

BANYAN HARBOR

ADOPTED MEETING MINUTES
REVISION DATE: 21 May 2003
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**BANYAN HARBOR TIMESHARE ASSOCIATION
BOARD MEETING
Wednesday May 21, 2003
BANYAN HARBOR – Unit A1**

1. ROLL CALL

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

Board members present

Jim Solberg, President Sharon Baker, Vice President Bob Garcia, Treasurer
Ed Madamba, Secretary Stephanie Gonos, Director

Others in attendance

Gus Enderlin (AOAO BOD), Harry Baker, (TS Owner/AOAO BOD), Cathy Martin (AOAO BOD), Linda Garcia (AOAO BOD), Bonnie Solberg (TS Owner) Alan Snodgrass (AOAO BOD/TS Owner)

Outrigger Lodging Services

Rick Ball, Vice-President, Outrigger Lodging Services
Chris A. Gampon, General Manager, Banyan Harbor
Stephanie Nakamatsu, Accounting, Banyan Harbor
Tore Wistrom, Resort Consultant

2. PROOF OF NOTICE

Chris reported that notice was posted on 04/28/2003

3. APPROVAL OF MINUTES

- a. **Board Meeting, February 21, 2003** – Several corrections were noted. The minutes were accepted as approved with corrections.
- b. **Organizational Meeting, February 22, 2003** – Jim asked for any corrections. Hearing none the minutes were accepted as distributed.

4. MANAGEMENT REPORTS

- a. **President's Report** - Jim reported that his review of the comments indicated that the Front Desk and the rest of the staff are still getting high marks. Alan Snodgrass added that he has been impressed by the improvements made inside and outside the units. Alan thanked the Board for their hard work in bringing about the improvements.

Jim added that he received a letter with litigation potential from a homeowner and suggested they discuss the letter in executive session.

Manager's Report – Chris reported that the staff continues to work well together. Chris added that the laundry facility is in full operation; the irrigation well is also in full use; and a combination washer/dryer was ordered through Aloha Lumber and should be here by the end of the summer.

5. FINANCIAL REPORTS

- a. **March 2003 Financial** – Rick reported the total revenues have exceeded budget forecasts. Rick added that payroll and related expenses continue to show favorable results when compared to budget. Year-to-date, payroll is favorable by more than \$12,500. Year-to-date net earnings are \$17,139. This is more than \$13,000 favorable to budget.

Rick added that Lockton Companies completed an on-site risk management survey and Banyan Harbor received extremely high marks in the survey report.

- b. **Collection** – Bob Garcia reported that he reviewed the delinquencies and found that we have an approximate 4% delinquency rate. Bob feels this is in the range of expectancy. Rick added that we are doing well with our collection efforts and are about to close the final cases held by Neeley and Anderson.
- c. **Sale of T.S. Weeks** – Tore reported that Ben Bregman (timeshare developer) recently purchased unit #47 and will be renovating it to be included in the timeshare inventory. Ben's sales are going very well. Tore reported that Ben is interested in building on the property adjacent to the Banyan Harbor and will be working with the land owner to see if an arrangement to do so can be worked out.
- d. **Reserve Study** – Rick reported that an update to the reserve study was included with the material provided to the Board members. Rick noted that beds have been ordered and are on their way. He also reviewed the projects slated for completion in 2003.

6. UNFINISHED BUSINESS

- a. **RCI Comment Cards** – Chris reported that scores are very good. Chris added that RCI has contacted him regarding the high points we are receiving. RCI's Hawaii representative expects that we will once again qualify for the Resort of International Distinction award if the scoring trend continues.
- b. **Amenities** – Chris reported that the light switch covers, clock and key holders were installed into the unit being used for the meeting for the Board's review.

MOTION:	<i>To replace light switch covers throughout each unit with covers that have a Hawaiian design with lighter fabric; and to add key holders and clocks to each unit.</i>
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MOVE BY: Sharon Baker. Second: Bob Garcia
VOTE: Unanimous, **PASSED**

- c. **Jacuzzi & Land by Bldg. "B"** – Chris reported that the response from homeowners was insufficient. Because of the limited response, it would not be possible to pass a vote on either measure. The AOA Board will determine later this morning what their recommendation will be to the homeowners attending the adjourned annual meeting to be held on May 21, 2003. Because of the difficulty in obtaining the high percentage and the cost of a continuation, it is likely that the AOA Board will recommend the meeting reach final adjournment.

- d. **Vision Statement** – Sharon Baker, Vision Committee Member, read a draft statement put together in conjunction with the AOA's Vision Committee members and management. Gus Enderlin, AOA Board Treasurer is chairing the committee. The statement reads as follows:

Banyan Harbor is a condominium Resort community of residents, vacation renters, and timeshare owners. Banyan Harbor maintains a high standard of conduct and promotes the safety and welfare of all entities of our Resort community.

Banyan Harbor will demonstrate fiscal responsibility, be well-managed, and well-maintained. We will be guided by the "Aloha Spirit" attending to the interests of our Resort "ohana".

Suggestions were made and committee members will bring those to the Vision Committee next meeting.

- e. **Other Unfinished Business** – Jim asked for any unfinished business, questions related to TCT numbers, and in-room supplies were answered. No other action necessary.

7. NEW BUSINESS

- a. **Proxy**- Stephanie Gonos reported that she had reviewed material sent to her by Chris and has determined that the process we follow, while complicated, seems to be the best course at the present time. She had no suggestions for altering the process or printed material.
- b. **Employee Bonus** – Bob reported that he would like to offer the same level of bonuses to the staff as in 2002.

MOTION: *Adopt the year-end bonus contributions to each staff member to match that given in 2002.*

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

- c. **Other New Business** – Other business heard as follows:
 - i. **Meeting Dates** – Meeting dates were reviewed resulting in a change for the May 2004 meeting from Wednesday May 19, 2004 to Thursday May 20, 2004. The confirmed dates are as follows:

DATE	TYPE	TIME
Thursday September 11 , 2003	Board	9:00am
Wednesday November 19 , 2003	Board	9:00am
Friday February 20 , 2004	Board	9:00am
Saturday February 21 , 2004	Annual	9:00am
Thursday May 20 , 2004	Board	9:00am
Thursday September 16 , 2004	Board	9:00am
Wednesday November 17 , 2004	Board	9:00am

- ii. **Vacation Club** – The Board asked that Ben Bregman be reminded to insert a disclaimer in his next brochure indicating that the Vacation Club is not part of the Association.
- iii. **Executive Session** – The Chair adjourned the meeting to executive session to discuss a letter submitted by timeshare owner DeLa Garddle.

Adjourned: 10:33am
Re-adjourn 11:00am

President Solberg reported that the Board has approved offering the DeLa Garddle's two 1-week certificates as extended before the meeting by the property manager. It was noted that The Board felt the offer made by the manager was beyond what the Board would have approved if it had reviewed the circumstances directly.

8. ADJOURNMENT

Hearing no further business the meeting was adjourned at 11:10am