

FENCE FREQUENTLY ASKED QUESTIONS

Q: Why did I get two ballots? Do I only vote for one?

A: No, you must vote on both ballots. Those votes should be the same. If you are for the special assessment, you are also for the line of credit required to replace the fence. You would thus vote yes on both ballots. The line of credit helps us cash flow the project while we wait on the collection period for the special assessment.

Q: Can I pay the entire special assessment up front? Will I get a discount for doing so?

A: Yes, you can pay the entire special assessment up front! Doing so will help the HOA with cash flow and reduce the amount required to draw on the line of credit, thereby reducing interest owed to the bank. While the state of Colorado forbids us from giving discounts for doing so, the more homeowners that pay up front, the more likely we are to complete the fence project under budget, thereby increasing the likelihood that money will be returned.

Q: If the project runs under budget, will funds be returned?

A: Yes! Any unused money will be returned via a lower final payment, reduced yearly dues or a direct return to the homeowner.

Q: Will we use the fence reserve money during the project?

A: Yes, we will use the fence reserve money to pay for parts of the project thereby reducing the interest paid by the neighborhood, hopefully resulting in excess funds that can be returned to homeowners. At the completion of the project, we plan to return the fence reserve fund to its initial amount and begin saving for the next fence (30 years from now) so that this problem is avoided in the future.

Q: Why did we start paying the \$91 for the fence this year and will this continue? Will it go up?

A: We started collecting this to begin saving for the next fence. In order to have the inflation adjusted 8 million dollars required to build a new fence in 30 years, we need 300,000 invested plus an addition \$125 per homeowner per year. Thus, we will continue collecting this fence money and likely raise the cost of the fence portion of dues until we get to around \$125.

Q: Why are we moving to an 8-foot fence on the exterior of the neighborhood?

A: The city has changed a lot in the last 40 years. There is greater amounts of traffic and noise. Thus, to better ensure privacy and lower noise pollution the board decided to do 8-foot fencing on the exterior of the neighborhood. The cost of doing this was roughly an additional \$111 per homeowner.