

# Lake Heritage Property Owners Association (LHPOA) Strategic Plan



## Committee members:

**Elizabeth Bauer, chair**

**Bill Chantelau**

**Rick Franzese**

**Mike Hanson**

**Ashley Heintzelman**

**Sue Heller**

**David Kushner**

**Betsy Meyer**

**Eric Meyer**

**Therese Orr**

**Tim Woodward**

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**PREAMBLE:** The articles of incorporation (Bylaws, Preamble) state that the purpose of the Lake Heritage Property Owners Association (LHPOA) is "to maintain an area of cleanliness and neatness and to foster natural beauty, free of pollution, for the primary and main purpose of building permanent homes for ourselves and our posterity..." The bylaws (Article IV) also charge the Board of Directors with managing the affairs of the Association. These affairs are defined in the Rules and Regulations (Article I) to enable all members "to enjoy the use of Association property and facilities in safety, protect the members' investment by maintaining property values, and preserve our private, family-oriented community." The Strategic Plan, as well as the Vision Statement, have been developed in accordance with these recorded purposes of the LHPOA and its governing Board of Directors.

This document contains seven primary strategic objectives followed by specific goals and recommended actions to achieve these goals. The Board of Directors will regularly review these objectives and associated goals and make them available to the membership. At each regular Board of Directors meeting, the committee chair should include in his/her report updates to goals and action steps. The Strategic Plan will in this way, be used by the Board, its Committees and the Community Manager to guide both their operational and capital budget decisions and day-to-day implementation of these decisions.

## **VISION STATEMENT**

Lake Heritage is a unique, private, forward-thinking community offering a safe, friendly and well-maintained environment with amenities focused on enhancing the quality of life for all its residents.

The Vision Statement is a declaration of what the Lake Heritage Community aspires to be. It communicates what is intended for and from its members and serves as a guide for choosing current and future courses of action.

## **ROLE of STRATEGIC PLANNING COMMITTEE**

*The role of the Strategic Planning Committee (SPC) is to maintain, monitor and update the plan as needed. The SPC will be a standing committee of the Board of Directors with one of the directors assigned the chairmanship each year.*

### **Duties:**

1. Regularly review the vision. Make recommendations to the board on such. Survey/poll membership every 5 to 10 years.
2. Regularly review Strategic Plan for needed updates.
3. Assist committees in understanding the strategic plan and in putting the plan into action.
4. Communicate to membership about the Strategic Plan and recruit volunteers.

5. Review Annual Operating Budget from Strategic Plan perspective. Make recommendations to the board for areas to improve progress on our Strategic Plan.
6. Make recommendations to the board regarding spending of the Improvement Capital Fund.

## **Strategic Objective 1: Managing Financial Resources Effectively (Revised)**

**BACKGROUND:** It is evident that the Lake Heritage Property Owners Association (LHPOA) Board of Directors (BOD) has met its fiduciary responsibilities in a commendable manner. Annual budgets have covered costs without creating a need to incur debt. LHPOA's assets have been reasonably well maintained, and there is a long-term capital budget plan to cover the next ten year's capital requirements. LHPOA uses an outside firm to conduct an annual financial audit and regularly receives clean audit statements. However, dues create a hardship for some Members. In the 2016 Member survey, there was interest from Members in containing costs, and an interest from other Members for improving or increasing lake assets. These conflicting financial interests have always been and will continue to be a challenge for the BOD to manage. The BOD's responsibility lies with the collective welfare of the entire community not individual Members. The BOD must maintain a responsible financial focus. The following recommended actions may help in this effort.

### **GOALS:**

#### **1. Annual Operating Budgets fund all services required to enable a healthy, thriving community.**

***Anticipated Benefits:** Current expenses, which benefit the Members should be covered by the current dues. Thus, annual operating budgets must be supported by a dues structure which is set to cover all anticipated costs plus an allowance for a reasonable number of unplanned items. This avoids going into debt which would penalize future Members for the benefit of current Members. It is however recognized that in rare cases, for certain large expenditures such as road replacement, that a loan may be necessary.*

There are two ways to balance a budget, either increase revenues or decrease expenses. The BOD should look at both options when preparing each year's operating budget.

### **RECOMMENDED ACTIONS**

- a. Continue to prepare annual budgets using the established practices.
- b. Ensure, or achieve, efficient operation, by setting up a system to benchmark the major cost elements of operating LHPOA against similar operations. Communicate the findings, positive and negative, to the Members. Prepare action plans to improve operations for those areas that do not benchmark favorably. If not confidential due to personnel matters, share the improvement plans, and results after implementation, with the Members.
- c. Continue to analyze new Operating Budgets, excluding extraordinary items, against prior year actual, excluding extraordinary items, and explain any increase greater than cost-of-living.

#### **2. Near and long-term Capital Budgets maintain and improve existing assets and allow for additions to infrastructure based on input from the SPC, BOD, and the Members.**

**Anticipated Benefits:** Maintenance of existing assets is crucial not only for operation of the lake community and enjoyment of the lake by community Members, but also in maintaining property values for all Members. Improvements to existing assets can reduce operating costs, increase use and enjoyment of LHPOA properties by the community Members and can increase property values within the community.

#### **RECOMMENDED ACTIONS**

- a. Continue to prepare the long-term capital budget for maintaining/replacing existing assets as per the successful, established practice.
- b. Utilize the SPC to regularly identify and prioritize projects to improve or add to LHPOA assets, through Member surveys or other input methods.
- c. Work on Finance Goal #3 to develop a system for funding of the improvement list.
- d. Encourage LHPOA social organizations and individuals to donate to the Improvement Capital Fund (consider a legacy fund or charitable giving).

#### **3. Adhere to a responsible and predictable dues structure as defined in the By-Laws.**

**Anticipated Benefit:** In order to manage their personal finances, Members need a predictable dues structure, one that increases only slightly from year-to-year. Large increases should be the exception and should be accompanied by factual explanation of the need and the alternatives considered.

#### **RECOMMENDED ACTIONS**

- a. The Finance Committee should review the initiation fee amount annually. Also, after resolution to the spillway challenge, consider continuing with existing annual fee to every homeowner's dues and re-designate it as a separate contribution for capital requirements. This annual fee would reduce the impact of downturns in the housing market on the capital fund.
- b. The Finance committee should develop a Guidance Policy for making debt versus assessment decisions.

#### **4. Adherence to an investment policy which does not expose our assets to undue risk**

**Anticipated Benefit:** Protection of LHPOA's cash balances will ensure that the resources are available for future needs, in particular capital requirements

#### **RECOMMENDED ACTIONS:**

- a. Continue implementing the conservative investment strategy outlined in the Association's By-Laws.
- b. Consider a change to the By-Laws permitting a portion of the reserves to be invested in financial investments such as mutual funds, particularly in times of low interest rates.

**5. Target an operating reserve of fifteen percent (15%) of the annual operating budget**

*Anticipated Benefit:* Should there be an unknown or catastrophic event, an operational reserve fund would enable LHPOA to continue functioning while sorting out what to do about the occurrence.

**RECOMMENDED ACTIONS:**

- a. Continue to build the Operating Reserve Fund by including a reasonable amount in each year's Operating Budget

**6. The decision-making process and results are communicated to the Members in a transparent and understandable manner.**

*Anticipated Benefits:* The BOD has the responsibility to develop an accurate budget, fund anticipated expenses, and otherwise make decisions on behalf of the MEMBERSHIP. ~~Without~~ accurate information, the MEMBERS ~~cannot~~ easily understand the reasons for those decisions.

**RECOMMENDED ACTIONS:**

- a. Continue to inform the Members, through the Member portal, the monthly newsletters, occasional town hall meetings, and emails on the costs of running the Association.
- b. Continue providing financial information to attendees at monthly BOD meetings and posting that information to the Member portal.
- c. Utilize the newly formed Communications Committee as a liaison between the BOD and Members. This committee prepares educational materials and articles for inclusion in newsletter, website, and other communication tools.

**Strategic Objective 2: Maintaining the Lake Quality, Appearance and Amenities**

**Background:** The lake is the community's number one and largest asset. In addition to maintaining the water quality of the lake at or above state standards for swimming and fishing, the spillway and dam must be compliant with state mandates. Residents must also be educated as to the steps they can take to assist in maintaining a healthy lake. Amenities connected with the lake must also be well maintained, and new amenities considered as the Board and the membership deem appropriate.

**GOALS:**

**1. Maintain the water quality of the lake at acceptable biological and environmental standards.**

*Anticipated benefits:* Controlling the quality of the lake is essential to community members for all recreational purposes, such as swimming, boating, skiing, and fishing. In addition,

maintaining the lake quality at appropriate levels will have aesthetically pleasing results and will maintain stability of property values.

**RECOMMENDED ACTIONS:**

- a. Reduction in lake phosphorus and organic matter. LHPOA shall maintain an agreement with a company for treating and monitoring the lake for oxygen content, water temperature, dissolved solids, oxidation reduction potential, and other attributes as agreed. This agreement should be made as necessary to achieve the desired effectiveness of the lake treatment program. If current efforts to maintain or improve lake quality are not successful, LHPOA will evaluate the current program and determine which elements were effective and which were not. Alternative plans, including the possible change in consultant companies, will be evaluated, and implemented as appropriate.
- b. Maintain aeration of lake. LHPOA should maintain the aeration program which will be regularly evaluated relevant to specific goals, namely, algae growth, phosphorus, water clarity, organic content in lake sediment, dissolved oxygen and costs.
- c. Coves should be cleaned to remove leaves and debris, based on a regular evaluation of their condition conducted by a member of the Lake and Dam Committee, a maintenance representative, and the Community Manager.
- d. Develop and maintain a sediment maintenance program for lake clean out.
- e. Use best practices of storm water runoff throughout the community. LHPOA needs to continue encouraging the use of riprap and other mitigation tools in feeder streams and all run off areas. Vegetative buffers should be maintained in drainage areas. In addition, LHPOA needs to spearhead an aggressive education and assistance campaign to provide residents with guidance relevant to best practices.
- f. Maintain and improve fish habitat. LHPOA should continue to promote a healthy fishery through programs such as regular fish stocking and enhancing the lake through the placement of fish hides.
- g. Maintain boat quarantine program. LHPOA shall continue to enforce quarantine as outlined in LHPOA Rules and Regulations to ensure invasive species are not introduced into the lake.

**2. The spillway and dam must be effectively maintained.**

***Anticipated benefits:*** The state rules and regulations regarding dams are in flux at the present time. It is expected that when the standards for dams and spillways are resolved, LHPOA will comply to remain a viable lake.

**RECOMMENDED ACTIONS:**

- a. Continue funding dam/spillway reserve, as necessary.
- b. Ensure integrity of dam and spillway through necessary regular inspections.

**3. Educate members so they can proactively participate in maintaining a healthier lake.**

***Anticipated benefits:*** As community members become aware of actions they can take to ensure a healthier lake, all will be part of the stewardship of the lake.

**RECOMMENDED ACTIONS:**

- a. Continue to encourage greater participation in control efforts such as removal of grass clippings.
- b. Continue to identify safe lawn care products, such as those using no phosphorus or nitrogen, and disseminate this information to all members. Members who contract with lawn care providers must ensure they use only these safe products.
- c. Educate members in the type of plants that can be used in drainages and water's edge to prevent erosion, prevent phosphorus from getting into the lake, and inhibit harmful runoff into the lake.
- d. LHPOA must continue to research and work with experts in the field of lake management to further educate members on beneficial actions.

**4. Amenities connected with the lake must be well maintained and consideration should be given to adding amenities.**

***Anticipated benefits:*** Responsible stewardship by LHPOA includes valuing member input regarding the amenities of the lake. In addition, as the lake is the community's most obvious and largest asset, maintaining the lake amenities will provide stability for the community and property values.

**RECOMMENDED ACTIONS:**

- a. LHPOA must continue to maintain the boat ramp, docking spaces, parking spaces, swimming platform, fishing pier, and no-wake buoys. LHPOA must work to reduce water runoff from the LHPOA parking and nonporous areas.
- b. Periodic surveys should be conducted to ascertain what additional lake amenities members desire.

**Strategic Objective 3: Managing Safety and Security**

**Background:** Being safe and secure in one's home and community is an essential element to quality of life. Based on the 2016 Member Survey, respondents indicated their needs are generally being met. Improvements are desirable.

**GOALS:**

**1. LHPOA members should understand that safety and security are the responsibility of all members.**

*Anticipated Benefits: Understanding that safety and security are everyone's responsibility, and not just the responsibility of the security staff, helps ensure the entire community is concerned for the welfare of one another.*

**RECOMMENDED ACTION:**

The Safety and Security Committee undertakes a consistently proactive stance by educating LHPOA Members and Tenants regarding adherence to the LHPOA Rules and Regulations (R&Rs).

**2. The community entrance should facilitate the registration procedure for all guests and service providers while allowing quick and easy access for Members and Tenants.**

*Anticipated Benefits: The gatehouse staff will monitor and control access of guests and service providers.*

**RECOMMENDED ACTIONS:**

- a. Explore implementation of new technology and/or design changes at the front gate to improve traffic flow and enhance security.
- b. Review whether a fence is needed along the community entrance to reduce the ability of people easily walking into the community without passing by the guard house.
- c. Explore strategies to enhance professionalism, efficiency, and effectiveness of safety and security operations.

**3. LHPOA should use technology for safety and security.**

*Anticipated Benefits: Advances in technology offer new opportunities to improve safety and security in the community.*

**RECOMMENDED ACTION:**

Periodically explore technology (e.g., speed monitoring signs, electronic security notifications, security cameras) for safety and security operations.

**4. Safety and Security R&Rs are well monitored and enforced.**

*Anticipated benefits: Monitoring and enforcing R&Rs help ensure all Members, Tenants and Guests can safely enjoy life in the community.*

**RECOMMENDED ACTIONS:** Review the R&Rs periodically and revise as needed.

- a. Enforcement should be consistent and appropriate to the offense
- b. Inform community members of the R&Rs as well as the appeal process.
- c. Monitor who speeds, Members vs. Tenants vs. Guests vs. Service Providers.  
Evaluate the procedures for notifying Members, Tenants and Service Providers of violations of the R&Rs
- d. Consider measures to monitor and enforce lake boating R&Rs

**5. Roadways are respectfully shared by all users including drivers, walkers, joggers, and bicyclists.**

*Anticipated Benefits: Members, Tenants, and Guests will safely enjoy activities.*

**RECOMMENDED ACTIONS:**

- a. Since our roads are shared by walkers, joggers, bicyclists, as well as motorists, implement ways to ensure their safety in our community. These might include:
  - 1) Installation of off-road paths including a possible walking/biking trail along top of the dam with a bridge and other areas. Consider whether additional paths like the Woodland Trail could be developed and linked together
  - 2) Preparation of education reminders, and signage on roadway etiquette.
- b. Since the lake is shared by watercrafts and swimmers, implement ways to ensure their safety on the lake.
- c. The Safety and Security Committee will consider ways to improve safety on our roadways and lake.

**Strategic Objective 4: Maintaining Member and Association Property**

**BACKGROUND:** There is a long-standing concern about the sightliness of member property and association property. This goes beyond a quality of life issue as unsightly properties are often hazardous, erode the real estate value of surrounding properties and may proliferate if unchecked. The Board of Directors in conjunction with the Community Manager, by virtue of Rules and Regulations, Article V, Upkeep of Buildings and Grounds, Sections 1-4 and Deed Restriction, Section 8, are empowered to enforce rules in this regard. It has long been argued that association property should set the bar for well-groomed and well-maintained property standards.

**GOALS:**

**1. To have neat and well-kept properties be the norm both for members and association properties at Lake Heritage.**

**Anticipated Benefits:** *This goal will lead to a general sense of well-being among the members. A commonly held value is that appearance is a common goal shared by all. Real estate values will be preserved and enhanced. There will be a diminution of unsafe conditions due to disrepair, lack of routine maintenance, and poor land use such as filled in swales, overgrown vegetation and improper drainage conditions.*

#### **RECOMMENDED ACTIONS**

- a. Develop acceptable minimal norms beyond what now exist in Rules and Regulations, Article V, such as but not limited to: evidence of disrepair, peeling paint, rusty road signs, litter, and overgrown shrubbery.
- b. Be specific about what is inadequately maintained, itemized in a way like a traffic ticket or building violation
- c. Better use of media such as Newsletter and association website to propagate the “norms” of sightliness as developed above.

#### **2. Association-owned properties are well-maintained and serve as examples to residents.**

**Anticipated Benefit:** *Well-maintained association property is well-maintained, sets a positive example for the members.*

#### **RECOMMENDED ACTIONS**

- a. Periodically review association properties to ensure the highest level of sightliness is being maintained
- b. Make safety the prime consideration regarding association property.
- c. Periodically review, and amend as needed, the annual maintenance plan to ensure it includes the appropriate annual inspections and maintenance activities for community properties

### **Strategic Objective 5: Promoting a Sense of Community**

**BACKGROUND:** Creating and supporting opportunities for members to come together should be a top priority of LHPOA. The Strategic Plan recognizes that several key values of a successful community are communication, active involvement, and the sense that all members have “a voice at the table” demonstrated by equal opportunity for participation in Association activities. The LHPOA plays an important role in promoting these values.

#### **GOALS:**

#### **1. Lake Heritage staff and members are friendly and neighborly.**

**Anticipated benefits:** *By treating one another with respect and kindness, the community will only become stronger and more united.*

#### **RECOMMENDED ACTIONS:**

- a. Conduct customer service training for all LHPOA staff.
- b. Promote an atmosphere of tolerance, respect, and neighborly behavior.

**2. There are sufficient opportunities for active involvement in Association committees, clubs, board matters and special events.**

***Anticipated benefits:** By creating opportunities for a greater cross-section of the membership/residents to join clubs/committees and/or attend Board meetings, new perspectives could be considered.*

**RECOMMENDED ACTIONS:**

- a. Schedule alternate dates and times to hold Board meetings.
- b. Continue to effectively utilize town hall meetings.
- c. Explore methods to increase the committee memberships through special events such as a LHPOA Community Night at the Community Center where representatives from committees can share information to those interest joining.
- d. Investigate software to vote in Board elections online.

**3. Communication from the association is prompt and effective.**

***Anticipated benefits:** There is nothing more important in any effective organization than prompt and thorough communication. If the association is to gain and maintain the trust of its members, every effort must be made to achieve transparency, dissolve any silos, and disseminate information as soon as it is available.*

**RECOMMENDED ACTIONS:**

- a. Make greater use of website postings, social media (such as Facebook), sandwich boards at the community entrance, email blasts as well as the newsletter to keep residents informed.
- b. Continue to investigate alternate and effective ways for members to communicate with the Board and/or Community Manager.
- c. Encourage members to avail themselves of the information already provided them on the website and in the monthly newsletter.
- d. Research technology to videotape and/or broadcast Board and town meetings online.

**4. Community members actively utilize common properties and amenities in a way that is safe and congenial.**

***Anticipated benefits:** When community space is used safely and returned in the same way it was found, all association members benefit. A sense of community and pride is reflected when we respect our communal property and recognize that we all "own" it.*

**RECOMMENDED ACTIONS:**

- a. Seasonal reminder in newsletter and website of what is available for use by all

- members and the protocols for usage.
- b. Consider a part-time or volunteer activities director
- c. Create an online contract to reserve amenities.

**5. There are ample opportunities to participate in volunteer activities that provide a valuable contribution to the Lake Heritage Community.**

***Anticipated benefits:** Members of all ages can benefit from a volunteer experience in their community. Volunteers take pride in having a hand in making their community a better place alongside their neighbors.*

**RECOMMENDED ACTIONS:**

- a. Research if some of the light, seasonal maintenance work could be done by volunteer groups from the community (weeding, painting, raking, etc.).
- b. Many schools, and club projects encourage community service hours and involvement would better connect neighbors to one another and increase community stakeholders.
- c. Evaluate possibility of utilizing these volunteers to help property owners in need.

**Strategic Objective 6: Implementing and Maintaining LHPOA Rules and Regulations**

**BACKGROUND:** Community Rules and Regulations are appropriate, effective and current with the definitions of households and advances in technology. The Strategic Plan recognizes the values of a successful community are the clear and concise Rules and Regulations and of the equal enforcement of the Rules and Regulations.

**GOAL:**

**Review the Community Rules and Regulations to determine if they are appropriate, effective, outdated or confusing to the property owner.**

***Anticipated benefits:** Residents will be able to understand and adhere to the rules and regulations.*

**RECOMMENDED ACTIONS:**

- a. Continue the work of the Governance Committee to review and rewrite the Community Rules and Regulations and present to the Board.
- b. Ensure the committee is comprised of Homeowners, Board members, Lawyer, and LH Staff that will provide a diverse background of ideas, comments, and revisions to the Rules and Regulations.

## **Strategic Objective 7: Improving Community Facilities and Amenities**

**BACKGROUND:** Maintenance of our infrastructure provides the basis for maintaining property values within the community and assuring proper financial resources are planned. The priority of all infrastructure projects must be evaluated on a yearly basis to properly plan for the future.

**GOAL:**

**Solicit input from community members regarding enhancements to amenities and assets.**

***Anticipated benefits:** The community input about facilities and amenities will lead to improvements that create a thriving, enjoyable and valued community.*

**RECOMMENDED ACTIONS:**

- a. The SPC should establish a mechanism to solicit input from the community on a regular basis and maintain this input in a reviewable database.
- b. The SPC should develop evaluation criteria and a scoring mechanism.