

**MINUTES OF ANNUAL GENERAL MEETING  
STRATA PLAN KAS 2662  
PEMBERTON VALLEY LODGE**

**HELD:** Thursday, December 7<sup>th</sup>, 2006 at 6:30 PM.  
Holiday Inn Airport; Richmond B.C.

**PRESENT:** The owners of Strata Plan KAS 2662 “The Pemberton Valley Lodge” as per the registration sheet.

Alexander Hoelk, Whistler Resort Management (WRM)

The meeting was called to order at 6:50pm after it was ascertained that a quorum was present (23 present in person or by proxy). Mickey Patryluk (Strata Chair) chaired the meeting; Alex Hoelk (WRM) facilitated it.

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- 1.0 Registration and proxy certification:** A quorum was established with 23 strata lots represented by person or proxy.
- 2.0 Call to order:** The meeting was called to order at 6:50 p.m.
- 3.0 Appointment of chairperson:** Mickey Patryluk (Strata Chair) chaired the meeting.
- 4.0 Introductions :** Everyone present took a moment to introduce themselves and state which unit(s) they represent.
- 5.0 Approval of notice of meeting:** It was moved, seconded, and *carried* to approve the notice of meeting as circulated.
- 6.0 Reports**
  - 6.1 Chair report** - The chair noted that several important issues have been addressed by the Council through out the year. Mickey reported that the problem regarding the lease of the Corporation’s sign was settled, and that Council addressed the problem of an owner circumventing the Rental Pool.  
Mickey and the rest of Council were thanked by everyone present for all the exhaustive time and effort spent on these issues on behalf of the owners. The strata also expressed their gratitude to Ryan Patryluk for his generous help to the Council in carrying out their responsibilities over the past two years.

- 6.2 Insurance Report** – The Agent reported that the insurance policy is held through a master policy with Atlific through Lorenzetti Brokers. It was reported that the property is insured for all risks for a value of \$8.6 Million and there are also a \$10 Million general and \$5 Million Directors liability coverage.
- 6.3 Rules Report** – The Agent noted that there are no new rules to ratify.
- 6.4 Hotel Report** – David MacKenzie the general manager of the Hotel was introduced – David noted that PVL has seen a steady increase in business last year and that the 3<sup>rd</sup> and 4<sup>th</sup> quarters look strong, the Hotel is performing better than comparable Whistler Hotels with an average occupancy rate of 43%. Last year the average occupancy rate was 29%. David noted that the average room rate is down slightly to \$104.00. The Hotel has been successful in obtaining film crews, Corporate retreats, and internet booking business. It was reported that it is expected to finish the year with revenue of about \$1.513 Million ahead of last year by \$487,000.00. David then introduced Arlene (regional marketing manager for Atlific) to provide a forecast overview.

Arlene noted that another growth year is expected; Atlific is marketing Pemberton as a destination, and she works closely with other Atlific properties in marketing the area. Marketing efforts focus on families, the film industry, Golf packages, and the Corporate sector for retreats.

It is noted that 3<sup>rd</sup> party sellers such as Expedia, Travelocity, etc. are also a large part of the marketing focus. It was pointed out that the PVL is now part of the central reservation system for Whistler through the Intrawest site, and Whistler Tourism.

David presented some forecast numbers for next year, it is expected to see a growth in business of about 6.3% (room nights), the expected revenue should reach \$1.6 Million next year; the profit payout to owners is expected to increase by 10.8%.

David then reported on the recent sprinkler line freeze up resulting in water damage to the east wing of the building. David noted that most of the damage was contained to the hallways due to quick response by staff. There is some minor drywall damage to rooms, mostly in the kitchen areas.

David reported that restoration is underway, and that the Lodge is expected to be back to almost normal operating conditions by December 21<sup>st</sup>. It is not expected that the Hotel will lose much business from the incident. It was noted that this will be an insurance claim, and that there will be an investigation into the exact cause, so that work to reduce future

risk can be undertaken. It was also noted that the weather conditions were abnormal during this event, resulting in about 18 other properties in the Whistler area having sprinkler freeze-ups.

## **7.0 Review and approval of the financial statements for the period ending October 31<sup>st</sup>, 2006 (14 months).**

The Agent presented the statements and noted that the Corporation is expected to end the 16 month fiscal year with a deficit of \$25,000.00, mainly due to increased insurance rates and unbudgeted legal bills relating to the sign lease issue. The Agent noted that the strata budget is a relatively simple one with line items for property insurance, meetings, and postage costs.

It was noted that it is proposed to recover the deficit through a Special Levy payable from the December revenue payout due to owners.

The Agent noted that under the new RESA regulations two trust accounts have been created: one for the annual operating account and one for the reserve accounts. It was noted that presently the reserve account is funding the shortfall in the operating account.

There was a brief review period and then it was moved, seconded, and *carried* to approve the statements as presented.

## **8.0 Review and consideration of Resolutions as per schedule A**

### **Resolution 01/06 Special Levy for deficit recovery**

The following resolution was presented and moved:

**Be it resolved by  $\frac{3}{4}$  vote of the Owners of KAS-2662 "Pemberton Valley Lodge" that:** as per sections 105 and 108 of the Strata Property Act of BC, the amount necessary to eliminate the deficit of \$25,000.00 for the year ending December 31<sup>st</sup>, 2006 due to the legal fees incurred in relation to the legal claim relating to the signage at the lodge be classified, a slight over expenditure in insurance and property taxes for SL 8 as a one-time special levy but deducted from the revenues payable to the owners for the purpose of eliminating the operating deficit for the fiscal year ending December 31<sup>st</sup>, 2006.

The levy shall be payable by a one time deduction and will be based on unit entitlement as per the schedule of payments.

Mickey stated that details of the settlement were included in the August mail out to owners, but pointed out some of the highlights of the settlement. Given the total cost of the original lease agreement compared with the combined cost of the legal fees and settlement amount, the Strata Corporation has achieved a significant financial benefit from resolving the sign issue. There will be no need for funds in

future to negotiate a new lease with the same company or to purchase new signs elsewhere. It was noted that the Strata did try to negotiate a settlement with the developer and sign company prior to legal action being taken by the sign company against the developer and the Strata.

The motion to pass resolution 01/06 was seconded and **carried** unanimously

#### **9.0 Review and approval of the operating budget for the year ending December 31<sup>st</sup>, 2007.**

The budget was presented, and it was noted that it is proposed to increase the fees by 8%, to off-set an expected increase in insurance – due to a rise in building replacement costs. It was pointed out that the strata budget is tight, and That Cost of Living increases are expected over the next years between 3 to 5% per annum. The new budget now also includes a line item for the property taxes of the Hotel lobby.

It was moved, seconded, and *carried* to approve the presented budget unanimously.

#### **10.0 New Business**

**2<sup>nd</sup> mortgage for Hotel lobby** – It was noted that the 2<sup>nd</sup> mortgage for the lobby is held by private interests at a rate of 10%. After some discussion on this it was moved, seconded, and carried that the incoming Council be charged with exploring other financing options on behalf of the owners. Results would be circulated to owners via a newsletter.

**Dyking fees** – Several owners noted that the dyking fees have gone up significantly last year. It was explained that this is due to a change in classification from residential to commercial. It was explained that this change has reduced the amount for the water/sewer bill for the Hotel by approx. \$27,000.00 per year. It was also noted that there is an owners group lobbying the government to create a separate tax category for strata hotels. David noted that the Village of Pemberton is also working to eliminate one level of government in the district (the Dyking District), which should help reduce the present tax burden. It was noted that there are presently three levels of government in Pemberton: the Village, the District, and the Dyking District. The Village is looking to increase its geographic boundaries to include some of the commercial properties in order to broaden its tax base.

**VANOC** – It was noted that in the summer a survey went out to all owners regarding a VANOC agreement. It was reported that about 85% of owners responded, with a positive response to enter into an agreement. The agreement is being reviewed by Strata Council and one of the final points to be negotiated is the room rate formula to be used. VANOC would like to have 70 rooms

guaranteed. It was pointed out that an expedited agreement is important as the Hotel could greatly benefit from all the support group business associated with VANOC such as security, Police, etc. These groups will require the facilities for longer periods.

**Restaurant lot** – It was noted that there has been some interest in the lot, but that there are no firm plans at this time. It was pointed out however that generally the real estate market in the Pemberton area has become stronger. It was also noted that there are several new commercial projects being planned. David noted that there are plans to build another Hotel in Pemberton; construction is slated to begin next spring. He welcomed this addition, as it will help to further promote the area as a destination. He also pointed out that it would take at least two years for the Hotel to be ready for occupancy, by which time the PVL would be very well established.

### **11.0 Election of Strata Council**

The Strata Council stepped down, and were again thanked by everyone for all the efforts throughout the year.

The following Council Members were selected by acclamation.

Mickey Patryluk	Paul Lermite	Carl Van Noort	
Cora Salvador	Donald Mathewson	Bruce Armstrong	Larry Arabski

There being no further business the meeting was terminated at 8:40 PM.

Alexander Hoelk  
Strata Agent, ext.239  
Whistler Resort Management Ltd.

Please note that a copy of these minutes will be posted on the web-page at:  
[www.wrm.bc.ca](http://www.wrm.bc.ca)