

2026 Financial Plan – River North Association / River Communities Association

As approved November 11, 2025

The combined Boards of Directors of the River North Association and the River Communities Association, after close coordination with the River North Financial Committee, have approved the 2026 Financial Plan, as presented in the following pages. The Plan will be offered for a vote of the membership of the Associations, the date and time of which shall be communicated separately.

2025 Cash Flow

The following summary information is from the Statement of Financial Position (Balance Sheet), as currently reported, as well as a projection for the remainder of 2025.

	RIVER NORTH ASSOCIATIONS - 2025	2025 BUDGET	YTD Oct 2025	PROJECTION FY 2025
	(Unaudited)			
	NET CASH FLOW			
	Cash Balance - Beginning of Period	\$ 333,145.94	\$ 383,556.53	\$ 383,556.53
	Net Cash Flow - Increase / (Reduction) in Total Cash	\$ 121,828.00	\$ 22,738.66	\$ 24,583.26
	Cash Balance - End of Period	\$ 454,973.94	\$ 406,295.19	\$ 408,139.79
	Thereof:			
	Committed Funds	\$ 204,583.02	\$ 201,935.78	\$ 203,885.78
	Funds Available to Spend	\$ 250,390.92	\$ 204,359.41	\$ 204,254.01

Projected FY 2025 cash flow is +\$24,583 compared to the budgeted value of +\$121,828, a difference of -\$97,245. The primary extra-budget expenditures in 2025 (YTD Sept.) are:

1) Ongoing expenditures related to the S-Curve:	\$ 5,721
2) Expenditure for Deer Lake:	\$ 46,839
3) Tree and brush removal:	\$ 15,600
4) Legal Fees related to legal questions and covenants	\$ 44,106
Total	\$112,266

As per the strategy outlined in the 2025 Financial Plan, the budgeted, positive cash flow was to be designated for the purpose of Infrastructure and Maintenance, specifically including the S-Curve and Deer Lake projects, as the extent of the expenditures for 2025 was not readily determinable.

2026 Financial Plan – Goals and Strategy

The 2026 Financial Plan follows the same strategy as 2024 and 2025. As determined last year, the goals of the Financial Plan are as follows:

- 1) The Financial Committee has recommended the specification of our cash available to spend for two primary purposes: Operations and Infrastructure.
- 2) For purposes of Operations, the target is to maintain no less than **\$70,000**, which is the approximate cash outlay for one month, to cover fluctuations in the normal course of business, and to provide buffer in case of unexpected, urgent expenditures.
- 3) The balance of cash available to spend, along with the positive cash generated in the base budget, will be primarily allocated to an Infrastructure/Investment Fund for the purposes of maintenance and investment, for projects not ready to be specified in the Budget.

The types of projects envisioned to be covered by the Infrastructure/Investment Fund include, as expenditures are determined and deemed to be necessary:

- a. A systematic repaving program for the roads, including signage
- b. Bridge maintenance/improvements, as required
- c. The next phase(s) for the S-Curve project

While not directly budgeted, the anticipated cost for Phase III of the S-Curve project is expected to be up to \$200,000. If the project is scheduled within 2026, it will be in the latter half of the year, giving us some time to further build our available cash. However, the expenditure will result in a significant reduction to the Infrastructure/Investment Fund. Once details are finalized, it is the target that the full cost would be covered by the Infrastructure Fund, avoiding additional sources of funding, such as a special assessment or bank financing.

Due to the continued need to build our Infrastructure Fund, the Committee and the Boards have proposed to continue the systematic, annual increases to monthly dues to **\$110** per month in 2026, effective on **January 1, 2026**. As before, the additional cash flow generated by the increase will be a part of those funds directed for the Infrastructure Fund, and the S-Curve in particular.

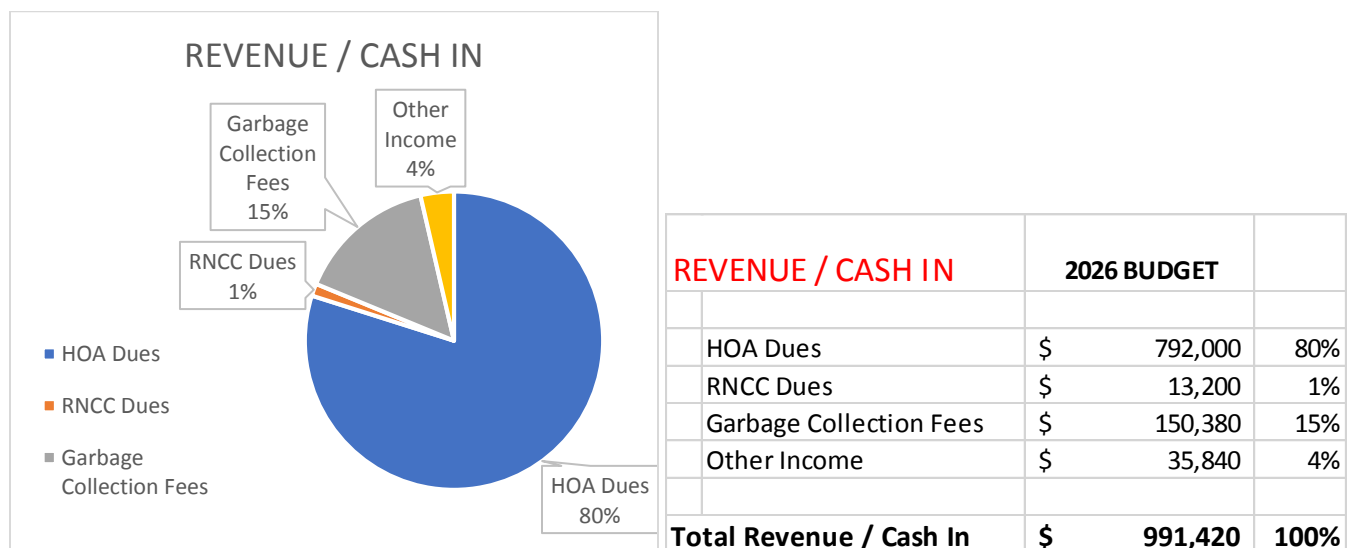
2026 Financial Plan – Cash Flow

Positive Cash Flow for 2026, to be allocated for the Infrastructure/Investment Fund, is projected to be **\$111,862**.

RIVER NORTH ASSOCIATIONS - 2025 (Unaudited)	2025 BUDGET	PROJECTION FY 2025	Variance to 2025 Budget	2026 BUDGET
NET CASH FLOW				
Cash Balance - Beginning of Period	\$ 333,145.94	\$ 383,556.53	\$ 50,410.59	\$ 408,139.79
Net Cash Flow - Increase / (Reduction) in Total Cash	\$ 121,828.00	\$ 24,583.26	\$ (97,244.74)	\$ 111,862.00
Cash Balance - End of Period	\$ 454,973.94	\$ 408,139.79	\$ (46,834.15)	\$ 520,001.79
Thereof:				
Committed Funds	\$ 204,583.02	\$ 203,885.78	\$ (697.24)	\$ 204,935.78
Funds Available to Spend	\$ 250,390.92	\$ 204,254.01	\$ (46,136.91)	\$ 315,066.01
Cash Flow from Operations	\$ 249,345.00	\$ 146,380.31	\$ (102,964.69)	\$ 236,602.00
Cash Flow from Financing	\$ (120,717.00)	\$ (120,892.13)	\$ (175.13)	\$ (124,740.00)
Cash Flow from Investing	\$ (6,800.00)	\$ (904.92)	\$ 5,895.08	\$ -
Total Cash Flow	\$ 121,828.00	\$ 24,583.26	\$ (97,244.74)	\$ 111,862.00
Allocations				
Operating Fund	\$ -	\$ -		\$ -
Infrastructure / Investment Fund	\$ (121,828.00)	\$ (24,583.26)		\$ (111,862.00)
Other Allocation	\$ -	\$ -		\$ -
Total Net Cash Flow, after Allocation	\$ -	\$ -		\$ -

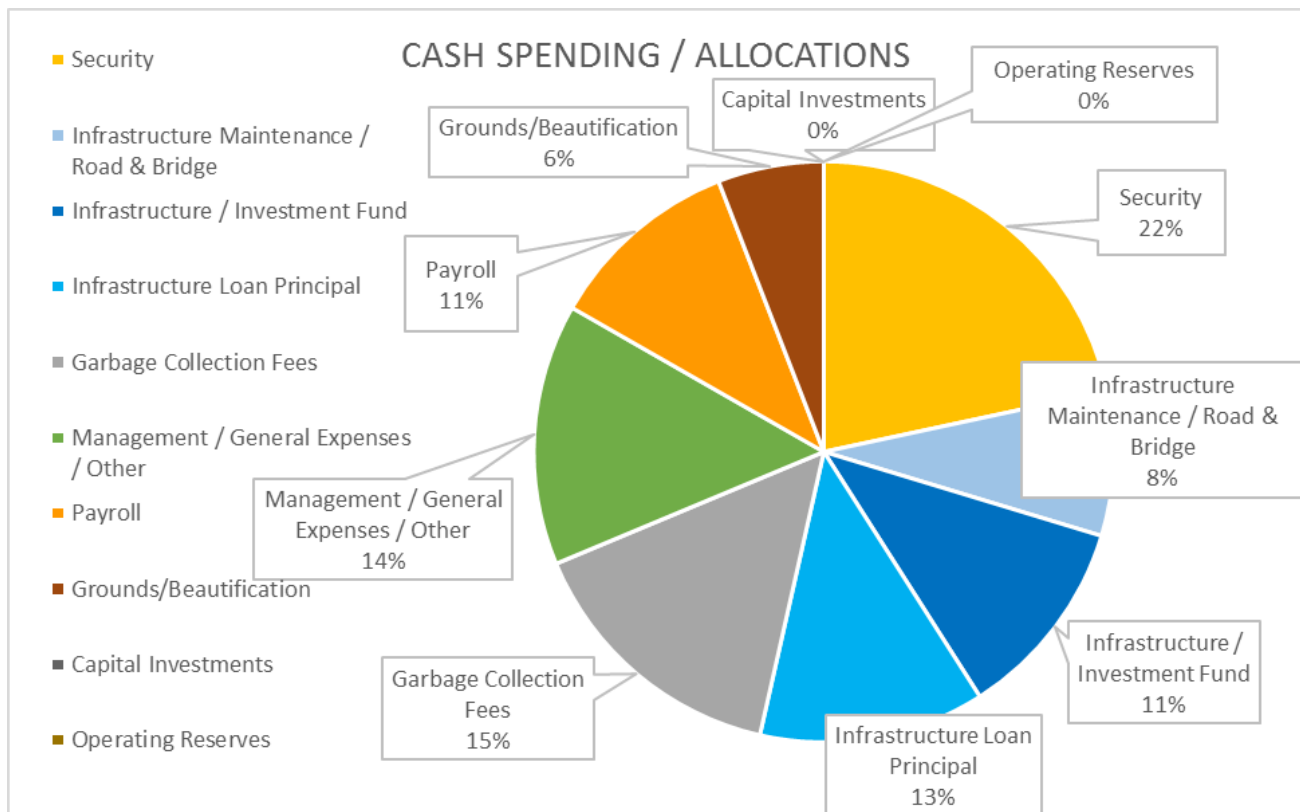
2026 Financial Plan – Revenue

The following is a breakdown of the sources of Revenue in the Budget:



2026 Financial Plan – Cash Spending/Allocations

The following is a breakdown of the expenditures and allocations:



CASH SPENDING / ALLOCATIONS			
Security	\$	214,580	22%
Infrastructure Maintenance / Road & Bridge	\$	79,640	8%
Infrastructure / Investment Fund	\$	111,862	11%
Infrastructure Loan Principal	\$	124,740	13%
Garbage Collection Fees	\$	150,380	15%
Management / General Expenses / Other	\$	144,320	15%
Payroll	\$	107,298	11%
Grounds/Beautification	\$	58,600	6%
Capital Investments	\$	-	0%
Operating Reserves	\$	-	0%
Total Spending / Allocations	\$	991,420	100%

Finally, the line-item detail of the Statement of Activities (Income Statement), as follows:

RIVER NORTH ASSOCIATIONS - 2025		2025 BUDGET	PROJECTION FY 2025	Variance to 2025 Budget	2026 BUDGET	Variance to 2025 Budget
(Unaudited)						
NET CASH FLOW						
Cash Balance - Beginning of Period		\$ 333,145.94	\$ 383,556.53	\$ 50,410.59	\$ 408,139.79	\$ 74,993.85
Net Cash Flow - Increase / (Reduction) in Total Cash		\$ 121,828.00	\$ 24,583.26	\$ (97,244.74)	\$ 111,862.00	\$ (9,966.00)
Cash Balance - End of Period		\$ 454,973.94	\$ 408,139.79	\$ (46,834.15)	\$ 520,001.79	\$ 65,027.85
Thereof:						
Committed Funds		\$ 204,583.02	\$ 203,885.78	\$ (697.24)	\$ 204,935.78	\$ 352.76
Funds Available to Spend		\$ 250,390.92	\$ 204,254.01	\$ (46,136.91)	\$ 315,066.01	\$ 64,675.09
INCOME						
HOA Dues		\$ 756,000.00	\$ 759,787.73	\$ 3,787.73	\$ 792,000.00	\$ 36,000.00
RNCC Dues		\$ 12,600.00	\$ 11,360.36	\$ (1,239.64)	\$ 13,200.00	\$ 600.00
Interest Income		\$ 9,280.00	\$ 11,012.80	\$ 1,732.80	\$ 8,340.00	\$ (940.00)
Transponder Income		\$ 16,000.00	\$ 16,040.10	\$ 40.10	\$ 17,500.00	\$ 1,500.00
Initiation/Administration Fees		\$ 5,000.00	\$ 5,925.00	\$ 925.00	\$ 10,000.00	\$ 5,000.00
Garbage Collection Fees		\$ 146,770.00	\$ 148,121.32	\$ 1,351.32	\$ 150,380.00	\$ 3,610.00
Unapplied Cash Payment Income		\$ -	\$ (3,907.13)	\$ (3,907.13)	\$ -	\$ -
Misc Income		\$ -	\$ 3,646.14	\$ 3,646.14	\$ -	\$ -
Late Fee		\$ -	\$ 8,401.52	\$ 8,401.52	\$ -	\$ -
TOTAL INCOME		\$ 945,650.00	\$ 960,387.84	\$ 14,737.84	\$ 991,420.00	\$ 45,770.00
EXPENSES						
Security						
Equipment Rental and Repairs		\$ 21,180.00	\$ 24,384.71	\$ (3,204.71)	\$ 28,380.00	\$ 7,200.00
Contract Labor/Security Guards		\$ 179,240.00	\$ 173,793.80	\$ 5,446.20	\$ 186,200.00	\$ 6,960.00
TOTAL SECURITY		\$ 200,420.00	\$ 198,178.51	\$ 2,241.49	\$ 214,580.00	\$ 14,160.00

RIVER NORTH ASSOCIATIONS - 2025	2025 BUDGET	PROJECTION FY 2025	Variance to 2025 Budget	2026 BUDGET	Variance to 2025 Budget
(Unaudited)					
Grounds and Beautification/Maintenance					
Buildings Maintenance	\$ 12,400.00	\$ 9,810.39	\$ 2,589.61	\$ 9,600.00	\$ (2,800.00)
Truck Maintenance	\$ 500.00	\$ 778.24	\$ (278.24)	\$ 700.00	\$ 200.00
Gasoline	\$ 1,200.00	\$ 662.58	\$ 537.42	\$ 1,200.00	\$ -
Maintenance Supplies	\$ 600.00	\$ 2,598.83	\$ (1,998.83)	\$ 1,500.00	\$ 900.00
Ground Maintenance	\$ 30,600.00	\$ 41,009.96	\$ (10,409.96)	\$ 45,600.00	\$ 15,000.00
Neighborhood Landscape	\$ 3,200.00	\$ 2,000.00	\$ 1,200.00	\$ -	\$ (3,200.00)
TOTAL GROUNDS/BEAUTIFICATION	\$ 48,500.00	\$ 56,860.00	\$ (8,360.00)	\$ 58,600.00	\$ 10,100.00
Infrastructure/Bridge and Road Maintenance					
Bridge Maintenance/Inspection	\$ 15,000.00	\$ 23,600.00	\$ (8,600.00)	\$ 40,000.00	\$ 25,000.00
Road Maintenance/Inspection	\$ 30,000.00	\$ 95,287.81	\$ (65,287.81)	\$ 15,000.00	\$ (15,000.00)
Loan/Interest Expense	\$ 28,670.00	\$ 28,492.27	\$ 177.73	\$ 24,640.00	\$ (4,030.00)
TOTAL INFRASTRUCTURE/ROAD & BRIDGE	\$ 73,670.00	\$ 147,380.08	\$ (73,710.08)	\$ 79,640.00	\$ 5,970.00
GENERAL EXPENSES					
Mailbox Supplies	\$ -	\$ 1,276.53	\$ (1,276.53)	\$ -	\$ -
Office Supplies	\$ 6,120.00	\$ 6,401.52	\$ (281.52)	\$ 6,120.00	\$ -
Printing	\$ 1,000.00	\$ 350.00	\$ 650.00	\$ 400.00	\$ (600.00)
Hospitality	\$ 1,250.00	\$ 1,970.97	\$ (720.97)	\$ 2,500.00	\$ 1,250.00
Postage	\$ 2,000.00	\$ 2,595.20	\$ (595.20)	\$ 2,000.00	\$ -
Bank Charges	\$ -	\$ -	\$ -	\$ -	\$ -
Merchant Serv Fees	\$ 15,700.00	\$ 15,823.01	\$ (123.01)	\$ 16,900.00	\$ 1,200.00
AC/HEAT	\$ 500.00	\$ 298.00	\$ 202.00	\$ 500.00	\$ -
Water	\$ 1,200.00	\$ 1,389.49	\$ (189.49)	\$ 1,500.00	\$ 300.00
Electricity	\$ 24,000.00	\$ 25,569.29	\$ (1,569.29)	\$ 25,800.00	\$ 1,800.00
Telephone / Internet	\$ 8,400.00	\$ 8,755.88	\$ (355.88)	\$ 7,620.00	\$ (780.00)
Other Administrative	\$ -	\$ -	\$ -	\$ -	\$ -
Garbage Fee Expense	\$ 134,540.00	\$ 147,824.79	\$ (13,284.79)	\$ 134,490.00	\$ (50.00)
Misc Expense	\$ 240.00	\$ 377.60	\$ (137.60)	\$ 240.00	\$ -
Neighborhood Signage	\$ 2,000.00	\$ 4,505.45	\$ (2,505.45)	\$ 2,000.00	\$ -
TOTAL GENERAL EXPENSES	\$ 196,950.00	\$ 217,137.73	\$ (20,187.73)	\$ 200,070.00	\$ 3,120.00

RIVER NORTH ASSOCIATIONS - 2025		2025 BUDGET	PROJECTION FY 2025	Variance to 2025 Budget	2026 BUDGET	Variance to 2025 Budget
(Unaudited)						
PAYROLL						
Staff Salaries		\$ 76,960.00	\$ 72,890.00	\$ 4,070.00	\$ 83,040.00	\$ 6,080.00
Payroll Taxes		\$ 8,025.00	\$ 6,695.56	\$ 1,329.44	\$ 8,058.00	\$ 33.00
Maintenance Wages		\$ 16,380.00	\$ 8,537.65	\$ 7,842.35	\$ 16,200.00	\$ (180.00)
TOTAL PAYROLL		\$ 101,365.00	\$ 88,123.21	\$ 13,241.79	\$ 107,298.00	\$ 5,933.00
MANAGEMENT						
Accountant Fee		\$ 14,400.00	\$ 7,891.50	\$ 6,508.50	\$ 10,250.00	\$ (4,150.00)
Legal and Professional		\$ 20,000.00	\$ 67,000.90	\$ (47,000.90)	\$ 50,000.00	\$ 30,000.00
Bad Debt Expense		\$ -	\$ 422.34	\$ (422.34)	\$ -	\$ -
Income Taxes		\$ -	\$ -	\$ -	\$ -	\$ -
Taxes and Licenses		\$ 14,500.00	\$ 9,355.76	\$ 5,144.24	\$ 10,600.00	\$ (3,900.00)
Insurance - General		\$ 26,500.00	\$ 21,866.00	\$ 4,634.00	\$ 23,780.00	\$ (2,720.00)
Insurance - Bridge		\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL MANAGEMENT		\$ 75,400.00	\$ 106,536.50	\$ (31,136.50)	\$ 94,630.00	\$ 19,230.00
TOTAL EXPENSES		\$ 696,305.00	\$ 814,216.03	\$ (117,911.03)	\$ 754,818.00	\$ 58,513.00
NET INCOME (P&L)		\$ 249,345.00	\$ 146,171.81	\$ 103,173.19	\$ 236,602.00	\$ (12,743.00)

	RIVER NORTH ASSOCIATIONS - 2025	2025 BUDGET	PROJECTION FY 2025	Variance to 2025 Budget	2026 BUDGET	Variance to 2025 Budget
	(Unaudited)					
OTHER CASH FLOW						
INVESTMENTS						
	Investments	\$ 6,800.00	\$ 904.92	\$ 5,895.08	\$ -	\$ (6,800.00)
FINANCING						
	Loan Payment - Principal	\$ 120,717.00	\$ 120,892.13	\$ (175.13)	\$ 124,740.00	\$ 4,023.00
	TOTAL CASH FLOW OUT	\$ 127,517.00	\$ 121,797.05	\$ 5,719.95	\$ 124,740.00	\$ (2,777.00)
	OTHER CASH FLOW IN	\$ -	\$ 208.50	\$ 208.50		\$ -
	TOTAL OTHER CASH FLOW	\$ (127,517.00)	\$ (121,588.55)	\$ 5,928.45	\$ (124,740.00)	\$ 2,777.00
	NET CASH FLOW (before Financing)	\$ 121,828.00	\$ 24,583.26	\$ (97,244.74)	\$ 111,862.00	\$ (9,966.00)
	Loan Proceeds In	\$ -	\$ -	\$ -	\$ -	\$ -
	NET CASH FLOW, including Financing	\$ 121,828.00	\$ 24,583.26	\$ (97,244.74)	\$ 111,862.00	\$ (9,966.00)
	Cash Flow from Operations	\$ 249,345.00	\$ 146,380.31	\$ (102,964.69)	\$ 236,602.00	\$ (12,743.00)
	Cash Flow from Financing	\$ (120,717.00)	\$ (120,892.13)	\$ (175.13)	\$ (124,740.00)	\$ (4,023.00)
	Cash Flow from Investing	\$ (6,800.00)	\$ (904.92)	\$ 5,895.08	\$ -	\$ 6,800.00
	Total Cash Flow	\$ 121,828.00	\$ 24,583.26	\$ (97,244.74)	\$ 111,862.00	\$ (9,966.00)
Allocations						
	Operating Fund	\$ -	\$ -		\$ -	
	Infrastructure / Investment Fund	\$ (121,828.00)	\$ (24,583.26)		\$ (111,862.00)	
	Other Allocation	\$ -	\$ -		\$ -	