From General Manager Steve Hardesty

Many times I get questions about the golf operation and the relationship between the Association, the Golf Committee, and the Golf Leagues. The Board of Directors has appointed Board Member, Marty Neilson, as liaison to the Golf Committee. Mr. Neilson recently fielded this question – "How are the relations between the Board and the Golf Leagues at this point."

Mr. Neilson's answer is in bold below...

"It is fair to say that the fall budget process and the recent need to increase golf fees has, and always, creates a challenge this time of year. Yes, we received comments from homeowners during our fall Committee and Board Meetings on the cost of golf. The Golf Leagues have been supportive and have direct representation and input on our Golf Committee, led by Pat Shouse.

As an example, we recently met with the Cottonwood Men's Golf Association leadership and had a good discussion on our positive relationship. It is sometimes easy to confuse individual homeowner views and comments from each Leagues official position on items. We expect to have more discussions with our various golf leagues going forward. We are going to examine budget performance against golf fees earlier this year, if possible. Our Board and HOA Management are committed to diligent adherence to our budget to keep future fee increases reasonable and predictable. Inflation is a tough problem and cannot be ignored if we are to remain viable long term. Today, our golf courses are in great shape and we are all enjoying our quality of life. Sun Lakes HOA2 is a united community with one golf complex amenity and many working parts."

The Association owns and operates two golf courses, Cottonwood and Palo Verde. These are funded in large part by golfer fees, but also by homeowner dues, should there be an operational shortfall. In the past five years, the operational shortfall (homeowner subsidy) has been more than \$100,000 per year. This shortfall has been smaller each of the last two years following fee increases that the Board and Golf Committee supported. The Capital costs of the golf course are covered in the Reserve Funds, which are funded by homeowner dues and capital contribution fees from the resale of homes.

The Golf Committee is a standing Committee created by the Board of Directors. Unique to all other Committees, its members are made up of homeowners who represent specific Leagues within the golf community. The CW and PV Men's and Ladies Golf Associations, CW Lady Niners, PV Couples, and three members at large. The duties of the Golf Committee include:

- Communicate and coordinate with golf management
- Communicate with other Committees
- Review the golf calendar

- Inform and communicate to the Association Members regarding golf operations
- Carry Golf Committee news to their respective Leagues

While the Golf Committee has no official fiduciary duties, they do have several Sub-Committees, including one Sub-Committee that assists management with the rate structure by researching other golf communities, studying the Chelsea Reservation system, making recommendations for the golf course marshal program and many similar items. Homeowners can attend every Golf Committee meeting throughout the year. These meetings are held the first Wednesday of every month at 2:00pm in the Phoenix Room.

The Golf Leagues are groups of golfers who represent their specific organizations, each who have their own Board. For instance, the Cottonwood Men's Golf Association represents the male golf activities at Cottonwood Golf Course. They have a representative on the Golf Committee, but mainly focus their efforts on league play, tournaments, and other golf related activities for the club members.

Recently, several Executive Board Members of the Cottonwood Men's Golf Association met with management to foster relationships and look towards the future. The challenge of increasing costs for golf maintenance, water related issues, increasing cost for labor, demand for tee times, and rising rates are real issues that affect all CWPV homeowners and golfers.

Management and the Board of Directors are very interested in maintaining relationships and collecting ideas to assist the golf operation. Plans are in the works to create a spring meeting/communication event to discuss the golf operation prior to the summer budget work. This will give a voice to homeowners prior to any future rate increase or change in the golf operation. Stay tuned to The Flyer for details on this future meeting.