

**BANYAN HARBOR TIMESHARE ASSOCIATION
BOARD MEETING
Friday February 22, 2019 – 9:00am
Banyan Harbor Unit A4**

1. Roll Call

President Wyman called the meeting to order at 9:01am.

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
Rob Robinson, Vice President, OLS Hotels & Resorts
Lyle Otsuka, General Manager, Banyan Harbor
Heather Braun, Accounting/HR, Banyan Harbor
Tore Wistrom, Consultant, OLS Hotels & Resorts

Others in Attendance

Ken Wyman (guest), Ben Bregman (Timeshare Developer).

2. Proof of Notice

Lyle reported that notice was posted on 01/23/19

3. Approval of Meeting Minutes

- a. **Board meeting minutes of November 14, 2018** – President Wyman informed Directors that she provided a few 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:

MOTION:	<i>To adopt the minutes with changes</i>
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MOVED BY: Deborah Rice, Second: Michael Conner
VOTE: 4 yes, 1 Abstain (Jill Briley).
RESULT: **PASSED**

4. Management Reports

- a. **Board President's Report** – President Wyman thanked everyone for their participation and continues to appreciate management and Staff's attention to Banyan Harbor. She informed the Board that she met with Staff yesterday and everything is going well, property looks great and RCI guest comments are improving. She then moved on to Manager's report.

- b. **Manager's Report** – Lyle acknowledged our great team of Banyan Harbor associates, who are currently ranked 5th in 2019 OLS Guest comment scores. Lyle touched on the new kitchen upgrades, move to triple sheeting from Duvets, kitchen light improvement plan, new website, M3 accounting package and installation of fire extinguishers in all timeshare units. Lyle also covered the ongoing project of replacing hallway improved lighting and the AOA lobby upgrades and new lobby generator project. Director Rice inquired where lobby photo art was acquired from; Lyle explained they were donated for credit rights by a local photographer he has known through Rotary. Lyle then had them framed for a very reasonable price. Board commented on how much nicer lobby looks at such a minimal cost. Lyle also updated Board on Lala road negotiated parking contract which generates \$200 per month to the AOA. Lyle then thanked everyone for their support and deferred to his submitted written report.

5. Financial Reports

- a. **December 2018 Financial** – Rick reviewed the financial results through December 31, 2018. Revenues year-to-date are slightly ahead of budget by \$1,303 due to more late fee income, amenity fee income and less interval transfer fees. Payroll and payroll taxes and other payroll expenses are slightly unfavorable to budget by \$1,864, and operating expenses are also unfavorable to budget by \$6,050 mainly due to property insurance increase. Through December 31, 2018, net earnings are <\$4,699>. The year-end negative balance will be booked against equity on the balance sheet. No roll over motion is needed.
- b. **Reserve Study** – Rick reviewed the reserve study and noted the key projects for 2019 (water heaters, AC's replacements and kitchen renovations. 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. RCI comments were reviewed and the Board felt overall comments were improving and reflected favorably on our staff and how they care for our guests.
- b. **Sale of TS weeks / De-annexation** – Tore recapped unit de-annexation project. To date have completed 8 de-annexations over the past several years. Currently unit 84 is close to completion and projected to close escrow in March 2019. Plan is to de-annex 2 more units in 2019 (47; close est. June & 46; close est. end of 2019). This has been an excellent way for the Timeshare Association to reduce the escalating amount of foreclosed weeks.
- c. **Board of Directors expenses** – A copy is included in all Board packets for expenses through December 31, 2018.

- d. **Audit Proposal for 2018** – Rick recapped the proposal (included in Board books) and process to find a new audit firm. The following motion was made:

MOTION: To accept 2018 Audit proposal as presented.

MOVED BY: Michael Conner, Second: Deborah Rice
VOTE: Unanimous
RESULT: PASSED

- e. **A/C diverter**- Rick reviewed sample installed on A4 AC. Discussion ensued and Staff will move forward and purchase/ install in all units where AC blows directly on guests.
- f. **Other** –President Wyman asked if there was any further old business. Hearing none, Board moved on to new business.

7. New Business

- a. **Meeting dates 2020** – Rick reviewed 2020 meeting dates (in Board books). Hearing no discussion, President Wyman asked for a motion and the following motion was made:

MOTION: To accept the 2020 meeting dates as presented.

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

- b. **Annual Meeting Agenda 2019** – Rick reviewed the agenda and format for tomorrow’s annual meeting at the Marriott.
- c. **Ratify vote on De-Annexed unit agreement**- President Wyman reviewed January 4, 2019 conference call regarding formulizing an agreement with Timeshare Developer (Ben Bregman) to handle De-Annexation program. Discussion ensued and hearing no further discussion President Wyman entertained the following Motion:

MOTION: To accept the De-Annexation agreement as presented.

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

- d. **Other new business** – President Wyman asked if there was any further new business, Director Conner asked if there is a Timeshare inventory number (as units are being De-annexed), which will affect the Timeshare Association ability to stay operational? Tore/ Rick explained the timeshare program is still above the number when it became an association and we are continuing to monitor the Timeshare Associations ability to fiscally operate. Hearing no other new business President Wyman entertained the following motion.

MOTION: *To move into Executive Session for personnel matters (9:38 am)*

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

Board reconvened Into Regular Session at 9:44 am.

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

MOTION: *To Adjourn meeting at 9:45 am*

MOVED BY: Deborah Rice, Second: Michael Conner
VOTE: Unanimous.
RESULT: **PASSED**