

## **NEW RATE FOR 2020—\$55 PER MONTH**

### **WHY ARE ASSESSMENTS INCREASING BY \$5.00 PER MONTH?**

At the Board meeting held on October 23, 2019, the Board of Directors voted to increase the monthly assessments by \$5.00 per month. The reason for the increase is due largely to the deficiency created by operation of the golf course.

When the Board voted to purchase the golf course in 2015, the primary reason was to protect the property values of every property owner in Newport. In 2012 the Board had an assessment prepared by an appraisal company to assess how the property values would be affected if the golf course were to close. At that time, it was determined that property values could decrease as much as twenty percent. Over the past several months the directors have had several discussions with area realtors to ask the same question again. Their responses were the same, using the closing of the golf course in Atascocita as an example. Property values in that community plummeted when their golf course closed and are just now recouping since the golf course has reopened.

Hind sight is always 20/20 and looking back you can always see what you should have done differently. The NPOA budget provides for \$400,000 for operating supplement to the golf course and for 2018 it exceeded that number by \$477,000. In late 2018 the Board hired a management company who made promises of marketing and staying within the allocated budget for 2019. Again, the budget was exceeded by over \$200,000 at which time the Board stepped in before it could get further out of control.

Everyone in Newport will have a different opinion regarding the golf course. Most who don't play golf will ask why they should support it. The answer is that having the golf course protects all property values regardless of their location to the golf course.

Golfers and those who liked the Thursday night dinners (approximately 30 regulars) will be disappointed in our having to make hard decisions of cutting back on food and beverage services.

In addition to the deficiency created by prior operation of the golf course, it is necessary to replace the bulkhead at the lake this year and additional capital is

**required to complete that task. The lake and river amenities are the highest used amenity in Newport.**

**Please know that your Board is making these decisions for the best interest of every owner in Newport.**