

MINUTES OF 2018 ANNUAL GENERAL MEETING

STRATA CORPORATION KAS-2662

“PEMBERTON VALLEY LODGE”

HELD: Tuesday, February 27, 2018 at 6:30pm
Holiday Inn
700 Old Lillooet Road, North Vancouver, BC

PRESENT: The Owners of Strata Plan KAS 2662 “The Pemberton Valley Lodge,” as per the registration sheet
David MacKenzie (PVL staff)
Chairperson: Mickey Patryluk

The meeting was called to order at 6:39 pm, after it was ascertained that a quorum (29 owners) was present in person and by proxy.

- 1.0 **Approval of the Notice of Meeting dated February 9, 2018**
Moved: Cora Salvador; seconded: Donna Miazga; Carried.
- 2.0 **Approval of Agenda**
Moved: Amanda Butler; seconded: Donna Miazga; Carried
- 3.0 **Approval of the minutes of the 2017 AGM held February 23, 2017**
Moved: Donna Miazga; seconded: Amanda Butler; Carried
- 4.0 **Reports from Council**
 - 4.1 ***Chairman’s Report (Mickey Patryluk)***

Thank-you's to David MacKenzie, General Manager, for an excellent job last year, and to Council and Owners' Management Company officers.

Assessments Assessments for all three types of units rose substantially this year. The Strata President contacted the BC Assessor Authority to indicate our intention to appeal. Assessments are based on recent sales values. On the studios and two-bedroom units, assessed values were in line with sales prices, but those for one-bedrooms were considerably higher than sales amounts, and the assessor agreed to adjust those downward. Sales for the one-bedrooms were approximately \$150,000 vs. an assessed value of \$183,000. That will be adjusted down to \$152,000.

Having been presented with credible detailed documentation of values on studios and two bedrooms by the appraiser, and having been advised that a formal appeal could even result in an increase in assessments, we decided not to pursue anything further on this.

The assessed value on the lot went back to where it had been originally (before we appealed it last year) at \$670,000. Our purchase price of \$350,000 should establish the value, as there is no comparable property in Pemberton. We will appeal that again. Timing has not yet been set, but we will be represented by David MacKenzie and Treasurer Dave Willis.

Depreciation Report The depreciation report was completed early in 2017 and is posted on the owners' portion of the website. The Strata Act requires that it be renewed or waived every three years.

Owner Use Fee has been raised from \$10 to \$25/night effective July 1, 2018

4.2 Insurance Report

Strata treasurer Dave Willis explained that the primary use of our strata funds is to pay the Lodge insurance covering the hotel and directors' and officers' liability. The base cost of our insurance (\$30,616) is rising about 2% for 2018. There are few choices of insurers in this field, and the next best alternative costs \$40,000.

5.0 Review of the Financial Statements

Strata Treasurer Dave Willis reported that insurance as discussed above is the only material change in the strata's financial situation. Expenses will generally be similar to 2017, so no increase in strata fees is required.

6.0 Special Resolution

01-17: Transfer of Operating Surplus

Moved by Dave Willis and seconded by Mickey Patryluk as follows:

BE IT RESOLVED in accordance with the Strata Property Act section 10S by a 3/4 vote the Owners of Strata Plan KAS-2662, "Pemberton Valley Lodge" approve to transfer \$7,056.45 of the 2017 fiscal year operating surplus to be carried over to the 2018 Operating Budget.

Carried.

7.0 Operating Budget for Fiscal Year Ending Dec 31, 2018

Moved to approve budget: Dave Willis; Seconded: Mickey Patryluk. Carried.

8.0 Other Business

No other business.

9.0 Election of 2017 Strata Council

The floor was opened to nominations for strata council; Lee Hollaar agreed to stand. Thank you, Lee. Therefore, the following owners have been elected to the strata council by acclamation: Mickey Patryluk, Richard Thomson, Dave Willis, Mary Roberts, and Lee Hollaar. We noted that Kristin MacCahon sold her unit in 2017, so left the council. We thank her for excellent service as council member and Secretary.

There being no further strata corporation business, the strata portion of the meeting was terminated at 7:05 pm.

PVL Owners' Management Corporation

President's Report – Richard Thomson

Richard thanked those who attended the meeting, new owners, his fellow council members and OMC directors, and General Manager, David MacKenzie.

Treasurer's Report – Dave Willis

Revenues, though slightly lower than 2016, are still very strong. We have some headwinds in occupancy, primarily resulting from AirBnb and other short-stay rentals. We are making up for that in room rates.

Expenses are somewhat higher owing to higher wage rates intended to foster staff retention.

Dave encouraged us to express appreciation to staff, as the public-facing jobs in particular can be stressful owing to the demands of guests.

General Manager's Report – David MacKenzie

Hotel Operations Update

New this year:

--Carpeting and flooring replacements are proceeding in areas where wear requires them

--All guest door locks have been upgraded to Bluetooth technology

--New phone system. The 14-year-old system had become unrepairable. The room handsets are still functional, but the core of the system has been replaced.

--Café YPS (the airport code for Pemberton). The former meeting room has been refurnished and redecorated with an airport theme. We have liquor and food licenses covering the café, half of the lobby and the pool deck. This spring will see a new revenue stream arising from simple food service and the sale of beer and wine. An additional benefit will be our ability to control liquor consumption at the pool, where occasionally guests' use of their own liquor creates a problem.

--Fireplaces were installed in all studio rooms. Every room in the hotel now has a fireplace.

--Three Tesla charging stations have been added in the parkade: there are now two at the front of the hotel and three in the parkade. The hotel therefore appears on the Tesla's destination website and travel app, so we benefit from that further publicity, as it is important for an electric car owner to plan routes from station to station.

--Occupancy is down about 2% because of AirBnb and other short-stay options, as noted above. However, we have moved room rates up to compensate. This effort is working well: after 26 of 28 nights in February, revenue had reached \$300,000 for the month. Previously, only July and August have ever reached that revenue milestone. David noted that the average price of a night at AirBnb's averaged across the country is actually higher than a night at all hotels across Canada. The hope is that taxes, regulations, and municipal bylaws may curtail use of short stay accommodation. Supposedly the Village of Pemberton will permit only 30 such properties in the future, not the current 200.

--The skidsteer has now paid for itself through savings on snow removal this winter and last.

--David displayed the breakdown of revenues by market segment, i.e., corporate, leisure, group, weddings, etc. Corporate is by far the largest sector contributing to our revenue.

Awards

The Lodge received several awards and honours in 2017, including

- The Trip Advisor Certificate of Excellence (awarded to only 10% of hotels in the world) for the sixth year in a row
- The TripAdvisor Green Leader Award at the Platinum level
- The Canada Gold Award for Green Tourism
- Green Key eco-rating of 5 Keys (highest level)
- BC Hotel Association Housekeeping Award. Recognition for guest scores higher than 85% on surveys of room cleanliness. PVL scored 92.5%. This award went to only 54 of the 687 hotels in BC, and is a significant achievement giving the staffing challenges experienced in 2017.

Charities Supported

- The Lodge-sponsored Gingerbread Project raised \$14,300 for the Pemberton Food Bank.
- Lodge employees raised and contributed \$1,000 toward Cops for Cancer.

Meeting adjourned at 8:06 pm.

Respectfully submitted,
Mary Roberts