

2021 Annual Meeting  
Heritage Lake Association  
March 27, 2021

Roll call:

Present:

President Brad Reed  
Vice President Cameron Stalzer  
Treasurer Barbara Waldorf  
Director Rodney Stickrod  
Director Shawn Cassatt  
Director James Henry

**President Reed Meeting Announcements**

- Zoom attendees: please stay on mute unless speaking, contact the Zoom host to speak.
- In-person attendees; please notify President Reed if you would like to speak and use a microphone.
- During the Special Board meeting last night there were discussions about various motions coming to the floor. This year we have split attendance between on-location here and Zoom and the limitations that we have.
- The original Agenda had 2 items, voting for board members, and bringing other items before the association. Today, we will just have updates, along with an election for board members.
- If there are any motions from the floor or anything we need to vote on, we will discuss that, but we will need to have that at a separate session where we notify the entire membership.
- We discussed voting via Zoom today, but we are not confident that we are going to be able to count everyone's votes properly and we want to make sure everyone who cannot attend in the room is properly represented.
- Tuesday of this week we had a resignation of a board member, that board member had not attended meetings in quite a while. The resignation was not a surprise, the timing was. Being that resignation happened on Tuesday there was not time to get ballots to the membership in time to add a third board member for voting. We will need to go by write-in candidates, who has the most write-in votes and ask if they will be a board member. If that does not work out, per the bylaws, the board will appoint a board member until the next annual meeting.
- I would like to thank All the past board members for your service. To the current board thank you all for helping me and the association through COVID and the past couple of weeks, Maintenance, Outdoor Amenities, Treasurer and Secretary at the office. We have had a change of office personnel from Patty Parmele to Jocelyn Standley. I would like to thank Patty for the last several years.

**HLA Accounting Michelle Streit, CPA / Donald M. Heinold CPA PC**

Cash in Bank: For all checking, savings and CD accounts, the balance at the end of 2020 was \$1,524,135 which is an increase of \$70,248 over the 2019 balances of \$1,453,887.

Debt: There is no debt outstanding at the end of either 2020 or 2019

Net Operating Income: For 2020, net operating income was \$43,007 compared to \$63,998 for 2019. This is a decrease of almost \$21,000 due largely in part to Covid difficulties (no pool receipts, very few lodge rentals and citations, etc.).

Assessments billed: 2020 assessments billed for General, and Lake Fund were \$305,451. 2019 assessments were \$299,999.

Operating expenses: Expenses for 2020 were \$296,921 compared to \$287,738 during 2019. In 2020, there were some significant repairs/updates to the lodge while 2019 including pool repairs. The operating expenses include depreciation (a non-cash expense) of \$35,805 for 2020 and \$36,461 for 2019.

Operating expense breakdown by area:

General and Admin \$131,388 (\$130,229 in 2019)

Property Owner Services \$15,341 (\$13,012 in 2019)

Conservation \$37,444 (\$42,221 in 2019 – additional amounts spent for Lake and Dam upgrades in 2019 and continuing into 2020)

Campgrounds \$1,659 (\$1,298 in 2019)

Beach \$3,690 (\$8,298 in 2019)

Maint and Repairs \$70,578 (\$53,149 in 2019)

Lodge and Pool \$36,821 (\$39,531 in 2019)

Robert Pirtle thanked Bonnie Lemke and the Board for doing such a good job of living within our means. There were several years we were in financial straits; it is so nice that we are not anymore.

### **Heritage Lake Attorney Brian D. Mooty**

Will be formalizing Zoom meeting for future membership meetings.

Most associations will mostly likely continue to utilize remote meetings.

- Member question: How did you come up with Zoom format? Is there a reason behind picking Zoom? We started with GoTo Meeting then we went to Zoom due to cost. Because of the increased popularity of Zoom a lot of members knew how to use it. As far as sending reminders, it can be done through our website, the problem is getting all members email addresses.

### **Teller Committee**

883 eligible votes exist in total

A total of 81 proxies were granted to the Board.

A total of 43 proxies were As Abstained.

95 lots were represented by members in attendance.

Total vote at Annual Meeting were 209.

James Henry was re-elected with 129 votes.

Barbara Waldorf was re-elected with 137 votes.  
Patty Parmele was a write in candidate with a total of 12 votes.  
Tim Weir was a write in candidate with a total of 2 votes.  
Mark Fox was a write in candidate with a total of 3 votes.  
Patty Parmele accepts the position as board member.

Teller Committee was made up of Patty Parmele, Jody Wood, Sherri Siedschlag.

### **Committee Reports:**

#### **Environmental Conservation Committee**

- No report

#### **Advisory Finance Committee**

##### **Reported by Bonnie Lemke**

- The Finance Committee is comprised of HLA President, HLA Treasurer, Jim Flynn, Bonnie Lemke.
- The primary function of the Finance Committee is to ensure that there are no abnormalities in the financial reporting and that the board maintains strong financial controls. The committee meets as needed on the 2<sup>nd</sup> Monday of the month to review any outstanding financial issues for the association. This includes reviewing and approving the monthly association financial statements, any large purchases (over \$2,000), or other financial concerns.
- The committee reviews the current cash balance of the association while ensuring funds are available for monthly expenses and ensuring that cash reserves are earning interest when available. Currently the association has a strong financial position which is favorable for homeowners. This cash balance allows for potential upgrades as well as serves as an emergency reserve.
- In 2020 the roof was replaced on the lodge. A portion of this expense was covered by an insurance payment related to hail damage.
- The board has provided a list of potential items that are in need for future repairs and maintenance both in the short term and the long term. The finance committee reviews these needs and looks at the proper accounting treatment as well as funding options. For each project specific requirements should be determined and a min of 3 quotes obtained from suppliers. These bids should then be reviewed by the board and finance committee before awarding the bid. The Association is currently in a strong financial position in a good position to continue to improve our amenities to enhance the value of our neighborhood.
- If anyone is interested in participating on the Finance committee, please contact the HLA office or Bonnie Lemke.

#### **Road Update**

##### **Reported by President Reed**

- Please see 2021 Annual Meeting Road Update presentation.

## **Social Committee**

### **Reported by Treasurer Waldorf**

- Treasurer Barb Waldorf: There were no social activities for 2020, if interested in being on the social committee please contact the office. We do have a scaled down Easter Egg Hunt with a visit from the Easter Bunny, with 40 kids signed up.

## **Conservation Committee**

### **Reported by Kurt Lemke**

- Please see 2021 Annual Meeting Conservation Committee Update presentation.
  - Dam inspection happens every year, the result is typically a list of action items. There was a small list from the 2020 inspection.
  - Existing spillway pipe needs to be lined.
  - State regulates spillway capacity through the DNR.
  - The HLA spillway has been grandfathered in over the years but does not currently meet the spillway capacity requirements.
  - The DNR determined that lining the existing spillway was a major modification, so additional spillway capacity was needed.
  - Engineers are working on spillway relining plans and permits with the state.
  - Information will be available over the next few months.
  - The existing spilling lining is planned for fall 2021, with a large drawdown event to enable the work.
  - Procellaclor (applied by a contractor) has been used in the lake to help control milfoil, along with a targeted herbicide applied by Heritage Lake.
  - Lake is restocked every year, see details in ppt.
  - Lake fund expenditures are about \$30k per year, with income just above that (I think \$38k). Committee is focusing on pipe relining the secondary spillway. Spillway work will require general fund investment. Additional work such as dredging the lake, will require additional financial funding.
- Member question - Robert Pirtle: How much does it cost to dredge the lake?
  - Chair Lemke: We have thrown out a lot of numbers over the years, \$500K-\$1M but those are not substantiated numbers. Members came to a meeting in January and suggested small dredging projects to get things headed in the right direction. Rachel Mitchell has agreed to start a sub-committee of conservation specially designated to look at what a small-scale dredging project would look like over 2-3 years vs a big project. Next year at the annual meeting the committee will have met and come up with some ideas of what we need to do for dredging so that when we finish the secondary spillway the plans are in place to move right into dredging.

## **New Business**

No New Business

## **Member Questions**

- Member Rick Stokes: Can someone touch base with Ameren when they come into cut trees to make sure they do not leave us with goal posts from cutting trees?

- Acknowledged by the board.

**Comments from Devin Burch, AEI Engineer**

I wanted to congratulate everyone that is involved in this homeowners' association, you are fantastic in comparison to other areas. This week I went to another association with a dam not quite as big as HLA, their spillway pipe is failing on the backside, and we are doing emergency repairs. The fact that you are all so fiscally responsible and working so well together by setting up committees. Your presentations for both Conservation and Roads were phenomenal. You should all be proud of yourselves. I am happy to work with you where you need me. It is refreshing to work with clients who understand the complexities and plan ahead. Congratulations and I look forward to working with HLA,

**Meeting Adjournment 10:00am**

Motion to Adjourn By: Mark Fox      Seconded By: Ted Derr      Vote tally: 5-0

Link Road Update Report  
Link Conservation Report

