

April / May 2021



Board Shorts

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

President's Message: Attached is the Koko Isle AOA President's and Treasurer's Report for the Board Year 2021.

At the March 29th, 2021 Koko Isle AOA Annual Meeting, we welcomed 2 new Board Members, Dr. Gary Bell and Chris Riche to the team and look forward to their fellowship and contributions. We also want to Thank all past and returning Board Members for their hard work and commitment to improving the community of Koko Isle in 2020. We want to especially Thank Greg Mau, our President and all the Directors for his inspiring and team building leadership. We would also like to Thank past Director, David Tiller for his contributions and leadership over the past years!

2021 Board of Directors:

President: David Hurley
Vice President: Dede Mamiya
Treasurer: Doug Seifers
Secretary: Cheryl Nolting

Directors: Greg Mau
Kelly Burke
Nicole Cummings
Dr. Gary Bell
Chris Riche

Koko Isle 2021 Easter Egg Hunt: Residents, both very young and more experienced enjoyed a fun filled morning at the Koko Isle 2021 Easter Egg Hunt held on Saturday April 3rd, 2021. Many Thanks go to the many residents that worked hard to put it together and to all who donated and participated! Special Thanks to Kim McLaughlin, Kara Bale, Jennifer Broomell, Leslie McCleave, and everyone else that helped that day and to all those who made great donations for great prizes for all the kids!



PROJECTS IN PROCESS:

Coconut Tree Trimming: It is that time again, we need to trim our Coconut trees. Hawaii Vista Masterscape, our contractor is scheduled for the week of May 10th, 2021 (weather permitting). Please be aware that trucks & other equipment will be on the roadside, please drive with caution.

If you have trees in your privacy area that you would like or need to trim or removed, you can call Hawaii Vista Masterscape Tom Emilio directly at 808-384-8555 to schedule an evaluation and quote.

COMMUNITY UPDATE:

1. **Pool, Gym, & Club House Open:** After several months in Tier 3, Oahu continues to loosen and adjust restrictions in Tier 3. The Koko Isle Board of Directors and Hawaiiana Management Company reviewed the changes and updated our current Koko Isle COVID-19 Rules to comply with the new Tier 3 Allowances.
2. **Carport Inspections:** The Koko Isle AOA Board would like to thank all residents for cleaning up their carports and working hard to bring your carports into compliance with the House Rules. It was very impressive to see neighbors cleaning up to make our neighborhood a proud place to live and visit.
3. **Use of Premises - Parks:** Reminder to all residents when using the Koko Isle Parks, please be aware of House Rules related to prohibited private events, excessive noise, wheeled toys on the Central Park walkway & no playing on the Koko Isle trees nor roadway.
4. **Community Website FrontStep:** Koko Isle encourages every unit resident to register with the new Community Website FrontStep through Hawaiiana. This service-oriented website gives owners the ability to view account balances, make payments, and receive notices and bulletins from the AOA on Community issues. There is also a FREE App to use on your phone or pad!

To register for this service, simply fill out an online enrollment request form at ownerenrollment.hmcmgt.com. Once this form is submitted, you will receive an invitation via email to complete the enrollment process. Just follow the link and instructions provided in your email invitation. For additional questions or personalized assistance regarding the owner registration process, please visit www.hmcwebsupport.com. We hope that this service will provide you with an easy and convenient way to access the information you need!

Approved Koko Isle Board Meeting Minutes: Available in Resident Manager's Office.

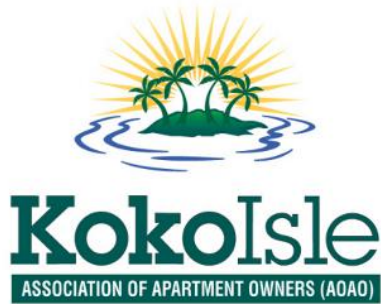
Up Coming Events:

Building & Grounds Committee Meeting: May 12th, 2021 Wednesday

Koko Isle Board Zoom Meeting: May 27th, 2021 Thursday 6:00pm

Holiday Memorial Day – May 31st, 2021 Monday Koko Isle Office will be Closed

Distributed 5/7/2021



Koko Isle President's Report 2021

March 29, 2021

I'd like to thank everyone for either coming out and attending our second COVID restricted Annual Meeting in person or turning in your proxies so we can have a quorum as we continue a slower than ideal return to normal. For this shortened board year of only 8 months, all board and numerous committee meetings have continued exclusively over Zoom meetings and while it's taken some time to get used to, it has not held the board back from long hours and spirited debate.

Here are some of our accomplishments and my commentary:

1. Our paver project continued after a long pause where our contractor experienced significant COVID delays. The project is now 90% finished with just the 100 and 300 blocks remaining. While we are generally pleased with the results, there are still final inspections and punch list work to be addressed after the last areas are installed.
2. We also continued the process of repairing and replacing common element sewer lines whenever problems were identified as with the asphalt removed is still the most cost-efficient time to do the work.
3. We completed installation of our new streetlights. The permit process was absolutely terrible and subjected to COVID delays as well, but we finally got approval and finished them up.
4. The first phase of upgrades to our security camera systems were completed. We do have additional improvements planned with the goal of being able to monitor the entire circle of the main road being the next objective.
5. Recently, we placed the order for new pool and clubhouse furniture that was selected by the clubhouse committee around 2 years ago. With COVID limiting pool and clubhouse usage and the uncertainty of the total cost of the clubhouse repairs, we had put the order on hold, but given the delivery lead times, optimism in the bids, and timing for the clubhouse renovation project, we placed the order for the furniture.

6. After substantial study and research of our flood insurance options led by Cheryl Nolting, the board unanimously chose to cancel flood insurance for interior buildings that were outside of the flood zone saving around \$25,000 a year with rates that have been increasing every year. While we understand that this alarmed some residents, after looking closely at the issue we felt this was in the best interest of the entire Koko Isle community and would like to remind everyone that the entire AOA is responsible for maintaining all the common element buildings so this action does not in any way favor waterfront or parkside units. All unit owners are financially responsible for every building at Koko Isle in a 1/124th share and are all in this together financially should anything unlikely and catastrophic happen.
7. We began another round of House Rule changes and circulated them for comment. First time board member and documents committee head Dede Mamiya has been a tremendous contributor to the quality of work output of the entire board with her extensive experience in writing rules and regulations professionally. While needing to incorporate the previous year's unfinished changes, for the first time in my time at Koko Isle, the changes were delivered to owners with each specific change laid out and some level of justification included. I think, it is because of this level of organization and transparency, that we received far more comments to this set of changes than to the last 3 sets of revisions combined. Some of the comments pointed out some unintended consequences, and many showed the need for further communication with concerned parties before finalizing, so this board looks forward to clarifying and further communicating about any of the issues that have come up before enacting any changes. Many of the suggested changes are actually required by our governing documents that the board must follow. It is expected that with most rule change some owners are going to be made happy and some are not. The point of all of the rules is to benefit the majority of the community within what our governing documents allow for.
8. Last but not least, we also finalized the proposed changes to the Declaration regarding clarifying the maintenance of owner additions and making important changes to the leasing of common element non-waterfront unit docks that front the south park. These alterations are the culmination of literally hundreds of hours of research, discussion, and legal consultation over multiple years and what we came up with has complete and unanimous board support. If you have yet to vote on these two issues, please do so soon, and feel free to contact our resident management team or any board member if you have any questions or concerns. The entire board would really appreciate your support on this front. Having personally worked so long on these two issues, I would truly enjoy explaining the background and reasoning for each to anyone interested.

As usual, besides continuing to enact previous management plans, we also spent considerable time researching, planning, and reacting to new issues with decisions and details coming in the near future.

Some of the issues we've been working on and expect to have decisions or plans for soon include:

1. **Rebuilding of the clubhouse railings, flooring, and stairs.** After receiving and evaluating several bids for this necessary and overdue work, we expect to complete these projects this year.
2. **Resumption of common element flat roof repairs/coatings.** While the silicone flat roof coatings that previous boards had high hopes for come with long warranties, they have not performed up to expectations to date, and caused us to put a hold on further such installations. We have looked at alternative products and installers and hope to begin catching up with our flat roof coating schedule in the coming year. Vince and the Buildings and Grounds committee chaired by Dave Tiller have provided leadership on these fronts.
3. **Renewal or debulking of our cable TV contract.** With our bulk cable TV contract set to expire, we spent some time researching whether de-bulking our AOA contract and refunding the money spent on it made sense in the age of cord cutting and with 5G on the horizon. It may not be time for that just yet, but it could make sense in the future. Director Kelly Burke and Vince have been leading this analysis.
4. **Electrical pedestal analysis and planning.** Our electrical pedestals and circuitry within is another asset which we are evaluating our options on timing and degree to refurbishment or replacement. It's a project with a wide range of approaches and solutions which we hope to study carefully. Kelly Burke and Dave Tiller have taken the leadership role on this important project.
5. **Individual water sub-meter research.** We also have started looking into the potential for individual water meters for each unit to encourage savings and fairness amongst all owners at Koko Isle. No conclusions on this front yet, but it may make sense to do someday. Dede and Doug Seifers have been leading the information gathering in this area.
6. **Painting of all the buildings at Koko Isle.** Lastly, we have building siding repair and painting to begin this coming year as the most expensive recurring maintenance item left at Koko Isle. Actual painting may start this year or next, but at least preparations will definitely begin soon.

Doug Seifers reprised his role as Treasurer this year and continues to go above and beyond in tracking and scrutinizing our expenses. For simplicity, I'll again be reporting some financial highlights myself in lieu of a separate Treasurer's report this year.

As we signaled earlier, we did have to raise HOA dues for 2021, though we managed to keep the increase down to 2.9%, rather than the initially expected 5%. As many of you know, this is the first increase in HOA dues for the past 9 years, despite rising costs in many areas, and the association doing over \$5 million in project improvements.

With the slight increase, the association currently collects about \$1.2 million in the form of dues and rental of common element assets. We spend about \$900K on normal operations, pay \$111K to our paver loan, and put the remaining \$175K towards funding our reserve projects.

Unlike 2020, we have yet to encounter significant negative surprises on the project cost fronts and we hope to continue to operate as projected in order to keep dues relatively stable as we are approaching an expected short period of reduced cash reserves.

While we still have significant cash reserves currently, with some expensive projects like painting yet to be paid for, we expect to run our cash down to a relatively low level in the next 1-2 years. Potentially alarming to the casual observer, this is by design to avoid the alternative of having the AOA simply hold money in the bank from each of us as a large cushion.

The realization of the absence of a projected need for large unaccounted for expenditures in the intermediate term after this coming low point will allow our reserves to start building significantly in the years to come without large increases in dues. We are aware of some potential spots where we might have to spend more than expected, but there are also some potential savings that could come to fruition as well, if we continue to plan and spend money wisely.

Even with lower-than-normal cash in the bank upcoming, based on the projected expenditures, numerous newly rebuilt common area assets, and comfort with current HOA dues level, we remain in a strong financial position for the long term.

I'd like to say thank you to our RM team Vince and Kellie for another successful year managing Koko Isle under unusual and challenging circumstances. The RM team participates in virtually all the committees and does a great job both supporting and leading where they are asked to. We are very lucky to have them.

Thank you also to the rest of the board and the committee heads in particular for all their volunteer efforts and contributions towards trying to improve Koko Isle for all of us.

Thank you all for your attention and continued support. Please continue to be careful in these strange times as we all hope a return to more normal times is around the corner.

Sincerely,
Greg Mau
President Koko Isle AOA