

**ASSOCIATION OF APARTMENT OWNERS  
SANDS OF KAHANA  
ANNUAL HOMEOWNERS MEETING  
February 13, 1999**

**DIRECTORS PRESENT,** Michael Kaplan, Marcus Baricuatro, Kazuko Shimaoka. By phone: Sandy Boothe.

**DIRECTORS ABSENT:** Artie Spector.

**OTHERS PRESENT:** Cal Hardin, President, Heritage Properties; Wayne Cober, Vice President; Heritage Properties; Kitty Williamson, Interpreter; Laurie Ledbetter, Recording Secretary; Jim Hentz, Heritage Properties.

**CALL TO ORDER:**

President Michael Kaplan welcomed all of the homeowners to the Annual Homeowners Meeting of the Association of Apartment Owners of the Sands of Kahana and called the meeting to order on Saturday, February 13, 1999 at 11:00 A.M., in the Meeting Room of the Sands of Kahana, 4299 Lower Honapiilani Rd., Lahaina, Hawaii.

**PROOF OF NOTICE**

Mr. Hardin announced that Proof of Notice of the Annual Meeting was mailed to all owners of record and posted on the property and a copy on the Association files.

**ESTABLISHMENT OF QUORUM:**

Mr. Hardin announced that a quorum was established of the 94.4220% MVI. of the ownership represented either in person or by proxy.

**CERTIFICATION OF MAILING:**

Wayne Cober certified that Proof of Notice of the Annual Meeting of the Association of Apartment Owners of Sands of Kahana, to be held on Saturday February 13, 1999 at 9:00 A.M., on property, was mailed to all owners of record with accompany proxy on January 27, 1999.

**SECRETARY'S REPORT,**

**MOTION:** To approve the minutes of the 1998 Annual Meeting as circulated. Seconded and carried unanimously.  
(Baricuatro/Jennewein)

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**ELECTION OF DIRECTORS:**

**INSPECTOR OF THE ELECTION:**

President Kaplan appointed Stu Jennewein and as Inspector of the Election to assist Management in the tabulation of the ballots.

Mr. Hardin announced there were 2 positions to be filled on the Board, both for 2-year terms, for the expiring terms of Sandy Boothe and Michael Kaplan. The election will be done by cumulative voting as there was a valid request for same.

President Kaplan asked for nominations from the floor. Marcus Baricuatro nominated Sandy Boothe and Michael Kaplan. There were no other nominations.

**MOTION: To close the nominations. Seconded and carried unanimously. (Baricuatro/Jones)**

Mr. Hardin advised that under Hawaii law, a written ballot election must take place even though there on 2 candidates running for 2 positions. Mr. Hardin explained cumulative voting procedures for the ownership.

The meeting recessed for at 11:07 A.M. for voting and reconvened at 11:12 A.M.

Mike Sullivan asked that nominations be re-opened as he was late arriving at the meeting and would like to have the opportunity to make a nomination from the floor. There was discussion on the parliamentary procedures to follow for this request.

**MOTION; To re-open the nominations. Seconded. (Jones/Cochrane)**

**VOTE: (Voice Vote) The motion carried by a majority.**

Dr. Jones nominated Bill Vinson, owner of #292 & #384. Mr. Sullivan gave a brief introduction of Mr. Vinson who was not present at the meeting.

**MOTION: To close the nominations. Seconded and carried unanimously. (Cochran/Baricuatro)**

The meeting recessed at 11:17 A.M. for voting and reconvened at 11:24 A.M.

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**FINANCIAL REPORT:**

Mr. Hardin reviewed the unaudited Annual Audit. The Association ended the year with a surplus, in operations of \$110,479.84. Approximately \$900,000 was accumulated through 1998 into Reserves. Hawaii law requires the Association to acquire \$1.4 million in its Reserves by the end of 1999 (50% funded). Currently, the Association allocates \$40,000 per month to the Reserves. Management recommends that 50% of capital projects be funded in cash collected in the same year, and, the balance allocated to the Reserves to continue to allow the account to grow.

**STANDARD MOTIONS:**

**MOTION: To approve reimbursement the Directors out of pocket travel expenses to attend duly called meeting of the Association in an amount not to exceed \$500 per meeting.**

**MOTION; To instruct the Board of Directors to hold an Organizational Meeting immediately following the Annual Meeting for the purpose of electing Officers of the Association to serve until the next Annual Meeting.**

**MOTION: The Association of Apartment Owners of the Sands of Kahana hereby directs that any Association income which exceeds expenses for the fiscal year ending December 31, 1999 be "rolled forward" and applied to the Operating Expenses of the Association for the fiscal year ending December 31, 2000 in accordance with IRS Revenue Ruling 70-604.**

**Seconded and carried unanimously. (Baricuatro/Jones)**

**ELECTION RESULTS:**

President Kaplan announced the new Directors to the Board. They are Sandy Boothe and Michael Kaplan.

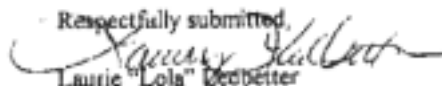
**NEXT ANNUAL MEETING:**

The next Annual Meeting will be held on February 12, 2000.

**ADJOURNMENT:**

**MOTION To adjourn the meeting. Seconded and carried unanimously. (Jones/Baricuatro)**

The meeting adjourned at 11:35 A.M.

Respectfully submitted,  
  
Laurie "Lola" Deebetter  
Recording Secretary

**ASSOCIATION OF APARTMENT OWNERS  
SANDS OF KAHANA  
ORGANIZATIONAL MEETING  
OF THE  
BOARD OF DIRECTORS  
February 13, 1999**

**DIRECTORS PRESENT:** Michael Kaplan, Marcus Baricuatro, Kazuko Shimoaka. By phone: Sandy Boothe.

**DIRECTORS ABSENT:** Artie Spector

**OTHERS PRESENT:** Carl Hardin, President, Heritage Properties; Wayne Cober, Vice President; Heritage Properties; Kitty Williamson, Interpreter; Laurie Ledbetter, Recording Secretary; Jim Hentz, Heritage Properties.

**CALL TO ORDER:**

Michael Kaplan called the Organizational Meeting to order at 11:25 A.M. A quorum was established with 4 of the 5 Board members present.

**ELECTION OF OFFICERS:**

The following Officers were elected:

|                       |                   |
|-----------------------|-------------------|
| President:            | Michael Kaplan    |
| Vice President:       | Sandy Boothe      |
| Secretary/ Treasurer: | Marcus Baricuatro |

President Kaplan adjourned the meeting at 11: 26 A.M.

Respectfully submitted,

  
Laurie "Lola" Ledbetter  
Recording Secretary