



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Highlands Ranch Community Association

Financial Statements

As of June 30, 2022

HRCA Financial Statements
June 30, 2022
Table of Contents

Item	Page Number
Income Statement - All Funds	4
Balance Sheet - All Funds	5
Cash Flow Statement	7
Variance Analysis Administrative	9
Administrative Events Profit/Loss	10
Events Budget by Month	11
Variance Analysis Recreation	12
Variance Analysis Backcountry	13
Income Statement - Month	15
Income Statement - Year	16

Highlands Ranch Community Association

Financial Statements

Year to Date By Fund

Highlands Ranch Community Association, Inc.
Statement of Revenues and Expenses for All Funds
For the Year Ending June 30, 2022

Financial Row	ADMINISTRATIVE			RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE	OSCA	OPERATING	RESERVE	OPERATING	RESERVE	& PLANT		
Revenues										
Homeowner assessments and fees	\$ 1,623,375	\$ -	\$ -	\$ 8,415,393	\$ -	\$ -	\$ -	\$ -		10,038,768
Community improvement services	74,055	-	-	-	-	-	-	-		74,055
Legal Revenue	23,662	-	-	-	-	-	-	-		23,662
Recreation programs	-	-	-	2,813,033	-	454,187	-	-		3,267,220
Facility operations	-	-	-	451,259	-	8,127	-	-	(31,250)	428,136
Community events	156,949	-	-	-	-	-	-	-		156,949
Advertising	-	-	-	-	-	-	-	-		-
Management Fee Revenue	161,680	-	-	75,828	-	-	-	-	(237,508)	-
Interest and other Revenue	49,297	2,665	(36,266)	213,033	10,382	28,315	(4,813)	4,504		267,117
Total revenues	<u>2,089,018</u>	<u>2,665</u>	<u>(36,266)</u>	<u>11,968,546</u>	<u>10,382</u>	<u>490,629</u>	<u>(4,813)</u>	<u>4,504</u>	<u>(268,758)</u>	<u>14,255,907</u>
Expenses										
Salaries and employee benefits	978,572	-	-	5,912,573	-	591,925	-	-		7,483,070
Facility operations	9,661	-	-	688,004	25,327	39,899	-	-		762,891
Depreciation Expense	-	29,004	-	-	-	-	63,023	1,295,443		1,387,470
Professional services	203,007	-	-	111,109	-	450	-	-		314,566
Advertising	6,377	-	-	38,135	-	-	-	-		44,512
Office expenses	81,264	35,716	-	260,340	12	2,437	1,328	-		381,097
Insurance	28,312	-	-	217,121	-	20,039	-	-		265,472
Interest	-	-	-	-	556	-	-	509,915		510,471
Information Technology Expenses	148,408	-	-	474,316	-	-	-	-		622,724
Occupancy	34,548	-	-	569,727	-	-	-	-	(31,250)	573,025
Program	1	-	-	567,881	-	128,611	-	-		696,493
Community events	69,155	-	-	-	-	-	-	-		69,155
Conferences, meetings and travel	14,348	-	-	5,237	-	11,515	-	-		31,100
Licenses and permits	-	-	-	19,020	-	-	-	-		19,020
Dues, subscriptions and memberships	10,355	-	-	9,531	-	-	-	-		19,886
Management Fee Expense	75,828	-	-	161,680	-	-	-	-	(237,508)	-
Other operating expenses	-	-	607	552	-	-	-	-		1,159
Total expenses	<u>1,659,836</u>	<u>64,720</u>	<u>607</u>	<u>9,035,226</u>	<u>25,895</u>	<u>794,876</u>	<u>64,351</u>	<u>1,805,358</u>	<u>(268,758)</u>	<u>13,182,111</u>
(Gains) / Losses	-	51,455	-	-	-	-	(42)	26,030		77,443
Excess (deficiency) of revenues over expenses	<u>429,182</u>	<u>(113,510)</u>	<u>(36,873)</u>	<u>2,933,320</u>	<u>(15,513)</u>	<u>(304,247)</u>	<u>(69,122)</u>	<u>(1,826,884)</u>	<u>-</u>	<u>996,353</u>
Transfers										
Transfers to Bond Fund	-	-	-	(1,356,692)	-	-	-	1,356,692		-
Transfers to Backcountry Fund	-	-	-	(345,000)	-	345,000	-	-		-
Transfers for Capital Equipment	-	-	(28,636)	-	-	-	28,636	-		-
Transfers for Reserves	(118,496)	118,496	(583)	(2,187,062)	1,056,340	(5,010)	5,593	1,130,722		-
Total transfers	<u>(118,496)</u>	<u>118,496</u>	<u>(29,219)</u>	<u>(3,888,754)</u>	<u>1,056,340</u>	<u>339,990</u>	<u>34,229</u>	<u>2,487,414</u>	<u>-</u>	<u>-</u>
Net revenues (expenses)	<u>\$ 310,686</u>	<u>\$ 4,986</u>	<u>\$ (66,092)</u>	<u>\$ (955,434)</u>	<u>\$ 1,040,827</u>	<u>\$ 35,743</u>	<u>\$ (34,893)</u>	<u>\$ 660,530</u>	<u>\$ -</u>	<u>\$ 996,353</u>

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of June 30, 2022

Financial Row	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE		
ASSETS									
Current Assets									
Cash & Equivalents									
Wells Fargo Checking, Payroll and Sweep	6,408,884	-	-	1,269,018	-	240,990	835	-	7,919,727
Other Investment Accounts	254,448	-	-	609,851	586,849	-	-	-	1,451,148
Wells Fargo Bond Fund Accounts	-	-	-	-	-	-	-	4,051,217	4,051,217
Morgan Stanley	-	-	4,859,473	-	6,271,631	-	-	-	11,131,104
RBC Wealth Management	217,066	953,477	-	-	-	24,952	214,083	-	1,409,578
Cash on Hand	356	-	-	2,699	-	-	-	-	3,055
Total Cash & Equivalents	6,880,754	953,477	4,859,473	1,881,568	6,858,480	265,942	214,918	4,051,217	25,965,829
Accounts Receivable									
1100 - AR-Assessments & Legal	54,851	-	-	217,654	-	-	-	-	272,505
1105 - Allowance for Doubtful Accounts	993	-	-	(72,186)	-	-	-	-	(71,193)
1180 - AR- Covenants & Legal	218,204	-	-	-	-	-	-	-	218,204
1191 - Accrued Interest Receivable	-	-	20,359	-	7,463	-	-	2,938	30,760
Total Accounts Receivable	274,048	-	20,359	145,468	7,463	-	-	2,938	450,276
Other Current Asset									
1195 - Miscellaneous Receivable	476	-	-	215,368	-	224	(79)	-	215,989
1196 - Misc Rec – PM Shared Credit	-	-	-	22,746	-	-	-	-	22,746
1200 - Prepaid Expense	37,591	-	-	135,278	-	1,267	-	-	174,136
1205 - Prepaid Insurance	8,229	-	-	42,644	-	3,857	-	-	54,730
1210 - Inventory	-	-	-	48,644	-	-	-	-	48,644
1225 - Undeposited Funds	(841)	-	-	-	-	-	-	-	(841)
Total Other Current Asset	45,455	-	-	464,680	-	5,348	(79)	-	515,404
Total Current Assets	7,200,257	953,477	4,879,832	2,491,716	6,865,943	271,290	214,839	4,054,155	26,931,509
Fixed Assets									
Fixed Assets - Cost	17,318	541,730	-	70,567	-	-	1,313,155	76,551,464	78,494,234
Fixed Assets - Accumulated Depreciation	-	(413,573)	-	-	-	-	(809,978)	(43,666,888)	(44,890,439)
Total Fixed Assets	17,318	128,157	-	70,567	-	-	503,177	32,884,576	33,603,795
Other Assets									
1110 - PM Cash Clearing	-	-	-	30,492	-	-	-	-	30,492
1250 - Interfund Receivable	108,089	24,000	6,500	3,107,284	74,076	405,584	-	-	3,725,533
1255 - Loan from OSCA Loan Receivable	-	-	262,500	-	-	-	-	-	262,500
1600 - 1999 Bond Issuance Costs	-	-	-	-	-	-	-	50,570	50,570
Total Other Assets	108,089	24,000	269,000	3,137,776	74,076	405,584	-	50,570	4,069,095
Total ASSETS	\$ 7,325,664	\$ 1,105,634	\$ 5,148,832	\$ 5,700,059	\$ 6,940,019	\$ 676,874	\$ 718,014	\$ 36,989,300	\$ 64,604,396

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of June 30, 2022

Financial Row	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE		
LIABILITIES & EQUITY									
Current Liabilities									
Accounts Payable									
2000 - Accounts Payable	2,649	-	-	221,953	312,952	5,911	932	-	544,397
2015 - Accrued Bond Interest Payable	-	-	-	-	-	-	-	297,451	297,451
2025 - Preschool Scrips Pass Through	-	-	-	-	-	-	-	-	-
Total Accounts Payable	2,649	-	-	221,953	312,952	5,911	932	297,451	841,848
Other Current Liability									
2005 - Accrued Accounts Payable	102,225	-	-	73,385	263	171,871	-	-	347,744
2006 - Accrued AP - PM Shared Credit	-	-	-	57,892	-	-	-	-	57,892
2008 - Lease Liability	16,255	-	-	65,022	-	-	-	-	81,277
2009 - Colorado Payback	5,916	-	-	11,294	-	3,658	-	-	20,868
2012 - Payroll Cares Act	-	-	-	-	-	-	-	-	-
2020 - Sales Taxes Payable - State	-	-	-	-	-	-	-	-	-
2045 - Accrued Payroll & Vacation Expense	654,291	-	-	203,445	-	28,194	-	-	885,930
2050 - AFLAC Pre-Tax	589	-	-	707	-	-	-	-	1,296
2055 - Cafeteria Plan EE Contribution	178	-	-	1,190	-	-	-	-	1,368
2060 - Health Savings Acct EE Cont	973	-	-	1,802	-	-	-	-	2,775
2100 - Unearned Assessments	258,065	-	-	2,352,634	(2)	-	-	-	2,610,697
2101 - Deferred Assessments	89,763	-	-	893	-	-	-	-	90,656
2102 - Unearned CIS Fines & Fees	577,281	-	-	-	-	-	-	-	577,281
2105 - Unearned Program & Facilities Revenue	8,736	-	-	1,260,682	-	(6,254)	-	-	1,263,164
2110 - Unearned Other Revenue	-	-	-	42,928	-	60,848	-	-	103,776
2115 - Unearned Sponsorship & Grant Revenue	-	-	-	-	-	-	-	-	-
2120 - Foreclosure Reserve	-	-	-	-	-	-	-	-	-
2125 - Prepaid Vegetation Mngt (Xcel)	-	-	-	-	-	22,248	-	-	22,248
2130 - Prepaid Natural Resource Mngt -Elk	-	-	-	-	-	10,282	-	-	10,282
2135 - Prepaid Water Line Easment	-	-	-	-	-	8,586	-	-	8,586
2250 - Interfund Payable	3,453,169	-	583	60,668	51,717	96,411	-	64,720	3,727,268
Total Other Current Liability	5,167,441	-	583	4,132,542	51,978	395,844	-	64,720	9,813,108
Total Current Liabilities	5,170,090	-	583	4,354,495	364,930	401,755	932	362,172	10,654,956
Long Term Liabilities									
2255 - Loan from OSCA Loan Payable	-	-	-	-	262,500	-	-	-	262,500
2600 - Bonds Payable - 1999 Series	-	-	-	-	-	-	-	-	-
2610 - Bonds Payable - 2004 Series	-	-	-	-	-	-	-	8,570,000	8,570,000
Total Long Term Liabilities	-	-	-	-	262,500	-	-	8,570,000	8,832,500
Equity									
Restricted Fund Balance	38,659	309,868	1,237,500	-	2,926,527	-	157,779	-	4,670,333
Retained Earnings	1,806,225	790,779	3,976,840	2,301,001	2,345,234	239,374	594,199	27,396,602	39,450,254
Net Income	310,688	4,986	(66,092)	(955,435)	1,040,827	35,744	(34,893)	660,530	996,355
Total Equity (Fund Balance)	2,155,572	1,105,633	5,148,248	1,345,566	6,312,588	275,118	717,085	28,057,132	45,116,942
Total LIABILITIES & EQUITY	\$ 7,325,662	\$ 1,105,633	\$ 5,148,831	\$ 5,700,061	\$ 6,940,018	\$ 676,873	\$ 718,017	\$ 36,989,304	\$ 64,604,399

Highlands Ranch Community Association
Statement of Cash Flows - June 30, 2022

	Administrative Fund			Recreation Fund					Totals	
	Operating	Reserves	OSCA Fund	Operating	Reserves	Backcountry Operating	Backcountry Reserves	Debt Service and Plant	Period Ended Jun-22	Period Ended May-22
Cash flows from operating activities										
Excess (deficiency) of revenues over expenses	\$ 310,686	\$ 4,986	\$ (66,092)	\$ (955,434)	\$ 1,040,827	\$ 35,743	\$ (34,893)	\$ 660,530	\$ 996,353	500,732
Adjustment to reconcile excess (deficiency) of revenues over expenses to net cash from (used for) operating activities										
Depreciation expense	-	29,004	-	-	-	-	63,023	1,295,443	1,387,470	1,158,988
(Gain) loss on asset disposal	-	-	-	-	-	-	-	-	-	-
Interest expense attributable to amortization of bond issuance costs	-	-	-	-	-	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-	-	-	-	-
Lease costs on right of use asset	-	-	-	(1,297)	-	-	-	-	(1,297)	-
Accretion of lease liability	-	-	-	-	-	-	-	-	-	-
(Increase) decrease in operating assets										
Assessments receivable, net	-	-	-	-	-	-	-	-	-	-
Accounts receivable, other	(259,245)	-	1	144,414	-	-	-	148	(114,682)	(129,180)
Prepaid expenses and other assets	(18,428)	-	-	(218,198)	-	12,427	406	-	(223,793)	(184,500)
Increase (decrease) in operating liabilities										
Accounts payable and accrued expenses	564,120	(42,700)	(2,496)	(213,338)	279,954	125,347	606	1,089,571	1,801,064	1,185,414
Accrued payroll and related items	-	-	-	-	-	-	-	-	-	-
Assessments paid in advance	25,717	-	-	65	-	-	-	-	25,782	1,621,795
Deferred revenue	481,763	-	-	646,953	-	(1,223)	-	-	1,127,493	(87,649)
Lease liability	-	-	-	-	-	-	-	-	-	-
Net cash from (used for) operating activities	1,104,613	(8,710)	(68,587)	(596,835)	1,320,781	172,294	29,142	3,045,692	4,998,390	4,065,600
Cash flows from investing activities										
Net (purchases) sales of investments	-	-	-	-	-	-	-	-	-	-
Purchases of property and equipment	-	131,145	-	-	-	-	133,176	299,659	563,980	1,112,077
Net cash from (used for) investing activities	-	131,145	-	-	-	-	133,176	299,659	563,980	1,112,077
Cash flows from financing activities										
Payment of accounts payable for property and equipment	-	-	-	-	-	-	-	(897,793)	(897,793)	(897,793)
Bond principal payments	227	-	-	-	-	-	-	(2,320,000)	(2,319,773)	(2,319,773)
Net borrowing and transfers among funds	1,980,047	488,805	204,741	(84,286)	1,015,005	(241,770)	(153,240)	131,007	3,340,309	3,340,080
Net cash from (used for) financing activities	1,980,274	488,805	204,741	(84,286)	1,015,005	(241,770)	(153,240)	(3,086,786)	122,743	122,514
Net change in cash, cash equivalents, and restricted cash	3,084,887	611,240	136,154	(681,121)	2,335,786	(69,476)	9,078	258,565	5,685,113	5,300,191
Cash, cash equivalents, and restricted cash, beginning of year	3,795,867	342,237	4,723,319	2,562,689	4,522,696	335,418	205,839	3,792,653	20,280,718	20,280,718
Cash, cash equivalents, and restricted cash, end of year	\$ 6,880,754	\$ 953,477	\$ 4,859,473	\$ 1,881,568	\$ 6,858,482	\$ 265,942	\$ 214,917	\$ 4,051,218	\$ 25,965,831	\$ 25,580,909

Highlands Ranch Community Association

Income Statement

**Actual to Budget Analysis
by
Operating Funds**

**HRCRA Administrative Fund
Variance Analysis - Actual vs. Budget (AvB)**

	2022 MTD Actual vs. 2022 MTD Budget				2022 YTD Actual vs. 2022 YTD Budget			
	June 30, 2022		Actual vs. Budget (AvB)		June 30, 2022		Actual vs. Budget (AvB)	
	Actual	Budget	\$	%	Actual	Budget	\$	%
Revenues								
Homeowner assessments and fees	\$ 280,656	\$ 297,333	\$ (16,677)	(6%)	\$ 1,647,038	\$ 1,710,341	\$ (63,303)	(4%)
Community improvement services	11,710	10,500	1,210	12%	74,055	63,000	11,055	18% A
Community events	96,922	47,833	49,089	103% A	156,949	85,500	71,449	84% B
Advertising	-	-	-	0%	-	-	-	0%
Management Fee	20,613	28,000	(7,387)	(26%)	161,680	198,500	(36,820)	(19%) C
Interest and other revenue	706	3,413	(2,706)	(79%)	49,296	40,475	8,821	22%
Total revenues	410,607	387,079	23,528	6%	2,089,018	2,097,816	(8,798)	0%
Expenses								
Salaries and employee benefits	139,553	158,441	18,888	12% B	978,574	993,141	14,567	1%
Facility operations	1,602	1,417	(186)	(13%)	9,661	8,500	(1,161)	(14%)
Professional services	36,696	43,410	6,713	15%	204,784	259,620	54,836	21% D
Advertising	658	-	(658)	100%	6,378	10,000	3,622	36%
Office expenses	8,849	10,876	2,027	19%	81,267	65,254	(16,014)	(25%) E
Insurance	5,250	13,506	8,256	61%	28,312	54,012	25,700	48% F
Information Technology Expenses	27,829	24,825	(3,004)	(12%)	146,624	139,056	(7,568)	(5%)
Occupancy	33,000	5,833	(27,167)	(466%) C	34,547	35,002	455	1%
Community events	38,327	51,408	13,081	25% D	69,158	74,050	4,892	7%
Conferences, meetings and travel	2,040	2,350	310	13%	14,348	14,100	(248)	(2%)
Dues, subscriptions and memberships	1,090	2,163	1,073	50%	10,356	12,975	2,619	20%
Management Fee	13,621	13,750	129	1%	75,828	82,500	6,672	8%
Other operating expenses	-	583	583	100%	-	3,500	3,500	100%
Total expenses	308,515	328,561	20,046	6%	1,659,837	1,751,709	91,872	5%
Transfers								
Transfers - Capital Equipment	-	7,458	7,458	100%	-	44,748	44,748	100% G
Transfers to Admin. Reserve Fund	18,666	18,666	-	100%	118,496	111,996	(6,500)	(6%)
Total transfers	18,666	26,124	7,458	29%	118,496	156,744	38,248	24%
Total expenses after transfers	327,181	354,685	27,504	8%	1,778,333	1,908,453	130,120	7%
Net revenue (expense)	\$ 83,427	\$ 32,394	\$ 51,032	158%	\$ 310,686	\$ 189,364	\$ 121,322	64%

Variance materiality = \$10k and 10% (items primarily attributable to timing excluded from materiality analysis)

Variance Discussion - Month-to-Date Actual vs. Month-to-Date Budget

- A** - Beer Fest revenue was \$97K, of which \$50K will be transferred to the Scholarship fund in July
- B** - Salaries are lower than budget primarily due to open positions for payroll manager, graphic designer and executive assistant during the month.
- C** - Unfavorable variance is due to \$33K YTD true up adjustment booked in June for Admin lease of ER offices. YTD is on track.
- D** - Lower than budgeted primarily due to \$15K budgeted for 4th of July parade in June that will hit July

Variance Discussion - Year-to-Date Actual vs. Year-to-Date Budget

- A** - Higher architectural review revenue than budgeted due higher than expected requested submissions from homeowners
- B** - Beer Fest revenue was \$97K, of which \$50K will be transferred to the Scholarship fund in July. Also, other events exceeded budget e.g. Cold Cases and Cocktails (\$9K) and Tastings (\$5K)
- C** - Legal fees charged to Rec lower than budgeted
- D** - Legal fee actuals lower than budgeted
- E** - Budget did not include Q1 newsletter and printing costs due to Covid
- F** - Variance relates to insurance invoicing timing compared to budget
- G** - The Admin Reserve is overfunded in excess of \$1M so budgeted transfers are not required

Admin Community Events
YTD June 30, 2022

	Revenue	Expense	Profit/(Loss)
Adult Swim Night	871	796	75
Beer Festival	95,926	27,081	68,845
Cold Cases & Cocktails	11,988	1,257	10,731
Doggie Splash	250		250
Easter Egg Hunt	600	1,482	(882)
Fall Craft Show			-
Farmers Market	3,500	36	3,464
Father Daughter Sweetheart Ball	17,830	18,323	(493)
General	170	4,240	(4,070)
Glow in the Dark Yoga	982	936	46
Hometown Holiday Celebration		479	(479)
Jewelry Show	1,252	-	1,252
Miscellaneous Pop Up Events		145	(145)
Miscellaneous Tastings	6,688	77	6,611
Oaked & Smoked		2,200	(2,200)
Paranormal Party			-
Princess Teas	2,136	444	1,692
Rose in the Ranch			-
Recycling Events		150	(150)
Spring Bazaar	12,056	241	11,815
Super Hero Party	2,700	1,423	1,277
	<u>156,949</u>	<u>59,310</u>	<u>97,639</u>
July 4th Celebration	-	-	-
July 4th Fireworks		4,673	(4,673)
July 4th Parade		5,175	(5,175)
	<u>-</u>	<u>9,848</u>	<u>(9,848)</u>
Total	<u>156,949</u>	<u>69,158</u>	<u>87,791</u>

Comm. Relations & Marketing
FY22 Budget by Month

	Jan Load	Feb Load	Mar Load	Apr Load	May Load	Jun Load	Jul Load	Aug Load	Sep Load	Oct Load	Nov Load	Dec Load	Total Load
4400 - Community Events Revenue													
Tacos and Tequila								11,000					11,000
Adult Swim Night						1,500	-	-					1,500
Rose in the Ranch			-								3,500		3,500
Cold Cases and Cocktails	-	-	3,000	-	-	-	-	-	-	3,000	-	-	6,000
Miscellaneous Pop Up Events	83	83	83	83	83	83	83	83	83	83	83	83	1,000
HRCA Socks	-											100	100
Easter Egg Hunt			-	500									500
July 4th Parade							2,000						2,000
Farmers Market				500	1,000	1,000	1,500	1,000	1,000	500	500		7,000
Hometown Holiday Celebration												500	500
Beer Festival						45,000							45,000
Spirit Tastings	500	500											1,000
Spring Bazaar			10,000										10,000
Garage Sale					-				1,500				1,500
Fall Craft Show									-	15,000			15,000
Miscellaneous Tastings	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Doggie Splash	-	-	-	-	-	-	-	-	3,000				3,000
Paranormal Party										4,500			4,500
Jewelry Show											10,000		10,000
Touch a Truck					-			2,000					2,000
Glow in the Dark Yoga										1,200			1,200
Father Daughter Sweetheart Ball		18,000											18,000
Oaked & Smoked							12,000						12,000
Super Hero Party								2,000			-		2,000
Princess Teas			2,000							-		2,000	4,000
	833	18,833	15,333	1,333	1,333	47,833	15,833	16,333	5,833	24,533	14,333	2,933	165,300
5100 - Community Events Expense													
Tacos and Tequila								9,500					9,500
July 4th Fireworks							60,000						60,000
Adult Swim Night						700	-	-					700
House Decorating				-						75		75	150
Rose in the Ranch			-								2,000		2,000
Cold Cases and Cocktails	-	-	600	-	-	-	-	-	-	600	-	-	1,200
Senior Fair											150		150
Miscellaneous Pop Up Events	83	83	83	83	83	83	83	83	83	83	83	83	1,000
General	417	417	417	417	417	417	417	417	417	417	417	417	5,000
Easter Egg Hunt			-	3,000									3,000
July 4th Parade						15,000	15,000						30,000
Farmers Market							250						250
Hometown Holiday Celebration												15,000	15,000
Beer Festival						35,000							35,000
Spirit Tastings	750	750											1,500
Spring Bazaar				1,000									1,000
Garage Sale									700				700
Fall Craft Show									-	1,000			1,000
Miscellaneous Tastings	208	208	208	208	208	208	208	208	208	208	208	208	2,500
Doggie Splash									200				200
Paranormal Party				-						2,500			2,500
Jewelry Show											1,000		1,000
Touch a Truck					-			4,500					4,500
Glow in the Dark Yoga										900			900
Father Daughter Sweetheart Ball	9,320	3,680											13,000
Oaked & Smoked							12,000						12,000
Super Hero Party								1,000			-		1,000
Princess Teas									-			2,000	2,000
	10,778	5,138	1,308	4,708	708	51,408	87,958	15,708	1,608	5,783	3,858	17,783	206,750
Net Income	(9,945)	13,695	14,025	(3,375)	625	(3,575)	(72,125)	625	4,225	18,750	10,475	(14,850)	(41,450)

HRCA Recreation Fund
Variance Analysis - Actual vs. Budget (AvB)

	2022 MTD Actual vs. 2022 MTD Budget				2022 YTD Actual vs. 2022 YTD Budget			
	June 30, 2022		Actual vs. Budget (AvB)		June 30, 2022		Actual vs. Budget (AvB)	
	Actual	Budget	\$	%	Actual	Budget	\$	%
Revenues								
Homeowner assessments and fees	\$ 1,404,214	\$ 1,402,500	\$ 1,714	0%	\$ 8,415,393	\$ 8,415,000	\$ 393	0%
Recreation programs	630,465	613,487	16,978	3%	2,813,032	2,453,711	359,321	15% A
Facility operations	97,695	61,969	35,725	58% A	451,267	402,229	49,038	12% B
Management Fee	13,621	13,750	(129)	(1%)	75,828	82,500	(6,672)	(8%)
Interest and other revenue	27,988	6,167	21,821	354% B	213,032	44,250	168,782	381% C
Total revenues	2,173,982	2,097,873	76,109	4%	11,968,552	11,397,690	570,862	5%
Expenses								
Salaries and employee benefits	1,044,204	1,231,618	187,413	15% C	5,913,957	6,458,256	544,299	8%
Facility operations	171,438	81,961	(89,477)	(109%) D	686,626	542,134	(144,491)	(27%) D
Professional services	24,252	50,550	26,298	52% E	217,223	235,844	18,621	8%
Advertising	4,298	6,000	1,702	28%	38,135	36,000	(2,135)	(6%)
Office expenses	33,410	39,493	6,083	15%	260,335	236,958	(23,377)	(10%) E
Insurance	35,974	32,259	(3,716)	(12%)	217,120	193,552	(23,568)	(12%) F
Information Technology Expenses	65,136	62,126	(3,010)	(5%)	368,203	372,758	4,554	1%
Occupancy	72,353	98,146	25,793	26% F	569,723	569,484	(238)	0%
Program	207,092	153,024	(54,068)	(35%) G	567,882	457,190	(110,692)	(24%) G
Conferences, meetings and travel	1,050	500	(550)	(110%)	5,236	3,000	(2,236)	(75%)
Licenses and permits	3,067	4,292	1,225	29%	19,019	26,294	7,275	28%
Dues, subscriptions and memberships	755	333	(421)	(126%)	9,531	2,000	(7,531)	(377%)
Management Fee	20,613	28,000	7,387	26%	161,680	187,000	25,320	14% H
Other operating expenses	652	83	(569)	(683%)	554	2,500	1,946	78%
Total Expenses	1,684,295	1,788,386	104,090	6%	9,035,225	9,322,970	287,745	3%
Transfers								
Transfers for capital equipment	-	-	-	0%	-	-	-	0%
Transfers to Rec. Reserve	445,018	429,464	(15,554)	(4%)	2,187,062	2,548,889	361,827	14% I
Transfers to Bond Fund	(189,630)	(189,630)	-	0%	1,356,692	1,350,125	(6,567)	0%
Transfers to Backcountry Fund	157,500	37,500	(120,000)	(320%) H	345,000	225,000	(120,000)	(53%) J
Total Transfers	412,888	277,334	(135,554)	(49%)	3,888,754	4,124,014	235,260	6%
Total Expenses after Transfers	2,097,183	2,065,719	(31,464)	(2%)	12,923,979	13,446,983	523,005	4%
Net Revenue (Expense)	\$ 76,799	\$ 32,153	\$ 44,646	139%	\$ (955,426)	\$ (2,049,293)	\$ 1,093,867	(53%)

Variance materiality = \$20k and 10% (items primarily attributable to timing excluded from materiality analysis)

HRCR Recreation Fund
Variance Analysis - Actual vs. Budget (AvB)

Variance Discussion - Month-to-Date Actual vs. Month-to-Date Budget

- A** - Positive variance is due to \$33K YTD true up adjustment booked in June for Admin lease of ER offices
- B** - Variance primarily relates to favorable Grant Revenue for Preschool and Day Camps in 2022
- C** - Lower than budgeted salaries due to open positions - 16 open for Rec at end of July
- D** - Variance due to higher higher pool maintenance (\$49K) and Maint & Supplies expenses (\$21K) primarily due to timing vs. budget plus change in capitalization policy with higher thresholds; also bulk purchase of uniforms vs. being purchased year round as budgeted (\$14K); higher landscaping costs (\$5K).
- E** - Variance due to Eastridge Construction Review being cancelled
- F** - Favorable occupancy due to credits with Xcel Energy and timing of SunShare solar bills.
- G** - Program expenses exceed budget due to greater program participation and increased revenue
- H** - Backcountry Operating was underfunded necessitating an additional transfer in June, to be reversed in July.

Variance Discussion - Year-to-Date Actual vs. Year-to-Date Budget

- A** - Positive variance is due to better than expected participation across all programs than budgeted
- B** - Positive variance is due to \$33K YTD true up adjustment booked in June for Admin lease of ER offices. The expense for Admin lease was budgeted; however, the revenue side of the lease was missed during budgeting. Also Golf Simulator \$14K higher than budget.
- C** - Variance primarily relates to favorable Grant Revenue for Preschool and Day Camps in 2022 of \$30k/month.
- D** - Variance due to higher than budgeted pool maintenance expenses and Maint & Supplies expenses due to timing vs. budget plus recent change in capitalization policy with higher thresholds; higher snow removal costs; higher uniform costs.
- E** - Increase in bank charges - change in value of priced securities
- F** - Variance relates to insurance invoicing timing compared to budget
- G** - Program expenses exceed budget due to greater program participation and increased revenue
- H** - Legal fees charged to Rec lower than budgeted
- I** - The transfer between Rec Op and Rec Reserve for capital reserves was suspended for May and started back up at a reduced rate beginning in June due to revising the Eastridge remodel project spend. The project is coming in lower than budgeted by \$700K.
- J** - Backcountry Operating was underfunded necessitating an additional transfer in June, to be reversed in July.

HRCA Backcountry Fund
Variance Analysis - Actual vs. Budget (AvB)

	2022 MTD Actual vs. 2022 MTD Budget				2022 YTD Actual vs. 2022 YTD Budget					
	June 30, 2022		Actual vs. Budget (AvB)		June 30, 2022		Actual vs. Budget (AvB)			
	Actual	Budget	\$	%	Actual	Budget	\$	%		
Revenues										
Recreation programs	\$ 339,047	\$ 278,000	61,047	22%	A	\$ 454,187	\$ 376,800	77,387	21%	A
Facility operations	1,354	13,954	(12,600)	(90%)	B	36,443	58,724	(22,281)	(38%)	B
Interest and other revenue	-	8,508	(8,508)	(100%)	C	-	8,548	(8,548)	(100%)	C
Total revenues	340,402	300,462	39,940	13%		490,631	444,072	46,559	10%	
Expenses										
Salaries and employee benefits	135,422	114,957	(20,465)	(18%)	D	591,925	520,548	(71,377)	(14%)	D
Facility operations	12,209	12,650	441	3%		39,899	63,250	23,351	37%	E
Professional services	-	1,550	1,550			450	3,100	2,650	85%	
Office expenses	215	1,566	1,352	86%		2,437	6,400	3,963	62%	
Insurance	3,340	3,500	160	5%		20,039	21,000	961	5%	
Program	33,763	25,500	(8,263)	(32%)	E	128,611	98,400	(30,211)	(31%)	F
Conferences, meetings and travel	1,705	2,750	1,045	38%		11,515	14,000	2,485	18%	
Licenses and permits	-	110	110	100%		-	660	660	100%	
Total expenses	186,653	162,583	(24,070)	(15%)		794,877	727,358	(67,519)	(9%)	
Transfers										
Transfer To B.C. Reserve Fund	835	835	-	0%		5,010	5,010	-	0%	
Transfer from Recreation Fund	(157,500)	(37,500)	120,000	(320%)	F	(345,000)	(225,000)	120,000	(53%)	G
Total transfers	(156,665)	(36,665)	120,000	(327%)		(339,990)	(219,990)	120,000	(55%)	
Total expenses after transfers	29,988	125,918	95,930	76%		454,887	507,368	52,481	10%	
Net revenue (expense)	\$ 310,413	\$ 174,544	\$ 135,870	78%		\$ 35,744	\$ (63,296)	\$ 99,040	(156%)	

Variance materiality = \$5k and 10% (items primarily attributable to timing excluded from materiality analysis)

Variance Discussion - Month-to-Date Actual vs. Month-to-Date Budget

- A** - Positive variance is due to better than expected participation in horse trail rides and youth camp.
- B** - Backcountry billing to HRBCEF non profit for June will be included in July
- C** - Variance due to timing of donation and fundraising revenue.
- D** - Staffing was accelerated compared to budget due to labor market challenges
- E** - Variance due to higher expenses in Horse Trail due to increased revenue.
- F** - Backcountry Operating was underfunded necessitating an additional transfer in June, to be reversed in July.

Variance Discussion - Year-to-Date Actual vs. Year-to-Date Budget

- A** - Positive variance is due to better than expected participation in horse trail rides and youth camp.
- B** - Variance due to timing of Friends BC billing, Cell Tower lease revenue and grazing lease revenue.
- C** - Variance due to timing of donation and fundraising revenue.
- D** - Staffing was accelerated compared to budget due to labor market challenges
- E** - Variance due timing of Vegetation, Natural Resource and Noxious Weed management
- F** - Variance due to higher expenses in Horse Trail due to increased revenue.
- G** - Backcountry Operating was underfunded necessitating an additional transfer in June, to be reversed in July.

Highlands Ranch Community Association

Income Statement

Operating Fund Analysis

Current Month and Year to Date

HRCA
Statement of Revenues and Expenses
For the Month Ending June 30, 2022

	Current Month Actuals				Current Month Budget				Current Month Variance				Month to Date % Variance			
	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total
Revenues																
Homeowner assessments and fees	280,656	1,404,214		1,684,870	297,333	1,402,500		1,699,833	(16,677)	1,714	-	(14,963)	-6%	0%	0%	-1%
Community Improvement Services	11,710	-		11,710	10,500	-		10,500	1,210	-	-	1,210	12%	0%	0%	12%
Recreation programs	-	630,465	339,047	969,512	-	613,487	278,000	891,487	-	16,978	61,047	78,025	0%	3%	22%	9%
Facility operations	-	97,695	1,354	99,049	-	61,969	13,954	75,923	-	35,725	(12,600)	23,126	0%	58%	-90%	30%
Community Events	96,922	-		96,922	47,833	-		47,833	49,089	-	-	49,089	103%	0%	0%	103%
Management Fee	20,613	13,621	-	34,234	28,000	13,750	-	41,750	(7,387)	(129)	-	(7,516)	-26%	-1%	0%	-18%
Interest and other revenue	706	27,988	-	28,694	3,413	6,167	8,508	18,087	(2,706)	21,821	(8,508)	10,607	-79%	354%	-100%	59%
Total revenues	410,607	2,173,982	340,402	2,924,991	387,079	2,097,873	300,462	2,785,414	23,528	76,109	39,940	139,577	6%	4%	13%	5%
Expenses																
Salaries and employee benefits	139,553	1,044,204	135,422	1,319,179	158,441	1,231,618	114,957	1,505,016	18,888	187,413	(20,465)	185,836	12%	15%	-18%	12%
Facility operations	1,602	171,438	12,209	185,250	1,417	81,961	12,650	96,028	(186)	(89,477)	441	(89,222)	-13%	-109%	3%	-93%
Professional services	36,696	24,252	-	60,949	43,410	50,550	1,550	95,510	6,713	26,298	1,550	34,561	15%	52%	100%	36%
Advertising	658	4,298	-	4,956	-	6,000	-	6,000	(658)	1,702	-	1,044	100%	28%	0%	17%
Office expenses	8,849	33,410	215	42,473	10,876	39,493	1,566	51,935	2,027	6,083	1,352	9,461	19%	15%	86%	18%
Insurance	5,250	35,974	3,340	44,564	13,506	32,259	3,500	49,265	8,256	(3,716)	160	4,700	61%	-12%	5%	10%
Interest	-	-	-	-	-	-	-	-	-	-	-	-	0%	0%	0%	0%
IT Expenses	27,829	65,136	-	92,965	24,825	62,126	-	86,951	(3,004)	(3,010)	-	(6,014)	-12%	-5%	0%	-7%
Occupancy	33,000	72,353	-	105,353	5,833	98,146	-	103,979	(27,167)	25,793	-	(1,373)	-466%	26%	0%	-1%
Program	-	207,092	33,763	240,855	-	153,024	25,500	178,524	-	(54,068)	(8,263)	(62,331)	0%	-35%	-32%	-35%
Community events	38,327	-	-	38,327	51,408	-	-	51,408	13,081	-	-	13,081	25%	0%	0%	25%
Conferences, meetings and travel	2,040	1,050	1,705	4,795	2,350	500	2,750	5,600	310	(550)	1,045	805	13%	-110%	38%	14%
Licenses and permits	-	3,067	-	3,067	-	4,292	110	4,402	-	1,225	110	1,335	0%	29%	100%	30%
Dues, subscriptions and memberships	1,090	755	-	1,844	2,163	333	-	2,496	1,073	(421)	-	651	50%	-126%	0%	26%
Management Fee	13,621	20,613	-	34,234	13,750	28,000	-	41,750	129	7,387	-	7,516	1%	26%	0%	18%
Other operating expenses	-	652	-	652	583	83	-	667	583	(569)	-	14	100%	-683%	0%	2%
Total expenses	308,515	1,684,295	186,653	2,179,463	328,561	1,788,386	162,583	2,279,530	20,046	104,090	(24,070)	100,067	6%	6%	-15%	4%
Transfers																
Transfers for capital equipment	-	-	-	-	7,458	-	-	7,458	7,458	-	-	7,458	100%	0%	0%	100%
Transfers to Admin. Reserve Fund	18,666	-	-	18,666	18,666	-	-	18,666	-	-	-	-	0%	0%	0%	0%
Transfers to Rec. Reserve	-	445,018	-	445,018	-	429,464	-	429,464	-	(15,554)	-	(15,554)	0%	-4%	0%	-4%
Transfers to Bond Fund	-	(189,630)	-	(189,630)	-	(189,630)	-	(189,630)	-	-	-	-	0%	0%	0%	0%
Transfers to Backcountry Reserve	-	-	(157,500)	(157,500)	-	-	(37,500)	(37,500)	-	-	120,000	120,000	0%	0%	-320%	-320%
Transfers to Backcountry Fund	-	157,500	835	158,335	-	37,500	835	38,335	-	(120,000)	-	(120,000)	0%	-320%	0%	-313%
Total Transfers	18,666	412,888	(156,665)	274,889	26,124	277,334	(36,665)	266,793	7,458	(135,554)	120,000	(8,096)	29%	-49%	-327%	-3%
Total expense after transfers	327,181	2,097,183	29,988	2,454,352	354,685	2,065,719	125,918	2,546,323	27,504	(31,464)	95,930	91,971	8%	-2%	76%	4%
Net revenue (expense)	83,427	76,799	310,413	470,639	32,394	32,153	174,544	239,091	51,032	44,646	135,870	231,548	158%	139%	78%	97%

HRCA
Statement of Revenues and Expenses
For the Year Ending June 30, 2022

	Year to Date Actuals				Year to Date Budget				Year to Date Variance				Year to Date % Variance			
	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total
Revenues																
Homeowner assessments and fees	1,647,038	8,415,393		10,062,431	1,710,341	8,415,000		10,125,341	(63,303)	393	-	(62,910)	-4%	0%	0%	-1%
Community Improvement Services	74,055	-		74,055	63,000	-		63,000	11,055	-	-	11,055	18%	0%	0%	18%
Recreation programs	-	2,813,032	454,187	3,267,220	-	2,453,711	376,800	2,830,511	-	359,321	77,387	436,709	0%	15%	21%	15%
Facility operations	-	451,267	36,443	487,711	-	402,229	58,724	460,953	-	49,038	(22,281)	26,757	0%	12%	-38%	6%
Community Events	156,949	-	-	156,949	85,500	-	-	85,500	71,449	-	-	71,449	84%	0%	0%	84%
Advertising	-	-	-	-	-	-	-	-	-	-	-	-	0%	0%	0%	0%
Management Fee	161,680	75,828	-	237,508	198,500	82,500	-	281,000	(36,820)	(6,672)	-	(43,492)	-19%	-8%	0%	-15%
Interest and other revenue	49,296	213,032	-	262,328	40,475	44,250	8,548	93,273	8,821	168,782	(8,548)	169,055	22%	381%	-100%	181%
Total revenues	2,089,018	11,968,552	490,631	14,548,201	2,097,816	11,397,690	444,072	13,939,578	(8,798)	570,862	46,559	608,623	0%	5%	10%	4%
Expenses																
Salaries and employee benefits	978,574	5,913,957	591,925	7,484,456	993,141	6,458,256	520,548	7,971,946	14,567	544,299	(71,377)	487,490	1%	8%	-14%	6%
Facility operations	9,661	686,626	39,899	736,186	8,500	542,134	63,250	613,884	(1,161)	(144,491)	23,351	(122,302)	-14%	-27%	37%	-20%
Professional services	204,784	217,223	450	422,457	259,620	235,844	3,100	498,564	54,836	18,621	2,650	76,107	21%	8%	85%	15%
Advertising	6,378	38,135	-	44,513	10,000	36,000	-	46,000	3,622	(2,135)	-	1,487	36%	-6%	0%	3%
Office expenses	81,267	260,335	2,437	344,040	65,254	236,958	6,400	308,611	(16,014)	(23,377)	3,963	(35,429)	-25%	-10%	62%	-11%
Insurance	28,312	217,120	20,039	265,471	54,012	193,552	21,000	268,564	25,700	(23,568)	961	3,092	48%	-12%	5%	1%
Interest	-	-	-	-	-	-	-	-	-	-	-	-	0%	0%	0%	0%
IT Expenses	146,624	368,203	-	514,827	139,056	372,758	-	511,813	(7,568)	4,554	-	(3,014)	-5%	1%	0%	-1%
Occupancy	34,547	569,723	-	604,270	35,002	569,484	-	604,486	455	(238)	-	216	1%	0%	0%	0%
Program	-	567,882	128,611	696,493	-	457,190	98,400	555,590	-	(110,692)	(30,211)	(140,903)	0%	-24%	-31%	-25%
Community events	69,158	-	-	69,158	74,050	-	-	74,050	4,892	-	-	4,892	7%	0%	0%	7%
Conferences, meetings and travel	14,348	5,236	11,515	31,099	14,100	3,000	14,000	31,100	(248)	(2,236)	2,485	1	-2%	-75%	18%	0%
Licenses and permits	-	19,019	-	19,019	-	26,294	660	26,954	-	7,275	660	7,935	0%	28%	100%	29%
Dues, subscriptions and memberships	10,356	9,531	-	19,887	12,975	2,000	-	14,975	2,619	(7,531)	-	(4,912)	20%	-377%	0%	-33%
Management Fee	75,828	161,680	-	237,508	82,500	187,000	-	269,500	6,672	25,320	-	31,992	8%	14%	0%	12%
Other operating expenses	-	554	-	554	3,500	2,500	-	6,000	3,500	1,946	-	5,446	100%	78%	0%	91%
Total expenses	1,659,837	9,035,225	794,877	11,489,938	1,751,709	9,322,970	727,358	11,802,036	91,872	287,745	(67,519)	312,098	5%	3%	-9%	3%
Transfers																
Transfers for capital equipment	-	-	-	-	44,748	-	-	44,748	44,748	-	-	44,748	100%	0%	0%	100%
Transfers to Admin. Reserve Fund	118,496	-	-	118,496	111,996	-	-	111,996	(6,500)	-	-	(6,500)	-6%	0%	0%	-6%
Transfers to Rec. Reserve	-	2,187,062	-	2,187,062	-	2,548,889	-	2,548,889	-	361,827	-	361,827	0%	14%	0%	14%
Transfers to Bond Fund	-	1,356,692	-	1,356,692	-	1,350,125	-	1,350,125	-	(6,567)	-	(6,567)	0%	0%	0%	0%
Transfers to Backcountry Reserve	-	-	(345,000)	(345,000)	-	-	(225,000)	(225,000)	-	-	120,000	120,000	0%	0%	-53%	-53%
Transfers to Backcountry Fund	-	345,000	5,010	350,010	-	225,000	5,010	230,010	-	(120,000)	-	(120,000)	0%	-53%	0%	-52%
Total Transfers	118,496	3,888,754	(339,990)	3,667,260	156,744	4,124,014	(219,990)	4,060,768	38,248	235,260	120,000	393,508	24%	6%	-55%	10%
Total expense after transfers	1,778,333	12,923,979	454,887	15,157,198	1,908,453	13,446,983	507,368	15,862,804	130,120	523,005	52,481	705,606	7%	4%	10%	4%
Net revenue (expense)	310,686	(955,426)	35,744	(608,997)	189,364	(2,049,293)	(63,296)	(1,923,226)	121,322	1,093,867	99,040	1,314,229	64%	-53%	-156%	-68%