

**KAHANA FALLS
ASSOCIATION OF APARTMENT OWNERS
AND
INTERVAL OWNERS ASSOCIATION
FINANCE COMMITTEE MEETING
TELEPHONIC**

TUESDAY, SEPTEMBER 1, 2015; 1:00 P.M. (PDT)

MINUTES

I. CALL MEETING TO ORDER / ROLL CALL INTRODUCTIONS

Chairperson Jesse Arman called the meeting to order at 1:03 p.m. (PDT) and welcomed everyone to the meeting. The following persons were in attendance.

COMMITTEE MEMBERS:

Jesse Arman (chairperson)
Richard Roll
Katherine Ivey
Kevin Ramage

MANAGEMENT PRESENT:

Suzie Moore	Resort Manager
Joanne Hallert	Director of Resort Operations
Olena Gousha	HOA Accounting
Gail Turner	Controller, HOA Accounting (<i>Elevator Renewal Project</i>)
Kristen Makinen	Administrative Assistant, Director of Resort Operations

II. APPROVAL OF AGENDA

A motion to approve the agenda as presented was made by Kevin Ramage, duly seconded and unanimously approved.

III. NEW BUSINESS

Great Destinations – Accounting Treatment

Joanne Hallert answered questions regarding Great Destinations and the committee verified any issues in prior months have since been resolved.

Recommended Changes – Line Revenue Items

Ms. Hallert reviewed the line items as relevant to annual maintenance fee billings and presented her recommended change of removing HOA owned inventory as it is not truly relevant to the bottom line.

Ms. Hallert also recommended moving the uncollectible balance into expenses rather than under income and noting what is included or not included in the net number.

The committee agreed to the changes in accounting and directed management to do a side by side to illustrate the change.

Recommended Actions – Reserves

The committee elected to table the discussion until the meetings in Lake Forest.

They directed management to check with Mike Fitzgerald regarding another AOA line item that will capitalize some of the labor to the elevator issue.

IV. CONTINUING BUSINESS

Elevator Renewal Project

Ms. Hallert suggested also postponing this discussion to include with the reserves discussion tabled until the meeting on September 21, 2015.

The board discussed balances that cannot be entered into reserves because the money is considered a liability.

Gail Turner joined the meeting to explain in more detail.

Ms. Turner explained that money was moved from the AOA to the IOA, creating a payable and receivable respectively. It increases money for reserves, but not as equity. The \$200,000 is present, but not as a fund because there is a balanced payable. Asset and liability are balanced. Reserve cash should equal an equity balance; in this case, this money came as a loan and must be funded through an expense account.

Ms. Turner excused herself from the meeting.

The committee discussed how the loan might be paid back.

V. 2016 BUDGET

Ms. Hallert proposed sending the budget electronically and then having handouts available at the meeting to save on shipping.

VI. ADJOURNMENT

With no further business to discuss, a motion to adjourn was made by Rich Roll and seconded by Katherine Ivey. The committee meeting adjourned at 2:40 p.m. (PDT).

Submitted by:
Trading Places International
Its: Managing Agent

Approved by:
Kahana Falls Finance Committee

By: _____
Joanne Hallert
Director of Resort Operations

By: _____
Jesse Arman
Chairperson