None

**New Business Action Items:**

**Motion 1:** Ray Pierson moved and Leslie Fellner seconded to accept the unanimous Marina Committee's recommendation that Sonja Ericson be appointed as Harbormaster. Passed – 4/0

**Motion 2:** Karen Krug moved and Ray Pierson seconded that since the clubhouse gazebo is a general reserve item and since there is by definition, a bona fide emergency need for a major repair or replacement of that structure that the Board authorizes general reserve expenditure not to exceed \$3,500 for said purpose. Passed – 4/0

**Motion 3:** Karen Krug moved and Leslie Fellner seconded, based on the 05/03/2017 CAU policy quotation for general liability with no changes in coverage limits or options, directors' and officers' liability, volunteer accident insurance and commercial umbrella at a \$10 million limit, that the Board authorize the annual renewal package understanding that the commercial auto package has not yet been received. Passed – 4/0

**Motion 4:** Karen Krug moved and Raul Huerta seconded to assist in conformity with the Articles of Incorporation but not to otherwise change the functioning of the committees, that item #4 in the September 2010 Pool Committee Charter and item #6 in the December 2007 Fitness Committee Charter be struck from the charters. Passed – 4/0

**Motion 5:** Richard Hilfer moved and Ray Pierson seconded to approve the variance requested by Cathy and Paul Tibert, 175 Bridal Way, to build a shed for construction materials and tools prior to building their home. Passed – 4/0

**Motion 6:** Leslie Fellner moved and Karen Krug seconded to approve Resolution No. 5/1/17, to move \$27.15 from the General Checking Account to the Cape George Colony Club General Reserve Account to reverse the duplication of the transferred funds, which were transferred in both March and April. Passed – 4/0

**Motion 7:** Richard Hilfer moved and Ray Pierson seconded to appoint Karen Krug a member of the Building Committee to replace Raul Huerta, who has submitted his resignation. Passed – 4/0

**Motion 8:** Richard Hilfer moved and Raul Huerta seconded to ratify 2 requests from a member for a due date adjustment. (2nd quarter total is 9 members and 11 properties) Passed – 4/0

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**Motion 9:** Karen Krug moved and Raul Huerta seconded, that since returned, or NSF checks generate increased administrative work as well as the potential for bank charges against Cape George and since the NSF fee is stated in the annual fee schedule, that the Board deny the request by BUR004 to waive the \$25.00 NSF fee. Passed – 4/0

**Motion 10:** Leslie Fellner moved and Ray Pierson seconded to approve the Building Committee request to add John Hanks as a member. Passed – 4/0

**Motion 11:** Karen Krug moved and Richard Hilfer seconded that the Board accept the Social Club's donation of two 8' X 10' area rugs to be used in the Clubhouse. Passed – 4/0

**Open Board Discussion:**

In addition to the manager report shared on Tuesday, the office was made aware of vandalized and damaged cluster mailboxes located at the top of Huckleberry. Resident Kathy Weatherman is working with neighbors and the post office to find a possible solution.

Also reported were a number of trees cut down without a permit in the Colony. Tree cutting permits are required at Cape George and a reminder will be in the next newsletter of what permits are necessary.

It was announced since there is no competition in the election coming up of 3 open trustee positions, a second session of "Meet the Candidates" is unnecessary. Members are welcome to "Meet the Candidates" on June 13<sup>th</sup> at 2:30pm, prior to the Study Session.

Karen Krug gave briefing on the state of the operational budget. We have seen a significant rise in expenses so far this year. Power use and propane costs have increased, partly because of higher rates in addition to the extended lower winter temperatures we have experienced this season. We will have to pay close attention to expenses in the coming months to see if it comes in line with the projected budget.

Richard Hilfer acknowledged Raul Huerta and thanked him for his service on the Board. Raul tendered his resignation, as he is moving back to New York.

**Announcements:**

- A. Meet the Candidates – June 13, 2017 2:30 P.M.
- B. Variance Hearing – June 13, 2017 2:45 P.M.
- C. Study Session – June 13, 2017 3:00 P.M.
- D. Board Meeting – June 15, 2017 3:30 P.M.

**Adjournment:** Ray Pierson moved and Richard Hilfer seconded to Adjourn to Executive Session at 4:00 pm for the purpose of discussing a personnel issue. Passed – 4/0

Raul Huerta moved and Ray Pierson seconded to come out of Executive Session and resume the Regular Board Meeting at 4:10 pm. Passed – 4/0

Richard Hilfer moved and Karen Krug seconded to adjourn Regular Board Meeting at 4:10 pm. Passed – 4/0

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Submitted by:

Approved by:

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Leslie Fellner, Secretary

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Richard Hilfer, President

**Committee reports:**

**ENVIRONMENTAL COMMITTEE MINUTES CAPE GEORGE CLUBHOUSE - Monday, April 10, 2017**

**IN ATTENDANCE:** Varn Brooks, Dennis Fellner, Katie Habegger, Betty Hanks, Penny Jensen, Marta Krissovich, Norma Lupkes, Kitty Rucker, Robin Scherting, Steve Shapiro, Linda Sutton

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved.

**Fiscal report:** The Environmental Committee fund is now \$3357.50. *(These are not funds belonging to Cape George Colony).*

**OLD BUSINESS:**

1. **Community Garden:** Marta reported that the project is currently on hold. They have decided to proceed with holding "Cape George Grocery Growers" meetings. She will place an article in the newsletter informing the community of the meetings.
2. **Manager's Appreciation:** A gift basket for Art Burke was purchased for \$98.97 from EC funds and was presented to him at the farewell event on March 26.
3. **Beach Walk:** The annual beach walk will take place on Sat July 22 – 9:00-10:30. This is a very low tide day and should make for an excellent walk.
4. **Movie Night:** There were only 15 people in attendance at the last movie. Lorna and Daryl are pursuing a speaker from Sequim on -----.
5. **Simpson Memorial:** The decision has yet to be made on what and where this will be placed.

**NEW BUSINESS:**

1. **Common Areas Proposed Work:** Kitty and Betty have developed a list of 6 common areas in Cape George – Clubhouse Area, Marina Drive Park, Corner of CG Rd and No Palmer, Memorial Park, Village Cedar Park, and

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the Village Entrance by Fire Station. These are all areas that need ongoing work which was outlined on a distributed hand-out.

2. **Volunteer Worker list:** The existing list was reviewed - calls will be made to determine if new volunteers need to be assigned to certain areas. There will also be 50 hours of work to be done by someone on the CG maintenance crew – this will be verified with the new CG Manager. The suggestion was also made to schedule work parties on a regular basis. Steve Shapiro was again thanked for pulling new-growing hemlock plants in CG.
3. **Social Club Recycling Materials:** Betty recommended that the EC should take responsibility for disposal of the recycled materials gathered at events held in the clubhouse. Varn and Marta volunteered to take some responsibility for ensuring that this happens. Betty and John have been doing this disposal in the past.
4. **New Manager:** Sharon Mitchel has been hired as our new manager with this being her first day on the job. Welcome back Sharon!
5. **Large Rock Donation:** Lori & Ken Owen have some large rocks they would like to donate to the community. It was determined that along the Marina wall near the new gazebo would be attractive and a nice barrier for the steep edge in that area.
6. **Dog Waste Reminder** – Kitty will place a small article in the newsletter with the warmer weather on the way dog walkers need to be reminded of picking up after their animal.

**ADJOURNMENT:** The meeting was adjourned at 10:00  
Respectfully Submitted: Norma J. Lupkes

**CAPE GEORGE WATER ADVISORY COMMITTEE  
MEETING REPORT, MAY 2, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Sharon Mitchel, Manager; Karen Krug, Board Liaison; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and members Scott James and Stewart Pugh.

1. Greg and Sharon reported that we had a follow up contact from the DOH regarding the recent sanitary survey. They were concerned that the air vent on Tank 4 could allow rain water or other contamination, even though it's screened. Donnie modified that air vent with a plastic pipe elbow turned down and put a screen on it, then submitted a picture to DOH. No response yet but that should be acceptable.
2. Donnie had to replace another leaking service saddle, this one on Dennis. As with others, the band had rusted and allowed the service to leak. Donnie reviewed this one with Larry and the owner before replacing the entire service line and saddle, including a street cut. Sharon said that Donnie is going to install a new service line on Rhody that will also include a street cut. Then we'll get Lakeside to pave the two street cuts. Larry suggested that he and Sharon review the streets for any other repairs that need to be done at the same time.
3. Greg said that he has one bid of \$6,000 to do tank cleaning (four tanks) including the tank walls this time. That bid is from the same firm that did the tank inspection and cleaning a couple years ago. He's asked another firm to also give us a bid. The cleaning is done by a scuba diver who is completely suited up and

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then washed thoroughly with a chlorine solution before he and his equipment enter the tank. It's all done with the tank full of water. They use a vacuum device that removes the scum and sediment that is cleaned from the walls and floor from the water.

4. We had another issue with the auto-dialer when the power went out but it's didn't make the calls. When that happens, someone in the Highlands system calls and then Donnie responds. The Highlands is a pressure system relying on pumps to maintain pressure and flow. In this case, it may have been a failure in the 3-phase power that shuts down the pumps but not outage in the single-phase power that runs the auto-dialer. We discussed adding a phase alarm but decided to take a low-pressure alarm from the recently added PLC (programmable logic controller, a mini-computer) for the Highland pressure system and connecting that to the auto-dialer. Stew will check that option and programming for the PLC.
5. Greg said that he's completed the water use efficiency report for 2016 to the DOH as required. We had 6.7% unaccounted for water use, less than the standard of 10%. He has a draft of the annual Consumer Confidence Report (CCR) that has to be sent to all customers with the summer mailings. Stew reported some of the water use and leak numbers from the most recent meter read data. Karen suggested that we add that kind of information to the annual membership report.
6. Karen handed out a spreadsheet showing water budget data from 2009 thru 2017 in anticipation of starting the process for the next budget cycle. We need to review the budget items that are planned for the next several years. In a related item, Karen said they have selected a new consultant to update our complete reserve study for all of Cape George assets. She needs meeting dates with Sharon, Greg and Larry to meet with the consultant the end of May or first part of June to review the water asset and replacement schedules.

The next meeting will be on **June 6, 2017 at 5 pm at the Office.**

**CAPE GEORGE POOL COMMITTEE MEETING NOTES      CG CLUBHOUSE –APRIL 5, 2017**

The Pool Committee along with the Emergency Prep Committee sponsored the annual St. Patrick's Day dinner at the clubhouse on March 18. 63 people attended. Music was provided by Willie Weatherly and band. A raffle was held and \$204 dollars was split 50/50 between the Emergency Prep Committee and two winners, Cassie Reeves and Joan Ballough, who generously donated their winnings back to the EPC committee. A net profit of \$284.91 was made after expenses. The Pool Committee now has \$3,792.20 in our account after expenses. Thanks to Diona Smith and Thad Bickling for their excellent corned beef. Thanks to all the volunteers who helped make the event a success.

Mike Henninger with West Coast Waterjet has cut SS posts and stands for benches in the pool. They will be welded by Ken and installed in the near future.

Donny is continuing to replace the old metal trim around the windows with wood and that job should be finished soon. There will be no meeting in May.

The next meeting will be June 7.    Respectfully submitted, Neil D'Acquisto

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**Building Committee meeting minutes for 4/19/17.**

Attending: Mike Hinojos, Bill Deckman, Ken Owen, John Hanks, Ray Pierson, and Mac McDonald.

The committee discussed and approved three build packets for three single family residences.

- Tibert, 175 Bridleway, Highlands
- Palmer, Lot 10 N. Palmer, Colony
- Duniho/Graves, lot 12 N Palmer, Colony

Next meeting will be 5/17/17. V/R Bill Deckman

**Cape George Marina Committee Minutes for May 2, 2017**

Marina chair Craig Muma called the meeting to order at 11 am. Fifteen members and manager Sharon Mitchel were present. Craig announced that Harbormaster Scott Munson submitted his resignation yesterday May 1. It was moved and seconded that his resignation be accepted with regrets. The full committee agreed.

Craig announced that Sonja Ericson had offered to serve as the next volunteer harbormaster. A request was made for other candidates and none were submitted.

The motion was made and seconded to accept Sonja as Harbormaster and the committee voted in favor.

Craig reported that Association member Roger Maynard and the Race to Alaska managers are interested in using the Cape George firehouse as a communication center for the first day of the race on June 8. This is because VHF signals from that location are far better than from the Maritime Center. Roger needs a VHF radio to use for a few days and the committee voted to loan the marina's VHF base station radio to the R2AK for that purpose.

Sonja reported that the Coast Guard will offer voluntary safety inspections at the marina on May 16. A signup sheet is posted in the shop.

Craig reported that Mac McDonald and others have examined the condition of the beach gazebo and determined that it can be temporarily repaired for about \$200 in materials. Sharon approved the expense under the operations budget.

Sonja reported that the annual marina sale raised more than \$4800 after expenses – a new record. The success was attributed to a combination of factors, including new road signs and high quality donations.

Sonja explained that the Social Committee has requested that the Workshop Committee take over planning and management of the annual salmon bake in July. The Workshop Committee agreed and is exploring the financial aspect.



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Craig reported that the plan is to dredge the marina entrance in June, possibly between June 23 and 26, when there will be favorable minus tides. Sharon verified that the contractor was scheduled.

Craig updated members about discussions over when to replace the zincs on the marina seawall. It was determined that the zincs can be replaced during the same favorable tides that dredging is scheduled for. The zinc team continues their investigation of using zincs hanging from cables.

Sharon noted the pothole maintenance on the road between the north and south end of the marina is likely funded by Cape George repair and maintenance. She will advise.

Sonja requested volunteers to help with weeding around the shop and marina.

Craig reported that requests for proposals have been sent to potential contractors for replacing the wiring on the marina docks. No bids have been presented, and Craig expects the job won't be undertaken until this fall when the summer season has slowed down.

Penny Jensen reported that she and Jim Bodkin have collected data on silting in the marina entrance, and they plan to present a report soon. That data may affect any future decision about whether to add rock to the seawall.

Ross Anderson asked for volunteers with suitable boats to help the biologist at Protection Island accomplish bird counts.

Ross Anderson made a plea for Marina Committee members to volunteer to serve on the Board of Trustees.

Sharon informed the committee that traps used for the annual Mussel research in our marina will soon be placed and that they will be located in different spots this year, they will be of a different design, and there will be two or three instead of the usual one.

Volunteers for Gate Security (making sure the gate is locked at dusk)

May 2 – 8 Archie

May 9 – 15 Jose

May 16 – 22 Ross

May 23 – 29 Sonja

The meeting was adjourned at 12:15 pm.

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**President Richard Hilfer called the meeting to order at 3:30 p.m.**

Welcome

Ballots for the Trustee election were mailed June 6, 2017

The Annual Membership meeting will be held July 15, 2017, 2:00 P.M., at the CG Fire Hall. Written reports from committee chairs will be available on our website by July 10<sup>th</sup>.

**In Attendance:** Richard Hilfer, Katie Habegger, Leslie Fellner, Karen Krug, Carol Wood, and Ray Pierson

**Action on Minutes:** Leslie Fellner moved and Katie Habegger seconded to approve the minutes of the Regular Board Meeting of May 11, 2017. Passed-5/0

**Membership Report:** Leslie Fellner

Linda Drew purchased 41 Pine from Dale Koenig

Steve & Vicky Rath purchased 50 Pine from Laurie Stephens

Sara Crouch & Linda Swift purchased 81 W Vancouver Dr from Norman Nolan

**Treasurer's Report:** Karen Krug

As of May 31, 2017

A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.

#### 2017 BALANCE SHEET COMMENTS

All bank accounts have been reconciled and the bank statements reviewed. At month end, all financial institutions were within the FDIC/NCUA limits. Cape George continues to look to establish at least one new future banking relationships to help ensure all accounts stay within FDIC/NCUA limits.

For the most part, balance sheet items remain fairly constant. Reserves are about \$60,000 higher than last year at this time but the increase is due to the timing of the replacement of the dock electrical system that was approved in the 2017 reserve budget but has not yet occurred. Two other items, prepaid assets and accounts payable are about \$25,000 less than this time last year; both are due to a timing difference in the invoicing for the renewal of the corporation's insurance policies.

#### OVERALL OPERATING COMMENTS

In both general and marina operations electric utilization remains a concern. Review is currently being conducted to ensure correct identification of meters and that those meters are functioning properly. Weather has played a factor but not enough to explain the substantial increase in actual kilowatt hours throughout the community.

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**General Operations**

Little has changed in general operating conditions since last month with performance still under considerable adverse pressure. The summer months generally see an increase in labor as well as repairs and maintenance so careful consideration of all expenditures remains crucial.

One of the largest single operating expenses, minor road repairs, is just now going out to bid so it is too early to determine how actual expenditures in this category will impact overall operations.

**Water Operations**

Water operations continue to perform at levels at or better than budget, but summers generally see higher water demand and a corresponding increase in electrical utilization as well as minor repairs to the system.

Cleaning of the storage tanks was completed in May at a cost nearly 20% lower than budget. This periodic tank cleaning involved cleaning both the bottom and walls of all the tanks and was accomplished by professional divers using equipment similar to that used to clean large commercial aquarium viewing tanks. There was much less sludge and algae to be removed than expected and this is a good sign for this major cleaning which occurs every five years or so.

**Marina Operations**

Marina revenue has improved over the past month with additional receipts in trailer parking, moorage and ramp fees. There were also some minor increases from forfeited wait list fees. Marina revenue is still 7% behind the year-to-date budget.

The marina's major annual operating expenditure, dredging of the entrance channel, generally occurs in June or July. For 2017, that activity was budgeted at \$12,500.

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<i>Balance Sheet as of May 31, 2017 and 2016</i>						
<b>Assets</b>	<b>2017</b>	<b>2016</b>	<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>	
Cash and Cash Equivalents:			Current Liabilities:			
Operations Checking	\$ 175,318	\$ 207,864	Accounts Payable & Other Liabilities	\$ 18,514	\$ 41,278	
Operating Investment-Savings	98,307	70,097	Unearned Income General/Water/Etc.	49,797	45,141	
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assmnt	12,320	11,088	
Reserves - General, Water & Marina	698,029	639,915	Unearned Income Marina Wait List	1,150	1,200	
Special Assmnts(Berm/Sseawall)	-	3,216	Total Current Liabilities	81,781	98,707	
Routine Reserve Assessment	72,392	69,811				
Total Cash & Equivalents	1,044,646	991,502				
Net Accounts Receivable	5,669	8,097				
Reserve Assmnts Receivable	1,274	765	<b>FUND BALANCES:</b>			
Total Net Fixed Assets	1,849,347	1,766,521	Fund Balances (Combined)	2,653,054	2,502,444	
Total Prepaid & Other Assets	6,628	32,902	Modified Cash Basis CY Income	172,730	198,636	
<b>TOTAL ASSETS</b>	<b>\$2,907,564</b>	<b>\$2,799,787</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$2,907,564</b>	<b>\$2,799,787</b>	

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**Summary Revenue and Expense Statements for the periods ended April 30, 2017 and 2016 respectively**

2017 Year to Date					COMPARATIVE				
	Actual	Budget	Variance	%		2017 YTD	2016 YTD	Variance	%
General Assessment	\$ 143,204	\$ 143,204	-	0%	General Assessment	\$ 143,204	\$ 143,204	\$ -	0%
Revenue - All Other Sources	12,642	9,005	3,637	40%	Revenue - All Other Sources	12,642	14,417	(1,775)	-12%
Total General Revenue	155,846	152,209	3,637		Total General Revenue	155,846	157,621	(1,775)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	53,789	59,260	5,471	9%	Salaries, Benefits, PR Tax	53,789	53,941	152	0%
Repairs & Maintenance	3,962	8,923	4,961	56%	Repairs & Maintenance	3,962	5,366	1,404	26%
Contracted Services	20,588	17,885	(2,703)	-15%	Contracted Services	20,588	17,909	(2,679)	-15%
Insurance	7,858	8,137	279	3%	Insurance	7,858	7,832	(26)	0%
Pool Expense	16,473	8,958	(7,515)	-84%	Pool Expense	16,473	7,809	(8,664)	-111%
Other Expenses (incl taxes)	23,098	10,748	(12,350)	-115%	Other Expenses (incl taxes)	23,098	12,766	(10,332)	-81%
Total General Expenses	125,768	113,911	8,008		Total General Expenses	125,768	105,623	(1,149)	
<b>General Net Income</b>	<b>\$ 30,078</b>	<b>\$ 38,298</b>	<b>\$ (8,220)</b>	<b>-21%</b>	<b>General Net Income</b>	<b>\$ 30,078</b>	<b>\$ 51,998</b>	<b>\$ (21,920)</b>	<b>-42%</b>
<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 93,150	\$ 93,060	\$ 90	0%	Revenue - Water Use Fees	\$ 93,150	\$ 92,160	\$ 990	1%
Revenue - All Other Sources	4,574	2,000	2,574	129%	Revenue - All Other Sources	4,574	5,215	(641)	-12%
Total Water Revenue	97,724	95,060	2,664		Total Water Revenue	97,724	97,375	349	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	24,451	26,672	2,221	8%	Salaries, Benefits, PR Tax	24,451	24,345	(106)	0%
Repairs & Maintenance	7,864	5,994	(1,870)	-31%	Repairs & Maintenance	7,864	432	(7,432)	-1720%
Contracted Services	7,153	7,566	413	5%	Contracted Services	7,153	8,147	994	12%
Insurance	4,030	4,172	142	3%	Insurance	4,030	4,110	80	2%
Other Expenses (incl taxes)	15,653	17,749	2,096	12%	Other Expenses (incl taxes)	15,653	16,081	428	3%
Total Water Expenses	59,151	62,153	3,002		Total Water Expenses	59,151	53,115	(6,036)	
<b>Water Net Income</b>	<b>\$ 38,573</b>	<b>\$ 32,907</b>	<b>\$ 5,666</b>	<b>17%</b>	<b>Water Net Income</b>	<b>\$ 38,573</b>	<b>\$ 44,260</b>	<b>\$ (5,687)</b>	<b>-13%</b>

<b>Marina</b>					<b>Marina</b>				
Revenue - Moorage/Parking	\$ 51,783	\$ 55,500	\$ (3,717)	-7%	Revenue - Moorage/Parking	\$ 51,783	\$ 53,647	\$ (1,864)	-3%
Revenue - All Other Sources	10,863	10,868	\$ (5)	0%	Revenue - All Other Sources	10,863	8,566	2,297	27%
Total Marina Revenue	62,646	66,368	(3,722)		Total Marina Revenue	62,646	62,213	433	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	5,744	6,252	508	8%	Salaries, Benefits, PR Tax	5,744	5,303	(441)	-8%
Repairs & Maintenance	2,292	3,438	1,146	33%	Repairs & Maintenance	2,292	2,630	338	13%
Contracted Services	1,677	2,354	677	29%	Contracted Services	1,677	4,949	3,272	66%
Insurance	2,808	2,690	(118)	-4%	Insurance	2,808	2,524	(284)	-11%
Other Expenses (incl taxes)	5,213	4,024	(1,189)	-30%	Other Expenses (incl taxes)	5,213	4,658	(555)	-12%
Total Marina Expenses	17,734	18,758	1,024		Total Marina Expenses	17,734	20,064	2,330	
<b>Marina Net Income</b>	<b>\$ 44,912</b>	<b>\$ 47,610</b>	<b>\$ (2,698)</b>	<b>-6%</b>	<b>Marina Net Income</b>	<b>\$ 44,912</b>	<b>\$ 42,149</b>	<b>\$ 2,763</b>	<b>7%</b>
<b>Routine Reserve</b>	<b>60,904</b>	<b>60,904</b>	<b>-</b>		<b>Routine Reserve</b>	<b>60,904</b>	<b>59,580</b>	<b>1,324</b>	
Assmnt Income/(Exp)	(1,991)	(1)	(1,990)		Spcl Assmnt Income/(Exp)	(1,991)	436	(2,427)	
Reserve Interest - all	256	27	229		Reserve Interest - all	256	211	45	
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 172,730</b>	<b>\$ 179,745</b>	<b>\$ (7,013)</b>	<b>-4%</b>	<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 172,730</b>	<b>\$ 198,636</b>	<b>\$ (25,902)</b>	<b>-13%</b>

\*\*Modified Cash Basis, Excludes Depreciation

KCK 06/10/15

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**Manager's Report:** Sharon Mitchel

The inside of the water tank reservoir walls were cleaned last month and the tanks were in good condition with only a few minor repairs needed. By using the new vendor we spent about \$1000 less than was anticipated.

The dock electrical bids were received. One contractor elected not to bid the project because he is too busy. One bid came in at approximately \$150,000 and the other bid \$102,000. Since this amount is more than is currently available in the marina reserves, the project will be deferred until next year when reserve funds are available.

The second round of vacant lot mowing has been completed. The grass grew tall between mows and was also quite wet. Overall, driving the mower caused grass to mat down and then pop up days later once it dried. The mower also has difficulty getting around rocks, large trees with branches growing to the ground and tree stumps/roots. It is definitely a rough cut. The final mow of the year has been brought forward to July 17th instead of the beginning of August.

Caretaker, Donnie Weathersby, and I attended an all-day water operations class.

Larry Southwick, Roads and Water Chair, and I drove our roads to identify areas in need of repair. We will be obtaining bids in the next month. Overall the roads look good with only 8 or 9 patches needed to protect road integrity.

Channel dredging is scheduled for low tide on June 23-24.

Projects being worked on by the Office Administrator:

- Processing new memberships. There are currently 8 properties in escrow.
- Coordinated vacant lot mows with members and the vendor. She also applied the charges for the mowing to member accounts
- Organized the upcoming building permits for the Building Committee! (Thank you Terri!)
- Printed the election materials for the trustee election

Projects being worked on by the Caretaker and Assistant Caretaker:

- Completed the first round of ditch string trimming. This was a slow process as a result of the tall, thick and wet grass
- Nearly finished with the window trim in the swimming pool room
- Small holes in clubhouse grass were filled
- Installed a water meter on N. Palmer
- Weekly mowing of all entrances, the clubhouse grassy area and Memorial Park

I have received the following reports/complaints/concerns over the past month:

- Poor quality lot mowing
- A residence and a vacant lot need to have their tall grasses and weeds mowed
- The clubhouse grassy area is not being kept up and the grills should be moved
- A member's car was abandoned along the side of road in the Colony

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- Mail theft at the Village and Colony mailboxes
- Cars and recreational vehicles are parked long-term at the boat parking and the clubhouse parking lots
- Open perc holes remain on Huckleberry and the Village
- It appears someone has sprayed herbicide on selected plants along the berm. The Environmental Committee requests that grasses and weeds are not pulled or sprayed on the berm.

In response to discussions at the Study Session on Tuesday, a new sign has been ordered for the mailbox round-about in the Village. Also requested was the possibility of adding a streetlight at the mail station on Huckleberry. PUD got back to us with a price of \$1435.00 for a streetlight. The existing pole will not accommodate a light so a new pole would need to be installed.

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Environmental, Water, Pool, Building and Marina.

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

**Information Items:**

- A. In light of recent mail theft and vandalism of the Huckleberry mail station Karen Krug offered to contact Huckleberry residents about purchasing a new mail station.
- B. It is advised that members consider purchasing locking mailboxes.
- C. The Social Club gave a report on the new Art Wall now on display.

**Member participation:** None

**New Business Action Items:**

**Motion 1:** Leslie Fellner moved and Richard Hilfer seconded to approve the height variance to 20 feet for 131 Cape George Drive, to keep the 6/12 roof pitch, tying the new roof structure in to the existing garage roof, as requested at the 6/13/17 Study Session. Passed- 5/0

**Motion 2:** Karen Krug moved and Ray Pierson seconded to turn over five bad debt accounts to SABA. Passed – 5/0

**Motion 3:** Karen Krug moved and Ray Pierson seconded to appoint Carol Wood to fill the vacancy created by the resignation of Raul Huerta, effective July 15, 2017. Passed- 4/0 Carol Wood abstained from the vote.

**Motion 4:** Ray Pierson moved and Carol Wood seconded to accept Raul and Debbie Huerta's gift of a DR walk behind string trimmer, valued at \$1090. and a DR stump grinder valued at \$1962. Passed – 5/0

**Motion 5:** Katie Habegger moved and Leslie Fellner seconded to accept the gift of 5 large rocks from Ken and Laurie Owen and place them on community property. Passed – 5/0

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**Open Board Discussion:**

The Trustees discussed parking of vehicles on common property and will review Rule CP 12 for clarification.

**Announcements:**

- A. Study Session – July 11, 2017 3:00 P.M.
- B. Board Meeting – July 13, 2017 3:30 P.M.
- C. Annual Membership Meeting -- July 15, 2017 2:00 P.M. at Cape George Fire Hall
- D. Special Board Meeting to select Board Officers – July 15, 2017 immediately following Annual Membership Meeting

**Adjournment:** Carol Wood moved and Ray Pierson seconded to adjourn the regular session at 4:10 pm. Passed – 5/0

**Submitted by:**

**Approved by:**

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**Leslie Fellner, Secretary**

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**Richard Hilfer, President**

**Committee reports:**

May 17, 2017

FROM: Bill Deckman, Building Committee Chair

SUBJECT: Building Committee May 2017 Report

*Building Permits issued in May:*

James Doros Lot #2 Rhododendron St.

Construct a Single Family Home. High Point of grade and setbacks inspected by building committee.

Jamie Palmer Lot #10 N. Palmer Dr.

Construct a Single Family Home. High Point of grade and setbacks inspected by building committee

Duniho/Graves Lot 12 N. Palmer Dr.



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Construct a Single Family Home. High Point of grade and setbacks inspected by building committee

*Projects Complete>*

Solomon/Soble Single Family Home 488 S. Palmer  
Brad Taylor Shed 241 Colman Dr.

*Other Business:*

Variance Request: Neil (Rocky) D'Acquisto Addition to existing outbuilding. Height to be 20'. County permits pending.

Building Committee met on 17 May for scheduled meeting. Six members in attendance. Topic of discussion was D'Acquisto Variance. After thorough discussion, the Building Committee voted unanimously to recommend approval of this height variance.

Cc: Cape George Manager

**ENVIRONMENTAL COMMITTEE MINUTES**  
**CAPE GEORGE CLUBHOUSE - Monday, May 8, 2017**

**IN ATTENDANCE:** Ross Anderson, Varn Brooks, Dennis Fellner, Marta Krissoovich, Norma Lupkes, Sharon Mitchell, Ken Owen, Kitty Rucker, Robin Scherting

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved.

**Fiscal report:** Kitty reported that the Environmental Committee fund is now \$3217.50. *(these are not funds belonging to Cape George Colony Club).*

**OLD BUSINESS:**

1. **New CG Manager:** Sharon Mitchell was welcomed as the newly hired Cape George Manager to the EC meeting and we look forward to working with her in the future.
2. **Recycling after Events at Clubhouse:** The local recycler was contacted and they **will not** pick up any glass containers. As this is the largest source of our recyclables the decision has been made to continue to have volunteers continue to take all recycled containers to the city facility. Varn, Marta and Ross have volunteered as Betty & John Hanks have been doing it in the past. Sharon will verify that renters of the facility are responsible for removal of their own discarded containers and report back to the EC.
3. **Weeding and Pruning Volunteer Work Parties:** **April 18** – Fire Hall on Ridge Dr – Kitty, Betty, Katy, Marta, Chris Buzzard, Steve Shapiro – **April 25** - Clubhouse – Kitty & Chris – **May 23** – Vancouver West Park (notice to be placed in newsletter to encourage volunteers).  
**EC Volunteer List Update:** Kitty has updated the list of the areas in the community being maintained by



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volunteers and identified those four areas currently without a designated individual. Marta Krissovich has been involved in doing some mapping of the community trails; she and Kitty will walk the trails as their schedules permit and report back to the EC.

4. **Environmental Concerns:** Robin and Betty will work together on articles of environmental concern as schedules permit and submit them to the community newsletter.
5. **Poison Hemlock:** Town and Country Spraying have completed spraying poison hemlock in areas in the community that volunteers cannot safely reach. However, Steve Shapiro continues to do his part in eradicating the hemlock on a regular basis – thanks Steve for all you do!
6. **Memorial for Ann Simpson:** A plaque will be placed on a large rock donated by Ken & Laurie Owens which will be moved by Donnie to the designated site. The Thursday quilting group will determine the wording and fund the project. Kitty will present this proposal to the Board at the June meeting.
7. **Beach Walk:** The annual beach walk will be held July 22 at 9:00-10:30 and will be led by the Marine Science Center experts. EC volunteers will be needed to assist and goodies will be provided.

**NEW BUSINESS:**

1. **Weeding /Pruning Usage of CG Maintenance:** Kitty and Betty met with CG Manager to establish usage of the 50 hours of maintenance assistance to be given to the EC. A *Work Request Form* was developed to identify the date, work area, work needed, time estimate, approval, etc. to be completed to request this assistance and track usage. This will be a great help to the volunteers now doing the work.
2. **EC Fund-Raising Account changes:** In the past it has been the practice of CG Committees to raise funds for a variety of uses. At the April meeting, the Board of Directors discussed the issues and problems associated with the current practices of accounting, care, custody and control of those funds. In May the Board discussed procedures to more appropriately manage and account for those funds. The CG Social Club has generously offered to provide free bookkeeping services to account for those funds while still enabling individual committees to control how their funds are spent. Committees are also free to handle their funds themselves if they so choose. The transition from the office to either the Social Club or individual Committees has been discussed with each Committee Chairperson. The office will continue to collect money for events as they have done in the past. *The motion was made, seconded and approved to have the Social Club handle the funds of the Environmental Committee with the transition to be completed by July 1, 2017.* A motion was also made, seconded and approved for \$25 expenditure to express our thanks to Terri Brown, office admin, for continuing to collect event money for the EC.
3. **Fund-Raising Necessity:** The concept of having to continually fund-raise was discussed based upon the considerable amount currently in the EC account. The decision was made to table this discussion to a later meeting.
4. **Marine Science Center/Dept of Natural Resources Request:** Ross Anderson presented an opportunity to the Environmental Committee to sponsor “*Citizen Science*” associated with wildlife protection in our local area. This would involve such activities as beach clean-up (with data collection), count of bald eagles (weekly trips around Protection Island), or other bird surveys (monthly entered in database). Ross will submit an article into the newsletter with more details and a meeting is scheduled for June 1 which will be covered in his submission.

**ADJOURNMENT: The meeting was adjourned at 10:15 AM**

Respectfully Submitted: Norma J. Lupkes

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**Cape George Marina Committee Minutes June 6, 2017**

Harbormaster Sonja Ericson convened the meeting at 11 am. More than 20 members were present.

Sandi reported that the Waterfront Festival is scheduled for Saturday, Aug 19, preparations, including a band, are underway.

Craig Muma, marina chair, reported that the marina fund balance is at \$10,450. The CG Board of Trustees has determined that it is not legal for the CG Association to manage a separate marina fundraising account. Since the Social Committee already has the required bank account to hold and distribute fund raising proceeds, the Marina Committee authorized the Social Committee to manage their fund by a unanimous vote. The Marina Committee would retain full authority over how their money is spent.

Lad reported that Cape George received two bids to replace the wiring and pedestals on the marina docks. Due to changes in the code regulations significantly raising the cost of the project the committee accepted a low bid of \$101,000, which is over the reserve budget amount. The committee had no choice except to request the Board approve the Reserve expenditure and ask approval by a vote of the Association for the extra funds in 2018 when that amount will be available. It was moved and seconded, and approved by the committee.

Gary Rossow reported that annual dredging of the marina entrance is scheduled for June 23 and 24, when minus tides allow equipment to work in the entrance. He also reported that Jim Bodkin and Penny Jensen have been studying winds and sedimentation, and that there is uncertainty whether adding rock to the north jetty would be wise at this time. It was moved and seconded, rock placement be deferred pending further study. The members voted to support that decision.

Craig Muma explained that Cape George reserve funds will be available in 2022 for possible dredging of the marina basin. Gary Rossow and Jim Bodkin will begin work on a process for deciding if and when that job should be undertaken.

Sonja reported that she has obtained two estimates for grading and gravel of the road along the east side of the marina. The committee determined a less expensive “quick fix” to straight cut and fill the pot holes was the best option at this time. It was moved and seconded. The full committee approved that motion. Meanwhile the committee will determine what should be done for a long term repair and maintenance and how it should be paid for. .

Mac MacDonald reported that post anchors have been installed at the base of the picnic shelter posts.

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Sharon Mitchell reported that members are complaining that the picnic tables and benches are in poor repair and need to be replaced. It was moved and seconded that Mac assess their condition and come up with an estimate for materials needed to repair or replace them. Marina members will do the work. The committee approved that motion.

Ken Owen reported that a transfer switch will be needed to operate the new generator/welder. It will cost less than \$500 and the Marina Committee will install it.

Ross Anderson reported that he has agreed to run for the Board of Trustees, but that other Marina Committee members need to seriously consider running in the future, in part to ensure that the marina is well represented on the board.

There was discussion about the boat that washed up on the beach during the last wind storm. The concern for future incidents would mainly be for safety of the community and fuel and oil spills. There is a need to inform the CG office and the Coast Guard in such an event. Thad Bickling explained the protocol in case of spills and identified how to contain them.

The meeting was adjourned at 12:30 pm.

**CAPE GEORGE POOL COMMITTEE MEETING NOTES**

**CG CLUBHOUSE-JUNE 7, 2017**

The window trim project is continuing and should be done this month.

The pool fundraising account is now handled by the social committee.

Changing the pool hours to accommodate an earlier time for kids to swim during the summer was discussed and rejected. The pool is open from 1:00pm to 11:00 pm for general swim and that was felt to be a sufficient period of time for that group to enjoy the pool. Any change of hours would have to go through the board and thus would require a public hearing. It is not the recommendation of the pool committee to discuss the subject further.

Pool diapers are there for the convenience of young children. They are for that use only. Disposal is only in the waste baskets provided.

The subject of new shower stalls was discussed. It turns out that some money for that project is in the 2018 budget.

The pool temperature is daily noted on the south wall near the heat exchanger. It has been consistent and very few complaints have been noted.

The next meeting is Aug.2, 3:00 at the clubhouse.

Respectfully submitted, Neil D'Acquisto

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**CAPE GEORGE WATER ADVISORY COMMITTEE  
MEETING REPORT, JUNE 6, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Sharon Mitchel, Manager; Karen Krug, Board Liaison; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and members Scott James and Thad Bickling.

1. The trench cut at 500 Dennis Blvd. will be paved with an upcoming pavement repair project that Larry (as Roads Committee Chair) and Sharon are currently preparing for bids. We've got several new homes being built or imminent and we should hold off on a paving project if we anticipate any more water services that may require a pavement cut. Karen said we had 9 new water services last year and have several new and pending already this year.
2. Greg reported that the tank cleaning was completed as planned. Sharon said the cost was \$4,796 total. Greg said there was around ¼" sediment on the floor and walls which were both cleaned. It's been five years since the last cleaning so we should plan for the next one in five more years, i.e., 2022.
3. We had an incident with someone accessing the water facilities and a neighbor not recognizing the vehicle. It was reported to be either Mac or perhaps a former employee. That raised the issue of security at the facilities. The Water Manager, the Cape George Manager and several others have keys to the buildings. There is a lock box on the gate with a key to the buildings and the Emergency Preparedness Committee has published the numbers to that lock box since at least 2008 in emergency procedures to access the site and shut down the water tanks to preserve our water supply in case of an earthquake. We discussed the need to ensure the security of the facilities and asked Sharon to change the lock box and keys. We can then keep track of those who are issued keys and who are given the lock box numbers. Karen suggested we change the locks every three years coinciding with the updating of the reserve study.
4. The ballots for Cape George Board members were mailed today including the annual Water Consumer Confidence Report (CCR) and the Water Use Efficiency Report as required by DOH. Greg can now report that to the DOH.
5. Sharon, Karen, Greg, Donnie and Larry met with the reserve study consultant regarding the water reserves. We have some initial feedback but wait for the initial draft update to review it. We are also beginning the annual budget process now through August and September. Karen suggested that we need to look at the revenue projections and the water fees which haven't been raised in several years.

That initiated a discussion about the few failed water service saddles that we've recently experienced and when that might lead to a project to begin replacing them. We discussed that the services were probably installed at the time of the house construction and not during the initial water main installation (1960's). The only way we could determine the age of the service saddles is to inventory the age of the

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homes which would be a substantial project (over 500 homes). In the short term, we need to list the recent failures and keep an on-going list to monitor progression of failures/leaks.

6. Greg handed out copies of his Water Accountability Report that shows our compliance with DOH requirements that at least 90% of water is accounted for by comparing the water source meters less water used for backwash of the filters with the water meter reports. The first quarter of 2017 was 93.78% and the second quarter (thru 5/5/17) was 95.57%. The water source meters were recently calibrated.

The next meeting will be on **July 11, 2017 at 5 pm at the Office. NOTE DIFFERENT DATE DUE TO THE REGULAR MEETING DATE FALLING ON JULY 4<sup>TH</sup>.**

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**President Richard Hilfer called the meeting to order at 3:30 p.m.**

**Welcome**

Voting has now closed for the Trustee election. Results will be announced at the Annual Membership meeting to be held July 15, 2:00 at the Cape George Fire Hall. Written reports are available on our website.

A Special Board meeting will be held Saturday, July 15 immediately following the Annual Membership meeting.

An Executive Session will follow today's meeting to discuss a personnel issue.

**In Attendance:** Richard Hilfer, Katie Habegger, Leslie Fellner, Karen Krug, Carol Wood, and Ray Pierson

**Action on Minutes:** Leslie Fellner moved and Ray Pierson seconded to approve the minutes of the Regular Board Meeting dated June 15, 2017. Passed – 5/0

**Membership Report:** Leslie Fellner

Bryan Danielson – Docile Enterprises purchased 41 N Palmer from Judy Specht

Bryan Danielson also purchased Lot 2Cresthaven on Sunset from Keith & Martina Slattery

Ron & Jayn Hanson purchased 191 Maple Dr from Elizabeth Shapiro

Denise Dowd purchased lot 4Cresthaven on Sunset from Keith & Martina Slattery

Richard Huffman purchased 111 Quinault Loop from Colleen Johnson

Lani Hubbard & Susan Cook purchased 31 Vancouver Pl from Larry and Janet Wood

**Treasurer's Report:** Karen Krug

**TREASURER'S REPORT**

**As of June 30, 2017**

*A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.*

**2017 BALANCE SHEET COMMENTS**

All bank accounts have been reconciled and the bank statements reviewed. At month end, all financial institutions were within the FDIC/NCUA limits. Cape George continues to look to establish at least one new future banking relationships to help ensure all accounts stay within FDIC/NCUA limits.

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RESERVES	General	Water	Marina	Routine Reserve
<b>Audited Reserve Balance - 12/31/2016</b>	<b>\$ 161,994</b>	<b>\$ 459,397</b>	<b>\$ 77,754</b>	<b>\$ 14,657</b>
(A9) Final 2016 excess cash from operations (3/13/17)	12,230	17,625	4,208	0
(B) 2017 YTD collections Reserve Assessment	0	193	0	64,630
(C) 2017 YTD interest and other minor activity	64		30	398
(D) Proceeds from sale of old 1-Ton truck	900	900		
(E) 2017 YTD Project Draws:				
Clubhouse flooring draws	(25,373)	0	0	0
Final F450 truck draws	(2,803)	(2,803)	0	0
Fitness room bike replacement draw	(2,047)	0	0	0
Dock float draw	0	0	(4,193)	0
<b>Unaudited Balance - 06/30/2017</b>	<b>144,966</b>	<b>475,312</b>	<b>77,799</b>	<b>79,685</b>

The Members approved \$135,000 in reserve expenditures for seven projects for 2017. Three of the projects have been completed to date. Yet to be completed are the painting of the pool building interior, replacing the 1/2-ton pickup and a new sanitizer for the clubhouse. The final project, replacing the electrical system in the Marina, has been postponed until 2018 because all the bids received were materially higher than expected.

#### OVERALL OPERATING COMMENTS

The Treasurer's Report for the Annual meeting also includes comments on the June 30, 2017 operating results.

For all three cost centers the favorable variance in labor is a budget timing issue and that variance will diminish as the year progresses.

High electricity usage continues to be a challenge in all three cost centers. Kilowatt hours continue to be tracked. Through the June billing there is not yet any 'warmer weather' change evident.

The two largest users of electricity are the pool/clubhouse and the water system, together comprising about 70% of the total kilowatt hour use. In the past, those two areas used nearly identical kilowatt hours. This year the pool use has increased by nearly 60% and as discussed previously, likely a combination of cooler weather and the new dehumidification system. Water shows only a 2% increase.

#### General Operations

Little has changed in general operating conditions since last month. Efforts continue to look for cost reduction measures that do not delay maintenance or threaten the condition of common assets. Bids have been received for minor asphalt road repairs and those bids are about one-half of what was

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budgeted. Over budgeting in road repairs has always occurred as it has been used as general contingency factor.

It still appears unlikely that general operations will reach its budgeted year-end net income target of \$32,000, but continued careful consideration in spending decisions will narrow the gap.

### **Water Operations**

Water operations continue to perform at levels at or better than budget and since the complete cleaning of the storage tanks has already occurred, operations should continue on this positive path.

Most electrical use is expected to decrease during the summer months but electric use by the water system increases. The water system uses power to pull the water out of the ground and to push water to Highland residences. Both these events increase in summer.

### **Marina Operations**

Marina revenue has improved over the past month due to incidental summer use, a positive trend. The marina's major annual operating expenditure, dredging of the entrance channel, occurred in late June. Since the marina again made the decision to forgo adding jetty rock, the costs was only about \$9,000 a savings of several thousand dollars over the budget.

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<i>Balance Sheet as of June 30, 2017 and 2016</i>						
<b>Assets</b>	<b>2017</b>	<b>2016</b>		<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>
Cash and Cash Equivalents:				Current Liabilities:		
Operations Checking	\$ 127,586	\$ 158,578		Accounts Payable & Other Liabilities	\$ 9,272	\$ 7,832
Operating Investment-Savings	98,319	88,007		Unearned Income General/Water/Etc.	74,259	73,289
Petty Cash (2 accounts)	600	600		Unearned Income Reserve Assmnt	18,802	18,221
Reserves - General, Water & Marina	698,077	580,642		Unearned Income Marina Wait List	1,200	1,200
Special Assmnts(Berm/Sseawall)	-	1,088		Total Current Liabilities	103,533	100,542
Routine Reserve Assessment	79,685	77,251				
Total Cash & Equivalents	1,004,267	906,165				
Net Accounts Receivable	2,498	4,611				
Reserve Assmnts Receivable	468	463		<b>FUND BALANCES:</b>		
Total Net Fixed Assets	1,849,435	1,831,517		Fund Balances (Combined)	2,653,054	2,507,695
Total Prepaid & Other Assets	35,950	33,620		Modified Cash Basis CY Income	136,032	168,139
<b>TOTAL ASSETS</b>	<b>\$2,892,618</b>	<b>\$2,776,376</b>		<b>Total Liabilities and Fund Balance</b>	<b>\$2,892,618</b>	<b>\$2,776,376</b>



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**Summary Revenue and Expense Statements for the periods ended June 30, 2017 and 2016 respectively**

2017 Year to Date					COMPARATIVE				
	Actual	Budget	Variance	%		2017 YTD	2016 YTD	Variance	%
General Assessment	\$ 143,204	\$ 143,204	-	0%	General Assessment	\$ 143,204	\$ 143,204	\$ -	0%
Revenue - All Other Sources	21,716	14,750	6,966	47%	Revenue - All Other Sources	21,716	15,319	6,397	42%
Total General Revenue	164,920	157,954	6,966		Total General Revenue	164,920	158,523	6,397	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	66,376	71,112	4,736	7%	Salaries, Benefits, PR Tax	66,376	65,576	(800)	-1%
Repairs & Maintenance	4,717	10,708	5,991	56%	Repairs & Maintenance	4,717	6,053	1,336	22%
Contracted Services	22,586	25,255	2,669	11%	Contracted Services	22,586	19,876	(2,710)	-14%
Insurance	9,532	9,765	233	2%	Insurance	9,532	9,398	(134)	-1%
Pool Expense	20,001	10,750	(9,251)	-86%	Pool Expense	20,001	9,397	(10,604)	-113%
Other Expenses (incl taxes)	28,410	13,126	(15,284)	-116%	Other Expenses (incl taxes)	28,410	15,631	(12,779)	-82%
Total General Expenses	151,622	140,716	13,629		Total General Expenses	151,622	125,931	(2,308)	
<b>General Net Income</b>	<b>\$ 13,298</b>	<b>\$ 17,238</b>	<b>\$ (3,940)</b>	<b>-23%</b>	<b>General Net Income</b>	<b>\$ 13,298</b>	<b>\$ 32,592</b>	<b>\$ (19,294)</b>	<b>-59%</b>
<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 93,150	\$ 93,060	\$ 90	0%	Revenue - Water Use Fees	\$ 93,150	\$ 92,160	\$ 990	1%
Revenue - All Other Sources	5,544	2,000	3,544	177%	Revenue - All Other Sources	5,544	5,215	329	6%
Total Water Revenue	98,694	95,060	3,634		Total Water Revenue	98,694	97,375	1,319	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	30,046	32,006	1,960	6%	Salaries, Benefits, PR Tax	30,046	29,498	(548)	-2%
Repairs & Maintenance	8,451	7,192	(1,259)	-18%	Repairs & Maintenance	8,451	432	(8,019)	-1856%
Contracted Services	8,252	9,079	827	9%	Contracted Services	8,252	9,246	994	11%
Insurance	4,836	5,007	171	3%	Insurance	4,836	4,933	97	2%
Other Expenses (incl taxes)	18,815	20,220	1,405	7%	Other Expenses (incl taxes)	18,815	17,670	(1,145)	-6%
Total Water Expenses	70,400	73,504	3,104		Total Water Expenses	70,400	61,779	(8,621)	
<b>Water Net Income</b>	<b>\$ 28,294</b>	<b>\$ 21,556</b>	<b>\$ 6,738</b>	<b>31%</b>	<b>Water Net Income</b>	<b>\$ 28,294</b>	<b>\$ 35,596</b>	<b>\$ (7,302)</b>	<b>-21%</b>
<b>Marina</b>					<b>Marina</b>				
Revenue - Moorage/Parking	\$ 53,822	\$ 55,500	\$ (1,678)	-3%	Revenue - Moorage/Parking	\$ 53,822	\$ 54,547	\$ (725)	-1%
Revenue - All Other Sources	11,285	10,930	\$ 355	3%	Revenue - All Other Sources	11,285	8,985	2,300	26%
Total Marina Revenue	65,107	66,430	(1,323)		Total Marina Revenue	65,107	63,532	1,575	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	7,071	7,503	432	6%	Salaries, Benefits, PR Tax	7,071	6,386	(685)	-11%
Repairs & Maintenance	11,406	16,625	5,219	31%	Repairs & Maintenance	11,406	4,014	(7,392)	-184%
Contracted Services	1,895	2,824	929	33%	Contracted Services	1,895	5,205	3,310	64%
Insurance	3,371	3,228	(143)	-4%	Insurance	3,371	3,028	(343)	-11%
Other Expenses (incl taxes)	6,146	4,829	(1,317)	-27%	Other Expenses (incl taxes)	6,146	5,224	(922)	-18%
Total Marina Expenses	29,889	35,009	5,120		Total Marina Expenses	29,889	23,857	(6,032)	
<b>Marina Net Income</b>	<b>\$ 35,218</b>	<b>\$ 31,421</b>	<b>\$ 3,797</b>	<b>12%</b>	<b>Marina Net Income</b>	<b>\$ 35,218</b>	<b>\$ 39,675</b>	<b>\$ (4,457)</b>	<b>-11%</b>
<b>Routine Reserve</b>	60,904	60,904	-		<b>Routine Reserve</b>	60,904	59,580	1,324	
Assmnt Income/(Exp)	(1,990)	(1)	(1,989)		Spcl Assmnt Income/(Exp)	(1,990)	436	(2,426)	
Reserve Interest - all	310	32	278		Reserve Interest - all	310	258	52	
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 136,032</b>	<b>\$ 131,150</b>	<b>\$ 4,884</b>	<b>4%</b>	<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 136,032</b>	<b>\$ 168,139</b>	<b>\$ (32,103)</b>	<b>-19%</b>

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**Manager's Report:** Sharon Mitchel

Channel dredging was completed as scheduled June 23-24<sup>th</sup>. It was interesting to watch and all reports indicate they were able to do a good job because of the very low tides. This project came in under budget.

One road repair estimate has been received. The other vendor did not respond.

The final round of vacant lot mowing will begin July 17th.

The Fitness room carpets and Clubhouse furniture will be cleaned on July 12th. The Clubhouse windows will be cleaned before the end of July.

An excavator installing the utility push on Maxwell broke the water line requiring road repair.

Projects being worked on by the Office Administrator, Terri Brown:

- Processed 6 new memberships and assisted those new members with our rules
- Processed quarterly assessment billing
- Summer crabbing season has arrived! Terri assisted hopeful boaters with moorage. As a result, the marina is nearly full.
- Sold salmon barbecue tickets
- Closed out the Committees' fundraising account and handed it over to the Social Club

Projects being worked on by the Caretaker, Donnie Weathersby and Assistant Caretaker, Chris Welcome:

- Completed the second round of road edge string trimming. They started the third round last week in the Village and will start on the Highlands next week.
- Cleaned up years of debris from behind the maintenance shop
- Installed water service on Maxwell and two on N. Palmer
- Weeding around the clubhouse and removed noxious weeds from the berm

I have received the following reports/complaints/concerns over the past month:

- Car without a CGCC sticker partially parked on road edge for more than 24 hours
- Multiple vehicles parked at Clubhouse parking area without stickers or passes
- Someone was in the pool after 11:00 p.m.
- Thistle and scotch broom growing on the berm
- Tansy on vacant lots in the Colony
- Road edge in front of a Colony home not being maintained
- Abandoned homes in the Colony and Village need of weeding and mowing
- Hedges growing between properties in the Village.
- A 10' pine tree is growing on a corner easement in the Village

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**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Building, Environmental x2, Marina, and Water. The reports are attached to these minutes and incorporated by reference.

**Information Items:**

The Trustees discussed Cape George's approach to abandoned properties and will continue the discussion in August after obtaining additional information on one or more of those properties.

The Trustees discussed the form of repairs to the clubhouse gazebo and will seek comment from members regarding the same.

The Trustees discussed vehicle parking on common property and concluded it was appropriate to issue more "tickets" to vehicles without the necessary Cape George decal and to vehicles parked in violation of the rules.

**Member participation:** A member brought up traffic and property concerns of moving the mailbox station from the top of Huckleberry to the bottom of the street in order to deter continuing mail theft. Community property is being measured at the end of Huckleberry to determine if this is even an option. All options are still being discussed and a neighborhood meeting is scheduled for early August.

**New Business Action Items:**

**Motion 1:** Leslie Fellner moved and Karen Krug seconded to refund the credit balance of \$4.00 to a previous member as requested. Passed – 5/0

**Motion 2:** Leslie Fellner moved and Katie Habegger seconded to approve the payment plan for a chronically late member, as presented by Sharon Mitchel at the 7/12/17 Study Session. Passed – 5/0

**Motion 3:** Carol Wood moved and Leslie Fellner seconded to approve 8 member requests for 10 due date adjustments. Passed – 5/0

**Motion 4:** Karen Krug moved and Ray Pierson seconded to approve a contract with Lakeside Industries in the amount of \$5450 for the spot repair of pavement throughout the community. Passed – 5/0

**Open Board Discussion:**

Katie Habegger asked when the speed monitoring would resume. Manager Sharon Mitchel anticipates placing the equipment in a week or so.

**Announcements:**

Annual Membership Meeting -- July 15, 2017 2:00 P.M. at Cape George Fire Hall

Special Board Meeting to select Board Officers – July 15, 2017 immediately following Annual Membership Meeting

Study Session – August 8, 2017 3:00 P.M.

Board Meeting – August 10, 2017 3:30 P.M.

Ray Pierson moved and Richard Hilfer seconded to adjourn the regular meeting and move to executive session at 4:06 pm to address a personnel issue. Passed – 5/0

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Karen Krug moved and Leslie Fellner seconded to adjourn the executive session at 4:37 pm and return to the regular board meeting. Passed – 5/0

**Motion 5:** Ray Pierson moved and Karen Krug seconded to provide the manager with a 3% raise as discussed in her offer agreement, effective as of the next pay schedule. Passed – 5/0

Carol Wood moved and Karen Krug seconded to adjourn the meeting at 4:39 pm. Passed – 5/0

**Submitted by:**

**Approved by:**

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**Katie Habegger, Vice President**

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**Richard Hilfer, President**

**Committee reports:**

**Building Committee June 2017 Report**

*Building Permits issued in June:*

George Connor single family home (Highlands)

Stanley Kropf deck addition (Village)

*Other Business:*

Building Committee met on 21 June for scheduled meeting. Members in attendance, Bill Deckman, Bill Woodson, Ray Pierson, Sharon Mitchell. Topic of discussion was George Connor single family home (Highlands) and D'Acquisto variance approval.

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**ENVIRONMENTAL COMMITTEE MINUTES**  
**CAPE GEORGE CLUBHOUSE - Monday June 12, 2017**

**IN ATTENDANCE:** Chris Buzzard, Sue Dunning, Katie Habegger, Norma Lupkes, Dennis McDaniel, Sharon Mitchel, Kitty Rucker, Robin Scherting & Steve Shapiro

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved after changes were reviewed and accepted.

**Fiscal report:** Kitty reported that the Environmental Committee fund is now \$3199.50. (*these are not funds belonging to Cape George Colony Club*). The last fiscal report to be generated from the CG Office was shared and in the future per the “new process” of accounting, care, custody and control of EC funds any bills, checks, etc. will be picked up at the office by Leslie Fellner and taken to the Social Club Treasurer to provide bookkeeping services of EC funds while still enabling the committee to control how it's funds are spent.

**OLD BUSINESS:**

1. **Weeding and Pruning Volunteer Work Parties:** *Those held were April 18* – Fire Hall on Ridge Dr – Kitty, Betty, Katy, Marta, Chris Buzzard, Steve Shapiro – *April 25* - Clubhouse – Kitty & Chris – *May 23* – Vancouver West Park. The next scheduled event is **June 21 10:30** at the clubhouse.
2. **Beach Walk:** The annual beach walk will be held **Saturday July 22 at 9:00-10:30** and will be led by the Marine Science Center experts. EC volunteers will be needed to assist and goodies will be provided.
3. **Weeding /Pruning Usage of CG Maintenance:** Chris will have more time available in the near future to provide his assistance to the committee volunteers.
4. **Marine Science Center/Dept of Natural Resources Meeting:** Ross Anderson and DNR representatives held a meeting at the clubhouse on June 1 to offer the opportunity to be part of the “*Citizen Science*” group associated with wildlife protection in our local area involving such activities as beach clean-up (with data collection), count of bald eagles (weekly trips around Protection Island), or other bird surveys (monthly entered in database).
5. **Presentation to the Board on donated rocks and memorial for Ann Simpson:** A plaque will be placed on a large rock donated by Ken & Laurie Owens which will be moved by Donnie to the designated site at the corner of Palmer and Cape George Drive. The other 4 rocks will be placed at a designated area near the marina.

**NEW BUSINESS:**

1. Dennis McDaniel, a recent newcomer resident to CG was welcomed to the Environmental Committee.
2. The dredging of the marina is scheduled for June 23-24.
3. Steve Schapiro's last meeting with the EC will be the August meeting. Appreciation for all of his work will be expressed at that time.

**ADJOURNMENT:** The meeting was adjourned at 10:15 AM

Respectfully Submitted: Norma J. Lupkes

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**ENVIRONMENTAL COMMITTEE MINUTES**  
**Monday July 10 2017**

**IN ATTENDANCE:** Varn Brooks, Dennis Fellner, Katie Habegger, Phil Habegger, Betty Hanks (part time), Marta Krissovich, Sharon Mitchel, Ruth Ross, Kitty Rucker, Robin Scherting, Steve Shapiro

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved, as corrected. New resident Ruth Ross was welcomed to the committee.

**Fiscal Report:** Kitty reported that the Environmental Committee fund is now \$3,209.50. *(these are not funds belonging to Cape George Colony Club)*. A minor expenditure was made for a thank you gift to Terri in Cape George Office, and \$10 was received for the sale of a picture.

**OLD BUSINESS**

1. **Rocks:** The rocks gifted by Ken and Laurie Owens have been installed in their new locations. The memorial rock for Ann Simpson is in the park area on the corner of Cape George Drive and North Palmer, and the remaining four rocks plus an additional rock have been set along the North Jetty adjacent to the marina.
2. **June work party:** participants were Sue Dunning, Betty Hanks, Robin Scherting and Kitty. They were thanked for their efforts.
3. **July work party:** will be July 25<sup>th</sup> at 10.00 a.m., meeting at the Clubhouse. Betty will decide on the area to be worked on.
4. **Beach Walk:** will be held July 22<sup>nd</sup> from 9.30 to 10.30, meeting at the Clubhouse. Kitty will arrange for light refreshments, and Katie will assist with serving.

**NEW BUSINESS**

1. **Berm Weeds:** Varn presented a draft of guidelines for maintaining the berm, noting the presence of some weedy annual species which do not have the root systems needed to prevent winter erosion. The dune grass is well established along most of the berm, but failed to thrive in one area, allowing undesirable alfalfa to flourish. Possibly some of the existing grass can be transplanted into this area in the fall. A concern was also raised that the height of the dune grass is impacting the view from the fitness room, and it was suggested that this could be remedied by replacing some of the grass with the low-growing sea rocket which is now flourishing elsewhere on the berm. Varn, Sharon, Betty, and Kitty will walk the berm and discuss the actions to be taken.
2. **Fire Pit Wood Storage:** Varn expressed concern about the storage of firewood at the fire pit, which continues to be a problem even though it is prohibited. Kitty and Varn will work on an article for the newsletter to cover the berm and firewood issues.
3. **Littoral Drift:** Kitty reported that a group from the Marina Committee is investigating the possibility of constructing a wooden groin on the south side of the marina entrance, to reduce

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the northward movement of sediment (littoral drift). The natural buildup of sediment restricts access to the marina and necessitates annual dredging. The Marina task force is still in the very early stages of investigating this possible solution to the silting problem.

4. **Steve's Celebration:** A low-key celebration will be held at the August 14<sup>th</sup> Environmental Committee meeting, to thank him for his hard work in Cape George. It is hoped that his wife, Chris, will be able to attend also.
5. **Change of Meeting Date:** Sharon suggested that the Environmental Committee move its meeting date from the second Monday in the month, to allow timely minutes to be submitted to the Board and published in the newsletter. After discussion, it was decided to leave the date unchanged. Any urgent matters can be brought to the Board by the Committee's Board Liaison, without waiting for the minutes to be prepared and published.
6. **Privacy of Beach Area:** With the warmer weather, an increase in the number of non-residents visiting our beach and Memorial Park has been noticed. Members of the Committee were asked to note any cars in the parking lots without CG stickers or visitors' permits and point out to the non-residents that the area is private property. Dennis suggested that the gate on Marina Drive could be closed and converted to open only with a CG resident's key card or fob. Sharon will look into whether this is feasible.
7. **Other Business:** Marta presented a draft of an updated Cape George map she has been working on, showing the trails, parks and other points of interest. She hopes to have the map incorporated in the Cape George directory and included in the new members' package. Additional copies would be available in the office. It was suggested that a long-time resident of the Highlands may know of horse trails in the Highlands which could be incorporated into the map. Marta will follow up.

ADJOURNED AT 10: 15.

### Cape George Marina Committee Minutes July 11, 2017

Harbormaster Sonja Ericson called the meeting to order at 11 am. About 20 members were present.

Sonja requested that \$150 be allocated from the marina Memorial fund to purchase prizes for the regatta scheduled for August. The committee approved.

Ben Fellows moved that up to \$300 be allocated from the marina Memorial fund to purchase large floats to be used as course marks for the regatta. The committee approved.

Sonja reported that a contractor has submitted a bid of \$1500 for temporary repairs to the dirt road around the marina. That is within the Marina Committee's approved amount to use from the Marina Memorial Fund Raising Account.

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Craig Muma reported that he has received an estimate of \$15,000 to repair three marina pilings. These need to be repaired now, while replacement of the remainder of the pilings is on the reserve schedule for 2028. A request for a Reserve expense to cover the cost will be made to the Board.

Craig suggested that, when zincs are replaced on the seawall, they might be suspended by cables from the top of the seawall, rather than welded in place. Six experimental suspended zincs will be deployed during the seawall zinc replacement project July 22. They will then be monitored for effectiveness. This would allow our wall zincs to be checked and replaced more easily. The installation is scheduled for July 22 & 23.

Jim Bodkin reported that he and Gary Rossow have used a handheld depth sounder to check depths against the survey that was conducted several years ago. With one or two exceptions, depths have not changed, he said. They will continue to monitor the depths.

Ben Fellows reported that the six-year project to replace the dock floats is nearly complete. Only two short finger piers remain. Over the course of the project, about 750 floats have been replaced. A schedule and protocol to maintain them will be generated in the next couple of months.

Marta reported that 102 people have signed up for the July 16 salmon barbecue, but she needs volunteers to help with cooking, cleanup, etc.

The meeting was adjourned at noon.

**CAPE GEORGE WATER ADVISORY COMMITTEE  
MEETING REPORT, JULY 11, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Sharon Mitchel, Manager; Karen Krug, Board Liaison; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and members Scott James, Stewart Pugh and Thad Bickling.

1. The trench cut at 500 Dennis Blvd. and another cut on Maxwell will be paved with an upcoming pavement repair project. (We'll need to keep costs on those to be paid from Water funds.)
2. We agreed to proceed with changing the lock box and keys at the water facilities. New keys will be distributed to those who specifically need them; others will access them through the lock box. The new code to the lock box will be distributed to those that may need access including the Emergency Preparedness Committee. The current lock box code and keys have been in use for many years. Karen suggested we change them every three years to coincide with the reserve study updates.
3. Karen said we should be getting a draft of the reserve study to review in the next week or so. We are also beginning the annual budget process now through August and September. Karen suggested that we need to look at the revenue projections and the water fees which haven't been raised in several years.



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4. Stew's report of the monthly meter reading shows 25 leaks. One reported leak was over 500 gallons per day (gpd, average for the entire month). Average water use was 159 gpd for the 519 paid connections as compared to the allowed 250 gpd. 97 connections had less than 30 gpd and 22 had no usage. The pool is the largest user at 2,000 gpd. Total usage was over 100,000 gpd.
5. Greg said our monthly accounted for use was above 95% compared to the industry minimum standard of 90%.
6. Sharon reported that Donnie repaired the chlorine pump with a full repair kit.
7. Greg said he's still planning to have a company come to run a load test on our emergency generator sometime this fall.
8. Sharon would like Greg to prepare a preventive maintenance schedule/plan for Donnie to follow. Greg would model it on the ones they use at Port Ludlow.

The next meeting will be on **August 1, 2017 at 5 pm at the Office.**

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
July 15, 2017  
2:27

**The meeting was called to order by President, Richard Hilfer, at 2:27pm at the Fire Hall Station, following the Annual Membership Meeting.**

**Trustees present:** Richard Hilfer, Katie Habegger, Karen Krug, Ray Pierson, Joel Janetski, Ross Anderson and Carol Wood

The purpose of the meeting was to elect new board officers, approve the board calendar and assign committee liaisons.

**Election of Officers:**

**Motion 1:** Karen Krug moved and Ray Pierson seconded to elect Katie Habegger as the new board President. Passed - 6/0

**Motion 2:** Katie Habegger moved and Karen Krug seconded to elect Richard Hilfer as Vice President. Passed – 6/0

**Motion 3:** Katie Habegger moved and Karen Krug seconded to elect Carol Wood as Secretary. Passed – 6/0

**Motion 4:** Carol Wood moved and Joel Janetski seconded to re-elect Karen Krug as Treasurer. Passed -6/0

The board approved the 2017-2018 Board Calendar after minor corrections.

**New Board liaisons and/or members were chosen for the following committees:**

Building Committee – Ray Pierson and Richard Hilfer  
Election - Carol Wood  
Emergency Preparedness – Ross Anderson  
Environmental – Katie Habegger  
Fitness – Katie Habegger  
Marina – Ross Anderson  
Pool – Joel Janetski  
Roads – Ray Pierson  
Workshop – Joel Janetski  
Water – Karen Krug

It was decided to defer the review and assignment of new bank signatories to the August Board Meeting.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES SPECIAL MEETING  
July 15, 2017  
2:27

The Trustees signed the FIN10 Conflict of Interest Policy Signature form, which will be maintained for our records.

**Adjournment:**

Karen Krug moved and Rich Hilfer seconded to adjourn the meeting at 2:43 pm Passed - 6/0

Submitted by:

Approved by:

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Carol Wood, Secretary

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Katie Habegger, President

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
August 10, 2017  
3:30 PM

**President Katie Habegger called the meeting to order at 3:30 p.m.**

**Welcome**

**In Attendance:** Katie Habegger, Richard Hilfer, Karen Krug, Carol Wood, Ray Pierson, Joel Janetski and Ross Anderson.

**Action on Minutes:** Carol Wood moved and Joel Janetski seconded to approve the minutes of the Regular Board Meeting dated July 13, 2017. Passed – 6/0

Carol Wood moved and Karen Krug seconded to approve the minutes of the Special Board Meeting dated July 15, 2017. Passed – 6/0

**Membership Report:** Carol Wood

Elizabeth Shapiro purchased 106 Cole from Fred & Brenda Scaglione  
Don & Reesa Rees purchased 51 Sequim Pl from Steve & Kristie Shapiro  
Chris & Satomi Mackay purchased 61 Saddle Dr from Raul & Mary Huerta  
Hold'em Holdings LLC purchased 120 Vancouver Dr from Sue Atkins  
Hold'em Holdings LLC also purchased lot 8 on Vancouver Dr from Sue Atkins  
Amber Mallory purchased 173 Alder from Anne Simpson Estate

**Treasurer's Report:** Karen Krug

As of July 31, 2017

A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.

**2017 BALANCE SHEET COMMENTS**

All bank accounts have been reconciled and the bank statements reviewed. At month end, all financial institutions were within the FDIC/NCUA limits. Cape George is finalizing arrangements to open one additional bank account to ensure all accounts stay within FDIC/NCUA limits.

The balance sheet has experienced very little change since last month and only modest change from this time last year. Receivables are a bit higher than last month but since the third assessment installment is due in July and many Members wait until late in the month to pay that installment, there is no reason to be concerned. The fact that receivables are higher than last year at this time has more to do with the timing of bad debt write off than any real increase in balances owing.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
August 10, 2017  
3:30 PM

OVERALL OPERATING COMMENTS

Combined year-to-date (YTD) operations are performing 4% better budget but 9% behind last year at this time.

All three cost centers show marked results from their respective cost containment efforts and the outlook for year-end bottom lines are considerably improved from several months ago.

The three cost centers are also all exhibiting higher than anticipated Other Revenues, i.e. revenues not tied to the primary revenue sources of assessments, water charges or moorage. These increases are contributing to the prospect of year-end performance which more closely matches the original budget.

July electrical bills are not yet available so there is not any evidence that the warmer weather will improve electricity usage. What is available is a notice of potential rate increase was received in mid-July and while rates for residential customers will increase by 1%, the rate increases for non-residential customers are complex. A cursory review suggests that PUD has long considered Cape George a "residential" customer but that may change.

General Operations

Cost control efforts in other line items are proving effective in helping to mitigate the challenges posed by electricity charges. There are several major known expenditures that will occur in the later part of the current fiscal year, like the road repairs, but those have been budgeted and early indication is they will be accomplished for less than the full budgeted amount.

Other expenses include \$12,000 for the workshop drainage project which has been discussed in prior months.

It remains unlikely that general operations will reach its budgeted year-end net income target of \$32,000, but careful consideration in spending decisions is narrowing the gap.

Water Operations

Water operations continue to perform at levels at or better than budget. There are one or two known expenditures remaining this year including load-testing of the water system's emergency generator, but those should not have an adverse impact on overall performance.

Marina Operations

Marina revenue has improved in July with noticeable inflows from typical summer activities like ramp usage and daily moorage. Also having a noticeable impact on marina revenue was the \$1,600 donation from the Marina Memorial Fund that was earmarked for recently completed marina road repairs in the same amount.

The marina's very careful control of expenses is having a positive impact on their bottom line and continued efforts could result in the marina reaching its original budgeted net income target of \$9,600.

**CAPE GEORGE COLONY CLUB**  
**BOARD OF TRUSTEES MEETING**  
August 10, 2017  
3:30 PM

<b>CAPE GEORGE COLONY CLUB</b>					
<i>Balance Sheet as of July 31, 2017 and 2016</i>					
<b>Assets</b>	<b>2017</b>	<b>2016</b>	<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>
Cash and Cash Equivalents:			Current Liabilities:		
Operations Checking	\$ 158,626	\$ 189,008	Accounts Payable & Other Liabilities	\$ 7,846	\$ 8,779
Operating Investment-Savings	98,332	88,018	Unearned Income General/Water/Etc.	30,249	26,745
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assemnt	7,486	6,525
Reserves - General, Water & Marina	698,128	580,677	Unearned Income Marina Wait List	1,300	1,250
Special Assmnts(Berm/Sseawall)	-	673	Total Current Liabilities	46,881	43,299
Routine Reserve Assessment	96,721	93,604			
Total Cash & Equivalents	1,052,407	952,579			
Net Accounts Receivable	13,593	11,050			
Reserve Assmnts Receivable	2,573	2,209	<b>FUND BALANCES:</b>		
Total Net Fixed Assets	1,849,435	1,831,590	Fund Balances (Combined)	2,653,054	2,507,695
Total Prepaid & Other Assets	32,981	30,762	Modified Cash Basis CY Income	251,055	277,196
<b>TOTAL ASSETS</b>	<b>\$2,950,989</b>	<b>\$2,828,190</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$2,950,989</b>	<b>\$2,828,190</b>

<i>Summary Revenue and Expense Statements for the periods ended July 31, 2017 and 2016 respectively</i>									
<b>2017 Year to Date</b>					<b>COMPARATIVE</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>%</b>		<b>2017 YTD</b>	<b>2016 YTD</b>	<b>Variance</b>	<b>%</b>
General Assessment	\$ 214,806	\$ 214,806	-	0%	General Assessment	\$ 214,806	\$ 214,806	\$ -	0%
Revenue - All Other Sources	27,823	20,495	7,328	36%	Revenue - All Other Sources	27,823	17,887	9,936	56%
Total General Revenue	242,629	235,301	7,328		Total General Revenue	242,629	232,693	9,936	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	78,938	82,964	4,026	5%	Salaries, Benefits, PR Tax	78,938	76,882	(2,056)	-3%
Repairs & Maintenance	4,803	12,492	7,689	62%	Repairs & Maintenance	4,803	6,410	1,607	25%
Contracted Services	30,198	32,625	2,427	7%	Contracted Services	30,198	22,888	(7,310)	-32%
Insurance	11,119	11,392	273	2%	Insurance	11,119	10,945	(174)	-2%
Pool Expense	22,639	12,542	(10,097)	-81%	Pool Expense	22,639	10,752	(11,887)	-111%
Other Expenses (incl taxes)	29,679	15,132	(14,547)	-96%	Other Expenses (incl taxes)	29,679	18,533	(11,146)	-60%
Total General Expenses	177,376	167,147	14,415		Total General Expenses	177,376	146,410	(7,933)	
<b>General Net Income</b>	<b>\$ 65,253</b>	<b>\$ 68,154</b>	<b>\$ (2,901)</b>	<b>-4%</b>	<b>General Net Income</b>	<b>\$ 65,253</b>	<b>\$ 86,283</b>	<b>\$ (21,030)</b>	<b>-24%</b>
<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 139,860	\$ 139,590	\$ 270	0%	Revenue - Water Use Fees	\$ 139,860	\$ 138,510	\$ 1,350	1%
Revenue - All Other Sources	5,544	2,000	3,544	177%	Revenue - All Other Sources	5,544	6,293	(749)	-12%
Total Water Revenue	145,404	141,590	3,814		Total Water Revenue	145,404	144,803	601	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	35,616	37,341	1,725	5%	Salaries, Benefits, PR Tax	35,616	34,519	(1,097)	-3%
Repairs & Maintenance	9,197	8,391	(806)	-10%	Repairs & Maintenance	9,197	849	(8,348)	-983%
Contracted Services	9,350	10,592	1,242	12%	Contracted Services	9,350	10,344	994	10%
Insurance	5,650	5,842	192	3%	Insurance	5,650	5,744	94	2%
Other Expenses (incl taxes)	22,765	25,014	2,249	9%	Other Expenses (incl taxes)	22,765	22,016	(749)	-3%
Total Water Expenses	82,578	87,180	4,602		Total Water Expenses	82,578	73,472	(9,106)	
<b>Water Net Income</b>	<b>\$ 62,826</b>	<b>\$ 54,410</b>	<b>\$ 8,416</b>	<b>15%</b>	<b>Water Net Income</b>	<b>\$ 62,826</b>	<b>\$ 71,331</b>	<b>\$ (8,505)</b>	<b>-12%</b>

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
August 10, 2017  
3:30 PM**

<b>Marina</b>						<b>Marina</b>					
Revenue - Moorage/Parking	\$ 53,962	\$ 55,500	\$ (1,538)	-3%		Revenue - Moorage/Parking	\$ 53,962	\$ 54,667	\$ (705)	-1%	
Revenue - All Other Sources	13,462	10,992	\$ 2,470	22%		Revenue - All Other Sources	13,462	9,227	4,235	46%	
Total Marina Revenue	67,424	66,492	932			Total Marina Revenue	67,424	63,894	3,530		
Expenses:						Expenses:					
Salaries, Benefits, PR Tax	8,361	8,753	392	4%		Salaries, Benefits, PR Tax	8,361	7,453	(908)	-12%	
Repairs & Maintenance	13,038	17,313	4,275	25%		Repairs & Maintenance	13,038	12,857	(181)	-1%	
Contracted Services	2,113	3,295	1,182	36%		Contracted Services	2,113	5,518	3,405	62%	
Insurance	3,939	3,766	(173)	-5%		Insurance	3,939	3,527	(412)	-12%	
Other Expenses (incl taxes)	6,726	5,559	(1,167)	-21%		Other Expenses (incl taxes)	6,726	5,652	(1,074)	-19%	
Total Marina Expenses	34,177	38,686	4,509			Total Marina Expenses	34,177	35,007	830		
<b>Marina Net Income</b>	<b>\$ 33,247</b>	<b>\$ 27,806</b>	<b>\$ 5,441</b>	20%		<b>Marina Net Income</b>	<b>\$ 33,247</b>	<b>\$ 28,887</b>	<b>\$ 4,360</b>	15%	
<b>Routine Reserve</b>	91,356	91,356	-			<b>Routine Reserve</b>	91,356	89,370	1,986		
Assmnt Income/(Exp)	(1,992)		(1,992)			Spcl Assmnt Income/(Exp)	(1,992)	1,027	(3,019)		
Reserve Interest - all	367	38	329			Reserve Interest - all	367	298	69		
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 251,055</b>	<b>\$ 241,764</b>	<b>\$ 9,293</b>	4%		<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 251,055</b>	<b>\$ 277,198</b>	<b>\$ (26,139)</b>	-9%	



CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
August 10, 2017  
3:30 PM

Office Administrator Terri Brown has been working on the following:

- Document preparation for the Annual meeting
- Follow up changes to the website after the Annual meeting
- Processing 3<sup>rd</sup> quarter assessment payments

Our maintenance staff, Donnie Weathersby and Chris Welcome, has been working on the following:

- Ditch maintenance including limbing up Highlands' tree branches
- Removing a large patch of an annual weed from the berm (grasses to be replanted this fall)
- Water installation on Rhododendron St. and Maxwell Dr.
- Cut up a fallen tree in ravine
- Annual water testing
- Flushed water line on Huckleberry and limbed up a tree around the bollards at the end of the street

I received the following complaints/concerns over this last month

- Barking dogs in the Colony
- Tansy growing in every area of the community!
- Non-boating members walking on the marina docks (which is actually ok).
- People sitting on the berm in camp chairs
- Complaint about marina wait list and a few boats that don't seem to ever leave the marina

In addition to the briefing at Study Session we have a report of a broken window frame in the clubhouse and the tank farm generator has been serviced.

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Water, and Marina.

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

**Information Items:**

- A. The Trustees discussed recent break-ins and Neighborhood Watch options. The Emergency Preparedness Committee is not open to taking on Neighborhood Watch. The Manager is looking into "under surveillance" signs for the entrances
- B. The Trustees discussed the clubhouse rental check cashing procedure. The Manager will update the Reserved Use of the Clubhouse rule for the September study session.
- C. The Trustees discussed abandoned property issues.
- D. The Trustees reviewed the reserve study update.
- E. The Trustees discussed overgrown foliage on the Cedar/Fir easement. A couple of the Trustees walked the easement and determined the issue is primarily on private property. Ross Anderson will draft a response to concerned members.



**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
August 10, 2017  
3:30 PM**

**Member participation:** Ruth Asare asked about the procedures for obtaining a cluster mailbox and expressed her concern over the amount of Tansey ragwort in the community.

**New Business Action Items:**

**Motion 1:** Richard Hilfer moved and Ray Pierson seconded to refund a former member an overpayment of \$13.68. Passed – 6/0

**Motion 2:** Karen Krug moved and Carol Wood seconded to add First Federal Savings as a new financial institution with a Money Market Account. Passed – 6/0

**Motion 3:** Karen Krug moved and Richard Hilfer seconded to approve the updated banking signatory list dated August 10, 2017. Passed – 6/0

**Motion 4:** Richard Hilfer moved and Joel Janetski seconded to approve 3 due date adjustments for two members. Passed – 6/0

**Motion 5:** Carol Wood moved and Karen Krug seconded to accept Karen Krug's resignation from the Building committee and appoint Richard Hilfer as a member. Passed – 6/0

**Open Board Discussion:**

Karen Krug provided copies of the research she has done regarding mailboxes and USPS requirements to the Trustees for their information and study.

Karen Krug also led the Congratulations and Thank you to Richard Hilfer for his 7 years of service as President of the Board of Trustees. She presented him with a “golden” gavel as a token of appreciation.

**Announcements:**

- A. Study Session –September 12, 2017 3:00 P.M.
- B. Board Meeting –September 14, 2017 3:30 P.M.

**Adjournment:** Richard Hilfer moved and Ray Pierson seconded to adjourn to Executive Session to discuss personnel issues at 3:58 pm. Passed – 6/0

Karen Krug moved and Carol Wood seconded to adjourn the Executive Session and move to the regular board meeting at 4:35 pm. Passed - 6/0

Ray Pierson moved and Joel Janetski seconded to adjourn the regular session at 4:37 pm. Passed - 6/0

**Submitted by:**

**Approved by:**

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**Carol Wood, Secretary**

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**Katie Habegger, President**

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
August 10, 2017  
3:30 PM**

**Committee reports:**

**CAPE GEORGE WATER ADVISORY COMMITTEE MEETING REPORT, AUGUST 1, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Karen Krug, Board Liaison; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and members Scott James, Stewart Pugh and Thad Bickling.

1. No change of the locks yet but (reportedly) it's on Sharon's to do list.
2. Karen said we need to complete our feedback to the Reserve Study consultant now. Larry will get his comments in and Greg has already done it.
3. No new meters read data yet but anticipate more issues now that irrigation season has begun. The significant leak we discussed last month has been resolved.
4. Greg has one bid of \$1,500 to do the emergency generator load test and is still seeking other bids.
5. Greg has given Sharon a draft preventive maintenance schedule/plan in a spreadsheet form that can be adapted as needed.
6. It's time to begin the annual process for cross connection testing. Larry will update the BAT certifications and get the letter ready to go.

The next meeting will be on **September 5, 2017 at 5 pm at the Office.** (Larry will be on vacation)

**Marina Committee Meeting -August 1, 2017**

Harbormaster Sonja Ericson called the meeting to order at 11 am. About 20 members were present.

Sonja, speaking for Sandra, reported that plans are proceeding for the annual Waterfront Festival and Cape George Regatta, scheduled for Saturday, August 19<sup>th</sup>. Several volunteers agreed to help out with the function and there is room for more.

Ben Fellowes reported that the committee may not need to spend money on inflatable buoys for the regatta. Stewart Pugh may be able to borrow buoys from the Northwest Maritime Center.

Harbormaster Sonja Ericson announced a celebration of gratitude for Marina volunteers. Following the Sept committee meeting a party is planned for all of those that have volunteered their time and labor to make the marina the success that it is. Sonja was authorized by vote of the committee a fund for such an event and we now have it calendared. Marty Bluewater, the last remaining private property owner on Protection Island, has invited us to the island for the celebration. This may prove to be the definitive Marina Volunteer party of all time.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
August 10, 2017  
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Sonja listed just some of the projects that have been completed by marina volunteers. Those projects include: completing the replacement of all the dock floats, new dock boxes, new zincs on the seawall, patching the road and more.

Craig reported that he has researched alternative methods for attaching anodes to the seawall, and the possibility of switching to aluminum rather than zinc for cost savings, and that they be suspended from above the low tideline rather than welded.

Craig reported that three marina pilings will need to be replaced in 2018. The rest of the pilings should last until they come up for replacement on the reserve schedule.

Sonja reported that there are confusing and contradictory rules regarding the marina waitlist. She will make recommendations at the September meeting.

The meeting was adjourned at 12:05 pm.

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
September 14, 2017  
3:30 PM

**President Katie Habegger called the meeting to order at 3:30 p.m.**

Welcome

An Executive Session will be held immediately following this meeting to discuss personnel issues and legal matters.

**In Attendance:** Katie Habegger, Richard Hilfer, Karen Krug, Carol Wood, Ray Pierson and Ross Anderson.

**Action on Minutes:** Carol Wood moved and Ray Pierson seconded to approve the minutes of the Regular Board Meeting dated August 10, 2017. Passed – 5/0

**Membership Report:** Carol Wood

Margaret Desannoy purchased 150 Maple Dr from Judith Hagen  
Margaret Desannoy also purchased lot 14 on Maple from Judith Hagen  
Diana Luckevich purchased 182 Victoria Loop from Dennis Colopy Trust

**Treasurer's Report:** Karen Krug

As of August 31, 2017

A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.

**2017 BALANCE SHEET COMMENTS**

All bank accounts have been reconciled and the bank statements reviewed. At month end, all financial institutions were within the FDIC/NCUA limits. Cape George has opened additional banking account which will ease the FDIC/NCUA limit pressure on all other accounts.

A new banking relationship has been established with First Federal Savings and Loan. The new account had not been funded as of August 31st but will have been funded by the time this report is distributed.

Operating cash is down slightly but not surprisingly so given the heavy demands made by utility bills and the workshop drainage project. Receivables are lower than last year at this time, due in large part to the more assertive bad debt processes now in place. Prepayments, listed as Unearned Income in the Liability section of the Balance Sheet, are a bit higher than last year indicating that more Members have prepaid their final 2017 quarterly installment.

**OVERALL OPERATING COMMENTS**

Combined year-to-date (YTD) operations are performing better than budget but behind last year at this time. Careful attentions to expenditures along with seasonal revenues are keeping budgets mostly on

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
September 14, 2017  
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track with original expectations. Electricity usage has moderated a bit but the total cost continues to put strain on budget performance.

#### General Operations

General operations are not performing quite as well as the August YTD numbers would suggest. Minor road repairs originally scheduled for August were postponed by the vendor. This \$7,400 change to Repairs and Maintenance will change the bottom line when it occurs in September or October.

#### Water Operations

Water operations continue to perform at levels at or better than budget. The annual inspection and minor repair of the emergency water system generator has occurred but full load testing of that equipment has yet to be completed.

#### Marina Operations

Marina revenue was stronger than their typically August pattern and was driven by a considerable amount of Daily Ramp use fees. It seems that the budget of \$7,500 for dock repairs was a misunderstanding. It appears only about half that amount will be spent and that will help the Marina at least meet its original budget year-end net income.

#### New Reserve Studies

Washington RCW 64.38.065 requires that every three years an updated reserve study be conducted by a reserve study professional. This year, 2017, was that "third year" for Cape George. The updated reserve studies, one each for General, Water and Marina, will be available on the Cape George website on or after September 15, 2017. These studies will be used in preparing the annually required Reserve Disclosure documents that will accompany the 2018 budget packet.

The new reserve studies are much more user-friendly than the previous versions and contain a number of useful color graphs that help put reserve levels in perspective. By and large RCL, the reserve professionals, feel that Cape George's reserves are by their definition adequate - still a bit underfunded by not dangerous so.

#### 2018 Budget Activities

Much of the financial work in late August has been directed toward the preparation of the 2018 budget. This early work centers on planned reserve expenditures and major rates and recommendations for both are on the Board's September agenda.

Electricity costs which presented a challenge throughout 2017 continue to present challenges for the 2018 operating costs.

**CAPE GEORGE COLONY CLUB**  
**BOARD OF TRUSTEES MEETING**  
**September 14, 2017**  
**3:30 PM**

<b>CAPE GEORGE COLONY CLUB</b>					
<i>Balance Sheet as of August 31, 2017 and 2016</i>					
<b>Assets</b>	<b>2017</b>	<b>2016</b>	<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>
Cash and Cash Equivalents:			Current Liabilities:		
Operations Checking	\$ 137,402	\$ 168,495	Accounts Payable & Other Liabilities	\$ 9,353	\$ 9,283
Operating Investment-Savings	98,344	88,205	Unearned Income General/Water/Etc.	31,871	27,746
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assemnt	7,923	6,750
Reserves - General, Water & Marina	698,179	580,700	Unearned Income Marina Wait List	1,300	1,300
Special Assmnts(Berm/Sseawall)	-	-	Total Current Liabilities	50,447	45,079
Routine Reserve Assessment	98,804	94,753			
Total Cash & Equivalents	1,033,329	932,752			
Net Accounts Receivable	4,646	7,379			
Reserve Assmnts Receivable	935	1,288	<b>FUND BALANCES:</b>		
Total Net Fixed Assets	1,849,104	1,832,240	Fund Balances (Combined	2,653,054	2,507,695
Total Prepaid & Other Assets	29,852	27,906	Modified Cash Basis CY Income	214,366	248,791
<b>TOTAL ASSETS</b>	<b>\$2,917,866</b>	<b>\$2,801,565</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,917,866</b>	<b>\$2,801,565</b>

<i>Summary Revenue and Expense Statements for the periods ended August 31, 2017 and 2016 respectively</i>									
<b>2017 Year to Date</b>					<b>COMPARATIVE</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>%</b>		<b>2017 YTD</b>	<b>2016 YTD</b>	<b>Variance</b>	<b>%</b>
General Assessment	\$ 214,806	\$ 214,806	-	0%	General Assessment	\$ 214,806	\$ 214,806	\$ -	0%
Revenue - All Other Sources	29,931	21,310	8,621	40%	Revenue - All Other Sources	29,931	20,713	9,218	45%
Total General Revenue	244,737	236,116	8,621		Total General Revenue	244,737	235,519	9,218	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	91,382	94,816	3,434	4%	Salaries, Benefits, PR Tax	91,382	89,111	(2,271)	-3%
Repairs & Maintenance	5,232	14,277	9,045	63%	Repairs & Maintenance	5,232	6,814	1,582	23%
Contracted Services	34,812	35,254	442	1%	Contracted Services	34,812	24,862	(9,950)	-40%
Insurance	12,672	13,019	347	3%	Insurance	12,672	12,491	(181)	-1%
Pool Expense	25,067	14,333	(10,734)	-75%	Pool Expense	25,067	12,004	(13,063)	-109%
Other Expenses (incl taxes)	31,391	17,137	(14,254)	-83%	Other Expenses (incl taxes)	31,391	19,856	(11,535)	-58%
Total General Expenses	200,556	188,836	13,268		Total General Expenses	200,556	165,138	(10,820)	
<b>General Net Income</b>	<b>\$ 44,181</b>	<b>\$ 47,280</b>	<b>\$ (3,099)</b>	<b>-7%</b>	<b>General Net Income</b>	<b>\$ 44,181</b>	<b>\$ 70,381</b>	<b>\$ (26,200)</b>	<b>-37%</b>

<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 139,950	\$ 139,590	\$ 360	0%	Revenue - Water Use Fees	\$ 139,950	\$ 138,570	\$ 1,380	1%
Revenue - All Other Sources	5,544	2,000	3,544	177%	Revenue - All Other Sources	5,544	7,263	(1,719)	-24%
Total Water Revenue	145,494	141,590	3,904		Total Water Revenue	145,494	145,833	(339)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	41,275	42,675	1,400	3%	Salaries, Benefits, PR Tax	41,275	39,848	(1,427)	-4%
Repairs & Maintenance	10,718	9,590	(1,128)	-12%	Repairs & Maintenance	10,718	852	(9,866)	-1158%
Contracted Services	12,586	12,105	(481)	-4%	Contracted Services	12,586	11,831	(755)	-6%
Insurance	6,446	6,676	230	3%	Insurance	6,446	6,556	110	2%
Other Expenses (incl taxes)	25,290	27,359	2,069	8%	Other Expenses (incl taxes)	25,290	25,149	(141)	-1%
Total Water Expenses	96,315	98,405	2,090		Total Water Expenses	96,315	84,236	(12,079)	
<b>Water Net Income</b>	<b>\$ 49,179</b>	<b>\$ 43,185</b>	<b>\$ 5,994</b>	<b>14%</b>	<b>Water Net Income</b>	<b>\$ 49,179</b>	<b>\$ 61,597</b>	<b>\$(12,418)</b>	<b>-20%</b>

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<b>Marina</b>					<b>Marina</b>				
Revenue - Moorage/Parking	\$ 54,294	\$ 55,500	\$ (1,206)	-2%	Revenue - Moorage/Parking	\$ 54,294	\$ 54,747	\$ (453)	-1%
Revenue - All Other Sources	13,900	11,055	\$ 2,845	26%	Revenue - All Other Sources	13,900	9,370	4,530	48%
Total Marina Revenue	68,194	66,555	1,639		Total Marina Revenue	68,194	64,117	4,077	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	9,713	10,004	291	3%	Salaries, Benefits, PR Tax	9,713	8,554	(1,159)	-14%
Repairs & Maintenance	13,103	18,000	4,897	27%	Repairs & Maintenance	13,103	13,591	488	4%
Contracted Services	2,874	3,766	892	24%	Contracted Services	2,874	5,733	2,859	50%
Insurance	4,496	4,304	(192)	-4%	Insurance	4,496	4,026	(470)	-12%
Other Expenses (incl taxes)	6,790	6,289	(501)	-8%	Other Expenses (incl taxes)	6,790	6,123	(667)	-11%
Total Marina Expenses	36,976	42,363	5,387		Total Marina Expenses	36,976	38,027	1,051	
<b>Marina Net Income</b>	<b>\$ 31,218</b>	<b>\$ 24,192</b>	<b>\$ 7,026</b>	<b>29%</b>	<b>Marina Net Income</b>	<b>\$ 31,218</b>	<b>\$ 26,090</b>	<b>\$ 5,128</b>	<b>20%</b>
<b>Routine Reserve</b>	<b>91,356</b>	<b>91,356</b>	<b>-</b>		<b>Routine Reserve</b>	<b>91,356</b>	<b>89,370</b>	<b>1,986</b>	
Assmnt Income/(Exp)	(1,990)		(1,990)		Spcl Assmnt Income/(Exp)	(1,990)	1,027	(3,017)	
Reserve Interest - all	424	43	381		Reserve Interest - all	424	326	98	
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 214,366</b>	<b>\$ 206,056</b>	<b>\$ 8,312</b>	<b>4%</b>	<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 214,366</b>	<b>\$ 248,791</b>	<b>\$ (34,423)</b>	<b>-14%</b>

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Office Administrator Terri Brown has been working on the following:

- Backflow testing letters have gone out
- Updating the Clubhouse rental form and rules
- Creating parking violation forms and tracking system
- Registering new members
- Updating phone numbers in our systems to 10 digits

Caretaker, Donnie Weathersby has been working on the following:

- Removed a significant patch of scotch broom at Memorial Park
- The soft start at the tank farm had a power surge so the Dial-a-stat called responders. The system was reset to refill tanks.
- Weed whacking season is complete so Donnie is catching up on general maintenance

I received the following complaints/concerns over this last month

- Dogs running into the parking lot at the Clubhouse park, chasing after members and other dogs
- Leaky hose bibs at the Marina
- Increasing amount of dog feces around clubhouse and marina
- Member picked up screws in tires
- Black sand in the showers
- Bright night lights in the village

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Environmental, and Marina.

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

**Information Items:** Abandoned property issues were discussed. It was reported that another property will likely be sold at the Sheriff's Sale in the coming months.

**Member participation:** None

**New Business Action Items:**

**Motion 1:** Richard Hilfer moved and Carol Wood seconded to approve the Building Committee's proposed change to Regulation 4.12 (Temporary Storage Containers) and recommend its approval by the membership. Passed -5/0



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**Motion 2:** Karen Krug moved and Ray Pierson seconded to accept the audit engagement letter dated August 18, 2017 from Cagianut & Company for 2017 federal income tax services in the amount of \$5,000. Passed – 5/0

**Motion 3:** Carol Wood moved and Ray Pierson seconded to approve the request allowing Safeway Pharmacy staff to offer flu and pneumonia vaccinations on Wednesday, October 11<sup>th</sup> in the Cape George Clubhouse. Passed – 5/0

**Motion 4:** Ray Pierson moved and Richard Hilfer seconded to accept the Workshop Committee's donation of a Miller Bobcat 225 welding generator, serial #H913820390, valued at \$2500. Passed – 5/0

**Motion 5:** Karen Krug moved and Carol Wood seconded to accept the Kyocera 4500 copier lease buyout invoice from Wells Fargo Vendor Financial Services dated 09/07/2017 in the total of \$4653.76 with funds to be drawn from the Operations Saving account. Passed – 5/0

**Motion 6:** Karen Krug moved and Carol Wood seconded to accept the one-year UBM Maintenance Agreement for onsite maintenance of the Cape George Kyocera 4500 copier with a base contract price of \$153.00 per month plus tax with a 10,000 image per month base use and charges of \$0.0153 per image thereafter, as outlined in the undated agreement from UBM with a listed start date of 10/24/2017. Passed - 5/0

**Motion 7:** Richard Hilfer moved and Karen Krug seconded to accept the 2017 General, Water and Marina reserve studies prepared by Reserve Consultants, LLC. Passed – 5/0

**Motion 8:** Carol Wood moved and Ray Pierson seconded to approve proposed 2018 reserve expenditures as presented in Exhibit E. Passed – 5/0

**Motion 9:** Ross Anderson moved and Richard Hilfer seconded to increase general assessment 3.6% and reserves assessment by 2.2%, and increase the water connection fee to \$1100.00. Passed – 5/0

**Motion 10:** Richard Hilfer moved and Karen Krug seconded to approve the 2018 MIS05 fine schedule. Passed – 5/0

At this point Joel Janetski joined the meeting via telephone. Two trustees declared a conflict of interest regarding the next item on the agenda and recused themselves.

**Motion 11:** Richard Hilfer moved and Ross Anderson seconded to authorize the relocation of the Huckleberry Place member mailbox structure from its present location to a location on Cape George property at the end of the street. Passed – 3/1/0

**Motion 12:** Ray Pierson moved and Carol Wood seconded to approve a payment plan for a member. Passed – 5/0

**Open Board Discussion:** Karen Krug noted to the board, wording of the disclosure documents presented to members will change for 2018.

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**Announcements:**

- A. Study Session – October 10, 2017 3:00 P.M.
- B. Board Meeting – October 12, 2017 3:30 P.M.

**Adjournment:** Richard Hilfer moved and Ray Pierson seconded to adjourn to Executive Session at 4:00 pm. Passed – 5/0

Ray Pierson moved and Ross Anderson seconded to adjourn the Executive Session and return to regular session at 4:45 pm. Passed – 5/0

**Motion 13:** Karen Krug moved and Ray Pierson seconded that for the purpose of preparation of the 2018 budget, full time employees have a 3% wage increase and part-time or non-benefitted positions be increased as specified in the budget but not to exceed 8%. Passed – 5/0

Karen Krug moved and Ross Anderson seconded to adjourn the regular session at 5:00 pm. Passed – 5/0

**Submitted by:**

**Approved by:**

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Carol Wood, Secretary

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Katie Habegger, President

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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**Committee reports:**

**Marina minutes Sept 2017**

The Cape George Marina Committee met Tuesday, Sept. 5, in the workshop meeting room. About 20 members were present.

Harbormaster Sonja Ericson called the meeting to order at 11 am.

Sonja announced that the volunteer party, scheduled for this afternoon, would be postponed due to the smoke from regional wildfires. The party will be Tuesday Sept 12 at Marty Bluewater's place on Protection Island.

Sonja distributed a tentative "Go To" list, with individual members taking primary responsibility for various maintenance tasks.

Sonja acknowledged the members who volunteered for the annual Waterfront Festival. Members discussed the festival attendance of about 100, which was lower than previous years. Some attribute the low attendance to confusion or competition with other summer events such as the salmon bake and Labor Day picnic.

Sonja briefed members on a proposal to have a truckload of gravel delivered, creating piles at each end of the marina road so potholes can be patched as needed. Karl agreed to research prices and report back in October.

Craig Muma reported that he is working on the 2018 marina budget. He hopes there will be sufficient reserve funds to pay for two major projects in 2018 – repair of three weakened pilings, and rewiring of the docks. The budget proposal will be due by the middle of September, he said.

Ross Anderson warned that those projects will deplete the marina reserves, and he proposed that marina members begin to rebuild those reserves by raising their moorage rates by \$4 per foot per year. Other members objected. Galen proposed that the moorage fees be increased by 4 percent, or about \$1 per foot. His motion was seconded by John Hanks and approved by the committee.

Ben Fellows suggested that the planned electrical upgrade be set back so that those reserve funds could be spent dredging the main marina basin, which he considers to be a higher priority. Other members disagreed, and pointed out that dredging is scheduled for 2022.

Gary Rossow observed that members still haven't agreed on how to proceed from a year-long sediment study that suggests that marina sediments may be coming primarily from the south, rather than from the north which has been the longstanding assumption. He proposed that the committee set aside an undetermined amount of money to hire a professional consultant to review that study and recommend a course of action. A decision will be made at the October meeting.

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The meeting was adjourned at 12:40 pm.

--Ross Anderson

**ENVIRONMENTAL COMMITTEE MINUTES**  
**Monday August 14, 2017**

**IN ATTENDANCE:** Kyanne Anderson, Varn Brooks, Chris Buzzard, Dennis Fellner, Katie Habegger, Sharon Mitchel, Ruth Ross, Kitty Rucker, Robin Scherting, Steve Shapiro, Fayla Schwartz

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved. New resident Fayla Schwartz was welcomed to the committee.

**Steve Shapiro Farewell:** Chocolate cake was shared, and Steve was presented with a "Cape George Poison Hemlock Patrol" t-shirt in recognition of all the work he has done in the community.

**Fiscal Report:** Kitty reported that the Environmental Committee fund is now \$3,110.31. *(These are not funds belonging to Cape George Colony Club)*. Expenditures in the past month were for beach walk refreshments and Steve's cake. Kitty explained that going forward the Environmental Committee funds will be accounted for by the Social Club, who will issue reimbursement checks upon receipt of itemized expenses. Robin volunteered to assist Kitty with this procedure as necessary.

**OLD BUSINESS**

- A. **Berm work and work parties:** The July work party was scheduled to cut weeds on the south end of the berm, but Cape George staff had already taken care of this area, so the work party weeded the area north of the clubhouse. Thanks to Kitty, Fayla, Katie (and family) and Marta for participating. The next work party will be in October, planting suitable native vegetation on the berm where needed. Fayla and Varn will come up with a list of plants and give this to Sharon in September. Sharon will order the plants, which will be paid for from Environmental Committee funds. Some of the dune grass has spread into the lawn area, and this can be transplanted into bare areas of the berm in October.
- B. **Beach walk:** Kitty reported that the beach walk was very successful. It was held on a Saturday for the first time, and attended by about 60 people.

**NEW BUSINESS**

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- A. **Cinnabar moth caterpillar/tansy ragwort:** Information about the cinnabar moth caterpillar was presented to the committee. The colorful caterpillars of the cinnabar moth feed on tansy ragwort, and can be helpful in controlling this invasive weed.
- B. **October dinner:** Dennis proposed a 1950s "Sock Hop" theme for the October event. Prizes will be awarded for the best socks, etc. and music will be provided by Dennis. This will be just a social event, not a fund raiser, but the History of Protection Island and the mountain maps will be available for sale on a side table, together with a donation jar. Chicken will be provided by the Committee, with potluck side dishes. Chris and Dennis will brainstorm ideas for decorations. The date will be October 21, 2017.
- C. **Bronze bell:** Kitty brought to the committee's attention that the beautiful bronze bell has not been cleaned since it was installed. The creator of the bell had provided detailed instructions for the care of the bell, recommending that it be cleaned every two years with mild detergent and burnished with carnuba wax. Kitty will coordinate with Sonja and the Marina Committee to set a date in September for a joint work party to clean and polish the bell.
- D. **T-shirt:** Kitty will send a thank you note to Chris Edwards for Steve's t-shirt, which she generously created for no charge.

**OTHER BUSINESS**

- A. **Tree petition:** Kitty reported that she and Sharon, together with Donny and Chris, had inspected an easement in the Village where residents had petitioned to have trees removed to restore views and access to the bluff. It was determined that the easement to the bluff was steep and narrow, and not suitable for a community trail. Many of the trees are on private property, and fall within the 200ft buffer zone, requiring county approval for removal.
- B. **Upcoming events:** Varn offered to give a presentation on wildlife in the Cape George area in January, to tie in with the Art Wall nature theme starting that month. This presentation would be in lieu of the Environmental movie night. Kitty added that she is still working on contacting the cougar expert in Sequim in the hope of arranging a cougar presentation in the fall.

**ADJOURNMENT:** The meeting adjourned at 10.10 a.m.

CAPE GEORGE COLONY CLUB  
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**President Katie Habegger called the meeting to order at 3:30 p.m.**

Welcome

An Executive Session will follow the regular Board meeting to discuss a legal matter.

**In Attendance:** Katie Habegger, Richard Hilfer, Karen Krug, Carol Wood, Joel Janetski, Ray Pierson and Ross Anderson.

**Action on Minutes:** Carol Wood moved and Ray Pierson seconded to approve the minutes of the Regular Board Meeting dated September 14, 2017. Passed – 6/0

**Membership Report:** Carol Wood

Fred Miercort & Gangotri Oldroyd purchased 480 S Palmer Dr from Susan Swanson  
Deborah Morio purchased 90 E Rhododendron from Marilyn and Roderic Mitchell  
Henry Logan & Richard Tucker purchased 320 N Palmer from Spencer Floyd Estate  
Richard Muller & Suzanne Denby purchased lot 44-3 from John and Andrea Gieser  
Susan Sanford purchased 113 Marine View Dr from Dana & Julie Greenburg  
Stephanie Burns purchased 310 Saddle Dr from Doris Hardyman  
Robert & Julia Kilcullen purchased 41 Dennis Blvd from Noah & Hannah Middleton

**Treasurer's Report:** Karen Krug

As of September 30, 2017

*A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.*

#### 2017 BALANCE SHEET COMMENTS

All bank accounts have been reconciled and the bank statements reviewed. At month end, all financial institutions were within the FDIC/NCUA limits. Cape George has opened additional banking account which will ease the FDIC/NCUA limit pressure on all other accounts.

The most notable item on the comparative balance sheet is the increase in prepaid, or unearned, income between 2016 and 2017. Prepayments of the fourth 2017 installment are about \$15,000 higher than this time last year. This means that more Members are paying their installment earlier which in turn reduces the administrative labor necessary to process income and receivables.

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OVERALL OPERATING COMMENTS

Combined year-to-date (YTD) operations are performing better than budget and mostly behind last year at this time. Careful attentions to expenditures along with seasonal revenues are keeping budgets mostly on track with original expectations. Electricity usage has moderated a bit but the total cost continues to put strain on budget performance.

General operations

General operations are still performing at levels lower than the original budget. While utility overages have moderated slightly there is still the issue of the unbudgeted workshop drainage project, a \$12,000 unfavorable variance. The late September purchase of the previously leased office copier, while a positive investment at \$4,600, is still an unbudgeted unfavorable variance. Both these items are new capital and must be paid for from either current year's revenue or operations savings. Current year's revenue is not sufficient. Fortunately additional deposits to the savings account over the past two years will provide cash for these items and still leave that account above the Member required \$70,000 balance.

Water Operations

Water operations continue to perform at levels better than budget.

Marina Operations

Careful expense management coupled with a focus on revenue collection has resulted in the Marina being back on track to meet their original budget target. There is an unbudgeted \$4,000 consulting expense that will occur before the end of the year but this has been included in their year-end projections.

2018 Budget Activities

Most financial related activates in September have been focused on the preparation of the 2018 budget. For all three cost centers bottom line performance is expected to be very near their 2017 levels. Budget details are included in the published materials for the October Board meetings and will also be mailed to all Members in early November.

The 2018 budget contains moderate increases in the general and reserve assessments but no increase in the basic water fee. Planned changes to expenses have been carefully reviewed and a general wage increase, which is in line with the expected increase in Social Security COLA has been included. No material reduction to repair and maintenance categories are planned although the contingency, or cushion, in some of those line items has been moderated. Utility costs in line with 2017 actuals are planned for 2018.

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<b>CAPE GEORGE COLONY CLUB</b>						
<i>Balance Sheet as of September 30, 2017 and 2016</i>						
<b>Assets</b>	<b>2017</b>	<b>2016</b>	<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>	
Cash and Cash Equivalents:			Current Liabilities:			
Operations Checking	\$ 122,466	\$ 154,229	Accounts Payable & Other Liabilities	\$ 10,629	\$ 73,688	
Operating Investment-Savings	98,356	88,216	Unearned Income General/Water/Etc.	53,430	41,717	
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assemnt	13,328	10,365	
Reserves - General, Water & Marina	698,244	580,730	Unearned Income Marina Wait List	1,300	1,300	
Routine Reserve Assessment	104,547	98,659	Total Current Liabilities	78,687	127,070	
Total Cash & Equivalents	1,024,213	922,434				
Net Accounts Receivable	3,145	8,510				
Reserve Assmnts Receivable	607	1,003	<b>FUND BALANCES:</b>			
Total Net Fixed Assets	1,851,604	1,894,162	Fund Balances (Combined)	2,655,554	2,507,695	
Total Prepaid & Other Assets	26,892	25,047	Modified Cash Basis CY Income	172,220	216,391	
<b>TOTAL ASSETS</b>	<b>\$2,906,461</b>	<b>\$2,851,156</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$2,906,461</b>	<b>\$2,851,156</b>	

<i>Summary Revenue and Expense Statements for the periods ended September 30, 2017 and 2016 respectively</i>									
<b>2017 Year to Date</b>					<b>COMPARATIVE</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>%</b>		<b>2017 YTD</b>	<b>2016 YTD</b>	<b>Variance</b>	<b>%</b>
General Assessment	\$ 214,806	\$ 214,806	-	0%	General Assessment	\$ 214,806	\$ 214,806	\$ -	0%
Revenue - All Other Sources	31,331	22,125	9,206	42%	Revenue - All Other Sources	31,331	24,346	6,985	29%
Total General Revenue	246,137	236,931	9,206		Total General Revenue	246,137	239,152	6,985	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	102,216	106,668	4,452	4%	Salaries, Benefits, PR Tax	102,216	100,201	(2,015)	-2%
Repairs & Maintenance	11,693	16,061	4,368	27%	Repairs & Maintenance	11,693	7,024	(4,669)	-66%
Contracted Services	36,310	37,882	1,572	4%	Contracted Services	36,310	29,995	(6,315)	-21%
Insurance	14,254	14,647	393	3%	Insurance	14,254	14,038	(216)	-2%
Pool Expense & Pool Util.	27,410	16,125	(11,285)	-70%	Pool Expense & Pool Util.	27,410	13,428	(13,982)	-104%
Utilities	8,206	6,375	(1,831)	-29%	Utilities	8,206	6,945	(1,261)	-18%
Other Expenses (incl taxes)	30,291	13,140	(17,151)	-131%	Other Expenses (incl taxes)	30,291	22,856	(7,435)	-33%
Total General Expenses	230,380	210,898	10,785		Total General Expenses	230,380	194,487	(13,215)	
<b>General Net Income</b>	<b>\$ 15,757</b>	<b>\$ 26,033</b>	<b>\$ (10,276)</b>	<b>-39%</b>	<b>General Net Income</b>	<b>\$ 15,757</b>	<b>\$ 44,665</b>	<b>\$ (28,908)</b>	<b>-65%</b>
<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 139,980	\$ 139,590	\$ 390	0%	Revenue - Water Use Fees	\$ 139,980	\$ 138,600	\$ 1,380	1%
Revenue - All Other Sources	5,544	2,000	3,544	177%	Revenue - All Other Sources	5,544	7,263	(1,719)	-24%
Total Water Revenue	145,524	141,590	3,934		Total Water Revenue	145,524	145,863	(339)	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	46,206	48,010	1,804	4%	Salaries, Benefits, PR Tax	46,206	44,827	(1,379)	-3%
Repairs & Maintenance	12,885	10,789	(2,096)	-19%	Repairs & Maintenance	12,885	1,490	(11,395)	-765%
Contracted Services	13,682	13,619	(63)	0%	Contracted Services	13,682	13,545	(137)	-1%
Insurance	7,257	7,510	253	3%	Insurance	7,257	7,368	111	2%
Utilities	9,108	9,300	192	2%	Utilities	9,108	8,409	(699)	-8%
Other Expenses (incl taxes)	18,294	20,528	2,234	11%	Other Expenses (incl taxes)	18,294	27,885	9,591	34%
Total Water Expenses	107,432	109,756	2,324		Total Water Expenses	107,432	103,524	(3,908)	
<b>Water Net Income</b>	<b>\$ 38,092</b>	<b>\$ 31,834</b>	<b>\$ 6,258</b>	<b>20%</b>	<b>Water Net Income</b>	<b>\$ 38,092</b>	<b>\$ 42,339</b>	<b>\$ (4,247)</b>	<b>-10%</b>



**CAPE GEORGE COLONY CLUB  
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<b>Marina</b>					<b>Marina</b>				
Revenue - Moorage/Parking	\$ 54,294	\$ 55,500	\$ (1,206)	-2%	Revenue - Moorage/Parking	\$ 54,294	\$ 54,747	\$ (453)	-1%
Revenue - All Other Sources	14,175	11,118	\$ 3,057	27%	Revenue - All Other Sources	14,175	9,370	4,805	51%
Total Marina Revenue	68,469	66,618	1,851		Total Marina Revenue	68,469	64,117	4,352	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	10,931	11,254	323	3%	Salaries, Benefits, PR Tax	10,931	9,621	(1,310)	-14%
Repairs & Maintenance	13,188	18,688	5,500	29%	Repairs & Maintenance	13,188	13,968	780	6%
Contracted Services	3,092	4,237	1,145	27%	Contracted Services	3,092	5,949	2,857	48%
Insurance	5,063	4,842	(221)	-5%	Insurance	5,063	4,525	(538)	-12%
Utilities	5,048	4,500	(548)	-12%	Utilities	5,048	3,874	(1,174)	-30%
Other Expenses (incl taxes)	2,639	2,594	(45)	-2%	Other Expenses (incl taxes)	2,639	6,779	4,140	61%
Total Marina Expenses	39,961	46,115	6,154		Total Marina Expenses	39,961	44,716	4,755	
<b>Marina Net Income</b>	<b>\$ 28,508</b>	<b>\$ 20,503</b>	<b>\$ 8,005</b>	39%	<b>Marina Net Income</b>	<b>\$ 28,508</b>	<b>\$ 19,401</b>	<b>\$ 9,107</b>	47%
Routine Reserve Assmnt	91,356	91,356	-		Routine Reserve	91,356	89,370	1,986	
All Reserve Interest/(Exp)	(1,493)	49	(1,542)		All Reserve Interest/(Exp)	(1,493)	361	(1,854)	
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 172,220</b>	<b>\$ 169,773</b>	<b>\$ 2,445</b>	1%	<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 172,218</b>	<b>\$ 196,134</b>	<b>\$ (23,916)</b>	-12%
**Modified Cash Basis, Excludes Depreciation					KCK 08/10/15				

**Manager's Report: Sharon Mitchel**

The speed monitor has been returned by the vendor. We put it out on S. Palmer for a few days and will receive training on its use next week. We will run data for multiple sites for the next month and then again in the spring.

East Jefferson Fire Rescue returned to re-inspect our fire code infractions. All work had been completed to their satisfaction. They told me they would likely be back either next year or the year after.

Road repairs have been completed. In addition to the repairs approved by the Board this summer, we also repaired road cuts made for water installations and added a storm water diverter on N Palmer. These were outside of the scope of the annual bid package.

Septic inspections were conducted on the Cape George systems. The pool/clubhouse system passed inspection. The gravity system behind the office passed after minor repair. Shold repair staff snaked the clogged drain field lines and dug out a fair amount of roots, but ran into a large root and stopped. When they returned to dig up the lines for repair, the system had resumed normal functioning. They installed a riser so we can keep an eye on the D-box. When it clogs again, we will need to repair the leach field lines.

Ray Pierson saw an ad for a 2008 Ford Ranger. After talking with the dealer we decided to test drive it this week. Donnie and Cape George member Darryl Fling took a look at the truck and test drove it. We were able to negotiate a fair deal and have purchased the truck.

Heat pump #1 broke. Today we received the bid to replace it. I have provided a copy of the bid to the Trustees for consideration.

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Annual back flow testing is underway. So far 5 devices have failed this year and have required work.

Office Administrator Terri Brown has been working on the following:

- Backflow testing data reports are still trickling in
- Updating the phone directory that will be published by the end of October
- Working closely with the Harbormaster on the 2018 marina letter and boat stickers
- Processing quarterly payments

Our maintenance caretaker, Donnie Weathersby, has been working on the following:

- Building new garbage can enclosures
- Dug up Septic D Box behind office for septic repair

Our Sr. Bookkeeper, Sally Lovell has put in several hours on the 2018 budget over the last few months. Her help has been invaluable!

I received the following complaints/concerns over this last month:

- Member vehicle parked in front of the pool for extended number of days.
- Telephone wires were hanging too low on Marina Drive
- Noisy rooster in the Highlands!
- Outdoor lighting in the Village

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Environmental, Marina, Pool, Water, and Fitness. Included is the Social Club's semiannual report.

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

**Information Items:**

- A. The Board directed the manager to post the Marina Committee's request for a wait list rule change in the November newsletter for member comment.
- B. Board President, Katie Habegger, will draft a letter to the member who requested a refund.

**Member participation:** None

**New Business Action Items:**

**Motion 1:** Ray Pierson moved and Richard Hilfer seconded to approve 5 member requests for due date adjustments. Passed - 6/0

**Motion 2:** Carol Wood moved and Ray Pierson seconded to approve the 2017-2018 Cenex leases for 2 propane tanks. Passed – 6/0

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**Motion 3:** Richard Hilfer moved and Carol Wood seconded to approve the Marina Committee's request to contract with Coastal Geologic to conduct an analysis of our recent sediment survey and other data in order to develop recommendations. Contract not to exceed \$4000. Passed – 6/0

**Motion 4:** Ross Anderson moved and Richard Hilfer seconded to approve changes to Reserved Use of the Clubhouse fees. Passed – 6/0

**Motion 5:** Joel Janetski moved and Karen Krug seconded to approve 2018 budget Exhibits A, B, C, D, E, and F. Passed – 6/0

**Motion 6:** Joel Janetski moved and Karen Krug seconded to approve the 2018 Reserve Funding Disclosure Summary documents. Passed – 6/0

**Open Board Discussion:** Karen Krug noted to the board, the executive summary and the “what if” statement will have a slight change due to the sale of the maintenance truck.

Carol Wood prompted discussion on the fate of the old barn. Carol enlisted Ray Pierson and the manager to help research the options for its future.

Sharon Mitchel reported the receipt of a letter from an out of state company, offering to purchase of a piece of community property. Sharon will respond to the inquiry.

**Announcements:**

- A. Study Session – November 14, 2017 3:00 P.M.
- B. Board Meeting – November 16, 2017 3:30 P.M.

**Adjournment:** Carol Wood moved and Joel Janetski seconded to adjourn to Executive Session at 4:00 pm. Passed – 6/0

A motion was made by Carol Wood and seconded by Ray Pierson to adjourn the Executive Session and return to regular session. 5:00 pm. Passed 6 - 0

A discussion of the proposed member misconduct rule ensued. Richard Hilfer will revise the proposed rule and circulate it to the Trustees for review and comment.

Richard Hilfer moved and Joel Janetski seconded to adjourn the regular session at 5:10 pm. Passed 6 -0

**Submitted by:**

**Approved by:**

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**Carol Wood, Secretary**

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**Katie Habegger, President**

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**Committee reports:**

**ENVIRONMENTAL COMMITTEE MINUTES - Monday, Sept 11, 2017**

**IN ATTENDANCE:** Varn Brooks, Sue Dunning, Katie Habegger, Marta Krissovich, Norma Lupkes, Sharon Mitchel, Ruth Ross, Kitty Rucker, Robin Scherting & Fayla Schwartz

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved after changes were reviewed and accepted.

**Fiscal report:** Kitty reported that the Environmental Committee fund is unchanged from last month with no activity.

**OLD BUSINESS:**

1. **Bronze Bell:** The bronze bell in front of the clubhouse is due for its bi-annual cleaning. Kitty, Ruth and Fayla volunteered to hand clean the bell to be scheduled for the last week of September.
2. **EC Event:** The October 14<sup>th</sup> event will be a "Sock Hop" starting at 5:30 with Dennis Fellner again chairing the event. There will be no charge for this event and newcomers will once again be invited. The main course for the dinner will be **chicken** provided by the Environmental Committee and attendees will be asked to provide a potluck item to share. An article will be placed in the CG Newsletter and Dennis will create posters for the event.

**NEW BUSINESS:**

1. **Weeding /Pruning Usage of CG Maintenance:** Chris is no longer on the CG Maintenance staff and the position will not be filled until next spring. Hopefully the 2018 budget will again include 50 hours of time for assisting the EC.
2. **Berm Planting:** Several non-native plants were removed from the berm and now it the time to plant the native plants in their place. Varn and Fayla will be working with the office to choose the plants – the Native Plant Society is having a sale at HJ Carroll Park as well as the other nursery contacts. The planting will occur on September 31 at 10:00 by members of the EC.
3. **Movie Night:** Friday, Oct 13 at 7:00 is the date for the movie night. It will be a presentation of a previously shown movie on Salmon Farms but with the recent news on the release of salmon from a fish farm the intent is to show it to a larger audience. Varn will contact the NOSC (North Olympic Salmon Coalition) for a possible speaker on this issue.
4. **CG Trail mapping project:** Marta reported on the latest information learned about the trails at CG – two trails have been mapped out with two others that were deemed unsafe for resident usage. Two trails were also investigated in the Highlands and she will meet with Sharon in the office to look at old plot maps with more information to follow on these trails.

**ADJOURNMENT: The meeting was adjourned at 10:15 AM**

Respectfully Submitted: Norma J. Lupkes

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**CAPE GEORGE POOL COMMITTEE MEETING NOTES -CG Clubhouse – September 6, 2017**

**ATTENDEES:**

Rocky D'Acquisto. – Chair  
Joel Janetski – Board Liaison  
Norma Lupkes  
Robin Scherting

**NOTES:**

The current Pool Committee Treasury amount is \$3,792.20. *These funds are not a part of Cape George Colony Club Homeowner's Association.*

Joel Janetski was introduced and welcomed as the new Board of Trustees Pool Committee liaison.

The blue painted wooden frames around the pool room windows have been completed and look great.

The process of managing the funds in the pool treasury was discussed and clarified for the new liaison. There are now two signatures required for approval of payment on submitted bills. Those individuals signing will be Rocky D'Acquisto and Norma J. Lupkes. The bills will then be forwarded to the treasurer of the Social Club for payment.

The shower stalls in both pool dressing rooms are in poor shape and will be replaced using a 2018 Reserve Fund allotment. Joel will report back at the next pool meeting on the status of that process.

The summer pool activity has had traditional reports of tracking in sand and filth on the floors in the dressing rooms.

The pool committee meeting date has been changed from the first Wednesday in the month to the second Wednesday of the month at 3:00 in the clubhouse effective in October.

Respectfully submitted, Norma J. Lupkes

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**Marina Committee Minutes - Oct 3, 2017**

The Cape George Marina Committee met Oct 3 in the marina shop. About 18 members were present.

Harbormaster Sonja Ericson called the meeting to order at 11 am.

Sonja reported that gravel for future repairs to the marina road can be purchased for \$140 for three yards, leaving a pile at each end of the road. The committee consensus was that the gravel should be delivered.

Sonja reported that 2018 event dates have been set – April 27 and 28 for the marina sale, August 18 for the Waterfront Festival and Regatta.

Sonja suggested that marina meetings be changed in early 2018 to the second Tuesday of each month. The committee voted not to have meetings in December or January, and that the February and March meetings will be rescheduled.

Gary Rossow briefed the committee on efforts to assess the recent study of sediments in the marina entrance. He proposes to contract with Coastal Geologic to analyze that study and earlier data and make a recommendation regarding future dredging and possible additions to the jetty. Penny Jensen moved that the contract be approved. Craig Muma seconded and the full committee approved the plan.

Sonja observed that the marina rules dealing with waiting lists for slips are not fair and equitable. She has drafted proposed changes in Rules 3 and 4. Jack Scherting moved to make those changes. Ben Fellows proposed an amendment to eliminate second chances, meaning anybody who declined to take an available slip would go to the bottom of the list. After discussion, that amendment failed. The main motion was approved by 10-1. The rules will be submitted to the Board of Trustees.

Craig Muma reported that electricity usage in the marina has increased, and that the bill for 2017 is already \$1700 more than was budgeted. Some methods of monitoring the electrical use by individual boats were discussed.

Round Robin discussion about poker games in the work shop was initiated by Brian Ritchie along with Scott Munson. They came to a resolution with Ken Owen (co-workshop manager) that is compliant with the Fire Department Code for the storage of their tables. Wednesday night poker will continue.

The meeting was adjourned at 12:20.

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**CAPE GEORGE WATER ADVISORY COMMITTEE REPORT, OCTOBER 3, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Sharon Mitchel, Manager; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and member Scott James.

1. The lockbox has been changed (with a new combination number) at the water facilities which then includes keys to the doors and locks of the various buildings. Next, Sharon will have the facilities all re-keyed and issue keys to those with direct need and one in the lockbox.

Directly related is who should have keys and whether we should key the individual facilities separately. That will be discussed at a meeting with Sharon, Greg, Donnie and Mac, relative to Mac's role as backup to Donnie and Greg. We need a specific person trained and ready in case Donnie can't respond for any reason and sometimes before Greg can arrive. Currently Mac's role is unofficial and that needs to be discussed. We also need that backup for Donnie so he can schedule time off himself. That includes work at both the water facilities and the swimming pool. All work at the water facilities is under the direction of Greg and he will discuss that with Donnie and Mac.

2. There was a short meeting on September 5 (Larry was out of town) and water leaks at the marina was discussed. Greg will follow up to see if a pressure reducing valve (PRV) can/should be installed to reduce the operating pressure which is part of the problem. We understand that they like the high water pressure for washing boats but we need to continue to address water leaks as part of our overall program for water use efficiency, including the marina.
3. Greg has one bid of \$1,500 to do the emergency generator load test and is still seeking other bids. It requires an electrician along with the test equipment and it's been difficult to get a contractor out here for such a small job without having to pay for a whole day's time door-to-door.
4. Cross connection testing of backflow assembly valves is due by October 20.
5. The annual budget is scheduled to be adopted by the Board this month, including an increase in the water connection fee, which will then be sent out for approval by the membership.
6. Greg and Donnie will go through the old barn to inventory what water supplies/parts/equipment is stored there and determine what to keep and where to store it otherwise.

The next meeting will be on **November 7, 2017 at 5 pm at the Office.**

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**Fitness Committee Meeting Minutes**

The meeting of September 27<sup>th</sup> was called to order by Phyllis Ballough at 1:00 p.m. at her home.

Present were; Robin Scherting, Don Rodgers, Billy Sery Judith Chambliss, Allan Zee, Phyllis Ballough, Katie Habegger.

We discussed the timer switch for the fans. It will not automatically turn off any longer. We will look into a replacement switch so that fan does not continue running endlessly.

A discussion on a full length mirror followed and the need for one to help people see that they are using the right form when lifting weights, and doing other exercises. We will try turning the one we have vertically instead of horizontally as it is now. This will also create more space for floor exercises. We will continue to look for other options to store the exercise balls.

We will investigate having a speaker on aging and exercise. Also possibly having Barbara Vale a trainer at the hospital, come back to the fitness room to demonstrate using the equipment we have.

We had a discussion on replacing the oldest treadmill. It was purchased new in 2010. It has many hours on it. There is money in the reserves for equipment replacement up to a certain amount. Our committee would like to use fund raising monies to upgrade the model to a heavier machine, we will make up the difference between the two models. The L8 Landice can support more weight. It has a heavier and wider reversible deck, while we are so pleased with the service and the durability of our current L7, it is meant for light commercial use and we feel the L 8 will better fit our needs. Matching funds will now be available to us 2018.

We will continue to have our annual fund raising drive in February so that we have monies available it upgrade other equipment as we replace it and to purchase items that the reserves do not cover.

**Cape George Social Club Bi-Annual Meeting Minutes**

**September 19, 2017 11:30**

The meeting was called to order and approximately 20 attendees were welcomed by Mary Hilfer of the Social Club Leadership Council. Minutes of the previous meeting were seconded and approved with no additions or corrections.

The Treasurers Report was reviewed and copies distributed by Jan Stone. The Social Club's current balance in the treasury is \$16,756.75.



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Jan Stone explained the recent decision to hold other Cape George committees' funds in the Social Club account. Those funds will still belong to each respective committee, but for banking and bookkeeping purposes will be held with Cape George Social Club funds.

Jan Stone has retired as treasurer of the Cape George Social Club and is being replaced by Leslie Fellner. Gail Krentzman will continue to act as Bookkeeper.

**Old Business:**

Robin Scherting reported on the Summer Dance which was well attended.

Discussion of how to spend Granny's Attic funds of approximately \$2,500 included Clubhouse projector, lectern light, DVD/VCR player, and possibly assist with kitchen remodel.

Jan Stone presented that Alan Zee had researched a digital projector with an estimated cost of \$800. Motion to move ahead with purchase by Penny Jensen seconded by Laurie Owen and approved.

Lectern light estimated at \$75 was also approved.

Laurie Owen presented the need for DVD/VCR for yoga and other activities. The current one is acting up. Estimated cost \$350. Suggestion made to make an appeal in the newsletter in case someone has one they are no longer using and are willing to donate. Failing that, motion by Mary Rothschild seconded by Sue, at a cost not to exceed \$350, was approved.

Mary Hilfer brought up framing of the mountain picture to be placed on a stand in the windowsill of the Clubhouse. Estimate of \$222 was given by Mary's Framing in Port Townsend. Suggestion was made to make an appeal in the newsletter for someone within the community willing and able to make a frame if we provide materials. If we cannot find anyone, motion by Penny Jensen seconded by Laurie Owen to allow framing at a cost not to exceed \$250.

Discussion of picnic tables. Tables have been numbered and identified priority list for repairs was given to Sharon in the office. The dog play group has offered to help with painting. Marta Favati brought up the possibility of paint party which everyone seemed receptive to.

Shelley Fye discussed the Art Wall. The next scheduled change out is September 29. All art will be removed for the two week period during Granny's Attic and the Marina Sale. A decision will be made later on whether art needs to be taken down for the CG Revue. Shelley will coordinate with revue team.

Marta Favati and Sonja Ericson asked for an opportunity to discuss the excessive number of events in the summertime and look at ways to streamline them to increase attendance. Decision was made to have a committee work together and determine how or if some events could be combined. Events at

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issue are Fourth of July BBQ, Salmon BBQ, Waterfront Festival, Band at the Beach and Labor Day BBQ. Committee consists of Sonja Ericson, Mary Rothschild, Marta Favati, Laurie Owen and Penny Jensen.

**New Business:**

Change in Cape George Social Club Bylaws under Treasurer Item 'C' "facilitates yearly *audit*" changed to "facilitates yearly *review*". Jan Carter recently reviewed last eight years of bookkeeping and found no discrepancies.

New members of the Leadership Team will include Treasurer Leslie Fellner, and members Mary Rothschild, Jane Ludwig and Reesa Rees. Previous members remaining on the Leadership Team are Laurie Owen, Mary Maltby, Marta Krissoovich and Cassie Reeves. Laurie and Cassie will be the new contact people for the Social Club in the Cape George directory.

Leadership Team members Jan Stone, Mary Hilfer and Norma Lupkes have stepped down. The Social Club and the Leadership Team thanked them for their commitment of time, energy and talent for many years.

The Leadership Team also thanked Shelly Fye and Christine Walsh Rogers for their efforts on the Art Wall. The Team also thanked those who handle the recycling from the Clubhouse including Laurie Owen, Marta Krissoovich, Varn, Ross Anderson, John and Betty Hanks.

Mary Rothschild announced that the Cape George Revue will return May 18-19, 2018.

**Upcoming Events:**

October 11 Flu shots at Club House

October 14 Sock Hop

April 20-21 Granny's Attic

April 27-28 Marina Sale

May 18-19 Cape George Revue

Next Social Club meeting April 10, 2018 at 11:30 AM

Respectfully Submitted by Cassie Reeves

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**President Katie Habegger called the meeting to order at 3:30 p.m.**

Welcome

**In Attendance:** Katie Habegger, Richard Hilfer, Karen Krug, Carol Wood, Joel Janetski, Ray Pierson and Ross Anderson.

**Action on Minutes:** Carol Wood moved and Ray Pierson seconded to approve the minutes of the Regular Board Meeting dated October 12, 2017. Passed – 6/0

**Membership Report:** Carol Wood

Linda Robertson purchased 220 Huckleberry Pl from Robert and Elisa Stein  
Rick Kelley & Barb Sharpe purchased 290 Colman Dr from Jack & Carolyn Salmon  
Sam & Linda Witherow purchased 130 N Palmer from Liz Fortier  
Phillip & Karen Harvey purchased 191 Ridge Dr from Janet Freeman  
Chris & Pat Dunmire purchased 311 Colman from Jan Stone & Gail Krentzman

**Treasurer's Report:** Karen Krug

TREASURER'S REPORT  
As of October 31, 2017

A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.

**2017 BALANCE SHEET COMMENTS**

All bank accounts have been reconciled and the bank statements reviewed. At month end, all financial institutions were within the FDIC/NCUA limits. Cape George has opened additional banking account which will ease the FDIC/NCUA limit pressure on all other accounts.

In comparing the current balance sheet to the same month last year there are no significant differences. There are slight changes in the composition of cash, i.e.: less operating cash, more reserve cash, etc. but these differences are a result of the timing and type of expenditures and have been highlighted in prior months.

The collected amount of unearned marina wait revenue is noticeably higher than last year at this time with seven (7) Members added to the wait list during 2017.

**Reserve Activity**

After a yearlong search Cape George was successful in finding a replacement 1/2-ton pickup. The original Member approved reserve expenditure was for \$13,390 but finding a quality replacement at that price proved impossible. The bylaws permit an approved reserve expenditure to exceed the original approved amount by no more than 25% which in this case would have been \$16,730. The

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replacement pickup was acquired for a net cost including the trade-in of the old pickup, of \$16,608.

There will be an emergency reserve expenditure in November to replace one of the two pool heat pumps. That general reserve expenditure will be about \$11,300. The failed heat pump was on the reserve schedule but failed sooner than expected, the experts say due to the harsh environment in which it operates. The expected replacement date of the other heat pump will be modified during the 2018 update process.

**OVERALL OPERATING COMMENTS**

The final installment of 2017 assessments and major fees has been recognized and as a result, the financial activity over the remaining two months of the fiscal year will be nearly all expense related. The weather impact on utility bills will be the biggest unknown and there are a few yearend entries like bad debts and the marina consulting project yet to be made. It does however appear that all three cost centers will meet their budgeted net income targets.

<b>CAPE GEORGE COLONY CLUB</b>					
<i>Balance Sheet as of October 31, 2017 2017 and 2016</i>					
<b>Assets</b>	<b>2017</b>	<b>2016</b>	<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>
Cash and Cash Equivalents:			Current Liabilities:		
Operations Checking	\$ 136,382	\$ 195,316	Accounts Payable & Other Liabilities	\$ 8,429	\$ 8,847
Operating Investment-Savings	98,369	88,227	Unearned Income General/Water/Etc.	4,656	3,965
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assemnt	609	646
Reserves - General, Water & Marina	698,333	518,267	Unearned Income Marina Wait List	1,400	900
Routine Reserve Assessment	119,952	116,993	Total Current Liabilities	15,094	14,358
Total Cash & Equivalents	1,053,636	919,403			
Net Accounts Receivable	11,398	13,350			
Reserve Assmnts Receivable	2,947	2,745	<b>FUND BALANCES:</b>		
Total Net Fixed Assets	1,867,546	1,897,727	Fund Balances (Combined)	2,653,054	2,507,695
Total Prepaid & Other Assets	23,932	22,190	Modified Cash Basis CY Income	291,311	333,362
<b>TOTAL ASSETS</b>	<b>\$2,959,459</b>	<b>\$2,855,415</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$2,959,459</b>	<b>\$2,855,415</b>

<i>Summary Revenue and Expense Statements for the periods ended October 31, 2017 and 2016 respectively</i>									
<b>2017 Year to Date</b>					<b>COMPARATIVE</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>%</b>		<b>2017 YTD</b>	<b>2016 YTD</b>	<b>Variance</b>	<b>%</b>
General Assessment	\$ 286,408	\$ 286,408	-	0%	General Assessment	\$ 286,408	\$ 286,408	\$ -	0%
Revenue - All Other Sources	36,141	22,941	13,200	58%	Revenue - All Other Sources	36,141	25,288	10,853	43%
Total General Revenue	322,549	309,349	13,200		Total General Revenue	322,549	311,696	10,853	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	113,060	118,520	5,460	5%	Salaries, Benefits, PR Tax	113,060	111,824	(1,236)	-1%
Repairs & Maintenance	13,277	17,846	4,569	26%	Repairs & Maintenance	13,277	7,143	(6,134)	-86%
Contracted Services	36,950	40,511	3,561	9%	Contracted Services	36,950	31,969	(4,981)	-16%
Insurance	15,836	16,275	439	3%	Insurance	15,836	15,585	(251)	-2%
Pool Expense & Pool Util.	29,567	17,917	(11,650)	-65%	Pool Expense & Pool Util.	29,567	16,342	(13,225)	-81%
Utilities	8,683	7,083	(1,600)	-23%	Utilities	8,683	6,934	(1,749)	-25%
Other Expenses (incl taxes)	34,102	14,437	(19,665)	-136%	Other Expenses (incl taxes)	34,102	16,172	(17,930)	-111%
Total General Expenses	251,475	232,589	14,029		Total General Expenses	251,475	205,969	(12,602)	
<b>General Net Income</b>	<b>\$ 71,074</b>	<b>\$ 76,760</b>	<b>\$ (5,686)</b>	<b>-7%</b>	<b>General Net Income</b>	<b>\$ 71,074</b>	<b>\$ 105,727</b>	<b>\$ (34,653)</b>	<b>-33%</b>

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<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 186,960	\$ 186,120	\$ 840	0%	Revenue - Water Use Fees	\$ 186,960	\$ 185,130	\$ 1,830	1%
Revenue - All Other Sources	5,544	2,000	3,544	177%	Revenue - All Other Sources	5,544	7,263	(1,719)	-24%
Total Water Revenue	192,504	188,120	4,384		Total Water Revenue	192,504	192,393	111	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	51,100	53,344	2,244	4%	Salaries, Benefits, PR Tax	51,100	49,977	(1,123)	-2%
Repairs & Maintenance	12,885	11,988	(897)	-7%	Repairs & Maintenance	12,885	2,481	(10,404)	-419%
Contracted Services	14,780	15,132	352	2%	Contracted Services	14,780	14,644	(136)	-1%
Insurance	8,069	8,345	276	3%	Insurance	8,069	8,180	111	1%
Utilities	10,290	10,333	43	0%	Utilities	10,290	9,328	(962)	-10%
Other Expenses (incl taxes)	21,390	24,290	2,900	12%	Other Expenses(incl taxes)	21,390	22,346	956	4%
Total Water Expenses	118,514	123,432	4,918		Total Water Expenses	118,514	106,956	(11,558)	
<b>Water Net Income</b>	<b>\$ 73,990</b>	<b>\$ 64,688</b>	<b>\$ 9,302</b>	14%	<b>Water Net Income</b>	<b>\$ 73,990</b>	<b>\$ 85,437</b>	<b>\$(11,447)</b>	-13%
<b>Marina</b>					<b>Marina</b>				
Revenue - Moorage/Parking	\$ 54,294	\$ 55,500	\$ (1,206)	-2%	Revenue - Moorage/Parking	\$ 54,294	\$ 55,345	\$ (1,051)	-2%
Revenue - All Other Sources	14,245	11,180	\$ 3,065	27%	Revenue - All Other Sources	14,245	9,546	4,699	49%
Total Marina Revenue	68,539	66,680	1,859		Total Marina Revenue	68,539	64,891	3,648	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	12,123	12,505	382	3%	Salaries, Benefits, PR Tax	12,123	10,709	(1,414)	-13%
Repairs & Maintenance	13,383	19,375	5,992	31%	Repairs & Maintenance	13,383	14,082	699	5%
Contracted Services	3,309	4,708	1,399	30%	Contracted Services	3,309	6,164	2,855	46%
Insurance	5,629	5,380	(249)	-5%	Insurance	5,629	5,024	(605)	-12%
Utilities	5,453	5,000	(453)	-9%	Utilities	5,453	4,238	(1,215)	-29%
Other Expenses (incl taxes)	2,810	2,823	13	0%	Other Expenses(incl taxes)	2,810	3,053	243	8%
Total Marina Expenses	42,707	49,791	7,084		Total Marina Expenses	42,707	43,270	563	
<b>Marina Net Income</b>	<b>\$ 25,832</b>	<b>\$ 16,889</b>	<b>\$ 8,943</b>	53%	<b>Marina Net Income</b>	<b>\$ 25,832</b>	<b>\$ 21,621</b>	<b>\$ 4,211</b>	19%
<b>Routine Reserve Assmnt</b>	121,808	121,808	-		<b>Routine Reserve</b>	121,808	119,160	2,648	
All Reserve Interest/(Exp)	(1,393)	55	(1,448)		All Reserve Interest/(Exp)	(1,393)	1,416	(2,809)	
<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 291,311</b>	<b>\$ 280,198</b>	<b>\$ 11,111</b>	4%	<b>Cmbnd Net Income/(Loss)**</b>	<b>\$ 291,311</b>	<b>\$ 333,361</b>	<b>\$ (42,050)</b>	-13%

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
November 16, 2017  
3:30 PM**

Last month we received a letter from Farrell Properties inquiring about our willingness to sell a Cape George owned lot on Vancouver. The Board asked me to send him a letter about the responsibilities and advantages of owning property in Cape George. Mr. Farrell has not responded to my letter.

Projects worked on by the Office Administrator:

- Printed and mailed budget election materials
- Mailed backflow testing letters. All have been completed and returned.
- Researched stickers for marina boats for 2018

Projects worked on by the Senior Bookkeeper:

- Began year-end accounting process

Projects worked on by the Caretaker:

- Assisting Water Manager with spare parts inventory
- Removed fallen trees during snow storm
- Handled two storm related water system power outages
- Trained a back-up for daily/routine water procedures
- Working with staff to write basic water procedures

I have received the following reports/complaints over the past month:

- Dogs barking for long periods in the Colony
- Unshielded outdoor lights in the Village
- Loud music in the Colony
- Ivy growing on trees in the ravine
- Storage on a vacant lot in the Highlands
- Truck parked at north marina for more than 24 hours
- Hedge complaint in the Village
- 

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Building, Environmental, and Water.

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

**Information Items:**

- A. The Board directed the manager to post the proposed Clubhouse rule and form changes in the December newsletter for member comment.

**Member participation:** None

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
November 16, 2017  
3:30 PM

**New Business Action Items:**

**Motion 1:** Joel Janetski moved and Richard Hilfer seconded to approve waitlist changes to CP03 Marina Rule. Passed - 6/0

**Motion 2:** Karen Krug moved and Carol Wood seconded to approve the \$10.00 dock key refund to member PAY001R to be applied to the same member's account as detailed in the September 25, 2017 memo from the Office Administrator. Passed – 6/0

**Motion 3:** Ray Pierson moved and Ross Anderson seconded to approve 4 due date adjustments for 3 members. Passed – 6/0

**Motion 4:** Richard Hilfer moved and Karen Krug seconded to extend the building permit at 144 Marine View Pl. for one year and impose a fine of \$25 per month (beginning December 2017) for use of a Recreational Vehicle as temporary living quarters in excess of six months (Building Reg. 4.11), with the fine subject to review and possible abatement by or before April 2018. Passed – 6/0

**Motion 5:** Richard Hilfer moved and Ray Pierson seconded to approve the revised Resolution dated November 16, 2017 to transfer Reserve funds for truck purchases: \$17,833 less trade in of \$1,833 (Gray's Motors), \$119 (B of A credit card – Price Ford) vehicle inspection, \$339 (Gary's Auto Repair) rear brakes, \$150 (West bay Auto) battery and windshield wipers. Passed – 6/0

**Motion 6:** Joel Janetski moved and Ross Anderson seconded to approve Selective Insurance flood insurance renewal for Clubhouse and Workshop at rates specified. Passed – 6/0

**Motion 7:** Richard Hilfer moved and Joel Janetski seconded to approve the proposed MIS08 Member Misconduct Rule. Passed - 6/0

**Motion 8:** Karen Krug moved and Ray Pierson seconded to turn over to SABA collection agency the four accounts detailed in the Manager's memo dated November 2, 2017. Passed – 6/0

**Motion 9:** Karen Krug moved and Ray Pierson seconded that based on the updated information the Board rescind Motion 4 dated September 14, 2017 regarding the acceptance of Miller Bobcat 225 welding machine then valued by the donor at \$2,500. Passed - 6/0

**Motion 10:** Karen Krug moved and Joel Janetski seconded, that based on new information received from the Workshop Committee, the Board accept the donation of a Miller Bobcat 225 welder/generator, serial #H13820390, now valued at \$2,250. Passed – 6/0

**Motion 11:** Richard Hilfer moved and Karen Krug seconded to approve an emergency reserve expenditure to replace Pool Heat Pump #1, in the amount of \$11,262.97 including tax and installation. Passed – 6/0



**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
November 16, 2017  
3:30 PM**

**Open Board Discussion:**

Ross Anderson brought up installing solar panels at the clubhouse/pool to hedge against future increases in energy costs. Manager, Sharon Mitchel had already started investigating the possibility.

**Announcements:**

- A. Study Session – December 12, 2017 3:00 P.M.
- B. Board Meeting – December 14, 2017 3:30 P.M.

**Adjournment:** Ray Pierson moved and Richard Hilfer seconded to adjourn the Regular Board Meeting at 3:50 pm. Passed – 6/0

**Submitted by:**

**Approved by:**

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**Carol Wood, Secretary**

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**Katie Habegger, President**

**Committee reports:**

**Building Committee Minutes    October 18, 2017**

Attendance: Bill Deckman, Sharon Mitchel, Ray Pierson, Richard Hilfer, Roger Anderson, Mac McDonald, Mike Hinojos, Steve Mitchel, Ken Owen

Bill discussed the spreadsheet that Terri has created for Building Committee project tracking form. Steve suggested that the following rows be added:

- Daytime phone number
- Variance approved
- Construction start date
- Foundation Inspection
- Truss height Inspection
- Exterior completion – 6 months
- Completion / County final



CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
November 16, 2017  
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**Current projects**

30 Maxwell –Bill and Mac will inspect trusses today. Trusses were raised without inspection which is a building regulation violation. The member was notified.

284 S. Palmer – Member hopes driveway will be installed before end of October then will apply for county final inspection at that time. Driveway installation is dependent upon weather and contractor availability.

144 Marine View Place – Owner will need to request extension of CGCC building permit. 1 year deadline is November 4, 2017.

**Open discussion**

The committee discussed the definition of temporary storage sheds. This will be discussed again in preparation for 2019 rule revisions.

The committee discussed a member's query about building retaining wall and fence adjacent roadway in the Community right of way. It was decided this should be referred to the roads committee.

Having 4 building committee members review building plan packets was discussed and this practice will be used in the future.

**ENVIRONMENTAL COMMITTEE MINUTES Monday - Oct 9, 2017**

**IN ATTENDANCE:** Sue Dunning, Katie Habegger, Joan Hommel, Marta Krissovich, Dennis McDaniel, Norma Lupkes, Sharon Mitchel, Ruth Ross, Kitty Rucker, Robin Scherting & Fayla Schwartz

The meeting was called to order by Kitty at 9:15. The minutes of the last meeting were approved as read.

**Fiscal report:** Kitty reported that the Environmental Committee fund balance is \$3,110.81

**OLD BUSINESS:**

1. **Bronze Bell:** The bronze bell in front of the clubhouse was hand-cleaned thanks to Kitty, Ruth and Fayla and it looks incredible.
2. **EC Event:** The October 14<sup>th</sup> "Sock Hop" was discussed at length. There will be no charge for this event and newcomers will once again be invited. The main course for the dinner will be *chicken* provided by the Environmental Committee. All attendees will be asked to provide a potluck item to share. EC members will be responsible for the following: Decorations and Decorating; Purchasing food; Serving food; Contests (Costume, socks, bubble blowing and "Name that tune" with prizes provided. There will be music provided by DJ's Jay Mayes and Mike LaPointe and their collection of 50-60's records.

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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3. **Movie Night:** Friday Oct 13 at 7:00 is the date for the movie night. It will be a presentation of a previously shown movie on Salmon Farms but with the recent news on the release of salmon from a fish farm the intent is to show it to a larger audience. Varn will contact the NOSC (North Olympic Salmon Coalition) for a possible speaker on this issue. Lorna also asked Rep. Mike Chapman to speak on the topic.
4. **Berm Planting:** Several non-native plants were removed from the berm and now it the time to plant the native plants in their place, however research on types of plants available at this time was not conclusive to our needs, those available would be too tall for the area. Shorter plants will be investigated and the possibility of transplanting some existing grasses may be considered.
5. **Trail Map:** Marta has been working on developing an addition to our Cape George site map showing available "walking trails" for residents. The map was reviewed and additions and corrections were given for the final version which will be inserted in the CG Directory. Thanks Marta for your work on this project.

**NEW BUSINESS:**

1. **Work with CG University:** The EC has been contacted by the CGU Committee to partner on events which are of interest to all CG residents. All on the EC were in favor of pursuing this suggestion with more information to follow.
2. **Grass on North side of Clubhouse:** The proposal has been made to investigate the possibility of improving this area. Kitty will consult with a landscaper and report at the November meeting.

**ADJOURNMENT: The meeting was adjourned at 10:15 AM**

Respectfully Submitted: Norma J. Lupkes

**ENVIRONMENTAL COMMITTEE MINUTES -NOVEMBER 13, 2017**

**INATTENDANCE:** Varn Brooks, Sharon Mitchel, Kitty Rucker, Robin Scherting

**CALL TO ORDER:** at 9:15.

**APPROVAL OF MINUTES:** Minutes approved unanimously.

**FISCAL REPORT:** We began the month with \$3,110. We spent \$119.62 on decorations and \$152.62 on food for the Sock Hop. We sold two pictures and one book for \$25. We received \$67 for sale of pictures and donations at the Sock Hop. Our balance at the end of the month was \$2,921.

**OLD BUSINESS:**

- A. **Sock Hop report:** We had about 45 people at the Hop. Everyone had a good time. The music and decorations were wonderful. Thank you to all who helped to make the evening a success.

CAPE GEORGE COLONY CLUB  
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- B. **Movie on October 13** – We had about 40 people at the event. Darrell and Lorna did a wonderful job, and Mike Chapman was a very good speaker. Varn added that he has researched it, and there are only about 80 fish farm workers in WA. That is hardly reason to maintain farms for employment.
- C. **Plants on the Berm** – Varn suggested that we plant seeds from sweet gum and other native plants. We can also transplant grasses from other areas of the berm. Sharon said that pines and ocean spray get too tall for our needs. We will be planting seeds & plants on Tues, Nov. 14, at 10 a.m.
- D. **Cape George University Co-sponsorship of events.** Judith and Kitty decided that the format and planning of the University events were more formal than ours. So we will not be joining together.
- E. **Replanting grass near the Play Area at the beach.** Steve Wright, former head of the Park Maintenance Department in Port Townsend, looked at the area near the playground and suggested that the easiest and cheapest way to fix it is to “over seed” the area. That is how they did it in PT. He suggests getting marine environment seed and just planting it several times in the spring. Varn will call Cenex & find out what kind of seed would be good.

**NEW BUSINESS:**

- A. **Varn’s Presentation on Animals of CG.** He will present a program showing the animals, how they live, where they live, and how they affect us. We will present this program in early March if Varn can’t arrange it in January.
- B. **November Movie Night** – Darrell and Lorna will be showing a film called The Sonic Sea. It is about how sound affects sea animals. It will be on Friday, November 17, at 7 P.M., at the clubhouse.
- C. **Cougar presentation** is still in the works.

**ADJOURNMENT:** at 11:15

**WATER ADVISORY COMMITTEE MEETING REPORT**

**NOVEMBER 7, 2017**

The meeting was held at 5:00 pm at the Office. The following attended: Sharon Mitchell, Manager; Greg Rae, Water Manager; Larry Southwick, Committee Chair; and members Thad Bickling and Stewart Pugh.

1. Sharon and Greg met with Donnie and Mac regarding Mac as backup to Donnie for daily operations as needed. Currently, Donnie isn’t able to really take time off which isn’t appropriate, and Mac could fill that role. So far, it’s working out well. Donnie and Mac are

CAPE GEORGE COLONY CLUB  
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documenting everyday operations and Mac is training to do them. It was emphasized that it all has to be operated under Greg's direction.

Sharon has already had the lockbox on the security gate replaced and will now replace all the locks and keys on the buildings.

2. Greg is still trying without good response to get someone to run a load test on the emergency generator.
3. Cross connection testing of backflow assembly valves was due by October 20. All but one has been returned and a reminder letter will go out for that one.
4. Terri sent out the recent water meter read data. Stew said it reported 23 leaks but he hasn't started any calls yet. There we 120 meters that showed less than 30 gpd. Sharon said that there was a problem getting some of the new home meters into the system but Terri has resolved it.
5. There was a power phase failure at the water facilities on Sunday that caused a surge and popped breakers. It has been reported to the PUD.

The next meeting will be on **December 5, 2017** at 5 pm at the Office.

CAPE GEORGE COLONY CLUB  
SPECIAL MEMBERSHIP MEETING & VARIANCE HEARING  
December 12, 2017  
2:45 PM

The Special Membership Meeting was called to order by President, Katie Habegger at 2:45 p.m. in the Cape George Office Clubhouse.

Trustees present: Katie Habegger, Richard Hilfer, Karen Krug, Joel Janetski and Carol Wood

**Announcements:**

Katie Habegger announced election ballots would be received until 3 pm at this meeting.

Election results will be announced at the December 14, 2017 Board Meeting, 3:30 pm

Due to a scheduling conflict reports regarding a variance request will also be heard at this meeting.

Bill Deckman spoke on behalf of the Building Committee recommending approval of the height variance requested at 360 Saddle Dr.

No comments from the membership have been received by the manager, Sharon Mitchel

Carol Wood moved and Karen Krug seconded a motion to approve the variance request at 360 Saddle Dr. Passed 4-0

Trustees, Ray Pierson and Ross Anderson arrived.

Richard Hilfer moved and Joel Janetski seconded a motion to adjourn the Special Membership Meeting and Variance Hearing at 3:00 p.m. Passed 6-0

Submitted by:

Approved by:

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Carol Wood, Secretary

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Katie Habegger, President

**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
December 14, 2017  
3:30 PM**

**President Katie Habegger called the meeting to order at 3:30 p.m.**

**Welcome**

The budget election results in: A total of 238 ballots were received and nine of those could not be counted. Eight envelopes were not signed and one had an invalid signature. There were 229 total votes counted. A super majority necessary for some changes is 153.

The voting results are:

Measure	Item	Votes Cast	Approval	Disapproval
1	2018 operating budget	229	208	21
2	2018 reserve project expenditures	228	199	29
3	Amend Building and Property Regulations	229	207	22
4	IRS resolution	229	218	11

**In Attendance:** Katie Habegger, Richard Hilfer, Karen Krug, Carol Wood, Joel Janetski, and Ross Anderson.

**Action on Minutes:** Carol Wood moved and Richard Hilfer seconded to approve the minutes of the Regular Board Meeting dated November 16, 2017. Passed – 5-0

Carol Wood moved and Richard Hilfer seconded to approve the minutes of the Special Membership Meeting dated December 12, 2017. Passed 5-0

**Membership Report:** Carol Wood

Joseph & Bethany Mahaffey purchased 105 Magnolia Ave from Patricia Todd  
Christopher Huss purchased 520 Dennis Blvd from the Bertolina Estate  
Wesley & Carol Muzik purchased 181 S Rhododendron Dr from Maria Porter  
Donald Wright & Carol Jensen-Metcalf purchased 41 San Juan Dr from the Brakebush's  
Terrance & Janet Thearle purchased 151 Vancouver Dr from Toni & Starla Brown

**Treasurer's Report:** Karen Krug

**TREASURER'S REPORT  
As of November 30, 2017**

*A summarized comparative balance sheet and a condensed statement of revenues and expenses are included on the next page. Detailed statements are available on the Cape George website and in the Cape George office.*

**CAPE GEORGE COLONY CLUB**  
**BOARD OF TRUSTEES MEETING**  
**December 14, 2017**  
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**2017 BALANCE SHEET COMMENTS**

All bank accounts have been reconciled and the bank statements reviewed. At month end, all financial institutions were within the FDIC/NCUA limits.

In comparing the current balance sheet to the same month last year there are no significant differences. There are slight changes in the composition of cash, i.e. less operating cash, more reserve cash, etc. but these differences are a result of the timing and type of expenditures and have been highlighted in prior months.

**Reserve Activity**

The emergency reserve expenditure for the unexpected replacement of a pool heat pump did not occur in November as originally reported but is now expected to occur in December.

**OVERALL OPERATING COMMENTS**

With eleven months of the year completed, it appears, barring unforeseen events, that all three cost centers will obtain their originally budgeted target net incomes. Note that the \$4,000 consulting fee for Coast Geologic has been anticipated in the Marina's November results even through the final report and bill are not expected until mid-December.

**YEAR END PREPARATIONS**

In preparation for closing the books and records for 2017, the Board will review several cash transfers at the December meeting. More detail on these important transfer activities can be found in memos included in the December Study Session packet.

The first is the transfer of the minimum operating cash excess. Per the external auditors this "minimum" transfer is to be equal to the originally budgeted net income. A total of \$82,131 should be transferred with General = \$31,873; Water = \$40,672; and Marina = \$9,586.

The second transfer is really the allocation of the distinct reserve assessment into the three separate reserves. The net total to be allocated is \$121,006 with General = \$56,752; Water = \$46,708; and Marina = \$17,546.

The third transfer is moving \$16,368 from operations savings to operations checking to pay for the new assets, the workshop drainage project and the office copier, acquired during the year. Since these are "new" assets they can not be acquired with reserve funds. Since the Board had added money to the operations savings account in each of the past two years, there is enough in that account to pay for these assets and still leave the balance above the Member required \$70,000 minimum.

**CAPE GEORGE COLONY CLUB**  
**BOARD OF TRUSTEES MEETING**  
**December 14, 2017**  
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CAPE GEORGE COLONY CLUB					
<i>Balance Sheet as of November 30, 2017 and 2016</i>					
<b>Assets</b>	<b>2017</b>	<b>2016</b>	<b>Liabilities and Fund Balances</b>	<b>2017</b>	<b>2016</b>
Cash and Cash Equivalents:			Current Liabilities:		
Operations Checking	\$ 131,480	\$ 149,873	Accounts Payable & Other Liabilities	\$ 16,016	\$ 11,207
Operating Investment-Savings	98,381	88,238	Unearned Income General/Water/Etc.	4,975	4,245
Petty Cash (2 accounts)	600	600	Unearned Income Reserve Assemnt	609	691
Reserves - General, Water & Marina	681,794	518,001	Unearned Income Marina Wait List	1,500	900
Routine Reserve Assessment	121,651	118,633	Total Current Liabilities	23,100	17,043
Total Cash & Equivalents	1,033,906	875,345			
Net Accounts Receivable	4,594	8,787			
Reserve Assmnts Receivable	1,261	1,155	<b>FUND BALANCES:</b>		
Total Net Fixed Assets	1,867,546	1,916,196	Fund Balances (Combined)	2,653,054	2,507,695
Total Prepaid & Other Assets	24,784	23,089	Modified Cash Basis CY Income	255,937	299,834
<b>TOTAL ASSETS</b>	<b>\$2,932,091</b>	<b>\$2,824,572</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$2,932,091</b>	<b>\$2,824,572</b>

**Summary Revenue and Expense Statements for the periods ended November 30, 2017 and 2016 respectively**

2017 Year to Date					COMPARATIVE				
	Actual	Budget	Variance	%		2017 YTD	2016 YTD	Variance	%
General Assessment	\$ 286,408	\$ 286,408	-	0%	General Assessment	\$ 286,408	\$ 286,408	\$ -	0%
Revenue - All Other Sources	37,732	23,755	13,977	59%	Revenue - All Other Sources	37,732	26,929	10,803	40%
Total General Revenue	324,140	310,163	13,977		Total General Revenue	324,140	313,337	10,803	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	123,911	130,372	6,461	5%	Salaries, Benefits, PR Tax	123,911	122,698	(1,213)	-1%
Repairs & Maintenance	13,791	19,630	5,839	30%	Repairs & Maintenance	13,791	7,846	(5,945)	-76%
Contracted Services	38,910	43,139	4,229	10%	Contracted Services	38,910	34,184	(4,726)	-14%
Insurance	17,419	17,902	483	3%	Insurance	17,419	17,132	(287)	-2%
Pool Expense & Pool Util.	31,814	19,708	(12,106)	-61%	Pool Expense & Pool Util.	31,814	16,929	(14,885)	-88%
Utilities	9,451	7,792	(1,659)	-21%	Utilities	9,451	7,893	(1,558)	-20%
Other Expenses (incl taxes)	34,786	15,734	(19,052)	-121%	Other Expenses (incl taxes)	34,786	21,170	(13,616)	-64%
Total General Expenses	270,082	254,277	17,012		Total General Expenses	270,082	227,852	(12,171)	
<b>General Net Income</b>	<b>\$ 54,058</b>	<b>\$ 55,886</b>	<b>\$ (1,828)</b>	<b>-3%</b>	<b>General Net Income</b>	<b>\$ 54,058</b>	<b>\$ 85,485</b>	<b>\$ (31,427)</b>	<b>-37%</b>
<b>Water</b>					<b>Water</b>				
Revenue - Water Use Fees	\$ 186,960	\$ 186,120	\$ 840	0%	Revenue - Water Use Fees	\$ 186,960	\$ 185,130	\$ 1,830	1%
Revenue - All Other Sources	5,544	2,000	3,544	177%	Revenue - All Other Sources	5,544	7,263	(1,719)	-24%
Total Water Revenue	192,504	188,120	4,384		Total Water Revenue	192,504	192,393	111	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	56,008	58,678	2,670	5%	Salaries, Benefits, PR Tax	56,008	54,988	(1,020)	-2%
Repairs & Maintenance	13,615	13,186	(429)	-3%	Repairs & Maintenance	13,615	3,772	(9,843)	-261%
Contracted Services	15,878	16,645	767	5%	Contracted Services	15,878	15,742	(136)	-1%
Insurance	8,880	9,180	300	3%	Insurance	8,880	8,992	112	1%
Utilities	11,238	11,367	129	1%	Utilities	11,238	10,280	(958)	-9%
Other Expenses (incl taxes)	24,059	25,602	1,543	6%	Other Expenses (incl taxes)	24,059	23,972	(87)	0%
Total Water Expenses	129,678	134,658	4,980		Total Water Expenses	129,678	117,746	(11,932)	
<b>Water Net Income</b>	<b>\$ 62,826</b>	<b>\$ 53,462</b>	<b>\$ 9,364</b>	<b>18%</b>	<b>Water Net Income</b>	<b>\$ 62,826</b>	<b>\$ 74,647</b>	<b>\$ (11,821)</b>	<b>-16%</b>



**CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
December 14, 2017  
3:30 PM**

Marina					Marina				
Revenue - Moorage/Parking	\$ 54,294	\$ 55,500	\$ (1,206)	-2%	Revenue - Moorage/Parking	\$ 54,294	\$ 55,345	\$ (1,051)	-2%
Revenue - All Other Sources	14,280	11,242	\$ 3,038	27%	Revenue - All Other Sources	14,280	9,779	4,501	46%
Total Marina Revenue	68,574	66,742	1,832		Total Marina Revenue	68,574	65,124	3,450	
Expenses:					Expenses:				
Salaries, Benefits, PR Tax	13,321	13,755	434	3%	Salaries, Benefits, PR Tax	13,321	11,787	(1,534)	-13%
Repairs & Maintenance	13,506	20,062	6,556	33%	Repairs & Maintenance	13,506	14,332	826	6%
Contracted Services	7,527	5,178	(2,349)	-45%	Contracted Services	7,527	8,379	852	10%
Insurance	6,196	5,918	(278)	-5%	Insurance	6,196	5,523	(673)	-12%
Utilities	5,844	5,500	(344)	-6%	Utilities	5,844	4,675	(1,169)	-25%
Other Expenses (incl taxes)	3,628	3,054	(574)	-19%	Other Expenses(incl taxes)	3,628	1,330	(2,298)	-173%
Total Marina Expenses	50,022	53,467	3,445		Total Marina Expenses	50,022	46,026	(3,996)	
Marina Net Income	\$ 18,552	\$ 13,275	\$ 5,277	40%	Marina Net Income	\$ 18,552	\$ 19,098	\$ (546)	-3%
Routine Reserve Assmnt	121,808	121,808	-		Routine Reserve	121,808	119,160	2,648	
All Reserve Interest/(Exp)	(1,307)	61	(1,368)		All Reserve Interest/(Exp)	(1,307)	1,444	(2,751)	
Cmbnd Net Income/(Loss)**	\$ 255,937	\$ 244,490	\$ 11,445	5%	Cmbnd Net Income/(Loss)**	\$ 255,937	\$ 299,834	\$ (43,897)	-15%

CAPE GEORGE COLONY CLUB  
BOARD OF TRUSTEES MEETING  
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Our road speed monitor still is not recording data so I have once again shipped it back to the vendor for repair. The vendor replaced a circuit board and mailed it back to us yesterday. If it still doesn't record once we receive it, we will request a refund.

I am working to purchase a new Clubhouse dish sanitizer before the end of December.

Projects worked on by the Office Administrator, Terri Brown:

- Prepared and mailed Marina registration forms. 2018 Marina registration is due January 1 and delinquent after January 31st
- Updating rules and regs on our website
- Working with Building Committee to build a project tracking spreadsheet

Projects worked on by the Senior Bookkeeper, Sally Lovell:

- Sally is working on year-end accounting process

Projects worked on by the Caretaker, Donnie Weathersby:

- Worked with Water Manager on the chlorine pump issue
- Replaced a broken lock on our office door

I have received the following reports/complaints over the past month:

- Roof remodel without a Club permit
- Door to door solicitor in the Colony
- Car accident on S. Palmer
- Clubhouse door was left open twice after events
- Dog feces not being picked up on S. Palmer
- Clubhouse thermostat not turned down after event

**Committee Reports:** The following committee reports were submitted to the Board of Trustees: Environmental, and Pool. The reports are attached to these minutes and incorporated by reference.

**Information Items:**

- A. At the Variance Hearing, the Trustees approved the height variance requested by Craig Muma and Marie Schorr at 360 Saddle Drive.
- B. The Trustees directed the manager to post the proposed Clubhouse rule and form changes in the January newsletter for additional member comment.
- C. The Trustees directed the manager to obtain estimates for a Clubhouse security camera system.
- D. The Secretary reported on changes to the new member welcoming process and will begin work on this in January.
- E. The Secretary reported on the status of abandoned properties and announced that 311 Victoria Loop had been sold at County Treasurer's Auction.
- F. The Manager provided information regarding 2018 employee health insurance premium increases.

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**Member participation:** None

**New Business Action Items:**

**Motion 1:** Richard Hilfer moved and Carol Wood seconded to accept the donation of a utility trailer valued at \$2000 that was purchased by the Workshop Committee's Generator Fund. Passed 5-0

**Motion 2:** Joel Janetski moved and Ross Anderson seconded to rescind assessment late fees in the amount of \$30 that were charged in error. Passed 5-0

**Motion 3:** Karen Krug moved and Joel Janetski seconded the Board approve the 2017 minimum excess operating cash transfer of \$82,131 to the three individual reserve accounts as detailed in the Treasurer's memo dated December 9, 2017 which was included in the December 2017 Study Session packet. Passed 5-0

**Motion 4:** Karen Krug moved and Richard Hilfer seconded the Board approve the 2017 reserve assessment allocation of a net of \$121,006 to the three individual reserve accounts as detailed in the Treasurer's memo dated December 9, 2017 which was included in the December 2017 Study Session Packet. Passed 5-0

**Motion 5:** Karen Krug moved and Joel Janetski seconded the Board ratify total Allowances for Doubtful Accounts in the amount of \$4,500 as outlined in the Manager's memo dated December 9, 2017 which was included in the December 2017 Study Session packet. Passed 5-0

**Motion 6:** Karen Krug moved and Ross Anderson seconded the Board transfer \$16,368 from operations savings to operation checking per the detail in a Treasurer's memo dated December 9, 2017 which was included in the December 2017 Study Session packet. Passed 5-0

**Motion 7:** Karen Krug moved and Carol Wood seconded the Board ratify the 2017 additions and deletions to the fixed assets listing as detailed in a memo from the Sr. Bookkeeper dated November 13, 2017 which has been included in the December 2017 Board packet. Passed 5-0

**Motion 8:** Richard Hilfer moved and Karen Krug seconded to approve the proposed 2018 Clubhouse blackout dates with the addition of May 1-2 and May 16-20 for the Revue. Passed 5-0

**Motion 9:** Carol Wood moved and Ross Anderson seconded that a 60 day extension to the owners of 175 Bridle Way to complete the exterior of their home be approved and that rescission of any fines assessed be considered upon notification of such completion. Passed 4-1

**Motion 10:** Carol Wood moved and Richard Hilfer seconded to approve the request by owners of 175 Bridle Way for a 6-month extension to live in their RV while home is under construction. Passed 5-0

**Motion 11:** Joel Janetski moved and Karen Krug seconded to approve end of year bonuses of \$300 (net) per employee and \$300 for the Water Manager. Passed 5-0

**CAPE GEORGE COLONY CLUB  
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**Open Board Discussion:**

Carol Wood brought up the questions concerning the old barn and asked how to proceed. It was decided to wait for the results of the upcoming risk assessment study from our insurance carrier before deciding on a course of action.

Karen requested future Board Meeting agendas include an item for any documents handed out at the Study Session and not included in the Study Session Packet.

**Announcements:**

- A. Study Session – January 9, 2018 3:00 P.M.
- B. Board Meeting – January 11, 2018 3:30 P.M.

**Adjournment:** Richard Hilfer moved and Joel Janetski seconded to adjourn the Regular Board Meeting at 3:55 pm. Passed – 5-0

**Submitted by:**

**Approved by:**

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**Carol Wood, Secretary**

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**Katie Habegger, President**

**Committee reports:**

ENVIRONMENTAL COMMITTEE MINUTES  
CAPE GEORGE CLUBHOUSE – Monday, December 11, 2017

IN ATTENDANCE: Varn Brooks, Katie Habegger, Stephen McDevitt, Sharon Mitchel, Ruth Ross, Kitty Rucker, Robin Scherting, and Fayla Schwartz

The meeting was called to order by Kitty, and the November minutes were approved.

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Kitty commented that Norma was unable to attend the meeting, due to her upcoming surgery. The committee approved the purchase of a house plant for Norma. Kitty will present this to Norma – along with the committee's good wishes for a speedy recovery - on her return from hospital

Fiscal Report: unchanged from last month with a balance of \$2,921. (These are not funds that belong to Cape George Colony Club Inc.)

OLD BUSINESS:

A. Berm Planting: Kitty reported that she and Varn completed the planting on the berm, transplanting sea rocket and dune grass from other areas to the weedy area at the south end of the berm. Varn commented that the transplanted vegetation is doing well.

B. Movie Night: The screening of The Sonic Sea was not well attended, but was greatly enjoyed by all. Thanks to Daryl and Lorna Smith for arranging the showing of this informative movie.

NEW BUSINESS

A. Movie Cost: The producer of The Sonic Sea requested a donation of \$50 for showing his movie. The committee approved this payment.

B. Varn's Presentation: The clubhouse art wall display with a wildlife theme has been postponed to mid-January, so Varn proposed delaying his presentation on Cape George wildlife (tentatively scheduled for early January) until March. It was decided that the talk will be scheduled for March 6th. Varn will coordinate with Daryl and Lorna, submit a piece for the newsletter and contact committee members for assistance in putting on the event, if needed.

C. Reseeding Grass: Following up on prior discussion on how to improve the appearance of the sandy area near the playground, Kitty reported that Steve Wright, former head of PT Parks Maintenance had recommended simply over-seeding with a native seed blend designed for high traffic areas. This could be accomplished at a very modest cost. However, Varn pointed out that the area provides drainage for the parking lot, and a thicker covering of grass could reduce the water absorption and lead to flooding. In addition, the bare sandy soil is habitat for ground bees. After some discussion, the committee voted to take no action at this time.

D. Meeting Schedule - There will be no meetings in January and February, due to Kitty's absence. She plans to return in early March.

The meeting adjourned at 9:45 am.

CAPE GEORGE POOL COMMITTEE MEETING NOTES  
CG CLUBHOUSE-DEC. 13, 2017

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The new heat pump is in transit and should arrive and be installed in the next two weeks. We are waiting to hear from the vendor.

Showers for both bath rooms are being looked at for replacement next year. Money for that will come from the reserve fund. \$6,200 has been allotted for the project. This will probably require some additional help from the membership. Volunteers are welcome.

The new SS legs for the benches will be welded by Ken Owen.

A reminder that there is no smoking in the pool area or bathrooms.

The next meeting is 14 Feb., 3:00 at the clubhouse.

Respectfully submitted, Neil D'Acquisto