

**WAIKIKI BANYAN
BOARD OF DIRECTORS
MEETING MINUTES
Thursday, October 22, 2009**

CALL TO ORDER: President Dick Eide called the meeting to order at 2:03 PM in the Waikiki Banyan Conference Room, Waikiki Banyan, 201 Ohua Avenue, Honolulu, HI.

PRESENT: President Dick Eide, Treasurer Kenji Iwasa, Secretary Shigeo Minamoto and Directors Jeannie Phillips, and John Wong

PRESENT PARTICIPATING BY CONFERENCE CALL: Directors Bob Carbone and Lou Palmer

ABSENT: Vice President Shraga Dachner, and Director Karl Springman

BY INVITATION: Management Executive Representative Emory Bush, General Manager Brian Molmen and Manager Wayne Babineau. Owners: Donna Osborne 3508-1 and Lorimegan Black 2414-2.

MINUTES: Moved by Dick Eide and agreed unanimously to approve the minutes of the August 27, 2009, Board meeting.

At 2.05PM Director John Wong joined the meeting.

MANAGER'S REPORT: The Manager's Report for the period August 20, 2009 through October 15, 2009 was accepted as presented.

President Eide brought to the attention of the Board, "Safety: B. State Inspection" and recommended that the Board accept the quote by Hawaii Instrumentation and Controls to install heat sensors in the elevator machine rooms and elevator shafts as required by the State Elevator Inspector at a price of \$11,161 plus tax. Agreed unanimously.

CORRESPONDENCE:

1. From John Wong to Richard Eide: presented at the meeting will be discussed at a later meeting.

TREASURER'S REPORT:

1. Financial Statements: Managing Agent Emory Bush reviewed the financial statement for the period ending September 30, 2009. He noted that for September income was 104% of budget while expenses were 89% of budget. For the year income was 96.1% of budget while expenses were 87.2% of budget. Capital improvements were 298% above budget. This is accounted for by elevator expenses due in 2008 but paid in 2009. Total cash and reserves were \$2,606,922. Moved by Dick Eide and agreed unanimously to accept the statement subject to audit.

2. Delinquencies: Emory Bush reviewed for the Board the Delinquency Report for the period ending October 22, 2009 and noted that the total delinquency of \$26,808 is up from \$22,630 at the last report. Two apartments account for \$14,148 of the outstanding delinquency. Six apartments are in the hands of the Attorney for the Association. One apartment is facing foreclosure sale. Over all the Waikiki Banyan delinquency is very low compared with other condominiums managed by Hawaiiiana.

OLD BUSINESS:

1. Queen Lili'uokalani Trust, 2nd Fee Offering: by general agreement the Board took this matter off its agenda.

2. Director Travel Expenses: By general agreement this matter is postponed until a later meeting.

3. House Rules Revision: A homeowners meeting being duly called for October 14, 2009 and no amendments offered to the proposed revised house rules for Waikiki Banyan; Dick Eide moved that the House Rules be adopted as revised. Agree unanimously.

NEW BUSINESS:

1. Workers Compensation Insurance: General Manager Molmen presented to the Board proposals to provide Workers Compensation Insurance made by The North River Insurance Company and First Insurance Company of Hawaii. Moved by John Wong and agreed unanimously to accept the proposal submitted by The North River Insurance Company at an annual premium of \$47,523, subject to audit. Agreed unanimously.

2. Lease Rent Valuation: Moved by Dick Eide and agreed unanimously to refer to Attorney Carl Tom the questions regarding the standing of the Association in the forthcoming lease rent valuation and consequent proposed action for the Board of Directors.

NEXT MEETING: November 12, 2009

ADJOURNMENT: The meeting was adjourned at 3:12 PM

Shigeo Minamoto, Secretary

A. B. Molmen, General Manager