

BANYAN HARBOR

ADOPTED MEETING MINUTES
REVISION DATE: May 31, 2001
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**BANYAN HARBOR TIMESHARE ASSOCIATION
BOARD MEETING
FRIDAY, FEBRUARY 23, 2001.
BANYAN HARBOR, Unit A-1**

1. CALL TO ORDER

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

2. ROLL CALL

Board Members

Jim Solberg, President
Loren Knott, Vice President
Bob Garcia, Treasurer
Sharon Baker, Secretary
Ed Madamba, Director

Outrigger Lodging Services

Rick Ball, Vice President, Outrigger Lodging Services
Chris Gampon, General Manager, Banyan Harbor
Tore Wistrom, Resort Consultant

The following were also present:

Gus & Gail Enderlin, Cathy Martin, Nancy Benson, Sharon Paley, Harry Baker, Ben Bregman, Linda Garcia, Dick Reis and Dick Rentz.

3. PROOF OF NOTICE

Chris reported that notice was posted on January 26, 2001.

4. APPROVAL OF MINUTES

Board Meeting, November 30, 2000. It was pointed out that there were some typos, but that the minutes otherwise were fine.

MOTION : <i>To approve the minutes as presented.</i>

MOVED BY: Sharon Baker, Second: Ed Madamba.

VOTE: Unanimous - **PASSED**

5. MANAGEMENT REPORT

- a. President's Report.** - Mr. Solberg said that the property looks great and that the staff appears enthusiastic. The newest member on the front desk, Heather appears to understand her responsibilities, and Mr. Solberg said that all of the staff deserves a pat on their back for their contribution to the property.

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- b. Manager's Report.** - Chris thanked Mr. Solberg for his comments and expressed his satisfaction with his staff. Chris told the Board that RCI has given the property the Resort of International Distinction Award, and that he was very pleased with this. It is now up to the team to keep working hard to maintain the property at this level of quality. Chris said that Banyan Harbor is a fun place to work.

Chris updated the Board as it relates to the Rental Program's Matching Grant Program. This grant was made possible with the help of the Board. The rental program had about \$ 7, 700 available for this grant, and so far 7 units have taken advantage of this grant opportunity. Chris said that we are still offering the grant and that we can still accommodate a couple of participants.

6. FINANCIAL REPORTS

- a. December 2000 Financial.** - Rick went through the financial report for year-end 2000, pointing out that the un-audited year end surplus was \$ 15,658. Rick was also happy to report that OLS had been successful in securing insurance coverage for 2001, with the same coverage as for 2000, with a saving of \$ 29,000, as it relates to the budget for 2001.

MOTION:	<i>That year-end surplus of \$ 15,658 be used to pay down the association's loan.</i>
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MOVED BY: Loren Knott. Second: Sharon Baker.

DISCUSSION: Jim Solberg referred to the November 30, 2000 board meeting in which the Board approved a deficit budget for 2001. Jim felt that the surplus should go into the Operating Account as discussed in that meeting. He would like to defer any action on reducing the loan until the May meeting.

VOTE : Loren Knott and Bob Garcia in favor of the motion, others against

MOTION DEFEATED.

MOTION:	<i>To apply the \$ 15,658 surplus, as adjusted by the audit, be applied to the Operating Account for 2001, and to evaluate a reduction of the loan in the May board meeting.</i>
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DISCUSSION: Bob Garcia wants to also discuss employee bonuses in May, and coordinate this with the AOA.

MOVED BY: Sharon Baker. Second: Ed Madamba

VOTE: Jim Solberg, Sharon Baker, Bob Garcia and Ed Madamba in favor. Loren Knott voted no. Motion

PASSED

- b. Collections** - Neeley & Anderson's updated report was reviewed. We still have problems with Land Court and the TCT numbers. Ben Bregman is now working on this in an effort to resolve it. The lack of new TCT numbers is affecting about 50% of all timeshare weeks at Banyan Harbor. It is anticipated that we will be able to sell 7 weeks from Ann Anderson's list within the first 6 months of 2001. We are in total hoping to sell as many as 12 weeks this year. This revenue (\$2,500 for each week) should more than offset legal expenses in 2001.

Ben Bregman reported that we have been able to collect \$ 46,000 in past dues from owners as a result of the additional efforts we put into collection. Owners are settling their accounts and Ben believes that the number of delinquent accounts will be further reduced as we move forward. Ben also reported that he has given the employees incentives for the work they are doing. So far, the Front Desk has received monetary incentives and Rudy in Maintenance has taken advantage of a free week of accommodations on Kona.

- c. Reserve Study** - Rick Ball presented an updated Reserve Study, dated 12-31-00. Jim Solberg suggested that we look into replacing the countertop microwaves with microwaves above the stove. Staff will look into this recommendation.

7. UNFINISHED BUSINESS

- a. RCI Comment Cards** - The comment cards for the last 2 months were reviewed. Comments are good. Chris reported that they have initiated an ALOHA call to all units after check in, to ensure that everything is in a satisfactory condition for our owners and guests. Dick Rentz had a couple of questions on RCI membership and on dues, which Chris responded to.
- b. Safes** - Chris was happy to report the safes were now all installed in the units.
- c. Donations** - Chris had distributed to the Board donations made by the Timeshare Association in 2000. The amount was just less than \$ 130. Chris reported that the AOA contributed the same amount. The Board felt that this amount was a reasonable amount, and authorized Chris to spend a similar amount on donations in 2001.
- d. Insurance 2001** - Rick Ball had prior to the meeting distributed an insurance folder to the Board. Rick confirmed that the new coverage is the same as the coverage was in 2000, and that the savings to the 2001 budget was about \$ 29,000, including reduction in worker's compensation premiums.

8. NEW BUSINESS

- a. Trading Places** - Jim reported on the issue that had surfaced as it relates to the desire of both Trading Places International (TPI) and Trading Places Maui (TPM) to manage a desk at Banyan Harbor. Nancy Benson and Sharon Paley, both with TPM had the opportunity to address the Board, and a lengthy discussion followed. Ben Bregman was also asked about his needs. The question was raised as to which company the timeshare owners at Banyan Harbor would be best served by. The Board felt that advertisement by TPM in our newsletter, as they have done in the past, could be one avenue to pursue by TPM.

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It was determined that certain contractual issues between TPI and TPM would need to be resolved, and that this issue would be further discussed in the AOA board meeting which is to follow this meeting.

MOTION:	<i>Moved that TPM be allowed to advertise in the Timeshare Association's newsletter.</i>
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MOVED BY: Loren Knott. Second by Sharon Baker
VOTE: Unanimous - **PASSED**

b. Annual Meeting Agenda - Some brief comments were made on the agenda.

9. ADJOURNMENT

There being no further issues before the Board, the meeting was adjourned at 11:04 am.

Respectfully Submitted
Tore Wistrom
Recording Secretary