

Annual Member Meeting  
Treasure Island Country Club  
July 11, 2020

Meeting was held via ZOOM webinar due to COVID-19 pandemic following Washington State guidelines. All members received notification on how to access the webinar and received proposed 2021 budget and 2021 Asset Replacement Fund (ARF) budget, proxy form, and ballot by mail in advance of the meeting.

CALL TO ORDER: President Diane McCoy called the meeting to order at 10:03am. Janet Biggs clarified procedures for the ZOOM webinar and clarified procedures for proxies and voting. Stephanie Hahn verified a quorum was met with 31½ proxy votes and 55 lots represented by Zoom participation, confirming there was no double counting between received proxies and Zoom participation. A special thanks to both for fielding questions and comments from the membership brought forward and ensuring the meeting ran efficiently according to by-laws.

Diane reported that several Board members resigned during the past year, resulting in new members serving on the board. She gave a high-level review of this past year, highlighting how COVID-19 has impacted work with contractors including receiving bids for work. Follow-up from contractors has slowed, and costs have increased. She thanked the volunteers and Board members for their work and encouraged everyone to do the best you can to keep Treasure Island moving forward.

MINUTES of JULY 13, 2019 ANNUAL MEMBER MEETING: The minutes will be approved by a vote on the ballot.

FINANCIAL REPORTS: Stephanie Hahn, HOA Community Solutions  
Stephanie will email copies of the Financial reports to TICC members.

- TICC Gender Ledger Balance Sheet Standard as of 12/31/19

The operating account is at \$54,200.65

The Asset Replacement Fund is at \$550,328.75.

Between various bridge accounts there is \$203,356.64 for a total of \$807,886.04

Accounts Receivable is \$3395.42. There was 1 delinquent account which has since been cleared up.

As of December 31, 2019, there is \$459,560.23 owned on Bridge loan with roughly 40 lots still paying on bridge loan.

- TICC Budget Comparison YTD Variance 12/1/19 to 12/31/19

As of December 31, 2019 the operating income is \$104,918.35 vs budget of \$102,150.00 which is \$2,768.35 of additional income.

The total expenses are \$219,249.67 this includes depreciation of assets that we have to record \$113,186.63.

The actual total of expenses is \$106,063.04 a difference of \$1,144.69 in additional expenses. This is in part to the insurance going up exponentially. We are currently working with a different insurance company, whose rate is reflected in the 2021 budget.

As of December 31, 2019, in the ARF Income was \$51,973.44 an expense of \$16,271.28 net gain of \$35,702.16

All money spent out of ARF was for Booster system project in 2019.

- TICC General Ledger Balance Sheet Standard as of 6/30/2020

As of June 30, 2020, operating account had \$116,898.19

Asset Replacement Fund has \$565,322.33 and various bridge accounts have \$204,439.66 for a total of \$886,660.18

Accounts Receivable for this point in 2020 is \$17,338.98. Owners were able to pay half of their Assessments by July 31st. Money will be coming in this month and there are no delinquencies of concern at this point.

As of June 30, 2020 there is \$396,124.76 due on the bridge loan.

- TICC Budget Comparison YTD Variance 6/1/20 – 6/30/20

As of June 30, 2020, the billed income budgeted was \$114,738.00, we have now billed \$117,392.55. This because a water installation was paid for and billed back to the owner.

The total expenses budgeted is \$57,437.00 at this point only \$52,600.00 we are roughly \$5000 under budget for this point in the year.

#### OLD BUSINESS:

Water Commissioner: Dan Doyle gave a historical review of the water system issues leading up to pursuing a booster pump for the island and addressing seismic issues associated with the water tank. The members approved \$300K in 2017 and \$50K in 2017 from the ARF for the booster pump. The bid for the construction is \$401K which is higher than original estimates and now includes state taxes. The ARF has \$280K earmarked for the project. An additional \$150K is needed from the reserve, leaving a low balance in the ARF. The Explanation of Asset Replacement Fund Ballot Items was included in the packet sent to all members.

Discussion from members included an option for all members to install their own booster pumps which would involve annual inspections of back flow devices, ensuring water from each property hook up does not negatively affect their neighbor, and seismic issues pertaining to the tank would not be solved with this idea, and the integrity of the main water lines. Dan reported that the timeline to have work completed by a contractor calls for the installation of the booster pumps after Labor Day 2020 and completion by October 2020. The future plan for water tank seismic issues will be developed after the booster pumps are installed.

#### NEW BUSINESS:

2021 Annual Operations/Maintenance and Asset Replacement Fund (ARF) Budget Discussion – Diane McCoy opened with discussion with the reminder that owning a private island costs money and we need to be prepared for unexpected expenses.

Comments from the membership pertained to the booster pumps, specifically if the work can be done incrementally. Dan Doyle reported that state requirements make it necessary to complete the booster pump construction without interruption.

#### COMMISSIONER REPORTS:

Bridge – Ken Sanberg. Ken reported that the cannisters are changed and must be changed or cleaned every 2 years. The bridge is looking good with no foreseen expenditures.

Dock – Rod Wilkinson. We are a year into a new 12-year lease with the DNR required for the floating dock. The lease calls for the wood pilings to be replaced with steel pilings by 2031. As part of the update to the Reserve Study this year, Rod made sure this is in the study as well as updating the remaining years of life for the other infrastructure items at the dock lot. There was discussion about the peeling paint on the handrails, and Rod will research whether this can be accomplished within DNR regulations. There is a new sign-in log that requires boat owners to provide more information about their boats as well as both sign-in and sign-out dates. Dock use is limited to 72 hours in a 7-day period as is trailer parking. Rod asked members to help him enforce the no swimming and jumping rules if they see this unsafe activity at the dock. Since we have a swimming beach, the no-swimming rule at the dock will not be changed. He also praised the volunteers for keeping the landscaping at the dock looking great. He said that charging a daily fee for moorage would not be workable.

Beach – Lynn Zumwalt. Repairing the broken fence is continuing and the post at the road is in need of repair. Lack of follow-up from fence repair companies has contributed to slow progress. A member, with building experience, volunteered to look at the bridge in the next few days. A dock at the location would require many permits and expenses.

Roads – Diane McCoy. Speed bumps will be painted with a brand new and approved paint quality. If we like it, then all bumps will be done and 2 will be painted at no charge. Repair of the drain on Utility Lane (previously known as Fire Lane) has not been completed, but is planned for this year. All ditches and culverts need repair and it is difficult to find contractors to bid on the job. The work can be done by homeowners or can be hired out. See Rules and Reg: Building D3 regarding maintaining/cleaning ditches. Owners are encouraged to trim back foliage from their property next to the road. The main road will not be sealed this year due to expense of booster pump. There was discussion general appearance of the island and ways to have more areas of the island mowed.

Island Watch – Bill McFarland's report given by Diane McCoy. Happy to report that the island is quiet and safe, although there have been cars speeding along the roads.

Water – Dan Doyle. Currently PUD 1 manages our water system. Their preference is to own rather than manage systems so have indicated they are not likely to renew their contract with us in 2021.

All commissioners thanked volunteers for hours of maintenance, landscaping and keeping the community areas looking good.

BALLOT items sent to members are for the following:

M1 Approval of Meeting Minutes for 2019 Annual Meeting Minutes

F1 2021 Budget Ratification: Operation/Maintenance & ARF

F2 Expenditure from Asset Replacement Fund (Approve Board to spend up to additional \$150,00 to complete Water System Pressure Booster Pump and Seismic Mitigation Project)

F3 Expenditure from Asset Replacement Fund (approve Board to spend up to \$2500 for Tree Analysis and Maintenance)

F4 Expenditure from Asset Replacement Fund (approve Board to spend \$7000 to replace Water Pump #3)

Board of Directors Vote – there are 2 spots on the Board that need to be filled.

Ken Sanberg (re-election)

Patty Mayer and Jim Horton are write-in candidates.

Advisory Votes

Membership was asked for input on the following items:

A1 Placement of trash cans for collection

A2 Water usage fees

A3 Assessment billing schedule

A4 Board member qualifications

Ballot results will be advised by addendum.

ADJOURNMENT: Motion made, seconded and approved to adjourn the meeting at 12:45pm.