

Cobblestone Townhomes Homeowners Association

October 29, 2024

Dear Fellow Cobblestone Homeowner,

Attached is your copy of the 2025 Dues by unit, 2025 Operating and Reserve Dues by unit, and 2025 proposed budget.

As we move into 2025, operating and reserves costs continue to increase. For example, our HOA insurance is up **38% Y/Y** (\$23,670 if pay in full) and as you know, to extend the life of our wood siding, we moved to a new staining company that has done an outstanding job but also at a higher cost.

As in the previous two years of owner's updates, the reserve study we received from Davis Engineering in Q1'22 remains over engineered and overly complicated. As a result, it is not included in this packet. That said, I'd be happy to send the file to anyone interested. Please know that the Board still uses the relevant parts of the reserve study to guide us in identifying and prioritizing key reserves maintenance items such as Sewer/Lift Stations, Exterior Maintenance, Roofs, Water and Landscaping.

In 2024, we spent \$38,190.75 of our reserves repair & maintenance budget on roof maintenance across all units (\$12,290.75) and exterior staining of units 10-12 (\$25,900). Using the reserve study for 2025, we are forecasting spends on staining units 8-9 & 13-16 (\$46,500), paving/sealing asphalt/concrete as needed and possibly updating back up power to the lift stations. Due to increased roof repair and staining costs, our reserves funding will need to grow at a faster rate so this year, we boosted it by **45.5%**

From an operating budget perspective, the installation of the individual unit water meters is proving effective in alerting us to unit leaks, primarily toilets, and as such on track to save us several thousand dollars in PAWs water expenses. On the flip side, our professional fees are up this year due to our issues with roof design, materials, installation, etc. The 2025 Operating budget is increasing **16.6%**.

To keep in line with reserve and operating expense increases, we think it's prudent to increase overall dues **by 29.5%** in 2025 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 2025 Board is:

Kristin McCollam, President, Unit 1
Dick Roberts, Vice President & Secretary, Unit 5
Dan Brennan, Treasurer, Unit 124
And our manager is Tammy Walters, Unit 3.

Thank you for your support!
Kristin

Cobblestone Townhomes Homeowners Association

October 29, 2024

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. 2025 Dues Summary 2025 thru 2029
2. 2025 Dues by unit
3. 2025 Operating Budget Report
4. 2025 Disclosure Statement

The HOA meeting on October 30, 2024, 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

2025 Overview

Dues Summary with projection thru 2029

Dues:	2025	2026	2027	2028	2029
Maintenance Reserve (1)	\$57.982	\$60.939	\$64.047	\$67.313	\$70.073
Operating Exp. (2)	\$58.047	\$61.007	\$64.119	\$67.389	\$70.826
Total Combined 16 Units	\$116.029	\$121.946	\$128.166	\$134.702	\$140.899
Total Per Unit Per Yr.					
Units: 3.9.10.13.14.15.16	\$6.137.93	\$6.450.97	\$6.779.97	\$7.125.75	\$7.453.55
Units: 1.2.4.5.6.7.8.11.12	\$8.122.03	\$8.536.25	\$8.971.60	\$9.429.15	\$9.862.92

(1) Based on Interpreted Reserve Study & Inflation.

(2) Based on the 2024 Operating Budget

3) \$16,500 added to Maintenance Reserve for 2025 to cover additional cost of staining for units 10-12. (\$25,900 Timberline - \$9,400 at Once Upon a Tree)

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 3% Pagosa adder to Statista inflation rate forecast for total amount of 5.1% 2026, 5.1% 2027, 5.1% 2028, 5.1% 2029

Maintenance Reserve Account at 10-15-2024: \$141.814

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 2025

Unit #	Percentage	Reserve Fund	Operating	Annual	Monthly
1	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
2	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
3	5.29%	\$3,067.25	\$3,070.69	\$6,137.93	\$511.49
4	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
5	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
6	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
7	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
8	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
9	5.29%	\$3,067.25	\$3,070.69	\$6,137.93	\$511.49
10	5.29%	\$3,067.25	\$3,070.69	\$6,137.93	\$511.49
11	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
12	7.00%	\$4,058.74	\$4,063.29	\$8,122.03	\$676.84
13	5.29%	\$3,067.25	\$3,070.69	\$6,137.93	\$511.49
14	5.29%	\$3,067.25	\$3,070.69	\$6,137.93	\$511.49
15	5.29%	\$3,067.25	\$3,070.69	\$6,137.93	\$511.49
16	5.29%	\$3,067.25	\$3,070.69	\$6,137.93	\$511.49
TOTAL	100.0%	\$57,982.00	\$58,047.00	\$116,063.81	\$9,671.98

****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, 2025**

****If paying quarterly, due dates are Feb 1, April 1, July 1 and Oct 1**

Cobblestone Townhomes Homeowners Association

COBBLESTONE HOMEOWNERS ASSOCIATION			
2025 Proposed Operating Budget			
			Proposed
			2025
			Budget
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INCOME,			
	Assessments/Dues		58,047.00
	Transfer Fees		790.00
	Special Assesment		
	Annual Rental Fee		500.00
	Late Fees		
	Total Income		59,337.00
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EXPENSES,			
	Insurance Liability		23,670.26
	Licenses and Fees		300.00
	Web Hosting		100.00
	Office Supplies Expense		-
	Bank Service Fees		50.00
	Misc Expense		-
	Professional fees		
	Legal/Consulting Expenses		2,000.00
	Accounting/Admin		1,500.00
	Management Fee		3,000.00
	Total Professional Fees		30,620.26
	Taxes		
	Building & Ground Expenses		
	Landscaping/Spring Weeds		9,000.00
	Tree Removal		-
	Winterizing		800.00
	Snow removal,		3,500.00
	Gas/Propane		-
	Water Metering		960.00
	Repair & Maintenance Exp		4,800.00
	Total Building & Ground I		19,060.00
	Utilities Expense		
	Electric (Sewer Pump Lift)		350.00
	Water		5,000.00
	Sewer Pump Maintenance		700.00
	Total Utilities Expense		5,350.00
	Contingency		4,300.00
	TOTAL EXPENSES		59,330.26
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Summary:			
	Operating Budget		58,047.00
	Capital Reserve Budget		-
	Expected Total Dues Income		59,337.00

Cobblestone Townhomes Homeowners Association

Assessment and Reserve Funding Disclosure Summary (Data is valid as of October 2024)

1. The 2025 assessment per ownership ranges from \$6137.93 to \$8,122.03 /year. This will allow the association to add \$57,982.00 to the reserve fund in 2025.

2. Currently, there are no plans for special assessments in 2025.

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 10/23/24.