



The Lake at Heritage Pointe Owners Association
Minutes of 2025 Annual General Meeting
Wednesday, June 4, 2025
DeWinton Community Hall

Confirmed Attendance: 31 proxies submitted, and 42 homes represented by at least one homeowner.

A summary of the meeting items is as follows:

1. **Call to Order:** Meeting was chaired by Rick Gallant, Board Chair. Rick called the meeting to order at 6:02 p.m. MDT.
2. **Quorum and Proof of Notice of Meeting:**
 - a. Quorum - 31 proxies submitted and 42 homes represented with at least one homeowner in attendance.
 - b. Proof of Notice of Meeting: the AGM package was hand-delivered or emailed to every residence in the community on May 5, 2025.
3. **Approval of Agenda:**

Motion: Jeff Ascah moved to accept the meeting agenda as presented.
Seconded by Eugene Nagai.
Motion carried.
4. **Approval of 2024 Annual General Meeting Minutes:**

Motion: Don Waldorf moved to accept the 2024 Annual General Meeting minutes as amended (date corrected).
Seconded by Leslie Stadnick.
Motion carried.
5. **Board Nominations:**

A total of seven names were received for consideration to being nominated to the 2025/2026 Board of Directors. In addition, nominations from the floor were also sought later in the meeting to fill the allowed complement of 7 directors for the 2025/26 Board.
6. **Introduction of the 2023/2024 Board of Directors:**
 - a. Rick Gallant – President, Chair, Secretary and Life Cycle Committee Lead
 - b. Glenn Ruskin – Vice-President, Vice-Chair and Water Committee Lead (absent)
 - c. Ryan McKimmie – Treasurer and Contractor Lead
 - d. Jo Scott – IT, Communications, and Playground Committee Lead
 - e. Brent Fraser – Architectural Design and Landscape Guidelines Lead
 - f. Todd Brown – Safety and Security Lead
 - g. Leslie Stadnick – Programs and Events Committee Lead

As chair, Rick Gallant, thanked the board members for their contributions over the last year.

Highlights for 2024-2025:

- Many great events and activities,
- Modified contracting strategy,
- Completed sale of a portion of one of our water licences,
- Continued clean-up of upper pond and creek vegetation,
- Completed installation of new Heritage Isle playground,
- Completed a number of community painting projects,
- Addressed a number of quick hit items from our latest Life Cycle Assessment.

7. Introduction of Contractors and Volunteers:

- a. Bookkeeper: Amanda Philips is our bookkeeper and has been part of our extended team for 3 years. She works with us part time and engages with our Treasurer and Community Manager to ensure timely and accurate books of account and financial statements.
- b. Service Contracts: Summit Property Group is our new snow removal and irrigation maintenance contractor; Somerset Tree care does our arbour care; Divcon Ltd does general maintenance; Okotoks Lawn and Garden will be doing our Christmas lights; Nutrilawn does fertilizer and weed control; and T&T Contracting does our three stream waste removal. We also now have internal staff to do all of our lawn mowing and to maintain our green spaces and gardens.
- c. Water Committee. This is a group of residents that meet once a month for 7 months of the year, with a mandate entitled, Eyes on the Lake, assisting the board with everything and anything related to our lake. Joining Glenn on this committee are Bryan Dozzi, Graham Purves, Ryan McKimmie, Sean McGee, Jim Chuey and Dale Emslie.
- d. Event/Activity Volunteers: A shout out to all the folks who have come forward to volunteer their time and talents to help organize and lead a myriad of events and activities throughout the year. There are too many to name them all here but they do a great job providing a host of activities covering a wide spectrum of interests.
- e. Community Manager: Les Turner has now been in place as our Community Manager for four years. He brings an unending passion and incredible work ethic to the position and has been working tirelessly on expanding community engagement and improving the aesthetics and services within the community.

8. Hamlet of Heritage Pointe:

We have been monitoring progress and engaging as necessary to make sure these developments don't adversely affect the Lake at Heritage Pointe.

- a. The Serenity Residential project, a 67 home development by Rarebuilt Homes located southeast of the Heritage Pointe golf course, has had its Area Structure Plan, Land Use applications and Request for Subdivision approved by Council. Land clearing is now underway.
- b. Pine Springs Estates, also by Rarebuilt Homes off Pine Creek Road, just north of Heritage Lake Mews, is well underway with a number of homes now completed. They plan to develop 22 lots for a small community of 22 acreages with a pond, walking path and lots of trees.

- c. A third development, by Crystal Creek off Pine Creek Road, just north of the Pine Springs Estates development, is well underway with plans for 14 villas or senior's bungalows in a small community.
- d. Heritage Crossing, is the 163-home development for the land south of Dunbow Road, between 2nd and 8th Streets. The developers are continuing to progress all of their required approvals with the county and have begun clearing land.
- e. In addition, recent notices from the City of Calgary have been received for an Area Structure Plan for West MacLeod Residual Lands. The ASP will cover 500 acres of land south of Belmont and West of Legacy
- f. Alberta Utilities Mandate: In addition to these developments, we have also continued to be engaged with the other Heritage Pointe communities, to lobby the Alberta government to expand the AUC's mandate to include waste-water regulation.
- g. Dunbow Road: Finally, as part of the process for approving the Heritage Crossing development, the county approved a motion to obtain a detailed engineering design for the modification of the Dunbow Road and 2nd Street intersection that provides access to the firehall and Pine Creek Road. We understand that installation of a traffic circle (roundabout) is planned to be completed in the near future.

9. Board Mission Statement:

"Preserve appearance and protect the property values of our community through active volunteers, professional management services and friendly, engaged staff who provide exceptional service for our residents to enjoy the lake house, beach, amenities and event programs."

Know that your board works hard to pursue this mission statement and does their very best to meet this objective.

10. Continual Improvements:

As we reported last year, we undertook a project to significantly reduce and rejuvenate the vegetation around the upper pond. That work continued last summer with plans now in place to keep this area properly maintained as part of our annual vegetation management program. We completed our bi-annual refurbishment of the community docks and refurbished the aeration system compressors. We painted the lake house garage with woodpecker deterrent paint and painted a bunch of community signage. We began some remediation work on the lake house beach and just completed that work by adding some more sand this week. We copiced all of the dead bushes from the lake islands this winter and resurfacing of the community sport court should be completed shortly. We upgraded both the south and west entrance camera systems with new technology allowing us to capture much better images and to record and monitor both entrances in real time. Finally, a major project for 2024, based on the 2018 Life Cycle Study, was the replacement and enhancement of the Heritage Isle playground and the upgrade of the other 2 community playgrounds. We've made significant progress and we will talk more about next steps in a few minutes.

The original Life Cycle Study, completed in 2018, provided a very detailed long term plan for maintaining the community's assets and supported the establishment of our community Reserve

Fund. The Reserve Fund has allowed us to complete a number of major projects including the addition of the garage, the repaving of the main parking lot and the lake house, upper pond and north dock pathways, the structural and aesthetic improvements to the lake house, the replacement of the lake house shingles and eaves troughs, and the garden enhancement and irrigation projects, and the upgrade to the Heritage Isle playground over the last 5 years. Our updated Life Cycle Study, completed last September, has been used to guide our project spending for 2024 and 2025 and to plan our project spending over the next 5 years. In the financials segment, we will give you an update on how all of these improvements are being accounted for in terms of budgeting and investment.

11. Heritage Isle Playground Replacement and Enhancement:

The grand opening celebration for the upgraded Heritage Isle Playground had about 200 people in attendance and the kids had a blast checking out all that the new playground had to offer. This project was three years in the making from the time that the Playground Committee was first established in September 2021, but by all accounts the final result was well worth the effort by all involved. In addition to the financial support received from the county and the province, we received donated services from Jarvis Canada, Rock Creek Builders and Divcon Ltd, and some great volunteer support from the playground committee, those who helped with the actual installation and everyone that helped with the grand opening celebration. Truly a great community project.

As a next step, we will also be using some of the equipment from the old Isle playground to make some modest upgrades to the lake house and north dock playgrounds. We had hoped to get that done last year, but we ran out of time, so that work is planned for this year.

On a final note, we are concerned about some of the disrespectful behaviour that has occurred at the new playground. This includes a few users accessing the playground and making excessive noise at all hours of the night, a few users purposely defacing the equipment and leaving garbage all around, and a few users climbing the outside of the play structures which is absolutely prohibited. We will be continuing our efforts to address these issues this summer. If any community member sees an issue around the playground area, we ask you to immediately call the community manager. For excessive noise issues in the middle of the night please call the RCMP. Thank you for your support on this issue, and with your help we think we can address the behaviour of these few bad actors.

12. Security Initiatives:

As mentioned previously, we upgraded both the south and west entrance camera with new technology allowing us to capture much better images and to record and monitor both entrances in real time. We connected the west entrance to Fortis power and added a cellular data communication upgrade so that we have monitoring and recording at the lake house. Aside from a few minor technical glitches, the cameras are working exactly as intended to monitor traffic in and out of our community.

This year we also upgraded the lake house cameras which were outdated and couldn't be integrated with our other CCTV cameras. All of our cameras are now integrated and tied into a central monitoring and recording system.

13. The Summer Ahead:

We officially opened the lake house and beach, for weekends only, on May 31st and will be opening full time for the season on June 28th. We are fully staffed, helping residents enjoy all that our beach area and lake has to offer. We encourage you to come out and check out any of the myriad of watercraft and toys we have available to enjoy a day at the lake. We also have a new zodiac, purchased with support from the Dunbow Recreation Board, that is available to provide a stable platform for a day of fishing on the lake.

Subject to weather conditions, the lake house will be open and staffed from 12:00 pm to 6:00 pm Saturday and Sundays from May 31st to June 21st. Between June 28th and August 3rd, the lake house will be open 7 days a week from 11:00 am to 9:00 pm. Come August 4th, when the days start to get shorter, the lake house will be open 7 days a week from 11:00 am to 8:00 pm. The last day of the lake house park season will be Labour Day, Monday, September 1st

14. Community Events:

As part of our mission statement, the board (aka Les and some volunteers) actively promotes and organizes a variety of community events including our annual parade of garage sales, photos with Santa, light up the night sleigh rides, fly fishing and ice fishing clinics, an annual ice fishing derby, an Easter Egg Hunt, a haunted Hallowe'en walk, wine and paint night, games nights, Wine tasting, Scotch tasting, a hiking club, a Show and Shine, a Stampede breakfast and more. Les and Leslie have been a key driving force over the last year in coming up with interesting new community events and in promoting and organizing them. They are keen to hear your ideas for other events or activities and are always looking for folks to lead a new activity or to help organize an existing one.

Our third annual Show and Shine is planned for this weekend, Saturday, June 7th. The beer garden will again be sponsored by Stash Luxury Garages with the BBQ sponsored by Chad Morgan Royal LePage Solutions Realty and Shaw GMC with proceeds donated to the Foothills Fire Department Society and Okotoks food bank. So, come on out and enjoy a burger, a beer and some great cars.

On the Stampede breakfast front, we are delighted to announce that planning is well underway for this very popular event. It takes months of preparation to put this event on, due to the fund raising that needs to happen and all of the logistics involved, and we got started a couple months ago. So mark Saturday, July 5th in your calendars and plan to spend the morning with us in the lake house parking lot for a Stampede breakfast prepared by our very own Foothills Fire Department.

15. Aquatic Ecosystem:

The lake is our crown jewel of the community. We hear comments from residents who boast that our water quality and lake environment is unmatched. A good indicator of this is how nature has adopted our manmade lake as their own. On any given day you'll see our resident pair of loons and plenty of other bird life all around our lake. While Ospreys, Eagles and Loons can challenge our fish management program we're lucky to have them back year after year. On fish management, we do stock our lake twice a year. This year, in May, we stocked the lake with 366 Rainbow trout, adding to our already healthy populations of Rainbow trout, Brook trout, Tiger trout and Brown trout. Once again, in the Fall, we will be doing another stocking as we did last year.

One of the challenges we have with managing the lake is trying to control algae growth. Last year we engaged an expert to analyze our water chemistry and algae blooms and as a result we have

increased the budget for our chemical treatment program to see if we can better control the algae blooms on hot sunny summer days.

16. Real Estate Update:

Continuing with our now annual real estate update, Rick reached out to Mike Niemans again this year for an update.

Mike Niemans is a Remax Real Estate agent that lives here in our community and is a huge supporter of the community, annually donating and funding such things as our Stampede Breakfast, Halloween Haunted Walk, Parade of Garage Sales event, as well as light up the night.

Mike started our conversation with a comment that the housing market in Calgary has been slowing down since last September but that the prices and time on market in Heritage Pointe continue to be very strong. After 4+ years of sustained strong markets in Calgary, where there was as low as 0.6 months of inventory on the market, that has now risen to 2.2 months of inventory this year. Mike indicated that he is concerned about what is going to happen in the Calgary market after the May and June peak season given the global uncertainty caused by the US trade war coupled with political uncertainty in Canada. However, he reiterated his comment from last year that the Lake at Heritage Pointe continues to benefit from the change in buyer perception where Heritage Pointe is no longer considered “way outside the city”. With communities like Legacy and Riverstone butting up against us, we’re now almost considered part of the city, and we will continue to see the effect of this change in perception over the next 5 years. If someone is looking at a home in the south end of Calgary, they now regularly include Heritage Pointe in the list of communities, they are interested in when engaging a realtor.

The Lake at Heritage Pointe has a unique appeal with the type of homes found here, including the architectural designs, exclusively single-family homes, big lots, plenty of green space, a well-maintained community plus the attraction of our lake. As a result, demand for living in our community has increased, and the inventory of homes has gone down. In pre-Covid times, there regularly were 30 to 40 listings in the community at any time. Mike indicated that in late April of this year there were only 3 homes for sale, and that 4 homes had sold in the previous 60 days, so there is effectively only 1.5 months of inventory of homes for sale.

So, with demand continuing to outstrip supply, homes are continuing to sell quickly and at higher prices. When you would regularly see homes sell in 70 -90 days in the past, the average time on the market for the past year was 31 days with the average sale price, year to date, here for our community, being 1.426 M\$, with a range of 1M\$ to 2 M\$, which is up 8% over last year.

The message here is that we live in a very desirable estate community, one that we can be very proud of and one where the value of our home investment is in very good shape.

17. Architectural Design and Landscaping Guidelines:

As part of maintaining the unique appearance and appeal of our community, we have Architectural Design and Landscape Guidelines in place. As a reminder, these guidelines are for any changes to the exterior of your home or major appearance changes around your property.

Some of these changes would include:

- The addition of fencing to your property - there are two approved styles in the guidelines.

- Major landscape changes.
- Exterior material changes such as stone, stucco, siding or garage doors.
- Color changes to your home.
- Structural changes or additions to your home.
- Sheds, gazebos, privacy screens and decks.
- Addition of solar panels to your roof.
- Driveway replacements or repairs.

All of these need to be preapproved and follow the Architectural Design and Landscape Guidelines that are registered covenants on your property.

When you are in the planning stages of any of these potential changes to your property please alert the Community Manager, submitting your plans to him. Les will then consult with the Architectural Design and Landscape Guidelines committee, who will then send the request to the Board for approval. Additionally, there is a signed declaration form that needs to be included, ensuring neighbors on both sides of your property have been made aware of your request. Note that a neighbor can't stop a project once Board approval is made, this is simply a mechanism of communication between adjacent property owners.

Thank you in advance to all the residents that are following these guidelines. More details on what these guidelines include can be found on the LAHP website.

18. Financial Commentary:

Ryan McKimmie, our Treasurer, bravely stepped forward last year to take up the Treasurer role including managing our financial assets to ensure they generate some return until such time as we need them. While Ryan's background is in engineering, he quickly educated himself and sought support from our previous treasurer, Les and Amanda to learn the ropes in managing the financial affairs of our organization. He has done a very admirable job in picking up the reigns and keeping our organization on track financially, as well as implementing some new processes and efficiencies.

Ryan presented the following commentary on the LAHPOA finances.

Financial highlights for 2024 included:

- LAHPOA finances continue to be healthy and the \$650,000 in water license sale proceeds have significantly enhanced our Reserve Fund
- Interest income during the year increased significantly to \$58,472 thanks to higher interest rates and a growing Reserve Fund.
- And we withdrew \$272,722 from the Reserve Fund for a number of improvements that are detailed in a later slide.

The financial highlights for 2025 included:

- When we developed our 2025 budget, we were able to refer to revenue and expense data going back as far as 2019. This data had been systematically compiled by Les and our previous treasurers and allows increasingly informed budgets to be created. So far this year we are tracking pretty well to budget and our finances are in very good shape.

- Our revised contracting strategy appears to be yielding improved results at lower cost, and we are encouraged that it will serve us well over the next several years.
- With the addition of the water licence sale proceeds to our reserve fund and our modified investment strategy that is allowing us to capture higher interest rates the Board has determined that a reduction in the annual reserve fund contribution is appropriate and manageable.
- We are forecasting our interest income this year to be about \$60k, improving on 2024 which was already a very good year.
- We expect to spend about \$151.5k from the Reserve Fund in 2025. Our spending forecast is guided by the updated Life Cycle Assessment completed in 2023.
- As a result of these highlights and other details to be provided in the upcoming slides, we believe the Association's finances continue to be very healthy

The Lake at Heritage Pointe Owners Association

Statement of Operations As at December 31, 2024	For the Year ended Dec 31			Actuals	Explanation of significant changes over prior year
	Actual 2023	Budget 2024	Actual 2024	Change over Prior Year	
REVENUE					
Association Fees	661,745	661,745	661,745	0	No increase to HOA fees in 2024
Association fees allocated to reserve fund	135,804	135,803	135,804	0	No increase to Reserve Fund fees in 2024
Interest and other recoveries	42,744	56,940	58,472	15,728	Increase in amount of principal invested (water license)
Event Revenues	16,989	20,690	18,251	1,262	Quantity of paid program registrations increased again in 2024
Facility rental	3,960	4,000	3,027	-933	
Amortization of deferred contributions	11,574	18,509	14,945	3,371	Note: capital grants are booked as "deferred contributions"
Grants and sponsorships	7,300	10,000	12,396	5,096	Note: does not include capital grants; see above note
Proceeds of water license sale	0	650,000	650,000	650,000	
TOTAL REVENUE	880,116	1,557,687	1,554,640	674,524	
EXPENSES					
Waste removal - garbage, recycling, organics	152,043	154,242	161,601	9,558	An increase in tonnage of waste and organics resulted in increased tipping fees
Landscaping and snow removal	138,220	166,344	150,175	11,955	Remediation of the upper pond and creek and on weeding and defining tree wells
Repairs and maintenance	85,455	93,976	75,112	-10,243	In recent years, the Association has invested significant funds in repairs and upkeep of our community assets. In 2024, we continued to see the benefits with less money required to maintain
Consulting fees	99,400	90,103	94,995	-4,405	No Life Cycle Assessment cost in 2024. Compensation adjustment for community manager and slope stability assessment offset some of these savings
Utilities and lake water top-up	43,722	58,904	48,011	4,289	Increase in cost of lake water top up and utilities
Wages and benefits - Lakehouse operations	46,177	47,928	46,540	363	
Amortization of capital assets	42,534	58,251	54,589	12,055	Amortization impact of the HI playground upgrade and other capital improvements
Administration	44,189	48,056	47,052	2,863	
Events	39,414	34,975	35,990	-3,424	
Security	8,246	13,035	14,771	6,525	Increased operating cost for gate system and for security upgrades at community entrances
Fish Stock	10,065	15,000	14,867	4,802	
TOTAL EXPENSES	709,465	780,814	743,703	34,238	
EXCESS OF REVENUES OVER EXPENDITURES	170,651	776,873	810,937	640,286	

The above chart is the Consolidated Statement of Operations, which shows our total annual revenues and expenses. Even though we manage our Operating and Reserve Funds separately, our financial statements require us to report them on a consolidated basis.

The three columns summarize our Actual revenues and expenses at the end of 2023, our Budget at the start of 2024, and our Actuals at the end of 2024. The next column shows the change in Actuals from 2023 to 2024. On the far right is a brief explanation of the changes from the previous year.

Comparing 2024 Actuals with 2023 Actuals:

Total revenues of \$1.557M for 2024 were higher by \$674k over 2023. Association fees were **not** increased in 2024, despite an increase in the 2023 average Consumer Price Index for the Calgary region of 4.37%. Interest income increased by \$15.7k due to a \$650k increase in our Reserve Funds

available to invest, and the bulk of these funds residing in GIC's instead of the bank savings account. We also saw an increase in event revenues, in the amortization of deferred contributions and in grants and sponsorships.

Further down, total expenses of \$743.7k for 2024 were \$34k higher than 2023. Waste removal costs increased by \$9.5k due to an increase in the tonnage of waste and organics from our community which resulted in increased tipping fees. Landscaping and snow removal costs increased by \$12k primarily due to work on remediating the upper pond and creek and weeding and defining tree wells. Repair and maintenance costs were down by \$10k due to completion of a multi-year improvement program on our irrigation system and other infrastructure. Amortization of capital assets was up by \$12k due to completion of the Heritage Isle playground replacement and other capital improvements including the west entrance cameras upgrade. Finally, security costs are up as a result of the costs associated with running and maintaining our gate access system and security cameras.

Overall, we finished 2024 with an Excess of Revenues over Expenses of \$811k. Excluding the water license sale proceeds, the excess was \$160k which is very similar to 2023.

Comparing the 2024 Actuals with the 2024 Budget:

Our actual revenues were 3k\$ less than planned mostly due to reduced event revenue and facility rentals. On the expense side, we were 37k\$ less than budget due primarily to lower landscaping and snow removal costs, reduced repair and maintenance costs and lower lake water top-up costs which all came in under budget. These expense savings versus budget were partly offset by increased waste removal costs and an increase in the non-cash amortization of capital assets provision. Overall, this resulted in our Excess Revenues over Expenditures being 34k\$ higher than budgeted

The Lake at Heritage Pointe Owners Association Reserve Fund Statement of Operations As at December 31, 2024	For the Year ended Dec 31			Classification / Comments
	Budget	Actual	Variance to	
	2024	2024	Budget	
CONTRIBUTIONS				
Homeowner association fees allocated to reserve fund	135,803	135,804	1	
Proceeds of sale of water license	650,000	650,000	0	
Interest on reserve funds	43,860	41,007	-2,853	<i>Timing of receipt of water license proceeds</i>
Board approved transfer of operating funds	0	50,000	50,000	
TOTAL CONTRIBUTIONS	829,663	876,811	47,148	
EXPENDITURES				
Heritage Isle playground	153,213	162,803	9,590	<i>Playground installation, inspection and landscape remediation</i>
CCTV camera upgrade at west entrance	32,000	27,803	-4,197	
Relocate playground equipment to LH and north dock	25,000	0	-25,000	<i>Deferred to 2025</i>
Asphalt pathway sealing	15,000	629	-14,371	<i>Decision to crack seal only rather than a complete sealing</i>
Elm Scale treatment	10,120	10,120	0	<i>Completed every two years</i>
Weed and define tree wells	8,500	9,696	1,196	<i>Decision to crack seal only rather than a complete sealing</i>
Upper pond and creek refurbishment	8,000	9,276	1,276	<i>Not budgeted</i>
Replenish LH beach sand	5,000	7,958	2,958	
Repair/replacement allowance for irrigation system	5,000	3,624	-1,376	<i>Heritage Isle mainline and south entrance repairs</i>
Garage stucco repair and painting	5,000	1,961	-3,039	<i>Completed by community volunteer</i>
South entrance sign and lights refurbishment	5,000	500	-4,500	<i>Completed by community volunteer</i>
Aeration compressor rebuilds	4,000	3,843	-157	<i>Decision to crack seal only rather than a complete sealing</i>
Dock resurfacing	4,000	637	-3,363	<i>Minimal work required</i>
Tree replacement allowance	3,000	0	-3,000	
Firepit burner	3,000	550	-2,450	<i>Minimal work required</i>
Install bark in garden beds	3,000	0	-3,000	<i>Heritage Isle mainline and south entrance repairs</i>
Replenish Virpin "smart keys"	1,500	2,010	510	
Seal LH concrete/exposed aggregate walkways	1,000	0	-1,000	<i>Materials billed to R&M and labour by community volunteer</i>
Repair LH retaining wall	500	0	-500	<i>Materials billed to R&M and labour by community volunteer</i>
Sport court resurfacing	0	8,331	8,331	<i>Unbudgeted item with 50% paid by DRB</i>
Commemorative benches	0	6,853	6,853	<i>Unbudgeted item, costs covered by participating families</i>
Slope stability study	0	4,525	4,525	<i>Unbudgeted item</i>
Refinish LH interior stair railing	0	3,775	3,775	<i>Unbudgeted item</i>
Spilak memorial	0	2,435	2,435	<i>Unbudgeted item</i>
LH LED lights repair	0	1,600	1,600	<i>Unbudgeted item</i>
Replace CCTV camera wireless bridge at south entrance	0	1,569	1,569	<i>Unbudgeted item</i>
Purchase mower for boulevard mowing	0	879	879	<i>Unbudgeted item</i>
LH wallet/personal valuables locker	0	734	734	<i>Unbudgeted item</i>
Replace LH door vinyls	0	456	456	<i>Unbudgeted item</i>
Stryker boat cover	0	155	155	<i>Unbudgeted item</i>
TOTAL EXPENDITURES	291,833	272,722	-19,111	

The Reserve Fund 2024 Actual results compared to the 2024 Budget:

The allocated funds from Homeowner Association fees were collected in accordance with the budget in the amount of \$135.8k.

The playground upgrades were overspent by \$9.6k due to unforeseen costs associated with demolition, base preparation and remediation.

Beach and North Dock playground upgrades were underspent by \$25k as this work had to be deferred to 2025.

Asphalt sealing was underspent by \$14.4k as it was determined through professional consultation that sealing the pathways was not an appropriate strategy. Instead the cracks in the pathways were sealed to preserve their longevity.

The \$6.9k for new community commemorative benches was an unbudgeted item but these costs were covered by the families purchasing the commemorative recognition.

The \$8.3k for the sport court resurfacing materials was an unbudgeted item but 50% was covered by a DRB grant. We did undertake a slope stability study as part of our due diligence to ensure there were no slope stability issues for homes backing onto the ravines. This whole subject came up as a result of some historical records that were discovered while researching the details of our lake liner installation. As we expected, there were no issues or concerns identified by our

geotechnical consultants. There were a number of smaller unbudgeted items, but these additional expenditures were more than offset by reductions or deferrals on other items.

Total expenditures of \$272.7k were spent from the Reserve Fund, which was \$19k lower than our planned budget.

The Reserve fund increased by \$604k for the year, closing the year off with a cash reserve balance of \$1,211k, which was \$66k above budget. This was the result of the sale of a portion of the water license and the Board approved transfer of \$50k from the Operating account to Reserves.

The Lake at Heritage Pointe Owners Association 2025 Budget Statement of Operations As at December 31, 2025					Explanation of significant changes over prior year
	Actual 2024	Budget 2025	Change over Prior Year	% Change	
REVENUE					
Association Fees	661,745	684,703	22,958	3.5%	3.5% fee increase in 2025
Association fees allocated to reserve fund	135,804	91,515	-44,289	-32.6%	3.5% fee increase in 2025
Interest and other recoveries	58,472	59,595	1,123	1.9%	
Event Revenues	18,251	20,040	1,789	9.8%	Additional events planned
Facility rental	3,027	3,000	-27	-0.9%	
Amortization of deferred contributions	14,945	18,065	3,120	20.9%	2025 includes amortization of playground grants received in 2023
Grants and sponsorships / Other income	12,396	10,150	-2,246	-18.1%	Note: does not include capital grants
Proceeds of water license sale	650,000	0	-650,000	-100.0%	
TOTAL REVENUE	1,554,640	887,068	-667,572	-42.9%	
EXPENSES					
Waste removal - garbage, recycling, organics	161,601	166,904	5,303	3.3%	
Landscaping and snow removal	150,175	69,610	-80,565	-53.6%	Change in contracting/service delivery strategy
Repairs and maintenance	75,112	73,650	-1,462	-1.9%	Less funding is required to maintain our standards.
Consulting fees	94,995	94,056	-939	-1.0%	2024 includes slope stability study and community manager's contractual obligations
Utilities and lake water top-up	48,011	54,388	6,377	13.3%	Lake water top-up can vary significantly year-to-year
Wages and benefits - Lakehouse operations	46,540	128,534	81,994	176.2%	Change in service delivery strategy
Amortization of capital assets	54,589	70,013	15,424	28.3%	2025 includes commencement of new playground amortization
Administration	47,052	37,521	-9,531	-20.3%	
Events	35,990	32,540	-3,450	-9.6%	
Security	14,771	13,452	-1,319	-8.9%	
Fish Stock	14,867	10,000	-4,867	-32.7%	2024 includes tiger trout to combat invasive species
TOTAL EXPENSES	743,703	750,668	6,965	0.9%	
EXCESS OF REVENUES OVER EXPENDITURES	810,937	136,400	-674,537	-83.2%	

Looking forward, the above chart is our Consolidated Statement of Operations showing our total planned annual revenues and expenses for 2025 versus our 2024 Actual results. Total budget revenues of \$887k are planned to be down by \$668k, versus 2024 with the absence of the significant one-time water license sale. As mentioned in the highlights earlier, while we have increased our 2025 fees by the allowed average Consumer Price Index for the Calgary region of 3.5%, we have also elected to reduce the 2025 Reserve Fund contribution of each homeowner by \$100. This means your total 2025 HOA fee was \$44 lower per home than in 2024 resulting in a \$22k reduction in HOA revenues.

Beyond the HOA fees, the 2025 budget reflects small increases in interest income, event revenues and amortization of deferred contributions versus 2024 which is partly offset by reduced grants and sponsorships.

On the expense side, total budget expenses of \$751k are planned to be up by \$7k, over 2024. Despite this modest increase, our revised contracting and service delivery strategy results in some large changes in several budget line items. Our budget for landscaping and snow removal is down

by \$81k as we move our turf care and gardening services in house, which is reflected in the \$82k increase in wages and benefits for lake house operations. The budget also reflects a further increase in waste removal and lake water top up costs which are offset by reductions in administration, event and fish stocking costs. While we have tried to be conservative in our budgeting, as the rest of the year progresses, we will get a better handle on how our new contracting strategy is playing out and where there may opportunities for additional efficiencies.

The 2025 budget for amortization of capital assets is up by \$15k compared to 2024 because we have started depreciating the new Heritage Isle playground.

Overall, we are budgeting for \$136k in excess revenues over expenditures for 2025, which is somewhat less than the 2024 Actual results.

**The Lake at Heritage Pointe Owners Association
2025 Reserve Fund Budget**

For the year ending December 31, 2025

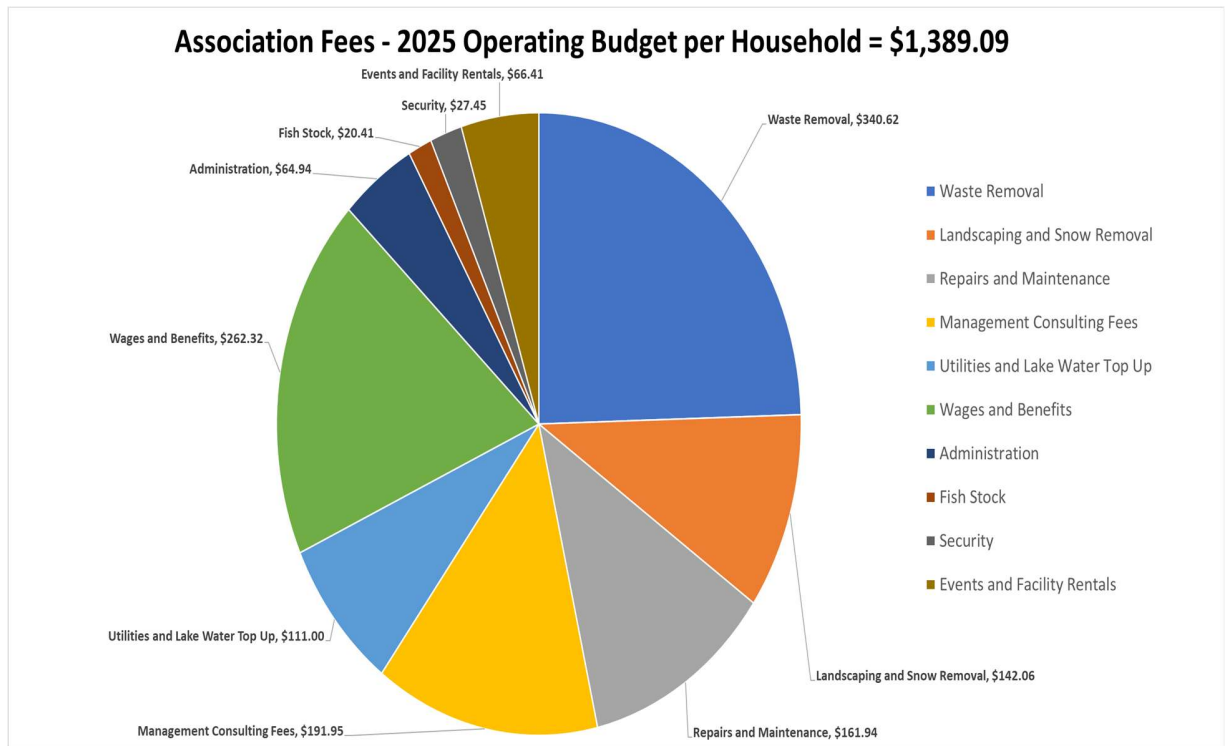
	Budget 2025	Comments
CONTRIBUTIONS		
Homeowner association fees allocated to reserve fund	91,515	<i>\$186 per household</i>
Interest on reserve funds	46,635	
Board approved transfer of operating funds	0	
TOTAL CONTRIBUTIONS	138,150	
EXPENDITURES		
Relocate Isle playground structures to LH and north dock	25,000	
Heritage Isle overland drainage remediation	20,000	
Purchase 2 new ride on mowers	40,000	
Purchase 2 gas powered weed whackers	1,000	
Finish upper pond and creek remediation	5,000	
Replace dead trees adjacent to HI playground	10,000	
Replace dead trees in community green spaces	3,000	
Resurface sport court (deferred from 2024)	10,000	
Replace computer equipment (laptop, monitor, docking station)	5,000	
Refill beach sand due to erosion	9,000	
Repair/replacement allowance for irrigation system	3,000	
Clean and servie aeration diffusers	3,000	
Replace Kubots snow brush	2,500	
Tree stump grinding	2,500	
Replace pedal boat seats and rudders	1,500	
Replace lake house video surveillance cameras	10,000	
Purchase rodent traps (muskrat traps)	1,000	
TOTAL EXPENDITURES	151,500	<i>\$309 per household</i>
NET CHANGE IN RESERVE FUND	-13,350	
RESERVE FUND - OPENING BALANCE	1,210,736	
RESERVE FUND - CLOSING BALANCE	1,197,386	

The above chart is the 2025 Reserve Fund Budget, expressed on a cash basis.

In addition to the Operating portion of your fees, there is an annual contribution to the Reserve Fund of \$187 for 2025. This represents about a \$100 reduction in this fee versus previous years. Using this fee plus Reserve Funds accumulated in previous years and their related interest, \$309 per household has been budgeted for Capital Asset Additions, Replacements or Enhancements and some non-recurring operating costs in 2025.

Total Reserve expenditures of \$151.5k are budgeted for 2025, primarily for relocating some of the old Heritage Isle Playground equipment to the Lake House and North Dock playgrounds, addressing some Heritage Isle park overland drainage issues, purchasing new lawn care equipment, finishing the sport court resurfacing, replacing some dead community trees, topping up the lake house beach sand and upgrading the lake house security cameras.

The Reserve Fund is budgeted to decrease marginally this year by \$13.5k, to close off the 2025 year-end with a Reserve Fund balance of \$1,197k.



The above pie chart displays the breakdown of the 2025 operating costs budgeted per household on a cash basis.

From the top of the chart and going clockwise, the expense items and cost per household are shown in descending order from largest to smallest.

\$645, or 46% of your fees are spent under the first three expense lines of Waste Removal; Landscaping and Snow Removal; and Repairs and Maintenance. Within these three categories, we outsource the work under maintenance service contracts and pay five main contractors:

1. T&T Disposal Services for our 3-stream waste removal
2. Summit Property Group for snow removal and irrigation maintenance
3. Nutrilawn for fertilizer and weed control
4. Somerset Tree Care for arbour care, and
5. Divcon for repairs and maintenance

\$192, or 14% of your Operating fees are spent on Management Consulting Services. This is within the range of fees normally charged by professional property and asset management service companies, which charge between 10-15% of total revenues, depending upon the size of the community and its related operations. As a percentage of your total fees, including Reserve Fund fees, this is about 12%.

\$111, or 8% of your fees are used to pay for utilities for the Lake House, the irrigation pump and aeration compressors, and for pumping raw water from the Bow River to top up the lake each year.

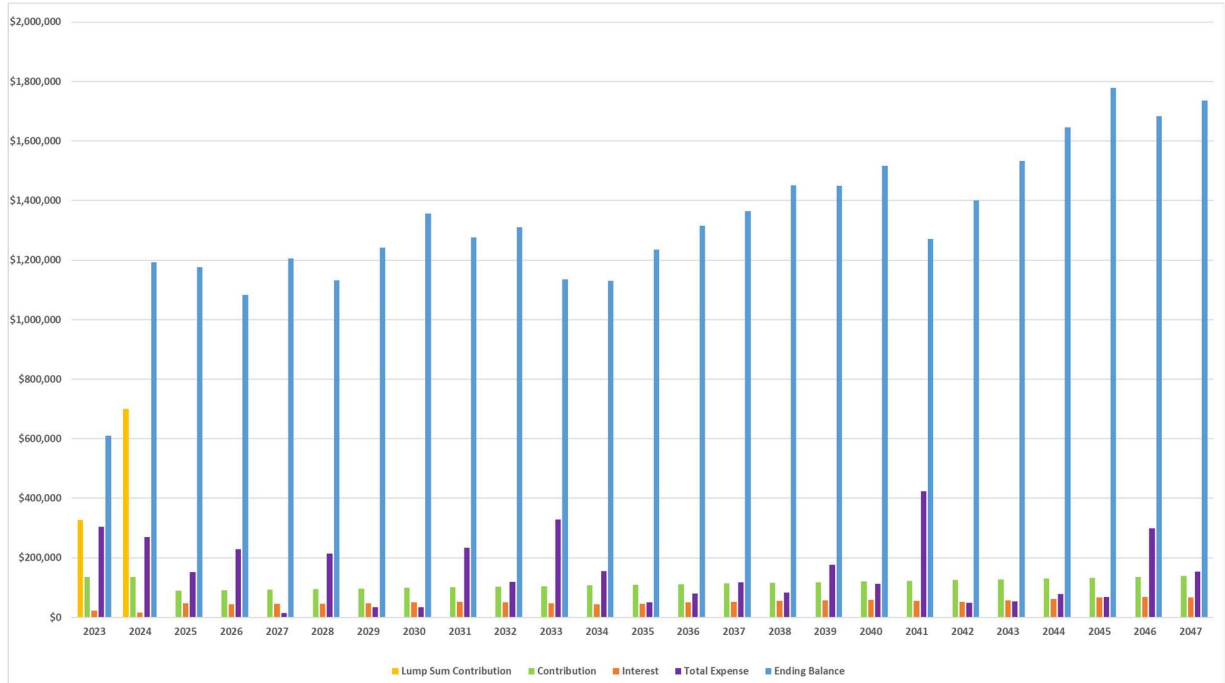
\$262, or 19% of your fees are spent on Wages and benefits for the hourly paid staff required to operate the Lake House and beach over the summer months plus the lawn mowing and gardening seasonal staff hired under our new contracting and service delivery strategy.

\$65, or 5% of your fees are spent on Administration, including insurance, professional fees (i.e. bookkeeping, audit, and legal fees), office and miscellaneous expenses.

\$20, or 2% of your fees are spent on purchasing fish stock for the year.

\$27, or 2% of your fees are spent on the operating costs related to the security initiatives discussed earlier.

\$66, or 5% of your fees are spent on events and programs, although two-thirds of this cost is recovered by revenues from the participants.



The above Reserve Fund Cash Flow chart shows the:

- Reserve Fund special contributions in yellow;
- Reserve Fund annual contribution from homeowner fees in green;
- Reserve Fund interest income is shown in orange;
- The forecast annual expenditures in purple; and
- The Fund’s year-end balances in blue.

The projected future timing and amount of expenditures is based on a Life Cycle Assessment study conducted by an engineering consulting firm every 5 years. As previously mentioned, the most recent Assessment was issued in October of 2023. The Board has reviewed these long-term projections and made some adjustments based on applying a “repair and maintenance” versus a “wholesale replacement” strategy for some of the larger (~1M\$) items (eg. pathways, irrigation system and fencing). We also continue to update the current years’ expenditures with actual data.

In addition, we have updated the study’s original interest projection which was based on earning 2% interest on our Reserve Fund investments. Based on our modified investment strategy which has allowed us to lock in much higher interest rates for the next several years, and the Board’s view that \$1.2M is sufficient to manage our long-term life cycle needs, the Board elected to reduce the annual Reserve Fund fee by \$100 per residence for the foreseeable future.

During the next 10 years (2025-2034), assuming the above adjustments to the original life cycle assessment, we now forecast we will spend about \$1.5M from the Reserve Fund and receive about \$1.5M in Reserve Fund fees and interest revenue. Based on these updated assumptions about some of the larger long term expenditures and an updated assessment of expected investment returns, the Reserve Fund year-end balances are projected to remain steady at about \$1.2M until 2035 and then increase slowly beyond that. Please note this Cash Flow chart does not make provision for unforeseen items.

19. Questions:

The following questions were raised and addressed:

- How is the long-term life cycle plan managed and what were the adjustments the Board made to the original plan that reduced the long term expenditures by 2M\$?
- How were the three stream bin sizes determined and is there a chance to get the black bin size increased?
- With the investment in security costs almost doubling from last year, have we seen a decline in incidents?
- Is anyone looking at the possibility of connecting the HP communities to the Fish Creek (Calgary) pathway system?
- What is the status of the Dunbow Road, Pine Creek Road and 2nd Street traffic circle (roundabout)?
- Is the county looking at widening Dunbow Road and making it 4 lanes?
- Is it possible to get fibre optic into the Lake at Heritage Pointe community?

20. Appointment of Auditors for 2024:

The Board recommended we appoint Kenway Mack Slusarchuk Stewart LLP as our auditors for 2025. They are familiar with our organization, having been our auditors for the last 11 years, and have conducted thorough audits of our financial records at a competitive rate.

Motion: Gord Wagner moved to accept the board's recommendation to engage Kenway Mack Slusarchuk Stewart LLP as our auditors for 2025.

Seconded by Marla Grant.

Motion carried.

21. Board of Directors for 2025/26:

Seven nominations for the 7 available board positions were received prior to the meeting.

Calls for nominations from the floor resulted in no additional candidates volunteering to serve on the board. As a result the following directors were elected by acclamation for the 2025/26 board:

- Brent Fraser
- Rick Gallant
- Kerry Guy
- Ryan McKimmie
- Glenn Ruskin
- Jo Scott
- Carlos Soares

The new board will have their first meeting at the end of June, and at that time the roles of Chair, Vice Chair, Secretary, Treasurer and committee leads will be assigned.

22. Adjournment:

Rick Gallant, thanked everyone for attending the 2025 AGM.

With there being no further business, the meeting was adjourned at 7:30 p.m. MDT.