



Dear Members:

I want to take this opportunity to bring everyone up to date on the status of our golf course renovation project.

You should be aware that we are almost on time with the construction work being performed by Southeastern Golf. The Hills (Orange) course is almost complete and work is proceeding in a timely manner with the Lakes (Blue) and Woods (Brown) courses. We are in the process of determining when the courses will open in the fall and will timely advise everyone when that decision has been made.

Most everyone knows that two months ago we were first notified by the Lake Worth Drainage District (LWDD) that they were coming onto our property to clear trees and vegetation from certain land they own by those canals and water bodies surrounding our golf courses. This has caused us, among other things, to move two greens adjacent to and/or off of LWDD property (holes 3 and 6 on the Hills course), change concrete golf cart paths, resurvey our boundaries and replace trees. This has cost additional and unanticipated expenses not related to the golf course renovation project.

With various areas of our golf course now stripped of trees and other foliage along our east, north and south perimeters, we have discussed with our golf course architect, our contractor, our golf course superintendent, and our landscape architect to propose plans to place new plantings and groundcover in certain areas of the golf courses where trees and foliage were removed by the actions of LWDD.

I am pleased to tell you the project is at or under budget with the sole exception of landscaping. We are working on certain landscape modifications and changes in design that will cost us more initially but will ultimately reduce our future annual maintenance expenses (such as savings in fuel, fertilizer usage, labor, etc.). These changes, while being cost effective in the long term, will also enhance the beauty of our courses. This additional cost is \$175,000.00 and that amount will be added to the existing \$75,000.00 in our project's budget set aside for landscaping. This \$250,000.00 total necessary landscape figure will allow us to purchase plantings, trees, pine straw, mulch, etc. so as to ensure that the golf course is as attractive as possible. Remember this amount is a basis for future course beautification.

The Golf Enhancement Committee ("Enhancement Committee") has recommended that \$175,000.00 be taken from monies in our Reserve for Capital Improvements for Debt Service (the "Capital Reserve Fund") for additional and necessary landscaping. This will require a membership vote on spending up to \$175,000.00 from the Capital Reserve Fund pursuant to By-Laws Article VI, Section 2G. It is anticipated that such a vote will occur within the next two (2) months. I want everyone to know that we expect that this Fund will have over \$950,000.00 in that account by the end of this

year, so any member approved withdrawal will not affect our insistence on maintaining a substantial balance in that Fund.

Also pursuant to another recommendation of the Enhancement Committee, the Board has decided to withdraw from our Operating Account the sum of up to \$200,000.00 to pay for mitigation of the physical damage done to our golf courses as a result of the actions of LWDD. Our Operating Account has an anticipated surplus in excess of the amount to be withdrawn. No membership vote is required for this action.

So that everyone can better understand the action taken by the Board, here are current financial figures required to repair the damage done to the areas of our courses by the actions of LWDD: \$87,500.00 for the moving of two greens; \$10,500.00 for tree mitigation; \$1,000.00 for a survey; and \$3,500.00 for moving certain cart paths. It is estimated that \$90,000.00 will be required for reforestation of the golf courses. These figures, while not totally complete, presently amount to \$192,500.00 and serve as the basis for withdrawing up to \$200,000.00 from our Operating Account surplus.

The Enhancement Committee has presented to the Board a fiscally prudent plan to pay for the completion of the golf project. At its just concluded meeting on July 29, the Board approved this plan for finalizing required costs for the golf course project. Such a plan will result in NO SPECIAL ASSESSMENT ON THE CLUB'S MEMBERS.

Here, again, is the plan on how we intend to proceed: monies will be allocated from (1) our Operating Account surplus up to \$200,000.00 for mitigating damage done to our courses by LDWW, and (2) withdrawal from the Capital Reserve Fund of up to \$175,000.00 for necessary and additional landscaping (assuming membership vote approval).

I know that some may find the information contained in this letter to be too informative and/or possibly disconcerting. I believe everyone should know exactly where we stand with this project and our available options. The Board wants complete transparency so that no one can say at a later time, "Why wasn't I informed about this matter?"

Be assured that the Board has made its decision based solely upon what it believes to be in the best interests of the Club and its membership. We hope the membership will agree with us and support the proposal to now fully fund and complete this renovation project.

Please feel free to contact me, Treasurer Mark Zucker, and/or Ron Ellish and Steve Salzman, Enhancement Committee Co-Chairs, if you wish to discuss anything pertaining to this letter.

With my best personal regards and on behalf of your Board,



Curt Karpel
President

P.S. Please be sure to watch the latest project video from our drone pilot, Norm Nebel:

[Lakes Course - Week 20](#)

#3: New cart path on right of fairway, lake expanded, coring bunker and contouring fairway; #4: Sodding green perimeter; #5: Sodding perimeter of tee boxes and sprigging fairway; #8: Shaping lake bank



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