

**PACIFIC SHORES OWNER ENTERPRISES, LTD
BOARD OF DIRECTORS
REGULAR MEETING**

**SATURDAY, APRIL 2, 2016; 1:30 P.M.
TIGH-NA-MARA RESORT & CONFERENCE CENTER
ARROWSMITH ROOM
PARKSVILLE, BC**

MINUTES

I. CALL TO ORDER

A. Welcome and Introductions

Chair Kate Britton called the meeting to order at 1:25 p.m. (PDT) and established that there was a quorum. Ms. Britton welcomed the board members, acknowledged the guests and welcomed all to the meeting.

In Attendance:

Board of Directors

Kate Britton	Chair
Dave Hillmer	Vice Chair
Johann ‘Harry’ Felsing	Treasurer
Claus Flemming	Secretary
Stuart Allen	Director
Leonard Aylward	Director
Rick DeWolf	Director

Trading Places International Management – Canada, Inc. (TPIMC)

Joanne Hallert	Director of Resort Operations
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Resort Staff

Nikii Morrison	General Manager
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Regrets

Ken Chew	Director
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Invited Guests

Terry Kerr	The Kerr Group
Denis Thomas	PSOE Owner
Rafer Strandlund	Fisgard Capitol Corporation
Jamie Hall	Reed Pope Law Corporation - Telephonic

II. APPROVAL OF AGENDA

A motion was made by Leonard Aylward and seconded by Claus Flemming to approve the agenda as circulated with the following additions:

- VII. H. Use of Units by Owners*
- VII. I. Owner Correspondence*
- VII. J. Board of Director Travel Expenses*

The motion was approved unanimously.

VII. G. will be discussed after V. B.

III. APPROVAL OF MINUTES

A. Minutes of February 6, 2016 – Regular Meeting

A motion was made by Stuart Allen and seconded by Leonard Aylward to approve the minutes of February 6, 2016 – Regular Meeting.

The motion was approved unanimously.

IV. PSRC REPORT

Stuart Allen introduced Rafer Strandlund of Fisgard Capitol Corporation. The board and Mr. Strandlund had an open discussion on how they see the resort as a whole in the future. It provided an opportunity for both sides to speak frankly and openly without risk of opinions being used against them in the future. This was a preliminary discussion on how all aspects of the resort can co-exist to be a functioning resort where guests and owners are happy.

Mr. Strandlund will put together a financial proposal which would allow PSOE access to the resort centre and present to the board via email for their review.

The board thanked Rafer Strandlund for taking time to speak with them.

Kate Britton thanked Stuart Allen for being liaison with Mr. Strandlund. Mr. Allen will continue to represent the board in discussions with Mr. Strandlund and report back to the board as needed.

A. Owner Update

The Owner Update was put on hold pending further information.

V. RESALE COMMITTEE REPORT

A. Sale of HOA owned inventory

This discussion was tabled for a future meeting.

B. Owner Committee

Denis Thomas presented some options to assist owners to get out of their ownership as well as answered directors' questions. The board thanked Denis for his time and let him know that although they are already looking into the presented options, they nonetheless appreciated his information and would include it with what they have. The Owner Committee will contact him for further input.

VI. TRUST/DEEDBACK REPORT

Jamie Hall, via conference call, answered the boards' questions regarding transferring inventory to an incorporated company where PSOE is the shareholder.

A motion was made by Stuart Allen and seconded by Leonard Aylward to authorize Reed Pope Law Corporation to proceed with the formation of the entity as described in Sara Pope's report.

The motion was approved unanimously.

VII. REPORTS

A. Manager's Report

Nikii Morrison reported the following:

- Travel Lodge has offered the use of their pool to PSOE guests.
- Maintenance has been inspecting units while they are unoccupied to keep the guests maintenance calls to a minimum.
- On March 9th there was flooding in unit 412B, 510AB & 511AB. Unit 412B is up and running again but the other two will be offline for some time.
- There is a new mailing address for PSOE: PO Box 128, Nanoose Bay STN Main, Nanoose Bay, BC V9P 9J9.
- Five Staff members took a first aid course in March.
- Owners have been looking for updates on the current closed resort centre situation.
- Guests would rather have access to an onsite pool than offsite.

B. Financial

1. Current financial statement

Harry Felsing presented the February 2016 financials for the board to review. The Year to Date financials show a surplus overall.

A motion was made by Harry Felsing to receive the February 2016 financials.

The motion was approved.

2. Delinquency Report

Joanne Hallert presented the delinquency report.

A motion was made by Stuart Allen and seconded by Leonard Aylward to proceed to make an offer to owners who are delinquent for the year 2014 or earlier, that they can turn their week over to the association or it's nominee for an amount equal to the 2016 maintenance fee plus the transaction costs with a proviso that PSOE will determine who the transferee is after consultation with legal counsel and how much the transaction fee will cost and round to the nearest \$500 increment.

The motion was approved unanimously.

3. Collections Report

Joanne Hallert presented the collections report.

4. HOA Owned Inventory

Joanne Hallert provided two new HOA inventory reports that break the intervals by unit size, frequency and block.

C. Trading Places International Management - Canada

1. RCI Summary Report

The RCI Resort Recognition Report was provided to the board for review. Overall PSOE was meeting the RCI Hospitality criteria.

2. Occupancy Report

The occupancy report was made available for review. Reviewing the monthly comparisons to previous years, occupancy has improved each year. January and February 2016 reflect this trend.

3. Rental Report

The rental report was made available for review. January and February 2016 gross revenue, room rental and average daily rate had increased from 2015. Marketing continues to promote Pacific Shores to bring in guests through OTAs and ongoing merchandising and promotion strategies.

VIII. NEW BUSINESS

A. Luggage Rack Proposal

A motion was made by Kate Britton and seconded by Leonard Aylward to purchase luggage racks for 112 units.

The motion was approved unanimously.

The 112 racks were for each A & B unit and did not include the 16 luggage racks that PSOE recently acquired.

B. 2017 Meeting Dates

Meeting dates set for 2017 are as follows:

January 7, 2017
April 1, 2017
July 14, 2017 Budget Meeting
July 15, 2017
October 13, 2017
October 14, 2017 AGM

C. Amenities to be provided

PSOE will no longer supply highchairs and playpens for guests.

D. Maintenance Fee Review

A maintenance fee recap report was provided for review. It showed that the fees did not go up from 2015 to 2016.

E. Golf Cart Proposal

Quotes were provided for review. A second golf cart will not be purchased at this time.

F. Lock Proposal

Quotes were provided for review to switch to a permanent hard key system or use a key card system. At this time PSOE will use the VING system.

G. Unit Refurbishment – show unit

Kate Britton introduced Terry Kerr. Mr. Kerr will be putting together an Interior Design board with pricing for the board to review. This will assist with budgeting for 2017 and will help to determine if a show suite is the next step.

H. Use of Units by Delinquent Owners

If an owner is a member of RCI Points, their inventory automatically is with RCI Points until their contract is cancelled. This means that when an RCI Points owner becomes in arrears with their maintenance fees, PSOE is not able to access their inventory. PSOE can, however, block their RCI Points account so that the owner is not able to travel using their points. The account would become unblocked once their maintenance fees are up to date again.

I. Owner Correspondence

Unit 717 and 716AB are currently being used for resort check in and office space. Arrangements are being made for those owners who own these units. If they plan on staying at the resort, alternative accommodations are being provided.

J. Board of Directors Travel Expenses

The directors will provide Nikii Morrison with a copy of their expenses and she will forward for approval.

IX. OLD BUSINESS

A. Action Items

The Action Items were reviewed.

B. 2016 BOD Meeting Accommodations

Dave Hillmer will work with Nikii Morrison and Joanne Hallert to ensure that all board members and TPI staff have accommodations for the July and October meetings this year.

C. Review Smoking Policy

The current smoking policy stands. No smoking in units or on the balconies/patios.

X. STRATA – REPORT

Leonard Aylward reported on the last Strata meeting. Items of interest included:

- Some owners have volunteered to assist with beautifying the gardens.
- The lights at the 600/700 blocks have been reviewed and are functioning properly.
- Fyfe is on schedule with the sewage lift station work.
- Strata continues to maintain the BBQs on the property.
- 3 new rules have been created regarding events. The main one is that no bands or amplified music will be allowed on the common property.
- The gutter replacement on the new 600 block roofs were put on hold as the funds will be needed elsewhere due to new issues being discovered in the 500 block as a result of the flooding that occurred on March 9, 2016.
- The Breast Cancer Society vending machine that was in the resort centre has been relocated outside unit 717.
- Bat homes have been placed on the property to deter bats from roosting under the eaves.
- The 600 block garbage bins were locked and are in the process of being unlocked.
- Strata has allowed a budget of \$500 to assist in the removal of sugar ants.

XI. EXECUTIVE SESSION

The board convened to executive session at 5:36 p.m. (PST)

The board re-convened to the regular meeting at 6:00 p.m. (PST)

XII. ADJOURNMENT

A motion was made by Harry Felsing and seconded by Leonard Aylward to adjourn the meeting at 6:00 p.m. (PST).

The Motion was approved unanimously.

Upcoming 2016 Meeting Dates:

July 15 th	Budget Meeting at PS 1:30 p.m.
July 16 th	Board Meeting at PS 9:00 a.m.
October 14 th	Board Meeting at PS
October 15 th	Annual General Meeting