



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Highlands Ranch Community Association

Financial Statements

As of July 31, 2022

HRCA Financial Statements
July 31, 2022
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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 July 31, 2022

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE	& PLANT		
Revenues										
Homeowner assessments	\$ 1,336,829	\$ -	\$ -	\$ 9,815,960	\$ -	\$ -	\$ -	\$ -		11,152,789
Homeowner fees	553,164	-	-	-	-	-	-	-		553,164
Community improvement services	82,980	-	-	-	-	-	-	-		82,980
Legal Revenue	25,420	-	-	-	-	-	-	-		25,420
Recreation programs	-	-	-	3,433,443	-	727,883	-	-		4,161,326
Facility operations	-	-	-	529,853	-	9,482	-	-	(36,050)	503,285
Community events	135,154	-	-	-	-	-	-	-		135,154
Advertising	-	-	-	-	-	-	-	-		-
Management Fee Revenue	187,908	-	-	91,085	-	-	-	-	(278,993)	-
Interest and other Revenue	55,248	2,665	(36,266)	235,448	10,888	43,877	(4,813)	8,068		315,115
Total revenues	2,376,703	2,665	(36,266)	14,105,789	10,888	781,242	(4,813)	8,068	(315,043)	16,929,233
Expenses										
Salaries and employee benefits	1,112,708	-	-	6,990,467	-	713,001	-	-		8,816,176
Facility operations	12,582	-	-	757,409	25,327	53,556	-	-		848,874
Depreciation Expense	-	33,494	-	-	-	-	73,486	1,509,637		1,616,617
Professional services	245,449	-	-	124,291	-	450	-	-		370,190
Advertising	6,377	-	-	42,433	-	-	-	-		48,810
Office expenses	93,343	35,716	-	297,786	12	3,022	1,328	-		431,207
Insurance	31,466	-	-	236,559	-	21,830	-	-		289,855
Interest	-	-	-	-	556	-	-	552,408		552,964
Information Technology Expenses	179,884	-	-	555,230	-	-	-	-		735,114
Occupancy	40,384	-	-	713,602	-	-	-	-	(36,050)	717,936
Program	1	-	-	756,317	-	154,301	-	-		910,619
Community events	147,970	-	-	-	-	-	-	-		147,970
Conferences, meetings and travel	16,586	-	-	6,173	-	13,727	-	-		36,486
Licenses and permits	-	-	-	22,087	-	-	-	-		22,087
Dues, subscriptions and memberships	11,900	-	-	9,691	-	-	-	-		21,591
Management Fee Expense	91,085	-	-	187,908	-	-	-	-	(278,993)	-
Other operating expenses	-	-	607	782	-	-	-	-		1,389
Total expenses	1,989,735	69,210	607	10,700,735	25,895	959,887	74,814	2,062,045	(315,043)	15,567,885
(Gains) / Losses	-	51,455	-	-	-	-	(42)	26,030		77,443
Excess (deficiency) of revenues over expenses	386,968	(118,000)	(36,873)	3,405,054	(15,007)	(178,645)	(79,585)	(2,080,007)	-	1,283,905
Transfers to Bond Fund	-	-	-	(1,511,593)	-	-	-	1,511,593		-
Transfers to Backcountry Fund	-	-	-	(262,500)	-	262,500	-	-		-
Transfers for Capital Equipment	-	-	(28,636)	-	-	-	28,636	-		-
Transfers for Reserves	(127,392)	122,579	(1,718)	(2,580,680)	1,312,070	(5,845)	7,563	1,273,423		-
Total transfers	(127,392)	122,579	(30,354)	(4,354,773)	1,312,070	256,655	36,199	2,785,016	-	-
Net revenues (expenses)	\$ 259,576	\$ 4,579	\$ (67,227)	\$ (949,719)	\$ 1,297,063	\$ 78,010	\$ (43,386)	\$ 705,009	\$ -	\$ 1,283,905

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of July 31, 2022

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE			
ASSETS										
Current Assets										
Cash & Equivalents										
Wells Fargo Checking, Payroll and Sweep	3,058,193	-	-	4,952,265	-	308,870	-	-	-	8,319,328
Other Investment Accounts	253,722	-	-	610,136	587,350	-	-	-	-	1,451,208
Wells Fargo Bond Fund Accounts	-	-	-	-	-	-	-	4,207,582	-	4,207,582
Morgan Stanley	-	-	4,858,338	-	6,215,619	-	-	-	-	11,073,957
RBC Wealth Management	217,066	957,560	-	-	-	24,952	215,753	-	-	1,415,331
Cash on Hand	356	-	-	2,719	-	-	-	-	-	3,075
Total Cash & Equivalents	3,529,337	957,560	4,858,338	5,565,120	6,802,969	333,822	215,753	4,207,582	-	26,470,481
Accounts Receivable										
1100 - AR-Assessments & Legal	219,298	-	-	217,654	-	-	-	-	-	436,952
1105 - Allowance for Doubtful Accounts	994	-	-	(72,186)	-	-	-	-	-	(71,192)
1180 - AR- Covenants & Legal	158,844	-	-	-	-	-	-	-	-	158,844
1191 - Accrued Interest Receivable	-	-	20,359	-	7,463	-	-	5,037	-	32,859
Total Accounts Receivable	379,136	-	20,359	145,468	7,463	-	-	5,037	-	557,463
Other Current Asset										
1195 - Miscellaneous Receivable	4,440	-	-	124,252	-	14,399	(79)	-	-	143,012
1196 - Misc Rec – PM Shared Credit	-	-	-	25,611	-	-	-	-	-	25,611
1200 - Prepaid Expense	27,058	-	-	113,434	-	1,142	-	-	-	141,634
1205 - Prepaid Insurance	5,075	-	-	23,206	-	2,066	-	-	-	30,347
1210 - Inventory	-	-	-	45,023	-	-	-	-	-	45,023
1225 - Undeposited Funds	(996)	-	-	-	-	-	-	-	-	(996)
Total Other Current Asset	35,577	-	-	331,526	-	17,607	(79)	-	-	384,631
Total Current Assets	3,944,050	957,560	4,878,697	6,042,114	6,810,432	351,429	215,674	4,212,619	-	27,412,575
Fixed Assets										
Fixed Assets - Cost	17,318	541,730	-	69,270	-	-	1,314,290	76,564,959	-	78,507,567
Fixed Assets - Accumulated Depreciation	-	(418,064)	-	-	-	-	(820,441)	(43,751,874)	-	(44,990,379)
Total Fixed Assets	17,318	123,666	-	69,270	-	-	493,849	32,813,085	-	33,517,188
Other Assets										
1110 - PM Cash Clearing	-	-	-	30,492	-	-	-	-	-	30,492
1250 - Interfund Receivable	554,596	24,000	6,500	846,665	74,076	284,402	-	-	(1,790,239)	-
1255 - Loan from OSCA Loan Receivable	-	-	262,500	-	-	-	-	-	(262,500)	-
1600 - 1999 Bond Issuance Costs	-	-	-	-	-	-	-	50,570	-	50,570
Total Other Assets	554,596	24,000	269,000	877,157	74,076	284,402	-	50,570	(2,052,739)	81,062
Total ASSETS	\$ 4,515,964	\$ 1,105,226	\$ 5,147,697	\$ 6,988,541	\$ 6,884,508	\$ 635,831	\$ 709,523	\$ 37,076,274	\$ (2,052,739)	\$ 61,010,825

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of July 31, 2022

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE	& PLANT		
LIABILITIES & EQUITY										
Current Liabilities										
Accounts Payable										
2000 - Accounts Payable	9,349	-	-	276,914	1,209	8,401	-	-	-	295,873
2015 - Accrued Bond Interest Payable	-	-	-	-	-	-	-	339,944	-	339,944
2025 - Preschool Scrips Pass Through	-	-	-	-	-	-	-	-	-	-
Total Accounts Payable	9,349	-	-	276,914	1,209	8,401	-	339,944	-	635,817
Other Current Liability										
2005 - Accrued Accounts Payable	151,024	-	-	90,931	263	158,499	-	-	-	400,717
2006 - Accrued AP - PM Shared Credit	-	-	-	55,847	-	-	-	-	-	55,847
2008 - Lease Liability	16,255	-	-	65,022	-	-	-	-	-	81,277
2009 - Colorado Payback	5,916	-	-	11,294	-	3,658	-	-	-	20,868
2020 - Sales Taxes Payable - State	-	-	-	-	-	-	-	-	-	-
2045 - Accrued Payroll & Vacation Expense	77,585	-	-	203,445	-	28,194	-	-	-	309,224
2050 - AFLAC Pre-Tax	110	-	-	106	-	-	-	-	-	216
2055 - Cafeteria Plan EE Contribution	(230)	-	-	230	-	-	-	-	-	-
2060 - Health Savings Acct EE Cont	-	-	-	-	-	-	-	-	-	-
2100 - Unearned Assessments	44,897	-	-	686,596	-	-	-	-	-	731,493
2101 - Deferred Assessments	456,664	-	-	2,801,161	-	-	-	-	-	3,257,825
2102 - Unearned CIS Fines & Fees	538,940	-	-	-	-	-	-	-	-	538,940
2105 - Unearned Program & Facilities Revenue	15,964	-	-	851,470	-	(6,254)	-	-	-	861,180
2110 - Unearned Other Revenue	-	-	-	42,323	-	59,493	-	-	-	101,816
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	1,095,031	-	583	551,922	51,712	25,339	932	64,720	(1,790,239)	-
Total Other Current Liability	2,402,156	-	583	5,360,347	51,975	310,045	932	64,720	(1,790,239)	6,400,519
Total Current Liabilities	2,411,505	-	583	5,637,261	53,184	318,446	932	404,664	(1,790,239)	7,036,336
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	(262,500)	8,570,000
Equity										
3005 - restricted fund equity	-	-	-	-	2,926,527	-	-	-	-	2,926,527
RETAINED EARNINGS	2,263,298	776,777	3,252,541	5,468,331	640,149	176,572	586,777	25,970,836	-	39,135,281
Net Income	259,575	4,579	(67,227)	(949,720)	1,297,063	78,011	(43,387)	705,009	-	1,283,903
Total Equity (Fund Balance)	2,104,459	1,105,226	5,147,113	1,351,281	6,568,824	317,385	708,591	28,101,611	-	45,404,490
Total LIABILITIES & EQUITY	\$ 4,515,964	\$ 1,105,226	\$ 5,147,696	\$ 6,988,542	\$ 6,884,508	\$ 635,831	\$ 709,523	\$ 37,076,275	\$ (2,052,739)	\$ 61,010,826

Highlands Ranch Community Association

Income Statement

**Actual to Budget Analysis
by
Operating Funds**

**HRCA Administrative Fund
Variance Analysis - Actual vs. Budget**

	July 2022 MTD Actual vs. Budget				July 2022 YTD Actual vs. Budget			
	Actual	Budget	Variance		Actual	Budget	Variance	
			\$	%			\$	%
Revenues								
Homeowner assessments	\$ 193,135	\$ 191,000	\$ 2,135	1%	\$ 1,336,829	\$ 1,337,000	\$ (171)	0%
Homeowner fees	73,483	102,917	(29,434)	(29%)	553,166	661,925	(108,759)	(16%)
Community improvement services	8,925	10,500	(1,575)	(15%)	82,980	73,500	9,480	13%
Legal Revenue	1,758	3,417	(1,658)	(49%)	25,420	23,917	1,503	6%
Community events	(21,795)	15,833	(37,628)	(238%)	135,154	101,333	33,821	33%
Management Fee	26,228	28,000	(1,772)	(6%)	187,908	226,500	(38,592)	(17%)
Interest and other revenue	5,950	13,413	(7,462)	(56%)	55,246	53,888	1,359	3%
Total revenues	287,685	365,079	(77,395)	(21%)	2,376,703	2,478,062	(101,359)	(4%)
Expenses								
Salaries and employee benefits	134,136	156,155	22,018	14%	1,112,708	1,149,296	36,589	3%
Facility operations	2,921	1,417	(1,504)	(106%)	12,582	9,917	(2,665)	(27%)
Professional services	42,442	43,405	962	2%	247,226	303,024	55,799	18%
Advertising	-	-	-	-	6,378	10,000	3,622	36%
Office expenses	12,079	10,876	(1,203)	(11%)	93,346	76,129	(17,217)	(23%)
Insurance	3,154	10,753	7,599	71%	31,466	64,765	33,298	51%
Information Technology Expenses	31,476	24,825	(6,652)	(27%)	178,101	163,881	(14,220)	(9%)
Occupancy	5,837	5,833	(3)	0%	40,384	40,835	451	1%
Program	-	-	-	-	-	-	-	-
Community events	78,815	87,958	9,143	10%	147,973	162,008	14,036	9%
Conferences, meetings and travel	2,238	2,350	112	5%	16,586	16,450	(136)	(1%)
Licenses and permits	-	-	-	-	-	-	-	-
Dues, subscriptions and memberships	1,545	2,163	617	29%	11,901	15,138	3,236	21%
Management Fee	15,258	13,750	(1,508)	(11%)	91,085	96,250	5,165	5%
Other operating expenses	-	583	583	100%	-	4,083	4,083	100%
Total expenses	329,901	360,067	30,166	8%	1,989,735	2,111,776	122,041	6%
Transfers								
Transfers - Capital Equipment	-	7,458	7,458	100%	-	52,206	52,206	100%
Transfers to Admin. Reserve Fund	8,896	18,666	9,770	52%	127,392	130,662	3,270	3%
Total transfers	8,896	26,124	17,228	66%	127,392	182,868	55,476	30%
Total expenses after transfers	338,797	386,191	47,394	12%	2,117,127	2,294,644	177,517	8%
Net revenue (expense)	\$ (51,113)	\$ (21,112)	\$ (30,001)	142%	\$ 259,576	\$ 183,418	\$ 76,158	42%

Variance materiality = \$10k and 10%

Variance Discussion - MTD Actual vs. Budget

- A - Lower late fees, legal fees, and status letter fees than budgeted
- B - Beer Fest revenue (\$50K) from June transferred to the Scholarship fund in July
- B - Salaries and medical insurance lower than expected

Variance Discussion - YTD Actual vs. Budget

- A - Lower transfer fees, legal fees, and status letter fees than budgeted
- B - Several events have exceeded budget year to date including Cold Cases and Cocktails, Misc Tastings, Spring Bazaar, and Super Hero. \$12K to be transferred to Cultural Affairs for Oaked and Smoked.
- C - Legal fees charged to Rec lower than budgeted
- D - Legal fee actuals lower than expected
- E - Budget did not include Q1 newsletter and printing costs due to Covid
- F - Variance relates to liability insurance invoicing timing compared to budget
- G - The Admin Reserve is overfunded in excess of \$1M so budgeted transfers are not required

Administrative Fund Community Events
YTD July 31, 2022

	Revenue	Expense	Profit/(Loss)
Adult Swim Night	871	900	(29)
Beer Festival	45,926	33,034	12,892
Cold Cases & Cocktails	11,988	1,287	10,702
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)
Garage Sale			-
General	170	5,361	(5,191)
Glow in the Dark Yoga	982	936	46
HRCA Camp Cups			-
HRCA Socks			-
Hometown Holiday Celebration		479	(479)
House Decorations			-
Jewelry Show	1,252	-	1,252
July 4th Fireworks		52,306	(52,306)
July 4th Parade	4,000	18,503	(14,503)
Miscellaneous Pop Up Events		417	(417)
Miscellaneous Tastings	6,688	277	6,411
Oaked & Smoked	24,205	12,375	11,830
Paranormal Party			-
Princess Teas	2,136	444	1,692
Rose in the Ranch			-
Recycling Events		150	(150)
Spirit Tastings			-
Spring Bazaar	12,056	241	11,815
Super Hero Party	2,700	1,423	1,277
Tequila and Tacos			-
Touch a Truck	-	-	-
	<u>135,154</u>	<u>147,973</u>	<u>(12,819)</u>

Comm. Relations & Marketing
FY22 Budget by Month

	Jan Budget	Feb Budget	Mar Budget	Apr Budget	May Budget	Jun Budget	Jul Budget	Aug Budget	Sep Budget	Oct Budget	Nov Budget	Dec Budget	Total Budget
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)

HRCR Recreation Fund
Variance Analysis - Actual vs. Budget

	July 2022 MTD Actual vs. Budget				July 2022 YTD Actual vs. Budget			
	Actual	Budget	Variance		Actual	Budget	Variance	
			\$	%			\$	%
Revenues								
Homeowner assessments	\$ 1,400,567	\$ 1,402,500	\$ (1,933)	0%	\$ 9,815,960	\$ 9,817,500	\$ (1,540)	0%
Community improvement services	-	-	-		-	-	-	
Recreation programs	620,410	637,549	(17,139)	(3%)	3,433,442	3,091,259	342,182	11% A
Facility operations	78,594	67,369	11,225	17%	529,853	469,599	60,255	13% B
Community events	-	-	-		-	-	-	
Advertising	-	-	-		-	-	-	
Management Fee	15,258	13,750	1,508	11%	91,085	96,250	(5,165)	(5%)
Interest and other revenue	22,415	1,667	20,749	1,245% A	235,447	45,917	189,531	413% C
Total revenues	2,137,244	2,122,835	14,410	1%	14,105,788	13,520,525	585,264	4%
Expenses								
Salaries and employee benefits	1,077,893	1,224,632	146,739	12% B	6,991,850	7,682,888	691,038	9%
Facility operations	69,405	80,461	11,056	14%	756,030	622,595	(133,435)	(21%) D
Professional services	33,802	33,883	82	0%	251,025	269,727	18,703	7%
Advertising	4,298	6,000	1,702	28%	42,433	42,000	(433)	(1%)
Office expenses	37,446	39,493	2,047	5%	297,781	276,450	(21,331)	(8%)
Insurance	19,438	32,259	12,820	40%	236,558	225,811	(10,748)	(5%)
Interest	-	-	-		-	-	-	
Information Technology Expenses	60,295	62,126	1,832	3%	428,498	434,884	6,386	1%
Occupancy	143,875	96,390	(47,485)	(49%) C	713,598	665,874	(47,724)	(7%)
Program	188,437	151,871	(36,565)	(24%) D	756,319	609,061	(147,257)	(24%) E
Community events	-	-	-		-	-	-	
Conferences, meetings and travel	935	500	(435)	(87%)	6,172	3,500	(2,672)	(76%)
Licenses and permits	3,067	4,292	1,225	29%	22,086	30,586	8,500	28%
Dues, subscriptions and memberships	160	333	173	52%	9,691	2,333	(7,358)	(315%)
Management Fee	26,228	28,000	1,772	6%	187,908	215,000	27,092	13% F
Other operating expenses	230	83	(147)	(176%)	785	2,583	1,799	70%
Total Expenses	1,665,510	1,760,324	94,814	5%	10,700,735	11,083,294	382,559	3%
Transfers								
Transfers for capital equipment	-	-	-		-	-	-	
Transfers to Rec. Reserve	393,618	429,464	35,846	8%	2,580,680	2,978,353	397,673	13% G
Transfers to Bond Fund	154,901	154,901	-	0%	1,511,593	1,505,026	(6,567)	0%
Transfers to Backcountry Fund	(82,500)	37,500	120,000	320% E	262,500	262,500	-	0%
Total Transfers	466,019	621,865	155,846	25%	4,354,773	4,745,879	391,106	8%
Total Expenses after Transfers	2,131,529	2,382,189	250,660	11%	15,055,507	15,829,173	773,665	5%
Net Revenue (Expense)	\$ 5,715	\$ (259,354)	\$ 265,070	(102%)	\$ (949,719)	\$ (2,308,648)	\$ 1,358,929	(59%)
	-	(0)	0		(0)	(0)	0	

Variance materiality = \$20k and 10%

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

Variance Discussion - MTD Actual vs. Budget

- A** - Favorable variance due to Grant Revenue for Preschool and Day Camps in 2022
- B**- Lower than budgeted salaries due to open positions - 19 open for Rec at end of July
- C**- July Occupancy includes two months of SunShare bills (June and July); also, utility bills are running higher than predicted.
- D** - Program expenses exceed budget due to greater program participation and increased revenue
- E** - Backcountry Operating was previously underfunded necessitating an additional transfer in June, which was reversed in July with increased operations

Variance Discussion - YTD Actual vs. Budget

- A** - Positive variance is due to better than expected participation across many programs, primarily youth sports, tumbling, tennis, and arts & education
- B** - Favorable variance for facility operations primarily due to \$39K for Admin lease of ER offices. In addition, facility rentals were higher than predicted for tennis, batting cages, golf simulator, and guest fees.
- C** - Variance primarily relates to favorable Grant Revenue for Preschool and Day Camps in 2022, currently \$21K/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** - Program expenses exceed budget due to greater program participation and increased revenue
- F** - Legal fees charged to Rec lower than budgeted
- G** - 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.

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

	July 2022 MTD Actual vs. Budget				July 2022 YTD Actual vs. Budget					
	Actual	Budget	Variance		Actual	Budget	Variance			
			\$	%			\$	%		
Revenues										
Recreation programs	\$ 273,696	\$ 248,000	25,696	10%	A	\$ 727,883	\$ 624,800	103,083	16%	A
Facility operations	16,916	8,954	7,962	89%	B	53,359	67,678	(14,319)	-21%	B
Interest and other revenue	-	8	(8)	-100%		-	56	(56)	-100%	
Total revenues	290,611	256,962	33,649	13%		781,242	692,534	88,708	13%	
Expenses										
Salaries and employee benefits	121,076	114,575	(6,501)	-6%	C	713,001	635,123	(77,878)	-12%	C
Facility operations	13,656	12,000	(1,656)	-14%		53,556	75,250	21,694	29%	D
Professional services	-	-	-			450	3,100	2,650	85%	
Office expenses	584	816	232	28%		3,022	7,216	4,194	58%	
Insurance	1,790	3,500	1,710	49%		21,830	24,500	2,670	11%	
Program	25,690	24,500	(1,190)	(5%)		154,301	122,900	(31,401)	(26%)	E
Conferences, meetings and travel	2,212	2,000	(212)	(11%)		13,727	16,000	2,273	14%	
Licenses and permits	-	110	110	100%		-	770	770	100%	
Total expenses	165,009	157,501	(7,509)	(5%)		959,886	884,859	(75,027)	(8%)	
Transfers										
Transfer To B.C. Reserve Fund	835	835	-	0%		5,845	5,845	-	0%	
Transfer from Recreation Fund	82,500	(37,500)	(120,000)	320%	D	(262,500)	(262,500)	-	0%	
Total transfers	83,335	(36,665)	(120,000)	327%		(256,655)	(256,655)	-	0%	
Total expenses after transfers	248,344	120,836	(127,509)	(106%)		703,231	628,204	(75,027)	(12%)	
Net revenue (expense)	\$ 42,267	\$ 136,126	\$ (93,859)	(69%)		\$ 78,011	\$ 64,330	\$ 13,681	21%	

Variance materiality = \$5k and 10%

Variance Discussion - MTD Actual vs. 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 was not booked in June. Catch-up in July resulted in 2 months of expenses hitting in July.
- C** - Program staff expense higher than budgeted due to labor market challenges and better than expected participation in youth camp.
- D** - Backcountry Operating was underfunded necessitating a \$120K additional transfer in June, which was reversed in July. YTD is on track vs budget.

Variance Discussion - YTD Actual vs. Budget

- A** - Positive variance is due to better than expected participation in horse trail rides and youth camp.
- B** - Variance primarily due lower than expected vegetation management revenue and cell tower lease revenue.
- C** - Program staff expense higher than budgeted due to labor market challenges and better than expected participation in horse trail rides and youth camp.
- D** - Variance due lower expenses in Vegetation, Natural Resource and Noxious Weed management; plus \$3.5K reimbursement received from Douglas County for prairie dog control.
- E** - Variance due to \$24K higher than budgeted expenses in Horse Trail Rides and \$5K higher than budget expense for Youth Camp, both due to increased participation.

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 July 31, 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	193,135	1,400,567		1,593,702	191,000	1,402,500		1,593,500	2,135	(1,933)	-	202	1%	0%		0%	
Homeowner fees	73,483			73,483	102,917			102,917	(29,434)			(29,434)	-29%			-29%	
Community Improvement Services	8,925	-		8,925	10,500	-		10,500	(1,575)	-	-	(1,575)	-15%			-15%	
Recreation programs	1,758	620,410	273,696	895,864	3,417	637,549	248,000	888,965	(1,658)	(17,139)	25,696	6,898	-49%	-3%	10%	1%	
Facility operations	-	78,594	16,916	95,510	-	67,369	8,954	76,323	-	11,225	7,962	19,187		17%	89%	25%	
Community Events	(21,795)	-	-	(21,795)	15,833	-	-	15,833	(37,628)	-	-	(37,628)	-238%			-238%	
Advertising	-	-	-	-	-	-	-	-	-	-	-	-					
Management Fee	26,228	15,258	-	41,486	28,000	13,750	-	41,750	(1,772)	1,508	-	(264)	-6%	11%		-1%	
Interest and other revenue	5,950	22,415	-	28,366	13,413	1,667	8	15,087	(7,462)	20,749	(8)	13,278	-56%	1245%	-100%	88%	
Total revenues	287,685	2,137,244	290,611	2,715,540	365,079	2,122,835	256,962	2,744,876	(77,395)	14,410	33,649	(29,336)	-21%	1%	13%	-1%	
Expenses																	
Salaries and employee benefits	134,136	1,077,893	121,076	1,333,105	156,155	1,224,632	114,575	1,495,361	22,018	146,739	(6,501)	162,256	14%	12%	-6%	11%	
Facility operations	2,921	69,405	13,656	85,982	1,417	80,461	12,000	93,878	(1,504)	11,056	(1,656)	7,896	-106%	14%	-14%	8%	
Professional services	42,442	33,802	-	76,244	43,405	33,883	-	77,288	962	82	-	1,044	2%	0%		1%	
Advertising	-	4,298	-	4,298	-	6,000	-	6,000	-	1,702	-	1,702		28%		28%	
Office expenses	12,079	37,446	584	50,110	10,876	39,493	816	51,185	(1,203)	2,047	232	1,075	-11%	5%	28%	2%	
Insurance	3,154	19,438	1,790	24,383	10,753	32,259	3,500	46,512	7,599	12,820	1,710	22,129	71%	40%	49%	48%	
Interest	-	-	-	-	-	-	-	-	-	-	-	-					
IT Expenses	31,476	60,295	-	91,771	24,825	62,126	-	86,951	(6,652)	1,832	-	(4,820)	-27%	3%		-6%	
Occupancy	5,837	143,875	-	149,712	5,833	96,390	-	102,223	(3)	(47,485)	-	(47,489)	0%	-49%		-46%	
Program	-	188,437	25,690	214,127	-	151,871	24,500	176,371	-	(36,565)	(1,190)	(37,756)		-24%	-5%	-21%	
Community events	78,815	-	-	78,815	87,958	-	-	87,958	9,143	-	-	9,143	10%			10%	
Conferences, meetings and travel	2,238	935	2,212	5,385	2,350	500	2,000	4,850	112	(435)	(212)	(535)	5%	-87%	-11%	-11%	
Licenses and permits	-	3,067	-	3,067	-	4,292	110	4,402	-	1,225	110	1,335		29%	100%	30%	
Dues, subscriptions and memberships	1,545	160	-	1,705	2,163	333	-	2,496	617	173	-	791	29%	52%		32%	
Management Fee	15,258	26,228	-	41,486	13,750	28,000	-	41,750	(1,508)	1,772	-	264	-11%	6%		1%	
Other operating expenses	-	230	-	230	583	83	-	667	583	(147)	-	436	100%	-176%		65%	
Total expenses	329,901	1,665,510	165,009	2,160,421	360,067	1,760,324	157,501	2,277,892	30,166	94,814	(7,509)	117,471	8%	5%	-5%	5%	
Transfers																	
Transfers for capital equipment	-	-	-	-	7,458	-	-	7,458	7,458	-	-	7,458	100%	0%	0%	100%	
Transfers to Admin. Reserve Fund	8,896			8,896	18,666			18,666	9,770	-	-	9,770	52%	0%	0%	52%	
Transfers to Rec. Reserve		393,618		393,618		429,464		429,464	-	35,846	-	35,846	0%	8%	0%	8%	
Transfers to Bond Fund		154,901		154,901		154,901		154,901	-	-	-	-	0%	0%	0%	0%	
Transfers to Backcountry Reserve			82,500	82,500			(37,500)	(37,500)	-	-	(120,000)	(120,000)	0%	0%	320%	320%	
Transfers to Backcountry Fund		(82,500)	835	(81,665)		37,500	835	38,335	-	120,000	-	120,000	0%	320%	0%	313%	
Total Transfers	8,896	466,019	83,335	558,250	26,124	621,865	(36,665)	611,324	17,228	155,846	(120,000)	53,074	66%	25%	327%	9%	
Total expense after transfers	338,797	2,131,529	248,344	2,718,671	386,191	2,382,189	120,836	2,889,216	47,394	250,660	(127,509)	170,545	12%	11%	-106%	6%	
Net revenue (expense)	(51,113)	5,715	42,267	(3,130)	(21,112)	(259,354)	136,126	(144,340)	(30,001)	265,070	(93,859)	141,210	142%	-102%	-69%	-98%	

HRCA
Statement of Revenues and Expenses
For the Year Ending July 31, 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	1,336,829	9,815,960		11,152,790	1,337,000	9,817,500		11,154,500	(171)	(1,540)	-	(1,710)	0%	0%		0%
Homeowner fees	553,166			553,166	661,925			661,925	(108,759)			(108,759)	-16%			-16%
Community Improvement Services	82,980	-		82,980	73,500	-		73,500	9,480	-	-	9,480	13%			13%
Recreation programs	25,420	3,433,442	727,883	4,186,745	23,917	3,091,259	624,800	3,739,976	1,503	342,182	103,083	446,769	6%	11%	16%	12%
Facility operations	-	529,853	53,359	583,213	-	469,599	67,678	537,277	-	60,255	(14,319)	45,936		13%	-21%	9%
Community Events	135,154	-	-	135,154	101,333	-	-	101,333	33,821	-	-	33,821	33%			33%
Advertising	-	-	-	-	-	-	-	-	-	-	-	-				
Management Fee	187,908	91,085	-	278,994	226,500	96,250	-	322,750	(38,592)	(5,165)	-	(43,756)	-17%	-5%		-14%
Interest and other revenue	55,246	235,447	-	290,694	53,888	45,917	56	99,860	1,359	189,531	(56)	190,833	3%	413%	-100%	191%
Total revenues	2,376,703	14,105,788	781,242	16,710,568	2,478,062	13,520,525	692,534	16,691,121	(101,359)	585,264	88,708	572,612	-4%	4%	13%	3%
Expenses																
Salaries and employee benefits	1,112,708	6,991,850	713,001	8,817,559	1,149,296	7,682,888	635,123	9,467,307	36,589	691,038	(77,878)	649,748	3%	9%	-12%	7%
Facility operations	12,582	756,030	53,556	822,168	9,917	622,595	75,250	707,762	(2,665)	(133,435)	21,694	(114,406)	-27%	-21%	29%	-16%
Professional services	247,226	251,025	450	498,700	303,024	269,727	3,100	575,852	55,799	18,703	2,650	77,151	18%	7%	85%	13%
Advertising	6,378	42,433	-	48,811	10,000	42,000	-	52,000	3,622	(433)	-	3,189	36%	-1%		6%
Office expenses	93,346	297,781	3,022	394,149	76,129	276,450	7,216	359,796	(17,217)	(21,331)	4,194	(34,354)	-23%	-8%	58%	-10%
Insurance	31,466	236,558	21,830	289,854	64,765	225,811	24,500	315,075	33,298	(10,748)	2,670	25,221	51%	-5%	11%	8%
Interest	-	-	-	-	-	-	-	-	-	-	-	-				
IT Expenses	178,101	428,498	-	606,598	163,881	434,884	-	598,765	(14,220)	6,386	-	(7,834)	-9%	1%		-1%
Occupancy	40,384	713,598	-	753,982	40,835	665,874	-	706,709	451	(47,724)	-	(47,273)	1%	-7%		-7%
Program	-	756,319	154,301	910,620	-	609,061	122,900	731,961	-	(147,257)	(31,401)	(178,659)		-24%	-26%	-24%
Community events	147,973	-	-	147,973	162,008	-	-	162,008	14,036	-	-	14,036	9%			9%
Conferences, meetings and travel	16,586	6,172	13,727	36,484	16,450	3,500	16,000	35,950	(136)	(2,672)	2,273	(534)	-1%	-76%	14%	-1%
Licenses and permits	-	22,086	-	22,086	-	30,586	770	31,356	-	8,500	770	9,270		28%	100%	30%
Dues, subscriptions and memberships	11,901	9,691	-	21,592	15,138	2,333	-	17,471	3,236	(7,358)	-	(4,122)	21%	-315%		-24%
Management Fee	91,085	187,908	-	278,994	96,250	215,000	-	311,250	5,165	27,092	-	32,256	5%	13%		10%
Other operating expenses	-	785	-	785	4,083	2,583	-	6,667	4,083	1,799	-	5,882	100%	70%		88%
Total expenses	1,989,735	10,700,735	959,886	13,650,356	2,111,776	11,083,294	884,859	14,079,928	122,041	382,559	(75,027)	429,573	6%	3%	-8%	3%
Transfers																
Transfers for capital equipment	-	-	-	-	52,206	-	-	52,206	52,206	-	-	52,206	100%			100%
Transfers to Admin. Reserve Fund	127,392	-	-	127,392	130,662	-	-	130,662	3,270	-	-	3,270	3%			3%
Transfers to Rec. Reserve	-	2,580,680	-	2,580,680	-	2,978,353	-	2,978,353	-	397,673	-	397,673		13%		13%
Transfers to Bond Fund	-	1,511,593	-	1,511,593	-	1,505,026	-	1,505,026	-	(6,567)	-	(6,567)		0%		0%
Transfers to Backcountry Reserve	-	-	(262,500)	(262,500)	-	-	(262,500)	(262,500)	-	-	-	-			0%	0%
Transfers to Backcountry Fund	-	262,500	5,845	268,345	-	262,500	5,845	268,345	-	-	-	-		0%	0%	0%
Total Transfers	127,392	4,354,773	(256,655)	4,225,510	182,868	4,745,879	(256,655)	4,672,092	55,476	391,106	-	446,582	30%	8%	0%	10%
Total expense after transfers	2,117,127	15,055,507	703,231	17,875,866	2,294,644	15,829,173	628,204	18,752,020	177,517	773,665	(75,027)	876,155	8%	5%	-12%	5%
Net revenue (expense)	259,576	(949,719)	78,011	(1,165,298)	183,418	(2,308,648)	64,330	(2,060,899)	76,158	1,358,929	13,681	1,448,767	42%	-59%	21%	-70%