

April 2024



Board Shorts

**CONGRATULATIONS AND WELCOME
TO OUR NEW KOKO ISLE AOAO BOARD OF DIRECTORS!**

President's Message: Attached is the Koko Isle AOAO President's and Treasurer's Report for the Board Year 2023.

At the March 25th, 2024, Koko Isle AOAO Annual Meeting, there were three board seats to fill. The community elected two new Board Members, Lewis "Buddy" Morris, and Gary Bell. We welcome them to the team and look forward to their fellowship and contributions. And re-elected, we are glad to welcome back Nathan Richards voted onto the Board again!

We want to thank all past and existing Board Members for their hard work and commitment to improving the Koko Isle Community.

We would especially like to thank Dave Hurley, who has been our Board President for the past 3 years from 2021 to 2024. Dave also served as secretary and Vice President in 2018 to 2020. Dave's many hours of hard work culminated in helping get our Non-Waterfront Dock construction kicked off!

We would also like to Thank Dede Mamiya our Vice President also for the past 3 years from 2021 to 2024 for her professional and legal contributions and assistance on the board over these last few years. She also served as a Director in 2020 working hard to update our legal documents. A Big Mahalo!!!

Your 2024 Board of Directors are:

2024 Board of Directors:

President: Oz Wroe
Vice President: Lewis "Buddy" Morris
Treasurer: Alice Li Hagan
Secretary: Greg Yuen

Directors: Cheryl Nolting
Dave Tiller
Nicole Cummings
Nathan Richards
Gary Bell

Reminder "Proposed Amendment to Restated Declaration – Transient / Hotel Use of Units": On February 1st, 2024, Hawaiiana Management Company, distributed a written consent form on the "Proposed Amendment to Restated Declaration – Transient / Hotel Use of Units". Please submit your written consent form indicating your vote as soon as possible. 67% of the common interest must vote in favor of the amendment for it to be adopted.

COMMUNITY UPDATE:

Non-Waterfront Dock Committee Update: The Non-Waterfront Dock Project is complete. All 12 Non-Waterfront Dock owners are preparing to occupy their docks this week. Below are a few photos of the completed docks and you can scan the QR code for short video of the installation.



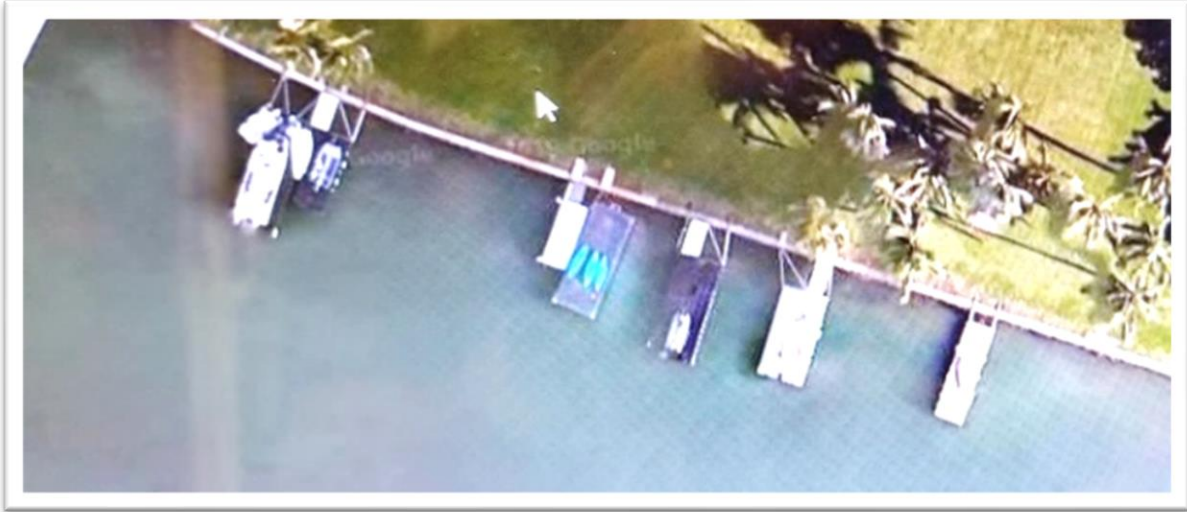
Scan me! Waterfront Docks 2024



Owner Rob Yonover was the first new owner to step onto his new dock!



Top view of old docks:



Top view of new docks:



Approved Koko Isle Board Meeting Minutes:

Koko Isle Board Minutes are now available on the Koko Isle Website “Frontsteps” under the Internal Folder and as always is available to review in the Resident Manager’s Office.

Up Coming Events:

Koko Isle Board Meeting: Monday April 29th, 2024, at 6:00 pm at Koko Isle Club House

Note: Proposed meetings will be confirmed by the new Board President and Board.

President Message On Next Page.

Distribute: 4/24/25



Koko Isle President's Report 2024

3/25/2024

Aloha neighbors and thanks to everyone for attending this beautiful Koko Isle evening. As I say at the start of our board meetings, it is truly important for our residents to stay engaged with the activities of the AOA by attending these meetings, reading the board shorts, engaging with the committees and board members, and sending your ideas. The Board is regularly making important decisions on behalf of the community and relies on your feedback for successful performance of our duties.

I will cover four areas in this President's report: People, Process, Projects, and Financial.

People:

As I have highlighted throughout the year, Koko Isle is lucky to have such a dedicated group of volunteers and staff who give so selflessly of their time to serve the community, managing complex and sometimes controversial issues together as a team. They give countless hours of their time and energy for the good of their neighbors, asking nothing in return. I would like to once again publicly thank the board who served this year and our stellar RM team, Sherwin from Hawaiiiana Management, and express my appreciation for their efforts.

People sometimes ask how to help the association, board or committees, and I realize it is not realistic for everyone to make time to run for the board or serve on committees, or to research and write proposals. So after six years on the board, hundreds of hours in meetings, and thousands of emails, texts and phone calls, I can offer this as a simple way to help: kindly learn and follow the house rules, and encourage others to do so. This board and your RM team could accomplish *so much more* with our limited time if we need not spend so much effort on house rules enforcement with residents who do not know them or choose not to follow them. Some residents engage in protracted, confrontational and time-consuming arguments with anyone who tries to properly enforce these community provisions. So, I will just finish this thought with a quote from the introduction to the House Rules we all receive and agree to when we move in:

*"Condominium living requires that **community interests** take precedence over some personal preference at times...and the Association enforces rules for the benefit of the Koko Isle community **as a whole**...Please take the time to read and understand these important and binding House Rules."*

Process:

The mission of the AOA is to *"...sustain and maintain the common elements of the property in quality condition through fiscally responsible programs of timely maintenance while promoting an Ohana atmosphere among its residents."*

The Board accomplishes these responsibilities through a series of open BOD meetings, functional committees, town halls, information sessions, surveys, the Frontsteps website, and coordination with each other, residents, the RM team, Hawaiiiana, and our legal firm. We have continued to expand our input and output mechanisms for these processes for those who wish to lend their skills or engage with the Board. If you have ideas, proposals, or requests, please do your research, put it in writing, and submit it for consideration.

One of the most critical ways for the community to function well is the annual election process we are in tonight. That said, I will briefly mention the election process that is governed by our association documents and Hawaii statutes. We announce the meeting via multiple available mechanisms, solicit new board member applicants for open positions, distribute and collect proxy-voting forms for those who cannot attend in person, establish quorum, and conduct the election in an open meeting overseen by Hawaiiiana. Once votes are tabulated, the terms of 1, 2, or 3 years are assigned to those elected based on percentage of votes received. The newly elected board then nominates and selects the officers from amongst themselves by board vote. Members serve for no more than two consecutive terms, regardless of term length.

If anyone has questions or concerns on how the board conducts this process, or how it is overseen and audited, please contact the Board, RM or Hawaiiana. As always on this and other process and projects, I encourage residents to engage our Resident Management team for the latest facts as Vince and Kellie have a wealth of experience and historical information on our community operations, and I continue to believe they are the best RM team in Hawaii.

Projects:

Your board and RM team provide the oversight and execution of our community projects, the most visible actions of the association. Many of you know what a challenging task it is in Hawaii to find quality and affordable contractors, but this year was another of significant project milestones. We finished the \$810k paint project, a \$213k club house floor and railing renovation; the park pathway lights; an \$8k landscape design contract; ground filling and leveling; sewer lines repairs; sprinkler system and water system upgrades; Marina Park docks and seawall repair, as well as starting to gather proposals for further flat roof repairs and our island bridge spall repair. Our thorough and methodical approach to soliciting and evaluating bids can be time consuming, but results in us finding the best companies at the best value to the association. Thanks to the dozens of people who participated in this important process.

Financial:

On the finances, Alice Hagan assumed the role as Treasurer this year and went above and beyond in tracking and scrutinizing our expenses, projections, and monthly budget items. I will briefly cover a high-level summary, noting that our full financial statement is available for your review. It is a complicated document and process to understand as a layperson, and I will note the board has made several efforts to hold educational “town hall” question and answer sessions on this topic in the past year for interested residents.

This has been a challenging year for the budget. Overall, in 2023, the association collected about \$1.26 M in the form of dues and fees and spent about \$1.09M on normal operations, with much of the remainder going to our reserve projects, ending the year with \$228k in cash.

As you likely know, we raised dues last year by 6%. This year in January, we raised them by 7% for 2024, and then again by 11% effective in April, for a 16.8% annual rate. There are many many factors and projections that go into this decision, and it is never made lightly. It is a balancing act of regulatory constraints, managed risk, competing priorities, project forecasts, new requirements and changing cost factors for our ageing infrastructure that affect the decision on dues. Most significantly, the insurance market was wildly erratic this year and had an unpredictable and significant impact on our financial planning and models, requiring out of cycle action on our dues. The board published a significant amount of information on this topic as well as detailing our insurance challenges during several Board meetings this year. Secondly, our seven-year legal battle with a resident over implementing our improvement projects continued to incur significant expense as we finally went to a jury trial. I am happy to report our steadfast efforts resulted in a jury deciding in the AOA favor on all matters and awarding us damages. Unfortunately, we still await recoupment of our significant legal fees, and that effort may continue for some time to impact our budget. This year will continue to be challenging with the costs of basic maintenance and new projects increasing above previous estimates and models, and the board will face some difficult decisions in the coming months as we complete our contracted reserve study and map out our future project timelines.

Thank you again, to all the board, especially the incredibly hard-working VP Dede Mamiya, our RM team, our Hawaiiana Associates, and to you all for your participation, attention, and continued support for your AOA Board of Directors.


Dave Hurley,
President Koko Isle AOA