

**SALLAL WATER ASSOCIATION
ANNUAL MEETING OF THE MEMBERSHIP
Minutes of Meeting
Tuesday, March 31, 2026**

The annual meeting of the membership of the Sallal Water Association was held at 6:00 pm on Tuesday, March 31, 2026, at the Sallal Water Association business office located at 47230 SE 144th St, North Bend, WA 98045.

4 members attended in person and are listed on a sign-up sheet maintained by the Association. The attendees included Trustees: Emilie Moore, Bill Iverson, Rich Formisano, Vice President Shawn McKone, Treasurer Larry Costello, Secretary Eric O'Brien. Also present were Richard Jonson, Counsel; Leslie Sesser, CPA; and Devin Mettler, General Manager.

CALL TO ORDER AND COUNT OF MEMBERS

Vice President Shawn McKone called the meeting to order at 6:15 pm. Secretary Eric O'Brien announced that ballots were still being counted and that a sufficient number of ballots had been received to constitute a quorum. It was announced that a total of 1973 members were entitled to vote; 99 members were needed for a quorum, and 156 valid ballots were received.

PROOF OF NOTICE OF MEETING

Mr. Mettler announced that notice of this annual meeting was timely sent to all members of record.

ELECTION OF TRUSTEES

Mr. Costello and Mr. Formisano did not make statements, as the members present stated that they had already cast their ballots.

APPROVAL OF MEETING MINUTES FROM PRIOR ANNUAL OR SPECIAL MEETINGS:

Motion No 2026-A1: Mr. Costello moved and Ms. Moore seconded a motion to approve the 2025 annual member meeting minutes as presented. The motion was approved unanimously.

FINANCIAL REPORT AND AUDIT REPORT

Ms. Sesser reported on the Association 2024 year-end audit conducted by Finney, Neil & Co. Ms. Sesser stated that the Association had qualified as a low-risk entity for 2026, based on the 2023 and 2024 audits having no unmodified opinions and no compliance findings. Ms. Sesser presented information about the Association's 2024 Income statement and stated that Sallal's operational cash flows appeared sufficient.

PRESIDENT'S REPORT

Mr. McKone reported on the Association's activities during the past year. Mr. Costello answered members' questions regarding the Association's future funding sources and outlook for increases in water rates and fees. Mr. Mettler answered a member's question regarding the area that would be affected by potential service disruptions due to construction of the Mt. Si roundabout.

Mr. McKone announced the closing of voting.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

ELECTION RESULTS

Mr. O'Brien announced election results based on the counting of ballots as follows:

- 1973 members are entitled to vote.
- 156 total ballots received
 - All 156 ballots were valid
 - 79 votes needed to achieve majority
- Vote counts:
 - Larry Costello 148
 - Rich Formisano 148

Mr. Costello and Mr. Formisano were each elected for a three-year term on the Board of Trustees.

ADJOURNMENT

Motion 2026-A2: Mr. Iverson moved and Ms. Moore seconded to adjourn the 2026 Annual Member Meeting at 6:48 p.m. The motion was approved unanimously.

Submitted by: Minutes Services

Next Scheduled Board Meeting

Board Meeting: Tuesday, April 21, 2026, at 6:00 pm.