

Seasons Greetings from your Pine Forest Board! The temperatures are down and snow is beginning to accumulate as we head toward the new year. We thought we would update you on what's happening with the business of Pine Forest and the timber harvest.

As you know, in the middle of October, the Board decided to commence our forest thinning work and work as long as Washington Pass remained open. Naturally as soon as we committed to begin, record setting rains began and made the work slow and difficult. We were hoping for firm ground, perhaps an early dusting of snow but mother nature did not cooperate. There were many decisions that needed to be made on the fly, and we consistently tried to be gentle on our land and safe during the removal of trees. We would like to thank everyone who pitched in to help, whether it was lending your home or providing much appreciated treats for the crew. Special thanks go to Heather Dean and her husband Steve who worked every day on this project and provided the information we needed to make all those timely decisions.

Unfortunately, poor weather, our choice to be gentle on the land, the large number of dead trees (which the mills won't buy), the unexpected loss of a firewood buyer, and our emphasis for proceeding safely drove up the harvest costs and decreased the expected income from the project. Our best estimate of the net project cost to this point is \$70,000. We will have a firmer number by the end of the year when the final bills and receipts have all come in. We have enough cash on hand to cover this shortfall, but our reserves are being depleted. The good news is that we got 25 acres of very dense woods thinned and now have a great fire break and much healthier forest along much of Pine Forest's southwest border. The treated areas were: Lots 137,138,149C through 156, and the lower part of Lot 141 as well as their adjoining rights of way on South Blackjack, Lodgepole, and Yellowleaf, the middle third of the Bitterroot greenbelt, and all of the Yellowleaf well house outside of the 50 foot Thompson Creek setback.

Our next Board meeting has been scheduled for January 10th at 6:30pm at my dental office in Mill Creek. Members are welcome to attend. Google Kim Walter DDS for directions. Please let me know if you intend to attend as I have room for about 25 people. If we have greater interest in attendance we will need to rent a room nearby. Among other things, we will discuss this year's timber thinning and lessons learned. If you choose not to attend but wish your opinion to be heard let me or another Board member know.

At this meeting we will also consider the 2017 budget in light of this expenditure and our cash flow needs for the year. Prior to this meeting our bookkeeper, Kim Frey, will post the 2016 financials so everyone can see where we are. The previous 5 year's financials are already posted (see pine-forest.org/governance/finance). We will consider shifting our 2017 invoicing to January or February to help rebuild reserves.

Please do not hesitate to let us know of your opinions and recommendations. We are a volunteer board and want to do what the members think is best for Pine Forest.

Regards,

Kim Walter