



**Banyan Harbor**

TIMESHARE ASSOCIATION

**ANNUAL HOMEOWNER'S MEETING**

**FEBRUARY 24, 2018**



Banyan Harbor is a condominium Resort community of residents, vacation renters and timeshare owners. Banyan Harbor maintains a high standard of conduct and promotes the safety and welfare of all entities of our Resort community.

Banyan Harbor will demonstrate fiscal responsibility, be well-managed and well-maintained. We will be guided by the "Aloha Spirit" attending to the interests of our Resort "Ohana".

**Presented and Managed by  
OLS Hotels and Resorts**

# BANYAN HARBOR TIMESHARE ASSOCIATION

## ANNUAL MEETING

*Kauai Marriott*

**Saturday, February 24, 2018**

*Registration – 8:30 am*

*Annual Meeting: 9:00 am*

## AGENDA

1. **Call to Order and Roll Call**
2. **Proof of Notice & Quorum**
3. **Approval of Minutes**
  - a. Annual Meeting, February 25, 2017
4. **Management Reports**
  - a. President's Report
  - b. Treasurer's Report
  - c. Manager's Report
  - d. Budget 2018
5. **Election**
  - a. Nominations
  - b. Election of Inspectors
  - c. Introduction of Candidates
  - d. Election and Election Results
6. **Old Business**
7. **New Business**
  - a. Audit 2016
  - b. Roll Over Resolution for 2018
  - c. Other New Business
8. **Next Annual Meeting**
9. **Adjournment**

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# BANYAN HARBOR TIMESHARE ASSOCIATION

UN-ADOPTED MEETING MINUTES

DATE February 25, 2017

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**BANYAN HARBOR TIMESHARE ASSOCIATION  
ANNUAL HOMEOWNER'S MEETING  
Saturday February 25, 2017  
KAUAI MARRIOTT**

**1. CALL TO ORDER AND ROLL CALL**

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

**Board Members Present**

Stephanie Wyman, President  
Deborah Coburn Rice, Secretary  
Linda Garcia, Director Position

Jill Briley Vice-President  
Ed Madamba, Treasurer

**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 Hepa, 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 5, 2016 and again January 8, 2017 and posted on January 24, 2017. Quorum was established with:

**Quorum Results**

Intervals represented by proxy	566.0
Intervals represented in person	8.0
<b>Total intervals represented</b>	<b>574.0</b>

Representation of 255 intervals is required for quorum (15%). We do have a quorum.

**3. APPROVAL OF MINUTES**

- a. **Annual Meeting February 20, 2016** – Stephanie asked for any corrections to the minutes. Hearing none, the minutes were approved as presented.

<b>MOTION:</b>	<b><i>To accept the minutes as distributed</i></b>
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**MOVED BY:** Jill Briley, Second: Deborah Rice  
**VOTE:** Unanimous  
**RESULT:** PASSED

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## 4. MANAGEMENT REPORTS

- a. **President's Report** – President Wyman welcomed and thanked owners for attending their Annual owners meeting. She indicated how fortunate we are to have such a dedicated Board to work with, combined with the great Banyan Harbor Staff and OLS Hotels & Resorts Management team. She then recapped the positives over the past year, such as operating surplus, the De-annexation of unit 38 along with the \$50K reserve contribution, maintaining our receivable delinquency's, RCI 69% positive comments despite the uncontrollable comments pertaining to harbor/ road noise etc. She also thanked the staff for a good job on the budgets as well as the overall care of the property.
- b. **Treasurer's Report** – Ed Madamba referred to Rick Ball Vice President of OLS Hotels & Resorts, for the year end 2016 financial report. Rick recapped another timeshare unit was removed from the timeshare inventory to assist in decreasing the number of delinquent units foreclosed on by the Timeshare Association. Rick then reviewed the financial results through December 31, 2016. Revenues year-to-date are slightly behind budget by \$1,419 due to less amenity fees and other revenues. Payroll and payroll taxes and other payroll expenses are favorable to budget by \$20,886, and operating expenses are also favorable to budget by \$7,188. Our staff continues to do an excellent job in managing controllable expenses. Through December 31, 2016, net earnings are a surplus of \$26,681. This year end surplus will be carried over into Capital reserves towards 2017 expenses.
- Rick also reiterated because of our staffs focus and their efficiency, we had a moderate maintenance fee increase for 2017.

Rick also let the owners know, because of OLS Hotels & Resorts new ownership, insurance has been renegotiated and will have a positive cost savings to the Timeshare Association.

Rick then reviewed the reserve study highlighting 2017 projects. Our big line item for 2017 will be the replacement of 16 units, living room furniture. This will bring all of our Timeshare units up to one consistent furniture package. We also continue to monitor capital projects on a quarterly basis to not over-extend ourselves, yet ensure we maintain the furnishings, fixtures and equipment of our units. The 20 year Reserve Study, which is reviewed by the Board quarterly, continues to serve as a good tool to compare funding to anticipated future project expenses.

- a. **Manager's Report** – Lyle once again acknowledged our great team of Banyan Harbor associates. We currently rank at 93.9% in OLS Guest comment score (3<sup>rd</sup> place in 2016 YTD scores). He also mentioned RCI comments rank us 4.2 out of 5.0 in controllable categories. Lyle then reported on various projects accomplished in 2016 such as the installation of the new housekeeping Laundry washer and completion of 6 panel vinyl door replacement project. He also announced the early completion of the timeshare unit inspections and that the reserve study has been updated to include all 2017 needs, as per inspections. We are also ordering 16 new living room sets of furniture. He then deferred to his written report in the Board books.

5. **Budget 2017** – Rick reviewed the 2017 budget, approved by the Board of Directors at the November 16, 2016 Board Meeting, which is also included in owner handouts at the door and mailed to owners with the January 2017 proxy mailing. Lyle asked owners turn to page 10 of the hand out, for the maintenance fee comparison, which reflects that Banyan Harbor continues to have one of Kauai's most reasonable maintenance fees, for similar type projects. Rick also mentioned, the annual meeting handout with maintenance fee survey and other useful information is also on the Banyan Harbor owner website.

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## 6. ELECTION

- a. **Nominations** – President Wyman reported that two Board positions are available. Stephanie read the names of each of the 3 candidates, who submitted their names for the available Board positions.

**MOTION:** *Move to accept the slate of candidates for nomination- Deborah Coburn Rice, Michael Conner and Edward Madamba.*

**MOVED BY:** Jill Briley, Second: Linda Garcia  
**VOTE:** Unanimous  
**RESULT:** PASSED

Stephanie 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:** Linda Garcia, Second: Deborah Coburn Rice  
**VOTE:** Unanimous  
**RESULT:** PASSED

- b. **Election of Inspectors** – President Wyman asked for 2 volunteers to be inspectors. Meryl Ferrari and Ken Wyman volunteered and were then appointed.
- c. **Introduction of Candidates** - Each candidate present then introduced themselves and expressed their gratitude for the opportunity to serve the Association.
- d. **Election & Election Results** –

A recess was taken so that votes could be cast and counted.

Recess: 9:20 am  
Reconvened: 10:20 am

The election results were as follows:

CANDIDATE	VOTES (Intervals)
Conner, Michael	358.95
Coburn Rice, Deborah	311.28
Madamba, Ed	260.99

Michael Conner and Deborah Coburn Rice were elected to two (2) year terms

## 7. OLD BUSINESS

President Wyman asked the attending owners if there was any old business that required discussion. Hearing none, she moved to the next agenda item.

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## 8. NEW BUSINESS

- a. **Audit 2015** – President Wyman reported that the auditor's report was reviewed and unanimously accepted by the Board at their November 16, 2016 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 2017** – Ed Madamba made the following motion to ensure the Association non-profit status is protected, and that tax requirements were properly addressed.

<b>MOTION:</b>	<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 2017 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 2018 operating and/or reserve account.</i>
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**MOVED BY:** Ed Madamba, Second: Jill Briley  
**VOTE:** Unanimous  
**RESULT:** **PASSED**

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

## 2. NEXT ANNUAL MEETING

President Wyman announced the 2018 Annual Timeshare Owners Meeting is confirmed for **Saturday February 24, 2018 at 9am**. The date for the next Board teleconference meeting was also announced to be held on May 11, 2017. Lyle also reported that based on availability, the next Timeshare Annual Meeting will be held at the Kauai Marriott.

## 3. ADJOURNMENT

<b>MOTION:</b>	<i>To adjourn meeting at 10:39 a.m.</i>
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**MOVED BY:** Jill Briley, Second: Linda Garcia  
**VOTE:** Unanimous  
**RESULT:** **PASSED**



3411 Wilcox Road  
Lihue, Kauai, Hi. 96766  
Managed by OLS Hotels & Resorts

02/14/18

## GM Report (Lyle M. Otsuka)

Our 2017 “**Banyan Harbor**”, OLS guest comment YTD score averages 1.04%, placing Banyan in 2<sup>nd</sup> place for the 2017 Year. This new OLS measuring system searches all online guest comments and provides an overall guest view. Our RCI guest comment score continues to average 4.3 out of 5.0 (in all controllable categories). Your continued support of OLS Hotels & Resorts and your property Ohana is much appreciated! Mahalo!

## Accomplishments: (January through December 2018) – Timeshare

### Timeshare

- Implemented Truck mounted Carpet cleaning, twice per year during General Cleans.
- Completed annual Timeshare unit inspections.
- Coordinated Annual Timeshare Association of Apartment Owners meeting at Kauai Marriott.
- Ordered and received Stock exterior screen doors.
- Completed De-annexation (unit 48). \$60,000 paid to Timeshare capital reserves.
- Purchased stock DVD players.
- Replaced inspection designated Refrigerators, Stoves and Dishwashers.
- Replaced stock frying pans, dinner forks and glassware.
- 16 living room sets replaced October 2017.
- Ordered and received stock reserve carpet roll.
- Mailed annual owner newsletter.
- Completed May General clean month.
- Renewed timeshare reservations system (RDP) maintenance contract.
- Replaced black out drapes in designated annual inspection units.
- Replaced designated annual inspection lanai furniture.
- Installed water heater leak detection sensors in all Timeshare units.
- Received and replaced inspected mattresses.
- Upgraded Spectrum/ Oceanic television boxes.
- Replaced 2 housekeeping golf carts.
- Replaced dryer #2 motor.
- Installed living room furniture & living room lamps.
- Deannexed unit 46.
- Replaced 3 units' master bedroom furniture sets.
- Improved housekeeping employee sink area.
- Replaced unit artwork as inspected.

### Future projects: Timeshare

- De-annexation unit 57 (est. completion date April 2018).

## PERIOD ENDING 12/31/17

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# Banyan Harbor Timeshare Association

Budget Year 2018

REVENUE	TOTAL	Per Interval
Owner Assessment (33/34 units)	1,472,466	\$906
Late Fee	9,217	\$6
Other Revenue	700	\$0
Interval Transfer Fees	2,467	\$2
Amenity Fees	59,593	\$37
<b>TOTAL REVENUE</b>	<b>1,544,443</b>	<b>\$950</b>

## TRANSFERS

Transfer to Reserve	132,152	\$81
-	-	-
<b>Total Transfers to reserve</b>	<b>132,152</b>	<b>\$81</b>

PAYROLL AND RELATED	Total	Per Interval
TOTAL SALARY AND WAGES	283,611	\$175
Payroll Taxes	45,816	\$28
Incentive / Bonus	12,220	\$8
Vacation Pay	23,757	\$15
Holiday/Sick Pay	18,792	\$12
Group Medical - HMSA	116,647	\$72
Retirement Savings	4,682	\$3
Workers Compensation Insurance	30,251	\$19
<b>TOTAL PAYROLL AND RELATED</b>	<b>535,776</b>	<b>\$330</b>

UTILITIES	TOTAL	Per Interval
Electricity	95,588	\$59
FD Utility Payment to AOA	5,400	\$3
Gas (commercial dryer)	11,746	\$7
<b>TOTAL UTILITIES EXPENSE</b>	<b>112,734</b>	<b>\$69</b>

OTHER OPERATING EXPENSES	TOTAL	Per Interval
Accounting Fees	16,800	\$10
Audit Fees	4,792	\$3
Association Dues	306,198	\$188
Building Rent - AOA	2,784	\$2
Building Maint. & Supplies	842	\$1
Bad Debt Expense	123,780	\$76
Bank Charges	3,325	\$2
Cleaning Supplies	5,272	\$3
Credit Card Commissions	-	\$0
Contract Cleaning	9,123	\$6
Data Processing	6,144	\$4
Electrical & Mechanical	189	\$0
Employee Benefits	9,107	\$6
Equipment Maintenance	828	\$1
Equip. Lease / Rent	12,432	\$8
Insurance Project	14,420	\$9
Legal Fees	-	\$0
Legal - Broker	1,200	\$1
Taxes Income / Excise	45,327	\$28
Linen & Towels	4,191	\$3
Maintenance Contract	-	\$0
Wi-Fi	10,823	\$7
Office Supplies	2,660	\$2
Other	3,209	\$2
Director's Expense	13,442	\$8
Laundry & Dry Cleaning	5,941	\$4
Guest Supplies	(595)	\$0
Postage	4,273	\$3
Printing & Stationary	1,865	\$1
Property Taxes	81,466	\$50
Safe Rental	-	\$0
Telephone	14,140	\$9
Travel	7,000	\$4
Uniforms	1,612	\$1
Management Fee	51,192	\$32
Operating Contingency	-	\$0
<b>TOTAL OTHER EXPENSES</b>	<b>763,782</b>	<b>\$470</b>

## FINANCIAL SUMMARY

Total Forecasted Revenue	1,544,443	\$950
Total Forecasted Expense	1,544,445	\$950
Net Revenue / (Expenses)	(2)	\$0

## UNIT SUMMARY

Total Units on Timeshare Program	33 / 32
Total Intervals on Timeshare Program	1,625

description	Tlt budget	Maint fee
Costs	1,412,292	869
Cap reserve	132,152	81
Less income	(71,977)	(44)
<b>Total</b>	<b>1,472,467</b>	<b>906</b>

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**BANYAN HARBOR - TIMESHARE ASSOCIATION**  
Replacement Reserve

PROJECT	2018	2019	2020	2021	2022
1 ► FF&E-Soft Goods - Bedroom	12,443	8,533	8,533	8,533	8,533
2 FF&E-Case Goods - Bedroom	8,228	8,228	8,228	8,228	8,228
3 Mattress And Boxsprings		14,614			14,614
4 ► Mirrored Closet Doors	1,200	465	465	465	465
5 Televisions	2,480	2,480	2,480	2,480	2,480
6 Ceiling Fans & Lighting	2,026	2,026	2,026	2,026	2,026
7 Air Conditioners	8,294	8,294	8,294	8,294	8,294
8 Bath Tubs/Showers	0	16,809	17,313	17,832	5,000
9 Bath Countertops & Fixtures	1,600	1,100	1,100	1,100	1,100
10 In-Room Washer/Dryer	4,750	4,750	4,750	4,750	4,750
11 Ceramic Tile (Kit.&Baths)	7,100	30,600	13,600	13,600	23,800
12 Unit Light Fixtures	2,300	1,143	1,143	1,143	1,143
13 Interior Doors / Hardware / Trim	0	0	0	0	1,911
14 Interior Painting	1,978	1,978	1,978	1,978	1,978
15 ► Kitchen Cabinets	20,800	20,800	27,733	20,800	27,733
16 Refrigerators	1,500	2,293	2,293	2,293	2,293
17 Microwaves	1,850	800	800	800	800
18 Stoves	1,500	1,900	1,253	1,253	1,253
19 Dishwasher	1,650	1,768	1,768	1,768	1,768
20 Furniture - Living/Dining Rooms	0	0	0	21,316	21,316
21 Artwork	3,700	3,376	3,376	3,376	3,376
22 Drapery	4,400	3,840	3,840	3,840	3,840
23 Carpet And Pad	8,000	20,888	8,288	21,938	8,288
24 Lanai Furniture	1,100	2,000	2,000	2,000	2,000
25 Water Heaters		19,800			
26 Reservations System/ Computers	4,100	4,100	4,100	4,100	4,100
27 Housekeeping Electric Cart				6,979	
28 Commercial Housekeeping Dryer	1,500	7,000			
29 Commercial Housekeeping Washer	1,500	1,500	1,500	1,500	1,500
30 Flatware/Silver/Utensils/Glass	1,200	1,200	1,200	1,200	1,200
31 ► ADA Compliance					
33 Kitchen counter-Silestone+ fixtures	15,000	19,408	19,408	19,408	19,408
34 Maintenance Reserve Labor	36,252	37,158	38,087	39,039	40,015
35 Miscellaneous- Legal Fee - Foreclosure	12,500	12,500	12,500	12,500	12,500
36 Exterior Windows and Doors	1,403	1,403	1,403	1,403	1,403
<b>TOTAL:</b>	<b>170,353</b>	<b>262,753</b>	<b>199,458</b>	<b>235,941</b>	<b>237,115</b>
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>

► Indicates year-end balance will carry-over to the following year.

<b>CASH PROJECTIONS</b>					
CONTRIBUTION(estimated) **	192,152	240,000	240,000	218,400	218,400
YEAR ENDING BALANCE	45,271	22,518	63,059	45,518	26,803
<b>NOTE: CASH AS OF 12/31/17</b>	<b>\$ 23,472</b>	<b>** Assumes Deannexation contribution of \$50k in 2018.</b>			



## 2018 Timeshare Fee Comparison

PROPERTY	LOCATION	FEE	NOTE
<b>Banyan Harbor</b>	<b>Lihue</b>	<b>\$906</b>	<b>2-bedroom</b>
<b>Pono Kai</b>	<b>Kapaa</b>	<b>\$1,179</b>	<b>2-bedroom</b>
<b>Lawai Beach Resort</b>	<b>Poipu</b>	<b>\$1,315</b>	<b>2-bedroom</b>
<b>Kauai Beach Villas</b>	<b>Wailua</b>	<b>\$1,541</b>	<b>2-bedroom</b>
Wyndham Bali Hai	Princeville	\$1,436	2-bedroom
<b>Hanalei Bay</b>	<b>Princeville</b>	<b>\$1,674</b>	<b>2-bedroom</b>
Marriott- Lihue	Lihue	\$1,818	2-bedroom
<b>Marriott- Waiohai</b>	<b>Poipu</b>	<b>\$1,998</b>	<b>2-bedroom</b>
Point at Poipu	Poipu	\$1,667	2-bedroom
<b>Kauai Beachboy</b>	<b>Kapaa</b>	<b>\$1,553</b>	<b>2-bedroom</b>
<b>Cliffs at Princeville</b>	<b>Princeville</b>	<b>\$1,282</b>	<b>2-bedroom</b>
<b>Westin – Princeville</b>	<b>Princeville</b>	<b>\$2,907</b>	<b>2-bedroom</b>

**NOTE:**

- All properties are based on 2018 fees

**BANYAN HARBOR TIMESHARE ASSOCIATION  
2018 Proxy Solicitation Statements**

<b>** BRILEY, JILL</b> <b>2223 Alane'e St.</b> <b>Lihue, HI 96766</b>	<b>Unit: E57-D1</b>
	<b>Phone: (719)-351-2267   Email: sjillbriley@aol.com</b>

From the previous mailing, you may have noticed that I am currently serving on the Banyan Harbor Timeshare Board of Directors as your Vice President. Those of you who know me are well aware that I take my fiduciary responsibility seriously, putting forth my best effort to be certain all decisions are made in the best interest of all owners as a whole. The Timeshare and AOA Boards work closely with the excellent management team and exceptional staff, all of whom take pride in working toward a common goal of insuring Banyan Harbor remains a valuable asset for all owners. The rising costs associated with Hawaii living presents ongoing challenges for everyone. I can assure you that both Boards put forth their best effort to control expenses while maintaining a mixed use property of which everyone can be proud. I would, am willing, and would be honored, to once again serve with such a dedicated team.

I would highly encourage everyone to attend our annual meeting on February 24; however, should you be unable to do so, please return your signed Proxy to avoid the unnecessary added expense of a second meeting date. I would be more than happy to cast your votes(s) per your instructions should you appoint me or feel free to give your proxy allowing the Board as a whole to vote for you. Thank you for your consideration. Hope to see you at the meeting! Jill

<b>** GARCIA, LINDA A.</b> <b>398 Molo St.</b> <b>Kapaa, HI. 96746</b>	<b>G78-01 &amp; 02</b>
	<b>Phone: (808)-823-1311 Hm.   Email: lindagarica@aol.com</b>

It has been an honor to serve on the Banyan Harbor Timeshare Board of Directors. I again ask for your support in electing me to your Board.

I look forward to working with our General Manager, OLS Hotels and Resorts and fellow Board members to continue making sound financial and facilities management decisions on your behalf.

I am committed to seeing Banyan Harbor Remain a successful and desirable Timeshare Resort location.

**BANYAN HARBOR TIMESHARE ASSOCIATION  
2018 Proxy Solicitation Statements**

<b>** WYMAN, STEPHANIE J. 5340 Deerwood Dr. Shingle Springs, CA. 95682</b>	<b>Unit:</b> L147-W1
	<b>Phone:</b> (530)-676-9062 <b>Email:</b> s.j.wyman@icloud.com

I respectfully ask for your vote to re-elect me to serve on the Banyan Harbor Timeshare Association Board of Directors. As the President of the Board I have worked with Board Members and the Property Management Team, OLS Hotels and Resorts, to effect major improvements to our property.

This past year we have completed the installation of solar panels on all buildings including reroofing the entire property. This will result in savings to our electrical bills.

We have replaced furniture and equipment, counter tops and flooring all within the budget for Reserves.

We continue to seek creative ways to keep within our budget including de-annexing units to reduce the liability of non-dues-paying units. This process helps to keep our maintenance fees low, the lowest on all the islands.

Professionally, I spent 30 years in facilities construction and maintenance at the local, County, and State levels. I have served on several boards and was a consultant on facilities issues in the California State Senate. I bring a strong background in facilities and budgets to our Board and hope that you will continue to support me as a Board Member for your Association. Thank you, Stephanie J. Gonos-Wyman

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