

Aloha fellow Volcano Cymbidium Acres property owners!

**The Volcano Cymbidium Acres Road Maintenance Corporation (VCARMC) is
approaching a crisis by the end of 2019!**

Please Kokua!

The Bylaws of the VCARMC require a Board of Directors of not less than 5 nor more than 11 property owners. Board members are expected to serve just a 3 year term. The Board currently has only 6 members, and three have already served for twenty years. Two Directors, including the current President, plan to leave the Board by the end of 2019. We have needed, and have been asking for new Board members and Officers in Annual Newsletters for many years. The current Treasurer already served as President for ten years, and has been Treasurer since 2014. The current Directors and Officers need, and deserve to have other owner/members take over from them. The situation has become critical. If we do not at least get new Board members by the end of the year, the VCARMC will not even have the required minimum number of Directors to function. The remaining Directors and Officers cannot continue without more member support, and the VCARMC will have to dissolve.

Your community needs your help!

We need new members of our Board of Directors for the VCARMC. We need to replace members of the existing Board who have served well beyond their 3 year term. We want 4-6 new Board members. Your participation is important to continue maintaining the quality of our neighborhood roads, to continue our liability insurance protection, and to support neighborhood property values. (See the included **VCARMC Q & A** for details)

Please join us!

Keep Volcano Cymbidium Acres a premier place to live within Volcano Village!

Volunteers willing to join your neighbors on the Board, should respond to:

VCARMC

PO Box 574

Volcano, HI 96785

or by email to vcarmcboard@gmail.com

Please give us your contact information and a note about your interest in joining the VCARMC Board of Directors no later than **September 1st, 2019**. You are welcome to contact us by regular mail or email with any questions you may have before requesting to join the Board.

We know that you may want some additional information before volunteering, so we have included a two page fact sheet of **VCARMC Question and Answers** about the VCARMC and serving on the Board of Directors.

We look forward to welcoming you to the Board!

Mary Lee Knapstad
VCARMC President

VCARMC Questions and Answers

What is the VCARMC?

The VCARMC is the Volcano Cymbidium Acres Road Maintenance Corporation. It was established in 1996 to repair, upgrade and maintain the Volcano Cymbidium Acres subdivision roads. Its members are the owners of the 155 properties adjacent to the 6 subdivision roads. The VCARMC started collecting mandatory road maintenance assessments in 1998. It has used those assessments in the past to repair and upgrade all of the 2.4 miles of subdivision roads, and to regularly maintain the roads and road shoulders.

What does the VCARMC Board of Directors do?

The VCARMC Board of Directors manages the maintenance of the Volcano Cymbidium Acres subdivision roads and roadsides. The Board is responsible for:

- contracting out major road repairs & upgrades
- contracting out routine roadside mowing & brush cutback
- maintaining an insurance policy providing liability protection for all VCARMC members, the VCARMC Board of Directors and Officers
- managing the VCARMC budget and expenses
- conducting quarterly Board meetings and the annual general meeting
- keeping records of Board meetings and communications
- writing, printing and mailing the annual Newsletter/Assessment Notice
- collecting and accounting for annual assessments
- maintaining the VCARMC ownership, assessment and income/expense records
- pursuing collection of past due assessments
- responding to the concerns of property owners

What are the sources of, and the annual income of the VCARMC?

The only source of income for the VCARMC is annual road maintenance assessments. The assessment amount for each property is based on the road frontage. Annual road maintenance assessment revenues average \$15,000/year.

What are the current expenses of the VCARMC?

- Our relatively small annual income of \$15,000 requires us to accumulate funds for 2-3 years before we can afford to contract out a major road work project. (Chip seal paving of just one of the subdivision's six roads now costs about \$25,000.)
- \$2,100/year for regular roadside mowing/brush cutback
- \$2,500/year for liability insurance for all VCARMC members, the Board and Officers
- \$300/year in expenses for printing and mailing the annual Newsletter/Assessment Notice

Who can be on the Board of Directors?

Any property owner in Volcano Cymbidium Acres, whose road assessments are fully paid, is eligible to serve on the Board. Members should be available, on Island, to attend most quarterly meetings. The Bylaws of the VCARMC require a Board of Directors of not less than 5 nor more than 11 property owners. Board members are expected to serve a 3 year term.

What special skills are required?

Some basic computer skills are desirable. Much of the communication and business of the VCARMC Board is conducted by email, between quarterly meetings. Board members should be familiar with receiving and sending email and email attachments. Most VCARMC documents were created using the word processor program Microsoft Word. Most VCARMC ownership, assessment and income/expense records are maintained using the spreadsheet program Microsoft Excel.

The existing Board plans for a transition period to give new Board members the opportunity to learn about the VCARMC.

VCARMC Questions and Answers

How much time is required?

The Board of Directors meets quarterly, the second Thursday of the month, in January, April, July and the annual general meeting in October. Meetings usually last about an hour. Most communication among VCARMC Board members between quarterly meetings is conducted by email. Board members normally only need contribute a few hours per calendar quarter. Officer positions require a larger time commitment (President, Treasurer and Secretary). Officers are appointed by the Board.

How much are Board Members paid?

The Board Members serve our community without pay. According to the VCARMC Bylaws: "No director shall receive compensation for the services he may render to the Corporation. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties."

Could we hire professional management for the VCARMC?

We could, but it would be quite expensive. The bid we received from a professional property management company to replace most, but not all of the current Board's management duties is \$11,000/ year. Existing annual road maintenance assessment revenues average \$15,000/year. If we hired a professional property manager, there would be no money left for actual road repair and maintenance. If we hired professional property management, we would have to increase assessments by about 75% to just maintain current regular roadside mowing/brush cutback and liability insurance protection, and still accrue sufficient funds for major road work projects.

We have also investigated hiring a bookkeeper to try to reduce the time required for the Treasurer's position. The estimate for bookkeeping services alone is \$5,000/year. This would cut in half the money remaining for major road work projects. We will be considering hiring a bookkeeper at the next quarterly Board meeting.

What happens if new Board Members are not found **before the end of the year**?

Unless new volunteers for the Board of Directors are found by **June 21st, 2019**, the corporation could dissolve in early 2020. In that case, our most recent annual assessment for 2019 will be the last. In the interim, we will continue with our efforts to recover past-due assessments and will spend all remaining funds on the roads.

What happens if the VCARMC is forced to dissolve?

If the VCARMC is forced to dissolve, all road maintenance by the VCARMC will end. The liability insurance coverage will be canceled. All the roads will quickly deteriorate. The road and road shoulders adjacent to vacant lots will become overgrown, moss and grass will encroach on the road.

What does this mean to you?

The roads will soon begin to narrow, and within a few years fire trucks could be unwilling and unable to respond to fires on your property, putting your property and personal safety more at risk. (This was becoming the situation before the VCARMC was established in 1996.) The roads, besides narrowing, will become increasingly rough, causing more damage and wear to our vehicles. As roads narrow and deteriorate, the likelihood of accidents could increase. At the same time, we will have lost the liability insurance protection currently provided for accidents on our roads. As the road quality declines, the value of our properties will decline. Those who serve the visitor industry could see negative reviews, experience fewer return guests, and become at a competitive disadvantage for attracting new guests. At some point, the decline in property values could attract increased criminal activity and vandalism to the neighborhood.

These things do not have to happen if a few of you will step forward to join the Board!

VCARMC Board Questions and Answers

Who can be on the Board?

Any property owner in Volcano Cymbidium Acres, whose road assessments have been fully paid, can serve on the Board. Members should be available, on Island, to attend most quarterly meetings.

What special skills are required?

No technical skills are required. The existing Board plans for a transition period so that the new Board members will have the opportunity to learn about the projects that fall under the VCARMC control.

How much time is required?

There are Officer positions that require a larger time commitment (President, Vice President, Treasurer, and Secretary), but regular Board Members only need contribute a few hours a month. Officers are elected by the Board.

How are Board Members selected?

The property owners vote for a list of candidates. If more than 11 candidates are on the ballot, the 11 with the greatest number of votes will become the new board.

How much are Board Members paid?

The Board Members serve our community without pay.

What does the Board do?

The Board is in charge of all maintenance of the roads and roadsides. This includes not just billing and collecting assessments and contracting for road repairs, but also mowing, brush cutting and removal, sign maintenance, and dealing with abandoned vehicles.

How often does the Board meet?

Typically the Board meets four times per year including the Annual Meeting. In special situations or emergencies, an additional meeting could be called.

What happens if new Board Member candidates are not found by May 31, 2019?

Unless volunteers for a new Board of Directors are found by May 31, 2019 and voted onto the Board by June 30, 2019, the corporation will dissolve in early 2020. In that case, our most recent annual assessment will be the last. During the interim, we will continue with our efforts to recover past-due assessments and will finish our terms by spending all available money on the roads.

If the VCARMC is forced to dissolve, the mowing, sign maintenance, road patching, chip-sealing, plus any other maintenance paid for by the VCARMC will end in January 2020.