



Delegate Meeting

January 17, 2023

6:00 p.m.

Southridge Rec Center

Business Agenda Items

- | | |
|---|-----------|
| I. Call to Order | 6:00 p.m. |
| II. Pledge of Allegiance | 6:02 p.m. |
| III. Proof of Notice of Meeting | 6:04 p.m. |
| IV. Roll Call/Establishment of Quorum | 6:05 p.m. |
| V. Approval of Minutes from the Preceding Meeting of the Delegates October 18, 2022 & November 15, 2022. | 6:10 p.m. |
| VI. Member Forum <i>sign-up in advance; 3-minute time limit</i> | 6:20 p.m. |
| VII. Board of Directors Report | 6:25 p.m. |
| VIII. General Manager Report <i>Mike Bailey</i> | 6:30 p.m. |
| IX. Department Updates | 6:35 p.m. |
| a) Backcountry <i>Mark Giebel</i> | |
| b) Facilities <i>Mark Gunther</i> | |
| c) Programs <i>Ken Joseph</i> | |
| X. Continued/New Business | 6:50 p.m. |
| XI. Delegate Forum <i>sign-up in advance; 3-minute time limit</i> | 6:55 p.m. |
| XII. Adjournment | 7:00 p.m. |

The Board of Directors Meeting follows immediately upon adjournment of Delegate Meeting.

The Next Delegate and Board meeting will be held on Tuesday, February 21, 2023.

Disclaimer – This packet is provided for informational purposes only and is subject to change. Other matters may be considered as deemed appropriate. Some documents or information may have been unavailable at the time this agenda was prepared. For additional information, contact: theresa.hill@hrcaonline.org. The Board Working Session, Delegate Meeting, Board of Directors Meeting, and all other HRCA Committee Meetings are open to our members.



Delegate Meeting Minutes

October 18, 2022

6:00 p.m.

Southridge Rec Center

Agenda item: Call to Order **Presenter:** Brock Norris

Brock Norris called the meeting to order at 6:00 p.m.

Agenda item: Pledge of Allegiance **Presenter:** Brock Norris

Brock Norris led the meeting in the Pledge of Allegiance.

Agenda item: Proof of Notice of Meeting **Presenter:** Monica Wasden

Conclusions:

Monica Wasden confirmed the Proof of Notice of Meeting.

Agenda item: Roll Call/Establishment of Quorum **Presenter:** Brian Sheppelman

Conclusions:

A quorum was established; 18,729 lots of 31,388 lots were present.

Agenda item: Approval of Minutes for the Meeting of the Delegates for the September 20, 2022, meeting **Presenter:** Brock Norris

Conclusions:

The September 20, 2022, meeting minutes were adopted by unanimous consent. Delegate District #16, Elizabeth Strock, moved to approve the minutes. Delegate District #02, Dennis Epperly, seconded. Unanimous Decision.

Agenda item: Member Forum **Presenter:** N/A

Discussion:

No Members signed up to present.

Agenda item: Board of Directors Report **Presenter:** Brock Norris

Conclusions:

Brock Norris presented a PowerPoint reviewing the draft 2023 Delegate Speaker List and 2023 Meeting Schedule. The 2023 Meeting Schedule was adopted by unanimous consent. Delegate District #02, Dennis Epperly, moved to approve the schedules. Delegate District #18, Glenn Proulx, seconded. Unanimous Decision.

The 2023 Speaker List was adopted by unanimous consent. Delegate District #112, Pattie McGuinness, moved to approve the speaker list. Delegate District #116, Robert Strauss, seconded. Unanimous Decision. During discussion the delegates recommended having Douglas County Traffic department and Centennial Water invited to be guest speakers and to have HRMD speak more than once per year.



Delegate Members were invited to explore more about joining the Finance Committee and a Save the Date of December 13, 2022, was given for a Volunteer Appreciation Event.

Agenda item: General Manager Report

Presenter: Mike Bailey

Conclusions:

Mike Bailey gave a report highlighting the work of all staff, the finance committee, and the Board of Directors in getting a solid budget for 2023.

Agenda item: Finance 2023 Budget

Presenter: Brice Kahler

Conclusions:

Brice Kahler presented a PowerPoint and overview of the 2023 Budget. The 2023 Budget was adopted by unanimous consent. Delegate District #09, Sue Leidolph, moved to approve the 2023 Budget. Delegate District #87, Jennifer Harris, seconded. Unanimous Decision.

Agenda item: Updates

Presenter: Multiple

Conclusions:

Mark Gunther shared a PowerPoint on Facilities/Operations. He highlighted the new golf and multi-sports simulator at Southridge, the end of the batting cages season at Westridge, the annual tennis pavilion inspection and repairs at the Northridge tennis pavilion, emergency preparedness training for administrative staff, and pickleball lighting and capital reserve pricing on 2023 projects. The 2023 Facility Closure Dates were reviewed and adopted by unanimous consent. Delegate District #50, Linda Mallette, moved to approve the closure dates. Delegate District #115, Colin Campbell, seconded. Unanimous Decision.

Mark Giebel shared a PowerPoint on the Backcountry and highlighted the Site Plan Amendment and Planned Development Amendment process. He discussed a partnership with another organization regarding introducing Bison into a select area of the Backcountry. Mark also gave a program update on events that have occurred at base camp, along with future events.

Jamie Noebel shared a PowerPoint on Community Relations, highlighted the months' past events, and gave participation numbers for those events. Jamie also highlighted the upcoming events to be held in the next couple of months.

Agenda item: Continued/New Business

Presenter: N/A

Conclusions: No new business

Agenda item: Delegate Forum

Presenter: Delegates

Discussion:

No Delegates signed up to speak.

Agenda item: Adjournment

Presenter:

Conclusions:

The Meeting of the Delegates was adjourned at 7:09 p.m.

Respectfully submitted,

Monica Wasden, Secretary



Delegate Meeting Minutes

November 15, 2022

6:00 p.m.

Southridge Rec Center

Agenda item: Call to Order **Presenter:** Jim Allen

Jim Allen called the meeting to order at 6:03 p.m.

Agenda item: Guest Speaker | Sam Calkins, Centennial Water **Presenter:** Jim Allen

Guest Speaker Sam Calkins from Centennial Water presented a PowerPoint educating on current water usage and the upcoming Centennial Water and Metro District elections.

Agenda item: Pledge of Allegiance **Presenter:** Jim Allen

Jim Allen led the meeting in the Pledge of Allegiance.

Agenda item: Proof of Notice of Meeting **Presenter:** Monica Wasden

Monica Wasden confirmed the Proof of Notice of Meeting.

Agenda item: Roll Call/Establishment of Quorum **Presenter:** Theresa Hill

Conclusions:

A quorum was not established; 13,135 lots of 31,388 lots were present.

Agenda item: Approval of Minutes for the Meeting of the Delegates for the October 18, 2022, meeting **Presenter:** Jim Allen

Conclusions:

October minutes were not approved as a quorum was not established. Agenda item will move to the December 2022 agenda.

Agenda item: Member Forum **Presenter:** N/A

Discussion:

No members presented.

Agenda item: Board of Directors Report **Presenter:** Jim Allen

Conclusions:

Jim Allen presented a PowerPoint. He outlined the Quarterly Board Review upcoming on Friday, 11/18. Jim reminded everyone of the upcoming Volunteer Appreciation Dinner immediately preceding the December meeting.



Agenda item: General Manager Report

Presenter: Mike Bailey

Conclusions:

Mike Bailey presented a PowerPoint. He gave an update on the Southridge sport simulator, facilities that hosted as voting sites, the final stages of the Eastridge renovation and the Southridge IT updates. He also presented updates surrounding the legislative rewrites occurring with CLAC, the Backcountry Site Plan Amendment and the new mental health benefits that HRCA employees will receive in 2023.

Pattie McGuinness | District #112: Asked if HRCA was hiring a 3rd party consultant for our Marketing & Communications brand recognition and if there were multiple RFPs for the Southridge IT project.

Rebecca Rothwell | District #26: Commented on how great the simulator was.

Kurt Huffman | District #82: Asked about the multisport capabilities and what is the most popular part.

Agenda item: Updates

Presenter: Jamie Noebel

Conclusions:

Jamie Noebel shared a PowerPoint on Community Relations, highlighted upcoming events through the next Board meeting.

Agenda item: Continued/New Business

Presenter: N/A

Conclusions: No new business

Agenda item: Delegate Forum

Presenter: Delegates

Discussion:

Bret Rogers | District #76: Issue brewing within district residents over code compliance. Mike Bailey reminded Bret that HRCA does not regulate bad behavior and control over the public streets does not reside with HRCA. Suggested that Bret reach out directly to Mike to follow up.

Agenda item: Adjournment

Presenter:

Conclusions:

The Meeting of the Delegates was adjourned at 6:57 p.m.

Respectfully submitted,

Monica Wasden, Secretary



Business Agenda Items

- I. Call to Order
- II. Roll Call/Establishment of Quorum
- III. Proof of Notice of Meeting
- IV. Consent Agenda:
 - Approval of Board Meeting Minutes of Action from December 2022
 - Approval of Architectural Review Committee Minutes from December 2022
- V. Member Forum
- VI. Director Comments
- VII. Committee Reports
 - Delegate Meeting
 - Finance Committee – Review of the November and December 2022 Financials
 - Bylaw Committee
- VIII. General Manager Report
 - CIS Vehicle Payoff
- IX. Continued Business
- X. New Business
- XI. Delegate Forum
- XII. Adjournment

The Board of Directors Meeting follows immediately upon adjournment of Delegate Meeting.

The Next Delegate and Board meeting will be held on Tuesday, February 21, 2023.

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Board Meeting Minutes

December 13, 2022

5:30 p.m.

Southridge Rec Center

Agenda item: Call to Order **Presenter:** Jim Allen

Conclusions:

The meeting was called to order at 5:51 p.m.

Agenda item: Establishment of Quorum/Roll Call **Presenter:** Monica Wasden

Conclusions:

A quorum was established. Directors Brock Norris, Melissa Park, Dan DeBacco, and Monica Wasden were present.

Agenda item: Proof of Notice of Meeting **Presenter:** Monica Wasden

Conclusions:

Board Member confirmed the Proof of Notice of Meeting.

Agenda item: Consent Agenda **Presenter:** Jim Allen

Action Items:

- Approval of Board Meeting Minutes of Action from November 2022
- Approval of Finance Committee Minutes from November 2022
- Approval of Architectural Review Committee Minutes from November 2022
- Approval of Bylaw Committee Minutes from November 2022

Conclusions:

A motion was made by Monica Wasden and seconded by Melissa Park to approve the Consent Agenda. Motion carried.

Agenda item: Board President Comments **Presenter:** Jim Allen

Discussions:

Commented on the number of volunteers and staff. Thanked everyone for the way they give back to HRCA.

Agenda item: Adjournment **Presenter:** Jim Allen

Conclusions:

The Meeting of the Delegates was adjourned at 5:56 p.m.

Respectfully submitted,

Monica Wasden, Secretary



HIGHLANDS RANCH COMMUNITY ASSOCIATION

ARCHITECTURAL REVIEW COMMITTEE

DATE: December 7, 2022

MEETING MINUTES

I. CALL TO ORDER

The meeting was called to order at 5:30 p.m.

Roll call was taken, and a quorum was established.

| Member Name | Present | Absent | Excused |
|----------------------|---------|--------|---------|
| Laurie Allred, Chair | ✓ | | |
| Elizabeth Bryant | ✓ | | |
| Chris Robinson | ✓ | | |
| Jason Pickett | | | ✓ |
| Tony Perrone | ✓ | | |
| Jerry Jeter | ✓ | | |
| Jeff Rohr | | | ✓ |
| Don McCandless | ✓ | | |
| Mollie Anderson | ✓ | | |

Also in attendance:

Jayma Wessling CIS Coordinator
John McIndoe – Homeowner
Derek Keller – Homeowner

II. NEW BUSINESS: Architectural Reviews – The Committee Members reviewed the following submittals.

1. **2705 Hunstford PI** – Pool
 - a. Approved by all to install pool. Four in favor of gray cover, 3 in favor of blue as submitted
2. **1155 Southbay Dr** – Composite Shed
 - a. Approved with four in favor to and 3 opposed.

III. RESIDENTIAL IMPROVEMENTS

1. **3910 Whitebay** – Solar
 - a. Committee requested additional information
2. **2202 Terraridge** – Trailer
 - a. Approved through January 31, 2023
3. **521 Winterthur** – Deck
 - a. Approved with six in favor and one opposed
4. **3986 Pinedale Ct** – Concrete tile roof
 - a. Resubmit with neutral color/photos of roof
5. **Pinebrook St** – Commercial Vehicle
 - a. Unapproved by all
6. **9963 Blackbird Cr** – Fence and gate install
 - a. Approved with five in favor and two opposed

With no further business, the regular meeting adjourned at 7:04 p.m

Laurie Allred, Architectural Review Committee Chair

HRCRA
 C.I.S department Vehicle lease comparison

| | VIN # | Account # | Lease Maturity | Lease Monthly | Original Value | Residual Value | Estimated Lease Monthly | 36 Months | Months to ROI |
|---------------------|-------------------|---------------|--|---------------|----------------|----------------|-------------------------|--------------|---------------|
| 2020 Toyota Corolla | JTDEPRAE1J076443 | 03 0342 FM776 | 1/27/2023 | \$ 238.51 | \$ 21,028.00 | \$ 12,327.00 | \$ 403.51 | \$ 14,526.36 | 30.55 |
| 2020 Toyota Corolla | JTDEPRAE1J080648 | 03 0342 FM704 | 1/27/2023 | \$ 239.06 | \$ 21,123.00 | \$ 12,408.00 | \$ 404.06 | \$ 14,546.16 | 30.71 |
| 2020 Toyota Corolla | 5YFEPRAE4LP067923 | 03 0342 FL284 | 11/21/2023 - States 2/22/2023 on Statement | \$ 268.04 | \$ 21,027.00 | \$ 12,327.00 | \$ 433.04 | \$ 15,589.44 | 28.47 |

Notes

1. New lease Range between \$360 to \$479 per month for comparable car
2. Was told to add \$165 to current lease price as an example.
3. Sales taxes would still need added to residual value. Still waiting on Final payoff.

| | | |
|-----------------------------|--------------|--------------|
| Total cost | \$ 37,052.00 | \$ 44,661.96 |
| Total savings after 3 years | | \$ 7,599.96 |



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Highlands Ranch Community Association

Financial Statements

November 30, 2022

HRCA Financial Statements
November 30, 2022
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Highlands Ranch Community Association, Inc.
Statement of Revenues and Expenses for All Funds
For the Eleven Months Ending November 30, 2022

| | ADMINISTRATIVE | | | RECREATION | | BACKCOUNTRY | | DEBT SERVICE | ELIMINATIONS | TOTAL |
|--|-------------------|---------------------|--------------------|---------------------|-------------------|--------------------|--------------------|---------------------|------------------|---------------------|
| | OPERATING | RESERVE | OSCA | OPERATING | RESERVE | OPERATING | RESERVE | & PLANT | | |
| Revenues | | | | | | | | | | |
| Homeowner assessments | \$ 2,103,924 | \$ - | \$ - | \$ 15,431,120 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 17,535,044 |
| Homeowner fees | 876,294 | - | - | - | - | - | - | - | - | 876,294 |
| Community improvement services | 118,090 | - | - | - | - | - | - | - | - | 118,090 |
| Legal Revenue | 35,689 | - | - | - | - | - | - | - | - | 35,689 |
| Recreation programs | - | - | - | 5,150,356 | - | 900,768 | - | - | - | 6,051,124 |
| Facility operations | - | - | - | 833,443 | - | 24,900 | - | - | (60,480) | 797,863 |
| Community events | 195,215 | - | - | - | - | - | - | - | - | 195,215 |
| Advertising | - | - | - | - | - | - | - | - | - | - |
| Management Fee Revenue | 259,670 | - | - | 146,386 | - | - | - | - | (406,056) | (0) |
| Interest and other Revenue | 90,142 | (82,577) | (12,391) | 322,293 | 63,691 | 70,942 | (11,460) | 42,604 | (982) | 482,262 |
| Total revenues | 3,679,024 | (82,577) | (12,391) | 21,883,598 | 63,691 | 996,610 | (11,460) | 42,604 | (467,518) | 26,091,581 |
| Expenses | | | | | | | | | | |
| Salaries and employee benefits | 1,648,738 | - | - | 10,950,932 | - | 1,072,537 | - | - | - | 13,672,207 |
| Facility operations | 28,225 | - | - | 1,191,847 | 49,703 | 100,213 | - | - | - | 1,369,988 |
| Depreciation Expense | - | 50,561 | - | - | - | - | 116,369 | 2,384,614 | - | 2,551,544 |
| Professional services | 413,617 | - | - | 417,376 | - | 621 | - | - | - | 831,614 |
| Advertising | 21,044 | - | - | 62,298 | - | - | - | - | - | 83,342 |
| Office expenses | 169,230 | 20 | - | 449,523 | 6,613 | 3,621 | 1,328 | - | - | 630,335 |
| Insurance | 50,192 | - | - | 361,852 | - | 33,555 | - | - | - | 445,599 |
| Interest | - | - | - | - | 982 | - | - | 467,422 | (982) | 467,422 |
| Information Technology Expenses | 239,234 | - | - | 677,628 | - | - | - | - | - | 916,862 |
| Occupancy | 64,044 | - | - | 1,201,409 | - | - | - | - | (60,480) | 1,204,973 |
| Program | 40 | - | - | 1,132,758 | - | 189,255 | - | - | - | 1,322,053 |
| Community events | 196,293 | - | - | - | - | - | - | - | - | 196,293 |
| Conferences, meetings and travel | 24,127 | - | - | 11,831 | - | 23,244 | - | - | - | 59,202 |
| Licenses and permits | - | - | - | 36,567 | - | - | - | - | - | 36,567 |
| Dues, subscriptions and memberships | 14,761 | - | - | 9,880 | - | - | - | - | - | 24,641 |
| Management Fee Expense | 146,386 | - | - | 259,670 | - | - | - | - | (406,056) | (0) |
| Other operating expenses | 515 | - | 607 | 3,447 | - | - | - | - | - | 4,569 |
| Total expenses | 3,016,446 | 50,581 | 607 | 16,767,018 | 57,298 | 1,423,046 | 117,697 | 2,852,036 | (467,518) | 23,817,211 |
| (Gains) / Losses | - | 51,455 | - | - | - | - | (42) | 66,123 | - | 117,536 |
| Excess (deficiency) of revenues over expenses | 662,578 | (184,613) | (12,998) | 5,116,580 | 6,393 | (426,436) | (129,115) | (2,875,555) | - | 2,156,834 |
| Transfers to Bond Fund | - | - | - | (2,177,862) | - | - | - | 2,177,862 | - | - |
| Transfers to Backcountry Fund | - | - | - | (375,000) | - | 375,000 | - | - | - | - |
| Transfers for Capital Equipment | - | - | (28,636) | - | - | - | 28,636 | - | - | - |
| Transfers for Reserves | (248,040) | 47,330 | (40,034) | (3,438,592) | 592,444 | (8,350) | 48,384 | 3,046,859 | - | 1 |
| Total transfers | (248,040) | 47,330 | (68,670) | (5,991,454) | 592,444 | 366,650 | 77,020 | 5,224,721 | - | 1 |
| Net revenues (expenses) | \$ 414,538 | \$ (137,283) | \$ (81,668) | \$ (874,874) | \$ 598,837 | \$ (59,786) | \$ (52,095) | \$ 2,349,166 | \$ - | \$ 2,156,835 |

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

| | ADMINISTRATIVE | | OSCA | RECREATION | | BACKCOUNTRY | | DEBT SERVICE & PLANT | ELIMINATIONS | TOTAL |
|--|---------------------|-------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------------|---------------------|----------------------|
| | OPERATING | RESERVE | | OPERATING | RESERVE | OPERATING | RESERVE | | | |
| ASSETS | | | | | | | | | | |
| Current Assets | | | | | | | | | | |
| Cash & Equivalents | | | | | | | | | | |
| 1000 - Wells Fargo Invest Sweep | \$ 2,718,624 | \$ - | \$ - | \$ 3,909,646 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,628,270 |
| 1002 - Wells Fargo Payroll Checking | 170,249 | - | - | - | - | - | - | - | - | 170,249 |
| 1003 - Wells Fargo Rec Operating Checking | - | - | - | (97,457) | - | - | - | - | - | (97,457) |
| 1004 - Wells Fargo BC Operating Checking | - | - | - | - | - | 342,048 | - | - | - | 342,048 |
| 1005 - Wells Fargo Admin Operating Checking | 91,793 | - | - | - | - | - | - | - | - | 91,793 |
| Wells Fargo Checking, Payroll and Sweep | 2,980,666 | - | - | 3,812,189 | - | 342,048 | - | - | - | 7,134,903 |
| 1006 - 1st Bank MM | 253,944 | - | - | - | - | - | - | - | - | 253,944 |
| 1008 - Colorado Business Bank MM | - | - | - | - | 233,861 | - | - | - | - | 233,861 |
| 1010 - Front Range Bank MM | - | - | - | 247,542 | - | - | - | - | - | 247,542 |
| 1012 - PSCU Rec Operating CD | - | - | - | 111,338 | - | - | - | - | - | 111,338 |
| 1013 - PSCU Rec Reserve CD | - | - | - | - | 116,159 | - | - | - | - | 116,159 |
| 1014 - PSCU Rec Operating Savings | - | - | - | 80 | - | - | - | - | - | 80 |
| 1015 - TCF Bank MM | - | - | - | - | 237,746 | - | - | - | - | 237,746 |
| 1016 - US Bank Rec Operating | - | - | - | - | - | - | - | - | - | - |
| Other Investment Accounts | 253,944 | - | - | 358,960 | 587,766 | - | - | - | - | 1,200,670 |
| 1017 - WF Bond Fund Suppl. Reserve Trustee | - | - | - | - | - | - | - | 1,723,403 | - | 1,723,403 |
| 1020 - Wells Fargo Bond Fund Prepayments | - | - | - | - | - | - | - | 181,856 | - | 181,856 |
| 1021 - Wells Fargo Bond Fund Trustee | - | - | - | - | - | - | - | 2,996,120 | - | 2,996,120 |
| Wells Fargo Bond Fund Accounts | - | - | - | - | - | - | - | 4,901,379 | - | 4,901,379 |
| 1022 - Morgan Stanley Capital Project Fund | - | - | - | - | - | - | - | - | - | - |
| 1023 - Morgan Stanley Capital Project CD | - | - | - | - | 2,497,596 | - | - | - | - | 2,497,596 |
| 1024 - Morgan Stanley OSCA | - | - | (2,275) | - | - | - | - | - | - | (2,275) |
| 1025 - Morgan Stanley OSCA CD | - | - | 4,941,531 | - | - | - | - | - | - | 4,941,531 |
| 1026 - Morgan Stanley Rec Reserve MM | - | - | - | - | (133,907) | - | - | - | - | (133,907) |
| 1027 - Morgan Stanley Rec Reserve CD | - | - | - | - | 3,166,069 | - | - | - | - | 3,166,069 |
| Morgan Stanley | - | - | 4,939,256 | - | 5,529,758 | - | - | - | - | 10,469,014 |
| 1028 - RBC Wealth Mgmt Admin Reserve MM | - | 275,577 | - | - | - | - | - | - | - | 275,577 |
| 1029 - RBC Wealth Mgmt Admin Reserve CD | - | 581,188 | - | - | - | - | - | - | - | 581,188 |
| 1030 - RBC Wealth Mgmt BC Operating MM | - | - | - | - | - | 7,760 | 17 | - | - | 7,777 |
| 1031 - RBC Wealth Mgmt BC Operating CD | - | - | - | - | - | 37,867 | - | - | - | 37,867 |
| 1032 - RBC Wealth Mgmt BC Reserve CD | - | - | - | - | - | - | 76,192 | - | - | 76,192 |
| 1033 - RBC Wealth Mgmt BC Reserve | - | - | - | - | - | - | 127,626 | - | - | 127,626 |
| 1036 - RBC Wealth Mgmt Spec Proj Fund MM | 17,106 | - | - | - | - | - | - | - | - | 17,106 |
| 1037 - RBC Wealth Mgmt Spec Proj Fund CD | - | - | - | - | - | - | - | - | - | - |
| RBC Wealth Management | 17,106 | 856,765 | - | - | - | 45,627 | 203,835 | - | - | 1,123,333 |
| 1044 - Cash Drawer Cash on Hand | - | - | - | 2,864 | - | - | - | - | - | 2,864 |
| 1045 - Program Cash on Hand | 200 | - | - | - | - | - | - | - | - | 200 |
| 1048 - Deposit Cash Clearing | (243) | - | - | - | - | - | - | - | - | (243) |
| Cash on Hand | (43) | - | - | 2,864 | - | - | - | - | - | 2,821 |
| Total Cash & Equivalents | 3,251,673 | 856,765 | 4,939,256 | 4,174,013 | 6,117,524 | 387,675 | 203,835 | 4,901,379 | - | 24,832,120 |
| Accounts Receivable | | | | | | | | | | |
| 1100 - AR-Assessments & Legal | 214,629 | - | - | 216,968 | - | - | - | - | - | 431,597 |
| 1105 - Allowance for Doubtful Accounts | 839 | - | - | (72,186) | - | - | - | - | - | (71,347) |
| 1180 - AR- Covenants & Legal | (99,391) | - | - | - | - | - | - | - | - | (99,391) |
| 1191 - Accrued Interest Receivable | - | - | - | - | - | - | - | 12,045 | - | 12,045 |
| 1195 - Miscellaneous Receivable | (10,124) | - | - | 16,123 | 4,720 | 18,358 | (79) | - | - | 28,998 |
| 1196 - Misc Rec – PM Shared Credit | - | - | - | 16,946 | - | - | - | - | - | 16,946 |
| Total Accounts Receivable | 105,953 | - | - | 177,851 | 4,720 | 18,358 | (79) | 12,045 | - | 318,848 |
| Other Current Asset | | | | | | | | | | |
| 1200 - Prepaid Expense | 24,031 | - | - | 58,428 | - | - | - | - | - | 82,459 |
| 1205 - Prepaid Insurance | 36,792 | - | - | 224,811 | - | 20,432 | - | - | - | 282,035 |
| 1210 - Inventory | - | - | - | 58,341 | - | - | - | - | - | 58,341 |
| 1225 - Undeposited Funds | 4,755 | - | - | - | - | - | - | - | - | 4,755 |
| Total Other Current Asset | 65,578 | - | - | 341,580 | - | 20,432 | - | - | - | 427,590 |
| Total Current Assets | 3,423,204 | 856,765 | 4,939,256 | 4,693,444 | 6,122,244 | 426,465 | 203,756 | 4,913,424 | - | 25,578,558 |
| Fixed Assets | | | | | | | | | | |
| Fixed Assets - Cost | 17,318 | 541,730 | - | 69,270 | - | - | 1,360,382 | 78,021,820 | - | 80,010,520 |
| Fixed Assets - Accumulated Depreciation | - | (435,132) | - | - | - | - | (863,323) | (44,415,091) | - | (45,713,546) |
| Total Fixed Assets | 17,318 | 106,598 | - | 69,270 | - | - | 497,059 | 33,606,729 | - | 34,296,974 |
| Other Assets | | | | | | | | | | |
| 1110 - PM Cash Clearing | - | - | - | - | - | - | - | - | - | - |
| 1250 - Interfund Receivable | 69,098 | 24,000 | 6,500 | 199,262 | (295) | 62,219 | 7,777 | - | (368,561) | - |
| 1255 - Loan from OSCA Loan Receivable | - | - | 187,500 | - | - | - | - | - | (187,500) | - |
| 1600 - 1999 Bond Issuance Costs | - | - | - | - | - | - | - | 50,570 | - | 50,570 |
| Total Other Assets | 69,098 | 24,000 | 194,000 | 199,262 | (295) | 62,219 | 7,777 | 50,570 | (556,061) | 50,570 |
| Total ASSETS | \$ 3,509,620 | \$ 987,363 | \$ 5,133,256 | \$ 4,961,976 | \$ 6,121,949 | \$ 488,684 | \$ 708,592 | \$ 38,570,723 | \$ (556,061) | \$ 59,926,102 |

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

| | ADMINISTRATIVE | | | RECREATION | | BACKCOUNTRY | | DEBT SERVICE | ELIMINATIONS | TOTAL |
|--|---------------------|-------------------|---------------------|---------------------|---------------------|-------------------|-------------------|----------------------|---------------------|----------------------|
| | OPERATING | RESERVE | OSCA | OPERATING | RESERVE | OPERATING | RESERVE | & PLANT | | |
| LIABILITIES & EQUITY | | | | | | | | | | |
| Current Liabilities | | | | | | | | | | |
| Accounts Payable | | | | | | | | | | |
| 2000 - Accounts Payable | 46,305 | - | - | 78,988 | 15,095 | 14,269 | - | - | - | 154,657 |
| 2010 - Wells Fargo CC Clearing | - | - | - | (298) | - | - | - | - | - | (298) |
| 2015 - Accrued Bond Interest Payable | - | - | - | - | - | - | - | 254,958 | - | 254,958 |
| 2025 - Preschool Scrips Pass Through | - | - | - | 635 | - | - | - | - | - | 635 |
| Total Accounts Payable | 46,305 | - | - | 79,325 | 15,095 | 14,269 | - | 254,958 | - | 409,952 |
| Other Current Liability | | | | | | | | | | |
| 2005 - Accrued Accounts Payable | 68,225 | - | - | 43,114 | 263 | 32,250 | - | - | - | 143,852 |
| 2006 - Accrued AP - PM Shared Credit | - | - | - | 76,301 | - | - | - | - | - | 76,301 |
| 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 | 383,462 | - | - | 233,709 | - | 29,285 | - | - | - | 646,456 |
| 2050 - AFLAC Pre-Tax | 149 | - | - | 70 | - | - | - | - | - | 219 |
| 2055 - Cafeteria Plan EE Contribution | 136 | - | - | 669 | - | - | - | - | - | 805 |
| 2060 - Health Savings Acct EE Cont | 770 | - | - | 1,124 | - | - | - | - | - | 1,894 |
| 2100 - Unearned Assessments | 57,932 | - | - | 649,237 | - | - | - | - | - | 707,169 |
| 2101 - Deferred Assessments | 228,299 | - | - | 1,402,479 | - | - | - | - | - | 1,630,778 |
| 2102 - Unearned CIS Fines & Fees | 330,210 | - | - | - | - | - | - | - | - | 330,210 |
| 2105 - Unearned Program & Facilities Revenue | 366 | - | - | 900,209 | - | - | - | - | - | 900,575 |
| 2110 - Unearned Other Revenue | - | - | - | 41,881 | - | 54,075 | - | - | - | 95,956 |
| 2125 - Prepaid Vegetation Mngt (Xcel) | - | - | - | - | - | 13,498 | - | - | - | 13,498 |
| 2130 - Prepaid Natural Resource Mngt -Elk | - | - | - | - | - | 10,282 | - | - | - | 10,282 |
| 2135 - Prepaid Water Line Easment | - | - | - | - | - | 8,586 | - | - | - | 8,586 |
| 2250 - Interfund Payable | 112,168 | 24,000 | 583 | 31,415 | 48,492 | 143,192 | 8,709 | - | (368,561) | (2) |
| Total Other Current Liability | 1,203,888 | 24,000 | 583 | 3,456,524 | 48,755 | 294,826 | 8,709 | - | (368,561) | 4,668,724 |
| Total Current Liabilities | 1,250,193 | 24,000 | 583 | 3,535,849 | 63,850 | 309,095 | 8,709 | 254,958 | (368,561) | 5,078,676 |
| Long Term Liabilities | | | | | | | | | | |
| 2255 - Loan from OSCA Loan Payable | - | - | - | - | 187,500 | - | - | - | (187,500) | - |
| 2600 - Bonds Payable - 1999 Series | - | - | - | - | - | - | - | - | - | - |
| 2610 - Bonds Payable - 2004 Series | - | - | - | - | - | - | - | 8,570,000 | - | 8,570,000 |
| Total Long Term Liabilities | - | - | - | - | 187,500 | - | - | 8,570,000 | (187,500) | 8,570,000 |
| Equity | | | | | | | | | | |
| 3005 - restricted fund equity | - | - | - | - | 2,926,527 | - | - | - | - | 2,926,527 |
| 3010 - Restricted Fund Balance | 38,659 | 309,868 | 1,237,500 | - | - | - | 157,779 | - | - | 1,743,806 |
| Restricted Fund Balance | 38,659 | 309,868 | 1,237,500 | - | 2,926,527 | - | 157,779 | - | - | 4,670,333 |
| 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 |
| 3015 - ytd net income | (457,073) | 14,002 | 724,299 | (3,167,330) | 1,705,085 | 62,802 | 7,422 | 1,425,766 | - | 314,973 |
| 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 | 414,540 | (137,282) | (81,668) | (874,873) | 598,836 | (59,787) | (52,095) | 2,349,165 | - | 2,156,836 |
| Total Equity (Fund Balance) | 2,259,424 | 963,365 | 5,132,672 | 1,426,128 | 5,870,597 | 179,587 | 699,883 | 29,745,767 | - | 46,277,423 |
| Total LIABILITIES & EQUITY | \$ 3,509,617 | \$ 987,365 | \$ 5,133,255 | \$ 4,961,977 | \$ 6,121,947 | \$ 488,682 | \$ 708,592 | \$ 38,570,725 | \$ (556,061) | \$ 59,926,099 |

Highlands Ranch Community Association
Statement of Cash Flows for All Funds
For the Eleven Months Ending November 30, 2022

| | ADMINISTRATIVE | | OSCA | RECREATION | | BACKCOUNTRY | | DEBT SERVICE & PLANT | TOTAL |
|--|---------------------|-------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------------|----------------------|
| | OPERATING | RESERVE | | OPERATING | RESERVE | OPERATING | RESERVE | | |
| Cash flows from operating activities | | | | | | | | | |
| Excess (deficiency) of revenues over expenses | \$ 414,539 | \$ (137,283) | \$ (81,668) | \$ (874,875) | \$ 598,836 | \$ (59,785) | \$ (52,095) | \$ 2,349,166 | \$ 2,156,835 |
| Adjustment to reconcile excess (deficiency) of revenues over expenses to net cash from (used for) operating activities | | | | | | | | | |
| Depreciation expense | - | 50,561 | - | - | - | - | 116,369 | 2,384,614 | 2,551,544 |
| (Gain) loss on asset disposal | - | 51,454 | - | - | - | - | (42) | 66,123 | 117,535 |
| Interest expense attributable to amortization of bond issuance costs | - | - | - | - | - | - | - | - | - |
| Bad debt expense | - | - | - | - | - | - | - | - | - |
| Lease costs on right of use asset | - | - | - | - | - | - | - | - | - |
| Accretion of lease liability | - | - | - | - | - | - | - | - | - |
| (Increase) decrease in operating assets | | | | | | | | | |
| Assessments receivable, net | (214,629) | - | - | (71,500) | - | - | - | - | (286,129) |
| Accounts receivable, other | 137,868 | - | 20,360 | 108,494 | 2,743 | (15,768) | - | (10,494) | 243,203 |
| Prepaid expenses and other assets | (2,105) | - | - | (19,634) | - | (5,832) | - | - | (27,571) |
| Increase (decrease) in operating liabilities | | | | | | | | | |
| Accounts payable and accrued expenses | 286,492 | - | - | (321,749) | (21,508) | (24,885) | (936) | 212,459 | 129,873 |
| Accrued payroll and related items | - | - | - | - | - | - | - | - | - |
| Assessments paid in advance | 186,118 | - | - | 1,401,517 | - | (8,750) | - | - | 1,578,885 |
| Deferred revenue | (168,262) | - | - | (1,182,559) | - | (1,742) | - | - | (1,352,563) |
| Lease liability | - | - | - | - | - | - | - | - | - |
| Net cash from (used for) operating activities | 640,021 | (35,268) | (61,308) | (960,306) | 580,071 | (116,762) | 63,296 | 5,001,868 | 5,111,612 |
| Cash flows from investing activities | | | | | | | | | |
| Net (purchases) sales of investments | - | - | - | - | - | - | - | - | - |
| Purchases of property and equipment | - | - | - | - | - | - | (75,156) | (3,044,535) | (3,119,691) |
| Net cash from (used for) investing activities | - | - | - | - | - | - | (75,156) | (3,044,535) | (3,119,691) |
| Cash flows from financing activities | | | | | | | | | |
| Payment of accounts payable for property and equipment | - | - | - | - | - | - | - | - | - |
| Bond principal payments | - | - | - | - | - | - | - | - | - |
| Net borrowing and transfers among funds | (1,823,642) | - | 150,583 | 1,727,108 | (100,263) | 46,992 | 933 | (2,319) | (608) |
| Net cash from (used for) financing activities | (1,823,642) | - | 150,583 | 1,727,108 | (100,263) | 46,992 | 933 | (2,319) | (608) |
| Net change in cash, cash equivalents, and restricted cash | (1,183,621) | (35,268) | 89,275 | 766,802 | 479,808 | (69,770) | (10,927) | 1,955,013 | 1,991,312 |
| Cash, cash equivalents, and restricted cash, beginning of year | 4,435,294 | 892,033 | 4,849,981 | 3,407,211 | 5,637,716 | 457,445 | 214,762 | 2,946,366 | 22,840,808 |
| Cash, cash equivalents, and restricted cash, end of year | \$ 3,251,673 | \$ 856,765 | \$ 4,939,256 | \$ 4,174,013 | \$ 6,117,524 | \$ 387,675 | \$ 203,835 | \$ 4,901,379 | \$ 24,832,120 |

HRCA Administrative Fund
Variance Analysis - Actual vs. Budget
For the Eleven Months Ended November 30, 2022

| | Current Month | | | | Year To Date | | | |
|---------------------------------------|-------------------|------------------|------------------|-------------|-------------------|-------------------|------------------|-------------|
| | Actual | Budget | Variance | | Actual | Budget | Variance | |
| | | | \$ | % | | | \$ | % |
| Revenues | | | | | | | | |
| Homeowner assessments | \$ 187,792 | \$ 191,000 | \$ (3,208) | (2%) | \$ 2,103,924 | \$ 2,101,000 | \$ 2,924 | 0% |
| Homeowner fees | 108,463 | 115,417 | (6,954) | (6%) | 876,296 | 1,100,667 | (224,371) | (20%) |
| Community improvement services | 6,385 | 10,500 | (4,115) | (39%) | 118,090 | 115,500 | 2,590 | 2% |
| Legal Revenue | 3,029 | 3,417 | (387) | (11%) | 35,689 | 37,583 | (1,894) | (5%) |
| Community events | 13,347 | 10,833 | 2,514 | 23% | 195,215 | 158,867 | 36,349 | 23% |
| Management Fee | 19,019 | 28,000 | (8,981) | (32%) | 259,671 | 319,500 | (59,829) | (19%) |
| Interest and other revenue | 8,335 | 13,413 | (5,078) | (38%) | 90,140 | 97,538 | (7,397) | (8%) |
| Total revenues | 346,371 | 372,579 | (26,209) | (7%) | 3,679,025 | 3,930,654 | (251,629) | (6%) |
| Expenses | | | | | | | | |
| Salaries and employee benefits | 148,377 | 158,551 | 10,174 | 6% | 1,648,739 | 1,815,367 | 166,628 | 9% |
| Facility operations | 8,534 | 1,417 | (7,117) | (502%) | 28,225 | 15,583 | (12,642) | (81%) |
| Professional services | 45,216 | 45,323 | 107 | 0% | 413,609 | 500,115 | 86,506 | 17% |
| Advertising | 3,676 | - | (3,676) | | 21,044 | 10,000 | (11,044) | (110%) |
| Office expenses | 23,061 | 10,876 | (12,185) | (112%) | 169,234 | 119,631 | (49,602) | (41%) |
| Insurance | 5,666 | 10,753 | 5,087 | 47% | 50,193 | 107,776 | 57,583 | 53% |
| Information Technology Expenses | 22,550 | 22,690 | 140 | 1% | 239,234 | 239,691 | 457 | 0% |
| Occupancy | 5,850 | 5,833 | (17) | 0% | 64,044 | 64,168 | 124 | 0% |
| Community events | 15,921 | 3,708 | (12,213) | (329%) | 196,335 | 188,817 | (7,518) | (4%) |
| Conferences, meetings and travel | 2,845 | 2,350 | (495) | (21%) | 24,126 | 25,850 | 1,724 | 7% |
| Dues, subscriptions and memberships | 662 | 2,163 | 1,501 | 69% | 14,762 | 23,788 | 9,026 | 38% |
| Management Fee | 12,238 | 13,750 | 1,512 | 11% | 146,386 | 151,250 | 4,864 | 3% |
| Other operating expenses | 505 | 583 | 79 | 13% | 515 | 6,417 | 5,902 | 92% |
| Total expenses | 295,099 | 277,996 | (17,103) | (6%) | 3,016,447 | 3,268,453 | 252,006 | 8% |
| Transfers | | | | | | | | |
| Transfers - Capital Equipment | - | 7,458 | 7,458 | 100% | - | 82,038 | 82,038 | 100% |
| Transfers to Admin. Reserve Fund | (81,831) | 18,666 | 100,497 | 538% | 248,040 | 205,326 | (42,714) | (21%) |
| Total transfers | (81,831) | 26,124 | 107,955 | 413% | 248,040 | 287,364 | 39,324 | 14% |
| Total expenses after transfers | 213,269 | 304,120 | 90,851 | 30% | 3,264,487 | 3,555,817 | 291,330 | 8% |
| Net revenue (expense) | \$ 133,102 | \$ 68,459 | \$ 64,643 | 94% | \$ 414,539 | \$ 374,837 | \$ 39,701 | 11% |

Variance materiality = \$10k and 10%

Variance Discussion - MTD Actual vs. Budget

- A** - Unfavorable variance in Office Expenses due to:
 - (1) higher Paylease fees - Was approx \$2K/qtr; 4Q so far is \$8K. Senate Bill 21-091 prohibits HOA's from passing on CC/ACH fees to homeowner. Zego now invoicing HRCA instead of homeowner
 - (2) increased office supplies (replenishing poster laminate, etc) and catch up on postage machine expenses
- B** - We received late \$11K invoice for July 4 barricades
- C** - Transfers to Admin Reserve for salary survey were returned to Admin Op in November

Variance Discussion - YTD Actual vs. Budget

- A** - Homeowner Fees underbudget due to lower transfer fees, legal fees, and status letter fees than expected; no new homeowners being sent to legal since HB1137.
- B** - Several events have exceeded budget year to date including Oaked and Smoked (\$12K), Cold Cases and Cocktails (\$7k), Misc Tastings (\$4K), July 4 (\$4K) and) and Jewelry Show (\$4K).
- C** - The predominant driver of Management Fee Revenue charged to Rec Op is legal fees; legal expenses have been lower than expected
- D** - Unfavorable variance in Facility Operations due to high volunteer and committee catering costs.
- E** - Professional Services are underbudget due to less legal fees than expected (\$127K), offset by higher DRC consulting costs and WebServ costs (\$40K)
- F** - Advertising costs exceed budget for the year due to Sigler Communications costs to pitch Backcountry
- G** - Office Expense Budget did not include Q1 newsletter and printing costs due to Covid. Also, office supplies and Zego fees higher than expected.
- H** - Insurance premiums allocated to Admin lower than budgeted
- I** - Transfers exceed budget due to Pickleball, Golf Simulator, and xeriscaping fixed asset costs paid out of Admin Special Projects Fund; offset by zero net transfers for salary survey

Administrative Fund Community Events
YTD November 30, 2022

| | Revenue | Expense | Profit/(Loss) |
|---------------------------------|----------------|----------------|----------------------|
| Adult Swim Night | 871 | 900 | (29) |
| Beer Festival | 45,906 | 33,034 | 12,872 |
| Coffee with a Cop | | 62 | |
| Cold Cases & Cocktails | 13,354 | 2,800 | 10,554 |
| Doggie Splash | 3,347 | 82 | 3,265 |
| Easter Egg Hunt | 600 | 1,482 | (882) |
| Fall Craft Show | 16,912 | 278 | 16,634 |
| Farmers Market | 7,000 | 36 | 6,964 |
| Father Daughter Sweetheart Ball | 17,830 | 18,323 | (493) |
| Garage Sale | 1,056 | 102 | 954 |
| General | 200 | 10,015 | (9,815) |
| Glow in the Dark Yoga | 982 | 936 | 46 |
| HRCA Camp Cups | - | - | - |
| HRCA Socks | 21 | - | 21 |
| Hometown Holiday Celebration | - | 2,540 | (2,540) |
| House Decorations | - | 40 | (40) |
| Jewelry Show | 14,311 | 48 | 14,263 |
| July 4th Fireworks | - | 66,558 | (66,558) |
| July 4th Parade | 6,163 | 29,859 | (23,696) |
| Miscellaneous Pop Up Events | 112 | 1,299 | (1,187) |
| Miscellaneous Tastings | 6,688 | 337 | 6,351 |
| Oaked & Smoked | 24,205 | 12,401 | 11,804 |
| Paranormal Party | 5,075 | 2,936 | 2,139 |
| Princess Teas | 2,136 | 1,342 | 794 |
| Rose in the Ranch | - | - | - |
| Recycling Events | - | 150 | (150) |
| Spirit Tastings | - | - | - |
| Spring Bazaar | 12,156 | 241 | 11,915 |
| Super Hero Party | 2,700 | 1,423 | 1,277 |
| Tequila and Tacos | 13,590 | 9,112 | 4,478 |
| Touch a Truck | - | - | - |
| | 195,215 | 196,335 | (1,058) |

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 | 20,833 | 9,533 | 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 | 2,608 | 4,783 | 3,858 | 17,783 | 206,750 |
| Net Income | (9,945) | 13,695 | 14,025 | (3,375) | 625 | (3,575) | (72,125) | 625 | 18,225 | 4,750 | 10,475 | (14,850) | (41,450) |

HRCR Recreation Fund
Variance Analysis - Actual vs. Budget
For the Eleven Months Ended November 30, 2022

| | Current Month | | | | Year To Date | | | |
|---------------------------------------|-------------------|---------------------|-------------------|---------------|---------------------|-----------------------|---------------------|--------------|
| | Actual | Budget | Variance | | Actual | Budget | Variance | |
| | | | \$ | % | | | \$ | % |
| Revenues | | | | | | | | |
| Homeowner assessments | \$ 1,408,981 | \$ 1,402,500 | \$ 6,481 | 0% | \$ 15,431,120 | \$ 15,427,500 | \$ 3,620 | 0% |
| Community improvement services | - | - | - | | - | - | - | |
| Recreation programs | 483,570 | 391,626 | 91,944 | 23% A | 5,150,355 | 4,508,521 | 641,833 | 14% A |
| Facility operations | 94,985 | 71,063 | 23,923 | 34% | 833,443 | 729,236 | 104,207 | 14% B |
| Community events | - | - | - | | - | - | - | |
| Advertising | - | - | - | | - | - | - | |
| Management Fee | 12,238 | 13,750 | (1,512) | (11%) | 146,386 | 151,250 | (4,864) | (3%) |
| Interest and other revenue | 9,135 | 1,667 | 7,468 | 448% | 322,292 | 57,083 | 265,209 | 465% C |
| Total revenues | 2,008,909 | 1,880,605 | 128,304 | 7% | 21,883,596 | 20,873,591 | 1,010,005 | 5% |
| Expenses | | | | | | | | |
| Salaries and employee benefits | 954,712 | 956,356 | 1,644 | 0% | 10,950,934 | 12,014,784 | 1,063,851 | 9% D |
| Facility operations | 58,346 | 89,929 | 31,583 | 35% B | 1,191,850 | 1,001,015 | (190,835) | (19%) E |
| Professional services | 27,938 | 40,290 | 12,351 | 31% | 417,377 | 492,395 | 75,019 | 15% F |
| Advertising | 4,519 | 6,000 | 1,481 | 25% | 62,298 | 66,000 | 3,702 | 6% |
| Office expenses | (4,644) | 39,493 | 44,137 | 112% C | 449,516 | 434,422 | (15,094) | (3%) |
| Insurance | 41,156 | 32,259 | (8,898) | (28%) | 361,851 | 354,845 | (7,005) | (2%) |
| Interest | - | - | - | | - | - | - | |
| Information Technology Expenses | 71,035 | 55,720 | (15,315) | (27%) | 677,628 | 612,920 | (64,708) | (11%) G |
| Occupancy | 55,583 | 96,889 | 41,306 | 43% D | 1,201,405 | 1,057,424 | (143,981) | (14%) H |
| Program | 96,545 | 81,612 | (14,933) | (18%) | 1,132,759 | 885,449 | (247,310) | (28%) I |
| Community events | - | - | - | | - | - | - | |
| Conferences, meetings and travel | 563 | 500 | (63) | (13%) | 11,830 | 5,500 | (6,330) | (115%) |
| Licenses and permits | 3,083 | 4,291 | 1,208 | 28% | 36,567 | 47,751 | 11,184 | 23% |
| Dues, subscriptions and memberships | - | 333 | 333 | 100% | 9,880 | 3,667 | (6,214) | (169%) |
| Management Fee | 19,019 | 28,000 | 8,981 | 32% | 259,671 | 308,000 | 48,329 | 16% J |
| Other operating expenses | 2,671 | 83 | (2,588) | (3,105%) | 3,447 | 2,917 | (531) | (18%) |
| Total Expenses | 1,330,527 | 1,431,755 | 101,228 | 7% | 16,767,013 | 17,287,090 | 520,076 | 3% |
| Transfers | | | | | | | | |
| Transfers for capital equipment | - | - | - | | - | - | - | |
| Transfers to Rec. Reserve | (246,576) | 429,464 | 676,040 | 157% | 3,438,592 | 4,724,104 | 1,285,512 | 27% |
| Transfers to Bond Fund | 89,676 | 89,676 | - | 0% | 2,177,861 | 2,171,294 | (6,567) | 0% |
| Transfers to Backcountry Fund | - | 37,500 | 37,500 | 100% | 375,000 | 412,500 | 37,500 | 9% |
| Total Transfers | (156,900) | 556,640 | 713,540 | 128% E | 5,991,454 | 7,307,898 | 1,316,445 | 18% K |
| Total Expenses after Transfers | 1,173,627 | 1,988,394 | 814,767 | 41% | 22,758,467 | 24,594,988 | 1,836,521 | 7% |
| Net Revenue (Expense) | \$ 835,283 | \$ (107,789) | \$ 943,071 | (875%) | \$ (874,871) | \$ (3,721,397) | \$ 2,846,526 | (76%) |
| | - | (0) | - | | 3 | (0) | - | |

Variance materiality = \$25k and 10%

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

Variance Discussion - MTD Actual vs. Budget

- A** - Positive variance is due to better than expected participation across many programs, especially preschool, race series, tumbling, and youth sports.
- B** - Facility Operations favorable to budget due to reclassing \$26K for for deposit on bulk fitness equipment replacement expensed in March to capital this month in accordance with policy.
- C** - Office expenses were less than budget due to write off of over-accrued bond trustee fees (\$43K). We are current on payment.
- D** - Occupancy expenses less than budget due to November reclass of previously misclassified costs from Occupancy to Professional Services for Genesis Floor Care.
- E** - Transfers to Rec Reserve for salary survey were returned to Rec Op in November; additionally, budgeted transfers to Rec Reserve were not necessary in November

Variance Discussion - YTD Actual vs. Budget

- A** - Positive variance is due to better than expected participation across many programs, primarily youth sports, tumbling, and arts & education; offset by Day Camp unfavorable variance.
- B** - Favorable variance for facility operations primarily due to \$60K for Admin lease of ER offices. In addition, facility rentals were higher than predicted for tennis, batting cages, golf simulator, and guest fees.
- C** - Other Revenue favorable variance due to unbudgeted Grant Revenue for Preschool and Day Camps in 2022. \$251K grant revenue received YTD.
- D** - Salaries (\$823K-primarily program staff and lifeguards) and employee benefits (\$240K) lower than expected.
- E** - Facility operations expense YTD unfavorable variance due to higher than budgeted pool maintenance expenses (\$74K) and maint/supplies/equipment expenses (\$81K) due to timing vs. budget plus recent change in capitalization policy with higher thresholds. Also, higher uniform costs (\$34K).
- F** - Professional services were favorable to budget due to lower audit and accounting service fees than expected
- G** - IT expenses exceeded budget YTD due to higher NexusTek and Oracle fees
- H** - Occupancy expenses exceeded budget YTD due to higher than anticipated utility bills (gas, electric, water). Also, in August we received Sunshare bills from 2021 for one solar garden they had not been invoicing us for.
- I** - Program expenses exceeded budget due to greater program participation and increased revenue
- J** - Management fees less than budget since Legal fees (the predominant driver of mgmt fees charged from Admin Op) are running lower than expected
- K** - Transfers to Rec Reserve for salary survey were returned to Rec Op in November; additionally, budgeted transfers to Rec Reserve were reduced in recent months as Reserve fund balance is adequate.

HRCA Backcountry Fund
Variance Analysis - Actual vs. Budget
For the Eleven Months Ended November 30, 2022

| | Current Month | | | | Year To Date | | | |
|---------------------------------------|--------------------|--------------------|--------------------|-----------------|--------------------|------------------|--------------------|----------------|
| | Actual | Budget | Variance | | Actual | Budget | Variance | |
| | | | \$ | % | | | \$ | % |
| Revenues | | | | | | | | |
| Recreation programs | \$ 16,239 | \$ 15,100 | 1,139 | 8% | \$ 900,768 | \$ 817,900 | 82,868 | 10% A |
| Facility operations | 7,289 | 8,954 | (1,665) | -19% | 94,944 | 108,494 | (13,550) | -12% B |
| Interest and other revenue | 398 | 4,008 | (3,610) | -90% | 898 | 12,088 | (11,190) | -93% C |
| Total revenues | 23,925 | 28,062 | (4,137) | -15% | 996,609 | 938,482 | 58,127 | 6% |
| Expenses | | | | | | | | |
| Salaries and employee benefits | 85,674 | 70,170 | (15,504) | -22% A | 1,072,537 | 975,746 | (96,791) | -10% D |
| Facility operations | 3,844 | 11,420 | 7,576 | 66% B | 100,213 | 111,590 | 11,377 | 10% E |
| Professional services | - | - | - | | 450 | 4,350 | 3,900 | 90% |
| Office expenses | 133 | 566 | 433 | 77% | 3,792 | 10,230 | 6,438 | 63% F |
| Insurance | 3,848 | 3,500 | (348) | -10% | 33,555 | 38,500 | 4,945 | 13% G |
| Program | 3,840 | 4,250 | 410 | 10% | 189,255 | 142,650 | (46,605) | (33%) H |
| Conferences, meetings and travel | 2,966 | 4,000 | 1,034 | 26% | 23,244 | 27,750 | 4,506 | 16% |
| Licenses and permits | - | 110 | 110 | 100% | - | 1,210 | 1,210 | 100% |
| Total expenses | 100,304 | 94,016 | (6,288) | (7%) | 1,423,047 | 1,312,026 | (111,021) | (8%) |
| Transfers | | | | | | | | |
| Transfer To B.C. Reserve Fund | (7,777) | 835 | 8,612 | 1,031% C | 8,350 | 9,185 | 835 | 9% |
| Transfer from Recreation Fund | - | (37,500) | (37,500) | 100% D | (375,000) | (412,500) | (37,500) | 9% I |
| Total transfers | (7,777) | (36,665) | (28,888) | 79% | (366,650) | (403,315) | (36,665) | 9% |
| Total expenses after transfers | 92,527 | 57,351 | (35,176) | (61%) | 1,056,397 | 908,711 | (147,686) | (16%) |
| Net revenue (expense) | \$ (68,602) | \$ (29,289) | \$ (39,313) | 134% | \$ (59,787) | \$ 29,771 | \$ (89,558) | (301%) |
| | - | - | - | | (0) | 0 | | |

Variance materiality = \$5k and 10%

Variance Discussion - MTD Actual vs. Budget

- A** - Salaries (\$8K) and employee benefits (\$8K) higher than budgeted due to increased program staff expense and change in payroll accrual process.
- B** - Lower than expected Facilities operations costs are primarily due to lower Vegetation, natural resources and Noxious weed management expenses.
- C** - November includes accounting adjustment from prior month. YTD on track.
- D** - Budgeted transfer for November not necessary.

Variance Discussion - YTD Actual vs. Budget

- A** - Favorable variance due to better than expected participation in horse trail rides (\$22K) and youth camp (\$52K), and the new mountain bike fundamental skills program that was added this year.
- B** - Unfavorable variance primarily lower than expected cell tower lease revenue.
- C** - \$11K Lower donations than anticipated.
- D** - YTD Salaries (\$41K) and employee benefits (\$55K) exceed budget due to increased salary expense for program staffing, unbudgeted retirement plan expenses, and change in payroll accrual process.
- E** - Facilities operations costs are less than budget primarily due to lower vegetation, natural resources and noxious weed management expenses.
- F** - Office expenses are lower than budget due to lower cell phone costs and office supplies.
- G** - Insurance premiums allocated to Backcountry lower than budgeted
- H** - Variance due to \$31K higher than budgeted expenses in Horse Trail Rides and \$10K higher than budget expense for Youth Camp, both due to increased participation. Additionally, 7K in mountain bike expenses were incurred this year that were not budgeted for, as it was a newly added program in 2022.
- I** - Standard budgeted transfer for November not necessary.

HRCA
Statement of Revenues and Expenses
For the Month Ending November 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 | 187,792 | 1,408,981 | | 1,596,773 | 191,000 | 1,402,500 | | 1,593,500 | (3,208) | 6,481 | - | 3,273 | -2% | 0% | | 0% |
| Homeowner fees | 108,463 | | | 108,463 | 115,417 | | | 115,417 | (6,954) | | | (6,954) | -6% | | | -6% |
| Community Improvement Services | 6,385 | - | | 6,385 | 10,500 | - | | 10,500 | (4,115) | - | - | (4,115) | -39% | | | -39% |
| Recreation programs | 3,029 | 483,570 | 16,239 | 502,838 | 3,417 | 391,626 | 15,100 | 410,143 | (387) | 91,944 | 1,139 | 92,696 | -11% | 23% | 8% | 23% |
| Facility operations | - | 94,985 | 7,289 | 102,274 | - | 71,063 | 8,954 | 80,017 | - | 23,923 | (1,665) | 22,258 | | 34% | -19% | 28% |
| Community Events | 13,347 | - | - | 13,347 | 10,833 | - | - | 10,833 | 2,514 | - | - | 2,514 | 23% | | | 23% |
| Advertising | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Management Fee | 19,019 | 12,238 | - | 31,257 | 28,000 | 13,750 | - | 41,750 | (8,981) | (1,512) | - | (10,493) | -32% | -11% | | -25% |
| Interest and other revenue | 8,335 | 9,135 | 398 | 17,867 | 13,413 | 1,667 | 4,008 | 19,087 | (5,078) | 7,468 | (3,610) | (1,220) | -38% | 448% | -90% | -6% |
| Total revenues | 346,371 | 2,006,909 | 23,925 | 2,379,205 | 372,579 | 1,880,605 | 28,062 | 2,281,246 | (26,209) | 128,304 | (4,137) | 97,959 | -7% | 7% | -15% | 4% |
| Expenses | | | | | | | | | | | | | | | | |
| Salaries and employee benefits | 148,377 | 954,712 | 85,674 | 1,188,763 | 158,551 | 956,356 | 70,170 | 1,185,076 | 10,174 | 1,644 | (15,504) | (3,686) | 6% | 0% | -22% | 0% |
| Facility operations | 8,534 | 58,346 | 3,844 | 70,723 | 1,417 | 89,929 | 11,420 | 102,766 | (7,117) | 31,583 | 7,576 | 32,042 | -502% | 35% | 66% | 31% |
| Professional services | 45,216 | 27,938 | - | 73,155 | 45,323 | 40,290 | - | 85,613 | 107 | 12,351 | - | 12,458 | 0% | 31% | | 15% |
| Advertising | 3,676 | 4,519 | - | 8,195 | - | 6,000 | - | 6,000 | (3,676) | 1,481 | - | (2,195) | | 25% | | -37% |
| Office expenses | 23,061 | (4,644) | 133 | 18,550 | 10,876 | 39,493 | 566 | 50,935 | (12,185) | 44,137 | 433 | 32,385 | -112% | 112% | 77% | 64% |
| Insurance | 5,666 | 41,156 | 3,848 | 50,670 | 10,753 | 32,259 | 3,500 | 46,512 | 5,087 | (8,898) | (348) | (4,158) | 47% | -28% | -10% | -9% |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| IT Expenses | 22,550 | 71,035 | - | 93,585 | 22,690 | 55,720 | - | 78,410 | 140 | (15,315) | - | (15,175) | 1% | -27% | | -19% |
| Occupancy | 5,850 | 55,583 | - | 61,433 | 5,833 | 96,889 | - | 102,722 | (17) | 41,306 | - | 41,289 | 0% | 43% | | 40% |
| Program | - | 96,545 | 3,840 | 100,385 | - | 81,612 | 4,250 | 85,862 | - | (14,933) | 410 | (14,523) | | -18% | 10% | -17% |
| Community events | 15,921 | - | - | 15,921 | 3,708 | - | - | 3,708 | (12,213) | - | - | (12,213) | -329% | | | -329% |
| Conferences, meetings and travel | 2,845 | 563 | 2,966 | 6,373 | 2,350 | 500 | 4,000 | 6,850 | (495) | (63) | 1,034 | 477 | -21% | -13% | 26% | 7% |
| Licenses and permits | - | 3,083 | - | 3,083 | - | 4,291 | 110 | 4,401 | - | 1,208 | 110 | 1,318 | | 28% | 100% | 30% |
| Dues, subscriptions and memberships | 662 | - | - | 662 | 2,163 | 333 | - | 2,496 | 1,501 | 333 | - | 1,834 | 69% | 100% | | 73% |
| Management Fee | 12,238 | 19,019 | - | 31,257 | 13,750 | 28,000 | - | 41,750 | 1,512 | 8,981 | - | 10,493 | 11% | 32% | | 25% |
| Other operating expenses | 505 | 2,671 | - | 3,176 | 583 | 83 | - | 667 | 79 | (2,588) | - | (2,509) | 13% | -3105% | | -376% |
| Total expenses | 295,099 | 1,330,527 | 100,304 | 1,725,930 | 277,996 | 1,431,755 | 94,016 | 1,803,767 | (17,103) | 101,228 | (6,288) | 77,836 | -6% | 7% | -7% | 4% |
| Transfers | | | | | | | | | | | | | | | | |
| Transfers for capital equipment | - | - | - | - | 7,458 | - | - | 7,458 | 7,458 | - | - | 7,458 | 100% | 0% | 0% | 100% |
| Transfers to Admin. Reserve Fund | (81,831) | | | (81,831) | 18,666 | | | 18,666 | 100,497 | - | - | 100,497 | 538% | 0% | 0% | 538% |
| Transfers to Rec. Reserve | | (246,576) | | (246,576) | | 429,464 | | 429,464 | - | 676,040 | - | 676,040 | 0% | 157% | 0% | 157% |
| Transfers to Bond Fund | | 89,676 | | 89,676 | | 89,676 | | 89,676 | - | - | - | - | 0% | 0% | 0% | 0% |
| Transfers to Backcountry Reserve | | | | | | | (37,500) | (37,500) | - | - | (37,500) | (37,500) | 0% | 0% | 100% | 100% |
| Transfers to Backcountry Fund | | | (7,777) | (7,777) | | 37,500 | 835 | 38,335 | - | 37,500 | 8,612 | 46,112 | 0% | 100% | 1031% | 120% |
| Total Transfers | (81,831) | (156,900) | (7,777) | (246,508) | 26,124 | 556,640 | (36,665) | 546,099 | 107,955 | 713,540 | (28,888) | 792,606 | 413% | 128% | 79% | 145% |
| Total expense after transfers | 213,269 | 1,173,627 | 92,527 | 1,479,422 | 304,120 | 1,988,394 | 57,351 | 2,349,865 | 90,851 | 814,767 | (35,176) | 870,443 | 30% | 41% | -61% | 37% |
| Net revenue (expense) | 133,102 | 835,283 | (68,602) | 899,783 | 68,459 | (107,789) | (29,289) | (68,619) | 64,643 | 943,071 | (39,313) | 968,401 | 94% | -875% | 134% | -1411% |

HRCA
Statement of Revenues and Expenses
For the Eleven Months Ending November 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 | 2,103,924 | 15,431,120 | | 17,535,044 | 2,101,000 | 15,427,500 | | 17,528,500 | 2,924 | 3,620 | - | 6,544 | 0% | 0% | | 0% |
| Homeowner fees | 876,296 | | | 876,296 | 1,100,667 | | | 1,100,667 | (224,371) | | | (224,371) | -20% | | | -20% |
| Community Improvement Services | 118,090 | - | | 118,090 | 115,500 | - | | 115,500 | 2,590 | - | | 2,590 | 2% | | | 2% |
| Recreation programs | 35,689 | 5,150,355 | 900,768 | 6,086,812 | 37,583 | 4,508,521 | 817,900 | 5,364,005 | (1,894) | 641,833 | 82,868 | 722,807 | -5% | 14% | 10% | 13% |
| Facility operations | - | 833,443 | 94,944 | 928,387 | - | 729,236 | 108,494 | 837,730 | - | 104,207 | (13,550) | 90,657 | | 14% | -12% | 11% |
| Community Events | 195,215 | - | | 195,215 | 158,867 | - | | 158,867 | 36,349 | - | | 36,349 | 23% | | | 23% |
| Advertising | - | - | | - | - | - | | - | - | - | | - | | | | |
| Management Fee | 259,671 | 146,386 | | 406,057 | 319,500 | 151,250 | | 470,750 | (59,829) | (4,864) | | (64,694) | -19% | -3% | | -14% |
| Interest and other revenue | 90,140 | 322,292 | 898 | 413,330 | 97,538 | 57,083 | 12,088 | 166,709 | (7,397) | 265,209 | (11,190) | 246,621 | -8% | 465% | -93% | 148% |
| Total revenues | 3,679,025 | 21,883,596 | 996,609 | 26,559,231 | 3,930,654 | 20,873,591 | 938,482 | 25,742,727 | (251,629) | 1,010,005 | 58,127 | 816,504 | -6% | 5% | 6% | 3% |
| Expenses | | | | | | | | | | | | | | | | |
| Salaries and employee benefits | 1,648,739 | 10,950,934 | 1,072,537 | 13,672,210 | 1,815,367 | 12,014,784 | 975,746 | 14,805,898 | 166,628 | 1,063,851 | (96,791) | 1,133,687 | 9% | 9% | -10% | 8% |
| Facility operations | 28,225 | 1,191,850 | 100,213 | 1,320,289 | 15,583 | 1,001,015 | 111,590 | 1,128,189 | (12,642) | (190,835) | 11,377 | (192,100) | -81% | -19% | 10% | -17% |
| Professional services | 413,609 | 417,377 | 450 | 831,436 | 500,115 | 492,395 | 4,350 | 996,860 | 86,506 | 75,019 | 3,900 | 165,424 | 17% | 15% | 90% | 17% |
| Advertising | 21,044 | 62,298 | - | 83,342 | 10,000 | 66,000 | - | 76,000 | (11,044) | 3,702 | - | (7,342) | -110% | 6% | | -10% |
| Office expenses | 169,234 | 449,516 | 3,792 | 622,542 | 119,631 | 434,422 | 10,230 | 564,284 | (49,602) | (15,094) | 6,438 | (58,258) | -41% | -3% | 63% | -10% |
| Insurance | 50,193 | 361,851 | 33,555 | 445,599 | 107,776 | 354,845 | 38,500 | 501,121 | 57,583 | (7,005) | 4,945 | 55,523 | 53% | -2% | 13% | 11% |
| Interest | - | - | | - | - | - | | - | - | - | | - | | | | |
| IT Expenses | 239,234 | 677,628 | - | 916,863 | 239,691 | 612,920 | - | 852,611 | 457 | (64,708) | - | (64,252) | 0% | -11% | | -8% |
| Occupancy | 64,044 | 1,201,405 | - | 1,265,449 | 64,168 | 1,057,424 | - | 1,121,592 | 124 | (143,981) | - | (143,857) | 0% | -14% | | -13% |
| Program | - | 1,132,759 | 189,255 | 1,322,015 | - | 885,449 | 142,650 | 1,028,099 | - | (247,310) | (46,605) | (293,915) | | -28% | -33% | -29% |
| Community events | 196,335 | - | - | 196,335 | 188,817 | - | - | 188,817 | (7,518) | - | - | (7,518) | -4% | | | -4% |
| Conferences, meetings and travel | 24,126 | 11,830 | 23,244 | 59,200 | 25,850 | 5,500 | 27,750 | 59,100 | 1,724 | (6,330) | 4,506 | (100) | 7% | -115% | 16% | 0% |
| Licenses and permits | - | 36,567 | - | 36,567 | - | 47,751 | 1,210 | 48,961 | - | 11,184 | 1,210 | 12,394 | | 23% | 100% | 25% |
| Dues, subscriptions and memberships | 14,762 | 9,880 | - | 24,642 | 23,788 | 3,667 | - | 27,454 | 9,026 | (6,214) | - | 2,812 | 38% | -169% | | 10% |
| Management Fee | 146,386 | 259,671 | | 406,057 | 151,250 | 308,000 | | 459,250 | 4,864 | 48,329 | - | 53,194 | 3% | 16% | | 12% |
| Other operating expenses | 515 | 3,447 | - | 3,962 | 6,417 | 2,917 | - | 9,333 | 5,902 | (531) | - | 5,371 | 92% | -18% | | 58% |
| Total expenses | 3,016,447 | 16,767,013 | 1,423,047 | 21,206,506 | 3,268,453 | 17,287,090 | 1,312,026 | 21,867,568 | 252,006 | 520,076 | (111,021) | 661,062 | 8% | 3% | -8% | 3% |
| Transfers | | | | | | | | | | | | | | | | |
| Transfers for capital equipment | - | - | | - | 82,038 | - | | 82,038 | 82,038 | - | - | 82,038 | 100% | | | 100% |
| Transfers to Admin. Reserve Fund | 248,040 | | | 248,040 | 205,326 | | | 205,326 | (42,714) | | | (42,714) | -21% | | | -21% |
| Transfers to Rec. Reserve | | 3,438,592 | | 3,438,592 | | 4,724,104 | | 4,724,104 | | 1,285,512 | | 1,285,512 | | 27% | | 27% |
| Transfers to Bond Fund | | 2,177,861 | | 2,177,861 | | 2,171,294 | | 2,171,294 | | (6,567) | | (6,567) | | 0% | | 0% |
| Transfers to Backcountry Reserve | | | (375,000) | (375,000) | | | (412,500) | (412,500) | | | (37,500) | (37,500) | | | 9% | 9% |
| Transfers to Backcountry Fund | | 375,000 | 8,350 | 383,350 | | 412,500 | 9,185 | 421,685 | | 37,500 | 835 | 38,335 | | 9% | 9% | 9% |
| Total Transfers | 248,040 | 5,991,454 | (366,650) | 5,872,844 | 287,364 | 7,307,898 | (403,315) | 7,191,947 | 39,324 | 1,316,445 | (36,665) | 1,319,104 | 14% | 18% | 9% | 18% |
| Total expense after transfers | 3,264,487 | 22,758,467 | 1,056,397 | 27,079,350 | 3,555,817 | 24,594,988 | 908,711 | 29,059,516 | 291,330 | 1,836,521 | (147,686) | 1,980,165 | 8% | 7% | -16% | 7% |
| Net revenue (expense) | 414,539 | (874,871) | (59,787) | (520,119) | 374,837 | (3,721,397) | 29,771 | (3,316,789) | 39,701 | 2,846,526 | (89,558) | 2,796,669 | 11% | -76% | -301% | -84% |



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Highlands Ranch Community Association

DRAFT - Financial Statements

December 31, 2022

HRCA Financial Statements
December 31, 2022
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Highlands Ranch Community Association, Inc.
 Statement of Revenues and Expenses for All Funds
 For the Twelve Months Ending December 31, 2022

| | ADMINISTRATIVE | | | RECREATION | | BACKCOUNTRY | | DEBT SERVICE | ELIMINATIONS | TOTAL |
|---|----------------|-------------|-------------|----------------|------------|-------------|-------------|--------------|--------------|---------------|
| | OPERATING | RESERVE | OSCA | OPERATING | RESERVE | OPERATING | RESERVE | & PLANT | | |
| Revenues | | | | | | | | | | |
| Homeowner assessments | \$ 2,292,798 | \$ - | \$ - | \$ 16,837,881 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 19,130,679 |
| Homeowner fees | 909,984 | - | - | - | - | - | - | - | - | 909,984 |
| Community improvement services | 473,796 | - | - | - | - | - | - | - | - | 473,796 |
| Legal Revenue | 36,079 | - | - | - | - | - | - | - | - | 36,079 |
| Recreation programs | - | - | - | 5,531,848 | - | 914,738 | - | - | - | 6,446,586 |
| Facility operations | - | - | - | 928,371 | - | 92,473 | - | - | (65,980) | 954,864 |
| Community events | 205,112 | - | - | - | - | - | - | - | - | 205,112 |
| Advertising | - | - | - | - | - | - | - | - | - | - |
| Management Fee Revenue | 270,352 | - | - | 152,904 | - | - | - | - | (423,256) | (0) |
| Interest and other Revenue | 126,905 | (83,230) | 6,919 | 364,708 | 80,931 | 104,424 | (11,822) | 59,883 | (982) | 647,736 |
| Total revenues | 4,315,026 | (83,230) | 6,919 | 23,815,712 | 80,931 | 1,111,635 | (11,822) | 59,883 | (490,218) | 28,804,836 |
| Expenses | | | | | | | | | | |
| Salaries and employee benefits | 1,823,542 | - | - | 11,896,371 | - | 1,149,162 | - | - | - | 14,869,075 |
| Facility operations | 35,220 | 4,292 | - | 1,302,628 | 88,082 | 122,394 | - | - | - | 1,552,616 |
| Depreciation Expense | - | 55,862 | - | - | - | - | 127,217 | 2,613,143 | - | 2,796,222 |
| Professional services | 423,375 | - | - | 453,950 | - | 621 | - | - | - | 877,946 |
| Advertising | 25,152 | - | - | 66,897 | - | - | - | - | - | 92,049 |
| Office expenses | 181,966 | 20 | - | 483,461 | 9,256 | 4,407 | 1,328 | - | - | 680,438 |
| Insurance | 57,784 | - | - | 403,112 | - | 37,403 | - | - | - | 498,299 |
| Interest | - | - | - | - | 982 | - | - | 491,907 | (982) | 491,907 |
| Information Technology Expenses | 261,473 | - | - | 751,587 | - | - | - | - | - | 1,013,060 |
| Occupancy | 70,020 | - | - | 1,301,696 | - | - | - | - | (65,980) | 1,305,736 |
| Program | 40 | - | - | 1,259,388 | - | 199,971 | - | - | - | 1,459,399 |
| Community events | 209,855 | - | - | - | - | - | - | - | - | 209,855 |
| Conferences, meetings and travel | 25,101 | - | - | 14,368 | - | 23,796 | - | - | - | 63,265 |
| Licenses and permits | - | - | - | 39,634 | 749 | - | - | - | - | 40,383 |
| Dues, subscriptions and memberships | 15,709 | - | - | 9,880 | - | - | - | - | - | 25,589 |
| Management Fee Expense | 152,904 | - | - | 270,352 | - | - | - | - | (423,256) | (0) |
| Other operating expenses | 558 | - | 607 | 2,307 | - | - | - | - | - | 3,472 |
| Total expenses | 3,282,699 | 60,174 | 607 | 18,255,631 | 99,069 | 1,537,754 | 128,545 | 3,105,050 | (490,218) | 25,979,311 |
| (Gains) / Losses | - | 51,455 | - | - | - | - | (42) | 339,046 | - | 390,459 |
| Excess (deficiency) of revenues over expenses | 1,032,327 | (194,859) | 6,312 | 5,560,081 | (18,138) | (426,119) | (140,325) | (3,384,213) | - | 2,435,066 |
| Transfers to Bond Fund | - | - | - | (3,844,690) | - | - | - | 3,844,690 | - | - |
| Transfers to Backcountry Fund | - | - | - | (375,000) | - | 375,000 | - | - | - | - |
| Transfers for Capital Equipment | - | - | (28,636) | - | - | - | 28,636 | - | - | - |
| Transfers for Reserves | (248,040) | 148,505 | (43,391) | (3,176,675) | 311,312 | (8,350) | 52,323 | 2,964,315 | - | (1) |
| Total transfers | (248,040) | 148,505 | (72,027) | (7,396,365) | 311,312 | 366,650 | 80,959 | 6,809,005 | - | (1) |
| Net revenues (expenses) | \$ 784,287 | \$ (46,354) | \$ (65,715) | \$ (1,836,284) | \$ 293,174 | \$ (59,469) | \$ (59,366) | \$ 3,424,792 | \$ - | \$ 2,435,065 |

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

| | ADMINISTRATIVE | | OSCA | RECREATION | | BACKCOUNTRY | | DEBT SERVICE & PLANT | ELIMINATIONS | TOTAL |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------------|-----------------------|----------------------|
| | OPERATING | RESERVE | | OPERATING | RESERVE | OPERATING | RESERVE | | | |
| ASSETS | | | | | | | | | | |
| Current Assets | | | | | | | | | | |
| Cash & Equivalents | | | | | | | | | | |
| 1000 - Wells Fargo Invest Sweep | \$ 4,515,619 | \$ - | \$ - | \$ 2,039,153 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,554,772 |
| 1002 - Wells Fargo Payroll Checking | 628,546 | - | - | - | - | - | - | - | - | 628,546 |
| 1003 - Wells Fargo Rec Operating Checking | - | - | - | (96,688) | - | - | - | - | - | (96,688) |
| 1004 - Wells Fargo BC Operating Checking | - | - | - | - | - | 273,198 | - | - | - | 273,198 |
| 1005 - Wells Fargo Admin Operating Checking | 128,722 | - | - | - | - | - | - | - | - | 128,722 |
| Wells Fargo Checking, Payroll and Sweep | 5,272,887 | - | - | 1,942,465 | - | 273,198 | - | - | - | 7,488,550 |
| 1006 - 1st Bank MM | - | - | - | - | - | - | - | - | - | - |
| 1008 - Colorado Business Bank MM | - | - | - | - | - | - | - | - | - | - |
| 1010 - Front Range Bank MM | - | - | - | 247,563 | - | - | - | - | - | 247,563 |
| 1012 - PSCU Rec Operating CD | - | - | - | - | - | - | - | - | - | - |
| 1013 - PSCU Rec Reserve CD | - | - | - | - | - | - | - | - | - | - |
| 1014 - PSCU Rec Operating Savings | - | - | - | - | - | - | - | - | - | - |
| 1015 - TCF Bank MM | - | - | - | - | - | - | - | - | - | - |
| 1016 - US Bank Rec Operating | - | - | - | - | - | - | - | - | - | - |
| Other Investment Accounts | - | - | - | 247,563 | - | - | - | - | - | 247,563 |
| 1017 - WF Bond Fund Suppl. Reserve Trustee | - | - | - | - | - | - | - | 1,727,677 | - | 1,727,677 |
| 1020 - Wells Fargo Bond Fund Prepayments | - | - | - | - | - | - | - | 549,024 | - | 549,024 |
| 1021 - Wells Fargo Bond Fund Trustee | - | - | - | - | - | - | - | 1,468,594 | - | 1,468,594 |
| Wells Fargo Bond Fund Accounts | - | - | - | - | - | - | - | 3,745,295 | - | 3,745,295 |
| 1022 - Morgan Stanley Capital Project Fund | - | - | - | - | - | - | - | - | - | - |
| 1023 - Morgan Stanley Capital Project CD | - | - | - | - | 2,505,877 | - | - | - | - | 2,505,877 |
| 1024 - Morgan Stanley OSCA | - | - | (2,668) | - | - | - | - | - | - | (2,668) |
| 1025 - Morgan Stanley OSCA CD | - | - | 4,957,294 | - | - | - | - | - | - | 4,957,294 |
| 1026 - Morgan Stanley Rec Reserve MM | - | - | - | - | 223,552 | - | - | - | - | 223,552 |
| 1027 - Morgan Stanley Rec Reserve CD | - | - | - | - | 2,522,339 | - | - | - | - | 2,522,339 |
| Morgan Stanley | - | - | 4,954,626 | - | 5,251,768 | - | - | - | - | 10,206,394 |
| 1028 - RBC Wealth Mgmt Admin Reserve MM | - | 272,016 | - | - | - | - | - | - | - | 272,016 |
| 1029 - RBC Wealth Mgmt Admin Reserve CD | - | 579,804 | - | - | - | - | - | - | - | 579,804 |
| 1030 - RBC Wealth Mgmt BC Operating MM | - | - | - | - | - | 7,760 | 118 | - | - | 7,878 |
| 1031 - RBC Wealth Mgmt BC Operating CD | - | - | - | - | - | 37,867 | (166) | - | - | 37,701 |
| 1032 - RBC Wealth Mgmt BC Reserve CD | - | - | - | - | - | - | 75,713 | - | - | 75,713 |
| 1033 - RBC Wealth Mgmt BC Reserve | - | - | - | - | - | - | 127,809 | - | - | 127,809 |
| 1036 - RBC Wealth Mgmt Spec Proj Fund MM | 17,122 | - | - | - | - | - | - | - | - | 17,122 |
| 1037 - RBC Wealth Mgmt Spec Proj Fund CD | - | - | - | - | - | - | - | - | - | - |
| RBC Wealth Management | 17,122 | 851,820 | - | - | - | 45,627 | 203,474 | - | - | 1,118,043 |
| 1044 - Cash Drawer Cash on Hand | - | - | - | 2,866 | - | - | - | - | - | 2,866 |
| 1045 - Program Cash on Hand | 200 | - | - | - | - | - | - | - | - | 200 |
| 1048 - Deposit Cash Clearing | (581) | - | - | - | - | - | - | - | - | (581) |
| Cash on Hand | (381) | - | - | 2,866 | - | - | - | - | - | 2,485 |
| Total Cash & Equivalents | 5,289,628 | 851,820 | 4,954,626 | 2,192,894 | 5,251,768 | 318,825 | 203,474 | 3,745,295 | - | 22,808,330 |
| Accounts Receivable | | | | | | | | | | |
| 1100 - AR-Assessments & Legal | (909,559) | - | - | 216,968 | - | - | - | - | - | (692,591) |
| 1105 - Allowance for Doubtful Accounts | (42,106) | - | - | (72,186) | - | - | - | - | - | (114,292) |
| 1180 - AR- Covenants & Legal | 608,567 | - | - | - | - | - | - | - | - | 608,567 |
| 1191 - Accrued Interest Receivable | - | - | - | - | - | - | - | 17,279 | - | 17,279 |
| 1195 - Miscellaneous Receivable | 7,278 | - | - | 17,177 | 4,720 | 3,331 | (79) | - | - | 32,427 |
| 1196 - Misc Rec - PM Shared Credit | - | - | - | 8,785 | - | - | - | - | - | 8,785 |
| Total Accounts Receivable | (335,820) | - | - | 170,744 | 4,720 | 3,331 | (79) | 17,279 | - | (139,825) |
| Other Current Asset | | | | | | | | | | |
| 1200 - Prepaid Expense | 11,671 | - | - | 45,185 | - | 609 | - | - | - | 57,465 |
| 1205 - Prepaid Insurance | 32,961 | - | - | 200,263 | - | 18,193 | - | - | - | 251,417 |
| 1210 - Inventory | - | - | - | 57,638 | - | - | - | - | - | 57,638 |
| 1225 - Undeposited Funds | 3,295 | - | - | - | - | - | - | - | - | 3,295 |
| Total Other Current Asset | 47,927 | - | - | 303,086 | - | 18,802 | - | - | - | 369,815 |
| Total Current Assets | 5,001,735 | 851,820 | 4,954,626 | 2,666,724 | 5,256,488 | 340,958 | 203,395 | 3,762,574 | - | 23,038,320 |
| Fixed Assets | | | | | | | | | | |
| Fixed Assets - Cost | 17,318 | 569,604 | - | 69,270 | - | - | 1,364,322 | 77,100,793 | - | 79,121,307 |
| Fixed Assets - Accumulated Depreciation | - | (367,132) | - | - | - | - | (874,171) | (44,078,059) | - | (45,319,362) |
| Total Fixed Assets | 17,318 | 202,472 | - | 69,270 | - | - | 490,151 | 33,022,734 | - | 33,801,945 |
| Other Assets | | | | | | | | | | |
| 1110 - PM Cash Clearing | - | - | - | - | - | - | - | - | - | - |
| 1250 - Interfund Receivable | 28,548 | - | 6,500 | 1,041,282 | 587,685 | 19,907 | - | - | (1,683,922) | - |
| 1255 - Loan from OSCA Loan Receivable | - | - | 187,500 | - | - | - | - | - | (187,500) | - |
| 1260 - Intercompany Receivable 501c3 | 5,205 | - | - | - | - | 5,855 | - | - | - | 11,060 |
| 1600 - Bond Issuance Costs | - | - | - | - | - | - | - | 26,085 | - | 26,085 |
| Total Other Assets | 33,753 | - | 194,000 | 1,041,282 | 587,685 | 25,762 | - | 26,085 | (1,871,422) | 37,145 |
| Total ASSETS | \$ 5,052,806 | \$ 1,054,292 | \$ 5,148,626 | \$ 3,777,276 | \$ 5,844,173 | \$ 366,720 | \$ 693,546 | \$ 36,811,393 | \$ (1,871,422) | \$ 56,877,410 |

Highlands Ranch Community Association, Inc.
 Balance Sheet for All Funds
 As of December 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 | 31,430 | - | - | 171,701 | 40,532 | 18,130 | - | - | - | 261,793 |
| 2010 - Wells Fargo CC Clearing | - | - | - | (671) | - | - | - | - | - | (671) |
| 2015 - Accrued Bond Interest Payable | - | - | - | - | - | - | - | - | - | - |
| 2025 - Preschool Scrips Pass Through | - | - | - | 60 | - | - | - | - | - | 60 |
| Total Accounts Payable | 31,430 | - | - | 171,090 | 40,532 | 18,130 | - | - | - | 261,182 |
| Other Current Liability | | | | | | | | | | |
| 2005 - Accrued Accounts Payable | 27,520 | - | - | 80,872 | 263 | 41,600 | - | - | - | 150,255 |
| 2006 - Accrued AP - PM Shared Credit | - | - | - | 76,145 | - | - | - | - | - | 76,145 |
| 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 | 529,537 | - | - | 206,392 | - | 24,245 | - | - | - | 760,174 |
| 2050 - AFLAC Pre-Tax | 4,602 | - | - | (4,317) | - | - | - | - | - | 285 |
| 2055 - Cafeteria Plan EE Contribution | 177 | - | - | 870 | - | - | - | - | - | 1,047 |
| 2060 - Health Savings Acct EE Cont | 1,057 | - | - | 1,461 | - | - | - | - | - | 2,518 |
| 2100 - Unearned Assessments | 185,210 | - | - | 1,187,160 | - | - | - | - | - | 1,372,370 |
| 2101 - Deferred Assessments | 10,370 | - | - | (3,733) | - | - | - | - | - | 6,637 |
| 2102 - Unearned CIS Fines & Fees | 683,246 | - | - | - | - | - | - | - | - | 683,246 |
| 2105 - Unearned Program & Facilities Revenue | (1,079) | - | - | 859,952 | - | - | - | - | - | 858,873 |
| 2110 - Unearned Other Revenue | 53 | - | - | 41,904 | - | 9,350 | - | - | - | 51,307 |
| 2125 - Prepaid Vegetation Mngt (Xcel) | - | - | - | - | - | - | - | - | - | - |
| 2130 - Prepaid Natural Resource Mngt -Elk | - | - | - | - | - | - | - | - | - | - |
| 2135 - Prepaid Water Line Easment | - | - | - | - | - | - | - | - | - | - |
| 2250 - Interfund Payable | 925,296 | - | - | 616,920 | 50,943 | 89,831 | 932 | - | (1,683,922) | - |
| 2260 - Intercompany Payable 501c3 | 4,047 | - | - | 1,525 | - | - | - | - | - | 5,572 |
| Total Other Current Liability | 2,392,207 | - | - | 3,141,467 | 51,206 | 168,684 | 932 | - | (1,683,922) | 4,070,574 |
| Total Current Liabilities | 2,423,637 | - | - | 3,312,557 | 91,738 | 186,814 | 932 | - | (1,683,922) | 4,331,756 |
| Long Term Liabilities | | | | | | | | | | |
| 2255 - Loan from OSCA Loan Payable | - | - | - | - | 187,500 | - | - | - | (187,500) | - |
| 2600 - Bonds Payable - 1999 Series | - | - | - | - | - | - | - | - | - | - |
| 2610 - Bonds Payable - 2004 Series | - | - | - | - | - | - | - | 5,990,000 | - | 5,990,000 |
| Total Long Term Liabilities | - | - | - | - | 187,500 | - | - | 5,990,000 | (187,500) | 5,990,000 |
| Equity | | | | | | | | | | |
| 3005 - restricted fund equity | - | - | - | - | 2,926,527 | - | - | - | - | 2,926,527 |
| 3010 - Restricted Fund Balance | 38,659 | 309,868 | 1,237,500 | - | - | - | 157,779 | - | - | 1,743,806 |
| Restricted Fund Balance | 38,659 | 309,868 | 1,237,500 | - | 2,926,527 | - | 157,779 | - | - | 4,670,333 |
| 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 |
| 3015 - ytd net income | (457,073) | 14,002 | 724,299 | (3,167,330) | 1,705,085 | 62,802 | 7,422 | 1,425,766 | - | 314,973 |
| 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 | 784,284 | (46,354) | (65,714) | (1,836,281) | 293,174 | (59,468) | (59,365) | 3,424,792 | - | 2,435,068 |
| Total Equity (Fund Balance) | 2,629,168 | 1,054,293 | 5,148,626 | 464,720 | 5,564,935 | 179,906 | 692,613 | 30,821,394 | - | 46,555,655 |
| Total LIABILITIES & EQUITY | \$ 5,052,805 | \$ 1,054,293 | \$ 5,148,626 | \$ 3,777,277 | \$ 5,844,173 | \$ 366,720 | \$ 693,545 | \$ 36,811,394 | \$ (1,871,422) | \$ 56,877,411 |

HRCA Administrative Fund
Variance Analysis - Actual vs. Budget
For the Twelve Months Ended December 31, 2022

DRAFT

| | Current Month | | | | Year To Date | | | |
|---------------------------------------|-------------------|------------------|-------------------|-------------|-------------------|-------------------|-------------------|------------|
| | Actual | Budget | Variance | | Actual | Budget | Variance | |
| | | | \$ | % | | | \$ | % |
| Revenues | | | | | | | | |
| Homeowner assessments | \$ 188,874 | \$ 191,000 | \$ (2,126) | (1%) | \$ 2,292,798 | \$ 2,292,000 | \$ 798 | 0% |
| Homeowner fees | 33,619 | 134,333 | (100,714) | (75%) | 909,985 | 1,235,000 | (325,015) | (26%) |
| Community improvement services | 355,706 | 10,500 | 345,206 | 3,288% | 473,796 | 126,000 | 347,796 | 276% |
| Legal Revenue | 390 | 3,417 | (3,027) | (89%) | 36,079 | 41,000 | (4,921) | (12%) |
| Community events | 9,897 | 6,433 | 3,463 | 54% | 205,112 | 165,300 | 39,812 | 24% |
| Management Fee | 10,681 | 16,500 | (5,819) | (35%) | 270,352 | 336,000 | (65,648) | (20%) |
| Interest and other revenue | 36,763 | 18,413 | 18,350 | 100% | 126,903 | 115,950 | 10,953 | 9% |
| Total revenues | 635,930 | 380,596 | 255,334 | 67% | 4,315,025 | 4,311,250 | 3,775 | 0% |
| Expenses | | | | | | | | |
| Salaries and employee benefits | 174,804 | 133,606 | (41,198) | (31%) | 1,823,544 | 1,948,974 | 125,430 | 6% |
| Facility operations | 6,995 | 1,417 | (5,579) | (394%) | 35,221 | 17,000 | (18,221) | (107%) |
| Professional services | 9,759 | 49,210 | 39,452 | 80% | 423,368 | 549,325 | 125,957 | 23% |
| Advertising | 4,109 | - | (4,109) | | 25,153 | 10,000 | (15,153) | (152%) |
| Office expenses | 12,735 | 10,876 | (1,860) | (17%) | 181,969 | 130,507 | (51,462) | (39%) |
| Insurance | 7,592 | 21,259 | 13,667 | 64% | 57,785 | 129,035 | 71,250 | 55% |
| Information Technology Expenses | 22,239 | 32,583 | 10,344 | 32% | 261,472 | 272,274 | 10,802 | 4% |
| Occupancy | 5,976 | 5,831 | (144) | (2%) | 70,020 | 70,000 | (20) | 0% |
| Community events | 13,562 | 17,783 | 4,221 | 24% | 209,898 | 206,750 | (3,148) | (2%) |
| Conferences, meetings and travel | 974 | 2,350 | 1,376 | 59% | 25,101 | 28,200 | 3,099 | 11% |
| Dues, subscriptions and memberships | 948 | 2,163 | 1,214 | 56% | 15,710 | 25,950 | 10,240 | 39% |
| Management Fee | 6,519 | 13,750 | 7,231 | 53% | 152,904 | 165,000 | 12,096 | 7% |
| Other operating expenses | 43 | 583 | 540 | 93% | 558 | 7,000 | 6,442 | 92% |
| Total expenses | 266,256 | 291,411 | 25,155 | 9% | 3,282,701 | 3,560,014 | 277,313 | 8% |
| Transfers | | | | | | | | |
| Transfers - Capital Equipment | - | 7,462 | 7,462 | 100% | - | 89,500 | 89,500 | 100% |
| Transfers to Admin. Reserve Fund | - | 18,674 | 18,674 | 100% | 248,040 | 224,000 | (24,040) | (11%) |
| Total transfers | - | 26,136 | 26,136 | 100% | 248,040 | 313,500 | 65,460 | 21% |
| Total expenses after transfers | 266,256 | 317,547 | 51,291 | 16% | 3,530,741 | 3,873,514 | 342,773 | 9% |
| Net revenue (expense) | \$ 369,674 | \$ 63,048 | \$ 306,626 | 486% | \$ 784,284 | \$ 437,736 | \$ 346,548 | 79% |

Variance materiality = \$10k and 10%

Variance Discussion - MTD Actual vs. Budget

- A** - Homeowner fee revenue less than budget due to correction of late fee charges from prior month, and fewer legal fees since no new homeowners are being sent to Legal since HB1137.
- B** - CIS revenue exceeds budget primarily due to adjusting financials for CIS fine revenue which had not been recorded to revenue for several years.
- C** - Other revenue exceeds budget due to sponsorships received from Windcrest, ENT, and Children's Hospital in December.
- D** - Employee benefits higher than budget due to true up of accrued vacation expense in December.
- E** - Professional services are less than budget due to lower December legal bill than usual, and November bill processed in December was less than accrued.
- F** - Insurance expense allocated to Admin less than expected.
- G** - Computer Equipment and IT consulting costs were less than budgeted for December.
- H** - Transfers to Admin Reserve were paused in December due to excess balance in Reserve Fund.

Variance Discussion - YTD Actual vs. Budget

- A** - Homeowner Fees underbudget due to lower transfer fees, legal fees, and status letter fees than anticipated.
- B** - CIS revenue exceeds budget primarily due to adjusting financials for CIS fine revenue which had not been recorded to revenue for several years.
- C** - Several events have exceeded budget year to date including Oaked and Smoked (\$12K), Cold Cases and Cocktails (\$13k), Misc Tastings (\$4K), July 4 (\$4K) and) and Jewelry Show (\$4K).
- D** - The predominant driver of Management Fee Revenue charged to Rec Op is legal fees; legal expenses have been lower than expected
- E** - Unfavorable variance in Facility Operations due to high volunteer and committee catering costs.
- F** - Professional Services are underbudget due to less legal fees than expected (\$169K), offset by higher DRC consulting costs and WebServ costs (\$45K)
- G** - Advertising costs exceed budget for the year due to Sigler Communications costs to pitch Backcountry
- H** - Office Expense Budget did not include Q1 newsletter and printing costs due to Covid. Also, office supplies and Zego fees higher than expected.
- I** - Insurance premiums allocated to Admin lower than budgeted
- J** - Dues and subscriptions have been averaging lower than budget all year.
- K** - Transfers to Admin Reserve for salary survey were returned to Admin Operating account, and other transfers paused as they were not required due to fund balances.

Administrative Fund Community Events
YTD December 31, 2022

| | Revenue | Expense | Profit/(Loss) |
|---------------------------------|----------------|----------------|----------------|
| Adult Swim Night | 871 | 900 | (29) |
| Beer Festival | 45,906 | 33,034 | 12,872 |
| Coffee with a Cop | | 183 | |
| Cold Cases & Cocktails | 19,029 | 2,800 | 16,229 |
| Doggie Splash | 3,472 | 82 | 3,390 |
| Easter Egg Hunt | 600 | 1,482 | (882) |
| Fall Craft Show | 16,942 | 278 | 16,664 |
| Farmers Market | 7,000 | 36 | 6,964 |
| Father Daughter Sweetheart Ball | 17,830 | 18,323 | (493) |
| Garage Sale | 1,056 | 102 | 954 |
| General | 200 | 11,153 | (10,953) |
| Glow in the Dark Yoga | 982 | 936 | 46 |
| HRCA Camp Cups | - | - | - |
| HRCA Socks | 113 | - | 113 |
| Hometown Holiday Celebration | - | 14,385 | (14,385) |
| House Decorations | - | 40 | (40) |
| Jewelry Show | 14,851 | 51 | 14,800 |
| July 4th Fireworks | - | 66,558 | (66,558) |
| July 4th Parade | 6,163 | 29,859 | (23,696) |
| Miscellaneous Pop Up Events | 112 | 1,299 | (1,187) |
| Miscellaneous Tastings | 6,688 | 337 | 6,351 |
| Oaked & Smoked | 24,205 | 12,401 | 11,804 |
| Paranormal Party | 5,075 | 2,936 | 2,139 |
| Princess Teas | 4,821 | 1,623 | 3,198 |
| Rose in the Ranch | - | - | - |
| Recycling Events | - | 150 | (150) |
| Spirit Tastings | - | - | - |
| Spring Bazaar | 12,156 | 414 | 11,742 |
| Super Hero Party | 2,700 | 1,423 | 1,277 |
| Tequila and Tacos | 13,590 | 9,112 | 4,478 |
| Touch a Truck | - | - | - |
| | <u>204,362</u> | <u>209,898</u> | <u>(5,353)</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 | 20,833 | 9,533 | 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 | 2,608 | 4,783 | 3,858 | 17,783 | 206,750 |
| Net Income | (9,945) | 13,695 | 14,025 | (3,375) | 625 | (3,575) | (72,125) | 625 | 18,225 | 4,750 | 10,475 | (14,850) | (41,450) |

HRC Recreation Fund
Variance Analysis - Actual vs. Budget
For the Twelve Months Ended December 31, 2022

| | Current Month | | | | Year To Date | | | |
|---------------------------------------|---------------------|-----------------------|-------------------|--------------|-----------------------|-----------------------|---------------------|--------------|
| | Actual | Budget | Variance | | Actual | Budget | Variance | |
| | | | \$ | % | | | \$ | % |
| Revenues | | | | | | | | |
| Homeowner assessments | \$ 1,406,761 | \$ 1,402,500 | \$ 4,261 | 0% | \$ 16,837,881 | \$ 16,830,000 | \$ 7,881 | 0% |
| Community improvement services | - | - | - | | - | - | - | |
| Recreation programs | 381,492 | 326,093 | 55,400 | 17% A | 5,531,847 | 4,834,614 | 697,233 | 14% A |
| Facility operations | 94,928 | 74,754 | 20,174 | 27% | 928,371 | 803,990 | 124,381 | 15% B |
| Community events | - | - | - | | - | - | - | |
| Advertising | - | - | - | | - | - | - | |
| Management Fee | 6,519 | 13,750 | (7,231) | (53%) | 152,904 | 165,000 | (12,096) | (7%) |
| Interest and other revenue | 42,416 | 8,667 | 33,749 | 389% B | 364,708 | 65,750 | 298,958 | 455% C |
| Total revenues | 1,932,116 | 1,825,763 | 106,353 | 6% | 23,815,712 | 22,699,354 | 1,116,358 | 5% |
| Expenses | | | | | | | | |
| Salaries and employee benefits | 945,439 | 961,451 | 16,012 | 2% | 11,896,373 | 12,976,236 | 1,079,862 | 8% D |
| Facility operations | 110,781 | 105,934 | (4,847) | (5%) | 1,302,631 | 1,109,949 | (192,682) | (17%) E |
| Professional services | 36,573 | 40,297 | 3,723 | 9% | 453,950 | 532,692 | 78,742 | 15% F |
| Advertising | 4,599 | 6,000 | 1,401 | 23% | 66,897 | 72,000 | 5,103 | 7% |
| Office expenses | 33,938 | 39,501 | 5,563 | 14% | 483,454 | 473,923 | (9,531) | (2%) |
| Insurance | 41,260 | 32,259 | (9,001) | (28%) | 403,111 | 387,104 | (16,007) | (4%) |
| Interest | - | - | - | | - | - | - | |
| Information Technology Expenses | 73,960 | 55,720 | (18,240) | (33%) | 751,588 | 668,640 | (82,948) | (12%) G |
| Occupancy | 100,287 | 106,221 | 5,935 | 6% | 1,301,692 | 1,163,645 | (138,047) | (12%) H |
| Program | 126,630 | 68,851 | (57,779) | (84%) C | 1,259,389 | 954,300 | (305,089) | (32%) I |
| Community events | - | - | - | | - | - | - | |
| Conferences, meetings and travel | 2,537 | 500 | (2,037) | (407%) | 14,367 | 6,000 | (8,367) | (139%) |
| Licenses and permits | 3,067 | 4,291 | 1,224 | 29% | 39,634 | 52,042 | 12,408 | 24% |
| Dues, subscriptions and memberships | - | 333 | 333 | 100% | 9,880 | 4,000 | (5,880) | (147%) |
| Management Fee | 10,681 | 28,000 | 17,319 | 62% | 270,352 | 336,000 | 65,648 | 20% J |
| Other operating expenses | (1,140) | 3,083 | 4,223 | 137% | 2,307 | 6,000 | 3,693 | 62% |
| Total Expenses | 1,488,612 | 1,452,441 | (36,171) | (2%) | 18,255,625 | 18,742,531 | 486,905 | 3% |
| Transfers | | | | | | | | |
| Transfers for capital equipment | - | 225,500 | 225,500 | 100% | - | 225,500 | 225,500 | 100% |
| Transfers to Rec. Reserve | (261,917) | 598,466 | 860,383 | 144% | 3,176,675 | 5,322,570 | 2,145,895 | 40% |
| Transfers to Bond Fund | 1,666,829 | 918,621 | (748,208) | (81%) | 3,844,690 | 3,089,915 | (754,775) | (24%) |
| Transfers to Backcountry Fund | - | 37,500 | 37,500 | 100% | 375,000 | 450,000 | 75,000 | 17% |
| Total Transfers | 1,404,912 | 1,780,087 | 375,175 | 21% D | 7,396,365 | 9,087,985 | 1,691,620 | 19% K |
| Total Expenses after Transfers | 2,893,524 | 3,232,528 | 339,004 | 10% | 25,651,991 | 27,830,516 | 2,178,525 | 8% |
| Net Revenue (Expense) | \$ (961,408) | \$ (1,406,764) | \$ 445,357 | (32%) | \$ (1,836,279) | \$ (5,131,162) | \$ 3,294,883 | (64%) |

(0)

5

Variance materiality = \$25k and 10%

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

Variance Discussion - MTD Actual vs. Budget

- A** - Positive variance is due to better than expected participation across many programs, especially preschool, race series, tumbling, and youth sports.
- B** - Grant revenues exceeded budget by \$30K. Grants were received for Therapeutic Rec and preschool.
- C** - Program expenses exceeded budget due to increased revenues, \$10K of marketing invoices that will be reclassified to ComRel and \$20K of soccer contractor invoices related to prior months.
- D** - Transfers are below budget due to none being made for Capital Equipment and Backcountry as they were not required. Transfers to the bond fund were made for the 12/1 payment and to ensure the fund reserve balance meets the Indenture covenants.

Variance Discussion - YTD Actual vs. Budget

- A** - Positive variance is due to better than expected participation across many programs, primarily youth sports, tumbling, and arts & education; offset by Day Camp unfavorable variance.
- B** - Favorable variance for facility operations revenue primarily due to \$60K for Admin lease of ER offices. In addition, facility rentals were higher than predicted for tennis, batting cages, golf simulator, and guest fees.
- C** - Other Revenue favorable variance due to unbudgeted Grant Revenue for Preschool and Day Camps in 2022. \$279K grant revenue received YTD.
- D** - Salaries (\$841K-primarily program staff and lifeguards) and employee benefits (\$238K) lower than expected.
- E** - Facility operations expenses YTD unfavorable variance is due to higher than budgeted pool maintenance expenses (\$67K) and maint/supplies/equipment expenses (\$90K) due to higher costs plus change in capitalization policy with higher thresholds. Also, higher than anticipated uniform costs (\$30K).
- F** - Professional services were favorable to budget due to lower audit and accounting service fees due to an over accrual in prior periods.
- G** - IT expenses exceeded budget YTD due to higher NexusTek and Oracle fees
- H** - Occupancy expenses exceeded budget YTD due to higher than anticipated utility bills (gas, electric, water). Also, in August we received Sunshare bills from 2U21 for one solar garden they had not been previously accrued for.
- I** - Program expenses exceeded budget due to greater program participation and increased revenue
- J** - Management fees less than budget since Legal fees (the predominant driver of mgmt fees charged from Admin Op) are running lower than expected
- K** - Transfers to Rec Reserve for salary survey were returned to Rec Op in November; additionally, budgeted transfers to Rec Reserve were reduced/paused in recent months as Reserve fund balance is sufficient per Reserve Study.

HRCA Backcountry Fund
Variance Analysis - Actual vs. Budget
For the Twelve Months Ended December 31, 2022

| | Current Month | | | | | Year To Date | | | | |
|---------------------------------------|----------------|--------------------|------------------|---------------|----------|--------------------|------------------|--------------------|---------------|----------|
| | Actual | Budget | Variance | | | Actual | Budget | Variance | | |
| | | | \$ | % | | | \$ | % | | |
| Revenues | | | | | | | | | | |
| Recreation programs | \$ 18,970 | \$ 14,100 | 4,870 | 35% | | \$ 919,738 | \$ 832,000 | 87,738 | 11% | A |
| Facility operations | 87,470 | 11,956 | 75,514 | 632% | A | 182,414 | 120,450 | 61,964 | 51% | B |
| Interest and other revenue | 8,586 | 5,012 | 3,574 | 71% | | 9,484 | 17,100 | (7,616) | -45% | C |
| Total revenues | 115,026 | 31,068 | 83,958 | 270% | | 1,111,635 | 969,550 | 142,085 | 15% | |
| Expenses | | | | | | | | | | |
| Salaries and employee benefits | 76,625 | 71,699 | (4,926) | -7% | | 1,149,162 | 1,047,445 | (101,717) | -10% | D |
| Facility operations | 22,181 | 5,410 | (16,771) | -310% | B | 122,394 | 117,000 | (5,394) | -5% | E |
| Professional services | - | 1,250 | 1,250 | 100% | | 450 | 5,600 | 5,150 | 92% | F |
| Office expenses | 786 | 570 | (216) | -38% | | 4,578 | 10,800 | 6,222 | 58% | G |
| Insurance | 3,848 | 3,500 | (348) | -10% | | 37,403 | 42,000 | 4,597 | 11% | |
| Program | 10,716 | 3,250 | (7,466) | (230%) | C | 199,971 | 145,900 | (54,071) | (37%) | H |
| Conferences, meetings and travel | 552 | 1,250 | 698 | 56% | | 23,796 | 29,000 | 5,204 | 18% | I |
| Licenses and permits | - | 90 | 90 | 100% | | - | 1,300 | 1,300 | 100% | |
| Total expenses | 114,707 | 87,019 | (27,688) | (32%) | | 1,537,754 | 1,399,045 | (138,709) | (10%) | |
| Transfers | | | | | | | | | | |
| Transfer To B.C. Reserve Fund | - | 815 | 815 | 100% | | 8,350 | 10,000 | 1,650 | 17% | |
| Transfer from Recreation Fund | - | (37,500) | (37,500) | 100% | D | (375,000) | (450,000) | (75,000) | 17% | J |
| Total transfers | - | (36,685) | (36,685) | 100% | | (366,650) | (440,000) | (73,350) | 17% | |
| Total expenses after transfers | 114,707 | 50,334 | (64,373) | (128%) | | 1,171,104 | 959,045 | (212,059) | (22%) | |
| Net revenue (expense) | \$ 319 | \$ (19,266) | \$ 19,585 | (102%) | | \$ (59,468) | \$ 10,505 | \$ (69,974) | (666%) | |
| | (0) | - | - | | | (0) | 0 | | | |

Variance materiality = \$5k and 10%

Variance Discussion - MTD Actual vs. Budget

- A** - Facilities revenue is positive to budget due to \$77K of unrecognized revenue from prior periods that was taken to income in December.
- B** - Unbudgeted December expenses include: Horse well fix (\$1K), road grading (\$3K), employee uniform expense (\$3K), Natl Resource management exp (\$2K)
- C** - Variance due to \$3K higher than budgeted expenses in Horse Trail Rides and \$2K higher than budget expense for Youth Camp, both due to increased participation. Additionally, \$2K in unbudgeted mountain bike expenses were incurred (new program- no budget in 2022).
- D** - Budgeted transfer for December not necessary due to the Backcountry Fund cash balance.

Variance Discussion - YTD Actual vs. Budget

- A** - Favorable variance due to better than expected participation in horse trail rides (\$25K) and youth camp (\$55K), and the new mountain bike fundamental skills program that was added this year (\$10K).
- B** - \$11K in Grant revenue and \$67K in vegetation management revenue over budgeted amounts due to unrecognized revenue correction. This was offset by \$11K lower than budgeted cell tower lease, and \$5K less from from HRBCEF than
- C** - \$16.5K Lower donations than anticipated, offset by \$8.5K in easement revenue.
- D** - YTD Salaries (\$43K> budget) and employee benefits (\$58K> budget) exceed budget due to increased salary expense for program staffing, unbudgeted retirement plan expenses, and change in payroll accrual
- E** - Primarily due to the following unbudgeted December expenses: Horse well fix (1.1K), road grading (2.8K), employee uniform expense (2.5K), Natl Resource management exp (2.2k over budget), portable restroom exp (6k), offset by lower than budgeted vegetation management expenses(10K).
- F** - 5k of legal fees budgeted, not used.
- G** - Office expenses are lower than budget due to lower cell phone costs and office supplies.
- H** - Program costs higher than budget consistent with increased program participation.

**HRCA
Statement of Revenues and Expenses
For the Month Ending December 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 | 188,874 | 1,406,761 | | 1,595,636 | 191,000 | 1,402,500 | | 1,593,500 | (2,126) | 4,261 | - | 2,136 | -1% | 0% | | 0% |
| Homeowner fees | 33,619 | | | 33,619 | 134,333 | | | 134,333 | (100,714) | | | (100,714) | -75% | | | -75% |
| Community Improvement Services | 355,706 | | | 355,706 | 10,500 | | | 10,500 | 345,206 | | | 345,206 | 3288% | | | 3288% |
| Recreation programs | 390 | 381,492 | 18,970 | 400,852 | 3,417 | 326,093 | 14,100 | 343,609 | (3,027) | 55,400 | 4,870 | 57,243 | -89% | 17% | 35% | 17% |
| Facility operations | | 94,928 | 87,470 | 182,398 | | 74,754 | 11,956 | 86,710 | | 20,174 | 75,514 | 95,688 | | 27% | 632% | 110% |
| Community Events | 9,897 | | | 9,897 | 6,433 | | | 6,433 | 3,463 | | | 3,463 | 54% | | | 54% |
| Advertising | | | | | | | | | | | | | | | | |
| Management Fee | 10,681 | 6,519 | | 17,200 | 16,500 | 13,750 | | 30,250 | (5,819) | (7,231) | | (13,050) | -35% | -53% | | -43% |
| Interest and other revenue | 36,763 | 42,416 | 8,586 | 87,765 | 18,413 | 8,667 | 5,012 | 32,091 | 18,350 | 33,749 | 3,574 | 55,673 | 100% | 389% | 71% | 173% |
| Total revenues | 635,930 | 1,932,116 | 115,026 | 2,683,072 | 380,596 | 1,825,763 | 31,068 | 2,237,427 | 255,334 | 106,353 | 83,958 | 445,645 | 67% | 6% | 270% | 20% |
| Expenses | | | | | | | | | | | | | | | | |
| Salaries and employee benefits | 174,804 | 945,439 | 76,625 | 1,196,868 | 133,606 | 961,451 | 71,699 | 1,166,756 | (41,198) | 16,012 | (4,926) | (30,112) | -31% | 2% | -7% | -3% |
| Facility operations | 6,995 | 110,781 | 22,181 | 139,957 | 1,417 | 105,934 | 5,410 | 112,761 | (5,579) | (4,847) | (16,771) | (27,197) | -394% | -5% | -310% | -24% |
| Professional services | 9,759 | 36,573 | | 46,332 | 49,210 | 40,297 | 1,250 | 90,757 | 39,452 | 3,723 | 1,250 | 44,425 | 80% | 9% | 100% | 49% |
| Advertising | 4,109 | 4,599 | | 8,707 | | 6,000 | | 6,000 | (4,109) | 1,401 | | (2,707) | | 23% | | -45% |
| Office expenses | 12,735 | 33,938 | 786 | 47,460 | 10,876 | 39,501 | 570 | 50,947 | (1,860) | 5,563 | (216) | 3,487 | -17% | 14% | -38% | 7% |
| Insurance | 7,592 | 41,260 | 3,848 | 52,700 | 21,259 | 32,259 | 3,500 | 57,018 | 13,667 | (9,001) | (348) | 4,318 | 64% | -28% | -10% | 8% |
| Interest | | | | | | | | | | | | | | | | |
| IT Expenses | 22,239 | 73,960 | | 96,199 | 32,583 | 55,720 | | 88,303 | 10,344 | (18,240) | | (7,896) | 32% | -33% | | -9% |
| Occupancy | 5,976 | 100,287 | | 106,262 | 5,831 | 106,221 | | 112,053 | (144) | 5,935 | | 5,791 | -2% | 6% | | 5% |
| Program | | 126,630 | 10,716 | 137,346 | | 68,851 | 3,250 | 72,101 | | (57,779) | (7,466) | (65,245) | | -84% | -230% | -90% |
| Community events | 13,562 | | | 13,562 | 17,783 | | | 17,783 | 4,221 | | | 4,221 | 24% | | | 24% |
| Conferences, meetings and travel | 974 | 2,537 | 552 | 4,063 | 2,350 | 500 | 1,250 | 4,100 | 1,376 | (2,037) | 698 | 37 | 59% | -407% | 56% | 1% |
| Licenses and permits | | 3,067 | | 3,067 | | 4,291 | 90 | 4,381 | | 1,224 | 90 | 1,314 | | 29% | 100% | 30% |
| Dues, subscriptions and memberships | 948 | | | 948 | 2,163 | 333 | | 2,496 | 1,214 | 333 | | 1,547 | 56% | 100% | | 62% |
| Management Fee | 6,519 | 10,681 | | 17,200 | 13,750 | 28,000 | | 41,750 | 7,231 | 17,319 | | 24,550 | 53% | 62% | | 59% |
| Other operating expenses | 43 | (1,140) | | (1,097) | 583 | 3,083 | | 3,667 | 540 | 4,223 | | 4,764 | 93% | 137% | | 130% |
| Total expenses | 266,256 | 1,488,612 | 114,707 | 1,869,576 | 291,411 | 1,452,441 | 87,019 | 1,830,871 | 25,155 | (36,171) | (27,688) | (38,705) | 9% | -2% | -32% | -2% |
| Transfers | | | | | | | | | | | | | | | | |
| Transfers for capital equipment | | | | | 7,462 | 225,500 | | 232,962 | 7,462 | 225,500 | | 232,962 | 100% | 0% | 0% | 100% |
| Transfers to Admin. Reserve Fund | | | | | 18,674 | | | 18,674 | 18,674 | | | 18,674 | 100% | 0% | 0% | 100% |
| Transfers to Rec. Reserve | | (261,917) | | (261,917) | | 598,466 | | 598,466 | | 860,383 | | 860,383 | 0% | 144% | 0% | 144% |
| Transfers to Bond Fund | | 1,666,829 | | 1,666,829 | | 918,621 | | 918,621 | | (748,208) | | (748,208) | 0% | -81% | 0% | -81% |
| Transfers to Backcountry Reserve | | | | | | | (37,500) | (37,500) | | | (37,500) | (37,500) | 0% | 0% | 100% | 100% |
| Transfers to Backcountry Fund | | | | | | 37,500 | 815 | 38,315 | | 37,500 | 815 | 38,315 | 0% | 100% | 100% | 100% |
| Total Transfers | - | 1,404,912 | - | 1,404,912 | 26,136 | 1,780,087 | (36,685) | 1,769,538 | 26,136 | 375,175 | (36,685) | 364,626 | 100% | 21% | 100% | 21% |
| Total expense after transfers | 266,256 | 2,893,524 | 114,707 | 3,274,487 | 317,547 | 3,232,528 | 50,334 | 3,600,409 | 51,291 | 339,004 | (64,373) | 325,922 | 16% | 10% | -128% | 9% |
| Net revenue (expense) | 369,674 | (961,408) | 319 | (591,415) | 63,048 | (1,406,764) | (19,266) | (1,362,982) | 306,626 | 445,357 | 19,585 | 771,567 | 486% | -32% | -102% | -57% |

HRCA
Statement of Revenues and Expenses
For the Twelve Months Ending December 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 | 2,292,798 | 16,837,881 | | 19,130,680 | 2,292,000 | 16,830,000 | | 19,122,000 | 798 | 7,881 | - | 8,680 | 0% | 0% | | 0% |
| Homeowner fees | 909,985 | | | 909,985 | 1,235,000 | | | 1,235,000 | (325,015) | | | (325,015) | -26% | | | -26% |
| Community Improvement Services | 473,796 | - | | 473,796 | 126,000 | - | | 126,000 | 347,796 | - | | 347,796 | 276% | | | 276% |
| Recreation programs | 36,079 | 5,531,847 | 919,738 | 6,487,664 | 41,000 | 4,834,614 | 832,000 | 5,707,614 | (4,921) | 697,233 | 87,738 | 780,050 | -12% | 14% | 11% | 14% |
| Facility operations | - | 928,371 | 182,414 | 1,110,785 | - | 803,990 | 120,450 | 924,440 | - | 124,381 | 61,964 | 186,345 | | 15% | 51% | 20% |
| Community Events | 205,112 | - | - | 205,112 | 165,300 | - | - | 165,300 | 39,812 | - | - | 39,812 | 24% | | | 24% |
| Advertising | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Management Fee | 270,352 | 152,904 | | 423,256 | 336,000 | 165,000 | | 501,000 | (65,648) | (12,096) | | (77,744) | -20% | -7% | | -16% |
| Interest and other revenue | 126,903 | 364,708 | 9,484 | 501,095 | 115,950 | 65,750 | 17,100 | 198,800 | 10,953 | 298,958 | (7,616) | 302,295 | 9% | 455% | -45% | 152% |
| Total revenues | 4,315,025 | 23,815,712 | 1,111,635 | 29,242,373 | 4,311,250 | 22,699,354 | 969,550 | 27,980,154 | 3,775 | 1,116,358 | 142,085 | 1,262,219 | 0% | 5% | 15% | 5% |
| Expenses | | | | | | | | | | | | | | | | |
| Salaries and employee benefits | 1,823,544 | 11,896,373 | 1,149,162 | 14,869,079 | 1,948,974 | 12,976,236 | 1,047,445 | 15,972,654 | 125,430 | 1,079,862 | (101,717) | 1,103,575 | 6% | 8% | -10% | 7% |
| Facility operations | 35,221 | 1,302,631 | 122,394 | 1,460,246 | 17,000 | 1,109,949 | 117,000 | 1,243,949 | (18,221) | (192,682) | (5,394) | (216,297) | -107% | -17% | -5% | -17% |
| Professional services | 423,368 | 453,950 | 450 | 877,768 | 549,325 | 532,692 | 5,600 | 1,087,617 | 125,957 | 78,742 | 5,150 | 209,849 | 23% | 15% | 92% | 19% |
| Advertising | 25,153 | 66,897 | - | 92,050 | 10,000 | 72,000 | - | 82,000 | (15,153) | 5,103 | - | (10,050) | -152% | 7% | | -12% |
| Office expenses | 181,969 | 483,454 | 4,578 | 670,002 | 130,507 | 473,923 | 10,800 | 615,230 | (51,462) | (9,531) | 6,222 | (54,771) | -39% | -2% | 58% | -9% |
| Insurance | 57,785 | 403,111 | 37,403 | 498,298 | 129,035 | 387,104 | 42,000 | 558,139 | 71,250 | (16,007) | 4,597 | 59,841 | 55% | -4% | 11% | 11% |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| IT Expenses | 261,472 | 751,588 | - | 1,013,060 | 272,274 | 668,640 | - | 940,914 | 10,802 | (82,948) | - | (72,146) | 4% | -12% | | -8% |
| Occupancy | 70,020 | 1,301,692 | - | 1,371,711 | 70,000 | 1,163,645 | - | 1,233,645 | (20) | (138,047) | - | (138,067) | 0% | -12% | | -11% |
| Program | - | 1,259,389 | 199,971 | 1,459,361 | - | 954,300 | 145,900 | 1,100,200 | - | (305,089) | (54,071) | (359,161) | | -32% | -37% | -33% |
| Community events | 209,898 | - | - | 209,898 | 206,750 | - | - | 206,750 | (3,148) | - | - | (3,148) | -2% | | | -2% |
| Conferences, meetings and travel | 25,101 | 14,367 | 23,796 | 63,263 | 28,200 | 6,000 | 29,000 | 63,200 | 3,099 | (8,367) | 5,204 | (63) | 11% | -139% | 18% | 0% |
| Licenses and permits | - | 39,634 | - | 39,634 | - | 52,042 | 1,300 | 53,342 | - | 12,408 | 1,300 | 13,708 | | 24% | 100% | 26% |
| Dues, subscriptions and memberships | 15,710 | 9,880 | - | 25,591 | 25,950 | 4,000 | - | 29,950 | 10,240 | (5,880) | - | 4,359 | 39% | -147% | | 15% |
| Management Fee | 152,904 | 270,352 | | 423,256 | 165,000 | 336,000 | | 501,000 | 12,096 | 65,648 | - | 77,744 | 7% | 20% | | 16% |
| Other operating expenses | 558 | 2,307 | - | 2,865 | 7,000 | 6,000 | - | 13,000 | 6,442 | 3,693 | - | 10,135 | 92% | 62% | | 78% |
| Total expenses | 3,282,701 | 18,255,625 | 1,537,754 | 23,076,080 | 3,560,014 | 18,742,531 | 1,399,045 | 23,701,589 | 277,313 | 486,905 | (138,709) | 625,509 | 8% | 3% | -10% | 3% |
| Transfers | | | | | | | | | | | | | | | | |
| Transfers for capital equipment | - | - | | - | 89,500 | 225,500 | | 315,000 | 89,500 | 225,500 | - | 315,000 | 100% | 100% | | 100% |
| Transfers to Admin. Reserve Fund | 248,040 | | | 248,040 | 224,000 | | | 224,000 | (24,040) | - | | (24,040) | -11% | | | -11% |
| Transfers to Rec. Reserve | | 3,176,675 | | 3,176,675 | | 5,322,570 | | 5,322,570 | | 2,145,895 | | 2,145,895 | | 40% | | 40% |
| Transfers to Bond Fund | | 3,844,690 | | 3,844,690 | | 3,089,915 | | 3,089,915 | | (754,775) | | (754,775) | | -24% | | -24% |
| Transfers to Backcountry Reserve | | | (375,000) | (375,000) | | | (450,000) | (450,000) | | | (75,000) | (75,000) | | | 17% | 17% |
| Transfers to Backcountry Fund | | 375,000 | 8,350 | 383,350 | | 450,000 | 10,000 | 460,000 | | 75,000 | 1,650 | 76,650 | | 17% | 17% | 17% |
| Total Transfers | 248,040 | 7,396,365 | (366,650) | 7,277,755 | 313,500 | 9,087,985 | (440,000) | 8,961,485 | 65,460 | 1,691,620 | (73,350) | 1,683,730 | 21% | 19% | 17% | 19% |
| Total expense after transfers | 3,530,741 | 25,651,991 | 1,171,104 | 30,353,835 | 3,873,514 | 27,830,516 | 959,045 | 32,663,074 | 342,773 | 2,178,525 | (212,059) | 2,309,239 | 9% | 8% | -22% | 7% |
| Net revenue (expense) | 784,284 | (1,836,279) | (59,468) | (1,111,463) | 437,736 | (5,131,162) | 10,505 | (4,682,920) | 346,548 | 3,294,883 | (69,974) | 3,571,458 | 79% | -64% | -666% | -76% |