

Board State of Affairs

07/19/2019

At the most recent Board meeting, Sage read a list of items that have been overlooked or neglected that the Board feels need immediate attention. That list and the Board's current course of action follows.

1. Almost \$150,000 in arrears, consisting of unpaid annual dues and late fees – While the Board remains in negotiations with Association Services, collections will proceed but not go forward meaning that any response to a received demand letter will be processed and that no new outreach will occur. A meeting has been scheduled for reconciling and transferring funds to KSECA that are being held by Association Services in trust as KSECA monies, and for transferring funds to Association Services that were received by KSECA and that are payable to Association Services as debtor payment of the cost of debt collection.
2. Taxes haven't been filed for two years – The Board has taken emergency action to hire an Enrolled Agent to file 2017 and 2018 State and Federal taxes. These delinquent filings are on track to be completed prior to July 30, 2019. The enrolled agent will seek to have late penalties waived for failure to file the tax returns on time.
3. The 2016 and 2018 AGM mandated audits have not been done – The Board is currently soliciting bids for these audits and will have them completed as soon as practicable.
4. The Declaration of Covenants has expired – The Board is actively exploring the process and procedure necessary to re-state the Declaration as authorized by chapter 421J of Hawaii Revised Statutes.
5. There is continued misunderstanding regarding how KSECA is governed by Hawaii Revised Statutes chapter 421-J, and is also a non-profit corporation established under chapter 414-D. The Board is working to ensure that KSECA is in compliance with both 421-J and 414-D, and other applicable Federal and State laws. (All requirements and facets of fiduciary duty).
6. KSECA is recognized as a not for profit corporation under state law – The Board is exploring what, if any, benefit the Community might realize if KSECA were designated by the IRS as a 501C-4 organization.
7. The new mailbox center, 3 years in the making, is finally under construction – and forward progress should be evident within the next 10 days.
8. The bookkeeping system is archaic and in need of a complete overhaul – The Board is conducting an internal exploration of how to best bring systems up to date, and is in contact with at least 3 independent companies that have the expertise to bring KSECA's financial records into the digital age.
9. The Board recognizes that it has many areas of operation that are in need of attention and is identifying how to best bring increased efficiency to its operations, legal compliance, and best practices – and is utilizing the expertise of an attorney who is (and has been) providing guidance and suggestions pro bono.
10. The Board is actively seeking training to elevate its operating standards as well as legal and ethical responsibilities, to bring about more effective and efficient methods of performing its fiduciary responsibilities to the entire KSECA membership.

Board Short- and Long-range goals for itself:

1. To increase effective and efficient functioning and self-governance;
2. To increase community involvement and address member concerns;
3. To increase communication and transparency (including creating a KSECA informational FaceBook page);
4. To increase the percentage of dues collection and on-time payment compliance;
5. To increase compliance with Robert's Rules of Order, Bylaws and State and Federal Laws;
6. To devise and implement new initiatives for improvements to the parks and to the neighborhood.