

LAKE TOXAWAY COMMITTEE GUIDELINES AND CHARTER

GUIDELINES OVERVIEW

Certain terms, defined below, are used in the Committee Guidelines and the resolutions creating specific committees. They are capitalized where used.

- "**BOARD**" is the **BOARD** of Directors of Lake Toxaway Community Association, Inc. (LTCA)
- "**BYLAWS**" mean the Bylaws of LTCA.
- "**CGM**" is the Community General Manager for the Lake Toxaway Community Association, Inc.
- "**LAKE TOXAWAY**" means a private residential development and community in Transylvania County, North Carolina, as may be shown on the plats of records thereof.
- "**LTCA**" means the Lake Toxaway Community Association, , which is composed of, and represents Lake Toxaway Owners and has succeeded Lake Toxaway Company in the management of the community.

COMMITTEE MEMBERS

The members of each committee or subcommittee shall be persons who meet the definition of "Members in Good Standing" under Article 2.1 of the BYLAWS of the Association. The designation, numbers and members of committees shall be approved by the BOARD. Vacancies existing from time to time shall be filled by approval of the BOARD. Any committee members may be removed from office with just cause by the BOARD.

The Executive Committee and the chairperson (when existing) of each committee shall recommend to the BOARD those individuals to be considered for membership, unless otherwise provided in the resolution creating that committee. The BOARD shall consider those individuals plus any others it deems appropriate for appointment to the committees.

CHAIRPERSON

The chairpersons of the committees shall be appointed by the BOARD. The chairperson of each committee shall supervise the activity of the committee and its sub-committees, giving assistance whenever necessary and insuring that the activities of the committee and its sub-committees are coordinated. The chairperson should draw upon the full resources of the committee members and non-voting members to arrive at alternatives and options. Committee structure shall be in accordance with Article 15 of the LTCA Bylaws.

LIAISON

At the direction of the Board committees may have a member of the BOARD assigned as a liaison between the BOARD and the committee. The BOARD member so assigned shall serve as a communication link and should not attempt to unduly exert influence upon the committee nor dominate the deliberations of the committee. As voting by the liaison at the committee level could unduly influence committee direction as well as voting "twice" (committee and Board level), liaison vote will be counted at the Board level only. If authorized by the BOARD the liaison may supply information to the committee that is confidential, privileged or of a sensitive nature where such information will assist a committee in fulfilling its functions. Committee liaisons are not authorized to assign projects without BOARD approval.

NON-VOTING MEMBERS

Staff or consultants may be designated by the CGM or the Board as non-voting members of a specific committee.

SUB-COMMITTEES

The chairperson of each committee shall have the power to appoint sub-committees for specified purposes and duties not inconsistent with the specified purposes and duties of the committee, to serve for the term required but not to exceed the term of such chairperson. Members of the sub-committee shall be members in good standing of LTCA, but need not be members of the committee. Such subcommittees shall report their recommendations to the committee and may not act independently of the committee as a whole.

TERM

All committee members and the chairperson of each committee shall be appointed for the term of the current fiscal year, unless otherwise provided in the BYLAWS or committee charter. Unless otherwise determined by the Board, all committee members will be appointed by the BOARD at a meeting of the BOARD in August, so as to allow the committees to be functioning early in the new LTCA fiscal year.

RESIGNATIONS

Any committee member may resign at any time by giving written notice to the chairperson and the BOARD. Such resignation shall take effect on the day of the receipt of such notice or any later time specified therein. The acceptance by the BOARD of such resignation shall not be necessary to make it effective.

RESPONSIBILITY

The responsibility of all committees shall be as outlined in this charter document and/or resolution of the BOARD creating that committee. Unless provided otherwise in the BYLAWS and/or the resolutions of the BOARD creating that committee, all committees are under the direct control of the BOARD, having only such authority as is specifically defined herein and as may be delegated to them in the resolution creating that committee.

Unless otherwise provided in the BYLAWS, the resolution of the BOARD creating that committee, or a Committee's written charter, all committees shall operate only in an advisory capacity. Committees may make recommendations, but must understand that in fulfilling its fiduciary responsibilities, the BOARD is not bound to accept or agree with any such recommendation.

GOALS AND OBJECTIVES

In cooperation with the CGM and the BOARD, all committees shall review and establish specific goals and objectives each year which shall be consistent with the goals and objectives established by the BOARD and which are consistent with the specified purposes and duties of the committee.

MANNER OF OPERATION

Each committee shall conduct its business in strict accordance with the procedures set forth in the BYLAWS, the published rules and regulations of the LTCA, the resolution of the BOARD creating that committee and the committee's charter. In the event of ambiguity or conflict, the BYLAWS shall govern over these guidelines.

Unless otherwise stated in the attached appendix, meetings of all committees shall be held at least twice each year, or more often as necessary, to carry out assignments and responsibilities.

Failure to attend regular meetings of the committee in a consistent manner may result in removal from the committee. It is anticipated that the BOARD liaison, CGM or the BOARD President will not attend all committee meetings, but are available for consultation and assistance as may be required.

The meetings of committees other than the Executive Committee and the Nominating Committee shall be open to any members of the LTCA, unless the chairperson decides that the sensitive nature of a matter under discussion requires a closed session. (This includes, but is not limited to, legal matters, contract negotiations or personnel matters.)

Committee reports of actions or activities should be delivered to the CGM office in scan able form no later than seven days prior to the scheduled regular monthly Board meeting. Committee meeting schedules should accommodate this reporting deadline.

QUORUM

A majority of the committee members shall constitute a quorum to transact business of the committee, and the act of the majority of the committee members present at any meeting at which a quorum is present shall be deemed to be the act of the committee.

CONFLICT OF INTEREST

Any member of a committee who could reasonably be expected to benefit in a direct and substantial way or who could be perceived to benefit personally from the outcome of a committee action under discussion must disclose each time it is discussed that he/she has such an interest and abstain from voting on any motion affecting that interest.

RELATIONSHIP TO OTHER COMMITTEES

To ensure the effective operation of LTCA, all committees are expected to maintain a working relationship with other committees providing information needed for them to carry out their responsibilities, and to eliminate where possible any duplication of effort.

RELATIONSHIP TO EMPLOYEES

The chairperson of each committee is authorized to consult with the Management Staff members involved in the activities of the committee, but will not give orders to any employees, including contract personnel. The CGM is responsible for the appointment, direction, supervision and administration of disciplinary action for all employees.

SPECIAL COMMITTEES

The BOARD may, as required, create or dissolve such other special or ad hoc committees to serve specified purposes and duties as deemed necessary by resolution of the BOARD.

EXECUTIVE COMMITTEE

CHARTER

To oversee and manage the day to day affairs of the Association in the absence of the full Board.

RESPONSIBILITY

The Executive Committee will be empowered from time to time to undertake certain decisions on behalf of the Board of Directors. Executive Committee empowerment will be enabled through direct Board action for specific negotiations, final project execution or oversight deemed appropriate by the Board of Directors.

MEMBERSHIP

As defined in Article 14.1 of the Bylaws, membership in the Executive Committee will be President, Vice President, Secretary and Treasurer.

PAST PRESIDENTS ADVISORY COMMITTEE

CHARTER

To maintain cohesiveness and continuity within the organization by drawing upon the experience and insight of past Presidents.

RESPONSIBILITY

The Committee will advise the current President on matters of organization and community.

MEMBERSHIP

Membership will be all past Presidents who remain members in good standing in the Association. The most recent past president will serve as chair.

LAKES/DAMS COMMITTEE

RESPONSIBILITY

The primary responsibility of the Lakes Committee is to advise and assist the CGM and the BOARD in matters of concern to the lakes, streams and ponds of Lake Toxaway. Areas of concern include lake restoration, dam inspections, lake safety, lake rules, fishing, ecology, marina relations/operations, water quality and boat decals.

In fulfilling its responsibility, the Lakes Committee shall perform functions which include the following:

- *List to be completed by Committee*

MEMBERSHIP

The Lakes Committee shall be composed of three or more Members who shall be active lake users.

The Lakes Committee chairperson will be a non-voting advisory member of the Long Range Planning Committee and will attend meetings or advise that Committee as requested to provide specific advice related to the lakes and dams.

ARCHITECTURE REVIEW BOARD

CHARTER

The Architectural Review Board (ARB) is chartered to implement, administer and enforce the Architectural Guidelines. ARB is given the power to establish the Standards and Procedures to monitor and enforce compliance with the provisions of the Lake Toxaway Architectural Design Guidelines.

MISSION STATEMENT

ARB will execute its Charter responsibilities with industry and integrity. In so doing, the Committee will review all applications, review process and communications as needed and interact with all parties (owners, contractors, etc.) in a manner consistent with the Lake Toxaway Architectural Guidelines.

RESPONSIBILITIES

In fulfilling its *mission*, ARB, including its subcommittees (if any), shall perform various functions necessary and appropriate to carrying out its Charter responsibilities. Such functions include, but are not limited to, the following:

- Act on new construction applications following through to completion.
- Act on all other improvement and maintenance requests; follow to completion.
- Act on variance requests.
- Act to preserve community forests.
 - Take action to maintain community standards regarding dead, dying and damaged trees; respond to requests for tree removal.
- Assist in identifying and resolving surface water drainage problems.
- Seek consensual solutions to Covenant violation complaints.
- Monitor and ensure compliance of builders and other contractors with applicable ARB rules, procedures, etc.
- Consider studies and actions in other related functions, as may be requested by the BOARD and by the CGM.

SUB-COMMITTEES

ARB may establish subcommittees, including ad hoc subcommittees for specified purposes, having duties consistent with the Committee Charter and Mission. ARB may appoint Chairpersons for each Subcommittee so established. There are currently no sub-committees.

MEMBERSHIP

The Architectural Review Board shall be composed of five to seven members, who shall be appointed by the BOARD to serve a one year term.

The ARB Chairperson shall be appointed annually by the BOARD from the membership of the Committee.

FINANCE COMMITTEE

The purpose of this charter is to provide a well-defined framework within which the Finance Committee will function and to communicate that framework to others.

MISSION STATEMENT

To serve as a resource to the Board, CGM and his/her staff on financial matters of the Lake Toxaway Community Association.

OBJECTIVE

To counsel the BOARD in LTCA financial matters, and to assist and support the BOARD and CGM in strengthening and protecting the financial integrity of the LTCA.

ROLES AND RESPONSIBILITIES

It is intended that the work of this Committee be incorporated into the workings of the BOARD so that it can knowingly assist, conduct independent analysis and provide another valued perspective relative to the financial position of the LTCA. More specifically, the roles and responsibilities of the Finance Committee are divided into five primary areas:

1. Review and counsel – to analyze and evaluate future budget plans and reporting of current year financial statements prior to submission to the LTCA membership for approval. This includes the annual operating and capital plans, major capital projects, and all funding, borrowing and investment plans. Based upon this review, the Committee will counsel the BOARD as to the financial soundness of the plans and prepare a statement of the Finance Committee position to be included in the BOARD's submission of these plans to the LTCA members. As part of this review process, periodically validate certain accounting practices and controls, e.g. cash balances, balance sheets, accruals, reserves, etc. The Finance Committee will serve in a review and oversight role on behalf of the community providing advice and counsel to the BOARD and the LTCA management.
2. Process Improvement –In addition to requests generated from the BOARD or the CGM, the Committee may, from time to time, uncover or encounter selected process areas where it feels some deficiencies or opportunities for improvement may exist. It will make recommendations to the BOARD and/or CGM that studies be initiated into these areas. Once approved, such work efforts would be coordinated with the CGM and his/her staff as well as other committees. The Committee would have to be sensitive to time and resource requirements on the administrative staff.
3. Outside Auditors – Consistent with the Finance Committee charter written by the BOARD, the Committee will also maintain a role in recommending outside auditors, and reviewing, the adequacy and effectiveness of internal controls and existing accounting systems with the auditors
4. Focus of Work Activities – The work, conclusions and subsequent recommendations of the Committee should generally be advisory, directional, policy and approach oriented in nature. The execution of the Accounting related activities is principally the responsibility of management staff under the direction of the CGM.
5. To address other financially related matters as may be requested by the BOARD and/or LTCA management

AUTHORITY

The Finance Committee has the authority to:

1. Review and monitor financial results and related underlying financial policies, and make recommendations/counsel the BOARD, as it relates to financial statements, budgets, auditor reports, etc.
2. React to requests relating to financial matters and process improvement made by the BOARD and CGM.
3. Express independent opinions to the BOARD on financial matters brought before the Committee.
4. Recommend areas for study, but not independently undertake unilateral actions.

ORGANIZATION

The Finance Committee is organized, as follows:

1. Three to five members in good standing and with relative experience.
2. At least two members should have an accounting background and skill set; the remaining should have some financially related experience.
3. The Chairperson will be appointed by the Board.
4. The Committee should be structured so as to achieve a staggered rotation
5. The Chair of the committee will be a voting member of the Planning Committee.
6. The Treasurer will serve as the BOARD liaison to the committee.

WORK ACTIVITIES

Activities will include, but not necessarily be limited to:

1. Participating with the BOARD, administrative staff and committees during the development of their operating and capital plans.
2. Participating on a current and ongoing basis in the evaluation of the results of these plans.
3. Serving as a resource on financial matters to assist all the various operating and functional components of the LTCA.
4. Undertaking the consideration of requests made by the BOARD, in general, and its liaison to the Finance Committee, the Treasurer.
5. Investigating process improvements in areas requested by the CGM or identified by the Committee, and approved by the Board.
6. Providing input to the CGM and his/her team, as requested.
7. Providing input and guidance to the BOARD as it relates to financial matters.
8. Preparing a prioritized work plan, where necessary.
9. Interacting directly with the CGM and management staff in the course of performing their responsibilities. The CGM is invited to attend the Finance Committee meetings. Others will be invited, as appropriate.
10. Outlining the Finance Committee's position and rationale in conjunction with all reviews and recommendations.

LTCA COMMITTEE GUIDELINES

The committee guidelines created and distributed by the BOARD are incorporated into this charter.

CONFIDENTIALITY STATEMENT

All financial information and data received by committee members, whether in written, electronic or oral form, must be treated as strictly confidential until such data is made available to the community at large. In carrying out its responsibilities, it will be necessary to consult and discuss financial matters with selected members of the general community at large, the BOARD, the management staff and the auditors. Such interchanges must be conducted with discretion and in a confidential matter. When considering final recommendations, the Committee must be sure to involve the the CGM, other committees and the BOARD, as appropriate, but broader communication must be handled with caution and on a need to know basis in order to avoid mis-information being disseminated and faulty conclusions being drawn.

ROADS & GROUNDS COMMITTEE

RESPONSIBILITY

The primary responsibility of the Roads & Grounds Committee is to provide oversight of road repair and maintenance, roadside and grounds maintenance contractor and assist the CGM and the BOARD in developing a roads and grounds maintenance program to meet the requirements and desires of the community.

In fulfilling its responsibility, the Roads and Grounds Committee shall perform functions that include the following:

- Provide advice and assistance in developing reasonable standards for the maintenance of the roads, roadside drainage, and roadsides.
- Establish priorities for roads, roadsides and drainage improvements each year.
- Assist in developing long range planning for the most effective preservation and future use of LTCA roads.
- Review, discuss and report to the CGM any problems, concerns or recommendations made by members which may require the attention of the BOARD and/or staff.
- Perform such other related functions as may be requested by the CGM or the BOARD.

MEMBERSHIP

The Grounds Committee shall be composed of three to five members. The CGM shall be a non-voting member of the Committee.

The Grounds Committee chairperson will advise the Long Range Planning Committee as needed and requested to provide specific advice related to their area(s) of community responsibility.

EXTERNAL /GOVERNMENTAL AFFAIRS COMMITTEE

RESPONSIBILITY

The primary responsibility of the Governmental Affairs Committee is to serve as liaison with the LTCA Board and membership with local Government officials.

- The Committee will provide political advice as requested to the Lake PAC.
- The Committee will report the LTCA Board and membership local area economic and political developments and issues.
- The Committee will interface with the Volunteer Coordinator to provide business mentor services to local business.

NOMINATING COMMITTEE

RESPONSIBILITY

The primary responsibility of the Nominating Committee is to actively recruit and select the most qualified candidates for the BOARDS. The Committee's responsibilities are task-oriented and time-limited on a recurring annual basis in accord with the Board of Directors and the Bylaws of the LTCA.

In fulfilling its responsibility, the Nominating Committee shall perform functions which include the following:

- Develop a set of criteria to determine the best-qualified candidates for the BOARD. Examples of such criteria are: demonstrated leadership, ability to work well with others, having innovative ideas, being a self starter/taking initiative, meeting due dates, having good communication skills as well as representing the diverse geographical segments and interests of the property owners. To determine the presence of these criteria, the committee should investigate experiences within LTCA such as: prior experience on committees, other community activities, knowledge of the community, volunteer service in the area, as well as career experiences. The committee should consider specific needs of the BOARD (e.g. people with experience in finance, engineering, communications, etc.)
- Actively recruit members in good standing that have been identified and believed to be exceptional candidates based on prior committee or community activities.
- Select the most qualified candidates for service on the BOARD out of the final pool of interested members using the criteria developed by the committee.
- The Nominating Committee will assist candidates to develop a biography and/or position statement in conformance with desired format and size but the final decision on content is the candidates'. The pertinent information and statements of position shall be uniform in length. Candidates, who have been selected for the slate, should provide photos to be presented to the property owners;
- Report to the BOARDS the final slates of candidates numbering at least two (2) more than required for the LTCA BOARD.
- Recommend to the LTCA Board the number, slate and terms of Board nominees.

REPORTING

Although appointed by the BOARD, the Nominating Committee operates independently of the BOARD. The BOARD shall not be involved in the direct process of selecting candidates. Nevertheless, the Nominating Committee, through its chairperson, and BOARD liaison, should keep the President of the BOARD informed of general progress, issues, or external

impediments to committee progress. The Nominating Committee shall submit a mid-term status report to the BOARD.

The Nominating Committee has no standing relationship with other committees. However, the Nominating Committee should contact all committees for individuals to consider as candidates.

MEMBERSHIP

The Nominating Committee shall be composed the Chairman plus three to seven members. One member of the BOARD and one previous member of the Nominating Committee should serve on the Committee. The selection of other members should consider representative components of the community based on gender, improved and unimproved property owners. Experience serving on a LTCA committee is desired. There is a limited time frame precluding any extended absences during the process of selecting candidates. Members of the Nominating Committee are not eligible for consideration as nominees. All members of the committee shall be selected and appointed annually by the LTCA BOARD.

The Chairperson will be appointed by the Board.

MEETINGS

The Nominating Committee will promptly develop a work schedule to meet the timing and number of candidates required for the BOARD to be elected and reported to the membership on or before June 1. Upon completion of the assigned responsibilities, the Nominating Committee will not have regularly scheduled meetings.

LONG RANGE PLANNING COMMITTEE

RESPONSIBILITY

The Long Range Planning Committee is to serve as a staff support function with responsibility to assist the BOARD with research, analysis and recommendations on issues related to the Lake Toxaway planning cycle as defined by the BOARD. All research will be sensitive to current and future needs of the Community as a whole. The objective of the planning process is to maintain and / or enhance the image, marketability and quality of life for the Lake Toxaway community.

In fulfilling its responsibility, the Planning Committee shall perform functions that may include, but not be limited to, the following:

- Strive to give equitable consideration to the many interests of the property owners.
- Take an active role in reviewing and providing input on projects as requested by the BOARD.
- Serve as a control center for BOARD approved community surveys
- Review the Reserve Fund Plan for conflicts and balance with the long-range plans.
- Revise and update the Long Range Plan annually.
- In performing the activities outlined above, continually review the projects for consistency with the Long Range Plan. Report to the BOARD, as required, any extenuating circumstances.

MEMBERSHIP

The Planning Committee shall be composed of a maximum of ten (10) voting members, the CGM, BOARD liaison and a Chair Person appointed by the BOARD. The Chair of the Finance committee will serve as a voting member of the Long Range Planning Committee. The remainder will be at large members with specific skills and/or experiences of contributory value to the planning function.

In addition, the Planning Committee Chair will have the authority to recruit and utilize additional non-voting members as may be required to fulfill limited term, project specific, needs.

HOSPITALITY COMMITTEE

PURPOSE:

The primary purpose of the Hospitality Committee is to serve as coordinators and hosts of LTCA social functions, primarily Music on the Mountain. The committee also will serve as a welcoming contact to new property owners within LTCA.

RESPONSIBILITIES:

- Provide advice and assistance in enhancing and promoting the marketing of new and varied functions within Lake Toxaway Estates.
- Plan and help implement various new social functions that will encourage greater member involvement in Community activities.
- Serve as a welcome hosts to new property owners within LTCA.
- Provide written reports to the LTCA BOARD.
- The Hospitality Committee is not required to hold regular meetings.
- *Other responsibilities to be provided by the Committee.*

MEMBERSHIP:

The Hospitality Committee will be composed of up to 10 members.

BEAUTIFICATION COMMITTEE

RESPONSIBILITIES

The primary responsibility of the Beautification Committee is to make recommendations with respect to planting of the entrances to Lake Toxaway. The committee will continue to make recommendations for improvements to the existing landscape.

MEMBERSHIP

Beautification Committee shall be composed of three to five members.

LEGAL COMMITTEE

RESPONSIBILITIES:

The primary responsibility of the Legal Committee will be:

1. To provide informal, preliminary advice to the LTCA Board and its Committees
2. To monitor and review relations with and statements from outside legal counsel and to assist in the hiring of same.

It is understood that Members of the Legal Committee are retired Attorneys, not Members of the NC Bar nor licensed to practice Law in North Carolina. They cannot and will not engage in any role which could be considered to be the practice of Law. The role of the advisory Legal Committee shall not be considered as a substitute for the formal Advice of retained NC Legal Counsel.

The Legal Committee shall be composed of two to seven members.

MEMBERSHIP:

The Legal Committee shall be composed of two to seven members.

SAFETY / SECURITY COMMITTEE

RESPONSIBILITIES:

The primary responsibility of the Safety Committee will be to recommend policies, rules and regulations to the LTCA BOARD to enhance the safety and security of LTCA membership.

- The Committee will manage performance of security and access control personnel.
- The Committee will recommend vehicle operations standards.
- Recommend schedule of fines pursuant to the BYLAWS Section 4.5.
- *Other activities as recommended by the Committee*

MEMBERSHIP:

Membership of the Safety Committee shall be determined by the BOARD.

COVENANTS COMMITTEE

AUTHORITY

The Covenants Committee will hear and determine appeals from members challenging an imposed fine pursuant to the BYLAWS Section 4.5. As directed by the BOARD, hear appeals to decisions made by ARB pursuant to the LTCA Architectural Design Guidelines.

MEMBERSHIP

Membership of the Covenants Committee will be in accordance with the BYLAWS Section 15.2.

VOLUNTEER COORDINATOR COMMITTEE

CHARTER

RESPONSIBILITY

To assist in coordinating and identifying volunteers within the Lake Toxaway Property Owners Association membership as needed to fill certain job responsibilities that may arise from time to time for the benefit of the Association. This may include assistance in the Association office, at Association events, or working with other committees to complete special projects.

MEMBERSHIP

There is currently no standing membership in the Committee other than the appointed Chair.

RULES / REGULATIONS AND BYLAWS COMMITTEE

CHARTER

RESPONSIBILITY

MEMBERSHIP

WELCOME COMMITTEE

CHARTER

RESPONSIBILITY

MEMBERSHIP

COMMUNICATIONS COMMITTEE

CHARTER

RESPONSIBILITY

Purpose: To provide cost effective, timely feedback to all LTCA members on all issues effecting the LTCA members via email, land mail ,or the new LTCA website. We will use "email blasts" to facilitate the communication process. In addition, we will use the website to allow members to contact the LTCA Board and IPM corporation to express their concerns and share ideas for improving our LT community.

MEMBERSHIP

END OF DOCUMENT