

Hawaiian Ranchos Road Maintenance Corporation

NEWSLETTER

September 2015

From The President's Desk

Aloha Ranchos property owners,

This is my third year as a president of the HRRMC.

Being on a volunteer board is always a challenge, finding a balance between what needs to get done and how much time can be spare. This past year has personally been challenging, as my father passed away last fall. I have had to make three trips to Sweden within a year's time. Fortunately, our board has been performing very well in my absence.

We now have two new board members, Mike Gerbo and Sterling "Squeak" Quier, who are great new assets to our board. Mike G. has extensive paving experience and Squeak has years of building experience. Our road maintenance worker, Ladd, is doing a great job mowing the shoulders and patching pot holes, repairing signage, etc. We also have a new part-time road worker on the team, who lives right here in our Ranchos sub-division, which comes in very handy..

Maira, our office manager, and Tammie, our Treasurer, have also done great jobs keeping records in proper order. We have been successful in collecting from many past-due accounts, and have released their liens. This year we have hired a lawyer to collect on some of the really high dollar overdue accounts. If they do not pay, their properties will go to foreclosure auction. In all fairness, everybody has to pay their fare share in our neighborhood for us to be able to maintain our roads.

Thanks for letting us serve you
for a better community.

Mats Fogelvik, President HRRMC

What's getting done this year;

- Stop bars and stop signage at intersection are being repainted.
- Our road crew has been actively pruning back trees and bushes growing on the easements. Last year's rain has really accelerated the growth and the mower alone cannot keep up. The pruning is important for improving visibility at intersections and drive ways.
- The fog sealing contract is finally finished. The whole subdivision has now gotten a fog seal coat within the last few years. We decided to not do any more yellow lines at this time, since the contractor was not able to paint a straight line!
- We have been working on repairing drive way approaches, the area between our roadbed and your property. If you have an active drive way which needs repair where it connects to our road, please let the office know. Patching will be done.

We have 52 miles of roads in Ranchos. They are all in fairly good shape. We are working on establishing a realistic maintenance schedule for our roads, to understand how often they need re-paving. Many factors play in here, as weather and type of traffic. As an example, if a chip sealed roads needs a new chip-seal coat every 10 years, we need to do 5 miles per year. We are working on getting bids from licensed paving contractors, to be able to find out how this will fit within our budget. We may find out that we are underfunded, due to increased costs and inflation. In that case we may have to consider raising our annual assessment. Meanwhile, we are saving our money for future big jobs.

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Road Maintenance Report and Work Plan 2015

In 2015 we completed oiling of all remaining unsealed roads in the subdivision. To date, we have started remarking intersections for safety stops. We have also added an additional part-time maintenance person, Mike Hazen of Ranchos, to our staff.

Our 2016 plans include:

1. Continue road repairs as needed
2. Pruning of shrubs and trees infringing on road easements
3. Repair of driveway entrances where streets are damaged*
4. Complete stop bars at all intersections
5. Ongoing mowing of road shoulders
6. Assess any new equipment needs

*If you notice that the street is breaking away at your driveway, please notify the office at 808-929-9608 or go to our web site @ www.ranchos-roads.org. Alternately, you may leave a note in the mailbox outside the office. Make sure to include your TMK # and address.

2015 Annual Membership Meeting

Date: Saturday November 14, 2015

Location: HRRMC Office, 92-1347 Kohala Blvd

Time: 4:00 p.m., Light Pupu's and refreshments

AGENDA Proposed Budget for 2016, Proposed Work Plan 2016

Announce results of items voted on.

The meeting will be followed by a short board meeting-closed session-for election of the Board Officers.

Election of Board Membership

HRRMC Bylaws permit the Board to elect a property owner in good standing to serve on the Board through the end of that year. If that person chooses to stay on the Board, he or she will have to run for re-election (for a 3 year term) the following year. That vote will be by the general membership of the corporation.

Anyone interested should send a brief letter to HRRMC, PO Box 7007, Ocean View, HI 96737 indicating your interest and how you might be able to help serve our Road Maintenance Corporation.

You must be a property owner in good standing (assessments paid). All Board members must pass a Police Department background check. Meetings of the Board are monthly, on the third Thursday at 4pm, unless otherwise announced, and generally last one to one and a half hours. Members are welcome to attend. This is a working board, you will be asked to participate on committees of your choice to help us all make things happen.

About the gate.

There has been some talk about making Ranchos a gated community over the years. We already have a gate at our Kohala entrance. Some owners want Ranchos fully gated. What do you think?

We have decided to put the question on our ballot this year. If a majority of voter say YES, then we can go ahead and research what the gate(s) might cost and how it should be operated and financed and get back to you with our findings. A gate is not really a road maintenance issue, it is a community issue. Let's vote and find out what the community wants.

Hawaiian Ranchos Road Maintenance Corporation NEWSLETTER

Aloha from the Office

Once again we wish to **Thank** all those who have their road maintenance dues paid up to date. These fees go towards paving and maintaining the roads you own and drive on. We encourage property owners who have “past due” accounts to call our office and work out a payment plan.

Some of the duties here at the (**HRRMC**), Hawaiian Ranchos Road Maintenance Corporation office among a few are: to maintain current property owner’s records and information, prepare & send out statements, collect road maintenance fees, make deposits, respond to escrow demands, enter transfers for new property owners, issue key cards and numerous other bookkeeping activities. We also accept written complaints regarding issues with Road Maintenance problems, which will then be passed onto the Road Maintenance Committee.

Our HRRMC Office is NOT A Security Office, Realty or Tax office! If you have complaints about speeders, trespassers, squatters and/or illegal activities, please call the non-emergency number for the **Police at 935-3311** or **911 for emergencies**. As for real estate, we do not always know which properties are up for sale or property values; however, our office will be happy to refer you to qualified realtors. Also, your Road Maintenance Dues are not a Tax. The County of Hawaii Real Property Tax Office is the entity that collects property taxes.

Their Hilo number is 808-961-8201.

***Please Do Not mistake our office, with the Hawaiian Ranchos Community Association. We are two different organizations within this sub-division, yet operate with different functions and services.**

Our **HRRMC** main function & fees go towards **maintaining your roads**. The Hawaiian Ranchos **Community Association** being a “**Different**” entity has services that include an annual newsletter with their functions, updates from Ranchos and other current events. You can contact them at ranchos96737@gmail.com.

Ongoing issue in our office continues to be from owners who say they have not received a statement for one or more years. The problem could be caused from property owners being on the mainland part of the year and the PO does not forward their mail. Also owners do not always update their addresses and current information with our office. As well, if someone sells their land and/or transfers property on their own without a realtor or escrow company, and they do not let the new owners know of the mandatory road maintenance dues, it will cause problems for all concerned.

There are 1227 properties in the Ocean View Hawaiian Ranchos sub-division. Our office does not routinely check for transfers or address changes as a norm. We make changes as they are referred to us. If you decide to sell your own property and/or transfer it to a family member *PLEASE NOTE* it is your responsibility to contact our office and inform us regarding the changes.

If you have purchased a piece of land through a **Foreclosure**, as the new owner you are still responsible for paying past-due road maintenance fees and other expenses. If there are excess funds from the sale of the property, the State, County and/or bank my pay all or part of those fees after one year.

We have gotten a good response from adding Paypal to our website as an alternative payment option. Unfortunately you cannot access your account balance on line. If the amount you are paying is different from the normal fee of \$130.00 per year, please enter the remaining funds in “donations”. All funds received with your TMK# will be applied to your account.

Aloha, Maira Fogelvik, Office Manager

New Office Hours:

10:30 am to 2:30 pm, Every Tuesday & Thursday, and 1st Friday & 3rd Saturday monthly.

Ph: 808-929-9608 Fax: 808-929-9622

PO Box 7007, Ocean View, HI 96737

Email: office@ranchos-roads.org

WEB: ranchos-roads.org

Annual Road Assessments for 2016

Your next road assessment fee is due March 31, 2016. These fees are mandatory and are written into your purchase contract. The annual statement are mailed to you in December. You may mail your payment by check, or money order. You can also pay online through our website using Paypal. Cash will only be accepted at the office in person. A receipt will be given at the time of the transaction.

When using direct banking, bank drafts or your own checks, please be sure that your TMK# is included on the check. It is listed on your statement beside your name and also under your address. There is no need to include the invoice number or the physical street address of your Ranchos property. We do not use this information for reference in our bookkeeping system.

Checks can be written to either Hawaiian Ranchos Road Maintenance Corporation, or HRRMC. Please do not write checks to HOVR, Ranchos, or HOVE. Hawaiian Ocean View Estates is a different corporate entity and is not affiliated with HRRMC.

Many Mahalos!

We are enclosing self-addressed envelopes with your statements. Our mailing address is:

PO Box 7007, Ocean View, HI 96737

Please do not send your Road Maintenance fee payments to the Ranchos Community Association. Doing so will delay your payment and may incur late fees if your payment arrives to our office after the due date.

For new owners

The Annual Assessment fee is \$130, mandatory for all owners, and is due by March 31st each year. Late fees are assessed on unpaid accounts after March 31st.

Any property with unpaid assessments for two (2) years is subject to a lien on their property, with the possibility of foreclosure one (1) year thereafter.

A lien is a legal document registered with the State against your deed and prevents sale of your property until it is paid. There is a lien fee of \$225, plus 10% annual late fees on all outstanding balances, which can add up quickly. These are completely avoidable costs.

If your property goes to foreclosure, it can be sold at public auction. If you know you are in this situation, please contact the office to make payment arrangements.

There are some properties that have encroachments onto the road easement. These include plantings, walls, fences, and in a few cases, building a steep driveway that reaches across the road shoulder out to the edge of the pavement. There are significant safety concerns for motorists when the shoulders that are part of the road easement are encumbered.

All boulevards and Maile Drive have 60 ft easements. All other drives have 40 ft easements. These easements are community property, owned by all shareholders of HRRMC. HRRMC has the responsibility to maintain the easement, including the paved areas and shoulders. This entails keeping them clear of bushes, overhanging branches, and personal property which infringes on the easement.

A letter will be sent to property owners who have plantings, structures or stored items on the road easement notifying them of the violation. Those receiving this letter must contact the HRRMC office to resolve the situation. If the problem is not corrected within 30 days of receipt of the letter, HRRMC will take whatever action necessary to correct the problem, at the property owner's expense.

Returning HRRMC Board members:

Don Nitsche is a longtime resident of Ranchos and has served on the board for many terms. His name is on the ballot for reelection.

Linda Somers is also a returning board member. She has been a resident of Ranchos and HOVE and has much experience in the fields of accounting and computers.

Note from the Treasurer

Please review the budget and financial information on page 6.

The monthly financial statements are available in the office for any interested members to review. Just come by the office during normal business hours. If you have any questions or need additional information, please feel free to contact the office and Maira or I will be happy to speak to you.

Tammie Ewers, Treasurer HRRMC



New Board Member Sterling “Squeak” Quier

My wife and I have been Ocean View residents since September 2010.

In September 2010, I retired as a pressroom supervisor for a large printing operation in Pennsylvania. I was employed with the company for 33 years managing a staff of 48 employees.

In addition, I have worked in the construction industry since the 1970's where we did remodels to complete home builds. I have personally built my last two homes, including my current residence in Ranchos.

I have a wide array of knowledge from mechanical to construction. I am confident I can contribute to the board and serve as an active member. I am retired and willing to work and serve on committees.

About the solar PV farms.

You may have heard the defunct Ohana Solar Power LLC has been taken over by Calwahi Power Holdings LLC, a subsidiary to SPI Solar Inc, and are now working on starting the building of large scale solar electric farms here in Ranchos.

They own 18 lots here in Ranchos, and the plan is that each lot will be bulldozed about 2 acres, and rack mounted PV panels, inverters and transformers will be installed, all surrounded with a barb wire fence. A sub-station will also be built along HWY 11, for the transmission line tie-in, at the corner of Kohala/Easement roads.

This is not really a road maintenance issue. If you need more information or have input about this we suggest that you contact our Hawaiian Ranchos Community Association (HRCA)

They have set up a website:

hawaiianranchos.com

and a specific email address for this issue:

solarfarmranchos@gmail.com

New Board Member Mike Gerbo

I have been involved in road paving businesses and maintenance since I was a teenager with my father. I served in the Marine Corps and have previously held positions in homeowner associations.

In September 1993. my wife Trish & I became proud owners of a gorgeous 3 acre parcel on Jacaranda here in Ocean View Ranchos. Yearly we came and spent time on our property and built our retirement home.

In March 2010 we retired to Ranchos and have made this our home.

I look forward to serving Hawaiian Ranchos Road Maintenance Board and working together with the Road Maintenance Committee for the betterment of our entire Ranchos sub-division.

HRRMC Financial Report and 2016 Proposed Budget

	2014 Budget	2014 Actual	1-1/6-30-/15 Actual	2015 Budget	2016 (Proposed)
Income:					
Assessment Fees	172,700	157,490	140,898	172,700	172,700
Other Income(1)	3,800	3,300	1,650	3,800	3,800
Total Income:	176,470	160,790	142,548	176,500	176,500
Operating Expenses:					
Road Maintenance	122,000	6,554	50,460	125,000	105,000(2)
Repairs	1,500	1,649	86	1,500	1,500
Total Operating Exp:	123,500	8,203	50,546	126,500	106,500
Administrative Expenses:					
Paypal & Bank Charges	1,000	750	623	1,000	1,000
Insurance	5,000	6,540	5,004	5,000	5,000
Professional Fees	2,000	3,487	180	5,000	5,000
Utilities	3,600	3,467	1,490	4,000	4,000
Office Expenses	5,000	5,579	1,487	4,000	4,000
Payroll Expenses	30,000	27,969	14,758	30,000	50,000(3)
Taxes	2,000	498	434	500	500
Permits & Fees	800	307	0	500	500
Total Adm Expenses:	49,400	48,597	23,976	50,000	70,000
Total Expenses:	172,900	56,800	74,522	176,500	176,500

Note 1: Other income includes: interest, Aloha Broadband tower rent, transfer fees

Note 2: If no large contracts needed, allotted funds will be transferred to a savings account for future road work

Note 3: Added a part-time employee to payroll.

	Balance Sheet		
	12/31/13	12/31/14	06/30/15
Assets			
Cash	215,305	329,590	393,191
Accounts Receivable	123,338	125,200	159,379
Fixed Assets	159,874	160,078	160,078
Total Assets	498,517	614,868	712,648
Liabilities			
Taxes	1,850	1,310	58
Total Liabilities	1,850	1,310	58
Equity			
Opening Balance	406,988	406,988	406,988
Retained Earnings	169,897	90,035	206,570
Net Income	(80,218)	116,535	99,032
Total Equity	496,667	613,558	712,590
Total Liabil/Equity	498,517	614,868	712,648

HAWAIIAN RANCHOS ROAD MAINTENANCE

BALLOT

Please Cast one (1) vote for each Ranchos lot owned by you on each item below.

For example: If you own 2 lots, you should write a 2 in either the YES or NO space. Each Ranchos lot is 3 acres. Do not mistake this for 3 votes/lot.

Your completed ballot must arrive at our office no later than **November 5th, 2015**

ISSUES –

- #15-1 YES ___ Proposed Budget for 2016, See Page 6
 NO ___
- #15-2 YES ___ Proposed Work Plan for 2016, See Page 2
 NO ___
- #15-3 YES ___ Do you want Ranchos fully gated, and are you willing to
 NO ___ help pay for installation/operation?

BOARD MEMBERS

We have four election slots for the board this year. You can vote for all four.

- #15-4 YES ___ **Don Nitsche**, returning board member, has been on the board
 NO ___ for many years..
- #15-5 YES ___ **Linda Somers**, returning board member
 NO ___
- #15-6 YES ___ **Sterling “Squeak” Quier**, new board member.
 NO ___
- #15-7 YES ___ **Mike Gerbo**, new board member.
 NO ___