

**STRATA COUNCIL MEETING MINUTES FOR
STRATA CORPORATION KAS 2662
“Pemberton Valley Lodge”**

HELD: 6:30PM Thursday, January 20th, 2011

LOCATION: 8th Floor Scotia Bank Building
650 West Georgia St. Vancouver, BC

PRESENT: Carl Van Noort, Nancy Cavin, Cora Salvador, Kristin McCahon, Paul Lermite, Mickey Patryluk, & Rob Moore (WRM)

LODGE STAFF: David Mackenzie

REGRETS: Larry Arabski

The meeting was called to order at 6:30PM.

- 1.0 **Approval of agenda:** It was moved, seconded, and *carried* to approve the agenda.
- 2.0 **Approval of the Council Meeting Minutes from October 7th and October 23rd, 2010:** It was moved, seconded, and *carried* to approve the minutes as presented.
- 3.0 **Business Arising:**
 - 3.1 **Lodge Operations Update**
 - **Sales / Marketing:** David reported that it had been a slow start to the new year. There is currently \$50K on the books and the pace is down approximately 30%. Dave and Laura are being more aggressive with the marketing partners and trying to drive more business to the Lodge. The slow down might be due in part to the cutting back of media in the Georgia Straight. Previously, there was one insertion per week but as of late, there has been only one insertion per month. The use of a local billboard is still being investigated. A partnership with the Pony Espresso Restaurant has been signed which involves an advertising train. Laura has been doing some target marketing with the local snowmobile clubs as well as focusing exposure on Facebook and Twitter. There has also been a greater focus on word of mouth advertising. Intrawest has also been reporting a slow down in bookings. Laura has been working on creating an unadvertised call center only rate one on one relationship with Intrawest. Meetings with Big Sky Golf Club have already begun to determine rates and ads for

the upcoming season. Room upgrade opportunities are being utilized to create personal connections with corporate accounts. So far, the e-commerce program is providing helpful traffic information.

- **Trash Compactor Cage:** David reported that the compactor cage project has been rescheduled for the spring.
- **Pool Deck:** David reported that options were still being investigated to address any further cracking or shifting and will review with the Council in the spring.
- **Dog Wash Station:** David reported that this project is currently still on hold. The persons who hold the rights to the dog wash station have moved on due to personal reasons. David reported that it was still the intention to follow through with the installation of the pet wash station pending any exclusivity.
- **Owner Incident:** David reported that there had been a liability issue concerning owners who had booked a unit for the purpose of hosting a pool party. This involved unregistered guests accessing various areas of the Lodge. There were a number of children in attendance who were not directly related to the owners who had booked the room. David further reported that the owners were informed in advance of arriving that the party would not be permitted. The Council directed the agent to draft a bylaw infraction fine letter to the owners. The Council directed David to draft a liability concern letter to the owners as well.
- **Insurance Claim:** Regarding the current insurance claim, David reported that he had met with the adjuster and that repairs have commenced. Getting the lobby fully restored and running normally is the first priority. The cause of the flooding was due to a sprinkler pipe that had burst in the attic space. A hanger securing a 90 degree pipe elbow had failed. The elbow dropped, froze, and then blow out. Other than the lobby, rooms on the second and third floors had also been affected and required gutting. The Council directed the agent to invoice the Lodge for the amount of the insurance deductible when the invoice is received.

3.2 **Hotel Management Update:** Ralf Strub was not in attendance.

3.3 **Council Remuneration:** The agent reported that as per the Strata Property Act section 34, Council remuneration could be approved in the fiscal budget. After discussions, the Council agreed that this would be the best option and directed the agent to include a Council remuneration line item.

3.4 **Lease / Mortgage for SL #8 (Lobby):** There was a discussion as to whether the arrangement with the Royal Bank for the lobby strata lot was a mortgage or actually a loan. It was determined

that Paul and the agent will investigate another bank to take over the financing for the strata lot payments.

- 3.5 **Adara Hotel:** David reported that members from the Councils for PVL and the Adara have been working together harmoniously and have had several meetings regarding mutually beneficial marketing. A relationship has been fostering in dealing with Bellstar.
- 4.0 **Review of the Financial Statements for the fiscal year ending December 31st, 2010:** The agent reviewed the Balance Sheet as well as the Income and Expense Statement. It was noted that the Strata Corporation is currently reporting a Retained Operating Fund deficit of \$23,056.77 despite an Operating Fund surplus of \$2,743.71. The agent reported that because of previous transfers from the Retained Operating Fund as “carry overs” into the fiscal budgets this has drained the property reserves because the ROF was based on equity from the strata lot 8 mortgage and not on an actual cash surplus. After discussions, the Council directed the agent to review the reporting method on the property balance sheet with the WRM accounting department. The Council also directed the accounting department to contact Cora directly to discuss the reporting of the strata lot 8 restricted equity.
- 5.0 **Review of the Draft Budget for the Fiscal Year Ending December 31st, 2011:** The agent reviewed the draft budget line by line. The agent noted that to be in compliance with the Act, the ownership would need to abolish the Retained Operating Fund deficit by means of a unit entitlement special levy to replenish the property reserve funds. The agent recommended that the deficit be rolled into the monthly strata fees and that an increase to the strata fees would be required to meet the actual expenses of the Strata Corporation. The Council directed the agent to forward a fee schedule that would clearly show the breakdown of the proposed fee increases and deficit recovery amounts.

There being no further business, the meeting was terminated at 9:15 PM.

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