



Newsletter

February 2023

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1 President's Message



There's a lot going on at the Banyan. While you'll read about much of it elsewhere in this newsletter, here are a few of the big things.

- Four elevator companies did a walk-through in January as we continue to work with our elevator consultant to prepare bid documents. The goal is to get through the bidding, evaluation, negotiation, and award process by 3rd quarter of this year (it does take a lot of time) so that elevator upgrade work can begin promptly in 2024.
- Work on the Rec Deck project continues and we hope to have permitting soon, after which we can publish more of a firm work schedule. Meanwhile if you haven't seen the presentation our team has put together, check it out online at the Banyan website. It's got everything you could think of as to the project status to date.
- We're starting to look into a comprehensive solution to secure our building. This might involve key fobs, more cameras, more guards; we don't know for sure yet and we want an integrated solution that delivers results for the money.
- We've taken your comments seriously and are investigating ways to improve one measure of return on investment known as the capitalization rate. Part of this effort will be to find ways to ensure that rental rates don't become a race to the bottom with some few agents "lowballing" and/or renting to potentially troublesome tenants.
- We've stepped up pursuit of those who won't pay their bills. We are all having to pay higher maintenance and special assessments. It isn't fair when most owners pay faithfully while a handful miss payment after payment.

There's a lot more but this column is already long enough. If you have questions or concerns, please address them to info@waikikibanyan.org. Every owner email gets answered by someone qualified to provide a response.

---Bob Newell, President

2 Treasurer's Report



Treasurer (Snapshot) Report:

Dec. 2022 & 2022 YTD Snapshot of Financials:

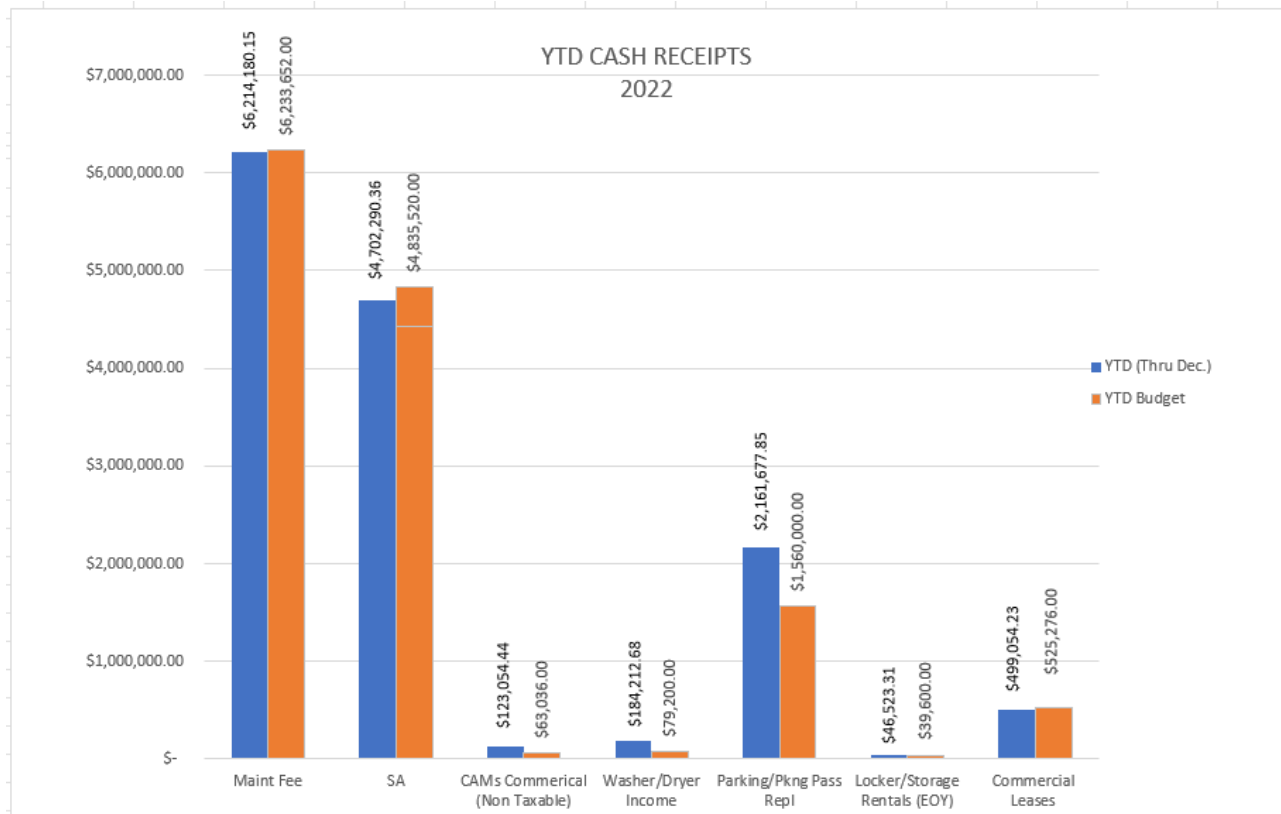
Cash Receipts:

Dec. Cash Receipts:

Actual = \$ 1,223,115.09 Budgeted = \$ 1,116,532.00 (109.5 % to Budget)

YTD Total Cash Receipts:

Actual = \$ 14,334,258.24 Budgeted = \$ 13,983,382.00 (107.0 % to Budget)



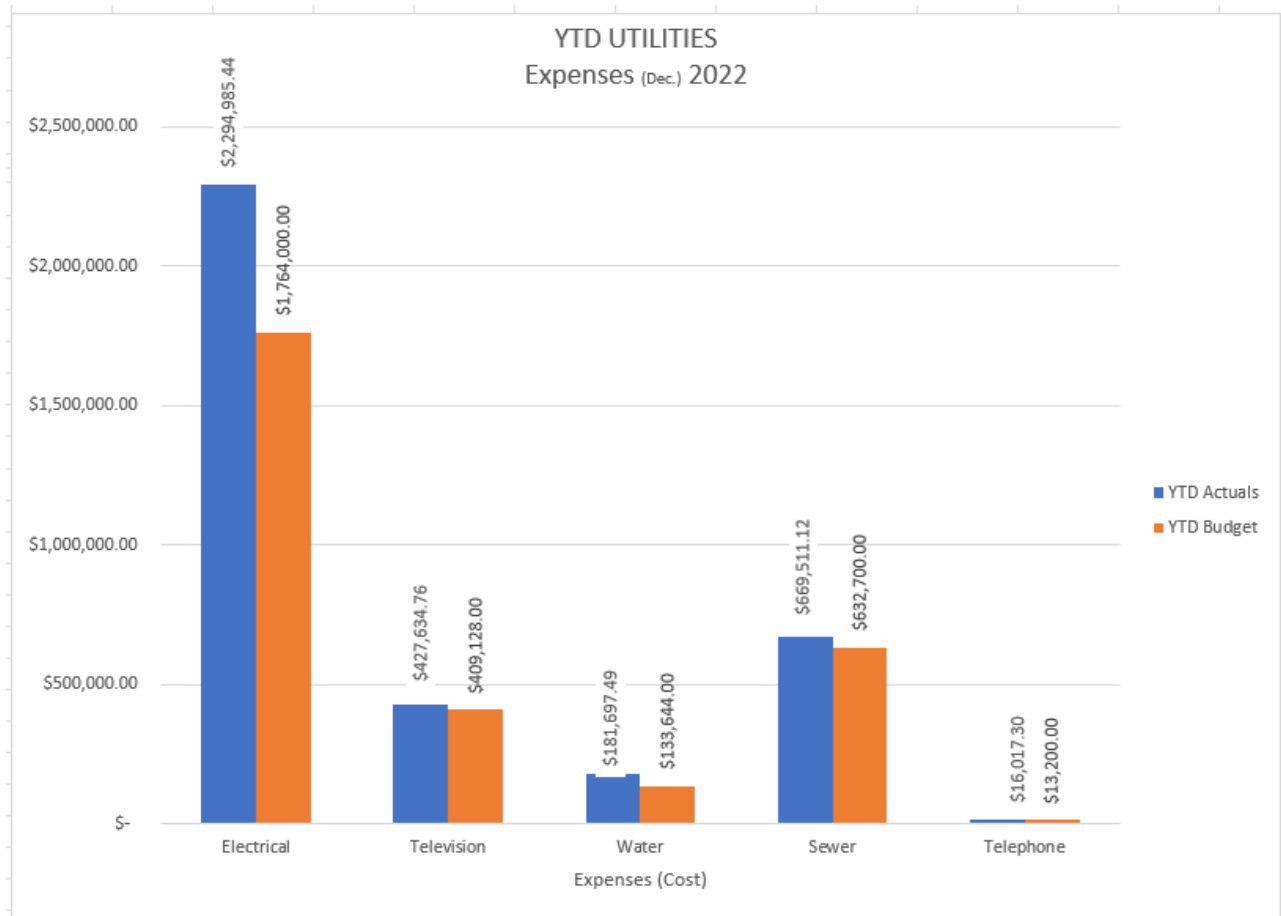
Cash Disbursements (Expenses):

Dec. Cash Expenses:

Actual = \$ 915,127.40 Budgeted = \$ 583,036.99 (157.0 % to Budget) (57%) **Note:** Increase due to catching up on 2 months of Electrical bills (past) in Dec.

YTD Total Cash Expenses:

Actual = \$ 7,728,856.01 Budgeted = \$ 6,900,813.00 (112.0 % to Budget) (12.0%) **Note:** Mostly due to a 25-30% increase in yearly electrical cost increase.



Operating Surplus/Deficit: (Cash Receipts – Cash Disbursements)

YTD Total Operating \$'s:

Actual = \$ 6,605,402.23 Budgeted = \$ 6,497,569.00 (101.7 % to Budget), (1.7% Surplus)

Note: Overall, our OpX cost came in just 1.7% over budget (Deficit of \$ 108,000) for the entire year.

Total AOA (WB) Cash + Reserves:

YTD Totals:

Actual = \$ 10,667,534.67



TREASURER'S REPORT
 WAIKIKI BANYAN

CURRENT MONTH SUMMARY

DECEMBER 2022

INCOME	Actual	Budget	Variance
Non-Taxable Receipts for the month:	\$919,253	\$930,939	✗ -\$11,685
Taxable Receipts for the month:	<u>\$303,862</u>	<u>\$185,593</u>	✔ \$118,269
TOTAL RECEIPTS for the month:	\$1,223,115	\$1,116,532	✔ \$106,583

EXPENSES	Actual	Budget	Variance
TOTAL OPERATING EXPENSES for the month:	\$915,127	\$583,037	✗ \$332,090

There is a net operating **SURPLUS** of: **✔ \$307,988**

Utilities:	\$601,712	\$246,056	✗	\$355,656
Contracts:	\$147,347	\$164,436	✔	-\$17,089
Building Maintenance:	\$26,423	\$19,051	✗	\$7,372
Administration:	\$8,775	\$3,850	✗	\$4,925
Professional Services:	\$40,386	\$17,545	✗	\$22,841
Payroll and Benefits:	\$72,122	\$98,339	✔	-\$26,217
Other Expenses:	\$18,322	\$33,760	✔	-\$15,438

*significant variances are listed on the attached report

BANK BALANCES

Operations Accounts balance is:	\$320,919
Reserve Accounts balance is:	\$10,667,535
Restricted Cash balance is:	<u>-\$148,164</u>
TOTAL Cash and Reserves balance is:	\$10,840,290

YEAR-TO-DATE SUMMARY

DECEMBER 2022

INCOME	Actual	Budget	Variance
Non-Taxable Receipts for the year	\$11,279,076	\$11,171,266	✔ \$107,810
Taxable Receipts for the year	<u>\$3,055,182</u>	<u>\$2,227,116</u>	✔ \$828,066
TOTAL RECEIPTS YTD:	\$14,334,258	\$13,398,382	✔ \$935,876

EXPENSES	Actual	Budget	Variance
TOTAL OPERATING EXPENSES YTD:	\$7,728,856	\$6,900,813	✗ \$828,043

YTD, we are **✔ \$6,605,402** under budget on regularly budgeted items.

Utilities:	\$3,589,846	\$2,952,672	✗	\$637,174
Contracts:	\$1,839,364	\$1,999,115	✔	-\$159,752
Building Maintenance:	\$338,830	\$228,612	✗	\$110,218
Administration:	\$42,215	\$57,330	✔	-\$15,115
Professional Services:	\$359,170	\$216,504	✗	\$142,666
Payroll and Benefits:	\$980,983	\$903,688	✗	\$77,295
Other Expenses:	\$578,447	\$542,892	✗	\$35,555

Capital Expenditures YTD:	\$1,554,339	\$5,399,106	✔	-\$3,844,767
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--Mo Schrieber, Treasurer

3 Recreation Deck Committee Report



The Rec Deck Committee had a productive Special Board meeting on Thursday, January 5th to provide an update to the Board of Directors and owners regarding the overall architectural layout and preliminary FF&E concepts for the 6th floor recreation deck “repair and replace” project. A copy of the presentation is located on the Waikiki Banyan website for owners to review.

Our consultant, Arne, and CDS (Architect) continue to meet with the DPP and WSDD to review and discuss the architectural and FF&E elements as well as construction document submittals. We are waiting to receive any updates, including comments from DPP and WSDD, to determine next action steps as the DPP and WSDD have very strict guidelines that must be met.

The next Rec Deck Committee meeting will be held on February 3, 2023. Refinements will continue to be made for the FF&E (fixtures, furniture and equipment) as we narrow down options and finish selections that best meet durability, maintenance, wind, and budget requirements.

As a reminder, the majority of this “repair and replace” Rec Deck project consists of critically important structural repairs and drainage improvements. The goal is to ensure structural soundness, meet current ADA and local codes, and bring the 6th floor recreation deck back to a better version of its original appeal with updated FF&E.

Timing and project schedule is primarily dependent on permit review and approval by the DPP, given DPP’s backlog, it is difficult to determine and advise of the timeframe.

Once DPP and WSDD signs off, the project will go out to bid and final pricing will be submitted for committee and board review and approval. At that point, an updated project schedule will be created and shared with owners and tenants.

--Linda Sahara, Director; Mo Schreiber, Treasurer

4 GM's Report



PROJECT SUPPORT:

Partially and Completed Projects:

Lanai Decks at Units T1-608, T1-610, and T1-612: Board of Directors approved the proposal to remove the existing deck coating and install a waterproof deck coating system like the system that will be installed on our parking deck. The work has commenced the schedule listed below:

- Unit 1-608 Commences 12 December Thru 23 December. *(Complete)*.
- Unit 1-610 Commences 23 Jan 2022 Thru 03 Feb 2023. *(Complete)*
- Unit 1-612 Commences 9 Jan 2023 Thru 03 Feb 2023

Projects under review with DPP with no changes/Projects with no changes:

Recreation Deck: (rec deck structural study, surface review, design/drawing, documentation, permitting and SOW). Restrooms project and Deck/Garage project have been submitted to DPP. Project team is working on Project Manual and specifications as we wait for comments from DPP.

Recreation Deck Pool Design Build: The preliminary pool design drawings have been received.

Recreation Deck Replacement of Tennis Court Fence: - This is still pending permitting process and quotes have been submitted to obtain permits for this “barricade” fencing to meeting DPP emergency repair permit requirements. Replacement of Tennis Court Fence will be included in the rec-deck renovation.

NOTE: With NO fencing on the Rec Dec – we are unable to allow any type of playing that includes a ball (Soccer/Tossing, kicking, playing with balls or any flying object in this area for Safety reasons). Thank you in advance for complying with security when stopped for these types of activities.

Recreation Deck Playground Equipment: Vendor selected for the design and construction of the new play equipment, Contract has been signed and executed. Rec-Deck Committee has selected color and model.

Storm Drain Replacement / Perma-line repair: Board of Directors approved the proposal to proceed to design and permitting. The design phase is complete.

Elevator Machinery Room top-level roof Replacement. This Project is Complete. Waiting for final invoice and close out documents.

Trash Compactor Replacement -Tower 1: 12-to-16-week lead time for materials / Estimated Delivery Date (EDD). 15 November to 01 December 2022.

Fire Pump Replacement: Vendor has been selected for the design and permitting, once design and permitting is complete the project will go out for BID.

Ongoing Projects:

Elevator Modernization: The elevator modernization scope of work has been completed. (*Pre-bid walk through is scheduled for 11 January 2023 at 1000 am.*) BIDS are due back to the Elevator consultant 22 February 2023. Once BID Proposals are reviewed for accuracy and completeness they will be forwarded to the Board of Directors for consideration.

Commercial Space Electrical Meter Upgrades: Project has commenced Infrastructure installation complete. One of the meters failed, and now waiting on replacement meter, estimated delivery date 01 January 2023. (*Complete*)

Porte Cochere Column Repair: Project has commenced Pillar planks being manufactured. Pillar planks have been removed. Material has been procured estimated material arrival date 09 February 2023.

Ongoing Maintenance Projects:

Bike Rack storage areas - Notice of Violation: The last item left to correct for the Notice of Violation is to move the surfboard racks from A-1 parking area to the new bike storage area and we are waiting for permits to process.

Parking Garage: Notice of Violation: – As of July 2022, according to the DPP website, the plans are still in review.

Applied for Yearly Elevator Inspections: Inspection request accepted just waiting on being assigned an inspector / Emailed about this inquiry on 13 Dec 2022.

Tower 2 Heat Pump #3 Heat Exchanger – In progress ETC 27 Dec 2022. (*Complete*)

Spare Heat pump Heat Exchanger – Lead time of 6 months / in week 8.

Painting Perimeter Chain and Posts: Waiting on material and is 30% completed.

Painting and Cleaning Perimeter of Building: In progress and ongoing.

Painting and Cleaning the Parking Garage: Cleaned and painted the yellow traffic lines in the garage. In process of scheduling ongoing maintenance.

Playground Slide Repair: Blocked off the slide on 08 Nov. No response from a referred local vendor, so looking at fabricating a part as the solution. *(Complete)*

Rooftop Bracket Support Replacement: Waiting on a back-order part with no ETA.

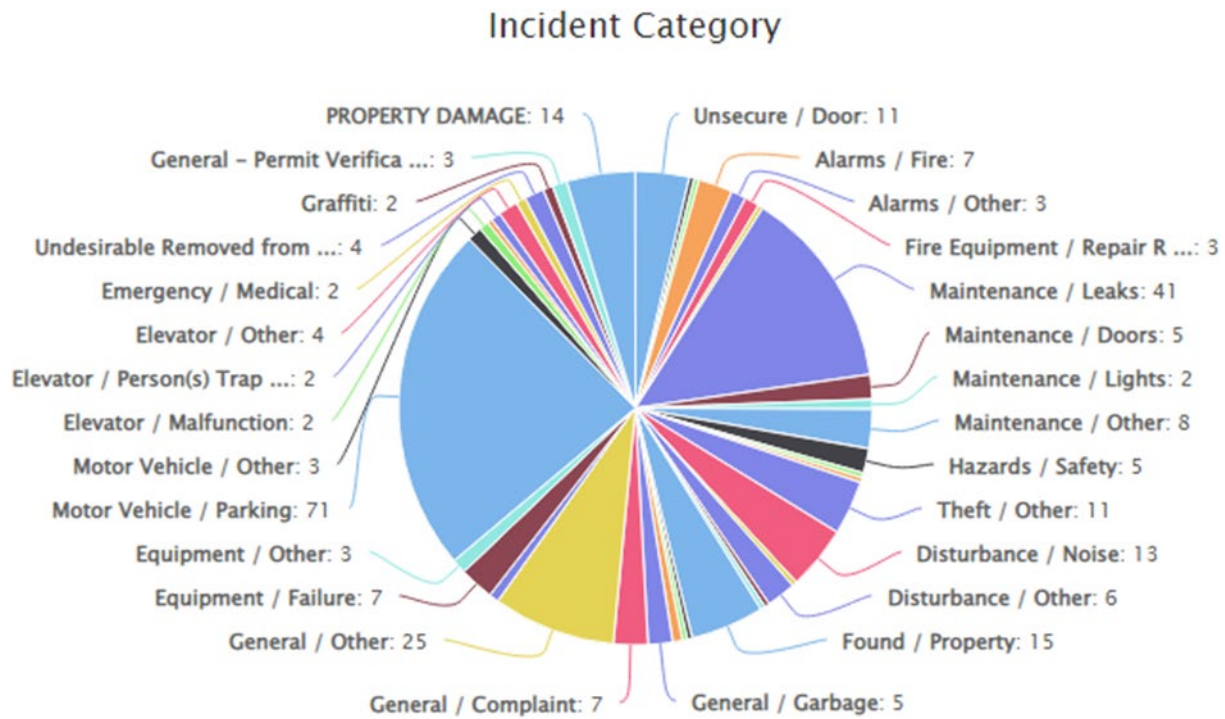
Ball Valve Replacement Heat Pump #2 Tower 2: The ball valves on heat pump #2 are not able to be fully closed and need to be replaced. *(Complete)*

Carpet Cleaning: Spot treatment to be completed by end of December. *(Complete)*

Laundry Room Tile replacement: In the process of seeking proposals for tile replacements in the laundry rooms. Received one proposal from a contractor. AOA is looking at the cost to do in house.

Parking Garage Mirrors: Installing mirrors for the parking garage to help mitigate traffic incidents. In Progress

Patch BBQ Block Work: 90% Completed and estimated completion for end of December. *(Complete)*



Security Incidents

ADMINISTRATION/FINANCE/PERSONNEL

LANAI INSPECTIONS: There are still have many units to inspect. If you have not had your lanai inspected, please contact info@waikikibanyan.org to schedule. We are only just over halfway through.

We have 10 coin-operated electric barbecues. These are generally available on a first-come first-served basis and **can be booked up to 24 hours in advance** thru the security department located on Tower 2 – Lobby level.

The barbecue area is available until 8:00 p.m. We lock the barbecues at 8:00 p.m., which allows you to cook up until then.

BBQ cook time slot: 10.30 am – 12.30 pm, 1 pm – 3 pm, 3.30 pm – 5.30 pm and the last slot is 6 pm – 8 pm (Please note that the keys will not be given out past 7.30 pm due to the closing time of 8pm. Picking the key up as late as 7.30 pm for the last slot would only give you a 30-minute cook time). 1 x booking per unit per day due to limited number of BBQ stations.

--Jack Johnson, General Manager

5 Quorum for Annual Meeting – Reminder



Your Proxy Counts Annual AOA Meeting February 16, 2023 Proxies' due no later than 4:30 PM on February 14, 2023

ASSOCIATION OF APARTMENT OWNERS OF WAIKIKI BANYAN
PROXY

Note: (Please check only one of the following boxes. This proxy will be valid only for the above meeting and adjournments, may be revoked prior to its exercise, and shall be returned upon request if you attend the meeting and wish to vote in person. If you are not present at the meeting, this proxy designates your proxy holder as your substitute for any proxies assigned to you unless you designate another substitute in writing subsequent to this proxy. If this proxy is assigned to someone other than the board of directors and that person's substitute fails to attend the meeting, this proxy shall revert to the board of directors to be cast solely for the purpose of establishing a quorum.)

The undersigned, being the owner(s) of the apartment(s) shown below, does hereby constitute and appoint

Choose one of these 3 boxes

OR

→

The Board as a whole, to be voted on the basis of the preference of a majority of the Directors present at the meeting.

The Directors present at the meeting and the vote to be shared with each Director receiving an equal percentage.

*Authorize a person of your choice here**

The individual whose name is printed on the line next to this box.

as the undersigned's attorney and agent, with full power of substitution, to act in the undersigned's name, place, and stead, and to vote as the undersigned's proxy at the Annual Association meeting to be held on **February 16, 2023** and at any and all adjournments thereof for the transaction of any and all business that may properly come before the meeting, including the election or re-election of directors, according to the proportional interest in the common elements that the undersigned would be entitled to vote if then personally present, hereby revoking any proxy or proxies heretofore given, and ratifying and confirming all that said attorney and agent may do by virtue hereof.

or For quorum purposes only. *checking this box also counts towards the 50%.*

In the event that a proxy is returned with no box or more than one of the boxes checked, the proxy shall be counted for quorum purposes only.

This proxy is valid only for the meeting cited above and any and all adjournments thereof. If I/we attend the meeting in person, I/we may request a ballot to vote in person thereby voiding this proxy (if not previously exercised). Receipt of notice of said meeting is hereby acknowledged.

PRINTED NAME(S) OF OWNER(S) [REQUIRED BY LAW]: _____ SIGNATURE(S) OF OWNER(S) [REQUIRED BY LAW]: _____

UNIT NO(S) _____ DATE SIGNED: _____
[REQUIRED BY LAW] [REQUIRED BY LAW] Do not post date.

Sign and print your name as it appears in the Association's records, and provide your unit number(s) and the date. Persons signing in a representative capacity (personal representatives, executors, administrators, trustees, guardians, conservators, partners, members of a member-managed LLC, managers of a manager-managed LLC, and corporate officers) are to add their titles and, if requested, are to submit evidence of their authority to act in that capacity.

For this proxy to be valid, the proxy must be received by the Association's Managing Agent or Secretary no later than 4:30 p.m., on **February 14, 2023**. Proxy may be faxed to (808) 593-6333 or emailed to kacieg@hmcmt.com.

IF NOT PROVIDED PRIOR TO OR TOGETHER WITH THE NOTICE OF MEETING, I WISH TO OBTAIN A COPY OF THE ANNUAL AUDIT REPORT REQUIRED BY HAWAII REVISED STATUTES §514B-150.

Date Received _____ by Managing Agent/Board Secretary

** At the meeting this person will receive a "ballot". He/she will vote for a person of their choosing.*

It's time for the Annual Waikiki Banyan AOA (Association Of Apartment Owners) annual meeting and we are anxiously waiting for your proxy to arrive. Why? Because we want you to have a say in who represents your interests here at the Banyan. We are 19% shy of the 50% proxy requirement we currently have. That's a lot! Your proxy is a written authorization empowering another person (or yourself) to vote for you, the owner, at the meeting. You may think to yourself, "I'll be at the meeting so I don't need to return the proxy". Sounds reasonable, and we hope to see you at the meeting, but unless you return the proxy in advance, we have no idea how many owners will be there. The meeting will be postponed the day before the meeting date if we have fewer than 50%. I hope the proxy above will answer a few questions that may be rolling around your head.

We make it easy for you to return your proxy one of the following ways:

Send by USPS to:

Hawaiiana Management Co, Ltd.
Attn: Kacie G, 711 Kapiolani Blvd STE 700
Honolulu, HI 96813

Email to: kacieg@hmcmt.com

Take a photo of the proxy with your phone and send it to Kacie at the above address.

Drop it off at the AOA Office

FAX to (808) 593-6333

If you've returned your proxy, thank you! If you haven't, please do so today. If you have questions or want help please contact me at info@waikikibanyan.org and I'll give you a call.

--Valaree Albertson, Vice President

6 Don't Mess with The Fire Safety Equipment



I want to repeat something that I've said before. Please don't mess with sprinklers, fire alarms, and other fire safety equipment.

We assess a \$500 fine plus repair costs when there is what we call a "life safety" violation. For instance, some folks have cut the wires to the alarm speakers in their units, without realizing that (1) this causes an alarm on the fire control panel and (2) it cuts off the alarm system to the entire floor, potentially putting many lives at risk, and if heaven forbid worst came to worst, lining up the perpetrator for a charge of involuntary manslaughter.

Similarly having an unsupervised child pull a fire alarm can cause a building evacuation with the attendant risk of injury.

Jack, our GM, and I agree that life safety is our number one priority ranking far ahead of anything else. Please help us out with the very important job of keeping residents, visitors, and employees safe at all times.

---Bob Newell, President

7 Did you know? Rip Current



A rip current forms because wind and breaking waves push surface water towards the land, and this causes a slight rise in the water level along the shore. This excess water will tend to flow back to the open water via the route of least resistance. When there is a local area which is slightly deeper, or a break in an offshore sand bar or reef, this can allow water to flow offshore more easily, and this will initiate a rip current through that gap.

--Randy Warner, Director

8 Interesting Places to Visit – Duke Paoa Kahanamoku Statue



On Kūhiō Beach, a bronze statue of Duke Kahanamoku welcomes you to Waikīkī with open arms. Duke was a true Hawaiian hero and one of the world's greatest watermen, a master of swimming, surfing and outrigger canoe paddling.

This 9-foot bronze sculpture honors the Hawaiian Olympic champion & father of international surfing. It is just a short stroll towards Kuhio Beach from the Waikiki Banyan.

9 Editor's Notes



Happy Lunar New Year! 2023 is the year of the Rabbit. The sign of Rabbit is a symbol of longevity, peace, and prosperity in Chinese culture. 2023 is predicted to be a year of hope.

A year of hope, is what the Waikiki Banyan should be looking at for the coming year, how appropriate is that? These past few years have been rife with problems, new AOA boards, new AOA office staffing, a lot of “new” in the past year. It’s a “good new”, that brought with its people dedicated and willing to work towards bringing back the beauty and the safety of our grounds and buildings that has been sadly neglected with delayed maintenance and varied priorities.

A hope that we can continue to see positive changes and thoughtful management of the funds allocated to the smooth running of an 876 unit condominium, consistent and fair policies in place to keep our owners safe, happy and secure with the knowledge that the important issues are handled in an efficient and timely manner. It will take a few years of continuing to move forward and I think we all will be proud owners at the Waikiki Banyan.

Stay healthy and remember to enjoy all the moments in your life.

--Angie Lum, Director, Coordinating Editor