

***Hawaiian Paradise Park Owners' Association
Approved HPPOA Board of Directors Meeting Minutes
Wednesday, August 19, 2026***

1. Call To Order

BOD meeting called to order by Jon Loehndorf District 9 at 6:01pm. Taken place at HPPOA activity center.

2. Roll Call

Jason Schillewaert District 1, Robert Paul Derbyshire District 2, Antonio Stone District 3, Jeanette Baysa District 5, Jon Loehndorf District 9, Liz Ahue District 7 (in @ 6:06pm), Molly Suarez District 4 and Ray Patron District 6.

Absent BOD: Kealoha Tam District 8

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

3. Roberts Rules briefing - Jeanette

Jeanette Baysa District 5 with reading and presentation.

Jon Loehndorf District 9 with motion to limit debate of non-HPPOA BOD members to minute per item, each individual is to receive 1 turn per Old business and new business agenda items that's up for discussion.

Jason Schillewaert District 1 with second.

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

Motion carried.

4. Approve agenda for August 19, 2026 HPPOA Board of Directors Meeting

Robert Paul Derbyshire District 2 with addition of item #12 (e). Office credit card limit increase

Jon Loehndorf District 9 with removal of item #12 (c).

Molly Suarez District 4 with approval of the agenda for August 19, 2026 HPPOA Board of Directors Meeting.

Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 1 (Liz Ahue District 7)

Motion carried.

5. Approve July 15, 2026 HPPOA Meeting Minutes

Jason Schillewaert District 1 with motion to accept the July 15, 2026 HPPOA Meeting Minutes as presented.

Molly Suarez District 4 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

6. President's Report

Jon Loehndorf District 9 with report and submission

7. Treasurer's Report

Jeanette Baysa District 5 with report and submission

8. GM's Report

Teresa Bayne, HPPOA General Manager with report and submission

Also with an additional report on storm recovery efforts and mahalo to the volunteers.

9. Road Superintendent Report

Santo Tolentino, HPPOA Road Superintendent with report and submission.

BOD with questions

10. Committee Reports (Reports are not to exceed 5 minutes)

a). Policies and Procedures Committee

Debbie Skaggs, Chair with report and submission

b). HR Committee

Liz Ahue District 7, Chair with report and no submission

11. Unfinished Business

a). Discussion on Purchase of compactor and trailer

Santos Tolentino HPPOA Road Superintendent with presentation of some quotes to Jason Schillewaert District 1 and Robert Paul Derbyshire District 2.

Discussion amongst BOD and with Santos Tolentino HPPOA Road Superintendent.

Jon Loehndorf District 9 with tasks for Santos Tolentino HPPOA Road Superintendent, to be completed by September 2nd BOD Meeting.

Antonio Stone District 3 with motion to allow Santos to spend up to \$2500.00 on a compactor.

Robert Paul Derbyshire District 2 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

b). Review and discuss proposed Credit Card Software Change

Teresa Bayne HPPOA General Manager with update and further details

Jon Loehndorf District 9 with motion to table the review and discussion on proposed credit card software change until next BOD meeting.

Jeanette Baysa District 5 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

12. New Business

a). Discussion and vote on repair of Activity Center Water system

Jon Loehndorf District 9 with and request for quotes

Teresa Bayne HPPOA General Manager with updates on quotes.

Discussion amongst BOD

Antonio Stone District 3 with motion to table this to get more bids for contractors to do the complete job for the repair of the activity center water system.

Liz Ahue District 7 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

b). Discussion and Vote on Tree Removal RFQ

Antonio Stone District 3 with motion to table the discussion and vote on tree removal RFQ.

Liz Ahue District 7 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

c). Policy 4.6 Finance and Accounting Internal Control (this is a re-work that was returned to committee for changes)

Teresa Bayne HPPOA General Manager, with presentation of Policy 4.6 and review of changes.

Jeanette Baysa District 5 with motion to accept policy 4.6 Finance and Accounting Internal Control, as amended.

Molly Suarez District 4 with second.

Vote: Yes - 7, No - 0, Abstain - 1 (Ray Patron District 6)

Motion carried.

d). Mail Park update

Karin Hoffman with mail park updates.

Discussion with BOD

Robert Paul Derbyshire District 2 and Antonio Stone District 3 volunteer to assist Karin Hoffman in contacting the County.

Jon Loehndorf District 9 with motion to have 2 BOD members assist Karin Hoffman, to go to the planning department to get addresses applied to vacant lots.

Jeanette Baysa District 5 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

e). Credit Card Office Increase

Discussion amongst BOD

Jon Loehndorf District 9 with motion to table the discussion on credit card office increase until next meeting, so Teresa Bayne HPPOA General Manager can gather more information.

Liz Ahue District 7 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

13. Owner Input (limited to 3 minutes each) Please submit your question/statement in writing if you wish them to be included in the minutes.

- Jennifer Meyers - statement no submission
- Karin Hoffman - statement no submission

14. Announcements

a). Next Board meeting September 2, 2026, 6pm

**b). Next General Membership Meeting is October 25, 2026, 3pm
check-in starts at 2pm**

15. Adjourn to executive session to discuss Legal and personnel matters.

Jeanette Baysa District 5 with motion to adjourn to executive session to discuss Legal and personnel matters.

Molly Suarez District 4 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Meeting adjourned at 7:50pm

***HPPOA Board Of Directors Session
Approved Meeting Motions Log
Wednesday, August 19, 2026***

Jon Loehndorf District 9 with motion to limit debate of non-HPPOA BOD members to minute per item, each individual is to receive 1 turn per Old business and new business agenda items that's up for discussion.

Jason Schillewaert District 1 with second.

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

Motion carried.

Molly Suarez District 4 with approval of the agenda for August 19, 2026 HPPOA Board of Directors Meeting.

Jason Schillewaert District 1 with second.

Vote: Yes - 7, No - 0, Abstain - 1 (Liz Ahue District 7)

Motion carried.

Jason Schillewaert District 1 with motion to accept the July 15, 2026 HPPOA Meeting Minutes as presented.

Molly Suarez District 4 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Antonio Stone District 3 with motion to allow Santos to spend up to \$2500.00 on a compactor.

Robert Paul Derbyshire District 2 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Jon Loehndorf District 9 with motion to table the review and discussion on proposed credit card software change until next BOD meeting.

Jeanette Baysa District 5 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Antonio Stone District 3 with motion to table this to get more bids for contractors to do the complete job for the repair of the activity center water system.

Liz Ahue District 7 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Antonio Stone District 3 with motion to table the discussion and vote on tree removal RFQ.

Liz Ahue District 7 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Jeanette Baysa District 5 with motion to accept policy 4.6 Finance and Accounting Internal Control, as amended.

Molly Suarez District 4 with second.

Vote: Yes - 7, No - 0, Abstain - 1 (Ray Patron District 6)

Motion carried.

Jon Loehndorf District 9 with motion to have 2 BOD members assist Karin Hoffman, to go to the planning department to get addresses applied to vacant lots.

Jeanette Baysa District 5 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Jon Loehndorf District 9 with motion to table the discussion on credit card office increase until next meeting, so Teresa Bayne HPPOA General Manager can gather more information.

Liz Ahue District 7 with second.

Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Jeanette Baysa District 5 with motion to adjourn to executive session to discuss Legal and personnel matters.

Molly Suarez District 4 with second.

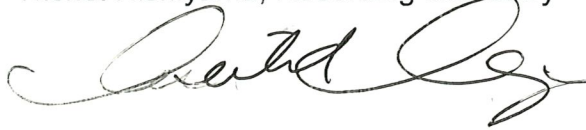
Vote: Yes - 8, No - 0, Abstain - 0

Motion carried.

Meeting adjourned at 7:50pm

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:

10/7/24

Upon acceptance,

HPPOA Board Secretary

A handwritten signature in blue ink, appearing to read "Elizabeth", written in a cursive style.

Date:

9/20/26

Aloha! I want to briefly share how Robert's Rules of Order, protects our membership by maintaining order and civility in our meetings. This can get a bit technical, but I'll try to simplify.

Robert's Rules establishes clear standards for decorum—that means respectful, orderly conduct. At the heart of these rules is one principle: **remarks must stay relevant to the business being discussed. Members may not insult one another, impugn motives, or attack character.** [1]

The chair has a duty to enforce these standards. Under Robert's Rules, the chair must prevent members from injecting personal notes into debate and must ensure all discussion remains focused on the merits of the pending topic. [1][2] This isn't about restricting free speech—it's about protecting everyone's' right to be heard without hostility.

If a decorum breach occurs, any member may raise a Point of Order. This is also sometimes called a Call to Order. This is a right every member has. When you observe a violation—whether someone is using insulting language, insulting tone, making remarks off-topic, or attacking a person instead of addressing the issue—you simply stand, come to the microphone and state "Point of Order!" The chair must stop and address it immediately. [1][3] No second is required. No vote is needed to raise it.

The chair then rules: Was the rule violated or not? If the point is valid, the chair directs members back to proper conduct, typically using general language to address all members rather than singling anyone out. [1]

If you disagree with the chair's ruling, you may appeal. An appeal requires two members and allows the full assembly to decide whether the chair got it right. [1] This ensures the chair cannot abuse authority.

For serious or repeated violations, the membership can pursue formal discipline through a censure motion, which serves as a warning that continued misconduct may result in suspension or removal of the meeting. [1]

The bottom line: Robert's Rules gives us the tools to conduct orderly, respectful, and democratic meetings where everyone's voice is heard—and where civility is not optional, it's required.

Mahalo for listening, and for your aloha!

Reminder:

If you want to give input to a specific agenda topic, please raise your hand/paddle and wait to be recognized by the chair. Once recognized, please go up to the microphone* and give your input. Please make sure you are only speaking to the question/issue at hand. When you are finished you may go back to your seat.

Speaking into the microphone allows all of us to adequately hear what you have to say, including those that are attending via Zoom. It also feeds into the closed captioning.

For other items of concern or questions, please sign up for owner input. When this agenda item is reached, listen for your name to be called, come up to the microphone and give your input in 3 minutes or less.

Mahalo!

President's Report

August 19, 2026

Aloha,

I want to personally thank all the individuals who during Hurricane LALA reached out and helped their neighbors. Cutting trees, clearing roads, giving shelter, sharing what resources they had and a lot more. This is a great caring community.

Litigation: At this time, there are 3 active cases.

1. Patricia Ruppert's lawsuit is still in Mediation
2. Leslie Blyth – Additional Motions filed.
3. Pattie Szot – Mediation being set up

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 – Key distribution started on August 9th and will begin again tomorrow at 9 am.

We are getting the Road Crew trained to get the roads prepped for the paving saving money. We have finished 9th from Kaloli to Paradise and they will begin paving later this week. We will begin work on 10th Paradise to Makuu in the next couple of weeks.

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 \$9000.00 in fees LAST 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

RS

HPPOA Treasurer's Report August 19, 2026

Bank Balances as of the end of July 2026:

TOTAL Checking, Savings, and Investment Account: \$7,968,670.20

TOTAL Accounts Receivables: \$3,869,556.82

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 6/2025 was \$3,696,498.90. The annual billing for this year was \$3,807,990. As of June 2026, we had a total of 6923 owners paid in full or 78.2%. We collected \$239,501 in fees in January, \$786,073 in February, \$ 1,176,647 in March, \$640,692 in April, \$123,377 in May, \$316,851 in June and \$181,578 in July for a total of \$3,464,719.

Allowance for Doubtful Accounts balance is: \$411825.98. (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 50 property transfers during the month of July.

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, 2026. 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 July 2026

August 19, 2026

Admin

Water leak at Activity center – We had a water leak in the wall at the Activity Center. We had to shut off the water to the bathrooms, and since we weren't sure how long it was going to be down, I ordered a port-a-potty. We were able to get the leak repaired a couple days later and were able to re-open the bathrooms. I have obtained 1 quote (the other plumbers either did not want to take on the job or did not respond) to re-plumb the bathrooms from copper to CPVC. That quote is in your packets.

Stage demo – As you can see, the stage was removed last week. I would like to thank the volunteers, Paul, Keith, Charles, and Ray who showed up at 7am and got it done. We rented a roll-off dumpster. I don't have (as of the 13th) the total cost because I don't know what the tonnage charge is (as of Friday), but it should be under \$1000.

Catchment tank – The bid from Island Catchment came in at \$5019.53, which is lower than the initial estimate, and the work is scheduled for Aug 31st

Tree removal RFQ – The Tree Removal/Trimming on Makuu RFQ is in your packet.

Key distribution – We are distributing keys for the mail park at 6th and Makuu and mail is being delivered. Please check the online calendar for dates and times. We are also posting on the Facebook page what the schedule is for the following day.

Annual financial mail out – The required Financial statements project started on July 16 and the last envelopes were delivered to the Post Office on August 1. We mailed to 7739 unique addresses. If you have not received yours, please reach out to the office and make sure we have the correct mailing address. We have received a significant number returned as “undeliverable”. It appears as if a hundred or more people canceled their boxes at Aloha Mail and have not updated the office with their new address. The next scheduled mailing is the notice for the October Membership meeting. This will be a postcard and must be mailed between Monday after Labor Day (Sep 8th) and the second Friday in October (Oct 9th).

Tax credit list – I am currently preparing the Property Tax Credit list to submit to the county. Your Road Maintenance Fees must be paid by August 31st to be included.

Office update – I have scheduled the first stage of the office update. We will be installing insulation in the attic on Saturday, Aug 22. I will keep you updated as we plan each stage.

Asphalt is due to be laid on 9th Kaloli to Paradise on Aug 18. To prep the road we had to rent a mini-excavator, hire someone to hammer out some large rock protrusions, and a skid steer.

Our next paving job is 10th Paradise to Makuu. We will be sending out letters next week to the property owners to let them know to expect traffic delays.

SUMMARY

- Please be advised that selective herbicides will currently be applied only on (California grass / cane grass), to designated area posted on beginning of street. Residents and property owner responsibility (NO SPARY SIGN) in front of property. Residents who previously requested a callback will be informed before application process is done. (weather permitting).
- Calcium Chloride applications have been applied on (4) resident-requested unpaved road segment. Continuing stop bar painting on roads and all other road request projects (weather permitting).
- In the month of ^{July}~~June~~ 2026 Road maintenance was successfully processed and completed (88) resident request and 18 Dust request for road maintenance. Request varies from dead animal pick up, fallen tree, rubbish pick up, abandoned vehicles, missing / replacing road signs, and to all road easement repairs and maintenance.
- We are currently in process of applying for services with new Asphalt Quarry (Grace Pacific). So, when available we can continue applying hot mix in areas that are needed most (chip seal roads). Weather permitting
- Road Crew have started prepping for the next paving location on 9th Kaloli to Paradise The roadway preparation is nearly complete, and paving is scheduled to begin on August 17th, 2026, as we wrap up this section, our team and equipment will begin transitioning to the remaining scheduled projects for the year. Thank you for your patience as we work to improve our community infrastructure.

Road Superintendent Report

August 19, 2026

For the Month of July 2026

ROADS

ROADS REGRADED: 92 TOTAL MILES.

REGRADE 1 KDE	REGRADE 8 MDE	REGRADE 13 KDE
REGRADE 2 KDE	REGRADE 9 MDE	REGRADE 11 K-P
REGRADE 3 KDE	REGRADE 31ST MDE	REGRADE 8 P-K
REGRADE 4 KDE	REGRADE 10 MDE	REGRADE 9 P-K
REGRADE 5 KDE	REGRADE 11 MDE	REGRADE 10 P-K
REGRADE 9 K-P	REGRADE 12 MDE	REGRADE 11 P-K
REGRADE LOKE ST.	REGRADE 14 MDE	REGRADE 13 P-K
REGRADE NONI ST.	REGRAED 15 MDE	REGRADE 8 P-M
REGRADE 2 K-P	REGRADE 16 MDE	REGRADE 9 P-M
REGRADE 3 K-P	REGRADE 30TH MDE	REGRADE 10 P-M
REGRADE 4 K-P	REGRADE 15 KDE	REGRADE 11 P-M
REGRADE 5K-P	REGRADE 16 KDE	REGRADE 13 P-M
REGRADE 6K-P	REGARED 17 KDE	REGRADE 21 KDE
REGRADE 6 M-P	REGRADE 18 KDE	REGRADE 14 P-M
REGRADE 5 M-P	REGARED 19 KDE	REGARDE 15 P-M
REGRADE 4 M-P	REGRADE 14 K-P	REGRADE 18 P-K
REGRADE 3 M-P	REGRADE 15 K-P	REGRADE 17 P-M
REGRADE 2 M-P	REGRADE 17 K-P	REGRADE 17 MDE
REGRADE 1 MDE	REGRADE 13 P-K APRONS	REGRAED 18 MDE
REGRADE 2 MDE	REGRADE 13 P-M APRON	REGRADE 28TH MDE
REGRADE 11 KDE	REGARDE RR KDE APRON	
REGRADE 12 KDE	REGRADE 28TH MDE	

GRAVELED ROAD**TOTAL TONS: 287.21**

- 20TH MAKUU PARADISE

CHAIN SPRAD / SPOT DROP**TOTAL ROADS: 13**

- FILL POTHOLES ON CHIP SEAL ROAD 23 M-P
- FILL POTHOLES ON CHIP SEAL ROAD 25 M-P
- FILL POTHOLES ON CHIP SEAL ROAD 25 M-P
- FILL POTHOLES ON CHIP SEAL ROAD 26 M-P
- FILL POTHOLES ON CHIP SEAL ROAD 26 K-P
- FINISH FILL POTHOE CHIP SEAL ON 26 K-P
- FILL POTHOLE ON CHIP SEAL ROAD 23 K-S
- FILL POTHOLE 13 APORN P-K
- SPOT DROP ("B") ROAD
- CHAIN SPREAD 23 MDE
- CHAIN SPREAD ROAD ("A")
- CHAIN SPREAD BEACH PARADISE TO MAKUU
- CHAIN SPREAD 10TH P-K

ROADS WATERED**TOTAL GALLONS: 38,300**

- 1ST MDE -2ND M-P
- 8TH P-K -9TH P-K (X13)
- 13TH KDE -14TH P-K
- 14TH M-P(X3) -15TH M-P
- 17TH M-P(X11) -32ND PDE
- RAILROAD P-K (X2)
- BEACH MDE

PREP PAVING 9TH K-P**-TOTAL TONS: 1,155.77****SIDEARM MOWERS****CHANLLINGER SIDEARM: 44 MILES ROADS**

- 8 P-K -18 MDE -RR M-P
- 8 KDE -19 MDE -9 M-P
- 7 P-K -RR MDE -10 MDE
- 7 KDE -20 MDE -17 M-P
- 10 M-P -21 MDE
- 10 P-K -22 MDE
- 7 MDE -23 MDE
- 8 MDE -24 MDE
- 9 MDE -25 MDE
- 10 MDE -26MDE
- 11 MDE -27 MDE
- 12 MDE -28 MDE
- 13 MDE -29 MDE
- 14 MDE -30 MDE
- 15 MDE -31 MDE
- 16 MDE -32 MDE

JOHN DEERE: 64 MILE ROADS

- R.R P-K -14 P-K - R.R KDE -5 MDE
- 14 KDE -15 P-K -15 KDE -13 P-K
- 13 KDE -12 P-K -12 KDE -11 P-K
- 11 KDE -10 P-K -10 KDE -8 P-K
- 7 P-K -7 KDE -9 KDE -6 P-K
- 6 KDE -WAHI STREET
- ALL MAKUU MAIN
- ALL PARADISE MAIN
- ALL KALOLI MAIN
- ALL SHOWER MAIN

ZERO TURN MOWERS: 136 TOTAL MILE**KUBOTA**

- ALL MAIN STREETS POHAKU CIR, SHOWER,KALOLI,PARADISE,MAKUU
- ALL INSIDE PAVED STREETS 33RD DOWN TO CLIFF SIDE

SCAG

Good evening BOD,

This is the Policies & Procedures Committee Report for August 19, 2026.

The P&P committee had it's first meeting of this term on Aug 4. The committee elected myself as the Chairperson and Kari Hoffman as the Secretary. We also decided after discussion to continue holding our meetings on the FIRST Tuesday of each month at 6pm in the Library.

The committee finalized the Social Media Policy, which was presented and adopted by the BOD on Aug 5, 2026. It is on the website.

We also worked on and finalized the Finance and Accounting Internal Controls Policy, which had been referred back to the committee for changes. All the requested changes have been incorporated and it will be presented later for your review & approval again.

I have asked the GM to present you with the Process under the new business agenda.

Our next meeting will be on September 1, 2026, at 6pm in the Library.

Mahalo!

Hawaiian Paradise Park Owners Association

Policy Number 4.4 Community Membership BOD (Board of Directors) Communication Process

Purpose:

To streamline the communication process between community members and the Board of Directors (BOD), and remove the obligation for Directors to respond to superfluous emails, while allowing them to focus on district specific items.

Relevant Statutes, Ordinances or Association Governing Documents: Not Applicable

Details:

- 1) Each Community Member's first point of contact is with their District Representative.
Please look on the HPP website at HPPOA.net. under "Executive Information":
 - look under "Districts" to validate which District is correct.
 - look under "Board of Directors" to find the current District Representative's name and email address.
- 2) After your email is received your District Representative will:
 - answer your question and/or address your concern if he/she can, or
 - let you know that this item is the responsibility of the HPPOA Office Staff, or
 - let you know that this item is the responsibility of the HPPOA General Manager.
- 3) District Representatives will attempt to respond in a timely manner. If the Representative is unable to respond within 7 business days, the Member is encouraged to email the Association President.
- 4) If the District Representative does not have the answer to the question or cannot address your concern themselves then he/she will add this topic to the next BOD meeting for further input and discussion and then will reply back to you with the BOD's response.
- 5) Members are invited to the next BOD meeting (see HPPOA website for date/time).
Members are invited to submit their name to speak during the "Member Input" portion of the agenda. A sign in sheet will be available on the entrance table.

Responsibilities:

- 1) Each Director is responsible for following this process.

Review:

This policy shall be reviewed Annually for any improvements or updates.

HPPOA Policy 4.4 Community Membership BOD Communication Policy

Adopted Date:

Amended Date:

Review Date:

Ver 3

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, which also serves as our Member/Owner database.
 - 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, donations, 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 or a member of the HPPOA Board of Directors Executive board (President, VP, Treasurer, Secretary) 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

HPPOA Policy 4.6 Finance and Accounting Internal Control Process

matching the remitted bottom half of the annual bill or the TMK/account number listed in the check memo. Checks are destroyed after 90 days.

- 3) Association Fees & Annual Fee Billing:
 - a) The HPPOA 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, beginning April 30.
 - 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 statement as income.
- 4) Property Transfer Fees:
 - a) At the time of escrow closure, the billing and property owner QB database 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 will 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 Waldorf 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 Agreement.
- 7) Details of Expenses/Disbursements:
 - a) All incoming mail is date stamped and initialed by the office staff. 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, 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 by the bookkeeper. 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. Receipts are retained for ten (10) years.
 - 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 electronically 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 or voluntary separations, 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.
 - d) Voluntary Separations receive their final paycheck on the regular payroll date.
- 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 current 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

Aloha Board of Directors.

I stand before you today to formally address a critical and recurring procedural violation at our Board meetings: the unlawful restriction and silencing of member testimony during open sessions.

Under Hawaii law, providing community input at open board meetings is a mandatory statutory right. It is not an administrative privilege that this Board can choose to grant or deny at its discretion. Any action by this Board or management to silence, block, or bypass member input on agenda items before a vote is taken is a direct violation of Hawaii Revised Statutes Section 421J-5(a) [HRS § 421J-5].

Let me read the statute directly so there is absolutely no confusion:

“All meetings of the board of directors, other than executive sessions, shall be open to all members to provide input on the matters being discussed.”

In corporate and association law, the word “shall” is a mandatory directive. It means the Board has zero authority to implement blanket bans on member testimony, zero authority to skip public comment periods, and zero authority to vote to prohibit homeowners from voicing their positions on active agenda items.

The Board frequently misinterprets the second half of that statute to justify silencing us. While the law allows a majority of the Board to limit non-directors from joining the Board's internal table **deliberations**—meaning the back-and-forth debate between directors—it does not give the Board the power to eliminate **our primary right to give input** on those very same matters. The Hawaii Legislature explicitly hardcoded this protection into law to ensure that boards operate transparently and remain accountable to the community members funding this association.

I acknowledge that the Board may adopt reasonable, non-discriminatory time limits to keep meetings moving efficiently, such as a standard three-minute limit per speaker per agendas item. However, you are strictly prohibited by state law from enforcing a total gag order on member commentary.

I respectfully demand that the Board immediately cease the practice of silencing, restricting, or bypassing member input during open Board of Directors meetings. You must ensure that a clear, unobstructed opportunity for public testimony is provided for every single agenda item before a final vote is cast.

If the Board fails to comply with these statutory requirements and continues to block member testimony (input), **I will be forced to formally seek mediation as explicitly outlined in our Association Bylaws and under the provisions of HRS Chapter 421J.**

Operating in compliance with state law protects individual directors from personal breach-of-fiduciary lawsuits, avoids costly mediation expenses for the association, and ensures a fair, democratic governance process for the entire HPPOA community. Let's do the right thing, follow the statute, and respect the voice of the membership.

Thank you for your prompt attention to this matter.

Mahalo.