

**MINUTES**  
**THE MANSION HOUSE ESTATES LTD.**  
**ANNUAL GENERAL MEETING OF THE SHAREHOLDERS**

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Held on Wednesday, June 5, 2013 at 7:00 p.m.  
Within the Cabana Room  
6076 Tisdall Street, Vancouver, BC.

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**MEETING PROCEEDINGS**

- ❖ **Registration:** Mary Witt and Natahlie Ton-That at 6:30 p.m.
- ❖ **Attendees:** 32 eligible voting Shareholders were represented in person or by proxy (21 in person and 11 via proxy)
- ❖ **Board of Directors present:** Sandi Evans - President; Dan Feliciano - Secretary; Peggy Hillman - Treasurer
- ❖ **Board of Directors absent:** Doreen Dawson - Vice-President
- ❖ **Resignation of Board of Director and Officer:** Mark Goodall, Vice President (March 2013)
- ❖ **Corporate Representatives:** Leo Van Wensem, Accountant, Reid Hurst Nagy Inc.; and Beverly Kapush, Property Manager, Colyvan Pacific Real Estate Management Services Ltd.

**CALL MEETING TO ORDER (IF QUORUM BEING PRESENT)**

A quorum present, the meeting was called to order by President, Sandi Evans at 7:05 p.m. to proceed with the business at hand.

**ELECTION OF CHAIRPERSON (IF REQUIRED)**

Ms. Evans chaired the meeting assisted by the Property Manager.

**CHAIR TO APPOINT MINUTE TAKER**

Chair appointed Property Manager, Beverly Kapush as Minute Taker.

**CHAIR TO APPOINT TELLERS AND SCRUTINEERS**

Chair appointed Mary Witt and Barbara Mitchell as Tellers and Scrutineers.

**FILING PROOF OF NOTICE OF MEETING**

**MOVED (804)/SECONDED (405) and CARRIED;** Notice of the Annual General Meeting had been circulated to all Shareholders in accordance with the Company's Articles of Association, which must be posted fourteen (14) days prior to the holding of the meeting.



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### **ADOPTION OF AGENDA**

**MOVED (501)/SECONDED (604) and CARRIED;** the agenda be approved as previously circulated.

### **FINANCIAL STATEMENT REVIEW BY ACCOUNTANTS (REID, HURST & NAGY) FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012**

Leo Van Wensem of Reid Hurst Nagy Inc. presented an overview of the Independent Auditors' Report as previously circulated to Shareholders with their meeting notice. He highlighted for the Shareholders, the following outline from the financial statements as is reiterated below:

#### **Opinion**

In the opinion of the Auditors, the financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2012 and its financial performance and its cash flows for the fiscal year end in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Significant Accounting Policies**

Shareholders were asked to review the definitions pertaining to the various accounts i.e. Operating Fund, Contingency Fund (restricted funds), Capital Surplus Fund and Capital Assets, etc. to assist in their following along with the Auditors' report.

#### **Statement of Operations and Changes in Fund Balances**

Auditor reviewed the annual activities outlined in the operating, restricted funds and the fund balances as at the end of the 2012 fiscal year.

#### **Elevator Modernization Fund**

At an Extraordinary General meeting held November 26, 2009, it was resolved to complete an elevator modernization in 2012 and to use the Contingency Fund for 30% of the cost, with the remainder funded through 4 special assessments during 2011. During the 2011 fiscal year, \$48,429 was funded by the Contingency Reserve Fund and \$113,000 was assessed upon the owners.

As at the year end date, \$179,346 had been incurred for this purpose. During the 2012 fiscal year, it was approved to recover the deficit in the Elevator Modernization Fund in the amount of \$17,857 from the Contingency Reserve Fund.

#### **Balcony Repairs Fund**

At an Extraordinary General meeting held August 31, 2009, it was resolved to expend a sum of money not exceeding \$20,000 for the purpose of balcony repairs and engineering costs, such expenditure to be funded by the Contingency Reserve Fund.

At an Extraordinary General meeting held March 23, 2010, it was resolved to proceed with the balcony repairs project excluding the sliding door replacements.

At an Extraordinary General meeting held April 7, 2010, it was resolved to expend a sum of money not exceeding \$150,000 for the balcony project approved at the March 23, 2010 Extraordinary General meeting with \$140,000 to be funded by a levy upon the shareholders (\$98,000) and the Contingency Reserve Fund (\$42,000) and the remaining \$10,000 to be dealt with at a later date if it is required.

As at December 31, 2010, \$164,510 (\$153,781 in 2010 and \$10,729 in 2009) had been expended for this purpose.

During the 2011 fiscal year, it was approved to recover the deficit in the Balcony Repairs Fund in the amount of \$4,509 from the accumulated Operating Fund surplus.

#### **Drop Piping Repairs Fund**

At an Extraordinary General meeting held March 8, 2011, it was resolved to expend a sum of money not exceeding \$25,000 for the purpose of fixing the '02 Drop piping, such expenditure to be funded 30% from the Contingency Reserve Fund (\$7,500) and the remainder from a special levy upon the shareholders (\$17,500).

As at the year end date, \$30,671 (\$5,571 had been charged to the 'Repairs and maintenance' category of the Operating Fund) had been incurred for this purpose.

As this project is considered complete, no further expenditures are expected to be incurred for this purpose.

#### **Refund to Shareholders**

During the 2012 fiscal year, the Board of Directors approved a refund in the amount of \$19,748 to the shareholders for past overpayments of maintenance fees which include the Mansion House Estates operating budget expenses and property taxes.

#### **Comparative Figures**

Comparative figures for the year ended December 31, 2011 have been reclassified where necessary to conform to the current year's presentation.

#### **Statement of Financial Position**

Auditor finalized his report with an overview of the Corporation's financial position as at the year ended December 31, 2012.

#### **Subsequent Events**

At the Board of Directors meeting held on January 16, 2013, it was resolved to cease processing both recovery statements and repayments to shareholders. Surpluses will instead be transferred to the Contingency Reserve Fund and all deficits will be carried forward to the next year's budget.

A question and answer period followed.

Once all questions were responded to, Mr. Van Wensum made his exit from the meeting at 7:40 p.m.

**MOVED (401)/SECONDED (204) and CARRIED;** acceptance of the audit report by Mr. Van Wensum of the accounting firm of Reid Hurst Nagy be accepted.

#### **RESOLUTION "A" WAIVING THE APPOINTMENT OF AN AUDITOR**

##### **PREAMBLE:**

Whereas, the Section 203 of the Business Corporations Act states:

- (1) Subject to subsections (2) and (3), a company must have an auditor.

- (2) If all of the shareholders of a company, whether or not their shares otherwise carry the right to vote, resolve by a unanimous resolution to waive the appointment of an auditor,
  - (a) the company is not required to appoint an auditor, and
  - (b) the provisions of this Part, except this section, do not apply to the company unless an auditor is appointed under section 204 (5).
- (3) A waiver referred to in subsection (2) of this section may be given before, on or after the date on which an Auditor is, under this Part, required to be appointed and is effective for one financial year only.

By virtue of fact that not all Owners waived the appointment of an Auditor for the fiscal year ending December 31, 2013, an audit will occur in 2014 following the Corporation's fiscal year end.

#### **RESOLUTION "B" APPROVING APPOINTMENT OF AUDITORS, REID, HURST, NAGY**

**MOVED (501)/ SECONDED (604); BE IT RESOLVED BY THE SHAREHOLDERS OF THE MANSION HOUSE ESTATES LTD.** at the Annual General Meeting held June 5, 2013 that; the Corporation hereby approves; the appointment of the Auditing firm, Reid Hurst Nagy Inc., Certified General Accountants, for the audit engagement for the fiscal year ended December 31, 2013.

#### **END OF RESOLUTION "B"**

Following discussion, the Chairperson called for the vote, the result being, 31 in favour, 1 opposed and 0 abstains. **CARRIED.**

#### **APPROVAL OF PRIOR ANNUAL GENERAL MEETING MINUTES: SEPTEMBER 26, 2012**

**MOVED (401)/SECONDED (303) and CARRIED;** there being no errors and/or omissions, the minutes of the Annual General Meeting held September 26, 2012 be approved as previously circulated.

#### **RECEIVE THE REPORT OF THE DIRECTORS**

##### **President, Sandi Evans:**

This has been my third time on the Board in seven years. It takes a couple of years to really know how things work in Mansion House. It was never my intention to become president of the Board, however, I stepped up to the plate and did the best I could. Although I was the president, I was never the hardest worker. I had a wonderful team of people who brought a great deal to the table. Mark worked very hard on a number of important issues and Peggy was the ever-present face of Mansion House, as well as being the treasurer. Dan and Doreen met with us regularly and brought their time and expertise to the table and we all liaised and e-mailed each other multiple times per day to get the behind the scenes issues worked out. Unfortunately, Mark's term ended early as he listed his apartment and without his valuable support, we were unable to keep up the impetus on a few of our projects. Thankfully, though, he did a lot of legwork and provided us with extremely valuable information.

It has always been and continues to be my recommendation that boards are formed with a mixture of experienced people and newcomers. That way there is always someone to teach the intricacies of the position to someone new. Knowing the history of the building is very important as it can save a lot of time and money on a lot of fronts. For example, an experienced board knows which companies charge fair rates and which ones are honest about the work they do. We are always as fiscally responsible as possible however; a good treasurer can keep an eye on the details. I don't know how many times this

year Peggy found errors in the accounting system.

Mansion House has had a lot of work done over the 2012 year, including the conclusion of the elevator update, a new carport roof and continued replacement of the hallway pipes. Six hallways are now completed. We did work on the pool deck this year and some work on the roof. We have had to decide what to do about derelict cars and people who rent out their suites, although some of that will have to be passed on to the new board.

We have four new shareholders this year and I'd like to welcome Emma Carter, Judy Ashton, Sandra Webb and Mable Chau.

When most of you were interviewed as potential shareholders in Mansion House you happily agreed to be a part of the volunteer pool and to take your turn on the board. There are many of you who are not fulfilling this promise. As there become fewer people willing to take a shift, there can only be one solution: Hire a building manager. We still have a suite, owned by the company for a manager's residence. This manager could oversee workers in the building, do the halls and lobby cleaning and deal with the garbage. It's always a risk, however, to hire the right person. This will cost all of us extra money and a loss of our monthly income from the suite to our contingency fund. It would be far more financially prudent for us all to contribute our time and expertise.

Looking forward, it is essential that we increase the contingency fund or create a fund for special upgrades or projects. This is an old building. We have been very lucky here that our special assessments have been very low compared to other buildings around us. We all know that a rainy day will come and that constant upkeep and maintenance is essential. Putting away a relatively small amount of money now monthly, would save us a larger capital outlay in the future.

I would like to thank my excellent supportive team of directors this year and of course the many volunteers who work hard to keep this place running smoothly. We are a co-op and, as the word suggests, we all benefit from working cooperatively. It is up to each and every shareholder to contribute to the greater good of the community and to continue to make Mansion House a comfortable and sustainable place to live.

Many thanks for all your support and encouragement throughout my term as president.

**Treasurer – Peggy Hillman:**

Total revenues for 2012 amounted to \$261,532. Of this amount \$246,731 was Operating Fund Revenue and the remaining \$14,801 consisted of Rental Revenue and Interest which was transferred to the Contingency Fund.

7% of Operating Revenue and Property Taxes, an amount of \$16,046, was also transferred to the Contingency Fund. Property Taxes are not normally included in Operating Revenue for this purpose but were advised by the auditor that as the budget was approved with 7% of property taxes included, it could not be adjusted.

Because of leaks in several hallways our plumbing costs were much higher than anticipated but at year end there was a small surplus of revenue over expenditures of \$47. However, the 2010 surplus, which was used to reduce the 2011 deficit and then refunded to shareholders in 2012, has resulted in a deficit of \$19,701.

The \$1,362 deficit from 2011 is being recovered in the 2013 budget and should not be included in the amount to be recovered in the 2014 budget. I am recommending an amendment to the wording of the Directors resolution to reflect this.

At present our assets are valued at the original cost of \$1,007,190. To have the assets revalued to fair market value would probably cost several thousand dollars. The assessed value for 2012 by the City of Vancouver for property tax purposes was \$9,717,000 for land and \$5,248,000 for the building, for a total of \$14,965,000. In December 2012 our building was assessed for insurance purposes at \$10,900,000.

My report so far has been facts and figures but I would also like to acknowledge the small group of residents who help on an ongoing basis with the many tasks involved in running a 46 unit apartment block. The Garden Committee, Welcoming Committee, Pool people, the residents who sort out the recycling when, as often happens, it is carelessly and incorrectly deposited. Special thanks to Barb Mitchell and Gunter Wenzel for their help with maintenance and construction projects and to Marcelle LaCasse for sharing her knowledge and experience gained from serving on the Board for five years. The Mansion House Estates could not function without residents like this, who are willing to donate their time for the benefit of others.

For personal reasons I will not be seeking re-election to the Board of Directors but will be available and willing to help the next Board, when and as needed.

Respectfully submitted by Peggy Hillman

#### **TRANSACT SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING OR ANY ADJOURNMENT THEREOF**

Shareholders presented the following for the new Board Members' future review and consideration:

- 1) Fortis Gas Energy Assessment recommendation (to be circulated to all shareholders) and follow up;
- 2) Boiler currently set too high thereby, increasing consumptions costs;
- 3) Boiler replacement (further research and recommendations required);
- 4) Exterior building painting;
- 5) Wash the exterior building in the interim until painting is considered - to be incorporated prior to next year's window cleaning;
- 6) Weather stripping installed around windows for better energy efficiency;
- 7) Window cleaning – possible option the Oakridge team would address window cleaning as they will be producing quite a bit of dust and debris during their renovations expansion plans.

#### **ELECT NEW BOARD OF DIRECTORS**

At every Annual General Meeting all Directors cease to hold office immediately before the election or the appointment of Directors; but they are eligible for re-election. The Shareholders entitled to vote must then elect a new Board of Directors.

Shareholders volunteering to stand:

Peggy Hillman (*agreed to continue on the Board despite noting in the Treasurer's report, her plans to not run*)  
Dan Feliciano  
Judy Ashton  
Mable Chau

Above persons each having agreed to stand, be elected by acclamation to represent the Board of Directors of The Mansion House Estates Ltd. for the ensuing period commencing June 5, 2013 until the next Annual General Meeting to be held in 2014, at which time, a new Board will be elected:

To assist the new Board members, the following persons each agreed to let their name stand as building contacts for allowing access and to oversee trades people and other personnel as may from time to time be required to be onsite at the Corporation:

Gunter Wenzel  
Harvey Collins

#### **SET DATE FOR THE FIRST MEETING OF THE NEW DIRECTORS**

New Board will determine when their next meeting will be held at which they will appoint Officers positions, notice for which will follow.

#### **ADJOURNMENT**

**MOVED/SECONDED;** there being no further business to discuss, the meeting terminate at 8:50 p.m.

Original signed by  
Reviewed and approved by:  
President: Sandi Evans

Original signed by  
Reviewed and approved by:  
Treasurer: Peggy Hillman