

**BANYAN HARBOR TIMESHARE ASSOCIATION
BOARD MEETING- Banyan Harbor A4
Thursday August 11, 2016 – 9:00am**

1. Roll Call

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

Board Members Present at Banyan Harbor

Stephanie Wyman, *President* Ed Madamba, *Treasurer*
Deborah Rice, *Secretary*,

Telephone

Jill Briley, *Vice President*

Absent

Linda Garcia, *Director*

OLS Hotels & Resorts present at Banyan Harbor

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

Others in Attendance – Penny Madamba (111-G2), Ken Wyman (guest), Meryl Ferrari (AOAO Board Director; B-23), Tom and Miles Rice (L142 Y1 & Y2), Ben Bregman (Developer).

2. Proof of Notice

Lyle reported that notice was posted on 07/13/16

3. Approval of Meeting Minutes

- a. **Board meeting minutes of May 12, 2016** – Stephanie informed the Board she had provided corrections earlier and asked if there were any additional changes or corrections to submitted minutes. Hearing none, the following motion was made:

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

4. Management Reports

- a. **Board President's Report** – Stephanie met previously with Executive management staff and appreciates the planning and review that goes into making Banyan Harbor successful. She complimented staff on how nice the Pool Coping project turned out. She also reminded the Board, that November's meeting will be focused on the 2017 budget. Stephanie also thanked Tore for his work on the 2017 budget allocations. She then asked Rick to update the Board on OLS President John Fitts funeral and any OLS future update plans.

- 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 (+.6% higher than last year and are tied for 2nd in YTD scores. He also mentioned RCI comments rank us 4.2 out of 5.0 in controllable categories. Lyle also updated the Board on Staff training recently completed and the positive staff outlook since training. He also covered our OLS property team award received at the OLS General Managers conference in May. He then reported on various projects and then deferred to his written submitted report.

5. Financial Reports

- a. **June 2016 Financial** – Rick reviewed the financial results through June 30, 2016. Revenues year-to-date slightly behind budget by \$635 due to less late and amenity fees. Payroll and other payroll expenses are favorable to budget by \$17,877 and operating expenses slightly favorable to budget by \$1,245. Utilities are favorable to budget by \$4,592. Our staff continues to do an excellent job in managing controllable expenses. Through June 30, 2016, net earnings are a surplus of \$47,112 and \$23,079 favorable to YTD budget.
- b. **Reserve Study** – Rick reviewed the reserve study highlighting 2016 upcoming projects. Many projects are underway with completion later this year. The largest project is interior door replacements to 6 panel 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 and continues to serve as a good tool to compare funding to anticipated future project expenses.
- c. **Collection** – Rick reported and reviewed the recapped summary of outstanding maintenance fees. He also reiterated the need to de-annex another unit this year, in order to keep up with foreclosures. Tore reminded the Board of the impact, should we not have started the de-annexation process.

6. Unfinished Business

- a. **RCI Comment Cards** – Overall Banyan Harbor comments continue to be favorable for our property type. Stephanie asked who pays for supplying the beach equipment. Lyle responded it's mainly guest leaving items for others to use, hence there are no costs to the Timeshare Association. He also explained why we don't supply mask / snorkels which are due to cleaning liability etc. Overall comments reflected favorably on how hard our staff works and cares for our property for all guests.
- b. **Photo Voltaic Installation** – Rick updated the Board on projects status. We met with Michael Chen President of Adon solar. They are very close to receiving final approvals on the sewer treatment plant and anticipate completion by 4th quarter of 2016.
- c. **Sale of TS weeks / De-annexation** –Tore updated the Board on unit 36 de-annexation which generated \$50K to cover the shortage of maintenance fee income and contribute to the Timeshare capital reserves. Current de-annexation challenge is that quite a few of the weeks we foreclosed on, are less desirable weeks. We anticipate we will need to de-annex 1 to 2 units per year. Ben Bregman reiterated the benefits of this program for the Timeshare Association.
- d. **Board of Directors expenses** – As May 2016 Board meetings were Teleconference, there were no travel expenses.

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

7. New Business

- a. **Allocations 2017 Budget** – Tore reviewed his annual allocations as submitted in Board packets. Tore pointed out one change; as we de-annex Timeshare units, this changes the allocation % reducing Timeshares share of expenses. President Wyman asked if there was any further discussion and hearing none, the following motion was made:

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

- b. **2016 Audit Bid** – Rick reviewed audit bid of which pricing increased slightly. This is the first increase we can remember in years. We also received the 2015 audit with no recommendations. However to allow the Board time to review, copies were distributed and approval will be added to the November 16, 2016 Board meeting agenda. Hearing no further discussions, President Wyman asked for a motion and the following motion was made:

MOTION:	To accept the 2016 Audit bid as presented
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MOVED BY: Deborah Rice, Second: Ed Madamba
VOTE: Unanimous
RESULT: **PASSED**

- c. **Other new business** –President Wyman asked if there was any further new business. Deborah Rice recommended posting Board members pictures. Discussions ensued and it was tabled for the time being. Hearing no other new business, the Chair entertained moving to executive session. As there is no business for executive session, Chair then asked for a motion to Adjourn.

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

MOTION:	To Adjourn meeting at 9:45 am
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MOVED BY: Deborah Rice, Second, Ed Madamba
VOTE: Unanimous.
RESULT: **PASSED**