

Aloha,

My name is Julie Rice. I've been an owner in the Park for just over five years. After the ~~JULY~~^{JUNE} membership meeting, I was interested in gaining more first hand information about the workings of the organization, so I started attending the Finance and Bylaws Committee meetings, eventually joining both.

As some of you may know, at the most recent Board meeting, a resolution was passed to dissolve the current Bylaws Committee and form a new one with a requirement that three out of five members – a majority -- be board directors. The provided justification for doing away with the current committee was that they had not successfully updated the bylaws to be compliant with nonprofit or corporate law, or something along those lines.

While the board may have a fiduciary duty to ensure the bylaws are in compliance, they do not have the power to dissolve this committee, which is a committee of the membership.

Our bylaws, state that "the Board...may designate and appoint one or more committees, EXCEPT a bylaws, finance and nominating committee." I'd like to believe it follows that the board may NOT dissolve these committees, either.

During my brief time on the Bylaws Committee, I saw a group working diligently on both new and old business at every meeting. We had increased our meeting schedule from once to twice a month, in order to address the amount of work on our plate. Two current directors were also committee members, so I find it curious that no warning was provided regarding the urgency of the matters which led to the dissolution.

Also interesting is the fact that this came just weeks after the board attempted to control committee membership by way of their own conflict of interest policy. The idea was to block anyone financially supporting a lawsuit – I think we know which one – from serving as a volunteer on any committees of the membership. I'm assuming most of us understand the concept of freedom of speech. And it sounds like the Board's attorney did as well, as this idea was shot down promptly after its attempted adoption.

Also on the topic of disregarding owner rights, in 2018, there were five bylaws amendments voted on by the membership at a meeting just like this one to be sent out for a ballot vote. Since that time, major dysfunction within the organization stalled action on sending these ballots out. The current – or recently dissolved – Bylaws Committee had resurrected and completed work on these amendments. The next step was to send these to the attorney for review, and then to the membership for a vote. Instead of doing so, the board stepped in and vetoed sending three of five of them to the attorney. So, a half a dozen or so people went ahead and threw out multiple items members had voted on, rather than allowing the membership to decide for themselves what they want on the ballot. Not cool.

I'd also just like to make a quick comment on my experience this year with the Finance Committee. At no point since the new committee began meeting in early August was any kind of budget shortfall or need to increase road fees discussed. I don't think it's out of line to expect the association to be able to present some explanation of what they were looking at when the road fee increase was determined. Anyone who attended the last Board meeting will remember it taking nearly 20 minutes for the directors to go back and forth on what a nicer "round number" near FIVE percent was, before jumping to the maximum possible increase of 10%, without presenting any actual budgeting or projections that justified them doing so.

You want to talk about this only amounting to pennies a day for owners. How do you not know if you need to add \$150K or well over \$300K to your revenue in order to stay afloat? How does it make sense to just take the maximum allowable because you clearly didn't do your homework? Please, show us how you came up with 10%, not with your words, with numbers on paper.

Mahalo.

Attachment 5
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