Memo

To: David Twiggs, Chief Operating Officer
From: Linda Mayhood, Asst. General Manager
Date: September 16, 2015
Re: Motion – Approve Collection of Two Tier Assessment

Motion:

I move to approve the collection of the Two Tier Assessment approved by the membership on February 18, 2015 ($65.00 for improved lots and $37.52 for unimproved lots), beginning January 1, 2016.

Background:

At the December 17, 2014 regular Board Meeting, the Board approved two motions: 1) ask the members in good standing to vote on increasing the monthly assessment amount on improved lots (lots with water meters) to $65.00 with no increase on unimproved lots (lots without water meters) to be effective January 1, 2015. 2) mail all members in good standing a proxy, not less than 30 days in advance of the meeting, set for February 18, 2015, in which proxies will be counted, pursuant to Article X, Section 6 of the Declaration.

Subsequently, at the February 18, 2015 regular Board Meeting, proxies were counted. Quorum was met and the membership voted 9,093 for and 6,028 against, thus approving the two-tier assessment increase beginning January 1, 2015.

The January 1, 2015 implementation of the two-tier assessment was postponed pending judicial decision of the Garner v. POA lawsuit. On July 2, 2015 a decision was issued in favor of the POA on all issues in the Garner v. POA case.

As the 2015 budget was based on an across the board assessment of $37.52, feasibility of implementing the two-tier assessment during the middle of the year was not practical.

Staff recommends implementing the two-tier assessment collection on January 1, 2016 in which the assessment amount will be $65.00 for improved lots (those with water meters) and remain at $37.52 for unimproved lots (those without water meters).