RIVER'S EDGE AT SOUTHMONT SUBDIVISION PROPERTY OWNERS ASSOCIATION, INC.

2027 Budget

Fiscal year January 1 – December 31, 2027 · Adopted by the Board of Directors September 15, 2026 · Ratified by the Owners October 15, 2026 (C.R.S. § 38-33.3-303(4))

Projected revenue — 2027	**Amount**
Regular annual assessments — 53 Lots × $303.19	$16,069.07
Special irrigation assessment — 53 Lots × $273.58 (approved by the Owners Oct. 15, 2026)	$14,499.74
Landscape maintenance billing to adjoining association	$800.00
Water reimbursement	$800.00
Interest income	$40.00
Total projected revenue	**$32,208.81**

Projected expenses — 2027	**Amount**
Irrigation Line Capital Project — Phase 2 (cleanouts and system jetting)	$23,500.00
Association management*	$2,750.00
Enforcement services	$1,010.00
Irrigation water (UVWUA)	$4,400.00
Common area landscape maintenance (The Escape)	$2,500.00
Insurance	$1,200.00
Legal and professional fees	$1,025.00
Irrigation repairs	$500.00
Taxes, state and federal	$258.00
Annual Meeting	$50.00
State registration and filing fees (DORA / Secretary of State)	$69.00
Total projected expenses	**$37,262.00**
Projected net**	**($5,053.19)**

What this means for your Lot	**Per Lot**
Regular annual assessment — due March 1, 2027 (Declaration Art. III, § 6)	$303.19
Special irrigation assessment — approved by the Owners Oct. 15, 2026; payment schedule as stated on your 2027 invoice	$273.58
Total for 2027	**$576.77**

***Association management.** The $2,750.00 in the adopted budget reflects a data-entry error: only 5 of 12 months of the contracted $551.25/month management fee were carried into this line. The signed management agreement sets the fee at $551.25/month ($6,615.00/year). This line is understated by $3,865.00 and requires a formal Board-approved budget amendment to correct. This was disclosed to the Owners at the October 15, 2026 meeting.

****Why the budget shows a projected deficit.** The shortfall is not an operating deficit; it is the timing of the irrigation capital project. Phase 2 is budgeted at $23,500 in a single year, while the special assessment recovers $14,499.74 and approximately $9,369 of unexpended 2026 irrigation funds carries forward. The difference is bridged from reserves and the certificate of deposit.

Assessment change. The regular annual assessment rises from $288.75 to $303.19, an increase of $14.44 per Lot, which the Board may adopt without a vote of the membership under Declaration Article III, Section 3(a).

Ratification. Under C.R.S. § 38-33.3-303(4), the budget stands ratified unless Owners holding a majority of all votes in the Association (27 of 53 Lots) vote to reject it. At the October 15, 2026 Annual Meeting, no Lot voted to reject.

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