

**BANYAN HARBOR TIMESHARE ASSOCIATION
BOARD MEETING
Friday February 19, 2016 – 9:00am
Banyan Harbor Unit A4**

1. Roll Call

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

Board Members Present at Banyan Harbor

Stephanie Gonos-Wyman, *President* Deborah Rice, *Vice President*
Ed Madamba, *Treasurer* Jill Briley, *Secretary*

OLS Hotels & Resorts

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

Others in Attendance – Penny Madamba (111-G2), Ken Wyman (guest), John Logsdon (H133-02 and H142-P1), Linda Garcia (H078-01 and H078-02), Ben Bregman (developer), Jim and Bonnie Solberg (H094-M2).

2. Proof of Notice

Lyle reported that notice was posted on 01/18/16

3. Approval of Meeting Minutes

- a. **Board meeting minutes of November 18, 2015** – Stephanie asked if there were any changes or corrections to submitted minutes. Hearing none, the following motion was made:

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

4. Management Reports

- a. **Board President's Report** – Stephanie welcomed everyone and thanked everyone for attending the social gathering and for staffs efforts in putting it together. Stephanie also recapped the receivable challenges we face with an aging owner base and timeshare sales trend, which affects the growth of our Association receivables. She also touched on how fortunate we are to have a contingency plan (timeshare developer's de-annexation program) to deal with this growing challenge. She and other Board members also commented on how amazing the changeover to Alamo has been; better costs and better service. She also appreciates the improvements in Wi-Fi.

- b. **Manager's Report** – Lyle once again acknowledged our great team of Banyan Harbor associates. We currently rank at 94.0% in OLS Guest comment score (4th place in 2015 YTD scores). He also mentioned RCI comments rank us 4.3 out of 5.0 in controllable categories. Lyle then reported on various projects underway such as the new bell service on heavy timeshare check-in days. Unfortunately less than 10% of guests take advantage of this service. Deborah Rice appreciates this program especially as our ownership continues to age. Other projects accomplished during the year included small projects such as new clock radios with usb charge ports for cell phones, installation of DVD shelves under TVs and improved Wi-Fi. These projects are coupled with ongoing projects such as Silestone countertop, floor ceramic tile installations and a variety of other projects. Lyle then deferred to his written submitted report.

5. Financial Reports

- a. **December 2015 Financial** – Rick reviewed the financial results through December 31, 2015. Revenues year-to-date are behind budget by \$19,512 due to less amenity fees and owner maintenance fees due to unit de-annexations. Payroll and payroll taxes and other payroll expenses are favorable to budget by \$9,629, and operating expenses also favorable to budget by \$21,117. Utilities are favorable to budget by \$14,149. Our staff continues to do an excellent job in managing controllable expenses. Through December 31, 2015, net earnings are a surplus of \$22,670 and \$22,684 favorable to budget. This year end surplus will be carried over into Capital reserves towards 2016 expenses.

MOTION: To roll over year-end financial surplus to the 2016 capital reserve.

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

- b. **Reserve Study** – Rick reviewed the reserve study highlighting 2015 projects. New door locks have been a big improvement. Our big line items for 2016 projects will be a replacement Washer for housekeeping and interior door change to vinyl doors. 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.
- c. **Collection** – Tore reported and reviewed the recapped summary of outstanding maintenance fees. Ben commented due to our status of a “Legacy” property (aging ownership) we will see continued growth in our accounts receivable. We are the only property he knows with a de-annexation plan (which reduces the timeshare association's receivables). Ben continues to experience a very slow resale trend. Same trend other larger companies are experiencing. Lyle mentioned an owner's website called tug.net (acronym stands for Timeshare Users Group) which is mainly timeshare owners and shows the same trends and sentiments mentioned prior.

6. Unfinished Business

- a. **RCI Comment Cards** – Overall Banyan Harbor comments continue to be favorable for our property type. Comments reviewed and Stephanie felt overall comments reflected favorably on how hard our staff works and cares for our RCI guests.

- b. **Photo Voltaic Installation** – Rick updated the Board on project’s status. We are down to the Administration building and the Sewer / pool ground mount solar system. We are close to completion of both projects and anticipate the projects will be completed in the 2nd quarter of 2016.
- c. **Sale of TS weeks / De-annexation** – Ben anticipates unit number 36 will be completed by spring.
- d. **Door Lock update** – Lyle updated the Board, project complete. We have also received do not disturb signs for each unit.
- e. **Board of Directors expenses** – A copy is included in all Board packets for expenses through December 31, 2015. Rick also introduced a revised expense guideline (handouts). Discussion ensued. President Gonos-Wyman asked for a motion.

MOTION:	To accept the revised expense guidelines.
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MOVED BY: Deborah Rice, Second: Jill Briley
VOTE: Unanimous
RESULT: PASSED

- f. **Other** –President Gonos-Wyman asked if there was any further old business and hearing none moved on to new business.

7. New Business

- a. **Meeting dates 2017** – Rick reviewed 2017 meeting dates (handout). Discussion ensued. Deborah Rice mentioned she will not be able to be part of May conference call, as she will be out of the country. President Gonos- Wyman then asked if there was any further discussion and hearing none, the following motion was made:

MOTION:	To accept the 2017 meeting dates as presented
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MOVED BY: Deborah Rice, Second: Ed Madamba
VOTE: Unanimous
RESULT: PASSED

- b. **Annual Meeting Agenda 2016** – Rick reviewed the agenda and format for tomorrow’s annual meeting at the Marriott.
- c. **New Alamo Car Rental agreement** – Rick mentioned through intense negotiations, we were able to reduce our cost below the previous year. This savings will be passed on to all owners and their friends and family. A flyer will be inserted into the upcoming newsletter to encourage owners to take advantage of this savings.
- d. **Pool Maintenance** – Rick recapped pool improvement plans over the next 2 years. In 2016 May, we will do phase 1 and work on the coping to combat rust bleeding through the ceramic tile line. This work will require the pool be closed for a week to 10 days. We will negotiate a May start date and notice will be sent to all parties.

- e. **Other new business** – Lyle displayed the new signage for placement above toilets asking for assistance in not flushing disposables, dental floss etc.. This continues to be a problem and increases owner expenses thus increasing maintenance fees. President Gonos-Wyman asked if there was any further new business, hearing none the Chair entertained the following motion.

MOTION: *To move into Executive Session for personnel matters (10:05 am)*

MOVED BY: Ed Madamba, Second: Jill Briley
VOTE: Unanimous
RESULT: **PASSED**

Board reconvened Into Regular Session at 10:16 am.

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

MOTION: *To Adjourn meeting at 10:17 am*

MOVED BY: Ed Madamba, Second, Jill Briley
VOTE: Unanimous.
RESULT: **PASSED**