

LITTLE BOW RESORT CONDOMINIUM ASSOCIATION

CONDOMINIUM CORPORATION NO. 931 1680

November 17, 2011

TO: Little Bow Resort Owners

FROM: Little Bow Resort - Board of Directors

GENERAL ANNOUNCEMENTS AND REMINDERS

Water Meters – all outdoor water meters will be read at the end of December, 2011. If you have an indoor meter, you must report your water consumption number by **January 15, 2012**. Failure to report will require the Board to deem your water usage for the year at 500 cubic meters.

Boat Sheds – a reminder that there are 4 new boat sheds that are unsold. The cost is \$15,000. If you have any interest in acquiring a new boat shed, please contact Braemore.

Grease Traps – the Board estimates that the cost to clean grease traps is approximately \$5000 per year. The cause of this unnecessary expense is directly related to Unit Owners pouring grease and fat down their drains. Unit Owners can avoid this expense by simply disposing of this waste in sealed containers in the main garbage bins.

Garbage Bins – these bins are for household waste only. We continue to incur significant costs having to address large non-household items that have been wrongfully disposed.

Deer Issues – the Board will be purchasing hay bales and placing these at the entrance to the Resort in an effort to reduce the deer population at the Resort. The Board will allow temporary fences on Unit Owner's property to deter deer encroachment on their property. These temporary fences must be removed by April 1, 2012.

RCMP – the Board has been advised that the RCMP has been attending the Resort with increased frequency. We remind Unit Owners and their guests that the Resort is not exempt from Provincial laws. It is a Unit Owner's responsibility to be familiar with all laws relating to the use of the public roads and other such rules of general application. The Board will contact the RCMP later in the year to discuss their visits to the Resort and any further concerns they may have.

Construction Dump – a reminder that the Construction Dump will be closed by December 31, 2011. Thereafter, all construction waste must be transported to the appropriate landfills.

FINANCIAL

At its last meeting, the Board has addressed a few financial matters:

1. Current retained earnings are about \$220,000 (includes cash and receivables). \$49,000 of these retained earnings will be allocated to the Reserve Fund. This allocation will bring our Reserve Fund to approx. \$250,000 which is the amount recommended by the last Reserve Fund study. The Reserve Fund study will be updated in 2012.
2. There will be separate accounting for the water plant fund. The revenue to this fund consists of the \$500 special assessment recently levied and all subsequent special assessments pertaining to the water plant upgrade project. To date, the only expense levied against this fund are costs related to the back up generator project.
3. There will be separate accounting for the construction and sale of the boat sheds. Any profits derived from the sale of boat sheds will not be added to general revenues but will instead be directed toward a specific boating related infrastructure project.

LAST BOARD MEETING

The Board continues to revise the manner in which it functions in conjunction with the various committees. With the formation and operation of the various committees, the Board intends to focus upon setting priorities for the various committees and stewardship of available capital. The first Board meeting after the summer is now intended to set committee priorities and to allocate funds available to address these priorities. It will be up to the various committees to determine how best to address these priorities within the funds allocated for each of these projects. Once solutions are determined by the various committees, recommendations will be put forth to the Board for final review.

Below is an outline of the various committee priorities for the remainder to the term (ending at the next AGM in May, 2012) and the amount and source of funds allocated for each of these priorities. For clarity, the funds are merely allocations of funding and do not represent approvals to proceed.

INFRASTRUCTURE COMMITTEE

Perry Wilford (chair), Richard Thomas, Bill Pusch, Jon Hodal, Ray Kienlein, Warren Lyckman

Resort Drainage – The drainage work is nearly complete. All that is remaining is to address a solution to prevent erosion on the newly constructed ditches. We are waiting on proposals and will proceed as soon as possible. A further \$15,000 has been allocated from our Capital Reserve Fund to address these requirements.

Diesel Tank - A new diesel tank and pad is required and has been approved by the Board. The existing diesel tank (used for Ray's equipment) is nearly leaking and is presently located on top of a hill overlooking the lake near the water plant. A new tank will be purchased and relocated near the main fuel tank. A total of \$8,000 has been allocated for purchase of the tank, a new concrete pad and fencing. The source of funds is our retained earnings.

Trees and Hedges – There are a number of areas where the existing trees and hedges require maintenance or replacement. \$12,000 from our Capital Reserve Fund has been allocated to address this issue.

Grass Cutting – It is expected that the existing Z track tractor will need replacement next spring. There are some alternatives being investigated on how to best address grass cutting at the Resort. \$20,000 has been allocated from retained earnings to address this issue.

Winter Deer Issues – In an attempt to reduce the winter deer population and the associated damage at the Resort, the Resort will purchase some hay bales to be placed at or near the Resort entrance on the Mile over the fall and winter months. \$1000 has been allocated from our operating budget to address this requirement.

Construction Dump Closure – As mentioned, the construction dump will be closed effective December 31, 2011. Barriers and signage will be placed at the entrance. \$2,000 has been allocated this year from our Capital Reserve Fund to address this matter.

Swim Platform at Breakwater – A preliminary proposal was considered to build and place a new swim platform near the Breakwater. There are a number of issues which require resolution before this proposal can proceed. \$3,000 has been allocated from retained earnings should this proposal receive approval.

Speedbump Signage – New signage will be placed at the entrance to the Resort and in locations to be determined. \$250 has been allocated from our operating budget.

WATER COMMITTEE

Dale Hildebrand (chair), Barry Bohn, David Kristensen, Allan Maltais, Jon Hodal, Ron Girvitz, Jon Gartly (SABC), Mark Bellamy (SABC)

The water committee has separate accounting from general revenues and capital reserves. Therefore, no special allocations of these funds is required at present. The current activities of this committee are as follows:

Back-Up Generator – The back up generator has been delivered and is nearly operational.

Water Plant Operator Manual – project is completed as required by Alberta Environment.

FIRE COMMITTEE

Mike Geister (chair), Jason Feit

The committee is reviewing two major initiatives:

1. Coordination with Lomond Fire Dept to ensure adequate fire response facilities are in place. Any funding required to implement will be paid from the Water Committee funds.
2. A Little Bow Resort water rescue strategy including equipment and training to assist rescue professionals when an emergency response is required on the lake. This proposal is in the preliminary stages and will be further investigated. A ball park estimate of \$10,000 is anticipated for equipment purchase.

BY-LAW COMMITTEE

Tom Taylor (chair), Jason Gouw, Gordon Lenz

The Committee will seek to continue to implement the Occupational Health and Safety requirements at the Resort. No specific funds have been allocated.

EXTERNAL RELATIONS COMMITTEE

Jon Hodal (chair), Harvey Hillaby

The Committee will continue to monitor developments of Highway 529 paving. It is anticipated that this project will be commenced in the Spring, 2012. The Committee will also monitor developments concerning regional waterlines from Vulcan. No specific funds have been allocated.