

**MAUI LEA TIME INTERVAL OWNERS ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING
Golden Nugget Conference room
May 4th, 2023**

I. CALL TO ORDER

President Bob Jacalone called the meeting to order at 9:15 a.m. HST

II. ESTABLISH QUORUM

Members Present: Bob Jacalone (President), Bill Petro (Vice President), Tim Ohm (Treasurer), Ryan Endean (Secretary), Directors; CJ Law

Members Via

Teleconference: Loren Knott (Asst Secretary), Paul DiMarci (Director)

Maui Hill Board: Dick Endean, John Pendley, Todd Niehoff

By Invitation: Dennis Costa, General Manager; Kristi Kahai, Manager Guest Services; Mike Robar, Frank Robar, Condominium Fiscal Management, Inc., Co-Plan Manager (Fiscal); David Thomson, Bobbie Favela, Ruthie Okada, Loreen Hulihee, Aqua-Aston Hospitality, LLC, Co-Plan Manager (Admin); Nancy Benson, Homeowner Services (via teleconference)

III. APPROVAL OF AGENDA

MOTION #1: Tim Ohm moved to approve the meeting agenda as presented. The motion was seconded by Bill Petro and passed by unanimous consent.

IV. APPROVAL OF MEETING MINUTES

MOTION #2: CJ Law moved to approve the minutes of the January 25th, 2023 Regular Board Meeting as presented. The motion was seconded by Ryan Endean and passed by unanimous consent.

V. TREASURER'S REPORT

1. Financial Review

Tim Ohm reviewed the 3/31/23 financials. There were total assets of \$959,000 and cash on hand of \$342,000. Year-to-date the financials are overbudget by \$120,000 that is primarily caused by inflation and high electricity rates carried over from last year. There were no questions.

2. Delinquencies & Collections – Deferred to Executive Session

3. Investments

Frank Robar reported that the association has spent most of the reserve funds on the new air conditioners. Interest rates have improved for investment purposes. The board agreed to keep all funds in Cash.

VI. STANDING COMMITTEES

1. Contracts

The contract for the Homeowner Services position will be terminating effective December 1st. The association is attempting to hire an employee to fulfill that position.

2. Renovation

Bill Petro reported that the total cost for the new air conditioners with 6-hour timers will be \$1,200,000 including the wall repairs. There are about 85 AC penetrations that have been completed out of the total amount of 214 AC penetrations to be patched.

Refurbishing of the kitchen and bathroom cabinets will be performed when a unit is available. The Board have approved \$222,000 for this project. This project will take a few years to complete. Appliance replacement will be performed on an as-needed basis.

The committee is considering replacing the carpet with Luxury Vinyl Flooring. The increased amount of noise is being evaluated.

3. Association Interval Sales

Bill Petro reported that there were 34 weeks sold this year. The Board recommended that interval owners consider including their deed with their estate planning.

Bob Jacalone reported that there are 19 intervals currently in escrow. The next auction will be in July for 21 intervals.

VII. AD HOC COMMITTEES

1. Timeshare Owner Services Position

Ryan Endean reported that Aqua Aston has posted an advertisement on the Marriott Vacations Worldwide website. The position will be a salary position and there is one candidate that has applied for the position.

Nancy Benson reported that the database needs to be updated such that the system could be automatically backed up and networked. Currently working with John Holzer to give a proposal.

2. Budget Committee

Tim Ohm deferred the topic to New Business.

VIII. MANAGERS REPORT

Dennis Costa reported on on-going projects.

1. The service for all of the split air conditioning filters were professionally cleaned for all 76 units and qualified for \$2,550 in energy rebates.
2. The next service period is happening from May 2nd to May 8th. Staff will be polishing the glass, replacing air conditioning filters, checking the water heats for any leaks, and professional cleaning of the carpets as needed. We will also be performing general maintenance,

maintaining the kitchen inventory, and clean the window screens. Electric tea kettles are available upon request.

3. Drywall repairs related to the new air conditioning units in the lower units are an on-going project.
4. Anytime an owner needs help with adjusting the temperature of the air conditioner and water heaters, please call the front desk.
5. We request owners to post good reviews on Trip Advisor after you complete your stay.

IX. UNFINISHED BUSINESS

1. Timeshare Resales

CJ Law provided reports on January through April 2023 which included sales of 28 weeks with values that ranged from \$2,800 to \$13,000. There are currently 50 owner weeks available for resale and 70 Association weeks available via foreclosure. Prices range in the following:

- 1 bedroom - \$3,500 to \$7,500
- 2 bedroom - \$4,500 to \$9,000
- 3 bedroom - \$8,000 to \$12,000

2. Board Policies

CJ Law reported that an updated version is provided for Board review. There was additional discussion on how pool towels are distributed and updating the cost of legal demand letters.

MOTION #3: Tim moved to approve the revised Board policies including changing pool towels to one person per guest and changing the cost for legal demand letters to \$200. The motion was seconded by CJ.

The motion passed by unanimous consent.

3. Website Update

Ryan Endean reported that the website has been completed and the committee has been working on finding a service to maintain the website. Different options have been identified with differences in services and costs.

There was discussion on whether to use Go Daddy for site hosting and a maintenance contract but move the account ownership to Maui Lea or use the current team for maintenance. New Timeshare Owners Services rep will work with John and Ricardo for website updates.

X. NEW BUSINESS

1. AOAO Affairs

Dick Endean updated the owners on current AOAO projects:

- a. The stairs, landings, and facia on the buildings are being repaired and replaced. The maintenance team have projects to replace the 8x8 posts for the landings and the stairs.
- b. New pool furniture has been installed. Includes chaise lounges, tables, and chairs.
- c. Reviewing using a porcelain like material for pool deck.
- d. Reviewing upgrading the fencing around the pool.
- e. The Board is reviewing remodeling and upgrades to the maintenance building.
- f. The Board is reviewing opportunities for remodeling the Lobby.

- g. The Board is also reviewing if there is enough interest for the installation of Fitness Center. Alternatively, consideration is being made for fitness passes.
- h. All roof work is completed where there are solar panels. Additional work over the next 6-12 months will be performed on the remaining buildings.
- i. All solar panels should be installed and producing electricity by July 1st.
- j. Wages for the employees need to be increased to stay competitive with the hotels in Wailea.

2. Insurance Package Renewal

Tim Ohm outlined the dramatic cost savings that the association is experiencing for the next renewal period primarily due to the notable decrease in D&O coverage with a savings of \$12,000.

MOTION #4: Tim moved to approve the meeting Insurance Package Renewal with Atlas Insurance in the amount of \$21,041. The motion was seconded by CJ.

The motion passed by unanimous consent.

3. 2023-2024 Fiscal Year Budget

Tim Ohm presented the different pressures that increase the budget including contracted salaries, property taxes, AOA fees, Land Lease fees, and Bad Debt. There was an open discussion with the owners on the amount of Bad Debt that should be accounted for in the next fiscal year.

MOTION #5: Loren Knott moved to approve the 2023-2024 Fiscal Year Budget with an overall increase of 13.68% in maintenance fees, land lease fees, AOA fees, and property taxes. The motion was seconded by Paul DiMarci.

The motion passed by unanimous consent.

XI. EXECUTIVE SESSION

MOTION #6: Bob Jacalone moved to enter into Executive Session to discuss legal matters at 1:30 pm.

The motion passed by unanimous consent.

XII. NEXT MEETING

1. Board Meetings
 - A. 9/13/2023 – Marriott Residence Inn
 - B. 11/13/2023 – Conference call
 - C. 1/25/2024 – Marriott Residence Inn
2. 2023 Annual Meeting
 - A. 9/13/2023 - Marriot Residence Inn

XII. ADJOURNMENT

MOTION #7: Loren Knott moved to adjourn the meeting. The motion was seconded by Paul DiMarchi and passed by unanimous consent.

The meeting was adjourned at 2:23 p.m.

Approved by:


Ryan Endean, Secretary
Board of Directors


David Thomson
Recording Secretary

Minutes approved on 9/13/23