

Ku-ring-gai Alpine Lodge Cooperative President's Report Financial Year Ending 31 December 2013

On behalf of the Directors, I am pleased to present the Annual Report of the Lodge's operations for the 12 months ending 31 December 2013.

Financials

Compared with last year, income and expenses were both down by about 10%. Net profit was also down from \$11,251 to \$7,155.

We spent nearly \$40,000 on the new heating system, and our cash reserves for future renovations and maintenance now stands at around \$250,000.

We do expect to largely complete the downstairs renovations before winter 2014, at a cost of considerably less than \$200,000.

2013 Accommodation

Accommodation income was down 7% on last year.

Detailed figures for this 2013 (2012 in parentheses) are:

		<i>Member</i>	<i>Guest</i>
Summer	Week	0	0
	Weekend	20 (10)	42 (20)
Winter	Week	158 (82)	64 (67)
	Weekend	57 (43)	39 (48)

Share Transfers

There were again no membership transfers during 2013. However, new board member James Crook has been busy during 2013 with his role as membership coordinator. He has given our transfer procedures a workover, and the following have now completed since the end of 2013:

- Fiona Griffiths >> Jessica Tarlinton (9 January 2014)
- Glenys Fitzpatrick >> Richard McClelland (12 February 2014)
- Dudley Hobbs >> Rebecca Gyde (25 February 2014)
- Estate of Geoff Wall >> Steve Wall (12 March 2014)

I would like to thank James for this big effort – and he has more in the pipeline. We extend a warm welcome to these new members, and look forward to their active participation.

Lodge Upgrade

New heating system

Before winter 2013 we installed a new gas-fired hydronic heating system for a cost of around \$40,000. This replaced the oil heater in the floor of the middle level, numerous electric room heaters, and the electric hot water system. Although the oil heater had served us well for over 50 years, we were worried about its continuing viability; the hot water tanks were near the end of their life too.

While the new system should be cheaper to run for the same energy output, we did save \$5,000 in electricity, but spent \$10,000 on gas. On the other hand, I think all who experienced it will agree the lodge was warmer. Anyway we still need to remind Lodge Captains, members and guests, that even gas heating does cost money, and they should use it efficiently – e.g. turn off if not needed, and do not leave on with windows open.

Basement upgrade

We have continued to try to get plans for renovation of the basement area approved.

Shortly after winter 2013, we submitted a second development application which we were expecting to be approved as exempt development. However, this was not to be, with the result that our plans to increase the size of room 7 would have triggered the new 2011-introduced disability provisions, requiring disabled access to the basement area. We were not happy with the upheaval and expense this would require, and so once again, we returned to the drawing board.

Now we have come up with a less ambitious plan, but one we can proceed with, and this will give the basement area a big facelift. The main driver for this is to replace the bunk beds in room 7 with floor beds. At the same time, all 3 basement rooms will be refurbished with new open robes and facilities, the laundry and hallway area will be tidied up, and new lockers installed. Room 7 is to be modified by removing the shower, giving space for floor beds. This means that Room 7 occupants will now share the bathroom facilities outside Room 8. Although we have struggled to avoid this, it is the compromise we needed to allow us to proceed with the upgrade. It is also less expensive than the options we could not get approved. Room 8 shower and toilet area will remain in the same configuration, but will be refurbished. Room 9 bathroom will be reconfigured to improve the layout. New lockers with less depth and more height will give the hallway area a more open feeling. There will be an additional bank of lockers just inside the wood room. The laundry area will have a new bench with drop-in sink, and the dryer will be moved inside the laundry.

We are negotiating with a builder as this is being written, and by the AGM we hope to have this work underway.

Fireplace

For some time, we have discussed changing the fireplace to make it safer and more economical. This remains on our agenda, but as we spent our energies this year on designing the basement upgrade and getting it approved, we have once again deferred this.

Other Maintenance

- Other foreseeable maintenance items of significant expense are:
- Kitchen – within a few years, we will want to replace cupboards – it is now 25 years old.
- Deck – we are keeping this safe with yearly replacements of rotting boards; at some time will want to replace entirely.
- Roof and chimney – Roof is slowly rusting and chimney needs yearly maintenance to combat brickwork cracking due to water/ice penetration. We plan to remove brickwork above roof, and extend metal roof to cover chimney except for a small metal flue penetration.
- Grease Trap – After being asked to remove our grease trap years ago, we are now being required to install one.
- Interior furnishings – continuing maintenance will be required.

Although such items are an expected consequence of an ageing building, I believe the club has generally done well over the years by continuing to spend on significant improvements and maintenance as funds permit. This means we remain an attractive place for members and their guests to stay, and it capitalises well on our prime position in the valley. There are examples of clubs that have not kept such standards, and are now struggling to make ends meet.

Work Party 2013

Thanks again to Philip Woodman for organising the 2013 Easter Work Party. The usual tasks of stacking firewood and food into the lodge were done, as well as many cleaning and small repair tasks in preparation for winter.

Philip is again organising the 2014 Easter Work Party, but it will be smaller than usual as the basement will be unavailable for accommodation.

Food Store

For many years now, Libby Anderson has generously given her time to manage the food store, but the time has come for her to pass this job on. Wendy Oppen has now volunteered to look after it, so if you have any comments about it, please see Wendy. We owe a big thank you to Libby for this voluntary effort, and another to Wendy for taking it on.

Thank you

I would like to thank the many others who contributed to the smooth running of the lodge. This includes our weekly Lodge Captains, the social committee, those who attended work parties, our booking secretary Pam Woodman, and your directors.

Thanks also to Ian Anderson for helping us interpret the minefield of the building approval process, and to Jason Reid for his many design revisions of the basement upgrade, only one of which we will implement.

Gordon Cox

18 Mar 2014