

# Waikiki Banyan Condominium Newsletter

Honolulu, Hawaii  
June 2010

## From the President

### Aloha Waikiki Banyan Owners

- three delinquent owners account for over \$30,000 in delinquencies
- recent state law gives us the tools to collect from seriously delinquent owners
- your Board asks that you vote in favor of two resolutions to let us use the new law

With this newsletter is a ballot wherein we request that you give us your written consent to adopt two resolutions unanimously passed by the Board of Directors. I urge you to vote in favor of both resolutions and return the ballot in the prepaid envelope provided.

Why would you want to agree to pass these resolutions?

Waikiki Banyan has a long history of very low delinquency rates. Almost all owners regularly pay their maintenance fees. 97% of owners are current. Most of the few that are delinquent owe from a few dollars to one month's fees. Some of these are just oversight and will be paid up shortly. However three owners of four apartments make up 75% of outstanding dues owed the Association. June 1 their delinquency totaled over \$32,000.

The Association has done everything it can, short of foreclosure action, to collect these outstanding fees. Foreclosure is a long and expensive process. And, in the end, there is no guarantee that we will be able to collect the delinquency and be repaid our legal fees. So ultimately you are being cheated, you are being burdened by the negligence of a few owners.

What is maddening is that these owners, during our collection process, may rent out their units and collect the rent while stiffing the Association. They may also live in the unit, taking advantage of the common resources while not paying their fair share.

The legislature is well aware of how unfair this is and recently passed a law that provides us with a couple of remedies. If a majority of owners agree the Association can: 1. collect rent from tenants of delinquent apartment owners; and/or 2.

terminate common utilities and services to delinquent apartment owners.

It seems to me that this is a no brainer. If the unit has a long term tenant we can collect the rent until the delinquency is paid off. If the owner is renting via the internet and directly collecting rent we can make the unit uninhabitable by cutting off utilities like electricity, water, phone, and cable. Both actions will encourage the delinquent owner to take favorable measures and/or lessen the bleeding until there is a new owner of the unit.

Please fill out the ballot and return it in the prepaid envelope today.

Aloha,  
Dick Eide



c/o Administration Office  
201 Ohua Ave., #306  
Honolulu, HI 96815

## Board Elections and Officers

The Annual Meeting was held on Friday, April 30, 2010. Almost 64% of owners were represented at the meeting. Mahalo to all owners who returned enough proxies to allow

the meeting to happen. Dick Eide, Kenji Iwasa and John Wong were re-elected to the Board of Directors.

Subsequently the Board elected Dick Eide

President, Shraga Dachner  
Vice President, Karl Springman  
Secretary and Kenji Iwasa  
Treasurer.

Congratulations to all.

## 2011 Annual Meeting

The 2011 Annual Meeting will be held Friday February 18, 2011 at the Pacific Beach Hotel. Early purchase of airline tickets can mean considerable savings. Plan now to be in wonderful warm breezy Hawaii in February 2011 and attend our annual meeting.



Visit us on the Web at  
[www.waikikibanyan.org](http://www.waikikibanyan.org)

## hawaiienergy.com

Hawaiian Electric Company (HECO) is committed to energy efficiency. HECO is using a third party provider, Hawaii Energy, to offer rebates and incentives for persons

who purchase energy efficient products. If you purchase CFL light bulbs or Energy Star appliances you can get rebates. Save \$40 on a ceiling fan, \$50 on a refrigerator, or \$75 on a window air

conditioner.

You can find out more about incentives, rebates and retail outlets that supply energy efficient products at [Hawaiienergy.com](http://Hawaiienergy.com)

## Banning Smoking on Lanais

An owner has requested that the Board ban smoking on lanais. For the owner this is a health issue as he and others are negatively affected by smoke that comes into their units from other lanais.

The Board is advised that it can ban smoking through either a House Rule change or, preferably, a By-Law amendment.

Smoking is an emotional issue on both sides of the question. Persons addicted to nicotine, even if they want to, have a hard time adjusting their behavior by quitting. Persons with lung related health issues and/or concerned about cancer from second hand smoke are equally sensitive to this question.

Before the Board takes any action on this matter

it would like to hear from owners. Whatever your position please send your opinion to the Board c/o Waikiki Banyan Admin, 201 Ohua Ave., #306, Honolulu, HI 96815. Or send an email to [waiban@pixi.com](mailto:waiban@pixi.com).

All responses will be considered. We will report back to the owners before any action is taken.

## Audit of 2009 Financials

Enclosed with this newsletter mailout is a copy of the Independent Auditor's Report for the year ended December 31, 2009. The report lists total assets as \$4,852,323 and owners' equity as \$4,385,446 at the end of fiscal 2009. The Association's cash balance, including reserves, was \$2,577,878

at the end of fiscal 2009.

As our Treasurer stated in his report to the annual meeting: "2009 proved to be as financially difficult as predicted. Our Maintenance Fee increase was both prudent and necessary. Thanks to our fiscally conservative approach

we did not have to raise Maintenance Fees for the coming year. Even though our total assets, owners equity and cash balances all declined somewhat, we remain fiscally healthy. We expect to maintain our sound financial status through what may be a long economic recovery period."

*Aloha Nui Loa*