

TREASURER'S REPORT

Andrew Dauz

As we continue through these economic hard times, Nanawale Community Association has dealt with rising fuel, utility and vendor prices as well as a depreciation in the Association's assets. But despite this downturn, the Association is appreciative of its membership for their loyalty and support as we attained our Annual Budget 2009 goal by the end of June.

As of September 25, 2009:

- YTD-Exceeded Planned Budget 2009 by 17%.
- YTD-Revenue increase over 2008 by 4%.

This year the Association continued to address the on-going maintenance of the roadways and Association equipments. Next year will be the final payment for the tractor purchased in 2007. A new playground tower play station was added, all worn and damaged swing seats were replaced and new game tables were purchased for the Recreation Hall area. The A/C in the office was replaced as the existing one could no longer be repaired and the external audit for 2008 was completed.

The projected plans for next year is to find a better solution to maintaining the roadways and giving the Longhouse a facelift by painting the buildings. Also on the list is to repair the existing chain link fence that encloses the interior part to the playground. As the Association moves forward there will always be many challenges to overcome. Your valuable input would be greatly appreciated.

ARCHITECTURAL COMMITTEE REPORT

Andrew Dauz/Chairperson

One of the Association's biggest challenges has always been with illegal structures. In an effect to address this on-going issue, the office staff has diligently sent letters to the owners with illegal structures on their property in an effort to have them removed. The next procedure is placing fines and a lien on the homeowner's property.

This year has been a productive year. The Architectural Committee has been busy addressing more then 30 Illegal structures throughout the Association. We have contacted all the owners and have been working with them on bringing their homes in compliance. The ones that refuse have been contacted every month and fines are being placed. In addition to the fines, we have also been placing liens. Due to our hard efforts, we are happy to report that we have been able to remove a total of eight illegal structures in the past six months. We will continue to monitor monthly and contact any new possible structures that may come up.

Our Committee knows that the next year will be a challenging one, but is up to the challenge and committed to protecting and upholding our CC&R'S to the best of our ability. We will continue to work with the county and ensure that members are aware of our current building requirements/ CC&R'S.

For a complete list of the Association's CC&R'S and Bylaws, please visit www.nanawale.com under documents. You may also see a list of charges and fines.

If you are interested in joining our committee, please contact Andrew Dauz, Architectural Chair at bodtreasurer@nanawalecommunity.com or e-mail the office at bizoffice@nanawalecommunity.com

RECREATIONAL COMMITTEE REPORT

Andrew Dauz/Chairperson

Nanawale Community Association continues in their efforts to provide on-going activities and events throughout the year and this year the support by community residents have been tremendous. It is with great pride that NCA is able to offer social gatherings for our community to enjoy.

A calendar of scheduled events is posted at the Longhouse as well as on the Nanawale Community's website. Upcoming events are the annual Halloween Trick or Treat activities to be held on October 31 from 6:00-8:00pm and the Community Christmas Party on December 19 from 1:00-4:00pm.

Due to cutbacks, Salvation Army our sponsor for the Summer Fun Program was unable to organize the event this year. Stepping up to the plate, Kristi Eblacas Recreational Coordinator did an outstanding job planning and coordinating a very successful Summer Fun Program for NCA. The turnout was incredible with an average of 25-30 children participating in the Program daily. Going forward NCA will continue to offer the Summer Fun Program to the community.

A project this year was to address the worn and broken equipment in the Playground area and Recreation Hall. The existing playground equipment was given a fresh coat of paint and all swing seats were replaced. Added to the playground is a Castle Tower with many interacting features. New game tables were purchased which includes 2 pool tables, a ping pong and foosball table.

These activities that Nanawale Community Association offers are done through grants that are available and by donations from local businesses and the membership. We kindly ask for your continued support by contributing to the Youth Fund or volunteering at one of our many events throughout the year.

POLICY COMMITTEE REPORT August 12, 2009-October 2, 2009 Eleanor Shannon/Chairperson

CHAIR, POLICY COMMITTEE: The current Chair of the Policy Committee was elected on June 10, 2009 by the Board of Directors as a Board member to replace Director David Deweese who resigned on May 13, 2009, and whose term expires on October 2011. On August 12 2009, Myrene Wold turned over her responsibility as Chair of the Policy Committee to this newly elected director. "MAHALO" to Myrene for her passion in trying to address major policy changes that would have had positive impact on the lives of members of the Association.

REVIEW OF BYLAWS: An initial review was made of the Bylaws which revealed that (a) the Bylaws are in conflict with Hawaii Revised Statutes (HRS) concerning the composition of the Executive Committee; and, (b) the Bylaws are silent on the definition of "Fiscal Year".

- a. **EXECUTIVE COMMITTEE:** The Policy Committee recommended to the Board on September 9, 2009, that the following policy be established by the Board: The Executive Committee function as a Board Committee whose membership shall consist of the President, Vice President, Secretary, Treasurer, and a Director until such time as the Bylaws are amended to reflect this policy. Recommendation was approved by the Board. This Board action was taken as the Bylaws are in conflict with HRS 421J 5&6, and HRS 414D-148. The Bylaws, when next amended, will reflect compliance with Hawaii Revised Statutes referenced.
- b. **FISCAL YEAR:** The Policy Committee recommended to the Board and the Board approved on September 9, 2009, that the Association "Fiscal Year" shall be the calendar year, January 1 through December 31 of each year. This Board action was taken as the Association established the practice of the fiscal year as the calendar year but did not establish it as a policy in the Association Bylaws which policy will be included in the Bylaws when they are next amended.

ENVIRONMENTAL COMMITTEE REPORT Glen Bousquet/Chairperson

The mission of the Environmental Committee is to provide valuable information and assistance to the members of Nanawale Community Association. Our goal is to educate property owners, "on and off island" mainly about Albizia and other dangerous trees that threaten our homes and property values. Your assistance helps us in our efforts to eradicate or reduce the proliferation of this invasive species.

Many of you may not know how Albizia trees proliferate. Albizia trees grow at a prodigious rate. In 2 years a sapling can become 16' high and if left to grow unchecked, it will grow to be 125 feet tall and about 2 to 3 feet around and larger in less than 16 years. At this size they drop very sizable limbs on unsuspecting structures that lie below them. These trees have the consistency of Balsa wood soaked in water. All it takes is strong wind or heavy rain to cause the limbs to break. So, if it's been awhile since you last saw your lot,

it's possible there will be very large trees encroaching on your neighbor's borders. A cleared lot can become a nursery of thousands of seedlings, requiring regular applications of poison every 2 to 6 months to kill them off. That is why we encourage our out of state owners to conduct annual property maintenance which will save them the headache, liability and money if an Albizia tree is left to grow and multiply on your property. Remember, you will be held legally liable if a tree falls from your property and causes damage to homes or injury to others. Some people love these trees for their beauty, but if you live under or near one you will quickly understand just how dangerous these trees are.

Lately there has been an increase of homeowners contacting Nanawale Community Association with complaints and concern for their safety. Many of them are seeking assistance by notifying our office, who then sends out letters to the property owners whose lots are a concern. Controlling our Albizia trees has been a difficult challenge but it is a task that must continue.

I am happy to report that more and more property owners are recognizing the dangers of Albizia trees and are having them removed. The Association encourages everyone, local and out of state owners to be responsible and address these concerns. If you receive notification regarding dangerous Albizia trees on your property, don't be afraid to call us. We will be more than happy to assist you in identifying whether your property has Albizia trees or not.

It is in everyone's best interest to protect our property value and the safety of your neighbors that live near these trees. The Association asks you to "Please" have these trees removed because they are threatening homes and lives. Most importantly, it protects you from a potentially huge liability lawsuit if a tree on your property damages nearby homes, or worse, injures your neighbor.

Glen Bousquet, Environmental Committee Chairperson is available to answer any questions and to assist anyone who may need help in acquiring bids from local tree trimmers and to find the lowest price possible.

For assistance please contact Glen Bousquet at:

bodsecretary@nanawalecommunity.com

Or the Nanawale Community Association office at:

bizoffice@nanawalecommunity.com

OFFICE REPORT

Robert Berry/Office Manager

Goals and objectives that were met and achieved

- Achieve our set 2009 Annual Budget goal of \$290,000.00

Note:

We have passed our goal by \$48,000 or 17% as of September 25, 2009. The office has collected \$338,000.00. This goal was achieved by doing quarterly billing on past due accounts rather than just once a year. It has proven to work even with our difficult economic times. This will be a new office policy that will be done every year. In addition to sending billing out every 90 days, the office mailed out over 110 intent to lien notices to all members that were over 90 days late. This resulted in collecting over \$35,000 in past dues this year. Last year the office achieved a record high collecting \$348,000.00 in revenue and \$85,000.00 of that in past due Association fees.

- Hire an outside CPA to conduct an annual audit for 2008.

Note:

The office had this job bided out and went with Carbonaro Inc that conducted a 2008 annual audit this year on March 18th, 19th and 20th. The audit resulted in no discrepancies.

In addition to our over all and individual goals set this year, the office continued to work hard on keeping our records clean and up to date. The office sent monthly notifications out regarding the following; Lien notifications, abandoned vehicles, animal complaints, albezia trees, illegal structures/tents, road maintenance complaints.

MAINTENANCE REPORT

Santos Tolentino/Manager

Goals and objectives that were met and achieved

- Inventory roads throughout the community to be graded and graveled.

Note:

The Maintenance Staff were able to address more roads this year, due to the fact more funds were placed in the budget for this job. The following were the roads that took priority this year and were done.

Graded and new gravel on: Shell Road between Flower Road and Kehau Road; Plumeria Road between Hapuu Road and Flower Road; Pakalana between Seaview Road and Hapuu Road; Church Circle; Flower Road between Nanawale Blvd. and Forest Road; corner of Tutu Lane and Kehau Road; all of Lido Lane; Lehua Road between Hibiscus Road and Mauna Kea Road; Hibiscus Road; Mauna Kea Road between Pahoia Road and Kapoho Circle; Mauna Kea Road between Kehau Road and Flower Road; Puna Road.

Graveled the corners of the following roads: Donnybrook and Mayzee; Mayzee and Church; Kapuna Road and Shell, Molokai, Kauai, Kahoolawe, Niihau, Hawaii, Lehua, Paradise, and Pakalana; Flower Road and Church, Lanai, Niihau, and Hawaii; Hapuu and Priscilla; Holiday between Seaview Road and Hapuu Road; Seaview Road and Lanai, and Molokai.

Hills re-graded and graveled: Shell Road between Kapuna Road and Kehau Road; Lanai Road off of Kapuna Road towards Kehau Road; Alii Road between Maui Road and Oahu Road; Paradise Road; Kauai Road off of Flower Road towards Hapuu Road; Molokai Road off of Flower Road towards Hapuu Road.

In addition to each individual goals set this year, the maintenance continued to address member's complaints scheduled every Friday. Maintain the building maintenance of the Longhouse and replaced and installed new playground equipment, graded and placed soil at Lanai Park.