

**BANYAN HARBOR TIMESHARE ASSOCIATION
BOARD MEETING – November 15, 2017 – 9:00 AM
Banyan Harbor Unit A4**

1. Roll Call

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

Board Members

Stephanie Wyman, President
Jill Briley, Vice President
Deborah Rice, Secretary
Michael Conner, Treasurer
Linda Garcia, Director

OLS Hotels & Resorts

Rick Ball, Vice President, OLS Hotels & Resorts
Lyle Otsuka, General Manager, Banyan Harbor
Dale Verkaaik, Controller / HR, Banyan Harbor
Heather Braun, Accounting/HR, Banyan Harbor
Tore Wistrom, Consultant, OLS Hotels & Resorts

Others in Attendance

Ken Wyman (guest)

2. Proof of Notice

Lyle reported that notice was posted on 10/12/17

3. Approval of Meeting Minutes

- a. **Board meeting minutes of August 10, 2017** – President Wyman asked if there were any changes or corrections to submitted minutes. Noting just a few minor typographical errors, the following motion was made:

MOTION:	<i>To adopt the minutes as submitted.</i>
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MOVED BY: Deborah Rice Second: Michael Conner
VOTE: Unanimous
RESULT: **PASSED**

4. Management Reports

- a. **Board President's Report** – President Wyman expressed her thanks for the thoughtful welcome basket and thanked the Security staff for their swift response to the unit fire on Monday. She enjoyed the Tuesday evening event and the opportunity to extend a mahalo to Dale on her retirement. Stephanie was pleased with the Board vote supporting the gazebo project. She noted that updated TV instructions are needed in units due to the Spectrum cable box changes.

- b. **Manager’s Report** – Lyle extended a warm aloha and mahalo to all. He noted that our scores remain high in both OLS and RCI guest comment reports. Even if problems occur during a guest stay, our staff receive good compliments. Lyle extended a mahalo to Dale and welcomed Heather to the property team. He recognized Berto and Keith from Security for their response to the unit fire and explained his plan for an on-going length of service recognition program. Lyle then deferred to his submitted written report.

5. **Financial Reports**

- a. **September 2017 Financial** – Rick reviewed the financial results through September 30, 2017. Total Revenues year-to-date are ahead of budget by \$15,101 and Payroll expenses are favorable to budget by \$13,305. Our staff continues to do an excellent job in managing controllable expenses. Through September 30, 2017, net earnings are \$40,987 and therefore \$19,945 favorable to budget.
- b. **Reserve Study** – Rick reviewed the reserve study and noted the key projects and purchases completed in 2017. We continue to monitor capital projects on a quarterly basis. Purchases are scheduled as needed to 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.
- c. **Collection** – Rick reported timeshare receivable balances are in line with last year’s trends for this time of year. Receivables overall are in good shape.

6. **Unfinished Business**

- a. **RCI Comment Cards** – Overall Banyan Harbor comments continue to be favorable for our property type. We receive lots of positive staff comments. There were some negative comments due to stairs.
- b. **Gazebo project** – 77.7% of Banyan owners voted yes to a pool area gazebo and the Timeshare Board supports this project. To ratify their position, the following motion was made:

MOTION: *To support the AOA Gazebo project.*

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

- c. **De-annexation Update** – Tore updated the Board on the next planned de-annexation. Work to de-annex Unit #57 will begin in December with the goal of closing in April 2018.
- d. **Board of Directors expenses** – A summary report of Board member travel expenses is included in the Board book.
- e. **Audit Proposal for 2017** – Rick reported that our audit firm has proposed a significant rate increase. We may need to select a new firm and will advise the Board of our options.

- f. **Other Unfinished Business** - President Wyman asked if there was any further old business; hearing none the Board moved on to new business.

7. New Business

- a. **Budget for 2018** – Rick reviewed the proposed budget which reflects a maintenance fee increase of about 2%. Even with unit de-annexations, small annual increases are likely. After general discussion, the following motion was made:

MOTION: *To accept the 2018 budget as presented.*

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

- b. **Audit Approval for 2016** – Rick reviewed the 2016 audit report. The auditors noted no problems or exceptions and the 2016 tax returns have been filed. The following motion was made:

MOTION: *To accept the 2016 audit report as presented.*

MOVED BY: Deborah Rice Second: Linda Garcia
VOTE: Unanimous
RESULT: **PASSED**

- c. **Other New Business** – President Wyman asked if there was any other new business. Hearing none, the following motion was made:

MOTION: *To move into Executive Session to discuss personnel items (9:50 AM)*

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

Moved out of executive session at 09:54 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 9:59 AM*

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