

Notice of Special Membership Meeting of HMC Management

Notice is hereby given pursuant to Article 4 of the Bylaws of HMC Management that a Special Meeting of the Membership will be held on Saturday, July 8, 2017 immediately following the 10:00 a.m. regular Board Meeting at the HMC Community Building. At the meeting, ballots will be counted for one Ballot Propositions presented by the HMC Board of Directors as described below.

Members may vote by mailing or delivering the enclosed absentee ballot to the HMC Office so that it is received at the start of the meeting. If you prefer to vote in person, please attend the special meeting and provide your completed ballot when the President has made a final call for all ballots. *Your ballot will not be counted unless your name and signature appear on the large envelope.*

Official Ballot and Voting Instructions

1. Complete the ballot page with your vote(s).
2. Insert your ballot in the envelope marked "Ballot" and seal the envelope. Do not put your name on this envelope. Do not place anything other than one Ballot in this envelope. Use only the ballot received in the USPS mail. Do not use a downloaded ballot from the HMC website.
3. Place the small envelope marked "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 at the start of the meeting, Saturday, July 8, 2017 to be counted. If you prefer to vote in person, please attend the special meeting and provide your completed ballot when the President has made a final call for all ballots. The Ballots will be counted at that time.

Ballot Proposition #1 – Ratification of proposed budget - Shall HMC Management ratify the proposed HMC Management General and Water Budgets for Fiscal Year 2017/2018 as presented to the Membership at the June 10, 2017 Board and Annual Membership Meeting?

Pursuant to Article 9 of the Bylaws of HMC Management, the HMC Board of Directors has adopted the HMC Management General and Water Budgets for Fiscal Year 2017/2018 (the “General and Water Budgets”). The HMC Board of Directors now presents the proposed General and Water Budgets to the Membership for ratification.

A copy of the proposed General and Water Budgets including proposed changes to the Fee Schedule are attached to this Ballot. The General and Water Budgets were published in the May Beachcomber issue and presented at the Annual Membership meeting held on June 10, 2017. The June Beachcomber issue will include these proposed Budgets. Also included is an Annual Reserve Fund Budget Disclosure document from Association Reserves.

Under the proposed General and Water Budgets, annual assessments would be \$1,968 per assessable unit for the Fiscal Year starting October 1, 2017. Please note: the Dolphin special assessment payments are not included in the HMC General Budget. Water Assessments will be billed quarterly at a Basic Rate of \$18/month plus actual water used in excess of 150 Average Daily Gallons with graduated tiers as shown below:

Tier 1:	151 to 400 ADG	\$.07 per ADG/month
Tier 2	401 to 800 ADG	\$.14 per ADG/month
Tier 3	Over 801 ADG	\$.21 per ADG/month

The HMC Board of Directors recommends ratification of these General and Water Budgets to continue supporting our Island operations.

HMC GENERAL ASSESSMENT

	Actual	Actual	Budget	Actual	Budget	Actual	Proposed	
	Oct '13 - Sep 14	Oct '14 - Sep 15	Oct '15 - Sep 16	Oct '15 - Sep 16	Oct '16 - Sep '17	Oct '16 - Mar 17	Oct '17 - Sep '18	
Assessable Units (AU)	394	389	384	384	382	382	379	
AU minus delinquents	389	383	376	376	374	374	371	Assumes delinquency factor of 8 Members
Total Income minus Assessments	222,399	222,041	191,120	221,218	189,970	97,584	202,470	
Total Expenses less Special Assessment	899,471	946,148	1,042,415	1,178,368	910,693	404,373	932,640	
Yearly Assessment per AU	1,741	1,891	2,264	2,546	1,928	821	1,968	
Total Assessments	677,072	724,107	851,295	957,150	721,097	307,163	730,170	
Monthly Assessment per AU	145	158	189	212	161	68	164	Members can pay monthly to HMC in advance
Budgeted Assessment per AU	1,753	1,753	2,264	2,264	1,928	1,928	1,968	
Special Assessment per AU	-	500	-	-	-	-	-	
Income								
Assessments	681,332	677,304	851,295	864,848	721,097	367,246	730,170	
Ferry Fees	174,200	183,083	170,000	188,002	175,000	67,711	180,000	Increase since the trend is showing a rise in amount of cars and people
Beachcomber Ads	640	500	600	600	600	140	600	
Renter's Fees, Copy, Fax and Notary	624	868	1,500	1,044	1,000	734	1,000	
Nsf Fees	315	125	300	140	250	35	250	
Postage	32	58	20	59	20	17	20	
Property Transfer fee	3,675	3,783	2,000	3,850	2,500	3,850	3,000	
Interest & Handling (Delinquent Accounts)	17,165	17,383	6,000	19,072	-	6,188	7,000	Actual trend shows that we should budget and this is being conservative since it is unknown the amount
Member Credit Card Fees	594	656	700	634	600	289	600	
Interest Earned (HMC Reserves and Other)	47	150	-	2,575	-	694	-	
Other Income (including Rules Fines)	13,470	473	-	769	-	2,712	-	
Attorney Collections (see note 3)	11,636	14,962	10,000	4,474	10,000	4,412	10,000	As our delinquency goes down this will to. So wanted to be conservative on amount
Water exp pd from HMC bank acct transferred back	-	-	-	-	-	10,801	-	
Gross Income	903,731	899,345	1,042,415	1,086,066	911,067	464,830	932,640	
Expense								
HMC Regular Operations								
Admin Salaries								
Medical Insurance	8,737	8,414	9,800	11,280	10,780	5,425	13,500	Assumes 7% increase
Retirement	2,720	3,065	2,720	3,262	2,618	1,781	3,460	
Payroll Taxes	9,313	10,755	8,415	11,663	8,166	5,889	11,510	
Gross Wages	89,122	95,082	89,000	102,211	98,000	54,826	96,000	Assumes 1,872 hrs Office Manager, 160 hrs office fill-ins, and 999 hrs for Island Manager
Water - % Admin Expense to Water	-	-	-	(8,826)	-	-	(24,890)	
Total Admin Salaries	109,892	117,316	109,935	119,591	119,564	67,922	99,580	
Labor (Roads, Parks, Bldg Maint and Cleaning)								
Gross Wages	4,485	3,533	15,840	4,862	16,236	3,738	16,630	Intend to use labor for maintenance even though actual has not been used in the past
Payroll Taxes	719	832	2,135	910	2,242	127	2,750	Budgeted 792 hours
Total Labor (Parks & Bldg Maint and Cleaning)	5,205	4,365	17,975	5,773	18,478	3,865	19,380	
Accountant/Auditor	6,582	6,123	6,500	6,523	6,500	380	16,100	Current auditor retired so assumes substantial increase for new auditor
Background Checks	-	357	200	585	400	445	400	
Bad Debt Write Off	-	-	1,500	5,165	1,500	2,828	-	
Bank Fees	60	150	200	171	200	80	200	
Community Asso. Institute	134	129	150	132	150	-	150	
Community Building Maintenance	2,269	375	1,000	1,107	1,000	653	1,000	
Contract Svcs for Junk Removal	-	-	100	-	100	-	100	
Credit Card Fees - Member Payments	797	897	800	742	800	263	800	
CrystalTech-Web hosting	-	170	100	71	100	71	100	
Education and Training	-	507	300	-	300	-	300	
Emergency Preparedness	647	596	1,000	-	500	70	500	
HMC Property Pre-Sale Expense	-	-	200	-	200	500	200	
Insurance - Other	-	439	-	-	-	400	-	
Insurance - Directors/Officers Ins	2,953	3,164	3,164	3,299	3,260	-	3,300	Assumes no increase as insurance for this fiscal year and the fiscal year prior were the same
Insurance - Crime (Break-ins and Theft)	501	501	501	501	516	-	500	
Insurance - 5 Million Excess Liability	10,000	10,000	10,000	9,000	10,300	-	9,000	
Insurance - 14 Million Excess Liability	9,000	9,000	9,000	9,500	9,270	-	9,500	
Island Security Costs	353	353	800	380	800	136	800	
Legal - Collection Costs	14,412	17,904	18,000	5,200	18,000	4,170	15,000	
Legal - General	21,760	4,708	12,000	4,248	12,000	2,829	12,000	
Mileage	-	270	250	57	300	368	300	
Miscellaneous Equipment	-	775	1,000	1,051	1,000	27	1,000	
Office Equipment	1,938	734	1,100	4,175	1,100	1,871	1,100	
Office Supplies	1,720	2,216	1,200	2,815	1,200	1,295	2,000	
Payroll Expenses	1,507	1,796	1,800	2,035	1,800	1,400	2,150	
Pension Administration Ferry Crew	595	595	650	595	650	595	600	
PO Box Fee	78	84	80	88	80	84	100	
Postage and Stamps	2,587	2,258	2,800	2,146	2,800	397	2,800	
Printing	1,431	836	1,500	847	1,500	1,000	1,500	
Removal of unsafe trees	5,356	8,038	8,000	8,177	8,000	5,042	9,000	Continuing to increase this budget each year
Reserve Analysis	3,160	3,160	1,390	1,560	1,390	625	1,800	
Software upgrades annual fee	-	-	-	-	1,100	658	-	

HMC GENERAL ASSESSMENT

	Actual	Actual	Budget	Actual	Budget	Actual	Proposed	
	Oct '13 - Sep 14	Oct '14 - Sep 15	Oct '15 - Sep 16	Oct '15 - Sep 16	Oct '16 - Sep '17	Oct '16 - Mar 17	Oct '17 - Sep '18	
State and County Taxes	1,385	1,640	2,000	1,225	3,000	1,641	1,300	
Telephone/Fax	2,609	2,802	2,600	2,800	2,600	1,388	2,800	
Utilities/Electric	1,158	988	1,400	1,093	1,400	881	1,400	
Total HMC Regular Operations before Reserves	208,088	203,247	219,195	200,651	231,858	101,885	216,760	
Reserve Legal-Cap \$35K, Bal \$34,550	-	-	-	-	-	-	450	To bring it up to cap amount
Reserve Community Bldg-Cap \$50K, Bal \$7K	1,500	1,500	1,500	1,500	1,500	1,500	3,600	To increase in preparation for roof and septic
Total HMC Regular Operations with Reserves	209,588	204,747	220,695	202,151	233,358	103,385	220,810	
Piles, Dolphins and Ferry Ramp Expenses								
DNR Lease Annual	113	126	225	142	225	680	1,000	Estimating Lease, actual known after Dolphin project is completed
Dolphin Expenses	-	-	-	182,303	-	-	-	These expenses are using roll over excess funds since there have been no reserves used to date.
From Reserves	-	-	-	-	-	-	-	
Ferry Ramp Generator Maintenance and Fuel	793	1,414	1,000	6,154	1,500	971	3,500	
Garbage - Ferry	339	180	350	218	350	110	300	
Insurance - Docks and Piers	15,497	15,497	15,497	-	15,962	-	14,860	
Inspection-Pierce Cty Inspection and Maintenance	4,157	-	1,000	-	1,000	1,559	-	
From Reserves	-	-	-	-	-	-	-	
Parts and Supplies	3,385	121	1,000	-	1,000	29	1,000	
Ramp Painting	14,352	318,090	58,656	13,698	-	-	-	
From Reserves	-	(278,000)	(69,500)	(58,656)	-	-	-	
Repairs/Maintenance	5,407	6,147	4,000	4,308	4,000	13,617	5,000	Electrical repairs on Ramps
Repairs Cable Replacement	27,200	-	-	-	-	-	-	
From Reserves	-	-	-	-	-	-	-	
Sanikans	2,851	3,099	3,400	4,342	3,400	1,181	3,400	
Utilities/Electric	1,601	1,599	1,840	1,751	1,840	757	1,840	
Total Piles, Dolphins, Ferry Ramps before Reserves	75,692	68,273	17,468	154,260	29,277	18,904	30,900	
Reserves Docks and Dolphins-Cap\$1.7M, Bal \$381,908 will be used for 2017 project	9,000	94,000	151,680	151,680	18,750	18,750	-	Dolphin project will complete during FY 17/18, therefore, no reserve funds budgeted
Reserves Ferry Terminal Structures-Cap \$2.3M, Bal \$0	-	-	-	-	-	-	-	This is part of the reserve study and therefore has been added as a new reserve fund to consider for future years
Reserves Ramp Painting and Wood Decks-Cap \$347K, Bal \$23,964	33,500	34,000	1,000	59,656	1,000	1,000	-	Will start budgeting reserve next fiscal year
Special Assessment - Ramp Painting	-	191,500	-	-	-	-	-	
Reserves Ramp Inspections-Note 5 Cap \$19K, Bal \$22.5K	3,000	2,500	7,500	7,500	3,500	3,500	-	Able to hold off on reserve until next fiscal year when it is due
Reserves Generator Replacement-Cap \$38K, Bal \$3.3K	-	-	-	-	3,300	3,300	6,600	Increased to get this closer to cap amount
Reserves Cable Replacement-Cap \$28K, Bal \$38K	20,000	6,000	4,000	4,000	3,000	3,000	-	No funding needed as this reserve is over cap amount
Total Piles, Dolphins, Ferry Ramps with Reserves	141,192	396,273	181,648	377,096	58,827	48,454	37,500	
Ferry								
Ferry Salaries & Benefits								
Medical Insurance	34,868	40,979	40,870	46,345	49,044	21,041	53,980	Assumes 7% increase
Retirement-Employer	13,844	13,722	17,008	13,478	17,365	7,274	15,370	
Payroll Taxes	24,123	26,426	25,584	28,495	27,462	13,748	29,830	
Gross Wages	249,701	266,154	291,541	284,371	311,484	144,407	323,820	Stand by Captains and Deckhands wage has been increased to be the same as the contract. There are no benefits for stand bys
Total Ferry Salaries & Benefits	322,536	347,280	375,003	372,690	405,355	186,471	423,000	
Cellphone	457	362	600	564	500	1,159	1,500	
Ticketing Device/System	-	-	-	-	2,200	109	1,000	For replacement/damage of one IPAD
Drug Testing	1,453	868	1,400	1,331	1,400	673	1,400	
Engine Overhaul / Replacement	56,647	-	-	-	-	-	51,600	This will be reviewed and determine if needed
From Reserves	(50,000)	-	-	-	-	-	(51,600)	If there is, all work will use reserve funds
Equipment	5,861	-	2,000	5,492	2,000	200	2,500	
Fuel	54,014	45,237	70,000	46,559	50,000	20,200	57,000	Estimated how often fuel is needed and rate
Inspections and Licensing	682	1,201	1,500	626	1,500	626	900	
Insurance - Commercial Package	6,972	7,404	7,447	22,704	7,671	-	7,380	Assumes no increase as insurance for this fiscal year and the fiscal year prior were the same
Insurance - Marine Package	18,600	17,910	17,910	17,732	18,447	-	17,730	This is lower since it is not a contract year
Insurance - Vessel Pollution	747	747	747	747	770	-	750	
Legal Fees - IBU Attorney	-	-	1,000	927	3,300	3,937	1,000	
Miscellaneous	1,061	2,608	2,000	1,376	2,000	97	1,500	
Passenger Vessel Asso.	474	488	500	503	500	-	530	
Personal Property & Excise	4,596	4,487	5,000	4,561	5,000	1,581	4,830	
Rentals for fill in Captains/Deck Hands	480	1,040	600	2,760	1,000	720	2,000	Assumes 100/night rental cost increase from 40/night and 20 estimate nights
Repairs	4,595	-	5,000	889	5,000	1,611	2,500	
Routine Maintenance & Supplies	10,487	8,365	6,500	8,444	6,500	1,758	9,000	To bring budget closer to actual
Sheds (waiting, oil and school)	-	-	300	-	300	-	-	
Ship Yard	31,720	75,862	-	1,572	-	67,208	95,300	Shipyard due to go in Sep 2018
From Reserves	(30,000)	-	-	-	-	(85,000)	(95,300)	All Shipyard expenses will use reserve funds
Supplies, Paper Products, Water	550	574	1,000	830	1,000	167	880	

HMC GENERAL ASSESSMENT

	Actual	Actual	Budget	Actual	Budget	Actual	Proposed	
	Oct '13 - Sep 14	Oct '14 - Sep 15	Oct '15 - Sep 16	Oct '15 - Sep 16	Oct '16 - Sep 17	Oct '16 - Mar 17	Oct '17 - Sep '18	
Tickets & Passes & Stickers	1,859	2,359	2,000	1,668	2,000	1,016	1,770	
Uniforms	1,621	1,137	1,200	1,163	1,200	1,358	1,000	
Total Ferry before Reserves	445,411	517,929	501,707	493,138	517,643	203,892	538,170	
Reserve Ferry Replacement-Cap \$1.545M, Bal \$5K	1,000	1,000	1,000	1,000	1,000	1,000	1,000	Standard annual \$250 for the four regular ferry crew per IBU contract
Reserve Shipyard - Note 1 Cap \$95.3K, Bal \$63K	49,000	40,000	40,000	40,000	-	-	32,300	To cap reserve amount in preparation for bi-annual shipyard expected Sep 2018
Reserve Ferry Engine Transmissions-Note 2 Cap \$246.3K, Bal \$32.75K	9,000	6,250	9,500	9,500	2,000	2,000	9,500	
Special Assessment - Ferry Engines	-	-	-	-	-	-	-	
Reserve - Legal IBU Attorney Cap \$20K, Bal \$10K	-	-	2,500	2,500	7,500	7,500	2,500	For contract negotiations and maintenance above operational budget in Legal Fees-IBU Attorney
Accrued Sick Leave carryforward-Cap \$5K, Bal \$5K	-	-	-	-	5,000	5,000	-	This was a one time reserve until used and is expected to stay cap of \$5K
Total Ferry with Reserves	504,411	565,179	554,707	546,138	533,143	219,392	583,470	
Parks								
Garbage Pick Up	700	589	700	564	700	245	660	
Maint - General upkeep including park parking	83	8	3,300	135	3,300	-	-	
Maint - Lawn Equipment	3,221	-	200	-	200	-	500	
From Reserves	(3,200)	-	-	-	-	-	-	
Maint - Parks Shed (lawn shed)	-	-	-	74	-	74	-	
Maint - NB Pavilion Building and NB parking	-	-	-	1,579	-	(37)	-	
Miscellaneous	-	-	100	-	100	-	-	
Parks Development-Picnic Tables	-	-	-	-	-	-	1,400	Budget for two Picnic Tables
Playground Improvement	-	2,702	500	170	500	170	180	
From Reserves	-	-	-	-	-	-	-	
Sanikans	3,134	2,938	3,300	2,602	3,300	876	3,000	
Small Boat Dock Pilings	-	-	-	-	-	-	-	
From Reserves	-	-	-	-	-	-	-	
Small Boat Dock - Maint & Improvements	(2,857)	282	750	3,073	750	3,190	200	
Small Boat Dock - Removal and Install	2,060	2,133	2,500	2,196	2,500	3,105	2,500	
Supplies & Equipment Repairs	674	549	1,000	372	1,000	-	400	
Utilities/Electric	543	658	700	608	700	334	650	
Total Parks before Reserves	4,357	9,858	13,050	11,374	13,050	7,958	9,490	
Reserves Small Boat Dock-Cap \$422K, Bal \$0	-	-	-	-	-	-	5,000	New Item this year which follows the reserve study
Reserves Parks General-Cap \$36K, Bal \$14,116	500	1,000	1,000	1,000	1,000	1,000	5,000	This was increased to include lawn mower replacement due in about three years
Total Parks with Reserves	4,857	10,858	14,050	12,374	14,050	8,958	19,490	
Roads (ferry island/mainland lots)								
Auto Insurance (Dust Control Truck)	820	815	815	811	815	-	1,070	Used actual FY 16-17 assumes no increase
Dust Control Truck	1,487	786	2,000	1,693	2,000	-	1,800	
Road Maintenance Contract Costs	14,702	21,826	48,000	14,989	48,000	4,397	25,000	Includes an \$8K budget for Road Grading \$4K 2x per year
Ferry Road Asphalt replacement	-	-	-	-	-	-	40,000	Expected to repave Ferry Hill Road
From Reserves	-	-	-	-	-	-	(40,000)	All expenses will use reserve funds
Road & Ditch Materials only	9,414	45,165	3,500	6,117	3,500	2,787	11,000	The increase is for additional gravel needed
From Reserves	-	(40,000)	-	-	-	-	-	
Total Roads before Reserves	26,422	28,592	54,315	23,610	54,315	7,184	38,870	
Reserves Gravel-Cap \$45K, Bal \$40.24K	10,000	10,000	10,000	10,000	10,000	10,000	5,000	Decrease due to reached cap amount
Reserves Ferry Hill road asphalt-Cap 42K, Bal \$15K	-	5,000	5,000	5,000	5,000	5,000	25,000	To fully reserve for this expense
Reserves Road Equipment-Cap \$15.5K, Bal \$9.5K	3,000	2,000	2,000	2,000	2,000	2,000	2,500	Increase to prepare for replacement of Dust Truck
Total Roads with Reserves	39,422	45,592	71,315	40,610	71,315	24,184	71,370	
Total Expenses before Reserves	759,971	827,898	805,735	883,032	846,143	339,823	834,190	
Total Expenses including Reserves	899,471	1,222,648	1,042,415	1,178,368	910,693	404,373	932,640	
Net Income (Loss) - Note 4	4,260	(323,304)	-	(92,302)	374	60,457	-	
Reserve funding and Special Assessments	139,500	394,750	236,680	295,336	64,550	64,550	98,450	
Reserves used	(83,200)	(318,000)	(69,500)	(58,656)	-	(85,000)	(186,900)	

General note: This budget was generated based on analysis of the last five years of actual expenses

Note 1: Ferry goes into dry dock every two years on the even year

Note 2: New engines go into shipyard for rebuild every five years but has been extended for next service to be 2020.

Note 3: Legal fee expense is partially offset by legal fee income. This allows for accounting requirements.

Note 4: Unexpended funds from prior FY year will be allocated to appropriate reserves. Refer to Auditors report.

Note 5: Mainland every 2 years 2019 next inspection, Island every 4 years 2019 next inspection. 2019 has both, 2021 only Mainland

Note 6: All reserves were reviewed against the 2016-2017 Reserve Study report since the current 2017-2018

Reserve Study report was not available during the time the budget was being constructed.

Per Reserve Study 2016

	Useful Life	Remaining Useful Life	Estimated Cost	Fully Funded	Assumed Fund %	Some will be partial funded	Balance after 16-17 funding	Funding FY 17/18	Balance - After FY 17/18 funding
1 Legal - General	-	-	35,000	35,000	100%	35,000	34,550	450	35,000
2 Community Building & Sheds and Septic			,650	1 , 7		1 , 7	7,000	3,600	10,600
2a Community Building Siding	50	38	22,150	5,316	100%	5,316			
2b Community Building Roof	40	25	17,500	6,563	100%	6,563			
2c Community Building Septic	50	15	10,000	7,000	100%	7,000			
3 Docks and Dolphins	50	50	1,700,000	-	50%	-	381,908	-	381,908
4 Ramp Painting and Wood Decks (look at next year)			7,000	21,750		10, 75	23,964	-	23,964
4a Ramp Painting	12	11	175,000	14,583	50%	7,292			
4b Ramp Wood Decks	24	23	172,000	7,167	50%	3,583			
5 Ferry Terminal Structures (Look at next year)	60	34	2,317,500	1,004,250	50%	502,125	-	-	-
6 Ramp Inspections - Required by Pierce County. Mainland every 2 years, Island every 4 years. 2019 both are expected.	2	2	18,550	-	100%	-	22,500	-	22,500
7 Ramp Generators Replacement	20	10	37,600	18,800	100%	18,800	3,300	6,600	9,900
8 Ramp Cable Replacement - Recurring 5-6 year expense cycle. Replacement is 2020	6	3	28,350	14,175	100%	14,175	38,000	-	38,000
9 Ferry Legal Fees IBU Attorney. Estimated cost is \$20,000 every three years. Next contract is 2020	NA	NA	NA	NA	100%		10,000	2,500	12,500
10 Ferry Accrued Leave - sick leave bank	NA	NA	NA	NA	100%		5,000	-	5,000
11 Ferry Replacement	60	32	1,545,000	721,000	50%	360,500	5,000	1,000	6,000
12 Ferry Shipyard - Next cycle is 2018. Note 1	2	-	95,300	95,300	100%	95,300	63,000	32,300	95,300
13 Ferry Engine and Transmissions			2 6, 00	6 ,772		6 ,2 2	32,750	9,500	42,250
13a Ferry Engine and Transmissions Overhaul-Next cycle id 2020 Note 2	5	-	51,600	51,600	100%	51,600			
13b Ferry Engine Replace	50	46	162,250	12,980	50%	6,490			
13c Ferry Engine Transmissions Replace	25	21	32,450	5,192	100%	5,192			
14 Parks - General			6,170	16,7 1		16,7 1	14,116	5,000	19,116
14a Parks - Play equipment	10	-	10,000	10,000	100%	10,000			
14b Parks - Basketball Court	30	26	18,550	2,473	100%	2,473			
14c Parks - Pavilion Roof	25	11	7,620	4,267	100%	4,267			
15 Small Boat Docks-floats, trestle/ramp, gangway, and pilings			22,075	1 , 60		6 , 0	-	5,000	5,000
15a Small Boat Docks - floats, trestle/ramp, gangway and maintenance	30	14	216,075	115,240	50%	57,620			
15b Small Boat Docks - Pilings	50	44	206,000	24,720	50%	12,360			
16 Roads Gravel General	5	2	45,000	27,000	100%	27,000	40,240	5,000	45,240
17 Roads Ferry Hill Black Top Repairs	25	1	42,000	40,320	100%	40,320	15,000	25,000	40,000
18 Roads Equipment - Dust/Water Truck	12	-	15,500	15,500	100%	15,500	9,500	2,500	12,000
			6,980,995	2,238,446		1,288,476	705,828	98,450	804,278

HMC WATER		Actual	Actual	Budget	Actual	Budget	Actual	Proposed
		Oct '13 - Sep 14	Oct '14 - Sep 15	Oct '15 - Sep 16	Oct '15 - Sep 16	Oct '16 - Sep '17	Oct '16 - Mar 17	Oct '17 - Sep '18
Assessable Connections		399	397	397	397	397	397	397
Connections minus delinquents		394	390	389	389	389	389	389
Base Fee per Connection		109	129	125	110	127	181	132
Reserve Fee per Connection		84	97	91	91	89	89	84
Tier 2 and Above Excess Water Fee		-	-	14,604	6,124	14,604	5,783	12,056
Base Assessment per Connection - Annual		193	226	216	201	216	269	216
Base Assessment per Connection - Monthly		16	19	18	17	18	22	18
Base Total Assessments - All Connections		75,973	88,119	84,025	78,250	84,024	104,782	84,024
Note: Base assessment does not include water usage above base or USDA loan repayment if applicable.								
Budgeted Base Assessment per Connection - Mthly		20	18	18	18	18	18	18
Income								
Base Fees		66,981	62,517	48,618	50,508	48,618	49,107	51,224
Usage Fees		-	-	14,604	6,124	14,604	5,783	12,056
Other		858	2,842	-	1,277	-	250	1,000
Water Interest & Handling		11,990	10,383	-	12,096	-	3,957	12,100
Water Hook Up fee		-	50	-	100	-	-	100
Total Income before Reserves and USDA		79,829	75,792	63,222	70,106	63,222	59,097	76,480
Reserves		33,000	37,752	35,406	35,406	34,626	34,517	32,800
USDA Water Special Assessment		54,351	54,410	53,278	54,485	53,278	10,382	53,278
Total Income		167,180	167,954	151,906	159,996	151,126	103,996	162,558
Expense								
Accountant/Auditor		-	985	1,000	1,460	1,000	1,740	3,600
Bad Check		-	-	200	30	200	-	100
Bank Fee		-	-	50	10	50	-	50
Cell Phone		-	-	250	338	250	102	250
Contract Manager - NWS		5,409	4,745	7,000	5,719	5,000	2,475	5,000
Excise Tax		4,461	7,505	4,250	5,826	8,300	5,087	8,000
Insurance		-	1,682	2,160	1,459	1,800	1,077	2,000
Legal		-	3,431	1,000	396	1,000	226	1,000
Membership Fees		-	5	100	-	-	-	-
Mileage Reimbursement		243	665	400	328	400	70	400
Miscellaneous		1,661	5,355	500	1,356	6,000	720	500
Other		-	-	-	25	-	583	500
Permits & License		639	2,348	500	2,577	500	142	2,500
Postage and Admin (Mailing)		396	1,076	1,000	1,333	1,000	765	1,500
Printing		-	49	-	145	-	-	100
Repairs - Parts		-	1,244	2,000	-	2,000	-	2,000
Software upgrades annual fee		-	-	-	-	900	-	900
Supplies		11,751	5,667	-	1,559	-	5,683	1,000
Supplies & Repairs - Contractors		931	17	2,000	1,826	1,000	-	2,000
Utilities		2,881	2,634	2,600	2,311	3,000	1,083	3,000
Wages - EE benefits % (Pension, Insurance)		696	526	605	741	654	333	3,390
Wages - Administrative %		13,006	15,029	23,468	22,117	14,000	10,239	19,200
Wages - Taxes %		-	1,990	1,833	2,137	1,200	1,010	2,300
Wages - Water Dept Manager, Meter Reading		9,571	8,020	10,058	9,674	10,000	4,381	13,950
Wages - Payroll Taxes		1,982	1,329	1,500	1,768	2,000	1,010	2,240
Water Sample Test		2,194	474	750	513	750	524	1,000
Total Water Expenses before Reserves and Water Assessment		55,821	64,774	63,223	63,649	61,004	37,250	76,480
To Water Reserve (Cap is \$1,800,000 - Balance is \$263,957)		33,000	37,752	35,406	35,406	34,626	34,626	32,800
USDA Water Special Assessment		54,351	53,278	53,278	53,278	53,278	53,278	53,278
Total Operating Expense		143,172	155,804	151,907	152,333	148,908	125,154	162,558
Net Income (Loss)		24,008	12,150	(1)	7,664	2,218	(21,158)	-

General note: Every five years a Sanitary Survey is done by the Health Department. 2020 is the next cycle year for the survey to be done.

2017/2018 HMC Fee Schedule

Monthly Handling Fee for Delinquent Accounts:	
For balances of \$100.00 or less	\$ 15.00
For balances of \$100.01 or more	\$ 30.00
Interest	1% Monthly or 12% per Annum
Non-Sufficient Funds (NSF)	\$ 35.00
Office/Research per hour	\$ 43.00
Placing and Releasing Liens	HMC Attorney Rates at the time
Lost Vehicle Decal Replacement	\$ 5.00
Special Ferry Run (per run)	\$175.00
Copies: Black/White each	\$ 0.20
Color each	\$ 1.00
FAX – Incoming/Outgoing per page	\$ 1.00
Scan & Email per page	\$ 1.00
Member Credit Card Fee	6%
Renter's Application Fee	\$ 60.00
Renter's Annual Renewal Fee (billed in full in October)	\$ 30.00
Beachcomber Ads – per ¼ page	\$ 20.00
Beachcomber Mailing	\$ 22.50/year or \$2.50 per issue
Returned Mail	Post Office Rate
Notary Services	\$ 10.00
Postage for Ferry Tickets	\$ 2.00
Community Center Building Rental + Damage Deposit	\$100.00
Ferry Charge Billing Fee:	\$ 5.00 per month billed

NOTE: Payment to HMC will be due by the 25th. All billings will now reflect a due date of the 25th.

(Applies only to private parties – up to \$50.00 refundable). See HMC Rule D-2. (Events open to the entire community need member signature, \$50 deposit; \$50 deposit will be refunded if hall is left clean.)

Property and Water Account Transfer Ownership Fee	\$175.00
Water Availability Letter (Completed by Island Manager)	\$ 50.00
Water Connection Repair Admin Fee	\$ 50.00
(Repair expense will be actual cost charged by approved contractor)	
Emergency Water Repair (HMC equipment only damaged by Member)	\$125.00 per hour

New Water Connection fee includes 3 components:

1. Admin Fee \$ 50.00
2. New Water Connection Installation expense will be **actual cost** charged by approved contractor.
3. Capital Cost Recovery 2012/2013 Water Project Special Assessment of \$980.10, prorated since inception April 2013. Plus monthly charge of \$14.85, billed quarterly at \$44.55 for the next 35 years.

OR:

Pay the total balance of \$7,128.20, the per-connection proportionate share.

Water Cross Connection Administration Fee	\$ 50.00
Water Shut-Off Fee	\$ 50.00
Water Reestablish Connection Fee	\$ 50.00
Water Inactive Status/install lock	\$ 50.00
Return Water to Active Status/remove lock	\$ 50.00
Meter Box Lid Replacement	\$ 50.00
Meter Box Replacement	\$100.00
Meter Replacement	\$500.00
Antenna Replacement	\$500.00
Meter Setter Replacement	\$500.00
Voluntary Water Service Turn Off	\$ 10.00
Ditch Clean Out Fee per Hour	\$125.00

Assessment and Reserve Funding Disclosure Summary

HMC Management - Lakebay, WA

For Fiscal Year Beginning: 10/1/2017

of Units: 379

a) Budgeted Amounts:	Total	Average Per Unit*	
Reserve Contributions:	\$98,450.00	\$259.76	
Operating Assessments:	\$730,170.00	\$1,926.57	per: Year

Recommended amount:	Total	Average Per Unit*	
Reserve Contributions:	\$338,200.00	\$892.35	per: Year
Special Assessment:	\$0.00	\$0.00	# years: 0
Funding Plan Objective:	Full Funding		

Notes:

- b) Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Due	Total Amount Per Unit*	Purpose
N/A		
N/A		
Total:		\$0.00

Notes:

- c) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently budgeted Reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? ☒
- d) If the answer to "c" is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*
2039	\$475
N/A	
N/A	
N/A	
Total:	\$474.93

Notes:

e) All computations/disclosures are based on the fiscal year start date of:	10/1/2017
Fully Funded Balance:	\$2,275,211.00
Projected Reserve Fund Balance:	\$619,601.00
Percent Funded:	27.2%
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$4,368.36
From the 5/2/2017 Reserve Study by Association Reserves and any minor changes since that date.	

* If assessments vary by the size or type of unit, allocate as noted within your Governing Documents.

- f/g) See attached 30-yr Summary Tables, showing the projected Reserve Funding Plan, Reserve Balance, and Percent Funded, under the recommended and actual budgeted Reserve Funding Plans.

Prepared by: Association Reserves (Rachel Drew)

Date: 6/15/2017

The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.

30-yr Summary (Standard)
As budget by Association for FY 2017/2018

Client: 24901-4

Fiscal Year Start: 2017					Interest: 1.00%		Inflation: 3.00%	
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2017	\$619,601	\$2,275,211	27.2%	High	\$98,450	\$0	\$6,543	\$35,000
2018	\$689,594	\$2,528,900	27.3%	High	\$101,404	\$0	\$6,223	\$241,607
2019	\$555,614	\$2,584,039	21.5%	High	\$104,446	\$0	\$5,859	\$49,173
2020	\$616,746	\$2,845,883	21.7%	High	\$107,579	\$0	\$6,067	\$133,203
2021	\$597,189	\$3,036,081	19.7%	High	\$110,806	\$0	\$6,556	\$0
2022	\$714,551	\$3,376,444	21.2%	High	\$114,131	\$0	\$7,101	\$129,607
2023	\$706,175	\$3,601,002	19.6%	High	\$117,554	\$0	\$7,366	\$63,524
2024	\$767,572	\$3,908,064	19.6%	High	\$121,081	\$0	\$7,460	\$171,014
2025	\$725,099	\$4,121,558	17.6%	High	\$124,714	\$0	\$7,911	\$0
2026	\$857,723	\$4,525,772	19.0%	High	\$128,455	\$0	\$8,338	\$183,973
2027	\$810,543	\$4,761,038	17.0%	High	\$132,309	\$0	\$7,328	\$294,586
2028	\$655,593	\$4,898,100	13.4%	High	\$136,278	\$0	\$6,130	\$227,111
2029	\$570,889	\$5,117,702	11.2%	High	\$140,366	\$0	\$6,108	\$66,084
2030	\$651,280	\$5,518,948	11.8%	High	\$144,577	\$0	\$6,326	\$187,679
2031	\$614,504	\$5,816,463	10.6%	High	\$148,914	\$0	\$5,229	\$336,854
2032	\$431,794	\$5,979,010	7.2%	High	\$153,382	\$0	\$4,074	\$205,994
2033	\$383,255	\$6,291,269	6.1%	High	\$157,983	\$0	\$4,215	\$85,370
2034	\$460,083	\$6,747,491	6.8%	High	\$162,723	\$0	\$4,126	\$261,398
2035	\$365,534	\$7,046,753	5.2%	High	\$167,605	\$0	\$4,514	\$0
2036	\$537,653	\$7,635,216	7.0%	High	\$172,633	\$0	\$5,452	\$162,550
2037	\$553,188	\$8,085,217	6.8%	High	\$177,812	\$0	\$6,450	\$0
2038	\$737,450	\$8,727,796	8.4%	High	\$183,146	\$0	\$6,105	\$442,601
2039	\$484,100	\$8,945,774	5.4%	High	\$188,640	\$0	\$1,919	\$774,776
2040	\$-100,117	\$8,840,512	0.0%	High	\$194,300	\$0	\$0	\$182,951
2041	\$-88,769	\$9,354,403	0.0%	High	\$200,129	\$0	\$113	\$0
2042	\$111,473	\$10,085,264	1.1%	High	\$206,132	\$0	\$622	\$305,273
2043	\$12,954	\$10,537,127	0.1%	High	\$212,316	\$0	\$0	\$249,194
2044	\$-23,923	\$11,074,218	0.0%	High	\$218,686	\$0	\$0	\$373,732
2045	\$-178,969	\$11,513,479	0.0%	High	\$225,246	\$0	\$0	\$0
2046	\$46,277	\$12,365,620	0.4%	High	\$232,004	\$0	\$307	\$263,464

30-yr Summary (Standard)

Client: 24901-4

As recommended by Reserve Study Provider for FY 2017/2018

Fiscal Year Start: 2017					Interest: 1.00%		Inflation: 3.00%	
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2017	\$619,601	\$2,275,211	27.2%	High	\$338,200	\$0	\$7,747	\$35,000
2018	\$930,548	\$2,528,900	36.8%	Medium	\$348,346	\$0	\$9,884	\$241,607
2019	\$1,047,172	\$2,584,039	40.5%	Medium	\$358,796	\$0	\$12,075	\$49,173
2020	\$1,368,871	\$2,845,883	48.1%	Medium	\$369,560	\$0	\$14,939	\$133,203
2021	\$1,620,166	\$3,036,081	53.4%	Medium	\$380,647	\$0	\$18,188	\$0
2022	\$2,019,001	\$3,376,444	59.8%	Medium	\$392,066	\$0	\$21,601	\$129,607
2023	\$2,303,062	\$3,601,002	64.0%	Medium	\$403,828	\$0	\$24,846	\$63,524
2024	\$2,668,213	\$3,908,064	68.3%	Medium	\$415,943	\$0	\$28,035	\$171,014
2025	\$2,941,177	\$4,121,558	71.4%	Low	\$428,422	\$0	\$31,699	\$0
2026	\$3,401,298	\$4,525,772	75.2%	Low	\$441,274	\$0	\$35,462	\$183,973
2027	\$3,694,061	\$4,761,038	77.6%	Low	\$454,513	\$0	\$37,914	\$294,586
2028	\$3,891,901	\$4,898,100	79.5%	Low	\$468,148	\$0	\$40,309	\$227,111
2029	\$4,173,246	\$5,117,702	81.5%	Low	\$482,192	\$0	\$44,014	\$66,084
2030	\$4,633,369	\$5,518,948	84.0%	Low	\$496,658	\$0	\$48,099	\$187,679
2031	\$4,990,447	\$5,816,463	85.8%	Low	\$511,558	\$0	\$51,011	\$336,854
2032	\$5,216,162	\$5,979,010	87.2%	Low	\$526,905	\$0	\$54,013	\$205,994
2033	\$5,591,086	\$6,291,269	88.9%	Low	\$542,712	\$0	\$58,465	\$85,370
2034	\$6,106,892	\$6,747,491	90.5%	Low	\$558,993	\$0	\$62,844	\$261,398
2035	\$6,467,332	\$7,046,753	91.8%	Low	\$575,763	\$0	\$67,863	\$0
2036	\$7,110,957	\$7,635,216	93.1%	Low	\$593,036	\$0	\$73,599	\$162,550
2037	\$7,615,041	\$8,085,217	94.2%	Low	\$610,827	\$0	\$79,569	\$0
2038	\$8,305,437	\$8,727,796	95.2%	Low	\$629,152	\$0	\$84,373	\$442,601
2039	\$8,576,360	\$8,945,774	95.9%	Low	\$648,026	\$0	\$85,521	\$774,776
2040	\$8,535,131	\$8,840,512	96.5%	Low	\$667,467	\$0	\$88,177	\$182,951
2041	\$9,107,824	\$9,354,403	97.4%	Low	\$687,491	\$0	\$94,950	\$0
2042	\$9,890,265	\$10,085,264	98.1%	Low	\$708,116	\$0	\$101,381	\$305,273
2043	\$10,394,489	\$10,537,127	98.6%	Low	\$729,359	\$0	\$106,834	\$249,194
2044	\$10,981,488	\$11,074,218	99.2%	Low	\$751,240	\$0	\$112,216	\$373,732
2045	\$11,471,212	\$11,513,479	99.6%	Low	\$773,777	\$0	\$119,126	\$0
2046	\$12,364,115	\$12,365,620	100.0%	Low	\$796,990	\$0	\$126,889	\$263,464

Assessment and Reserve Funding Disclosure Summary

HMC Water System - Lakebay, WA

For Fiscal Year Beginning: 10/1/2017

of Units: 397

a) Budgeted Amounts:	Total	Average Per Unit*	
Reserve Contributions:	\$32,800.00	\$82.62	
Operating Assessments:	\$84,024.00	\$211.65	per: Year

Recommended amount:	Total	Average Per Unit*	
Reserve Contributions:	\$77,000.00	\$193.95	per: Year
Special Assessment:	\$0.00	\$0.00	# years: 0
Funding Plan Objective:	Full Funding		

Notes:

- b) Additional assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date Due	Total Amount Per Unit*	Purpose
N/A		
N/A		
Total:		\$0.00

Notes:

- c) Based on the most recent Reserve Study and other information available to the Board of Directors, will currently budgeted Reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years? **Yes**
- d) If the answer to "c" is no, what additional assessments or other contributions/loans to Reserves would be necessary to ensure that sufficient Reserve Funds will be available each year during the next 30 years?

Approximate Fiscal Year Assessment Will Be Due	Average Total Amount Per Unit*
N/A	
N/A	
N/A	
N/A	
	Total: \$0.00

Notes:

e) All computations/disclosures are based on the fiscal year start date of:	10/1/2017
Fully Funded Balance:	\$348,069.00
Projected Reserve Fund Balance:	\$263,957.00
Percent Funded:	75.8%
Reserve Deficit (surplus) on a mathematical avg-per-unit* basis:	\$211.87
From the 3/15/2017 Reserve Study by Association Reserves and any minor changes since that date.	

* If assessments vary by the size or type of unit, allocate as noted within your Governing Documents.

- f/g) See attached 30-yr Summary Tables, showing the projected Reserve Funding Plan, Reserve Balance, and Percent Funded, under the recommended and actual budgeted Reserve Funding Plans.

Prepared by: Association Reserves (Rachel Drew)

Date: 6/15/2017

The financial representations at the time of preparation are based on the Reserve Study for the fiscal year shown at the top of this page and the best estimates of the preparer. These estimates should be expected to change from year to year. Some information on this form has been provided to Association Reserves, and has not been independently verified.

30-yr Summary (Standard)

Client: 26621-3

As budget by the Association for FY 2017-2018

Fiscal Year Start: 2017					Interest: 1.00%		Inflation: 3.00%	
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2017	\$263,957	\$348,069	75.8%	Low	\$32,800	\$0	\$2,801	\$3,000
2018	\$296,558	\$415,553	71.4%	Low	\$33,784	\$0	\$3,083	\$13,081
2019	\$320,345	\$476,481	67.2%	Medium	\$34,798	\$0	\$3,393	\$0
2020	\$358,535	\$554,569	64.7%	Medium	\$35,841	\$0	\$3,771	\$2,185
2021	\$395,962	\$634,663	62.4%	Medium	\$36,917	\$0	\$4,163	\$0
2022	\$437,042	\$721,381	60.6%	Medium	\$38,024	\$0	\$3,842	\$147,274
2023	\$331,634	\$661,039	50.2%	Medium	\$39,165	\$0	\$3,491	\$7,403
2024	\$366,887	\$745,045	49.2%	Medium	\$40,340	\$0	\$3,545	\$68,258
2025	\$342,514	\$771,045	44.4%	Medium	\$41,550	\$0	\$3,637	\$2,534
2026	\$385,167	\$867,739	44.4%	Medium	\$42,797	\$0	\$4,084	\$0
2027	\$432,048	\$972,229	44.4%	Medium	\$44,080	\$0	\$4,562	\$0
2028	\$480,690	\$1,082,208	44.4%	Medium	\$45,403	\$0	\$5,007	\$9,966
2029	\$521,134	\$1,187,645	43.9%	Medium	\$46,765	\$0	\$5,449	\$4,277
2030	\$569,070	\$1,304,601	43.6%	Medium	\$48,168	\$0	\$5,903	\$11,014
2031	\$612,128	\$1,420,700	43.1%	Medium	\$49,613	\$0	\$6,399	\$0
2032	\$668,139	\$1,554,275	43.0%	Medium	\$51,349	\$0	\$4,633	\$465,334
2033	\$258,787	\$1,215,293	21.3%	High	\$53,147	\$0	\$2,819	\$9,468
2034	\$305,285	\$1,338,493	22.8%	High	\$55,007	\$0	\$3,343	\$0
2035	\$363,635	\$1,478,036	24.6%	High	\$56,932	\$0	\$3,896	\$8,512
2036	\$415,952	\$1,615,979	25.7%	High	\$58,925	\$0	\$4,426	\$9,644
2037	\$469,658	\$1,759,966	26.7%	High	\$60,987	\$0	\$5,025	\$0
2038	\$535,669	\$1,921,369	27.9%	High	\$63,122	\$0	\$5,631	\$13,394
2039	\$591,028	\$2,077,077	28.5%	High	\$65,331	\$0	\$6,266	\$0
2040	\$662,624	\$2,254,607	29.4%	High	\$67,617	\$0	\$6,977	\$3,947
2041	\$733,271	\$2,436,854	30.1%	Medium	\$69,984	\$0	\$7,687	\$6,098
2042	\$804,844	\$2,625,914	30.7%	Medium	\$72,433	\$0	\$6,303	\$427,214
2043	\$456,366	\$2,390,562	19.1%	High	\$74,969	\$0	\$4,927	\$6,901
2044	\$529,360	\$2,584,850	20.5%	High	\$77,592	\$0	\$5,708	\$0
2045	\$612,660	\$2,795,965	21.9%	High	\$80,308	\$0	\$6,535	\$4,576
2046	\$694,928	\$3,012,707	23.1%	High	\$83,119	\$0	\$7,399	\$0

30-yr Summary (Standard)

Client: 26621-3

Recommended by Reserve Study Provider for FY 2017-2018

Fiscal Year Start: 2017					Interest:	1.00%	Inflation:	3.00%
Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)					Projected Reserve Balance Changes			
Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2017	\$263,957	\$348,069	75.8%	Low	\$77,000	\$0	\$3,023	\$3,000
2018	\$340,980	\$415,553	82.1%	Low	\$79,310	\$0	\$3,758	\$13,081
2019	\$410,968	\$476,481	86.3%	Low	\$81,689	\$0	\$4,539	\$0
2020	\$497,196	\$554,569	89.7%	Low	\$84,140	\$0	\$5,406	\$2,185
2021	\$584,557	\$634,663	92.1%	Low	\$86,664	\$0	\$6,308	\$0
2022	\$677,529	\$721,381	93.9%	Low	\$89,264	\$0	\$6,515	\$147,274
2023	\$626,034	\$661,039	94.7%	Low	\$91,942	\$0	\$6,714	\$7,403
2024	\$717,286	\$745,045	96.3%	Low	\$94,700	\$0	\$7,339	\$68,258
2025	\$751,067	\$771,045	97.4%	Low	\$97,541	\$0	\$8,022	\$2,534
2026	\$854,097	\$867,739	98.4%	Low	\$100,468	\$0	\$9,085	\$0
2027	\$963,650	\$972,229	99.1%	Low	\$103,482	\$0	\$10,201	\$0
2028	\$1,077,332	\$1,082,208	99.5%	Low	\$106,586	\$0	\$11,308	\$9,966
2029	\$1,185,260	\$1,187,645	99.8%	Low	\$109,784	\$0	\$12,437	\$4,277
2030	\$1,303,203	\$1,304,601	99.9%	Low	\$113,077	\$0	\$13,605	\$11,014
2031	\$1,418,871	\$1,420,700	99.9%	Low	\$116,469	\$0	\$14,839	\$0
2032	\$1,550,179	\$1,554,275	99.7%	Low	\$120,546	\$0	\$13,841	\$465,334
2033	\$1,219,232	\$1,215,293	100.3%	Low	\$124,765	\$0	\$12,827	\$9,468
2034	\$1,347,357	\$1,338,493	100.7%	Low	\$129,132	\$0	\$14,184	\$0
2035	\$1,490,673	\$1,478,036	100.9%	Low	\$133,651	\$0	\$15,604	\$8,512
2036	\$1,631,416	\$1,615,979	101.0%	Low	\$138,329	\$0	\$17,036	\$9,644
2037	\$1,777,136	\$1,759,966	101.0%	Low	\$143,171	\$0	\$18,572	\$0
2038	\$1,938,879	\$1,921,369	100.9%	Low	\$148,182	\$0	\$20,155	\$13,394
2039	\$2,093,821	\$2,077,077	100.8%	Low	\$153,368	\$0	\$21,805	\$0
2040	\$2,268,994	\$2,254,607	100.6%	Low	\$158,736	\$0	\$23,572	\$3,947
2041	\$2,447,355	\$2,436,854	100.4%	Low	\$164,292	\$0	\$25,381	\$6,098
2042	\$2,630,928	\$2,625,914	100.2%	Low	\$170,042	\$0	\$25,138	\$427,214
2043	\$2,398,894	\$2,390,562	100.3%	Low	\$175,993	\$0	\$24,949	\$6,901
2044	\$2,592,935	\$2,584,850	100.3%	Low	\$182,153	\$0	\$26,963	\$0
2045	\$2,802,051	\$2,795,965	100.2%	Low	\$188,528	\$0	\$29,073	\$4,576
2046	\$3,015,077	\$3,012,707	100.1%	Low	\$195,127	\$0	\$31,269	\$0

VOTE ON BALLOT PROPOSITION NO. 1

Ratification of proposed budget

Shall the HMC Management General and Water Budget for Fiscal Year 2017/2018 attached to this Ballot be ratified by the Membership? (*check one*)

☐ YES

☐ NO

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Budget Ballot 2017

Results:

Approve: 91

Disapprove: 13