

CLRC Inc.

Annual General Meeting – November 26, 2017

Start Time: 10:05 a.m.

Finish Time: 1:10 p.m.

1. Welcome and Introductions

Item	Decision/Action
<ul style="list-style-type: none">a. Mike Dix welcomed everyone to the meeting and introduced the Board Members and Minute taker.b. Agenda was reviewed with no changes proposed.c. Mike Dix indicated that the Sub-Committee Reports would be built into the President's Report.	

2. Attendance/Quorum

Item	Decision/Action
<ul style="list-style-type: none">a. 25 Class A shares represented in person.b. 5 Class A shares represented by proxy.c. 17 votes required for a quorum.	AGM declared official.

3. Approval of 2016 AGM Minutes

Item	Decision/Action
<ul style="list-style-type: none">a. Motion to approve the minutes of the Annual General Meeting of November 13, 2016 proposed by Dawn Davies (Lot 56).b. Motion seconded by Dave Seivewright (Lot 29).c. All in favour, none opposed.	November 2016 AGM meeting minutes approved.

4a. President's Report

Item	Decision/Action
<ul style="list-style-type: none">a. Mike Dix welcomed the new shareholders, recognized the loss of longstanding park members (George Porter #3, Bob Eddy #9 and Bob Fenty	

<p>#40).</p> <ul style="list-style-type: none"> b. Mike Dix also made mention of the terrific work of Jim Bourne, our caretaker plus recognized a number of volunteers. c. Issues with the new lake wall at lots 42 – 45. Nothing from the contractor after CLRC sent a formal letter stating no further payment. The wall is collapsing into the lake (further discussion later). d. Another 2 water leaks resulting in a water bill that is approximately \$3K too high. e. 2017 BC Assessment Review – Board believes that property taxes should be unbundled from our strata fees and each lot pay their own (further discussion later). f. The major earthworks of our new neighbour to the north (Doug) needs to be monitored for impacts to CLRC. The riparian area could change when the berm is cut. g. Continuing issues with D’Arcy Lubin on the south side (safety, trespass and encroachment). Continuing to tie up their dock to our boom plus need to minimize access at Lot 53. h. Depreciation Plan (asset list) is ongoing. Made good progress this year. i. Hydro Assessment in progress for north section of the park (upper 8 lots and lower 4 lots around main washroom) (further discussion later). j. Park projects this past year include: hazard trees along north property line, new electrical shed at Cougar Row, Cougar Row electrical upgrade, swim dock replacement and ramp addition, main house renovation, lake wall at lots 42 – 45 (needed to get 3 of 4 lots fully useable), replacement of toilets, sinks and countertops in main washroom (plus addition of fans), replacement of retaining wall along lot 7, paving and patching black top (Cougar Row and park entrance), front fence replacement, main lawn upgrade, fixed 2 significant water leaks and Septic Management Plan (our septic system is a huge constraint and the ability to handle expansion is a question/issue). 	<p>New Board member needs to go to the CVRD & try to obtain credit.</p>
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4b. President's Report – Ratification of Board Decisions

Item	Decision/Action
<p>a. Peaked roof park models are permitted if lot has 50 amp electrical service plus an approved LIRF. Motion to ratify made by Rick Jeffery (Lot 30), seconded by Dave Seivewright (Lot 29).</p>	<p>Vote: All in favour, none opposed. Motion carried.</p>
<p>b. RV shelters permitted that conform to approved standard design plus an approved LIRF. Must be attached to trailer, not to replace awning other than bumpout. Board to approve design that is peaked and consistent in colour and design. Motion to ratify made by Rick Jeffery (Lot 30), seconded by Dave Seivewright (Lot 29).</p>	<p>Vote: All in favour, none opposed. Motion carried.</p>
<p>c. Rules and Regulations update. Theresa Hillier (Lot 5) raised issue regarding allowing RV's on mobile home lots and put forward a motion requesting that this rule not be approved until further discussion. Seconded by Dave Seivewright (Lot 29). Motion to ratify the Rules and Regulations made by Rick Jeffery (Lot 30), seconded by Kim Chadwick (Lot 20).</p>	<p>Vote: 2 in favour, majority opposed. Motion defeated.</p>
<p>d. BC Assessment by lot next year. Unbundle and remove from strata fees with a once yearly payment per lot required. Each lot would pay an equal share of common services. Approximately 1/3 of operating budget (\$32,500) is designated for property taxes. Mike Dix believes the assessment is very reasonable, on the low side. Attempts to appeal the assessment could result in a higher assessment and potentially triggering capital gains.</p>	<p>Vote: All in favour, 1 opposed. Motion carried.</p>

4c. President's Report – Actions for this AGM and the New Board

Item	Decision/Action
<p>a. Hydro Upgrade for north section of park (Upper 8</p>	

<p>lots and 4 below the washroom). Current “guesstimate” is approximately \$24K (\$2K per lot). There will be some CLRC costs due to current underservicing. Majority of lots must agree. Trenching would occur along roadside, leaving old cabling at back. Need to consider trenching also capable of handling sewer and water lines. Volunteers might be an option but work must be done to code. There is no decision at this point. More work to be done re: pricing, what’s included, CLRC contribution, etc. Timing will be dependent on new Board’s workload/time available.</p> <ul style="list-style-type: none"> b. Park Roads/Area naming plan – new Board to look at formally naming the areas of our park. c. Re-establishment of the fire pit – item for the new Board. Do we need a gathering spot? 	
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4d. President’s Report – Actions outstanding for the New Board

Item	Decision/Action
<ul style="list-style-type: none"> a. Completion of the Depreciation Plan - ongoing item b. Completion of Lubin’s work at Southern Boundary 	

4e. President’s Report – Actions outstanding for the New Board – Proposed Projects List

Item	Decision/Action
<ul style="list-style-type: none"> a. 85% of last year’s project list completed. b. Fix new lake wall at lots 42 – 45. Huge issue and requires immediate attention. Contractual issues (Contractor and QEP) and timing issues (requires low lake level). Estimate \$25K - \$35K to go after contractor, feel not worth the time/effort. Another layer of blocks is required, the first layer should have been half buried. Received a quote from Mitchell Excavating for \$27K to complete work. Need plan on how to best do the work. From a safety aspect, fencing must be to code (42” high along the wall). Our existing permit expired upon completion of the work. Mike Dix re-applied but unfortunately Bob Crandall (QEP) dragged Timber West into the discussion and permit not 	<p>Mike Dix to take pictures</p>

<p>approved. FLNRO not comfortable with wall on property line; want re-survey and approval from Timber West. It is a 5 day project to dismantle and re-do. Fish window usually means all work has to be completed prior to September 15. Most pressing issue for new board.</p> <ul style="list-style-type: none"> c. Temporary usage/compensation arrangements for lots 42 – 45. What is reasonable? These lot owners have a right to use their lots. Make wall and lots 42 – 45 temporarily usable, ensuring safety issues addressed. d. Signage: Use at own risk at beach area, security video signage at entrance/exit e. Beach clean-up along swim area f. Add northern fence (along Doug’s property). Doug will probably not contribute money but will hopefully provide services. Consultation required with lot owners regarding fence height (6’ may not be high enough, but may be what’s allowed by CVRD). 	<p>and meet with Telford at FLNRO siting need to fix. Hopefully get an emergency order. Might have to do a stop gap solution in the interim.</p>
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4f. President’s Report – Strategic Planning

Item	Decision/Action
<ul style="list-style-type: none"> a. Best Use of House: Proposal to keep caretaker’s suite upstairs. Re-build deck and add living space below. Convert existing lower suite and workshop into common space. Replace old garage with new workshop. Discussion included concern expressed regarding area currently experiencing high traffic and used for workshop parking, boat cleaning, garbage drop-off and car turnaround. Impact to lot owners in that area must be considered. Current inappropriate usage needs to be addressed. House is a non-compliant structure with sliding glass doors with no deck. Use of deck has been established. b. Lot 17 Continue to Rent, or Sell? – currently rented this year. Potentially look at selling this year. Lot owners have expressed that they would like to see all lots owned and renters gone. c. Pad rental lots 4, 9, 10 and 13. Pad rental rates are extremely low (approx. \$250/month). Lot 9 	

(Lois Eddy) talking of moving and leaving mobile home to CLRC. Lot 10 (Ben & Verna Wingo) will be purchased by CLRC for \$1 as Ben is moving by Dec. 31 and leaving mobile home to CLRC (further discussion later). Further discussion also occurred on potential options for Lots 4 and 13.	
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4g. President's Report – Options for Lots 4, 9, 10 and 13

Item	Decision/Action
<ul style="list-style-type: none"> a. New Board should consider all scenarios. Hold/sell? Where/what to buy? b. Grandfathering can be changed if permit to re-develop approved. Would need to approach CVRD & Residential Tenancy. c. Update Lot 10 mobile home and rent seasonal furnished (to replace loss of guest suite). d. Do same to Lot 9 mobile home when Lois Eddy moves, but also carve off the east side and add to house (Lot 8) where new garage/workshop would go. Subdivide the west side into a new 50A lot. Other options for 9 and 10 could include a possible caretaker suite or combine and sub-divide into 3 lots. e. Offer the Powers (Lot 13) the option to purchase the lot, continue to pad rent or give notice to vacate the lot. f. Offer Norm (Lot 4) the option to purchase the lot, continue to pad rent or give notice to vacate the lot and subdivide into 2 lots. 	

4h. President's Report – Potential Company Purchase of Lot 11

Item	Decision/Action
<ul style="list-style-type: none"> a. Lot 11 is available for purchase. b. Could carve off west side of Lot 10, and carve off 1/3 of Lot 11 to create new 50A lot. Reduce remainder of Lot 11 to 50A service. 	

4i. President's Report – Discussion Regarding Options for Lots 17, 4, 9, 10, 11 and 13

Item	Decision/Action
<ul style="list-style-type: none"> a. In the next 6 months, we could sell Lot 17 (\$110K), Lot 9 and Lot 10 (subdivided \$450K) plus updated mobile homes (\$80K) for approx. \$640K. b. Do we want to sell all our assets? c. What is the “right thing to do” regarding current permanent renters? d. What is the plan for the money? Need to ensure Depreciation Plan is up to date and cash reserves are maintained. Currently have \$110K in the bank. e. Could sell Lot 13 (\$150K) and Lot 4 (subdivided \$300K). \$640K + \$450K = \$1.09M f. How best to invest cash? Add value to shares plus money may be needed later to re-invest where needed. g. With the Company’s approval, could look at subdividing Lots 1, 2 and 4 in the future. h. “Astronomical” cost to build an independent sewer system for Sa-Seen-Os. “Guesstimate” approx. \$2M - \$3M. CVRD sewer through Youbou will not likely be available until mill site developed. i. Should we be looking at replacement of current septic systems serving the beach and the north side of the park? Potential issues with lake water levels if weir/dam is raised in height. Could not use lots until May this year due to high lake level. What is the Board’s position on making sure lot usage is protected? Septic field space an issue. Need to deal with CVRD if weir/dam raised. What are the options available? Suggestion that the New Board establish as a project (part of Depreciation Plan.) j. New Board should be thinking more strategically, in consultation with low owners. k. New Board should consider option of purchasing Lot 11. 	

4j. President’s Report – Potential Purchase of Billy Goat Island

Item	Decision/Action
<ul style="list-style-type: none"> a. New Board to decide whether there is enough interest to warrant spending any time investigating/considering. 	

5. Treasurer's Report – Financial Statements 2016/17 (Project List/Costs)

Item	Decision/Action
<ul style="list-style-type: none"> a. Lot 7 wall - \$27,629.71 b. New Lake retaining wall - \$16,940 c. Paving (around Lot 7 wall and entrance road) - \$9,230 d. Hydro shed (Cougar Row) - \$884.62 (Note: Ken Burke donated doors - \$400) e. Upgrade of Main House - \$6,944.95. Original budget was \$10K - \$12K. f. Front fence - \$8,344.41. Original budget was \$8K. g. Front lawn - \$3,500 h. Swim dock - \$16,415. Original budget was \$15K. i. Washrooms - \$2,101 	

6. Proposed Operating Budget for 2017/18

Item	Decision/Action
<ul style="list-style-type: none"> a. Miguel Cerda (Lot 46) motioned to approve the proposed operating budget for 2017/18, seconded by Rick Jeffery (Lot 30) 	Vote: All in favour, none opposed. Motion carried.

7. Standard Resolutions

Item	Decision/Action
<ul style="list-style-type: none"> a. That the Annual Financial Statements of the Company, Statement of Profit and Loss, and Balance Sheet for the previous Fiscal Year be hereby approved and adopted 	Vote: All in favour, none opposed. Motion carried.
<ul style="list-style-type: none"> b. That all acts, contracts, resolutions, proceedings, appointments, elections and payments made, done and taken by the Directors and Officers of the Company since the last meeting of the Shareholders referred to in the Reports of the Company be, and the same are hereby approved, ratified and confirmed. 	Vote: All in favour, none opposed. Motion carried.
<ul style="list-style-type: none"> c. That Collins Barrow be appointed Accountants of the Company until the next annual reference date at the remuneration to be fixed by the Directors, the Directors being hereby authorized to fix such remuneration. 	Vote: All in favour, none opposed. Motion carried.

<p>d. That pursuant to Section 203(2) of the Business Corporations Act, the Appointment of an Auditor for the Company is hereby waived and the necessity for an audit to be made of the financial affairs of the Company for the ensuing year is hereby dispensed with.</p>	<p>Vote: All in favour, none opposed. Motion carried.</p>
<p>e. That the 26th day of November, 2017 be selected as the annual reference date for the company for its current annual reference period.</p>	<p>Vote: All in favour, none opposed. Motion carried.</p>

8. Election of Board Members

Item	Decision/Action
<p>a. The current Board of Directors resigned. b. Individuals putting their name forward for the new Board included Mike Dix (Lot 45), Jack Pagani (Lot 55), Lloyd Ferguson (Lot 7), Ken Burke (Lot 60), Laura Smallwood (Lot 59 and 47, Susan Fox (Lot 15) and Brenda Rafter (Lot 22).</p>	<p>Confirmed by acclamation.</p>

9. Other Business

Item	Decision/Action
<p>a. Question arose regarding adding children as lot owner. Considered to be a deemed sale and will trigger Capital Gains. b. Meeting adjourned.</p>	<p>Dave Seivewright (Lot 29) to discuss further with Mike Dix.</p>