

Maui Vista AOA Board

2022/2023 Operating Principles

As a Maui Vista Association of Apartment Owners (AOAO) Board of Directors, we strive to deliver on the following Operating Principles:

Transparency of Actions and Communications. As a self-managed property, some Board decisions will fall into management/administrivia (requiring no owner notice) and others into formal AOA Board governance (required by *AOAO By-Laws* and *HRS 514B* to be conducted in 'open,' with four specific executive session exceptions).

However, absent a specific legitimate reason to withhold information (like pending legal action); this AOA Board will make every effort to keep Maui Vista owners fully informed of all Board actions. The information will be provided through various methods, including emails to owners and property managers, postings to the Maui Vista AOA website, and physical on-site postings. The AOA Board acting with transparency of actions and in communications will include:

- Publishing a schedule of all quarterly board meetings for the year, so owners can plan to attend, if they so choose.
- Providing notice of any special board meetings, with agendas, to all owners as much in advance as possible of such meetings.
- Providing owners with email reports of management/administrivia considerations and decisions on a regular basis.
- Providing owners notice prior to any AOA Board decision to undertake an unplanned AOA project expected to cost \$50,000 or more, unless such delay would result in increased costs. (Except for common area additions or alterations, per Article X, Section 6 of the *By-Laws*.)
- Treating all questions, and questioners, with respect. Divergent opinions may preclude all owners from getting their way, but all owners can have their say.
- Providing timely meeting minutes from all scheduled and special board meetings.
- Responding to owners' inquiries in a timely manner.

Fiscal Responsibility. Owners have considerable financial investment in the Maui Vista complex and the AOA Board is responsible for protecting that outlay by maintaining the complex. Owners have the right to expect the AOA Board to operate with due diligence and as cost effectively as is practical.

No owner likes to see AOA rate increases or special assessments. For quite some time, Maui Vista has relied on the *Hawaiian Cash Flow Method* reserve funding plan option, which the *Hawaiian Reserve Study Guide for Board Members and Property Managers* notes, "carries significant risk over time . . . is much more difficult to implement . . . and carries a much higher risk for reliance on special assessments . . ." (p10). In retrospect, this cautionary note could have been written as a predictor of the financial situation in which the Maui Vista AOA finds itself. The AOA Board acting with fiscal responsibility will include:

- Reading and considering cautions provided by professional association representatives prior to taking related action.
- Reducing the need for unplanned special assessments and loans by transitioning to a 50% of the Total Deteriorated Value (Fully Funded) reserve funding plan method.
- Balancing regular maintenance expenses and planned reserves projects with any significant unexpected expenses or unexpected major projects in order to produce the best result for Maui Vista while maintaining fiduciary responsibility.
- Considering data from other 40+ year-old complexes to identify and plan for expected maintenance/replacement needs typical for similarly aged structures.
- Monitoring expenses to ensure AOA funds are spent responsibly.

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Community Building. The best future for Maui Vista will only be envisioned and attained through the community of owners. As such, the AOA Board will foster processes that not only nurture connection amongst owners, but nurture experience sharing through systems of safety, openness, and good moderation — so owners can share their experiences and learn from one another. The AOA Board acting to support community building will include:

- Revitalizing the Maui Vista web presence, with a primary goal of making it current and user-friendly.
- Updating and making AOA documents (i.e., *House Rules*, policies) readily available, easier to access needed information, etc.
- Entertaining community-building ideas from owners; helping to facilitate where appropriate.
- Connecting owners who have faced similar issues or have conducted similar projects, when appropriate, in order to share learnings.
- Encourage owners to be proactive and participate in the community (helping with community projects, reporting concerns, etc.).

Data-Driven Decisions. The best decisions will be data-driven — based on hard data as opposed to intuition, observation, or guesswork. Data based decision making provides the capability to generate real time insights and predictions to optimize performance. The AOA Board recognizes the value of data-driven decisions is dependent on the quality of the data and its analysis and interpretation. As such, the AOA Board will strive to identify the best available data related to significant decisions and reach out to owners to solicit expertise related to interpretation of such data. The AOA Board's use of data-driven decision making will include:

- Following these steps for significant AOA system decisions:
 - 1) Consider AOA objectives and prioritize.
 - 2) Find and present relevant data.
 - 3) Draw conclusions from that data.
 - 4) Plan the specific strategy.
 - 5) Measure impact (success or failure) and repeat.
- Encourage owners to provide relevant data to be considered when appropriate (i.e., provide support for their particular viewpoint or impactful data relevant to Maui Vista).
- Where appropriate, support owners who wish to engage in researching and providing data that enhances the Board decision making process.

While these Operating Principles are not an official Board mandate, the Board will strive to meet these guidelines to create a thriving Maui Vista community.