

**SCCW MASTER ASSOCIATION  
ANNUAL MEETING APRIL 14, 2010**

**FREQUENTLY ASKED QUESTIONS AND ANSWERS**

**WHY DOES THE MASTER ASSOCIATION EXIST?**

The Master Association exists to hold title to real property within the Sun City Center West Project. It provides supervision and management as to the care and maintenance of:

- **roads,**
- **traffic control** (*signs & devices, as well as street signs*),
- **landscaping** (*including within the roadway areas, rights-of-way, and other common areas deeded to the Master Association*),
- **drainage systems,** and the
- **irrigation systems** (including all **wells, pumps, pipes** [*above 1" diameter*] and **other facilities or equipment thereof**) located throughout the Sun City Center West Project in Hillsborough County, Florida,
- **as well as all other matters determined to be in the best interest of the Master Association** by the Board of Directors from time to time, and carries out the functions and duties as to the foregoing of the member condominium [*and homeowner*] associations as set forth in the condominium and homeowner associations' Declarations.
- **The Board of Directors of the Corporation shall be responsible for the determination of the care and maintenance so as to provide efficient and integrated management for same.**
- The **gatehouse structures** and **monument signs in the roadway medians** are also owned and repaired by the Master Association.

**HOW DOES THE MASTER ASSOCIATION OPERATE?**

Incorporation: The Master Association is a duly formed Corporation that came into existence on May 1, 1973. The Master Association does not have a Declaration of Covenants and Restrictions. The Corporation operates under its own Articles of Incorporation and Bylaws and follows Florida Statute 617. Where applicable, the Master Association follows the guidelines for homeowner associations found in Florida Statute 720.

The Board of Directors: Directors are elected to serve one-year terms. The elected Directors may appoint to fill any vacancy. The elected Directors elect the officers. The officers are President, Vice President, Secretary, Treasurer, and any other officer deemed necessary.

Duties of the Officers: The President of Master Association presides over the meetings. The Vice-President acts during the absence or disability of the President. The

Secretary keeps the records, notices, agenda, and minutes of the Master Association meetings. The Treasurer has the care and custody and keeps full and accurate accounts of all monies and signs instruments when required.

Board of Directors Meetings: Board of Directors meetings occur as needed. The Directors may consent to an action, in writing, in lieu of holding a meeting. A quorum for a board meeting is a simple majority of the Directors. Directors may be notified by mail, e-mail, or phone, with a three-day notice. Meetings may only be called with the approval of an officer or any two or more board members. However, 10% of the members may petition the Board to request a meeting be held. The members of the Master Association are each Kings Point association. Membership in the Master Association is mandatory.

Membership Meetings: The annual meeting must take place between April 1 and April 15. A quorum for a membership meeting is 25% with a six-day advance notice.

Voting Member: The condominium or homeowner association president is the Voting Member at Master Association meetings. In lieu of the president, the association may designate another officer or director as the voting member for the Association. Additionally, only Officers or Directors are eligible to be a Proxy for the Voting Member. The Voting Member of the association is entitled to one vote, regardless of the number of units in their association.

Notices of Meetings: All notices of meeting are mailed to the president. Notices will also be posted on the Master Association web page.

### **WHERE ARE THE RECORDS OF THE MASTER ASSOCIATION KEPT?**

The entire operation for the Master Association, including financial and administrative records previously kept at the Developer's management office are now under the guardianship of The Continental Group. Financial and administrative records covering the past seven years are available for inspection by any Voting Member, upon request, during business hours.

### **HOW IS THE MASTER ASSOCIATION BUDGET DETERMINED?**

The Master Association sets its own budget each year based upon at least seven months' real expenditures, past expense history, known increases, planned projects, contract prices, and a buffer is included for unknown increases. The Developer includes Kings Point representatives in a review process, prior to the Board adopting the budget. The Board tries to develop a budget that closely matches expenses.

### **WHERE DO THE MASTER ASSOCIATION'S OPERATING FUNDS COME FROM?**

Based upon the budget, each condominium or homeowner association forwards its proportionate share monthly, from its association's funds, based upon the number of

units in the association. This amount starting April 1, 2010 is \$21.46 per unit, monthly which is only 50¢ more per unit, per month than last year.

### **WHEN CAN THE MASTER ASSOCIATION SPECIAL ASSESS ITS MEMBERS?**

Special assessments may occur whenever there is a special project that is required to be done, where budgeted funds are not available, or if there is a year-end deficit. Special Assessments are apportioned equally, to its Members, on a per-unit basis.

### **WHAT HAPPENS TO ANY EXCESS RECEIPTS OVER DISBURSEMENTS (*such as “year-end surplus” or “Special Assessment surplus”*)**

This collection of funds remains with the Master Association with any surplus becoming Equity of the Master Association. This Equity is not refundable to its members, Board of Directors, or officers however, it can at the Corporation's discretion be applied to future expenses or, at the determination of the Corporation, refunded to the Condominium Associations that contract with the Corporation.

### **HOW OFTEN ARE FINANCIAL AUDITS PERFORMED?**

Previously, audits were performed approximately every five to six years. Newer laws for condominium and homeowner associations require audits (if applicable) every three years. The Master Association will now follow that trend.

The next professional audit will be the balance sheet for month ending 3/31/09 and a full audit for this past fiscal year ending 3/31/10.

### **HOW IS THE MASTER ASSOCIATION MANAGED?**

The Master Association has had a management company oversee its operations for at least 30 years. In the past, the management company was always a subsidiary company owned by the Developer. This policy changed after WCI's restructured and eliminated their in-house Property Management division.

In February, 2009, the Master Association Board of Directors engaged Sterling Management (now d/b/a The Continental Group) to manage the day-to-day operations of the Master Association.

Working within the 2009-2010 budget constraints, The Continental Group hired Dana Phillips, a professional property manager with twenty-two years of experience working with the various Sun City Center developers. The last ten of those years have been spent as a licensed Community Association Manager. Her position with The Continental Group is to work exclusively for the Sun City Center West Master Association. Her background has given her a wealth of knowledge about the Kings Point Community and she is willing to share that knowledge with anyone who asks.

## **WHY DOES THE DEVELOPER STILL RETAIN CONTROL OF THE MASTER ASSOCIATION?**

This is probably for the “convenience factor.” By keeping control of decisions regarding the common areas within the Sun City Center West Project, the Developer can ensure that the common property is continually maintained in such a way as to make the community attractive to new customers. The Developer can judge the need and approve repairs and maintenance to be done quickly. After turnover, such needs could be delayed due to the need for meetings and possible discussion regarding the use of operating and reserve funds.

## **WHEN WILL THE MASTER ASSOCIATION TRANSFER CONTROL TO THE MEMBERS (“also known as TURNOVER”)?**

The time to turn over control of the Master Association will be decided by the Developer. As long as the Sun City Center West Project continues to have a development plan, then the Developer has the right to elect the majority of Directors on the Board. If the development plan is abandoned or if the Project is completed or if the Developer decides to relinquish control sooner than completion, then the Master Association can hold an election for the Voting Members to elect the majority of Directors.

## **WHAT WILL BE THE EFFECT OF TURNOVER?)**

**Prior to turnover**, the Developer, (via the Management Firm) is responsible for keeping track of the Corporation records of the Master Association.

**After turnover:** The Developer will officially relinquish to the new Board of Directors, all Master Association records. In addition, the Developer should work with the Board of Directors to ensure all miscellaneous parcels of land within the Sun City Center West Project have been, or will soon be, properly deeded to the Master Association within a specified time-frame. Unless decided differently by the new Board of Directors, the administrative and financial records of the Master Association will continue to be kept at the Management Company offices for as long as the Management Agreement is in effect. The day-to-day operations will continue to be carried out by the Master Association Manager, within the terms of the Management Agreement. The Board of Directors will give input, direction, and approval as needed.

**Prior to turnover**, the Board of Directors has three directors serving as President, Vice President, and Secretary/Treasurer. Although the control vested in the Developer shall entitle it to elect all Officers and Directors of the Master Association during the period of such control, only two of these directors are appointed employees of the Developer. One Director has been elected by the Membership from among the Voting Members, since 1990.

**After turnover**, there can be from three to seven directors and all Directors will be elected from the Membership.

**Prior to turnover**, the Developer has all of the voting rights, but the Developer may occasionally ask for a vote of the Membership on important matters.

**After turnover**, each Voting Member will have one vote on any matter coming before the membership.

**Prior to turnover**, the Developer has the exclusive right to amend the Master Association documents (Articles of Incorporation and Bylaws), as needed.

**After turnover**, proposals to alter, amend, or rescind the **Articles of Incorporation** may be made by the holder of twenty (20%) percent of all the membership votes and the wording of the proposed amendment must be delivered to the President not less than twenty (20) days prior to the membership meeting where it will be voted. [These requirements may be waived at or after the meeting]. To pass an amendment, the majority of the Board of Directors must approve, along with 60% of the membership. The **Bylaws** can be altered, amended, or rescinded, at any duly called meeting of the membership, as long as the notice of meeting contains a full statement of the proposed amendment, a quorum is in attendance, and there is an affirmative vote of 60% of the holders of all the qualified voting rights present and voting at the meeting, and the proposed amendment has been approved by a majority of the Board of Directors.