

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



INCORPORATED 1970

Minutes of the Annual Meeting May 21, 2022

Members Present: 18; member represented by proxy: 2; Board members present: Sherri Hall, Steve Casteel – Paul Corbett away due to employment commitment.

The meeting was called to order at 10:30 AM.

Sherri Hall welcomes attendees and recognizes new members since 2019.

Old Business:

Steve Casteel read the minutes from 2018, 2019, and 2020. No annual meeting in 2020 or 2021 due to State health restrictions. 2020 minutes are posted as informational only. 2021 minutes were not posted due to 2022 annual meeting. Bonnie Lien moves to accept minutes. Suzanne Wilson seconds. Motion carried.

Sherri Hall gives treasurer report: (see attachment). A copy of treasurer's report was passed around. No motion to accept the report was made as meeting continued while review by members was in process. Meeting concluded without motion.

Steve Casteel updates on operations: There were no major concerns as the water operating systems continue to work well. Concerning emergency water supply: an interconnect with Sunrise Association was physically verified by King Water. The next step is to contact Sunrise Association to enter into a legal contract. The Board of Directors will advance this situation as soon as possible. Note: a legal contract is in place with Driftwood Heights 2, however, their system is inadequate to supply our community.

Steve Christian updates on beach conditions. The trail leading down to the beach has suffered erosion. This was caused by a failed drain under the trail. A contractor has been hired to remedy. The path is scheduled to be repaired late summer. The bulkhead continues to deteriorate. The cost estimate to replace is between \$200k and \$300k. The State permitting is very limited. The best remedy is to install stairs that would eliminate the need for the bulkhead. A community member, experienced in geophysics, will accompany Steve Christian to access the condition and make recommendations to the Board of Directors.

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Election of Officers

Due to the inability to meet over the last two years, all Board of Directors terms have expired. Each term is for three years. However, re-election in succeeding annual meetings needs to be accomplished to stagger the Board of Directors to comply with the By Laws. Also, the Board of Directors has suffered longevity of board members. Due to this inconsistency and the critical administration upkeep of the Association business, it was communicated to the members that a Home Owners Association Management company may need to be hired along with a website host. The combined estimated monthly cost is around \$1000. (This does not alleviate the requirement for a Board of Directors, but ensures maintenance and records of the association business are continual and up-to-date.) If this becomes necessary, then the members will be asked to raise annual dues to cover the cost.

Sherri Hall read the Board of Directors responsibilities as outlined in the By Laws.

Nominations and installment were received as follows:

President: **Louis Roberts**. Nominated by Gale Michelman, seconded by Barbara Gallagher. Motion carried.

Vice President: **Wayne Kanaby**. Nominated by Steve Christian, seconded by Patty Retchi. Motion carried.

Treasurer: **Sherri Hall**. Nominated by Randy Barry, seconded by Steve Christian. Motion carried.

Operations: **Randy Barry**. Nominated by Sherri Hall, seconded by Bonnie Lien. Motion carried.

Building & Grounds: **Leonard Vissar**. Nominated by Norm Wilson, seconded by Randy Barry. Motion carried.

Secretary and Water Quality: No nominations.

Steve Casteel read current minutes. Norm Wilson moves to accept minutes. Sherri Hall seconds. Motion carried.

Meeting adjourned at 11:50 AM.

Driftwood Heights Association

Driftwoodheights.net
drftwdinfo@gmail.com

For Year End 2021

2021 Year End Actuals

Income	\$	72,214.58
Expenses	\$	23,113.73

Balance \$ **49,100.85**

2021 Year End Actuals with Reserve

Income	\$	72,214.58
Reserve (2017 year-end cash balance) \$		269,578.90
(Includes \$223,788.46 in Money Market)		
Total	\$	341,793.48
Expenses	\$	23,113.73

2021 Year End Cash Balance \$ **318,679.75**

Expenses

Grounds Maintenance	\$	5884.85
Accounting Services	\$	1510.00
Bank Fees	\$	60.00
Insurance	\$	1851.35
Legal Expenses	\$	0.00
Maintenance & Repair/Work Order	\$	150.53
Management & Water Testing	\$	8334.43
Supplies & Miscellaneous	\$	0.00
Utilities	\$	3517.02
Taxes & Fees	\$	0.00
Generator Maintenance	\$	1119.61
Trail Maintenance	\$	0.00
Engineering Expenses	\$	828.75
Website	\$	15.99

TOTAL EXPENSES \$ **23113.73**

NOTES:

1. Income includes 4 transfer fees (\$6,000). 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 outs. There was minimum work this year (only major item was broken pump).
3. Maintenance & Water Testing and also includes all administrative charges (billing, mail outs, bill collections).
4. Trail Maintenance charges were minimal and are included in Supplies and Miscellaneous.

Driftwood Heights Association
INCOME & EXPENSE REPORT
2022 Budget Estimates

2022 Budget Estimates

2022 Anticipated Income	\$	72,214.58	
2021 Year End Cash Balance		\$	318,679.75
Total			\$ 390,894.33
Less Cash Reserve 20%	\$	78,178.86	
2022 Estimated Available Funds			\$ 313,715.47

Set Expenses + 20% **\$ 29,548.81**

Available for Work Order Expenses **\$ 284,166.66**

***Set expenses – total expenses minus Engineering, major repair and work orders (\$2098.89 for 2021). All expenses were unusually low for 2021, Set Expenses increase by 20% (not 10%).21,165.37**

****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. We are living within our income and plan to start developing a Capital Improvement plan in 2022.**

SUBMITTED BY: Sherri Hall Treasurer