

Arrears Statistics

Research was done in May 2019 regarding TMKs in arrears...

- The total number of TMKs in arrears 3+ years is approximately 234 (100%).
- 79 (34%) TMKs with local addresses
- 88 (38%) TMKs with mainland addresses
- 34 (14%) TMKS with non-U.S. addresses; only one with a dwelling
- 33 (14%) TMKS with Hawaiian, but non-Big Island addresses

79 (34%) local TMK addresses

155 (66%) non-local TMK addresses

- 175 (72%) TMKs are raw, unimproved land, with no existing dwelling.
- 66 (28%) TMKs with dwellings; 33 permitted, 33 un-permitted
- Total in arrears from un-permitted homes is \$20,500. An un-permitted home is more likely to **NOT** be sold through a Title Company and have title searches done. So without filing liens with the Hawaii Bureau of Conveyances these properties fall through the cracks regarding collections. **SOMEONE HAS TO LEGALLY FILE THESE LIENS.**
- Of the 66 dwellings, 12 are unoccupied. That leaves 54 as the maximum number of households that received an Association Services letter, assuming the household is owner occupied and not tenant occupied. The percentage of TMKs in arrears that face the possibility of foreclosure is 23%. That's 6% of the total 933 Seaview TMKs.
- **72%** of TMKs in arrears are vacant land and the owners **DO NOT LIVE IN SEAVIEW.**

How can a member be against proxy voting while also being against a collection effort that seeks to collect from a group of members, nearly 3/4 of which DO NOT LIVE IN SEAVIEW, for the purpose of maintaining and improving Seaview's Parks?

According to Board Best Practices and Board Rules, the 2016 AGM agreed that, "the treasurer's report should include the amount of dues in arrears." And at the 2017 AGM, a motion passed to, "collect past dues owed on a lot that sells through transfer title." And the board decided in July, 2009, and April 2015 to, "address delinquent accounts." The board also decided in August 2015 to, "have the Standing ByLaw Committee develop procedures to address delinquent accounts."

The AGM and previous Boards have intended to collect arrears for 10 years. No procedure or policy was implemented except for a period in 2015. \$8,000 was reportedly collected but the effort ceased, perhaps likely due to it's volunteer nature, and because the main guy behind the effort died.

So in present day, KSECA is implementing policies and procedures to collect arrears. 4 options were investigated, 1 historically pursued, and 1 prevailing. But some of the membership expresses discontent, even members who receive pay from KSECA. To those members, KSECA asks you, "What is your logical argument for resisting the current collection effort when you know, dues compliance has decreased in the past 3 years, our net operating balance in 2017 was -\$1,388.82 and KSECA is relying on income aside from Association Dues such as late fees, transfer fees and mailbox fees to stay afloat financially?" A solution has been found and you are resisting it. It is not fair to the 699 (75% of the total 933) members in good standing.

Wouldn't it be nice to further improve the parks if KSECA budgeted for a surplus thanks to a successful collection effort?