

History of the conflict between the POA residents and the Country Club

I think it is important that everyone understand the history of the relationship between the country club and the POA residents. The developers of the subdivision incorporated the country club and golf course as part of the community with financial oversight. Sections 1 through 19 and the Forest could join on a voluntary basis. The developers expanded into section 20 through 25 and made the membership in the country club mandatory. This requirement is defined in 4C of the covenants. During the early development of the subdivision the voting was defined as one vote per lot. This structure provided the developers the ability to direct the terms of the covenants. A decision was made by the developers to sell the country club and golf course to a private individual and a group of investors. This owner tried to collect social membership dues from all the lot owners and was successful with many even though they were not required to pay. The residents and sections 20 through 25 took the country club to court stating that it was unfair to force them to pay the social memberships dues. A judgment was issued that stated sections 20 through 25 must purchase a social membership to the country club and residents in section 20 through 25 could not vote to change or modify section 4 C in the covenants. The country club and golf course was put up for sale and the POA had a special election to determine if the members of the POA wanted to purchase the country club and golf course. The decision to buy the country club and golf course was voted down by a large margin. The country club and golf course was out of business for a period of time. Mr. Tucker and a group of investors purchased the country club and golf course. Mr. Tucker believed that the judgment from 2011 indicated that all lot owners must pay for a social membership. This judgment is published on the country club's website. Mr. Tucker started an aggressive collection program to collect social membership dues from all lot owners. The POA board put a ballot item on the annual meeting election to remove 4C with idea that the social membership to the country club should be voluntary for all lot owners. The legal counsel for the POA indicated that this might result in a law suit. The ballot item to remove 4 C from the covenants passed with a 2 to 1 majority of the votes. The country club sued the POA to prevent the POA from removing 4 C. The POA spent in excess of \$300,000 defending the POA's right to modify the covenants. The Judge ruled that 4 C would stand as is currently stated in the covenants indicating that sections 1 through 19 and the Forest are not required to become social members and section 20 through 25 must be social members. The POA board signed an agreement that the board would not appeal the decision and Mr. Tucker also signed the same agreement. Following this judgment the country club raised the dues for a social membership and included some additional benefits for golfers. Mr. Tucker submitted a ballot item to be included in on the annual meeting ballot. The ballot item requested that each lot in Raintree pay social membership dues and the POA would collect those dues and turn the money over to the country club. The POA board did not approve the ballot item request. There were multiple reasons the ballot item was not approve. The POA cannot serve as a collection group for a private entity since the Board has no input in how the money would be used and ability to review the financial records of the country club. The board was concerned that this ballot item was in direct violation of the judgment agreement that had been signed. There was also concern that the judgment from 2011 would not permit the owners in section 20 to 25 to vote causing an additional division. Mr. Tucker met with a couple of board members, but never requested a meeting with the full board. These board members indicated that the POA could not be the collection agency for the country club and that Mr. Tucker should consider making a proposal

that required membership by owner and not basing the dues on lots owned. These suggestions were dis-regarded in Mr. Tucker's current petition. The Board voted that this petition be reviewed by a Judge prior to any election since there were several legal issues that needed to be addressed. Those legal issues included but were not limited to, sections 20 through 25 ability to vote on a proposal that would change 4 C, 4 C is not mentioned in the petition however if the second item in the petition were to pass 4 C would have to be modified by vote of the POA members in direct conflict with the judgment signed by the POA, whether the POA could collect dues for a private company, and other issues. The judgment in 2014 clearly stated that sections 1 through 19 and the forest were not required to pay membership dues to the country club. That judgment protects these sections from aggressive collection efforts by any owners of the country club therefore the legal cost did benefit one group of Raintree owners. The POA board is not suing the country club. The board is just asking that the legal issue be resolved prior to putting the issue to a vote. The POA's legal counsel is more than willing to work with Mr. Tucker's legal counsels to move the review forward as quickly as possible.