

**BANYAN HARBOR TIMESHARE ASSOCIATION  
BOARD MEETING  
Wednesday November 13, 2019 – 9:00am  
Banyan Harbor Unit A4**

**1. Roll Call**

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

**Board Members Present**

Stephanie Wyman, *President*  
Deborah Rice, *Secretary*

Michael Conner, *Treasurer*  
Jill Briley, *Vice President*

**Absent-** Linda Garcia, *Director*

**OLS Hotels & Resorts**

Rick Ball, *Vice-President, OLS Hotels & Resorts*  
Lyle Otsuka, *General Manager, Banyan Harbor*  
Kearn Sukisaki, *Owner Services Manager, Banyan Harbor*  
Tore Wistrom, *Consultant. OLS Hotels & Resorts*  
Kealii Alexander, *OLS Hotels & Resorts- Hawaii*

**Others in Attendance** – Ken Wyman and Chuck Church.

**2. Proof of Notice**

Lyle reported that notice was posted on 10/14/19

**3. Approval of Meeting Minutes**

- a. **Board meeting minutes of August 7, 2019** – President Wyman informed Directors that she provided corrections to management and reviewed her corrections. She then asked if there were any other changes or corrections to the submitted minutes, hearing no further changes, the following motion was made:

<b>MOTION:</b>	<b><i>To adopt the minutes with correction.</i></b>
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**MOVED BY:** Jill Briley, Second: Deborah Rice

**VOTE:** Unanimous

**RESULT:** PASSED

**4. Management Reports**

- a. **Board President's Report** – President Wyman thanked everyone for their participation and appreciates management and Staff's attention to Banyan Harbor. Everything looks clean and well maintained. She also noted RCI guest comments were improving. She then moved on to Manager's report.
- b. **Manager's Report** – Lyle acknowledged our great team of Banyan Harbor associates. Our OLS guest comment YTD scores (September) continues to show improvement scores at 4.4% out of 5.0%. We recently changed our OLS measuring system which continues to search all online guest comments and provides an overall guest view. RCI guest comment score averages 4.4 out of 5.0 (in all controllable categories). Lyle also touched on a few ongoing and upcoming projects: kitchen/hallway increased light illumination, replacement bathroom towel bars and toilet holders, water heater installation complete and new Accounting HR Manager. Lyle thanked everyone for their support and deferred to his submitted written report.

5. **Financial Reports**

- a. **September 2019 Financial** – Lyle reviewed the financial results through September 30, 2019. Revenues year-to-date are unfavorable to budget by \$14,724. due to less owner assessment and late fee income. Payroll and payroll taxes and other payroll expenses are under budget by \$82,704 due to payroll reallocations, however additional labor adjustments will adjust this difference down by year end. Operating expenses are unfavorable to budget by \$31,697 mainly due to bad debts and increased property taxes and linen purchases. Utilities are unfavorable to budget by \$9,928, resulting in total year-to-date net earnings favorable to budget by \$26,351. Our staff continues to do a good job in managing controllable expenses. Rick mentioned behind the financials is the Banyan Harbor insurance summary, which includes the Directors and Officers insurance.
- b. **Reserve Study** – Lyle reviewed the reserve study highlighting the larger 2019 projects, such as water heater replacements, Carpet reorder, last kitchen cabinet replacement etc. We 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 10-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.
- c. **Collection** – Lyle reported timeshare receivable balances are in line with last year’s trends for this time of year, although there are more foreclosures in process. Receivables overall are in good shape and can be attributed to the de-annexation program.

6. **Unfinished Business**

- a. **RCI Comment Cards** – Overall Banyan Harbor comments continue to be mostly favorable, for our property type. Lyle reviewed a few comments and what has been done to overcome challenges.
- b. **Sale of TS weeks / De-annexation** – Tore updated the Board on de-annexation of Units. Unit 84 is complete and 46 and 47 are projected to be completed by 1<sup>st</sup> quarter 2020. Goal continues to be 2-3 per year.
- c. **Board of Directors expenses** – A copy is included in all Board packets showing expenses to date.
- d. **Audit proposal**- Rick reviewed the audit proposal enclosed in each Board Packet. We have retained the same auditor who worked with Terry Wong CPA, for many years. His name is Kenny Jim and he is also a CPA. The following motion was made.

**MOTION: To accept 2019 Audit proposal as presented.**

**MOVED BY:** Deborah Rice                      Second: Jill Briley  
**VOTE:** Unanimous  
**RESULT:** PASSED

- e. **Other** – President Wyman asked if there was any further unfinished business. Hearing no further unfinished business President Wyman moved to New Business.

7. **New Business**

- a. **Budget for 2020** – Rick reviewed the proposed budget which reflects a maintenance fee increase of 9.4%. Even with unit de-annexations, annual increases are still likely. After general discussion, the following motion was made:

**MOTION:** *To accept the 2020 budget as presented.*

**MOVED BY:** Michael Conner                      Second: Jill Briley  
**VOTE:** Unanimous  
**RESULT:** **PASSED**

- b. **Audit Approval for 2018** – Rick informed the Board that the 2018 Audit is almost complete and can then be approved at the February 21, 2020 Board meeting.
- c. **Soap/ Shampoo Dispensers-** Discussion was to place dispensers in each shower as a way to save cost. Many properties have used them. After much discussion, it was decided not to utilize, as it requires additional staff time in filling and repairing (they tend to clog and break from constant use).
- d. **Other new business** – President Wyman asked if there was any further new business. Hearing no further new business, the following motion was made:

**MOTION:** *To move into Executive Session to discuss personnel items (9:57 AM)*

**MOVED BY:** Michael Connor                      Second: Jill Briley  
**VOTE:** Unanimous  
**RESULT:** **PASSED**

Moved out of executive session at 10:05 AM and reconvened into Regular Session.

In Executive Session, the Board approved the end of year employee appreciation bonuses for staff.

- 8. **Adjournment-** The following motion to adjourn was made:

**MOTION:** *To adjourn the meeting at 10:05 AM*

**MOVED BY:** Michael Conner,                      Second: Jill Briley  
**VOTE:** Unanimous.  
**RESULT:** **PASSED**