

Minutes of the Meeting of the Board of Directors of Condominium Corporation No. 9710379 operating as Square Butte Ranch

Date and Time: October 27, 2022 at 3:00 p.m. The meeting was held electronically and in-person.

Directors Present: Max Gibb, Denise McMullen, Terry Royer (for part of the meeting), Steve Banzky, Gary Bennett, Lori Young, and Yvonne Gaudet.

Regrets: Grant Kelba

Present by Invitation: Bob Lunge, Renaissance Management

1. The meeting was called to order at 3:12 p.m. with Max Gibb acting as Chairman.

2. Agenda

The agenda as prepared by Denise McMullen was reviewed.

Moved by Denise McMullen and **seconded** by Yvonne Gaudet that the agenda be approved.

Passed unanimously.

3. Minutes (of prior meeting)

Moved by Lori Young and **seconded** by Denise McMullen that the minutes of the last board meeting (being the September 21 meeting) as previously circulated to members by Yvonne Gaudet be approved.

Passed unanimously.

4. Renaissance Management Report

Bob Lunge presented his report as previously circulated to the board.

2023 Budget and AGM

Bob first reported that a draft 2023 budget is under development and will be sent to the board for review. The board had a discussion about the budget preparation process. Steve brought forward the idea of separating the "operating" budget into a conventional operating budget and a capital improvement budget (as opposed to combining them in the one budget as has been done for a number of years) for 2023 as part of our overall financial planning process. The suggestion is that it would more clearly delineate budget expenditures that are not part of the reserve contribution costs and are on-going annual costs versus costs for longer term assets.

Terry raised the idea of creating a monthly "waterfall" budget report that shows the board how much has been spent to date versus how much will be required by the end of the year on a category by category basis. Bob indicated that when the 2023 finance committee

meets these ideas can be discussed in more detail and he will facilitate and satisfy the board's requirements. Lastly, Bob requested that the board advise him of any special projects that should be included in the planning for in the 2023 budget.

Bob then brought forward setting the date for the SBR AGM. The board discussed options and then concluded the discussion with a proposed tentative date. Confirmation of this proposed date is pending Bob's, our lawyer's and our auditor's availability. The Saloon will be tentatively booked for the AGM.

Financials

Bob reviewed the financial report. There is a net cash balance surplus and apart from the water cost centre being over budget, the year end for the ranch, townhouse and administration cost centres are currently forecast to be under budget.

Administration

Review of Renaissance Support in Communications - A review and discussion occurred regarding SBR communication notices and suggestions for how correspondence can be streamlined. Bob reported that he has prepared a spreadsheet to track SBR notices so that he can monitor Renaissance's support in this area. It was also noted by Bob that as much lead time as possible is appreciated when notices need to be distributed and notably the notices that are considered time sensitive.

Yvonne reported that the website is now able to offer communication support by assuming responsibility for the distribution of ranch social event notices. Yvonne will action this item to better define what the role of the website can offer to support SBR communications and communicate back to the board and Renaissance.

Phone Issue

Bob and Denise reported that in the course of electing to take steps to reduce landline costs by half, Telus provided SBR with a phone that is not required. This created a billing issue which has been resolved.

Insurance

Bob reported that he has spoken to Gallagher Insurance to ask if a representative will join the AGM and provide a presentation to the owners about insurance costs. The board had considerable discussion with Bob about the challenges of obtaining competitive quotes due to the limited number of insurers who specialize in condominium insurance. Bob noted that more and more of them are pulling out of the condominium market because of the negative return and the problem is likely to continue into the future. Steve asked if each of the townhouse owners could obtain their own building (as opposed to contents) insurance. Bob agreed to look into whether the Condominium Property Act requires the condo corporation to arrange insurance for all "managed" property including townhouse structures regardless of whether or not the condo is a bareland or conventional property.

Bob assured the board that he will leave no stone unturned when the time comes to renew the insurance policy.

Windstorm Update

Bob reported that he has requested a final update report from the adjustor as to Saloon repairs and final reconciliation of costs.

5. Water Committee Report

Steve Banzsky presented the water committee report.

Water Usage

- Steve reported that there were two recent water leaks detected. The first was an end of the line leak. An appendix valve had opened which Clay was able to close. The 2nd leak was related to a cistern leak on the property of Unit 38.
- Steve noted that there are some residents that are disputing their overuse of water charges. Review and follow up continues.
- Steve noted that the significant Water Plant water draw downs and high water use has increased the Foothills County overtime costs.

Meter Replacement Program - Steve reported that a number of new meters have been received and are ready to be installed. The installation costs need to be confirmed by Grant. The board identified that this is an unforeseen 2022 budget expense. Bob Lunge will review and confirm whether or not this is a cost that can be funded out of the common area reserve.

Water System Safety Plan - Steve reported that Dennis Leis of Foothills County is not available to be hired as a consultant to complete the SBR water system safety plan paperwork until July 2023. Steve further reported that he has been in contact with Alberta Environment (Theresa Cole, EPO) and will prepare the necessary paperwork for SBR to be returned to full compliance status.

Chlorine Pump Repair - Steve reported that the chlorine pump needs to be rebuilt. The board discussed a suggestion that we install a new pump which will allow for remote monitoring and adjustment but will require some programming. The estimate for this would be approximately \$3,000. Steve will follow up with Dennis Leis who is seeking a firm price quote.

Moved by Terry Royer and **seconded** by Gary Bennett that once the quote is confirmed Steve Banzsky is to proceed with the installation purchase and installation of a new pump and leave the old pump in place as a backup.

Passed unanimously.

6. Operations Report

Gary Bennett presented the operations report which contains updates from Grant Kelba's report as previously circulated to the board.

- Gary reported that the construction of the deck on the west side is not an issue. The boards underneath are in good shape. Boards that are deemed in need of repair can easily be replaced.
- Gary reported that gate posts are being repaired as needed.
- Gary reported that Doug and Clay have a solid handle on ranch operations. They manage their time and tasks accordingly.
- Gary presented an update to the board on some ideas and options for building a new ranch equipment storage shed. He is also discussing building options for the repair/ replacement of the existing garbage shed/recycling building. T&T have shared some ideas and Gary will seek ideas from other vendors as well.
- Gary reported that the Fisher area could be a possibility for future housing of horse trailers.
- Gary reported that he has arranged for Firesmart experts from Foothills County to provide a presentation to residents on November 10th in the Saloon.
- Steve reported that a new printer had been purchased for the office in response to Grant's advice that the existing ink jet printer was irreparably broken. The board was told that in fact the existing printer is working. It was generally decided that the new printer would be retained until needed.

7. Previous Business

Website Update - Yvonne Gaudet provided an update on the website as follows:

Website Statistics - Statistics for the period covering August 10 - October 10 were provided. The statistics will be shared as part of a general website update in an upcoming SBR community newsletter.

Website Administration - The technical and creative administration of the website is being performed by Shannon Gibbons and will be ongoing. The board oversight role (currently Yvonne) will remain as an aspect of the website administration and structure at this time. The website team will continue work on content development and the overall guidelines and protocols for the community website use. Training of "backup" administrators will be scheduled in the New Year. A call out to owners will occur in the near future seeking two people who would be interested in being trained as backup administrators so that there is not a reliance on one person and is part of succession planning.

Unit Owner Change - The board and Renaissance agreed to create a process whereby new owner's contact information will be shared with Yvonne so that information about website signup can go out as soon as Renaissance receives contact information.

Saloon Bookings - Previous boards and recently this board have identified a variety of items pertaining to saloon use and bookings that should be addressed. The website team is interested in identifying ways to support ranch operations in this area. A small working group has formed (Yvonne Gaudet, Shannon Gibbons, Patricia Kelcher, Ada Morgan and Kym Penner) to bring forward recommendations to the board. Operations staff will be consulted during the process.

Use of the Website for Ranch Communications - The website program has the capability of supporting ranch communications in the area of Social Event Community Notices (SBR only functions). The website administrator is confident that this level of support can be provided with the development of clear guidelines and a process. The website team will take this on as a new development and then communicate back to the board, Renaissance and the community.

Emergency Response Plan - Lori Young reported that the Emergency Response Plan was sent to various staff of Foothills County for feedback. The feedback received was very positive. It was noted that the plan is good and very well laid out. One of the challenges they pointed out will be keeping it current. Suggestions that they had were to include maps and muster points.

Integrity Builders (deposit) - Denise McMullen reported that she prepared and sent correspondence to Integrity Builders to formally request the return of the net deposit provided to their company. No response has been received to date.

8. New Business

Barn Washroom Renovation - The Ranch Club Board had made a request for the board to approve a renovation to the downstairs bathroom in the barn and to contribute to the cost. The estimated budget cost provided was \$3,000. Following a discussion of this request and on the understanding that the downstairs barn washroom was regularly used by owners in addition to Ranch Club members and staff, a decision was made to approve both the renovation and a cost contribution of up to \$3,000 with certain conditions.

Moved by Denise McMullen and **seconded** by Yvonne Gaudet that the request be approved subject to a review of the 2022 operating budget and common area reserve report to determine the availability of required funds in 2022, the addition of a cost item in the 2023 budget and/or common area reserve report if 2022 funds were not available and in either event a submission by the Ranch Club of two detailed work estimates confirming cost and the adequacy of proposed construction.

Passed unanimously.

Barn Quilts - Lori Young circulated some history to the board on "Barn Quilts" as are common in Eastern Canada and indicated that a small group of interested residents had formed to create one or two from leftover plywood from the saloon repairs. Suggested locations to install were the barn and shed by the community garden. The board discussed this initiative and there was general support for installing the completed quilt on the barn on a trial basis to gauge resident feedback.

Operational Structure - Max Gibb raised his long standing view that there is a need for a full or part time ranch manager, with overall authority including operations and equestrian, to be included as a cost in the 2023 budget. This person would oversee all other staff and would be the contact person for owners wanting to arrange private dinners in the saloon, trail rides and similar activities. Max has the view that this would encourage community spirit, increase use of the saloon and potentially generate net revenues. He expressed a concern that the

Western spirit and related fun associated with SBR as a recreational community seems to have dissipated over the years since the ranch was developed and that he would like to see that brought back. The point was raised that since COVID restrictions have lifted and saloon repairs have largely been completed there has already been an increase in activities and gatherings. It was also noted that there are already contact persons for ranch operations and saloon booking, although not on a fully dedicated basis. The point was also raised that the addition of a position such as this is probably something that required input from the owner group as a whole and although Max's concern was noted, no decision was made.

9. Next Meeting

The next meeting of the Board is scheduled to be held November 24 at 4:00 p.m.

10. Adjournment

Moved by Max Gibb that the meeting be adjourned at 6:13 p.m.

Passed unanimously.