



October 2010

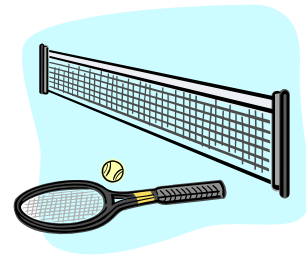
MESSAGE FROM THE PRESIDENT

Good day to all of you. I am hoping that everyone had a great summer and was able to get some sunshine when it happened. One Island member said she needed to go and find some sun and took off for Japan for a month in August. Most likely some of you also took off to your favorite summer getaway or some adventure. I went to Eastern Turkey and “believe” I have seen the final resting place of Noah’s Ark and it’s not on Mt. Ararat. The evidence is fairly convincing, then again, it depends on who you talk to! Anyway, fall is upon us now and we are getting some very enjoyable, dry, crisp fall days. I see many of the wooly caterpillars inching along on the roads and I seem to remember in a Farmer’s Almanac it meant a hard winter, but hey, we have technology today telling us the same and who believes the caterpillars? ☺

Please read our Bridge Committee update below on the status of the USDA funding. Needless to say, we are committed to finding the best solution for our membership given the constraints of interest rates, money for servicing the loan, repayment that is reasonable and so on.

We changed the format of our parking permits from a sticker to a hanger. This way, you can move to a different car owned by an Island resident. Please respect our community in keeping the hangers only in Island member’s cars. There will be a penalty for misuse only because we want to be fair to everyone who has Island parking rights. We extend many thanks to board member Russ Ranger who made the parking hangers for us. Cathy Driscoll, our Island manager has clarification in this Newsletter for picking up your hanger.

There have been some incidents on the Island you can read about in our security section. Overall, it has been a decent year dealing with the South Beach and its use by non-members. However, I just heard a few days ago that the net in the tennis court is broken again. The cable has been broken from its tension crank and pulled out of the net sleeve which makes it difficult to repair. How does this happen? If anyone has information on this, please let someone on the Board know. Thank you.



As always, if you would like to volunteer on any of the Island’s various committees or have ideas you want the Board to hear, please join us at our meetings that are held on the third Monday at 7PM at the All Saints Center on the Island. Many of you have expertise, skills and knowledge that have been very helpful input during our Board meetings. If you are a new member, we’d love to have you come to a meeting and find out what’s happening on the Island and of course, so we can get to know you!

If any of you have a story or experience and would like to share in our next Newsletter, we would enjoy hearing from you.

Enjoy our fall...take care and I’ll see you around the Island.

Charlotte Crain - President

BRIDGE UPDATE

It's not the news we wanted to hear. Our application for USDA funds for this round has been denied. Rumor has it that Obama's 2011 Budget will not refund the program like last year. In spite of strong letters of support from Congressman Dicks, US Senator Patty Murray and State Senator Kilmer, our average incomes pushed us lower on the ranked list. Nearly 70% of the funds went to the Tribes.

Below is the list of loan recipients:

Town of Twisp	Police Vehicle	\$15k grant / \$17.2K loan
Lummi Indians	Government Office & Community Center	\$27.9m loan
Nisqually Tribe of Indians	Regional Jail Safety Bldg	\$11.5m loan
Grays Harbor County Hospital	Hospital	\$19.0m loan
Nisqually Tribe of Indians	Administrative Bldg	\$2.9m loan
Nisqually Tribe of Indians	Farmers Market	\$1.1m loan

It's important to recognize that the work that was done has great value. The Island now has a **Biological Evaluation** (required for permitting - it does not expire), an **Engineered Bridge Design** and a **Cost Estimate** that will be used to shop other funding sources. We are well-positioned to finance a reconstruction project when we find affordable terms and interest rates. USDA has offered to help us find a commercial lender that might do the project with a Rural Development (USDA) guarantee. The Bridge Committee will continue its

work to find funds because this project represents the best strategy we have to maintain our property values and investments.



In the meantime, required maintenance activities, as specified by our inspection engineer, will proceed as normal. The permit applications (environmental and building permits) for the upcoming maintenance work have been submitted to Pierce County and other regulatory agencies. Permit approvals are expected in the next six to ten weeks. The maintenance activities include shoring the bridge abutment on the island side of the bridge, reinforcing compromised piling, and replacing damaged or rotting wooden cross bracing. The work will start as early as March 2011 when favorable tides and fish migration patterns are predicted.

To the extent practicable, the Board and Bridge Committee strive to spread the maintenance expenses over time to conserve general fund assets; while being mindful of mobilization and other startup costs. In the case of the current work scope, the engineer and the environmental permits allow for the work to be phased over 1-3 years. In any case, the current scope of the repairs, inclusive of the engineering and permitting, represent a significant expense for the membership. Specifically, the engineering, permitting and construction costs are estimated at \$18,124, \$2,967 and \$33,238, respectively, for a total cost of \$54,239. The consulting engineers expect the future maintenance expenses to increase going forward on an annualized basis.

Dawn Stanton & Ted Smith

RAFT ISLANDTREASURER

Thank you to those that have sent in their dues. Just a reminder for those who haven't, please send them in or give Cathy, the island manager, a call if you need to make payment arrangements. The federal income tax return for fiscal year end June 30, 2010 has been completed. We have a refund of \$10,000 that will be applied to next year's taxes. Now that the returns are done, I'd like to get input from members who would like to be a part of reviewing RIIA's financial statements. If you are interested in helping out, please call me at 265.3791.

Anne Scea – Treasurer

RIIA INVESTMENT COMMITTEE

The Board of Trustees has expanded the role of the Bridge Replacement Fund Investment Committee to also provide recommendations regarding the investment of specific General Fund monies. The committee has, therefore, been more appropriately renamed the RIIA Investment Committee and will report quarterly on all investments reviewed. The Investment Committee meets quarterly and provides *recommendations* to the Board of Trustees. If you are interested in joining this committee, please contact Mike Hirko, 253-686-5288.

Bridge Replacement Fund

At the end of last quarter (September 30, 2010), the market value of the investments in this RIIA fund was \$968,001 or 72.8% of the planned June 30, 2011 target amount of \$1,330,109. The Treasurer reports that a total of \$19,370 has been disbursed from this fund for BRF expenses. The allocation percentage goals approved by the Board of Trustees remain 25% Bonds, 28% Large Capitalization Stocks, 22% Medium and Small Capitalization Stocks, 20% International Stocks, and 5% to Money Market. All funds are held by the Vanguard Group. The next special assessment for the fund will be \$415 and due July 1, 2011.

General Fund

As mentioned above, this is the first reporting of this investment by the Investment Committee. The background of this investment goes to the September 2005 by-law amendment to Article II, Section 3 which now reads:

“All moneys received by the R.I.I.A. shall be maintained by the Board of Trustees in such accounts as any reasonably prudent business might use to manage its money so as to have adequate cash on hand and obtain a reasonable rate of return on moneys not immediately needed to meet Association obligations.”

Previously, these monies had to be secured in instruments protected by the full faith and credit of the federal government. With this amendment the Board of Trustees made an initial investment of \$200,000 in Russell Lifepoints Growth Strategy FD CL S N/L (symbol RALSX) via Raymond James brokerage in mid 2006.

Raymond James reports that at the end of last quarter (September 30, 2010) the closing value of this investment had recovered from substantial losses to \$202,187 for a Cost Basis loss of \$41,936 (-17.18%). In the absence of Board of Trustees guidance as to the plan and timetable, and with 80% of the RALSX portfolio committed to volatile equities, the committee has recommended that this investment be liquidated by the end of the RIIA fiscal year and the proceeds placed in more appropriate short term vehicles to meet projected General Fund expenses.

Mike Hirko-Chair



ISLAND SECURITY REPORT

This summer we had the usual issues with off-island folks helping themselves to the serenity of our beautiful park. Quite understandable when the options are few and most public beaches are overcrowded. The usual bridge jumpers showed up on warm evenings with high tides. This all seems very harmless until someone gets hurt and sues the island. Even though we may win the suit it will still cost us thousands in attorney fees. And if we lose it could cost us much more. We hired security this summer from the Pierce County Sheriff's Department. This seems to be the best way to curb trespassing. One story I heard from a deputy was he saw a kid walking out on the bridge and followed him. He asked the kid if he was going to jump, and he responded that if the deputy was a kid he would jump too. The deputy responded that he wasn't a kid, but that he was a cop and he was telling the kid that he wasn't going to jump. That ended their conversation and the kid walked off the bridge.

The south park ended up decorated with toilet paper this August. The dock and the trees were all draped heavily and it must have taken several hours for someone to do the job. Russ Ranger's front lawn was also decorated with plastic forks. Funny, if it was done by off-island kids, that they would know where Russ lives. Russ and I cleaned up the mess in a couple hours. So if any parents were missing a couple of boxes of plastic forks and quite a bit of toilet paper you might be suspicious.

Last week we had amateur gang graffiti sprayed at the school bus stop at Kopachuck drive. They wrote the "F" word on the neighbor's fence, tagged our Raft Island sign, and the stop sign. Tom Straub made short work of it cleaning our signs, and painting out the fence. Thanks Tom.

Just a reminder for all island residents, the speed limit is 15 MPH on the bridge as well as all island roads. Everyone is in a hurry to get home and relax, but there are too many kids, cyclists, and walkers to drive any faster. Our roads weren't built for 40 MPH and one of the reasons we have potholes every year is because of the excess speed. We all live here for the serenity and fast cars spoil it for everyone. It's all about respecting our neighbors. Remember to save our bridge; drive in the center and keep your speed to fifteen. That will make your neighbors smile.

Mike Neil



Photo taken by Mike Neil
From the Raft Island Bridge

PARKING PERMITS

For all members whose dues are paid in full, **Hanging Parking Tags** are ready for pickup at the manager's home 4 Raft Island Dr NW.

Cathy Drisco

ANNUAL DUES COLLECTION POLICY

The purpose of this Collection Policy is to establish clear and consistent guidelines for the RIIA membership based on the Bylaws and CC&R's of the Island.

Yearly Timeline (fiscal year) is July 1 – June 30

July 1 - lot owners are billed annual dues & bridge assessment due no later than August 31

September 1 - unpaid dues are now considered delinquent and lot owners will receive a reminder notice for payment

October 2 - lot owners who have not responded by Oct 2 will receive a final letter regarding a lien to be filed & associated expenses

Payment options and collection notices

A monthly payment option is limited to the current fiscal year only. Members who have been making payments and stop without notice will be advised of a lien to be filed.

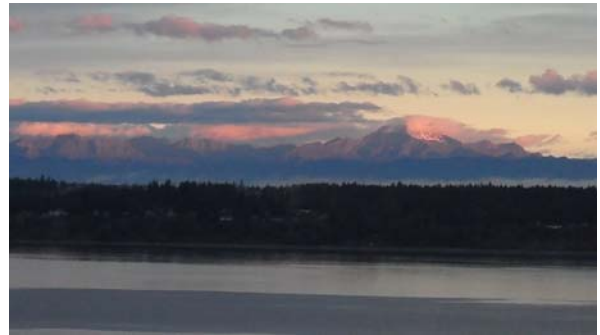
If payment arrangements are needed, it is the member's responsibility to contact the Island Manager before the account becomes delinquent Sept. 1.

Members who are delinquent for three years or owing \$2000 in arrears will have court action taken by the Island's attorney along with incurring legal expenses.

According to our CC&R's, the sale or transfer of any Lot shall not affect the assessment lien, Article IV, Sect. 1, and all owners continue their personal obligation for payment of assessments/dues.

Questions regarding payment of past obligations should be directed to the Island Manager for referral to the Board.

If you have any additional questions, please contact the Island Manager, 253-265-8489, or any Board member. Review of the Bylaws and CC&R's is available at www.raftisland.org



RAFT ISLAND ROADS

One of the few drawbacks of having underground power is that Peninsula Light no longer maintains the trees along the road where the power poles existed. As a result, we are seeing more trees and tree limbs creeping over the roadway.

Over the coming months, the RIIA board in conjunction with several island residents will be formulating a policy on how this will be handled. As far as roadwork in the coming months, we plan on filling a few more potholes before winter sets in and look for the street sweeper when the leaves quit falling in December.

If you have any questions or issues regarding our island roads, please call 253-593-4999.

Rich Swenson

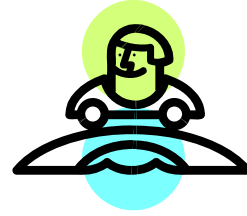
Drive the Center of the Bridge

Several years ago the newsletter advised people to drive down the middle of the bridge if they were the only car. A lot of people seem to have missed that. A reminder will keep our old bridge at its best until we can replace it.

RJ West



Albino Deer on Raft Island
Photo courtesy of RJ West



SECRETARY'S REPORT

“The Board voted to increase the speed limit to a maximum of 20 mph for cars, recommended 15 mph for trucks on the bridge.”

The Raft Island Improvement Association (RIIA) has requested that the Pierce County Sheriff's Department enter into an agreement by which the Pierce County Sheriff's Department may enforce speeding violations under RCW 46.61.400 on private roads. The agreement was signed at the October 18, 2010 Board meeting. New signs will be posted in the near future. Please observe all posted speed limits. Thank you.”

Trish Burnett

Island Officers and Trustees

President	Charlotte Crain (# 8)	253-265-0980
	Charlotte's Cell	503-680-1882
Vice President	John Rosendahl (#133)	253-265-0700
Treasurer	Ann Scea (# 192)	253-265-3791
Secretary	Trish Burnett (# 67)	253-265-3391
Trustee	Rich Swenson /Roads (# 219)	253-265-8090
Trustee	Sarah Brown (# 6)	253-649-0175
Trustee	Dawn Stanton (# 111)	253-222-2786
Trustee	Dave Paly (69A)	253-265-6356
Trustee	Mike Neil (#2)	253-381-2112
Trustee	Russ Ranger (# 182)	253-265-0997

Bridge Replacement Fund Investment Committee

Mike Hirko / Chair (# 113)	253-686-5288
Monica Butler (# 101)	
Rich Swenson (# 219)	
Dave Paly (# 69A)	
Christine Stephen (# 25)	
Gabrielle Gibbert (# 74)	

Bridge Committee

Ted Smith Chair (# 160)	253-265-8697
Dawn Stanton Chair (# 111)	253-222-2786
Bob McCoy (# 239)	253-265-1626
Tom Straub (# 98)	253-265-6952

Parks and Recreation Committee

Greg Scea (# 74)	253-265-8368
Russ Ranger (# 182)	253-265-0997

Security Committee

Russ Ranger (# 182)	253-265-0997
Mike Neil (# 2)	253-381-2112

Cathy Driscoll ~ RIIA General Manager ~ E-mail drisco@centurytel.net

Please feel free to email your Island photos to me for possible inclusion in future Newsletters.
bjwinter@windermere.com

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