

Ballot Measure

July 24, 2004

Notice of Special Membership Meeting of Herron Maintenance Company

Notice is hereby given pursuant to Article 4 of the Bylaws of the Herron Maintenance Company that a special meeting of the membership will be held on Saturday, July 24, 2004 at the hour of 10:00 AM at the HMC Community Building. At the meeting, three (3) ballot proposals described below which have been set before the members by action of the Board of Trustees will be voted on.

Members may vote in person at the meeting or by mailing or delivering the enclosed absentee ballot to the HMC Office so that it is received prior to the time of the meeting. *Ballots will not be counted unless your name and signature appear on the large envelope.*

- 1. Pursuant to RCW 64.38.025(3), the Board of Trustees has presented the FY 2004-2005 budget to the membership for ratification.**
- 2. Pursuant to Section 2.4 of the Bylaws of the Herron Maintenance Company, the Board of Trustees has proposed that an expenditure of \$80,000 be approved by the membership to construct and install a new community water storage tank.**
- 3. Pursuant to Paragraph 2.1.3 of the Bylaws of the Herron Maintenance Company, the Board of Trustees has proposed that a special assessment of \$60 per membership, due and payable September 1, 2004 and to be applied to the cost of a new community water storage tank, be ratified by the membership.**

Official Ballot and Voting Instructions

Return the ballot delivered by USPS, not an online copy.

1. Vote yes to accept any proposal set forth below. Vote no to reject it.
2. Insert your ballot in the envelope marked "Official Ballot" and seal the envelope. Do not put your name on this envelope. Do not place anything other than one Ballot in this envelope.
3. Place the small envelope marked "Official Ballot" in the large envelope. **You must sign the large envelope and make sure that your name and address appear on the large envelope. *If your name and signature do not appear on the outside of the large envelope, your vote will not be counted.***
4. To be considered a member in good standing and have your vote counted, all delinquent charges and assessments must be paid in full before the Ballots are counted.
5. Please make sure that your name is legible on the large envelope. If your name cannot be read, the ballot will not be counted.
6. Your absentee Ballot must be received in the HMC Office by 10:00 AM, Saturday, July 24, 2004 to be counted. If you prefer to vote in person, please attend the meeting. The Ballots will be counted at that time.

Proposition No. 1

(Approval of the Budget)

Shall the budget as presented in this June, 2004 Beachcomber be ratified by the membership?

☐ YES (For Proposition)

☐ NO (Against Proposition)

(over)

Proposition No. 2

(Approval of Water Tank Expenditure)

Shall an expenditure of \$80,000 for the construction and installation of a new community water storage tank be approved by the membership?

☐ **YES** (For Proposition)

☐ **NO** (Against Proposition)

Proposition No. 3

(Ratification of Special Assessment)

If Proposition No. 2 on this ballot passes, shall a special assessment of \$60 per membership, to be added to the \$59,000 water reserve account and applied to the cost of the construction and installation of a new community water storage tank and due and payable by September 1, 2004, be ratified by the membership?

☐ **YES** (For Proposition)

☐ **NO** (Against Proposition)

PROPOSED 2004-2005 HMC BUDGET

	Assessment Base with 33% Phase-in		371	
	Reduced Base Adjusted for Uncollectables		360	
	Budget 2003-2004	Budget 2004-2005	%Change	Notes
SUMMARY/INCOME				
Total Expenses	475,550	523,251	10.03%	
<i>Non-Assessment Income</i>				
Ferry User Fees	125000	130000	4.00%	Actuals for 2004 running a little ahead of budget
Interest	1,000	500	-50.00%	Rates are low
Payments/Delinquent Accts	2,000	2000	0.00%	
Miscellaneous	3,000	4000	33.33%	Actuals for 2004 running a little ahead of budget
Required Assessment Income	344,550	386751	12.25%	
Total Income	475,550	523,251		
Assessment/Member If Everyone Paid	952	Assessment \$1,042	9.53%	Based on number of assessable units with 33% phase-in
Amount Unpaid by Delinquent Members	-9,510			
Assessment Per Paying Member	979	Adjusted Assessment \$1,074	9.75%	Based on number of assessable units adjusted for uncollectables
EXPENSES				
<i>ADMINISTRATION</i>				
Office Equipment	100	100	0.00%	
Emergency Preparedness	300	600	100.00%	
Community Associations Institute	350	400	14.29%	
Accountant	3400	3600	5.88%	
ADP Payroll Service	2500	2500	0.00%	
Bank Fees	600	200	-66.67%	
<i>Insurance</i>				
Directors/Officers	2400	3000	25.00%	
Uninsured Loss/Deductible	0	0		
Facilities	21000	16000	-23.81%	04 Actuals Plus 20%
Employee Dishonesty	500	600	20.00%	
General Liability	5000	7200	44.00%	
Auto/Truck	2000	2000	0.00%	
<i>Legal Fees</i>				
Collection Costs	4000	4000	0.00%	
General	5000	4000	-20.00%	
Liens	100	100	0.00%	
Litigation	5000	5000	0.00%	
<i>Other</i>				
Ferry Fees	400	300	-25.00%	

Ads for New Employees	400	400	0.00%	
Website	500	350	-30.00%	
Misc.	900	900	0.00%	
Postage				
Bulk Mail Permit	150	200	33.33%	
Meter Rental & Box Fee	500	500	0.00%	
Stamps & Meter Filling	2500	2700	8.00%	
Printing				
Copier Contract	2500	2800	12.00%	
Printing - Other		250		
Admin Dept. Wages	41600	48300	16.11%	Wage adjustments for job parity
Payroll Taxes	4200	4860	15.71%	
Retirement	450	1150	155.56%	Employee participation
Federal, State & County Taxes	2000	2000	0.00%	
Office Supplies	800	800	0.00%	
Telephone/Long Distance	1800	2000	11.11%	
Total Administration	110,950	116,810	5.28%	
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DOCKS				
Repairs/Maintenance	4,000	4,000	0.00%	
Other				
Parts & Supplies	1,200	1,200	0.00%	
Inspection	1000	1000	0.00%	
Annual DNR Lease	1700	1700	0.00%	
Utilities	1200	1200	0.00%	
Total Docks	9,100	9,100	0.00%	
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FERRY				
Ferry Dry Dock and Major Repairs	35000	40000	14.29%	Increase to cover dry dock cost increase and major repairs
Fuel	24000	29000	20.83%	Price of Oil increase
Insurance				
Excess P & I	18500	18500	0.00%	Favorable insurance environment reduced increases
Hull & Machinery P & I	25000	25000	0.00%	Favorable insurance environment reduced increases
Equipment	2000	2000	0.00%	
Routine Maintenance	8750	10000	14.29%	Anticipated cost increases for parts and service
Ferry Dept. Wages	150800	158923	5.39%	Cost of living adjustment and scheduled merit raises
Payroll Taxes	14500	15336	5.77%	
Medical/Life Insurance	17100	18500	8.19%	
Retirement	8900	9387	5.47%	
Supplies	1800	1400	-22.22%	
Personal Property & Excise Tax	3000	3000	0.00%	
Other				
Ferry Cell Phone	600	600	0.00%	
Drug Testing	600	800	33.33%	
Inspection & Licensing	1000	1400	40.00%	Anticipated cost increases from Coast Guard
Pension Administration	600	700	16.67%	
Tickets, Passes & Stickers	1000	1000	0.00%	
Uniforms	900	900	0.00%	
Ferry Fees	0	50		
Passenger Vessel Assoc. Dues	350	350	0.00%	
Misc.	700	700	0.00%	

Total Ferry	315,100	337,546	7.12%	
PARKS				
Parks Dept. Wages	915	1000	9.29%	
Payroll Taxes	155	165	6.45%	
Maintenance	500	500	0.00%	
<i>Small Boat Dock</i>				
Maintenance	155	150	-3.23%	
Supplies & Repairs	500	500	0.00%	
Utilities	225	225	0.00%	
<i>Other</i>				
Playground Improvement	500	500	0.00%	
Misc.	100	2200	2100.00%	Includes purchase of replacement mowing equipment
Sanikans	5000	4700	-6.00%	
Garbage Pick Up	1000	1000	0.00%	
Total Parks	9,050	10,940	20.88%	
ROADS				
Contract Work & Repairs	10500	12700	20.95%	Major infrastructure improvements to ditches
Supplies & Materials	2500	4500	80.00%	Includes more gravel and material for roads and ditches
<i>Maintenance</i>				
Other	200	200	0.00%	
Tansy Weed Control	500	600	20.00%	
Dust Control Truck	1300	1500	15.38%	
Roads Dept. Wages	0	0		
Payroll Taxes	0	0		
Utilities	200	200	0.00%	
Total Roads	15,200	19,700	29.61%	
WATER				
Contract Manager	1200	1200	0.00%	
Water Dept. Wages	4850	5800	19.59%	Includes salary and hour adjustments
Payroll Taxes	775	830	7.10%	
Water Reserve		12000		Replacement over 5 years of \$60,000 reserve fund
Supplies/Repairs	2000	2000	0.00%	Tank replacement from reserves in 2004
Utilities	4000	4000	0.00%	
<i>Other</i>				
Membership-Evergreen Water	150	150	0.00%	
Misc	275	275	0.00%	
Permits & Licenses	900	900	0.00%	
Water Samples	1200	1200	0.00%	
Excise Tax	500	500	0.00%	
Truck Expenses	300	300	0.00%	
Total Water	16,150	29,155	80.53%	

Ballot Results

July 24, 2004

**HMC Board – Special Membership Meeting
July 24, 2004**

Call to order: Bill Zazzo called the meeting to order at 10:00 am.

Roll Call: Bill Zazzo, Vice President. Absent (Excused) was Ken Freeman, President, Fred Fath, Secretary and Treasurer, Al Moren, Board Member, Doug Allen, Island Manager, and Joseph Pentheroudakis, Board Member.

Call for Ballots:

Bill Zazzo called for last minute ballots.

Teller Committee:

Call for volunteers for ballot counting.

Election results:

197 Valid ballots

Annual Budget passed 129 for and 8 against.

Authorization to spend \$80,000 for new water tank passed 135 for and 8 against.

Authorization for special assessment of \$60 per member payable September 1st for the new water tank passed 129 for and 8 against.

Unfinished Business:

None

New Business:

None

Meeting Adjournment

Bill Zazzo made a motion to adjourn. Motion passed.

Respectfully submitted by:

Fred Fath, Recording Secretary