

KTOA BOD MEETING MINUTES

WED JUNE 29, 2016

Call to order: Paul Showstead 1504 CT

Directors Present:

Lane Durgin	Paul Showstead
Susan Eisenberger	Tatiana Anderson
Bill Feld	Ed Norcutt

Directors Absent: Don Swatman

Management Present: Matt Tarasenko
Kayc Reed

1. Approval of Previous Meeting Minutes

- A. Minutes from BOD meeting Mar 10, 2016: Matt pointed out error in listing of mattress in storage. There is only a mattress topper currently on hand.
- B. Special Meeting Minutes from May 25, 2016: No corrections
Motion: To accept Mar Minutes with correction and May Minutes as written
Moved: Lane Durgin
Second: Susan Eisenberger
Carried: Unanimous (Kayc to post on Website)

2. KTOA Financials

All in good order and on target as budgeted per Lane
Operating Expense: Numerous repairs to refrigerators due to noise from fans (engineering defect).
Net Income: \$2631.83. Cash Reserves: \$165,953.61
Accounts Receivable: \$25,000 (approximate) - Lane, Matt and Kayc continue to work on the individual accounts that are past due. Many of the remaining will likely not pay which is causing some concern about accumulating unused weeks (see Lane's report under "New Business").

KTOA Financials (Cont'd)

Motion: To approve Financials as presented

Moved: Ed Norcutt

Second: Bill Feld

Carried: Unanimous

3. Management Report

A. Website Update

Experiencing some issues with first-time users otherwise all is fine and working as expected. MZ continues to help when asked on fine-tuning.

B. Minor Maintenance

Cleaning lights, installed 3 water alarms (bath sink/kitchen sink/toilet) in each 1-bed unit, changing batteries, checking plumbing fittings and other preventive maintenance in units during the off-peak season. New door locks are working well and easy to maintain.

C. Bath and Kitchen Renovation

Getting supplies to begin work in unit 306. Communicating with KA to ensure compliance with contractor insurance, etc... Received 20% discount on cabinet materials (saved approx. \$1000). Able to secure reduced rates on labor bid for work.

D. Replaced 6 Defective Sunscreens – Much easier operation & heavy-duty hardware. Supplied & installed locally so any repairs will be handled in a timely manner.

Motion: To accept Management Report as presented

Moved: Ed Norcutt

Second: Lane Durgin

Carried: Unanimous

4. Old Business

A. Booking Protocol Review & Discussion

Need to find a balance between fairness and fiscal responsibility.

Many owners are concerned about lack of open weeks during prime time.

KTOA is set up as a lottery so there is no guarantee of booking a week during busy season (Jan-Mar). Many weeks remain unused during summers.

One solution may be to limit reservation scrolling to a 4-week period at any one booking session. Another idea is to allow one week owners to carry over a single week from one year previous and book two weeks during prime time.

Old Business (Cont'd)

Ed will organize comments from Board Members and bring results to BOD and, if necessary, recommend a special meeting prior to next regular session. He will then draft a Booking Protocol and present for a possible vote. Please send any comments to Ed.

B. Air Conditioning

Condos on Maui without air conditioning are neither attractive nor salable. Brokers and Real Estate agents refuse to handle for sale or rent without air conditioning which severely limits the market value of our units and the flexibility with renting out KTOA-owned units. Also, very limited potential with bookings during summer months and attracting younger KTOA ownership. Matt had 2 separate potential KTOA owner/members walk through to view units and both asked about air conditioning. Recommend to install a 12,000 BTU split system (separate air & compressor components) in one unit as a trial to evaluate cost and effectiveness. Split systems are more expensive (approx. \$4.5K/unit all inclusive) but quieter and more efficient (40% cheaper to operate). Board would like to see cost breakdown on installation and operation between single unit vs. split system prior to voting on trial. Matt will compile a spreadsheet for comparison on pricing and occupancy. Comment also to include a timer to prevent continuous run.

5. New Business

A. Accounts Receivable

KTOA currently owns 23 weeks. There are 16 weeks for which the owners have not – and likely will not – paid their dues. This adds up to approx. 50 available weeks. The lack of budgeted revenue from these units will severely limit our ability to continue with the upgrades and renovations necessary to maintain the marketability and attractiveness of our condos and Association. Recommendation for Lane to have authorization to assign some of the KTOA owned weeks to Hawaii Realty to sell. Recommendation to reward owners who refer new buyers (who then actually purchase units) with a \$200 credit toward their annual maintenance fees. An email blast will be sent to owners to communicate unit sale and reward/incentive plan for referrals.

Motion: Authorization to Lane and for incentive plan to owners on successful referrals

Moved: Ed Norcutt

Second: Susan Eisenberger

Carried: Unanimous

6. Miscellaneous: Next meeting Thurs September 9, 2016

7. Adjournment:

Motion: To adjourn meeting at 16:38 CT

Moved: Ed Norcutt

Seconded: Lane Durgin

Carried: Unanimous