



The Beachcomber



HMC Newsletter

March 2012



President's Message

While astrology is not really my cup of tea, I am still thinking that this truly is “the dawning of the Age of Aquarius.” As aptly described by the 5th Dimension in their iconic tune from the late 60’s, we on Herron Island seem to be moving into a new era marked by “harmony and understanding, sympathy and trust abounding, no more falsehoods or derisions, golden living dreams of visions....”

But for us on Herron Island, the Age of Aquarius now has a more literal and tangible meaning than that proffered by the 5th Dimension – for us, it truly means the Age of Water. Our Water System Project is a bold new move forward that will ensure the quality of life on Herron Island for generations to come. We are now seeing manifestation of those “golden living dreams of visions” of a new water system, dreams which have been held by many Herron Islanders over the past fifty years.

On Friday, March 2, we held the groundbreaking ceremony for our Water System Project at the water site, and many of you attended. After giving a brief introduction (by brief, I mean five words - count ‘em), I was pleased to turn the ceremony over to HMC Board Member Judy Greinke who, along with many others on our Island, has worked tirelessly to move this Water Project forward. Judy presented the history of the Water Project, and even told stories of the early days of Herron Island when some of the Board meetings were less than civil (imagine that!). Judy then introduced representatives from USDA, KeyBank, Massana Construction (our contractor), and Northwest Water Systems (our engineers). If you check out the pictures on our website, you will see that the USDA representative presented Herron Island with a BIG ceremonial check for \$2,308,700, “signed” by President Obama. Judy then wielded a ceremonial Golden Shovel (provided courtesy of Gary and Beth Wanzong) and broke the “ground” at the water site (a pile of sand provided courtesy of Dick Mowry), alongside Board Members

Pat Zazzo and Gary Wanzong, Island Manager Claudia Ellsworth, Water Project Committee Chairman Steve Chapin, and me. Then we all went on to a celebration gathering at the Community Center, hosted by our very own Herron Island B.O.O.S.T.E.R.S.

But the story did not end there. At the Board meeting the next day, the Board passed a formal Resolution to enter into the interim financing agreement with Key-Bank. Over the next several days, those loan documents were formalized and executed, along with a Notice to Proceed, which is our formal directive to the Contractor to begin work. We also obtained the necessary insurance coverage for the Project, and attended to a host of other detailed requirements for us to proceed. With a construction contract, insurance, and financing in place, our Water Project is officially underway.

But wait - there’s more. Please read the article later in this Beachcomber about the Water Project; it discusses how we can save ourselves money while getting this big project done.

I want to take this opportunity to recognize the dedicated efforts of our Island Manager, Claudia Ellsworth. Without Claudia, we probably could not have done all of this in as professional and efficient a manner as it has been done. She has been involved at every step of this Water Project, and has expertly shepherded all of us through this process while making sure that the interests of HMC Members come first. Claudia continues to be one of the best investments that Herron Island has ever made. Please thank her the next time you see her.

Now, how can we enjoy ourselves while the Water Project is getting done? Take a walk down to North Beach and check out the superb job that Quigg Brothers, Inc. did at replacing the pilings for the small boat docks. After the floats are “remodeled” and in the water, we will have a much safer place for small boats to moor.

(Continued on Page 2)

President's Message
(Continued from Page 1)

This piling replacement project was based on a survey report that these pilings had a useful remaining life of between 0-2 years. It was a good thing that we believed our surveyors - according to the contractor, several rotten pilings actually broke off during the removal. The new ones are secure and straight, and should last a long time (and, to be sure, they're much "prettier" than the old ones).

These projects are only the "tip of the iceberg" as far as what is going on and representative of what needs to be done here on Herron Island. For example, we have a new budget being developed, our Bylaws and Rules are being reviewed for probable revision, and we are already planning for our Independence Day celebration. This island community could not run as well as it does or as lean as it does financially without the participation of our many volunteers.

That said, there are plenty of ways for any of you to become involved as HMC Members, including service on

our various committees. And we have elections coming up for our Board of Directors. Several of you I know may feel led to become involved in this important role, but might be reluctant to do so because it requires significant time and energy (along with a bit of courage and fortitude). I encourage those of you who are up to the task to consider applying to have your name on the upcoming ballot as a candidate to serve on the Board. The work at times seems never-ending (thanks in part to emails and decisions galore), but the rewards are terrific, knowing that you are playing an active, involved part of making our island community great.

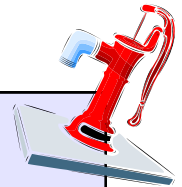
As I was writing all of this, I couldn't help but think of other music analogies from the 60's for our Water Project. The song "Grazing in the Grass" came to mind, because it begs the question for our Contractor: "Baby, can you dig it?" With our combination of paid professionals and extraordinary volunteers on the Water Project and in all other Island activities, I'm confident that it will all be groovy.

Mark B. Anderson, President

The Water Project Committee Will Become the Water Advisory Committee

Now that we are beginning the construction of our new water system, many questions have been asked about what will happen to the "Water Project Committee" once its mission has been accomplished?

At the March HMC Board meeting, the Board authorized the formation of a "Water Advisory Committee," which will essentially continue the function of the current "Water Project Committee," but with an updated mission to advise the Board and the Island Manager on water-related issues going forward. The Water Project Committee will remain intact through the completion of the Water System Project. When it becomes the Water Advisory Committee, the committee members will be asked to propose a new mission statement and charter, and will be charged with supporting the Board, the Island Manager, and the HMC Membership in general by reviewing such issues as administration and enforcement of our water system cross-connection program, rate setting, contracting for services, etc. While this committee will be permitted to have the same members as the "old" committee, additional members are encouraged to join.



Important Phone Numbers**Island Manager**

Claudia Ellsworth (253) 884-9350

HMC Board of Directors

Mark Anderson, President (253) 677-3900
 Gary Wanzong, Vice-President (253) 884-9350
 Dianne DeGood, Secretary (316) 794-8391(H)
 (316) 641-4014(C)
 Judy Greinke, Treasurer (253) 857-5463
 Pat Zazzo, Member-at-Large (253) 884-6719

Additional Responsibilities

Washington Water Svc., Water Repair (253) 851-4060
 Dick Mowry, Water Field Examiner (253) 884-7663
 Steve Chapin, Water Project Chair (253) 884-1967
 Judy Greinke, Finance Committee Chair (253) 857-5463
 J. Davies/J. Wells, Roads Co-Chairs (253) 884-5266
 Sherri Anderson, Rules Committee Contact (253) 884-3505
 T. Anspach/T. Chilson, Parks Co-Chairs (253) 588-1921
 Mike Shettlesworth, Emergency Prep. Chair (253) 884-6919
 Kathy Deuster, Land Use Chair (253) 884-6898
 Fred Fath, Technology Chair (206) 246-7016
 Carolyn Snyder, Office Manager (253) 884-9350
 Ken Freeman, Beachcomber/Webmaster (231) 544-2456

**Herron Island Office Hours: Tuesday, Thursday, Friday
 8:30 am to 4:30 pm. The office is CLOSED Monday,
 Wednesday, Saturday, Sunday, and after 2:00 PM on Fri-
 days before Board meetings.**

Office Phone: (253) 884-9350
 Office Fax: (253) 884-5047

Website: <http://www.herronisland.org>

Office email: Office@herronisland.org
 Manager email: HMCManager@herronisland.org
 Beachcomber email: beachcomber@herronisland.org
 Parks email: HMC Parks@herronisland.org
 Member Input to Board: MemberInput@herronisland.org

Emergency 911

Ferry Cell phone (253) 691-1457

(Cell phone to be used for scheduling heavy loads, big vehicles or having something in tow, and for information regarding ferry services.)

Ferry Business

- Call ahead if you are planning to use the ferry for a trailer, boat, or large vehicle!
- Only those guests with valid passes will be allowed on the ferry.
- Plan your arrival at the dock at least 5 minutes before the scheduled time of departure.
- Walks-ons are not to be on the dock or ramp when cars are being loaded. Watch crew for permission to board.
- Only service and delivery people may charge fares.

WE HAVE EXPERIENCED GUESTS AND SERVICE PEOPLE EXPECTING TO COME OVER TO THE ISLAND WITHOUT GUEST PASSES. THIS VIOLATES THE ACCESS POLICY THAT WAS PUT IN PLACE FOR ALL OF OUR SECURITY. PLEASE MAKE SURE YOUR GUEST HAS A VALID GUEST PASS SIGNED BY YOU TO ENSURE THEY ARE ABLE TO RIDE THE FERRY. BLANK GUEST PASSES ARE AVAILABLE TO MEMBERS AT THE OFFICE, BY MAIL, AND ON THE FERRY.

Nondiscrimination Statement

In accordance with Federal law this institution is prohibited from discrimination on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write USDA, Office of Civil Rights, 1400 Independence Avenue SW, Washington DC 20250-9410 or call (800) 795-2372 (voice) or (202) 720-6382 (TDD).

Beachcomber news items must be submitted by 5:00 PM on the Wednesday after the monthly Board meeting on the second Saturday of the month. Items **MUST** be emailed in electronic format to beachcomber@herronisland.org. Include your name and phone number in case any questions arise. Paid advertisements are to be arranged with the HMC office **PRIOR TO PUBLICATION**.

Water System is in Contractor's Hands

We have entered into a Contract with Massana Construction for the Water System Replacement Project, and have obtained interim financing through KeyBank. On Friday, March 2, we held a groundbreaking ceremony at the well site, which served as the public kickoff of this significant Project for Herron Island. At this point, our Water System is now in the hands of our Contractor.

As a part of the early planning process, we invited Members to submit any requests for additional connections or other changes to their property connection. Several Members did send such requests to the Island Manager months ago. If the requested change affected HMC's road right-of-way or involved other aspects of management of the Water Project, the requested change was discussed directly with the Member and, as necessary, incorporated into the planning.

As with any construction project, now that the Contract has been awarded, we might receive further requests to make changes to the Project. However, any changes to the terms of the Contract (known as "Change Orders") will result in increased costs to all HMC Members. A Change Order could potentially be initiated by something as simple as a Member asking the Contractor to remove a tree stump while they are digging in that area, asking for copies of construction prints, or asking for additional information, all of which can delay the work in progress, and all of which could result in higher costs for all HMC Members.

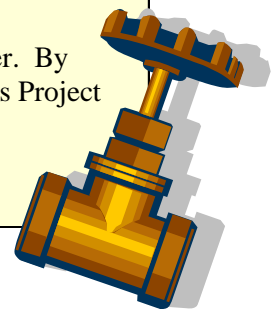
The Contractor has no obligation to do any of that additional work. Nevertheless, if asked, the Contractor might agree to remove the stump, stop work and explain the process, or provide copies. And while doing so, the site foreman will be generating a Change Order to the Contract. If the Contractor does that work, we expect that the Contractor will add this charge onto HMC's bill.

To avoid unexpected cost overruns and to ensure orderly control of progress on the Project, the Board has designated the Island Manager as the only individual with authority to approve Change Orders on behalf of HMC. Unless a Change Order is immediately required to address an emergency situation, the Board will give direction to the Island Manager in each case where a Change Order has been requested.

How can you help here? Do not ask the Contractor to do anything that could add to their work, or that could delay their work in any way. Be aware that individual HMC Members may not initiate Change Orders with the Contractor. Even asking the Contractor what you think is a simple or innocent question could in itself drive up costs on the Project, so avoid any direct interaction with the Contractor as they do their job for us.

We know that many of you will have questions and requests as the Project progresses. We do encourage all HMC Members to learn what is going on and to ask questions, as this is our Project.

So please route any questions and requests about the Project through the Island Manager. By working through our Island Manager and with your Board, you will help ensure that this Project is completed in the most rapid and cost-effective manner as possible.



Island Manager Report March 10, 2012

Administration:

Volunteers: This has been an extremely busy month and without island volunteers it wouldn't have been possible, or at least it wouldn't have been possible without considerable expense. So....thanks to

- Leslie Sanderson, Steve Kramer, Dick Mowry, Carole Crowley and anonymous others who helped clear the HMC roads of windfall from the storm. These branches were disposed of in a small HMC burn on February 28.
- Our Member volunteer who built a really nice message center box for the side of the community Building, replacing our aging-not-so-gracefully message center.
- Mike Shettlesworth, for his help with the piling replacement project.
B.O.O.S.T.E.R.S and all the others who contributed to the Water Project Groundbreaking Ceremony on Friday, March 2! A great event. Photos soon on the website, courtesy of more volunteers.

Island Cleanup: Still awaiting final clearance from Tacoma-Pierce County Health Department on 1015 West Yew and 117 E. Madrona. PCResponds and the Tacoma-Pierce County Health Department have been very helpful in all the island cleanup efforts.

Water System Project:

Final permits are pending for the project at the end of the comment period, March 13. With permits, and project insurance in place, we will issue a Notice to Proceed to the Contractor. Massana plans to have crews on the island Monday, March 19. The general project schedule of March to September remains unchanged. On Thursday, the contractor met with the Island Manager, Judy Greinke, Pat Zazzo and Jester Purtteman to discuss project plans, including the three phase power conversion at the wellsite.

We will use the email notification list, website and message boards to inform Members as the project moves through their neighborhoods, as fill dirt becomes available, or other issues arise that are of general concern or interest..

Action Needed: Final loan documents have been prepared and reviewed this past week, and a Board resolution required by KeyBank approving the interim borrowing is ready for Board action today. This resolution authorizes the Board President or Treasurer to execute the loan documents, including the Security Agreement, Credit Agreement, and Non-Revolver Note.

Action Needed: The Water Project Committee proposed last month that a Water Advisory Committee be formed to advise and recommend to the Island Manager and the Board regarding operations and maintenance of the water system, replacing the Project Committee. The Board needs to authorize formation and invite members to this committee, to draw up a Charter.

ADA Compliance: Gary Wanzong took measurements of the women's restroom, and we are contacting the USDA architect for design assistance. This work will be separately contracted.

Cross Connection Control Program:

This issue is one which should be assigned to a reconstituted Water Advisory Committee. Those Member connections that have a direct water line to a hot tub, closed fire protection system, pool and/or in ground sprinkling system will be required to install a certified backflow prevention device, register it with the Utility, and have it inspected annually.

(Continued on Page 6)

Island Manager Report
(Continued from Page 5)

Fire Department Liaison: Deputy Chief Guy Allen visited the island last week to issue the burn permit for HMC road debris. In addition, we contacted the Fire District regarding the potential to apply for FEMA Mitigation Grant funds supporting the purchase of a rescue boat. Hopefully, we can submit an application and find supporting partners around the Key Peninsula.

Land Use: The Land Use Committee has been hard at work revising the guidelines for sale of HMC owned lots, and should have a draft ready in the near future.

Emergency Preparedness: Committee report.

Legal Liaison: There are currently 9 delinquencies, of which six are with the island attorney. This is a delinquency rate of 2.3%.

Parks: Parks Committee meeting, Saturday, March 24, at 9:30 am at the Community Center. All are welcome. We plan to review the 2012/13 parks budget (a preliminary budget was provided to Finance as requested) and plan for the April 28 Parks Appreciation Day Work Party (at this time the dock installation could be delayed until refitting is complete see below.)

Many branches and several trees are down in the Nature Park, on South Beach Park trail and in the back wooded area of Goodpastor Park. Members are welcome (at their own risk) to take wood from these downed branches and trees home for their own use. Removing broken branches and downed trees remaining in these parks will be one of the projects for the April 28 work party.

Dick Mowry has done some work to address the standing water issue at N. Beach in the horseshoe pit area and plans to re-grade and cover the gravel area with soil as weather permits.

With the new pilings several adjustments to the docks are recommended that include widening the smaller connecting docks and adding additional wood material to accommodate new attachments. As of the writing of this report Mike Shettlesworth reported he will provide a written materials list for the refitting on the small boat docks to Parks.

We will need direction from the Board as to whether to install the docks as scheduled if refitting cannot be completed prior to the scheduled installation date of April 28 or postpone installation.

Nature Park: After hours and hours of volunteer work, Nature Park has been cleared of much storm debris. Many, many thanks to volunteers who not only clean the park, but remove these flammable materials from the island. Some debris remains, for the taking.

North Beach Marina:

This project is substantially complete, but a final collar is required on the foremost float. Through the several iterations of plans to operate the gangway, this collar was omitted. To complete the project as intended will cost an additional \$3300. Two floats will need to be put in, collar attached and removed. The total project will still come in at about \$90,000 less than originally estimated.

Roads: The newly reconstituted Roads Committee has met and produced a Charter and Mission Statement. Jim Davies and Jack Wells have agreed to cochair the Committee, which will meet monthly.

Action Needed: Board consideration and approval of the Committee Charter and Mission Statement.

(Continued on Page 7)

Island Manager Report
(Continued from Page 6)

Rules: The three members of the Rules Committee will meet Saturday afternoon to go over Rules procedures and organize materials and files. Currently, there are no pending complaints to resolve.

Transportation:

On March 1, I attended the Small Passenger Vessel Industry Day hosted by the Coast Guard, in Seattle. Gathered some useful information and contacts, especially a new audit to be conducted at random, of vessel owner Chemical Testing Programs.

Charlie Doolittle has qualified as a standby captain and is training as standby deck hand. Please make him welcome. Recruitment continues for standby deck hand candidates.

Pierce County Wharf Easement Inspection: Per the Board's direction, we have contracted with Sargent Engineering to perform the "wharf easement inspection" at a cost of \$5,634. This inspection of the mainland side dock is required by Pierce County every two years, to which we have added inspection of the cable lift system on mainland and island side.

Technology: No report.

Website Photos

If you have any photos from island activities that you would like to share on our website, please send them to webmaster@herronisland.org.



Assessment Reminder



Second half general assessments (\$787.50) will be billed on April 1st. Payments are due no later than 4/30/12. Payments that are not postmarked or received by April 30th will incur a \$30.00 handling fee.

Are You on the List?



HMC now has 212 Member email addresses on the notification list. If you want to receive updates about the water project, get notice of the online Beachcomber, or get the latest on windstorms, power outages or other news, please send an email to office@herronisland.org and request that your email address be added. To be used for HMC purposes only.

**Board Member Email Addresses**

HMCMarkAnderson@herronisland.org

HMCGaryWanzong@herronisland.org

HMCDianneDeGood@herronisland.org

HMCJudyGreinke@herronisland.org

HMCPatZazzo@herronisland.org

Please use these email addresses for all future communications to Board Members. They can be accessed on our website (herronisland.org) under the HMC Board tab.

Easter Sunrise ServiceOn Herron Island North Beach

Sunday, April 8th, 7:00 AM

Special Ferry Run from mainland at 7AM
for folks coming to the service.

Longbranch Church Pastor John Day will
be our special guest speaker. Maryann
and the Keypen singers will again grace
us with leading hymns.

Looking forward to our Islanders coming
and enjoying this special Easter Service.

Your Hosts

Dallas and Rondi Amidon

**Board Candidates Needed!**

Please consider running for the Board of Directors. An application is printed on Page 16 of this issue and must be turned in to the office by 10:00 AM on May 12th. Three vacancies will be filled at the Annual Membership Meeting on June 9th.

Community Garden News:

By the time you read this Beachcomber, regular gas will probably be over \$4.15 a gallon AND food prices increasing by 25 cents or more per item with each store visit. So if you want to remedy some of those hardships...consider requesting a Community Garden plot. Returning gardeners must confirm their desire to use their last year's plot by calling Dana 253-884-6898 (walogcabin@yahoo.com) by 4/15/12. Any gardener not returning should clean up their plot for the next gardener. After 4/15/12, new gardeners will be assigned a plot on a first-come basis. Multiple plots will be assigned when there are less than 20 requests. Consequently, no one will have multiple plots when there are 20 requests.

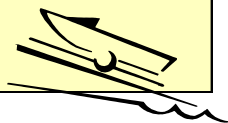
Annual expenses, as they occur, will be shared by all gardeners. We will need to fix our pathways this year.

We lock the garden to deter vandalism/theft. Keys are available by notifying Dana.



Tide Tables

Plots of the monthly tide tables are available on our website (herronisland.org). The plots are for nearby McMicken Island, which is the NOAA data point closest to Herron Island.



FREE CLASSIFIED ADS

FOR SALE: Wood (Alder) \$250 Purchaser hauls away
Call (253) 884-2563

Non-commercial ads of 100 words or less will be accepted for inclusion in this section free of charge. Please email your ad to beachcomber@herronisland.org, Subject: Beachcomber Ad. The ad must be resubmitted for each issue in which it is to be printed.

Tansy Ragwort Removal

Tansy ragwort is one of the more serious noxious weed problems in Western Washington. In fact, **Tansy is considered #1 on Pierce County's 'Terrible Ten' list!**

Tansy ragwort has made beautiful Herron Island its home. Tansy contains alkaloids that can accumulate and cause liver damage in livestock and pets, making it extremely toxic. It also displaces desirable plants due to its aggressive growth and prolific seed production.

The effort and cooperation made by Herron Island property owners in the control of Tansy ragwort has steadily increased, and together we are making progress!

Control methods for Tansy ragwort include:

- Digging up the plant with the roots.
- Applying appropriate herbicide.
- Bagging flowers and throwing them in the garbage.
- Maintaining a healthy, vigorous cover of desirable plants.

Methods that *do not* work:

- Mowing will not control Tansy ragwort. Tansy will re-flower.
- Do not leave flowers on the ground. They can still go to seed.

Licensed Weed Inspectors from the Pierce County Noxious Weed Control Board will begin making routine inspections on the Island beginning the last week in May. If Tansy ragwort plants are discovered on your property, please eradicate them as soon as possible. Any questions concerning Tansy ragwort, control methods, a list of herbicide spray professionals, or compliance with the State Noxious Weed laws please call 253-798-7263. To leave a message with the Weed Inspector, please call 253-798-6844.



**“Let no noxious weed flower and seed.
Nip it in the bud!”**



2012 FERRY SCHEDULE CANCELLATIONS/ADJUSTMENTS

APRIL

SUN, APRIL 8 1:30 PM -2:00 PM CANCELLED
2:30 PM MAY LEAVE LATE

MON, APRIL 9 2:30 PM – 3:00 PM CANCELLED

TUE, APRIL 10 3:30 PM – 4:00 PM CANCELLED

WED, APRIL 11 3:30 PM – 4:00 PM CANCELLED
4:30 PM MAY LEAVE LATE

MAY

SAT, MAY 5 10:30 AM – 12:00 NOON CANCELLED

SUN, MAY 6 11:30 AM – 2:00 PM CANCELLED

MON, MAY 7 12:00 NOON – 3:00 PM CANCELLED

TUE, MAY 8 12:00 PM -12:30 PM NO SHUTTLES
3:30 PM MAY LEAVE LATE

WED, MAY 9 3:30 PM -4:00 PM CANCELLED

THU, MAY 10 3:30 PM -4:00 PM CANCELLED

Memorial Day Holiday Ferry Restrictions

Combinations of any length (vehicle towing anything) and single vehicles longer than 25 feet will not be transported after 12:00 noon - 12:30 pm, Thursday, May 24th through Monday, May 28th.

Note: Monday, May 28th the ferry will operate on holiday schedule same as Sunday.

JUNE

SAT, JUNE 2 9:30 AM – 12:00 NOON CANCELLED

SUN, JUNE 3 10:00 AM LEAVES EARLY
10:30 AM – 12:00 NOON CANCELLED

MON, JUNE 4 12:00 NOON – 12:30 PM CANCELLED

TUE, JUNE 5 12:00 NOON – 12:30 PM CANCELLED

WED, JUNE 6 12:00 NOON – 12:30 PM CANCELLED

THU, JUNE 7 3:30 PM – 4:00 PM CANCELLED

MON, JUNE 18 12:00 NOON – 12:30 PM CANCELLED

TUE, JUNE 19 12:00 NOON – 12:30 PM CANCELLED

WED, JUNE 20 12:00 NOON – 12:30 PM CANCELLED

SAT, JUNE 30 8:30 AM – 10:00 AM CANCELLED

Independence Day Holiday Ferry Restrictions

Combinations of any length (vehicle towing anything) and single vehicles longer than 25 feet will not be transported Wednesday, July 4th only.

Note: Wednesday, July 4th the ferry will operate on holiday schedule same as Sunday.

Please note cancelled runs over this holiday week.

JULY

SUN, JULY 1 8:30 AM – 9:00 AM NO SHUTTLES
9:30 AM – 12:00 NOON CANCELLED
ADD: 12:30 PM – 1:00 PM

MON, JULY 2 9:30 AM – 12:30 PM CANCELLED

TUE, JULY 3 12:00 NOON – 12:30 PM CANCELLED

WED, JULY 4 11:30 AM – 2:00 PM CANCELLED

THU, JULY 5 12:00 NOON – 12:30 PM CANCELLED

FRI, JULY 6 2:30 PM – 3:00 PM CANCELLED

WED, JULY 18 12:00 NOON – 12:30 PM CANCELLED

THU, JULY 19 12:00 NOON – 12:30 PM CANCELLED

SUN, JULY 29 8:30 AM – 10:00 AM CANCELLED

MON, JULY 30 8:30 AM – 9:00 AM NO SHUTTLES
9:30 AM – 10:00 AM CANCELLED

TUE, JULY 31 12:00 NOON LEAVES LATE

AUGUST

WED, AUGUST 1 12:00 NOON – 12:30 PM CANCELLED

THU, AUGUST 2 12:00 NOON – 12:30 PM CANCELLED

*NO SHUTTLE MEANS ONLY ONE TRIP FOR THAT TIME

Labor Day Holiday Ferry Restrictions

Combinations of any length (vehicle towing anything) and single vehicles longer than 25 feet will not be transported after Thursday, August 30th through Monday, September 3rd.

Note: Monday, September 3rd the ferry will operate on holiday schedule same as Sunday.

B.O.O.S.T.E.R.S.

In April we ask everyone to support Parks Appreciation Day: help get our Parks ready for the summer season!

- We had a fun and productive **BOOSTERS Business Meeting** followed by a Potluck on March 10th.
- Our membership drive got a good start and will continue throughout the summer. \$3.00 per adult. Be sure to join!
- We voted on t-shirt and sweatshirt designs—the plan is to have them for sale Memorial weekend!
- We discussed proposed projects for 2012—and hope to post new information on the web in April.

Join the Parks for island beautification and clean-up!

Saturday, April 28th
Meet at N. Beach
at 9:00 am

Have fun... in the fresh spring air... bring your gloves... there is a job for everyone...



HELP!!! WE'RE STRANDED ON HERRON ISLAND!

What will we do!?! We've packed in enough food for the holiday weekend. The cabin is full of family and friends and the worst has happened. We may be stuck for a long time. The good news is that there are products at reasonable prices on the market that will help you to take care of your loved ones during this unwelcome and frightening event.

At Saturday's Emergency Preparedness meeting we were introduced to some wonderful products that have an amazing shelf life of 25+ years, are easy to store, and simple to prepare; and best of all, they are reported to taste pretty darn good.

The example in this picture was purchased at Sportco Outdoor Emporium in Fife. This 12" X 12" X 10" Bucket holds 56 servings for under \$100. This and other brands are available in stores and online as well. These meals do require potable water. Other products such as MRE's (meals ready to eat) do not require water or cooking and are available in a wide assortment and wide range of prices.

Your Herron Island Emergency Preparedness Committee encourages you to add these types of food to your supply kit. Other excellent foods to have on hand and stored in a safe, readily accessible place are:

- Canned meats, fruits, and vegetables
- Canned juices and soups
- High energy foods - peanut butter, granola bars, trail mix, beef jerky
- "Comfort" foods – cookies, hard candy, etc.

Our wonderful, natural environment nurtures our souls, but we need to respect just how isolated we are out here and prepare accordingly. In the face of a disaster, regret due to poor preparation is the last emotion you'll want to experience.

**Please join us at our next meeting April 14, 12:30 in the Community Center.
See you there.**



Email: hmcparks@herronisland.org

Saturday, March 24, 2012

Parks Committee Meeting

At the Community Center

Starts at 9:30 am

We plan to review the 2012/13 parks budget and plan for the April 28th Parks Appreciation Day Work Party. All are welcome!

FREE FIREWOOD: There are two trees that fell during the storms in Nature Park. For easy identification, the trees to be removed have been marked with yellow caution tape.

Be safe and warm too!

Join us for Parks
Appreciation Day
and Clean-up!
Saturday,
April 28
at 9:00 am

Volunteers Wanted!!!!

We have Projects for
each Park. Everyone
can
contribute.



Volunteer to prepare a delicious
Potluck style dish.
Lunch for all participants!

Highlights

- Install the Docks!
- Ready the Parks for Summer fun!
- Celebrate Earth Day
- Make a difference
- Build community spirit!

The Parks Committee 6th Annual Parks Appreciation Day and Clean-up!

Meet at North Beach at 9:00 am. Your Parks Committee will be there to direct you to one of our many projects.

For Parks Project questions call Tracy at 253 380 8261 or email: hmcparcs@herronisland.org

Coordinate Potluck items with Dianne DeGood: HMCdianneDeGood@herronisland.org

Time: 9:00 am

Date: Saturday, April 28, 2012

Each volunteer makes a difference...
See you there!

BOARD CANDIDATE APPLICATION

(Please complete and return to HMC office by 10:00 AM, May 12, 2012)

NAME *(as you would like to have it listed on the ballot):* _____

YEARS AS A MEMBER OF HMC: _____

OCCUPATION: _____

PROFESSIONAL OR VOLUNTEER EXPERIENCE: _____

EDUCATION OR TRAINING *(including school, military training, and professional courses)*

Institution

Type of Training

HMC EXPERIENCE ON THE BOARD, COMMITTEES OR OTHER ACTIVITIES:

GOALS: *Please list goals you would have for HMC and Herron Island during your term on the Board.*

CANDIDATE STATEMENT: *Please do not include statements campaigning for or against other candidates.*

Candidate's Signature: _____

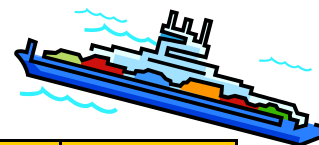
Reminder: It's that time again. Our Summer Ferry Schedule begins April 1.

SUMMER FERRY SCHEDULE (4/1 through 9/30)

MON		TUE		WED		THUR		FRI		SAT		SUN	
IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.
6:15	7:00	6:15	7:00	6:15	7:00	6:15	7:00	6:15	7:00				
7:30	8:00	7:30	8:00	7:30	8:00	7:30	8:00	7:30	8:00				
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6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00
								7:30	8:00	7:30	8:00	7:30	8:00
								8:30	9:00				

Memorial Day, July 4th, Labor Day same as Sunday

WINTER FERRY SCHEDULE (10/1 through 3/31)



MON		TUE		WED		THUR		FRI		SAT		SUN	
IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.	IS.	ML.
6:15	7:00	6:15	7:00	6:15	7:00	6:15	7:00	6:15	7:00				
7:30	8:00	7:30	8:00	7:30	8:00	7:30	8:00	7:30	8:00				
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										10:30	11:00	10:30	11:00
12:00	12:30	12:00	12:30	12:00	12:30	12:00	12:30	12:00	12:30	11:30	12:00	11:30	12:00
										2:30	3:00	2:30	3:00
3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00	3:30	4:00
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5:30	6:00	5:30	6:00	5:30	6:00	5:30	6:00						
6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00	6:30	7:00
								7:30	8:00	7:30	8:00	7:30	8:00
								8:30	9:00				

Thanksgiving and
New Years:

Lv. Island 8:30, 11:30, 6:30
Lv. Mainland 9:00, 12:00, 7:00

Christmas: Lv. Island 8:30, 6:30
Lv. Mainland 9:00, 7:00

OWNER: STEVE KRAMER



***HI RESIDENT/MEMBER SINCE 1958 *LICENSED, BONDED & INSURED**

EXCAVATION: SITE PREP, SEPTIC REPAIR, WATER & POWER LINES & CULVERTS	RETAINING WALLS & STONE/ BLOCK WALLS
HAULING: DRIVEWAY ROCK, TOPSOIL, SAND MIX & DRAIN ROCK	HOME REMODEL & REPAIR
DRIVEWAY MAINTENANCE	CARPET, VINYL & LAMINATE INSTALLATION & REMOVAL
DECKS & ROOFING	SITE CLEAN-UP
DECK STAINING	HOUSE PAINTING
DEMOLITION DUMP RUNS	PRESSURE WASHING

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P.O. BOX 816 LAKEWAY, WA 98349

(Paid Advertisement)

HERRON ISLAND YARD MAINTENANCE

JIM DAVIES

253-884-5266

jada40@att.net

ESTIMATES BY THE YARD

- *Also works with Tansy
- *Appliance Disposal
- *Deck Cleaning
- *Restaining

(Paid Advertisement)

Herron Island New Listings

717 E. Herron Blvd

Listed at \$245,000, 120 feet of water front, SE View, Sandy Beach, Owner Contract, has one bedroom cabin, and 2 lots. Excellent Building Opportunity on 2nd Lot.

406 Herron Lane

Turn key condition, Western View Olympic Mountains, Water, Harstene Island, 70 feet waterfront. Look for new price.

Excellent Building Lots for RV use or build your get-a-way cabin, priced to sell, owner contracts.

Dallas Amidon, Herron Island Resident Realtor

Cell: 253.606.0972; Home 253.884.6166

Re/Max Town and Country

Email: herronisland@hotmail.com

(Note: HMC Management neither endorses advertisers nor vouches for their being properly licensed.)

INDEPENDENT AUDITOR'S REPORT
FOR
HMC MANAGEMENT - 2011

Table of Contents

AUDITOR'S REPORT	PAGE 1
BALANCE SHEET	PAGES 2 AND 3
STATEMENT OF REVENUES AND EXPENSES	PAGE 4
FUNCTIONAL EXPENSES STATEMENT	PAGE 5
STATEMENT OF CHANGES IN MEMBERS' EQUITY	PAGE 6
CASH FLOW STATEMENT	PAGE 7
NOTES TO FINANCIAL STATEMENTS	PAGES 8-11

HMC FINANCIAL STATEMENTS AUDITED BY:

MICHAEL KANDER CPA

MICHAEL KANDER CPA

7406 27TH Street West Suite 14, University Place, WA 98466

INDEPENDENT AUDITOR'S REPORT

Board of Directors
HMC Management
P.O. Box 119
Lakebay, WA 98349

Dear President and Members of the Board:

We have audited the accompanying Balance Sheet of HMC Management (a Washington State Homeowners Association) as of September 30, 2011 and 2010, and the related Statements of Revenues and Expenses (including the Functional Expense Schedule) and Cash Flows, and Changes in Members' Equity for the year then ended. These financial statements are the responsibility of HMC management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of HMC Management as of September 30, 2011 and 2010, and the results of operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

HMC Management has estimated the remaining lives and replacement costs of only the docks and dolphins but not all common property and, therefore, has not presented this information that accounting principles generally accepted in the United States of America has determined is required to supplement, although not required to be a part of, the basic financial statements. (See Note C)

Michael J. Kander, CPA
University Place, WA
February 2, 2012

HMC MANAGEMENT

Balance Sheet

As of September 30, 2011 and 2010

ASSETS	2011	2010
Current Assets		
Cash and Cash Equivalents (See Note A)		
Cash	\$ 103,788	\$ 98,748
Certificate of Deposit	1,055	1,030
Total Cash and Cash Equivalents	104,844	99,778
Accounts Receivable from Active Members	5,950	676
 Total Current Assets	 110,794	 100,454
Long Term and Other Assets		
Investment in Vanguard Funds (see Note B)	391,246	423,135
Land Acquired (not common use)	40,000	30,000
Delinquent Members Receivables, net (see Note D)	5,679	20,754
Prepaid Maintenance Expenses (See Note E)	78,699	-
Total Long Term Assets	515,624	473,889
Plant, Property and Equipment		
Land - Common Use (See Note A)	27,300	27,300
Fixed Assets		
Ferry/Docks	2,108,732	2,108,732
Water System	108,217	108,217
Small Boat Dock (Parks)	65,003	65,003
Roads	31,895	31,895
Office/Equipment	38,559	35,313
less Accumulated Depreciation	(1,474,229)	(1,424,931)
Total Net Fixed Assets	878,177	924,229
 Total Plant, Property, and Equipment, net	 905,477	 951,529
 TOTAL ASSETS	 \$ 1,531,895	 \$ 1,525,872
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES		
Short Term Liabilities		
Accounts Payable - Trade	15,159	16,332
Prepaid Assessments	26,930	18,648
Security Deposits	6,413	1,300
Total Short Term Liabilities	48,503	36,280
 TOTAL LIABILITIES	 \$ 48,503	 \$ 36,280

Continued

Page 2

See Independent Auditor's Report
The Accompanying Notes are an Integral Part of these Financial Statements

HMC MANAGEMENT

Balance Sheet

As of September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
MEMBERS' EQUITY		
Unrestricted Balance	\$ 1,045,000	\$ 1,019,310
Board Designated for Capital and Major Repairs and Maintenance (See Note B)	<u>438,392</u>	<u>470,281</u>
TOTAL MEMBERS' EQUITY	<u>1,483,392</u>	<u>1,489,591</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 1,531,895</u>	<u>\$ 1,525,872</u>

HMC MANAGEMENT
Statement of Revenues and Expenses
For the Years Ended September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
REVENUES AND OTHER SUPPORT		
Member Assessments, gross (See Note A)		
Operations	\$ 593,575	\$ 534,400
Reserves	59,000	61,100
Total General Assessments	<u>652,575</u>	<u>595,500</u>
 Ferry Fees	 193,462	 163,009
Delinquent Accounts (Other Charges)	17,035	15,762
Miscellaneous	7,068	9,061
HMC Interest & Handling Charges	8,931	12,111
Interest Earned (All Accounts)	429	1,288
TOTAL REVENUES AND OTHER SUPPORT	<u>879,500</u>	- <u>796,732</u>
 EXPENSES BY DEPARTMENT (See Schedule 1)		
Ferry	544,198	487,706
Ferry Docks	51,639	86,530
Administration	176,263	194,053
Water	79,775	37,909
Parks	15,085	12,334
Roads	18,739	17,298
TOTAL EXPENSES	<u>885,699</u>	- <u>835,830</u>
 REVENUES EXCEEDING EXPENSES (LOSS)	 <u>(6,199)</u>	 <u>(39,098)</u>
 OTHER INCOME		
Gain on Installment Sale	-	11,146
TOTAL OTHER INCOME	<u>0</u>	<u>11,146</u>
 REVENUES EXCEEDING EXPENSES (LOSS)	 <u>\$ (6,199)</u>	 <u>\$ (27,952)</u>

HMC MANAGEMENT
Statement of Functional Expenses - Schedule 1
October 2010 - September 2011 with Comparative Totals for Prior Period (2010)

2011 EXPENSE	Ferry	Ferry Docks	--Department-- Administration	Water	Parks	Roads	2011 Total	2010 Total
Payroll (Wages, taxes, and benefits)	\$ 320,536		\$ 96,087	\$ 7,040	\$ 2,501		\$ 426,164	\$ 425,043
Repairs and Maintenance (See Note E)	59,276		682	4,370	4,871	14,034	83,233	55,717
Insurance	51,236	3,141	8,462				62,839	69,564
Ferry Fuel	64,559						64,559	59,845
Professional Services		37,689	46,526	54,291			138,506	74,687
Miscellaneous Service & Supplies	8,623	4,381	6,228	4,609	4,364	3,109	31,314	33,869
Taxes and DNR Lease	4,227		6,255	2,410			12,891	8,512
Postage, Printing, Copying			7,249				7,249	6,795
Utilities	542	1,992	3,547	2,727	837		9,645	9,376
Bad Debt Expense							-	6,000
Total Expenses by Department before Depreciation	508,999	47,203	175,035	75,446	12,573	17,144	836,400	749,408
Depreciation	35,199	4,436	1,228	4,329	2,512	1,595	49,299	86,422
Total Expenses by Department after Depreciation	\$ 544,198	\$ 51,639	\$ 176,263	\$ 79,775	\$ 15,085	\$ 18,739	\$ 885,699	\$ 835,830

HMC MANAGEMENT
Statement of Changes in Members' Equity
As of September 30, 2011 and 2010

	<u>Total Members' Equity</u>			
	<u>Capital Account</u>	<u>Operating Account</u>	<u>2011</u>	<u>2010</u>
MEMBERS' EQUITY				
BEGINNING OF YEAR	\$ 470,281	\$ 1,019,310	\$ 1,489,592	\$ 1,517,544
 Excess of Revenues over Expenses (Loss) before Other Income and Other Items	-	(6,199)	(6,199)	(39,098)
 Board Designated Transfers to Operating Account from Savings Reserves	(31,889)	31,889	-	-
 Allocation of Other Income - Gain on Installment Sale	-	-	-	11,146
 MEMBERS' EQUITY	\$ 438,392	\$ 1,045,000	\$ 1,483,393	\$ 1,489,592
END OF YEAR				

HMC Management
Statement of Cash Flows
For the Years Ended September 2011 and 2010

	<u>2011</u>	<u>2010</u>
OPERATING ACTIVITIES		
Net Income (Loss)	\$ (6,199)	\$ (27,858)
Adjustments to reconcile Net Income to net cash provided by operations: Increase(Decrease)		
Loss on Acquiring Land		
Depreciation	49,299	75,182
Delinquent Accounts Receivable, net (SEE NOTE D)	15,075	(6,019)
Accounts Receivable	(5,274)	(51)
Prepaid Maintenance Expenses (See Note XX)	(78,699)	-
Miscellaneous	(1,427)	(110)
Accounts Payable	(1,173)	6,105
Prepaid Assessments and Fees	8,282	2,779
Security Deposits, net	5,113	1,000
Net cash provided by Operating Activities	<u>(15,002)</u>	<u>51,028</u>
INVESTING ACTIVITIES		
Note Receivable	-	11,682
Gain/Deferred Gain on Note Receivable	-	(501)
Land Acquired (Exchange)	(10,000)	-
Capital Additions/Improvements	3,246	-
Net cash provided by Investing Activities	<u>(6,754)</u>	<u>11,181</u>
Transfers from (to) Investment Account (Reserves), net	<u>31,889</u>	<u>(61,337)</u>
Net cash used by Investing Activities	<u>31,889</u>	<u>(61,337)</u>
Net cash increase(decrease) for period	<u>10,133</u>	<u>872</u>
Cash at beginning of period	<u>99,778</u>	<u>98,906</u>
Cash at end of period	<u>\$ 104,844</u>	<u>\$ 99,778</u>

HMC MANAGEMENT
Notes to Financial Statements
For the Fiscal Year Ended September 30, 2011

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

HMC Management was incorporated on May 1, 1958, in the State of Washington, as a homeowners' association. HMC Management operates and maintains the common property (including roads, parks, and water service) on Herron Island and the associated private ferry service and wharfs. HMC Management levies annual and special assessments on 396 "assessable" units. (Assessable units are adjacent, contiguous units that are owned by one member.)

Basis of Accounting

The financial statements have been prepared in accordance with generally accepted accounting principles and accordingly reflect all significant receivables, payables and other liabilities.

Disbursements from the operating account are generally at the discretion of the board. Disbursements from the reserve savings account may be generally made only for specific purposes designated by the board. (See Note B)

Cash and Cash Equivalents

HMC Management considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The certificate of deposit is included in this asset category because it may be readily redeemed with an immaterial early withdrawal penalty.

Investments

The Vanguard Money Market Funds (Reserves) are considered as long-term assets because management intends to hold these for more than one year. The balance exceeds the Federal Depository Insurance Corporation coverage by approximately \$140,000. Management accepts this risk because Vanguard has not defaulted on any accounts.

Fixed Assets

The Company capitalizes property and equipment over \$1,000 and depreciates fixed assets and improvements over their useful life using straight-line depreciation methodology. At acquisition, the estimated useful life of the ferry and ferry docks were 20 years and 40 years respectively. The estimated useful life of capitalized equipment is five to seven years.

HMC MANAGEMENT
Notes to Financial Statements
For the Fiscal Year Ended September 30, 2011

Land

HMC Management owns 17 lots that are for common use by the organization and by members. Original acquisition costs were not available. The organization used lowest assessed values for 2001 through 2005 to fairly value the property.

Additionally, HMC Management owns four tracts of land and beach front property for common use, but valuations are unknown.

Member Assessments

HMC Management's members are subject to annual assessments (\$1650 per assessable unit in 2011) to provide funds for general operating expenses, future capital acquisitions, and major repairs and replacements. Assessments and accounts receivable at the balance sheet date represent fees due from active owners, excluding assessments on delinquent accounts. HMC Management considers these receivables (active members) as fully collectable and, accordingly, does not deem it necessary to establish an allowance for uncollectable accounts (active members). HMC Policy is to classify assessments older than 30 days as delinquent and to begin legal proceedings as soon as practical. See Note D for discussion of delinquent accounts.

Income Taxes

Homeowners' associations may be taxed either as homeowners' associations or as regular corporations. As a homeowner's association, most exempt function income, which consists primarily of member assessments, is not taxable.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires HMC Management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Insurance

Management has elected to expense insurance costs when paid. This procedure does not significantly change the financial position or operating results.

HMC MANAGEMENT
Notes to Financial Statements
For the Fiscal Year Ended September 30, 2011

NOTE B – Board Designated Savings Reserves

These reserves are board designated and consist of investments to be held for the purpose of capital projects, major repairs, maintenance, and improvements (docks, ferry, roads, water), and legal and insurance reserves. These assets are held in a Vanguard Money Market account specified for those purposes and constitute a majority of the board designated members' equity. (See Note A)

NOTE C – Future Major Repairs and Replacements

HMC Management's governing documents do not require the accumulation of funds to finance estimated future major repairs and replacements. However, the budget includes a portion for reserves. HMC Management has not completed a study to determine the remaining useful lives of all components of common property and future associated costs of major repairs and replacement.

To fund future projects, HMC Management maintains reserves designated by the board for specific purposes. (See Note B) Whether these funds are sufficient to finance future major repairs and replacements, either directly or through borrowing, has not been determined.

The Board and membership have determined that the water distribution system needs replacing at a cost of \$2.2 million, in order to comply with recent Washington State laws. The project will be financed by a 40 year USDA loan, and construction is estimated to begin in early 2011. Accordingly, the Herron Island Water Utility (a not for profit organization) was formed to manage the water distribution system.

A marine engineering study completed in September 2010, concluded:

- The two steel draw spans need repairs at a cost of \$212,000, although a time line was not specified. The report classified these repairs as "high priority."
- The piles at the homeowners dock marina need replacing within the next two years at a cost of approximately \$250,000.
- The dolphins in place have a useful life of 10-15 years from 2010.

NOTE D – Delinquent Accounts

The position of the Board of Directors is that the Association will ultimately prevail against the remaining homeowners whose assessments and accounts are delinquent (without lien filings). No provision for bad debts was made for 2011, because of the significant reduction of bad debts in 2011.

HMC MANAGEMENT
Notes to Financial Statements
For the Fiscal Year Ended September 30, 2011

NOTE E – Loan Receivable

HMC Management paid a vendor for water utility expenses to be repaid from interim financing.

NOTE F – Recurring Scheduled Maintenance

Ferry maintenance is amortized over a two-year period for dry dock scheduled maintenance (\$91,948 total, \$45,974 each year), beginning FY2011, and over three years for the scheduled engine overhaul (\$34,523 total, \$11,508 each year), beginning FY2011.

NOTE F – Retirement Contributions

HMC Maintenance matches employees' contributions for their 401(k) retirement plan. In 2011 the company paid \$15,772, and in 2010, \$16,501 for these employee benefits.

NOTE G - Change of Accounting Principle

Management has elected to change the expensing of the dry dock and engine overhaul maintenance from when the obligation occurs to amortizing the recurring expense over the life of the maintenance, viz., 2 years for dry dock maintenance and 3 years for engine overhaul. (See Note F above.) No cumulative effect on the financials is reported because each major repair began anew in FY 2011. However, the *pro forma* expense for the dry dock and engine overhaul in FY2010 would have been \$56,330.

NOTE H – Federal and State Taxes

In general, the organization's tax returns may be selected for examination by tax authorities subject to a three-year statute of limitations for federal returns and four years for state tax returns.

NOTE I – Subsequent Events

No events otherwise affecting the financials were reported as of the report date.