

Admirals Cove Beach Club

Annual Meeting Minutes

ACBC-Whidbey.org

January 23, 2021

CALL TO ORDER: 1:17 pm, via Zoom Meeting

Called to order by President Dennis Egan. He announced that a quorum was not present (32 members), so no votes on any substantive motions would be taken. The Board can take questions under advisement. Limit comments to three minutes.

Approval of Minutes: Minutes of the 2020 meeting have been approved.

OFFICER REPORTS:

PRESIDENTS REPORT: Dennis Egan;

Board member introductions: President: Dennis Egan, Vice President: Dustin Fredericks, Secretary: Marty Lull, Treasurer: None at this time, Members at large: Jim Kunz, Ed Delahanty, Judy Britton.

Note takers: Patti Pritchard and Julie Kunz. Acknowledge Dave Fish from the Lions Club to help conduct the Zoom Meeting.

It's been a pleasure serving on the Board of Directors for the past five years, the last three as your president. I believe we have accomplished many positive things during that time. Working together, the BOD, Committees, and Volunteers have strived to make our community property a better place for all of us to enjoy. As I think back, I remember the Volleyball and septic areas grown over, they are now maintained. The septic system was not being inspected; we found the drain field distribution box and put a riser on it. Two drain field lines found clogged were cleared, and now have it inspected annually. The pool has been refurbished and made ADA compliant. The Reserve Study that was done in 2013, but not implemented, it has been redone and is now being funded. We have set aside almost \$400,000 so far, to address future maintenance costs, so special assessments will be less likely. We have a maintenance permit, approved by the county, allowing us to do routine maintenance within the Shoreline Management Area, so we do not need to get a permit each time. We have several major projects being worked on: The 50-year-old lake outflow pipe is scheduled to be replaced in three years. The pool building is scheduled to be refurbished in 8 years. An Ad Hoc committee has been formed to make recommendations on Beach Armoring on the beach, to protect our property from storm surge. I thank you for your support and ask you to join me in supporting our new BOD.

VICE-PRESIDENT: Dustin Fredericks; The members of the ACBC Board and associated committees would like to take this opportunity to acknowledge Dennis Egan, our outgoing President, for his vision, commitment, energy and enthusiastic support of Admirals Cove Beach Club. As President over the last three years, Dennis has made significant strides in modernizing the Beach Club and establishing a firm foundation for the success of our community goals. The pool renovation and establishment of the Reserve Account are two of the most significant accomplishments of ACBC that benefitted from Dennis's foresight and leadership, and the members will forever grateful. I suspect if we didn't have term limits- Dennis would garner overwhelming support for an additional term as President.

SECRETARY: Marty Lull; These are some of my duties, as your ACBC Secretary: Weekly I pick up the Club's mail from our post office box, log it and deliver it to Branch Business Services. During the ballot and statement periods, the mail is picked up twice a week. I'd like to thank Mr. Ed Delahanty for recording the monthly Board minutes and posting them to the ACBC web site.

TREASURER: Dennis Egan(acting); The monthly treasurer's report is on our website ACBC-WHIDBEY.ORG under the Documents/Finances tab. We have operated 2020 under budget and still have accomplished many projects despite the Covid19 restrictions. We have also funded the Reserve Account with almost \$400,000 so far. The year- end balance sheet and Profit and Loss statement will be posted on the website.

Balance sheet as of Dec 31st. (UN-AUDITED)

ASSETS: Current Assets Checking/Savings Heritage Bank Business Checking

Pool Assessment 2016: \$29,222.03

Pool Donations: \$769.64

Reserve Restricted Funds: \$36,953.20

Restricted - Erosion Reserve: \$8,094.58

Restricted - Hardship Fund: \$1,650.00

Restricted – Playground: \$4,958.72

Swim Scholarship: \$162.42

Unrestricted: \$86,498.30

Total Heritage Bank Business Checking: \$168,308.89

Restricted Reserve Funds Reserve:

Fund-Annuity Inv. #4675 \$110,000.00

Reserve Funds-11 Month CD #6705 \$55,667.95

Reserve Funds-12 Month CD#0196 \$55,093.85

Reserve Funds-15 Month CD #0203 \$55,093.85

Reserve Funds-9 Month CD #6713 \$55,783.45

Total Restricted Reserve Funds: \$331,639.10 Total

Checking/Savings: \$499,947.99

Total Liabilities & Equity: \$1,091,363.73

Profit & Loss Statement:

Total Income: \$276,958.49

Total Expense: \$126,911.95

Net Ordinary Income: \$150,046.54

We are looking for someone to fill the ACBC Treasurer position.

Question by Bruce Devereaux: "What is the status of uncollected dues?" Answer: 70 members have been taken to Small Claims Court; all but 14 resolved. Five are being worked on by attorneys.

COMMITTEE REPORTS

BUDGET AND FINANCE COMMITTEE REPORT: Committee leadership was not present. Dennis spoke on behalf of this committee. This committee gets input gets input from all other budgeted committees. They review the 2020 budget, and then propose a 2021 budget that gets reviewed and approved by the BOD. Dennis posted a

screen share of the 2021 budget and the Reserve Account. The Excel spread sheet can be viewed on the ACBC web site.

Judith commented: Thank you for pursuing the reserve account.

Question by Ben Robinett: “When did the Board last do a Reserve analysis?” Dennis answered: 2013. It was updated in 2018. Any time there is a major change in expenses or assets then a new analysis would be warranted. If the community chooses to do the shore armory project a new analysis would be needed at that time.

COMMITTEE REPORTS

GROUNDS AND BUILDING: Marty Lull;

The Grounds and Building Committee is responsible for repairs and maintenance of all of the Club’s buildings and grounds. Some of the projects completed this past year: Replacement of a door to one of the outside restroom. Major tree trimming, along the road and playground areas. Excavation of the drainage ditch, along the road, and removal of invasive water plants in front of the lake tide gate. Replacement of the basketball posts/hoops. The court was cleaned and striped. Future plans to add posts to accommodate a Pickle ball net.

Maintenance includes mowing grass, grading the parking lot. Scotch broom was cut down over our drain field. Repairs were made to the roof of the Shelter building. We have several inspections done annually, septic system, fire extinguishers, back flow valve, and heart defibrillator. Future projects: Replacing the chain link entrance gate to the pool. Install more video cameras for security. Painting the Shelter building, and replacing windows, playground cleanup. I want to thank all who volunteered! Also, the unseen folks, who pick our grounds, roads and beach. Please contact us in regards to anything broken, needs repair, or vandalism. We are always in need of volunteers. People with skills (electrical, carpentry, plumbing), greatly appreciated!

LAKE COMMITTEE: Updated by Dennis Egan; they’re budgeted for testing the lake water quality. They got a report from another lake down on the south end of the island that they are reviewing to see if they can learn some lessons from what they did down there. They have a meeting scheduled.

POOL COMMITTEE: Dennis Egan; It has been a challenge this year with the Covid19 restrictions and the fact that they changed several times over the swimming season. We were not able to offer swim lessons last year but plan to this year if we can. We were able to get our Covid19 compliance plan approved by the County and were able to open for a shortened season with restrictions. Even with all that, we still

had over 4,000 swimmers this season. The pool and pool building have been winterized for the winter and we look forward to the 2021 season. Just a side note: The cost to heat the pool with the heat pumps was less than half the cost of what it cost with propane. The committee is also starting to work on conceptual designs for the refurbished pool building which is scheduled to happen in 2028.

LONG RANGE PLANNING: No report.

COMMUNICATIONS: Bob Payton; The CC started out as a way to make BOD communications easier to understand. The BOD had lost an assessment vote by just three votes. The CC came out of this process and grew to producing 3 NL's a year, sudden News Alerts, being in charge of the website and managing the sign boards. We have what I think is a process that operates very well and would operate better if we had more volunteers. We have a very good committee, that respects each other but we are becoming overwhelmed. So if you have expertise in any of these areas, please contact the new club president as I'm stepping down as the CC chair. I will remain be on the committee to assist the next chair get up and running or just hand off if desired.

BYLAWS: Updated by Dennis Egan; A few revisions were put to the community for voting. We don't know the outcome yet. There are a few other bylaws changes the board has received and are checking with the attorney. The board hasn't made decisions or heard from the bylaws committee yet.

GOVERNMENT RELATIONS: No report.

NOMINATING: Ed Delahanty; We had two candidates apply for the two open positions. Thank you to those folks for volunteering for the board. Please, everyone who's listening right now, think about anyone you know or if you personally would like to be on the board next year. We're going to start searching much earlier this year.

TELLERS: Steve Kobylk; I'm at the shelter because I'm taking role. We're complying with state covid protocol. In order to conduct the ballot counting, in a safe and orderly manner. Dan Britton will be taking over as the chair of this committee next year. Thank you to Dan, Bob Payton, Megan Campbell, and Mary Egan for coming to the shelter to help count. We have 587 owning members of ACBC. 472 voting packets were sent to members in good standing. 115 non-voting packets sent to members not in good standing. The results are as follows: Total envelopes received were 161. 155 total valid ballots were counted. That's 32% of ballots mailed

which meets minimum requirements. Six ballots weren't counted because two had too many votes, three didn't have name or address, and one had a ballot without the dues check. So those weren't counted. Three packets were returned because there were no address labels on them. No envelopes were returned because of address change or invalid address. 80% of the votes were for Ben Robinett and Mark Valencia to become board members. Vote to make Communications Committee permanent was 141 yes to 13 no. Vote for reserve account was 122 yes to 32 no. The votes for each equal the 154 to confirm a good tally.

Ben: "I'm looking forward to helping out."

Mark: "It's an honor to be a part of the Board, looking forward to it."

SOCIAL: Mary Saurer-Egan; The activity for the year 2020 was a total wash due to COVID19 restrictions. We are hoping that this spring we will be able to continue as normal as possible with our three barbecues, on the Sunday before Memorial Day, Fourth of July and the Sunday before Labor Day, Tuesday morning coffee, garage sale, Easter egg hunt and getting to know and reconnect with our friends and our neighbors.

Volunteers are always needed.

WELCOMING: Jim Kunz; For those that don't know, we offer a welcoming packet and free pool pass to our new residents. Normally we attempt to introduce ourselves in person, but COVID caused us to stop for now. Currently we are leaving the packets in new resident mailboxes. The packet includes information about Admirals Cove Beach Club as well as Island County. We've had quite a bit of new construction and property purchases this year. I hope to have face to face contact sometime this year.

Question by Suzy Palmer: "How many new members have been welcomed?" Answer: about 5 a month.

AD HOC SHORE ARMORING: Ed Delahanty;

After fully recognizing that at least 20 feet of the backshore area on the water side of the pool fence was lost during the December 2018 storm - leaving only a few feet of level backshore in front of the pool fence – the Board officially formed the ad-hoc Shore Armoring Committee at the July 19, 2020 Board meeting. The committee is

responsible for investigating alternatives and making recommendations to the Board and ACBC Members on the most appropriate alterations to the ACBC owned shoreline to protect the Club facilities – including the Pool, Shelter and the septic drain field - from future storm damage and beach erosion. Included in the process will be, applying for and obtaining all required governmental permits.

After an information meeting with the responsible Island County Planning staff, our first action was to find a consultant to prepare a Geocoastal Report and submit their bid to the Board for approval which they gave at the October 20, 2020 Board meeting.

Coastal Geologic Services made their site visit to gather information for the Geocoastal Report on December 18, 2020.

On Thursday (1/21/21) Coastal Geologic Services submitted their draft Geocoastal Report for our review. After our committee has had time to review the report and decide on the initial shore armoring strategy, we'll proceed to get estimates for the entire project which will include:

- Additional consultant work needed, including design of the shore armoring.
- Habitat and environmental studies needed for permit submission to the relevant government agencies.
- Cost for the needed permits.
- Cost for the actual shore armoring

Once all the cost information is available, our committee will submit the package to the Board for their review. If the Board decides to proceed with the project they will submit a Special Assessment proposal, with a project description and the above cost information to ACBC Members for their approval. Since this is a new project, no maintenance or replacement of an existing component identified in the Reserve Account, funds from the Reserve Account are not available for this project.

*Membership comment: the cost of the project will need to be added to the reserve study to include those cost considerations in the reserve account.

*Membership question: what will the shore armory look like? Ed responded that rock will be added to the shore. The armory will protect the ACBC property, and it will also be necessary to avoid pushing erosion down the coast and negatively impacting neighboring properties.

MEMBERS FORUM**

Member Dave Anderson reported that he did not receive a ballot and asked if that was because of not having been in good standing. Dennis answered that he would investigate why Dave had not received a ballot.

Member Bruce Deveraux asked about spreading the cost of the shore armory across several years. Dennis responded that when the final estimates are available, the membership will vote to approve the costs and means for addressing those costs. So that will be decided as a community.

Ben Robinett asked: is there a benefit to moving funds from operating budget into the reserve account? Does it make the funds less liquid? Dennis answer is to that the process has been to move any extra funds after the course of the year into the reserve account as there is not benefit to leaving it in the operating budget.

Suzie Palmer question: "Was our club not affected by the new state law that required those funds to be allocated and did we not choose to not put them in the reserve as oppose to returning them?" Dennis responded that he would like for her to send the law in question forward for him to review and replied.

Meeting Adjourned at 2:26 pm.