

**Condominium Corporation No 022-2718
Phillips Lofts
Board of Directors Meeting
June 29, 2010**

Location: Unit 404

Present: Kent Akgungor
Chelle Busch
Barry Kaiser (Chairperson)
Shauna Warwick

Absent:
Ryan Mayer
Corina MacKinnon (FOCHAUS Management)

1. Call to Order at 18:00

2. Approval of Agenda
Approved unanimously.

3. Correspondence

06/18 - Letter to unit 107 responding to request to switch parking stalls
06/11 - Letter from unit 107 requesting to switch parking stalls to parkade

4. Motions Passed Electronically

06/24 - Approve June 10, 2010 board meeting minutes
06/22 - Approve the parking of two vehicles in a parking stall as long as the length of both doesn't exceed past the yellow parking lines. The Board reserves the right to revoke that privilege at anytime. This will only apply to the parking lot and not to the parkade.
06/20 - Approve rules and regulations for the use of the rooftop balcony

1. NO SMOKING as per the Alberta Tobacco Reduction Act–2007 (this includes ALL common areas in the building)
2. Patio hours are 08:00-23:00. Use of the patio outside of these hours is prohibited.
3. Please do not transport food or beverages to/from the patio in open glasses or containers.
4. Please clean up after yourself and your guests; this includes any spilt drinks or food. DO NOT use the planters or rain barrel as a place to put your garbage. Take it with you!
5. Please put all patio furniture back in place before you leave.
6. Please be respectful of your neighbours; no loud music or other disturbing noises.
7. Walking outside of the designated patio area without permission of the Board is strictly prohibited.
8. You are responsible for the behavior of all your guests on the patio and in any common area. Please be respectful of other residents in the building who may want to use the patio at the same time.
9. Please use caution if using any portable grill or BBQ.
10. The patio along with other common areas in the building must not be used for commercial purposes without prior permission from the Board.
11. Animals are prohibited on the rooftop patio.

Failure to comply with the above is in violation of Section 36 of the current condominium bylaws and will result in sanctions being charged against the offending unit. Section 36 of the current bylaws state a resident shall not...

36(2)(a) use or enjoy the property of the Corporation or the common property in such a manner as to unreasonably interfere with its use and enjoyment by other Owners or the occupants;

36(2)(e) do anything in respect of his unit, the real or personal property of the Corporation or the common property or bring or keep anything on it that will in any way increase the risk of fire or result in an increase of any insurance premiums payable by the Corporation.

06/17 - Approve the use of the Dorex TLA (TLA51C32DWEI) for deadbolt for common property

5. Old Business

a) Budget 2010/11

Barry discussed that there are two issues driving the Corporation's need to raise funds.

The main driver for the need to increase condo contributions, is the reserve fund study. Chelle asked for clarification around how the Reserve Fund is funded, why it's funded the way it is, and who decides what numbers to use. Barry explained that there were four factors that caused the Corporation's projected contributions to rise by 55% this year. One is the roof and restoration work on the North wall that was not included in the last study. Secondly, the fan-coil units and zone valves were also not included. Thirdly, there has been a material increase in the refurbishing cost and timing of the secondary elevators. Finally, general construction inflation has hit all aspects of the reserve fund study. Barry also explained that the Corporation used Wade engineering as they are a reputable firm; and, as they are the experts, the Corporation should rely on their advice unless it can factually prove otherwise with their assumptions.

There has also been a material increase to the Corporation's operating expenses, specifically relating to mechanical and fire/safety work. This is the first increase in condo contributions in three years.

Barry and Shauna stated that historically the board has maintained a fiscally prudent protocol of ensuring the reserve fund remains fully funded, therefore, in order to fund the Corporation's operating budget, capital replacement fund, and capital improvement fund, the corporation either needs to raise funds through a special assessment, or by increasing fees.

Shauna and Barry feel that given the Corporation's still doesn't have precise costs on the work that needs to be completed this year, it is risky to do a special assessment at this point. The Board can discuss doing this in the future when it has better clarity on the amounts that are going to be required for any significant work over the next two years. The Board could then decrease condo contributions accordingly to offset the assessment.

Kent and Chelle challenged the 15.4% proposed increase, saying that the increase would make Phillips uncompetitive with other buildings in the area. Kent suggested the Board more gradually build up the fund, doing a 10% increase this year and a smaller increase next year. Chelle agreed with Kent's suggestion.

It was agreed that at the moment special assessment is off the table.

The big issue revolves around having the Corporation's capital replacement fund showing as "fully funded" rather than "not fully funded". Barry felt there was value in showing the capital replacement fund "Fully Funded" on the corporation's financials.

Motion: Shauna motioned that condo contributions be raised 15.4% for the 2010/11 fiscal year. Shauna and Barry voted for, while Kent and Chelle voted against. The Corporation's Bylaws state that the President has the deciding vote when a vote is tied. Motion passed.

7. Next Meetings – August 23, 2010 18:00

8. Adjournment at 19:37