

**UNAPPROVED  
ANNUAL GENERAL MEETING  
MINUTES  
THE OWNER'S CONDOMINIUM PLAN #882 2999 and 892 2950  
POINTS WEST RESORT**

May 23, 2010

Held at the Corporation Clubhouse, Sylvan Lake, Alberta

1. Rob Frank called the meeting to order at 10:20 a.m. and introduced the Board of Directors and Tamara Mutemwa from Sunreal Property Management Ltd.
2. Sunreal Property Management Ltd. certified there were 6 proxies registered and quorum was established at 57.7% with 8 owners disqualified for arrears.
3. Proof of Notice was established and received dated April 21, 2010.
4. Vin Bhola, Lot #34, presented a motion to approve the Annual General Meeting minutes dated May 17, 2009.  
Seconded by Melanie Bendinelli, Lot #4.  
Motion carried.
5. Business Reports;

a) President's Report

Rob Frank, Lot #30 explained to the owners that last season the President Tony Suberlak had resigned his position because of work commitments so Rob had stepped into his role for the remainder of the year. Rob thanked Tony for all his expertise and energy that he brought to that position. Rob Frank thanked the Board for their hard work all year and thanked the volunteers whose contributions assisted in improving the playground to an acceptable level. Without volunteers the park suffers with projects getting put off and the overall appearance of the park declining. Rob said it was nice to see owners take pride in the park and lend a hand in its upkeep. Rob thanked Kathy Warren for her hard work on the 2009 financial statements and saving the owners the cost of a "notice to reader" statement.

Rob let the owners know that the resort had signed two new contractors; a landscaper and a pool/janitorial person. He informed the owners that the search for the contractors was a long one and proved to be a challenge to find a contractor who had the ability and the desire to handle the landscaping, maintenance and pool care like Maple Bay Maintenance did. There were seven serious candidates and the final decision was to employ a landscaper for the lawn care and a separate contractor for the pool and janitorial duties. Rob reminded all owners that the Board would like everyone to treat the contractors with respect and if there are any questions or concerns, to report them to Sunreal who will then communicate with the Board. One of the past contractor's frustrations was the productivity time lost when individual lot owners approached them while they were working. There had also been incidences of unpleasant and unwarranted behaviour towards the contractors and their staff which contributed to the contractors leaving. Rob Frank read the resignation letter from Maple Bay at this time to the owners. Rob ended his statement with a reminder that the resort is a place to come and relax and have some fun, so please enjoy your investment and leave the management up to the company that we hired to do so!

Rob Frank also informed the owners that the park start up this year went very well and the Board believes this is because we follow the advice of the professionals and the contractor that we hired to conduct the process. Mother Nature was again unpredictable

this season and did not cooperate but following the plan of the contractors, helped the opening go smoothly and kept the costs to budget.

Rob Frank told the owners that the research into deep services and electrical upgrade last year was a large undertaking and included Tony Suberlak and Mike Stevens meeting with the Mayor of Sylvan Lake. This meeting was very productive because it revealed that the Town was very supportive of the resort and wanted to include Pointes West Resort in its future planning and cared about the input of the owners. The quotes for the electrical upgrade started at \$250,000 and the deep services initial estimates were twice that number. When this was communicated last year to the owners via the newsletter, the feedback at that time prompted the Board of Directors to stop their investigation – it was clear that there were not very many lot owners interested in the costs of supporting these upgrades. Rob stated that the Board felt they would record their findings and the issue was always something a future Board could endeavour to undertake in the future.

Vin Bhola, Lot#34, made the motion to accept the President's Business Report.  
Seconded by Al Rosnau, Lot#115.  
Motion carried.

b) Treasurer's Report

Al Rosnau, Lot# 115 introduced the \$200 condo fee advance and the \$55 per lot per year increase on condominium contributions by explaining that the 2009 operating budget of \$147,900 was overspent by approximately \$24,000. The \$200 advance was necessary to cover expenses from December 2009 until the park opening and AGM when the condo fees are traditionally collected.

The Board of Directors approved the condo fee advance to cover the operating shortfall for the 2009 fiscal year. The reason for the shortfall is that there were not enough condominium fees collected to cover the expenses of the resort. There have been several operating expenses that were over budget this past year and are mostly related to the water and sewer system. The Board of Directors, at the concerns of the owners in the spring took extensive efforts to facilitate spring opening which included the use of a vacuum and steam truck. The resort had two sewer back ups and the subsequent restoration work and several plumbing repairs. These incidents amounted to approximately \$11,000. The Board also decided to investigate the water and plumbing concerns and enlisted ISL Engineering to conduct an examination of the sewer and water system. The report was posted on the website and the cost of that report was \$3,500. There had also been an unexpected adjustment by Direct Energy to the natural gas costs due to over credits they issued the resort over the course of four months the summer of 2009. They had also called in the outstanding balance in a budgeted plan. That adjustment is for \$9,500.00.

Melinda Parker, Lot 6 said that she set up the Direct Energy budget account a few years back and it was intended to equalize the payments over 12 months instead of paying large lump sums in the summer. Tamara Mutemwa agreed that it was a "Price Dropper" account set up in May 2006 and was set to expire this July. Both Tamara and her assistant Tanya had spoken with Direct Energy representatives including supervisors and could not convince them that the budget amount was not due, that it was a budget plan. Direct Energy was not in agreement and was sending collection letters.

Al Rosnau said the Board worked diligently on the 2010 operating budget and strived to create a realistic budget without raising condo fees significantly. However, the resort had to find new contractors for the landscaping and pool care as the current contractors had resigned. In the search for new contractors, the Board has discovered that our former contractor was unique because they could operate the pool as well as their other duties.

The resort had to hire separate contractors for the landscaping, pool care and janitorial duties and the cost will be higher.

The 2008 Board of Directors had moved the fiscal year end from April 30<sup>th</sup> to December 31 to match the calendar year. The Board of Directors would like to make the owners aware that the collection of condominium fees will work better if they are collected for the 2011 fiscal year in January of that year.

Rosetta Billota, Lot 48 asked why the Capital Reserve Fund Savings had not been utilized to offset the depleted operating funds. Al Rosnau informed the lot owner that the Capital Reserve Fund Savings was not for operating expenses but for capital replacement and repair items only and was in accordance to the Condominium Act of Alberta.

Al Rosnau stated that Kathy Warren, Lot #112 had volunteered her services to complete the year end financials statements for 2009. She had completed them in conjunction with the budget preparations and did an excellent job with a year end report that is very concise and comprehensible.

Bill Rockney, Lot 56 asked how Sunreal had bid out the sewer line flush. Tamara Mutemwa said that Sunreal always secures three competitive quotes for service if possible.

Tim Gardiner, Lot 33, expressed concern that there doesn't seem to be enough communication between outgoing Board members and incoming Board members. Al Rosnau stated that there was cooperation between the parties and the Board had consulted former members throughout the year on many issues including the electrical upgrade project.

Rosetta Billota, Lot 48 asked what the R&M category in the budget is. Rob Frank explained that it was a code on the accounting statements referring to Repair and Maintenance.

Stephan Ney, Lot 50 asked where the operating manual is and who owns it. Tamara Mutemwa said that the operating manual is almost completed and will be the property of the Condominium Corporation. Maple Bay had completed an operations manual for the pool and park opening and closing procedures and a copy has been left in the park office.

Melinda Parker, Lot 6 asked if the resort could get a new billing program with Direct Energy. Tamara Mutemwa said that the current program expires on July 19<sup>th</sup>, 2010 and currently a new contract is being reviewed.

Greg Stokowski, Lot 47 asked if they had hired new outside maintenance contractor and what exactly was it that the management company does? Tamara Mutemwa explained that a new landscaper and a new pool operator/janitorial contractor had been hired. She informed the owners that the Sunreal contract has always been posted on the website for all to review and then outlined the duties detailed in that contract.

Peggy Lyall, Lot 1 asked exactly what reasons that Maple Bay Maintenance had resigned for. Al Rosnau read the resignation letter to the owners and then mentioned that their manner in leaving was conducted in a very professional manner and when pressed, did mention that the offensive behaviour of a few of the owners contributed in their decision to break the contract.

Al Rosnau said that "we are all owners and we come to the resort to relax and enjoy ourselves. We need to be happy." Some residents need to watch how they speak, we

have new contractors now. Talk to the Board and to Sunreal if you have questions or concerns, do not hassle the landscapers and pool maintenance staff.

Rosetta Bilotta, Lot 48 asked why we did not invest in equipment and do the landscaping and maintenance ourselves? Al Rosnau stated that it had been done in the past and was not the best results. And for the past three years contractors had been used and this seemed to be working well.

Melinda Parker, Lot 6 thanked the Board and the contractors for the hard job that they do.

Bruce Overman, Lot 38 asked if the contracts were designed to get out of easily. Tamara Mutemwa said that there were designed for either party to terminate with thirty days notice.

Kathy Warren, Lot 122 asked if an email distribution list would work to increase communication with the owners. There seemed to be interest so Tamara Mutemwa suggested that anyone wanting to be on that list should contact Sunreal.

Barb Sauve, Lot 37 stated that the owners must self police themselves with regards to the pool issues and not overload the hot tub. She observes many young people overloading the hot tub and it is no wonder that the water tests failed often last year and caused closures. The job of control is up to owners to monitor and discipline other owners if they are using the facilities incorrectly and to the detriment of the equipment.

Peggy Lyall, Lot 1 says everyone in the park has issues; hers is the speeding and free-for-all at the exit and entry, she urged owners to please drive the speed limit for the safety of all residents and the children at the park.

Al Rosnau asked that the conversation be brought back to the agenda item of condo fees. He said that the cash call or advance was called for to stretch the budget. He said the Board had three ways to fix it; pool cash via a special levy, conduct a cash call, or move the condo fees dues in January each year.

Wayne Herve, Lot 2 made the motion to have the condo fees collected and due in January of each year.

Seconded by Melanie Bendinelli, Lot 4.

Show of hands - 29 for and 32 opposed.

Motion defeated.

Tim Gardiner, Lot 33 said if the resort is having the cash call because we are short of operating funds, why wouldn't we have the cash call in the fall after the resort closes?

Kathy Warren, Lot 112 suggested that condo fees be paid semi annually in January and July.

Bruce Overman, Lot 38 said it shouldn't matter when you collect, it is money for the year.

Kathy Warren, Lot 112 made the motion to collect twice a year January 1<sup>st</sup> and July 1<sup>st</sup>

Seconded by Susan Mackie, Lot 101.

Motion carried.

Wayne Herve, Lot 2 said that he felt that the budget should be made including the \$200 advance which would make the fees \$1550 for the year. He said that last year the hot tub was a problem and we should be considering that in the budget. If we need a new hot tub, we could special levy the funding.

Fred Purich, Lot 85 said we should save the money and close the hot tub.

Vin Bhola, Lot 34 made the motion to accept the Treasurers Report and the 2009 Year End Financials as presented.

Seconded by Tim Gardiner, Lot # 33.

Motion carried.

#### 6. Committee Reports

Rob Frank thanked Kerrie Johnson, Lot 88 for all her outstanding work on the Social Committee. Kerrie stated that the level of volunteers had dropped dramatically the past few seasons and that she would no longer be heading the Social Committee. Kerrie Johnson introduced Barb Suave, Lot 37 as the new Social Committee chair. Kerrie also added that the committee relies on the bottle refunds for funds so please ensure that your empties are stored in the back forty shed for pick up.

Rob Frank added that the committee work is fun and especially for young families to be involved because they can tailor the functions and ensure these social events continue in the park for their families.

#### 7. Property Managers Report

##### a) Lot Improvements

Tamara Mutemwa pointed out that there had been three lot permits granted last year and three more in for the new season. The permit application is available on the website or from Sunreal upon request.

##### b) Landscaping

The new landscapers had started the spring clean up and were finished by May 15<sup>th</sup> including raking and aerating. A sign up sheet has been posted in the laundry room for those owners wishing to mow their own lawns. Anyone mowing their own lawn will still be included in the other landscaping services.

##### c) Pool

Sunreal has arranged for the pool to be cleaned and started up in mid June, weather permitting. The pool operator is endeavoring to open the pool as quickly as possible for the owners, but in a responsible manner and has an appointment with the local health inspector mid June.

Marcello Giordano, Lot 80 asked that the Board consider putting in EFT plug ins in the men's room so that when the breaker trips, it can reset in the washroom. The Board agreed that this item would be discussed at the Board level.

Ed Johnson, Lot 88 thanked the outgoing Board member Al Rosnau and congratulated the park members to allow their names to stand for the Board of Directors, it is a tough job and I really appreciate all that Rob and Al and the other members have done.

#### 8. Election of Board

- a. Tamara Mutemwa from Sunreal Property Management stated that Al Rosnau had resigned his position in accordance with the by-laws because his two year term had ended. Dave Warren, Wes Worobec and Rob Frank have one more year on their respective terms. There had been one vacant Board position when Tony Suberlak resigned and there was not an owner appointed to this vacant position. Therefore, there are two (2) vacant Board positions.

A motion was presented by Vin Bhola, Lot # 34 to open the floor to nominations and volunteers.

Seconded by Al Rosnau, Lot 114.

Motion carried.

- b. Tamara Mutemwa explained the expectations for incoming Board members and that Sunreal offered teleconferencing which enabled those that traveled or went to warmer climates for the winter could actively participate.
- c. Nominations and volunteers were accepted from the floor for the Board of Directors. The following names were nominated for the Board of Directors.

- 1. Sari Gereluk, Lot 103 nominated Kerrie Johnson, Lot 88
- 2. Rosetta Bilotta, Lot 48 nominated Rod Stagg, Lot 40
- 3. Marcello Giordano, Lot 80 nominated Tim Gardiner, Lot 33

There were not any other nominations or volunteers.

- d. Kathy Warren, Lot 112 presented a motion close to floor to nominations and volunteers. Seconded by Wes Worobec Lot # 114  
Motion carried.
- e. The nominees were given a chance to speak as to why they will be an asset to the Board.
- f. The owners voted and Tamara Mutemwa of Sunreal and Kathy Warren, Lot 112 counted and tallied the votes.
- g. Wes Worobec announced that the two (2) new Board members were Kerrie Johnson and Tim Gardiner. Wes thanked the new members of the Board for their future commitment.
- h. A motion was presented by Dave Warren, Lot 112 to destroy the ballots.  
Seconded by Rob Frank, Lot 30.  
Motion carried.

#### 9. Old Business,

- a. Deep Services/Electrical Upgrading – Rob Frank said that the resort is facing the same situation as the province; an aging infrastructure. Rob said that last year Tony Suberlak and Mike Stevens met with the Mayor of Sylvan Lake. The Town of Sylvan Lake said that they share the owner's vision for the resort and want to be partners; they support our future plans. This is why we researched into the electrical upgrade. However, the feedback throughout the park was very negative. This is why we stopped researching into it half way through the year. Al Rosnau added that the electrical upgrades would be approximately \$3500 per lot to complete.

Al said that he would like to propose the idea that the park could turn the back forty into 8 more developed lots, selling them at \$100,000 each for approximately \$800,000 to the Condominium Corporation. Melinda Parker, Lot 6 stated that a former Board had looked into that and discovered that the Town would require an additional entrance into the resort and they had turned down the only viable proposed sites.

- b. Operating Items for 2009 – There was not any discussion on this item.

#### 10. New Business

- a. New Contractors – Rob Frank stated that the new landscapers had been introduced during the management update.
- b. Sanitary system – Rob Frank asked if the owners felt it was important to look into the maintenance to the infrastructure to the sanitary system. Al Rosnau asked the owners to make a show of hands if there was interest. Clearly there was.

- 11. A motion was presented by Al Paquette, Lot 57 to adjourn the meeting at 12:55 pm.  
Seconded by Wes Worobec, Lot # 114.  
Motion carried.