

**Minutes of the Annual Meeting of the
Association of Apartment Owners of Kanaloa at Kona
May 01, 2015 – 10:00 a.m.
Clubhouse**

1. **Roll Call** – Chairman Forbes Burdette called the meeting to order at 10:04 a.m. He reported that a quorum was present with a total membership either present in person or by proxy. He then introduced the Board members.

2. **Proof of Notice of Meeting** – Chairman Burdette confirmed that all members of the Association were provided notice of the annual meeting by notice dated March 30, 2015.

3. **Approval of Minutes** - Mr. Burdette asked for approval of the minutes from the annual meeting of May 2, 2014.

Motion: To approve the minutes of the annual meeting held on May 2, 2014 as presented.

Motion: Steve Tanberg (1902)

Second: Bill Dallenbach (3401)

Vote: Unanimously approved

4. **Reports of Officers and Committees**

Treasurer's Report – Treasurer William Lambertson's report was deferred to the owners forum..

The report of the audit of the Association's books and records for the year ending December 31, 2014 was not available. The year-end unaudited financials for 2014 were included in the proxy mailing. The audit would be mailed to those requesting it.

Mr. Lambertson explained the "Rollover Resolution" whereby any unspent operating funds are transferred to the funds needed for the following year's operations. He requested an approval of the Resolution, as follows:

RESOLVED by the owners of the Association of Apartment Owners of Kanaloa at Kona, that any excess member assessments not used by the Association during 2012 be applied toward the year 2016 assessments as provided by IRS Revenue Ruling 70-604.

The motion was approved by unanimous consent.

Grounds and Safety Committee – Chairman George Pitman's report was deferred to the owners' forum.

Investment Committee - Chairperson Rex Sawyer discussed the current investment strategy and planned investment options. He explained that the priority of investments is safety first, followed by the best return available. He further explained that short-term returns on investments were meager for the foreseeable future. Investments have been staggered so that funds will be available when conditions improve.

5. **Election of Directors** – Mr. Burdette introduced the matter of the election and explained that two Board positions were set to expire. The following owners were nominated by submission of a biography.

Bill Dallenbach	(3401)
George Pittman	(3204)

Two owners volunteered to serve as tellers. The managing agent explained that because of the secret ballot requirements in the condominium documents, the election results could not be declared by acclamation, and ballots would need to be collected.

The election results were as follows:

Bill Dallenbach	48.5378%
George Pittman	47.9039%
Dean Hill	1.2284%
Wayne House	0.4498%

Mr. Dallenbach and Mr. Pittman were elected for terms of three years. Mr. Burdette congratulated the new Board members and thanked everyone for their participation.

6. **Unfinished/New Business** – No unfinished business was discussed in the meeting.

7. **Adjournment**

There being no further business to be brought before the membership, the meeting was adjourned.

**Minutes of the Organizational Meeting of the
Association of Apartment Owners of Kananalua at Kona
May 01, 2015 - Clubhouse**

Following the annual meeting of the Kananalua at Kona Association, the Board held a short organizational meeting at which time the following Directors were elected as officers of the Association:

President - Forbes Burdette
Vice President - Jerry Ernst
Treasurer - Bill Lamberton
Secretary - George Pittman

Chairperson appointments for the various Board committees:

Budget – Bill Lamberton
Investment – Rex Sawyer
Grounds and Safety – George Pittman

There being no further business to come before this meeting, the meeting was adjourned.