

**WAIKIKI BANYAN
BOARD OF DIRECTORS
MEETING MINUTES
Wednesday June 27, 2007**

CALL TO ORDER: President Bob Carbone called the meeting to order at 2:05 PM in the Waikiki Banyan Conference Room, Waikiki Banyan, 201 Ohua Avenue, Honolulu, HI.

PRESENT: President Bob Carbone, Vice President Karl Springman, Treasurer Kenji Iwasa, Secretary Shigeo Minamoto and Directors Richard Sparks, John Wong and Norman Duncan

PRESENT PARTICIPATING BY CONFERENCE CALL: Shraga Dachner

ABSENT: Director Dick Eide

BY INVITATION: Management Executive Representative Ted Walkey, General Manager Brian Molmen, Assistant Manager Wayne Babineau, and Attorney Randy Sing. Owners: Shirley King 904-2, Ann Joyce 3714-1, **MINUTES:** Moved by Shraga Dachner and agreed unanimously to approve the minutes of the Board of Directors meeting April 24, 2007.

MANAGER'S REPORT: The Manager's Report for the period April 20, 2007 to June 20, 2007 was accepted as presented.

TREASURER'S REPORT:

1. Financial Statements: Managing Agent Representative Ted Walkey reviewed the financial statements for the period ending May 2007. He noted that for May income was 2.6% above budget and operating expenses were 32.7% above budget. For the year income was 1.1% above budget and operating expenses were 9.1% below budget for a net increase of \$214,890. There was a net decrease in reserves of \$123,448 due to the elevator modernization project with other major improvements included. By general agreement the statements were accepted subject to audit.

2. Delinquencies: Ted Walkey reviewed for the Board the Delinquency Report for the period ending March 31, 2007 and noted that the total delinquency of \$7,291 was above the \$5535 at the end of March 2007. Attorney Randy Sing noted that to units were in the hands of the Attorney due to excessive delinquencies.

CORRESPONDENCE: none

COMMITTEE REPORTS:

1. Leasing:

A. Sweetwater Secure Parking: General Manager Molmen reported that development of Secure Parking spaces for Sweetwater is in progress.

B. Hawaiian Sun Holidays Air Conditioning: General Manager Molmen reported that development of air conditioning for Hawaiian Sun Holidays is in progress.

C. Resort Quest:

(1) New Lease: President Bob Carbone reported that Attorney Carl Tom had prepared a resolution for adoption regarding amendment of ResortQuest Hawaii, LLC Rental Operator Lease Agreement. Moved by Shraga Dachner and agreed unanimously with abstentions by Kenji Iwasa and Shigeo Minamoto due their being representatives of lessees in the building.

(2) Banyan Breeze Coffee: President Bob Carbone asked the Board to affirm a telephone poll regarding allowing Resort Quest to sublet room 102 to Banyan Breeze Coffee Co. as outlined in a letter of June 7, 2007 with accompanying proposal. Adopted by general agreement.

D. Map Vision and Pacific Seas Trading Company requests for lease increase abatement. President Bob Carbone reported that the Leasing Committee recommended that there be no lease rent increase abatements. The Committee's recommendation was accepted by general agreement.

E. Sam's Snack Bar: President Bob Carbone reported that the Leasing Committee recommends that the Snack Bar lease not be extended, as requested, and that the lessee be

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informed that timely payment of rent, electrical bills and submittal of lease required documents will be a prerequisite for lease renewal in 2008.

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2. Fee Purchase: President Bob Carbone reported that he and Vice President Springman will be meeting with representatives of Liliuokalani Trust June 28th.
3. Personnel: President Carbone moved this item to the end of the agenda so it can be handled in executive session.
4. Building:
 - A. Hallway Refurbishment: President Carbone reported that this matter is progressing satisfactorily.
5. Grounds: no report
6. Owners Concerns: Chair Richard Sparks reported on several matters that do not require Board action.

OLD BUSINESS:

1. Elevator Tower Roof Repair: General Manager Molmen reported that recoating of the elevator tower roofs has been completed.
2. Playground Matt Repair: General Manager Molmen reported that the playground matt material has been ordered and is on its way.

EXECUTIVE SESSION: at 2:21pm President Carbone took the Board into executive session to discuss matters related to personnel. At 2:24pm the Board emerged from executive session. President Carbone announced that the Board had unanimously awarded Banyan personnel a 2.5% increase retroactive to June 1, 2007 and a 2.5% increase to go into effect December 1, 2007.

NEW BUSINESS:

1. Board Officers: President Carbone reported that he would be relocating to the mainland. Consequently he is stepping down as President and Vice President Karl Springman assumes the position of President. By general agreement Bob Carbone was elected Vice President.

NEXT MEETING: At the call of the President

ADJOURNMENT: The meeting was adjourned at 2:27PM

Shigeo Minamoto, Secretary

A. B. Molmen, General Manager