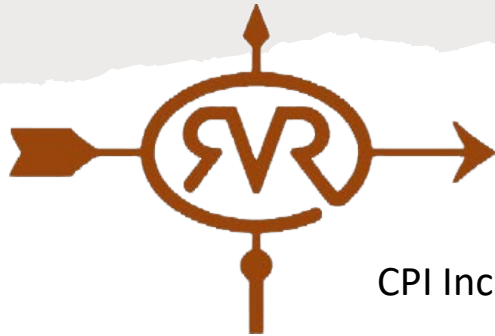


2023 Projected Dues (RVRMA)



	2021 Actual	2022 Budget	2022 Actual	2023 Budget Total	\$ Increase	% Increase
Monthly Operating Dues	243	298	298	324.00	26	8.7%
Monthly Reserve Dues	47	60	60	70.00	10	16.7%
	290	358	358	394.00	36	10.1%

CPI Increased by 8.5% over the last 12 months ending August 2022.

We believe that presenting a budget below CPI would be a risk to the community, creating a potential overspend in 2023 which would impact reserves.

Given inflationary pressures, outside of our control, a well funded reserve fund is vital for the community's future.

In its October Session, the RVRMA Board asked for an additional \$5 increase in monthly Reserve dues, bringing the YOY increase to \$10. We also received information from Black Hills Energy concerning the estimated cost of Natural Gas in 2023, causing management to recommend an additional \$1 in dues to cover that anticipated expenditure.

The Board approved a version of the budget reflective of the above increases during the recent November session.

2022 Projected Year End

We are currently projecting a surplus for YE 2022, representing less than a 1% variance from the budgeted \$0 year end finish. This total is based upon a detailed forecast for the last financial quarter of 2022.

We faced some challenges in 2022 with rising inflationary pressures. As an example, the price for natural gas far exceeded budgeted predictions. We offset these factors through thoughtful cost savings throughout the year.

We exceeded budgeted revenues, given the tremendous amount of construction coming through the DRC in 2022. These revenues have a cost, as our DRC meets regularly to review all phases of the construction process.

That said, we managed to bring a large proportion of that extra income to the bottom line.



2022 Achievements

We are proud of what we accomplished in 2022, and we believe that those accomplishments are worth holding on to.

We saw a tremendous amount of change. Much of our Management team transitioned and Ashley Lynch was brought on board. Travis, James, Ali and Jessica further add to what is a very strong leadership team at RVR.

This team brought results, driving a customer focused culture, which can be felt from the Ranch House, to the irrigation and maintenance crews. All of this with financial acumen to boot.

On the heels of Covid-19, we welcomed the community back to the Ranch House with events and festivities. If you have not participated, come on by. RVR loves community– we believe that this sort of engagement is what makes RVR a place where people love to live!

As we crafted the 2023 budget, our methodology was to build upon the 2022 YE forecasted actual. There are adjustments for inflation where appropriate.



2023 RVRMA Budget

RIVER VALLEY RANCH MASTER ASSOCIATION 2023 Proposed Budget



	2022 BUDGET	2022 EST.	2023 BUDGET
INCOME			
Assessments	\$ 2,371,392	\$ 2,377,930	\$ 2,619,700
Memberships & Recreation	69,500	74,320	90,700
Tennis Programming Income	194,887	188,805	187,000
Other Income	321,500	353,792	337,700
TOTAL INCOME	\$ 2,957,279	\$ 2,994,847	\$ 3,235,100
COGS			
Swim & Fitness	(55,875)	(62,923)	(70,500)
Tennis	(150,000)	(156,062)	(154,500)
Concessions & Other	(30,250)	(42,024)	(30,300)
TOTAL COGS	\$ (236,125)	\$ (261,009)	\$ (255,300)
GROSS PROFIT	\$ 2,721,154	\$ 2,733,838	\$ 2,979,800
EXPENSES			
Personnel & Wages	(1,429,440) #	(1,360,200)	(1,492,400)
Grounds & Irrigation	(447,500)	(440,763)	(484,000)
Ranch House Expenses	(112,000)	(126,964)	(139,400)
Utilities	(109,200)	(142,305)	(144,000)
G&A	(97,574)	(108,189)	(112,600)
DRC Expenses	(39,000)	(47,925)	(42,000)
Community Expenses	(73,000)	(68,009)	(76,000)
Capital Reserves	(413,440)	(417,735)	(489,400)
TOTAL EXPENSES	\$ (2,721,154) #	\$ (2,712,090) #	\$ (2,979,800)
NET INCOME (LOSS)	\$ -	\$ 21,747	\$ -
RVRMA Dues			
Operating Assessment	\$ 298	\$ 298	\$ 324
Reserve Assessment	\$ 60	\$ 60	\$ 70
Total Before Irrigation Reimb. Assessment	\$ 358	\$ 358	\$ 394

2023 RVRMA Dues by Neighborhood



Note: Irrigation assessments have not been altered since 2017. We did raise these fees nominally for all residents.

2023 Dues by Neighborhood

RVRMA HOA Dues	
Operating Assessment	324
Reserve Assessment	70
	\$394
RVRMA - Custom Homes	
HOA Dues	394
Irrigation Assessment ^[1]	30
	\$424
RVRMA (Block "B"/Sopris View)	
HOA Dues	394
Irrigation Assessment ^[1]	19
	\$413
THE SETTLEMENT	
HOA Dues RVRMA	394
The Settlement (Additional Services) Painting, Mowing, Snow Removal	147
The Settlement Painting Reserves	111
Irrigation Assessment ^[1]	19
	\$671
OLD TOWN	
HOA Dues RVRMA	394
Old Town (Additional Services) Painting, Mowing, Snow Removal	67
Painting Reserve	90
Irrigation Assessment ^[1]	9
	\$560
CRYSTAL BLUFFS	
HOA Dues RVRMA ^[2]	\$394
THE BOUNDARY	
HOA Dues RVRMA ^[2]	\$394
TWENTY FOUR RESIDENCES	
HOA Dues RVRMA ^[2]	\$394

NOTES:

[1] Irrigation not charged to unirrigated vacant lots.

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