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Hat Island Community Business NEWS

Official Business News Publication for the Hat Island Community

Board 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. 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

October Business News Submission Deadline

**Business News October Edition
Deadline: September 26, 2014
For Board Approval**

Special Board Meeting Minutes

August 12th 2014

Minutes of Hat Island Special Board Meeting, August 12, 2014

Community notice was provided on August 12, 2014 for the Special Board meeting. The meeting was held via teleconference and was called to order at 12:33 PM by Gary Duffner, Board President. Vice President Mike Zyskowski, Treasurer Larry Bender, Secretary Karen Conner, and Board members Kerwin Manuel, Alan Dashen and George Harmon were in attendance.

Ferry

- There is confidence that an in-frame rebuild will be possible.
- Tom Laing, underwriter surveyor has no objections to proceeding with the repairs and requested that all parts removed be retained until all parts have inspected them.
- Mike motioned to approve an in-frame rebuild of the port main engine on Hat Express. Gary seconded.

Voting results: **Motion unanimously passed.**

- The cost is based on time and materials and is expected to be cheaper than the other engine rebuild.
- It is expected that the insurance will cover the rebuild minus the deductible.

Mike motioned to adjourn. Gary seconded.

Voting results:

Yes: Mike, Larry, George, Karen, Gary

Motion passed.

Meeting adjourned at 12:50 PM Pacific.

Special Board Meeting Minutes August 4th 2014

Minutes of Hat Island Special Board Meeting, August 4, 2014

Community notice was provided on August 4, 2014 for the Special Board meeting. The meeting was held via teleconference and was called to order at 5:40 PM by Gary Duffner, Board President. Vice President Mike Zyskowski, Treasurer Larry Bender, Secretary Karen Conner, and Board members Kerwin Manuel, Alan Dashen and George Harmon were in attendance.

Gary motioned to adjourn to executive session. Kerwin seconded.

Voting results:

Yes: Gary, Larry, Mike, Kerwin

No: Alan, George, Karen

Motion passed.

Board will reconvene into open session at 6:30 PM Pacific.

Meeting adjourned into Executive Session at 5:45 PM Pacific.

Meeting reconvened into open session at 6:30 PM.

Ferry

- Mike motioned to leave the ferry boat in La Conner, to be inspected by Mavrik Marine, with both PPG and Hatton to be present during the inspection with the insurance underwriter. Larry seconded.

Voting results:

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

No: Alan

Motion passed.

Gary motioned to adjourn. Kerwin seconded.

Voting results: **Motion unanimously passed.**

Meeting adjourned at 6:58 PM Pacific.

Board Meeting Minutes July 19th 2014 (1 of 5)

Minutes of Hat Island Regular Board Meeting, July 19, 2014

Community notice was provided on July 17, 2014 for the July 19, 2014 Regular Board meeting. The meeting was held at the Hat Island Fire Department and was called to order at 10:30 AM by Gary Duffner, Board President. Vice President Mike Zyskowski, Treasurer Larry Bender, and Board members Alan Dashen and George Harmon attended in person.

Minutes from May 17, 2014 Regular Board Meeting:

- George motioned to approve the May 17, 2014 minutes as amended. Alan seconded.

☐ Voting results:

☐ Yes: Larry, Gary, Alan, George

☐ **Motion passed.**

Minutes from June 21, 2014 Regular Board Meeting and July 8, 2014 Special Board Meeting:

☐ Approval of these minutes was deferred until the August 16, 2014 Board Meeting.

Announcements & Correspondence:

☐ Larry announced the first all-island golf tournament to be held on July 26, sponsored by the Golf Committee and run by Joe Ebner. Sign-up sheets are being distributed. Contact Joe Ebner with questions or refer to the announcements in the Viewpoint.

☐ One dog attacked another on the beach and caused \$300 of vet bills as a result of an infection. The owner of the injured dog pointed out that it could have been a person that was attacked and the aggressive dog was not on a leash and was not under control. The Board President will send a letter to the owner of the aggressive dog to put the complaint on record.

☐ Progressive Dinner, a HI Yacht and Golf Club event, is coming up in two weeks. A Yacht Club member can bring a non-member guest. Contact Karin Dashen with questions.

☐ Oktoberfest is August 30, 2014. This is an island wide event and over 300 people are expected to attend. Volunteers are being sought.

☐ Fire Chief Mike Worthy addressed the human-caused fire in Division N yesterday morning, announced by the Office. He emphasized the fire risk due to the remoteness of our location and limited personnel resources. It was also emphasized that beach fires are illegal at any time. The fire was sizable and could have been much worse if not for the response of the volunteer firefighters, several of which were in attendance. The Island is low on water due to a water break as well as the firefighting effort, which used 6000 gallons.

Committee Reports:

☐ Finance Committee

○ Barb Harris and the Office have started the time software conversion.

○ Cynthia Petrie presented the Finance Committee's summary of where the Island stands in actual income and expenses versus budget as of June 30, 2014. The full report is attached to the minutes.

☐ Income

☐ The largest concern is assessments: 149 properties (22 owners) are in serious arrears, with 4 owners on

Board Meeting Minutes

July 19th 2014 (2 of 5)

payment plans.

- ☒ Water income is behind but it believed to be attributable to timing in that water income increases over the high season.
- ☒ The marina usage is not on track to meet the goal of an additional \$20K income.
- ☒ Car fee income is behind budget by almost \$8,000, of which \$6,000 has been billed but not collected.
- ☒ Expenses
 - ☒ Fuel expenses are also believed to be impacted by timing as another fuel shipment was just received.
 - ☒ \$30K of legal fees were billed to owners as part of the collections process, of which \$18K is yet to be received.
- ☒ Receivables
 - ☒ Overall, \$489K is projected for income the remainder of 2014.
- ☒ Reserves
 - ☒ The cash reserves are budgeted to be three months of operating expenses.
 - ☒ This year there is approximately \$10K risk to cash reserves due to the anticipated insurance deductible for the ferry repair, the insurance deductible for the legal defense against the recent lawsuit filed, and the rental fees for temporary ferry. It was emphasized that this is based on assumptions for some of the remaining income and expenses and the actual impact to cash reserves could be worse.
 - ☒ The Finance Committee feels strongly that the capital reserves should be reviewed for anticipated expenses versus reserve funds.
 - Barb Harris presented the status of the marina loan as of June 30, 2014.
 - ☒ Marina loan balance as of end June 2014 is \$1,751K after the regular and extra principal payments. \$45K of interest has been paid since the beginning of 2014.
 - ☒ Any funds in the marina account above a reserve of three months of payments will be used to make additional principal payments.
 - ☒ The Finance Committee projects a budget shortfall of \$17K to meet the initially forecasted end of 2014 loan balance of \$1,623K. Committee will monitor monthly.
 - ☒ Income from the second marina assessment completes at the end of 2018. The remaining loan balance would be due in full if the bank chooses not to refinance. Assuming a refinance and nominal terms, the end of 2018 loan balance is targeted at \$500K to be offset by the assessment payments for extended payment plan of \$10K/month.
 - ☒ Due to a projected shortfall in 2014, \$94K/year is needed starting in 2015 to achieve a balance of \$500K at end of 2018. Due to a projected shortfall.
 - The booked operational cost to run the ferry from Jan through June (wages, berth, fuel, etc) was \$18K/month on average, exclusive of ferry income.
- ☒ Island Management Search Committee
 - About 40 resumes reviewed for Island Manager and conversations held with approximately 25 candidates. The remaining applicant pool consists of diverse, strong candidates.
 - A resource acquisition firm has also been engaged to identify candidates in a parallel effort.
 - The candidates are being narrowed to 3-4 candidates who will be brought to the island for a meet and greet, target date is Aug 23.
 - The effort will then transition to the Board to select and negotiate with candidates.
 - The Finance Committee will make recommendations on how to handle the financial end of the Island management.
 - The Board will take recommendations and ultimately decide on how the Island will be managed.

Board Meeting Minutes

July 19th 2014 (3 of 5)

☒ Equipment Committee – Ferry Status

- Dennis McLeod indicated that repair of the engine is likely no longer an option and that if it is repairable it will be expensive. It appears that the heads on the engine were not manufactured correctly.
- Dennis felt we should change the way we operate and maintain the boat.
- His estimate was \$70K to repair and \$100K per engine to replace (including installation).
- A report received last night recommended consideration of repowering with a lower horsepower 4 cycle engine.
- Dennis offered the option of:
 - ☒ Replacing the current engine with a new smaller sized engine and operating with two different horse power engines running at different power settings. There is no issue with running the engine at part speed. Estimate of 3 months.
 - ☒ Replacing both engines.
 - ☒ Reconfiguring the engines to pull versus push the boat.
 - ☒ Hiring an outside ferry service as was done for the barge.
- Finance Committee plans on exposure being limited to the \$10K insurance deductible.
- Dennis plans to assess the situation before engaging the insurance company as there is no issue with delay-ing contacting the insurance company.
- A Special Meeting will be held to review options and establish the go forward plan.
- ☒ Puget Sound Yacht Club Committee
 - A workshop was held to review the status and options. Preparation of questions and answers is next step, followed by an electronic survey.
 - The Board will then assess how to move forward regarding any Community vote.
 - There are two PSYC receivables on the books: \$12K in 2007 and \$7K in 2013. There has been extensive nego-tiation with PSYC regarding the recent marina improvement/expansion obligation but no invoice or receivable has been created yet.
- ☒ Golf Committee
 - Shirley Allen is appointed chair of the Golf Committee.
- ☒ Long Range Planning Committee
 - Patty McLeod is appointed the chair of the Long Range Planning Committee
- ☒ Marina Committee
 - The owner of C5, C14, and A60 noted that the updated Marina Revenue Policy specified C5 as part of the beach for visitor use. The owner of C5 has no issue with the use of C5 by visitors but felt he should have been notified and involved first as his deed shows ownership of the tidelands minus WA state and PUD easements.
 - The Marina Committee chair noted that the seven Marina Committee members have worked on the updat-ed Marina Rules and Regulations for almost a year and emphasized that the updates need to be approved. The Committee has responded to the comments from Vice President Mike Zyskowski in the recent update. Mike was requested to review.
 - Mike objected to the creation of a special class of “Permanent Island Residents”. The Committee chair noted that the Permanent Island Resident classification exists in the current rules, only the requirements have been updated. The new fees for next year will address this option of Permanent Residents leaving their boat in the marina while off Island for extended time periods.
 - George motioned to adopt the new Marina Rules to that have been worked on to increase our revenue and add and make revisions as we go along. Alan seconded.

Voting results:

Board Meeting Minutes

July 19th 2014 (4 of 5)

Yes: Larry, Gary, Alan, George, Karen

No: Mike

Motion passed.

☑ Port of Everett Parking Committee

- Mike provided report for Gail, Committee chair, as she could not attend.
- The Committee, and several members of the Community, met with the Port of Everett (POE) on July 3 to discuss the Island's top priorities.
- The Port defined long term parking as in excess of 72 hours and utilized by year round residents but does not include residents absent from the Island for extended periods of time. This accounts for approximately 40 vehicles.
- Top priorities, in order of importance, are:
 - ☑ location of ferry moorage and with POE amenities such as ramps and security
 - ☑ long term parking within 0.25 miles of ferry moorage
 - ☑ loading and unloading space for ferry use and potential shuttle from parking to ferry
 - ☑ security provided by POE
- American with Disabilities Act (ADA) provisions was not included since required by law
- The POE indicated that increased cost will be a factor. Garbage facilities recognized as convenience not requirement.
- The Committee requested that the Board review and comment in preparation for a subsequent meeting with POE, sometime over the summer, to discuss priorities and evaluate POE alternatives.
- Mike indicated that offering public access to the Island should at least be considered in effort to get the preferential consideration POE gives the Jetty Island ferry.

☑ H Division Committee

- Mike reported that the Island will contract Chuck Bright to get work on Division H completed. Chuck Bright requested letter from Island to indicate he is not responsible for damage if there was a slide, which Gary provided. It was noted that Chuck Bright can start next week.

New Business

☑ Release Form for Car Removal

- This can be implemented by the Island Manager.

Community Input

- ☑ Community members are having trouble accessing the on-line public records regarding the law suit filed against the Community.

Gary motioned to adjourn to executive session and to reconvene at 2:10 PM. Mike seconded.

Voting results:

Yes: Larry, Gary, Alan, George, Mike

Motion passed.

Meeting adjourned into Executive Session at 1:25 PM Pacific.

Meeting reconvened into open session and meeting adjourned at 2:15 PM.

Board Meeting Minutes July 8th 2014 (5 of 5)

Minutes of Hat Island Special Board Meeting, July 8, 2014

Community notice was provided on July 7, 2014 for the July 8, 2014 Special Board meeting. The meeting was held via teleconference and was called to order at 4:40 PM by Gary Duffner, Board President. Vice President Mike Zyskowski, Treasurer Larry Bender, Secretary Karen Conner, and Board members Kerwin Manuel, Alan Dashen and George Harmon were in attendance.

Resolution:

- The Association received property M-119 in lieu of payment.
- Alan resolved to authorize the sale of property M-119. Gary seconded.

Voting results: **Motion unanimously passed.**

Ferry:

- The repair of the ferry port main engine is covered by insurance. The rental of an interim replacement ferry is not.
- The Island Manager noted that the oil level was normal before the morning run but had increased by 5 gallons when checked after the engine failed the next start attempt.
- The Board discussed the two options for rental of an interim replacement ferry submitted by the Island Manger and favored the below.
 - ◊ The Brave Arrow (49 passenger) is not available during the week but is available weekends if booked now. Cost per weekend is \$6,500 with boat, crew, fuel and delivery. While the Brave Arrow is here, as many trips can be made as needed.
 - ◊ The Spirit of 76 (150 passenger) is available some Wednesdays and some weekends but not all. It is \$1,500 per day plus delivery of \$750 each way, so Friday thru Sun is \$6,000. It would be barefoot, so fuel and full crew would not be included.
- Gary motioned to authorize use of the Brave Arrow at \$6500 per weekend including crew, ferry, and delivery with as many runs as needed for the weekend. George seconded.

Voting results: **Motion unanimously passed.**

- Gary motioned to go to Executive Session for 15 minutes to discuss legal and personnel issues. Alan seconded.

Voting results: **Motion unanimously passed.**

Meeting reconvened into open session.

- Gary asked the Island Manager to keep Dennis McLeod engaged and involved in the ferry repair activity.
- Gary motioned to adjourn.

Voting results: **Motion unanimously passed.**

Meeting adjourned at 6:03 PM.

Board Meeting Minutes June 21st 2014 (1 of 5)

Minutes of Hat Island Regular Board Meeting, June 21, 2014

Community notice was provided on June 19, 2014 for the June 21, 2014 Regular Board meeting. The meeting was held at the Hat Island Fire Department 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 May 17, 2014 Regular Board Meeting:

- Karen motioned to approve the May 17, 2014 minutes. Gary seconded.
- Motion tabled until recording of the meeting could be reviewed pertaining to the questions Mike raised shortly before the meeting.

Minutes from June 12, 2014 Special Board Meeting:

- Revisions to the meeting minutes were discussed.
- Gary motioned to approve the June 12 Special Board Meeting minutes as amended. Larry seconded.

Voting results:

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

Motion unanimously passed.

Minutes from June 17, 2014 Special Board Meeting:

- Revisions to the meeting minutes were discussed.
- Gary motioned to approve the June 12 Special Board Meeting minutes as amended. George seconded.

Voting results:

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

Motion unanimously passed.

Announcements & Correspondence:

- The Board will discuss the letters received shortly before the Board meeting

Committee Reports:

- Equipment Committee
 - The road grader was taken off the Island on the barge run and sold for \$4,000 for net proceeds of \$3275.
 - Committee chair recommended that the record keeping for equipment be such that history can be more easily reviewed by a mechanic.
 - Equipment Committee will consider the sale of the fuel truck.
 - Gary motioned to approve the sale of the fuel truck if recommended by the Equipment Committee. Seconded by Mike

Voting results:

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

Motion unanimously passed.

- Equipment Committee will consider the sale of the fuel truck.
- Committee will make recommendation regarding the ferry at the July Board meeting.
- Mike reminded the Committee that the expiration date is approaching on the offer of \$11,000 contri-

Board Meeting Minutes

June 21st 2014 (2 of 5)

tribution towards purchase of a track hoe from Division H. Committee will discuss.

- **Island Management Search Committee**

- The Committee scope of focus is on Island management in general since both the Island Manager and the Bookkeeper will be retiring soon.
- The attributes and of Island Manager were reviewed as well as the Committee's timeline.
- The Committee has asked for input from the Community on options and for help in spreading the word. The Committee can be reached at himgrsearch@yahoo.com.
- The Committee requested that Kerwin post the documentation on the Hat Island website.

- **Finance Committee**

- Cynthia Petrie, Finance Committee chair, noted that the Committee will provide an overview of the year to date actuals vs the budget in the July Board Meeting.
- The Committee asked for a list of the Committees and their chairs by end of June so the Finance Committee can meet with them on August 3 to understand their proposed funding needs.
- Barb Harris presented the options for next steps, the Committee's recommendation and rationale for new financial software, the timeline for conversion, and funding needed.
- Barb in collaboration with the office has conducted extensive research on the office on the software options available, the objectives, and the rationale for the Committee's recommendation of Quick Books Online.
- The plan is to select a data conversion company, complete the conversion, train the Bookkeeper and go live with QuickBooks Online in August to complete phase 1.
- The Island Manager noted that this will be a big effort during the busy summer months and needs to be completed by the Bookkeeper's retirement.
- The Finance Committee will provide a status of the data conversion and recommendations on the automated processes in the September Board Meeting. Communications with the Community regarding the process changes will start in October in preparation for a January 15, 2015 implementation of the automated billing.
- Quick-books Online and the automated billing process will support the overall Island Management plan.
- The full Finance Committee report is attached to these minutes at the request of the Committee chair.
- Gary motioned to approved \$7500 to convert to QuickBooks Online including the conversion of 7 years of old data. Kerwin seconded.

Voting results:

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

Motion unanimously passed.

- **Port of Everett Parking Committee**

- Gail Hoekendorf, the Committee chair, emphasized that the scope of the Committee has expanded beyond the initial effort to secure the 50 parking spaces.
- The POE has not made a guarantee for parking or moorage to support Hat Island as part of the Port's long term planning. However, the temporary use agreement for the 50 parking spaces has just been renewed and is expected to continue to be renewed for some time.

Board Meeting Minutes June 21st 2014 (3 of 5)

- The POE has suggested that the long term needs of Hat Island be formalized for assessment against the Port's long range planning.
- Gary accepted Gail's request to solicit a subcommittee of approximately ferry riders to identify parking and moorage requirements for Board review and approval within the next 6-8 weeks in preparation for a meeting with the Port.
- Community members requested to contact Gail Hoekendorf at ghoekendorf@yahoo.com to serve on the subcommittee.

Old Business

• Puget Sound Yacht Club Committee

- Bob Gowing, committee chair, noted that a working agreement between PSYC and HIC attorneys has been reached.
- An informational meeting will be held on June 28 at 11AM in the Fire Hall to provide Community members with an overview of the potential agreement and answer questions. An on-line survey is also being considered.

• Boundary Line Adjustment for Fire Department Expansion

- The Community vote is planned to be completed in the September ballot mailings.

• Ferry Operations Committee

- Alan motioned to approve the Operations, Loading, Departure, and Baggage Rules as amended by Mike.

Voting results:

Yes: Alan, George, Karen, Mike

No: Kerwin, Gary, Larry

Motion passed.

- The new Everett Parking Committee subcommittee was requested to review a Community member's suggestion to consider moving the Wednesday ferry to Thursday as a potential to bring in more revenue.

• Marina Revenue Policy –Motion for Registration and Insurance

- The Marina Committee drafted a motion for requiring insurance for boats moored in the marina but it was noted that the Committee was not unanimous on requiring the insurance.
- Dennis Dearing, Committee chair, suggested that the Board review the draft language before taking action to consider questions such as size of boat that requires insurance, level/type of insurance, etc.

• Recommended Revisions to Marina Rules & Regulations

- Proposed revisions previously presented were discussed. Mike raised concern with the permanent resident status. Mike to attend the next Marina Committee meeting to discuss.
- The Marina Committee will add the additional statements as needed to address the Marina Revenue Policy passed last meeting.
- Marina Committee drafted a letter to invite other clubs with reciprocal agreements with Hat Island Yacht and Golf Club to use the marina for cruises. Committee requested the letter be hosted on the Hat Island website and the reciprocal moorage site.
- Gary motioned to approve the letter to reciprocal clubs with the amendments noted during the meeting. George seconded.

Board Meeting Minutes June 21st 2014 (4 of 5)

Voting results:

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

Motion unanimously passed.

- **President & Secretary Signature of Fines and Fees Resolution from May 17**
 - President needs to sign Fines and Fees Policy and Resolution. Once Gary signs it will be mailed to all owners along with the September ballots.
 - Fines and fees now need to be established by the Board.
- **Tree Removal along Road down to Division H**
 - Geotech visit completed and report received. Western Engineering doing work required for the permits.
 - Geotech service was about \$3,000, covers the whole island, and is good for a couple years. Permit, once received, will be good for a year. Work planned to start after leaves fall.
- **Division H Work**
 - Bluff still oozing but Division H work on the catch up plan (H-33 to H-48) will commence once mowing is complete.
 - Island Manager expects work to complete by end of month unless something else comes up for the single person on staff that can do the work.
- **Communication Committee**
 - Karen noted that the Business News hosted on the website should not contain the Treasure's Report and needs to be updated.
 - Karen noted that the Marina Policy was inadvertently excluded from the April Board Meeting Minutes that were included in the Business News and requested that the Minutes be corrected and redistributed and hosted on the website.
 - Communications Committee chair will provide the Business News to the Secretary for review before distributing.
- **Division H Committee Funds**
 - Mike and the Island Manager will work together to define a process for including the two board members and the chair in the authorization for payments from the account.
- **Strategic Long Range Planning**
 - Alan will bring a proposal to the July Board Meeting for revamping the effort.
- **Vessel Committee**
 - Alan will ask the Committee chair to provide a status in the July Board Meeting. Larry asked to ensure that John Melgaard is in the process.

Community Input

- A suit against the Community has been filed with Snohomish County. It is available to for viewing from Snohomish County.
- There was a reminder for the Employee Appreciation Lunch the next day.
- A Community member recommended that expectations be set with the Committees doing studies around how the study will be used since not all studies will be implemented in the short term.
- Gary motioned to adjourn to executive session to discuss personnel and legal items. Mike seconded.

Voting results:

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

Motion unanimously passed.

Board Meeting Minutes June 21st 2014 (5 of 5)

- Meeting planned to reconvene into open session at 1:50 PM

Meeting reconvened into open session.

- Karen motioned to ratify the tender of litigation to the Association's insurance carrier. Mike seconded.

Voting results:

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

Motion unanimously passed.

- Karen motioned to defend and indemnify any current or previous employees or directors that may be named in suit. Kerwin seconded.

Voting results:

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

Motion unanimously passed.

- Karen motioned to accept lots J-3 and G-63 in lieu of debt if offered. Gary seconded.

Voting results:

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

Motion unanimously passed.

- Karen motioned to proceed with hearing for summary judgment on lot B-95. Mike seconded.

Voting results:

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

Motion unanimously passed.

- Karen motioned to proceed with personal obligation suit on lot D-17. 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 2:30 PM.

Finance Committee Report

June 18th 2014

FINANCE COMMITTEE REPORT

June 18, 2014

To: The HIC Board

From: The HIC Finance Committee (FC)

Re: Recent activities and future projects

The FC met on June 14, 2014.

Financial Software Recommendation:

The FC recommends that the Board approve a transition to QuickBooks On-Line financial software, including a conversion of seven years of data into the new system. Management supports this recommendation. Barbara Harris will provide a Power Point presentation to the Board at the June 21 meeting. Her presentation will detail the research process, a comparison of the software packages investigated, the reasons for the recommendation of QB On-Line over other possible choices, the timeline for conversion, and the cost.

2014 Budget Review:

At the July 19 Board meeting, the FC will provide the Board with a review of year-to-date actual financial information vs projected budget-to-date as of June 30, 2014. This review will include an update on the state of the Marina loan and the status of all accounts receivable.

Timing of 2015 Budget:

The FC would like to meet on Sunday, August 3, with the Chairs of all Hat Committees that require funding in the 2015 budget. We request that the Board provide us with a list of all current Committees and their respective Chairs by the end of June.

The next FC meeting is scheduled for July 13. We plan to thoroughly review the finances through June 30 in preparation of our presentation to the Board on July 19. Please advise us of any additional topics you would like us to address. We anticipate the next issue of the FAQs will be published in July 2014. The FC respectfully requests that this report, as written, as well as a copy of Barbara's Power Point presentation, be made a part of the minutes of the June Board meeting.

Thank you.

Respectfully submitted,

Cynthia Petrie, Chair