

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

HELD:	6:30PM Wednesday, September 7 th , 2011
LOCATION:	8 th Floor Scotia Bank Building 650 West Georgia St. Vancouver, BC
PRESENT:	Carl Van Noort, Cora Salvador, Paul Lermittle, Larry Arabski, Mickey Patryluk, Kristin McCahon, & Rob Moore (WRM)
LODGE STAFF:	David Mackenzie & Laura Arnold
REGRETS:	Nancy Cavin & Ron Crawford

The meeting was called to order at 6:40PM.

1.0 **Approval of agenda:** It was moved, seconded, and **carried** to approve the agenda.

2.0 **Approval of the Council Meeting Minutes from May 18th, 2011:** It was moved, seconded, and **carried** to approve the minutes as presented.

3.0 **Business Arising:**

3.1 Lodge Operations Update

- **Sales:** David reported that summer turned out a little bit better than original thought and that there may be a little bit more to come than projected. There is still talk about some Pemberton Hydro upgrade projects that may be scheduled soon. A lot of First Nations accounts have been a staple over the season. The year has been a bumpy road and the numbers have to be adjusted for projections this fall. When the rough periods happen, the staff remain diligent in keeping costs down. Whistler has reportedly had a very hard year across the board. The bigger hotels have been able to steal business by dropping their rates to comparable numbers. Wedding rates were increased this year to generate extra revenue to off-balance the extra work on the staff. The customer response summer scores for service have been higher than ever. An episode of the Cupcake Girls was filmed at the Lodge which is due to air soon. **The Council directed David to investigate the possibility of holding back revenue made in Aug and Sept for the purpose of increasing the reserve finances for harder periods (30K in Aug, 20K in Sept).** David reported that the House policy for owner pay outs has amounts over \$15K.

- **Staffing:** David reported that there has been the typical turnover in housekeeping but that the Lodge has hired a new maintenance man with a higher skill set. He seems to also have a good aptitude for electronics. He is looking into getting his class four license for the purpose of operating the Lodge van. David reported that Paul, the Guest service manager has resigned. He is leaving on good terms.
- **Marketing / Website:** Laura reported that the website has been interfaced with the booking software. Laura submitted a report to the Council detailing how the Lodge bookings correlate to the website traffic. The report also indicates where the business is coming from; how many bookings there are; and what revenue is made from the advertising sources. **The Council requested that Laura and David determine the direct return from the different ad components that the Lodge uses based on the advertising expenses. The Council also directed Laura and David to obtain expense estimates to update the Lodge website pictures.**
- **Braidwood Marketing Update:** The strata agent noted that as per a correspondence between the Council members, the minutes for this Council meeting will reflect that the previously presented Braidwood marketing agreement had been approved by majority. Laura reported that, to date, there has been no new information from Braidwood. An analysis report from Braidwood has been distributed to David, Laura, and the members of the Council for review. **Laura and David requested that the Owners' Co. direct the Braidwood marketing team to report to directly to David and Laura. The Council agreed that this request be approved. Laura and David will then forward the report to the Council and the JMC.**
- **Trash Compactor Cage:** David reported that the compactor cage project has been tabled. The Council directed the agent to remove this item from Business Arising for the time being.
- **Area Adjacent to the Lodge:** David reported that the possibility of developing the land next to the Lodge on the highway for on site functions / services such as weddings or a farmers' market has proven to be not possible at this time. The Council directed the agent to remove this item from Business Arising.
- **Propane Charges Update:** David reported that he had been corresponding with Superior Propane regarding the originally agreed upon fixed rate charge per liter that the Lodge was to receive. David explained that the variable option for invoicing was based on prices that change on a daily basis. Paul reported that he had spoken with Geoff Callon from Superior and it was noted that a one year fixed rate could be negotiated. **The Council directed David to continue with the rate negotiation and to find a reasonable fixed rate to be invoiced once the variable rate reaches that amount.**

- **Pool Deck:** David reported that the crack on the pool deck has been repaired again this summer. The approximate cost of the repair was only \$350 and performed by a local contractor, Flemming Brandt. The result of the repair is very satisfactory and looks very good. Flow meters have been purchased and the new maintenance man is scheduled to perform the installation. The pool boiler required repair a few times last winter. Repairs to the sand filter and heat exchangers are the main reason why the budget ended up being higher. A new part of the preventative maintenance for the new maintenance man is to perform regular cleaning of the filters on the pool area heating equipment.
- **Painting:** David reported that the painting project has been put off until spring of 2012 due to the delay in proper planning. The number and quality of quotes were not satisfactory and it became too late in the season to secure a contractor. It was determined that in the spring a whole new bidding process should be initiated. The Council agreed that the money for this project is to come from FF&E.
- **Water Softening / Hot Water Tank:** David reported that once the Lodge has caught up on outstanding items from the summer, the new maintenance man has suggested some reasonable solutions regarding the water softening project. **The Council directed David to note this for the budget regarding upcoming projects.** It was reported that the new hot water tank has been installed.
- **Building Lighting: The Council directed David to investigate options for exterior lighting to be displayed on the building.**

3.2 Bellstar Transfer Agreement / Legal Fees Update: Paul reported that monies were being withheld by Bellstar initially due to David and Laura's contracts. Ryan has kindly drafted a letter on behalf of the Lodge requesting that Bellstar immediately forward the balance of the Lodge FF&E funds which Bellstar is withholding pending the outcome of the dispute regarding Laura's compensation. Bellstar subsequently did return those funds to the Lodge. Paul and Mickey will follow up with a letter to inform Bellstar that legal proceedings will be initiated as a result of their failure to respond to the August 5th, 2011 letter regarding their charges to PVL with respect to Laura's salary.

4.0 Review of the Financial Statements for the fiscal period ending August 31st, 2011: The agent reviewed the Balance Sheet as well as the Income and Expense Statement. It was noted that the Strata Corporation was reporting a Retained Operating Fund deficit of \$14,142.21 but that the amount was being paid down as per the monthly contribution through the strata operating budget from a deficit of over \$23K at the beginning of the fiscal year. The agent reported that the operating budget at the

end of August reported a surplus of \$1,354.23. After discussions regarding specific line items, it was moved, seconded, and carried to accept the financial statements as presented.

5.0 New Business:

- 5.1 **Owners' Weekend:** David reported that the dates for the Owners' weekend were the 21st through the 23rd of October. A discussion ensued regarding the affect on the Lodge budget regarding the total expenses of hosting the annual weekend. It was eventually agreed by the Council members present that a \$25 charge per head for extra guests would be an acceptable method of recouping expenses.

- 5.2 **Joint Management Co. Report:** Larry gave an update report regarding the current responsibilities of the JMC. It was noted that there are 3 directors for the Pemberton Valley Lodge: Larry, Kristin, & Carl. Kristin and Larry were appointed to meet with the Adara Owners' representatives and David and Laura on a monthly basis to review the various revenue and expense reports. The relationship with the Adara has remained positive. A management structure model is being developed with Dennis Hilton. Robyn Bowes has proven to be an excellent and competent addition for the accounting requirements. She is now on payroll as an employee. Larry reported that David and Laura's contracts still need to be finalized. It was noted that the current administration and management expenses for David and Laura were 60% Pemberton Valley Lodge / 40% Adara.

- 5.3 **Proposed Compensation for the Owners' Management Co:** The time commitment and expenses for the JMC members was discussed at length. A motion was made to secure a compensation model for the JMC members that included a remuneration of \$500 plus expenses for the 1st member and \$250 plus expenses for the 2nd member. The motion was seconded and unanimously carried by the Council members present.

There being no further business, the meeting was terminated at 9:45 PM.

Whistler Resort Management Ltd. 604 932 2972

Rob Moore ext. 232

Strata Property Agent

rob@wrm.bc.ca