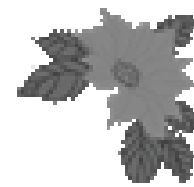


The LOG



A Report on the Activities of the Ludlow Maintenance Commission

December 2008

Opportunities v. Problems

by Jim Boyer, LMC Board President

The topic of my message in the latest issue of the “*Port Ludlow Voice*” was how we might come to a productive course of action for the future of the Beach Club. While trying to collect facts to help formulate a plan I am bending the ears and picking the brains of resident owners who’ll give me the opportunity. What I am learning is that over the years a general refusal to view Port Ludlow as one community has caused residents on both sides of the bay to miss out on some great opportunities.

I wonder if it was by accident or design that this ‘village by the bay’ is fractured into a score of home and condo owner associations, an LMC, and an SCBA. Whatever is true, it certainly seems to have resulted in a no win situation for the community when looking at our past and toward our future.

What should we do with the ailing Beach Club facility that needs more funding to keep it functioning for the people who use it on a regular basis?

As we contemplate another substantial increase in the annual assessment in addition to the one we just received and weigh the rationale behind a possible Special Assessment, the obvious question has to be: “What will we get for this?”

As I asked before; “If we could spend \$500,000 today to repair and upgrade the Beach Club and have it look exactly as it does now would you support the idea?” Would you be happy to contribute to the effort if it costs you another \$50 a year and a possible special one time hit of \$500 or more? This is what we are going to have to deal with in the coming year.

An obvious course of discussion in sorting this out will be to investigate a radical remodeling of the facility to provide the amenities and functionality that we would want ten years (or more) from now. If we explore this option, an important point of interest is whether there is any sensible outcome in duplicating the amenities provided at the Bay Club. It seems to me that it would be a waste of both money and effort

to build a repeat of the Bay Club facility. But, I have learned that a notable number of people on each side of the bay seem to believe that we should never cross the line to enter the domain of our neighbors.

In retrospect the idea put forth in the mid 90’s to build a combined multi functional facility seems like a great idea, to me. But, that is just me. However, as the saying goes: “**some folks never miss an opportunity to miss an opportunity**”. My short time in researching this is leading me to believe that as with most of the issues that have had the ability to shape the community, we are not likely to come to a consensus on this issue. Ironically, the inability to reach a decision is a community shaper in itself.

Hence, it will fall on the board to come to a decision by way of a vote that may anger as many as it pleases - and cost everyone equally. My preferred approach would be for LMC members to realize that we must take action and to assist the board in coming together on how we might best serve everyone. However, there were comments offered at this month’s board meeting from some who seem to oppose even opening the discussion.

As one might expect, the response to my plea for comments on this topic has been light. Some folks feel we should sell the property to capitalize building a new facility while others think assessing the entire community to maintain what has existed for 40 years is the only option. As usual, I seek comments and can be reached any number of ways. I would prefer something in writing because my recall is not what it used to be.

The debate is not far off and I doubt it will always be harmonious. So, until the arguing gets in gear I’ll close by saying, “*Merry Christmas to all*”.

2009 Budget Approved

A Special Members’ Meeting for 2009 Budget Ratification was held prior to the normally scheduled monthly meeting. The vote tally was 194 to approve and 15 to reject the 2009 Operating Budget.

General Manager's Update

by Brian Belmont, General Manager

In October I reported Jefferson County was planning to surrender its communication tower easement with LMC. The county owns the 120-foot tower located in the LMC RV storage lot. The association attempted to find another party that would be willing to take over the tower ownership to enable the Port Ludlow Amateur Radio Club to continue having access to the tower. Unfortunately, LMC was unable to do so. The county is taking the necessary steps to have the tower removed, and the site restored to its previous condition prior to the February 21, 2009 deadline.

Recently two Beach Club parking lot catch basins backed up during a period of heavy rainfall. Eventually the standing water did drain but it did so slowly. LMC hired a contractor that, with a drain line camera, determined a portion of the 8-inch pipe was packed solid with tree roots. LMC then hired a second contractor who had the proper equipment to cut the roots and clear the pipe. To prevent a recurrence, the two fir trees have been removed near the path leading to the tennis courts.

I would like to recognize and thank Jerry Nelson who repaired an electrical problem we were having in the men's locker room. I would also like to thank Bill & Peggy Harju who recently donated a 19" computer monitor that we are using with our camera monitoring system.

With assistance from LMC member, Steve Siegiel, we are assessing Beach Club lighting and where possible and practical, converting to fluorescent.

Thank you to the Port Ludlow Computer Club who recently donated a used computer that they setup as a public computer in the Gazebo at the Beach Club. To go with the computer, LMC member Pete Becker donated a flat panel monitor. The public computer has internet access but does not have a printer connected at this time. The computer has been configured to not save data, so bring a USB memory stick if you plan on saving your work.

I would like to remind members using the RV storage lots to please keep the gates closed after entering and exiting. Security is an obvious reason. However, on several occasions we have had deer walk into the storage lots when the gates are left open. As you

might imagine, herding deer amongst parked RVs can be challenging.

If you have any questions or comments about the overall operation of the facilities, I can be reached at the Beach Club at 360-437-9201, by email at beachclub@olympus.net, by mail at PO Box 65060, Port Ludlow WA 98365, or write me a note and leave it with the front desk staff at the Beach Club.

OPERATIONS COMMITTEE REPORT

by Teddy Clark, Acting Chair

This fall the Operations Committee worked with our General Manager, Brian Belmont to determine the operating budget for 2009. A great deal of time, discussion and thought went into this effort before it was forwarded to the Finance Committee. After careful review, the Finance Committee sent the 2009 budget to the Ludlow Maintenance Commission (LMC) Board of Trustees for review. The 2009 budget is then sent to you the members for approval.

The Operations Committee is working diligently to maintain our membership's budget as well as our properties. As you all know, our Beach Club is no longer young. Like some of us her age is beginning to show. Currently, Brian Belmont, at the direction of the LMC Board, is seeking bids for replacement floor drain plumbing in the men's locker room. Unfortunately, this kind of replacement is not optional. We will keep members up to date on the time for replacement. A schedule will be developed for use of showers much as we had during the restoration of the women's locker room after the fire in 2005.

Downspout drain line repairs will be completed along the west wall of the Beach Club. The damage was caused by root intrusion into the existing pipe. After years of use, outdoor pool filters must also be replaced. Unfortunately, the results of these projects will not be visible when the replacement is complete. However at this point we are faced with maintenance issues that can not be delayed.

New heat pumps will be installed this winter to heat both pools and the spa. The long term savings for this will greatly reduce the heating costs. The estimated return on this investment is four years.

The LMC Board of Trustees has directed the Opera-

continued from previous page

tions Committee to review other possible cost saving measures. At the suggestion of a member, we are discussing electrical light type and usage. We have also been tasked with replacement of damaged furniture in the gazebo. Please remember to take care of Beach Club property. The Beach Club belongs to all of us.

The responsibility of the Operations Committee also includes private property maintenance issues in accord with LMC Covenants and Regulations. Property maintenance helps the value of our homes as well as the appearance of our beautiful North Bay neighborhood. Thank you to all of you who do maintain your yards and homes.

It has been noted that a group of pickle ball players even bring their own brooms to sweep the Kehele Park pickle ball court. Thank you. Also, thanks to Steve Siegiel for his hours of volunteer work maintaining the Rainer Sports Court.

No Operations article would be complete without a huge thank you to our General Manager, Brian Belmont, Kim Monroe and Phil Eng plus all the LMC staff. Their care and concern for LMC members and properties is exceptional.

Operations Committee meetings are the 1st and 3rd Tuesday of each month from 4:00 to 6:00 at the Beach Club. All members are welcome to attend. Jim Goode, the Operations Chair will return in January.

FINANCIAL REPORT

by Ian Feltham, Treasurer

Our Corporation is not adequately funded, we have future expenditures that will require a considerable amount of money. One of the major reasons for the shortage is that no Reserve Fund was developed until the Association was more than 25 years old. Some very major repairs need to be done now. The Bayview Room roof needs to be replaced, our electrical system is old and doesn't meet current code requirements, and the men's locker room floor drainage system has to be replaced. To pay for these two repairs or replacement items, LMC would be required to use part of the Reserve funds. However, our current Board approved policy requires that the reserve account be 100% funded. In the event the account balance drops below 100% LMC has three years to bring the account back to a fully funded level.

Between now and the 2009 April Annual Membership meeting, the LMC Board of Trustees will be reviewing different methods of funding to replace Reserve Funds needed for the unexpected repairs. Possibilities include Special Assessments and changing the annual assessment base amount (which is tied to the Consumer Price Index). Both methods require approval by the membership. Reduction of facility hours is another cost saving measure being considered.

Your Finance Committee urges all members to get involved now so that all funding possibilities can be fully explored. The committee meets at the Beach Club at 9 a.m. on the Thursday prior to the monthly LMC Board meeting. All members are invited to attend and participate. Come – Join us – find out what is happening and help us work towards an acceptable solution.

AUDIT REPORT

by Ian Feltham, Treasurer

This past year the majority of the members voting at the annual membership meeting voted to have an independent audit of the 2007 LMC financial records performed. Previously, audits have been done only every third year, as an expense control measure, but this audit followed one made during the previous year.

The audit, which was conducted by **Hurley, White and Williams** of Bremerton, WA, cost the LMC \$4,000.00. Unfortunately the 2008 budget did not include money for an audit as we depend on the Financial Committee to perform reviews of the financial records every three months (the membership votes in April to waive or request an annual audit).

The results showed that all our financial records were in order except for one area. This was the **“Recognition of Capital Assets and Depreciation”**. Based on the recommendations of the Auditor, we are developing such a list and will include the list in our financial records. The lack of, or inclusion of such a list has no affect on our finances.

A summary of the Auditor's Report is included in this LOG. Members may request a copy of the complete report which is available at the LMC Office.

LMC VOLUNTEER RESOURCE COMMITTEE

by Barbara Berthiaume, Communications Chair

The LMC Board of Trustees recently tasked the Communications Committee to develop a method of identifying potential participants for its various committees. This team is not envisioned as a standing committee, but rather a “service” committee. What follows is the committee’s recommendation:

- 1. Committee Mission:** The committee shall identify and develop a list of potential participants, to be made available to the board and committee chairs, for open positions within the LMC. The make-up of the list will be based on LMC members’ skills, background, and interest. The committee will attempt to gather this information from as many LMC members as possible. When selecting the committee members, every effort should be made to ensure widespread geographical and diverse gender representation.
- 2. Committee Organization and Reporting:** It is suggested that the committee be composed of three Members of the Association selected at large. Membership on the committee is subject to approval by the Board of Trustees per the LMC by-laws.

At the November 8 LMC monthly meeting, the board adopted the recommendations of the Communications Committee and with board approval, Jim Boyer appointed Jamie Bima as the chair of this new committee at the December 13th meeting.

GREEN BELT IMPROVEMENT - IS IT TIME TO DO SOMETHING?

- Are you concerned that in the event of a big fire, your nearby greenbelt (GB) could be a hazard?
- Are the bramble bushes getting the upper hand? Would you like to see the GB adjacent to your house thinned out and cleaned up but it’s too big a project for you to tackle alone?
- Would the GB near you be more aesthetically pleasing if the brush and brambles were removed, and re-planted with something like rhododendrons, Vine Maple, Dogwood, or Mock Orange?

Would you be willing to volunteer some of your time to make these things happen?

The GB committee is working on a management plan that would allow you and your neighbors to improve the GB by reducing fire hazards, removing noxious weeds, dead trees and limbs, and replanting with attractive, fire-resistant trees and shrubs that are less likely to restrict view.

All of these activities require the approval and supervision of the GBC, (and in some cases the County). If you would be interested in improving the GB nearest you, please let us know by signing the greenbelt improvement sheet at the Beach Club or by e-mailing Ted Buehler, Greenbelt Committee Chairman at stephandted@yahoo.com. We are confident that by working together we can enhance the beauty of our “Village in the woods by the Bay”

COME JOIN US! If you would like to be involved in helping to manage the Greenbelt, there are several ways to make a real contribution:

- 1. Join our Committee** - We meet once a month for about 2-3 hrs, as well as doing occasional site-visits
- 2. Secretarial assistance** - We could really use someone to take notes during the meeting and take care of mailings, etc.
- 3. Be a volunteer** - Assuming approval of the new budget, the GBC intends to start “grooming” some sections of the GB, and would appreciate occasional help with such things as helping to clean up brush

FREE FIREWOOD AVAILABLE FOR VOLUNTEERS

As mentioned in the December issue of the “*Port Ludlow Voice*”, when removing hazardous trees, the GBC intends to allow members to take logs for firewood in return for helping out occasionally with GB projects.

If you are interested, sign the free firewood/volunteer sheet at the Beach Club or check with Ted Buehler, GB Chair at stephandted@yahoo.com.

Remember, no work can be done on the GB without written permission from the GBC

HURLEY, WHITE & WILLIAMS, PS

CERTIFIED PUBLIC ACCOUNTANTS

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Sheila Lott, CPA
David Rhine, CPA, MPAcc (tax)
Jeremiah Wiley, CPA
Christina Murray, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of the Ludlow Maintenance Commission, Inc.

We have audited the accompanying balance sheets of the Ludlow Maintenance Commission, Inc. as of December 31, 2007 and 2006, and the related statements of revenues, expenses and changes in members' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provides a reasonable basis for our opinion.

As more fully described in Note 1 to the financial statements (Recognition of Capital Assets and Depreciation) management has elected to expense capital assets rather than capitalize and depreciate the assets over their estimated useful lives. The effects to the financial statements of this departure from generally accepted accounting principles has not been determined.

In our opinion, except for the effects of the matter described above, the financial statements referred to above present fairly, in all material respects, the financial position of the Ludlow Maintenance Commission, Inc. as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of general and administrative expenses shown on page 8 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The supplementary information on pages 9 and 10 is not a required part of the basic financial statements but is supplementary information required by the American Institute of Certified Public Accountants. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Hurley, White & Williams, PS

HURLEY, WHITE & WILLIAMS, PS
July 24, 2008

*Member of: American Institute of Certified Public Accountants
Washington Society of Certified Public Accountants
A Professional Service Business of: The Hearthstone CPA Group, PS*

Wishing You All Happy Holidays!

*Your LMC Board, the Staff of the
Beach Club, and
The Current Staff and Management of The Log
want to wish everyone Happy Holidays and
a Happy, Prosperous New Year!*



YOUR LMC BOARD OF TRUSTEES**2008 - 2009**

- Jim Boyer *President*
- Elizabeth Van Zonneveld *Vice-president*
- Vaughn Bradshaw *Secretary*
- Ian Feltham *Treasurer*
- Art Moyer *Trustee*
- Hugh Jenings Jr. *Trustee*
- Stan Kadesh *Trustee*
- Paul Mosely *Trustee*
- Jerry Nelson *Trustee*

- Brian Belmont *General Manager*

YOUR LMC COMMITTEES**ARCHITECTURAL CONTROL**

- Sharron Sherfick, Chair - 437-0757
- Jim Boyer, Trustee - 360-302-0989 (Cell)
- Vaughn Bradshaw, Trustee - 437-9683
- Bill Clark - 437-2081
- Eve McDougall - 437-9168

COVENANTS & REGULATIONS

- Dwayne Wilcox, Chair - 437-5056
- Art Moyer, Trustee - 437-7962
- Hugh Jenings Jr., Trustee - 437-5162
- Dick Durand - 437-7677
- Mike Larkin - 437-2825
- Caron Mesa, - 437-9397
- Anthony Monti - 437-0716
- Jan Richings - 437-9400
- Lia Robinson, 437-9665

COMMUNICATIONS

- Barbara Berthiaume, Chair - 437-0423
- Stan Kadesh, Trustee - 437-2595
- Elizabeth Van Zonneveld, Trustee - 437-5118
- Teddy Clark - 437-2081
- Evelyn Fett - 437-0678
- David Goudie - 437-7612
- Carol Shamhart - 437-0141

FINANCE

- John Van Zonneveld, Chair - 437-5118
- Ian Feltham, Trustee - 437-9196
- Art Moyer, Trustee - 437-7962
- Robert Bima - 437-9335
- Patrick Shannon - 437-9743

GREENBELT

- Ted Buehler, Chair - 437-0500
- Jerry Nelson, Trustee - 437-7102
- Elizabeth Van Zonneveld, Trustee - 437-5118
- Jimmie Hendricks - 437-4061
- Skip Rasmussen - 437-5819
- Steve Siegiel - 437-0413
- Jack Slattery - 437-0309

OPERATIONS

- Jim Goode, Chair - 437-2529
- Paul Moseley, Trustee - 437-926
- Jerry Nelson, Trustee - 437-7102
- Sheila Brunstad - 437-0482
- Eve McDougall - 437-9168
- Teddy Clark - 437-2081
- Mike Larkin - 437-2825
- Terry Mesa - 437-9397
- Carol Shamhart - 437-0141

The BEACH CLUB**Winter Schedule
Beach Club Hours**

Monday - Sunday 7 a.m. - 9 p.m.

(All Members: May be asked to present a valid membership card or pass to be admitted to the Beach Club.)

Indoor Pool

Monday, Wednesday, Friday:

- Lap Swim, 7 - 9 a.m.
- Aquacise, 9 - 11 a.m.
- Open Swim, 11 a.m. - 5 p.m.
- Lap Swim, 5 - 6 p.m.
- Open Swim, 6 - 8:30 p.m.

Tuesday, Thursday, Saturday, Sunday:

- Lap Swim, 7 - 9 a.m.
- Open Swim, 9 a.m. - 5 p.m.
- Lap Swim, 5 - 6 p.m.
- Open Swim, 6 - 8:30 p.m.

Outdoor Pool

Closed until Spring 2009

Pool Age Restrictions

Anyone under age 16 must be accompanied by an adult when using the pools and spa.

Exercise Room Age Restrictions

For using exercise equipment, anyone under age 16 must have direct adult supervision.



E-Mail Delivery Saves Us All Money

By requesting e-mail delivery of *The Log* you can help conserve your LMC resources. A simple call or e-mail to the Beach Club will do the trick. (437-9201, beachclub@olympus.net.) There are 81 members on the current e-mail list. The last issue of The Log was ten pages.

Bulk rate is \$.258 per piece	\$20.90
Copier service agreement is \$.018 per page	14.58
Paper cost is \$.008 per page	6.48
Labor to print, fold & label	\$22.5
Total Savings	<u>\$64.46</u>

LMC BOARD MEETING DATE DATES

The LMC board voted to change the monthly meeting date from the third Saturday of the month to the second Saturday of the month. This was done to have more pertinent and timely LMC information to the membership through the Voice. In the past, the LMC news in the Voice was at least six weeks out of date. With the change in the board meeting dates, LMC news will be much more timely.

The LMC board meeting schedule for 1st quarter, 2009, is as follows with the start time remaining the same at 9:00 AM:

- Saturday, January 10th
- Saturday, February 14th
- Saturday, March 14th

Ludlow Maintenance Commission
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