

Cobblestone Townhomes Homeowners Association

November 14, 2023

Dear Fellow Cobblestone Homeowner,

Attached is your copy of the 2024 Dues by unit, 2024 Operating and Reserve Dues by unit, and 2024 proposed budget.

As we move into 2024, operating costs continue to increase. For example, our insurance agent has suggested we should expect a minimum of 4% increase with a big caveat being the implications of the many fires this year. Additionally, our current snow removal provider is requiring us to formalize our agreement and as such we are anticipating a significant increase in snow removal costs.

In my update last year, I mentioned the reserve study we received from Davis Engineering in Q1'22 and that the board believed it was very much over engineered and overly complicated. As a result, it is not included in this packet. I'd be happy to send it to anyone interested.

The board does use the reserve study to identify and prioritize key reserve maintenance items such as Sewer/Lift Stations, Exterior Maintenance, Roofs, Water and Landscaping. As a result, we feel we are in a much better reserves position as compared to the Davis Engineering report. That said, our reserves will need to grow at a faster pace than previously forecasted.

Maintenance projects based on that reserve study for 2024 include: exterior staining; paving/sealing as needed, landscaping replacement, and possibly hiring an inspector to provide property report; updating back up power to the lift stations.

As discussed in a previous HOA meeting, there will be a special assessment in 2024 to cover the cost of the water meters being installed in each unit. The meters can identify and alert the HOA so that the leaks can be addressed as they happen. As of October 2023, the CTHA water bill was over budget by >\$3,000 with leaky toilets having been identified as the culprit. The total cost of the hardware is \$4800.75, which amounts to a special assessment of \$300/unit which is due February 1 along with each units' dues. There is also a \$5/unit/month fee for the cellular and monitoring of the devices. The HOA will cover this expense.

As inflation continues, we think it's prudent to increase overall dues by 5% in 2024 and are using forecasted inflation numbers for dues projections out in time.

Lastly, for those of you who short term rent your homes, please note that you need to have a short-term rental insurance rider and there will continue to be a \$100 annual fee to help offset the associations costs.

Your 2023 Board is:

Kristin McCollam, President, Unit 1
Dick Roberts, Vice President & Secretary, Unit 5
Dan Brennan, Treasurer, Unit124
And our manager is Tammy Walters, Unit 3.

Thank you for your support!

Cobblestone Townhomes Homeowners Association

Kristin

November 14, 2023

Dear Cobblestone Unit Owners,

The Colorado Common Interest Ownership Act (CCIOA) indicates that HOAs created after July 1, 1992, need to follow the following process for creating and passing a budget for the association:

- Draft and adopt a budget,
- Provide notice of the adopted budget to the membership, and;
- Set a meeting for association members to review and consider a veto of the budget.

Unless most of the owners veto the proposed budget (or such higher percentage as established in the Declaration), the proposed budget becomes the approved budget of the association.

Accordingly, attached to this email are the following documents:

1. 2024 Dues Summary 2024 thru 2028
2. 2024 Dues by unit
3. 2024 Operating Budget Report
4. 2024 Disclosure Statement

The HOA meeting on November 16, 2023 has agenda time to review the Owners Packet. If you are unable to attend and have any comments/questions concerning these attachments, please feel free to contact a member of the Board.

Cobblestone Board Members:

Kristin McCollam (President)
Dick Roberts (Vice President/Secretary)
Dan Brennan (Treasurer)

Cobblestone Townhomes Homeowners Association

2024 Overview

Dues Summary with projection thru 2028

Dues:	2024	2025	2026	2027	2028
Maintenance Reserve (1)	\$39,848	\$41,482	\$43,141	\$44,867	\$46,661
Operating Exp. (2)	\$49,781	\$51,822	\$53,895	\$56,051	\$58,293
Total Combined 16 Units	\$89,629	\$93,304	\$97,036	\$100,917	\$104,954
Total Per Unit Per Yr.					
Units: 3,9,10,13,14,15,16	\$4,741.37	\$4,935.77	\$5,133.20	\$5,338.53	\$5,552.07
Units: 1,2,4,5,6,7,8,11,12	\$6,274.03	\$6,531.27	\$6,792.52	\$7,064.22	\$7,346.79

**** There is a \$300/unit special assessment for the Simplesub water meters**

(1) Based on Interpreted Reserve Study & Inflation

(2) Based on the 2023 Operating Budget

Notes:

The Operating Budget is established on an annual basis. Changes to the dues forecast will be made as necessary to reflect any changes. Inflation rate for the Operating Budget includes a 2% Pagosa adder to Statista inflation rate forecast. 4.3% 2024, 4.1% 2025, 4% 2026, 4% 2027, 4% 2028

Maintenance Reserve Account at 10-31-2023: \$

The Board will continue to investigate how to simplify / merge priority items with the reserve study provided by Davis Engineering.

Cobblestone Townhomes Homeowners Association

COBBLESTONE HOMEOWNER'S ASSOCIATION Maintenance/Operating Budget Dues By Unit Per the CC&R's January through December 2024

Unit #	Percentage	Reserve Fund	Operating	Annual	Monthly
1	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
2	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
3	5.29%	\$2,107.96	\$2,633.42	\$4,741.37	\$395.11
4	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
5	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
6	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
7	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
8	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
9	5.29%	\$2,107.96	\$2,633.42	\$4,741.37	\$395.11
10	5.29%	\$2,107.96	\$2,633.42	\$4,741.37	\$395.11
11	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
12	7.00%	\$2,789.36	\$3,484.67	\$6,274.03	\$522.84
13	5.29%	\$2,107.96	\$2,633.42	\$4,741.37	\$395.11
14	5.29%	\$2,107.96	\$2,633.42	\$4,741.37	\$395.11
15	5.29%	\$2,107.96	\$2,633.42	\$4,741.37	\$395.11
16	5.29%	\$2,107.96	\$2,633.42	\$4,741.37	\$395.11
TOTAL	100.0%	\$39,847.93	\$49,781.04	\$89,655.86	\$7,471.32
**Late Fees: 18% per annum if not fully paid by the 10th day after the date when due plus a late fee of \$20 per month.					
**Payments are due annually or quarterly. If you choose to pay monthly there is an additional fee of \$25 per payment due to administrative costs.					
** If paying annually, due date is Feb 1, 2022					
** If paying quarterly, due dates are Feb 1, April 1, July 1 and Oct 1					

Cobblestone Townhomes Homeowners Association

COBBLESTONE HOMEOWNERS ASSOCIATION			
2024 Operating Budget Report			
			Proposed 2024 Budget
INCOME,			
	Assessments/Dues		49,781.04
	Transfer Fees		790.00
	Special Assesment		
	Annual Rental Fee		600.00
	Late Fees		
	Total Income		51,171.04
EXPENSES,			
	Insurance Liability		14,364.00
	Licenses and Fees		300.00
	Web Hosting		100.00
	Office Supplies Expense		50.00
	Bank Service Fees		50.00
	Misc Expense		-
	Professional fees		
	Legal/Consulting Expenses		2,000.00
	Accounting/Admin		2,800.00
	Management Fee		-
	Total Professional Fees		19,664.00
	Taxes		
	Building & Ground Expenses		
	Landscaping/Spring Weeds		9,000.00
	Tree Removal		-
	Winterizing		800.00
	Snow removal,		5,000.00
	Gas/Propane		-
	Street Expense,		-
	Repair & Maintenance Exp		4,800.00
	Total Building & Grou		19,600.00
	Utilities Expense		
	Electric (Sewer Pump Lift)		350.00
	Water		6,950.00
	Total Utilities Expens		7,300.00
	Contingency		4,300.00
		TOTAL EXPENSES	50,864.00
Summary:			
	Operating Budget		51,171.04
	Capital Reserve Budget		-
	Expected Total Dues Income		49,781.04

Cobblestone Townhomes Homeowners Association

Assessment and Reserve Funding Disclosure Summary (Data is valid as of November 2023)

1. The 2024 assessment per ownership ranges from \$4,741.37 to \$6,274.03/year. This will allow the association to add \$39,847.93 to the reserve fund in 2024.
2. Currently, there is one special assessment. It is for the water meters that have been installed in each unit with the purpose of identifying and stopping water leaks which significantly impacted the 2023 budget. Please see the cover letter for additional details.
3. Based on the adjustment of most recent reserve study and other information available to the Board of Directors, the Board believes there will be balances sufficient at the end of each year to meet the Association's obligation for repair and/or replacement components during the next 30 years.
5. All major components are included in the adjusted reserve study and are included in its calculations.

Note: The financial representations set forth in this summary are based on the best estimates of the preparer at this time. The estimates are subject to change. This disclosure was produced based on data available on 11/14/23.