

# Highline Meadows Condo Association

PO Box 1540  
Castle Rock, CO 80104

## MEMORANDUM

TO: All Highline Meadows Homeowners  
FR: Highline Meadows Board of Directors  
DT: November 7, 2008  
RE: Special Assessment

At its meeting held on Tuesday, October 21, 2008, the Board of Directors of Highline Meadows Homeowners Association authorized a special assessment for \$250,000. The reasons for this special assessment are:

- 1.) **Insurance Costs.** When our HOA property and liability insurance policy was renewed at the end of July, your Association was again forced to pay a large portion of the insurance premium up front. This payment -----\$29,042.89----- completely emptied our Reserve Account. In addition to that initial up-front portion of the premium, your Association pays a monthly installment of \$10,789.19; and
- 2.) **Littleton Fire Department Compliance Citation.** The Association received a citation from the City of Littleton Fire Department that required us to open up a second water connection to ensure that the fire hydrants had enough water flow to allow the Fire Department to extinguish a fire on our property. The cost to bring the second water connection into compliance was \$117,000.00. Littleton Fire has also required that the Association install two additional hydrants along Broadway as well as begin looking into converting our water system to a public water system. The two additional hydrants must be installed within the next 90 to 120 days. This will have a large cost and will have to be paid for through this assessment as well.
- 3.) **Funding of Reserves.** The Association is legally required to fund the Reserve Account. As the two items above depleted the Reserves as well as cut into the Operating Budget, the Association will use a portion of the Assessment to fund the Reserve Account. Funding the Reserve Account is a key element in being able to obtain a loan for the capital improvements that are needed within Highline Meadows; and .
- 4.) **Increase in Uncollectible Dues.** Currently, your Association has approximately \$133,956 in outstanding or uncollectible dues. This equals approximately two-and-a-half months of operating expenses for the Association and the amount of delinquencies is increasing every month, despite the best efforts of our legal counsel.

Your Board did not make this decision lightly. They are all homeowners and members of the Association as you are. Board members are also acutely aware of the need to ensure that essential and basic services are still provided to all homeowners. *Please note that this Assessment will NOT cover any of the capital improvements that we have been discussing in recent months and which will still need to be completed (roofs, rebuilding of garages, balconies, etc.).*

This Special Assessment is effective December 15, 2008 and can be paid in one lump sum or over a period of six (6) months. The breakdown is as follows:

1 bedroom condo =	\$601.25/total	or	\$100.21/mth plus interest
2 bedroom condo =	\$732.75/total	or	\$122.13/mth plus interest
2 bedroom twnhme =	\$1,201.25/total	or	\$200.21/mth plus interest
3 bedroom twnhme =	\$1,587.50/total	or	\$264.58/mth plus interest

If you wish to pay in one lump sum, the total amount is due on December 15, 2008. A coupon is included for your use. If you are going to make monthly payments, coupons are enclosed for that purpose as well.

**NOTE:** If you choose the monthly payment plan, and you do not pay the amount due by the due date indicated on the coupon, 0.66% interest per month will be added to the overdue balance amount.

Should you have questions or concerns, please feel free to contact me at 303.985.9623 ext. 12 or via email to [denise.haas@tmmc-management.com](mailto:denise.haas@tmmc-management.com).