



The Banyan Resort

**Regular Meeting Minutes
Banyan Tree of Key West Condominium
& Timeshare Owners Association, Inc.**

**Board of Directors Teleconference
August 28, 2018**

Mr. Joe Cimini began by taking roll call. Mr. Bruce Lacy, Vice President; Mr. Jerry Myers, Treasurer; Mr. Harry Vann, Secretary; and Directors Ms. Amy Lynch, Mr. Jim Jackson and Mr. Richard Kerr-Oliver were present. Ms. Meghan Heaps, General Manager was present.

Mr. Cimini noted a quorum was present and called the meeting to order at 6:03 PM.

Ms. Heaps stated that no owners were present for the meeting.

Ms. Lynch made a motion to approve the notice of meeting and to waive any deficiencies in said notice. The motion was seconded by Mr. Kerr-Oliver and passed unanimously.

Ms. Lynch made a motion to approve the agenda for the meeting. The motion was seconded by Mr. Kerr-Oliver and passed unanimously.

Ms. Lynch made a motion to approve the minutes of the May 2018 regular meeting of the board. The motion was seconded by Mr. Lacy and passed unanimously.

Mr. Cimini noted that the annual budget meeting would be held in Key West on Wednesday and Thursday, October 17 and 18 with a board meeting on Friday, October 19. Board members were urged to coordinate their travel plans with Ms. Heaps as soon as possible.

Treasurer's Report

Mr. Myers reported that the current financial position of the Banyan was almost too good. This was due, in part, to the low labor costs caused by staffing shortfalls. Payroll costs for the first 6 months of the year are 20% below projections. Additionally, insurance costs are approximately \$29,000 below projections. On the other hand, Tiki Bar expenses are \$13,000 over for the year and landscaping costs

were 119% of budget. The current landscaping contract with the MARC House has ended, but some costs were incurred earlier in the year.

An analysis of the excess funds from 2017 by Mr. Myers, done in conjunction with the auditor, showed that approximately \$330,000 was available for special projects after \$100,000 was allocated to the emergency fund. He felt that it was important to designate these funds for use as soon as possible. He made a motion to add a line item in the Reserves budget titled Improvement Projects and then fund this item with the \$330,000 from the general fund. Mr. Lacy seconded the motion.

Ms. Lynch felt that this was a matter best deferred until the October budget meeting. Ms. Heaps was still not certain that the funds did not include amounts that had been expended for projects that the board had committed to earlier, but Mr. Myers was firm in his assertion. It was also pointed out that there was an existing line item called Future Requirements in the Reserves budget. The question was raised as to why this item could not be used and Mr. Cimini noted that this item was set up for the unit renovation project. Mr. Vann noted that at least one proposed item in the projects list was not a reserve type project, which might affect where the funds might ultimately be placed within the budget.

After additional discussion, Mr. Jackson moved to call the question. Mr. Myers voted aye and the remaining board members voted nay on the motion, which failed to pass. Mr. Cimini indicated that he would add a line item in Reserves budget (which does not require board action) for possible use at the October meeting.

Manager's Report

Ms. Heaps commented that there were no major updates to the manager's report which had been previously distributed (attached). Mr. Myers requested that a unit delinquency report and a rental report be provided for the current period. Further he requested that the reports be added to the manager's report on an ongoing basis. Ms. Heaps indicated that the current reports would be forthcoming.

Directors Lacy, Jackson, Kerr-Oliver and Vann had been at the Banyan since the last meeting. Mr. Lacy commented on the closure of the Tiki Bar for part of his visit and it was noted that the downtime had been used to install a new backsplash. Mr. Jackson observed that the Tiki Bar had been extremely busy a number of times during his stay. Mr. Vann noted that a number of businesses in Key West appeared to operating short staffed during his stay, underscoring the labor shortage on the island. All commented on the great condition of the property and the positive morale of the staff.

Owner Liaison

Mr. Lacy had been not been contacted by any owners since the last meeting.

Old Business

Disposition of 2017 Excess Funds -

Based on the discussion during the treasurer's report, no action was taken on the list of proposed projects. The last list circulated was:

Reserve Items

1. Landscaping upgrades
2. New blinds
3. New lamps with USB charging ports
4. New patio furniture for the units
5. New resort signs
6. New security camera system
7. Replacement of awnings
8. Replacement of package air conditioners in various units

New Projects

1. Foreclosures of "difficult" units
2. Global conversion to LED lighting
3. Handicapped access ramp from Whitehead
4. Rework parking lot (pavers)
5. Solar supplemental power
6. Solar water heating for pools and units where possible

These will be taken up at the budget meeting in October.

Emergency Wi-fi Equipment Replacement Continued –

Ms. Heaps reported that the previous contractor for wi-fi equipment had failed to meet expectations and had been replaced. The new vendor had added additional access points and reconfigured a few of the repeaters. Comcast had also upgraded service to their 1 gigabyte level. As a result, Ms. Heaps reported that there were no complaints about wi-fi service since the work was completed.

Being no further business, Ms. Lynch made a motion to adjourn which Mr. Lacy seconded. The motion passed unanimously.

The meeting ended at 6:49 PM.