

**Ballot Measure**

**July 8, 2006**

## **Notice of Special Membership Meeting of HMC Management**

**Notice is hereby given pursuant to Article 4 of the Bylaws of HMC Management that a continuation of the annual meeting of the membership will be held on Saturday, July 8, 2006 at the hour of 12:00 Noon at the HMC Community Building. At the meeting, one (1) ballot proposal described below which has 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 Article 9 of the Bylaws of HMC Management, the Board of Trustees has presented the FY 2006-2007 budget to the membership for ratification.**

**Official Ballot and Voting Instructions**  
**Sample Ballot - Use ballot delivered by USPS for voting.**

1. Vote yes to accept the 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 12:00 Noon, Saturday, July 8, 2006 to be counted. If you prefer to vote in person, please attend the meeting. The Ballots will be counted at that time.
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**Proposition No. 1**

**(Approval of the Budget)**

Shall the budget as presented in this June, 2006 Beachcomber be ratified by the membership?

☐

**YES** (For Proposition)

☐

**NO** (Against Proposition)

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## PROPOSED 2006-2007 HMC BUDGET

Budget Year	2005-2006	2006-2007
Assessable Units	378	397
Units minus delinquents	368	387

### SUMMARY / INCOME

<i>Non-Assessment Income</i>		
Ferry User Fees	130,000	140,000 User fees unchanged; anticipate construction-related increase
Interest	1,000	4,000 Interest rates increasing
Payments/Delinquent Accts	2,000	2,000
Carryover from previous year	10,000	20,000 Reflects partial excess of revenue over expenses for last year
Miscellaneous	5,000	4,000
Required Assessment Income	404,746	448,850
<b>Total Income</b>	<b>552,746</b>	<b>618,850</b>
<b>Total Expenses</b>	<b>552,746</b>	<b>618,850</b>
<hr/>		
Charge/assessable unit If Everyone Paid	<b>\$1,071</b>	<b>\$1,131</b> Based on # of assessable units with 100% phase in.
Charge/assessable unit considering uncollectables	<b>\$1,100</b>	<b>\$1,160</b> Based on # of assessable units adjusted for uncollectables

### EXPENSES

<i>ADMINISTRATION</i>		
Office Equipment	800	1,000
Emergency Preparedness	700	3,000 Includes defibrillator
Community Associations Institute	575	550
Accountant	4,000	3,300 Plan to change audit firm in 2007
ADP Payroll Service	2,500	2,750
Bank Fees	200	250
<i>Insurance</i>		
Directors/Officers	3,000	3,000
Facilities and general liability	20,000	20,000
Employee Dishonesty	600	600
Auto/Truck	1,000	850
<i>Legal Fees</i>		
Collection Costs	2,000	3,000 Some collection costs charged to delinquent members
General	4,000	4,000
Liens	100	0
Legal Reserve	0	5,000 Rebuild reserve to \$25,000 over 3 yrs.
<i>Other</i>		
Ferry Fees	0	0
Ads for New Employees	400	400

Website	350	50	
Misc.	1,500	1,500	
<b>Postage</b>			
Bulk Mail Permit	200		
Meter Rental & Box Fee	500		
Stamps & Meter Filling	3,000	4,000	Total mailing expenses
<b>Printing</b>			
Copier Contract	2,800	2,800	
Printing - Other	2,500	3,500	Includes ferry stickers/passes
<b>Wages / Benefits</b>			
Admin Dept. Wages	53,705	63,000	Wage/ hr. adjustments for job parity/COLA
Payroll Taxes	5,400	6,400	
Retirement	1,350	1,700	
Health Insurance		4,600	Coverage for office manager
Federal, State & County Taxes	2,200	2,200	
Office Supplies	800	800	
Telephone/Long Distance	2,000	3,000	DSL added
<b>Total Administration</b>	<b>116,180</b>	<b>141,250</b>	
<b>DOCKS</b>			
Repairs/Maintenance	2,000	2,000	
<b>Other</b>			
Parts & Supplies	1,200	1,500	
Inspection	3,000	1,000	Plan to add \$1,000/yr. x 3 yrs for required county inspections of mainland dock
Annual DNR Lease	2,000	1,700	
Utilities	1,200	1,200	
Reserves		10,000	Build reserves to \$100,000
<b>Total Docks</b>	<b>9,400</b>	<b>17,400</b>	
<b>FERRY</b>			
Ferry Dry Dock	45,000	30,000	Defer engine rebuild until 2008
Major Repairs		5,000	Allowance for unanticipated repairs
Fuel	38,000	47,500	Fuel costs escalating
Insurance	41,000	43,000	Assumes moderate increase
Equipment	1,000	1,000	
Routine Maintenance	11,000	3,500	Crew to do routine maintenance
Ferry Dept. Wages	168,336	193,750	Wage adjustments for job/parity/COLA
Payroll Taxes	16,250	18,700	
Medical/Life Insurance	20,700	20,000	Changed to less expensive health plan in 2006
Retirement	9,815	11,350	
Supplies	1,400	500	Actual costs less than budget
Personal Property & Excise Tax	3,400	4,000	Based on ferry revenue
<b>Other</b>			
Ferry Cell Phone	600	600	
Drug Testing	1,000	1,000	
Inspection & Licensing	1,400	1,200	
Pension Administration	600	500	
Tickets, Passes & Stickers	1,000	0	Expense moved to Admin budget
Uniforms	1,200	1,200	

Ferry Fees	0	0
Passenger Vessel Assoc. Dues	350	350
Misc.	1,500	1,200
<b>Total Ferry</b>	<b>363,551</b>	<b>384,350</b>

#### **PARKS**

Parks Dept. Wages	1,000	1,150	
Payroll Taxes	165	200	
Maintenance	1,000	1,000	
<i>Small Boat Dock</i>			
Maintenance	300		
Supplies & Repairs	500	800	Combined supplies/repairs/maintenance
Utilities	400	200	
Equipment reserve	1,000	1,000	Target is \$8,000 over several years
<i>Other</i>			
Playground Improvement	0	400	
Misc.	3,000	0	South Beach parking project and signs to be completed in 2006
Sanikans	5,200	6,500	Rates have increased
Garbage Pick Up	1,200	800	
<b>Total Parks</b>	<b>13,765</b>	<b>12,050</b>	

#### **ROADS**

Repairs & Maintenance	13,000	21,200	Increase in hours and labor costs; includes Ferry Rd. improvements
Supplies & Materials	5,800	10,500	
<i>Maintenance</i>			
Other	200	500	E.g. tree trimming
Tansy Weed Control	500	600	Wages and payroll taxes
Dust Control Truck	1,500	2,700	Includes \$1200 for pump, hose, nozzle
Utilities	200	150	
<b>Total Roads</b>	<b>21,200</b>	<b>35,650</b>	

#### **WATER**

Contract Manager	1,400	800	
Water Dept. Wages	6,250	6,000	Includes salary adjustment COLA; total hrs decreased slightly
Payroll Taxes	875	950	
Water Reserve	12,000	12,000	Build reserves to \$100,000
Supplies/Repairs	2,000	2,500	
Utilities	3,000	3,500	
<i>Other</i>			
Membership-Evergreen Water	150	150	
Misc	275	300	
Permits & Licenses	900	500	
Water Samples	1,000	700	Number of samples decreased with tank replacement
Excise Tax	500	750	
Truck Expenses	300	0	
<b>Total Water</b>	<b>28,650</b>	<b>28,150</b>	

## **Ballot Results**

**July 8, 2006**



**Special Membership Meeting to Count Ballots  
July 8, 2006**

**Call to Order:** Al Moren reconvened the Annual Meeting of the membership to count ballots.

**Roll Call:** Al Moren, President; Kathryn Deuster, Vice President; Kathy Fennell Treasurer/Secretary; Mike Shettlesworth and Clarrie Jones, Board members

**Selection of Ballot Counting Committee:** Linda Moren, Terrill Chilson, Beth Owens, Mike Shettelsworth, Cheryl U, Al Moren, Mary Turpin.

**Ballot Results:** Shall the budget as presented in the June 2006 Beachcomber be ratified by the membership?

**YES** 86 1/3

**NO** 13 1/3

The 2007 budget as presented in the June 2006 is approved.

**Adjournment:** Kathy Fennell made a motion to adjourn the meeting. Motion carried.

Respectfully submitted,

Kathy Fennell, Recording Secretary