

**Highlands Ranch Community Association, Inc.**  
**2023 Budget**

|  | ADMINISTRATIVE    |                     | OSCA                | RECREATION         |                       | BACKCOUNTRY      |                     | DEBT SERVICE        | ELIMINATIONS     | TOTAL               |
|--|-------------------|---------------------|---------------------|--------------------|-----------------------|------------------|---------------------|---------------------|------------------|---------------------|
|  | OPERATING         | RESERVE             |                     | OPERATING          | RESERVE               | OPERATING        | RESERVE             | & PLANT             |                  |                     |
| <b>Revenues</b>                                      |                   |                     |                     |                    |                       |                  |                     |                     |                  |                     |
| Homeowner assessments and fees                       | \$ 3,328,721      | \$ -                | \$ -                | \$ 17,919,408      | \$ -                  | \$ -             | \$ -                | \$ -                |                  | 21,248,129          |
| Community improvement services                       | 120,000           | -                   | -                   | -                  | -                     | -                | -                   | -                   |                  | 120,000             |
| Legal Revenue  | 41,000            | -                   | -                   | -                  | -                     | -                | -                   | -                   |                  | 41,000              |
| Recreation programs                                  | 100               | -                   | -                   | 5,722,286          | -                     | 1,016,000        | -                   | -                   |                  | 6,738,386           |
| Facility operations                                  | -                 | -                   | -                   | 934,460            | -                     | 56,452           | -                   | -                   | (65,460)         | 925,452             |
| Community events                                     | 230,820           | -                   | -                   | -                  | -                     | -                | -                   | -                   |                  | 230,820             |
| Advertising  | -                 | -                   | -                   | -                  | -                     | -                | -                   | -                   |                  | -                   |
| Management fee revenue                               | 337,740           | -                   | -                   | 164,630            | -                     | -                | -                   | -                   | (502,370)        | -                   |
| Interest and other revenue                           | 119,580           | 2,300               | 12,500              | 64,350             | 11,283                | 117,039          | 100                 | 12,500              |                  | 339,652             |
| <b>Total revenues</b>                                | <b>4,177,961</b>  | <b>2,300</b>        | <b>12,500</b>       | <b>24,805,134</b>  | <b>11,283</b>         | <b>1,189,491</b> | <b>100</b>          | <b>12,500</b>       | <b>(567,830)</b> | <b>29,643,439</b>   |
| <b>Expenses</b>                                      |                   |                     |                     |                    |                       |                  |                     |                     |                  |                     |
| Salaries and employee benefits                       | 2,054,834         | -                   | -                   | 13,050,768         | -                     | 1,264,240        | -                   | -                   |                  | 16,369,842          |
| Facility operations                                  | 16,680            | -                   | -                   | 1,115,586          | 20,000                | 143,950          | -                   | -                   |                  | 1,296,216           |
| Depreciation Expense                                 | -                 | 74,592              | -                   | -                  | -                     | -                | 146,962             | 2,623,375           |                  | 2,844,929           |
| Professional services                                | 439,150           | -                   | -                   | 186,850            | -                     | 2,870            | -                   | -                   |                  | 628,870             |
| Advertising  | 10,000            | -                   | -                   | 70,000             | -                     | -                | -                   | -                   |                  | 80,000              |
| Office expenses                                      | 164,640           | -                   | -                   | 493,320            | -                     | 7,750            | -                   | -                   |                  | 665,710             |
| Insurance  | 147,560           | -                   | -                   | 443,305            | -                     | 43,271           | -                   | -                   |                  | 634,136             |
| Interest   | -                 | -                   | -                   | -                  | 2,800                 | -                | -                   | 356,405             |                  | 359,205             |
| Information Technology Expenses                      | 243,260           | -                   | -                   | 1,034,572          | 2,100                 | -                | -                   | -                   |                  | 1,279,932           |
| Occupancy  | 73,460            | -                   | -                   | 1,258,150          | -                     | -                | -                   | -                   | (65,460)         | 1,266,150           |
| Program  | -                 | -                   | -                   | 1,288,276          | -                     | 188,500          | -                   | -                   |                  | 1,476,776           |
| Community events                                     | 264,180           | -                   | -                   | -                  | -                     | -                | -                   | -                   |                  | 264,180             |
| Conferences, meetings and travel                     | 29,880            | -                   | -                   | 10,060             | -                     | 29,320           | -                   | -                   |                  | 69,260              |
| Licenses and permits                                 | -                 | -                   | -                   | 8,040              | -                     | 560              | -                   | -                   |                  | 8,600               |
| Dues, subscriptions and memberships                  | 16,720            | -                   | -                   | 6,750              | -                     | -                | -                   | -                   |                  | 23,470              |
| Management Fee Expense                               | 164,630           | -                   | -                   | 337,740            | -                     | -                | -                   | -                   | (502,370)        | -                   |
| Other operating expenses                             | 7,000             | -                   | -                   | 5,498              | -                     | -                | -                   | -                   |                  | 12,498              |
| <b>Total expenses</b>                                | <b>3,631,994</b>  | <b>74,592</b>       | <b>-</b>            | <b>19,308,915</b>  | <b>24,900</b>         | <b>1,680,461</b> | <b>146,962</b>      | <b>2,979,780</b>    | <b>(567,830)</b> | <b>27,279,774</b>   |
| (Gains) / Losses                                     | -                 | -                   | -                   | -                  | -                     | -                | -                   | 65,000              | -                | 65,000              |
| <b>Excess (deficiency) of revenues over expenses</b> | <b>545,967</b>    | <b>(72,292)</b>     | <b>12,500</b>       | <b>5,496,219</b>   | <b>(13,617)</b>       | <b>(490,970)</b> | <b>(146,862)</b>    | <b>(3,032,280)</b>  | <b>-</b>         | <b>2,298,665</b>    |
| Transfers to Bond Fund                               | -                 | -                   | -                   | (3,206,405)        | -                     | -                | -                   | 3,206,405           | -                | -                   |
| Transfers to Backcountry Fund                        | -                 | -                   | -                   | (500,000)          | -                     | 500,000          | -                   | -                   | -                | -                   |
| Transfers for Capital Equipment                      | -                 | (50,000)            | (722,000)           | (198,000)          | (4,730,442)           | -                | (16,000)            | 5,716,442           | -                | -                   |
| Transfers for Reserves                               | -                 | -                   | -                   | (775,000)          | 775,000               | -                | -                   | -                   | -                | -                   |
| <b>Total transfers</b>                               | <b>-</b>          | <b>(50,000)</b>     | <b>(722,000)</b>    | <b>(4,679,405)</b> | <b>(3,955,442)</b>    | <b>500,000</b>   | <b>(16,000)</b>     | <b>8,922,847</b>    | <b>-</b>         | <b>-</b>            |
| <b>Net revenues (expenses)</b>                       | <b>\$ 545,967</b> | <b>\$ (122,292)</b> | <b>\$ (709,500)</b> | <b>\$ 816,814</b>  | <b>\$ (3,969,059)</b> | <b>\$ 9,030</b>  | <b>\$ (162,862)</b> | <b>\$ 5,890,567</b> | <b>\$ -</b>      | <b>\$ 2,298,665</b> |



**2023 RESERVE BUDGET**

**NORTHRIDGE**

|               | <b>Item</b>                      | <b>Reserve Study Year</b> | <b>Budget</b>     | <b>Justification</b>   |
|---------------|----------------------------------|---------------------------|-------------------|--|
| 1             | Skylights                        | 2022                      | \$ 80,000         | Skylight replacement in pool hallway   |
| 2             | Metal Fencing                    | 2023                      | \$ 17,000         | Fencing around OD Pool Deck  |
| 3             | Chain Link Fencing               | 2023                      | \$ 65,000         | Replace Chainlink Fencing around Pavilion and Tennis Courts                    |
| 4             | Landscape Upgrades               | 2023                      | \$ 5,500          | Landscape Upgrades between along pool sidewalk                                 |
| 5             | Window Shades/ Tinting           | 2023                      | \$ 10,000         | Tint windows above gymnasium   |
| 6             | Tennis Courts Surfaces           | 2023                      | \$ 27,500         | Resurface indoor and outdoor tennis courts                                     |
| 7             | Cardio Equipment                 | 2023                      | \$ 56,775         | Cyclically replace cardio equipment  |
| 8             | Janitorial Equipment             | 2023                      | \$ 11,000         | Replace janitorial equipment   |
| <i>Annual</i> | Asphalt Maintenance              | 2023                      | \$ 9,275          | Annual Maintenance for crack fill, patching and striping                       |
| <i>Annual</i> | Concrete Repairs                 | 2023                      | \$ 10,000         | Annual Maintenance for replace portions of concrete                            |
| <i>Annual</i> | Roof Repairs                     | 2023                      | \$ 8,100          | Annual Maintenance for roof repairs  |
| <i>Annual</i> | Furniture and Furnishings        | 2023                      | \$ 7,100          | Cyclical replacement of desk, tables, chairs, etc...                           |
| <i>Annual</i> | Tennis Equipment                 | 2023                      | \$ 11,000         | Ball machines, ball carts, nets, windscreens                                   |
| <i>Annual</i> | Pool Equipment                   | 2023                      | \$ 20,000         | Diving Board and Stand replaced  |
| <i>Annual</i> | Aquatic Critical Repair Parts    | 2023                      | \$ 8,315          | Back up critical repair parts to prevent shut downs (motors, seals, impellers) |
| <i>Annual</i> | Mechanical Critical Repair Parts | 2023                      | \$ 13,500         | Back up critical repair parts for maintenance                                  |
|               | <b>TOTAL:</b>                    |                           | <b>\$ 360,065</b> |  |

**2023 RESERVE BUDGET**

**SOUTHRIDGE**

|               | <b>Item</b>                   | <b>Reserve Study Year</b> | <b>Budget</b>       | <b>Justification</b>  |
|---------------|-------------------------------|---------------------------|---------------------|---|
| 1             | Children's Pool Plaster       | 2028                      | \$ 30,000           | Plaster is cracking   |
| 2             | Tennis Shade Canopy           | 2023                      | \$ 7,245            | Replace old shade canopy at outdoor tennis courts               |
| 3             | Pottery Equipment             | 2023                      | \$ 8,000            | Replace kiln in pottery studio                                  |
| 4             | Cardio Equipment              | 2023                      | \$ 71,772           | Cyclically replace cardio equipment                             |
| 5             | Janitorial Equipment          | 2023                      | \$ 11,000           | New T-3   |
| 6             | Kitchen Garage Door           | 2023                      | \$ 11,000           | New motor   |
| 7             | Recoat of Stained Concrete    | 2023                      | \$ 80,000           | Dye and Polish  |
| 8             | Landscaping Upgrades          | 2023                      | \$ 8,280            | Upgrades along main sidewalk / Laurelglen                       |
| 9             | INNOVENT pool AHU #8 & AHU 9  | 2025                      | \$ 1,200,000        | Replace AHU pool units - involves custom unit and crane expense |
| <i>Annual</i> | Furniture and Furnishings     | 2023                      | \$ 8,000            | Cyclical replacement of desk, tables, chairs, etc...            |
| <i>Annual</i> | Asphalt Maintenance           | 2023                      | \$ 12,500           | Annual Maintenance for crack fill, patching and striping        |
| <i>Annual</i> | Replace Concrete              | 2023                      | \$ 10,000           | Annual Maintenance for replace portions of concrete             |
| <i>Annual</i> | Roof Repairs                  | 2023                      | \$ 8,000            | Annual Maintenance for roof repairs                             |
| <i>Annual</i> | Tennis Equipment              | 2023                      | \$ 4,000            | Cyclical replacement of tennis equipment                        |
| <i>Annual</i> | Pool Equipment                | 2023                      | \$ 23,500           | Cyclical replacement of pool equipment                          |
| <i>Annual</i> | Aquatic Critical Repair Parts | 2023                      | \$ 8,000            | Back up critical repair parts to prevent shut downs             |
|               | <b>TOTAL:</b>                 |                           | <b>\$ 1,501,297</b> |   |

**2023 RESERVE BUDGET**

**EASTRIDGE**

|               | <b>Item</b>                      | <b>Reserve Study Year</b> | <b>Budget</b>       | <b>Justification</b>   |
|---------------|----------------------------------|---------------------------|---------------------|--|
| 1             | Hot Tub Replacement              | 2023                      | \$ 150,000          | Original Hot Tub - needs replacement- waiting on final number                  |
| 2             | Locker Room Renovation           | 2023                      | \$ 1,700,000        | Renovation and remodel of locker rooms and FCR                                 |
| 3             | Landscaping Upgrades             | 2023                      | \$ 6,210            | Annual Repairs and Upgrades  |
| 4             | Fixed Windows                    | 2023                      | \$ 16,000           | Replace windows with broken seals  |
| 5             | Mr. Steam                        | 2023                      | \$ 16,000           | Replace Mr. Steam Generator  |
| 6             | Security Surveillance            | 2023                      | \$ 12,000           | Add / relocate cameras   |
| 7             | Outdoor Pool Waterslide          | 2023                      | \$ 80,000           | Replace current ODP slide  |
| 8             | Pool Furniture                   | 2023                      | \$ 15,000           | Replace pool furniture for outdoor pool  |
| 9             | Cardio / Weight                  | 2023                      | \$ 75,000           | Cyclically replace cardio equipment  |
| 10            | Janitorial Equipment             | 2023                      | \$ 11,000           | Replace auto scrubber  |
| 11            | Race Series Tent and Archway     | 2023                      | \$ 17,140           | Replace race series tent and archway   |
| <i>Annual</i> | Concrete Repairs                 | 2023                      | \$ 7,500            | Annual Maintenance for replace portions of concrete                            |
| <i>Annual</i> | Roof Repairs                     | 2023                      | \$ 8,000            | Annual Maintenance for roof repairs  |
| <i>Annual</i> | Furniture and Furnishings        | 2023                      | \$ 7,100            | Cyclical replacement of desk, tables, chairs, etc...                           |
| <i>Annual</i> | Asphalt Maintenance              | 2023                      | \$ 151,000          | Annual Maintenance for crack fill, patching and striping (back lot)            |
| <i>Annual</i> | Pool Equipment                   | 2023                      | \$ 20,000           | Replace lane lines, pool equipment, guard stands, etc...                       |
| <i>Annual</i> | Aquatic Critical Repair Parts    | 2023                      | \$ 8,000            | Back up critical repair parts to prevent shut downs (motors, seals, impellers) |
| <i>Annual</i> | Mechanical Critical Repair Parts | 2023                      | \$ 7,820            | Back up critical repair parts for maintenance                                  |
|               | <b>TOTAL:</b>                    |                           | <b>\$ 2,307,770</b> |  |

**2023 RESERVE BUDGET**

**WESTRIDGE**

|               | <b>Item</b>                             | <b>Reserve Study Year</b> | <b>Budget</b>     | <b>Justification</b>                                     |
|---------------|---|---------------------------|-------------------|--|
| 1             | Batting Cage Equipment                  | 2023                      | \$ 5,000          | Replace bats, balls, helmets and other equipment         |
| 2             | Cardio Equipment                        | 2023                      | \$ 59,100         | Cyclically replace cardio equipment                      |
| 3             | Filter Sand                             | 2023                      | \$ 17,140         | Replace media and filter and in pool filters             |
| 4             | Janitorial Equipment                    | 2023                      | \$ 11,000         | Replace auto scrubber                                    |
| 5             | TV's and Digital Display                | 2023                      | \$ 6,000          | Replace Tv's in Cardio Area and lounge                   |
| 6             | Mill and Overlay - Main parking Lot     | 2023                      | \$ 175,000        | Mill and overlay the main parking lot                    |
| 7             | Landscaping upgrades                    | 2023                      | \$ 7,000          | Landscaping upgrades                                     |
| 8             | Sprayground Pool Pad for Water Fountain |                           | \$ 6,000          | Spray pool Pad - Out of Op budget                        |
| <i>Annual</i> | Furniture and Furnishings               | 2023                      | \$ 6,000          | Cyclical replacement of desk, tables, chairs, etc...     |
| <i>Annual</i> | Replace Concrete                        | 2023                      | \$ 7,000          | Annual Maintenance for replace portions of concrete      |
| <i>Annual</i> | Roof Repairs                            | 2023                      | \$ 9,320          | Annual Maintenance for roof repairs                      |
| <i>Annual</i> | Pool Equipment                          | 2023                      | \$ 8,570          | Replace lane lines, guard stands, pool equipment, etc... |
| <i>Annual</i> | Aquatic Critical Repair Parts           | 2023                      | \$ 8,000          | Back up critical repair parts to prevent shut downs      |
|               | <b>TOTAL:</b>                           |                           | <b>\$ 325,130</b> |  |

2023 RESERVE BUDGET

HRCA EMERGENCY RESERVES

| Priority | Item               | Reserve Study Year | Budget     | Justification                          |
|----------|--------------------|--------------------|------------|--|
| I        | Emergency Reserves |                    | \$ 100,000 | Unplanned, emergency replacement items |

**TOTAL RESERVE: \$ 4,594,262**

**2023 CAPITAL BUDGET**

**NORTHRIDGE**

| <b>Priority</b> | <b>Item</b>                            | <b>Budget</b>    | <b>Justification</b>   |
|-----------------|--|------------------|--|
| 1               | Installation of Large Fans - Pool Area | \$ 50,000        | Increase air circulation to increase air quality, energy savings |
| <b>TOTAL:</b>   |  | <b>\$ 50,000</b> |  |

**SOUTHRIDGE**

| <b>Priority</b> | <b>Item</b>                           | <b>Budget</b>    | <b>Justification</b>   |
|-----------------|---------------------------------------|------------------|--|
| 1               | Installation of Large Fans- Pool Area | \$ 70,000        | Increase air circulation to increase air quality, energy savings |
| <b>TOTAL:</b>   |                                       | <b>\$ 70,000</b> |  |

**WESTRIDGE**

| <b>Priority</b> | <b>Item</b>                               | <b>Budget</b>    | <b>Justification</b>   |
|-----------------|---|------------------|--|
| 1               | Installation of Large Fans - Pool Area    | \$ 28,000        | Increase air circulation to increase air quality, energy savings         |
| 2               | Installation of Raceways for Cardio Equip | \$ 50,000        | Add raceways, HD communication setup and electrical for cardio machines. |
| <b>TOTAL:</b>   |   | <b>\$ 78,000</b> |  |

**HRCA REC IT BUDGET - CAPITAL**

| <b>Priority</b> | <b>Item</b> | <b>Budget</b>    | <b>Justification</b> |
|-----------------|-------------|------------------|----------------------|
| 1               | Contingency | \$ 50,000        |                      |
| <b>TOTAL:</b>   |             | <b>\$ 50,000</b> |                      |

**TOTAL CAPITAL: \$ 248,000**



**2023 BACKCOUNTRY CAPITAL BUDGET**

| <b>OSCA CAPITAL</b> |                                     |                   |   |
|---------------------|-------------------------------------|-------------------|---|
| <b>Priority</b>     | <b>Item</b>                         | <b>Budget</b>     | <b>Justification</b>  |
| 1                   | Livestock Panels                    | \$ 2,000          | Increase flexibility/use of existing arenas in order to increase capacity of camps, divide corrals, etc.  |
| 2                   | Horses and Tack                     | \$ 8,000          | 3-4 Additional horses. Additional tack for horses purchased previously, and to purchase own tack rather than rent.  |
| 3                   | Signs                               | \$ 5,000          | Security, Safety, Marketing   |
| 4                   | Horse Loafing Shed                  | \$ 12,000         | Additional hay storage and last two loafing sheds for last two corrals.   |
| 5                   | Electric and Water at Horse Corrals | \$ 25,000         | Owning 20 horses, safety of horses requires more separation in the winter months, which requires more water troughs and electric to those troughs for de-icing. Safety of staff, ease of filling water troughs in all months. |
| 6                   | Base Camp Road Improvement/2 lanes  | \$ 20,000         | Traffic safety in and out of Base Camp. Customer Experience. Staff safety, no more directing traffic  |
| 7                   | Landscape Architect                 | \$ 400,000        | On condition of successful PD Amendment. Site Plan for two buildings, planning, design specifics and further planning for Base Camp site. Construction and any further design would be budgeted in 2024 or beyond.            |
| 8                   | 40x80 tacking shelter               | \$ 250,000        | If necessary to comply with County zoning requirements in Horse Corrals.  |
| <b>TOTAL:</b>       |                                     | <b>\$ 722,000</b> |   |

| <b>RESERVE CAPITAL</b> |             |                  |   |
|------------------------|-------------|------------------|---|
| <b>Priority</b>        | <b>Item</b> | <b>Budget</b>    | <b>Justification</b>  |
| 1                      | Horses (2)  | \$ 6,000         | Replace senior horses that pass or we find a good home for. |
| 2                      | ATV         | \$ 10,000        | Replace 2006 ATV  |
| <b>TOTAL:</b>          |             | <b>\$ 16,000</b> |   |

**TOTAL BACKCOUNTRY CAPITAL: \$ 738,000**