

**ANNUAL MEMBERSHIP MEETING**  
**HMC Management**  
**June 14, 2008**

**Call to Order:** Fred Fath called the meeting to order at 12:10 PM.

**Roll Call:** Fred Fath, President/Treasurer Kathryn Deuster, Vice President, Janet Podell, Secretary; Mike Shettlesworth, Member at Large, Doug Allen, Island Manager. Excused absence: John Dolan Member at Large.

**Previous Board Meeting Minutes:** Minutes of the June 9, 2007 annual membership meeting were approved. **Janet Podell made a motion to accept the minutes. Motion carried.**

**Ballots:** Ballots before the membership: Two open Board positions.

**Ballot Counting Committee:**

Mike Davis  
Rose Southall  
Mark Anderson  
Gary Antonson  
Nick Huff  
Barbara Huff

**Island Manager Review:** See Island Manager's Annual Report

**Finance:**

- Fred Fath gave an overview of the proposed budget for the upcoming 2008-2009 Fiscal year. As discussed in the Monthly meeting minutes, Fred described the changes to the Reserve accounting process, ferry dry dock changes (engine overhaul alternately from the regular ferry dry dock expenses), docks and dolphin reserve, new reserve account for Parks and Equipment, etc. Additionally Fred described the process for each monetary transaction into or out of any reserve fund, and the creation of a single Vanguard fund to hold our Reserves. Further discussions occurred and questions were taken from members in the audience.
- Currently we have 405 assessable units before delinquencies are counted. The number of delinquencies has dropped significantly and this year's budget is based on 400 assessable units.
- Ferry fees represent 33% of ferry expenses and in order to maintain that ratio, it is proposed that ferry fees increase.
- Cost of living adjustment for ferry crew resulted in wage increases.
- Insurance costs have not increased.

- Docks realized large increase resulting from anticipated docks/dolphins replacement and Reserve growth being budgeted.
- Ferry expense budget reflects upcoming dry dock expenditures over the next two years.
- Ferry fuel expenses reflect the rising cost of fuel.
- Park reserves are funded to accommodate anticipated upcoming expenditures (i.e. basketball court)
- Roads reserves budgeted to cover new gravel costs.
- Water System budget is held at current costs until new system costs are known.
- Surplus funds (approx. \$40K) were used to help reduce next years annual assessment of \$1500 per assessable unit.
- Our Reserve accounts are contained in a Vanguard Money Market fund.
- **Janet made a motion to present the budget to the members. Motion Carried**

**Old Business:** None

**New Business:** Dana Gruber thanked all of the volunteers that have helped over the year.

**Ballot Results:**

Eric Bergson	69 Votes
Kathy Deuster	99 Votes
Judy Grienke	102 Votes
Mike Shettlesworth	63 Votes
Sam Argo (write in)	4 votes

**The 2008-2009 Board:** Fred Fath, President/Treasurer Janet Podell Secretary, John Dolan Member at Large, Judy Greinke, Assistant Treasurer, Kathy Deuster Vice President

**Adjournment:** A motion was made to continue this meeting until next month. Motion carried.

Respectfully submitted,

Janet Podell  
Secretary