



November 2009

Aloha Poipu Kai homeowners,

### **2010 BUDGET AND MAINTENANCE FEES**

We are pleased to inform you that for 2010 there will be a **decrease** in maintenance fees for Poipu Kai Association. Your Board and our staff have worked diligently in this uncertain economic environment to increase working productivity and make adjustments to the budget, without disrupting services, all of which have contributed to our ability to reduce our maintenance fees. As a proactive measure, we have included a bad debt contingency for 2010 based on the trend in receivable collections and delinquencies.

### **DELINQUENCIES AND FORECLOSURES**

We recognize that some owners may be having difficulty managing their maintenance fee payments due to various circumstances. However, Poipu Kai is only able to operate from those maintenance fees. We have a fiduciary responsibility to maintain the property in order to protect the investment of all owners. Much as we regret having to do so, we have a collections protocol that includes moving delinquent accounts to our attorney after multiple notices to delinquent owners. If you find yourself in this situation please respond to the notices **before** we send the account to the attorney. We may be able to work with you. If you do not follow through by responding to the notices, we have no choice but to turn to the attorney. By regulations of the Fair Debt Collection Practices Act, once the attorney is involved, Certified Management and Poipu Kai Association can no longer discuss the matter with you.

### **BY-LAW CHANGE**

To bring our By-laws into conformance with Poipu Kai's Annual Meeting customary voting procedure, the following had been added to By-laws, Article III, sect 1(b): "The directors receiving the most votes at an election shall be elected to the longest terms, until all seats are filled."

### **BREAK INS**

Paradise has changed along with the state of the world. South shore resorts, condominiums and homes are experiencing increased theft from break-ins at unlocked premises. Please lock up when you are away and notify your guests and renters to do so also.

### **REGENCY VILLAS SETTLEMENT**

The amount collected from Regency Villas LLC in settlement for the delayed completion of their project was \$150,000. Further, Regency Villas LLC agreed to begin paying their full maintenance fees starting on February 1, 2008 even though the project did not reach completion until December 2008.

The settlement funds, along with all other reserve funds collected during the course of any given period, are deposited into an interest bearing Association bank account, separate from our day-to-day operating funds. Reserve funds are only used to purchase capital assets required by the Association or to make PKA Board approved property improvements that benefit **all** PKA



homeowners. To date, none of the settlement funds collected from Regency Villas LLC have been allocated and still reside, collecting interest, in PKA's Reserve Fund bank account.

### **CHARITY TENNIS TOURNAMENTS**

There have been four charity tennis tournaments at Poipu Kai Tennis Club this year. All proceeds are donated to the Kauai United Way. Tournament coordinators, Krystyna and Herb Noe have organized and run the tournaments successfully. The Grand Hyatt Kauai and Kauai District Tennis Association (KDTA) have shared in the sponsorship of the events. Due to the overwhelming response, we are planning five charity tennis tournaments for 2010.

### **POIPU ROAD INTERSECTION SAFETY IMPROVEMENTS UPDATE**

Safety improvements by the county to the Poipu Road/ Ala Kinioki Road/Pe'e Road intersection have begun. A left turn lane westbound on Poipu Road onto Pe'e Road has been completed. Improved directional signage, stop sign warnings and yield signs are planned. Speed limit will be reduced on approach to the intersection on Ala Kinioki. Other measures are under consideration.

### **FRONT DESK LEASE**

After successful negotiations, Aston Resorts lease renewal for front desk operations in our Administration Building was completed earlier this year. We are happy to have Aston continue providing rental management services for owners.

### **2010 CAPITAL IMPROVEMENTS**

Due to the continuing uncertain economic conditions of the country and the world, your Board has determined that, as in 2009, all Capital Improvement projects will be subject to further review prior to implementation to determine that it is prudent and fiscally sound to proceed. This action may result in some projects being pushed back one or more years. While we have the funds in hand for these projects, it may become advisable to delay one or more projects.

### **BOARD OF DIRECTORS ELECTION**

At the PKA Annual Meeting on April 24, 2010, three positions for director will be filled. Please give consideration to serving the association, and if interested, contact Patrice Asuncion for further information

It is very quiet on the island. We wish you all well and hope those of you who do not live here will be able to visit the island and support local businesses. We continue to appreciate your letters and comments. Feedback helps us to improve our communications to you and we continue to appreciate your compliments.

With warm aloha,

Sue Sucher, President  
Poipu Kai Association