



**The Lake At Heritage Pointe
Owners Association
2024 Annual General Meeting**

June 5, 2024





**Approval of
2024 AGM Meeting Agenda**





**Approval of
2023 AGM Meeting Minutes**



Here's what's ahead.....

- **Board of Directors/Community Manager**
- **Larry Spilak Memorial**
- **Hamlet of Heritage Pointe Development**
- **Community Mission Statement**
- **Update on Capital Improvements**
- **Raw Water Diversion Licences**
- **Dunbow Recreational Board Grants**
- **Heritage Isle Playground Replacement/Enhancement**
- **Security Initiatives**
- **The Summer Ahead**
- **Community Events**
- **Our Aquatic Ecosystem**
- **Real Estate Update**
- **Architectural Design and Landscape Guidelines**
- **Treasurer's Report**
- **Appointment of Auditors**
- **2024/2025 Board of Directors**



Your Board of Directors 2023/2024



Rick Gallant



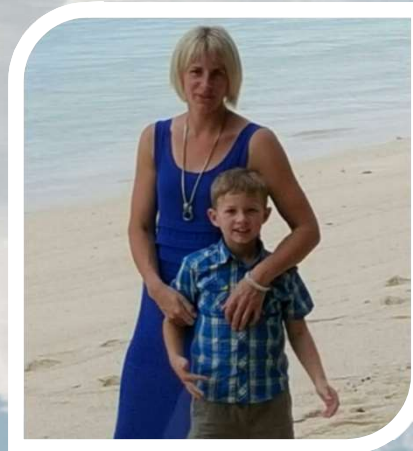
Glenn Ruskin



Gareth Davies



Todd Brown



Jo Scott



Brent Fraser





Board of Directors – Extended Family



Amanda Philips





Les Turner
Community Manager



Larry Spilak Memorial



HAMLET OF HERITAGE POINTE MAP

Hamlet of Heritage Pointe Development

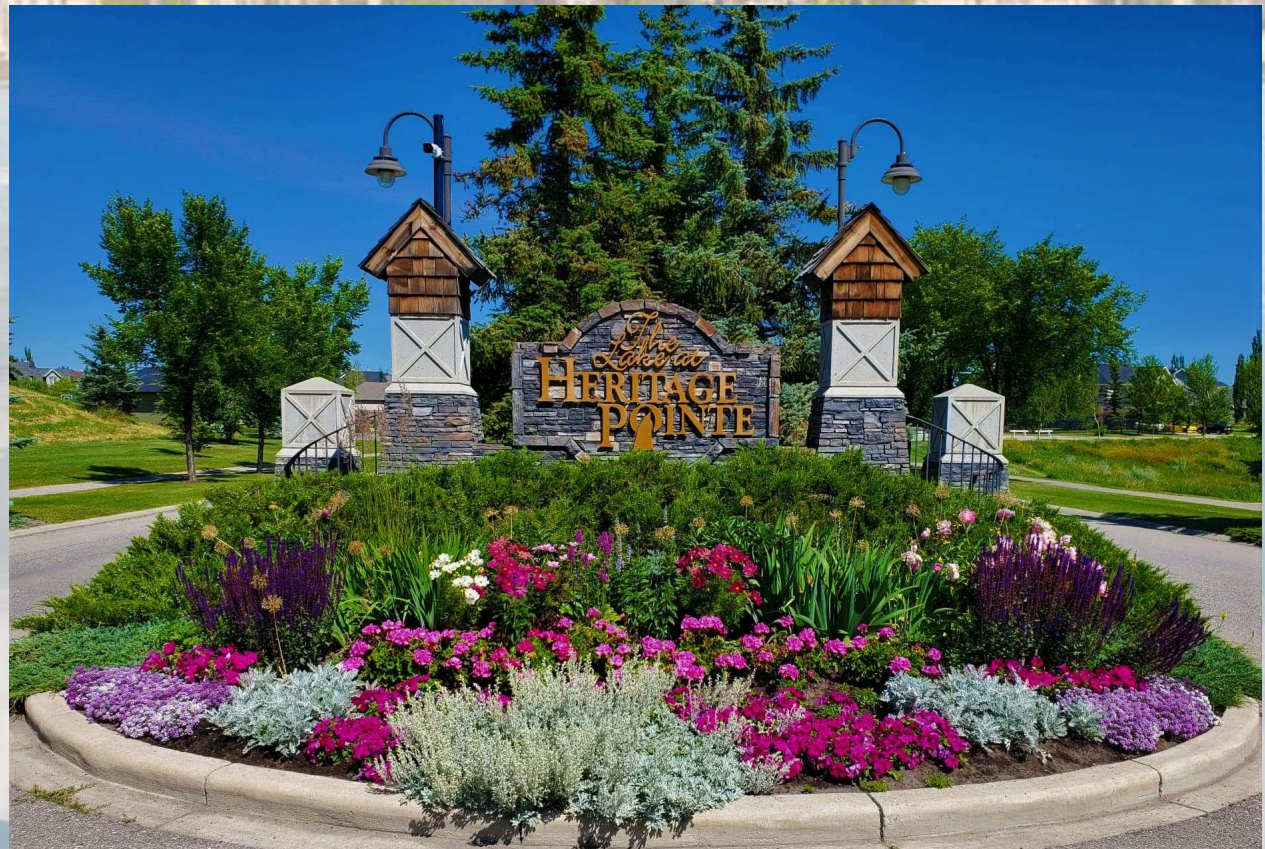


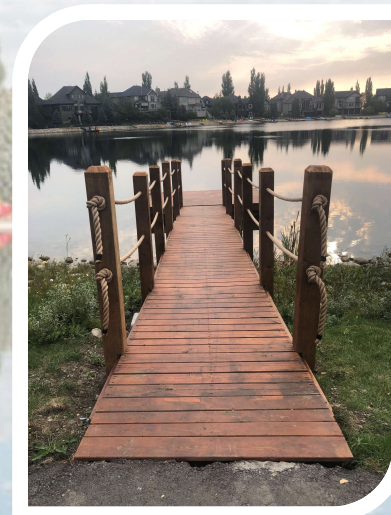
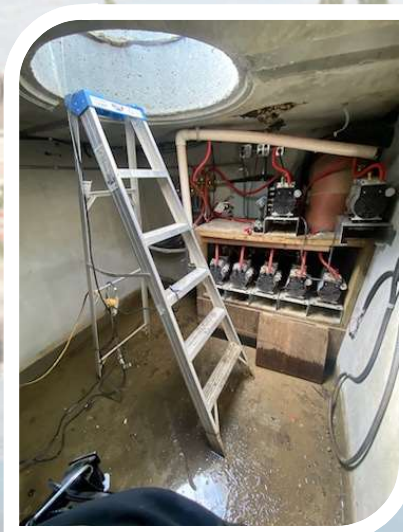
Mission Statement




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.**





Continual Improvements


PROVINCE OF ALBERTA
Water Act, RSA 2000, c.W-3, as amended

LICENCE NUMBER: DAUT0012135
 PRIORITY NUMBER: 2002-04-08-005
 EFFECTIVE DATE: 2023-05-09
 EXPIRY DATE: 2033-02-06
 SOURCE OF WATER: Bow River
 POINT OF DIVERSION: SE-08-022-29-W4M
 POINT OF USE: Section 01-022-01-W5M, Section 06-022-29-W4M and NW 05-022-29-W4M
 LICENSEE: The Lake at Heritage Pointe Owners Association

Pursuant to the Water Act, RSA 2000, c.W-3, as amended, a licence is issued to the Licensee to:

- This authorization replaces the Water Act authorization 00320896-00-00 as amended issued on 2013 02 07.
- operate a works and to divert up to 127,570 cubic metres of water per year at a maximum rate of diversion of 0.09 cubic metres per second from the source water for the purposes of Commercial (park), Municipal (lawn watering), and Recreation (community reservoir).

subject to the attached terms and conditions.

Designated Director under the Water Act: *Craig Keane*
 Date Signed: 2023-05-09

THIS AGREEMENT made this _____ day of April, 2023.

BETWEEN:

2291463 Alberta Ltd.
 care of #600, 12220 Stony Plain
 Road Edmonton, Alberta T5N 3Y4
 (hereinafter referred to as the "GRANTOR")

OF THE FIRST PART

- and -

**The Lake at Heritage Pointe
 Owners Association**
 (hereinafter referred to as the "GRANTEE")

OF THE SECOND PART

WATER LICENSE TRANSFER AGREEMENT

WHEREAS:

- Pursuant to the WATER LICENSE, the GRANTOR is entitled to divert and utilize a maximum of 127,570 cubic metres of water annually from the Bow River;
- The GRANTEE requires the right and license to divert and utilize water for the purposes of providing water to water treatment facility located within the CORIX FRANCHISED UTILITY SERVICE AREA; and
- The GRANTOR is agreeable to transfer 80,000 cubic metres of their annual allocation from the WATER LICENSE to the GRANTEE, subject to the terms, covenants and conditions contained within this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual agreements contained within this AGREEMENT, the parties hereby agree as follows:

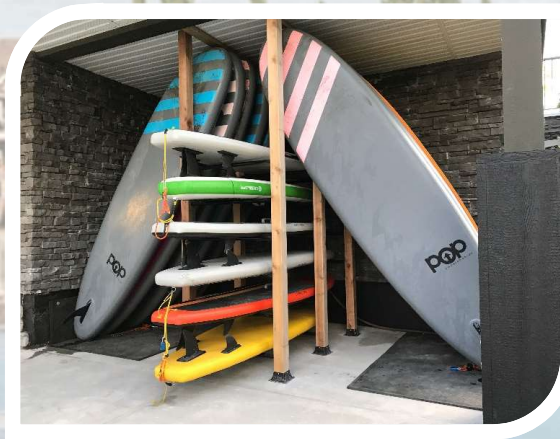
ARTICLE 1

1.1 In this Agreement, the following words and expressions shall have the meanings herein set forth unless inconsistent with the subject matter or context:

- AEP means the Province of Alberta department of Alberta Environment and Parks;
- AGREEMENT means this agreement as the same may be amended from time to time

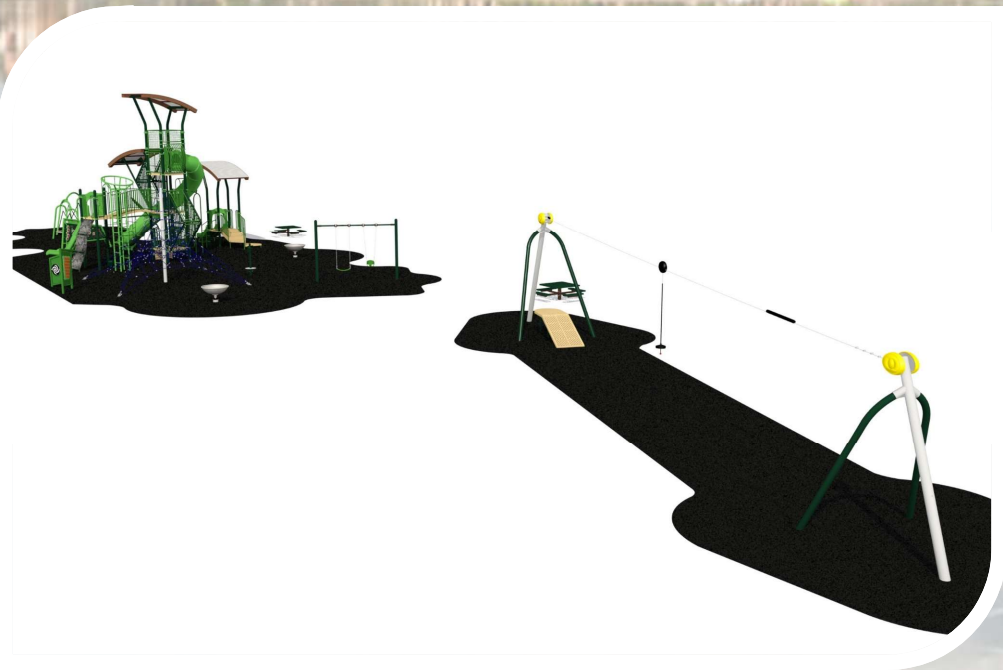
Raw Water Diversion Licences





Dunbow Recreational Board Grants





Heritage Isle Playground





Security Initiatives



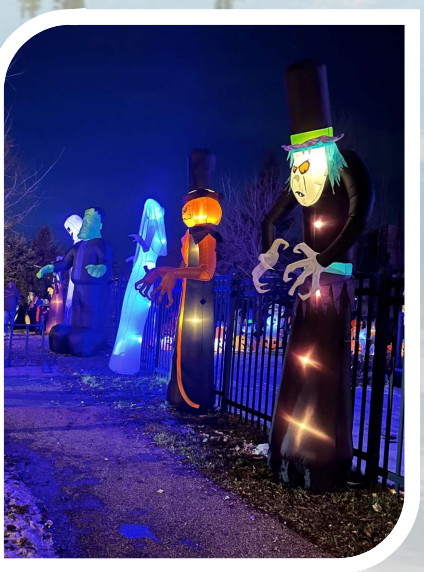


Security Initiatives

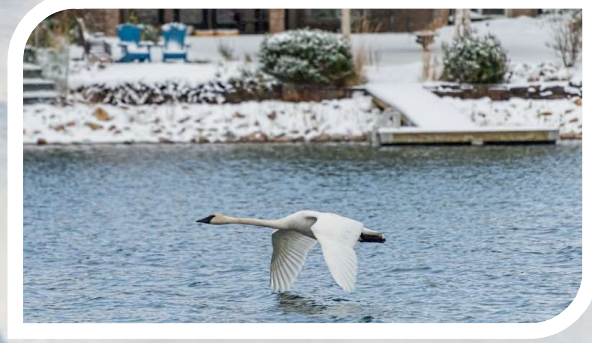




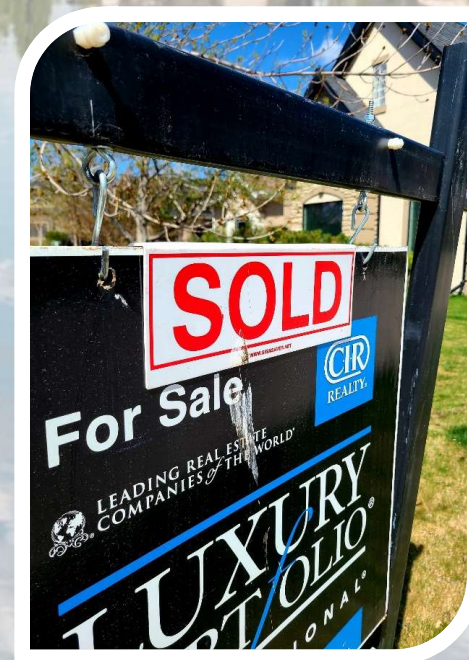
Summer Ahead



Community Events

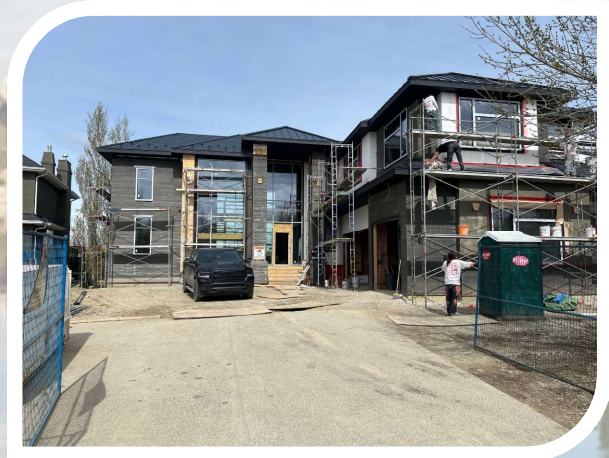


Our Aquatic Ecosystem

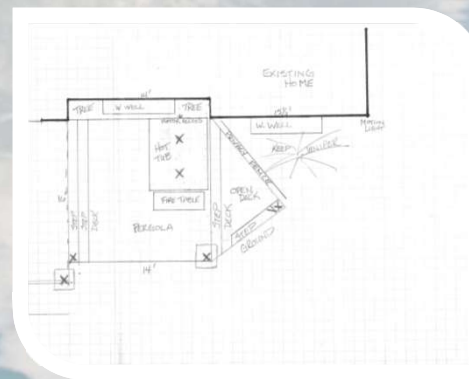
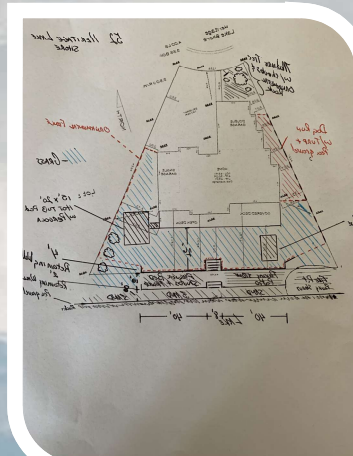
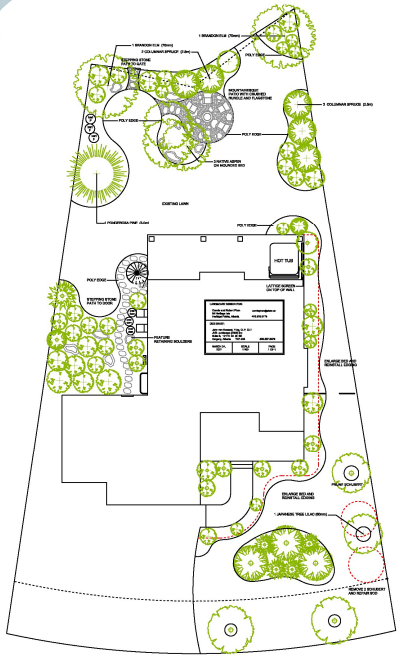


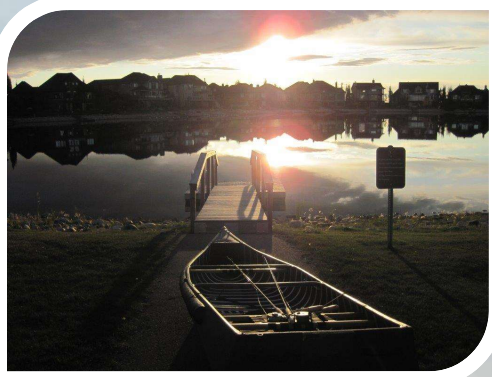
Real Estate Update





Architectural Design & Landscape Guidelines





Financial Highlights 2023:

- **\$42,000 interest income, significant increase over 2022 due to increased interest rates**
- **\$152,300 capital grants received from province and county (mainly for HI playground)**
- **\$304,000 withdrawn from Reserve Fund (mainly HI playground pre-purchase but also upper pond remediation, life cycle assessment and irrigation system restoration)**



Financial Highlights 2024:

- Revenue and expense data compiled since 2019 allows increasingly informed budgets to be created
- 2024 homeowner fees increased 0% vs CPI of 4.37%
- Cash and Investment Strategy documented, to be updated annually concurrent with budget development
- ~\$50,000 interest income forecast for 2024
- ~\$290,000 to be spent from Reserve Fund
- LAHPOA finances continue to be healthy
- \$650,000 water licence sale proceeds expected to significantly enhance our Reserve Fund





Consolidated Statement of Operations

2023 Actual comparison to 2023 Budget and 2022 Actual

Statement of Operations As at December 31	For the Year ended Dec 31			Actuals	Explanation of significant changes over prior year
	Actual 2022	Budget 2023	Actual 2023	Change over Prior Year	
REVENUE					
Association Fees	630,233	661,745	661,745	31,512	Reflects a 5% increase to HOA fees in 2023
Association fees allocated to reserve fund	129,336	135,803	135,804	6,468	Reflects a 5% increase to Reserve Fund fees in 2023
Interest and other recoveries	12,066	16,606	42,744	30,678	Increase in interest rates and amount of principal invested
Event Revenues	991	14,360	16,989	15,998	Paid program registrations increased significantly in 2023.
Facility rental	3,215	4,500	3,960	745	
Amortization of deferred contributions	12,270	15,459	11,574	-696	Note: capital grants are included in amortization calculation
Grants and sponsorships	5,700	10,200	7,300	1,600	Note: does not include capital grants
TOTAL REVENUE	793,811	858,673	880,116	86,305	
EXPENSES					
Waste removal - garbage, recycling, organics	134,445	148,645	152,043	17,598	New 4-year contract signed effective 2023 with increased rates.
Landscaping and snow removal	119,451	133,122	138,220	18,769	New fertilizer and herbicide application added to the turf maintenance scope of work. In October 2023, snow removal was required, which fell outside the snow removal contract.
Repairs and maintenance	108,674	92,325	85,455	-23,219	Completion of multi-year irrigation system project.
Consulting fees	83,333	87,267	99,400	16,067	Update of the Life Cycle Assessment; compensation adjustment for community manager
Utilities and lake water top-up	81,354	81,326	43,722	-37,632	Large reduction in lake water top-up in 2023. Savings due to locking in electrical commodity rate.
Wages and benefits - Lakehouse operations	45,511	47,638	46,177	666	
Amortization of capital assets	44,163	48,350	42,534	-1,629	
Administration	40,608	44,481	44,189	3,581	
					Increased costs due to legal expenses pertaining to Pine Springs development, review of liability waiver and water license transfer agreement.
Events	17,951	29,064	39,414	21,463	
					Increased programs & events in 2023; offset by commensurate increase in event revenues
Security	11,519	9,008	8,246	-3,273	2022 included annual VizP in fee carried over from 2021.
Fish Stock	9,724	10,000	10,065	341	
TOTAL EXPENSES	696,733	731,226	709,465	12,732	
EXCESS OF REVENUES OVER EXPENDITURES	97,078	127,447	170,651	73,573	



Reserve Fund

2023 Actual comparison to 2023 Budget (Cash Basis)

Reserve Fund Statement of Operations As at December 31	For the Year ended Dec 31			Comments
	Budget 2023	Actual 2023	Variance to Budget	
CONTRIBUTIONS				
Homeowner association fees allocated to reserve fund	135,804	135,804	0	
Grants	160,000	152,300	-7,700	
Interest on reserve funds	16,844	21,880	5,036	Actual interest rates were higher than budgetted
Board approved transfer of operating funds	200,150	175,000	-25,150	
TOTAL CONTRIBUTIONS	<u>512,798</u>	<u>484,984</u>	<u>-27,814</u>	
EXPENDITURES				
Replace playground structure	240,000	202,744	-37,256	Some playground costs were deferred to 2024
Isle playground surfacing and install (50%)	60,000	50,082	-9,918	
Relocate playground equipment	25,000	0	-25,000	Deferred to 2024
Entrance security cameras upgrade	0	11,057	11,057	Brought forward from 2024 planning
Replace PFD's	1,500	1,405	-95	
Replace trees in community green spaces	5,000	1,700	-3,300	
Repair/replacement allowance for irrigation system	15,000	7,141	-7,859	
Garden Bed restoration	5,150	0	-5,150	
Upper pond and creek refurbishment	0	13,783	13,783	Not budgetted
Update lifecycle assessment	15,000	12,700	-2,300	
Stryker boat	0	4,098	4,098	Not budgetted
TOTAL EXPENDITURES	<u>366,650</u>	<u>304,710</u>	<u>-61,940</u>	
NET CHANGE IN RESERVE FUND	146,148	180,274	34,126	
RESERVE FUND - OPENING BALANCE	<u>429,282</u>	<u>429,282</u>	<u>0</u>	
RESERVE FUND - CLOSING BALANCE	<u>575,430</u>	<u>609,556</u>	<u>34,126</u>	



Consolidated Statement of Operations

2024 Budget comparison to 2023 Actuals

2024 Budget Statement of Operations As at December 31	Actual 2023	Budget 2024	Change over Prior Year	% Change	Explanation of significant changes over prior year
REVENUE					
Association Fees	661,745	661,745	0	0.0%	0% increase in 2024
Association fees allocated to Reserve Fund	135,804	135,804	0	0.0%	0% increase in 2024
Interest, events and other recoveries	42,744	57,315	14,571	34.1%	Increased interest income from GIC strategy
Event Revenues	16,989	20,690	3,701	21.8%	
Facility rental	3,960	4,000	40	1.0%	
Amortization of deferred contributions	11,574	18,509	6,935	59.9%	2024 includes amortization of playground grants received in 2023
Grants and sponsorships	7,300	8,300	1,000	13.7%	
TOTAL REVENUE	880,116	906,363	26,247	3.0%	
EXPENSES					
Waste removal - garbage, recycling, organics	152,043	154,242	2,199	1.4%	
Landscaping and snow removal	138,220	149,845	11,625	8.4%	Increased snow removal based on historical data
Repairs and maintenance	85,455	66,876	-18,579	-21.7%	Completion of several multi-year projects
Consulting fees	99,400	90,103	-9,297	-9.4%	2023 includes Life Cycle Assessment cost
Utilities and lake water top-up	43,722	58,122	14,400	32.9%	Lake water top-up can vary significantly year-to-year
Wages and benefits - Lakehouse operations	46,177	48,528	2,351	5.1%	
Amortization of capital assets	42,534	58,251	15,717	37.0%	2024 includes commencement of new playground amortization
Administration	44,189	48,837	4,648	10.5%	
Events	39,414	31,625	-7,789	-19.8%	Reflects recapture of pre-paid expenses from 2023
Security	8,246	11,535	3,289	39.9%	2024 increase due to new entrance cameras system costs
Fish Stock	10,065	15,000	4,935	49.0%	2024 includes tiger trout to combat invasive species
TOTAL EXPENSES	709,465	732,964	23,499	3.3%	
EXCESS OF REVENUES OVER EXPENDITURES	170,651	173,399	2,748	1.6%	

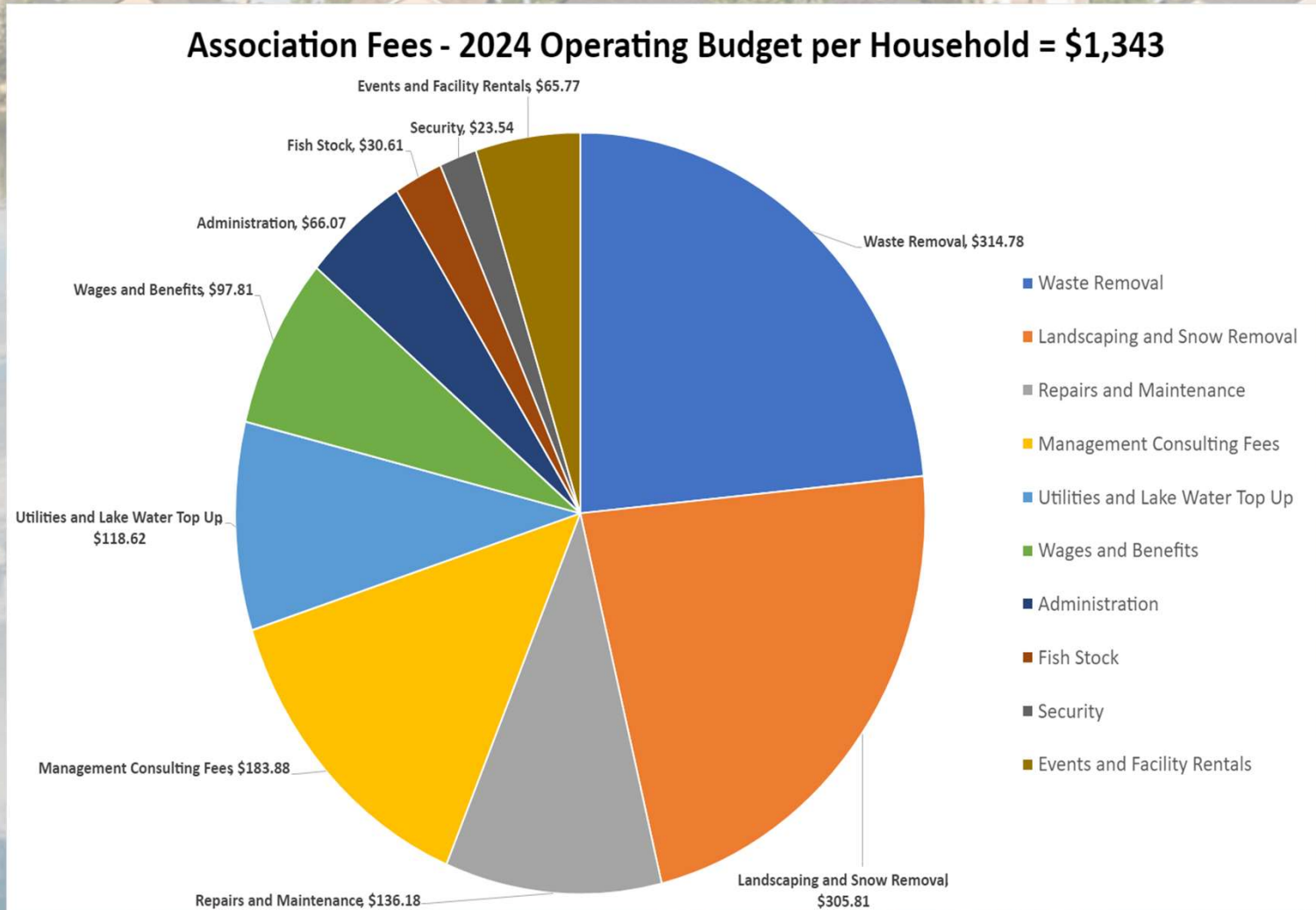


2024 Reserve Fund Budget (Cash Basis)

2024 Reserve Fund Budget		
For the year ending December 31		Budget 2024
CONTRIBUTIONS		
Homeowner association fees allocated to reserve fund	135,804	\$277 per household
Interest on reserve funds	43,860	
Board approved transfer of operating funds	0	
Grants & Donations	10,000	Playground donations
Contributions Received	0	
Proceeds of Water License Sale	650,000	
TOTAL CONTRIBUTIONS	839,664	
EXPENDITURES		
Isle playground installation and PIP rubber surfacing	153,213	
Relocate playground structures to LH Beach and North Dock	25,000	
Replace trees in community green spaces	3,000	
Repair/replacement allowance for irrigation system	5,000	
Upper pond and creek refurbishment	8,000	
Wall cladding repair and paint allowance for garage	5,000	
Asphalt repair allowance community pathways	15,000	
Repair allowance for concrete paving (n & s sides of LH)	1,000	
Rebuild retaining walls at lake house	500	
Refill beach sand due to erosion	5,000	
Replace the gas fire pit burner	3,000	
Rebuild air compressors serving aeration diffusers	4,000	
South entrance sign refurbishment	5,000	
Additional Vizpin smart keys	1,500	
W Entrance security cameras and replace data encoder at LH	32,000	
Tree Wells: Weed, redefine all tree wells and add mulch	8,500	
Elm Scale Treatment (PLNT)	10,120	
Supply and install bark in all garden beds	3,000	
Resurface the docks including allowance for local repairs	4,000	
TOTAL EXPENDITURES	291,833	
NET CHANGE IN RESERVE FUND	547,831	
RESERVE FUND - OPENING BALANCE	609,557	
RESERVE FUND - CLOSING BALANCE	1,157,388	

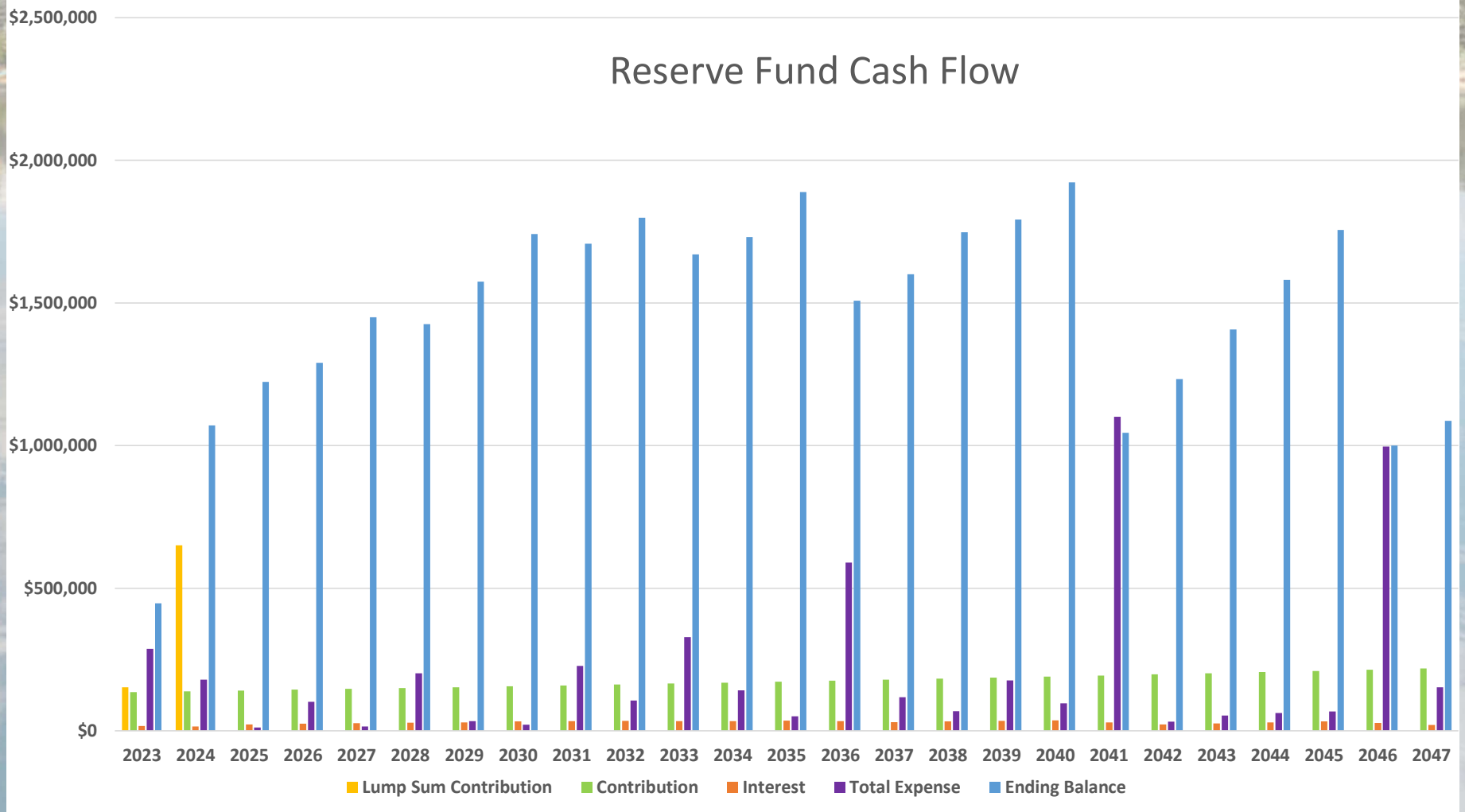


Association Fees – 2024 Budget Per Household = \$1,343





Reserve Fund - Cash Flow 2023-2047



Questions?



Appointment of Auditors for 2024

The Board recommends we appoint Kenway Mack Slusarchuk Stewart LLP as our auditors for 2024. They are familiar with our organization having been our auditors for the last 10 years and have conducted thorough audits of our financial records at a competitive rate.





Nominations for Board of Directors 2024/2025



A scenic view of a lake with houses and trees reflected in the water. The houses are multi-story with dark roofs and light-colored siding. The trees are tall and thin, and the water is calm, reflecting the sky and the buildings.

Voting for Board of Directors 2024/2025





THANK YOU!