

MAUI LEA TIME INTERVAL OWNERS ASSOCIATION
BOARD OF DIRECTORS REGULAR MEETING
April 27 - 28 2015

I. Call to Order

President Bob Jacalone called the meeting to order at 3:59 p.m. on April 27, 2015 at the Golden Nugget, Las Vegas, Nevada.

II. Establish Quorum

Members Present: Bob Jacalone, Bill Petro, Denise Smith (departed early), Paul DiMarchi, Loren Knott, CJ Law, Dick Endean.

Maui Hill Board: Dick Endean, Loren Knott, CJ Law, Alex Cordas, Carl Carlson.

By Invitation: Frank Robar & Mike Robar, Condominium Fiscal Management Inc., Co-Plan Manager; Dennis Costa, General Manager; Ruth Okada, Aston Hotels & Resorts, LLC, Co-Plan Manager.

III. Waiver of Notice

Ruth Okada explained that the presence of all Board members automatically waives notice.

IV. Executive Session

MOTION #1: Paul DiMarchi moved to go into executive session. The motion was seconded by Loren Knott and passed by unanimous consent.

The Board went into executive session at 4:00 p.m. Upon coming out of executive session, the regular meeting resumed at 5:32 p.m. During the executive session, the Board discussed legal matters.

The meeting was recessed at 5:32 p.m. and resumed at 9:00 a.m. on April 28, 2015.

Owners Present: Madonna Petro, Carl, Shirley & Lisa Tyler, Noble & MaryAnn Dowling, Gordon & Gaye Palmer, Ann & Jim McKown, Spence & Jean Lyon, Joe & Louise Brandner, Joe & Maureen Neglia, Connie Castro, Mickey Masdeo, Bill & Mieko Wenglare, Rosemary Jacalone, Bob & Gwelden Gannon, Joanne Carlson.

Everyone present introduced themselves.

V. Approval of Agenda

There being no objection, the budget discussion will be moved to the end of the meeting.

VI. Approval of Minutes 1/29/15

MOTION #2: Dick Endean moved to approve the minutes of the 1/29/15 meeting as circulated. The motion was seconded by Loren Knott and passed by unanimous consent.

VII. Treasurer's Report

1. Financial – Bill Petro reviewed the 3/31/15 financials. There were no questions.
2. Delinquencies & Collections – To be discussed in executive session.
3. Investments – Frank Robar reported that funds remain in cash.

VIII. Ad Hoc Committee

1. Unit Refurbishment Status – Dick Endean and Dennis Costa reported on the status of the project. Comments received have been positive.
2. Energy Audit – Paul DiMarchi reported on the following.
 - A. Fans for Testing Purposes – Fans have been purchased for a few units. This is however not a permanent solution.
 - B. Insulation of the Roof/Ceiling – Explained the options that are being reviewed.
 - C. A/C – Reviewing an AC with a higher BTU that is more efficient.
 - D. Solar Power – Reviewing photovoltaic installation using a purchase power agreement.

General discussion followed.

MOTION #2: CJ Law moved to not pursue the insulation of the roof/ceiling. The motion was seconded by Loren Knott.

Discussion: General discussion followed on whether this should be done.

The motion passed by unanimous consent.

- E. Pay for Use of AC – This topic will remain on the agenda as the Committee has not yet reviewed this.

IX. Standing Committee

1. Contract Committee – Paul DiMarchi reported that all contracts are satisfactory except for Aston's agreement. The committee will review the Aston agreement. This topic will be moved to the executive session.

X. Manager's Report

Dennis Costa distributed and reviewed his report.

XI. Unfinished Business

1. Timeshare Resales – CJ Law distributed and reviewed the report. Nancy Benson also reported on the Association weeks for sale.
2. Mai Tai Agreement – A copy of the final agreement was distributed to the Board for review. Ruth Okada and Loren Knott explained that the agreement has been finalized and agreed upon with Aston.

MOTION #3: Paul DiMarchi moved to approve the Mai Tai agreement as finalized by Loren Knott and Aston and authorized Bob Jacalone as President to execute the document. The motion was seconded by Denise Smith and passed by unanimous consent.

XII. New Business

1. AOA Affairs – Dick Endean provided an update on the AOA Board meeting including projects that were approved and the negotiation of the lease with the land owner.

2. Approval of Proposed Land Lease Amendments – An Ad Hoc Committee was appointed to finalize the amendments with Bob Jacalone, Dick Edean, Loren Knott and CJ Law as members.
3. Lobby Internet Kiosk – A proposal was provided to the Board for the kiosk and internet service. General discussion followed. An Ad Hoc Committee was established with Paul DiMarchi and Denise Smith as members to determine equipment and furniture to purchase and install and internet service for presentation to the Board.
4. Ratify Crime Policy 4/8/15 – 4/8/16; \$700,000 Employee Theft; Premium \$1,081 annual (exp. \$1,081)

MOTION #4: CJ Law moved to ratify the renewal of the Crime Policy 4/8/15 – 4/8/16 for \$1,081 annual premium. The motion was seconded by Loren Knott and passed by unanimous consent.

5. Approval D & O Policy 7/1/15 – 7/1/16; \$3,000,000 Limit; Premium \$11,366 (exp. \$10,806)

MOTION #5: CJ Law moved to approve the renewal of the D & O Policy 7/1/15 – 7/1/16 for \$11,366 premium opting out of Cyber Coverage. The motion was seconded by Loren Knott and passed by unanimous consent.

The meeting was recessed at 10:26 a.m. and resumed at 10:40 a.m.

6. Budget & Reserve Study - The proposed budget was sent to the Board for review. General discussion followed.

The meeting was recessed at 12:00 p.m. and resumed at 1:15 p.m.

General discussion continued on the budget.

MOTION #6: Loren Knott moved to approve the budget for the FYE 6/30/16 as follows:

- **Quarterly Fees**
 - 1 Bedroom - \$222 ZZ - \$380
 - 2 Bedroom - \$249 ZZ - \$426
 - 3 Bedroom - \$278 ZZ - \$477
- **Monthly Revenues & Expenses - \$313,873**

Adjustments to the Renovation Reserve will be made once real property tax increases are known with the fees remaining as close to these approved amounts.

- **Major Replacements - \$5,800 (annual) as follows:**
 - a. Fans & Components - \$2,000
 - b. Guest CD Players - \$1,800
 - c. DVD & VCR Dual Deck - \$1,500
 - d. Computer (Dennis) - \$500
- **Capital Improvement Expenditures - \$74,550 (annual) as follows:**
 - a. Air Conditioners - \$25,000
 - b. Bed, Mattresses, etc. - \$5,500
 - c. Draperies, Mini Blinds - \$5,000

- d. Microwaves - \$1,500
- e. Refrigerators - \$6,500
- f. Washers & Dryers - \$3,000
- g. Water Heaters - \$11,250
- h. Golf Cart - \$1,800
- i. Indoor/Outdoor Lanai Carpet - \$8,000
- j. Refurbish Lanai Tables - \$7,000

Major Replacements and Capital Reserve Expenditures projects are subject to Board approval of each major project and products and costs.

The motion was seconded by Dick Endean and passed by unanimous consent.

MOTION #7: Loren Knott moved to approve the following:

- Employee Wages – 3% increase 4/1/16 (budget only)

The following are contingent upon the employees receiving their increases:

- Management Fee (Aston) – 1.8% increase 4/1/16
- Accounting Fee (CFMI) – 3% increase 7/1/15
- Timeshare Services (Benson) – 3% increase 4/1/16

The motion was seconded by Dick Endean and passed by unanimous consent.

Dennis Costa and Ruth Okada explained the proposed increase effective 4/5/15. General discussion followed.

MOTION #8: Loren Knott moved to approve the following effective 4/5/15:

- 6% increase for hourly employees
- 3% increase for management salaried employees

The motion was seconded by Bill Petro and passed by unanimous consent.

XIII. Next Meeting

1. Board
 - a. Monday, 9/21/15 Maui Following the Annual Owners Meeting
 - b. Friday, 1/22/16
 - c. Tuesday, 4/26/16
2. Annual – Monday, 9/21/15 9:30 a.m. (registration 9:00 a.m.)

Denise Smith departed at 2:42 p.m.

The meeting was recessed at 2:42 p.m. and resumed at 2:58 p.m.

XIV. Executive Session

MOTION #9: Loren Knott moved to go into executive session. The motion was seconded by Bill Petro and passed by unanimous consent.

The Board went into executive session at 2:58 p.m. Upon coming out of executive session the regular meeting resumed at 4:27 p.m. During the executive session, the Board discussed legal and personnel matters.

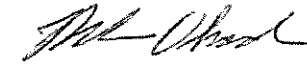
XV. Adjournment

MOTION #10: Loren Knott moved to adjourn the meeting. The motion was seconded by Dick Endean and passed by unanimous consent.

The meeting was adjourned at 4:27 p.m.

Approved by:


Dick Endean, Secretary
Board of Directors


Ruth Okada
Recording Secretary