

**Hawaiian Paradise Park Owners' Association
Board of Directors' Meeting
Meeting Minutes
Wednesday, January 20, 2021**

1. Call to Order

Board of Directors' meeting called to order by Craig Crelly (District 6) at 6:10 p.m. Taken place at the HPPOA Activity Center. Social distancing and mask protocols were upheld.

2. Roll Call

Present: Tanya Seaver – District 2; Benjamin Foster – District 3; Kenneth D. Helgren – District 4; Craig Crelly – District 6; Corky Schoonmaker – District 7; Leonard Warden – District 8. Quorum established.

Not present: Larry Kawauhau – District 1, Emma Hoglund – District 5, Jeffrey Finley – District 9

3. Approve Agenda

Kenneth Helgren (District 4) moved to approve January 20, 2021 board of directors' meeting agenda. Corky Schoonmaker (District 7) seconded the motion.

Add H. Personnel under New business. Add 4a- Moved to executive session

Vote: Yes – 6, No – 0. Unanimous. Motion carried.

4. Approve past minutes of December 16, 2020

Kenneth Helgren (District 4) moved to approve December 16, 2020 meeting minutes. Tanya Seaver (District 2) seconded the motion. Vote: Yes – 6, No – 0. Unanimous. Motion carried.

Tanya Seaver (District 2) moved to go to executive session for legal. Corky Schoonmaker (District 7) seconded the motion. Vote: Yes – 6, No – 0. Unanimous. Motion carried.

At 6:38 p.m. returned to regular session.

Craig Crelly (District 6) moved to continue board of directors' meeting. Tanya Seaver (District 2) seconded the motion. Vote: Yes – 6, No – 0. Unanimous. Motion carried.

Vice President Craig Crelly announced to audience that the board authorized attorneys to accept a settlement for a lawsuit.

5. Auditors report on current Audit of HPPOA

Gregg Taketa from Taketa, Iwata, Hara & Associates, LLC addressed the board:

Financial audit was completed about a month ago. Concluded that financial statements were fairly stated in all material respects. Proposed just one journal entry correction to correct error in accounting. One correction is a good indication that financial statements are being prepared fairly correctly.

As far as financial statements, the most sensitive statement is the Receivables. It is a fairly large asset. There are over 8,000 accounts so there is a lot of volume as far as the number of transactions. It's subjective as far as determining the value of the receivables as far as collectability. Felt there was an adequate allowance of \$700,000 for un-collectable amounts. Focused primarily on that account due to the subjective nature of allowance.

Had other proposed adjustments which management concurred were immaterial. There is a letter addressed to the board dated December 22nd. Those are the adjustments that are not considered to be material.

Prepared a performance review giving comparison to similar type homeowners associations as benchmark of industry average. 4-year trends can be seen in report. Scored 5 components—which are liquidity, operating trends, revenue, and borrowing and assets—all rated relatively high. Any scores over 50 are considered good and some components were scored 70 and 90. Focus should be on own internal trends and there is positive indication that the organization is being well managed.

As of June 30, 2020.

Necelyn Yamashiro from Taketa, Iwata, Hara & Associates, LLC addressed to the board:

She prepared the draft tax return. The 990 is public document and can be viewed at Guidestar.org and search HPPOA.

The tax return is for fiscal year July 1, 2019 - June 30, 2020. It summarized the income and expenses of the associations. The returns are based on audited financial statements. The return goes over revenues, expenses and mission of non-profit. It outlines a story about the organization like what it does and what it does with its money. Page 2 of the return discusses major programs including maintaining the roadways and depreciation of roadways and equipment.

Corky Schoonmaker (District 7) moved to approve tax form 990 draft for tax year 2019-2020. Kenneth Helgren (District 4) seconded the motion. Vote: Yes – 5, No – 0. Tanya Seaver (District 2) abstained. Motion carried.

6. President's Report

President is not present.

7. Treasurer's Report

Treasurer Leonard Warden- District 8 addressed the board:

As of December 31, 2020 the Checking, Saving, Investments and Bond Reserve is \$7,840,916.53.
Accounts Receivable is \$2,138,305.79
Allowance for Doubtful Accounts is \$629,613.19.
There were 66 property transfers completed the month.

Intends to ask general manager to include profit and loss statement along with balance sheet with treasurers report on website according to the by-laws.

8. General Managers Report

General managers report is in writing, given to board and available to the audience.

Paving project for 22nd will begin at the beginning at February.

9. Committee Reports

A. Finance Committee Report

Treasurer Leonard Warden- District 8 addressed the board:

There was no finance committee meeting on January 6th. Next is schedule January 27th at 5 p.m.

B. Committee Resource Report

Judi Houle addressed the board:

The invasive species workshops will be restarted. On Saturday, Feb. 20 from 9 a.m. to 11 a.m. there will have fire ant workshops that will cover history, biology, and treatment. The program is free.

Saturday, March 20 from 9 a.m. to 11 a.m. will be the Albizia workshop. Both workshops will take place at the activity center. Experts from university and Big Island Invasive Species Committee.

The food pantry is busy. It provides food 3 times per month of free emergency food distribution. Last year assisted nearly 12,000 people assisted with bags of food.

There was a successful Christmas celebration with 920 (half children) residents. Santa was there. Gave out meals from Luquins from Pahoia and Short n Sweet from Hilo. Over 500 goody bags given out for children.

Next pantry is Tuesday, Jan. 26. Anyone in need of food can come from 1:30 p.m. until 3:30 or until food runs out.

CERT team has been volunteering at airport for screening process and answering phone calls for vaccination. Hawaiiicovid.com can find information about vaccinations and safe travel.

For Neighborhood Watch crime is up. There is a spike in crime in public areas particularly Beach Road and Kaloli. Encourages all to help watch out.

Swap meet will be reopened and plan is to do it safely obeying all safety protocols and social distancing. Open Saturday, March 13, 7 a.m. to 11 a.m. There will be less vendors and less people able to enter. Meals will be to go.

Thanks the board.

10. New Business

A. Approved meeting minutes and updated to website

Discussion ensued on how rapidly meeting minutes can be placed on the website. Once minutes are approved by board, the board Secretary and Recording Secretary signs the approved minutes.

B. Website current updates so more user friendly

Report written and given to board about suggested changes to website. Any changes need to be approved by board and understanding on who would make those changes. A meeting specifically about website changes was suggested. Anyone who would make changes to website would have access to the domain and all board emails.

C. Open and awarded bids for work to be done in Association

D. Contracts that have been approved by the board as well as contracts waiting for bids to finalize.

Contracts that have been approved are mentioned in general manager's report. 2 mile paving contract for 22nd Makuu and 7th and Kaloi was awarded to Civil Construction.

E. Conch reinstatement and volunteers with involvement for posting in the news feed be posted on the HPPOA website for applications for article submission

Tanya Seaver, District 2, is looking for members to help contribute to articles and add to Conch. Inquiries should be sent to District2@hppo.net. Articles must be factual, informative and not slanderous.

F. Reassess the HPPOA Waterline agreement that was tabled

Discussion ensued about whether HPPOA should charge \$500 for new waterlines accessing county water. Policy is currently in place. All other policies would remain in place such as a licensed contractor putting in the waterline.

Kenneth Helgren (District 4) moved to waive \$500 fee on homeowners in waterline easement agreement. Tanya Seaver (District 2) seconded the motion. Vote: Yes – 4, No – 1. Craig Crelly (District 6) voted in opposition. Leonard Warden (District 8) abstained. Motion carried.

H. Personnel

Discussion ensued on why and if there should be an assistance manager. Discussion tabled until

11. Old Business

a. Roads – Approve 2 miles of 2021 – 2022 (6th and Makuu dead end, 14th and Kaloli dead end, 12th Paradise to Kaloli)

Discussion ensued on approving paved roads for 2021-2022. If a contract were signed now, would company be able to hold contract for 6 months? Contract won't be able to start until July 2021.

Kenneth Helgren (District 4) moved to approve paving 2 miles of road, 6th and Makuu dead end, 14th and Kaloli dead end, and 12th Paradise to Kaloli for 2021-2022 budget. Corky Schoonmaker (District 7) seconded the motion. Vote: Yes – 6, No – 0. Unanimous. Motion carried.

b. Membership Inquiries Committee formed

Kenneth Helgren (District 4) and Craig Crelly (District 6) are on committee. They are going through process of going through and responding to questions and complaints.

c. By-Laws Attorney will be acquired by vote of the Board of Directors that passed update and clean up language that makes it more clear and better understanding what the meaning are to be presented to the Board for approval and given to General membership.

Board has voted and an attorney has been hired to clean up the by-law language to comply with state law. By-law committee would further look at by-law after an attorney has made suggestions for compliance. Attorney will look at by-law 4-21 J specifically regarding planned communities.

12. Owners' Input

Katherine Patton addressed the board. Written statement was given to Recording Secretary.

Emma Hoglund entered at 8 p.m.

Mayelin Stillwell addressed the board. Written statement was given to Recording Secretary.

Anthony Turner addressed the board.

Tiffany Hunt addressed the board.

Michael Schilzer addressed the board.

Tanya Seaver addressed the board.

13. Announcements

A. Next Board Meeting is Wednesday, February 17, 2021

B. Next General Membership Meeting is Sunday, February 28, 2021

14. Meeting Adjourned

Kenneth Helgren (District 4) moved to adjourn to executive session. Emma Hoglund (District 5) seconded the motion. Vote: Yes – 7, No – 0. Motion carried. Meeting adjourned at 8:25 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, Wednesday, January 20, 2021

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