River Rock Estates Homeowners Association, Inc.

- 2026 OWNERS PACKET -

Dear River Rock Estates Homeowners Association Homeowner,

Enclosed you will find the following documentation:

- 2026 Dues by lot (~15% decrease!)
- 2026 Operating Budget
- Dues Summary 2026 thru 2030
- 2026 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 2026					
Lot #:	Reserve Fund	Operating	Annual*	Quarterly*	Monthly*
1	$90.00	$560.00	$650.00	$162.50	$54.17
2	$90.00	$560.00	$650.00	$162.50	$54.17
3	$90.00	$560.00	$650.00	$162.50	$54.17
4	$90.00	$560.00	$650.00	$162.50	$54.17
5	$90.00	$560.00	$650.00	$162.50	$54.17
6	$90.00	$560.00	$650.00	$162.50	$54.17
7	$90.00	$560.00	$650.00	$162.50	$54.17
8	$90.00	$560.00	$650.00	$162.50	$54.17
9	$90.00	$560.00	$650.00	$162.50	$54.17
10	$90.00	$560.00	$650.00	$162.50	$54.17
TOTAL	**$900.00**	**$5,600.00**	**$6,500.00**		

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.

River Rock Estates Homeowners Association, Inc.
Operating Budget Report
January - December 2026

	2026 Budget
INCOME,	
Assessments/Dues	**5,603.00**
Transfer Fees,	**-**
Other Fees,	**-**
In Kind,	**-**
Interest Income,	**-**
Total Income	**5,603.00**
EXPENSES,	
Insurance Liability	**1,700.00**
Professional fees	**-**
Legal/CPA	300.00
Accounting/Admin	1,000.00
Website Maintenance & Hosting	345.00
Total Professional Fees	**1,645.00**
Ground Expenses	
Landscaping/Ditch Maintenance	1,780.00
Total Building & Ground Exp.	**1,780.00**
10% Contingency	**478.00**
TOTAL EXPENSES	**5,603.00**

2026 Overview

Dues Summary with projection thru 2030

Dues:	2026	2027	2028	2029	2030
Maintenance Reserve (1)	$ 900.00	$ 900.00	$ 900.00	$ 900.00	$ 900.00
Operating Exp. (2)	$ 5,600.00	$ 5,824.00	$ 6,056.96	$ 6,299.24	$ 6,551.21
Total Combined	**$ 6,500.00**	**$ 6,724.00**	**$ 6,956.96**	**$ 7,199.24**	**$ 7,451.21**
Total Per Unit Per Yr.	**$ 650.00**	**$ 672.40**	**$ 695.70**	**$ 719.92**	**$ 745.12**

(1) Based on 2021 Reserve Study
(2) Based on the 2026 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 is scheduled at 4% per year.

Assessment and Reserve Funding Disclosure Summary
(Data is valid as of January 4th 2026)

1. The 2026 assessment per ownership is $650/year. This will allow the association to build a reserve fund of around $900 in 2026. 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 2026 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 2026 Fiscal Year is anticipated to be $8,900.00

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 1/4/25.

	COSTS				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
	CAPITAL ASSET	per event	cycle	service	remaining life											
	PROJECT	2021	(years)	year	(years)											
1	Ditch Maintenance	$ 2,000.00	5	2021	6						$ 2,263					$ 2,560
	TOTAL CAPITAL COSTS	$ 2,000.00				$ -	$ -	$ -	$ -	$ -	$ 2,263	$ -	$ -	$ -	$ -	$ 2,560
	CAPITAL REVENUE															
	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
	CAPITAL RESERVES															
	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
	ASSUMPTIONS															
	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%

11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051
				$ 2,897					$ 3,277					$ 3,708					$ 4,195
$ -	$ -	$ -	$ -	$ 2,897	$ -	$ -	$ -	$ -	$ 3,277	$ -	$ -	$ -	$ -	$ 3,708	$ -	$ -	$ -	$ -	$ 4,195
$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900	$ 900
$ 125	$ 95	$ 114	$ 135	$ 155	$ 119	$ 81	$ 101	$ 121	$ 141	$ 96	$ 51	$ 70	$ 89	$ 109	$ 55	$ (0)	$ 18	$ 36	$ 55
$ 1,025	$ 995	$ 1,014	$ 1,035	$ 1,055	$ 1,019	$ 981	$ 1,001	$ 1,021	$ 1,041	$ 996	$ 951	$ 970	$ 989	$ 1,009	$ 955	$ 900	$ 918	$ 936	$ 955
$ (1,535)	$ 995	$ 1,014	$ 1,035	$ 1,055	$ (1,878)	$ 981	$ 1,001	$ 1,021	$ 1,041	$ (2,281)	$ 951	$ 970	$ 989	$ 1,009	$ (2,753)	$ 900	$ 918	$ 936	$ 955
$ 6,260	$ 4,725	$ 5,720	$ 6,734	$ 7,769	$ 5,928	$ 4,050	$ 5,031	$ 6,031	$ 7,052	$ 4,816	$ 2,535	$ 3,485	$ 4,455	$ 5,444	$ 2,745	$ (8)	$ 892	$ 1,810	$ 2,746
$ -	$ -	$ -	$ -	$ (2,897)	$ -	$ -	$ -	$ -	$ (3,277)	$ -	$ -	$ -	$ -	$ (3,708)	$ -	$ -	$ -	$ -	$ (4,195)
$ (1,535)	$ 995	$ 1,014	$ 1,035	$ 1,055	$ (1,878)	$ 981	$ 1,001	$ 1,021	$ 1,041	$ (2,281)	$ 951	$ 970	$ 989	$ 1,009	$ (2,753)	$ 900	$ 918	$ 936	$ 955
$ 4,725	$ 5,720	$ 6,734	$ 7,769	$ 5,928	$ 4,050	$ 5,031	$ 6,031	$ 7,052	$ 4,816	$ 2,535	$ 3,485	$ 4,455	$ 5,444	$ 2,745	$ (8)	$ 892	$ 1,810	$ 2,746	$ (494)
131%	134%	138%	141%	145%	148%	152%	156%	160%	164%	168%	172%	176%	181%	185%	190%	195%	200%	205%	210%
109%	109%	110%	111%	112%	113%	114%	114%	115%	116%	117%	118%	119%	120%	121%	121%	122%	123%	124%	125%