

Woodlake Community Association
Community Meeting Q & A
April 3, 2013

On April 3, 2013, the Woodlake Board of Directors held a community meeting for the purpose of reviewing the future options for Woodlake Swim and Racquet Club (WSRC). After the presentation on the WSRC Long Range Planning Committee recommendations for the future and the various options for moving forward over the coming years, the Board heard comments, questions, and concerns from residents. In order to best respond to the comments, questions, and concerns brought forward by residents, the BOD and staff listened carefully and took notes, but did not respond at that time.

Below are the questions and comments heard from residents, with accompanying responses (as necessary) from the WCA.

Q: Are existing residents going to be required to join the WSRC? How would the 2nd mortgage be paid off? Is it possible to offer different membership options; for example, a limited number of summer pool memberships?

A: The (now deferred) amendment proposal was to apply to new residents only, and was intended to help create a stable Woodlake resident membership base and position the Club so that we can achieve two long-term goals: 1) Improve and enhance facilities and 2) Create a revenue source that will allow the Board to consider other WSRC membership options. The WCA is not in a position to consider other WSRC membership options until the East West Partners (EWP) loan is paid in full.

The (now deferred) amendment did not require existing residents and owners to join WSRC. WSRC membership remains optional to current Woodlake residents and residential property owners.

The 2nd mortgage could be paid off through a number of different methods, including: continue the current repayment schedule or a special assessment; consolidation of the first and second mortgages; regular assessment increases; or any combination of these options, and possibly other options that we have not yet determined!

At this time, the WSRC offers the most diverse membership options possible that still ensure that we are able to pay all of the operating expenses of the club, as well as our two mortgage notes. In order to offer special Woodlake memberships, the numbers must work, which currently is not the case. In the future, as we repay our debts and increase our reserve funding, more options will be financially viable.

Q: Could you do away with the fitness club and turn it into a restaurant, but keep the pools?

A: We have not explored this as an option.

Q: What would the actual numbers be for an amendment? (This resident supports the Club and believes it would diminish property values if it was no longer an amenity.)

A: As proposed, the now deferred amendment would have required that all new property owners in Woodlake become automatic members of WSRC at the lowest available established resident membership rate existing at WSRC. That membership, at the time, was a single person indoor fitness membership.

Q: If you are going to force residents to join, you will create an obstacle to selling homes in Woodlake. Why keep pushing this option? The size of the facility is too small; can it accommodate the number of people who would be using it? Tennis takes up a lot of space. Maybe you could turn those into a residential area and cut back on the size of the facility and have a single facility. At some point the capital expenses will be costly to the residents.

A: The amendment was deferred so that the Board of Directors could continue to hear the thoughts of community members and consider additional opportunities. The facilities were constructed as part of the master plan of Woodlake and designed to accommodate all of our residences and residents. In previous years, the Club has accommodated approximately 2,100 memberships. We bear in mind though, that as community needs change over time, we'll have to continue to evaluate the usage of the facilities, because our needs might change and necessitate alterations to the facilities in order to provide for the Club community's needs.

Over the years, WCA has worked to create innovative funding solutions so that we can fund capital projects and improvements in the community, such as the Capitalization Fee, which paid for a new bike trail and much of the landscape plan implementation. The Board is committed to continuing to find opportunities for cost savings and raising funds, as well as planning carefully for future expenditures to make the best possible use of Association funds.

Q: During the presentation, a figure of \$600 was discussed, and I am not sure what that represents, because according to the club, a single membership costs \$720.

A: The relevance of that figure was that, the WSRC Long Range Planning Committee initially thought that \$600 per family per year was the rate that would be necessary if all Woodlake units (2,764) joined the Club, in order to allow us to pay all of our operating expenses and mortgage notes. They looked at a number of scenarios, and as it turned out, the analysis showed that number would not work unless all 2,764 units joined.

Q: I would like to see the business case for the proposals and the needs analysis. What are our needs in the future? Go through the analysis, bring that to the community and then we can move forward.

A: We will continue to host community meetings and forums and to publish information that will inform residents, including all the documentation that led the WSRC Long Range Planning Committee and the BOD to their recommendations. In addition, the facilities study performed by Club Source Design (to be presented at the 4/23 Annual Meeting) will help us to evaluate our future facilities needs and opportunities. After the initial presentation at the Annual Meeting, we will begin scheduling additional community meetings and advertising those to the community via the marquee signs, website, Facebook page, newsletter and e-mail blasts.

Q: I appreciate the pool and the outdoor pool and am excited about the hope and vision. We need more membership options for smaller family sizes and couples, and the Club needs to make membership exceptions as needed. In addition, in the past, it was advertised that we could not rejoin if we left. I would like to see a menu of options for membership. Continued communication is needed to make our ownership work well.

A: Our WSRC management team works to offer a diverse array of memberships that are competitive in the marketplace and also meet our budgetary needs. Both the management team and the BOD are committed to continually exploring, evaluating and offering the most diverse packages possible.

Q: When I moved here 17 years ago, my kids were small and the pools were part of the reason we chose Woodlake over other neighborhoods. The WSRC is a part of the community and important to all of us. We can apply the concept of the planned community on a larger scale. A great example of this is the roads. We all pay taxes for the roads to the federal, state and local government, but we do not use and drive on all the roads. The same goes for schools. We do that because having those things adds value to our community.

Q: Thank you for doing a difficult job. When we moved here, we were surprised that the Club and Association were two separate entities. Initially, we joined the club, but we found that it was not up to par and ended our membership. We were told that we would not be allowed to rejoin. My son went as a guest to a birthday party when he was six years old and was turned away. The policies were not friendly to guests. I would like to see the policies changed, and I voted to purchase the clubs to see things change. I have rejoined the pools, and I hope that we can listen to the hard experiences and take them into account as we move forward.

A: We can't speak to an individual experience, but we can tell you that since the start of our working relationship, the WSRC management team has consistently evaluated policies and rules to be responsive to member concerns, while also protecting WCA and WSRC from liability, and they continue to make recommendations as necessary to the BOD. The challenge for us is creating rules that are fair, but still protecting our Club members and our investment in WSRC. We recognize that though our policies and rules are established for a reason, whether to protect the safety and welfare of members, or to protect the financial investment of the community, we are committed to a continual evaluation of policies so that changes can be made as necessary.

Q: I am a member of the Club and have been since I moved into the community. It is a part of the community and needs to be supported, but I would also like to see the business case for supporting the club. At this point, I would not know what is best or worst for the community. I would also like to see what options exist for providing residents a basic use of the amenity as part of our assessments.

A: We will continue to provide information and documentation to our community members to ensure that you have the necessary information to make an informed decision. That information will be made available as quickly as possible on our web site and Facebook pages and in e-mail blasts.

Q: Resident recognizes that the pool is a part of the community, and we all benefit from having the clubs because of the value added to our property. If the business case warrants it, why not have only one class of assessments that we all pay at the same level in order to maintain the clubs as an amenity?

A: We believe that any such membership would need to be affordable to the residents and competitive with surrounding neighborhoods, **and that the residents would need to support that option – and support it very clearly.** This would be a very different approach to living in Woodlake, and even if the business case makes sense, based on the feedback we've received, there are residents who would not support such a proposal.

Q: Does the WSRC Management Team set the rates for membership? I don't believe it is a good idea to force membership on a couple who has no interest in using the club, especially when the BOD has no authority to set the rates of the memberships.

A: The WSRC Management Team develops the membership categories and rates, which are presented to the BOD and approved as part of the annual budget. The WSRC Management Team does have the authority to adjust rates as needed in order to remain competitive in the marketplace. According to the management agreement, the BOD does not have the authority to unilaterally change the membership rates. This was put in place in the agreement as a protection for both parties. For WCA, the provision ensures that we do not change rates to the detriment of the budget and the Club. For the management team, this ensures that operating funds are sufficient so that all bills can be paid, including our mortgage notes.

Q: I was a part of the BOD who presented the option to purchase the pools to the community, and of the team that studied the plans. This is a tough problem to solve, but we can do it together.