

**LAHAINA RESIDENTIAL
ASSOCIATION OF APARTMENT OWNERS
ANNUAL OWNER'S MEETING
1034 Front Street, Lahaina, Hawaii 96761
Saturday, March 27, 2021**

DIRECTORS PRESENT: Jerry Scheltens; President; Paul Ratterman, Vice President;
Gloria Kaufman, Treasurer

DIRECTORS ABSENT: Dawn Allen, Director-at-Large; Chris Montana, Secretary

OWNERS PRESENT: Sally Bumpus, 108; Alexis Koon, 124; DJ Jordan, 128;
Joan Warner, 105; Lori Powers, 115; Robin Ehrlich, 116;
Annie McCoy, 219; Rebecca Wimmer, 204; Carol Mark, 114

OTHERS PRESENT: Rod Quam, Managing Agent; Lysa Tracy, Director of Association
Management; Mike Fahnert, Community Association Manager;
Yatta Johnson, Stenographer

DETERMINATION OF A QUORUM

The Bylaws of the Association of Apartment Owners of Lahaina Residential, specify that a quorum exists when there is present at any meeting, in person or by proxy, a majority of the apartment owners.

Owners comprising 53.44 percent are present in person or represented by proxy, thus constituting a quorum.

CALL TO ORDER

President Scheltens called the Annual meeting of the Association of Apartment Owners of Lahaina Residential to order on Saturday, March 27, 2021 on property at 1034 Front Street, Lahaina, Hawaii at 9:03 a.m. HST.

PROOF OF NOTICE OF MEETING

A notice of this Annual meeting was sent to all owners of record on March 1, 2021. A copy of the notice and the Certificate of Mailing will be made a part of the Annual meeting file.

PARLIAMENTARY PROCEDURE

In accordance with 514B, Hawaii Revised Statutes, this meeting will be conducted using the most recent edition of Robert's Rules of Order Newly Revised.

APPROVAL OF MINUTES OF PRECEDING MEETING

The minutes of the last Annual meeting were posted on the owners' website and mailed to the owners with the Annual meeting packet. Hearing no objections, the reading of the minutes was waived.

Upon review, and hearing no corrections to the 2020 Annual Owners meeting minutes, the minutes were approved, as distributed.

REPORT OF OFFICERS

PRESIDENT'S REPORT

President Scheltens presented his report.

- Quam Properties was acknowledged for their dedication to the Association and the owners.
- The Board was acknowledged for their dedication to the Board and the community.
- The projects completed in 2020 were briefly acknowledged; the list is included in the meeting packet.
- The Association is fully funded in reserves.

SITE MANAGER'S REPORT

Mike Fahnert presented the Site Manager's report detailing projects completed on property in 2020. Jason Ganis is the Site Manager for the community. Mike Fahnert is the Community Association Manager who is working in concert with Lysa Tracy and Rod Quam.

MANAGING AGENT'S REPORT

Rod Quam presented the Managing Agent's report. Mr. Quam highlighted the following:

- There were seven (7) units sold in 2020.
- Two (2) Lease Fees were purchased.
- Currently, there are no units for sale in the Association.

TREASURER'S REPORT

Mr. Rod Quam presented the December 31, 2020 year-end financial report. *(The detailed financials were provided in the Annual Owner's meeting packet.)*

Operating Account (including CD)	\$670,116
Reserve Account	\$724,714
Total Cash/Investments	\$1,394,830
Gain at year-end	\$8,318

The association dues will remain the same in 2021.

Year-End Audited Financials

The year-end audit has been completed; the audit is posted on the AOA website or may be requested from the managing agent.

ELECTION OF DIRECTORS

Article III, Section 1 of the project bylaws specifies that the affairs of the Association shall be governed by a Board of Directors composed of five (5) persons, each of who shall be an owner, co-owners, vendee under an agreement of sale or an officer of any corporate owner of an apartment. There are two (2) vacancies on the Board which we must fill each for a term of 2-years.

The terms of Jerry Scheltens and Dawn Allen are expiring, both have expressed an interest to be reelected to the Board of Directors and their names have been placed on the ballot.

Remaining on the Board are Gloria Kaufman, Chris Montana and Paul Ratterman.

President Scheltens asked for nominations from the floor; hearing none, the nominations were closed. The Nominees are Jerry Scheltens and Dawn Allen

Motion: *To elect Jerry Scheltens and Dawn Allen to the Board of Directors, by acclamation. (Ratterman/Kaufman)* **CARRIED** unanimously.

ELECTION RESULTS

The newly elected Board members are:

- Jerry Scheltens 2-Year Term
- Dawn Allen 2-Year Term

DESTROY BALLOTS AND PROXIES

Pursuant to Hawaii Revised Statutes 514B-154c, the managing agent will destroy all ballots and proxies after 60 days.

NEW BUSINESS

Resolution on Assessments

There is a resolution that must be considered and voted on in order that we make the proper filing of our tax returns. This resolution covers maintenance fees and unrelated income paid during the year. We collect from all of our owners, on a monthly basis, maintenance fees, which cover the cost of running and maintaining the project. At year-end, we may have a balance in our checking account, operating reserve account and other specific accounts that will carry forward to the next calendar year.

Present tax rulings indicate that these funds, if not specifically designated to be used in the following year, would be taxable. Consequently, the resolution to cover the 'rollover' of these funds meets the necessary requirements.

RESOLVED, By the Lahaina Residential Association of Unit Owners that the amount by which each member's assessments in the 2021 fiscal year exceeds the total payments of the Association for maintenance, repairs and other expenses and capital expenditures of the Association as the Board of Directors has appropriately paid or determined payable, shall be applied to the 2022 regular member assessments in accordance with IRS revenue ruling 70-604.

Hearing no objections, the resolution was adopted.

MINUTES OF THE 2021 ANNUAL MEETING MINUTES

Motion: *To Authorize Board to approve the March 27, 2021 annual meeting minutes as to form and content to expedite distribution to owners.*

Hearing no objection, the resolution is adopted.

AUDIT

Motion: *To authorize the Board of Directors to select an auditor to perform an audit, unannounced verification of cash and prepare the tax returns for the Association for the fiscal year ending December 31, 2021.*

Hearing no objection, the motion is adopted.

RATIFICATION OF BOARD ACTIONS

Motion: To ratify the actions of the Board of Directors during the fiscal year 2020.
Hearing no objection, the motion is adopted.

SET DATE OF NEXT OWNERS MEETING

The proposed date for the 2022 Annual Meeting is Saturday, February 12, 2022. Hearing no objection, the meeting will be set for that date.

NEXT MEETING DATE

The Annual Owner's meeting is scheduled for Saturday, February 12, 2022.

ADJOURNMENT

Motion: *To adjourn the Annual meeting. (Sheltens/Ratterman)*
CARRIED unanimously.

The meeting was adjourned by unanimous consent at 9:24 a.m. HST.

A brief Organizational Board meeting will be conducted via zoom at a later date.

Respectfully submitted,

Yatta Johnson

Stenographer

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Approved by the Board of Directors, as to form and content, for distribution on: