



Welcome!

Annual General Meeting

Lake At Heritage Pointe Owners Association

Monday, June 4, 2018



Agenda

- **Call to Order**
 - Confirmation of Quorum & Proof of Notice of Meeting
 - Approval of Agenda
 - Approval of Minutes for AGM 2017
- **Introductions**
 - Welcome guests
 - Comments from Reeve Larry Spilak and Sgt. Darlene Roblin
- **Board of Director's Report**
- **Treasurer's Report and Audited Financial Report**
- **Life Cycle Study Update**
- **Special Resolution**
- **Questions**
- **Election of Board of Directors for 2018/2019**
- **Adjournment**



Volunteer Your Board of Directors 2017/2018

- **Mark O'Henly:** Chairperson (2nd term on board)
- **Bryan Dozzi:** Vice-Chairperson, Water Committee Lead (3rd term on board)
- **Heather Harris:** Treasurer, Architectural & Landscaping Committee (2nd term on board)
- **Glenn Ruskin:** Director, Alberta Environment and Parks Liaison (2nd term on board)
- **Paul Taylor:** Director, Life Cycle Study Coordinator (1st term on board)



Introductions

- **Don Waldorf:** Community Manager, LAHPOA
- **Reeve Larry Spilak:** MD of Foothills
- **Sgt. Darlene Roblin:** Protective Services Coordinator, MD of Foothills



Thank-You Dunbow Recreation Board

- The LAHPOA continues to build upon the ways in which residents and guests might enjoy all that The Lake has to offer
- Thanks to generous funding provided by the DRB, we were able to purchase twelve SUPs in 2016 and in 2017, we introduced canoes to our watercraft fleet, along with new Baseball, Hockey, Fly-Fishing & Ice-Fishing, Soccer and Volleyball equipment.
- We are very excited to announce that our 2018 request to replace aging pedal and rowboats has been granted by the DRB
- The MD, through the Dunbow Recreation Board has donated in excess of \$41,000 to Heritage Lake, which is really appreciated by all residents. Thank-you so much!

Conversation with MD of Foothills



Reeve Larry Spilak



Sgt. Darlene Roblin



Board of Directors Report

Mark O'Henly



Events

- A full slate of activities and events this year
- We continue to work to obtain Municipal District, Suppliers, Corporate Sponsorship and local resident donations to help offset the cost of events we organize

Stampede Breakfast



Ice Fishing Derbies, Clinics for Ice and Fly Fishing



PADI Women's Dive Day Lake Clean-up



Fresh Air Cinema with Foothills Fire Dept





Paddleboard Regatta



Paint and Wine Nights

December Light Up the Night

The
Lake at
HERITAGE
POINTE





Events

- Stampede Breakfast
- Ice Fishing Derby
- Fly Fishing Clinics
- International Women's Dive Day
- Lake Clean-up
- Paint and Wine Nights
- Fresh Air Cinema with the Foothills Fire Dept
- Starlight Teen Night
- Paddleboard Regatta
- Minecraft Coding
- Halloween Pumpkin Carving
- Winter Supplies Drive for Animal Shelter
- Pet Photos with Santa
- Light Up The Night
- Parade of Garage Sales
- Easter Egg Hunt

Fish Update



- Whirling Disease continues to be an issue in Alberta
- In addition to the Bow R watershed, affected areas include the Oldman R, Red Deer R and North Saskatchewan R watersheds
- Fish Stocking Licence not granted in 2017
- Fish Licence for 2018 looked unlikely until May. Much work on lobbying and providing information to the Government was successful
- 2,000 trout were delivered to the lake May 23
- Whirling Disease continues to be dynamic. Future licences are not assured
- Lake remains **catch-and-release** only for **trout and burbot** (ling cod)



Infrastructure Activity

- Summer 2017:
 - Completed construction for Lake House remediation
 - Replaced front stairway
 - Replaced aeration system compressors and diffusers
- Summer 2018:
 - Fence for vacant lot
 - Irrigation system (multi-year initiative)
 - Pedal-boat replacement



Focus for 2017/2018

- Systems and organization



Systems

- Two IT Projects implemented at modest expense
 - Implemented a SharePoint document management system
 - Electronic filing of documents
 - Easier for Staff and Board to find information and collaborate on projects and shared files
 - Updated Community Homeowners Association web site
 - lahp.ca
 - Modern, easy to navigate, easy for us to update with current info
- Life Cycle Study



Organization - Maintenance, Landscaping and Snow Removal

- Change mix contractors within same budget \$
- Individuals with required skills at the right time
- Increase quality, quantity and efficiency
- RFP for landscaping, snow removal and maintenance services
- Emphasis on \$ per job vs. \$ per hour
- Divcon Ltd and PLNT Horticulture were awarded contracts



Organization - Lake House

- Increase customer focus for Lake House staff
- Raised bar on staff expectations
- New Supervisor role for Lake House staff
- Fewer on staff with more hours per week



Economies of Scale	Lake at Heritage Pointe	Other Lake Communities
Number of homes	490	Around 8 times as many
Annual Fee	Around \$1,400	Around \$400
Fee Revenue	Around \$690,000	\$1,500,000
Infrastructure	Located throughout the community: - Green areas, paths, fence and gates, irrigation system, playground equip	Typically concentrated at the beach and Lake House
Landscaping and Snow Removal	Green areas and paths throughout community	Concentrated in smaller common area
Universal Cart Program (waste/recycle stream collection)	By HOA	By City of Calgary
Full-time Staff	Community Manager	Average 5.5 full-time staff
Environment	Executive homes in a beautiful neighborhoods. Friendly, people say Hi.	Large neighborhoods within City of Calgary.



Treasurer's Report and Audited Financial Report

Heather Harris



FINANCIAL RESULTS

- Fee collection
- Financial restatements
 - Assets
 - Reserve account
- Budget vs actual for 2017
- 2018 Budget



Fee Collection Status

- 6 of your neighbours have not paid 2018 fees and their files have been sent to our lawyer for collection
- Similar number of files went to lawyer in 2017
 - All successfully collected
 - Overdue homeowners paid from several hundred to thousands in legal fees, plus interest (16%), in addition to the fees



Financial Restatements Assets on Statements

- 2016 Financial statements have been restated
- Lake House
- Garage
- Landscaping equipment
- Lake equipment



Financial Restatements

Restricted Assets (reserve account)

- 2016 financial statements restated for comparison
- Restricted Assets (reserve fund) are now segregated on Financial statements
- Formally designated T-bill account and GIC's as the reserve balance (restricted assets)
- Previous reporting of reserve balance included a portion of operating funds
- Reserve balance at end of 2016: \$317,384; End of 2017: \$318,654
- No Change in cash position just change in classification



Budget versus Actual for 2017

Operating

	Budget	Actual
REVENUE		
Fees and other	652,640	669,896
UCP Program	<u>117,183</u>	<u>117,183</u>
Total Revenue	769,823	787,079
EXPENSE		
Staff	76,850	83,270
Professional Fees	18,450	14,810
Community Management	210,000	185,002
Office Supplies	5,790	11,437
Events	10,000	10,579
Lake Management	21,750	17,728
Insurance	13,500	14,173
Motor Vehicle Expenses	5,300	6,637
Repair & Maintenance	23,400	20,782
Utilities	20,850	19,700
Waste Removal	<u>119,590</u>	<u>148,503</u>
TOTAL EXPENSE	525,480	532,621



Budget versus Actual for 2017

NON-Operating

Canoes and Fishing equipment	-	9,966
Lakehouse Repairs	35,000	98,871
Purchase 3 disposal bins per house	117,183	117,183
Landscaping at Lakehouse	5,000	6,390
Fertilize common green areas	3,000	-
Replace aearator pump & motor	10,000	11,610
Install surge protection	3,000	2,263
Web site overhaul	4,000	-
Security upgrades at LH and Garage	2,500	3,250
replace mower and generator	-	<u>1,788</u>
TOTAL NON-Operating	179,683	251,321
TOTAL DISBURSEMENTS	705,163	783,942



Budget versus Actual for 2017

Net Remaining

	Budget	Actual
REVENUE		
Fees and other	652,640	669,896
UCP Program	<u>117,183</u>	<u>117,183</u>
Total Revenue	769,823	787,079
Operating Expense	525,480	532,621
Non-Operating	<u>179,683</u>	<u>251,321</u>
Total Disbursements	705,163	783,942
Net Remaining	64,660	3,137

2018 Budget

Operating vs 2017 Actual



	2018 Budget	2017 Actual
Revenue		
Fees and Other	662,529	669,896
Reserve Addition	49,000	
UCP Program	-	<u>117,183</u>
Total Revenue	711,529	787,079
Operating Expense		
Staff	80,220	83,270
Professional Fees	18,550	14,810
Community Management	122,000	185,002
Office Supplies	8,985	11,437
Events	10,000	10,579
Lake Management	35,250	17,728
Insurance	15,000	14,173
Motor Vehicle Expenses	7,000	6,637
Repair & Maintenance	112,600	20,782
Utilities	22,300	19,700
Waste Removal	<u>150,000</u>	<u>148,503</u>
TOTAL EXPENSE	581,905	532,621

2018 Budget Non-Operating



Web site overhaul	1,500
Security upgrades	15,000
Weather proofing Electrical Equipment	3,000
Irrigation system repairs	20,000
Signage repair and update	3,000
Storage Shed or container	4,000
Pedal Boats (4 person) (4 units)	8,000
Pedal Boats (2 person) (2 units)	3,200
Smart TV for Lakehouse	1,000
BBQ and gas line	2,000
Bed restorations	15,000
TOTAL NON-Operating	75,700



2018 Budget versus 2017 Actual Net Remaining

	2018 Budget	2017 Actual
REVENUE		
Fees and other	662,529	669,896
Reserve Addition	49,000	-
UCP Program	-	<u>117,183</u>
Total Revenue	711,529	787,079
Operating Expense	581,905	532,621
Non-Operating	<u>75,700</u>	<u>251,321</u>
Total Disbursements	657,605	783,942
Net Remaining	4,924	3,137
To Restricted Assets	49,000	



Life Cycle Study

Paul Taylor

Life Cycle Study

- **Background:**
 - LCS arose at the 2017 AGM from concern regarding ability of reserve fund to cover anticipated costs of repairing/replacing assets owned by the LHPOA
 - Decision was made to levy \$100 per household towards the RF, with proviso that the Board would undertake a life cycle study

Life Cycle Study

- Purpose:

- To engage an experienced 3rd party to establish fact based - assessment of the current condition and projected life expectancy of the assets
- Also to establish the timing and cost of maintaining and/or replacing those assets

Life Cycle Study

- Process:
 - Canvassed several community associations in greater Calgary for their experience and reference to qualified firms
 - All spoke highly of the benefit of having an objective 3rd party assessment of their assets- several are undertaking the process again (~ 5 years) to update their data
 - Identified 3 firms who were qualified and interested in quoting on the study

Life Cycle Study

- Process (cont'd.)
 - Participated in an RFP process to receive sealed, competing bids
 - Quotes ranged from \$5,000 - \$18,000
 - Conducted face-to-face interviews with all 3 bidders to ensure they understood our requirements and had the ability to deliver
 - Selected the firm, Morrison Hershfield who undertook the study

Life Cycle Study



- **Result:**

- MH reviewed all of the historical information on our assets (>\$3,000)
- Did their own inspection of facilities, equipment, common areas to assess their current condition
- Consulted with their in house and outside experts in mechanical, electrical, civil and construction areas to determine life expectancy of each asset, maintenance intervals and costs to repair/replace
- Produced a detailed 25 year forecast that shows timing and associated costs, by asset- including rates of inflation and interest over the long term

Life Cycle Study

- Examples of findings by MH:
 - Study includes such items as the Lake House roof, playground equipment, re-asphalting pathways, repairing/replacing parts of the irrigation system

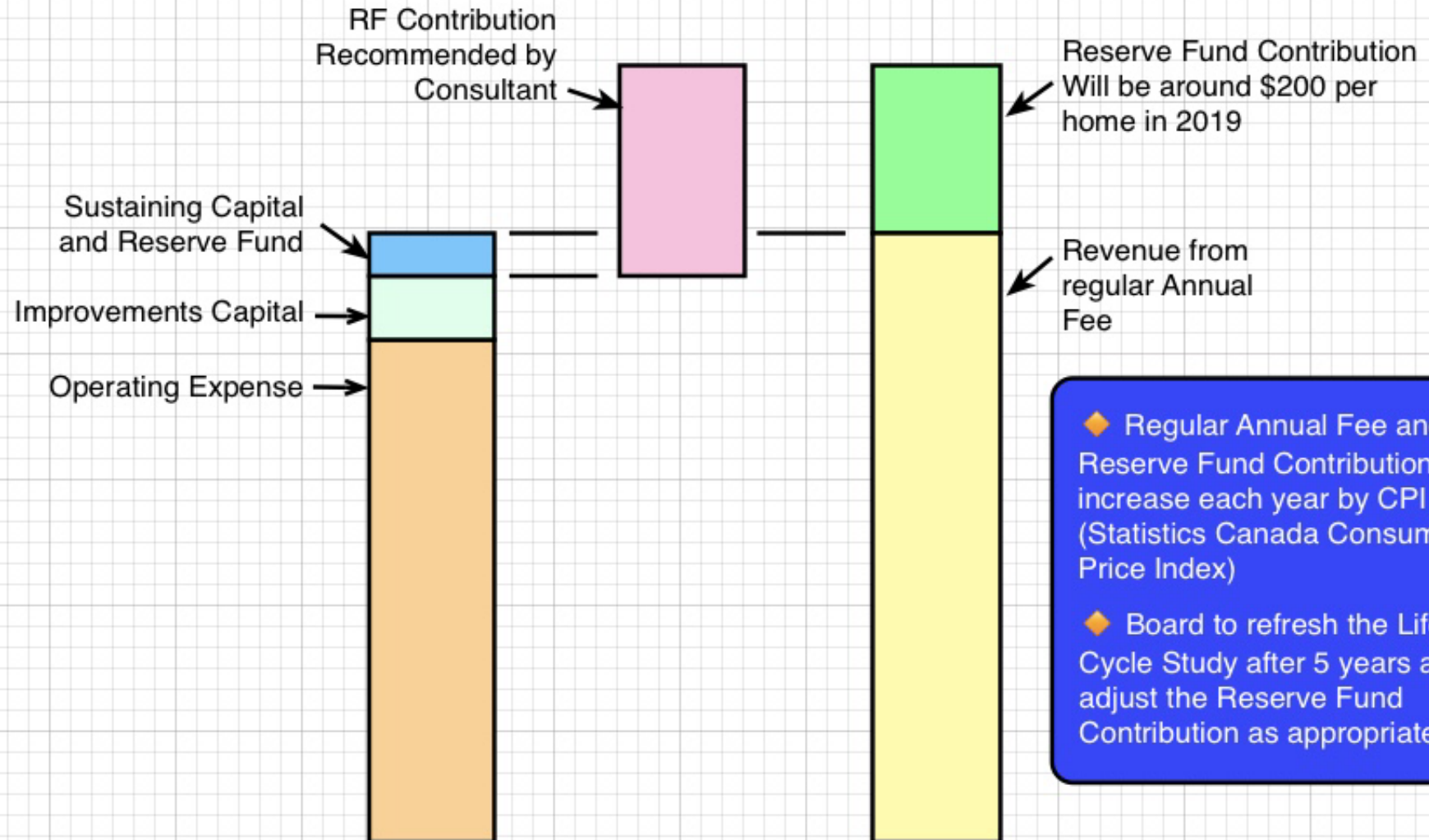
Life Cycle Study

- Current status:
 - MH report was received a few days before the AGM material was distributed
 - Report is 140 pages long with detailed descriptions and in some cases, pictures of each asset and several accompanying spreadsheets
 - Board was hoping to have a resolution for the AGM re adjustment to the annual reserve fund levy
 - However, the report requires time for the board to digest and determine the reasonableness of the projected figures

Life Cycle Study

- Additional points:
 - In a study of this nature, none of the figures or timing are exact, but they provide a very good “order of magnitude” on the type of spend we can expect going forward
 - It allows this and future boards to plan major expenditures in advance, maintain the community to the standard we all expect and avoid “surprises”
 - The board is very cognizant of homeowners’ concerns and take care to treat these –as well as the operating funds- as if they were our own
 - MH’s report will be used to create a 5 and 10-year plan for the LAHPOA

Reserve Fund Contribution



- ◆ Regular Annual Fee and Reserve Fund Contribution increase each year by CPI (Statistics Canada Consumer Price Index)
- ◆ Board to refresh the Life Cycle Study after 5 years and adjust the Reserve Fund Contribution as appropriate

Life Cycle Study

- Next Steps:

- The board is planning a special meeting of the LAHPOA for the fall, 2018, at which we will present a specific recommendation for the reserve account contribution. It is anticipated the 2019 Reserve Fund Contribution will be approximately \$200 per house
- In future years, the reserve fund amount will be indexed to the CPI, in the same manner as the current homeowner fees. (*CPI = Consumer Price Index per Statistics Canada*)

Life Cycle Study

- QUESTIONS ?



Special Resolution

Bryan Dozzi

Community Open Space Bylaw Resolution



- Proposed bylaw refers to all community spaces, but the obvious impact will be on homeowners who currently install water trampolines on a seasonal basis on Association open spaces (the lake)
- The Association has been aware of potential issues for several years, and has been exploring options.
- Concerns from households, advice from legal council, and the Life Cycle study are prompting the Association to propose action regarding the installation of structures or fixtures on any community open space by homeowners



Community Open Space Bylaw Resolution

- Community's legal council has identified homeowner installations of water trampolines on community open spaces as a serious liability concern for the Association
- Potential for a 'runaway' anchored float to damage our newly repaired aeration system. This has happened several times over the years
- The anchoring used on these installations has a real potential to damage the lake membrane. The LCS does not include liner replacement costs within next 25 years as they should last 50+ years with proper care. Cost to drain lake, repair/replace liner, refill lake and fish restock is a minimum of \$500K or \$1000 per household
- The association is prepared to remove the anchors on behalf of the affected homeowners

Community Open Space Bylaw Resolution



It is proposed to add the following clause to Schedule A of the Bylaws:

The installation of structures or fixtures on any Homeowners Association community spaces is prohibited. Examples of such structures or fixtures include, but are not limited to, trampolines, water trampolines, and bouncy houses. The community spaces are as described in Schedule A Section 1.9, Subsections 1.9.1 through 1.9.4. The only exception is for the installation of approved docks associated with lake subdivided lots, and the temporary mooring of a reasonable number and a reasonable size of water craft to said docks.



Questions ?



Election of Board of Directors 2018-2019

Received Nomination Forms

- Louise Ascah, Board Member 2015 - 2017
- Don Francis, Board Member 2015 - 2017
- Rick Gallant
- Others?



Adjournment