

**Hawaiian Village Annual Meeting
November 3, 2007**

Officers in Attendance:

Richard Dannenberg – President
Drew Davis – Vice President
Jan Edelmann – Secretary
Wade Hall – Treasurer
Avery Taylor – Member at large
Jim Wilson – Vice President

Steve Kenny – Management Company

Established Quorum

The meeting convened in the conference room at 9:00 am. Richard Dannenberg, President of the Hawaiian Village Condominium, called the meeting to order. Jan Edelmann, Secretary, held roll call and determined that a quorum was present. Proof of notice was sent to all unit owners, and Steve Kenny showed proof of meeting notice.

Approval of Minutes

The minutes of the previous Annual Meeting held on November 4, 2007 were approved.

Welcoming Remarks

Richard Dannenberg welcomed everyone and reviewed the format and agenda for the meeting. He then thanked several owners for significant contributions during the past year. Mr. Dannenberg reported that Hawaiian Village won a Beauty Spot award from the Town of Ocean City and that Avery Taylor was given a plaque in special recognition for his work on the beach gardens at the end of 142st Street.

Budget Workshop & Financial Report

Mr. Dannenberg discussed the budgeting process. He directly answered many of the questions that some owners had asked during the prior month via email with respect to current year expenses. He also addressed questions raised by the members in attendance. Mr. Dannenberg noted that the by-laws state that the proposed budget can be updated at the annual meeting if the owners elect to do so.

Wade Hall, Treasurer, explained the checks and balances that are in place to ensure that the bid process is equitable and that only appropriate expenditures are authorized and made. Representatives from Pigg, Krahl & Stern, the CPA

firm that audits Hawaiian Village accounting records, verified the integrity of the process and reported a clean opinion on the most recent audit (as of 12/31/06).

Mr. Dannenberg and Mr. Hall explained the reasons for the budget increase for 2008. The buildings are aging, and it takes more money to maintain them. Water damage expenses continue to be high resulting from water backup from drains and also despite repeated warnings to owners with respect to preventive maintenance. Also, various fixed expenses have increased. In addition, per the reserve study, the Association needs to increase its contribution to the reserve fund in order to pay for future replacement projects.

The 2008 operating budget was approved with a vote of 71 to 15.

The 2008 reserve expenditure for the Outrigger garage work was approved with a vote of 73 to 14.

Building & Grounds

Jim Wilson, Vice President, summarized the projects completed this year and the main project planned for 2008

2007 Projects

The indoor pool was repaired and restored. New floor tile was installed in the pool area. The project was \$10,000 over budget due to hidden rust and corrosion, additional electrical costs and addressing issues contributing to prior damage within an adjacent unit.

The new roof on the Royal Hawaiian building was completed within budget. The external lava rock was resealed.

All buildings were power washed. The buildings will not need to be repainted in the immediate future due to the improvement in the external appearance of the buildings.

2008 Project

The Outrigger garage work will be completed.

Technology Reports

Wireless Internet

Jim Wilson updated owners on the status of setting up a wireless Internet connection for the complex. Based on the positive reaction of the owners in attendance, the board will start the installation process early in 2008.

The City Media Group will install and maintain all the equipment necessary at no cost to the Association. Owners and their guests will be supplied with the information needed to access the Internet and will be charged only for their own

usage. Annual subscription plans will be available at costs equal to if not lower than plans charged by current providers.

Website

Jan Edelmann reported that the updated web site is expected to go live by December 1. Owners are encouraged to provide feedback and suggestions so that the site will meet current and future information needs of owners, renters and potential buyers.

Pool Report

Richard Dannenberg congratulated Steve Kenny on the successful management of the pools during the 2007 season. Ocean Point will continue to manage the pools again in 2008.

Door & Window Replacement

Based upon discussion at the meeting as well as the results of the questionnaire, a majority of owners would prefer to amend the by-laws and make the owners responsible for their own doors and windows. A committee was formed with one representative from each building to work with the Board in preparation for a special meeting of the Council of Unit Owners to be held in March 2008. The committee consists of Dave McClure (Outrigger), Nonie Stanger (Royal Hawaiian) and Drew Davis (Waikiki). At the March meeting, two-thirds of the owners must approve a by-law change. Additional information will be sent to owners in early 2008.

Insurance

Geri Littleton, agent for HK&T, reviewed the scope of the Condominium's insurance coverage on the master policy. She also discussed the types of additional coverage that owners may personally need including wind deductible, H06, sewer and drain coverage, etc.

Candidates

Two candidates, Drew Davis and Wade Hall, were nominated for the two positions to be filled. Richard Dannenberg asked for a motion to close the voting process. The association motioned and approved the election of the two candidates.

Adjournment

The meeting was adjourned at 12:30 pm.