

**Driftwood Heights Association
Board of Directors Meeting Minutes
5/12/2026**

Meeting called to order at Camano Library, 6:00 pm, Present:

Acting Secretary/Treasurer (Randy Barry)
Acting President (Rick Canady)
Grounds & Buildings (Leonard Visser)
Operations (Mike Cona)
Water (Teila Whitcher)

Members

Christine Kelsey

First 15 Minutes of meeting reserved for owner comments, in person or by phone call to (360) 970-0845.

Reviewed new letter to membership. R Canady requested feedback as soon as possible to get the letter in the mail as soon as possible. Board unanimous approval to have Pearson Financial mail letter.

1 [Review/approval of April meeting minutes](#)

Approved April, Board Meeting Minutes, with March 2025 Monthly Financial Report.

2 [System management for the association](#)

Approved hiring Pearson Financial Services to manage our Billing and Financials.

Pearson Financial sending a letter to membership providing details and information regarding the process of moving billing from NW Natural Water Services to Pearson Financial.

M Cona also requested that the billing statement contain a Note in bold text specifying that payment be made to Driftwood Heights Association. Create a new "Billing" page on the website.

3 [Annual membership meeting](#)

Note: The primary issue in front of the BOD is preparation for the sustained operation of the association through actions taken at the AMM on May 30 at the Camano Multi-Purpose Center.

Items to review in preparation for AMM

- o Logistics of the meeting
- o Communication plan for AMM
- o Prepare necessary materials
- o Budget, funding, and tasks

Post annual meeting letters to members on website, including Pearson Financial billing information letters.

3.1 [Logistics](#)

- 3.1.1 Should we make lawn signs to remind people of the meeting? No. Post information on the website and send email to subscribers
- 3.1.2 Do we need a projector and screen? Yes, Print hard copies of documents as needed for information.

3.2 Status of Association Membership interest in keeping an active board

Note: The letter and agenda approved at the April board meeting was sent to members.

Action: Review and discuss feedback received by board members from association members. Formulate additional responses or contingency plans for status of the association if there are no board members after the annual members' meeting.

No feedback received from membership.

3.3 Status of ballot language for the AMM

Actions: *Prepare ballots for the AMM.*

- Board member votes
- Approval of 2025 and 2026 budget
- Bylaw revision to increase transfer fee.
- Bylaw revision to reduce required number of directors to three (3).
- Bylaw revision to reduce board position requirement
- Blank ballots in case they are needed?

3.4 Descriptions of Board positions

Note: in March the BOD identified the need for better descriptions of board positions so that volunteers have a clearer idea of what they are signing up for. A draft description set is attached to this agenda.

3.5 By-law requirements prior to AMM

Note: At the March BOD mtg Randy volunteered to Review and verify accuracy of the MML against Island County property records and prepare the MML for sign-in at annual membership meeting.

4 Reports

4.1 Treasurer/Secretary:

Monthly Financial Report:

4.1.1 April Account Balances - gains/losses.

Checking Balance \$35,604.69 change -\$19,156.37

Heritage Money Market Balance \$81,488.82 change \$6.70

Coastal Money Market Balance \$206,898.15 change \$1,717.84

4.1.2 Budget status

See Attachment (2)

4.1.3 Apr Significant unplanned incomes/expenses

See Attachment (1)

4.1.4 Apr Members in arrears and status of action:

May 5, 2026 Accounts receivable balance, 8 Members in arrears. Outstanding balance \$2,821.65. Certified "Late Notice" letters mailed.

4.1.5 Review of Apr 2026 Monthly Financial Report

Board approved Apr 2026 Monthly Financial Report

4.1.6 Review Q1 2026 Financial Report

Board approved Q1 2026 Financial Report

4.2 Operations

4.2.1 Revised Water Rights Self Analysis (WRSA) is in process of review and approval. State may require additional meter readings to determine more accurate usage and leakage numbers. Working with Garrison Engineering to resolve.

4.3 Grounds & Buildings

4.3.1 Beach bulkhead repair Status:

Update status of obtaining quotes for equipment and materials to complete repairs. Waiting for quotes. \$2K dollar carry over previously approved by board. Discussed an additional \$6K for total of \$8K to complete repairs.

4.3.2 Dec 19, 2025, Windstorm Well Site Storm Damage:

- a. Fence repair complete and paid. Sent costs to DH2 to discuss possible reimbursement of their share of repairs.
- b. Sauve & Sons removed trees uphill from well site.

4.4 Water Quality no issues

4.4.1 L Visser will take over free Cl- samples from T Whitcher. T Whitcher agreed to review process with L Visser.

5 New Business: None

6 All business complete, Motion to Adjourn meeting. Meeting adjourned at 7:30 pm

✿ Volunteer Leadership Opportunities ✿
Help support and strengthen our community water system!

Driftwood Heights Association (DHA), founded in the 1970s, manages the community water system and beach property. DHA ByLaws call for 5 to 7 board members. The DHA Board makes routine decisions by majority vote and refers major issues to the members. The Board may outsource daily operations with oversight and holds meetings as necessary.

President The President is responsible for leading organization meetings, steering decision-making and providing signature representing DHA for contracts and regulatory filings. This individual may also handle additional responsibilities to support the team and contribute to the organization's success. This position suits someone who likes to lead and create a positive influence.

Vice President The Vice President steps in when the President is unavailable and helps lead the organization. They also keep the Emergency Plan up to date. This is a great role for someone dependable who is ready to step up and help keep things on track.

Operations The Operations Lead manages maintenance, repairs, and system reports for safe water system operation. Certified technicians handle most tasks, but the Operations Lead is the primary point for issue authorization and resolution. Ideal for those who like problem-solving and technical challenges.

Buildings & Grounds This role focuses on the contracts that keep our facilities and outdoor areas safe and well maintained, including pump houses, tanks, fences, and recreation areas. This is a great role for someone who enjoys working outdoors, takes pride in keeping things in good shape and wants to oversee maintenance of safe and welcoming spaces for the community.

Water Quality Control This person helps make sure our water is clean and safe by overseeing required testing, reports, and monitoring for issues. If a problem comes up, they help take quick action and keep the community informed. Ideal for someone who is detail-oriented and cares about community health.

Secretary The Secretary is the communications center of the association. This individual maintains records, ensures that decisions are documented, and keeps members informed. Ideal for someone who is organized and attentive to clear communication.

Treasurer The Treasurer is responsible for ensuring the organization's finances are accurate by overseeing accounting of incoming funds and keeping track of spending. They also oversee or prepare financial reports, sign checks with the President, lead the annual budget planning process and alert the Board when costs are greater than anticipated. This role suits someone who is proficient with numbers.

Interested in volunteering?

Your help makes a difference! Reach out to learn more or get involved.

What is the commitment? With recent additions of additional contract support, board members will generally spend no more than a couple hours each week to oversee contractor work. Board meetings now are held monthly for two hours but as we find and engage more contractors to take on work we expect board meetings to become quarterly and limited to one hour.

Board Monthly Treasurer Report Apr 2026

Date	5/10/2026		Change
	Balance	Balance	
Monthly	3/2026	4/2026	
Chk	\$54,761.06	\$35,604.69	(\$19,156.37)
Heritage MM	\$81,482.12	\$81,488.82	\$6.70
Coastal MM	\$205,180.31	\$206,898.15	\$1,717.84
Totals	<u>\$341,423.49</u>	<u>\$323,991.66</u>	<u>(\$17,431.83)</u>
# of Members in arrears	<u>8</u>	Total Arrears	<u>(\$2,821.65)</u> (5/5/26)

Annual	12/2025	4/2026	
Chk	\$54,427.18	\$35,604.69	(\$18,822.49)
Heritage MM	\$81,462.03	\$81,488.82	\$26.79
Coastal MM	\$204,978.07	\$206,898.15	\$1,920.08
Totals	<u>\$340,867.28</u>	<u>\$323,991.66</u>	<u>(\$16,875.62)</u>

Monthly incomes/expenses

Incomes	\$3,559.42
Expenses	<u>\$20,991.25</u>
	<u>(\$17,431.83)</u>

Monthly Significant/unbudgeted incomes/expenses

1. Tree Removal	(\$5,995.00)
2. Leak Repair/service installation 800/808 Patricia Ann	(\$11,264.86)
	<u>(\$17,259.86)</u>

Budget Status Year to date (2026)

Income	Budget	Actual	Difference
	\$30,500.00	\$36,458.63	\$5,958.63
Expenses	<u>\$15,346.52</u>	<u>\$53,334.25</u>	<u>(\$37,987.73)</u>
		Total	<u>(\$32,029.10)</u>

Annual Significant/unbudgeted incomes/expenses

1. Jan UnBudgeted	(\$9,250.35)	
2. Feb UnBudgeted	(\$2,641.39)	
3. Mar UnBudgeted	(\$10,221.11)	
4. Apr UnBudgeted	(\$17,259.86)	
	\$0.00	
	\$0.00	
	\$0.00	
	<u>(\$39,372.71)</u>	
	total	

Driftwood Heights Association
BUDGET STATUS Apr 2026 (6mos budget)

2026 Expenses		Actual	Budget	Difference
Grounds Maintenance	\$	4,516.90	7,761.00	3244.10
Office Expenses	\$	650.84	887.50	236.66
Office Equipment/Supplies	\$	231.92	210.00	(21.92)
Bank Fees	\$	0.00	0.00	0.00
Insurance	\$	0.00	5,500.00	5500.00
Legal Expenses	\$	2,804.50	3,000.00	195.50
Engineering Expenses	\$	1,083.75	2,500.00	1,416.25
CPA Expenses	\$	0.00	0.00	0.00
Monthly Water Management	\$3,747.89	3438.47	5,366.04	1,927.57
Monthly Billing Fee	\$0.00		0.00	
Billing Statements	\$0.00		0.00	
Meter Read	\$0.00		0.00	
Cl- Carboy	\$0.00		0.00	
Consumer Confidence Report	\$0.00		0.00	
Water Efficiency Report	\$0.00		0.00	
Water Sampling	\$0.00		0.00	
Additional Hrs Charge CCR&Water Eff Rpt	\$0.00		0.00	
Water System Maintenance	\$3,150.00	27,595.93	6,000.00	(21,595.93)
Water System Repair/Work Orders	\$8,759.00		0.00	
Misc parts and Equipment	\$	102.60	500.00	397.40
Arlington Electric	\$	163.60	763.00	599.40
Fees/Permits	\$	20.00	500.00	480.00
Utilities	\$	831.53	1,722.00	890.47
Propane	\$	0.00	879.00	879.00
Refund of Overpaid Member Assessment	\$	575.00	0.00	(575.00)
Member returned deposits (NSF)	\$	0.00	0.00	0.00
Federal Taxes	\$	231.00	150.00	(81.00)
Beach Blkhd Repair	\$	200.00	2,000.00	1,800.00
Burns Fire Protection	\$	1,036.45	0.00	(1036.45)
Lehman Member pipeing repair	\$	1,056.20	0.00	(1056.20)
TOTAL EXPENSES	\$	44,538.69	37,738.54	(6,800.15)

Driftwood Heights Association

Driftwoodheights.net

For 1st Quarter 2026

2024	Checking Balance (4th Qtr. End)	\$	54,427.18
	Money Market Balance (4th Qtr. End)	\$	286,440.10
	2025 4th Quarter Cash Balance	\$	340,867.28
2026	Checking Balance (1st Qtr. End)	\$	54,761.06
	Heritage MM (1st Qtr End)	\$	81,482.12
	Coastal MM (1st Qtr End)	\$	205,180.31
	Money Market Balance (1st Qtr. End)	\$	286,662.43
	2026 1st Quarter Cash Balance	\$	341,423.49
	Difference	\$	556.21

Checking Deposits

	Association Fees	\$	32,674.24
	Interest	\$	2.64
	Total Checking Deposits	\$	32,676.88

Checking Withdrawals

	Utilities PUD/Skagit Farmers Supply	\$	590.72
	Insurance	\$	0.00
	Office Expense/office equip & supplies/Misc parts &	\$	778.90
	Fees/Permits	\$	20.00
	NW Natural Water Management Fees	\$	2,512.48
	NW Natural Water Work Orders	\$	15,423.19
	Grounds	\$	3,590.40
	Arlington Electric (Generator)	\$	163.60
	Engineering (Garrison Engineering)	\$	510.00
	Legal Fees (Sjostrom Law Office)(Langabeer& Trexler)	\$	2,804.50
	Heritage Bank Fees	\$	0.00
	Fed Tax Wire Fee	\$	30.00
	2023 Federal Taxes	\$	201.00
	Economy Fence/Burns Fire Protection/Misc	\$	5,718.21
		\$	
	Total Checking Withdrawals	\$	32,343.00

	Money Market Balance (4th Qtr. End)	\$	286,440.10
	Total Money Market Interest	\$	222.33
	Total Money Market Deposits	\$	0.00
	Total Money Market withdrawals	\$	0.00
	Money Market Balance (1st Qtr. End)	\$	286,662.43

SUBMITTED BY: Driftwood Heights Association Board