

DRIFTWOOD HEIGHTS ASSOCIATION, INC.
370 N. EAST CAMANO DRIVE, STE. 5, PMB 219
CAMANO ISLAND, WA 98282-7279



INCORPORATED 1970

Annual Membership Meeting Minutes
May 31, 2025

Members present: 23 (excluding Board Members); members represented by Proxy: 7.

Board Attendance:

President – Randy Barry
Vice President – S Seymour
Treasurer – Vacant
Secretary – Vacant
VP Operations – Mike Cona
VP Grounds and Maintenance – Leonard Visser
VP Water Quality – Not in attendance

Meeting called the meeting to order 10:10am. Randy Barry welcomed attendees and recognized new members for 2025:

Christina and Nick Oliver

Treasurer

1. Protecting Association Funds: To make sure all our funds are FDIC Insured the Board opened second Money Market Account at Coastal Community Bank. The account also provides us with a better return on our accounts.
2. Billing: Reviewed our current billing procedures and open the floor for questions. One member inquired why we had to send certified letters for late notices, It was explained that that is the only way to track that the member had received the notice.
3. 2024 Budget verses actual spending. (See attached encl 1, Pg 2 of 3) A copy of the form and the 2024 and 2025 Budgets was provided to all members when they signed into the meeting.
 - a. Difference between 2024 Budget and 2024 actual spend was \$745.08 below budget.

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b. 2024 Unbudgeted costs listed below:

1.) King Water	2" PRV Valve Rebuild	\$409.54
2.) King water	Install Traffic Box	\$412.24
3.) WA DOH	Day with DOH training	\$230.00
4.) King water	Vesper Water Main Repair	\$2,089.44
5.) DH Assn	Beach Blkhhd Repairs	\$4,463.08
Total:		\$7,866.31

c. Opened floor for questions on the 2024 Budget spend from members present at the meeting.

4. 2025 Budget Proposal. (See attached encl 1, Pg 3 of 3)

- a. Reviewed 2025 Budget proposal.
- b. Opened floor for questions on the proposed 2025 Budget from members present at meeting.
- c. Board recommends extending budget to Jun 30, 2026 (18months) by increasing income by 50% and expenditure by 52% (2% inflation). Motion place Budget extension on Ballot by S Hall and seconded by Patti Recchi.
- d. Requested motion and second to accept 2025 Budget proposal on ballot for membership vote. Motion to place on ballot by R Canady and second by N Oliver.

5. Assessment Increase

- a. Reviewed estimated 2025 funding verses 2025 estimated expenses.
- b. Proposed \$50.00 per year assessment increase for the next five years.
- c. Requested motion and second to place \$50.00 per year assessment increase for next five years on ballot for membership vote. Motion by N Wilson and second by P Ricchi.

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Water Quality

1. T Whitcher was unable to attend the meeting. She is quickly becoming a valuable asset to the Board and the association. She is diligent in ensuring required testing is being conducted and verifying results are satisfactory. The Board purchased a Cl- tester and required supplies to allow us to perform tests. Teila has taken on the job of performing Free Cl- testing and providing results to King Water 20 days a month. Her effort saves the association over \$4,000.00 per year.

Grounds and Buildings

1. Well Site Building Preservation
 - a. Completing painting and preservation of buildings at the well site.
 - b. We are planning to schedule minor repairs in the 2026 Budget. Replace rotting siding and trim.
2. Completed Stillaguamish Creosote Log Survey of our community Beach.
Thank you for your help, Susan Seymour and Lois Kanaby.
3. Beach Bulkhead Repairs
 - a. First batch of materials purchased, will need to purchase anchors and hardware to secure the bulkhead. Nick Oliver is working on getting quotes and fabrication.
 - b. Located contractor with small machine to excavate trench to install anchors.
 - c. When all arrangements are made to perform work, we will send out email with dates and times to the membership. We are looking for volunteers to work with team on repairs.

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Operations

1. EPA Lead and Copper Survey of our water system, including member owned service lines, was completed and reported to the state. We are required to continue to update the survey annually as additional or missing information is discovered.
 - a. We will be conducting several excavations to identify our water main size and material this year.
 - b. It is requested that members who know what size and material their service lines provide the information to the board so we can verify or update our database as necessary.
 - c. If you have work performed on your service lines, please document type and size of piping installed. It would also be beneficial if you could provide a picture of the service line.
2. Completed meter installations and replacements, we are 100% metered.
3. Leak detection is critical for the association. If we are not good stewards in maintaining our system and taking action to locate and identify leaks, it can cause the state and county to take actions that adversely affect our association. Closer monitoring and more frequent inspections by state and county agencies impact on the association financially and require a great deal of administrative work by the Board.
 - a. We read our meters Semi Annually. We need members to periodically check their meters.
 - b. If your meter is spinning, check to see if anything is operating that requires water. Turn everything off recheck meter if it is spinning there is a possible problem. Contact the Board.
 - c. If you see water flowing or puddling in your yard you may have a leak, check your meter and follow step b above.
 - d. Do you not know where your meter is? Would you like someone on the board to show you how to check your meter? Just give us a call.

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Vice President

1. The 2020 Engineering Assessment for our water system has been completed and the membership voted to form a committee to determine a course to move forward. The process to plan a Capital Improvement project is a long one. If we approved a plan today it would be at least three years before a shovel hit the ground. S Seymour volunteered to head up the committee with several volunteers.
 - a. Results of the assessment are better than we expected. Our water system does have the capacity to meet current and future needs. We have submitted the report to the state and are requesting they accept our request to increase the number of connections to our current configuration and allow future connections.
 - b. The committee is continuing to meet to discuss the path forward. We have identified that there is a need to complete several excavations in sections of our system that we do not know or are unsure of to identify type and size of water mains. This will allow the committee to identify highest risk areas and form a plan to upgrade possible future problem areas.
 - c. The committee and the Board are also discussing best methods to fund upgrades. We are focusing on trying to avoid loans and long-term assessments to complete upgrades.
2. S Seymour and the Board have been discussing creating a paid "Administrative Position" for the Board. The position would be a non-voting position. Hiring an Administrative Assistant for association.
 - a. Why do we need an "Administrative Assistant"?
 - 1). We are having difficulty getting volunteers for Board positions, Secretary and Treasurer, that require time and administrative skills.
 - 2). These positions require more time than most volunteers are willing to give.

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- b. What are the benefits of having the position?
 - 1). Allow remaining Board members to focus on their duties and responsibilities.
 - 2). Allow for continuity of administrative duties.
- 3. Requested motion to pursue hiring a paid "Administrative Assistant" be placed on ballot for membership vote. Final approval for position with cost will be voted on by Membership at a future date. Motion to move forward with paid "Administrative Assistant" by S Glad and second S Gill

President

- 1. The Board is putting in the work, as evidenced by the tasks the board has completed over the last year.
- 2. Volunteers are needed to fill Board positions. No members attending meeting volunteered to fill vacant Board positions. P Ricchi made motion to place R Barry on ballot to continue in President position, motion was seconded by V Gill. R Barry agreed to volunteer for two additional years (2027) to allow for end of term dates to keep the board membership stable.

No Additional discussions. President requested motion to adjourn, received motion to adjourn from L Echelbarger, seconded by N Wilson, and carried by unanimous vote.

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After Meeting:

1. Tabulated vote results (encl 2)

Ballot 1

2025 Budget:

Yea 33, Nay 1, Motion carried

2025 Budget Ext Jun 30, 2026

Yea 33, Nay 1, Motion carried

5 Year Assessment Increase (\$50.00/Yr):

Yea 34, Nay 0, Motion carried

Hire "Administrative Assistant"

Yea 30, Nay 4, Motion carried

Ballot 2

Confirmation S Seymour Vice President (2028)

Yea 33, Nay 1, Motion carried

Confirmation T Whitcher Water Quality (2028)

Yea 34, Nay 0, Motion carried

Approve R Barry President (2027)

Yea 34, Nay 0, Motion carried

Ballot 3

Change Bylaw Art 3.1 to "managed by a Board of a minimum of three (3) directors".

Yea 33, Nay 1, Motion carried (* Did not have required 25 in person members, excluding Board and proxies, present to change Bylaws,)

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Submitted/reviewed by: Board
Approved by:

President:



R Barry

Vice President:



S Seymour

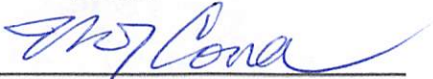
Treasurer:

Vacant

Secretary:

Vacant

Operations:



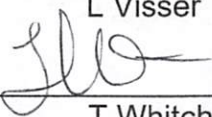
M Cona

Grounds & Buildings:



L Visser

Water Quality:



T Whitcher

Driftwood Heights Association

INCOME & EXPENSE REPORT

For Year End 2024

2024 Income and Expenses		Actual	Budget	
Income from Assessments	\$	70,956.48	61,610.48	
Income from Transfer Fees	\$	1,500.00	0.00	
Income from Checking Interest	\$	13.97	0.00	
Income from Money Market Interest	\$	561.06	0.00	
Refunda	\$			
Total Income	\$	73,031.51	61,610.48	
Expenses	\$	44,224.92	44,970.00	
Balance	\$	28,806.59	16,640.48	

Year End Balances	\$	2023	2024	
Checking	\$	49,020.47	76,179.33	27,158.86
Money Market	\$	280,531.74	281,092.80	561.06
2024 Year End Cash Balance (Cash Reserve)	\$	329,552.21	357,272.13	27,719.92

2024 Expenses		Actual	Budget	
Grounds Maintenance	\$	7,398.40	7,400.00	
Office Expenses	\$	1,458.30	1,100.00	
Office Equipment/Supplies	\$	305.10	500.00	
Bank Fees	\$	12.00	0.00	
Insurance	\$	5,911.13	4,000.00	
Legal Expenses	\$	0.00	3000.00	
Engineering Expenses	\$	5941.20	5000.00	
CPA Expenses	\$	0.00	0.00	
Monthly Water Management	\$	8695.52	8370.00	
Monthly Billing Fee	\$	0.00	2100.00	
Water Sampling	\$	0.00	875.00	
Water System Maintenance	\$	0.00	3,000.00	
Water System Repair/Work Orders	\$	3,171.48	3,500.00	
Additional Hrs Charge CCR& Water Eff Rpt	\$	0.00	200.00	
Misc Parts and Equipment	\$	1,530.84	1,300.00	
Arlington Electric	\$	597.31	600.00	
Fees/Permits	\$	398.40	500.00	
Utilities	\$	3,265.15	3,025.00	
Propane	\$	837.24	350.00	
Refund of Overpaid Member Assessment	\$	0.00	0.00	
Member Returned Deposits (NSF)	\$	250.00	0.00	
Federal Taxes	\$	135.00	150.00	
	\$	39,907.07	44,970.00	5,062.93
	\$	44,224.92	44,970.00	745.08
	\$	4,317.85		
TOTAL EXPENSES	\$			

NOTES:

1. Transfer fees are not included in anticipated income for budgeting (see Page 2).
2. Maintenance & Repair/Work Order expenses include meter repair/replacement and miscellaneous well site and water line maintenance. It also includes emergency call out.
3. Maintenance & Water testing and also includes all administrative charges (mail outs, bill collections)...

Driftwood Heights Association

INCOME & EXPENSE REPORT

2025 Budget Estimates

2025 Budget Estimates

2025 Expenses		2024 Actual	2025 Budget	Notes
Grounds Maintenance	\$	7,398.40	7,761.00	
Office Expenses	\$	1,458.30	1,775.00	
Office Equipment/Supplies	\$	305.10	420.00	
Bank Fees	\$	12.00	0.00	
Insurance	\$	5,911.13	5,500.00	
Legal Expenses	\$	0.00	3000.00	estimate
Engineering Expenses	\$	5941.20	5000.00	estimate
CPA Expenses	\$	0.00	0.00	
Monthly Water Management	\$	8695.52	6300.00	
Monthly Billing Fee	\$	0.00	567.00	
Billing Statements	\$	0.00	233.00	
Meter Read	\$	0.00	735.00	
Cl- Carboy	\$	264.00	369.00	
Consumer Confidence Report	\$	0.00	105.00	
Water Efficiency Report	\$	0.00	105.00	
WaterSampling	\$	0.00	1669.00	
Water System Maintenance	\$	0.00	3,150.00	estimate
Water System Repair/Work Orders	\$	3,171.48	8,759.00	estimate
Additional Hrs Charge CCR&Water Eff Rpt	\$	0.00	210.00	
Misc parts and Equipment	\$	1,530.84	1,000.00	
Arlington Electric	\$	597.31	4,353.00	Sched repair
Fees/Permits	\$	398.40	500.00	
Utilities	\$	3,265.15	3,444.00	
Propane	\$	837.24	879.00	
Refund of Overpaid Member Assessment	\$	0.00	0.00	
Member returned deposits (NSF)	\$	250.00	0.00	
Federal Taxes	\$	135.00	150.00	
Beach Blkhhd Repair	\$	4317.85	2000.00	estimate
TOTAL EXPENSES	\$	44,488.92	57,984.00	

SUBMITTED BY: Driftwood Heights Board

Encl 1 pg 3 of 3

May 31,2025			Ballot 1		Encl 2					
2025 Budget			Extend Budget May 2026		Assessment Increase \$50.00/year for 5 Years		Approve addition of Paid "Administrative Assistant " position *		N/A	
Ballot #	Measure 1		Measure 2		Measure 3		Measure 4		Measure 5	
	Y	N	Y	N	Y	N	Y	N	Y	N
1	1		1		1		1			
2	1		1		1		1			
3	1		1		1		1			
4	1		1		1		1			
5	1		1		1		1			
6	1		1		1		1			
7	1		1		1		1			
8	1		1		1		1			
9	1		1		1			1		
10	1		1		1		1			
11	1		1		1		1			
12	1		1		1		1			
13	1		1		1		1			
14	1		1		1		1			
15	1		1		1		1			
16	1		1		1		1			
17	1		1		1		1			
18	1		1		1		1			
19	1		1		1		1			
20	1		1		1		1			
21	1		1		1		1			
22		1		1	1			1		
23	1		1		1		1			
24	1		1		1		1			
25	1		1		1		1			
26	1		1		1		1			
27	1		1		1		1			
28	1		1		1		1			
29	1		1		1		1			
30	1		1		1		1			
31	1		1		1		1			
32	1		1		1			1		
33	1		1		1			1		
34	1		1		1		1			
35										
36										
Sub Total	33	1	33	1	34	0	30	4	0	0

Ballot #	May 31,2025 2025 Budget		Ballot 1 Extend Budget May 2026		Assessment Increase \$50.00/year for 5 Years		Approve addition of Paid "Administrative Assistant " position *			
	Measure 1		Measure 2		Measure 3		Measure 4		Measure 5	
	Y	N	Y	N	Y	N	Y	N	Y	N
37										
38										
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41										
42										
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58										
59										
60										
Sub Total	0	0	0	0	0	0	0	0	0	0
Total	33	1	33	1	34	0	30	4	0	0

May 31,2025			Ballot 2		Encl 2					
Confirmation S Seymour			Confirmation T Whitcher		N/A		N/A		Approve R Barry	
Vice Pres (2028)			Water Qual (2028)		Treasurer		Secretary		President (2027)	
Measure 1			Measure 2		Measure 3		Measure 4		Measure 5	
Ballot #	Y	N	Y	N	Y	N	Y	N	Y	N
1	1		1						1	
2	1		1						1	
3	1		1						1	
4	1		1						1	
5	1		1						1	
6	1		1						1	
7	1		1						1	
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28	1		1						1	
29	1		1						1	
30	1		1						1	
31	1		1						1	
32	1		1						1	
33	1		1						1	
34	1		1						1	
35										
36										
Sub Total	33	1	34	0	0	0	0	0	34	0

May 31,2025		Ballot 2									
Confirmation S Seymour		Confirmation T Whitcher		N/A		N/A		Approve R Barry			
Vice Pres (2028)		Water Qual (2028)		Treasurer		Secretary		President (2027)			
Measure 1		Measure 2		Measure 3		Measure 4		Measure 5			
Ballot #	Y	N	Y	N	Y	N	Y	N	Y	N	
37											
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55											
56											
57											
58											
59											
60											
Sub Total	0	0	0	0	0	0	0	0	0	0	
Total	33	1	34	0	0	0	0	0	34	0	

May 31,2025			Ballot 3		Encl 2					
Change Art 6.1 to"managed by a Board of a minimum of three (3) directors			N/A		N/A		N/A		N/A	
Ballot #	Measure 1		Measure 2		Measure 3		Measure 4		Measure 5	
	Y	N	Y	N	Y	N	Y	N	Y	N
1	1									
2	1									
3	1									
4	1									
5	1									
6	1									
7	1									
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28	1									
29	1									
30	1									
31	1									
32	1									
33	1									
34	1									
35										
36										
Sub Total	33	1	0	0	0	0	0	0	0	0

May 31,2025
Change Art 6.1 to"managed
by a Board of a minimum
of three (3) directors

Ballot 3
N/A

N/A

N/A

N/A

Measure 1

Measure 2

Measure 3

Measure 4

Measure 5

Ballot #

Y

N

Y

N

Y

N

Y

N

Y

N

37

38

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

Sub Total

0

0

0

0

0

0

0

0

0

0

Total

33

1

0

0

0

0

0

0

0

0