

**LAHAINA RESIDENTIAL
ASSOCIATION OF APARTMENT OWNERS
ANNUAL OWNERS MEETING
1034 Front Street, Lahaina, Hawaii 96761
Saturday, February 12, 2022**

DIRECTORS PRESENT: Paul Ratterman, Vice President; Chris Montana, Secretary;
Dawn Allen, Director-at-Large

DIRECTORS ABSENT: Jerry Scheltens, President; Gloria Kaufman, Treasurer

OWNERS PRESENT: Joan Warner #105; Sally Bumpus #108; Carol Mark #114; Robyn Ehrlich #116; Robert Hartman #120/121; DJ Jordan & Bernard Cortinez #128; Ginger Toth #129; Brad and Cynthia Willis #207; Rebecca Wimmer #204; Angela Weldon #210; Anne McCoy #219; Stephen Juarez #229

OTHERS PRESENT: Rod Quam, Managing Agent; Lysa Tracy, Director of Association Management; Laura Howard, Community Association Manager; Jim Cribben, Project 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 61.64% are present in person or represented by proxy, thus constituting a quorum.

CALL TO ORDER

Rod Quam served as the Chair Pro Tem for this Annual Owners meeting. Mr. Quam called the Annual meeting of the Association of Apartment Owners of Lahaina Residential to order on Saturday, February 12, 2022 at 9:10am HST. The meeting was held on property at 1034 Front Street, Lahaina.

PROOF OF NOTICE OF MEETING

A notice of this Annual meeting was sent to all owners of record on January 13, 2022. 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.

Hearing no corrections to the 2021 Annual Owners meeting minutes, the minutes are approved, as distributed.

REPORT OF OFFICERS

None.

PROPERTY MANAGER'S REPORT

Jim Cribben presented the Property Manager's report. Laura Howard is the Community Association Manager who is will be working in concert with Lysa Tracy. Mr. Cribben's detailed report was accepted and is on file. The report was also included in the meeting packet and is included as an attachment to these minutes.

Motion:

To fund the window and door project out of the current reserves and establish a reimbursement schedule for owners that already replaced doors and/or windows. Owners will be responsible for any interior repairs necessary after installation.

(Weldon/Wimmer)

CARRIED unanimously.

MANAGING AGENT'S REPORT

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

- There were four (4) units sold in 2021.
- Currently, there is one (1) unit in active escrow.
- The Association still owns the Lease for four (4) units.
- It is anticipated that the foreclosure of unit 103 will be approved by the court this year.

TREASURER'S REPORT

Lysa Tracy presented the December 31, 2021 year-end financial report. *(The detailed financials were provided in the Annual Owner's meeting packet and are also available on the owners' website and by request to the management company.)*

Total Cash	\$1,399,316
Reserves	\$677,716

Year-End Audited Financials

The year-end audit is available on the Association Website or by request to 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-owner, vendee under an agreement of sale or an officer of any corporate owner of an apartment. There are three (3) vacancies on the Board which we must fill, each for a term of 2-years.

The terms of Gloria Kaufman, Chris Montana and Paul Ratterman are expiring. Gloria Kaufman, Paul Ratterman and Chris Montana have expressed an interest to be re-elected to the Board of Directors and their names have been placed on the ballot.

Owner, Deborah "DJ" Jordan, has also expressed a desire to join the Board and her name will be placed on the ballot. Remaining on the Board are Dawn Allen and Jerry Scheltens.

Chair, Mr. Quam, asked for nominations from the floor; hearing none, the nominations were closed.

The Nominees are:

- Deborah Jordan
- Chris Montana
- Gloria Kaufman
- Paul Ratterman

INSPECTORS OF THE ELECTION

Joan Warner volunteered as the inspector of the election.

The meeting was recessed at 10:03 a.m. for voting purposes. The meeting was called back to order at 10:25 a.m.

ELECTION RESULTS

The newly elected Board members, all elected to a 2-year term, are:

- Deborah Jordan
- Chris Montana
- Gloria Kaufman

Paul Ratterman was acknowledged for his service to the Board and the community.

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.

BE IT RESOLVED, By the Lahaina Residential Association of Unit Owners that the amount by which each member's assessments in the 2022 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 2023 regular member assessments in accordance with IRS revenue ruling 70-604.

Hearing no objections, the resolution is adopted.

MINUTES OF THE 2022 ANNUAL MEETING

Motion:

To Authorize Board to approve the February 12, 2022 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, 2022.

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 2021.

Hearing no objection, the motion is adopted.

NEXT MEETING DATE

The Annual Owner's meeting is scheduled for Saturday, February 11, 2023.

ADJOURNMENT

With no further business on the Agenda, the meeting was adjourned by unanimous consent at 10:32 a.m. HST.

A brief Organizational Board meeting will follow this annual meeting.

Respectfully submitted,

Yatta Johnson
Stenographer
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