

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 14, 2018 at 12:00 Noon at the HMC Community Center on Herron Island. At the Special Meeting, the Membership will vote to ratify the FY 18-19 Budget that was presented by the HMC Board of Directors as described below.

Members may vote in person at the Meeting or by mailing or delivering the enclosed Ballot forms to the HMC Office so that they are received prior to the time of the Meeting. Note: Your Ballot will not be counted if you do not put both your name and your signature on the large mailing envelope.

BALLOT PROPOSITION

- 1. Shall HMC Management ratify the proposed HMC Management General and Water Budgets for Fiscal Year 2018/2019 as presented to the Membership at the June 9, 2018 Annual Membership Meeting?**

BALLOT EXPLANATION FOR PROPOSITION NO. 1

HMC Management General and Water Budgets for Fiscal Year 2018/2019

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 2018/2019 (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. These documents were published on the HMC website in May and presented at the HMC Annual Meeting held on June 9, 2018. A more detailed explanation of these proposed Budgets is published in the June 2018 Beachcomber. Also included is an Annual Reserve Fund Budget Disclosure document from Association Reserves.

Under the proposed General and Water Budgets, annual assessments would be \$1992 per assessable unit for the Fiscal Year starting October 1, 2018. Water Assessments will continue to be billed quarterly at a Basic Rate of \$18/month per water connection 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.

VOTE ON BALLOT PROPOSITION NO. 1

Shall the HMC Management General and Water Budget for Fiscal Year 2018/2019 attached to this Ballot be ratified by the Membership? (check one)

- ☐ YES (For Ballot Proposition No. 1)
- ☐ NO (Against Ballot Proposition No. 1)

Ballot Results:

99 - Yes

22 - No