

2024 Annual Membership & Board of Directors Meeting
Heritage Lake Association
March 9, 2024

Roll Call: March 9, 2024, 9:01 AM

Present: President Brad Reed
Vice President Cam Stalzer
Treasurer Amy Kent
Secretary Patty Parmele
Director Matt Cagle
Director Tiffany Masters
Director Bob Porter

Absent: None

President Reed welcomed everyone, coffee and donuts are in the back. We'll have a couple of Committee reports and then get to the topic most attendees are ready to discuss. We'll do questions as you raise your hand and will have you go to the microphone. Our overhead projector quit working last night, so we have a temporary one for today's meeting. There are copies of the proposed/new CCERs.

Reports:

Accounting update provided by Shelli Streit, from Don Heinold, CPA Office. At the end of 2023, the cash in the bank for Heritage Lake is \$1,795,905 which is an increase of \$110,000 over the 2022 balances which is about a 6.5% increase. Interest rates are rising so HLA has earned more interest income, there's no debt at the end of the year, and the operating income for 2023 was \$96,326 which is up a little bit from 2022, which again has to do with increase in interest income. The assessments that were billed for 2023 was \$352,168 compared to 2022 at \$326,887 which is about an 8% increase. Operating expenses were \$321,586 which is up from 2022 at \$293,969. There were no questions. President Reed thanked Shelli for all she does for HLA.

President Reed introduced Attorney Mike Seghetti, the attorney of record for HLA, no questions were asked.

Committee Reports:

Conservation Committee - Reported by: Chair Kurt Lemke. Called out other Committee members: Bob Pirtle, Greg Richman, Rodney Stickrod, Bob Porter, Cam Stalzer, and Andrew Clinton. Conservation Committee's presentation is attached at the end of the minutes.

Environmental Control Committee – Director Bob Porter

They've done a great job, with a good turnaround time. HLA membership, as a whole, has done better at turning in permit requests. We have three members on the ECC and we are still looking for another.

Social Committee – Secretary Parmele thanked Lora for all her help this past year, along with Jess, Amy, and Tracy. A member offered Taylor Dudgeon to volunteer for the Social Committee.

Road Committee/SSA – Reported by President Reed

Engineers and contractors create and execute plans, but none of this would be possible without the

Heritage Lake Volunteers. These volunteers organize the effort, keep track of the road conditions and cash flow and are critical to the success of the 20-year maintenance plan and beyond. While we are required to keep the roads maintained as part of the SSA ordinance, Heritage Lake is required to initiate the work request. I would like to thank the SSA Committee volunteers: Jim Flynn and Bonnie Lempke; and the Road Committee volunteers: Joe Woodrum and Matt Cagle.

President Reed's presentation is attached at the end of the minutes, after the Conservation Committee's presentation. It included these topics:

2023 Projects

SSA Tax Levy

Inflation

2024 Projects

Culvert Lining

Future Maintenance Plans

Winter Weight Limits

Reminders

Thank you to **ALL Heritage Lake Volunteers**, especially on those on the Board previously.

NEW BUSINESS

CCE&R Amendments – Presented by President Reed

Paper copies of the proposed changes to the CCE&Rs. The changes were reviewed, such as date change of the meeting, filing & reporting, residential waste collection. Discussion and changes to verbiage to clarify that it's not mandatory; but if service is used it must be the vendor the Board has selected.

Thus, Section 3, Part f, Part i, Paragraph b was changed as follows:

From:

"b.Each owner and/or occupant of a Single Family Dwelling within the Development **shall** engage the contractor selected by the Association to collect and dispose of Residential Waste from such Single Family Dwelling."

To:

"b.Each owner and/or occupant of a Single Family Dwelling within the Development **may** engage the contractor selected by the Association to collect and dispose of Residential Waste from such Single Family Dwelling."

Amended CCE&Rs will be posted on the website.

Membership Motion to approve the amended and compiled CCE&Rs as presented, effective April 1, 2024.

Motion by: President Reed Seconded by: Vice President Stalzer

Membership: 219-0 (includes 165 board proxies)

Motion Carries

Trash Service Updates – Presented by Vice President Stalzer

Thanked Rob & Andrew for all their work on this Committee. This presentation is attached to the end of the minutes, after the Road Committee presentation. Stressed that EVERYONE is responsible for cancelling their **OWN** pick-up with GFL as of March 31, 2024.

Board Motion to select Republic for trash services, starting April 1, 2024.
Motion by: Vice President Stalzer Seconded by: Director Porter
Vote Count (Board of Directors Only): 7-0

Motion Carries

Teller Committee – Presented by President Reed

One opening on the Board of Directors. Thank you to outgoing board member Patty Parmele, for all you have done for HLA and the Board.

A quorum has been established with the following counts:

- 902 eligible lots (votes) in total
 - 20% quorum of 180.4 lots (votes), which is 181 rounded up.
- Proxies Granted to the Board
 - In advance Proxies Granted to the Board: 143 lots (votes)
 - At the meeting: 22 lots (votes)
 - Total granted to the board: 165 lots (votes)
- Proxies As Abstained
 - Abstained in Advance Proxies: 43 lots (votes)
 - At the meeting: 0 lots (votes)
 - Total Abstained: 43 lots (votes)
- Members in attendance: 58 lots (votes) represented
- Total lots at the meeting for the purposes of a establishing a quorum: 266 lots
- Total lots at the meeting for voting (in person + Proxies granted): 223 lots (votes)

63 votes cast for Justin Hollenback

104 votes cast for Cristy Hasty (elected)

55 votes cast for Mark Hitz

There were no write-in candidates.

Cristy Hasty is the new Board member officially seated at the adjournment of the Annual Membership Meeting.

MEMBERSHIP QUESTIONS – Appreciate all the work done at the Campground & Dog Park.

MOTION TO ADJOURN THE ANNUAL MEMBERSHIP MEETING:

Motion By: Secretary Parmele

Seconded by: Treasurer Kent

Vote Count: All - 0

Motion Carries

Annual Meeting adjourned – 10:02 am

REGULAR BOARD MEETING FOLLOWING ANNUAL MEETING

Organization and election of officers attached at the end of the minutes, after the Trash Services Update presentation.

REGULAR BOARD MEETING ADJOURNMENT

Motion By: Director Masters

Seconded by: Director Porter

Vote Count: 7 - 0

Motion Carries

Annual Meeting adjourned – 10:55 am



Heritage Lake Association Annual Meeting

March 9, 2024





Thank You!

- Engineers and contractors create and execute the plans
- **None** of this would be possible without **Heritage Lake Volunteers** that organize the effort, and keep track of road condition and cash flow
 - These volunteers are critical to the success of the 20 year maintenance plan and beyond
 - While we are required to keep the roads maintained as a part of the SSA ordinance, **Heritage Lake is required to initiate the work request**
- Thank you to our volunteers!

Thank You!



Road Committee Members:

- Joe Woodrum
- Matt Cagle

SSA Commission Members:

- Jim Flynn
- Bonnie Lemke



-
- The map displays the City of Westminister, divided into five units: Unit I, Unit II, Unit III, Unit IV, and Unit V. The city is situated along the west bank of the Bow River, which flows from the north towards the south. Major roads shown include Heritage Dr, Westminister Dr, and Wildfirewood Dr. Key intersections are marked with red dots and labels: 'Heritage Dr', 'Easter Intersection', 'Westminister Intersection', 'Westminister Dr', and 'Wildfirewood Dr'. A red line labeled 'Dam' is shown crossing the Bow River. The map also shows the locations of the City of Edmonton to the north and the City of Calgary to the south. The map includes a scale bar indicating distances in kilometers and miles.



SSA Tax Levy

- HLA submitted a list of property ID numbers
 - This was approved by the SSA commission in Jan 2024
 - Members should only receive one SSA tax even if multiple lots are owned
 - **It's critical to keep the HLA office informed of any ownership changes or combination of lots, especially if the sale of a lot creates or removes a member**
- Tax levy of \$425,000 was passed by the commission in Aug 2023
- Heritage Lake has 607 members
- 2023 tax levy per member = \$700.16
 - Balance will be split like other taxes - half June, half September
 - This will be on the 2023 property tax statement that is due in 2024



Inflation

- Maintenance plan has a 2.4% per year inflation since 2018
- Contractor estimates are sometimes over plan in recent years
- 2023 bid competition helped with costs
 - Other was \$3.95 / Sq Yd
- Road Committee will be working with the County to re-estimate the maintenance plan to better understand future costs and cash flow
- Plan to spread the work out a little so there is not so much work in one year.

Road Work Year	Seal Coat Plan Estimate (\$ / Sq Yd)	Actual (\$ / Sq Yd)
2018	\$3.24	N/A
2019	\$3.32	N/A
2020	\$3.40	N/A
2021	\$3.48	\$3.66
2022	\$3.56	N/A
2023	\$3.65	\$3.67



2024 Projects

Future
Communications
will be on the
HLA Website

- Maintenance Spray Patch
- Maintenance Seal Coat (tentative)
 - Brandy
 - Londonderry
 - Greenbriar
 - Berkshire
- Culvert pipe lining
- Need to inspect these streets and plan for 2024 to 2027

Total Sq Yds for Each Year

2024	2025	2026	2027	2028
20183.9	7834.0	70968.2	25200.5	34297.3



Culvert Lining

- There were a number of culverts that were inspected and determined to be in good shape back in 2017 & 2018
 - Not worth spending the bond on culverts that were in good shape
- Based upon condition and culvert depth, 5 year and 10 year maintenance intervals were added to the maintenance plan
 - Therefore, funded by the maintenance fund, rather than the loan
- An engineering firm will be contracted through the county to perform the inspection work and create the engineering plans
 - Intent is to line culvert pipes that will need lining in the next 5 years
 - Most of these are 10+ ft deep from the road surface
 - Ditchwork will be needed in limited cases
 - The county and hired engineering firm will perform inspections of the pipe lining and any ditch work

Future
Communications
will be on the
HLA Website



Future Maintenance Plans

- Resurfacing schedule
 - Main roads: 5 year rotation
 - Secondary collector roads: 7 years
 - Other secondary roads: 9 years
- Spray patching and crack filling will be performed as needed
- Culverts and ditches will be lined/cleaned as needed
- Members will be charged to clean out any ditches that are intentionally filled in



Winter Weight Limits

C. Weight and Height Restrictions

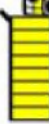
1. From the period of January 1 through April 15, no vehicle, trailer, or cargo meeting the criteria below may be driven upon any subdivision road unless given proper permission by the Subdivision Board of Directors.
 - a. Vehicle, trailer, cargo, or combination exceeding a gross combined weight (GCW) limit of 8 tons (16,000 lbs.)
 - b. No vehicle greater than a Federal Highway Administration (FHWA) Class 5 single unit vehicle.
 - c. Exceptions:
 - a. School bus
 - b. Weekly trash collection (does not include dumpsters)
 - c. Emergency Septic pumping (Must notify the HLA Office)
 - d. Emergency repairs as determined and approved by the Director of Maintenance and the Road Committee Chairman
 - e. USPS, UPS, FedEx, etc. delivery vans – does not include semi-trucks
 - f. Moving vans – no size limit (Must notify the HLA Office)
 - g. Any other exceptions as determined by the board
2. A minimum fine of \$500.00 (five hundred dollars) will be levied for road weight limit violations. All fees and costs associated with collection of fines will be applied against the property of the Heritage Lake Association member responsible for contracting the overweight vehicle.

Limits are in place to reduce road damage when they are most susceptible - typically during daily freezing and thawing, and when the base is wet in the spring

Winter Weight Limits - FHWA



Vehicle Classes

Class 1 Motorcycles		Class 7 Four or more axle, single unit	
Class 2 Passenger cars			
			
		Class 8 Four or less axle, single trailer	
			
Class 3 Four tire, single unit			
		Class 9 5-Axle tractor semitrailer	
			
Class 4 Buses		Class 10 Six or more axle, single trailer	
			
		Class 11 Five or less axle, multi-trailer	
Class 5 Two axle, six tire, single unit		Class 12 Six axle, multi-trailer	
			
		Class 13 Seven or more axle, multi-trailer	
Class 6 Three axle, single unit			
			
			



Reminders

- Weight limits are still in effect
- Clean out leaves and debris from ditches, ravines, and driveway culverts
- Use caution during construction projects
 - loading, unloading, running equipment



BACKUP



FAQ

- Will Tazewell County maintain and/or own the roads?
 - HLA Roads remain private, the SSA is only a funding mechanism. The county will not be maintaining the roads. They are only responsible for: oversight of road plans and approvals SSA fund allocations. SSA funds must be used according to state law and county ordinances.
- Will the SSA fund repair/maintenance costs?
 - The SSA will fund most repair and maintenance costs. There are small expenses such as cold patch, minor ditch repairs, etc, that are much more cost effective if performed by the HLA maintenance staff. Assuming successful reconstruction, pot holes will be few and far between.
- Can the county increase the SSA tax above \$715/year/member?
 - The Development Agreement, SSA Ordinance, and the Bond documents state that the per member tax will not exceed the \$715.00 limit per member per year or a total tax levy of \$438,295 for all members (\$715 * 613 members). Ordinances: E-17-111 & E-17-123
 - In the case that the tax levy collected does not satisfy the debt service to retire the bonds, there are provisions that allow the county to raise additional taxes to satisfy the debt service.



FAQ

- Can the SSA bonds be purchased on the open market?
 - The SSA loan was offered to several area banks, **not** on the open market. Morton Community bank loaned the money for this project. The SSA is actually structured closer to a construction loan, where funds are available, but aren't withdrawn until they're needed.
- Who oversees and manages the operation of the SSA, submits appropriations, and tax levy ordinances for the SSA?
 - The 6 member SSA commission which is made up of 3 members from the county and 3 appointed by the HLA board.
- Will the HLA annual road fund fee be in place in 2018 and beyond?
 - The 2016 SSA motion at the annual meeting set the annual road fund fee at \$0 once the SSA is in place. The SSA is now in place, the road committee does not have plans to increase the yearly road fund beyond \$0.
 - Remaining funds in the road fund account will stay in place to be used for small maintenance jobs.



FAQ

- How is the tax levy split to pay for the bond and maintenance expenses?
 - Per the SSA ordinance (E-17-108, Section 10), the total tax levy is first used to satisfy the principal and interest of the bond, then \$1000 per year of county administrative fees. Any remaining funds are then transferred to the maintenance reserve account.
 - Any underpayment in the tax levy will result in underfunding of the maintenance reserve account. There is a provision to use the maintenance reserve account if there are any deficiencies in payment of the principal and interest of the bond. Analyses have been completed to show that there's a low probability of this occurring.
 - These accounts will be monitored by Tazewell County and the SSA commission. The HLA board of directors and membership will be notified if any problems arise in regards to bond payment and/or future maintenance obligations.



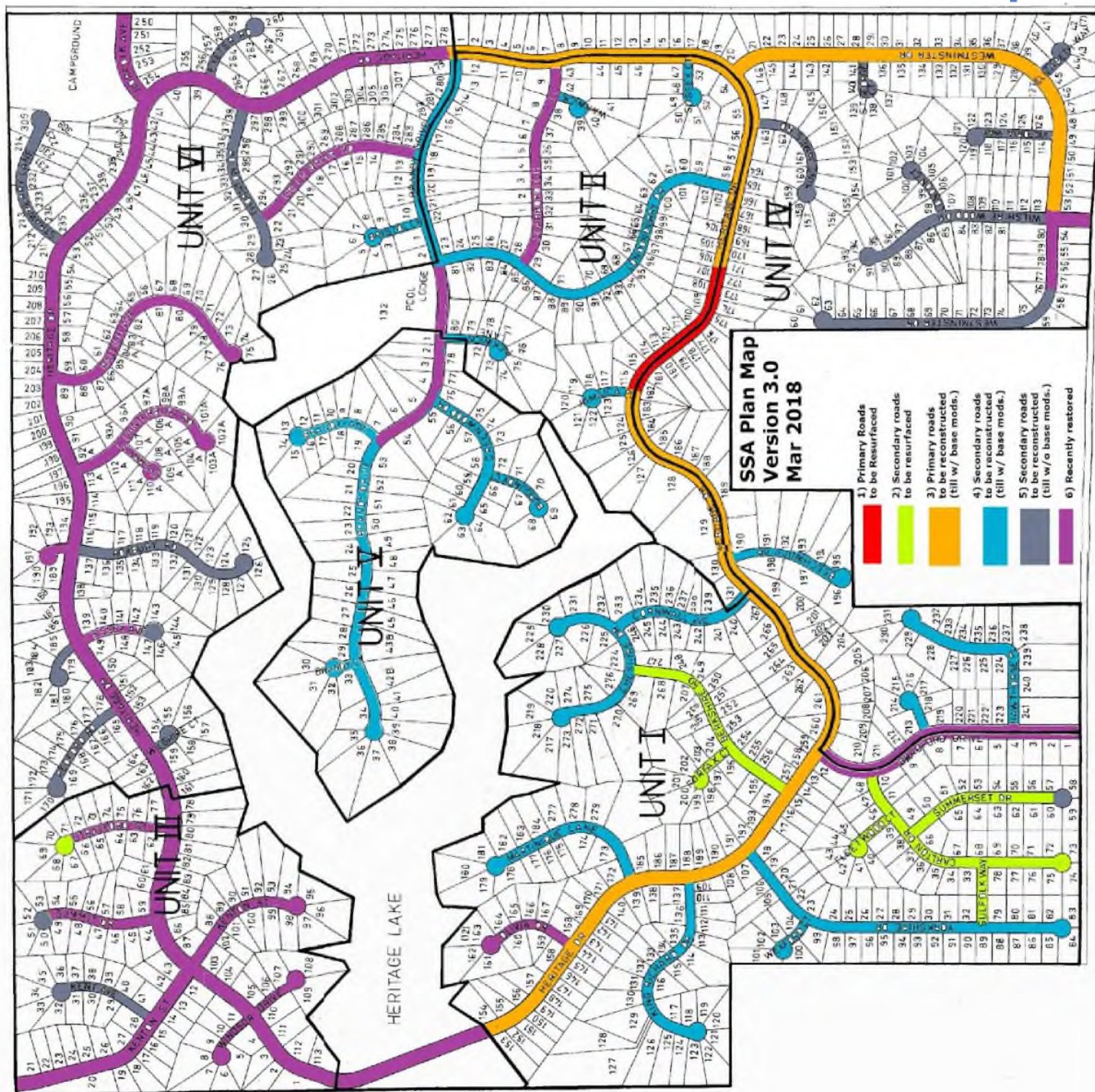
SSA Tax Levy, Cont'd

- Levy per member increased because of the reduction in the number of members
- Tax levy is the same between 2020 and 2021 tax years
 - Tax levy is determined in Aug, approved in Sept/Oct
 - County fiscal year is Dec to Nov
- Tax levy will fluctuate year over year, based on number of members and actual expenses and revenues



SSA Commission

- Tazewell County formed a commission:
 - Oversee and manage the operation of the SSA
 - Annually submit appropriation and tax levy ordinance for the SSA
- Public meetings several times a year
- Current Members:
 - Mike Deluhery, County Administrator, Chair
 - Greg Menold, County Transportation Committee Chair
 - Dan Parr, County Engineer
 - Brad Reed, HLA Rep
 - Jim Flynn, HLA Rep
 - Bonnie Lemke, HLA Rep





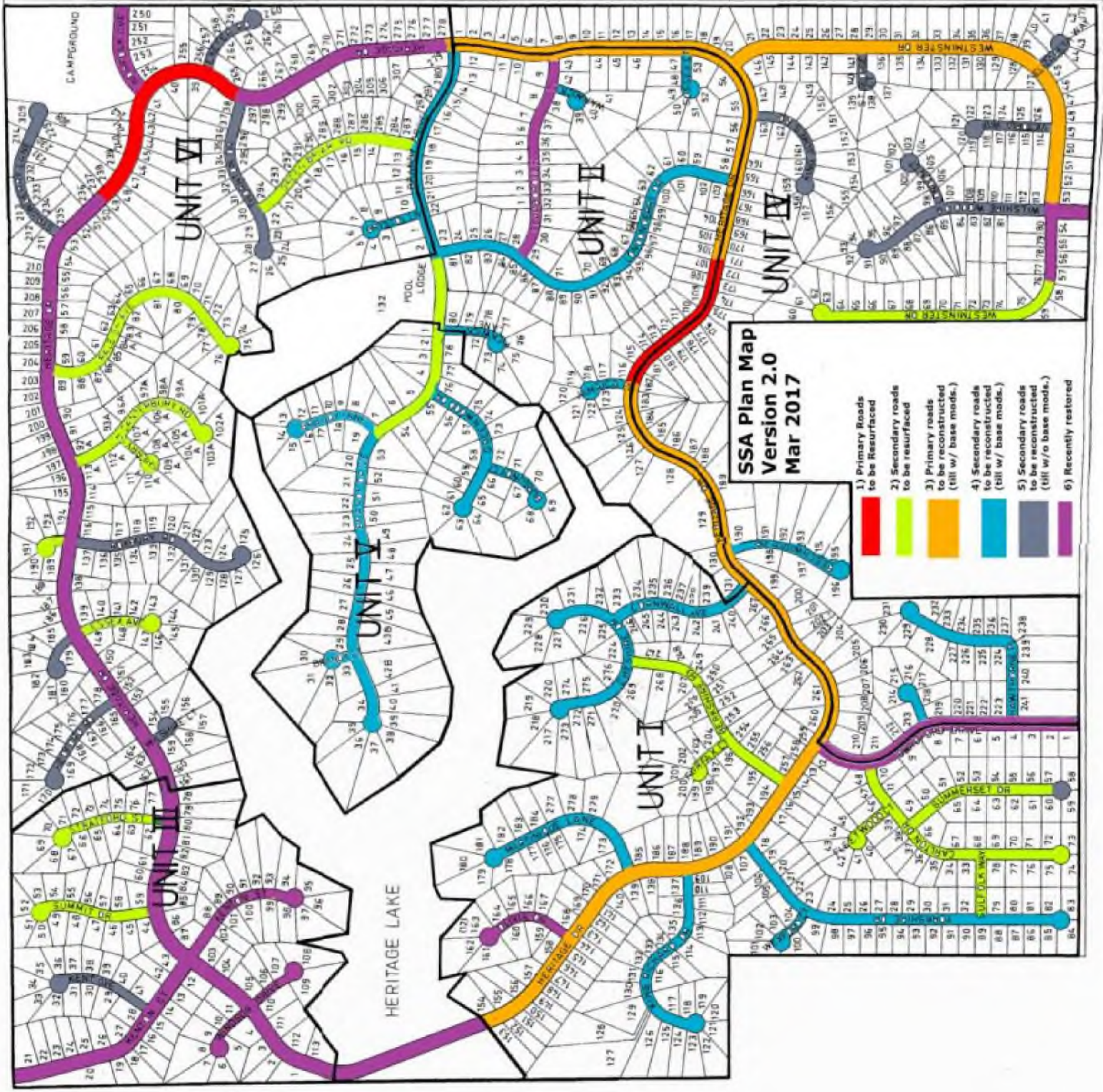
2016 Road Fund Motion

The Reserve Road Fund Assessment shall remain in effect at \$500 through 2016. If the County Tax billing cycle begins levying the SSA Tax to Heritage Lake Association members, the Reserve Road Fund will go to \$0. If the SSA is disapproved, the Reserve Road Fund will return to \$123.58 adjusted for the CPI. Budget priority for the Reserve Road Fund shall be given to fund costs associated with creation of the SSA as well as maintenance deemed necessary to preserve road integrity before SSA funding and emergency repairs of the roads.



2017 Road Fund Proposal

A Reserve Road Fund Assessment of \$500.00 shall be assessed to all members in 2017. The assessment will apply one time to each individual member regardless of the number of lots owned. Budget priority for the Reserve Road Fund shall be given to pay for costs associated with resurfacing roads, creation of the SSA, and reconstruction of ditches and culverts in advance of road improvements planned under the SSA. This billing will be due on July 1, 2017.



Conservation Committee

Annual Report - 2024

Committee Members

Kurt Lemke

Co-Chair and Dam Maintenance

Bob Pirtle

Sediment Basins

Greg Richman

Community Reporting

Rodney Stickrod

Member of Conservation
Committee

Bob Porter

Member of Conservation
Committee

Andrew Clinton

Co-Chair and Fish Stocking

Cam Stalzer

HLA Board Liaison

Dam Maintenance – Kurt Lemke

Dam inspection was completed this last year.

The drain pipe for our spillway needs to be relined as it is 50 years old.

The DNR has agreed to a plan to reline the drain pipe and is requiring us to increase the amount of water the dam can discharge to align with Federal requirements for Dams.

Austin Engineering has helped the association to design a plan for both projects, relining the dam and adding a secondary spillway.

Sediment Basins – Bob Pirtle

Every other year we must review the cleanout of two existing basins.
Cleanout may require sediment being hauled or stored in place.
Landscapers may be brought in to restore some areas.

Aquatic Weed Control – Kurt Lemke

The lake is sprayed 3 or 4 times per year by an licensed vendor. 95% of those products have no swimming restrictions.

Herbicides are alternated to increase the effectiveness of weed control.

Procellacore was successful at controlling our Milfoil for three years, another vendor treatment was completed last summer.

Fish Stocking - Andrew Clinton

The committee reviews the historical stocking data for the lake to determine the stocking order, roughly \$4000 per season.

The stocking report is called in and delivery is usually scheduled in the fall.

Our stocking company delivers in October or November.



Heritage Lake Association

Mackinaw, IL 61755

Trash Service Updates

March 9, 2024



Heritage Lake Association

Mackinaw, IL 61755

What is membership voting for at the annual meeting on March 9th?

To allow the board to the ability enter into an agreement for all membership for trash services from a single service provider.

What is membership NOT voting for at the annual meeting on March 9th?

The selection of a trash service provider. The board will do this on behalf of membership and has been in the process conducting due diligence and research since April 2023 with volunteers of HLA serving on the Trash Committee.

Membership Vote to Approve CCE&R's

- Motion to approve the amended and compiled CCE&Rs as presented, effective April 1, 2024



Heritage Lake Association

Mackinaw, IL 61755

Company	X Waste Disposal	Republic Services
<u>Monthly Fee</u>	5% increase every other year	5% increase or CPI every year
Year 1	\$	18.30 \$
Year 2	\$	18.30 \$
Year 3	\$	19.22 \$
Year 4	\$	19.22 \$
Year 5	\$	20.18 \$
Year 6	\$	20.18
Year 7	\$	21.18
<u>Contract Length</u>	7 year	5 year
<u>Totes</u>	One 96 gallon tote at no charge	One 96 gallon tote at no charge
<u>Personal containers</u>	Personal cans/totes can be used - must have handles & lids	Republic totes must be used for service
<u>Additional totes</u>	Additional tote provided - monthly price increases \$4 per month	Additional tote provided - monthly price increases \$6 per month
<u>Bagged trash</u>	All trash should be in bags	All trash should be in bags
<u>Recycling</u>	Included, every other week	Not offered
<u>Bulk Items</u>	Call ahead	Call ahead
<u>Dumpsters</u>	Will provide HLA 2 commercial dumpsters serviced weekly at no cost; 4x roll off dumpsters for Spring/Fall clean up provided @ no cost	Will provide 3 free roll offs per year for annual clean up; offering 5x 96 gal totes for HLA use for free
<u>Contract Escalators</u>	Diesel fuel, change in regulations	Diesel fuel, change in regulations
<u>Cost of accounts</u>	100% participation	Specified minimum
<u>Billing</u>	Direct Bill	Direct Bill
<u>Liability Insurance</u>	No pollution coverage, \$1 mil to \$2 mil	Pollution coverage, \$2 mil to \$5 mil
<u>Case of Negotiation</u>	Slow Response, would not change anything	Quick response, willing to adapt