

BANYAN HARBOR TIMESHARE ASSOCIATION

ADOPTED MEETING MINUTES

DATE February 23, 2019

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**BANYAN HARBOR TIMESHARE ASSOCIATION
ANNUAL HOMEOWNER'S MEETING
Saturday February 23, 2019
KAUAI MARRIOTT**

1. CALL TO ORDER AND ROLL CALL

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

Board Members Present

Stephanie Wyman, President
Deborah Coburn Rice, Secretary
Linda Garcia, Director

Jill Briley Vice-President
Michael Conner, Treasurer

OLS Hotels & Resorts

Rick Ball, Vice-President, OLS Hotels & Resorts
Lyle M. Otsuka, General Manager, Banyan Harbor
Heather Braun, Accounting / HR Manager, 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 5, 2018 and again January 8, 2019 and posted on January 23, 2019. Quorum was established with:

Quorum Results

Intervals represented by proxy	506.0
Intervals represented in person	5.0
Total intervals represented	511.0

Representation of 255 intervals is required for quorum (15%). We do have a quorum.

3. APPROVAL OF MINUTES

- a. **Annual Meeting February 24, 2018** – Stephanie asked for any corrections to the minutes. Hearing none, the minutes were approved as presented.

MOTION:	<i>To accept the minutes as distributed</i>
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MOVED BY: Jill Briley, Second: Linda Garcia
VOTE: Unanimous
RESULT: PASSED

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4. MANAGEMENT REPORTS

- a. **President's Report** – President Wyman welcomed and thanked owners for attending their Annual owners meeting. She also thanked the Board of Directors, Banyan Harbor Staff and OLS Hotels & Resorts Management team. She then recapped the positives over the past year such as De-annexation program and the good overall RCI comments.
- b. **Treasurer's Report** – Michael Conner referred to Rick Ball Vice President of OLS Hotels & Resorts, for the year end 2018 financial report. Rick reviewed the financial results through December 31, 2018. Revenues year-to-date are slightly ahead of budget by \$1,303 due to more amenity and late fee income. 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 \$13,671 mainly due to property insurance increase. Through December 31, 2018, net earnings are \$4,699 and \$4,702 unfavorable to budget. Rick mentioned the year-end negative balance will be booked against equity on the balance sheet.

Rick then reviewed the reserve study and noted the key projects for 2019. 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.

- a. **Manager's Report** – Lyle extended a warm Aloha and Mahalo to all. He noted that our scores remain high in both OLS and RCI guest comment reports. He also updated owners on the lobby improvements and the positive feedback received from guests. Lyle then recapped 2019 highlights, then referred to his submitted written report.

5. **Budget 2019** – Rick reviewed the 2019 budget, approved by the Board of Directors at the November 14, 2018 Board Meeting, which is also included in owner handouts at the door and mailed to owners with the January 2019 proxy mailing. Lyle asked owners turn to page 10 of the hand out, for the maintenance fee comparison, which reflects that Banyan Harbor continues to have one of Kauai's most reasonable maintenance fees, for similar type projects. Rick also mentioned, the annual meeting handout with maintenance fee survey and other useful information is also on the Banyan Harbor owner website.

6. ELECTION

- a. **Nominations** – President Wyman reported that two Board positions are available. Stephanie read the names of each of the 3 candidates, who submitted their names for the available Board positions.

MOTION:	<i>Move to accept the slate of candidates for nomination Deborah Coburn Rice, Michael Conner and Sherrill Hancock.</i>
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MOVED BY: Larry Rush, Second: Michelle Young
VOTE: Unanimous
RESULT: PASSED

Stephanie then asked (3 times, as required by State statues) if there were any nominations from the floor. Hearing none the following motion was made:

MOTION:	<i>Move to close nominations.</i>
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MOVED BY: Linda Garcia, second: Larry Rush
VOTE: Unanimous
RESULT: PASSED

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- a. **Election of Inspectors** – President Wyman asked for 2 volunteers to be inspectors. Ken Wyman and Michelle Young volunteered and were then appointed.
- b. **Introduction of Candidates** - Each candidate present then introduced themselves and expressed their gratitude for the opportunity to serve the Association.

b. **Election & Election Results** –

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

Recess: 9:15 am
Reconvened: 9:40 am

The election results were as follows:

CANDIDATE	VOTES (Intervals)
Coburn Rice, Deborah	444.60
Conner, Michael	419.99
Hancock, Sherrill	11.98

Deborah Coburn Rice and Michael Conner were elected to two (2) year terms

7. OLD BUSINESS

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

8. NEW BUSINESS

- a. **Audit 2017** – President Wyman reported that the auditor’s report was reviewed and unanimously accepted by the Board at their November 14, 2018 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 2019** – Michael Conner made the following motion to ensure the Association non-profit status is protected, and that tax requirements were properly addressed.

MOTION:	<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 2019 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 2020 operating and/or reserve account.</i>
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MOVED BY: Michael Conner, Second: Jill Briley
VOTE: Unanimous
RESULT: **PASSED**

- c. **Other New Business** – There was brief discussion on extending Board terms from 2 years to 3 years, however Bylaws mandate 2 years. There being no further new business President Wyman moved to the next agenda item.

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2. NEXT ANNUAL MEETING

President Wyman announced the 2020 Annual Timeshare Owners Meeting is confirmed for **Saturday February 22, 2020 at 9am**. The date for the next Board teleconference meeting was also announced to be held on May 13, 2020. Lyle also reported that based on availability, the next Timeshare Annual Meeting will be held at the Kauai Marriott.

3. ADJOURNMENT

MOTION:	<i>To adjourn meeting at 10:02 a.m.</i>
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MOVED BY: Deborah Coburn Rice, Second: Jill Briley
VOTE: Unanimous
RESULT: **PASSED**