

**APPROVED**

**KULEANA CLUB ASSOCIATION OF INTERVAL OWNERS  
BOARD OF DIRECTORS BUDGET MEETING MINUTES**

Monday, July 4, 2022

**I. CALL TO ORDER/ ROLL CALL**

The meeting was called to order by Gary Sullivan at 9:00 a.m. HI at the Kuleana Club. The following persons participated in the meeting:

Board Members:

Gary Sullivan, President  
Al Jones, Vice President  
Blake VanKampen, Secretary/Treasurer  
Keith Campbell, Director  
Dustin Schmitt, Director

VRI Management:

Debra Wood, Vice President of Resort Operations

KCAIO General Manager

Thom Rogers, General Manager

**II. APPROVAL OF AGENDA**

Agenda was approved by Board consensus after addition of (1) Internal Exchange and (2) Capital Vacations to New Business.

**III. APPROVAL OF PREVIOUS MEETING MINUTES**

**MOTION:** Al Jones moved to approve the April 4, 2022, Regular Board Meeting Minutes as presented. Motion was seconded by Dustin Schmitt and approved unanimously.

**MOTION:** Al Jones moved to approve the Organization Minutes of April 5, 2022. Motion seconded by Blake VanKampen and approved unanimously.

**IV. OWNER FORUM/CORRESPONDENCE**

None was brought before the Board.

**V. FINANCIAL**

April 2022 Financial Statement

The April 2022 financial statement was reviewed by Thom Rogers and Debbie Wood.

The total cash balance in the operating account for April 30, 2021, was \$1,125,498. Total cash balance in the reserve account was \$445,800. The cash flow report was incorrect, and Debbie Wood will follow up with the VRI Accounting Department. The Board acknowledged receipt of the April 2022 financial statement.

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Delinquency Report

A review of the delinquency summary report took place. As of June 14, 2022, there were 193 accounts delinquent in assessments to the Association which represents 12.2% of the total owner base. The total amount of the delinquency on these accounts is \$1,326,539.

Association Inventory

A list of weeks owned by the Association was reviewed. There are 92 weeks owned by the Association.

**VI. ONSITE**

Onsite Report

Thom Rogers updated the Board on the onsite operations. From his written report he highlighted onsite staffing updates; Rentals; KCAIO Website; new bed skirts and covers; wall mount TV's. The ongoing major refurbishment was discussed.

Comment Cards

Thom reviewed the new online system for comments.

Occupancy Report

An occupancy report was included in the meeting packet for review. Thom reported the Association is running a consistent average of 95% occupancy.

**VII. OLD BUSINESS**

Reserve & Refurbishment

An overview of the services provided by Michael Wright and Associates, Inc. was discussed. A lengthy discussion took place related to the permit process on Maui and the potential of delaying the refurbishment projects planned. The following motion was made.

**MOTION:** Al Jones moved to approve the proposal from project manager, Michael Wright and Associates, for the Initial Programming Phase at an amount not to exceed \$12,000 as outlined in the agreement. Motion was seconded by Dustin Schmitt and approved unanimously.

**VIII. NEW BUSINESS**

2023 Budget

The proposed 2023 budget was presented and reviewed. Discussion took place on the line items in the budget. The average increase in maintenance fees over the past 4 years has been 1.3%. Considering inflation, the high cost of supplies, laundry, power increases on Maui as well as wages, the Board agreed to an increase of 11.8%. This will increase the 28 smaller units by an amount of \$87 and the three larger units by \$98.

**MOTION:** Al Jones moved to approve an increase in maintenance fees of 11.8% in 2023 for a total annual budget of \$1,611,658. Motion was seconded by Blake VanKampen and approved unanimously.

ABC Policy

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The ABC (Assessment, Billing & Collection) Policy of the Association was presented for review.

**MOTION:** Blake VanKampen moved to approve the 2023 ABC policy of the Association as presented. Motion was seconded by Keith Campbell and approved unanimously.

AOAO Update

An update of current events with the AOAO Board was given by Gary Sullivan. He reported that he and Keith Campbell attended a Zoom Board Meeting and during that meeting the following issues were discussed and addressed:

- board staffing
- update on the beach access
- shoreline

Internal Exchange Fee

Thom Rogers presented information regarding an internal exchange fee for owners based on availability. This will be administered on site.

**MOTION:** Al Jones moved to approve and internal exchange fee of \$100 for owners to be administered by Thom Rogers, on site, and based on availability. Motion was seconded by Blake VanKampen and approved unanimously.

Capital Vacations

Debbie Wood lead a discussion on VRI's new owner, Capital Vacations.

Confirmation of Future Meeting Date

November 7, 2022 – Board Meeting

**IX. ADJOURNMENT**

The meeting adjourned at 11:05 a.m. HI.

BY:  DATE: 11/9/2022  
 Blake VanKampen, Secretary