

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.

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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.

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CAPE GEORGE COLONY CLUB					
<i>Balance Sheet as of November 30, 2017 and 2016</i>					
Assets	2017	2016	Liabilities and Fund Balances	2017	2016
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 Assmnt	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	FUND BALANCES:		
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
TOTAL ASSETS	\$2,932,091	\$2,824,572	Total Liabilities and Fund Balance	\$2,932,091	\$2,824,572

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)	
General Net Income	\$ 54,058	\$ 55,886	\$ (1,828)	-3%	General Net Income	\$ 54,058	\$ 85,485	\$ (31,427)	-37%
Water					Water				
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)	
Water Net Income	\$ 62,826	\$ 53,462	\$ 9,364	18%	Water Net Income	\$ 62,826	\$ 74,647	\$ (11,821)	-16%

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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%
<i>**Modified Cash Basis, Excludes Depreciation</i>					<small>KCK 06/10/15</small>				

Manager's Report: Sharon Mitchel

Over Thanksgiving weekend, one or more incidents occurred in the Clubhouse. There weren't rental or community parties that weekend, but a sticky substance was spilled throughout the clubhouse and kitchen, black protective fabric from under the couch was torn and two pieces of artwork went missing. We pulled card key logs and talked with all who were in the clubhouse over the weekend to determine if they saw anything. The Art Wall Chair has posted pictures of the missing items on our bulletin boards. Though we filed a report with the Sheriff's Office about the theft, if you find the missing artwork, please return it to the office, no questions asked.

Monday morning I entered the Clubhouse for a meeting and observed the following: the north door was open, there was a marijuana pipe in one of the chairs, the sanitizer had dirty water in the base, the kitchen counter was greasy and flour type substance on the outside of one of the microwaves. Please be aware that smoking, of any sort, is not allowed in any of our buildings. The base of the dish sanitizer should be cleaned after use and all doors should be secured before leaving the Clubhouse.

I heard this morning that the new heat pump for the Swimming Pool should be installed on December 20th. The Pool will be closed during the installation.

Your water might have had a higher than normal chlorine smell over the last few weeks. Greg and Donnie worked diligently to resolve the issue. They replaced a pump part and an older chemical analysis meter. While the higher than normal levels were well within State guidelines, they have now returned to our CGCC normal levels. Thank you Donnie & Greg for your hard work on this project!

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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

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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:

Carol Wood, Secretary

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.

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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