

The CLFCA Board has developed the following FAQ's to assist our homeowner's in understanding the need for the dues assessment increase currently being considered and supported by a signature drive underway in CLF.

Many of these are "old news" but worthy of repeating for any new homeowners, so bear with us long term homeowners as we tick through those items first!

Why a dues assessment increase at this time?

- The prior increase was 18 years ago, so in simple terms inflation and the natural increases in costs we experience with vendors in conjunction with the aging of the common area assets give rise to the need for an increase.

Why is a flat rate assessment proposed and what rate is proposed?

- Annual dues of \$300 per property with a maximum increase of 3% per annum is proposed. Previously a mill rate based on square footage of the properties was the basis for assessments. Homeowners provided significant feedback regarding their dislike and some had a misunderstanding of the basis for this methodology implemented by the developers of CLF over 45 years ago.

What improvements have we and can we expect to see or benefit from as homeowners?

- Continued improvements to our common areas can be expected. Over the past two years you will have noted a few improvements (if you have had the opportunity to be out before or since Covid shutdowns). These include:
 - The replacement of the pool, cabana and bathroom decking
 - Kirby Road Fencing
 - Lake Grove Entry way Monument (underway)
 - Willow Hill and Forest Lake Dr. Monument repairs
 - Irrigation, landscaping and lighting at entryways (underway)
 - Pickleball courts striped
 - New diving board (since pool closed last summer!)
- Each of these improve the value of our common areas and thus support our home values.
- Future improvements needed include:
 - Updating the pool house
 - Repairing the kayak launch
 - Replacing roof at community/scout hut
 - General maintenance of community/scout hut
 - Playground and playground equipment updates

- **Striking a Balance**

- A flat rate of \$300 per property provides the necessary funds for CLFCA to support the operating costs of our common area assets and repair and maintain them in good order. It allows CLFCA to rebuild reserves over a period of approximately 5-7 years barring any near-term asset damage or equipment failures. That, in turn, positively impacts property values and homeowner lifestyle.

- **What level of reserve funds are planned and what are they for?**

- We are targeting reserve funds to be replenished to \$250,000. This level will provide for the large-scale maintenance, replacement and repairs and strategic capital improvements needed such as renovations or upgrades — Each of these major projects are necessary over time to maintain and enhance the appeal, value and livability of CLF. (examples: Replacing aging/failing pool pumps; Resurfacing pools (3 pools); Replacement of dock and bulkhead upon deterioration over time at Baronridge Park. Each of these are **when** not **if** items to be considered in our budgeting and long range planning.
- Please see the Clearlakeforesttx.com website member page for historical financials and budget vs. actual for 2020 as well as 2021 budget.
- Please see the January newsletter for the sources and uses of funds summary.