

Hawaiian Paradise Park Owners Association
Finance Committee
AMENDED Meeting Minutes
May 31, 2023

- 1) Meeting was opened at 11:19 am
- 2) Roll Call: Jon Loehndorf (Dist 4), Richard Solie (Dist 7), Jeanette Baysa, Mayelin Stillwell, Patricia Ruppert
- 3) Guest: Larry Torres, Jr (GM)
- 4) Approval of Minutes – May 10 minutes reviewed
- 5) Correction to 5/10 minutes, Larry Torres absent
- 6) Motion by Jeanette Baysa to approve minutes as amended, seconded by Mayelin Stillwell, passed by unanimous consent
- 7) Budget review continues
- 8) Discussion regarding Capital Improvement expenditures. Richard Solie said they are expenses, and need to be included in the budget. \$354,000 for equipment purchases has already been included
- 9) Added expense account 5250 Paving Expense for \$500,000, from CIP 2023/2024 budget
- 10) 5501 Office Expense - review
- 11) 5510 Conch Production increased to \$300. Newsletter should be electronic
- 12) 5515 Printing \$3,000
- 13) 5520 Postage \$20,000
- 14) 5525 Office Equipment Rental \$2,500
- 15) 5530 Furniture and Small Equipment \$3,000
- 16) 5535 Office Supplies \$7,000
- 17) 5540 Contract Services increased to \$11,000

- 18) GM, Larry Torres supported increase in Contract Services in discussion of file storage problems. We need to add climate controlled storage space rental to accommodate moving files from 3 current inadequate locations.
- 19) 5545 Bank Charges \$2,000
- 20) 5546 Merchant Service Fees \$5,000. Jon noted that we are instituting a \$10 service charge for payments made with a credit card to offset credit card fees
- 21) 5550 Annual Fees and Registration \$50
- 22) 5552 Bad Debt Expense – no amount, cost is too random to predict
- 23) 5554 Collection Expense \$1,000
- 24) 5555 Liens \$8,000
- 25) 5560 Director & Officers Liability no change
- 26) 5562 Board expense no change
- 27) 5565 Fidelity Bond no change
- 28) 5570 Meeting expense no change
- 29) 5580 Office Janitorial – leave account
- 30) Total Office expense \$100,950
- 31) Review section 5601 Property Expense
- 32) Add Shop New Roof (CIP) \$75000
- 33) 5665 Annual General Fund Compensation \$172,260
- 34) Richard Solie noted that this is not really an expense, just a transfer from one asset account to another. Patricia Ruppert noted that this transfer is not allowed by our bylaws. Jon Loehndorf noted that this item is in the budget to document the transfer of funds from the Road account to the Non-Road account
- 35) 5680 Depreciation \$896,000. Amount provided by CPA. Not included in the total for section and budget because it is a non-cash expense. It does not affect cash flow.
- 36) 5601 Property total for section \$294,260 (later corrected to \$219,260 after removal of CIP item for \$75,000)

- 37) Review section 5701 Professional Fees
- 38) 5710 Audit & Accounting \$115,000
- 39) 5710 includes Bonnie, contract bookkeeper
- 40) 5720 Recording Secretary \$15,000 (big increase)
- 41) 5730 Legal \$75,000
- 42) 5730 based on ongoing court case, and on estimate for other issue coming up.
- 43) 5740 Elections no change
- 44) 5750 Technical \$8,000
- 45) 5760 Website \$2,000, ongoing web development
- 46) Section 5701 total \$218,000
- 47) Review section 5801 Personnel
- 48) 5811 Salary & Wages \$505,832
- 49) 5811 remove contract bookkeeper, add raises and bonuses. Amount provided by Larry Torres (GM)
- 50) 5820 Payroll Taxes – no change
- 51) 5830 Employee Benefits (Health Insurance) \$72,000
- 52) 5830 assumes all eligible employees will elect to receive health care benefit
- 53) 5865 Training – increase to \$5,500, will need CDL driver training, possibly some safety training
- 54) 5875 Employee Relations – no change
- 55) 5880 Payroll Services \$10,000, April 2023 cost really high because of many transactions
- 56) 5885 Employee Retention/Hiring Ads – no changed
- 57) 5889 Employee Drug Screening \$500

- 58) Section 5801 Personnel total \$ 696,410
- 59) Review section 60 Non-Road Expense
- 60) Review section 6101 Activity Center
- 61) 6130 Activity Center Janitorial \$0, duplicate, included with Non-Road Payroll
- 62) 6186 HPPOA Celebrations increase to \$7,500
- 63) Total for section 6101 \$50,907
- 64) 6700-6710 – Archaeological Survey - \$45,000.
- 65) Motion made and seconded to approve operations budget
- 66) Patricia Ruppert and Mayelin Stillwell noted their opposition to the budget because of the transfer of funds from road to non-road, for the mailbox project, , which they believe is not allowed by our bylaws.
- 67) Motion approved by Jon Loehndorf, Jeanette Baysa, and Richard Solie
- 68) Patricia Ruppert and Mayelin Stillwell voted against the motion to approve the operations budget.
- 69) Motion passed
- 70) Motion made and seconded to approve the Capital Improvement Plan, as revised
- 71) Motion approved by Jon Loehndorf, Jeanette Baysa, and Richard Solie
- 72) Patricia Ruppert and Mayelin Stillwell voted against the motion to approve the Capital Improvement Plan
- 73) Meeting was adjourned