

ASSOCIATION OF APARTMENT OWNERS OF Kalele Kai
ANNUAL MEETING – March 14, 2009
ON SITE – Cabana Area

A. CALL TO ORDER

President Werblun called the meeting to order at 10:00a.m. Account Executive Sykes was the Recording Secretary for the meeting. More than 50% of the common interest is represented in person or by proxy.

B. CONDUCT OF MEETING

Permanent standing and special meeting rules which were adopted at the March 17, 2007 Annual Meeting were approved by unanimous consent. (Rules are attached)

C. APPOINTMENT OF TELLERS

Sidney Fratzke, Unit 1408 and Carolyn Moon Unit 1205 were appointed tellers for tallying of any ballots at the meeting.

D. APPROVAL OF MINUTES

The minutes of the 2008 Annual Meeting were approved as distributed. There being no objections, the Board was authorized to approve the 2009 annual minutes.

E. REPORTS OF OFFICERS

President Werblun gave a verbal President's Report.

Treasurer Jordan gave a verbal Treasurer's Report.

Resident Manager Bryan Liu gave a verbal Resident Manager's Report

Special reports

The Auditor's Report for the year ending **12/31/08** was unanimously approved.

F. ELECTION OF DIRECTORS

Nominations and elections were conducted. The results are as follows:

(There were three positions for a 3- year term, one position for a two-year term and one position for a one-year term)

| | |
|----------------|----------------------------|
| Kimiko Hayashi | 35.0070% Term expires 2012 |
| Paul Jordan | 33.4531% Term expires 2012 |
| Dick Van Ness | 28.0808% Term expires 2012 |
| Anne Palagyi | 15.1139% Term expires 2011 |
| Marvin Tangren | 13.6101% Term expires 2010 |

(0 ballots rejected)

G. **NEW BUSINESS**

Refinance of the Resident Manager's unit loan: Treasurer Jordan moved to approve to authorize the Board to borrow funds to refinance the Resident Manager's unit loan at a competitive rate to be determined by the Board at its discretion for 15 years. Anne Palagyi moved and Marv Tangren seconded to amend the motion to include consideration of either a 15 or 30 year term, at the discretion of the Board. The amendment was accepted and the motion was approved unanimously.

Amendment to Declaration regarding boat moorings: Linda Tangren #1104 moved and Anne Palagyi seconded to propose an advisory to the Board any proposed amendment to the Declaration submitted to owners regarding boat moorings include a provision to grandfather current boat mooring configurations. The vote was 8.0307% in favor, 37.4975% opposed. The motion failed.

Tax Resolution: The following resolution was adopted by unanimous consent: "Resolved, that any excess of membership income over membership expenses for the current tax year shall be applied against member assessments of the subsequent tax year as provided by IRS Revenue Ruling 70-604."

Ratification of Board's Selection of Auditor: The selection of Nuti, CPA, was approved by unanimous consent.

Approval of a Board of Director's Annual Dinner: The Association unanimously approved of the expense of an annual board dinner for the members of the Board of Directors and the management team.

The membership thanked Paul Jordan for his excellent service to the Association
The membership thanked Dr. Werblun for his excellent service to the Association.

H. **ADJOURNMENT**

The meeting adjourned at 1:15 p.m.

Agnes Sykes
Recording Secretary

Approved:
Date and Initials