

NOTICE OF BUDGET RATIFICATION MEETING

WATERSTONE HOMEOWNERS ASSOCIATION

NOTICE IS HEREBY GIVEN that the Board of Directors of the Waterstone Homeowners Association of the County of Arapahoe, State of Colorado, will hold its Budget Ratification Meeting on Wednesday, November 9, 2022 at 6:00 p.m. as a virtual meeting for the purpose of ratifying the Board approved 2022 Budget as required by the Association's Legal Documents and Colorado State Statute. Please use the information below to join the meeting.

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ODNjMTFhZDgtNGM0Ni00MGFkLWEzNmYtMDU3MjMwNzI1NTlj%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%229bf4c29b-a9c8-46b4-a6c0-c1ed7cba4824%22%7d

Call in: 720-547-5281 Meeting ID: 155 756 732#

The 2023 Budget has set the assessment at \$30.00 per month. Unless sixty-seven percent (67%) of owners are present at the meeting **AND** veto the budget, the budget will automatically be ratified per the Association's Legal Documents and Colorado State Statute. The budget is included with this notice for your review. It has also been posted online at www.waterstonecommunity.org.

**BY ORDER OF THE BOARD OF
DIRECTORS OF THE WATERSTONE
HOMEOWNERS ASSOCIATION**

Agenda Items:

- I. Call to Order
- II. Annual Meeting
- III. Budget Review and Ratification
- IV. Adjournment

WATERSTONE COMMUNITY ASSOCIATION, INC.
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2023

WATERSTONE COMMUNITY ASSOCIATION, INC.
OPERATING FUND
2023 BUDGET
WITH 2021 ACTUAL AND ESTIMATED 2022
For the Years Ended and Ending December 31,

10/24/22

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING NET POSITION	\$ 144,694	\$ 181,377	\$ 79,045
REVENUES			
Assessments	49,041	87,132	110,130
New Member Fee	64,000	36,500	43,000
Total revenues	<u>113,041</u>	<u>123,632</u>	<u>153,130</u>
TRANSFERS IN			
Transfer from Waterstone Metro District	<u>-</u>	<u>-</u>	<u>100,000</u>
Total funds available	<u>257,735</u>	<u>305,009</u>	<u>332,175</u>
EXPENDITURES			
General and Administrative			
Accounting	7,254	10,887	-
Billing	5,600	6,800	-
Budget	500	500	-
Covenant enforcement	6,500	6,600	-
Design review	6,400	-	-
Direct accounting and managemnt costs	-	3,600	-
Insurance	11,987	10,545	12,000
Legal	330	700	700
Management	8,170	22,760	12,720
Miscellaneous	150	-	-
Printing and postage	1,643	4,200	-
Taxes	536	500	-
Website	-	600	600
Operations and Maintenance			
Dentention pond maintenance	-	3,100	4,400
Electrical	-	1,900	2,700
Grounds improvements	-	5,600	8,000
Landscaping maintenance	-	35,551	68,000
Snow removal	2,588	3,500	7,900
Trash/recycling	21,100	41,521	57,500
Water	-	19,100	19,100
Transfer to Reserves	3,600	48,000	48,000
Total expenditures	<u>76,358</u>	<u>225,964</u>	<u>241,620</u>
Total expenditures and transfers out requiring appropriation	<u>76,358</u>	<u>225,964</u>	<u>241,620</u>
ENDING NET POSITION	<u>\$ 181,377</u>	<u>\$ 79,045</u>	<u>\$ 90,555</u>

No assurance is provided. See summary of significant assumptions.

**WATERSTONE COMMUNITY ASSOCIATION, INC.
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Waterstone Community Association, Inc., (Association) was organized on November 7, 2019.

The Association was formed to provide maintenance, preservation and architectural control of certain property and improvements, and to promote the health, safety and welfare of the residents within the Community.

The Association has no employees and all administrative functions are contracted.

The Association prepares its budget on the modified accrual basis of accounting.

Revenues

HOA assessments

The Association will collect a fee of \$30.00 per month per residence from homeowners of the Association to pay for the Association's costs of operations, payable in monthly installments.

The association anticipates beginning the year with 265 developed homes and ending with 351.

New Member Fee

The Association collects a \$500 new member fee at closing. The association anticipates collecting 90 new member fees in 2023.

Transfer from Waterstone Metro District

On November 11, 2019 the Association entered into the Contribution Agreement (the "Agreement") with Waterstone Metropolitan District No.1 (the "District"). Per the Agreement, the District will contribute to the cost of the operations and maintenance associated with certain facilities and common area tracts owned by the Association that has granted to the District a perpetual, non-exclusive easement for the use of such facilities and tracts. In 2023, the Association anticipates receiving \$100,000 from the District.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the estimated services necessary to maintain the Association's administrative viability.

WATERSTONE COMMUNITY ASSOCIATION, INC.
2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Reserves

The Association considers any Operating Fund balance at year-end to be reserved for future operations.

The Association has set aside funds to be used for the future replacement for such capital items as landscaping and irrigation. A formal replacement reserve study has not been undertaken and, therefore, amounts accumulated may not be adequate to meet future needs.

The Association keeps track of Reserves as a deferred revenue. It is anticipated the Association will begin 2023 with operational reserves of \$55,440 and end with \$103,440.

A formal Reserve Study has not been undertaken.

This information is an integral part of the accompanying budget.

WATERSTONE HOMEOWNERS ASSOCIATION

ANNUAL MEETING AND BUDGET RATIFICATION

Wednesday, November 9, 2022
6:00 p.m.

URL: https://teams.microsoft.com/l/meetup-join/19%3ameeting_ODNjMTFhZDgtNGM0Ni00MGFkLWEzNmYtMDU3MjMwNzI1NTIj%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%229bf4c29b-a9c8-46b4-a6c0-c1ed7cba4824%22%7d

Call in: 720-547-5281 Meeting ID: 155 756 732#

* * * A G E N D A * * *

- I. CALL TO ORDER**
 - A. Introductions**
 - B. Purpose of Meeting**
 - C. Proof of Notice, Confirm Quorum**
- II. ANNUAL MEETING**
- III. BUDGET RATIFICATION**

(Budget is ratified unless 67% are present and veto the proposed budget.)

 - A. Review 2023 Budget – No increase in fees**
- IV. ADJOURNMENT**

OPEN FORUM – 3 Minutes per Speaker

Included for Homeowner records and reference is the 2023 Adopted Budget.

Waterstone Homeowners Association

c/o CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111

The Waterstone Homeowners Association, Inc. will hold an Annual Meeting on Wednesday, November 9, 2022 at 6:00 p.m. as a virtual meeting. Please use the information below to join the meeting.

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ODNjMTFhZDgtNGM0Ni00MGFkLWEzNmYtMDU3MjMwNzI1NTlj%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%229bf4c29b-a9c8-46b4-a6c0-c1ed7cba4824%22%7d

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The purpose of this meeting is to hold the 2022 Annual Membership Meeting updating owners on the State of the Association as required by the Association’s Legal Documents and Colorado State Statute.

Any other business brought before the Board not included on the included agenda will be discussed, but not voted upon as required by Colorado State Statute.

If you are unable to attend the Annual Meeting, please give your proxy to someone you trust to vote on your behalf, who will be in attendance and is an Association member. If you leave the proxy name blank, the president of the Board will vote on your behalf. It is important to submit your proxy as it allows business to be conducted for the Association and for the required quorum of homeowners to be reached. A quorum shall consist of twenty percent (20%) of Homeowners.

Waterstone Homeowners Association
c/o CliftonLarsonAllen LLP
Attn: Stephanie Odewumi
8390 E. Crescent Pkwy, Suite 300
Greenwood Village, CO 80111

I, _____, hereby designate and appoint _____
(Homeowner name) (Person designated proxy)

as my proxy for the Annual Meeting of the Waterstone Homeowners Association. By designation of proxy, the Proxy may attend and represent my interests with the full power to vote and act in the same manner, to the extent and with the same effect as if I were personally present. This proxy shall be effective for the Annual Meeting of the Waterstone Homeowners Association to be held on Wednesday, November 9, 2022 and at all adjournments of such meeting.

Printed Homeowner Name

Homeowner Signature

Homeowner Address

Date Signed

Please return the proxy above to CliftonLarsonAllen LLP no later than November 9, 2022 or have it delivered to the meeting by 3:00 pm on November 9, 2022. It can be mailed to the address above or emailed to Ashley Heidt at Ashley.Heidt@CLAconnect.com.