

STRATA PLAN NW 2040

Annual General Meeting Minutes (Draft)

Date: October 28, 2025

Time: 7:00 PM

Location: St. Stephen the Martyr Anglican Church

PART I - Housekeeping

1. Certify proxies and issue voting cards (registration)

2. Determine that there is a quorum.

Quorum was confirmed with 21 owners present in person and 9 represented by proxy (total 30 of 36 voting units).

3. Present proof of notice of the 2025 Annual General Meeting ("AGM")

Presented and approved.

4. Approval of the Agenda for the 2025 AGM

Motion to approve the agenda, inclusive of the amendments distributed on October 27, 2025, by email.

Carried unanimously.

5. Present proof of insurance for the strata complex

Presented and approved.

6. Introduction of the 2024-2025 Mountain Gate Strata Council:

President– Derek Martinig

Treasurer – Stephanie Salbach

Secretary – Guilherme Camilo

Landscape Liaison – Alana Prociuk

Maintenance Liaison – Fayyaz Fatehali

7. Approval of the draft minutes from the 2024 AGM minutes

Motion to approve minutes of AGM held October 29, 2024.

Carried unanimously.

8. Approval of the 2024-2025 Financial Statements, as prepared by Marsh & Marsh, Chartered Accountants

Motion to approve the financial statements as circulated.

Carried unanimously.

9. Approval of the updated Strata Rules.

Note: Changes were limited to grammatical edits in sections 3.7 and 12.3

Motion to approve the updated Strata Rules as circulated.

Approved unanimously.

A motion to amend Strata Bylaws to permit virtual options for AGM attendance was put forth by an owner in advance of the meeting. The intention of the motion was to improve the accessibility of the AGM for owners not physically able to attend in person and to commit to accessibility as per the BC Human Rights Code and other relevant statutes.

The motion was not seconded and was therefore defeated. Alternatively, a motion was put forward to investigate how the AGM could be made more accessible, while still maintaining the rights of those in attendance and if possible, limiting any changes to the Strata Rules. The motion was seconded and approved.

PART II - Budget

Background: At the last Annual General Meeting, the 2024-2025 Budget was approved with the goal of contributing a total of \$61,970.02 to the Contingency Reserve Fund (CRF). This total included the operating fund surplus from the previous year, the required 10% of operating expenses, interest earned on CRF investments and a discretionary amount of \$12,323.12. This discretionary amount was based on the estimated surplus of income over expenditures for the fiscal year, with no funds assigned to carry over into the next fiscal year.

While council was able to complete many of the projects, directed at the previous Annual General Meeting, in addition to performing regular maintenance and accounting for annual operating expenses, an invoice from the previous fiscal year was not issued in a timely manner by the contractor. As a result, this unanticipated invoice resulted in the \$1,970.69 deficit reflected in the Financial Statements prepared by Marsh and Marsh (Attachment D) and the proposed budget for 2025-2026 (Attachment F). This deficit, while important, is an accounting requirement and does not reflect any debt owned by Strata. It will be addressed in the operating budget for fiscal year 2025-2026.

10. Strata Fee Increases

The strata council recommended a 10% increase in monthly strata fees for fiscal year 2025-2026. This increase is driven not only by rising operating costs such as insurance, utilities, and service contracts, but also by the findings of the recently updated Depreciation Report. The report highlights the need for stronger long-term financial planning to ensure the strata can adequately fund major repair and replacement projects.

Regular, incremental fee increases are the most effective way to meet these future obligations while reducing a reliance on large special levies. By adopting this adjustment now, the strata will be better positioned to maintain the property and

uphold its financial stability. Council anticipates that ongoing annual increases will be necessary to remain aligned with the Depreciation Report's recommendations.

It is important to acknowledge that in addition to monthly fee increases, special levies are still needed to fund several required projects in the coming years. While council recognizes that any increase places a burden on owners, this adjustment is considered prudent and necessary.

Discussion: Owners raised concern that the fees may be higher than comparable complexes and/or the same as other complexes which have more amenities (pools, community rooms, etc.). Based on the research by the council, among other owners, our fees are still well within the average of the surrounding complexes, even with the proposed increase. It was also noted that other complexes in the area have relied on special assessments for many projects, we have been fortunate to fund many projects with CRF and operating funds.

Motion to approve a 10% increase in fees (\$503.58 – Inside units, \$508.63 – Outside units) for fiscal year 2025-2026 retrospectively to September 1, 2025.

Motion carried.

11. Vehicle Bridge Repairs

Over the past several months, Council has been working closely with an engineering consultant to develop a repair plan for the vehicle bridge which connects Moorside Place to Forest Grove Drive. The engineer's report confirmed that immediate repairs are required to address structural deterioration and ensure ongoing safety.

Council has taken its time to carefully review the engineer's recommendations and to ensure that the quoted construction costs are reasonable. With this due diligence now complete, the next step will be to move forward with repairs, funded in part through the Contingency Reserve Fund and assessment income.

We note that in past fiscal year, the engineering costs amounted to \$15,492.33 which included the initial on-site review, a more comprehensive structural assessment with moisture measurements, and the production of detailed engineering designs which include drainage of ground water into a percolation pit adjacent to the bridge.

The repairs, which are scheduled to commence in late-October (pending material acquisition), will involve the following:

- a. Removing the existing asphalt, vegetation, tree roots and subgrade obstructions from Forest Grove up to and including 1m past the end of the bridge.
- b. Excavating and installing an iron linear drain line across the Moorside end of the bridge along with drainage piping to a percolation pit.
- c. Supplying and installing a drainage pit and percolation system.

- d. Supplying and installing a clean sub-base, a waterproof membrane (across the bridge deck), and new asphalt.

During the repair work, engineering oversight and inspections will be on-going to assess the quality of the construction work and the underlying substructure of the bridge. While the integrity of the steel girders and concrete substructure is still unknown, a second phase to further support the bridge may be required (this was outlined in the more comprehensive structural assessment received provided by the engineering firm).

Council has budgeted \$85,000 for phase one of this project (Repairs to Bridge Deck) and based on the engineer's estimate, an additional \$65,000 for possible structural support. To fund this project, council is recommending a combination of assessment income (\$65,817.62) and a withdrawal of Contingency Reserved Funds (\$84,182.38).

Discussion: Council provided an overview of our Contingency Reserve Fund (CRF) and its purpose - as a means of funding large projects, like roofing, painting and road repairs. It was also explained that accumulating interest on CRF is very restrictive due to the Strata Property Act, a need to have accessible funds and a very low risk tolerance (e.g. redeemable GICs vs high investment funds).

Motion to approve the use of Contingency Reserve Funds (CRF) in the amount of \$84,182.38 to cover the costs of the emergent vehicle bridge repairs as recommended by the engineering firm, Contech Engineering Inc.

Motion carried.

PART III - Projects and capital expenditures

12. Electrical Planning Report (Capital Asset Report)

There is a requirement, under the *Strata Property Act*, to have this report completed prior to December 31, 2026. While deferring this item to next year is technically possible, the incoming council would only have 4 months to coordinate the assessment and will likely face higher costs.

Motion to approve proceeding with an Electrical Planning Report to assess the current electrical capacity and plan for future needs of the complex, with the cost of the report to be funded from the annual operating budget (assessment income).

Motion carried.

13. Door Replacement Project

A recent audit of the complex found that 81% of front and carport doors are in poor condition, with peeling paint or compromised seals. These issues affect the appearance of the community, overall energy efficiency, and long-term durability of the doors. To address this issue, Council researched options for both repainting and full replacement of 72 doors.

Repainting Option

Council obtained pricing to repaint the current doors (both sides) and frames. The quoted cost was \$113,000, which includes a 15-year paint warranty. While repainting would address the appearance in the short term, it would not resolve aging hardware, compromised seals, or safety/heat loss associated with mail slots.

Replacement of Doors, Frames, and Hardware Option

After an extension across multiple vendors, Council obtained pricing for a complete replacement of doors and frames for an estimated at \$180,000, which would include:

- Two new white steel doors and frames for all units (front and carport doors only)
- Schlage passage levers and deadbolts (with rekeying included)
- Peep holes for added security
- Standardized mailboxes for improved uniformity and function
- Matching levers and deadbolts for all 16 carport shed doors

Note: Owners will be permitted to add an electronic keypad at their own expense, however, all other door hardware will remain consistent.

While the total cost to replace the doors was higher than repainting, Council felt that the replacement option was of better value overall. It was recommended that a special levy, in the amount of \$175,000, be approved to fund a door replacement project starting in early January 2026.

Motion to approve a special levy in the total amount of \$175,000, allocated to each strata lot based on unit entitlement, for the purpose of replacing all front and carport doors, frames, and related hardware (including white steel doors and frames, Schlage passage levers, Schlage deadbolts with rekeying, peep holes, standardized mailboxes, and matching hardware for 16 carport shed doors). The special levy will be due in two instalments. The first instalment of \$2000 will be due on November 1, 2025, and the second instalment will be due on February 1, 2026, in the amounts of \$2,885.34 for outside units and \$2,836.88 for inside units. Any surplus or shortfall from this levy will be dealt with in accordance with the Strata Property Act.

20 voted in favour, 10 voted against. Motion defeated.

Discussion: Following the vote, a discussion around the funding and approval of larger projects was had. It was clear that reaching a consensus on what to do next was not possible, as a $\frac{3}{4}$ vote is needed to approve a special levy to cover the costs of either a painting or door replacement project.

Following the discussion, a motion was put forward to research how owners could have their doors replaced at their own cost. The research would need to include a specific indemnity agreement and legal advice on how to ensure a fair and equitable process (e.g. owners that pay for door replacements are not compelled to fund a larger painting project or a future decision to replace doors). Any decision must ensure compliance with Strata Bylaw 5.1.4

An owner must obtain the written approval of the strata corporation before making an alteration to a strata lot that involves doors, windows or skylights on the exterior of a building, or that front on the common property.

And Strata Bylaw 5.2

The strata corporation must not unreasonably withhold its approval under subsection 5.1 but may require as a condition of its approval that the owner agree, in writing, to take responsibility for any expenses relating to the alteration.

Motion carried.

14. 2025-2026 Budget Approval

Council provided three possible budgeting options for fiscal year 2025-2026.

Option 1 included:

- A 10% monthly strata fee increase (Agenda Item 10),
- Approval of the bridge repairs funded by the Contingency Reserve Fund (Agenda Item 11),
- Approval of both projects/capital expenditures (Items 12 & 13).

Option 2 includes no fee increase and no projects/capital expenditures.

Option 3 was the same as option #1 with the exclusion of the door replacement project (Agenda Item 13).

Based on the decisions made for Items 10-13 (see above), the following motion was put forward:

Motion to approve the proposed budget (option 3) for the 2025-2026 fiscal year, as presented, including all outlined allocations for projects, capital expenditures, and operational costs. The budget will guide the expenditure of funds and serve as the financial plan for the upcoming year, subject to any further adjustments required by future council decisions or unforeseen circumstances.

Motion carried. (See appended approved budget)

PART IV - 2025-2026 Strata Council

15. Election of 2025-2026 Strata Council

Incumbent Candidates:

Fayyaz Fatehali
Stephanie Salbach
Derek Martinig
Alana Prociuk

Incoming Candidates:

Brent Chadwick
Danielle Gibbons
Wendy (Wen Hong) Zhong

Motion to approve the Strata Council members for 2025-2026.

Carried unanimously.

16. Adjourn Meeting

Meeting adjourned 8:45 PM

Appendix – Approved Budget 2025-2026

Strata NW2040 Mountain Gate 2025-2026 Budget			
	2024-25 Budget	2024-25 Actual	2025-2026 Budget
REVENUE			
Assessments	\$ 198,761.75	\$ 198,759.96	\$ 218,637.92
Special Assessment			
Interest	\$ -	\$ 3,629.71	\$ 5,000.00
Miscellaneous	\$ -	\$ 335.00	
Total Operating Funds	\$ 198,761.75	\$ 202,724.67	\$ 223,637.92
EXPENDITURES			
GENERAL			
Accounting	\$ 3,200.00	\$ 2,835.00	\$ 3,200.00
Legal	\$ -	\$ -	\$ -
Administration	\$ 800.00	\$ 675.62	\$ 800.00
Bank Charges	\$ 750.00	\$ 1,030.25	\$ 900.00
Insurance	\$ 35,459.33	\$ 35,459.34	\$ 38,100.00
Depreciation Report	\$ 4,000.00	\$ 5,103.00	
Capital Asset Reports	\$ 6,000.00	\$ 3,322.83	\$ 5,250.00
Bad debt	\$ -	\$ -	\$ -
GROUNDS			
Landscaping-Monthly Service	\$ 33,413.94	\$ 36,335.60	\$ 35,084.64
Landscaping-Tree Removal	\$ 5,733.00	\$ 5,819.00	\$ 8,000.00
Landscaping-Beautification	\$ 2,000.00	\$ 2,241.75	\$ 7,500.00
Landscaping-Miscellaneous	\$ 1,050.00	\$ -	\$ 500.00
Grounds-Drainage Maintenance and Improvements	\$ -	\$ -	
Grounds-Pest Control	\$ 1,250.00	\$ 458.72	\$ 5,040.00
Grounds-Sign Replacement	\$ 2,500.00		\$ -
Grounds-Snow Removal	\$ 2,000.00	\$ 139.27	\$ 500.00
Grounds-Street/sidewalk power washing	\$ -	\$ -	\$ 5,000.00
Grounds-Lighting	\$ 100.00	\$ -	\$ -
Grounds-Misc	\$ -	\$ -	\$ -
BUILDING			
Electricity	\$ 800.00	\$ 645.18	\$ 700.00
Building-Compost Bin-Cleaning	\$ 648.27	\$ 585.90	\$ 600.00
Building-Electrical Service Maintenance	\$ -	\$ -	\$ -
Building-Entry Steps	\$ 600.00	\$ -	\$ -
Building-General Maintenance	\$ 10,000.00	\$ 12,349.56	\$ 10,000.00
Building-Lighting	\$ 8,000.00	\$ 8,307.14	\$ -
Building-Miscellaneous	\$ -	\$ -	\$ -
Building-Painting	\$ -	\$ -	\$ -
Building-Roof-Repair	\$ 36,500.00	\$ 38,194.80	\$ 5,600.00
Building-Roof-Leaf and Gutter Cleaning	\$ 6,500.00	\$ 7,030.02	\$ 7,050.00
Building-Windows-Repair	\$ -	\$ -	\$ -
Building-Windows-Washing	\$ 3,185.12	\$ 2,720.79	\$ 2,856.83
Building-Siding Repair/Maintenance	\$ 5,000.00	\$ -	\$ 5,000.00
Building-Water Main Replacement	\$ -	\$ -	\$ -
CAPITAL PROJECTS			
Building-Bridge & Guardrails		\$ 12,169.50	\$ 150,000.00
Building-Exterior Doors	\$ -	\$ -	\$ -
Total Expenses	\$ 169,489.67	\$ 175,423.27	\$ 291,681.47
Excess of Revenue Over Expenditures from Operations	\$ 29,272.08	\$ 27,301.40	-\$ 68,043.55
CONTINGENCY RESERVE FUND BALANCE			
Beginning of Year	\$ 269,594.98	\$ 269,594.98	\$ 331,565.00
Required Contingency Reserve Provision	\$ 16,948.97	\$ 16,948.97	\$ 14,168.15
Discretionary Contingency Reserve Provision	\$ 12,323.12	\$ 12,323.12	-\$ 84,182.39
Prior Year Operating Fund Surplus	\$ 30,447.83	\$ 30,447.83	
Investment Interest to CRF	\$ 2,250.10	\$ 2,250.10	
End of Year	\$ 331,564.99	\$ 331,565.00	\$ 261,550.76
OPERATING FUND BALANCE			
Beginning of Year			-\$ 1,970.69
End of Year	\$ -	-\$ 1,970.69	\$ 0.00