

Kalapana Seaview Estates Community Association
12-2017 Kalihikai St. # 4537, Paho, HI 96778
Board of Directors' Meeting
Monday, January 9, 2023, 4 p.m.

Draft Minutes

1. Welcome and Call to Order: Robert opened the meeting at 4:13 p.m.

Present were Board Members Robert Stearns, Ursula (Uschi) Snover, Diana Angell and Jhayne Wessel, making a quorum. Not present were Kevin Sulgit, Rhianna Mercier and Skyler Kodani.

Also present were residents John DuBois, Gary Polinsky, Sandor Baranyi, Ben Wismer, David Hoffeld, Jan D. Hock, Devin Smith, Adam Sativas, Julia Sativas and Daniel Levy.

Dana Butler was introduced as the note taker/scribe. Board members present agreed by consensus to accept Dana as temporary scribe.

2. Additions and Corrections to the Agenda.

Robert added bookkeeper as 5.a. under Treasurer's report. Otherwise, the Board accepted the Agenda as presented.

3. Announcements.

a. Dues increase.

Robert announced that when the current board was elected in July it realized there were many projects and not enough money in the budget. Dues are insufficient to address needs, so the Board met in executive session and agreed to raise the dues to \$100 starting with this year's dues. This news will go out in the next newsletter and be reflected in the invoices.

Resident: Why wasn't this done at the AGM?

Robert: Our Bylaws give the Board the power to set dues. Section 4b. of Bylaws was read into the record. Robert also reviewed Robert's Rules of Order on "Bylaws Development" for guidance. Powers can be held by the membership or by the board. The way KSECA's bylaws read, the responsibility to set dues is the right of the Board. "Members cannot revoke any duty specifically given to the Board." If the Board waited until the AGM, we would not have that money until next year. The money is needed this year. We don't have to do this at an AGM. Board has the responsibility and the option to do this when they see fit. Dues are now at \$100. Questions were invited.

Resident: Doing this in executive session could be perceived that no public input was desired.

Robert: The Board was worried for safety due to past actions.

Uschi: It is the Board's fiduciary duty to do what needs to be done to maintain financial stability.

Robert listed the reasons justifying the dues increase:

- Community is growing, more users of things, more maintenance, more facilities
- Playground has aged and the equipment is becoming unsafe for children
- Ohia posts need to be replaced in the pavilion
- Indemnity insurance may cost 12K. We need indemnity insurance for the Board members

- Overdue for an audit and taxes have not been filed since 2018
- Contractors have not been given raises. All contractors have asked for raises to keep up with cost of living which had to be denied under current financials
- Bookkeeper may need to be paid more since the current one is retiring and also we may have to pay someone to take minutes
- Dues have not been raised since 2010
- Expenses exceed income
- We need to hire security for the parks due to people sleeping in the Pavilion, Mailbox Center and Front Park
- With current funds, we had to scale back on coconut tree trimming and cease fire ant treatment
- Building the mailboxes took a big chunk of assets. Cost approx. 70K including mailbox clusters. Some of the cost was already recouped via mailbox fees and more will be recouped as the boxes get assigned

Resident: the mailbox center was supposed to cost 35K.

Jhayne: We weren't on the board when that happened. We will be seeking an audit for those years when the mailboxes were built to determine how those funds were spent.

Robert: We currently only have 30K. Insurance could be up to 15K and current contractors are 3-4K a month. We need a reserve as high as our budget and expected budget is 60K.

Resident: Gave opinion that the board should be scaling back and operate as simple as possible. Covenants have expired and the board has no authority. Do not need security guards.

Uschi: You keep saying that KSECA is illegal and can't make you pay dues. Covenants in Leilani expired but a Court ruled they could still collect dues for community common spaces.

Resident: Are we being told by the law that we have to maintain the common properties?

Robert: Bylaws require us to maintain and improve common properties.

Board member Skyler Kodani joined at 4:46pm via phone.

Robert read a list of what other neighborhood associations currently pay. Even with the increase, Seaview dues are still among the lowest.

b. Announcement about board member/scribe Rhianna Mercier.

Rhianna sent a text to explain her absence at the meeting which was read into the record.

Robert announced: Rhianna agreed to be the scribe after being elected to the board. Since she was elected, she has missed many of the meetings. She has notified the board that she wants to step down as a scribe but isn't willing to step down from the board so we could replace her with another board member in the scribe position.

Resident: She is costing us money? She should be removed. You can make a motion at this meeting to remove her at the next meeting.

Uschi: currently we have not found anyone willing to serve on the board and be scribe, which is why the board is paying someone to take the minutes.

4. Minutes.

Diana read the December minutes into the record.

Robert motioned to accept the December minutes as corrected. Skyler seconded. Unanimous vote in favor with board members present (Robert, Diana, Uschi, Jhayne, Skyler), motion carries.

5. Treasurer's Report.

Treasurer Kevin is not here to give the report. Financial statement will be posted on the website.

Resident: Suggested board vote to remove Rhianna to start the process of replacing her.

Robert: Later in the agenda we will be addressing replacement of board members. Three members' terms will end at the AGM due to the election of the entire board at the July Special Meeting. The terms need to be staggered. Those board members leaving the board at the AGM can get nominated and be re-elected back on the board for a full term.

Jhayne: Do people think she should be removed? Consensus from residents attending is that Rhianna should be removed.

Jayne moves to remove Rhianna. Skyler seconded.

Jayne reads from the bylaws. Article 6 section b. She resigned as scribe, not as board member. 2/3rds vote needed to remove her.

Motion is amended. Motion is to table the Motion and vote on it at the next meeting so notice will be given to Rhianna. All present vote aye (Robert, Uschi, Diana, Jhayne, Skyler), motion carries.

This motion was entered under new business for this meeting.

The meeting is interrupted when it is discovered that community member Sandor Baranyi is videotaping the meeting without permission. Board members object to being filmed as a violation of right to privacy and ask Sandor to cease recording and he refuses.

Jhayne left the meeting.

Uschi motioned to finish the meeting in executive session, Robert seconded. Uschi, Skyler, Robert, Diana voted aye, motion carries.

Robert motioned to recess, Skyler seconded. All board members present voted in favor (Robert, Diana, Uschi and Skyler). Meeting is recessed at 5:33 p.m.

The next Board Meeting will be held on February 13, 2023 at 4pm

Minutes submitted by Dana Butler