

**Hawaiian Paradise Park Owners' Association
Board of Directors' Meeting
Meeting Minutes
Wednesday, July 15, 2020**

I. Call to Order

Board of Directors' meeting called to order by Larry Kawaauhau (District 1) at 6:08 p.m. at the HPPOA Activity Center. Social distancing and masked were upheld.

Members present were: K. Shaw, Shawn Merrill, Judi Houle, David Pragen, Patrick Murdoch.

II. Roll Call

Larry Kawaauhau- District 1; Jerry Sodan- District 2; Kenneth D. Helgren- District 4; Craig Crelly- District 6; Corky Schoonmaker- District 7; Leonard Warden- District 8; and Jeffrey Finley- District 9. Quorum established.

Not present: Emma Hoglund- District 5.

III. Approve Agenda (July 15, 2020)

Craig Crelly (District 6) moved to approve July 15, 2020 agenda. Jeffrey Finley (District 9) seconded the motion.

Enter Discussion:

Revision: Under Old Business add-- A. Revise Budget; Under New Business add-- E. Conflict of Interest Policy, F. Corporate Policy. Add 11. Owners' input.

Jerry Sodan announced he will record board meeting as the board secretary.

Leonard Warden inquired about the formation of committees.

Agenda approved as amended. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

IV. Approve Past Minutes of July 3, 2020

Jerry Sodan (District 2) moved to approve minutes. Craig Crelly (District 6) seconded the motion. Revision: Change number of board members to 8 in motions for July 3, 2020 minutes. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

V. Presidents' Report

Larry Kawaauhau- District 1 addresses board and members. He states: "I am confident the current board, staff, and community members working together can make great strides that will be beneficial towards our roadways, easements, and the communities welfare. HPPOA is a corporation designated

for the maintenance and improvements of the roadways and easements, not to be mistaken for a homeowners association.

I would ask for the membership to assist the association driving our roadways with care and limited speed.

Mahalo to the membership for their patience, and positive support allowing the board to work towards a better HPP for us all.”

District 1 also stated, if members see illegal dumping, take pictures and license plates because rubbish site is not taking bulk trash. Road crews pick up trash.

VI. Treasurer Report

Leonard Warden (District 8) addresses the board and membership. He states that as of June 2020 total checking, savings, investments, and bond reserve is \$8,130,091.80. The total accounts receivable is \$2,470,650.10.

The office billed out approximately \$3,135,569 for the annual billing. The Account Receivable balance as of 6/30/19 was approximately \$2,351,116.66. Calculations appear that the office has collected approximately \$2,862,392.90 in current fiscal year.

Allowance for Doubtful Accounts balance is \$696,720.54 (This is a contra-asset account required by Generally Accepted Accounting Principles (GAAP) that records the estimated dollar amount of receivables which may not be collectible.)

There were 48 property transfers completed during the month.

Unaudited financial information is preliminary and subject to adjustments and modifications. The audited financial statements and related notes are to be included in our annual report for the year ending June 30, 2020.

VII. GM report—Don Morris

Don Morris, general manager addresses the board. He directs the board to review the written GM report.

Board member inquired about the process of liens. The general manager replied that there will be approximately 250 liens for fiscal year 2020-21. Initial invoices for annual billing gets sent out in January. Reminder billing is sent out in June and in July liens are placed. Liens placed are for properties over 2 years delinquent. Liens are only good for 6 years so by 5 years, if it's not paid, the lien is renewed.

Doubtful accounts include properties that are in bank foreclosure or that have unpaid dues for over 10 years.

Association can foreclosure on property. Accounts are not written off but instead go into the doubtful accounts unless there is a bank foreclosure on property in which the association can only collect 6 months of back dues.

Fuel shed and surrounding area is a liability because equipment is coming in and out all day but children come through that area despite no trespassing signs. General Manager is looking to solicit bids to fence off the area.

Corky Schoonmaker (District 7) moved to authorize the general manager to obtain competitive bids for a 6 feet cyclone fence with and without electric gate. Jerry Sodan (District 2) seconded the motion. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

VIII. Committee Reports

Judi Houle address the board:

Because of Covid-19 Fire Ant, Albizia and Rat-Lung worm workshops are cancelled. Potentially, meetings restart in August.

Food pantry has been providing food for over 500 people. Hope is to continue.

She is going to write proposal to be apart of Cares Act with a focus on providing food.

Neighborhood Watch has been having smaller leadership meetings. There are complaints about speeding on ATV. She asks that more speed signs be put in place. Speed humps are not feasible on roads over 35 mph.

Been working with Police Department to address the vacant and foreclosed homes with squatters.

Friday in Pahoia is community center food drop.

Thanks the board members.

IV. Old Business

Craig Crelly (District 6) moved to revise the budget and move \$4000 from tree removal to meeting expense for security. Jerry Sodan (District 2) seconded the motion.

Enter Discussion:

Need to be able to pay for security at meetings. Budget stays the same.

Vote: Yes- 7, No- 0. Unanimous. Motion carried.

V. New Business

A. Motion from District 8

Leonard Warden (District 8) moved to create communications upgrade research committee with the goal of providing the BOD and membership detailed review of how various updated communication methods would affect association's ability to function both positively and negatively.

Primarily, review current methods and develop an improvement plan to get and keep members informed about the status of the roads, board and membership meetings, committee activities, health and safety, and any other information that the committee determines is in the best interest of the community. The committee will be tasked to review the HPPOA website, conch, and other methods used to communicate information to membership, and how the membership can express wants and concerns back to the association.

Enter Discussion:

Issues are personnel to be able to manage communications and lack of contact information of members.

Topic tabled for further research.

B. Audit to Website

Craig Crelly (District 6) moved to publish 2019 audit on website. Larry Kawaauhau (District 1) seconded the motion. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

C. Engagement Letter Liability Insurance for Board

Board of Directors liability insurance expires July 24, 2020. Insurance is for errors and omissions. Go through Business Insurance Services as broker to get bids from insurance companies. Only two companies would give association bids. The insurance policy does not include property or equipment. There's a separate policy for equipment. Quote was cheapest policy quoted.

Craig Crelly (District 6) moved to accept RSUI Indemnity Company liability insurance quote. Jerry Sodan (District 2) seconded the motion. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

D. Engagement Letter- Audit

Taketa, Iwata, Hara & Associates LLC has been the financial audit company for last 2 years. Estimated price is the same that it's been for last two year. Company gives detailed description of their recommendations.

Larry Kawaauhau (District 1) moved to accept the proposal and bid for Taketa, Iwata, Hara & Associates LLC. Jerry Sodan (District 2) seconded the motion. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

E. Conflict of Interest Policy

Every year conflict of interest policy must be adopted. Unsure if the conflict of interest policy should be signed.

Jerry Sodan (District 2) moved to approve first page of conflict of interest policy adopted July 20, 2016. Larry Kawaauhau (District 1) seconded the motion. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

F. Corporate Policy

HPPOA corporate policy needs updated signatures. There are two pages detailing the price for HPPOA Activity Center. Prices were last raised in 2015. Funds from the activity center go into non-roads fund and it used for the maintenance and up keep of activity center.

Tabled until next month for review.

Craig Crelly (District 6) moved to add to agenda to Roberts Rule of Orders. Jerry Sodan (District 2) seconded the motion. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

G. Roberts Rule of Order

Craig Crelly (District 6) moved to approved Roberts Rule of Order 11th edition for use in meetings. Jeffrey Finley (District 9) seconded the motion. Vote: Yes- 7, No- 0. Unanimous. Motion carried.

VI. Owners Input

Jane Walters, District 9, addresses the board. She inquired about how there is a full board when there has been no election. How was a nearly full board established?

Larry Kawaauhau (District 1) stated because he was still on the board, he was able to appoint a new board in order to carry on with business. Election will be after June membership meeting next year.

Announcements

Next Board of Directors Meeting August 19, 2020.

Next General Membership Meeting October 25, 2020.

Adjourn to Executive Session

Larry Kawaauhau (District 1) moved to go into executive session. Craig Crelly (District 6) seconded the motion. Vote: Yes- 6, No-0 (Jeff Finley, District 9, briefly stepped out of meeting.) Unanimous. Motion carried.

Meeting adjourned at 7:26 p.m.

I, A. Majidah Lebarre, undersigned as an independent neutral third-party, present this report as a summary of these events to the best of my ability.

A. Majidah Lebarre, Recording Secretary

Date

Upon acceptance,

HPPOA Board Secretary

Date

Motions Log for BOD Meeting 7-15-20

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