

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



INCORPORATED 1970

Minutes of Special Membership Meeting
Aug 27, 2022

Members present: 31; members Board members present: Wayne Kanaby - Executive Vice President, Randy Barry - Vice President of Operations, Genelly Carranza - Secretary, Sherri Hall -Treasurer

Meeting requested by the membership as a follow up from 20 Aug 2022 meeting.

Meeting called to order by acting President W Kanaby

20 Aug 2022 Meeting minutes read by R Barry, motion made to accept minutes by D Sparks, seconded by R Turner, and carried by unanimous vote.

Motion made by P Recchi to accept Genelly Carranza as secretary (voted in by Board to fill vacancy), seconded by N Wilson, and carried by unanimous vote.

Old Business

Sherri Hall, Treasurer provided following:

1. Heritage Bank Update
 - a. Bank restored to original accounts, signature cards updated, balances verified, all old debit/credit cards cancelled.
 - Signer removed - Louis B Roberts
 - Signer added - Genelly Carranza (Secretary)
 - Signer added - Sherri Hall (Treasurer)
 - b. Safe Deposit Box restored key holders
 - Wayne Kanaby - Vice President
 - Genelly Carranza - Secretary
 - c. Safe Deposit Box to be inventoried by all board members on 8/29/2022
2. Review of all outstanding debts completed all vendor and contractor's payments are up to date.
3. Completed and submitted back taxes for last two years. Unaware of any penalties, will update membership if notification received.
4. Treasurer is in process of digital scanning of association financial records that are in her possession.

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5. Treasurer is in process of compiling financial records for last two years for audit submission. Once the records are scanned, we will find accounting firm to conduct financial audit of last the two years.

Genelly Carranza, Secretary provided following:

1. PO Box restored; Secretary has picked up back mail. and we are now able to receive all correspondence. Secretary is in process of updating the "Member Roster." Email addresses and phone numbers have not been updated for many years. We need updated contact information to allow the board to provide members with pertinent information as quickly as possible. We will be requesting updates/verification of information at Membership meeting sign-in as well as canvassing to complete the review. We would appreciate your cooperation to complete the update. Once review is complete Sherri Hall, will assist Genelly Carranza in setting up an email group for association members to allow for rapid dispersal of Association information.
2. Genelly Carranza will also be training with Sherri Hall, as a backup for maintaining Driftwood Heights.net Web page.

Randy Barry, VP Operations provided following:

1. Property, Liability, Casualty Insurance restored effective 24 Aug 2022. Current insurance market is very tight, companies are not interested in writing policies for higher risk entities like HOAs, especially if they have their own water system. As a result of the current market our premium did increase by \$300 per year. We have set up appointment in 6 months with broker to review current policy and see if better options are available.
2. We have contacted all vendors and contractors and restored our working relationships. We have also updated our Board Member contact information.

Wayne Kanaby, Acting President provided following:

1. Beach Closure, Insurance is reinstated, we will:
 - a. Install new combination lock on gate 29 Aug 2022.
 - b. Send combination to members via letter.
2. Beach Issues to address:
 - a. Clean plugged drainage lines.
 - b. Repair drainage ditch.

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- c. Restore sunken areas.
 - d. Fill holes in top of bulkhead.
 - e. Repair steps to beach.
 - f. New signage at entrance to the beach.
3. We will need to get bonded/insured contractors for work. Additionally, new work and bulkhead work may require permitting to complete. Contractors will pull permits if required.

New Business

1. Board contacting attorney to get interpretation of our bylaws of what constitutes a "Property Owner" as well as which documents are needed to verify. This in turn will clarify the following:
 - a. Who can be a board member
 - b. Who can make motion, second, and vote
 - c. Who can be a proxy
2. When the "Property Owner/member" clarification is defined, we need to solicit, properly vet, and schedule elections of candidates for vacant Board positions.
3. Review of requirements and issue of "Shareholder/Member Certificates" with attorney.
4. Water System needs following:
 - a. Operating Plan (State requirement) – R Barry VP Operations has stated compiling information to start making plan, we will look at outside entities to prepare professional plan that complies with state requirements.
 - b. Emergency Plan – R Barry VP Operations has stated compiling information and drawings to start making plan. We have also contacted King Water for assistance in developing emergency procedures. All Board members will receive training when procedures are completed.
 - c. Inventory Report – Currently we have no spares parts or equipment, therefore no report. R Barry VP Operations has started discussion of need to review equipment with King Water to assess if there is need for us to have spares in inventory. If spares required, an inventory will be created and spares purchased.
5. Board Administrative Procedures require review and updating, these items need to be prioritized by importance and completed as time permits:
 - a. Regular Board Meetings schedule (1 per month?)

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- b. Membership Meeting schedule (1 per Qtr.?)
- c. Spending Limit Hierarchy
- d. Record retention policy and procedures, Safety Deposit box Inventory schedule
- e. Archived documents stored in the shed at well site need to be reviewed, organized, and inventoried. This would be best accomplished by forming a committee to complete. Records, that need to be retained should also be scanned into digital format.
- f. Membership "Calendar of Events" on web page, meetings, events,
- g. Board Member "Calendar of Events" tickler list of required audits, taxes, billing, Insurance premiums, and State of WA Certification submissions
- h. Periodic Membership Newsletter
- i. Board Member Training, RCW (State HOA Laws), Water System training (WA State, HOA Training,

Questions by membership

1. Why does the Board need Debit/Credit cards – Debit cards used for small purchases, administrative supplies, ink, paper, etc. Association used credit cards for emergency purchases like the well pump repair in 2017. Association had to purchase pump and fly in next day air to restore water system; you need credit card to make those things happen.
2. Why not hire outside entity to scan in records – Board would like to review and organize records prior to scanning. We need to review to familiarize our self with the information and organize it so that is it more useful and easier to access. We will also be able to see what information is missing.
3. Are we a non-profit organization – Yes, we are a non-profit Corporation.
4. Should we erect "Use at your own risk" signs at beach – We need to discuss with attorney first, to determine if it would protect or hurt association liability.
5. How many water shares does our association have - 116

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Next membership meeting to be scheduled in approximately 30 days, we will send out a membership mailing to provide date, time, and location and agenda for the meeting.

Motion to adjourn, seconded, carried by unanimous vote

Submitted by Secretary: Genelly Carranza

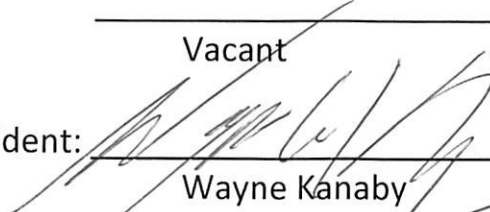
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Approved by:

President:

Vacant

Executive Vice President:



Wayne Kanaby

Treasurer:



Sherri Hall

Secretary:



Genelly Carranza

Vice President Operations:



Randy Barry

Vice President of Grounds:

Vacant

Water Quality:

Vacant