

2027 Projected Monthly Dues (RVRMA Master)



Monthly dues	2022	2023	2024	2025	2026	2027	Increase	%
Operating	\$298	\$324	\$338	\$345	\$362	\$378	\$16	4.4%
Reserve	\$60	\$70	\$80	\$85	\$95	\$105	\$10	10.5%
Total	\$358	\$394	\$418	\$430	\$457	\$483	\$26	5.7%

The 2027 budget proposes monthly operating dues of \$378 and reserve dues of \$105. Total base dues increase by \$26 per month, or 5.7%, to \$483. Irrigation assessments are additional and addressed later in this presentation. These reflect actual irrigation costs which are shared with RVR Golf.

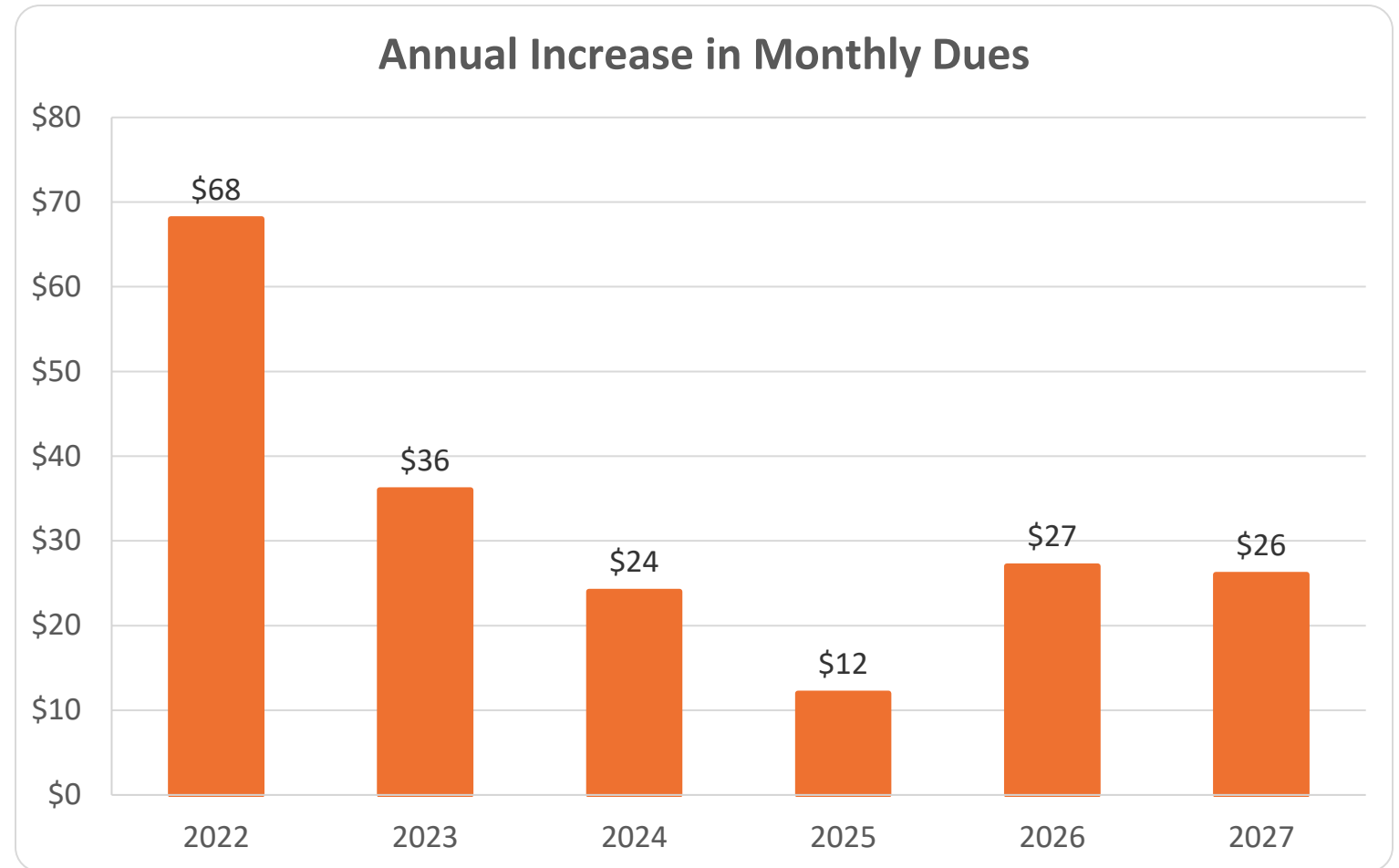
Operating dues increase by \$16 per month, or 4.4%. Irrigation, utility and increased insurance costs, together with lower DRC revenue, account for much of the change.

Trailing 12-month CPI was at 3.4% covering August 2025 to August 2026. The above factors, in addition to inflationary pressure drove the proposed operating increase to 4.4%.

Combined Operating and Reserve Due Increases Over Time (RVRMA)



Year	Dues	Increase
2022	\$358	\$68
2023	\$394	\$36
2024	\$418	\$24
2025	\$430	\$12
2026	\$457	\$27
2027	\$483	\$26



2027 Income and Expense Trends



The 2027 operating budget totals \$3,146,439, including cost of goods sold. This is 3.9%, above the 2026 budget.

Wages and Salaries increased by 1.6% over last year's budget. When you include employee benefits, taxes and associated personnel costs, the overall labor burden increased by 2.7% YOY, which is below the 3.4% inflationary period for the trailing 12-months ending in August.

Below are highlights concerning significant year-over-year variances in expenses comparing 2026 budget to 2027 Budget:

- Irrigation costs increased by \$25,200.
- Property insurance and legal fees increased by \$11,000 and \$10,000 respectively.
- Community event expenses decreased by \$10,000, largely due to a planned community potluck for 4th of July, which is offset by a corresponding decrease in revenue (no fees charged for catered food).
- Grounds costs are nearly flat, increasing \$1,900, with lower pool and tree maintenance budgets partly offsetting higher lawn maintenance costs.

2027 Income



The next slide details ancillary income over time alongside overall expense trends.

A large portion of the revenue decreases that we have seen over time comes from DRC revenues and property member transfers (associated with property sales).

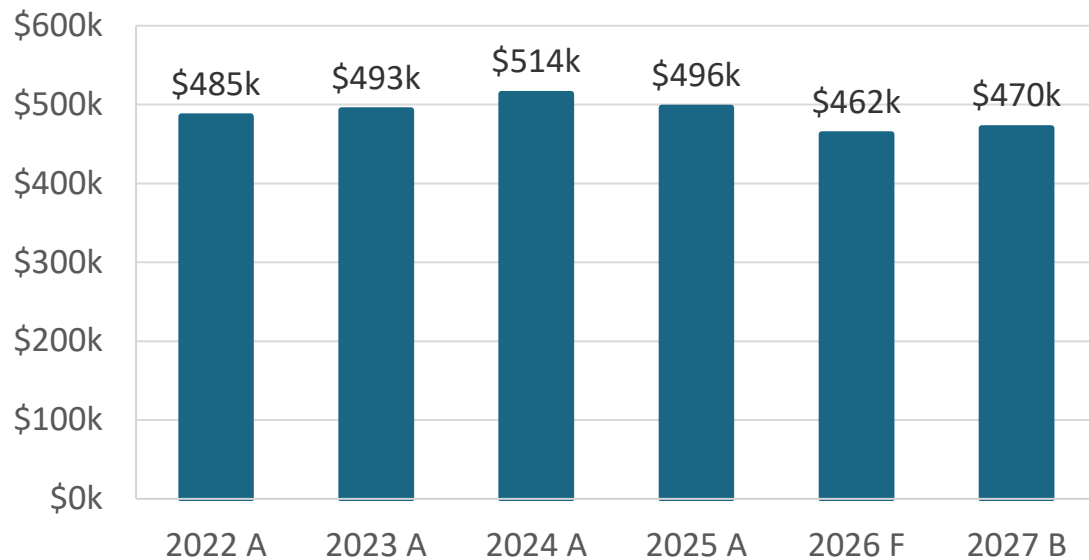
This income hit a high point of \$513,700 in 2024 and is now being budgeted in 2027 at \$470,100 which is \$43,600 below that high water mark.

As a point of reference, each \$1 in monthly dues equates to approximately \$6,648 in annual dues.

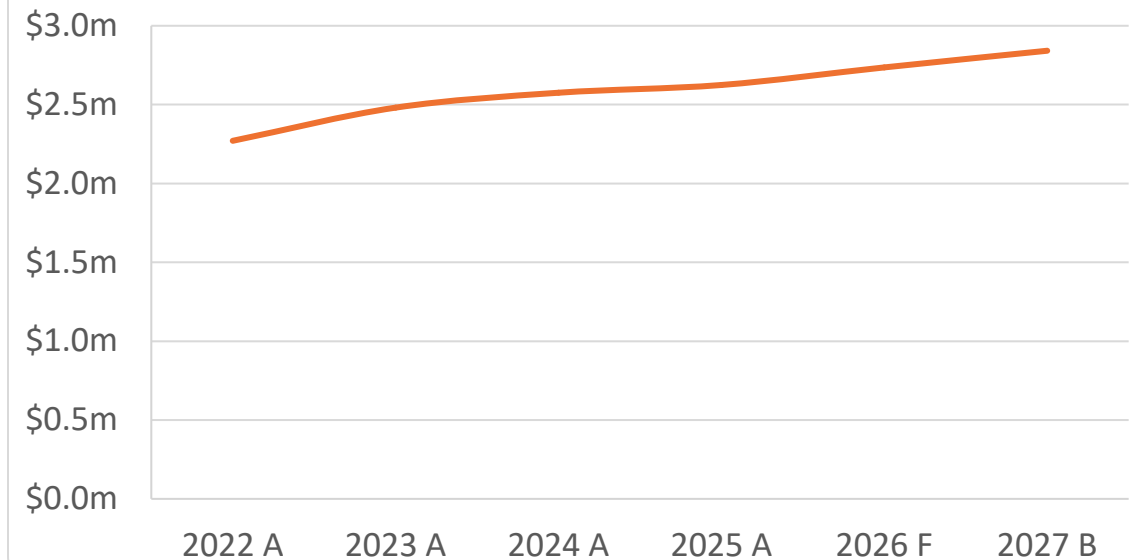
Ancillary Income and Expenses

	2022 A	2023 A	2024 A	2025 A	2026 F	2027 B
Ancillary income	\$485,086	\$492,707	\$513,700	\$496,233	\$462,267	\$470,100
Expenses excl. COGS	\$2,270,577	\$2,480,932	\$2,575,353	\$2,624,473	\$2,735,920	\$2,841,689

Annual Ancillary Income



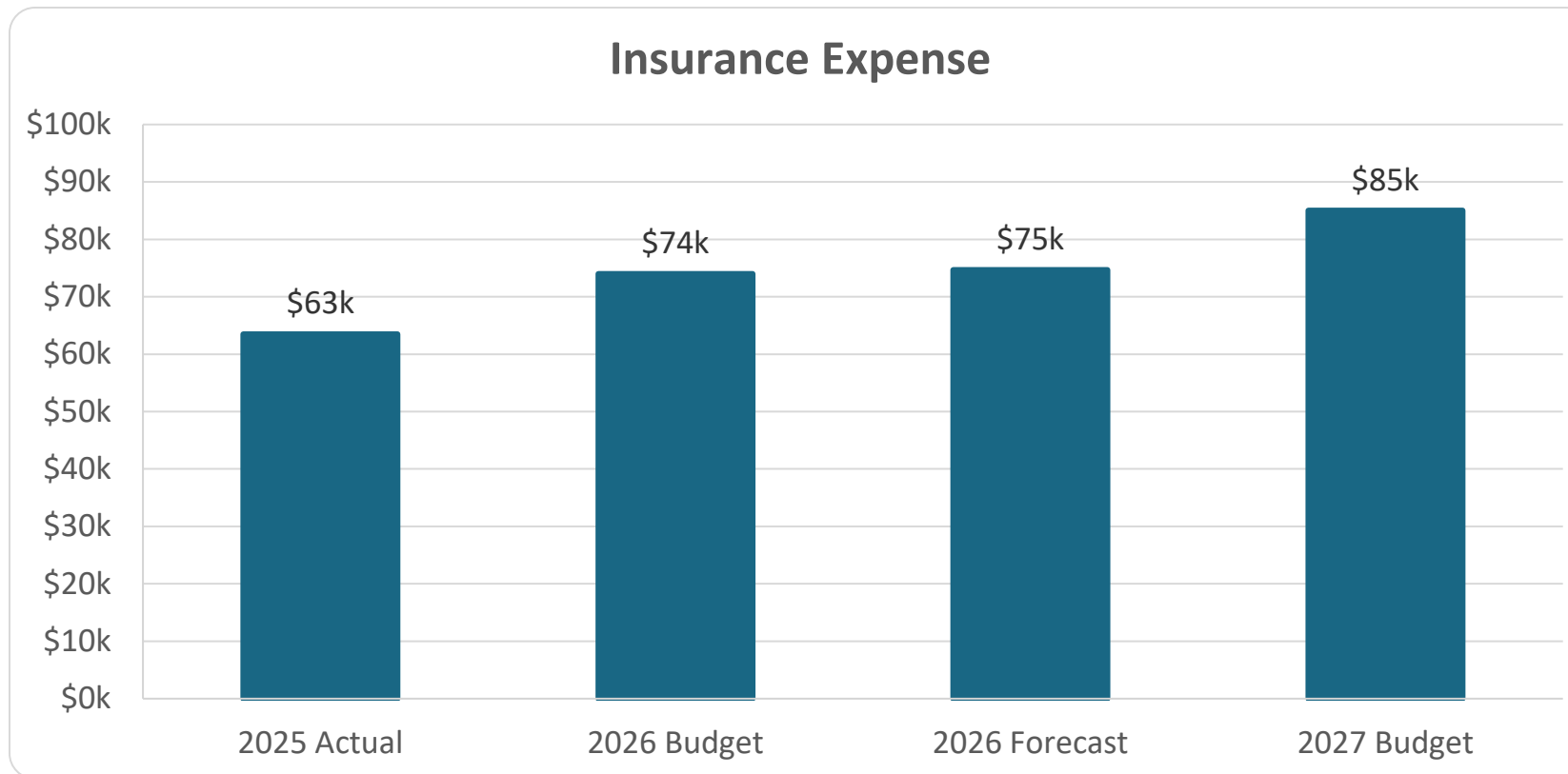
Annual Expenses Excluding COGS



A = actual F = forecast B = budget. Ancillary income excludes assessments and homeowner reimbursements.

2027 Insurance Costs

HOA Insurance is budgeted at \$85,000 for 2027, up \$11,000 (14.9%) from the 2026 budget and \$10,348 (13.9%) from the 2026 forecast. Employee benefits are budgeted separately, up 12.2% from the 2026 budget to accommodate inflation in health insurance costs.



2026 Operating Projected Year-End



Operating results	2026 Budget	2026 Forecast	Variance
Total income	\$3,027,100	\$3,018,843	(\$8,257)
Cost of goods sold	\$293,500	\$282,130	(\$11,370)
Expenses excl. COGS	\$2,733,600	\$2,735,920	\$2,320
Net loss/surplus	\$0	\$793	\$793

The 2026 forecast shows a \$793 operating surplus, effectively break-even. Revenue is \$8,257 below budget, while COGS savings of \$11,370 offset that shortfall and a \$2,320 increase in total operating expenses.

DRC revenue is forecasted \$20,000 below budget. Grounds and community spending savings help offset higher irrigation, administrative and Ranch House expenses.

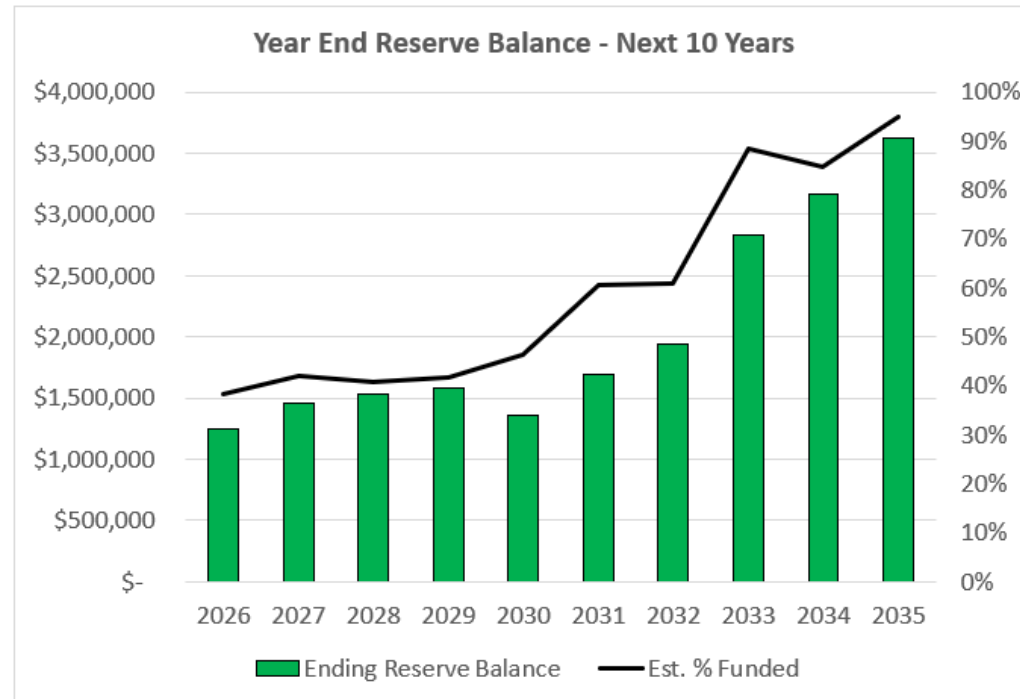
RVRMA Reserve Funding



Reserve Balance Forecast		
	2026	2027
Starting Reserve Balance	\$5,254,918	\$1,314,369
Income		
Annual Reserve Income	\$ 631,560	\$ 698,040
Interest Earnings	\$ 131,000	\$ 35,000
Total Income	\$ 762,560	\$ 733,040
Expenses		
Reserve Expenses	\$ 128,066	\$ 153,576
Renovation Expenses	\$ 4,575,043	\$ 430,396
Total Expenses	\$4,703,109	\$ 583,972
Ending Reserve Balance	<u>\$1,314,369</u>	<u>\$1,463,437</u>

The above table assumes the budgeted increase of \$10 to Reserve Funds in 2027. At the end of the renovations, we are projecting a balance of \$1,463,437 by year end.

RVRMA Reserve



This chart, previously shared with the community, shows projected reserve balances over time with the renovation factored in. Balances remain above **\$1 million** at each year-end—a level we consider financially secure. We rebuilt the reserve study and carefully reviewed all future expenses to identify major items that could impact reserves. These projections suggest we're positioned to avoid special assessments, and importantly, reserves are expected to **rebound once construction is complete**. This chart is predicated on future reserve dues that are palatable until 2032. Beyond that year there are no increases factored in, yet the theoretical % funded continues to increase.

2027 Operating Budget

2027 Proposed Budget

	2026 Budget	2026 Forecast	2027 Budget
Income			
Assessments	2,406,700	2,406,692	2,513,000
Homeowner Reimbursable Assess.	142,400	149,884	163,339
Memberships	85,000	83,722	88,000
Swim and Fitness	28,000	27,524	26,100
Tennis Program	206,000	206,786	216,000
DRC Fees	80,000	60,000	57,000
Other Income	79,000	84,235	83,000
Total Income	3,027,100	3,018,843	3,146,439
Cost of Goods Sold			
Swim & Fitness	73,700	68,751	75,750
Tennis	170,800	166,240	179,500
Concessions	29,000	28,924	29,500
Credit Card Fees	20,000	18,215	20,000
Total COGS	293,500	282,130	304,750
Gross Income	2,733,600	2,736,713	2,841,689
Expense			
Personnel	1,682,300	1,688,060	1,728,000
Grounds	349,400	315,917	351,300
Irrigation	135,300	162,499	160,500
Ranch House Expenses	157,800	168,408	167,500
Utilities	131,500	133,218	146,100
Administrative	144,300	153,030	165,289
Finance	8,000	8,366	9,000
Design Review Committee	37,000	35,684	37,000
RVR Community Expenses	88,000	70,738	77,000
Total Expense	2,733,600	2,735,920	2,841,689
Net Surplus / Deficit	0	793	0

RVRMA Dues by Neighborhood



RVRMA HOA Dues

Operating Assessment	\$378.00
Reserve Assessment	\$105.00
	\$483.00

RVRMA - Custom Homes

HOA Dues	\$483.00
Irrigation Assessment ^[1]	\$35.60
	\$518.60

RVRMA (Block "B"/Sopris View)

HOA Dues	\$483.00
Irrigation Assessment ^[1]	\$22.70
	\$505.70

THE SETTLEMENT

HOA Dues RVRMA	\$483.00
The Settlement (Additional Services) Painting, Mowing, Snow Removal	\$174.00
The Settlement Painting Reserves	\$124.00
Irrigation Assessment ^[1]	\$22.70
	\$803.70

OLD TOWN

HOA Dues RVRMA	\$483.00
Old Town (Additional Services) Painting, Mowing, Snow Removal	\$79.00
Painting Reserve	\$104.00
Irrigation Assessment ^[1]	\$10.80
	\$676.80

CRYSTAL BLUFFS, THE BOUNDARY, THE FAIRWAYS

HOA Dues RVRMA ^[2]	\$483.00
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NOTES:

[1] Irrigation not charged to unirrigated vacant lots.

[2] Does not include sub-association dues or irrigation charged directly to the sub-associations.