



KINGS HEIGHTS HOA

AGM June 20th 2019



GOVERNANCE – BOARD OF DIRECTORS

- ❖ The Board is comprised of three (3) Melcor Directors that retain the Officer positions (President, Treasurer, Secretary), and up to four (4) Resident Directors.
- ❖ The Board resolves to uphold the HOA's assets to a high standard for the long term use of the HOA's member residents.
- ❖ Melcor is dedicated to providing expertise and support in mentoring the Boards of Directors.
- ❖ Resident Directors obtain the knowledge and direction to be prepared for the responsibility of overseeing operations of the HOA, in the future.



MEETINGS & TURNOVER

- ❖ Board meetings are held at least quarterly. An Annual General Meeting (AGM) is held within 12-16 months of the previous AGM.
- ❖ As long as Melcor is managing the Homeowners Association(s), an operating budget is prepared and approved by Melcor, to allow for proper management & operation of the HOA.
- ❖ Turnover is scheduled for December 2019.
- ❖ All functions will be directly through the Resident Board Of Directors

Encumbrance & Fee Structure

By virtue of being a registered homeowner in a community with a Homeowners Association, residents are automatically members of that Homeowners Association through an encumbrance on their property title(s).

The encumbrance secures the annual membership fees are paid, in accordance with the Articles of Association (Bylaws). Fees are due on the first day of the month in which the fiscal year commences, or are pro-rated from the date of possession.



Purchasers buying into the community should be provided information through their lawyer when title is registered.



KINGS HEIGHTS HOMEOWNER ASSOCIATION FEES

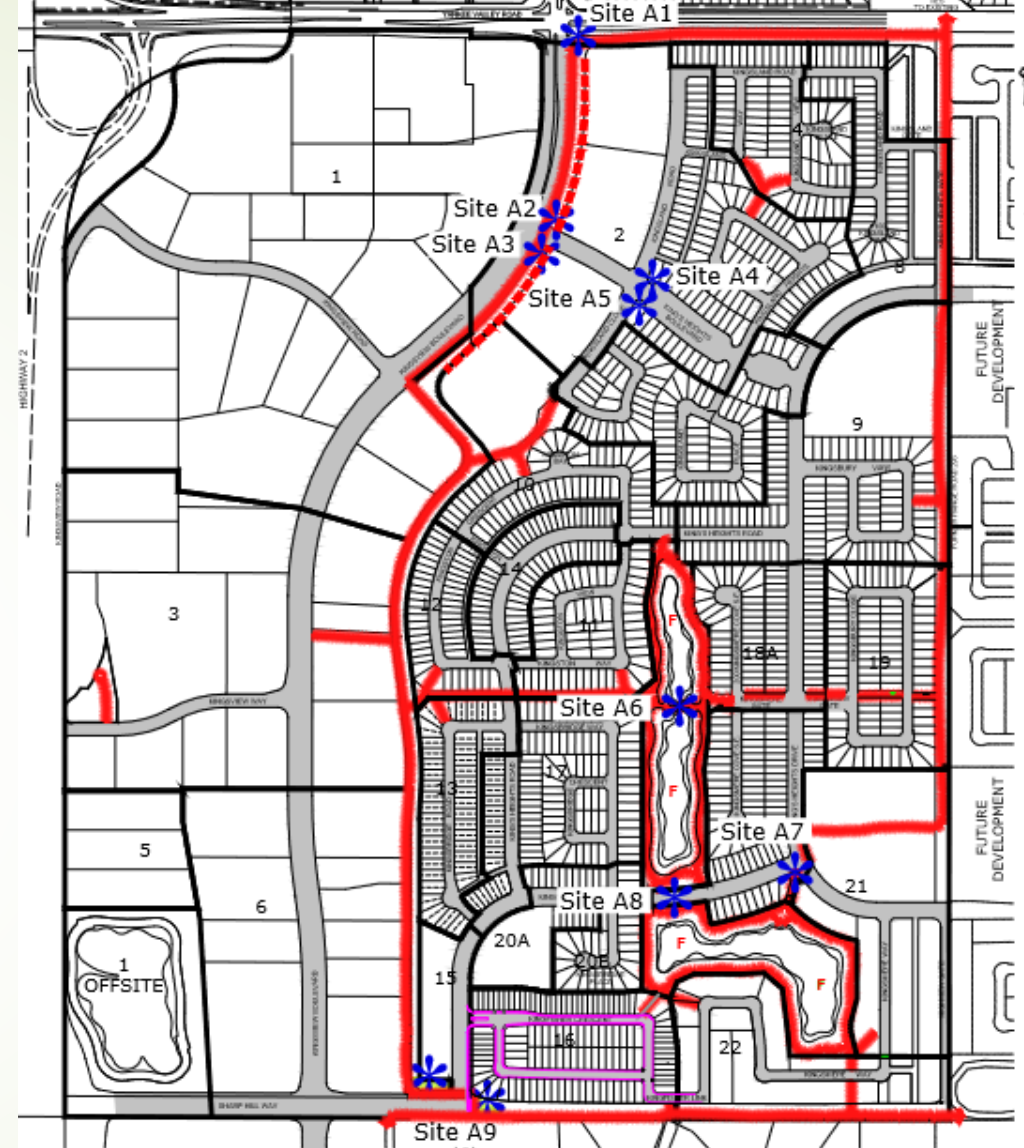
- ❖ The funds are spent to administer and operate the amenities and assets of the Homeowner Association.
- ❖ Fees will be determined annually by the Board of Directors and will depend on the annual operating budget.
- ❖ The operating budget summary is sent to each homeowner just prior to the start of the fiscal year and includes the annual fee amount.
- ❖ Audited financial statements will also be sent to each homeowner annually, and are reviewed at the AGM.
- ❖ Fees set at \$150 for 2019.

2019 OPERATING BUDGET

Revenue	\$	\$
2019 Membership Fees (1100 Lots @ \$150)	165,000	
2019 Pro-Rated Membership fees (50 Lots @ \$75)	3,750	
TOTAL ESTIMATED REVENUE		176,650
Expenditure		
Website	4,000	
Administration (AGM, Printing & Mailout, Cheques, Deposit Books, Title Search)	5,000	
Insurance	3,500	
Professional fees (Management, legal, accounting)	28,000	
Annual Repairs & Maintenance	60,000	
Utilities	9,000	
Community engagement fund (Annual Events)	8,000	
TOTAL ESTIMATED OPERATING EXPENSES		117,500
Reserve Funding		50,000
Excess of Revenue over Expenses		9,150

ENHANCED COMMUNITY LANDSCAPING & MAINTENANCE

- ❖ The HOA is responsible to professionally maintain the grounds and landscaping of their lands
- ❖ Fountains have been taken over by the City of Airdrie



2019 HOA OBLIGATIONS LEGEND

- | | | |
|--|---|--|
| <p>Site A1 - Main entry Feature</p> <ul style="list-style-type: none"> Includes Stonework, Signage, Lighting & Soft Landscaping | <p>Site A6 - Drawbridge Structure</p> <ul style="list-style-type: none"> Includes Stonework, Timber & railing components | <p>Site A9 - Phase 15 & 16 Entry Features</p> <ul style="list-style-type: none"> Includes Stone Fence, Entry Stonework, Signage, Lighting & Soft Landscaping |
| <p>Site A2 & A3 - Sub-Entry Features</p> <ul style="list-style-type: none"> Includes Stone Pillars, Signage, Wrought Iron Fence & Soft Landscaping | <p>Site A7 - Park Archway</p> <ul style="list-style-type: none"> Includes Stonework & Steel / Timber Arms | |
| <p>Site A4 & A5 - Sub-Entry Features</p> <ul style="list-style-type: none"> Includes Stone Entry Features, Signage, & Soft Landscaping | <p>Site A8 - False Bridge</p> <ul style="list-style-type: none"> Includes Stone Columns, Concrete Amphitheatres, Lighting & Signage | |
| <p>F Pond Fountains</p> <ul style="list-style-type: none"> Includes Installation, winter storage & service maintenance | <p>Stone Fencing ■■■■■</p> <ul style="list-style-type: none"> Includes Stone Columns, Flashing & Lighting | |

KHHOA CAPITAL COST REPLACEMENT REPORT

		HOA CAPITAL COSTS		
Contract	Amenity Description	Cost	Year Built	Annual Repair/Replace \$ 3%
A1 Main Entry Feature	Stone Entry Wall c/w with Signage, Lighting & Soft Landscaping	\$ 75,000	Prior 2006	\$ 2,250
Kingsview Boulevard Entry Fence	Stone Pillars c/w caps & coping, uplighting	\$ 75,000	Prior 2006	\$ 2,250
A2 & A3 Corner Sub Entry Features	Stone Pillars, Singage, Wrough Iron & Soft Landscaping	\$ 15,000	Prior 2006	\$ 450
A4 & A5 Corner Sub Entry Features	Stone Pillars, Singage, Wrough Iron & Soft Landscaping	\$ 100,000	Prior 2006	\$ 3,000
A6 Drawbridge	Stone Columns, Wood Bridge & Railing, Concrete Abutments	\$ 175,000	Prior 2006	\$ 5,250
A7 Stone Archway	Stone Archway, Steel Arms, Timber Inserts	\$ 71,000	2015	\$ 2,130
A8 False Bridge / Amphitheaters	Stone Columns, Concrete Ampitheater, Lighting & Signage	\$ 527,000	2014	\$ 15,810
A9 Phase 15 & 16 Entry Features	Stone fence, entry stonework, signage, lighting	\$ 287,500	2015	\$ 8,625
A10 Phase 21 - 71MR	Single column, lighting, signage	\$ 40,000	2018	\$ 1,200
Total Amenity Construction Cost		\$ 1,365,500.00		\$ 40,965
estimated values (\$)				



DEVELOPMENT UPDATE

- ❖ Last phase (22) constructed last year
- ❖ City project of 40th Ave to open to Highview Gate (in Lanark) this fall
- ❖ King's Heights Drive to be completed into Lanark south of the hockey rink
 - ❖ This will provide second access down to 40th Ave
- ❖ Servicing phase 1 of Lanark this spring
- ❖ Meeting Scheduled with the City Of Airdrie to discuss resident concerns and to ensure maintenance obligations are met

RESIDENT QUESTIONS/CONCERNS

- ❖ Q1. Can the KHHOA please confirm the number of invoices that were distributed? **A1 1695 Invoices have been issued for the full 2019 fee. 19 Invoices have been issued for pro-rated fees.**
- ❖ Q2. Furthermore, can the KHHOA please confirm the number of payments received to date and be prepared to provide the number of payments received at the time of the Annual General Meeting? ("AGM")? **A2. Currently approx. 1260(65%) of Payments have been received. The 2018 financials will be reviewed at the AGM. 2019 Financials will be reviewed at the 2020 AGM.**
- ❖ Q3. What is the actual cost associated with the development of the website? There is likely a monthly cost associated with hosting, however was the website development tendered?**A3. The website was retained based on research for the best product to suit the needs of the association. The services that are provided have 3 components to it, we have a landing page, property management system, and ecommerce site. This is all through IVRNET. This is a full service package with support.**
- ❖ Q 4. What level of coverage does the KHHOA have in terms of insurance?**A4. Currently the association and the directors are covered under the MELCOR umbrella insurance policy and the Association is not currently paying for insurance. When the association is officially turned over, a policy will be in place to cover all the assets and the Directors D&O up to \$2m.**
- ❖ Q5. Professional fees. Can the executive please provide a breakdown of these costs?
- ❖ **A5. This includes;**
 - ❖ **Management- Melcor Management Fees- Administration, Governance, Management, Communications etc.**
 - ❖ **Legal- Legal Advice, Correspondence etc.**
 - ❖ **Audit- Auditor Fees for Annual Audit**
 - ❖ **Consultant fees- Consultants for Reserve fund, Maintenance Agreements etc.**
- ❖ Q6. Repairs and maintenance. This number looks excessive considering that another similarly sized home owners association in Airdrie with comparable amenities spends approximately half this amount. Please provide data to support this budgeted amount.**A6. The association currently has 9 sites that are currently maintained. In addition, there are 4 fountains. The budget amount was based on 2018 Actual costs of maintenance.**
- ❖ Q 7. Utilities. Is this based on historical data? A similar home owners association within Airdrie with comparable amenities has annual utility costs of approximately \$1,000 per year.**A7. The association currently has 4 sites that are currently have electrical and utilities. The fountains are also under the utilities. The budget amount was based on 2018 Actual costs of utilities.**
- ❖ Q8. Reserve. Is the KHHOA comfortable with \$50,000 as a reserve for the community? What are the types of expenditures that could warrant a figure larger than this amount?**A8. The consultants are currently working on the reserve amount and the association will expect to have a contingency of 1-2% annually for this. This information will be available for the AGM.**
- ❖ The caveat that defines the KHHOA has a definition for "single family building lot. In section 1(y) "Single Family Building Lot" means:
 - ❖ • a detached single-family residential lot
 - ❖ • a semi-detached (duplex) residential lot
 - ❖ • a condominium unit
- ❖ Q 9. Further in the document in section 4(b)(i) maintenance assessments are to be the lessor of \$200 per "Single Family Building Lot". This appears to prevent the KHHOA from charging a tiered fee. Would the KHHOA be willing to consider a tiered annual fee based on location? **A9. The Short answer is no. every home in the community has the same access/benefit from the amenities regardless of size.**



THANK YOU!

<https://www.kingsheightshoa.com/>

2019 Event - Resident Only BBQ & Beer Garden

- 7th September 2019, 1-4pm
- Meet The directors
- Petting Zoo
- DJ
- BBQ(Inc Veggie options)
- Beer Garden

KHHOA CONTACT INFORMATION

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