

BANYAN HARBOR TIMESHARE ASSOCIATION

BOARD MEETING

Thursday September 9, 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

Ben Bregman (Timeshare Developer), Gus Enderlin (AOAO Board), Harry Baker (AOAO Board), Bonnie Solberg (Owner, H015-Z1), Meryl Ferrari (AOAO Board), Jill Briley (AOAO Board), Liz Nikolic (AOAO Board), Linda Garcia (AOAO Board) and Kevin O'Melia (Owner, H106-KK2).

2. Proof of Notice

Lyle reported that notice was posted on 8/9/2010

3. Approval of Meeting Minutes

- a. Board meeting minutes of May 13, 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: Sharon Baker, Second: Ed Madamba

VOTE: Unanimous

RESULT: PASSED

4. Management Reports

- a. Board President's Report – Jim reported a front desk incident regarding a disgruntled guest and how well Krystle and Peter handled the situation. Unfortunately not all guests handle themselves in a hospitable manner.
- b. Manager's Report - – Lyle acknowledged our great team of Banyan Harbor associates and recapped the continued Kauai publicity of the "Ri-Cycle" program with Kauai Food Bank. Lyle also recapped the front desk changes. Lyle also recapped timeshare kitchen lighting improvements and RCI comments, and distributed a summary of the projects completed this year.

5. Financial Reports

- a. **July 2010 Financial** – Rick reviewed the financial results through July 2010. Revenues year-to-date exceeded budget by \$2,930, and expenses were favorable to budget by \$8,697, resulting in a net surplus year-to-date of \$42,236 or \$11,627 above budget. Management continues to do a good job of controlling expenses.
- b. **Reserve Study** – Rick reviewed the reserve study highlighting 2010 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. We continue to see an increase in receivable totals due to the current economy. To assist in our collection efforts we will be retaining a professional collection company (Continental Central Credit, Inc.). Their references include many Hawaii timeshare projects that provided us with good recommendations. Retaining a collection company will also assist our staff in more effective collection efforts. Collection fees will not be an expense to the Association.

Resolution: The Timeshare Board of Directors unanimously resolved to endorse Management's decision to retain a collection company.

6. Unfinished Business

- a. **RCI Comment Cards** – Jim commented he has noticed fewer weather related comments. He also commented how maintenance and housekeeping is on top of everything and is being proactive. Ben also pointed out how many guest comment cards are turned in appreciating KiKi's and our entire staff's outstanding service.
- b. **Deed Back of Weeks** – Tore recapped the existing program in place with Ben Bregman (timeshare developer).

7. New Business

- a. **Allocations 2011** – Tore reviewed the allocations for 2011 and noted there are some minor changes from last years allocations

MOTION:	<i>To adopt 2011 budget allocations as presented.</i>
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MOVED BY: Bob Garcia, Second: Sharon Baker
VOTE: Unanimous
RESULT: PASSED

- b. Audit 2009 – Rick reviewed the audit and there were no discrepancies found (clean audit).

MOTION: *To accept the 2009 Audit as presented.*

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

- b. Other New Business - Jim and Stephanie had concerns regarding the wall changes at the front desk and staff work area. Lyle explained why and how these changes came about and recapped the front desk expanded work area was not currently completed. Sharon requested the handicap screen door to unit E54 be modified to allow easier egress out of the unit. Ben Bregman informed the Timeshare Board of his request to the AOA Board to revise the activity desk lease rent, due to the decreased business volumes as these very difficult economic times continue. Harry Baker informed the Timeshare board he would be requesting from the AOA Board an alternate date for the September 2011 Board meeting. Jim Solberg has a conflict with moving the date however Timeshare will await the AOA board's review before deciding. Hearing no other new business, the meeting moved to Executive Session.
- c. Executive Session - Board moved into Executive Session at 10:03 am and reconvened at 10:30 am.

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

MOTION: *To Adjourn meeting (10:32 am)*

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