

TREASURER'S REPORT - AGM 2022 - June 21, 2023

I will briefly summarize the Budget from 2022.

The Budget expenses for 2022 were projected to be \$57,250. Actual was \$63,222.

The Reserve Fund held value of \$252,817 at year end Dec. 31, 2021.

The budget for 2023 has been provided to you. This budget is prepared using numbers from previous years as well as an attempt to 'predict' costs for certain categories. As prices have increased for labour, materials, etc., so have the billings to the ERHA.

The Board has proposed a Budget for 2023 with expenditures of \$58,850 (exclusive of Reserve Fund allocation). The ERHA Annual dues were raised to \$250/year per household - which was the first increase in approximately 10 years. This nets a revenue of \$66,250 provided all homeowners pay. We continue to attempt to collect from some homeowners, however no longer hand-deliver repeat invoices due to safety concerns.

I would draw attention to some particular line items in the 2023 budget:

Ground Maintenance - \$18,000 is the budgeted amount.

We expect to be within the budget even though the cost of plants has risen considerably, as well as needing to replace a tree at Henderson entrance and replacing dead shrubbery at Eagle Ridge Place. We were able to secure a contract for services at the same price as 2022.

The line item on the 2022 expenditures did not include the Dec. invoice as it was not received until January.

Tower Repair and Maintenance - \$1000 is budgeted. In the late spring of 2022 we discovered water seepage at the base of the interior tower wall and some concrete breakdown. The company that built the Tower was not able to address the issue in May of this year. Flashing and silicone was installed between footing holding the tower and the sidewalk. They also repaired two posts on Rabbit Hill Road and Riverbend Road, that had bricks missing. The total cost for that was \$2625. So an over-budget item on the current 2023 budget.

Lighting - We do not anticipate replacing the light fixtures at the base of the Tower. The cost to remove, rehabilitate and replace fixtures is very expensive - likely in the \$5000-8000 range. We will continue to maintain the large flood lights that we run on timers.

Light fixtures at the entrances to Heffernan and Henderson, as well as the corner of Riverbend Road and Rabbit Hill Road have had bulbs replaced as needed. Those fixtures are in very good condition.

String lighting on trees at entrance to Henderson Street will be discussed later in the meeting.

Repair and Maintenance - Fence -

A large amount of fence work was undertaken last year. Our actual spend last year was \$25,873 - over budget by \$10,873. It is noted that there had been very

little work done in 2021 due to difficulties employing trades during Covid, which allowed some additional room in the budget. We are doing a much lesser amount this year, addressing a couple of walkways. We continue to monitor areas and replacing or repairing as needed. All work is expensive. I will provide a comparison in costs in a few moments.

Homeowners that share perimeter fence are reminded to stain their side of the fence. The Board is not responsible for interior, however if it is not maintained on the inside, it does limit the longevity of boards and posts despite the best efforts of the Board.

Reserve Fund Study - still looking for a company to do that. We have had trouble getting a company to agree to perform the study. Manpower issues continue to be a problem. Not sure we will get it done for \$2500 but are hoping for a reasonable cost.

Allocation to Reserve Fund - Last year we were only able to contribute \$5000 to the CRF. It is not reflected in the 2022 budget, as due to banking issues, it was not put in to GIC until January, 2023. We have budgeted for a contribution of \$9400 in 2023.

Insurance - we are currently reviewing the insurance for the ERHA. This has been a significant line item increase over the last few years. Unfortunately cyber security is a major influence. We have received the policies recommended by the broker, but are awaiting response to questions regarding some of the clauses. It currently is looking to be an expense item of \$5436, however we are hoping that review might decrease this amount.

Other:

Banking - After many challenges with our bank, we opted to make a change. After meeting several institutions and reviewing the best plans for our organization, it was decided to make a move to TD Bank for our operating accounts. Our GIC's continue to be managed through Scotiabank and maturing GIC's have, so far, been renewed there. They have been very competitive in their rates - although we solicit rates from other providers as each matures.

Internet/web page - Budget of \$10,000 was carry over from 2021. A small committee undertook the task and presented the 'vision' to several website developers. In the end it was determined to go with Vitoria Dias.Creative Design. She worked closely with the committee over several months, to understand our vision, create and ultimately execute the design that was requested by users. This was an onerous task but we were excited to launch the new website in December of 2022. Invitations to sign up were sent to all homeowners - many have had several invitations sent. The general website is viewable by anyone, but there are specific sections that are viewable by only registered homeowners. We tried to provide an easy-to-navigate site that provides information and updates, links to outside agencies (i.e. City of Edmonton, Edmonton Transit, Edmonton Police Service, Terwillegar Recreation Centre, Neighbourhood Watch, etc). We also developed a "Bulletin Board" feature where homeowners can post lost and found items, advertise a garage sale, or advertise a service (dog-walking, yard work, etc). Newsletters are found on the website as well.

We are hopeful that people will find it an easy reference for information and support. We encourage all homeowners to register, familiarize themselves with the features, and provide feedback if there are things missing or needing updating! VitoriaDias.Creative Design will continue to provide website management on a monthly contract.

Our goal continues to be to address the needs of the homeowners in a prudent, frugal manner. We make every effort to keep the costs as low as we can while providing the services that members of ERHA have indicated are desired; as well as the maintenance and upkeep as required by the Bylaws of the Association.

Hundreds of hours are donated by the Board members and ERHA Administrator to achieve these goals.

It will not be inconceivable to see an increase in the next year or two, depending on the outcome of the Reserve Fund Study. Based on current costs of repair and replacement, it is highly likely that we are underfunded in the Common Reserve Fund. Please note this is simply an observation, but as Treasurer, I feel it prudent to provide "fair warning" so that we avoid the abusive and threatening responses that followed the increase in 2023.

As we did for 2023, invoices for 2024 annual dues will be issued by December 1 with payment due on January 1. Late penalties apply as per the bylaws. Our fiscal year is January 1-December 31.