

***Hawaiian Paradise Park Owners' Association
Approved HPPOA Board of Directors Meeting Minutes
Wednesday June 17, 2026***

1. Call To Order

BOD meeting called to order by Jon Loehndorf District 9 at 6:02pm. Taken place at HPPOA activity center.

2. Roll Call

Board members present: Robert Paul Derbyshire District 3, Karin Hoffman District 5, Jon Loehndorf District 9, Mimi Hafele District 8, Jeanette Baysa District 2, Antonio Stone District 6.

Board members absent: Molly Suarez District 4 and Jason Schillewaert District 1.

In attendance: Teresa Bayne HPPOA General Manager and Santos Tolentino Road Supervisor.

3. Approve agenda for June 17, 2026 HPPOA Board of Directors Meeting

Jon Loehndorf District 9 with the removal of item #13 New Business i).

Karin Hoffman District 5 with motion to accept the June 17, 2026 HPPOA Board of Directors Meeting agenda as amended with the removal of item #13 New Business i). Antonio Stone District 6 with second.

Vote: Yes - 6, No - 0, Abstain - 0

Motion carried.

4. Approve April 15, 2026 meeting minutes

Jason Schillewaert District 1 in attendance at 6:06pm.

Jeanette Baysa with 2 corrections to minutes.

Karin Hoffman District 5 with motion to accept the April 15, 2026 meeting minutes as amended. Mimi Hafele District 8 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

5. Approve May 06, 2026 meeting minutes

Jeanette Baysa District 2 with motion to approve the May 06, 2026 meeting minutes as presented. Antonio Stone District 6 with second.

Vote: Yes - 6, No - 0, Abstain - 1 (Karin Hoffman District 5)

Motion carried.

6. President's Report

Jon Loehndorf District 9, read and submitted report

7. Treasurer's Report

Karin Hoffman District 5, read and submitted report

8. GM's Report

Teresa Bayne HPPOA GM, read and submitted report

9. Road Superintendent Report

Santos Tolentino HPPOA Road Superintendent, read and submitted report

10. Committee Reports

a). Bylaws Committee

Patti Szot Bylaws Committee Chair, read and submitted report.

Jon Loehndorf District 9 with motion for the BOD to vote now on accepting the rest of the bylaws presentation with the exception of the notice by certified mail to be removed from the presentation and brought back to the BOD in July for a final vote. Karin Hoffman District 5 with second.

Vote: Yes - 6, No - 0, Abstain - 1 (Jeanette Baysa District 2)

Motion carried.

b). Cultural Preservation Committee

Julie Rice Interim Chair, read and submitted

c). Sustainable Development Committee

Judi Houle Chair, read report with no submission

d). Policies and Procedures Committee

Teresa Bayne Chair, submitted policies

11. Community Resource report - Judi Houle

Judi Houle read report no submission

12. Unfinished Business

a). Mail Park Update

Karin Hoffman District 5 with report and no submission

b). Ratify the Resolution to hold 2 Board Meetings a month

Discussion amongst BOD and members

Jon Loehndorf District 9 with motion to table this resolution to hold 2 Board Meetings a month, until the new BOD is on. Jeanette Baysa District 2 with second.

Vote: Yes - 6, No - 0, Abstain - 1 (Mimi Hafele District 8)

Motion carried.

c). Discussion on purchase of roller and trailer

Jason Schillewaert District 1 table till next meeting

d). Playground Fencing

Jon Loehndorf District 9 with update and Teresa Bayne GM with additional input.

13. New Business

a). Discuss renting a mini excavator for road prep

Robert Paul Derbyshire District 3 with details of rental and use of.

Karin Hoffman District 5 with motion to approve the rental of the mini excavator for prepping the road for the next paving. Robert Paul Derbyshire with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

c). Review and Discuss Fee Schedule changes

Discussion amongst BOD and Teresa Bayne GM on current fees and suggested changes.

Karin Hoffman District 5 with motion to up the Private Party rental fee of the Activity Center Main Room from \$30 to \$40/hr, Non-Profit Main Room and Kitchen from \$15.00 to \$25.00/hr, Non-Profit Main Room, Kitchen and Library from \$25 to \$35/hr. Antonio Stone District 6 with second.

Vote: Yes - 6, No - 1 (Jason Schillewaert District 1), Abstain - 0

Motion carried.

d). Policy 4.5 Property Tax Credit

Teresa Bayne GM read and submitted policy.

Karin Hoffman District 5 with motion to accept Policy 4.5 Property Tax Credit.

Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

e). Policy 4.6 Finance and Accounting Internal Control Process

Teresa Bayne GM read and submitted policy.

Discussion amongst BOD, Julice Rice with comments

Jeanette Baysa District 2 with suggestions and corrections

f). Policy 4.7 Financial Documents to Members

Karin Hoffman District 5 with motion to accept Policy 4.7 as presented. Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

g). Policy 5.1 HPPOA Committee Guidelines

Jason Schillewaert District 1 with motion to accept Policy 5.1 as presented. Karin Hoffman District 5 with second.

Vote: Yes - 5, No - 2 (Jeanette Baysa District 2 and Jon Loehndorf District 9), Abstain - 0

Motion carried.

h). Keoni Alvarez request for use of Activity Center for Film Showing

Discussion amongst BOD and members.

Antonio Stone District 6 with motion not to do anything Keoni Alverz has asked and to shut the whole thing down. Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

14. Member Input (limit to 3 minutes each) Please submit your questions/statement in writing if you wish them to be included in minutes.

-Lanell Lua read and submitted Formal Performance Grievance, Notice of Breach of Contract

-Patti Szot read and submitted a formal objection to a severe and ongoing breach of our governing documents and corporate hierarchy.

15. Announcements:

a. Next Board meeting July 15, 2026 6pm

**b. Next General Membership Meeting is June 28, 2026, 3pm
check-in starts at 2pm**

16. Adjourn to executive session to discuss Legal and Personnel matters.

Karin Hoffman District 5 with motion to adjourn to executive session. Antonio Stone District 6 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

Adjourn at 8:51pm

***HPPOA Board Of Directors Session
Approved Meeting Motions Log
Wednesday, June 17, 2026***

Karin Hoffman District 5 with motion to accept the June 17, 2026 HPPOA Board of Directors Meeting agenda as amended with the removal of item #13 New Business i). Antonio Stone District 6 with second.

Vote: Yes - 6, No - 0, Abstain - 0

Motion carried.

Karin Hoffman District 5 with motion to accept the April 15, 2026 meeting minutes as amended. Mimi Hafele District 8 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

Jeanette Baysa District 2 with motion to approve the May 06, 2026 meeting minutes as presented. Antonio Stone District 6 with second.

Vote: Yes - 6, No - 0, Abstain - 1 (Karin Hoffman District 5)

Motion carried.

Jon Loehndorf District 9 with motion for the BOD to vote now on accepting the rest of the bylaws presentation with the exception of the notice by certified mail to be removed from the presentation and brought back to the BOD in July for a final vote. Karin Hoffman District 5 with second.

Vote: Yes - 6, No - 0, Abstain - 1 (Jeanette Baysa District 2)

Motion carried.

Jon Loehndorf District 9 with motion to table this resolution to hold 2 Board Meetings a month, until the new BOD is on. Jeanette Baysa District 2 with second.

Vote: Yes - 6, No - 0, Abstain - 1 (Mimi Hafele District 8)

Motion carried.

Karin Hoffman District 5 with motion to approve the rental of the mini excavator for prepping the road for the next paving. Robert Paul Derbyshire with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

Karin Hoffman District 5 with motion to up the Private Party rental fee of the Activity Center Main Room from \$30 to \$40/hr, Non-Profit Main Room and Kitchen from \$15.00 to \$25.00/hr, Non-Profit Main Room, Kitchen and Library from \$25 to \$35/hr. Antonio Stone District 6 with second.

Vote: Yes - 6, No - 1 (Jason Schillewaert District 1), Abstain - 0

Motion carried.

Karin Hoffman District 5 with motion to accept Policy 4.5 Property Tax Credit. Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

Karin Hoffman District 5 with motion to accept Policy 4.7 as presented. Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

Jason Schillewaert District 1 with motion to accept Policy 5.1 as presented. Karin Hoffman District 5 with second.

Vote: Yes - 5, No - 2 (Jeanette Baysa District 2 and Jon Loehndorf District 9), Abstain - 0

Motion carried.

Antonio Stone District 6 with motion not to do anything Keoni Alverz has asked and to shut the whole thing down. Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

Karin Hoffman District 5 with motion to adjourn to executive session. Antonio Stone District 6 with second.

Vote: Yes - 7, No - 0, Abstain - 0

Motion carried.

Adjourn at 8:51pm

Approved HPPOA Board of Directors Meeting Minutes

June 17, 2026

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

Nichol Nishiyama, Recording Secretary

A handwritten signature in black ink, appearing to read 'Nichol Nishiyama', written in a cursive style.

Date:

Aug 19, 26

Upon acceptance,

HPPOA Board Secretary

A handwritten signature in blue ink, appearing to read 'J. Nishiyama', written in a cursive style.

Date:

8/24/26

President's Report

June 17, 2026

Aloha,

Over the last couple of years there have been stories/gossip about why HPPOA BOD adopted HRS 421J. It was not so that HPP could become an HOA!! The reason is that we legally had to. This is the advice that we were given by our Lawyer and multiple other opinions from other legal entities.

Litigation: At this time, there are 2 active cases.

1. The Nicole Craig case has been settled.
2. Patricia Ruppert's lawsuit is still in Mediation
3. Leslie Blyth – Additional Motions filed.

Mailbox Keys:

Keys for the 4th and Kaloli Mailboxes. They are in the Office and available from 8 a.m. to 3 p.m.

6th and Maku'u - We have the keys at this time. We are still waiting for USPS to send the contract out to bid. Once we have a service date we will begin issuing the keys.

The Paving has begun on 20th Kaloi Dead End. We are getting the Road Crew trained to get the roads prepped for the paving saving money.

Easement Encroachment: Easements should be kept clear of personal property, plantings, trees, and permanent structures (i.e. Rock Walls).

Illegal dumping: We have spent over \$8600.00 in fees this year to get rid of the TRASH being dumped on the sides of the roads. This does not include the time and labor of the road crews that have to pick it up. If you see it happening, please take pictures, call the police, or stop by the office with the pictures and give them to us. If you have ideas on how to help curb this continuing activity, please contact your District Representative. It's all our road fees that pay for it.

Please check the Web Page periodically and follow our Facebook Page. Please bring to your district representative your ideas, concerns, etc. and your Dist. Rep and/or Board will discuss it and get back to you as timely as we can.

Remember that if you see speeding, fireworks, or other illegal activities contact the police. Also, for loose animals, barking dogs, etc. contact Animal Control.

Mahalo,

Jon Loehndorf
HPPOA President

Court Dismisses Lawsuit Filed by Owner Against Hawaiian Paradise Park Owners

Association Hawaiian Paradise Park, HI — June 17, 2026:

Hawaiian Paradise Park Owners Association (HPPOA) announced that a lawsuit filed by owner Nicole Craig has been resolved, with the court naming HPPOA as the prevailing party via a stipulated judgment. The case involved multiple claims challenging the Association's governance, use of funds, and compliance with applicable statutes and deed restrictions.

On June 16, 2026, The Third Circuit Court entered a stipulated judgment in favor of HPPOA on four central issues raised in the complaint.

The plaintiff's claim that HPPOA does not fall under Hawai'i Revised Statutes (HRS) Chapter 421J, governing planned community associations, was dismissed after the parties agreed the plaintiff would not have proven her claim by a preponderance of the evidence.

The allegation that the Association's Mail Parks violated deed restrictions on designated 20-acre parcels was also resolved. Amendments to the relevant deeds, recorded on August 21, 2025, clarified that mail park and communication-related uses are permitted. These amendments, agreed upon by the HPPOA Board and Watumull Investment Co., LLC, make it explicitly clear that such uses are allowed and preclude similar claims in the future.

Claims that road funds were improperly used for Mail Park site preparation were likewise dismissed. Amendments to the HPPOA bylaws duly approved by members in 2025 by a majority vote authorize the use of up to five percent of road fees for non-road Association assets, including Mail Parks, an activity center, and improvements to the 20-acre parcels.

Finally, allegations that current Board member Kari Hoffman and former Board member Jeff Finley breached their fiduciary duties were dismissed due to a lack of supporting evidence.

HPPOA reported that total costs associated with the case amounted to \$50,000, representing the deductible under the Association's insurance policy, which covered initial legal expenses.

This resolution allows HPPOA to move forward with clarity and continue focus on serving our community. We remain committed to responsible governance and ongoing improvements that benefit our property owners.

HPPOA Treasurer's Report June 17, 2026

Bank Balances as of the end of May 2026:

TOTAL Checking, Savings, and Investment Account: \$8,068,384.20.

TOTAL Accounts Receivables: \$4,303,000.85

This account balance represents unpaid road maintenance fees, lien fees, finance charges, legal fees, collection expenses and bounced check charges as well as a few transfer fees that have been billed but not paid. The Accounts Receivable balance at 4/2025 was \$3,848,386.75. The annual billing for this year was \$3,807,990. As of May 2026, we had a total of 6,245 owners paid in full or 70.5%. We collected \$239,501 in fees in January, \$786,073 in February, \$ 1,176,647 in March, \$640,692 in April and \$123,377.22 in May for a total of \$2,995,942.

Allowance for Doubtful Accounts balance is: \$430,224.75. (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 approximately 24 property transfers during the month of May.

Total Expenses this year for roads is \$2,762,502 and non-roads is \$67,883 for total expenses of \$2,830,385. Our current net income for paving and equipment purchases is \$1,359,395 and we budgeted \$1,523,640 so we are a little under budget.

Statement Regarding Unaudited Financial Information

The unaudited financial information set forth above 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 30th, 2025. Adjustments and modifications to the financial statements may be identified during the course of the audit work, which could result in significant differences from this preliminary unaudited financial information.

General Manager's Report

For the Month of May 2026

June 17, 2026

Admin

The postcard mailing was completed on May 1, 2026. This was the required notice of the date for the June membership meeting. Total postage cost was \$5230

Missing green street name and yellow street number signs have been replaced.

I sent a letter to the county elections division notifying them that they are using the wrong street names, and that the correct legal names are the numbers, with a few exceptions.

The paving project on 20th Kaloli dead end was approved and work began. Our road crew did all the prep work and paving is scheduled to begin on June 16th. Letters were sent to each property owner advising them of the work and to expect travel delays and road closures. We will send the same letters to the owners on the next road as we get closer to the start of work.

The asphalt damage on 4th has been repaired. Total cost to the property owner was \$4590.

We had a Workman's comp claim. A member of the road crew cut his hand while replacing a blade on a mower. It required a trip to the emergency room and a couple stitches. The employee was able to return to work the next day.

The curb stops have been received and are scheduled to be installed the last week of June. The playground fence replacement is scheduled for the week of July 6th at a cost of \$4700 plus GET.

We renewed our lease with Pitney Bowes for our postage and a new machine has been received and installed. Postage rates are going up on July 1.

The next mailing is the annual financial report that has to be mailed no more than 60 days from the end of the fiscal year.

I would like to express my thanks to the board of directors for all your hard work this year. It has been my honor to work both with and for you and I look forward to working with the new Board.

Road superintendent Report

June 17, 2026

For the Month of May 2026

ROADS

- **Widen and Regraded 7 mile of Roads.**
- **Spot drop / Chain spread 11 Roads.**
- **Roll and compact 22 miles of Roads.**
- **Road watered 105 miles of Roadway.**
- **Mowing and easement trimming.**
Sidearm mowers total of 76 miles.
Zero turn mowers 99 miles total.
- **Metal .69 Tons. Shell of abandoned vehicles .52 Tons.**
Rubbish 1.18 Tons.
- **Gravel material delivered to Base yard 323.71 Tons.**
- **Gravel used 1,847.50 Tons on prepping paving project.**
- **One of many busy traffic roads in our subdivision, we have started Prepping Road for paving on 20th kaloli dead end. We have been Widening the roadways, Filling low spots with materials and removing trees that has been in the way. Proceeding with the right measurement and degree needed for proper paving procedures with the paving company.**
- **Continuing applying hot mix (Asphalt) on areas needed, Painting Stop Bars, applying Calcium Chloride, applying selective herbicide and with other schedule projects. Weather permitting.**
- **For the month of May 2026, Road maintenance crew have Received and responded to 4 Calcium Chloride request 26 dust Request and 26 other work Request.**
- **Quick note I would like to add. When equipment and personnel are out on road way please be patient and observant. Safety is our number one concern.**

BLC update at BOD June 17, 2026

Aloha Board of Directors and members in attendance,

My name is Patti Szot and I am the chair of the Bylaws committee. I have been requested by the President of HPPOA, Jon Loenhdorf, to appear at this meeting, although he has no authority to do so, I am the chair of a membership approved committee as outlined in our Bylaws. My update that the board is demanding of the Bylaws committee is that none of the amendments we have been working on have been approved by the committee. Since the association was closed on June 11th, when we had a regularly scheduled meeting, with no notice to the community; we had an impromptu meeting to discuss the three amendments we are working on, to keep moving forward. The plan is to approve the changes at the next bylaws meeting on June 25th at 5-7pm in the library at the activity center. Once the amendments are approved by the bylaws committee, we will present to the members at the June 28, 2026 General Membership meeting as outlined in our bylaws. All members are welcome to attend.

Cultural Preservation Committee (CPC) Report

The CPC held its meeting on Saturday, June 13, 2026 at 10:00 am.

Chairperson Lanell Lua resigned as Chair of the Cultural Preservation Committee.; however, she remains a committee member. Julie Rice was chosen by unanimous vote to be the Interim Chair.

Two new members were added to the Committee: (1) LaDonna Medina and (2) Patti Szot.

The Committee voted to add the position of Cultural Advisor to the Committee.

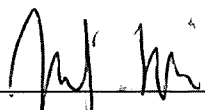
The Committee voted unanimously to approve the following Opposition Statement regarding HPPOA herbicide use as follows:

‘Ōlelo no’eau, Hawaiian proverb, informs us, “He ali’i ka ‘aina; he kauwā ke kanaka;” the land is a chief, the people its servants.

Hawaiian culture is deeply rooted in responsible stewardship of our natural environment. As residents of Hawaii, we have accepted the privilege and responsibility of this duty of care.

When other methods are available, and we take harmful shortcuts, such as poison, we are breaching the reciprocal relationship we, as people living in Hawaii, are meant to have as stewards of the ‘aina (land) and wai (water).

Therefore, it is our official stance as the Cultural Preservation Committee that HPPOA should immediately and permanently cease the application of herbicides throughout the community, and seek to employ alternative methods of maintenance on HPPOA-managed lands.



Julie Rice, Interim Chairperson
Cultural Preservation Committee

Items to Address with Cultural Preservation Committee (CPC) Report 6/17/26

Good evening.

Prior to giving this report, could the board please clarify what the current policy is regarding committee reports at board meetings? A couple months ago, all committees were informed that they had to give notice to be added to the board meeting agenda. However, no request was made for this meeting, and I see that the CPC report was added to the agenda anyway.

Second, I'd like to ask if you're aware of what film Mr. Alvarez is requesting to screen in the Activity Center.

Given the recent controversy involving the mailbox site, the Island Burial Council, etc., as Interim Chair of the Cultural Preservation Committee, I think it's my obligation to recommend that additional kanaka be consulted regarding the appropriateness of this request. Please consider taking the time to seek this input before making a decision, and let me know if you need any assistance with that.

RS

**HAWAIIAN PARADISE PARK OWNERS ASSOCIATION
BOARD OF DIRECTORS RESOLUTION**

RESOLUTION NO. 2026-01

**A RESOLUTION ACCEPTING THE FORMATION OF A SUSTAINABLE DEVELOPMENT
COMMITTEE**

WHEREAS, the Members of the Hawaiian Paradise Park Owners Association (“HPPOA”) voted at the duly noticed General Membership Meeting held in February 2026 to approve the formation of a Sustainable Development Committee; and

WHEREAS, the Board of Directors recognizes the value of member participation and engagement in matters related to sustainability, environmental stewardship, and community development; and

WHEREAS, the Board desires to formally acknowledge and establish the framework under which such committee shall operate;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Acceptance of Committee Formation

The Board of Directors hereby accepts and affirms the formation of the Sustainable Development Committee as approved by the membership at the February 2026 General Membership Meeting.

2. Committee Classification

The Sustainable Development Committee shall be established as a **Membership Committee**, and not as a Board Committee.

3. Composition

The Committee shall be comprised of no fewer than five (5) and no more than nine (9) Members in Good Standing, as defined by the HPPOA governing documents. The committee will be elected annually at the June Membership meeting.

4. Reporting Structure

The Committee shall report to the Board of Directors and shall provide updates, recommendations, and reports as requested by the Board or as deemed appropriate by the Committee.

5. Authority and Limitations

The Committee shall serve in an advisory capacity only and shall have no authority to bind HPPOA, incur expenses, or take official action on behalf of the Association unless expressly authorized by the Board of Directors.

6. Representation

The Committee and its members shall not represent themselves, either explicitly or implicitly, as speaking or acting on behalf of HPPOA without prior authorization of the Board of Directors.

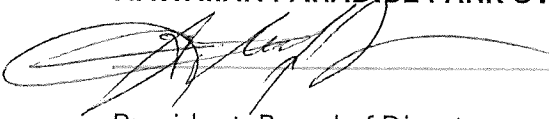
7. Scope of Work

The Committee may study, evaluate, and make recommendations regarding sustainable practices, environmental initiatives, and community development opportunities for consideration by the Board.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon its adoption.

ADOPTED by the Board of Directors of the Hawaiian Paradise Park Owners Association at a duly noticed meeting held on the 15th day of April, 2026.

HAWAIIAN PARADISE PARK OWNERS ASSOCIATION



President, Board of Directors



Secretary, Board of Directors

HPPOA Fee Schedule

All Non-refundable charges and fees are subject to Hawaii General Excise Tax (GET)

Transfer	\$300.00
Lien	\$200.00
Photocopies	\$2.00 per page
Associate Membership	\$100.00 per year

Activity Center

The Activity Center is available for rent to Members of HPPOA. Non-members may rent the facility upon purchase of an Associate Membership (see above). All rentals include Bathrooms

ACTIVITY CENTER "PRIVATE PARTY" RENTAL RATES and DEPOSIT REQUIREMENTS

	Rate
Security deposit (Refundable)	\$300.00
Inspection (Non-Refundable)	\$50.00
Library	\$15.00 per Hour
Field	\$15.00 per Hour
Main Room	\$30.00 per Hour
Kitchen	\$40.00 per Hour
Main Room & Kitchen	\$75.00 per Hour
Main Room & Kitchen & Library	\$85.00 per Hour

ACTIVITY CENTER "NON-PROFIT" RENTAL RATES and DEPOSIT REQUIREMENTS

	Rate
Security Deposit (Refundable)	\$125.00
LIBRARY Deposit (Refundable) for groups of less than 25	\$25.00
LIBRARY Inspection (Non-Refundable) for groups of less than 25	\$25.00
Library	\$15.00
Field	\$TBD
Main Room	\$15.00
Kitchen	\$15.00
Main Room & Kitchen	\$15.00
Main Room, Kitchen, Library	\$25.00

RS

Recommendation for the Board of Directors

Respectfully submitted by the Policies & Procedures Committee

Date: 6-9-26

The Policies & Procedures Committee asks that the BOD approves the following request:

Request: Adopt policy 4.5 Property Tax Credit

Reason for request:

codify policy pertaining to Hawaii County
ordinance 2025-10

Funds and/or Resources needed:

None

Chairperson Signature:



Date of Committee Meeting approving this request: 6-9-26

Committee votes:

Yes: 5 Bayne Hoffman Skaggs Redman Suarez

No: 0

Abstain: 0

Note: Request must be submitted to the HPPOA office 10 days before the BOD meeting.

Hawaiian Paradise Park Owners Association

Policy Number 4.5 Property Tax Credit

Relevant Statutes, Ordinances or Association Governing Documents: Hawaii County Ordinance 2025-70

Purpose: To establish procedures and eligibility requirements relating to the property tax credit available through the County of Hawai'i for property owners who pay road maintenance fees to a qualifying private road maintenance organization.

Details:

- 1) Pursuant to applicable ordinances and regulations of the County of Hawai'i, property owners who pay road maintenance fees to a private organization responsible for maintaining subdivision roadways may be entitled to a property tax credit in an amount **not to exceed Two Hundred Fifty Dollars (\$250.00) per year**, subject to County approval and applicable law.
- 2) To be eligible for inclusion on the annual tax credit notification list submitted by Hawaiian Paradise Park Owners Association (HPPOA), the following requirements must be met:
 - a. The property owner must be the owner of record of a lot within Hawaiian Paradise Park as of Aug 31.
 - b. Road maintenance fees must be paid each year on or before August 31 to be included on the list for the following year's tax credit.
- 3) Failure to satisfy these requirements by August 31 shall render the property ineligible for inclusion on that year's tax credit list. Inclusion on the list does not guarantee approval of the tax credit, as final determination is made solely by the County of Hawai'i in accordance with applicable law.
- 4) HPPOA's responsibility under this policy is limited to:
 - a. Verifying payment status of road maintenance fees;
 - b. Compiling the list of eligible property owners with TMK, and amount paid; and
 - c. Submitting the required notification to the County of Hawai'i.
- 5) HPPOA makes no representation or warranty regarding:
 - a. Approval of any tax credit;
 - b. The amount of any tax credit granted; or
 - c. The continued availability of the tax credit under County law. Ordinance 2025-70 is scheduled to "sunset" on January 1, 2037.

Responsibilities:

- 1) The General Manager, or their designee, shall be responsible for administering this policy, verifying eligibility, and ensuring timely submission of the annual notification to the County of Hawai'i.

Review

This policy shall be reviewed Annually for any improvements or updates to Hawaii County Ordinance 2025-70.

HPPOA Policy 4.5 Property Tax Credit

Adopted Date:
Ver 2

Amended Date:

Review Date:

RS

Recommendation for the Board of Directors

Respectfully submitted by the Policies & Procedures Committee

Date: 5-19-26

The Policies & Procedures Committee asks that the BOD approves the following request:

Request: Adopt Policy 4.6 Finance and Accounting
Internal Control Process

Reason for request:

Formalize existing policy in standardized
format

Funds and/or Resources needed:

None

Chairperson Signature:

Jessica Bay

Date of Committee Meeting approving this request: 5-19-26

Committee votes:

Yes: 5 Bayne Hoffman Skaggs Redman Suarez

No: 0

Abstain: 0

Note: Request must be submitted to the HPPOA office 10 days before the BOD meeting.

Hawaiian Paradise Park Owners Association

Policy Number 4.6 Finance and Accounting Internal Control Process

Relevant Statutes, Ordinances or Association Governing Documents: HPPOA Bylaws (Aug 25) Article VIII Sec 9, HPPOA Bylaws (Aug 25) Article IX Sec 5, HPPOA Bylaws (Aug 25) Article XI, HPPOA Bylaws (Aug 25) Article XII Sec 3

Purpose: To outline the HPPOA Accounting and Finance Activities and Responsibilities in accordance with GAAP (Generally Accepted Accounting Principles). HPPOA has a fiscal year end of June 30.

Details:

- 1) Accounting System: (Accrual Basis)
 - a) HPPOA uses an Accounting Software which is currently QuickBooks Enterprise Solutions.
 - b) The Bookkeeper and/or their backup has complete access to QuickBooks and is responsible for posting all transactions in QuickBooks. This includes journal entry postings and financial statements. Journal entries typically include monthly allocation entries for expenses and other recurring transactions (prepaid, deferred revenue, salaries and wage expense, operating expenses, etc.).
 - c) HPPOA's General Manager, BOD President, BOD Treasurer, and Office Admin have access to QuickBooks.
 - d) HPPOA conducts monthly QuickBooks backups on an external drive and thumb drive that are stored in separate secure locations. A daily backup is also stored on the server in a secured vault.
- 2) Details of Revenues (Checks/Cash/Credit Cards):
 - a) Revenue consists of association fees, late fees/interest fees, credit card convenience fees, transfer fees, lien fees, leases, and Activity Center deposit and rental fees.
 - b) Credit card transactions are processed and reconciled each day. Persons making a credit card payment will receive a merchant services receipt in person or via email. Payments are deposited directly into HPPOA's bank account.
 - c) In person cash payments receive a handwritten receipt from a pre-numbered receipt book and is immediately recorded for deposit. Cash is stored in a bank bag with the cash box in our secure vault until the General Manager collects the bank bag to hand deliver to HPPOA's Bank.
 - d) After depositing, the bookkeeper will attach the bank deposit receipt to the QuickBooks' deposit report and file it.
 - e) Bank runs are 1 -5 days a week depending on the time of year or volume.
 - f) Checks are immediately entered, stamped "for deposit only," and electronically Deposited. Payments received in the mail are verified by matching the remitted bottom half of the annual bill or the TMK/account number listed in the check memo.

HPPOA Policy 4.6 Finance and Accounting Internal Control Process

- 3) Association Fees & Annual Fee Billing:
 - a) The Board approves the annual Road Maintenance fees. Invoices are sent out in January to all Members (Property Owners) and are due by April 1st. The Bookkeeper and/or their backup will enter payments and verify that the correct lot and block and TMK are being credited.
 - b) Finance Charges are assessed on any unpaid balance due at the end of each month.
 - c) Annual fees billed are recorded to the balance sheet with ½ being posted to the current fiscal year, and ½ to the following fiscal year, and each month 1/12 is posted to the Profit & Loss as income.
- 4) Property Transfer Fees:
 - a) At the time of escrow closure, the billing and property owner records are updated including seller inactivation and creation of the new/buyer property owner information.
 - b) A \$300.00 transfer fee is invoiced to the buyer to change the property owner name in HPPOA's database, as well as processing the new deed, verifying mailbox key availability/status, and mailing a welcome packet to the new owner.
 - c) If no escrow company is used, it is the responsibility of the new owner to advise HPPOA of the transfer, provide a deed, and pay the transfer fee.
- 5) Late Fees & Interest:
 - a) Unpaid association fees or any unpaid open balances are subject to a current interest charge of 10% annually. Delinquent accounts are researched and corrective actions including mailing and phone calls are conducted. Liens may be placed on properties and fees assessed on delinquent accounts which have open balances more than two years old.
 - b) A lien fee of \$200.00 is charged to the owner and added to their account.
 - c) Waiver of interest charges is permitted at management's discretion and does not need board approval. A maximum of two (2) months interest charges may be waived due to the timing of escrow closing or when payment is received in the mail. These are payments considered made in good faith and the title company or property owner may not be aware that an end of month interest charge had been assessed.
- 6) Rental Revenue:
 - a) HPPOA leases 20 acres of land to the Malamalama School under the terms of a 99-year lease which began June 1, 1980. Check the current lease terms for rates. This is shown as rental income per year.
 - b) HPPOA rents out their community multi-purpose area to owners and non-owners. The Deposit and hourly fees are detailed in the Activity Center Application.
- 7) Details of Expenses/Disbursements:
 - a) All incoming mail is date stamped and initialed by the office admin. Purchase orders/invoices are approved for payment by the General Manager based on the current budget and explanation provided.
 - b) After the General Manager's approval, the Bookkeeper will enter the invoices and print a check for signature(s). Two signatures are required for checks over \$1200. Five people are authorized to sign HPPOA checks: the General Manager, Board President,

HPPOA Policy 4.6 Finance and Accounting Internal Control Process

Adopted Date:
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- Board Vice President, Board Treasurer, and Board Secretary.
- c) \$800.00 petty cash is held onsite for cash reimbursements and annual road fees change. A locked cash box is stored in a secure vault.
- 8) Bank & Credit Card Reconciliations:
- a) The monthly bank account and credit card statements are entered and reconciled. Credit card receipts are attached to the credit card statements and all documents are filed in fiscal year binders and stored in a secure location.
 - b) The GM must approve each credit card charge from other card holders and a BOD officer must approve any GM credit card charge.
- 9) Payroll:
- a) HPPOA currently uses an outside company (Taketa, Iwata, Hara & Associates LLC) for processing payroll. Maintenance crew hours are reviewed by the Road Superintendent and the admin staff hours are reviewed by the General Manager. Hours are distinguished between Road and Non-Road hours for Accounting purposes. Completed and approved timesheets are then forwarded for processing via Suralink and employees are paid bi-weekly. The bookkeeper enters the payroll liabilities from the downloaded and printed payroll reports and files all paperwork and timecards to the fiscal year Payroll binders.
 - b) The General Manager enters new hire employee information, including pay rate, into Suralink. Payroll legal forms (W4s, I9s, etc.) are administered by the General Manager and filed in the employee personnel file, which is kept in a locked file cabinet. Any updates or changes to an employee pay rate or status are handled by the General Manager and he/she provides the necessary documentation to the payroll company. Review of wage entries and payroll changes is performed by the Treasurer.
 - c) If there are any terminations, a termination letter is processed and filed in the employee's personnel file and the payroll company is immediately notified to process the final paycheck and paperwork.
- 10) Details of other Accounting Activity:
- a) Estimating the Allowance for Doubtful Accounts and Bad Debt Expense:
 - i) Past due account receivable balances are reviewed by the bookkeeper/office staff after reminder billings are sent out in June. Past due account balances are written off based on legal notification or, in the rare instance, that management has deemed uncollectible. The evaluation of allowance for doubtful accounts is completed by management and is based on lien position, history, and communication with the owner.
 - ii) A year end entry may be made based on the recommendation of HPPOA's Auditors.
 - b) General Ledger
 - i) Cash payments are to be recorded the day received.
 - ii) The Bookkeeper will reconcile all general ledger accounts for accuracy each month including all bank accounts.
 - iii) All reconciliations will be reviewed and approved by the BOD Treasurer at least once a quarter.
 - iv) The General Manager reviews the monthly financial statements in detail and compares the balances in expense accounts to

budgeted amounts. Any material differences from expectations are investigated and explained.

11) Financial Close and Reporting:

- a) Monthly financials and reports are reviewed by the General Manager, Board of Directors, and the Finance Committee.

12) IT Environment:

- a) Pacific Pro Tech is our IT management company responsible for our intrusion detection, network health monitoring, and disaster recovery. The server is located on-site in a secure vault. Pacific Pro Tech has set up the system to automatically back up HPPOA's data every day.
- b) HPPOA office staff have separate logins.

Responsibilities: The Treasurer and General Manager will review this policy annually and refer to the Policies and Procedures Committee for necessary changes.

Review:

This policy shall be reviewed Annually for any improvements or updates to HPPOA Bylaws (Aug 25) Article VIII Sec 9, HPPOA Bylaws (Aug 25) Article IX Sec 5, HPPOA Bylaws (Aug 25) Article XI, HPPOA Bylaws (Aug 25) Article XII Sec 3

RS

Recommendation for the Board of Directors

Respectfully submitted by the Policies & Procedures Committee

Date: 5-19-26

The Policies & Procedures Committee asks that the BOD approves the following request:

Request: Adopt Policy 4.7 Financial Documents
to Members

Reason for request:

Codify 4.14D & 4.21J requirements
into formal policy for easy reference for
staff and Members

Funds and/or Resources needed:

None

Chairperson Signature:

Serena Bay

Date of Committee Meeting approving this request: 5-19-26

Committee votes:

Yes: 5 Bayne Hoffman Skaggs Redman Suarez

No: 0

Abstain: 0

Note: Request must be submitted to the HPPOA office 10 days before the BOD meeting.

Hawaiian Paradise Park Owners Association

Policy Number 4.7 Financial Documents to Members

Relevant Statutes, Ordinances or Association Governing Documents: HRS 421J-7, HRS 414D-302

Purpose: To establish a clear and consistent process for Members of Hawaiian Paradise Park Owners Association (HPPOA) to request and obtain financial documents of the Association, while ensuring compliance with governing documents, applicable Hawaii law, and the protection of confidential and sensitive information.

Details:

- 1) Members shall have the right to request access to documents of the Association upon completion and submission of an official HPPOA Document Request Form. The Association may require verification of membership status prior to fulfilling any request.
- 2) Requests shall be processed in a timely, consistent, and transparent manner while protecting confidential, privileged, or legally restricted information.
- 3) The following financial documents may be made available to Members upon submission of a completed Document Request Form, a signed Good Faith Affidavit, and a signed Confidentiality Agreement:
 - a) Approved annual budgets
 - b) Year-end audited financial statements and report
 - c) Balance sheets
 - d) Income and expense statements
 - e) General ledger summaries
 - f) Approved tax filings (excluding confidential identifying information)
 - g) Accounts receivable aging summaries (without owner-specific confidential information)
 - h) Vendor payment summaries
 - i) Board-approved contracts involving significant financial obligations
 - j) Insurance policy declarations pages
 - k) Monthly Treasurer's reports presented to the Board
 - l) Other financial documents approved for release by the Board of Directors
- 4) The following documents shall not be released to Members unless required by law or specifically authorized by the Board:
 - a) Individual owner account details
 - b) Delinquency reports identifying specific owners
 - c) Payroll records
 - d) Employee personnel files
 - e) Attorney-client privileged communications
 - f) Pending litigation documents
 - g) Collection files
 - h) Bank account numbers or banking credentials

HPPOA Policy 4.7 Financial Documents to Members

Adopted Date:

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- i) Credit card account details
 - j) Tax identification numbers
 - k) Confidential vendor proprietary information
 - l) Executive session materials
 - m) Any document protected by privacy laws or legal privilege
- 5) Members may file a written request with the board to examine other documents of the association. The board shall give written authorization, or written refusal with an explanation of the refusal, for the examination within sixty calendar days of receipt of the request.
- 6) Members requesting documents must:
 - a) Complete the official HPPOA Document Request Form in full including:
 - i) Identify the specific documents being requested
 - ii) State the preferred format for delivery (electronic or paper copy)
 - b) Submit the form to the General Manager or designated staff member
 - c) Incomplete request forms will not be processed.
- 7) Response Time:
 - a) HPPOA shall make reasonable efforts to respond to document requests within five (5) business days of receipt of a complete request form.
 - b) If additional time is required due to volume, complexity, legal review, or document retrieval, the Member shall be notified of the estimated completion date.
- 8) Copying and Administrative Fees
 - a) Electronic copies, when readily available, may be provided at no charge.
 - b) Paper copies may be subject to a reasonable copying and administrative fee as established by the Board of Directors (see current Fee Schedule).
 - c) Fees must be paid prior to release of paper documents unless otherwise waived by management.
- 9) Where appropriate, HPPOA may satisfy a request by allowing in-office inspection of records during normal business hours by appointment. Inspection shall occur under staff supervision and documents may not be removed, altered, photographed, or copied without authorization.
- 10) HPPOA shall maintain a record of all submitted Document Request Forms and responses for administrative and legal purposes.

Responsibilities:

- 1) The GM, or their designee, is responsible for ensuring document requests are completed in a timely manner.
- 2) The GM, or their designee, is responsible for submitting requests for Other Documents of the Association to the Board President.

Review

This policy shall be reviewed Annually for any improvements, or updates to HRS 421J-7 or HRS 414D-302

HPPOA Policy 4.7 Financial Documents to Members

Adopted Date:
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Amended Date:

Review Date:

RS

Recommendation for the Board of Directors

Respectfully submitted by the Policies & Procedures Committee

Date: 6-9-26

The Policies & Procedures Committee asks that the BOD approves the following request:

Request: Adopt policy 5.1 HPPOA Committee Guideline

Reason for request:

update existing policy (adopted in 2012)

Funds and/or Resources needed:

None

Chairperson Signature:

Jessica Bay

Date of Committee Meeting approving this request:

6-9-26

Committee votes:

Yes: 5 Bayne Hoffman Redman Skaggs Suarez

No: 0

Abstain: 0

Note: Request must be submitted to the HPPOA office 10 days before the BOD meeting.

Hawaiian Paradise Park Owners Association

Policy Number 5.1 HPPOA Committee Guidelines

Relevant Statutes, Ordinances or Association Governing Documents: HPPOA Bylaws Article X

Purpose: To govern and assist with the activities of the HPPOA Association Committees

Details:

Committee Liaison

1. The Board of Directors (BOD) shall appoint a Director as Board liaison to each Membership Committee.
2. The Board liaison:
 - a. Is a Non-voting position.
 - b. Advises the committee of the appropriate channels (Board or Office) for obtaining necessary information.
 - c. Provides guidance between meetings.
 - d. Provides the Committee with a copy of these Guidelines and either the bylaws or forming resolution that provide committee objectives and timelines.
3. The BOD VP will initiate the Committee's first meeting which should be held soon after committee formation. At the July BOD meeting the BOD will appoint a liaison.
4. Chair provides his or her contact information to the HPPOA office.

BOD/Membership meetings - Committee Reports

1. Committee Chair shall submit a request to the President to be added to the meeting agendas for presentation of committee reports, to seek approvals for recommendations and proposals, or to request direction from the Board.
 - a. Board Committees shall report at regularly scheduled Board meetings.
 - b. Membership Committees shall report at regularly scheduled Membership meetings and regularly scheduled Board meetings when requested by the BOD.
 - c. Written reports may be made in lieu of oral reports and shall be submitted to the Office one week before the scheduled meeting.
2. Placement on the Board or Membership Meeting Agenda.
 - a. Committee reports are grouped together under "Committee Reports" on the agenda.
 - b. Committee Reports shall include:
 1. Progress since the last meeting, any challenges, and future planned tasks/activities.
 2. These reports/updates shall not exceed 5 minutes.
 - c. Major or complex proposals, recommendations, and new requests shall come under New Business.
 1. These requests will need a "Recommendation for the Board of Directors" form, obtained from the HPPOA Office, filled out and submitted to the HPPOA office 10 days before the BOD meeting.

Minutes of Committee meetings

Committees shall keep meeting minutes to include a record of activity and decisions to support any actions or recommendations made within the Committee or to the Board/Membership. Committees shall submit a copy of the approved minutes to the HPPOA office for historical file retention. (HPPOA office will post to the committee web page on the HPPOA Website)

HPPOA Policy 5.1 Committee Guidelines

Adopted Date:

Amended Date:

Review Date:

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Approvals

1. The Chair of each committee shall seek prior approval from the Association Board for actions of the Committee. (Examples: Items wanting to be posted to the HPPOA Website or Facebook page, Mailings to Membership, Expenditures outside of the Committee budget, contact with government offices/agencies, contact with media.) Committee members may not represent HPPOA on social media without BOD approval.
2. Action and decisions of committees shall be subject to the approval of the BOD.

Protocol

1. Committee members shall disclose any conflict of interest as defined in the HPPOA Bylaws & Adopted Conflict of Interest Policy.
2. Any recording of meetings other than by the Secretary shall be made known as a courtesy to the other Committee Members and guests.
3. During meetings, members shall raise their hands to be recognized by the Chair before speaking. Questions and comments shall be relevant to the current discussion.
4. Communication including emails regarding committee business shall be limited to current committee members. Emails shall be concise and relevant to current agenda items.
5. Where a committee project/purpose impacts the HPPOA Office, committee Chair shall coordinate with the General Manager or their designee.
6. Committees may, with prior approval from Board:
 - a. be reimbursed for expenses
 - b. have access to office staff or resources (at GM's discretion)
 - c. request announcements be posted on the HPPOA website (with BOD approval)
 - d. use office copy machine for committee business (at GM's discretion)
7. Committee Chair shall ensure that meetings are open to any member having a desire to observe. Meeting dates and times will be published on the Association calendar on the HPPOA website. The committee Chair has the authority to maintain a productive working environment, including removal of observers.
8. Committees shall maintain confidentiality of any Association documents. Committee members may be asked to sign a Confidentiality Agreement and Good Faith Affidavit.
9. Information received in Committee meetings (whether written or verbal) is for Committee Members' use only, to work from and not for social media Posting, Emailing, or Texting.
10. Any committee, Board or Membership, shall be dissolved by the Board at the conclusion of the committee's assignment or when the Board determines the committee has ceased to meet the committee objectives as defined by HPPOA bylaws or forming resolution.

Review:

This policy shall be reviewed Annually by the Policies & Procedures Committee for any improvements, or if updates have been made to HPPOA Bylaws Article X.

Employees Hand Book - HPPOA

CONFLICT OF INTEREST

A successful working relationship with HPPOA requires your full effort and attention. Employees must refrain from any activity or any financial interest that is inconsistent, interferes with or appears to interfere with HPPOA's best interests. Examples of conflicts of interest include, but are not limited to: (1) outside activities which have a negative effect on your ability to satisfy job-related requirements of your position at HPPOA; (2) outside jobs or business/financial interests which are in competition with HPPOA's business; and (3) outside activities which involve the use of confidential information learned directly or indirectly through employment at HPPOA.

You are requested to report all outside employment and business interests to management to determine if there is any possibility of a conflict of interest. You are also required to report any other activities which might be regarded as a conflict of interest. Failure to report potential conflicts of interest or refusal to resolve such conflicts may result in disciplinary action, including discharge.

CONFIDENTIALITY

Employees may have access to confidential and proprietary information of HPPOA and/or confidential and private information about its residents and their families. This information may include, but is not limited to, financial information, Association marketing and advertising information, insurance-related information, internal policies and practices of HPPOA and/or any of its affiliated companies, and personally identifying information of our employees, residents and/or family members (collectively "Confidential Materials").

All Confidential Materials must be kept in such a manner that there is limited access and disclosure only to employees and others on a "need to know" basis. At the end of the day and on weekends, all Confidential Materials must be placed in secured and locked files. All electronically stored Confidential Materials must be protected by passwords and limited access. This also includes documents or files containing identifying personal information (a person's first name or first initial and last name, in combination with one or more of the following: (a) Social Security Number; (b) Driver's License or Hawaii Identification Card Number; or (c) Account number, credit or debit card number, access code, or password that would permit access to an individual's account number).

Any missing Confidential Materials, or any inadvertent disclosure of Confidential Materials or information to an unauthorized individual, must be reported to your supervisor immediately.

Confidential Materials, as well as all files, books, computer files and other paper or electronic records containing or reflecting such information, are the sole property of HPPOA. Such materials may not be copied for personal use and may not be removed from work premises. The confidentiality of the information must be always maintained. Disclosure of Confidential

Section 6. Notice. The address of each lot owner as it appears on the records of the Association, and as may be changed from time to time by written notice to the Association by any lot owner, shall constitute the lot owner's official address. Said address may be conclusively relied upon by the board in notifying lot owners of assessments, defaults and other matters and for the service of process. In the event that mail is returned to the Association as undeliverable, the Association administration may take reasonable measures to locate the lot owner, including using tax records, credit bureaus, locating services, etc. Addresses of the lot owners shall be maintained as property of the Association and shall be kept confidential.

Section 7. Statements and Transfer Fees. The board shall, when requested, and in exchange for a fee to be determined by the board, issue written statements to purchasers, escrow companies, or mortgagees of lots stating whether or not the assessments against said lots have been paid to the date of the statement, and if not the amount owed, together with any additional information that may be reasonably requested concerning the account of said lot.

Section 8. Special Assessments. In addition to the annual mandatory road maintenance assessment, per Section 2, above, the Association may make special assessments for any road maintenance costs only upon the affirmative majority of mail-in vote of not less than 600 members in good standing. Any ballot for special assessments shall include the terms of payment and specify an effective date.

ARTICLE XII – ADMINISTRATION

Section 1. Association General Manager.

- (a) The association general manager, commonly referred to as the general manager, is the individual, independent contractor, or firm hired by the board of directors to manage and operate Hawaiian Paradise Park Owners Association.
- (b) The general manager's authority and responsibilities are subject to the direction of and supervision by the Board of Directors and as defined in approved documentation. Specific responsibilities of the position shall be documented in a position description, which shall be updated and reviewed in accordance with the HPPOA Employee Handbook. When the general manager serves on committees, it is without voting privileges.
- (c) The general manager shall be accountable to the Board of Directors in all areas of responsibility and regularly report status of activities formally as directed.
- (d) The general manager shall interface with board officers as warranted by officers' duties.
- (e) Compensation shall be established by the board in conformance with the salary range determined by the Human Resources Committee.
- (f) In the event that the general manager position is not filled, the HPPOA Board of Directors will designate a board member or officer to act as the interim general manager or hire an interim general manager to serve no longer than a six-month period or until a permanent general manager is hired.
- (g) If the general manager is an independent contractor or firm, that entity shall purchase a fidelity bond in an amount of a half million to one million dollars to be determined by the board.

Section 2. Administrative Authority. Administrative authority shall reside with the board or an agent or employee of the board specifically authorized by a majority vote of the board in a regular or special meeting of the board and duly recorded in the minutes of that meeting.

Section 3. Administration Requirements. The board or agent or employee of the board shall see that the following requirements are met:

June 17, 2026

Hand delivery to the Board of Directors at the meeting on June 17, 2026 during Owner's input

RE: Formal Performance Grievance, Notice of Breach of Contract

Aloha Members of the Board of Directors,

This letter constitutes a formal grievance submitted on behalf of fourteen (14) voting members of Hawaiian Paradise Park Owners Association (HPPOA) regarding a failure of performance by the General Manager, Teresa Bayne.

On June 12, 2026, a group of fourteen (14) voting members in good standing formally requested a meeting with the General Manager to discuss the spraying of Round Up on easement property of lot owners/members in HPPOA. The General Manager explicitly refused to schedule this meeting. In her refusal, she directed the voting members to bring their concerns directly to the Board of Directors (see attachments), deferring this operational duty to her employers. The undersigned members are doing exactly as directed: presenting this matter to the Board of Directors for immediate oversight, contract enforcement, and administrative correction.

The General Manager's refusal to meet with voting members stands in direct violation of her official job description: "Meet with Owners/Members to discuss situations as they arise. Keep a record of all such meetings and the outcome of the meeting", which explicitly mandates that the General Manager is required to meet with members upon reasonable request to address community matters. Her current refusal constitutes a material failure of performance and a breach of her operational responsibilities to the membership.

Individual members cannot directly discipline or enforce employment terms upon corporate staff; the legal authority and responsibility to supervise, manage, and correct employee failures rests solely with the Board. Allowing an employee to actively defy their contract while ignoring member concerns exposes the Association and the Board to liabilities regarding corporate mismanagement.

To resolve this matter amicably, the undersigned members respectfully request that the Board take the following immediate actions:

- A. Issue a formal directive to the General Manager requiring her to coordinate and hold the requested meeting with the fourteen (14) voting members within 10 business days.
- B. Place a formal record of this performance failure and grievance letter in the General Manager's personnel file.
- C. Provide a written response to the undersigned members within seven (7) business days detailing the steps the Board is taking to address this breach.

We expect our community leadership and management team to operate with transparency, accountability, and in strict accordance with Hawaii nonprofit corporate law. Mahalo for your prompt attention to this matter.

Sincerely,

Lanell Lua, 15-1846 2nd Ave, lanellhdillard@gmail.com

Representative for the following undersigned:

Julie Rice, 15-1839 4th Ave, juliemichelle84@gmail.com

Patricia Szot, 15-1590 3rd Ave, hi.paszot@gmail.com

Richard C Sanders, 15-1069 Kilika Ave (C street), richardsandersmodesto@gmail.com

Anthony Booker, 15-1587 3rd Ave, flossing32@yahoo.com
Spencer Willis, Lot 2543 4th Ave, spencerwillis@gmail.com
John Proctor, 15-1681 24th Ave, planthound@yahoo.com
Robin Proctor, 15-1681 24th Ave, robin@weedsteamhawaii.com
Susan Hawkes, 15-1675 8th Ave, susiehawkes@gmail.com
CR Jordan, 15-1988 2nd Ave, jordan@silverstar.com
Sande Maeda, 15-1566 22nd Ave, sandemaeda311@gmail.com
Trudie Andrews, 15-1948 14th
Kit Muhs, 15-871 Lemiwai Rd, ksmuhs@earthlink.net
Kathy Hollingsworth, 14-1787 7th Ave, kathy@gmail.com

General Managers Job Description

- Meet with Owners/Members to discuss situations as they arise. Keep a record of all such meetings and the outcome of the meeting.
- Make sure the Activity Center is set up for any and all BOD meeting(s) as requested by the BOD Secretary or Administrative Staff.
- Coordinate and/or administer rental contracts for equipment or supplies.
- Maintain all levels of supervision for Administrative and Non-roads staff.
- Inspect the activity center, kitchen and restrooms for cleanliness and needed supplies.
- Maintain all Association documents in an organized manner a secure and safe location.
- Make short and long range recommendations for improvements, repairs, and capital expenditures and purchases for the benefit of the Association to the BOD.
- Coordinate with the Office Bookkeeper for annual road maintenance fee billing and receivables system.
- Ensure all income is deposited according to procedures and standards established in the office S.O.P.
- Ensure compliance with all federal, state, and local laws, corporate policies, the Charter, and the bylaws in the operations of the Association
- Must have a clear understanding of Association Charter, bylaws, policies and procedures, HRS 414D, and HRS 421J

Knowledge and Skills

- Must be able to perform the job description as listed above.

Meeting with GM about use of herbicides

Patricia szot <hi.paszot@gmail.com>

Fri, Jun 12, 2026 at 1

To: Larry Torres <gm@hppoa.net>, Hawaii Paradise Park Association District 5 <district5@hppoa.net>, Hawaii Paradise Park Association District 1 <district1@hppoa.net>, Hawaii Paradise Park Association District 2 <district2@hppoa.net>, Hawaii Paradise Park Association District 3 <district3@hppoa.net>, Hawaii Paradise Park Association District 4 <district4@hppoa.net>, Hawaii Paradise Park Association District 6 <district6@hppoa.net>, Hawaiian Paradise Pa Owners Association District 7 <district7@hppoa.net>, Hawaii Paradise Park Association District 8 <district8@hppoa.net>, Hawaii Paradise Park Association District 9 <district9@hppoa.net>, Julie Rice <juliemichelle84@gmail.com>

June 12, 2026

Various members of the HPPOA

Aloha Teresa Bayne, General Manager,

Several members (in good standing) of HPPOA would like to meet with you to discuss the spraying of herbicides, specifically Round Up along the roads and in close proximity to our personal property. Individuals have tried to get yours and the Board attention on alternate means of invasive species control (guinea and cane grass), but it has not worked. John Pro has talked at the December Board of Directors meeting about his alternative method of getting rid of invasive grass species, and even had a demonstration which he continues to follow. The Board and General manager had chosen the time for the demonstration, but no one showed. Ralph Sherman, at the recent May Board of Directors meeting, also presented an alternative means of treating these grasses. He even offered to do a demonstration and gave all his information to Santos. He has heard nothing back. We would like to sit down and discuss the process of the spraying being done using our roads fees money, since other means have failed on deaf ears. We can meet with you on June 16, 2026 at (2pm HST). Please let us know if a day and time is available for you.

Mahalo for your time,

(List everyone that can attend so far, even outside of the committee)

Julie Rice

CR Jordan

Spencer Willis

Anthony Booker

Patricia Szot

Richard C Sanders

John Proctor

Lanell Lua

Robin Proctor

Sandee Madea

Suzie Hawkes

Christine Harker

People who couldn't make the meeting:

Kit Muhs

Trudie Andrews

Kathleen Boyd



GMmeeting letter 6:12:26.docx

14K

General Manager <gm@hppoa.net>

Fri, Jun 12, 2026 at 10:

To: Patricia szot <hi.paszot@gmail.com>

Cc: Hawaii Paradise Park Association District 5 <district5@hppoa.net>, Hawaii Paradise Park Association District 1 <district1@hppoa.net>, Hawaii Paradise Park Association District 2 <district2@hppoa.net>, Hawaii Paradise Park Association District 3 <district3@hppoa.net>, Hawaii Paradise Park Association District 4 <district4@hppoa.net>, Hawaii Paradise Park Association District 6 <district6@hppoa.net>, Hawaiian Paradise Park Owners Association District 7 <district7@hppoa.net>, Hawaii Paradise Park Association District 8 <district8@hppoa.net>, Hawaii Paradise Park Association District 9 <district9@hppoa.net>, Julie Rice <juliemichelle84@gmail.com>

Ms. Szot et al.

While I understand your concerns, this matter has been addressed by the BOD on multiple occasions. Please reach out to your Director(s) with your concerns regarding the use of herbicides in HPP.

Teresa Bayne

**June 17, 2026 Owner input at Board of Directors meeting
Aloha Board of Directors and fellow community members.**

My name is Patti Szot, and I am an owner in District 5. I am here tonight to formally object to a severe and ongoing breach of our governing documents and corporate hierarchy.

Recently, the Policies and Procedures Committee, that I attended on June 9, 2026 as a guest, voted on a number of internal rules, several of which have already been approved by this Board at this meeting today. However, the General Manager—a hired employee of this association—actively participated and cast votes on these policies. This is a direct, unambiguous violation of **Article XII of the HPPOA Bylaws**, which explicitly mandates: "*When the general manager serves on a committee, it is without voting privileges.*"

Bylaws are a legally binding contract. They sit at the top of our operational hierarchy. No committee chair and/or board member, can grant voting rights to an individual whom the bylaws strictly prohibit from voting. Because an ineligible individual participated in these tallies, every single recommendation coming out of that committee is procedurally defective. That includes all the past months that the GM has been actively voting on policies.

Furthermore, this creates a textbook **conflict of interest**. Our Employee Handbook explicitly states that employees must "*refrain from any activity... that is inconsistent, interferes with or appears to interfere with HPPOA's best interest.*" By voting on policies and as chair—specifically policies that directly impact her own job description, oversight, and operational boundaries—the General Manager has acted as both the regulator and the regulated. At this meeting I attended, I heard Ms. Bayne say she (as GM) did not want to do a particular job and further stated that a staff member was too busy to do it too. This completely obliterates the objective separation of powers required under the Hawaii Nonprofit Corporations Act.

An employee cannot vote on the rules that govern their own employment. By allowing this, the Board is exposed to severe legal liability and is in jeopardy of **breaching its fiduciary duty of care to the membership**.

Therefore, I am formally demanding that the Board immediately take the following actions:

1. **Order an immediate stay** on the implementation of all approved policies since Feb 2026 originating from this Committee when the GM was voting.
2. **Direct legal counsel** to audit the committee's minutes, strike the General Manager's votes from all tallies, and declare those recommendations void.
3. **Send the policies back** to a legally compliant committee session for a clean, proper vote by eligible members only.
4. **Personnel Record:** Place this formal record of this performance failure and grievance in the General Manager's personnel file.

We must govern by our rules, not by convenience or for our friends. Mahalo

Section 6. Notice. The address of each lot owner as it appears on the records of the Association, and as may be changed from time to time by written notice to the Association by any lot owner, shall constitute the lot owner's official address. Said address may be conclusively relied upon by the board in notifying lot owners of assessments, defaults and other matters and for the service of process. In the event that mail is returned to the Association as undeliverable, the Association administration may take reasonable measures to locate the lot owner, including using tax records, credit bureaus, locating services, etc. Addresses of the lot owners shall be maintained as property of the Association and shall be kept confidential.

Section 7. Statements and Transfer Fees. The board shall, when requested, and in exchange for a fee to be determined by the board, issue written statements to purchasers, escrow companies, or mortgagees of lots stating whether or not the assessments against said lots have been paid to the date of the statement, and if not, the amount owed, together with any additional information that may be reasonably requested concerning the account of said lot.

Section 8. Special Assessments. In addition to the annual mandatory road maintenance assessment, per Section 2, above, the Association may make special assessments for any road maintenance costs only upon the affirmative majority of mail-in vote of not less than 600 members in good standing. Any ballot for special assessments shall include the terms of payment and specify an effective date.

ARTICLE XII – ADMINISTRATION

Section 1. Association General Manager.

- (a) The association general manager, commonly referred to as the general manager, is the individual, independent contractor, or firm hired by the board of directors to manage and operate Hawaiian Paradise Park Owners Association.
- (b) The general manager's authority and responsibilities are subject to the direction of and supervision by the Board of Directors and as defined in approved documentation. Specific responsibilities of the position shall be documented in a position description, which shall be updated and reviewed in accordance with the HPPOA Employee Handbook. **When the general manager serves on committees, it is without voting privileges.**
- (c) The general manager shall be accountable to the Board of Directors in all areas of responsibility and regularly report status of activities formally as directed.
- (d) The general manager shall interface with board officers as warranted by officers' duties.
- (e) Compensation shall be established by the board in conformance with the salary range determined by the Human Resources Committee.
- (f) In the event that the general manager position is not filled, the HPPOA Board of Directors will designate a board member or officer to act as the interim general manager or hire an interim general manager to serve no longer than a six-month period or until a permanent general manager is hired.
- (g) If the general manager is an independent contractor or firm, that entity shall purchase a fidelity bond in an amount of a half million to one million dollars to be determined by the board.

Section 2. Administrative Authority. Administrative authority shall reside with the board or an agent or employee of the board specifically authorized by a majority vote of the board in a regular or special meeting of the board and duly recorded in the minutes of that meeting.

Section 3. Administration Requirements. The board or agent or employee of the board shall see that the following requirements are met:

Employees Hand Book - HPPOA

CONFLICT OF INTEREST

A successful working relationship with HPPOA requires your full effort and attention. Employees must refrain from any activity or any financial interest that is inconsistent, interferes with or appears to interfere with HPPOA's best interests. Examples of conflicts of interest include, but are not limited to: (1) outside activities which have a negative effect on your ability to satisfy job-related requirements of your position at HPPOA; (2) outside jobs or business/financial interests which are in competition with HPPOA's business; and (3) outside activities which involve the use of confidential information learned directly or indirectly through employment at HPPOA.

You are requested to report all outside employment and business interests to management to determine if there is any possibility of a conflict of interest. You are also required to report any other activities which might be regarded as a conflict of interest. Failure to report potential conflicts of interest or refusal to resolve such conflicts may result in disciplinary action, including discharge.

CONFIDENTIALITY

Employees may have access to confidential and proprietary information of HPPOA and/or confidential and private information about its residents and their families. This information may include, but is not limited to, financial information, Association marketing and advertising information, insurance-related information, internal policies and practices of HPPOA and/or any of its affiliated companies, and personally identifying information of our employees, residents and/or family members (collectively "Confidential Materials").

All Confidential Materials must be kept in such a manner that there is limited access and disclosure only to employees and others on a "need to know" basis. At the end of the day and on weekends, all Confidential Materials must be placed in secured and locked files. All electronically stored Confidential Materials must be protected by passwords and limited access. This also includes documents or files containing identifying personal information (a person's first name or first initial and last name, in combination with one or more of the following: (a) Social Security Number; (b) Driver's License or Hawaii Identification Card Number; or (c) Account number, credit or debit card number, access code, or password that would permit access to an individual's account number).

Any missing Confidential Materials, or any inadvertent disclosure of Confidential Materials or information to an unauthorized individual, must be reported to your supervisor immediately.

Confidential Materials, as well as all files, books, computer files and other paper or electronic records containing or reflecting such information, are the sole property of HPPOA. Such materials may not be copied for personal use and may not be removed from work premises. The confidentiality of the information must be always maintained. Disclosure of Confidential