

# BANYAN HARBOR TIMESHARE ASSOCIATION

ADOPTED MEETING MINUTES

DATE February 22, 2014

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**BANYAN HARBOR TIMESHARE ASSOCIATION  
ANNUAL HOMEOWNER'S MEETING  
Saturday February 22, 2014  
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 Coburn-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

Krystle Melchor, 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 4, 2013 and again January 8, 2014 and posted on January 15, 2014. Quorum was established with:

**Quorum Results**

Intervals represented by proxy	598
Intervals represented in person	7
<b>Total intervals represented</b>	<b>605</b>

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

**3. APPROVAL OF MINUTES**

- a. **Annual Meeting February 23, 2013** – 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: Stephanie Gonos

**VOTE:** Unanimous

**RESULT:** PASSED

**4. MANAGEMENT REPORTS**

- a. **President's Report** – Jim welcomed and thanked the owners for attending their Annual owners meeting. He indicated how fortunate we have been to have the continuity of a Board dedicated to working together and providing support to our Banyan Harbor staff, who continue to keep up our property. We have a special election today, as Sharon Baker, who has been on the Board for the past 3 decades has decided not to run for reelection. Jim closed by thanking Sharon for her long standing dedicated service to the Timeshare Board of Directors and the Timeshare owners of Banyan Harbor.

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- b. **Treasurer's Report** – Ed Madamba referred to Rick Ball Vice President of OLS Hotels & Resorts, for the year end 2013 financial report. Rick recapped another 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 2013. Revenues year-to-date were ahead of budget by \$14,436. This was due to increases in late fees and amenity fees. Expenses were also favorable to budget, with payroll, payroll taxes and health insurance slightly below budget (-\$3,740) as well as operating expenses (-\$9,359). Utilities were over budget by \$7,883. The staff continues to do an excellent job in managing controllable expenses, which were -\$13,099 favorable to budget for the year. Through December 31, 2013, Net Earnings were a surplus of \$19,664 and the Board elected to move this net profit of \$19,664 to the Capital Reserves. Rick also reiterated because of our staffs focus and their efficiency, we did not have a maintenance fee increase for 2014. Rick then recapped the Capital reserve plan and there are multiple projects scheduled i.e. new living room furniture for 10 units, installation of 10 units new interior doors, several new mirror closet door replacements and more.
- c. **Manager's Report** – Lyle acknowledged our great team of Banyan Harbor associates. We finished the 2013 year (OLS guest comment scores) in 4<sup>th</sup> place. Quite the accomplishment for Banyan Harbor. Lyle informed owners of Ginger Soboleski's retirement. She will be sorely missed. Lyle also informed owners we retained the RCI "Silver Crown" resort status, which also assists with their trading power. Lyle also updated the Owners on the Solar project, Wi-Fi plan and covered a few of the major projects accomplished during the year. He then deferred to his written report in owner handouts.
5. **Budget 2014** – Rick reviewed the 2014 budget, approved by the Board of Directors at the November 20, 2013 Board Meeting, which was also included in owner handouts at the door and mailed to owners with the January 2014 proxy mailing. Rick also 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 Banyan Harbor owner website which includes this comparison as well as the owner hand out and other useful information.
6. **ELECTION**
- a. **Nominations** – Jim reported that three Board positions are available. Jim read the names of each of the candidates, who submitted their names for the available Board positions.

<b>MOTION:</b>	<b><i>Move to accept the slate of candidates for nomination- Jill Briley, Stephanie Gonos, John Logsdon and James Solberg.</i></b>
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**MOVED BY:** Stephanie Gonos, Second: Sharon Baker  
**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:

<b>MOTION:</b>	<b><i>Move to close nominations.</i></b>
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**MOVED BY:** Stephanie Gonos, Second: Sharon Baker  
**VOTE:** Unanimous  
**RESULT:** PASSED

- b. **Election of Inspectors** – With four candidates Jim asked for 2 volunteers to be inspectors. Penny Madamba and Meryl Ferrari 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.

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d. **Election & Election Results –**

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

Recess: 9:20 am  
Reconvened: 10:25 am

The election results were as follows:

CANDIDATE	VOTES (Intervals)
Briley, Jill	443.60
Solberg, Jim	417.60
Gonos, Stephanie	381.80
Logsdon, John	72..00

Jill Briley, Jim Solberg and Stephanie Gonos were elected to two (2) year terms

7. **OLD BUSINESS**

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

8. **NEW BUSINESS**

- a. **Audit 2012 –** Jim reported that the auditor's report was reviewed and unanimously accepted by the Board at their May 16, 2013 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 2014 –** 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>	<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 2014 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 2015 operating and/or reserve account.</i></b>
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**MOVED BY:** Ed Madamba, Second: Sharon Baker  
**VOTE:** Unanimous  
**RESULT:** **PASSED**

- c. **Other New Business** – Lyle indicated that the Board approved painting of a mural on the trash area block wall facing the entrance to enhance the appearance. There being no further new business President Solberg moved to the next agenda item.

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## 2. NEXT ANNUAL MEETING

President Solberg announced the 2015 Annual Timeshare Owners Meeting is confirmed for **Saturday February 21, 2015 at 9am**. The date for the next Board teleconference meeting was also announced to be held on May 15, 2014. Lyle also reported that based on availability, the next Timeshare Annual Meeting will be held at the Kauai Marriott.

## 3. ADJOURNMENT

<b>MOTION:</b>	<b><i>To adjourn meeting at 10:35 a.m.</i></b>
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**MOVED BY:** Stephanie Gonos, Second: Sharon Baker  
**VOTE:** Unanimous  
**RESULT:** **PASSED**