

**River Rock Estates Homeowners Association, Inc.**

**- 2023 OWNERS PACKET -**

Dear River Rock Estates Homeowners Association Homeowner,

Enclosed you will find the following documentation:

- 2023 Dues by lot (Dues are staying the same!)
- 2023 Operating Budget
- Dues Summary 2023 thru 2027
- 2023 Disclosure Statement
- 2021 Maintenance Reserve Study

**ADDRESS FOR MAILING DUES:**

River Rock Estates Homeowners Association, Inc.  
597 Navajo Trail Drive  
Pagosa Springs, CO 81147

Please don't hesitate to call me with any questions at (970) 903-9801.

Sincerely,

Ryan Searle  
Secretary/Treasurer

River Rock Estates Homeowners Association, Inc.  
 Operating/Reserve Budget Dues By Lot Per the CC&R's  
 January through December 2023

Lot #:	Reserve Fund	Operating	Annual*	Quarterly*	Monthly*
4	\$90.00	\$500.00	\$590.00	\$147.50	\$49.17
5	\$90.00	\$500.00	\$590.00	\$147.50	\$49.17
6	\$90.00	\$500.00	\$590.00	\$147.50	\$49.17
9	\$90.00	\$500.00	\$590.00	\$147.50	\$49.17
10	\$90.00	\$500.00	\$590.00	\$147.50	\$49.17
<b>TOTAL</b>	<b>\$450.00</b>	<b>\$2,500.00</b>	<b>\$2,950.00</b>		

**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.

**Monthly Payments:** If you choose to pay monthly there is an additional fee of \$25 per payment due to administrative costs. Annual or quarterly payments are not charged any additional fees.

\*Assessments begin at the time of lot sale from developer and are pro-rated.

**River Rock Estates Homeowners Association, Inc.**  
**Operating Budget Report**  
**January - December 2023**

	<b>2023 Budget</b>
<b>INCOME,</b>	
<b>Assessments/Dues</b>	<b>4,965.00</b>
<b>Transfer Fees,</b>	-
<b>Other Fees,</b>	-
<b>In Kind,</b>	-
<b>Interest Income,</b>	-
<b>Total Income</b>	<b>4,965.00</b>
<b>EXPENSES,</b>	
<b>Insurance Liability</b>	<b>1,500.00</b>
<b>Professional fees</b>	-
Legal/CPA	700.00
Accounting/Admin	1,000.00
Website Maintenance & Hosting	345.00
<b>Total Professional Fees</b>	<b>2,045.00</b>
<b>Ground Expenses</b>	
Landscaping	1,000.00
<b>Total Building &amp; Ground Exp.</b>	<b>1,000.00</b>
<b>10% Contingency</b>	<b>420.00</b>
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<b>TOTAL EXPENSES</b>	<b>4,965.00</b>

# 2023 Overview

## Dues Summary with projection thru 2027

Dues:	2023	2024	2025	2026	2027
Maintenance Reserve (1)	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 900.00
Operating Exp. (2)	\$ 4,965.00	\$ 5,163.60	\$ 5,370.14	\$ 5,584.95	\$ 5,808.35
<b>Total Combined</b>	<b>\$ 5,865.00</b>	<b>\$ 6,063.60</b>	<b>\$ 6,270.14</b>	<b>\$ 6,484.95</b>	<b>\$ 6,708.35</b>
<b>Total Per Unit Per Yr.</b>	<b>\$ 586.50</b>	<b>\$ 606.36</b>	<b>\$ 627.01</b>	<b>\$ 648.49</b>	<b>\$ 670.83</b>

(1) Based on 2021 Reserve Study

(2) Based on the 2023 Operating Budget

### Notes:

The Maintenance Reserve Study must be updated at least every (3) years.

At this time, a total update of all information herein will be accomplished. Necessary updates to the 30 year forecast will be made at this time. The next reserve study is planned for 2024.

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 is scheduled at 4% per year.

# Assessment and Reserve Funding Disclosure Summary

## (Data is valid as of December 9<sup>th</sup> 2022)

1. The 2023 assessment per ownership is \$590/year. This will allow the association to build a reserve fund of around \$450 in 2023. Assessments begin at the time of lot sale from developer and are pro-rated.
2. No additional special assessments or dues increases have been approved by the Board of Directors.
3. Based on the most recent reserve study and other information available to the Board of Directors, 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.
4. The 2023 budget allows for a reserve fund of \$90/lot paying dues all year.
5. All major components are included in the reserve study and are included in its calculations.
6. The reserve fund cash at the end of the 2023 Fiscal Year is anticipated to be \$1,450.00.

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 at 12/9/22.

		plan year number-				0	1	2	3	4	5	6	7	8	9	10
		cost	life	last	fiscal year-	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>COSTS</b>		per event	cycle	service	remaining life											
CAPITAL ASSET PROJECT		2021	(years)	year	(years)											
1	Ditch Maintenance	\$ 2,000.00	5	2021	6						\$ 2,263					\$ 2,560
<b>TOTAL CAPITAL COSTS</b>		\$ 2,000.00				\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,263	\$ -	\$ -	\$ -	\$ -	\$ 2,560
<b>CAPITAL REVENUE</b>																
Annual Capital Dues Capital Portion Only						\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Reserve Fund Interest (CD) accumulated during the year per assumed rate							\$ 325	\$ 43	\$ 61	\$ 81	\$ 100	\$ 75	\$ 94	\$ 114	\$ 135	\$ 155
TOTAL GROSS REVENUE (allocated to Reserve Fund)						\$ 900	\$ 1,225	\$ 943	\$ 961	\$ 981	\$ 1,000	\$ 975	\$ 994	\$ 1,014	\$ 1,035	\$ 1,055
NET ANNUAL REVENUE						\$ 900	\$ 2,125	\$ 3,068	\$ 961	\$ 981	\$ 1,000	\$ (1,288)	\$ 994	\$ 1,014	\$ 1,035	\$ 1,055
<b>CAPITAL RESERVES</b>																
Capital Reserve Fund (CD's) at beginning of year						\$ -	\$ 900	\$ 2,125	\$ 3,068	\$ 4,029	\$ 5,009	\$ 3,747	\$ 4,722	\$ 5,716	\$ 6,730	\$ 7,765
Transfers (to) from O&M Fund at end of year						\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,263)	\$ -	\$ -	\$ -	\$ -	\$ (2,560)
Net Annual Revenue						\$ 900	\$ 1,225	\$ 943	\$ 961	\$ 981	\$ 1,000	\$ 975	\$ 994	\$ 1,014	\$ 1,035	\$ 1,055
CAPITAL RESERVE FUND at year end						\$ 900	\$ 2,125	\$ 3,068	\$ 4,029	\$ 5,009	\$ 3,747	\$ 4,722	\$ 5,716	\$ 6,730	\$ 7,765	\$ 6,260
<b>ASSUMPTIONS</b>																
Capital cost rate of inflation		2.50%	per year for construction work													
annual rate of dues increase		0.75%	per year on capital dues portion only													
Reserve Fund (CD) rate of return		2.00%	per year													
							103%	105%	108%	110%	113%	116%	119%	122%	125%	128%
							101%	102%	102%	103%	104%	105%	105%	106%	107%	108%

