

BANYAN HARBOR TIMESHARE ASSOCIATION

BOARD MEETING

Wednesday November 17, 2010 – 9:00am

Banyan Harbor Unit A4

1. Roll Call

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

Board Members Present at Banyan Harbor

Jim Solberg, *President*

Bob Garcia, *Treasurer*

Sharon Baker, *Vice President*

Ed Madamba, *Secretary*

Stephanie Gonos, *Director*

Outrigger Lodging Services

Rick Ball, *Vice-President, Outrigger Lodging Services*

Lyle Otsuka, *General Manager, Banyan Harbor*

Stephanie Nakamatsu, *HR/Accounting, Banyan Harbor*

Tore Wistrom, *Consultant, Outrigger Lodging Services*

Others in Attendance

Gus Enderlin (AOAO Board), Harry Baker (AOAO Board), Meryl Ferrari (AOAO Board), Liz Nikolic (AOAO Board), Penny Madamba (I111-G2), Ruth Coburn and Tom and Debbie Rice (L142-Y1&Y2).

2. Proof of Notice

Lyle reported that notice was posted on 10/13/2010

3. Approval of Meeting Minutes

- a. Board meeting minutes of September 9, 2010 – Jim asked if there were any changes or corrections to submitted minutes. Hearing none the minutes were approved as distributed.

MOTION:	<i>To adopt the minutes as distributed.</i>
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MOVED BY: Stephanie Gonos, Second: Sharon Baker

VOTE: Unanimous

RESULT: PASSED

4. Management Reports

- a. **Board President's Report** – Jim reported his unit D51 was in good shape and been awhile since he has been in building D. Unit in great shape and clean. Staff is doing a good job. Jim also thanked Sharon Baker for doing a great job along with Ben Bregman and staff in handling an owner's call regarding the RCI upgrade program.
- b. **Manager's Report** – Lyle acknowledged our great team of Banyan Harbor associates and briefly updated the board on Front desk and staff improvements. Lyle also distributed a summary of the projects completed this year.

5. Financial Reports

- a. **September 2010 Financial** – Rick reviewed the financial results through September 2010. Revenues year-to-date exceeded budget by \$5,431, and expenses were favorable to budget by \$6,694, resulting in a net surplus year-to-date of \$53,143 or \$12,125 above budget. Management continues to do a good job of controlling expenses.
- b. **Reserve Study** – Rick reviewed the reserve study highlighting 2010 year end and on-going projects. We continue to monitor capital projects as to not over-extend ourselves, but to maintain the furnishings, fixtures and equipment of the units. The 20 year Reserve Study, which is reviewed by the Board quarterly continues to be a very good tool to show funding for anticipated future projects.
- c. **Collection** – Rick reported and reviewed a recapped summary of outstanding maintenance fees. Over 40 delinquent accounts have been turned over to association collection company Continental Central Credit, Inc. Too early in process to review results however 11 of 22 accounts of the first batch forwarded to Continental, called to review payment options. Our receivable outstanding percentage is 10.8%. Land court issue continues to be reviewed by Ben Bregman. It was also commented to insert in the next timeshare newsletter an article for owners to have their attorneys insure they have clear title. Rick also recapped the Timeshare collections policy located in Board packets.

6. Unfinished Business

- a. **RCI Comment Cards** – Jim commented he continues to notice fewer weather related comments. He is also appreciative of Kiki’s and Gingers names constantly being mentioned.
- b. **Insurance** – Rick reviewed the insurance summary and wind tower insurance layers with the board.

7. New Business

- a. **Dues and credit cards** – Rick reported existing credit card usage is for previous credit card payment owners and hardship receivable cases. No new owners are allowed this option. After further discussions the Board agreed.
- b. **Budget 2011** – Rick presented the 2011 budgets reflecting a slight increase of 1.2% to increase bad debt reserves due to the current state of the economy. Otherwise management has done a good job controlling operating expenses. After much discuss President Solberg called for a motion and a roll call vote.

MOTION: *To adopt 2011 budget as presented.*

MOVED BY: Bob Garcia, Second: Sharon Baker
VOTE: Stephanie Gonos (yes), Sharon Baker (yes), Ed Madamba (yes), Bob Garcia (yes) and Jim Solberg (yes). Vote Unanimous
RESULT: **PASSED**

- c. **Audit 2010 proposal** – Rick reviewed the audit proposal with same cost as previous year. President Solberg asked for a motion.

MOTION: *To accept the 2010 Audit proposal as presented.*

MOVED BY: Sharon Baker, Second: Bob Garcia
VOTE: Unanimous
RESULT: **PASSED**

- d. **Other New Business** – Board reviewed the RCI letter coordinated and sent by Ben Bregman and asked to be informed of all future mailings. This will keep Board members in the loop should owners call them directly. Rick informed the board that Ben Bregman would in the future pass ownership mailings to OLS and the Board prior to mailing. Owner Ruth Coburn asked about the 2nd bedroom mirrors and need for additional 2nd bedroom dressers. Lyle to review and respond to Ruth directly. Debbie Rice thanked management for moving the AC from the headboard area and also requested a foot bath for washing sand be installed somewhere on property. Lyle will look into an area. Hearing no other new business, the meeting moved to Executive Session.
- e. **Executive Session** - Board moved into Executive Session at 9:55 am and reconvened at 10:45 am. Board reported Employee Christmas bonuses were approved.

- 8. **Adjournment-** Hearing no further business the following motion to adjourn was made:

MOTION: *To Adjourn meeting (10:47 am)*

MOVED BY: Bob Garcia, Second, Sharon Baker
VOTE: Unanimous
RESULT: **PASSED**