

Ballot Measure

January 2003

The Beachcomber

HMC Newsletter

January/February, 2003

ASSESSMENT METHOD RUNOFF POLL BALLOT DESCRIPTION

Reason for Poll: Our bylaws and articles of incorporation are out of date and noncompliant with current state law. HMC and our attorney have been working for the past several years to bring these documents up to date, and we plan to submit an amended bylaws proposal for membership approval in late spring of 2003. A major section of the bylaws is the definition of the method in which budget expenses are allocated to the membership through the annual assessments. Because of the sensitive nature of this section, the Board is seeking opinions from the membership through a poll to define the method to be used. Votes from the ballot mailed with the November/December Beachcomber were counted at the January 11, 2003 monthly meeting, with no proposal receiving a majority. The proposals to leave the assessment method unchanged (Plan A) and to grandfather implementation of any new method (Plan III) received fewer votes than the other proposals and were defeated, requiring a runoff between the remaining proposals. The amended bylaws package is subject to legal review and adjustments may have to be changed to conform to state law. Any such adjustments will be discussed in upcoming monthly Board meetings.

Description of Ballot Questions: The runoff ballot consists of two questions, each consisting of the two options that received the most votes on the first ballot. Question No. 1 asks which of two assessment methods should be included in the amended bylaws proposal, while Question No. 2 asks which of two methods should be used in implementing the new assessment method if the method is changed from that currently used. It should be noted that the dollar figures described in Plans A and B are to be used only in comparison to our current assessment of \$896. The dollar amounts will be adjusted in future years to conform to the total budget for that year. A discussion of the questions follows.

Question No. 1: What assessment method shall be included in the amended bylaws proposal to be voted on by the membership in spring of 2003?

Plan B: The assessment method would be changed to one assessment per contiguous parcel of lots, with one non-contiguous lot allowed in the assessment if required for septic use. Under this plan contiguous lots are defined as any lots with at least one point in common. This includes lots that are side-by-side, end-to-end, or touching at one corner. A maximum of one house would be allowed per assessment. This plan would allow any number of lots to be included in the assessment as long as they are adjacent and only one house is on the parcel. It would impose separate assessments on properties scattered over the island. For example, a member owning one house on three adjacent lots would pay one assessment, while a member owning two adjacent lots with a house on each would pay two assessments. A single assessment under the current total budget would be approximately \$811 under this plan. One vote would be assigned for each assessment.

Plan C: The assessment method would be changed to one assessment for a primary lot, one additional assessment for each additional lot containing a house, and one additional half-assessment for each additional lot not containing a house. No differentiation would be made for vacant lots that are unbuildable or used for septic purposes. For example, a member owning a house on one lot and an adjacent vacant lot would pay 1.5 assessments, regardless of whether the vacant lot was used for septic purposes. A member owning a house on one lot and a separate vacant lot in another area of the island would also pay 1.5 assessments. A single assessment under the current total budget would be approximately \$716 under this plan. One vote would be assigned for each assessment.

Question No. 2: If the current assessment method is changed, how shall the change be implemented?

Plan I: The change would be implemented with the next assessment, which would be due October 1, 2003.

Plan II: A grace period would be implemented so that the current method of assessment would be applied to the assessment due October 1, 2003, and the new assessment would be phased in over the next three years in one-third increments. In this plan, the assessment under both the current method and the new method would be calculated for each of the three fiscal years beginning with October 1, 2004. One-third of the difference would be applied in 2004, two-thirds in 2005, and the new method would apply in total in 2006.

Please fill out the ballot on the following page and submit it according to the voting instructions.

**RUNOFF POLL BALLOT, FEBRUARY 8, 2003
USE BALLOT RECEIVED BY USPS MAIL
QUESTION NO. 1**

Determination of Assessment Method

What assessment method shall be included in the amended bylaws proposal to be voted on by the membership in spring of 2003?

Vote for one:

- ☐ **Plan B:** The assessment method shall be changed to one assessment per contiguous parcel of lots, with one non-contiguous lot allowed in the parcel if required for septic use. A maximum of one house shall be allowed per assessment. One vote shall be assigned for each assessment.
- ☐ **Plan C:** The assessment method shall be changed to one assessment for a primary lot, one additional assessment for each additional lot containing a house, and one additional half-assessment for each additional lot not containing a house. One vote shall be assigned for each assessment.

QUESTION NO. 2

Determination of Implementation Method

How shall the assessment method change be implemented?

Vote for one:

- ☐ **Plan I:** Implement the change with the assessment due October 1, 2003.
- ☐ **Plan II:** Implement a grace period so that the current method of assessment will apply to the assessment due October 1, 2003, and the new assessment will be phased in over the next three years in one-third increments.

SEE OTHER SIDE FOR VOTING INSTRUCTIONS

*Please mail in time to reach the Lakebay Post Office by Friday, February 7th,
or bring to the HMC office by 10:00 a.m., Saturday, February 8th.*

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VOTING INSTRUCTIONS

- Mark your ballots. Do not put your name on the ballot.
- Place the ballot in the small envelope marked "BALLOT"
- Place small envelope in large envelope marked "OFFICIAL BALLOT"

Be sure your name and address are legible and you have SIGNED the large envelope.
YOUR VOTE WILL NOT BE COUNTED WITHOUT THIS INFORMATION.

Please note: Return address stickers are acceptable for printed name and address BUT YOU MUST STILL SIGN YOUR OUTER BALLOT ENVELOPE.

Please mail in time to reach the Lakebay Post Office by Friday, February 7th, or bring to the HMC office by 10:00 a.m., Saturday, February 8th.

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