DRIFTWOOD HEIGHTS ASSOCIATION, INC.

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

Photograph taken by Suzanne Wilson

INCORPORATED 1970

Driftwood Heights Assoc. Annual Meeting
May 6, 2017

DRAFT

The Driftwood Heights Association, Inc. annual meeting was called to order at 10:03 am on May 6, 2017, in the Conference Room of the Camano Library by Paul Corbett, President of the Association.

The minutes of the last Annual Meeting on April 9, 2016, were distributed to those present at the meeting. Norm Wilson moved to accept the minutes as presented. The motion was seconded and passed by those present.

President Paul welcomed new members to the Driftwood Heights Association.

Board Reports:

- Secretary Carol Gillespie reported that minutes of quarterly Board meetings as well as annual meetings are posted on the website.
- Executive Vice President Sherri Hall reported the new website, http://driftwoodheights.net is operational and has useful information for members. Sherri noted that members should submit their email so they can get into the members only pages.
- Vice President of Maintenance Steve Christian reported that King Water is locating meters on each property that has a building on it. Steve submitted a report on water meter updates. There are 111 meter accounts and 90 of those have no issues. 15 bad meters were found at audit and 6 cannot be found by King Water. King Water will begin work in May or June to verify the missing meters. There will be another audit in the fall.

- Vice President of Operations Steve Casteel reported that the octagonal tank has been repaired and sealed. He gave a report on possible water main replacement for Vesper Way. Presently, water line breads are being repaired as needed.
- Vice President of Water Quality Pat Bostwick reported that water quality reports are posted once a year on our website.
- Treasurer Eileen Teufel submitted written Income and Expense Statements for Year End 2016 and 2017 Budget Estimates. Both documents will be posted on the website. Eileen stated that Driftwood Heights Association Board is aiming to live within our means by accepting this budget for 2017.

New Business:

- Beach bulkhead – needs repair or replacement. Our Vice President of Maintenance will investigate and report to the Board.
- Community Name Sign – still searching for a person or company to construct a sign to display near the entrance to our community. The sign needs to have facility to add messages. President Paul is working on this idea.
- Water main lines are being investigated.
- Eileen Teufel distributed posters and talked about the NOAH garage sale that will happen in the late summer.
- Norm Wilson mentioned that the Camano Island Cyber Crime is worth looking up.
- Election of officer – Carol Gillespie, secretary is resigning after 3 years of service. Pat Bostwick nominated Bonnie Lien. There being no other nominations, we voted to cast a unanimous ballot for Bonnie Lein. Bonnie Lein was elected to be Secretary of Driftwood Heights Association, Inc.

The Annual Meeting was adjourned at 11:14.

Respectfully submitted,

Carol Gillespie

Carol Gillespie, Secretary

Driftwood Heights Association

Driftwoodheights.net
drftwdinfo@gmail.com

For Year End 2016

2016 Year End Actuals		
Income	$	79,101.63
Expenses	$	65,565.15
Balance	**$**	**13,536.48**
2016 Year End Actuals with Reserve		
Income	$	79,101.63
Reserve (2015 year-end cash balance)	$	79,398.14
Total	**$**	**158,499.77**
Expenses	$	65,565.15
2016 Year End Cash Balance	**$**	**92,934.62**

Expenses

Grounds Maintenance	$	5,435.00
Insurance	$	2,438.00
Legal Expenses	$	1,531.00
Maintenance & Repair/Work Order	$	11,099.86
Tank Cleaning and Repair	$	33,750.95
Management & Water Testing	$	4,596.00
Supplies & Miscellaneous	$	541.07
Utilities	$	3,101.60
Taxes & Fees	$	393.80
Generator Maintenance	$	1,078.53
Trail Maintenance	$	1,599.34
Engineering Expenses	$	0
TOTAL EXPENSES	**$**	**65,565.15**

NOTES:

1. *Income includes 8 transfer fees ($12,000). Transfer fees are not included in anticipated income for budgeting see Page 2).*
2. *Maintenance & Repair expenses include meter repair/replacement and miscellaneous well site and water line maintenance.*
3. *Generator expenses include maintenance and electrical expenses.*

SUBMITTED BY: Eileen Teufel, Treasurer

Driftwood Heights Association
INCOME & EXPENSE REPORT
2017 Budget Estimates

2017 Budget Estimates

2017 Anticipated Income	$ 57,442	
2016 Year End Cash Balance	$ 92,934.62	
Total		$ 150,376.62
Less Cash Reserve 20%	$ 30,075.32	
2017 Available Funds		**$ 120,301.30**
Set Expenses + 10%	$ 22,785	
Available for Work Order Expenses		**$ 97,516.30**

***Set expenses – total expenses minus Engineering and major repair and work orders (44,851 for 2016)**

If we try to stay within our income, the available work order funds are:

Income	**$ 57,442**
Less cash reserve 20%*	$ 11,488*
Less expenses	$ 22,785
Available for Work Order Expenses	**$ 23,169**

***Cash reserve amount based on income only, not income and previous year cash balance.**
****Our goal in increasing membership dues and transfer fees was to live within yearly income and build up cash reserve for major repair/replacement projects. As a reminder, three years ago, our expenses exceeded our income and were depleting our cash reserve and no major repair work could be undertaken. We are now able to use a limited amount of the cash reserve for major projects**

Possible example of Work Order Expenses

Water Line Break approximately	$ 10,000 minimum
Emergency Call out	$ 2,000 each
Water line replacement	
Engineering fees	$ TBD
Construction fees	$ TBD