

Aloha From Kauai



Aloha to our wonderful owners and Mahalo to those of you who were able to join us at our Annual Meeting in May. I enjoyed seeing many of you there, and I am honored to have been elected to another three year term on the Board.

Our AOA Board of Directors includes two newly elected members, Michael Lynch and Brad Schultz. They are enthusiastic about their new roles on the Board, and we look forward to the new ideas and energy they will bring to our resort.

I want to give a special thank you to Dick Schweickert, who has served on the AOA board for years and continues to serve on the VOA board. Dick was pivotal in our transition to Grand Pacific Resorts, and we would never have been able to rebuild after the fire without the excellent insurance coverage he helped us obtain. We look forward to continuing to work closely with him and the rest of the VOA.

Construction on the restaurant and bar is now underway. We hosted a traditional Hawaiian blessing for the project the day before the Annual Meeting. The restaurant operator projects to have the bar open within a few months and the restaurant open by the end of the year. We will continue to update you as we receive progress reports.

Several projects have been completed, including the new tennis facilities and the solar project. Many owners enjoyed the tennis courts while visiting for the Annual Meeting. Our solar project is currently at 25 percent capacity due to some constraints imposed by the utility company, but we will continue to work with them to gain greater efficiency.

We're happy to announce that we have moved all of our beer and wine sales to the Sundry Shop for greater convenience. You can also rent kayaks and paddle boards at the Pool Cave and then walk down to the beach where they will be waiting for you.

Now that the lobby is rebuilt, our greatest challenge is ongoing maintenance and repairs throughout the resort. Hanalei Bay Resort is more than 35 years old, and we want to keep it in superior condition for the future. Our reserve funding is extremely low due to the fire rebuild and several urgent repairs, however, we continue to operate with a surplus. We ended the fiscal year with \$88,000 in net revenue, which has been put in reserves.

Our finance committee will meet in a few months to finalize next year's budget. We will focus on operating the resort and building reserves. It is likely that the committee will propose nominal increases to our maintenance fees and a possible future assessment. I assure you that we will try to minimize any financial impact while meeting our responsibilities to the resort.

The AOA and VOA continue to meet and collaborate for the good of the whole resort. Look for our meeting minutes on the Hanalei Bay Resort website, along with the audit that was recently completed. We are also reevaluating our charters for all committees. Please contact me if you are interested in joining one.

We have a beautiful resort thanks in large part to the enthusiasm of our associates, three of whom have worked here for more than 30 years. Annabel Ragasa, Eduardo Jimenez, and Lillian Watari were recently given plaques honoring their years of service. We are grateful to have them and our resort management staff.

Please feel free to contact myself or any of your Board members if you have any questions or concerns. On behalf of the Board, I'd like to extend our thanks for your continued support and enthusiasm. We all look forward to making our beautiful resort even better in the years to come!

Mahalo!

Michael Rembis
AOAO President
Hanalei Bay Resort

