

Ballot Measure

June 11, 2011

Notice of Annual Membership Meeting of HMC Management

Notice is hereby given pursuant to Article 4 of the Bylaws of HMC Management that the annual meeting of the membership will be held on Saturday, June 11, 2011 at the hour of 12:00 Noon at the HMC Community Building. At the meeting, filling of two (2) vacancies on the Board of Directors 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. *Your ballot will not be counted unless your name and signature appear on the large envelope.*



Board candidates are listed in alphabetical order with the wording as received from the candidate.
Ballots will be mailed to HMC members separately.

NAME: Dianne DeGood

YEARS AS A MEMBER OF HMC: 1 ½ yrs

OCCUPATION: Teacher/Technology Coordinator (retiring as 5/26/2011) and Community Volunteer

PROFESSIONAL OR VOLUNTEER EXPERIENCE:

Present

- Director of Religious Education, Jr. High Teacher and Technology Coordinator at St. Francis of Assisi Catholic School, receiving funding for 95% of technology from IBM and Microsoft grants and Universal Services E-Rate funds, which totaled over \$600,000 - 28 years - Retiring 5/26/2011
- Property Manager for six "Degood, Inc." properties — 31 years
- Board of Directors and current Treasurer of Kansas Petroleum Women — 10 years
- Chairman of Spouse Activities for KS Independent Oil and Gas Association Conventions - 12 years

Past

- Extension Agent at Kansas State University Extension Service and USDA, working for a board of 6 members and serving a county of 3,000 clientele - 5 years
- Finance Committee at St. Francis of Assisi Parish, Wichita KS , with an annual budget of \$4.5 million — 6 years — term ended 4/30/2011
- Stewardship committee at St. Francis of Assisi Parish, Wichita, KS - 12 years
- Wichita Catholic Diocese, Catholic Charities Anthony Family Shelter Board — 9 years
- Sedgwick County Extension Leadership Council - 8 years

EDUCATION OR TRAINING

Institution

Type of Training

Fort Hays Kansas State University - Bachelor's Degree in Family & Consumer Science Education

Wichita State University - Education Endorsement in Computer Science

Friends University, Wichita - Masters Degree in Business Management and Computer Information Systems

HMC EXPERIENCE ON THE BOARD, COMMITTEES OR OTHER ACTIVITIES:

Personal Experiences with the Manager, Attorney and Board concerning a legal purchase agreement to buy the lot at 1113 East Madrona Blvd.

GOALS:

- To represent **all** Herron Island Residents and make the Island Manager accountable to the Board and the Board accountable to the members.
- Respect and be a good steward of member's assets and resources by eliminating frivolous spending without full membership knowledge and approval.
- Bring integrity back to the management and board and stop the dishonesty, secrets and lying that we have experienced.
- Unite Herron Island Residents by listening and respecting **everyone's** views and comments so that we can all work and have fun together.
- Respect everyone's talents and allow them to be used to help reduce costs in the office and around the island and not outsource items when we have capable people here.
- Curb all of the "childish tattling" that goes on between members concerning petty incidents. Expect people to be adults, and use some judgement and common sense.

CANDIDATE STATEMENT:

If elected, Alan and I have agreed that I can fly here every month for the monthly meetings and any special meetings that I might have to attend. I have taken a partial leave of absence from work and have lived here most of this winter. Since we are planning to spend more time here after retirement, it is important to me to get the membership back to the way long time residents describe it.

Board Candidate Resumes (cont'd)

NAME: Kathy Deuster

YEARS AS A MEMBER OF HMC: 19

OCCUPATION: Retired Army Nurse

PROFESSIONAL OR VOLUNTEER EXPERIENCE: At the time of my retirement, I was the Deputy Commander for Nursing (ie.Chief Nurse) at the Army Medical Center in Landstuhl, Germany. I was responsible for military nursing care in all of Europe. Prior to moving to Herron Island full time, I was very active in the San Antonio Northern Hills Home Association consisting of more than 1,500 residences.

EDUCATION OR TRAINING:

School/College	Major	Year
University of Arkansas	BSN Nursing	1969
Baylor University	MS Health Care Adm	1984

HMC EXPERIENCE ON THE BOARD, COMMITTEES OR OTHER ACTIVITIES:

I served as a Member and then as Vice President for two terms (2006 and 2008) on the HMC Board of Directors. For three years I was a Booster Officer (President, Treasurer). I have served on numerous HMC Committees for many years. Currently, I am the Chairperson of the Land Use Committee and an active member of the Water, Parks, Rules, and Finance Committees. I have participated on numerous work parties (Earth Day projects, Nature Park clean-up, Booster projects such as North Beach Pavilion painting and addition; Community Hall interior restoration; painting the Community Hall porch overhang; development of the Community Garden; maintaining white sign boards at the ferry ramps; etc.

GOALS:

1. Continue being active on the new Herron Island Water Utility to see that the new system is installed and is maintained in an effective, transparent, and efficient manner.
2. Maintain the island's assets and infrastructure in a proactive manner.
3. Keep our annual assessments as low as possible during these turbulent times.
4. Make decisions for the good of the island as a whole while working and listening to individual's concerns and ideas.

CANDIDATE STATEMENT: I have worked on the Water Committee for several years. I want to continue being directly involved in the construction/completion of the new water distribution system and the initiation of the Herron Island Water Utility. I believe that the knowledge, experience, and connections gained throughout the island community from serving two terms on the Board of Directors and many years of Committee work will continue to help me to make sound and fair decisions for all HMC members. I believe Herron Island is a very special place and I want to keep it that way.

Board Candidate Resumes (cont'd)

NAME: Kevin Hildebrandt

YEARS AS A MEMBER OF HMC: See below.

OCCUPATION: Real Estate Appraiser / Adult Family Home Owner

PROFESSIONAL OR VOLUNTEER EXPERIENCE:

20+ years as a real estate appraiser, owner of an adult family home which provides daily care to adults with Down's Syndrome. Member of the Disabled American Veterans and a Master Mason @ Lodge # 245 in Des Moines, WA in which I do all of my volunteer work through.

EDUCATION OR TRAINING:

Institution	Type of Training
Federal Way High 1984	General Studies
Tacoma C.C.	Currently enrolled, working on A.A.
Army 84-89	Disabled Veteran (Honorable Discharge)

HMC EXPERIENCE ON THE BOARD, COMMITTEES OR OTHER ACTIVITIES:

I have been coming to Herron Island for the past 10 years visiting friends and staying for long lengths at a time. I just purchased a home and closed on the 15th of April. I believe in community involvement thus, my application.

GOALS:

To finish up all existing voter approved projects. Work towards a stronger community through personal involvement. Work towards reducing unnecessary spending through better management.

CANDIDATE STATEMENT:

I stand for common sense government with heavy emphasis on Rules and Regulations. I believe in a majority approval; and promise, never to approve rules that affect the majority while meeting the needs of a select few.

Board Candidate Resumes (cont'd)

NAME: Pat Zazzo

YEARS AS A MEMBER OF HMC: 11

OCCUPATION: Retired

PROFESSIONAL OR VOLUNTEER EXPERIENCE: Manager Family-owned Restaurant,
Medical Records and Transcription, Elementary music instructor, Facilitator and Teacher for Family
Ministries Dept of Large Church

EDUCATION OR TRAINING:

Institution	Type of Training
High School Grad, Morro Bay CA	General Education
Cuesta College, San Luis Obispo CA	Business
Mentoring Program, Eastside Foursquare Church	Family health

HMC EXPERIENCE ON THE BOARD, COMMITTEES OR OTHER ACTIVITIES:

Active member of former Herron Island Boosters

GOALS:

Reduce and Prioritize Expenditures
Facilitate Good Will
Ensure that Water System is Professionally maintained and managed.

CANDIDATE STATEMENT:

During the last decade our assessments have tripled. We now have considerable financial stress as major infrastructure improvement projects are underway. In light of these expenditures I will work to keep our assessments as low as possible and reduce discretionary spending.

Having witnessed ongoing member dissatisfaction with Board and Island Manager processes and communications, I will strive to listen carefully to all viewpoints, deliberate carefully, and always aim for consensus to insure best outcome for Herron Island's present and future.

I would consider it a privilege and honor to serve.

Official Ballot and Voting Instructions

1. Vote for up to two (2) candidates, with only one (1) vote per candidate.
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.
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 by 12:00 Noon, Saturday, June 11, 2011 to be counted. If you prefer to vote in person, please attend the annual meeting. The Ballots will be counted at that time.

Election of Members of the 2010-2011 Board of Trustees

Vote for up to two (2) candidates, with only one (1) vote per candidate.

☐

Dianne DeGood

☐

Kathy Deuster

☐

Kevin Hildebrandt

☐

Pat Zazzo

☐

Write In* _____

***Write In candidates must be members in good standing.**

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Ballot Results

June 11, 2011

**ANNUAL MEMBERSHIP MEETING
HMC MANAGEMENT**

June 11, 2011

Call to Order: Fred Fath called the meeting to order at 12:00 noon.

Board Roll Call: Fred Fath, President/Treasurer, Mark Anderson, Vice President; Gary Wanzong, Asst. Treasurer; Janet Podell, Secretary; Judy Greinke, Member at Large; Claudia Ellsworth, Island Manager (IM)

The Board President asked if there were any ballots not turned in to the office. None were forthcoming. Nick Huff thanked the Board for all the help that our Board volunteers have provided. It is a difficult and thankless job. Mark Anderson then spoke up about the two outgoing Board members and thanked each of them for the time and effort they have both provided over the past several years.

Previous Annual Meeting Minutes: Minutes of the June 12, 2010 annual membership meeting were approved. **Fred Fath made a motion to accept the minutes. Motion carried.**

Island Manager Review: See written IM's Report.

- The IM reported out accomplishments over the past year. She mentioned that her total career has been in support of this type of work and she has never before experienced the level of volunteerism and involvement that she has seen on Herron Island.
- The IM then reported out on the results of the Water Vote. This is the single biggest issue that has faced the island in many years.
- The North Beach Marina pilings project was another notable issue that occurred over the last year.
- The Pierce County Natural Hazard Mitigation Plan was completed.
- Removal of derelict vehicles has been a personal goal of hers. She vows to continue work in that area.
- HMC completed IBU negotiations with our ferry crew.
- HMC completed transition of law firms for HMC Management.
- HMC completed an inventory of all island policies.
- HMC hired a backup office manager, two standby Captains and one standby deckhand.
- The IM oversaw the installation of free roofing on the two ferry sheds.
- It was noted that there are many painting projects that still require volunteers.

Finance:

- Fred Fath reported on the proposed budget. He went into detail about each major element contained in the proposed budget. A copy of this was included in last month's Beachcomber and hard copies were provided to members in attendance at this meeting. He reported that last year we had 396 assessable units and that this year we have 395. (One assessable unit was purchased by a member whose current property is contiguous to the new property they purchased, which eliminated one assessable unit.) Last year's total assessment was \$1,650. This year the budget is broken into two elements - Basic and Water. The new Basic assessment is \$1,575, which accounts for items removed from the budget for water related expenses. However, there were increases to the Basic cost elements, including the cost of ferry fuel (almost \$90K, a \$30K increase over last year's fuel budget). Fred noted that oil is currently priced at \$115 a barrel, as compared to \$80 barrel at this time last year. The engine overhaul cost element is increasing as well; the Reserves need to be funded to cover the possibility of engine replacement that may be required in the not too distant future. The Finance Committee agreed that there was a need to keep the assessments as low as possible so they agreed to a minor increase to these reserves and added to the ballot a request for Members to decide whether they would prefer to fund the engine replacement through the reserves or go out for a special assessment in the out years. (It is anticipated that the government will require us to replace our engines for environmental reasons.)

- Including the Water Utility budget, the total new assessment is \$1,815 for the next year. Water Reserves will be separated out into its own Vanguard fund to keep it separate and distinct from other Reserves. Fred explained that initially, the plan for the USDA loan included a requirement to do an initial Reserve analysis. The estimates were provided to us by our contracted engineers. These were then broken down into a phased approach for reserves needed after 10, 20 and 30 years. Fred noted that it is important to remember that these all estimates are subject to change based on actual events. The first year all water expenses are “flat rated per connection” since we don’t yet know what members’ actual usage will be until the new system is installed and operational.
- Membership discussion followed regarding the previous membership vote on the North Beach pilings. Some members in the audience would like to see the Board revisit the island’s priorities and not spend existing reserves on repairing the North Beach pilings. More membership discussion followed with arguments being heard on both sides. Members were pulsed and provided an opinion that the budget should be presented as is, but with more detail provided about the Reserves relative to the Ferry, docks, potential new engines, and North Beach piling repairs.
- **Janet Podell made a motion to present the proposed budget to the members. Motion carried.**

Ballots before the membership:

- Two open Board positions.

Old Business: None

New Business:

- Fred reported out again on the proposal to upgrade our ferry pass/ticketing process. See the June 2011 Board Meeting Minutes for details of this proposal.

Ballot Counting Committee: Rondi Amidon, Rose Southall, Linda Moren, Frank Van Ravenswaay, Nick Huff, Tom Ritchie, and Allen Moren

Special Note: In order to ensure the integrity of the ballot counting process, Carolyn Snyder (HMC Office Manager) requested the assistance of two random members to validate the total ballot count and the final tally. Linda Crowe and Marie Golden volunteered to provide that assistance for all ballots received through Friday June 10, 2011. Additional ballots were received on Saturday, June 11, 2011 and the final vote count was revalidated by Carole Crowley and Opal Hochenadel. The final ballot count and vote tally was as follows:

Ballot Count:

Ballots.....199
 Unsigned2
 Delinquent.....1
 Proxies.....0
 Total Vote.....199

Election Results:

Votes

Pat Zazzo150
 Diane DeGood.....102
 Kathy Deuster92
 Kevin Hildebrandt38
 Steve Chapin (write in) 2
 Sam Argo (write in) 1
 Eric Bergson (write in) 1
 Allen Moren (write in)..... 1

The new Board then met in Executive Session to choose officers. The Board appointed the following officers: Mark Anderson – President, Gary Wanzong – Vice President, Judy Greinke – Treasurer, and Dianne DeGood – Secretary, Pat Zazzo, Member at Large.

Adjournment: Judy Greinke made a motion to continue this meeting until next month. Motion carried.

Respectfully submitted,

Janet Podell
 Secretary