



Inside this issue

Meet the
Island Manager Candidates
[Page 1](#)

Board Member Elections
Business news
Submission Deadline
[Page 2](#)

Board Meeting Minutes	
Page 3	(1 of 12)
Page 4	(2 of 12)
Page 5	(3 of 12)
Page 6	(4 of 12)
Page 7	(5 of 12)
Page 8	(6 of 12)
Page 9	(7 of 12)
Page 10	(8 of 12)
Page 11	(9 of 12)
Page 12	(10 of 12)
Page 13	(11 of 12)
Page 14	(12 of 12)

*Click page number link
to jump to that page*

Hat Island Community

Business NEWS

Official Business News Publication for the Hat Island Community

Meet the Island Manager Candidates

Come One, Come All...And Please Mark Your Calendars!

As you may or may not know, we're nearing the end of our search for a new Island Manager. Our search committee has narrowed the list to several finalists and now it's time to meet them.

**Saturday August 23rd
10:00 am — 3:00 pm**

So, on Saturday August 23rd they will be coming to the Island on the 9 a.m. ferry and heading back on the 4 p.m. ferry.

While their time on the island will be busy with tours, lunch, and various interviews, there will also be allotted time for a community group to meet each one individually if they so desire.

We sincerely hope to put on a VERY good show for them, given the beautiful island and Puget Sound views for sure, but also from all of the great people who come there.



Game on!

Hat Island Community

Business
NEWS

Official Business News Publication for the Hat Island Community

Board Member Elections



The community holds elections for Board positions in September.

This year the community will be voting on two board positions. Alan Dashen has completed two consecutive terms so will be leaving the board. Mike Zyskowski has completed one term and is eligible to run again. Board Candidate forms can be found on the Hat Island website at www.hatisland.org in Documents Library, under the Community heading. If interested in running for one of these positions, please fill out the candidate form and submit to the office or board President no later than August 16th. The candidate statements will be included with the September ballots. Ballots must be received in the office by September 19th or turned in at the Annual meeting on September 20,

September Business News Submission Deadline

Business News September Edition
Deadline: August 25th, 2014
For Board Approval

Hat Island Community

Business
NEWS

Official Business News Publication for the Hat Island Community

Board Meeting Minutes

Minutes of Hat Island Regular Board Meeting, May 17, 2014

Community notice was provided on May 13, 2014 for the May 17, 2014 Regular Board meeting. The meeting was held at the Hat Island Yacht and Golf Club and was called to order at 10:30 AM by Gary Duffner, Board President. Vice President Mike Zyskowski, Treasurer Larry Bender, Secretary Karen Conner, and Board members Alan Dashen, Kerwin Manuel, and George Harmon attended in person.

Minutes from April 19, 2014 Regular Board Meeting:

- Revisions to the meeting minutes were discussed.
- Alan motioned to approve the April 19, 2014 minutes with the discussed amendments. Gary seconded.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

Motion unanimously passed.

Announcements & Correspondence: none

Committee Reports:

- Ferry Operations Committee
 - Geri Motson, committee chair, thanked the staff and frequent ferry riders for their input to the proposed Hat Island Ferry Operations, Loading, Departure, and Baggage Rules.
 - Alan motioned to adopt the Ferry Operations Rules and revise if necessary at the next Board meeting. George seconded.

Voting results:

Yes: Alan, George, Karen

No: Mike, Kerwin, Gary, Larry

Motion failed.

- The Board is to address their concerns and revisit in the June Board meeting.

- Golf Committee
 - There will be an all Island golf tournament this year. The details are being planned and a flier will be distributed.

Board Meeting Minutes

- Finance Committee
 - The Finance Committee met on April 26, 2014 and identified five goals for 2014.
 - Recommendation was made to continue with the current the budget timeline to provide six months of expenditure data prior to development of the budget proposal.
 - Replacement financial software will be recommended to the Board in the June Board meeting.
 - The full Finance Committee report is attached to these minutes at the request of the Committee chair.
- Equipment Committee
 - The road grader will be taken off the Island on the next barge run to be sold.
 - The sale proceeds will go into the capital reserves.
- Marina Committee
 - The Marina Committee requested Board input and action on the proposed revisions to the Marina Rules and Regulations.
 - The Board is to review and take action on the proposed Marina Rules and Regulations in the June Board meeting.
 - The Marina Committee will add the additional statements as needed to address the Marina Revenue Policy passed last meeting.
 - Letters will be drafted to invite other yacht clubs now that the Marina Revenue Policy has been passed.
- Puget Sound Yacht Club Committee
 - PSYC were provided feedback from the Committee and a meeting is scheduled for Monday, May 19 to discuss with PSYC.
 - A special meeting of the members will be held in June to educate the Community on the options prior to be presented to the Community for vote. Bob Gowing, Committee chair, will prepare a summary of the options and recommendation for review prior to the meeting.
- Water Committee
 - Reverse Osmosis system is complete and tested with the exception of the new pump, which will arrive later this month. The existing pump from one of the wells was found to be unserviceable.
- Communication Committee
 - Mike Zyskowski discussed a request from the Communications Committee to be able to send the View point, Business News, and event notices directly to the Community as opposed to providing to the office for distribution.
 - Mike motioned to update the charter to authorize the Communications Committee to send communications directly to the Community for the Viewpoint, Business News, and social event notices for the Community and Yacht Club events. The email list will be held in a secure location and not distributed outside the Community. Gary seconded.
 - Mike indicated some Community members reported that they did not receive, or had delay in receipt, of the distributions. The Island Manager noted that the office updates four or five email addresses each month.
 - Community members in attendance raised concern with privacy and email addresses being shared out side of the office.
 - The Island Manager indicated that it would be helpful if the Communications Committee could follow up

Board Meeting Minutes

with property owners to get updates to failed email addresses and relieve the staff of this effort.

- Mike tabled his motion and will work with the Communications Committee and the Island Manager to get input on a motion for the June Board meeting.

Old Business

- Gas Cards
 - Last quote was for \$7200 including some costs that HIC may be able to accomplish to help reduce cost.
 - Mike motioned that we move forward with gas card system and add a \$0.25/gallon fee to gas sold with the card to offset the cost of the system. Gary seconded.
 - Board and Community discussed the cost, benefit, system logistics, concerns with spillage, and alternate proposals.
 - Mike tabled his motion until a site visit, feasibility, and cost can be established.
 - The Island Manager requested the opportunity to provide input before Board makes a decision.
- Proposed Boundary Line Adjustment for Fire Department
 - The southeast end of the building is planned to be expanded to provide storage for vehicles currently parked outside. It would also be a venue for a larger Community meeting space.
 - A prior boundary line adjustment was made when the annex was added to the back of the building. The original boundary line adjustment would need to be extended 40 feet into a Community-owned lot to complete the expansion outlined with the county.
 - Article III of the Bylaws require Community vote to dispose of Community property.
 - Community vote on the adjustment is planned to be conducted at the special meeting for Puget Sound Yacht Club.
 - Mike motioned for Board support of the Boundary Line Adjustment for the Fire Department expansion subject to Community approval.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

Motion unanimously passed.

- Marina Revenue Policy
 - The Premium Annual Moorage motion was reviewed to append to the Marina Revenue Policy approved in the April 19 Regular Board Meeting.
 - Gary motioned to approve the Premium Annual Moorage motion as amended below. Alan seconded.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

Motion unanimously passed.

Board Meeting Minutes

Motion: New Marina Revenue Policy – Premium Annual Moorage

Summary: The following policy is intended to put in place a means to increase revenue to HIC for the sole purpose of paying down the marina loan. The income generated by these fees shall be placed in a separate account dedicated to marina loan principle payments. These policies have been based on recommendations from the Marina Committee with input from the Island Manager and Harbor Master.

Premium Annual Moorage: A small percentage of dedicated slips will be offered for a premium annual moorage fee.

- a. 5 dedicated slips for 1 calendar year to be designated for premium use, meaning that the slip is dedicated to the boat registered as part of this program.
 - i. All HIC members with annual moorage are eligible for consideration.
 - ii. If more than one boat owners elect to participate per slip size, a random drawing will be done to identify those who are offered Premium Moorage. Drawing will continue until all 5 slots are filled.
 - b. Slips designated for this program will be selected at the sole discretion of harbor master, and will be tailored to the boat length designated with Premium Moorage.
 - i. There should be no more than 1 premium slip designated for each slip size.
 - ii. The Harbor Master has the authority to change the designated slip at any time should the need arise.
 - c. Fee will be \$100.00 per foot, power included.
 - d. Fee must be paid in total up front. Fee is to be pro-rated only as part of the first year of enacting this agreement (2014).
 - e. Any personalization of the reserved slip must meet with the approval of the Harbormaster and meet with all required safety codes.
 - f. All policies related to un-attended boats and time limits for moorage remain in effect.
- The Marina Committee was requested to draft a motion regarding a requirement for registration and insurance for purchase of moorage. Dennis Dearing, Marina Committee chair, will leverage the Long Range Planning Committee work regarding their prior recommendation.
 - The Island Manager noted that there are marina management software packages that could be used and merged with the new financial software. It could also be used to manage cars.
 - The signage is being reviewed and Community help is sought for graphics input.
 - Fines and Fees Enforcement Policy
 - Gary motioned to adopt the Fines and Fee Enforcement policy with the changes discussed. George seconded.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

Motion unanimously passed.

Board Meeting Minutes

- o Alan motioned to adopt the resolution for the Fine and Fee Enforcement Policy. George seconded.

Voting results:

Yes: Kerwin, Larry, Mike, Gary, Alan, Karen, George

Motion unanimously passed.

- o The Resolution and Policy are attached to these minutes.
- Division H Status of Ecology Blocks
 - o The Island Manger reported that "the ecology blocks on the one area that the Committee highlighted as being a problem have been moved."
 - o The Island Manager presumed that there were still 2-3 days of work on the catch up plan. The Island Manager will prioritize the effort on the catch up plan so Division H can move forward with their drain age work.
- Hazardous Trees on Roads Leading to H and N Division
 - o Geotech is to be on Island on Monday at 9 AM.
 - o The Island Manger reported that no funds remain for addressing Division N after geotech and permitting cost and that the Division N risk is not as critical an issue as Division H.

New Business

- Ferry Report
 - o The ferry is running. Larry Bender as the Board representative, and Dennis McLeod, the Equipment Committee chair, will review the established preventative maintenance plan and update as needed.
 - o Pacific Performance recommended that the propellers be inspected for mismatch and that the propellers be tuned down to increase RPM. The staff recommended replacement of the port main engine blowers.
- Golf Course Maintenance
 - o Larry suggested that the greens be mowed daily in the summer to improve the health of the greens.
 - o Budget and funding was discussed. Larry will look at the budget and assess if the budget supports daily mowing.
- HIC Lots
 - o Gary proposed selling HIC lots acquired as part of debt payment. The Island Manager will proceed with selling these lots.
- Ferry Fees
 - o The Finance Committee expressed concern over the reduction in \$1 per trip for cost of ticket books for an estimated \$3,000 reduction in income.
 - o Alan motioned to increase the ferry fee back to \$8 per trip for ticket books. George seconded.

Voting results:

Yes: Alan, George, Karen

No: Mike, Kerwin, Gary, Larry

Motion failed.

Board Meeting Minutes

Community Input: none

- Proposed Sign for Marina
 - A property owner proposed locating their business/real estate sign in the marina.
 - The Board noted that other realtors and business owners have equal opportunity to advertise on the sign.
 - Mike motioned to authorize a high quality map of Hat Island, in a location to be approved by the Architectural Committee, with opportunity for equal advertising representation to all parties interested, contingent on compliance with CC&Rs. Gary seconded.

Voting results:

Yes: Mike, Kerwin, Gary, Larry, George

Abstain: Alan, Karen

Motion passed.

- Mike motioned to adjourn to executive session to discuss personnel and legal items. Gary seconded.

Voting results:

Yes: Kerwin, Larry, Gary, Alan, Karen, George, Mike

Motion unanimously passed.

- Meeting planned to reconvene into open session at 2:45 PM

Meeting reconvened into open session at 3:04 PM.

- Karen motioned to authorize the Island Manager to proceed with selling F84 at sheriff's sale. Gary seconded.

Voting results:

Yes: Kerwin, Larry, Gary, Alan, Karen, George, Mike

Motion unanimously passed.

- Karen motioned to adjourn. Gary seconded.

Voting results:

Yes: Kerwin, Larry, Gary, Alan, Karen, George, Mike

Motion unanimously passed.

Meeting adjourned at 3:05 PM.

Attachments follow

Board Meeting Minutes

HAT ISLAND COMMUNITY ASSOCIATION

BOARD RESOLUTION RE: ENFORCEMENT POLICY WITH FINE & FEE SCHEDULE

At a regular meeting of the Board of Trustees ("Board") of the Hat Island Community Association ("Association"), held on the ___ day of _____ at the address of, at the time of ___ a.m. / p.m., the Board resolved as follows:

WHEREAS, a meeting of the Board was convened at the time, date and location set out above;

WHEREAS, the Association Secretary, by signing below, attests that Board members were sent notice, or waived notice in writing or by attending the meeting, and that a quorum of Board members was present either in person or by conference telephone;

WHEREAS, the Board is charged with enforcement of the provisions of the Restrictive Covenants Running with the Land for each of the Divisions of Hat Island ("Covenants"), Articles of Incorporation, Bylaws Recorded under No. 20101008636 in Snohomish County ("Bylaws") and Rules and Regulations of the Association (the "Governing Documents").

WHEREAS, correcting compliance issues at the lowest possible level is in the best interests of the Association because it reduces the amount of administrative time necessary to deal with infractions, lessens the duration of infractions, and may save in legal expense. It also promotes a harmonious living environment. To this end, a fine schedule for violations of the Governing Documents helps the Association ensure residents' compliance with the Governing Documents.

WHEREAS, the Board's and Association's powers to take the actions set out herein are set out in the Washington Homeowners Association Act (RCW 64.38 *et seq.*, the "HOA Act"), the Washington Nonprofit Corporations Act (RCW 24.03 *et seq.*) the Articles of Incorporation, the Declaration of Client ("Declaration"), and the Bylaws, including *but not limited to* the sections enumerated below:

1. RCW 64.38.020(1) authorizes a homeowners' association to adopt and amend bylaws, rules, and regulations.
2. RCW 64.38.020(11) authorizes a homeowners' association to, after notice and opportunity to be heard, levy fines for violations of the governing documents according to a previously established schedule.
3. RCW 64.38.020(3) authorizes a homeowners' association to institute, defend or intervene in litigation in its own name on behalf of itself or two or more lot owners on matters affecting the homeowners association.
4. RCW 64.38.020(12), (13) & (14) authorize the Association to exercise any other powers that may be conferred by the bylaws, that may be exercised by a non-profit corporation and any other powers necessary and proper for the governance and operation of the association.
5. RCW 64.38.050 provides that a violation of the HOA Act entitles an aggrieved party to any remedy at law or equity, and that a court may award reasonable attorneys' fees to the prevailing party.
6. Section 17 of the Covenants provide that enforcement of the Covenants shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages, or both.

Board Meeting Minutes

- 7. Section 21 of the Covenants provide that the Hat Island Country Club, Inc. shall have the power to charge and assess its members on an equitable basis for the operation of maintenance of 83485 - Hat Island Enforcement Policy recreational or other facilities as authorized by its membership. Hat Island Community Association is a successor in interest to the Hat Island Country Club, Inc.
- 8. Article I, Section 1 of the Bylaws provides that the Association shall be conducted as a nonprofit homeowners' association and as such, is subject to RCW Chapter 64.38.
- 9. Article II, Sections 1 & 2 of the Bylaws provides that membership in the Association is appurtenant to owning a lot within the Hat Island Community.
- 10. Article II, Section 5 of the Bylaws requires owners of lots to pay an annual User Fee equal to the amount of an Annual Operating Assessment for the privilege to use Hat Island's property and facilities.
- 11. Article VI, Section 4 of the Bylaws provides that the Board has the power to assess several parcels of land and the owners thereof.
- 12. Article VI, Section 6 of the Bylaws provides that the Board has the power to establish payment terms for assessments and fees.
- 13. Article VI, Section 7 of the Bylaws provides that the Board has the power to establish enforcement procedures for the Bylaws and Rules and Regulations of the Association.
- 14. Article VIII, Section 1 of the Bylaws provides that the Board shall determine the amount of the annual operating assessment for each lot for the year and, if such amount has changed, to present such amounts for the approval the Association and shall be approved upon a vote of a simple majority of all members in good standing. This section further authorizes special assessments to be approved by a simple majority of members of the Association in good standing, which may be applied to lots specially benefitted if such lots approve such assessment by a simple majority of the lots subject to the special assessment.

NOW THEREFORE, the Board, with respect to the powers outlined above and in consideration of the Association's best interests, and after consideration and deliberation regarding the matters set forth herein, resolves as follows:

BE IT RESOLVED that the attached Enforcement Policy with Fine & Fee Schedule is hereby adopted and shall become part of the Association Rules and Regulations effective _____, and shall supersede all previous enforcement policies or procedures.

BE IT FURTHER RESOLVED that the Enforcement Policy with Fine and Fee Schedule shall be mailed to all lot owners to their lot addresses unless another address has been provided to the board of directors, in which case it shall be mailed to the designated address, by _____.

DATED this _____ day of _____, 2014.

HAT ISLAND COMMUNITY ASSOCIATION

ATTEST: The above resolution was properly adopted.

By: _____
Its President

By: _____
Its Secretary

Board Meeting Minutes

HAT ISLAND COMMUNITY ASSOCIATION ENFORCEMENT POLICY WITH FINE & FEE SCHEDULE

All Lots and lot Owners within the Hat Island Community Association (the "Association") are subject to the Restrictive Covenants Running with the Land for each of the Divisions of Hat Island ("Covenants"), the Articles of Incorporation, Bylaws Recorded under No. 20101008636 in Snohomish County ("Bylaws") and Rules and Regulations of the Association (together, the "Governing Documents"). All Owners and their guests and tenants are required to comply strictly with the Governing Documents as they may be amended from time to time by the Association. Failure to comply may result in the issuance of fines, actions to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Trustees (the "Board") for the Association or by an aggrieved owner on their own against the party failing to comply. Owners are responsible for ensuring their tenants and guests comply with the Governing Documents.

A. **Fine Schedule.** If the Board receives information (such as a written complaint) suggesting that there has been a violation of the Governing Documents, then the Board (or committee appointed by the Board with authority to act for the Board), after reasonable inquiry into the circumstances surrounding the allegations, may take the following actions and propose the following fines:

1. First violation in any 60-day period: Warning Letter. A violation of the Association's Governing Documents will result in a written notice of violation warning that continuing or future violations will subject the Owner to fines as set forth below. Some situations may require immediate action on the part of the Owner, but unless otherwise stated in the Warning Letter(s), Owners will have thirty (30) days to correct the violation.
2. Any Lot Owner receiving a Warning Letter may request a hearing before the Board in accordance with the procedures set out in section B below.
3. A second violation of the same or similar type or a violation not corrected within the time expressed in the Warning Letter shall be subject to a \$50.00 fine.
4. Continuing violations of the same or similar type or failure to take corrective action as set out in the Warning Letter or other correspondence from the Board or its managing agent may be subject to weekly fines of up to \$100.00 per week until corrective action is taken.
5. All Warning Letters or additional notices relating to violations will be sent to the Owner at the lot address unless an alternate address has previously been given by the Owner to the Secretary of the Association.
6. Owners are responsible for their guests, tenants, agents, contractors and invitees. If a non-owner occupant of a Lot is in violation of the Governing Documents, the Warning Letter or other notice will be sent to the Owner at the lot address unless an alternative address has previously been given to the secretary of the Association. The Lot Owner is responsible for notifying his or her tenants or occupants, for paying any fines and for taking corrective action.

Board Meeting Minutes

B. Opportunity for Hearing. An Owner who has been sent a Warning Letter may request a hearing on the violation by sending a written request to the Board within 20 days of the date appearing on the Warning Letter. Failure to request a hearing in a timely manner is a waiver of the Owner's right to challenge the violation and imposition of a fine. The hearing will be scheduled and held in the following manner.

- 1. Notice of Hearing.** When the Board has received a timely request for hearing, it will provide the affected Owner with written notice of a hearing before the Board or a specially appointed committee with authority to exercise Board powers (hereinafter "Hearing Committee") regarding the proposed action or fine. The hearing shall be set not less than 20 nor more than 60 days of the receipt of the timely request for hearing and shall be set between the hours of 8:00 a.m. – 10:00 p.m. unless the Board and the affected Owner otherwise mutually agree upon a date and time for the hearing. The Notice of Hearing shall include (a) a statement of offense, (b) the proposed action and/or fine, (c) the date, time and place of the hearing, (d) any time limits upon the presentation of evidence; and (e) whether the affected Owner may offer a written statement in lieu of appearance.
- 2. Attorneys.** If the Owner intends to have an attorney present at the hearing, the Owner must notify the Board fourteen (14) days prior to the hearing so that the Association may also have counsel present.
- 3. Hearing Procedures.** At the hearing, the affected Owner shall have a reasonable amount of time under the circumstances to present evidence and/or argument to the Board regarding why a fine should not be levied or an alleged violation permitted to exist. Specific time limits may be set out in the Notice of Hearing. Additional time may be granted by mutual agreement of the parties. Presentation of evidence or argument shall be subject to reasonable rules of procedure established by the Board or Hearing Committee to assure a prompt and orderly resolution of the issue at hand. Other Owners may be allowed to present evidence or argument demonstrating the violation or in favor of the imposition of fines in accordance with procedures established by the Hearing Committee, or at the discretion of the Hearing Committee.
- 4. Decision of the Hearing Committee.** The Board or Hearing Committee will meet in closed session to make its decision on whether to waive, reduce, or levy the fine within a reasonable time following the hearing, and shall endeavor to send the Owner notice of its decision in writing in the same manner in which the notice of the meeting was given within 14 days of the hearing. Any fines imposed after a hearing shall become due on the first of the month following the notice of the Hearing Committee's decision unless the notice of decision states otherwise.
- 5. Multiple Violations prior to Hearing.** One or more violations of the Governing Documents and/or proposed fines may be combined and heard in one enforcement hearing, if convenient to the Board or Hearing Committee. Once a hearing is set for one or more alleged violations, additional alleged violations and fines occurring subsequent to the initial notice(s) of violations and prior to the date of the hearing may also be heard at the scheduled hearing, at the discretion of the Hearing Committee, provided the Owner is sent notice of the subsequent alleged violations and proposed fines at least five days prior to the date of the hearing.

Board Meeting Minutes

6. Additional Violations after Hearing. An Owner is entitled to one hearing per violation. A request for an additional hearing may be denied if the Board or Hearing Committee determines that the violations are continuing in nature and that no evidence that could be presented by the Owner would change the previous decision of the Board or Hearings Committee. Notice that a request for hearing has been denied may be sent in the manner of a Notice of Hearing.

C. No Waiver / Not Exclusive Remedy. The forgoing shall not be deemed a waiver of any right to enforce the Governing Documents. At the reasonable discretion of the Board, the Association may take immediate enforcement action as allowed by the Governing Documents or by law. The sanctions, fines, fees, interest and penalties set out herein are in addition to, and not in lieu of, other remedies or sanctions available to the Association by law or by the Governing Documents.

D. Fines. Owners shall be financially responsible for all fines, damages and other amounts assessed resulting from their own actions, and the actions of their tenants, guests or occupants. Fines imposed under this schedule are the result of enforcement of the Governing documents, including the imposition of late fees and interest if authorized by law or the Governing Documents.

E. Cost Incurred in Collection. In addition to the sanctions set forth above, all costs incurred, including but not limited to attorneys' fees, interest, recording fees and other costs incurred in collecting these fines shall be assessed to the owner who causes the Association to incur such costs.

This Enforcement Policy with Fines and Fee Schedule was adopted by the Board of Directors by resolution dated _____, and mailed to all Lot owners on _____, 2014.

Association Secretary

Board Meeting Minutes

FINANCE COMMITTEE REPORT

May 13, 2014

To: The HIC Board

From: The HIC Finance Committee (FC)

Re: Recent activities and future projects

The FC met on April 26, 2014. Of the 10 goals the FC has established for 2014 (see the last edition of the FAQs), we prioritized the following five for 2014:

1. Develop the 2015 budget, including working with other committees; present recommendations to the Board in the fall;
2. Monitor the 2014 budget, including accounts receivable; present a detailed status report to the Board in July;
3. Monitor the marina loan balance to ensure tracking with the paydown of principal that's included with the 2014 budget;
4. Research and recommend replacement financial software with full implementation accomplished by year end;
5. Continue with periodic publication of the FAQs to provide ongoing financial transparency to HIC.

Timing of 2015 Budget:

The FC recommends that the budget timeline remain consistent with last year's timeline, for these reasons:

1. Until we have at least 6 to 8 months of actual financial data for 2014, it will be difficult to project 2015;
2. We will have significant management changes to deal with in the 2015 budget;
3. Last year's scheduling of meetings with other committees during the summer was very effective.

We propose the following budget timeline:

July and August – meetings with all other committees to obtain input and wish lists

September – finalize draft budget at committee level

October – present FC's draft budget recommendations to the Board and Community

November – Board will present its final budget recommendations to the Community

December – vote on Board approved Budget at an Annual Meeting

Financial Software:

Barbara Harris will be on Hat in mid-May and will work with Melody to establish exact specifications for the replacement financial software. We will present a proposal to the Board on the meeting on June 21. Barbara will then work throughout the summer directly with Melody to implement and transition the new software.

The next FC meeting is scheduled for June 14. Please advise us of any topics you would like us to address. We anticipate the next issue of the FAQs will be published in June/July 2014. The FC respectfully requests that this report, as written, be made a part of the minutes of the May Board meeting. Thank you.