

**WAIKIKI BANYAN
BOARD OF DIRECTORS
MEETING MINUTES
Thursday, September 25, 2008**

CALL TO ORDER: President Bob Carbone called the meeting to order at 2:00 PM in the Waikiki Banyan Conference Room, Waikiki Banyan, 201 Ohua Avenue, Honolulu, HI.

PRESENT: Treasurer Kenji Iwasa, Secretary Shigeo Minamoto and Directors Richard Sparks and John Wong

PRESENT PARTICIPATING BY CONFERENCE CALL: President Bob Carbone, Vice President Dick Eide and Directors Karl Springman, Shraga Dachner and Lou Palmer

ABSENT: none

BY INVITATION: Management Executive Representative Emory Bush, General Manager Brian Molmen and Manager Wayne Babineau. Owners: Marie and Donald Simonich 3205-2 & Ronald Tabor 2303-2

MINUTES: Moved by Richard Sparks and agreed unanimously to approve the minutes of the June 12, 2008 Board of Directors meeting.

MANAGER'S REPORT: The Manager's Report for the period June 4, 2008 to September 18, 2008 was accepted as presented.

President Carbone brought to the attention of the Board "Maintenance: G. Major Spall Repair" and recommended that the Board accept the proposal by American Coating to repair the spalls to units 3705-1 and 3507-1 for approximately \$8,100 plus tax and to seal the exterior window frame of unit 2601-1 on a time and materials basis. So moved by Shraga Dachner and agreed unanimously.

President Carbone brought to the attention of the Board "Administration: I. New Used-Truck" and recommended authorizing Admin to purchase a two to three year old Nissan or Toyota truck for under \$20,000. So moved by Shraga Dachner and agreed unanimously.

TREASURER'S REPORT:

1. Financial Statements: Managing Agent Emory Bush reviewed the financial statement for the period ending August 31, 2008. He noted that for August income was 5.2% below budget and operating expenses were 3.9% above budget. For the year income was 1.6% above budget and operating expenses were 1.7% above budget for a net decrease of \$1,860. Mr. Bush pointed out that the primary reason for the budgetary deficit was utility expenses. The unpredictable enormous increase in electrical expense along with the sewer and water increases brought utilities \$158,711 above budget. These increases were in spite of net decreases in electrical use by the Association. There was a net decrease in reserves of \$1,134,742 largely due to the elevator modernization project. By general agreement the statements were accepted subject to audit.

2. Delinquencies: Emory Bush reviewed for the Board the Delinquency Report for the period ending September 25, 2008 and noted that the total delinquency of \$8,465 is low for a building the size of the Banyan and that one apartment counted for 40% of the total delinquency. That apartment is in the hands of the Attorney for the Association.

3. Reserves Investments: General Manager Molmen brought to the attention of the Board that treasury bill interest rates have fallen below rates offered by certificates of deposit and money markets. He requested authorization to invest Association reserves in FDIC insured institutions. So moved by Dick Sparks and agreed unanimously.

COMMITTEE REPORTS:

1. Grounds:

A. Flowers Ohua & Kuhio: President Bob Carbone reported that the installation of flowers at the corner of Ohua and Kuhio has been completed.

B. Planters Pool Area: President Bob Carbone reported that the installation of planters in the pool area has been completed.

C. Rec Deck Design: By general agreement General Manager Molmen shall seek proposals to provide a master plan for the recreation deck.

2. Security Uniform Shirts: General Manager Molmen brought to the attention of the Board that a committee consisting of a Board Member, Admin, and Security Supervisors recommend that security uniform shirts be of an 'aloha type wear' such as offered by Reyn Spooner. Moved by Shruga Dachner and agreed unanimously that Admin arrange for a change of security uniform shirts through Reyn Spooner for an initial cost of approximately \$3,500.

OLD BUSINESS:

1. Joining of Units: General Manager Molmen presented to the Board an opinion letter from Association Attorney Philip Nerney regarding combining units with a doorway between units. He further reported that when the owner requesting an opinion regarding joining of units was told of the complexities involved he apparently abandoned the effort. The legal opinion remains for the Board's benefit should there be similar inquiries in the future.

NEW BUSINESS:

1. Flood Insurance: President Carbone asked the Board to affirm the telephone poll authorizing the purchase of flood insurance at the increased coverage of \$500,000 at a premium of \$6,710. So moved by Shruga Dachner and agreed unanimously.

2. Overheight Vehicle Parking: By general agreement Security will be directed to have a house officer provide traffic control when an overheight vehicle has to back out of the garage.

3. Automated Parking: By general agreement Manager Wayne Babineau is directed to provide the Board with an updated memo regarding parking systems available to the Banyan and the consequences of installing the various systems.

4. Executive Session: at 2:59 PM the Board moved into Executive Session to discuss matters related to personnel. At 3:39 the Board emerged from Executive Session.

5. Storage Lockers: By general agreement Admin will prepare for the Board's consideration a revised Storage Locker Agreement assigning storage lease rights to persons rather than units. The agreement is to be non-retroactive.

NEXT MEETING: Budget

ADJOURNMENT: The meeting was adjourned at 3:50 PM

Shigeo Minamoto, Secretary

A. B. Molmen, General Manager