

# LAHPOA Board of Directors Meeting Minutes

Wednesday, January 24, 2023  
7:00pm Lake House @ LAHP

Attendees: Rick Gallant Brent Fraser  
Glenn Ruskin Jo Scott  
Gareth Davies (remote) Les Turner – community manager

Regrets: Todd Brown

## 1. Call to Order & Welcome

Gareth joined the meeting via remote access. Todd is unable to attend and sends his regrets.

Rick welcomed everyone and called the meeting to order at 7:00 pm.

## 2. Approval of January Board Meeting Agenda

Rick pointed out we were missing item 4f: Firepit Burner to be discussed under Business Arising from Previous Meeting

**Motion:** Glenn moved to approve the January 24 meeting agenda as amended. Seconded by Brent. Motion carried.

## 3. Approval of December Board Meeting Minutes

**Motion:** Jo moved to approve the December 18, 2023, board meeting minutes as circulated. Seconded by Glenn. Motion carried.

## 4. Business Arising from Previous Meetings (if not addressed within the Committee Reports)

- a. Water Licence Transfer Agreement: Heritage Crossing developers have executed their agreement with Corix and have submitted the transfer application to Environment and Protected Areas (EAPA) on January 11. Rick has exchanged emails with a representative from the EAPA and has come to learn that the timeline for review and approval is approximately 4-6 months. After the initial review and once the application is deemed complete, there will be a need for a 30-day public notification period. Following the public notification period, assuming there are no issues, the application will be forwarded to the Minister for final approval.
- b. Larry Spilak Memorial: AJ Trophies completed the Spilak memorial plaque and Rick picked it up and dropped it off with Jack Stricharuk to get the pedestal built. Once the plaque and pedestal has been installed, the LAHPOA will organize a small unveiling with members of the Spilak family.
- c. Waiver of Liability for 3<sup>rd</sup> Party Guests: Richard John apologies for the delay on reviewing our waivers and hopes to have them reviewed early in the new year.
- d. Dunbow Recreation Board: Funds for the inflatable boat grant were received on January 2, 2024.

- e. Insurance Review: Further to our request to remove liability insurance during the off season, Lloyd Sadd Brokers (formerly Toole Peet) advises that certain types/classes of vehicles such as motorcycles and motorhomes aren't eligible to have liability removed for their "off-season". Neil Hogg will report back before March as to whether we can remove the liability insurance from the snow machine from April 1 to October 31.
- f. Lake House Fire Pit burner: Brent will drop off a burner that he is willing to donate to the association. If it works, he will work with the LAHP to have it installed. The Board wishes to thank Brent for this very generous gift.

## 5. Reports

- a. Community Manager's Report – Les Turner
  - i. Skating Surfaces: Community volunteers continue to clear and flood the ice on an as-needed basis. Coupled with the New Year's Eve rain, the ice surfaces are in great skating condition for a natural body of water.
  - ii. Christmas Tree Recycling: This program was offered to all residents between December 27 – January 8. No contaminants were left in the bin.
  - iii. Christmas Lighting 2024: With a lighting and decorating plan in place for Winter 2024, we took advantage of "end of season" sales and purchased 20 rolls (150 lights per roll) of C7 multi-colored LED lights. By capitalizing on the end of season sale, we should have sufficient inventory for next Christmas and be left with \$1400 in the budget for additional lights and/or decorations.
  - iv. Welcome Binder: Work continues on the Welcome Binder, which is an accumulation of all pertinent information that new LAHP homeowners should have when they first move into our community. This project is approximately 60% complete.
  - v. Little Library: We have been approached to develop a Little Library program in the community. The board supports this initiative as long as it is led by the community. The Lake House will be made available as a possible location to house donated reading material, but there was no desire to install a small library on the boulevard outside the Lake House.  
**Action Item:** Les to support and encourage community volunteers who may be interested in leading and developing a Little Library program.
  - vi. Curling: We have been approached to clear the ice and paint rings for a curling sheet, using frozen milk jugs as "curling" stones. The board supports this initiative as long as it is led by the community.  
**Action Item:** Les to support and encourage community volunteers who may want to build and maintain a curling surface on the lake. Frozen water jugs would need to be removed at the end of the season and environmentally friendly paint needs to be used.
- b. Hamlet of Heritage Pointe Collaboration Group – Rick Gallant  
Nothing to report.

c. IT + Communications – Jo Scott  
Nothing to report.

d. Safety and Security – Todd Brown

- i. Security Cameras: On January 2<sup>nd</sup>, Convergent came out and set the two south entrance cameras into LPR plus motion activation mode. Both cameras have been capturing 8 second clips of vehicles entering and exiting the community 24 hours per day. Although the license plate reading capability has not been reliable at night, the motion active videos are consistent, clear, and much better quality than the former camera night images. The nighttime image capture will improve with additional IR lighting.

As of January 5<sup>th</sup>, the Phase II equipment has been ordered for the West Entrance, Lake House (Data recorder), and IR lighting packages. The total cost of the Phase II equipment, including labour, is **\$25,550 plus GST** and is on budget with that specified in the Sept 25, 2023, Board report. All but the IR lighting and data recorder are in stock in Calgary. Convergent will provide a delivery/install timing once all items are confirmed.

The LAHP will require an LTE cellular plan and SIM card for the modem being installed at the West Entrance. After a thorough comparison of high volume data cellular plans through Telus, Rogers, and Bell, the recommendation is to go with the 5GB Infinite Essential Plan through Rogers at a cost of \$85/month. We have an approved budget of \$100/month for this expense.

West entrance solar panels will be relocated to the north dock north gate to address the charging issues at that gate.

- ii. Lake House Cameras: The LH is currently equipped with 5 old analog cameras. A quote was received from Convergent to upgrade these cameras to digital cameras using the old cameras from the community entrances. The cost to replace these 5 cameras with 4 surplus digital cameras (that were replaced at the two entrances), plus one new digital camera, wiring and installation is quoted at \$7,500. This is a non-budgeted item.

Alternatively, we could put the 4 surplus digital entrance cameras into inventory for now and leave the lake house cameras as they are until such time as they need to be replaced due to obsolescence or failure. They would continue to be tied into our existing HikVision recorder, separate from the entrance cameras.

Given the existing cameras still seem to be working fine and we haven't had any issues at the lake house, the Board consensus is to not proceed with this upgrade at the present time.

- iii. GateWorks Preventative Maintenance Plan 2024: We have renewed our PM program with GateWorks for 2024. Under this program, Gate Works will come out 8 times per year performing preventative maintenance on our gate system and CCTV camera system. There are no increased costs for this program in 2024.

The next schedule PM of the gates is for the week of January 22.

e. Events Committee – Jo Scott

- i. New Years Day Family Ice Fishing Derby: The New Years Day Family Ice Fishing Derby was very well attended with 20+ families registering. While the fish may not have been cooperating, all participants enjoyed a beautiful morning on the ice followed by hot beverages, snacks, and prizes back at the Lake House. Kudos to our sponsors Leslie Methot Realty and Stockman's Lounge.

**Action Item:** To increase the number of fish caught, organizers may consider pre-drilling the holes the previous evening and spreading the participants over a wider area.

- ii. Wine and Paint Night: The next Wine and Paint night will be held on Tuesday, February 13.
- iii. Coffee Club: Attendance is picking up with approximately 24 residents attending: some on a regular basis and others not so regularly. Each week is seeing new residents in attendance.
- iv. Games Group: Members of the Coffee Club have circulated a survey to the community seeking to obtain interest in starting a regular games group and a mahjongg club. Responses have been positive, and it is only a matter of time before these programs are organized and advertised.
- v. Ice Fishing Clinic: The first ice fishing clinic of the year will be held on Saturday, February 3, 2024.
- vi. Family Skate: We are working with the Foothills Fire Department to organize a community skating party to coincide with Family Day.
- vii. Whisky Tasting: Organizers are meeting on January 30 to initiate plans for the next whisky tasting event.
- viii. Easter Eggstravaganza: The traditional Easter Sunday gathering of our younger residents will take place on Sunday, March 31 with the Easter Bunny hiding eggs around the Lake House Park and crafts occurring inside the Lake House.
- ix. Stampede Breakfast: Work has commenced on Stampede Breakfast 2024 with the confirmation of rental equipment and entertainment. The 2024 Breakfast is scheduled for Saturday, July 6.

f. Architectural Guidelines – Brent Fraser

No updates

g. Isle Playground Committee – Jo Scott

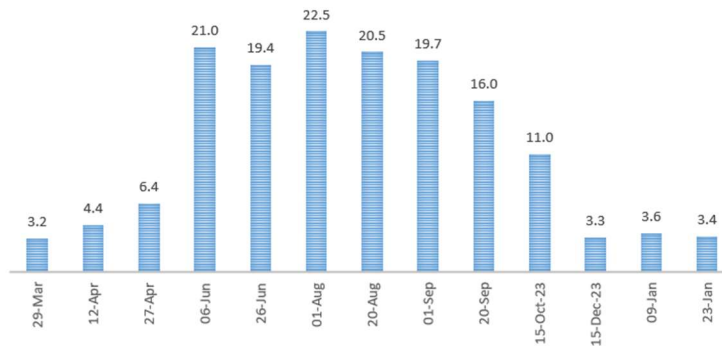
- i. Installation Preparation: Rick, Jo and Brent met with Les on the evening of January 16 to review the installation requirements for the playground. Les followed up with Canadian Recreation Solutions to discuss timelines and requirements for our sub-contractors and

volunteers. Confirmation has been obtained that CRS will pre-mark the layout prior to the community site preparation. CRS will drill the holes for the new playground piles and will be solely responsible for the labor and equipment required for the reload, delivery to the Isle playground site and unload of the equipment currently located at Jarvis Industries.

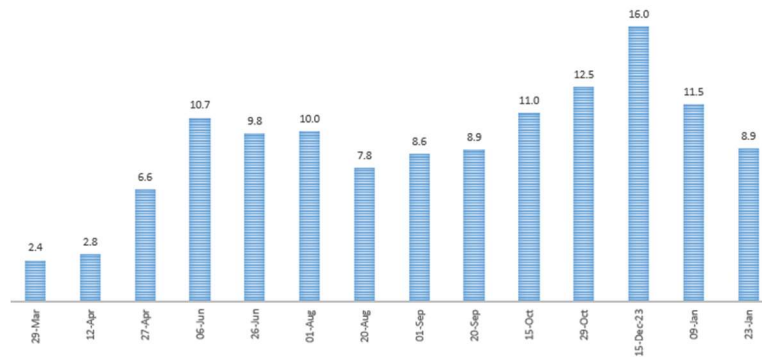
h. Water Committee – Glenn Ruskin

- i. Corix Lake Water Intake: In early December, Brent reported significant air bubbles surfacing from the area of the Corix water outlet in the lake. A follow-up with Corix revealed that repairs to the water line valve required Corix to perform a repeat blow out to ensure all water was cleared from the water line.
- ii. Water Testing: We are recording the oxygen content and water temperature every two weeks and charting the data. The following is the most recent data.

**AVERAGE TEMPERATURE c**



**AVERAGE OXYGEN CONTENT PPM**



**Action Item:** For the months in which the ice is on the lake, we need readings at three depths in the water column given that oxygen levels decline faster at the bottom of the lake than at the top once freeze up occurs.

Smoky Trout still recommends clearing the snow around the islands to allow some sunlight to reach the lake bottom vegetation to assist with the oxygenation of the water through

photosynthesis. Based on the oxygen monitoring plan referenced above, we will determine if this is necessary winter progresses.

i. Treasurer's Report – Gareth Davies

i. December Financial Statements: No concerns were raised. We ended the year \$33,557 under budget on the Operating account and \$61,939 under budget on the Reserve Fund account. Total Revenues (Operating + Reserve Fund) were \$3,023 over budget.

ii. 2024 HOA Invoices

- Staff have been working to ensure our homeowners' database is up to date and accurate.
- We have received communications from 95 homeowners authorizing the LAHPOA to distribute official communications (HOA invoices and AGM packages) via email. Savings per residence is approximately \$3.00 for the invoice package.
- 2024 Invoice Packages will be distributed starting January 26.
- Invoices are dated February 1 with a due date deadline of February 29.
- Residents with outstanding interest balances from 2023, will have these amounts added onto their 2024 HOA fee invoices. As per legal direction, any revenues received are applied to outstanding 2023 interest first, with the remaining balance being applied to the 2024 HOA fees.
- Late fee interest will commence as of March 1, 2024.

iii. 2023 YE Audit

- Work has commenced in compiling all pre-audit information requested by KMSS auditors.
- We have established February 15 as the date to have the final trial balance completed and all working papers available.
- KMSS is committed to having the first draft of the audit to the Board for review at the April board meeting.

iv. Cash and Investment Strategy - 2024

The following draft has been updated and expanded from the December version. This Strategy is intended to be used long-term but is customizable on a year-to-year basis; it should be reviewed/updated by the Board during the annual Budget cycle.

Notable differences between this Strategy and historical financial practice include:

- Operating Cash balances will be more closely aligned with Operating expenses; this will result in lower Cash balances in Operating and commensurately higher balances in Reserve.
- Operating GIC investment durations could be as long as 180-days, compared to 30- to 60-days previously. Reserve GIC investment durations could be as long as 5-years (assuming the water transfer license sale is completed), compared to 1-year previously. The purpose of longer durations would be to benefit from periods of higher interest rates.
- Operating and Reserve Minimum/Target Balances are specified to ensure the investments collectively provide acceptable levels of month-to-month and year-to-year liquidity.

**Purpose**

The purpose of the Strategy is to guide the management of Cash and the selection of Investments within each of the Operating Account and the Reserve Fund. The Strategy is intended to facilitate alignment between the Treasurer and other Board members and includes annual Board review/update of the Strategy during each budget cycle.

Item	Operating Account	Reserve Fund
Cost Definition	Operating costs are routine and recurring for carrying out the ongoing operation of the Association.	Reserve expenditures are periodic and represent repairs, replacement or new additions that are not expected to occur on an annual basis. Most expenditures (e.g. Life Cycle Assessment and Life Cycle Committee recommendations) are somewhat predictable in terms of scope, timing, and cost. Other expenditures may not have been anticipated and may need to be funded as unplanned withdrawals from the Reserve.
Definitions	“Cash” for the purpose of this Strategy is considered to be Cash and investments convertible to Cash in ≤ 30 days. “Limited Liquidity” investments are those investments that are not convertible to Cash in ≤ 30 days.	
Year-end Target Balances	Year-end Target Cash Balance shall be \$125,000, to be carried over for Operating expenses during the first 3 months of the following year until Association fees have been collected.	<ul style="list-style-type: none"><li>• Year-end Target Cash Balance for planned Reserve expenditures varies depending on Life Cycle Assessment and subsequent Board-approved Reserve expenditures, which may vary considerably from year to year.</li><li>• Year-end Target Balance (Cash and cashable in ≤ 1 year) shall be determined on an annual basis as part of the budget process and shall be based on known planned expenditures for the budget year plus the following year.</li></ul>
Monthly Minimum Balances	Association month-to-month Operating costs are reasonably predictable (except for lake water top-up), primarily due to existing Association protocols and historical cost data compiled since 2018.  Therefore, the Minimum Cash Balance for the Operating Account in each month shall be \$50,000.	In addition to cashflow for planned expenditures (described above), Reserve funds may be required for unforeseen expenditures.  Therefore, the Balances for the Reserve Fund in each month shall be: <ul style="list-style-type: none"><li>• Minimum Cash Balance of \$50,000 (dedicated contingency).</li></ul>

<p>Investment Strategy</p>	<p>Tactical, principal-protected, based on fiscal (calendar) year, including year-end carry-over described above.</p> <p>Combination of:</p> <ul style="list-style-type: none"> <li>• Chequing account (Cash)</li> <li>• Savings account (Cash)</li> <li>• Non-redeemable GIC's 30-days (Cash)</li> <li>• Non-redeemable GIC's from 60-days up to 180-days (Limited Liquidity)</li> </ul>	<p>Strategic, principal-protected, aligned with Life Cycle Assessment and planned annual Reserve Fund expenditures. Investment Strategy may be adjusted each year to provide access to sufficient liquid funds for each year's planned Reserve expenditures with contingency for unplanned expenditures.</p> <p>Combination of:</p> <ul style="list-style-type: none"> <li>• Savings account (Cash)</li> <li>• Redeemable 1-year GIC's; this is the only duration available from ATB (Cash)</li> <li>• Non-redeemable GIC's 30-days (Cash)</li> <li>• Non-redeemable GIC's from 60-days up to 5-years duration* (Limited Liquidity)</li> </ul> <p>* A ladder of GIC's with durations up to 5 years may be considered given the expected increase in the size of the Reserve Fund in 2024.</p> <p>Ideally, investment maturities should be staggered throughout the year and over multiple years.</p> <p>Other types of principal-protected investments were considered but deemed unsuitable based on duration, complexity, or risk:</p> <ul style="list-style-type: none"> <li>• Government bonds and coupons</li> <li>• Market-linked GIC's</li> <li>• Structured notes</li> </ul>
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**Discussion**

Rick provided some additional context for this investment strategy discussion indicating that while historically the Board has relied primarily on 30 day rolling GICs in the Operating account and 1-year GICs for the Reserve Fund, that market conditions have changed dramatically over the last year or so. In addition, we are anticipating a significant increase in the size of the Reserve Fund pending the successful transfer of a portion of one of the water diversion licences. Both factors have prompted this discussion.

Interest rates are higher than they have been since 2000 and are significantly higher than they have been since the financial crisis in 2008. They are also expected to start declining in the future with the market anticipating Prime Rates to start declining in 2024. While we could continue to simply invest Reserve Funds in 1-year GICs, there is an opportunity to lock in higher interest rates over the next 5 years while still ensuring adequate liquidity in the Reserve Fund to fund any future anticipated expenditures.

Given the anticipated increase in the size of the Reserve Fund to over \$1,000,000, Rick also indicated that it would be prudent for the Board to be more engaged in how our Operating



and Reserve Funds are invested and to review that strategy on an annual basis as part of the annual budget cycle.

There was discussion about what access to financial advice we had through ATB and about what timeframe we had to land on our investment strategy for 2024.

**Action Item:** Gareth to develop a proposed 2024 investment plan for the Operating and Reserve Funds for review at the February board meeting. Board to consider the information presented and to come prepared to engage further in this discussion at the next meeting.

## 6. New Business

- a. Dunbow Recreation Board Grant Applications 2024: The DRB is currently accepting applications for the Winter 2024 intake.

**Action Item:** No projects were identified, therefore, the LAHPOA will not be making application to the DRB at this time.

- b. Community Donations: In the past, donations collected via several special events such as the Stampede Breakfast and Show and Shine, have been donated to the Foothills Fire Department Society. As we prepare for these events, does the Board have a desire to receive donations on behalf of another local area charity or charities?

**Action Item:** The Board recommends that we split future donations with the Foothills Fire Department Society and possibly Okotoks Food Bank. There is no pressing need to decide until the Show and Shine, which is held in mid-June.

- c. Memorial Park Bench Donation: Les has been approached by an LAHP resident with the idea of placing a memorial bench in a community park or along a pathway.

**Action Item:** The Board supports Les looking into the logistics of setting up a Memorial Bench program similar to the Parks Foundation program. Les to report back to the Board.

## 7. In Camera Session

## 8. Next Meeting

Monday, February 26, 2024

## 9. Adjournment

Rick thanked everyone for attending the meeting, and the meeting was adjourned at 8:29pm.