



Sonoma Pines Homeowners Management Ltd.

Annual General Meeting

Held at Westbank Lions Community Hall

2466 Main Street, West Kelowna, BC.

Monday, June 19, 2023

DRAFT MINUTES

Board Members In Attendance:

Randy Benson, Chair

Jim Burkinshaw, Treasurer

Gary Kitchen – Managing Director

Dawn Spence - Secretary

Danielle Renaud – Member-at-Large

1. Certify Proxies and those present in person to establish a quorum.
There were approximately 160 residents in attendance and 82 proxies which formed a quorum.
2. Call the meeting to order.
Chair called the meeting to order at 6:36pm
3. Confirm that the Chairperson, Vice-Chair, or individual elected from the floor will chair the meeting.
Randy Benson, Chair, acting as chairperson.
4. Present proof of Meeting Notice
Notice of the AGM issued by email and/or posted on before May 26, 2023.
5. Approval of the Agenda

Majority Vote Resolution AGM-2023 A

Amendments to the Agenda –

Be it resolved that Resolution AGM 2023-E regarding the dog park be deleted from the agenda. ***Motion carried.***

Be it resolved that Resolution AGM 2023-I regarding the appointment of an auditor be deleted from the agenda. ***Motion carried.***

Be it resolved by a 50% vote of the shareholders of SPHM Ltd. that the Agenda for the 2023 Annual General Meeting be approved as amended.

Motion carried.

6. Approval of the Minutes from the 2022 Annual General Meeting of April 12, 2022
Majority Vote Resolution AGM-2023– B

Be it resolved by a 50% vote of the shareholders of SPHM Ltd. that the Minutes of the April 12, 2022, Annual General Meeting be approved as presented.

Motion carried.

7. New Business:

a) Amendment to Articles of Incorporation

- 1.) Preamble: The minutes of the AGM of the Sonoma Pines Homeowners Association dated May 26, 2016, under Common Business #5 states:

“5. Increase in the number of directors of SPHM Ltd.

IT WAS MOVED AND SECONDED THAT it be resolved by simple majority vote that the number of directors of the Sonoma Pines Homeowners Management Ltd. be increased from three to seven.

Upon vote the motion carried as determined by the chair.”

The articles of incorporation were never amended to reflect this motion. Therefore:

Three Quarter Vote Resolution AGM-2023– C

Be it resolved by a $\frac{3}{4}$ majority vote of the shareholders of SPHM Ltd. that **Article 11.1.(b)(iv)“the setting or changing of the number of directors” be removed and that **Article 14.1.(a)** be amended as follows:**

the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of up to seven members.

Motion carried.

b) Amendment to Articles of Incorporation

- 1.) Preamble: The board of directors is putting forth a resolution to change the term of a director from 1 year to 2 years in order to facilitate greater continuity from one board to the next. If this resolution is passed, for the 2023-24 year we will be seeking 4 directors elected for two-year terms, and 3 directors elected for one-year terms. In 2024 and onward, seven directors will be elected for two-year terms. If this resolution is defeated, then we will be electing seven directors for one-year terms.

Three Quarter Vote Resolution AGM-2023– D

Be it resolved by a $\frac{3}{4}$ majority vote of the shareholders of SPHM Ltd. that **Article 14.1.(b) be amended as follows:**

all the directors hold office for a two-year term and cease to hold office immediately before the election or appointment of directors under paragraph (a) in the year that their term is up but are eligible for re-election or re-appointment. (Special note to amendment: For the 2023-24 year, 4 directors will be elected for two-year terms, and 3 directors elected for one-year terms. In 2024 and onward, all directors will be elected for two-year terms.)

Motion carried.

c) Lower Fence Replacement

Preamble: Whereas the increasing population adjacent to Sonoma Pines Drive and Boucherie Road poses a potential security risk to Sonoma Pines residents, and whereas the perimeter fencing standard for the community is 6-foot high, black chain link fencing, the Board of SPHM Ltd. recommends replacing approximately 282 feet of 4-foot high chain link fencing currently installed below the lower gate on the East side of Sonoma Pines Drive, with 6-foot black chain link fencing, and re-purpose the 4 foot high chain link fencing being removed, to construct an off-leash dog park. This is an infrastructure update to match the security standards that have been agreed to in the Bylaws.

Three Quart vote Resolution AGM 2023-E

Be it resolved by a $\frac{3}{4}$ majority vote of the shareholders of SPHM Ltd that approximately 282 feet of 4-foot high black chain link fence on the East side of Sonoma Pines Drive below the lower gates be replaced by 6-foot high black chain link fencing for a sum not to exceed \$8000.00 including taxes to be drawn from the Common Contingency Reserve Fund.

Motion defeated.

8. Review of the Financial Statements

a) Lower RV Lot Loan Repayment

At a January 28, 2021, Special General Meeting the community voted to purchase the lower RV lot from Rykon Developments for \$260,000. The agreement approved borrowing the funds from our CRF and then repaying the CRF over approximately 10 years with the net proceeds from the lower RV Lot, estimated to be approximately \$25,000 per year. Once the loan was repaid the revenue would become part of our annual community income. It was discovered this year that in the first year after the purchase this revenue went to the general account and was not repaid against the loan. There are two possible options to address this:

1) pass over the missed year's payment and add it to the end of the loan period;

OR

2) make up the missed payment by adding it to 2024/2025 budget.

Majority Resolution AGM-2023– G(1)

Be it resolved by a majority vote of the shareholders of SPHM Ltd. that the first year's repayment of the Lower RV Lot loan be passed over and added to the end of the loan period.

Motion carried.

OR

Majority Resolution AGM-2023– G(2)

Be it resolved by a majority vote of the shareholders of SPHM Ltd. that the missed payment be added to 2024/2025 budget.

Motion defeated.

b) Majority Resolution AGM-2023– H

Be it resolved by a majority vote of the shareholders of SPHM Ltd. that the 2022/2023 Financial Statements be accepted as presented.

Motion carried.

9. Approval of the 2023/2024 Operating Budget

Operating Budget Preamble:

Contingency Reserve Fund

Article of Incorporation 27.5.4 Restrictions on Expenditures

“(a) Expenditures from contingency reserve fund.

The Company must not spend money from the common contingency reserve funds unless the expenditures is:

(i) consistent with the purposes of the fund; and

(ii) first approved by a resolution passed by 3/4 vote at an annual or special general meeting or authorized as an unapproved expenditure as herein provided

The Company must not spend money from the separate Multi Family contingency reserve fund unless the expenditures is:

(i) consistent with the purposes of the fund; and

(ii) first approved by a resolution passed by a 3/4 vote of the Multi Family shareholders at an annual or special general meeting or authorized as an unapproved expenditure as herein provided.”

a) Three Quarter Resolution AGM-2023–J (FOR MULTI-FAMILY HOMEOWNERS ONLY)

Be it resolved by a ¾ majority vote of the Multi-family shareholders of SPHM Ltd. that the aggregate amount of \$129,000 be transferred from the Contingency Reserve Fund to the Exterior Repairs & Maintenance budget as listed in the proposed 2023/2024 budget.

Motion carried.

b) Three Quarter Resolution AGM-2023–K

Be it resolved by a ¾ majority vote of the shareholders of SPHM Ltd. that the aggregate amount of \$62,500 be transferred from the Common Contingency Reserve Fund to the Safety & Security, Lot & Land, and Exterior Repairs & Maintenance budgets as listed in the proposed 2023/2024 budget.

Motion carried.

c) Majority Vote Resolution AGM 2023-L

BE IT RESOLVED *by a majority vote of the shareholders of SPHM Ltd. approve an annual Common Operating Budget in the amount of \$1,554,396, which includes the \$99,707 deficit from 2022/2023, and a Multi-family Operating Budget of \$651,629.*

Motion carried.

10. Election of Directors

The following owners were nominated and let their names stand as per the Articles of Incorporation:

Randy Benson
Jim Burkinshaw
Tom McEwen
Kelvin Mathuik
Don Porter
David Reid
Willie Riewe

There were three calls for nominations from the floor for the Board of Directors. There were no nominations from the floor.

Those nominated were acclaimed as the new Board of Directors for Sonoma Pines Homeowners Management Ltd.

11. Adjournment 8:11 pm