

**LAKE COLUMBIA PROPERTY OWNERS ASSOCIATION (LCPOA)
CHARTER
LCPOA Five Year Financial Plan Ad hoc Committee**

MISSION:

The LCPOA Five Year Financial Plan Ad hoc Committee is assembled to evaluate all potential annual expenditures during a five-year period beginning in 2024 for normal Association operations and special projects such as lake water quality remediation. Included in the analysis will be the revenue needed annually to meet the financial needs and to build reserve funds within the established reserve fund accounts. The committee will recommend increased annual assessments or special assessments to meet the financial needs of the Association and the five-year plan.

AUTHORITY:

The Board of Directors has established by resolution the LCPOA Five Year Financial Plan Ad hoc Committee for singular purpose of developing a 5-year financial plan and revenue strategy for the Association. The Committee reports to the Board and collaborates with the Finance, Watershed, Parks, Security and Strategic Infrastructure Committees.

Approved Board Motion from the November 27, 2023, Board Meeting: "Establish an ad hoc committee consisting of the Treasurer, three other Board members, and General Manager to develop a financial plan and member vote strategy to be recommended to the Board for approval at the January Meeting with membership voting to be completed by May 19, 2024, Annual Meeting."

REPORTING AND COMMUNICATIONS:

The LCPOA Five Year Financial Plan Ad hoc Committee Chairperson shall report the Committee's activities to the Board each quarter and as needed as circumstances require. The Committee shall have prompt and unrestricted access to management and all relevant information and data.

COMPOSITION AND TERMS OF APPOINTMENT:

The LCPOA Five Year Financial Plan Ad hoc Committee shall consist of three appointed Board Members, Board Treasurer and the Association General Manager approved by majority of a quorum of the Board. The appointed terms for the Committee Members will be the period of time required to complete the research and present final report with a recommendation to the Board. This Committee is not intended to be a long term, standing committee, and will be dissolved upon completion of the mission. The Committee Members will elect a chairperson from the committee members to lead the effort.

RESPONSIBILITIES:

The LCPOA Five Year Financial Plan Ad hoc Committee shall be responsible for reviewing and recommending matters to the full Board. These matters shall include:

1. Evaluate the annual operations budget to determine adequacy and project over a five-year period. Seek to reduce expenditures with efficiencies and streamline of services.
2. Collaborate with the Watershed Committee to understand the long-term water quality remediation plan and costs over a five-year period.
3. Collaborate with the Infrastructure and Parks Committees to understand the long-term anticipated capital projects and costs over a five-year period.
4. Collaborate with the Administrative staff to understand the long-term plans for special capital projects and costs over a five-year period.
5. Assess the need for reserve funds to be retained in the three reserve accounts for future unknown risks and emergencies.

6. Compile all projected costs within a spread sheet to assist in determining the revenue required annually to meet the expenditure.
7. Determine revenue required each year in order to meet the five-year expenditure plan.
8. Evaluate revenue sources, such as annual assessment increases, special assessments, etc. to fund the projected expenditure and reserve account funding.
9. Develop a strategy for conducting a membership campaign to seek approval to implement the five-year financial plan and raise funds for the expenditure and reserve account funding.
10. Submit final report and proposal recommendation to the Board for action prior to the January 2024 Board Meeting.