

**KAHANA FALLS  
INTERVAL OWNERS ASSOCIATION  
AND  
ASSOCIATION OF APARTMENT OWNERS  
FINANCE COMMITTEE MEETING  
TRADING PLACES INTERNATIONAL  
LAKE FOREST, CA**

**TUESDAY, SEPTEMBER 22, 2015; 11:00 A.M. (PDT)**

**MINUTES**

**I. CALL MEETING TO ORDER**

Chairperson Jesse Arman called the meeting to order at 11:18 a.m. (PDT). The following persons were in attendance.

**COMMITTEE MEMBERS PRESENT**

Jesse Arman	Chairperson
Richard Roll	Member
Katherine Ivey	Member
Kevin Ramage	Member

**GUESTS PRESENT**

Karen Cornwell  
Milton Jantzen  
Martin Hewitt

**MANAGEMENT PRESENT**

Gail Turner	Sr. Vice President of HOA Accounting
Joanne Hallert	Director of Resort Operations
Suzie Moore	Resort General Manager
Kristen Makinen	Administrative Assistant

**II. APPROVAL OF THE AGENDA**

A motion to approve the agenda as amended was made by Richard Roll and seconded by Katherine Ivey. The agenda was approved with flexibility.

### **III. APPROVAL OF MINUTES**

A motion to approve the minutes of the March 25, 2015 Finance Committee meeting was made by Kevin Ramage, seconded by Katherine Ivey and unanimously approved.

### **IV. CONTINUING BUSINESS**

#### **Inventory Sales Report**

The committee reviewed and discussed the presented report.

Karen Cornwell requested a waterfall chart that had been provided historically again be provided. Ms. Hallert expressed concern that the report had been created by the former Director of Resort Operations rather than the department responsible. She advised she would research data integrity and the possibility of having a comparable report generated by the appropriate department.

#### **Delinquency Report**

The committee reviewed and discussed the delinquency report.

#### **Foreclosure Update**

The committee discussed foreclosures and its intention to direct management to move forward on 50 foreclosures within 2016.

#### **Elevator Update**

The board discussed Suzie Moore's request to hire a temporary employee to assist with transporting guest luggage up the stairs during the elevator modernization. Gail Turner joined the meeting to advise the committee regarding the salary for the temporary employee.

The committee directed management to expense the salary, anticipated to be between \$8000 - \$10,000, from existing reserves.

### **V. NEW BUSINESS**

#### **July 2015 Financial Statement**

The committee reviewed in detail and discussed the financial statements ended July 31, 2015.

#### **2016 Proposed Budget**

The committee reviewed and discussed the proposed 2016 budget. Jesse Arman highlighted several line items for the committee to take under advisement; however, no changes to the budget were suggested.

A motion to accept the 2016 Operating Budget as proposed was made by Richard Roll and seconded by Kevin Ramage. The motion was unanimously approved.

**Reserves**

Gail Turner advised the committee regarding transferring money via intercompany transfer between reserves of the AOA and IOA associations as deemed appropriate rather than one association lending money to the other.

**Reserve Study Update 2016**

The committee and Joanne Hallert confirmed that a reserve study would not be needed for 2016.

**Audit Engagement Letter**

The committee agreed to recommend the board accept the audit engagement for both associations.

**VI. ADJOURNMENT**

A motion to adjourn was made by Katherine Ivey and seconded by Kevin Ramage. The motion was unanimously approved to adjourn the meeting at 12:22 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