

Annual Member Meeting
Treasure Island Country Club
July 13, 2019

Meeting held at the Grapeview Horton Center (4350 East Grapeview Loop Road, Grapeview, WA)

9:35am OPEN FORUM: Ten members addressed the meeting with various questions, comments and recommendations. Acting President Diane McCoy facilitated the forum. Items presented were: moving Board meetings to Saturdays, Board acting according to the By-Laws, required regulatory compliance on actions of the Board, permits for lighting on the bridge, process for Seal Coating, bridge landscape, compensation of paid landscape services, striping of the bridge, lighting on houses, insurance increases in the proposed budget, privacy of property owners, cost of maintenance, members reading budget proposal and report law changes, notify owner of aggressive dog concerns from members, changes to approval of the budget process and proposed fee increases, concern for adding proposed electronic reader board in the budget, pointing out directors personal liability in their actions, concern with vehicles parking along the road, maintenance of the culverts, concern regarding proxies format. The Board of Directors will review each of these questions and comments at the next Board of Directors meeting.

MEETING CALL TO ORDER: Acting President McCoy called the meeting to order at 10:08am. Janet Biggs verified there was a quorum present for the meeting with 102.5 lots represented in person or by proxy.

McCoy thanked the volunteers and Board members for their work and contributions to Treasure Island Country Club. McCoy also addressed the resignations and turnover on the Board with the resignation of President Jack Morgan.

McCoy gave an explanation of current status of 1681 E. Treasure Island and 90 E. Treasure Island and actions the Board had taken in the past year working with our attorneys.

McCoy provided a review of the seal coating procedure last year and comments made by members. She shared the current plan by the contractor to return to fix some of the areas not satisfactory from the work.

McCoy acknowledged some concerns rose over the number of increasing deer population on the island the communication that has taken place with Fish & Game. She also mentioned the reminder of dogs on the island and leash requirements.

McCoy acknowledged that Kim Henwood has agreed to take on the task to provide a newsletter to the members to aid in communication. She also thanked the families for taking the leadership and coordinating the 4th of July Parade and Fun Run/Walk.

MINUTES OF JULY 7, 2018 ANNUAL MEMBER MEETING: A motion was made, seconded and passed unanimously to approve the minutes as presented.

FINANCIAL REPORTS: Janet Biggs, HOA Community Solutions.

Biggs shared there were copies available in the room of:

- TICC General Ledger Statement of Fund Standard 1/1/2018-12/31/2018
- TICC General Ledger Balance Sheet Standard as of 6/30/2019
- TICC Budget Comparison YTD Variance as of 6/30/2019

- TICC Proposed 2020 Budgets (comparison of 2019 budget and 2020 budget)
- Biggs pointed out as of 12/31/2018 Total Operating Income is approximately \$83,000 and Operating Expense were approximately \$195,000 with \$115,000 of depreciation, or net of approximately \$81,000. This was operating income, which was actually cash of \$107,807.71 once the audit entry for the loss on the tractor is removed.

A question was raised regarding the reserve fund with Mutual of Omaha Bank and if it could be lowered. Biggs will follow up and inform the Board.

Biggs reported on the new law pertaining to the approval process of budgets for HOA's. Biggs shared the training she had attended on the new law, review by our attorney and responded to questions from the members in attendance.

ASSET REPLACEMENT & RESERVE STUDY: McCoy reported that there is approximately \$560,000 in the Asset Reserve Account with budget projects for upgrades to security system, the booster water pump project and unknown minor expenses.

OLD BUSINESS:

- Water Commissioner and Director, Dan Doyle updated the members on the current private water system owned by TICC. Doyle provided the results of the 20 year capital plan to upgrade the water system and background which led to past Board decisions to pursue adding a Booster Pump. Do to turnover in the Water Commissioner position, the plan is behind schedule. Do to original costs estimates from Gray & Osborne, Inc. the current Board approved hiring Brown & Kaysar Engineering following interview of three engineering firms, to provide the engineering study and new cost estimates required by Department of Health. The new study was submitted to the Department of Health on July 10, 2019. Hopefully the previously approved budget of \$350,000 will be sufficient to complete the project this year.
- McCoy updated the members on the asphalt patch and resurface plan to complete the necessary work this summer.
- McCoy shared with the members the discussion that has taken place regarding limiting short term rentals on Treasure Island. McCoy provided the information provided by our attorney on current rulings regarding the authority available to HOA's and TICC regarding our By-Laws on this matter. There was discussion and response from members on the subject regarding changes and restrictions and the owner's responsibility. The Board will communicate with members as to more information as it becomes available and work with ways to meet the needs of TICC members.

NEW BUSINESS:

- 2020 Annual Operations & Maintenance Budget Discussion.
 - Biggs discussed the key financial elements of the 2020 budget
 - # Total income \$114,810 with \$455 per lot (\$50 per lot increase) Payment of half by 2/15/20 and half by 7/31/20.
 - # Total expense \$114,336.
 - # Asset Replacement Fund \$53,160 with \$205 per lot(\$10 per lot increase) Payment of half By 2/15/20 and half by 7/31/20

There was discussion with members regarding the changes to the budget law and desire by some members for the Board to still provide more approval from the members on items such as fee increases. The format of the proxy was also discussed.

- Voting Results: Budget approval : yes =66 no=25.5 Approval passes automatically as less than a majority voted to reject
- Vote on candidates to fill four Board positions. Each candidate gave a brief introduction of themselves and reason for interest in being on the Board.
- Vote on Board Positions: Dan Doyle-96 votes (3 year term); Diane McCoy-86 vote (3 year term); Rod Wilkinson-69.5 votes (3 year term); Jerry Bennett-64 votes- (1 year term)
-----There were two write in candidates that received a total of 2 votes
----- Thank you to Ken Sanberg for your past service on the Board

COMMISSIONER REPORTS:

- Water-The contract with PUD 1 from September 2017-September 2019 is being renegotiated for two more years to serve as TICC Water systems manager. Water Quality reports were included in packet for Annual meeting and all reports show satisfactory results. Water Use Efficiency Reports for 2018 from PUD 1 and Department of Health have some conflicting numbers. Consumption of water use shows and increases of 37% over previous use. It would appear there may be errors in the manual system of recording the meter reading or input errors at PUD 1. We are tracking and reviewing the quarterly reports to be sure the leakage rate in the individual homes or the main system are not a problem.
- Bridge- Report is the bridge is clean, lights working and there will be a follow up on need for bridge inspection if required per regulations and permit requirements on the lighting.
- Dock- The new regulatory requirements of requirements to the dock and the related area were shared. This includes new piles, tires, lighting and signage. There has been work done on the dock area related to safety with surface plate stepping on the dock and space between piles.
- Island Watch- Information was shared on the good working relationship and communication with the Mason County Sherriff Department as well as the restrictions against swimming in the dock area. There have been some reported crime issues on the island in the recent past and individuals on the island without proper authority.
- Beach- The beach is clean and in good shape with the removal of logs and chairs. There has been some vandalism but generally the beach area is well used and appreciated by members.
- Roads- winter damage from weather as well as finishing of sealing and repaint the speed bumps will take place this summer.

ADJOURN: Motion made, seconded and unanimous approval to adjourn the meeting at 12:07pm

Minutes written by Director Dan Doyle