

BANYAN HARBOR TIMESHARE ASSOCIATION

ADOPTED MEETING MINUTES

DATE 23 February 2013

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**BANYAN HARBOR TIMESHARE ASSOCIATION
ANNUAL HOMEOWNER'S MEETING
Saturday February 23, 2013
KAUAI MARRIOTT**

1. CALL TO ORDER AND ROLL CALL

President Solberg called the meeting to order at 9:00am

Board Members Present

James Solberg, President

Sharon Baker Vice-President

Stephanie Gonos, Secretary

Ed Madamba, Treasurer

Deborah Rice, Director

OLS Hotels & Resorts

Rick Ball, Vice-President, OLS Hotels & Resorts

Lyle M. Otsuka, General Manager, Banyan Harbor

Dale Verkaaik, Controller, Banyan Harbor

Tore Wistrom, Consultant, OLS Hotels & Resorts

Kearn Sukisaki, Registrar, Banyan Harbor

Tamara Pagan, Assistant Registrar, Banyan Harbor

Owners in attendance are recorded in the Official Registrars Log

2. PROOF OF NOTICE & QUORUM

Lyle Otsuka reported that notice was mailed to all homeowners on December 8, 2012 and again January 8, 2013 and posted on January 28, 2013. Quorum was established with:

Quorum Results

Intervals represented by proxy	580
Intervals represented in person	12
Total intervals represented	592

Representation of 300 intervals is required for quorum (15%). We do have a quorum.

3. APPROVAL OF MINUTES

- a. **Annual Meeting February 18, 2012** – Jim asked for any corrections to the minutes. Hearing none, the minutes were approved as presented.

MOTION: *To accept the minutes as distributed*

MOVED BY: Sharon Baker, Second: Ed Madamba

VOTE: Unanimous

RESULT: PASSED

4. MANAGEMENT REPORTS

- a. **President's Report** – Jim welcomed and thanked the attending owners for attending their Annual owners meeting. He also recapped the difficult economic times we have endured over the last several years and expressed his appreciation to our property staff for keeping Banyan Harbor well maintained throughout these difficult times He also thanked and appreciates the time and due diligence each Board member puts into the timeshare association.

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- b. **Treasurer's Report** – Ed Madamba referred to Rick Ball VP of OLS Hotels & Resorts, for the year end 2012 financial report. Rick recapped 1 timeshare unit was removed from the timeshare inventory to assist in decreasing the number of delinquent units foreclosed by the Timeshare association. He then reviewed the financial results through December 2012. Revenues year-to-date were behind budget by \$33,785. This was offset somewhat by the new amenity fee income of \$21,442 for the year. Payroll taxes, health insurance and increased bad debt write off (\$58,408) contributed to an operating expense over budget year-to- date. The staff continues to do an excellent job in managing controllable expenses, which were \$28,000 favorable to budget for the year. Through December 31, 2012, Net Earnings are <\$70,916>. Rick reiterated our 2012 budget was a really tight budget and the finalization of the deed backs and foreclosures of prior years had a major impact on the year-to-date financials.
- c. **Manager's Report** – Lyle once again acknowledged our great team of Banyan Harbor associates and that Banyan Harbor maintained 3rd place in year-to-date OLS guest comment scores, with a 96.2% satisfaction rating. Lyle then recapped the current projects and briefly reviewed the distributed 2012 summary of projects completed through out the year. He emphasized 2 projects: installation of compact fluorescent bulbs and emergency flashlights.
5. **Budget 2013** – Rick reviewed the 2013 budget, approved by the Board of Directors at the Nov. 14, 2012 Board Meeting, which was also included in owner handouts at the door and mailed to owners with the January 2012 proxy mailing. Rick reviewed the maintenance fee comparison hand out, which reflects that Banyan Harbor continues to have one of Kauai's most reasonable maintenance fees for similar projects. He also mentioned the owner website has this and much more useful information.
6. **ELECTION**
- a. **Nominations** – Jim reported that two Board positions are available. Jim read the names of each of the candidates, who submitted their names for the available Board positions.

MOTION: *Move to accept the slate of candidates for nomination- Deborah Rice and Ed Madamba*

MOVED BY: Harry Baker, Second: Jill Briley
VOTE: Unanimous
RESULT: **PASSED**

Jim then asked (3 times, as required by State statues) if there were any nominations from the floor. Hearing none the following motion was made:

MOTION: *Move to close nominations.*

MOVED BY: Harry Baker, Second: Linda Garcia
VOTE: Unanimous
RESULT: **PASSED**

- b. **Election of Inspectors** – With only two candidates for two positions, there was no need for election inspectors.
- c. **Introduction of Candidates** - Each candidate present then introduced themselves and expressed their gratitude for the opportunity to serve the Association.

MOTION: *To call for a unanimous vote of the slate of nominees as submitted by acclamation.*

MOVED BY: Harry Baker, Second: Ben Bregman
VOTE: Unanimous
RESULT: **PASSED**

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7. OLD BUSINESS

President Solberg asked the members if there was any old business that required discussion. Hearing none, he moved to the next agenda item.

8. NEW BUSINESS

- a. **Audit 2011** – Jim reported that the auditor's report was reviewed and unanimously accepted by the Board at their September 6, 2012 meeting. The auditor gave the Association a "clean bill of health" and offered no recommendations or corrections to the accounting practices currently in use. Copies were made available at the registration desk and will be posted on the owner's website.
- b. **Roll Over Resolution for 2013** – Ed Madamba read the following motion to ensure the Association non-profit status is protected, and that tax requirements were properly addressed.

MOTION:	<i>I hereby move that the Banyan Harbor Time Share Owner's Association direct the amount by which the member's assessments in fiscal year 2013 exceed the total expenses of the Association for the purpose of managing, operating, maintaining and replacement of the Association's property be applied to the fiscal year 2014 operating and/or reserve account.</i>
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MOVED BY: Ed Madamba, Second: Sharon Baker

VOTE: Unanimous

RESULT: **PASSED**

- c. **Other New Business** – There being no further new business President Solberg moved to the next agenda item.

2. NEXT ANNUAL MEETING

President Solberg announced the 2014 Annual Timeshare Owners Meeting is confirmed for **Saturday February 22, 2014 at 9am**. The date for the next Board meeting was also announced to be held on May 16, 2013. Lyle also reported that based on availability, the next Timeshare Annual Meeting will be held at the Kauai Marriott.

3. ADJOURNMENT

MOTION:	<i>To adjourn meeting at 9:30 a.m.</i>
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MOVED BY: Deborah Rice, Second: Sharon Baker

VOTE: Unanimous

RESULT: **PASSED**