



February 7, 2018

Members of the Larch Park Homeowners Association
Larch Park Edmonton, Alberta

Dear Members:

**RE: Notice of the 2018 Annual General Meeting
Wednesday February 21, 2018 @ 7:00 PM
Terwillegar Community Recreation Centre
2051 Leger Rd NW, Edmonton AB T6R 0R9**

Enclosed please find the Notice of the Annual General Meeting (AGM) for the Association, the Minutes from the 2017 AGM, the Report of the Board of Directors, the Information Circular, and a Proxy Form.

Please review the enclosed information and plan to attend the AGM or submit your proxy form, as indicated. The AGM will be held on **Wednesday February 21, 2018 at 7:00 PM** at The Terwillegar Community Recreation Centre, 2051 Leger Rd NW, Edmonton AB T6R 0R9. **Please assist your Board of Directors by attending the AGM or sending in your proxy form.**

Please note that the Larch Park Association currently has vacancy for up to Four (4) Resident Directors. If you are interested in being nominated for the Board of Directors, or have any questions about the enclosed, please contact Triona at 780-945-2816 or by e-mail at tcosgrave@melcor.ca.

On behalf of your Board of Directors, we look forward to your participation.

Yours truly,

LARCH PARK HOMEOWNERS ASSOCIATION

MICHAELA DAVIS	MICHELLE WAKELING	TANYA EKLUND	FRANK SMITH	COURTNEY DENHAM
President & Melcor Director	Vice President & Melcor Director	Treasurer/Secretary & Melcor Director	Resident Director	Resident Director



NOTICE OF THE LARCH PARK HOMEOWNERS ASSOCIATION

2018 ANNUAL GENERAL MEETING OF MEMBERS

Please take notice that the 2018 Annual General Meeting of the Members of the **LARCH PARK HOMEOWNERS ASSOCIATION** (the "Society"), will be held at The Terwillegar Community Recreation Centre, 2051 Leger Rd NW, Edmonton AB T6R 0R9, on **Wednesday February 21, 2018, at 7:00 PM (MST)** for the following purposes:

- 1) To receive the minutes of the AGM held on January 25, 2017;
- 2) To receive the Report of the Board of Directors of the Society;
- 3) To receive the unaudited Financial Statements for the fiscal year ended December 31, 2017;
- 4) To establish the number of Directors to hold office until the next Annual General Meeting and elect such Directors;
- 5) To appoint an Auditor of the Society;
- 6) To transact such other business as may properly come before the Meeting or any adjournment thereof.

THIS NOTICE SHOULD BE READ IN CONJUNCTION WITH THE INFORMATION CIRCULAR ACCOMPANYING THIS NOTICE.

Dated at Edmonton, Alberta this 7th day of February, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in blue ink, appearing to read "Michaela Davis", is written over a horizontal line.

MICHAELA DAVIS, President

TO ALL MEMBERS:

IF YOU ARE UNABLE TO ATTEND THIS MEETING, PLEASE COMPLETE THE ACCOMPANYING PROXY FORM AND RETURN AS INDICATED IN THE INSTRUCTIONS FOR PROXY FORMS INCLUDED IN THIS PACKAGE.



Larch Park Homeowners Association
AGM
January 25th, 2017 @ 7:00pm
Terwillegar Recreation Centre, Multi-Purpose Room B
AGM Meeting Minutes

1.0 The Larch Homeowners Association meeting was opened by Michaela Davis of Melcor Developments Ltd. representing Larix Communities Inc.

Attendees: Michaela Davis, Melcor Developments Ltd.
Michelle De Jesus, Melcor Developments Ltd.
Karen Albarda, Melcor Developments Ltd.
Tanya Eklund, Melcor Developments Ltd.
Monica Brown, Melcor Developments Ltd.
Sonny Mirth, Reynolds, Mirth, Richards & Farmer
48 units (including proxies) of the Larch Park community were represented.

2.0 Michaela Davis informed the attendees that the purpose of this meeting was to start the turnover and transition process of the Larch Homeowners Association by electing a Board of Directors consisting of 3 "Melcor" people and 2 members of the Larch Park community. Michaela explained that Larix Communities Inc. (Developer) does have controlling votes in the Larch Homeowners Association, but the sole purpose of electing majority "Melcor" members is to educate the "Resident" members and provide as much information and assistance as possible for a smooth transition process.

3.0 The Meeting was called to order at 7:05 p.m. Michaela Davis, being the President of the Larch HOA confirmed she would Chair the meeting and announced that Tanya Eklund would take the minutes.

3.2 Confirm a Quorum. 5 persons that are collectively entitled to cast votes are required to be attendance to confirm a quorum. 48 units answered roll call. Quorum was confirmed.

3.3 Determining the numbers of Directors to be elected to the Board. There has to be a minimum of 3 members and a maximum of 7 members on the Board. Michaela Davis asked for a motion to set the number of Directors to 5.

A motion was put forth by Frank Smith that the Larch Park Homeowners Association Board of Directors has 5 members. This motion was second by Chris Wilkinson. Motion was passed unanimously.

There was discussion as to why only 5 Board members and not 7. Michaela Davis explained the purpose again and added that the Board would accept "Members at Large" to attend the Board Meetings.

3.4 Larix Communities nominated the following people to be members of the Executive Board:

1. Michaela Davis
2. Michelle De Jesus
3. Tanya Eklund

The following "Residents" came forward to be Resident Directors of the Board:

4. Frank Smith
5. Greg Eitzen
6. Ted Byrt
7. Courtney Denham

Because more than 2 volunteers came forward, a vote would have to take place. Sonny Mirth explained the voting process and also stated that Larix Communities would only vote for the "Melcor" nominations in order for the voting process to be fair.

Monica Brown from Melcor Developments Ltd. was appointed Scrutineer and Chris Wilkinson, a resident from the Larch Park community was appointed to assist.

The floor was opened to nominations and introductions. Each candidate introduced themselves and gave explanation as to why they wanted to be on the Board.

No further nominations came forward and nominations were closed.

Voting took place and Scrutineers counted the ballots and announced the 5 persons with the most votes:

1. Frank Smith
2. Courtney Denham
3. Michaela Davis
4. Michelle De Jesus
5. Tanya Eklund

A motion was put forth by Jay Pritchard to elect the five persons announced for the Larch Homeowners Association Board of Directors. This motion was seconded by Greg Eitzen. There was no discussion on this motion and the motion was passed unanimously.

It was stated that Greg Eitzen would attend the Larch Homeowners Association meetings as a "Member at Large".

A motion was put forth by Frank Smith to destroy the ballots. This motion was seconded by Vivian Hartford. There was no discussion on this motion and the motion was passed unanimously.

- 3.5 Review Financial Statements. It was suggested to the attendees to table the review at this time as there is no formal statement. Larix Communities Inc. has only collected a \$400.00 fee from each lot sold and has incurred all expenses. As of January 25, 2017, the bank account has revenue of \$76,400.00 and there is still \$19,920.00 in fees to be collected on remaining lots to be sold. It was stated that fees have been collected on 302 units in the Community. It was determined that there was a discrepancy in these numbers and it would be reviewed and presented at next meeting of the Board.

A motion was put forth by Frank Smith to table the review of financial statements to a later date. This motion was seconded by Courtney Denham. There was no discussion on this motion and the motion was passed unanimously.

- 3.6 Appointment of Auditors and/or Accountants. It was suggested to the attendees to table this appointment at this time.

A motion was put forth by Chris Wilkinson to table this appointment. This motion was seconded by Frank Smith. There was no discussion on this motion and the motion was passed unanimously.

- 4.0 Michaela Davis gave an outline of the items that the HOA is responsible for maintaining. She also stated that fees would be collected this year and invoices will be sent out to residents in the second quarter of 2017.

- 4.2 Question as to why there were no budget handouts. Michaela Davis stated that a Budget will be mailed out with the Invoices.

- 4.3 Michaela Davis gave an update to the Las Palmas situation. Las Palmas is currently in receivership. Melcor looked into purchasing the lots but was unable to because of the receivership. These lots have since been sold to another Builder, which Melcor has not had any involvement in.

- 4.4 A resident suggested that a cost assessment be completed in regards to the Masonry. Michaela Davis will look into the cost of this assessment.

- 4.5 Michaela Davis gave an update on the Ekos Sites.

- 5.0 The meeting was adjourned at 8:58 p.m. by Michaela Davis


Tanya Eklund, Secretary



**Larch Park Homeowners Association
Presidents Report
January 2018-December 2018**

The Larch Park Homeowners Association (LPHOA) was incorporated as a non-profit corporation in September 2010, registered under the Societies Act of Alberta.

The purpose of the Association is to own and maintain for the benefit of the members various subdivision features and amenities within the Larch Park Development. The Melcor Board of Directors administers the LPHOA, which consists of two (2) elected Resident Directors and three (3) Melcor Developments appointed Directors. The Board recommends a maximum of Seven (7) Board members, made up of four (4) resident members of the community and three (3) members from Melcor. The Board meets on a regular basis to ensure policies are properly set and Rules & Regulations are legislated; be the voice of their fellow residents for LPHOA-related issues. During Melcor's term of management, the power of the Board is limited.

Financial

The annual operating costs of the LPHOA - including the various subdivision features/amenities, is the responsibility of the Members through the payment of mandatory fees, pursuant to a Rent Charge Encumbrance registered on each lot title (the amount is exempt from GST) in Larch Park. After careful review of the 2018 operating budget, the LPHOA Board of Directors approved the fees for 2018 at \$200 per standard lot. Notice of 2018 Fees were mailed out February 1st 2018. A copy of the Notice is available on the website www.larchparkhoa.ca

A copy of the 2018 Operating Budget is available for review online at www.larchparkhoa.ca or upon request at tcosgrave@melcor.ca. The enclosed unaudited Financial Statements are prepared up to December 31st 2017.

Appointment of Auditor

The Board of Directors proposes to appoint BDO Canada LLP as Auditor for the company for the 2018 Fiscal Year.

Summary/Management Transition

Melcor, who Represents Larix Communities in co-operation with the Resident Board of Directors, has started the process of working towards a seamless transition of the turnover of the management of the Larch Park Homeowners Association. The Management of the LPHOA will be completely turned over in September 2018. In anticipation of the turnover, Melcor is preparing to implement an exit strategy that consists of Board development training, and moving all accounting and administrative functions to the Larch Park Homeowners Association Resident Directors. The administrative and accounting systems that are currently in place have been carefully applied to ensure a seamless transition of full management duties to the LPHOA. As well, the Melcor Directors will establish an Executive Committee of Resident Directors that will work closely with the Melcor Executive Directors. Melcor is committed and dedicated to leaving behind a successful legacy in Larch Park.

Respectfully submitted February 7th 2018

**MICHAELA
DAVIS**
President &
Melcor
Director

**MICHELLE
WAKELING**
Vice President &
Melcor
Director

**TANYA
EKLUND**
Treasurer/Secretary &
Melcor
Director

**FRANK
SMITH**
Resident
Director

**COURTNEY
DENHAM**
Resident
Director

LARCH HOMEOWNERS ASSOCIATION
(A Society incorporated under the Societies Act of Alberta)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

LARCH HOMEOWNERS ASSOCIATION
(A Society incorporated under the Societies Act of Alberta)

Statement of Financial Position
(Unaudited)

For the year ended December 31, 2017 with comparative information for 2016

	2017	2016
ASSETS		
Current Assets:		
Accounts Receivable (Schedule 1):		
Due from Larix Communities Inc.	99,478.50	99,478.50
Due from Melcor Developments Ltd.	32,000.00	32,000.00
	131,478.50	131,478.50
LIABILITIES AND NET ASSETS		
Current Liabilities	Nil	Nil
Unrestricted Net Assets	131,478.50	131,478.50
	131,478.50	131,478.50

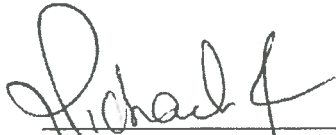
LARCH HOMEOWNERS ASSOCIATION
(A Society incorporated under the Societies Act of Alberta)


Statement of Changes in Net Assets
(Unaudited)

For the year ended December 31, 2017 with comparative information for 2016

	2017	2016
Net Assets – Beginning of Year	131,478.50	124,878.50
Excess of income over expenditures for the year	NIL	6,600.00
Net Assets – End of Year	131,478.50	131,478.50

Financial Statements have been reviewed and approved at Edmonton, Alberta this 11th day of January, 2018 by:


 Michaela Davis – President


 Tanya Eklund – Secretary-Treasurer

LARCH HOMEOWNERS ASSOCIATION
(A Society incorporated under the Societies Act of Alberta)

NOTES TO FINANCIAL STATEMENTS

1. Nature of the organization and basis of presentation:

The Larch Homeowners Association (the Association) is a society incorporated under the Societies Act of Alberta on November 8, 2010. The Association is expected to commence operating in 2018.

The purpose of the Association is (or will be or will hereby become) the holder of leases, easements and other rights in, to and over portions of the Subdivided Lots within the Larch Park Subdivision, including:

- a. easements for Perimeter Fences on Subdivided Lots on the outside perimeter of the Larch Park Subdivision;
- b. easements or leases for the following subdivision common elements:
 - i) entrance gateways,
 - ii) park parcels, and
 - iii) gardens
- c. easements and other rights for maintenance of Subdivision Features, and
- d. such other leases and easements as the Association deems appropriate for the overall benefit of the Larch Park Subdivision and its owners.

2. Membership:

There are 3 classes of voting membership, namely, Class A, Class B and Class C. Class A members are subscribers to the Association's incorporation and charter documents and all owners other than the Developer of Subdivided Lots, excluding the Multi-Family Land as long as it is not subdivided or condominiumized. Class B members are owners of the Multi-Family Land. Class C members are the Developer: Larix Communities Inc. and Melcor Developments Ltd.

The turnover date will be determined by the Class C member whose intention is to turnover control once the development of the community has reached that point of completion whereby the integrity of the community is established as intended and ongoing maintenance is effectively the only requirement of the Association.

3. Startup and Rent:

The costs incurred to date regarding the operation of the Association have been borne by the Developer. The Developer will collect and pay to the Association \$400.00 for each of the 283 single-family lots in Larch Park as pre-paid Homeowners Association fees and the amounts that have been negotiated between the Developer and the builders for each acre of Multi-Family lands – (Schedule 1)

4. Turnover of Control:

The Developer will be responsible for the landscape specific items of the Association until final acceptance certificates are issued by the City of Edmonton which is expected during 2019.

By resolution in writing and signed by all of the Directors of Larch Homeowners Association the Audit for December 31, 2017 was waived.

Schedule 1
Accounts Receivable

Due from Melcor Developments Ltd.:

80 SF lots at	\$400 each		\$ 32,000.00
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Due from Larix Communities Inc.:

203 SF lots at	\$400 each	\$	81,200.00	
MF Site #1 (Cascades Condo)		\$	1,000.00	
MF Site #2 (0.80 Acres)		\$	2,400.00	
MF Site #3 (2.32 Acres)		\$	696.00	
MF site #2 (10.11 Acres)		\$	7,582.50	
MF site #3 (8.8 Acres)		\$	6,600.00	\$ 99,478.50

Total Accounts Receivable				<u>\$ 131,478.50</u>
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**LARCH PARK HOMEOWNERS ASSOCIATION 2018 INFORMATION CIRCULAR
GENERAL INFORMATION & PROXY STATEMENT**

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by management of the LARCH PARK HOMEOWNERS ASSOCIATION (the "Society") for use at the Annual General Meeting (the "Meeting") of Members of the Society to be held at the Terwillegar Community Recreation Centre, 2051 Leger Rd NW, Edmonton AB T6R 0R9, on **Wednesday February 21, 2018 at 7:00 PM**. All expenses incurred in connection with the solicitation of proxies will be borne by the Society. Solicitation will be made primarily by mail, but proxies may also be solicited by Directors, officers and employees of the Company.

APPOINTMENT AND REVOCATION OF PROXIES

Each Member entitled to vote at the Meeting may, by means of a form of proxy in writing executed by the Member or his attorney, authorized in writing, appoint a proxy to attend and vote on his/her behalf at the Meeting. In order to be acted upon at the Meeting, a form of proxy must be returned as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package. A Member may revoke a form of proxy previously given by returning another proper form of proxy bearing a later date than the previously given form of proxy as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package.

EXERCISE OF DISCRETION BY PROXY

Proxies will be voted or withheld from voting in accordance with the Member's instructions contained therein. The form of Proxy also confers authority on the persons named therein to vote with respect to any other matters which may properly be brought before the Meeting. At the date hereof, management knows of no other such matters.

VOTING BY MEMBERS

Only Members of record at the close of business on February 7, 2018 are entitled to vote at the Meeting, each Member being entitled to one (1) vote. Members are defined in the Articles of Association (the "Articles") of the Society as restricted to Commercial Owners, Homeowners and Rental Project Owners.

Where there is more than one owner of a property, there shall be only one Member who shall be the person designated as the Member by all the owners of the property. In the absence of such designation, the first person named as owner in the Certificate of Title or as Purchaser in an Agreement for Sale, shall be the Member.

Where a residential property is occupied by a tenant, such tenant may be designated as the Member by and instead of the owner of such property.

Where a rental project is involved, the registered owner shall be the Member and notwithstanding how many tenants are residing in the rental project, it shall have only one (1) vote.

As at the close of business on **February 7, 2018** the Society had **391** members in good standing. In addition, there are **400** Melcor votes in respect of lots registered in the name of Melcor.

ELECTION OF DIRECTORS

At the Meeting, it is proposed that the total number of Directors for the Society be established as no more than **SEVEN (7)** until the next Annual General Meeting. Pursuant to the Articles of the Society, Melcor is entitled to appoint up to **three (3)** Directors with the remaining Resident Directors elected at the Meeting. The following persons are the current Directors of the Company:

NAME	PERIOD SERVED AS DIRECTOR OF THE SOCIETY
Michaela Davis (Melcor)	6 years
Michelle Wakeling (Melcor)	1 year
Tanya Eklund (Melcor)	1 year
Frank Smith (Resident)	1 year
Courtney Denham (Resident)	1 year

It is proposed that four (4) Members in good standing be elected at the AGM in accordance with the Articles of Association.



**LARCH PARK HOMEOWNERS ASSOCIATION 2018 INFORMATION CIRCULAR
GENERAL INFORMATION & PROXY STATEMENT**

Nominations will also be sought at the meeting for Directors from the Members. Individuals should be aware of the fiduciary responsibilities of Director's generally, as well as the specific limitation of the power of Directors of the Society in respect of Melcor's management contract. Members interested in standing for election at the meeting are invited to contact Triona in advance of the meeting at tcosgrave@melcor.ca

The term of office for each person is a one-year term and shall be from the date of the Meeting until the next Annual General Meeting of Members or until his/her successor is elected or appointed.

DIRECTORS COMPENSATION - Nil

PENSION PLAN - Nil

EXECUTIVE COMPENSATION AND PLANS - Nil

INCENTIVE SHARE OPTION PLAN FOR OFFICERS AND KEY EMPLOYEES - Nil

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

The three (3) Melcor appointed Directors are employees of Melcor, who represent Larix Communities and is the operator of the Larch Amenities. As operator of the Larch Amenities, Melcor approves the operating budget for their proper operation.

APPOINTMENT OF AUDITORS

Management proposes that BDO be appointed as Auditor of the Society and that the Directors be authorized to approve their remuneration.

CERTIFICATE

The foregoing contains no misstatement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

BY THE ORDER OF THE BOARD OF DIRECTORS

A blue ink signature of Michaela Davis, written over a horizontal line.

MICHAELA DAVIS, President

The management of the Society knows of no amendment, variation or other matters to come before the Annual General Meeting of Members other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgement of the person or persons voting such proxy.

BY THE ORDER OF THE BOARD OF DIRECTORS

A blue ink signature of Michaela Davis, written over a horizontal line.

MICHAELA DAVIS, President



**LARCH PARK HOMEOWNERS ASSOCIATION
2018 ANNUAL GENERAL MEETING OF MEMBERS
On the 21st day of February, 2018 at 7:00 PM**

INSTRUCTIONS FOR PROXY FORMS

Appointment and Revocation of Proxies

A Member desiring to appoint a person to represent him/her at the Meeting may do so by inserting such person's name in the blank space provided. The completed proxy should be sent in to the address indicated below in time to reach such address not less than twenty-four (24) hours (excluding Saturdays, Sundays and Holidays) before the time of the Meeting:

**Mail to: Melcor Developments
Suite 900, 10310 Jasper Avenue Edmonton, AB T5J 1Y8
Attention: Triona Cosgrave**

or e-mail this completed form to tcosgrave@melcor.ca

**All proxies must be in writing, signed by the Member and returned no later than at close of business
Tuesday, February 20, 2018.**

A Member who has given a proxy may revoke it any time before it is exercised. A proxy may be revoked by instrument in writing or, if the Member is a corporation, by an officer or attorney thereof duly authorized, and delivered as indicated above, at any time up to and including the last business day preceding the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

Voting and Exercise of Discretion by Proxies

The persons named in the form of proxy will vote the Membership in respect of which they are appointed in accordance with the instructions indicated therein.



**LARCH PARK HOMEOWNERS ASSOCIATION
2018 ANNUAL GENERAL MEETING OF MEMBERS
On the 21st day of February, 2018 at 7:00 PM**

PROXY SOLICITED BY MANAGEMENT

The undersigned Member of the LARCH PARK HOMEOWNERS ASSOCIATION (the "Society") hereby appoints **Michaela Davis** or failing her, _____, as proxy to attend and vote on behalf of the undersigned at the Annual General Meeting of Members and at any adjournment thereof and my proxy is instructed to vote:

1) **FOR _____ OR AGAINST _____** (and if no specification is made, FOR)

The setting of the total number of Directors for the Society until the next Annual General Meeting at seven (7) composed of four (4) Resident Directors to be elected at this Meeting and three (3) Melcor appointees.

2) **FOR _____ OR AGAINST _____** the election of the following resident(s) as Directors, for a one-year term, in accordance with their nomination: **Please mark a maximum of four (4) candidates.**

NAME OF NOMINEES	FOR	AGAINST
Ted Byrt		
Frank Smith		
Courtney Denham		

3) **FOR _____ OR AGAINST _____** (and if no specification is made, FOR)

That BDO Canada be appointed as Auditor of the Society for the 2018 fiscal year.

4) And in his/her discretion with respect to any amendments, variations or additions with respect to any of the matters noted above or with respect to any other matter which may properly be brought before the Meeting or any adjournment thereof.

DATED this _____ day of _____, 2018.

Member's Name (Please Print)

Member Signature

Member Address (*required)

This form should be signed by the Member or his attorney, authorized in writing, and if the Member is a corporation, this form of proxy should be signed by a duly authorized officer under corporate seal.

RETURN PROXIES NO LATER THAN AT CLOSE OF BUSINESS (5:00 P.M.) ON TUESDAY FEBRUARY 20TH 2018