

Lake Waynoka Property Owners Association Long Range Planning Committee Annual Report with 2023 - 2027 Strategy Plans

03/31/2023

To: **President, WPOA Board of Trustees**
Waynoka Property Owners Association Members

Authority

The Long Range Planning Committee (LRPC) is authorized by the WPOA Board of Trustees to create and maintain the WPOA Long Range Planning Document. This document is updated annually and contains plans and budgetary considerations for a five (5) year window into the future. It is presented to the Board of Trustees annually by the end of the first fiscal quarter. (WPOA CODE OF REGULATIONS, ARTICLE VII, SECTION 12, Rev. 5, 10/1996)

Long Range Planning Committee (LRPC), 2022-2023:

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Introduction

The Long Range Planning Committee Report:

- defines community capital assessments, discusses strategic objectives and forecasts suggested activities and plans for the upcoming 5-year period.
- provides the WPOA Board with budgetary information that is helpful to select, prioritize and plan for improvements in existing amenities as well as potential new amenities.
- is used by the Board to guide the overall management and direction of the community for the benefit of WPOA members and guests.
- presents three Capital Assessment Account 5-Year Strategy Plans (Roads, Lake and Improvements).
- includes the WPOA Vision and Values, and Community Goals and Objectives,
- Includes a Budgetary Impact History starting with the 30-year Reserve Study conducted in 2017 by Reserve Advisors, a contracted management advisory group. The LRPC and the General Manager update the Reserve Advisors study figures where possible when more current budget information is available.

Next Steps for LRPC

1. Board acceptance of the 2023 LRPC Annual Report.
2. Publication of the 2023 Report for the membership on the Lake Waynoka website, in the newsletter and in the LRPC report issued at the monthly WPOA meetings.
3. Continue working together with the Board and General Manager to identify additional activities and projects to enhance the Lake Waynoka community.

5-Year Strategy Plans

The purpose of Long Range Strategy Plans is to ensure that the community capital assessment revenue is always greater than approved project expenditures, so that the WPOA will be compliant with the Ohio Revised Code 5312 legislation for HOAs. Included in each Strategy Plan are background considerations, positive and negative aspects for review during the stated 5-year period and actions for the WPOA Board to consider for each Assessment.

General Assumptions for all Accounts:

- Assessments are reviewed annually by the WPOA Board with the goal of minimizing the severity of increases and/or decreases from year to year.
- Capital assessments for Roads and Lake project funds are only expended on those projects. These funds cannot be transferred to other accounts.
- Capital assessments for Improvements are dedicated to projects as determined by the General Manager and the WPOA Board.
- Any assessment carryover at the end of a year should not be less than the minimum established for each account. The Lake account minimum is \$10,000; the Roads account minimum is \$20,000; and the Improvements account minimum is \$20,000.
- An estimated long term average inflation rate for expenditures is used as opposed to the inflation rate for a specific or current year.
- A percentage of the new property owner initiation fees are allocated to each Assessment Account, and is added at the end of the year.
- The number of equivalent members (membership fees and other income collected divided by the capital assessment fee) is used to estimate income and is projected to increase each year into the future.
- An increase of 2.2% per year is added to projected expenditures to reflect the current inflation situation.

Roads Capital Assessment Account Strategy Plan 2023 - 2027

Background:

This Account funds roads, parking lot surfacing, culverts and street signs. The Account accumulates funds from property owners Assessment fees, from payments from Rumpke and from fees included for new building permits.

It is planned to repave the entirety of Waynoka Drive over the course of 4 years, 2029 - 2032. In 2020, the WPOA Board approved a \$70 increase to the Roads assessment account toward funding this project. An additional \$5 increase in 2022 was made for inflation.

Positive Considerations:

- Funds are projected to be adequate for normal yearly road paving that includes laying new asphalt on 1 - 2 miles of roads (excluding Waynoka Drive), with remaining funds used for chip and seal as determined necessary each year.
- The income curve (as shown below) reflects the savings for paving Waynoka Drive beginning in 2029.

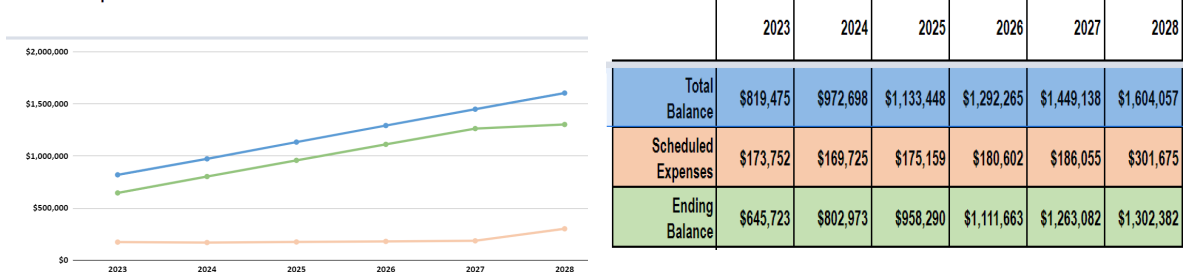
Negative Considerations:

- The price of oil continues to fluctuate. Oil is a key component of asphalt roadwork. The price of labor for road paving in Ohio has also been increasing. Overall increasing demand for road work may drive higher prices.
- Waynoka Drive is deteriorating noticeably. Asphalt paving is generally good for about 25 years. Some paving repair may be necessary before 2029. If current deterioration increases, the Account savings may be needed prior to 2029.

WPOA Board action recommended:

- No action is required at this time, other than reviewing the issues stated above.

Road Capital Assessment Forecast



The total projected revenue for roads (Blue line) must always be greater than the expenditures for all years. Currently we are saving for a large expenditure to pave Lake Waynoka Drive and the Rec center parking lot starting in 2028. Expenditures for annual roadwork are trending flat. The projected balance (green line) of funding remaining in the bank is increasing.

Lake Capital Assessment Account Strategy Plan 2023 - 2027

Background:

The Lake Assessment funds repairs and maintenance of LW assets at the marina, beach, and public areas, including docks and pavilions. Dam and spillway maintenance, algae control, lakeshore erosion control and dredging of the lake are also part of this account, as well as stocking the lake with fish. The Board approved a \$15 increase to the Lake Capital Assessment for a total assessment of \$115 in 2023, to fund increased dredging labor costs, upgrade the marina fuel docks to concrete, and begin studying a sedimentation control project.

Positive Considerations:

- The barge dredging budget contains funds for 6 months in 2023, and will be reduced to 3 months dredging in 2024 and beyond.
- The WPOA Board approved upgrading the marina fueling station docks from wood to concrete (which will be completed as weather and lowered lake levels permit) and will prolong the life cycle of this dock.
- Hydraulic dredging was undertaken in 2019 to make the east end of the lake more accessible. It will be repeated in 2027. Barge dredging in 2022 and 2023 is targeting the “hump” at the east end of the lake to increase navigability.

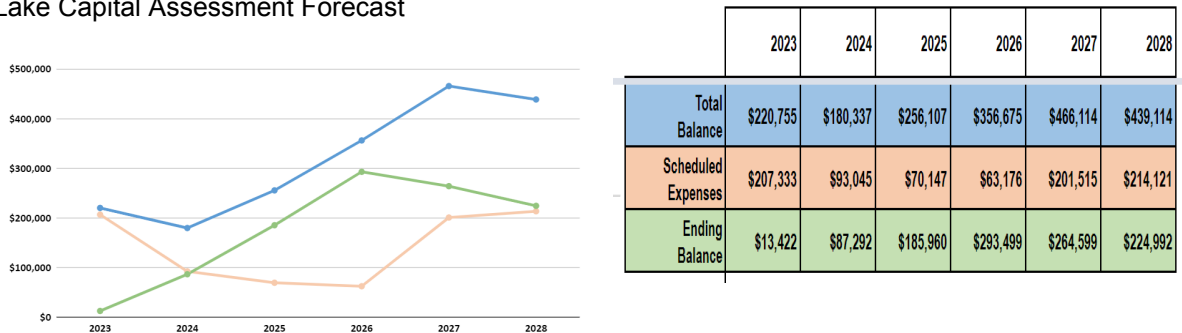
Negative Considerations:

- Labor costs are expected to increase in the short term.

WPOA Board action recommended:

- Evaluate the need to extend barge dredging in 2024 from 3 to 6 months and fund as needed.
- Consider a sedimentation control project to be started in 2024 for 3 years (2024-2026) with potential benefit of reducing the need for barge dredging. The cost is not known at this time, and the General Manager will develop a design and budget estimate in 2023. The WPOA Board will need to authorize funds for a cost estimate for the study.

Lake Capital Assessment Forecast



The total projected revenue for Lake (Blue line) must always be greater than the expenditures for all years. Current projected expenditure project costs are decreasing and includes dredging, shoreline protection, stocking fish, repair of public docks, algae treatment and increasing the navigation of the east end of the lake. The projected balance (green line) of funding remaining in the bank is decreasing.

Improvements Assessment Account Strategy Plan 2023 - 2027

Background:

The Improvements Assessment targets several community projects: security elements at the gates and buildings; maintenance and repairs at the Lodge, Recreation Center, Lounge, Pools, Maintenance facility and Administration buildings; and repair and replacement of vehicles and large equipment used by Lake Waynoka employees. The Board approved raising the Assessment in 2022 to \$115, which includes \$5 for inflation.

Positive Considerations:

- The Improvements Assessment Account has a large balance, and can absorb future equipment cost increases and inflation. The projected carryover for the next 5 years will be a range from \$35,000 - \$150,000.

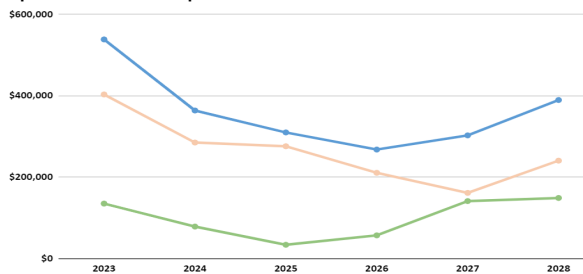
Negative Considerations:

- Labor costs have increased.
- Unanticipated expenses in 2023 include water damage repair in the Lodge, truss repair to the Lodge, replacement of an HVAC unit in the Rec Center gym, and a larger than expected cost to replace a bush hog.

WPOA Board action recommended:

- The Board should consider not spending remodeling funds beyond what is necessary to maintain the Lodge, Restaurant and Lounge in safe operating condition while a remodel/replacement plan is being considered.
- The LRPC recommends that the current Improvements Assessment not be increased at this time.

Improvement Capital Assessments Forecast



	2023	2024	2025	2026	2027	2028
Total Balance	\$537,755	\$363,402	\$309,634	\$267,565	\$302,355	\$389,107
Scheduled Expenses	\$402,763	\$284,778	\$275,679	\$210,505	\$161,243	\$240,337
Ending Balance	\$134,992	\$78,624	\$33,955	\$57,060	\$141,112	\$148,770

The total projected revenue for Improvements (Blue line) must always be greater than the expenditures for all years. Current projected expenditure projects are less than the projected revenue. Proposed projected projects include security system updates, Lodge and restaurant repairs, a cost feasibility study of a potential building upgrade of the Lodge, Restaurant and Lounge, Pool upgrades, Maintenance, and vehicle equipment upgrades. The projected balance (green line) of funding remaining in the bank is somewhat level.

Additional Opportunities for Board Consideration

The following projects or opportunities have been identified from prior Long Range Plans, community surveys and general feedback:

- Consider exploring ways to address remote control access to the emergency fire/EMS gate on Martin-Alexander Road for faster response time for emergency services to serve the lake and surrounding communities.
- Evaluate ways to fund improving the lodge, lounge and restaurant amenities.
- Determine how to fund the replacement of a trackhoe (anticipated in 2028) and other future large equipment replacements with Improvements Assessment fee increases.
- Consider studying whether an additional boat ramp is needed to meet the growing population of boats at Lake Waynoka.
- Consider exploring whether more rental docks can be provided to meet demand.
- Identify community beautification projects or needs which clubs can use to fulfill their community service projects and therefore reduce WPOA costs.
- Explore ways to fund a community walking trail to provide a place for walking away from Waynoka Drive.

Appendix A
Lake Waynoka Community Vision, Values, Goals and Objectives

WPOA Vision Statement

Lake Waynoka Association members envision a gated lake community with members working together to achieve a highly desirable quality of life and appreciating property values. We envision a neighborhood that is considered by all to be a desirable place in which to live or vacation, share our varied recreational amenities, and enjoy the benefits of family and friends in an active member community.

WPOA Values

The manner in which WPOA community members, Trustees and Administrative department employees conduct themselves and work together in achieving our community Vision and implementing our Goals and Objectives are expressed in the community and department values, which everyone is encouraged to adopt:

Community Values:

In fulfilling Lake Waynoka’s mission and achieving our Vision, we value:

Interest	Respect	Transparency
Participation	Cooperation	Creativity
Honesty	Civility	Volunteerism
Equity	Efficiency	

WPOA Board and Administrative Department Values:

In keeping with our community values, we value:

- Employing responsible and sound judgment in all decisions
- Operating in an equitable, honest, effective and professional manner
- Weighing the interest of all current and future members
- Respecting each other and all members
- Being sensitive to the diverse needs of all members
- Operating openly
- Encouraging participation via committees, clubs, and individual efforts
- Advocating for our interests in the community, county, and state
- Meeting our fiduciary responsibilities to watch out for both the short term and long term interests of our community
- Proactively consider membership growth and the future well-being of our lake community.

Community Goals and Objectives

A. Lake Protection and Conservation

(Protection and conservation of the lake environment, dam, shoreline and public access areas and amenities therein)

- Maintain an effective dredging program to ensure acceptable navigability of the main lake and all coves.
- Protect the lake shoreline against erosion by enforcing rules on the rocking of all lakefront lots, including both private and WPOA-owned.
- Properly maintain the condition of the dam, weir area and valve, including recommended regular inspections.
- Establish and maintain an acceptable balance of fish population and lake habitat while recognizing other recreational needs and uses of the entire membership.
- Properly maintain all lake access areas, including amenities included therein.
- Support the control of geese, beavers and any other invasive species of animals or plants that might affect the health of the lake and damage to property.

B. Security and Safety for People and Property

(Security and safety of members, guests, visitors and employees and their property)

- Maintain a certified and equipped Lake Waynoka Security Department with each ranger providing both law enforcement and emergency medical technician services to enhance the safety and security of all Lake Waynoka residents and guests.
- Continue to increase security through the integrated use of gates, cameras, lighting, and other technological tools to limit unauthorized access and elevate identification capability by the security department thereby promoting a safe and secure environment within Lake Waynoka.
- Continue to review, modify, publish, and promote the WPOA Code of Regulations and the WPOA Rules and Regulations to ensure that all WPOA members and guests are aware of these governing documents that reduce conflict and increase enjoyment of facilities and amenities within Lake Waynoka.
- Maintain a high standard of safe watercraft operation by consistent and effective enforcement of all State laws and WPOA rules to help avoid watercraft injuries and accidents to members and guests on Lake Waynoka waters.

C. Grounds Maintenance and Beautification

(Maintenance and improvements to community roads, grounds, signage, etc.)

- Maintain a consistent “branding” program, where practical, covering color, fonts and size for community signage. Expand and adopt the program to encompass the color and style for community shelters, toilets, buildings, vehicles, and uniforms, etc.
- Maintain emphasis on the program for getting rid of abandoned boats and trailers. Improve enforcement of rules and regulations regarding property restrictions on abandoned boats, cars, unscreened propane tanks and “messy” yards.

- Maintain all public areas such as shelters, lake access locations and planting beds to acceptable standards of appearance.
- Proactively support community clubs and organizations that might wish to further improve public areas with labor and equipment support, if requested.
- Maintain all roadways in good condition and keep adjacent trees and bushes pruned and trimmed away from the right-of-way.

D. Administration and Operational Excellence

(Adherence to best practices, recognition of employee value, member services)

- Identify, research and employ best practices in the areas of fiscal management, public relations, employee relations and other administrative functions using OLCA and other lake community resources.
- Continue to identify and maintain an employee recognition and appreciation program.
- Identify, develop, and appraise member services through periodic surveys and focus groups.
- Continue developing a work environment that promotes trust, respect, open communication and teamwork between all levels of staff, the WPOA Board, the association membership and neighboring communities.
- Continue to work with the appropriate Committees, or membership if applicable, to update community Rules and Regulations for appropriateness and effectiveness.

E. Financial Stability & Protection of Community and Member Assets

(Conservative financial management, enforcement of community rules and zoning, support of community and member property values)

- Establish and maintain an annual risk analysis and review program that assesses the adequacy of the community's general reserve account.
- Research ways to enhance membership value and implement those that are feasible. Emphasize the perceived value of Lake Waynoka membership and add value/benefits whenever and wherever possible.
- Consistently communicate actions taken by the Board resulting from the Long Range Plan and membership surveys.
- Consistently enforce the adopted Association Rules and communicate Board actions to membership.
- Actively communicate financial information to the membership which clearly summarizes the operating and capital budgets, identifies budgeting for forecasted long- range future projects, and assesses the adequacy of financial surpluses and reserves necessary for the protection of association and member property values.
- Monitor progress against long-range membership category growth targets necessary to attain the vision of Lake Waynoka as a desirable community.

F. Maintenance of Facilities and Equipment

(Equipment purchases and routine maintenance, (tools, vehicles, equipment, etc.)

- Properly maintain all amenities (both existing and future) and equipment in good operating condition and appearance through the justifiable and necessary increases to fees and assessments (including the latest updates to the reserve study).
- Ensure that employees have the proper tools and equipment to perform their jobs in a safe and efficient manner.

G. Amenity Development, Improvement, Replacement and Maintenance

(Availability, development, enhancement, replacement and routine maintenance of amenities, including related life style/quality of life issues)

- Identify and develop a plan for future or improved amenities desired by Association members that implement the Vision of Lake Waynoka as a desirable recreational community to all.
- Work with and consider financial and other support for community clubs and organizations, which implement organized activities for all ages, including community youth.

H. Growth of Membership, Community Promotion and Association Communications

(Promotion and marketing of Lake Waynoka as a desirable community; includes association membership communication processes)

- Maintain an active communication and publicity program with the membership, covering events and activities and results of the WPOA Board, Administration, WPOA committees, and community clubs and organizations.
- Continue to enhance membership communication. Consider on a minimum annual basis, that a “state of the lake” type report be given to membership, including basic information such as current number of members, number of houses, full timers, part timers, an outline of basic budgeting categories, status of reserves, impacts of non-funding, and any other relevant information.
- Foster a sense of active involvement and promote the value of Association members being involved in Lake Waynoka activities and community service, including membership on committees and serving as a Trustee.
- Continually pursue activities which promote Lake Waynoka as a safe, gated community with a great value equation (encompassing real estate values, our own water and sewer system, amenities, low dues and fees and more).

Appendix B Budgetary Impact History 2018-2023

In 2018, the Long Range Planning Committee (LRPC) performed a review of the WPOA 30-year plan that was prepared in 2017 by Reserve Advisors, a contracted management advisory group. The purpose of this review was to determine a more appropriate assessment of the financial impacts of the work identified in the study based on the priorities of Lake Waynoka and more accurate cost estimates based on historical local data rather than regionalized cost estimates. The LRPC review was presented to the WPOA Board in July of 2018. The significant findings were:

- The funding plan proposed in the LRPC review was based on an attempt to avoid major swings in the assessment rates. Increases were to be implemented early and maintained with gradual increases rather than containing large up and down swings.
- Overall projected expense over the 30-year period was reduced from \$25 million to \$18 million when LRPC cost estimates were used.
- The projected increase in assessments would be reduced from \$220 per member (recommended by RA) to \$90.

2018: In the fall of 2018, assessment increases necessary to be in compliance with Ohio Revised Code 5312.06 were put on the property owners annual ballot. (ORC 5312.06 states that reserves must be maintained at all times to adequately repair and replace capital HOA assets.) These proposed increases were: Lake Assessment from \$60 to \$70; Road Assessment from \$100 to \$168; and Improvements Assessment from \$100 to \$110. After these were voted down by property owners, the WPOA Board approved the \$10 increase to the Lake Assessment Account for 2019.

2019: The 2019 annual ballot contained a Road Assessment increase from \$100 to \$170, and Improvements Assessment increase from \$100 to \$110. Neither of these passed a membership vote, and the Board approved both increases at the January 2020 Board meeting.

2020: Road assessments were increased by \$70 in anticipation of the Waynoka Drive paving project scheduled to begin in 2029. The Improvements fee was increased \$10 for major equipment purchases.

2021: The 2021 budget approved by the WPOA Board reflected increases in assessment accounts revenues from the newly instituted Initiation Fee. All accounts were deemed as appropriately funded through the five-year period of this report at this time.

2022: Necessary dredging work impacted the Lake assessment with increases of \$25. All assessments were increased by \$5 in 2022 for inflation.

2023: The Board approved a \$15 increase to the Lake Assessment for a total assessment of \$115 in 2023, to fund increased dredging labor costs, upgrade the marina fuel docks to concrete, and begin studying a sedimentation control project.

Capital Assessment Fees 2018 - Current

	2018	2019	2020	2021	2022	2023
Roads	100	100	170	170	175	175
Lake	60	70	70	70	100	115
Improvements	100	100	110	110	115	115