



The Lake at Heritage Pointe Owners Association  
Minutes of 2023 Annual General Meeting  
Wednesday, June 21, 2023  
Cottonwood Golf and Country Club

Confirmed Attendance: 29 proxies submitted, and 47 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 5:00 p.m. MDT.
2. **Quorum and Proof of Notice of Meeting:**
  - a. Quorum - 29 proxies submitted and 47 homes represented with at least one homeowner in attendance.
  - b. Proof of Notice of Meeting: the AGM package was hand-delivered to every residence in the community prior to May 19, 2023.
3. **Approval of Agenda**

**Motion:** Don Waldorf moved to accept the meeting agenda as presented.  
Seconded by Rene Massinon.  
Motion carried.
4. **Approval of 2022 Annual General Meeting Minutes**

**Motion** Jeff Ascah moved to accept the 2022 Annual General Meeting minutes as presented.  
Seconded by Wendy Gordon.  
**Comment:** Gord Wagner commented that not all Board meeting minutes on the LAHPOA website reflected the accurate date in the header. All meeting minutes will be reviewed and, if necessary, amended to reflect the accurate date on which the meetings were held.  
Motion carried.
5. **Board Nominations:**

A total of four names were received for consideration to being nominated to the 2023/2024 Board of Directors. This means that we will be entertaining nominations from the floor later in the meeting to fill our allowed complement of 7 directors for the 2023/24 Board. We would be particularly interested in someone with an accounting/finance background to fill the role as Treasurer and someone with a safety/security background to lead our ongoing safety and security efforts.
6. **Introduction of the 2022/2023 Board of Directors:**
  - a. Rick Gallant – Chair, Secretary and Life Cycle Committee Lead
  - b. Glenn Ruskin – Vice-Chair and Water Committee Lead
  - c. Jo Scott – IT, Communications, and Playground Committee Lead
  - d. Brent Fraser – Architectural Design and Landscape Guidelines Lead
  - e. Jim Chuey – Safety and Security Lead
  - f. Carey Donkervoort – Treasurer and Contractor Lead (absent)

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

Highlights for 2022-2023:

- We had quite a year, both with security challenges and with a challenging winter for our lake and fish population,
- We negotiated the renewal of all our community service contracts,
- We completed our irrigation system restoration and garden bed enhancement projects,
- We finalized the design and funding support for our new Heritage Isle playground, and
- Progressed the sale of a portion of one of our water diversion licences.

## **7. Introduction of contractors and committee volunteers:**

- a. Bookkeeper: Amanda Philips is our bookkeeper and has been part of our extended team for 2 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. Divcon and PLNT are our mechanical and horticultural contractors. They execute all our mechanical maintenance and repairs, lawn mowing, garden, shrub and tree maintenance, fertilizer and weed control and sidewalk snow removal.
- 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 Brian Ysebaert, Bryan Dozzi, Graham Purves, Colin Anderson, Ryan McKimmie, Don Waldorf, and Jim Chuey.
- d. Playground Committee: A shout out to our playground committee, Jo Scott, Diane Anderson, Jonathan Cassetta, Bill Duke, Christine Gordon and Ryan Nieszner. This group of residents has come together to help facilitate the process of replacing and enhancing our Heritage Isle Playground. Last year they organized a community engagement survey, reviewed the results, and recommended the key attributes required for the new playground, reviewed the results of the playground RFP and recommended the preferred supplier. They also worked with the preferred supplier to refine the playground design to be exactly what we need for our community.
- e. Security Committee: We would like to recognize the contributions of our Security Initiatives Committee, Neil and Marie Wallace, Jerry and Rene Krcek, Todd Brown, Ryan McKimmie, Trevor Yeaman and Glenn Osmak. This team came together quickly after several B&E incidents in November 2022 and brainstormed some potential measures to address security in our community.
- f. Community Manager: Les Turner has now been in place as our Community Manager for two 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, located southeast of the Heritage Pointe golf course, has had its Area Structure Plan, Land Use applications and Request for Subdivision approved by Council. Shovels should hit the ground within the next year.
- b. Pine Springs Estates, by Rarebuilt Homes off Pine Creek Road, just north of Heritage Lake Mews, has already started their civil work to develop the 22 lots for a small community of 22 acreages with a pond, walking path and lots of trees. The amendment to the Hamlet Residential District land use rules that was applied for was passed by Council on January 26, 2022. You are likely all aware of the work going on at the west entrance for them to tie into Corix's potable water system.
- c. A third development is currently in the exploratory phase on the piece of land north of the Rarebuilt Homes development along Pine Creek Road. While still in the early planning stages, the initial concept is for 14 villas or senior's bungalows in a small community.
- d. Heritage Crossing has been proposed as a 163-home development for the land south of Dunbow Road, between 2nd and 8th Streets. The Area Structure Plan has been approved by council, but the developers still require council approval of a Request for Subdivision. This is the group that has offered to purchase a portion of one of our water diversion licences to supply water for their planned community.
- e. A developer has also applied to annex 400 acres of county land near the Sirocco golf club. And just to answer your next question, the city does not typically annex developed land so the developed land in the hamlet should be safe from the city's reach.
- f. LaunchPad Heritage Pointe is a new outdoor golf driving range, golf simulation, and restaurant complex that opened their doors to the public on June 30, 2022. We have been working with the developer to address the lights which are affecting residents on the east side of the community.
- g. Corix Rate Application: In addition to these developments, we have also been engaged in the Corix rate application to the Alberta Utilities Commission. We have submitted a letter highlighting our concerns with the rate application and have been engaged with the other Heritage Pointe communities in submitting additional input to the AUC for their consideration during the review process.
- h. Dunbow Road: Last Fall, the county held an open house to share the short and long-term vision for Dunbow Road between Macleod and Deerfoot Trails and to seek community input on the second Dunbow Road Interchange Study. This second study was an updated look at the traffic flows on Dunbow Road between highways 2 and 2A, and included the Foothills County proposed interchange upgrades to accommodate the ever-increasing traffic in the area. We provided some very clear input on the proposed changes to access for our community and asked the county to reconsider their plan.

## 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:**

An ongoing project for 2022, was the work on our community green space irrigation system and we are happy to report that the system is finally fully operational again. Our focus this year will be on optimizing and fine-tuning the performance of the system.

On landscaping, we made huge progress, and completed the last of the garden bed enhancements. We also refurbished all of the community docks, replaced some of the aeration system compressors, cleaned the aeration system diffusers, upgraded the west entrance camera system and several gates and replaced the community banners.

A major project for 2023 and 2024, based on the Life Cycle Study, is the replacement and enhancement of the Heritage Isle playground and the upgrade of the other 2 playgrounds.

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 lakehouse shingles and eavestroughs, and the garden enhancement and irrigation projects just mentioned, over the last 5 years.

As mandated at the time of the establishment of the Reserve Fund, the Life Cycle Study is to be updated every 5 years and we are happy to report that we are anticipating receiving the results of the updated study in the next month or two. We will be using the study results and recommendations 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. Raw Water Diversion Licences**

As discussed in the 2 letters circulated with your 2023 fee invoices in January, the LAHPOA owns two raw water diversion licences that allow us to divert raw water from the Bow River to irrigate our green spaces and maintain the level of the lake. One of those licences was granted in perpetuity (it does not expire) and the other one was granted with a ten year term that expired on February 1, 2023. I’m happy to report that we were successful in renewing this second licence for its full volume even though we have barely needed it over the last 10 years. As described in our previous communication, we have undertaken to sell the portion of this licence that we do not need and have executed an agreement with a local developer to purchase 80,000 m3 of this licence for \$650,000. We are now in the process of applying for the transfer of this volume through Alberta Environment and Parks and expect the transfer to be complete by year end.

#### **12. Dunbow Recreation Board (DRB)**

As mentioned earlier the generous support that the Dunbow Recreation Board has made available

to help us purchase a variety of recreational equipment for our community, from assorted watercraft, and cross-country ski track setting equipment to a variety of sports equipment including fishing, baseball, soccer and pickleball equipment. We work hard at providing comprehensive and compelling applications for these grants that help leverage the funds from our Reserve Fund to provide a broad range of recreational equipment for your use.

a. **Heritage Isle Playground Replacement and Enhancement**

Last year we submitted an application for a DRB grant for \$25,000 to help replace the Heritage Isle Playground. The grant was approved, and we used the commitment of those funds and a planned contribution from our Reserve Fund to help support an application for a \$125,000 CFEP grant that will allow us to install a much more modern playground that will engage children of all ages and abilities. Unfortunately, our CFEP application was declined in January, but when we questioned the basis for the rejection, we were told that the program was simply oversubscribed and that we should re-apply, which we have done. We are expecting an answer on our second application in July.

**13. Security Initiatives**

A Security Initiatives Committee was established late last year to look at possible security enhancements for our community. The Committee organized an Open House on April 26 to seek community input on their proposed ideas and followed up with a survey that went out to our community email list. 52 households attended the open house and 84 households in total responded to the Committee's survey. Based on the survey, 85% of respondents were moderately or highly concerned about crime in our community. The highest concern issues were Home Burglaries and Vehicle B&Es or thefts. 78% of respondents were willing to pay up to \$100 per year more in HOA fees to improve security in our community.

As a result of the feedback received, the Board has decided to implement some of the easy quick wins identified by the Committee including: adding a security orientation for residents to our New Resident Welcome Package; standardizing our incident data gathering; formalizing a partnership with the RCMP; and reviewing best practices of other communities. In addition, we will be undertaking to upgrade the entrance camera systems at both community entrances and investigating options to have them monitored for suspicious vehicle activity. Based on the survey results we also investigated implementing a Neighbourhood Watch program in our community. However, our call for interested volunteers resulted in less than 10% of residents indicating an interest in the program and at this level we were advised that the program would not succeed. As an alternative, the Committee is investigating setting up WhatsApp groups for residents to share security observations. If you are interested in being part of a WhatsApp group for your part of the community, let Les know and he will point you in the right direction.

**14. The Summer Ahead**

We officially opened the lake house and beach for the season on June 17<sup>th</sup>. 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 the new kayaks or any of the myriad of watercraft and toys we have available to enjoy a day at the lake.

The lake house will be open and staffed from 9:00 am to 9:00 pm every day until August 19 and then we will be closing an hour earlier until September 4 when the season ends.

While our community is an almost idyllic place to live and play, we have had some issues with vandalism and with unruly behaviour by young adults at the North Dock, particularly late in the evening. Many of them were from outside the community participating in underage drinking, loud, foul language and showing a disregard to the properties of nearby residents. We took a number of steps including regular patrols by our community manager, installation of game cameras to monitor the area, repairing the North Dock access system and installation of additional signage to discourage this behaviour. We also engaged concerned residents to help us find a solution here and to let us know when things were getting out of hand.

While we think we now have this issue under control, we will be continuing our efforts to address this issue this summer. If any community member sees an issue around the North Dock area or unruly or vulgar behaviour anywhere on the lake we ask you to immediately call the community manager. Thank you for your patience on this issue, and with your help we think we can keep it under control.

#### **15. Community Events:**

As part of our mission statement, the board (aka Les) 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, Wine tasting, Scotch tasting, a hiking club, a Show and Shine, a Stampede breakfast and more. Les has been a key driving force over the last year in coming up with interesting new community events and in promoting and organizing them. He is keen to hear your ideas for other events or activities and is always looking for folks to lead a new activity or to help organize an existing one.

Our second annual Show and Shine occurred on June 10<sup>th</sup>. We were delighted with how successful our first annual event was and while we had a few less cars this year the weather was much more cooperative.

On the Stampede breakfast front, we are delighted to announce that planning is well underway for this very popular event, which will be held on July 8. 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.

#### **16. Aquatic Ecosystem:**

The lake is our crown jewel of the community. We hear comments from residents who either know people that live on other lakes or have come from other lake communities, and they all 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 320 Rainbow trout and 80 Tiger trout, adding to our already healthy populations of Rainbow trout, Brook trout and Brown trout. Once again, in the Fall, we will be doing another stocking as we did last year.

#### **17. Real Estate Update:**

Continuing with our inaugural real estate update from last year, we 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 Parade of Garage Sales event, Haunted Lake House, Stampede Breakfast and the Skate with Santa Christmas event.

Mike reports that the housing market is still going “gang busters” and that the prices in Heritage Pointe continue to be the highest they have ever been! Mike reiterated his comment from last year that the Lake at 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.

Mike also described the impact of the increase in interest rates on housing demand throughout the Calgary region. He indicated there had been a bit of cooling off in the Fall but that the market is now back and going like gang busters as buyers have accepted that higher interest rates are likely here to stay for a while. The Lake at Heritage Pointe has a unique appeal with the type of homes found here, including the architectural designs, big lots, plenty of green space, a well-maintained community plus the attraction of our lake. As demand has increased, 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 remarked that in early May of this year there were only 5 homes for sale, and that 4 homes had sold in the previous 30 days, so there is effectively only a one-month inventory of homes for sale. This morning there were only 3 properties in our community for sale.

With demand outstripping supply, homes are selling quickly and at higher prices. He suspects we will look back on May and June as “the craziest months ever” in terms of how quickly homes sold. When you would regularly see homes sell in 70 -90 days in the past, the average days on the market this year are 35 with the average sale price, year to date, here for our community, being 1.181 M\$, with a range of 805 k\$ to 1.995 M\$.

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.

## **18. 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 Brent Fraser, the board member dedicated to this file, 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. No one likes surprises, and this is in place to keep your neighbors aware of your request to the Board. 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.

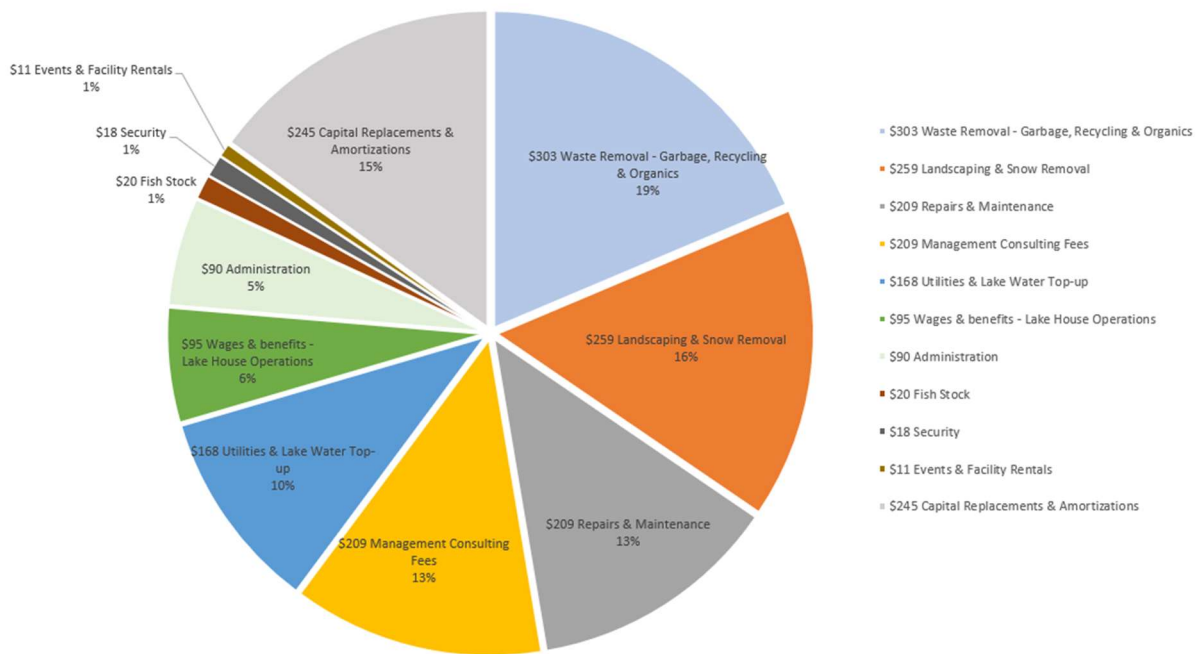
Thank you in advance to all the residents that are following these guidelines. More details on what these guidelines include can be found on the LAHP website.

**19. Financial Commentary**

Carey Donkervoort, our Treasurer, has had a variety of executive financial roles in the last 40 years and he has brought a new level of accountability and financial detail to the Treasurer role as well as managing our financial assets to ensure they generate some return until such time as we need them. Unfortunately, Carey couldn't be with us tonight so I will try to cover these next few slides that Carey has prepared on our finances for the year.

**Pie Chart:**

The pie chart which displays the breakdown of where your homeowner fees will be spent and allocated this year (2023).





## Statement of Operations

The Lake at Heritage Pointe Owners Association Statement of Operations As at December 31,	For the Year Ended Dec 31				Explanation of significant changes over prior year
	Actual	Budget	Actual	Change over	
	2021	2022	2022	Prior Year	
<b>REVENUE</b>					
Association fees	612,770	630,233	630,233	17,464	+2.85% CPI = + \$35.64 per homeowner [\$1,286.19 vs. \$1,250.55]
Association fees allocated to reserve fund	125,754	129,336	129,336	3,582	+2.85% CPI = + \$7.31 per homeowner [\$263.95 vs. \$256.64]
Amortization of deferred capital contributions	12,903	12,270	12,270	(633)	
Interest and other recoveries	5,559	8,161	12,066	6,507	Sales of obsolete inventory and increased interest rates
Grants and sponsorships	-	5,550	5,700	5,700	Stampede sponsorships started back in July 2022
Facility rentals and events revenue	2,255	1,870	4,206	1,950	
<b>TOTAL REVENUE</b>	<b>759,241</b>	<b>787,420</b>	<b>793,811</b>	<b>34,570</b>	
<b>EXPENSES</b>					
Waste removal - Garbage, recycling, organics	134,681	137,000	134,445	(236)	
Landscaping and snow removal	118,956	131,937	119,451	495	
Repairs and maintenance	98,864	122,100	108,674	9,810	Continued major repairs to Irrigation system
Management consulting fees	103,700	82,668	83,333	(20,367)	Savings with new Community Manager hired in May 2021
Utilities and lake water top-up	47,235	65,100	81,354	34,119	Additional lake water top-up required and increased utility rates
Wages and benefits - Lakehouse operations	43,678	45,707	45,511	1,832	
Amortization of capital assets	41,484	44,450	44,163	2,679	
Administration	42,877	43,820	40,607	(2,270)	
Events	5,072	20,568	17,951	12,879	Additional Events partially offset with Events revenue and sponsorships
Security	2,357	2,400	11,519	9,163	New preventive maintenance contract and additional repairs needed
Fish stock	10,120	10,250	9,724	(397)	
<b>TOTAL EXPENSES</b>	<b>649,024</b>	<b>706,000</b>	<b>696,733</b>	<b>47,708</b>	
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>110,216</b>	<b>81,420</b>	<b>97,078</b>	<b>(13,138)</b>	

## Reserve Fund 2022 Actual Results compared to the 2022 Budget

The Lake at Heritage Pointe Owners Association Reserve Fund As at December 31,	Year Ended - Dec 31			Classification / Comments	Life Cycle Plan		
	Budget	Actual	Variance to		Reference	Amount	Timing
	2022	2022	Budget				
<b>CONTRIBUTIONS</b>							
Homeowner association fees allocated to reserve fund	129,336	129,336	-				
Interest earned on reserve funds	1,812	4,955	3,143				
Board approved transfer of operating funds	45,100	36,823	(8,277)				
<b>TOTAL CONTRIBUTIONS</b>	<b>176,248</b>	<b>171,114</b>	<b>(5,134)</b>				
<b>EXPENDITURES</b>							
Repair and upgrade irrigation system	25,000	17,548	(7,452)	Opex - R&M Irrigation	2.7.7.1b	\$61,818	2018-2022
Restoration and construction of new garden beds	8,100	9,583	1,483	Opex - Landscaping new garden beds	New		
Rebuild air compressors serving aeration diffusers	3,500	2,877	(623)	Opex - R&M Building & Equipment	2.7.9.3b	\$3,278	2021-2022
Replace aeration system diffusers	5,000	3,608	(1,392)	Opex - R&M Building & Equipment	2.7.9.3a	\$4,244	2021-2022
Sand and Stain docks (2 fixed; 1 floating)	3,500	3,461	(39)	Opex - R&M Building & Equipment	2.7.9.6c	\$3,000	2018-2022
Upgrade NW cameras & gates 5 and 6 power supply	7,500	2,622	(4,878)	Capex - Park Equipment (10 years)	New		
Purchase garbage bins (replenish inventory)	8,000	7,877	(123)	Capex - Park Equipment (10 years)	New		
Purchase kayaks (4)	5,000	4,326	(674)	Capex - Park Equipment (10 years)	New		
Replace decorative flags on light poles (12)	1,500	1,440	(60)	Capex - Park Equipment (10 years)	New		
<b>TOTAL EXPENDITURES</b>	<b>67,100</b>	<b>53,340</b>	<b>(13,760)</b>				
<b>NET CHANGE IN RESERVE FUND</b>	<b>109,148</b>	<b>117,774</b>	<b>8,626</b>				
<b>RESERVE FUND - OPENING BALANCE</b>	<b>311,508</b>	<b>311,508</b>	<b>-</b>				
<b>RESERVE FUND - ENDING BALANCE</b>	<b>420,656</b>	<b>429,282</b>	<b>8,626</b>				

## 2023 Operating Budget compared to the 2022 Results

Total budget revenues of \$875k are planned to be up by \$81k, or 10.3% over 2022.

Association fees, including both Operating and those allocated to the Reserve Fund are planned to be up by \$38k. While the year over year average increase in the consumer price index for the Calgary

region was 6.9%, the Board has determined that an increase of 5% is sufficient to manage both the short- and long-term needs of the organization.

Facility rentals, events, and sponsorship revenue are planned to be up by \$19K as we continue to add events and programs to the community calendar. With the significant increase in interest rates over the last year, interest income is projected to be up \$21k over last year.

On the expense side, total budget expenses of \$755k is planned to be up by \$58k, or 8.3% over 2022.

With inflation running high, and all of our contracts up for renewal at the end of last year there was upward pressure on contract rates for 2023. Our T&T Waste Handling contract increased \$14k or 10.6%. Our snow removal contract rates also increased and we have budgeted to replace some trees which has increased Landscaping costs by \$7k or 6%. Management Consulting Fees are up by \$19k or 23% primarily due to costs for the updated Life Cycle Study. Events and facility rentals are up \$17k or 93% which is largely offset by the increased revenue for these activities noted above. We've also planned on a \$3k increase in Administration largely due to expected increases in audit and legal fees. With the completion of our major irrigation system repairs and upgrades we are projecting a \$6k or 6% reduction in Repairs and Maintenance.

Overall, we are budgeting for \$120k in excess revenues over expenses for 2023, which is planned to be up from 2022 by \$23k. This surplus will be used to fund 2023 capital asset purchases of \$367k including the additional capital spending for the Heritage Isle playground upgrade.

2023 Budget Statement of Operations For the year ending December 31.	Budget 2023	Actual 2022	Change over Prior Year	% Change	Explanation of significant changes over prior year
<b>REVENUE</b>					
Association fees	661,745	630,233	31,512	5.0%	5% rate increase (Calgary CPI +6.9%) = \$64.31 increase per year per household
Association fees allocated to reserve	135,802	129,336	6,467	5.0%	5% rate increase (Calgary CPI +6.9%) = \$13.20 increase per year per household
Events revenue and facility rentals	18,860	4,206	14,654	348.4%	Additional event registration fees planned (see offset change with Event expense below)
Amortization of deferred contributions	15,459	12,270	3,189	26.0%	In line with the increase in deferred contributions (i.e.- playground grant)
Grants and sponsorships	10,200	5,700	4,500	78.9%	Additional sponsorships planned (see offset change with Event expense below)
Interest and other recoveries	33,151	12,066	21,085	174.7%	Additional interest income due to the rise in interest rates
<b>TOTAL REVENUE</b>	<b>875,217</b>	<b>793,811</b>	<b>81,406</b>	<b>10.3%</b>	
<b>EXPENSES</b>					
Waste removal	148,645	134,445	14,200	10.6%	T&T contract rate increase
Landscaping	126,733	119,451	7,282	6.1%	Tree replacements and rate increase with snow removal contract
Repairs and maintenance	102,250	108,674	(6,424)	-5.9%	Reduction in major irrigation repairs
Management consulting fees	102,267	83,333	18,934	22.7%	Additional consulting fees for updating the life cycle assessment study
Utilities and lake water top-up	82,134	81,354	780	1.0%	
Amortization of capital assets	48,350	44,163	4,187	9.5%	In line with the increase in capital expenditures (i.e.- playground upgrade)
Wages & benefits	46,738	45,511	1,227	2.7%	
Administration	44,048	40,607	3,441	8.5%	Primarily from increase in audit and legal fees planned
Events and facility rentals	34,664	17,951	16,713	93.1%	Additional Events in line with additional Events revenue and sponsorships
Security	9,008	11,519	(2,511)	-21.8%	
Fish stock	10,000	9,724	276	2.8%	
<b>TOTAL EXPENSES</b>	<b>754,837</b>	<b>696,733</b>	<b>58,104</b>	<b>8.3%</b>	
<b>EXCESS REVENUES OVER EXPENSES</b>	<b>120,380</b>	<b>97,078</b>	<b>23,302</b>	<b>24.0%</b>	

### 2023 Reserve Fund Budget

The Reserve Fund is budgeted to decrease by \$14k to close off the 2023 year-end with a cash reserve balance of \$415k.

Total capital expenditures of \$367k are budgeted for 2023, which is planned to be up by \$313k from the prior year spend primarily driven by the Heritage Isle Playground upgrade and the relocation of the old Heritage Isle equipment to the other the two community playgrounds.

Other capital projects which we are budgeting to spend in accordance with the life cycle study include, optimizing the performance and effectiveness of the irrigation system for \$15k, replacing trees in the community green spaces for \$5k, restoring additional garden beds for \$5k, and updating the Life Cycle Study for \$15k.

2023 Budget Reserve Fund For the year ending December 31,	Budget 2023	Life Cycle Plan / Classification	
<b>CONTRIBUTIONS</b>			
Reserve Contribution	135,802		
Grants	160,000		
Grants allocated to deferred contributions	(160,000)		
Interest on Reserve	16,844		
Board approved transfer of operating funds	200,150		
TOTAL CONTRIBUTIONS	352,796		
<b>EXPENDITURES</b>			
Replace playground equipment	240,000	2.7.8.2a	Capex: Land Improve (20 years)
Replace playground surface	60,000	2.7.8.2b	Capex: Land Improve (20 years)
Replace/relocate playground equipment	25,000	New	Capex: Land Improve (20 years)
Replace PFD's	1,500	New	Capex: Park Equip (10 years)
Replace trees in community green spaces	5,000	New	Opex: Bed & Tree Maintenance
Repair and upgrade irrigation system	15,000	2.7.7.1b	Opex: R&M - Irrigation
Garden Bed restoration	5,150	New	Opex: Bed & Tree Maintenance
Update lifecycle assessment	15,000	2.9.1.1	Opex: Consulting Fees
TOTAL EXPENDITURES	366,650		
NET CHANGE IN RESERVE FUND	(13,854)		
RESERVE FUND - OPENING BALANCE	429,282		
RESERVE FUND - CLOSING BALANCE	415,428		

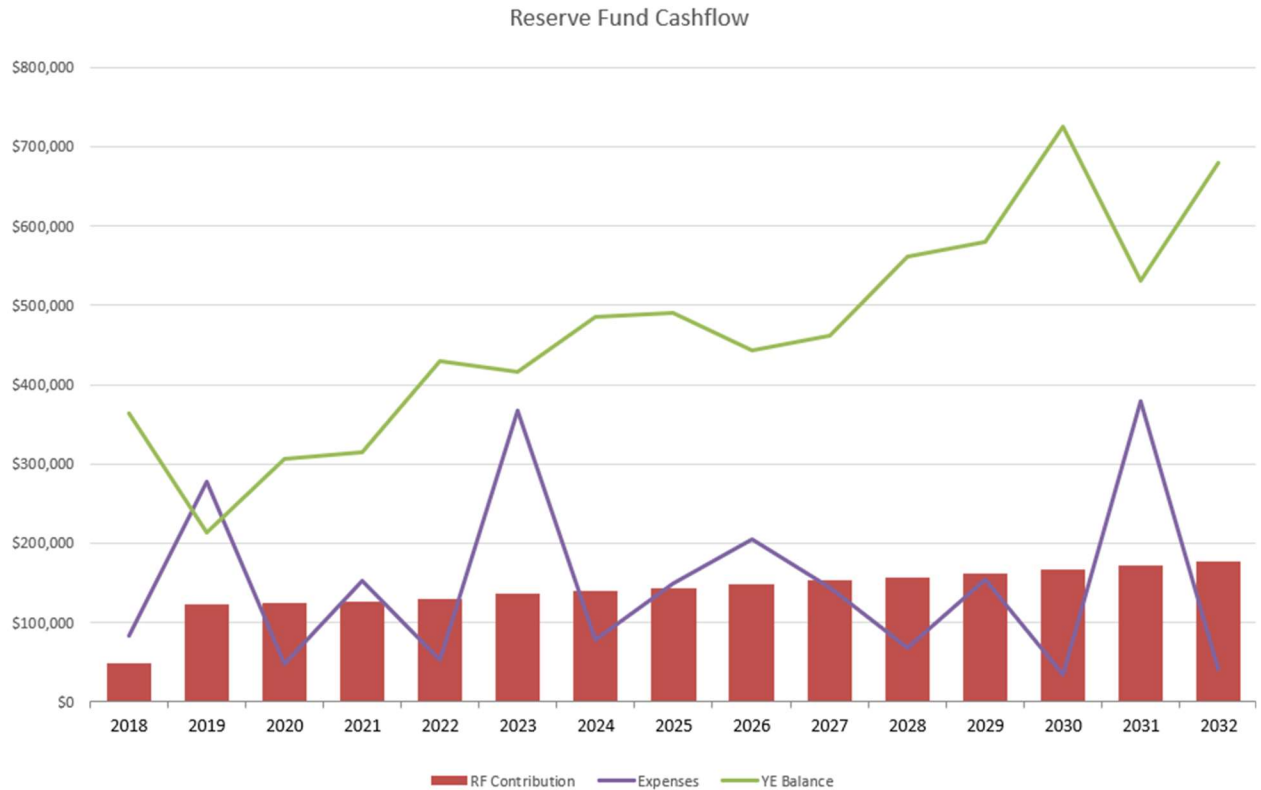
### Capital Reserve Fund Cash Flow Chart for 15 years 2018 to 2032

The Reserve Fund Cash Flow chart shows the Reserve Fund annual funding from Association fees; annual capital expenditures; and year end balances for the next 15 years – 5 years of actual results from 2018-2022 and a 10-year forecast for 2023-2032. The projected timing and amount of capital expenditures is based on the Life Cycle Study commissioned by the Association back in 2018 and is based on a professional engineering study.

During the next 10 years (between 2023-2032), we are projecting to spend about \$1.7M in capital expenditures and deposit about \$1.8M in Reserve Fund fees and interest revenue.

You will note a significant increase in planned expenditures in 2023 associated with the Heritage Isle Playground Replacement and Enhancement Project. We have applied for and are expecting to be awarded a substantial government grant to help subsidize the total cost of the playground upgrade of \$300k. The Association is planning to spend \$140k out of the reserve fund in 2023 and to allocate \$160k from government grants and sponsorships that we anticipate receiving later this year.

The reserve fund balances at the end of each year are projected to stay within the range of \$400K-\$500K over the next 5 years until the year 2027 and then for the 5 years afterwards, to the year ending 2032, are projected to grow to around \$600K. Of course, we will be receiving an updated Life Cycle Study in the next few months and a number of the projections from the previous study are likely to change based on work we have been doing over the last several years.



**20. Appointment of Auditors for 2022:**

The Board recommends we appoint Kenway Mack Slusarchuk Stewart LLP as our auditors for 2023. They are familiar with our organization, having been our auditors for the last 9 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 2023.

Seconded by Colin Anderson.

Motion carried.

**21. Questions:**

The board chair answered a few questions regarding the transfer of the Water License, status of the vacant lot on the lake, access to the lake house in off hours, the status of the Community Pathways Project and some clarifications on the financials.

**22. Board of Directors for 2023/24:**

Four (4) nominations for the 7 available board positions were received prior to the meeting.

Calls for nominations from the floor resulted in Todd Brown volunteering to serve on the board. With only 5 candidates nominated, the 5 candidates were acclaimed.

There is a need for a Treasurer and a Safety/Security Director; candidates with accounting/finance backgrounds and safety/security backgrounds are asked to contact the board.

The new board will have their first meeting together in the next couple weeks, and at that time the roles of Chair, Vice Chair, Secretary, Treasurer and committee leads will be assigned.

### **23. Adjournment**

Board chair, Rick Gallant, thanked everyone for attending the 2023 AGM.

With there being no further business, the meeting was adjourned at 6:45 p.m. MDT.