

Eagle Creek Governance explained

Confused about governance at Eagle Creek?

- Perhaps you are a new member of the Eagle Creek Golf & Country Club because you have just bought a condo here at Eagle Creek. You may know that the club is run by a Board of Governors and charges quarterly dues
- Someone has told you that you belong to and have to pay dues to a condo association. You have also heard that there is a master condo association.
- Finally, you have heard that there is also a Community Home Owner's Association.

This may look complicated, but there is a reason why our community is run in this way. This document tries to explain what all these associations are, why we need so many and what they do. There are three main reasons for this complexity

First we need to reflect the difference between “*members*” of the Golf and Country Club and “*residents*” of Eagle Creek

Key All people who buy a residence at Eagle Creek must also become members of the Golf Club.

However.....

Key Some members of the Golf Club are not residents at Eagle Creek.

For this reason alone there has to be two separate governance structures: one to govern the activities of the Golf Club and meet the needs of both resident and non-resident Golf & Country Club members; and a second to manage the needs of residents.

Key Residents may become either a Golfing or a Social member of the Eagle Creek Golf and Country Club. Golfing members have access to all the facilities at the Club while Social Members do not have full access to the Golf Course.

Key There may be up to 360¹ Golf Memberships and 128² Social Memberships. This includes up to 26 non-resident golf membership. There is also a small number of non-resident social members³.

Key There are differences in the purchase price and quarterly dues of Golf and Social memberships

¹ Actually 350 as of 2/26/20

² Actually 128 as of 2/26/20

³ Currently 2 members but there is no set limit.

Second you may live in one of three types of homes governed by two separate Florida Statutes:

Key Eagle Creek consists of 220 Condos; 90 Villas and 144 Single Family Homes (known as Estate Homes) which have been built on 153 lots.

Key There is one Florida Statute that relates to the management of the Eagle Creek Condo Associations and a separate Florida Statute that relates to the Management of Home Owner's Associations which applies to the Villas and the Estate Homes.

Key In some respects, the Villa association is a hybrid that has features of a condo association and a single-family home. For example, villas are situated amongst common community property and some of the costs of maintaining a Villa (e.g. painting and roof replacement) are paid by the Home Owners Association from the dues collected.

Third, the developer of Eagle Creek built the homes over a period of time and therefore created different legal entities to manage buildings as they did this.

Key There are in total eleven different legal entities created by the developer to act as either "Condo" or "Home-Owners" associations.

Key There are *seven individual condo associations*: These are: Stonegate, Condo association #1, Condo association #2, Condo association #3, Condo association #4 Condo association #5, and Waterford.

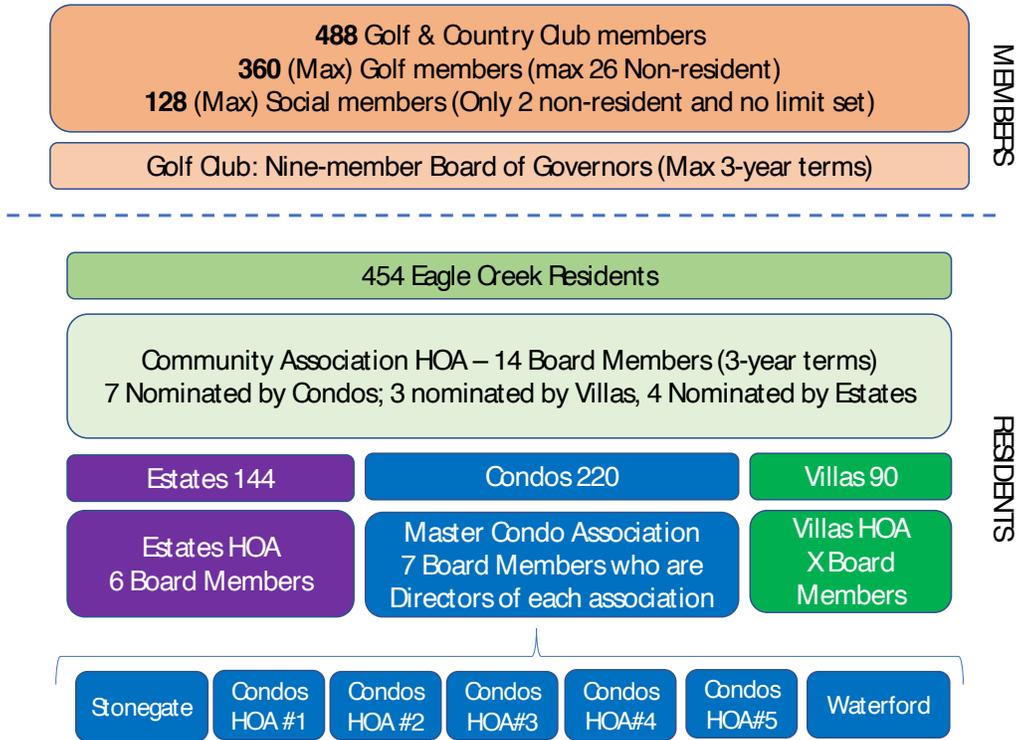
Key There is *one Master Condo Association* that deals with common costs shared by all Condo Associations.

Key There is *one Villa Home Owners association* even though there were at least three stages of development of the Villas and differences between different styles of Villa such as those along Cypress View Drive and the villas in "The Keep" and the Carriage Walk". While most Villas share a common wall there are also three single Family Homes included in the Carriage walk and treated as Villas.

Key There is *one Estate Homes Owners association* for all the 144 single family homes and the 153 lots they occupy.

Key There is *one overarching Eagle Creek Community Association* which was created to manage all the common areas of Eagle Creek that are not the property of the golf club or the residences (e.g. Entrance, Eagle Creek Drive) and certain common services such as access control, roads, lighting, etc.

The Figure below summarizes the governance structure of Eagle Creek that resulted from the factors noted above.



Eagle Creek Finances Explained

As a resident of Eagle Creek you will pay dues each quarter to both the Golf Club and the Association which manages your residence.

Golf Club Budget: Each year the CEO of the Club develops an operational budget for the next financial year and presents this to the Board of Governors for consideration and approval. As part of this process, the budget is reviewed by the Finance Committee which consists of a selection of members who have volunteered to serve on the Committee and is chaired by the Treasurer.

Golf Club Dues The goal is to set dues for the operational expenses of the club at a level which is sufficient to break even. There are separate arrangements for determining the Capital resources needed to maintain the clubs assets at an appropriate level. This is reflected in a separate capital dues figure. Once determined, the regular and capital dues figures are notified to all members. All dues are payable quarterly in advance.

Golf Club Food & Beverage Minimums. In addition, the club establishes and tracks a minimum level of expenditure on food and beverages during the year. Members who do not reach this minimum level are invoiced for the balance not spent at the end of each financial year. This level stands at \$1,200 for the 2019-20 Financial Year.

HOA Expenses and budgets

Expenses relating to common areas and/or services that should be shared by all residents.

Expenses relating to the services provided by a single HOA that should be shared by those people who reside in the association.

Expenses related to common services shared between the Golf Club and the Community Association

Each resident pays one set of dues each quarter relating to the association where they live (i.e. one of the seven individual condo associations, the Villa Association and the Estates Homes association). The dues are used to fund operating expenses as well as to generate cash reserves to meet future major capital expenses

In a Condo some of the dues collected is used to cover the cost of the Master Condo Association and the Community Association. In a Villa or an Estate Home some of the dues collected is used to cover the cost of the Community Association.