



# HIGHLANDS RANCH

## COMMUNITY ASSOCIATION

**Highlands Ranch Community Association**

**Financial Statements**

**January 31, 2023**

**HRCA Financial Statements**  
**January 31, 2023**  
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**Highlands Ranch Community Association, Inc.**  
**Statement of Revenues and Expenses for All Funds**  
**For the One Month Ending January 31, 2023**

	ADMINISTRATIVE			RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE	OSCA	OPERATING	RESERVE	OPERATING	RESERVE	& PLANT		
Revenues										
Homeowner assessments	\$ 221,954	\$ -	\$ -	\$ 1,494,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,716,851
Homeowner fees	22,864	-	-	-	-	-	-	-	-	22,864
Community improvement services	29,736	-	-	-	-	-	-	-	-	29,736
Legal Revenue	(1,505)	-	-	-	-	-	-	-	-	(1,505)
Recreation programs	-	-	-	474,270	-	10,778	-	-	-	485,048
Facility operations	-	-	-	135,445	-	1,355	-	-	(5,500)	131,300
Community events	-	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-	-
Management Fee Revenue	-	-	-	-	-	-	-	-	-	-
Interest and other Revenue	14,859	10,807	17,373	7,223	17,710	5,831	2,422	12,486	(818)	87,893
Total revenues	287,908	10,807	17,373	2,111,835	17,710	17,964	2,422	12,486	(6,318)	2,472,187
Expenses										
Salaries	114,861	-	-	788,344	-	60,570	-	-	-	963,775
Employee benefits	35,049	-	-	217,134	-	25,570	-	-	-	277,753
Facility operations	1,750	-	-	61,281	7,174	2,365	-	-	-	72,570
Depreciation Expense	-	5,302	-	-	-	-	10,888	224,975	-	241,165
Professional services	24,935	-	-	21,788	-	-	-	-	-	46,723
Advertising	3,152	-	-	1,111	-	(64)	-	-	-	4,199
Office expenses	22,618	-	-	51,081	490	488	-	-	-	74,677
Insurance	5,977	-	-	41,260	-	3,848	-	-	-	51,085
Interest	-	-	-	-	818	-	-	29,700	(818)	29,700
Information Technology Expenses	20,992	-	-	49,599	-	-	-	-	-	70,591
Occupancy	6,143	-	-	167,885	-	-	-	-	(5,500)	168,528
Program	-	-	-	69,481	-	10,457	-	-	-	79,938
Community events	5,544	-	-	-	-	-	-	-	-	5,544
Conferences, meetings and travel	1,990	-	-	594	-	1,390	-	-	-	3,974
Licenses and permits	-	-	-	3,438	-	-	-	-	-	3,438
Dues, subscriptions and memberships	1,048	-	-	139	-	-	-	-	-	1,187
Management Fee Expense	-	-	-	-	-	-	-	-	-	-
Other operating expenses	92	-	-	16,549	-	-	-	-	-	16,641
Total expenses	244,151	5,302	-	1,489,684	8,482	104,624	10,888	254,675	(6,318)	2,111,488
(Gains) / Losses	-	-	-	-	-	-	-	10,465	-	10,465
Excess (deficiency) of revenues over expenses	43,757	5,505	17,373	622,151	9,228	(86,660)	(8,466)	(252,654)	-	350,234
Transfers to Bond Fund	-	-	-	(279,709)	-	-	-	279,709	-	-
Transfers to Backcountry Fund	-	-	-	-	-	-	-	-	-	-
Transfers for Capital Equipment	-	-	-	(11,938)	-	-	-	11,938	-	-
Transfers for Reserves	-	-	(2,000)	-	(110,118)	-	2,000	110,118	-	-
Total transfers	-	-	(2,000)	(291,647)	(110,118)	-	2,000	401,765	-	-
Net revenues (expenses)	\$ 43,757	\$ 5,505	\$ 15,373	\$ 330,504	\$ (100,890)	\$ (86,660)	\$ (6,466)	\$ 149,111	\$ -	\$ 350,234

Highlands Ranch Community Association, Inc.  
Balance Sheet for All Funds  
As of January 31, 2023

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE		ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE	& PLANT			
<b>ASSETS</b>											
<b>Current Assets</b>											
<b>Cash &amp; Equivalents</b>											
1000 - Wells Fargo Invest Sweep	\$ 5,919,067	\$ -	\$ -	\$ 3,364,903	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,283,970
1002 - Wells Fargo Payroll Checking	70,717	-	-	-	-	-	-	-	-	-	70,717
1003 - Wells Fargo Rec Operating Checking	-	-	-	(110,274)	-	-	-	-	-	-	(110,274)
1004 - Wells Fargo BC Operating Checking	-	-	-	-	-	210,116	-	-	-	-	210,116
1005 - Wells Fargo Admin Operating Checking	(22,023)	-	-	-	-	1,590	-	-	-	-	(20,433)
<b>Wells Fargo Checking, Payroll and Sweep</b>	<b>5,967,761</b>	-	-	<b>3,254,629</b>	-	<b>211,706</b>	-	-	-	-	<b>9,434,096</b>
1010 - Front Range Bank MM	-	-	-	247,584	-	-	-	-	-	-	247,584
<b>Other Investment Accounts</b>	-	-	-	<b>247,584</b>	-	-	-	-	-	-	<b>247,584</b>
1017 - WF Bond Fund Suppl. Reserve Trustee	-	-	-	-	-	-	-	1,732,687	-	-	1,732,687
1020 - Wells Fargo Bond Fund Prepayments	-	-	-	-	-	-	-	279,709	-	-	279,709
1021 - Wells Fargo Bond Fund Trustee	-	-	-	-	-	-	-	2,019,418	-	-	2,019,418
<b>Wells Fargo Bond Fund Accounts</b>	-	-	-	-	-	-	-	<b>4,031,814</b>	-	-	<b>4,031,814</b>
1022 - Morgan Stanley Capital Project Fund	-	-	-	-	-	-	-	-	-	-	-
1023 - Morgan Stanley Capital Project CD	-	-	-	-	2,514,674	-	-	-	-	-	2,514,674
1024 - Morgan Stanley OSCA	-	-	42,150	-	-	-	-	-	-	-	42,150
1025 - Morgan Stanley OSCA CD	-	-	4,971,849	-	-	-	-	-	-	-	4,971,849
1026 - Morgan Stanley Rec Reserve MM	-	-	-	-	(83,962)	-	-	-	-	-	(83,962)
1027 - Morgan Stanley Rec Reserve CD	-	-	-	-	2,627,540	-	-	-	-	-	2,627,540
<b>Morgan Stanley</b>	-	-	<b>5,013,999</b>	-	<b>5,058,252</b>	-	-	-	-	-	<b>10,072,251</b>
1028 - RBC Wealth Mgmt Admin Reserve MM	-	148,451	-	-	-	-	-	-	-	-	148,451
1029 - RBC Wealth Mgmt Admin Reserve CD	-	714,176	-	-	-	-	-	-	-	-	714,176
1030 - RBC Wealth Mgmt BC Operating MM	-	-	-	-	-	7,760	221	-	-	-	7,981
1031 - RBC Wealth Mgmt BC Operating CD	-	-	-	-	-	37,867	354	-	-	-	38,221
1032 - RBC Wealth Mgmt BC Reserve CD	-	-	-	-	-	-	42,151	-	-	-	42,151
1033 - RBC Wealth Mgmt BC Reserve	-	-	-	-	-	-	163,171	-	-	-	163,171
1036 - RBC Wealth Mgmt Spec Proj Fund MM	13,530	-	-	-	-	-	-	-	-	-	13,530
1037 - RBC Wealth Mgmt Spec Proj Fund CD	-	-	-	-	-	-	-	-	-	-	-
<b>RBC Wealth Management</b>	<b>13,530</b>	<b>862,627</b>	-	-	-	<b>45,627</b>	<b>205,897</b>	-	-	-	<b>1,127,681</b>
1044 - Cash Drawer Cash on Hand	-	-	-	2,877	-	-	-	-	-	-	2,877
1045 - Program Cash on Hand	200	-	-	-	-	-	-	-	-	-	200
1048 - Deposit Cash Clearing	(581)	-	-	-	-	-	-	-	-	-	(581)
<b>Cash on Hand</b>	<b>(381)</b>	-	-	<b>2,877</b>	-	-	-	-	-	-	<b>2,496</b>
<b>Total Cash &amp; Equivalents</b>	<b>5,980,910</b>	<b>862,627</b>	<b>5,013,999</b>	<b>3,505,090</b>	<b>5,058,252</b>	<b>257,333</b>	<b>205,897</b>	<b>4,031,814</b>	-	-	<b>24,915,922</b>
<b>Accounts Receivable</b>											
1100 - AR-Assessments & Legal	502,106	-	-	4,010,287	-	-	-	-	-	-	4,512,393
1105 - Allowance for Doubtful Accounts	(19,434)	-	-	(55,387)	-	-	-	-	-	-	(74,821)
1180 - AR- Covenants & Legal	505,937	-	-	-	-	-	-	-	-	-	505,937
1191 - Accrued Interest Receivable	-	-	-	-	-	-	-	12,486	-	-	12,486
1195 - Miscellaneous Receivable	7,278	-	-	7,091	4,720	(1,450)	(79)	-	-	-	17,560
1196 - Misc Rec – PM Shared Credit	-	-	-	20,135	-	-	-	-	-	-	20,135
<b>Total Accounts Receivable</b>	<b>995,887</b>	-	-	<b>3,982,126</b>	<b>4,720</b>	<b>(1,450)</b>	<b>(79)</b>	<b>12,486</b>	-	-	<b>4,993,690</b>
<b>Other Current Asset</b>											
1200 - Prepaid Expense	26,534	-	-	106,685	-	-	-	-	-	-	133,219
1205 - Prepaid Insurance	29,130	-	-	175,715	-	15,953	-	-	-	-	220,798
1210 - Inventory	-	-	-	58,765	-	-	-	-	-	-	58,765
1225 - Undeposited Funds	17,929	-	-	-	-	-	-	-	-	-	17,929
<b>Total Other Current Asset</b>	<b>73,593</b>	-	-	<b>341,165</b>	-	<b>15,953</b>	-	-	-	-	<b>430,711</b>
<b>Total Current Assets</b>	<b>7,050,390</b>	<b>862,627</b>	<b>5,013,999</b>	<b>7,828,381</b>	<b>5,062,972</b>	<b>271,836</b>	<b>205,818</b>	<b>4,044,300</b>	-	-	<b>30,340,323</b>
<b>Fixed Assets</b>											
Fixed Assets - Cost	-	601,003	-	-	-	-	1,366,322	77,169,087	-	-	79,136,412
Fixed Assets - Accumulated Depreciation	-	(372,434)	-	-	-	-	(885,060)	(44,259,737)	-	-	(45,517,231)
<b>Total Fixed Assets</b>	-	<b>228,569</b>	-	-	-	-	<b>481,262</b>	<b>32,909,350</b>	-	-	<b>33,619,181</b>
<b>Other Assets</b>											
1110 - PM Cash Clearing	-	-	-	-	-	-	-	-	-	-	-
1250 - Interfund Receivable	3,975,426	-	-	6,558,468	587,981	17,299	-	-	(11,139,174)	-	-
1255 - Loan from OSCA Loan Receivable	-	-	150,000	-	-	-	-	-	(150,000)	-	-
1260 - Intercompany Receivable 501c3	6,990	-	-	992	-	4,523	-	-	-	-	12,505
1600 - Bond Issuance Costs	-	-	-	-	-	-	-	26,085	-	-	26,085
<b>Total Other Assets</b>	<b>3,982,416</b>	-	<b>150,000</b>	<b>6,559,460</b>	<b>587,981</b>	<b>21,822</b>	-	<b>26,085</b>	<b>(11,289,174)</b>	-	<b>38,590</b>
<b>Total ASSETS</b>	<b>\$ 11,032,806</b>	<b>\$ 1,091,196</b>	<b>\$ 5,163,999</b>	<b>\$ 14,387,841</b>	<b>\$ 5,650,953</b>	<b>\$ 293,658</b>	<b>\$ 687,080</b>	<b>\$ 36,979,735</b>	<b>\$ (11,289,174)</b>	<b>\$</b>	<b>\$ 63,998,094</b>

Highlands Ranch Community Association, Inc.  
Balance Sheet for All Funds  
As of January 31, 2023

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE	& PLANT		
<b>LIABILITIES &amp; EQUITY</b>										
<b>Current Liabilities</b>										
<b>Accounts Payable</b>										
2000 - Accounts Payable	17,348	-	-	286,348	34,195	2,533	-	-	-	340,424
2010 - Wells Fargo CC Clearing	-	-	-	(7,284)	-	6,521	-	-	-	(763)
2015 - Accrued Bond Interest Payable	-	-	-	-	-	-	-	59,401	-	59,401
2025 - Preschool Scrips Pass Through	-	-	-	-	-	-	-	-	-	-
<b>Total Accounts Payable</b>	<b>17,348</b>	<b>-</b>	<b>-</b>	<b>279,064</b>	<b>34,195</b>	<b>9,054</b>	<b>-</b>	<b>59,401</b>	<b>-</b>	<b>399,062</b>
<b>Other Current Liability</b>										
2005 - Accrued Accounts Payable	30,340	-	-	165,187	-	41,600	-	-	-	237,127
2006 - Accrued AP - PM Shared Credit	-	-	-	1,177	-	-	-	-	-	1,177
2009 - Colorado Payback	5,916	-	-	11,294	-	3,658	-	-	-	20,868
2020 - Sales Taxes Payable - State	-	-	-	178	-	-	-	-	-	178
2045 - Accrued Payroll & Vacation Expense	152,579	-	-	206,392	-	24,245	-	-	-	383,216
2050 - AFLAC Pre-Tax	2,523	-	-	(2,165)	-	-	-	-	-	358
2055 - Cafeteria Plan EE Contribution	314	-	-	1,314	-	-	-	-	-	1,628
2060 - Health Savings Acct EE Cont	1,360	-	-	1,848	-	-	-	-	-	3,208
2100 - Unearned Assessments	499,884	-	-	4,230,747	-	-	-	-	-	4,730,631
2101 - Deferred Assessments	432,914	-	-	2,987,527	-	-	-	-	-	3,420,441
2102 - Unearned CIS Fines & Fees	463,573	-	-	-	-	-	-	-	-	463,573
2105 - Unearned Program & Facilities Revenue	10,965	-	-	1,473,288	-	-	-	-	-	1,484,253
2110 - Unearned Other Revenue	-	-	-	14,566	-	14,899	-	-	-	29,465
2250 - Interfund Payable	6,595,097	31,398	-	4,403,272	2,451	106,955	-	-	(11,139,174)	(1)
2260 - Intercompany Payable 501c3	4,097	-	-	3,431	-	-	-	-	-	7,528
<b>Total Other Current Liability</b>	<b>8,199,562</b>	<b>31,398</b>	<b>-</b>	<b>13,498,056</b>	<b>2,451</b>	<b>191,357</b>	<b>-</b>	<b>-</b>	<b>(11,139,174)</b>	<b>10,783,650</b>
<b>Total Current Liabilities</b>	<b>8,216,910</b>	<b>31,398</b>	<b>-</b>	<b>13,777,120</b>	<b>36,646</b>	<b>200,411</b>	<b>-</b>	<b>59,401</b>	<b>(11,139,174)</b>	<b>11,182,712</b>
<b>Long Term Liabilities</b>										
2255 - Loan from OSCA Loan Payable	-	-	-	-	150,000	-	-	-	(150,000)	-
2600 - Bonds Payable - 1999 Series	-	-	-	-	-	-	-	-	-	-
2610 - Bonds Payable - 2004 Series	-	-	-	-	-	-	-	5,990,000	-	5,990,000
<b>Total Long Term Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>5,990,000</b>	<b>(150,000)</b>	<b>5,990,000</b>
<b>Equity</b>										
Restricted Fund Balance	38,659	309,868	1,237,500	-	2,926,527	-	157,779	-	-	4,670,333
Retained Earnings	2,733,479	744,424	3,911,126	280,220	2,638,670	179,905	535,767	30,781,222	-	41,804,813
Net Income	43,757	5,505	15,373	330,504	(100,890)	(86,660)	(6,466)	149,111	-	350,234
<b>Total Equity (Fund Balance)</b>	<b>2,815,895</b>	<b>1,059,797</b>	<b>5,163,999</b>	<b>610,724</b>	<b>5,464,307</b>	<b>93,245</b>	<b>687,080</b>	<b>30,930,333</b>	<b>-</b>	<b>46,825,380</b>
<b>Total LIABILITIES &amp; EQUITY</b>	<b>\$ 11,032,805</b>	<b>\$ 1,091,195</b>	<b>\$ 5,163,999</b>	<b>\$ 14,387,844</b>	<b>\$ 5,650,953</b>	<b>\$ 293,656</b>	<b>\$ 687,080</b>	<b>\$ 36,979,734</b>	<b>\$ (11,289,174)</b>	<b>\$ 63,998,092</b>

**Highlands Ranch Community Association**  
**Statement of Cash Flows for All Funds**  
**For the One Month Ending January 31, 2023**

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE		
<b>Cash flows from operating activities</b>									
Excess (deficiency) of revenues over expenses	\$ 43,759	\$ 5,505	\$ 15,373	\$ 330,505	\$ (100,891)	\$ (86,662)	\$ (6,466)	\$ 149,109	\$ 350,232
Adjustment to reconcile excess (deficiency) of revenues over expenses to net cash from (used for) operating activities									
Depreciation expense	-	5,302	-	-	-	-	10,888	224,975	241,165
(Gain) loss on asset disposal	-	-	-	-	-	-	-	10,465	10,465
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	(472,508)	-	-	(3,788,740)	-	-	-	-	(4,261,248)
Accounts receivable, other	100,845	-	-	(12,731)	-	6,113	-	(5,676)	88,551
Prepaid expenses and other assets	(25,666)	-	-	(38,079)	-	2,849	-	-	(60,896)
Increase (decrease) in operating liabilities									
Accounts payable and accrued expenses	(381,435)	-	-	83,701	(6,337)	(9,076)	1	29,701	(283,445)
Accrued payroll and related items	-	-	-	-	-	-	-	-	-
Assessments paid in advance	437,930	-	-	2,991,260	-	-	-	-	3,429,190
Deferred revenue	218,644	-	-	2,512,978	-	5,549	-	-	2,737,171
Lease liability	-	-	-	-	-	-	-	-	-
<b>Net cash from (used for) operating activities</b>	<b>(78,431)</b>	<b>10,807</b>	<b>15,373</b>	<b>2,078,894</b>	<b>(107,228)</b>	<b>(81,227)</b>	<b>4,423</b>	<b>408,574</b>	<b>2,251,185</b>
<b>Cash flows from investing activities</b>									
Net (purchases) sales of investments	-	-	-	-	-	-	-	-	-
Purchases of property and equipment	-	(31,399)	-	-	-	-	(2,000)	(122,056)	(155,455)
<b>Net cash from (used for) investing activities</b>	<b>-</b>	<b>(31,399)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,000)</b>	<b>(122,056)</b>	<b>(155,455)</b>
<b>Cash flows from financing activities</b>									
Payment of accounts payable for property and equipment	-	-	-	-	-	-	-	-	-
Bond principal payments	-	-	-	-	-	-	-	-	-
Net borrowing and transfers among funds	757,852	31,398	44,000	(766,696)	(86,288)	19,732	-	-	(2)
<b>Net cash from (used for) financing activities</b>	<b>757,852</b>	<b>31,398</b>	<b>44,000</b>	<b>(766,696)</b>	<b>(86,288)</b>	<b>19,732</b>	<b>-</b>	<b>-</b>	<b>(2)</b>
Net change in cash, cash equivalents, and restricted cash	679,421	10,806	59,373	1,312,198	(193,516)	(61,495)	2,423	286,519	2,095,729
Cash, cash equivalents, and restricted cash, beginning of year	5,301,488	851,820	4,954,626	2,192,894	5,251,768	318,825	203,474	3,745,295	22,820,190
Cash, cash equivalents, and restricted cash, end of year	<b>\$ 5,980,909</b>	<b>\$ 862,626</b>	<b>\$ 5,013,999</b>	<b>\$ 3,505,092</b>	<b>\$ 5,058,252</b>	<b>\$ 257,330</b>	<b>\$ 205,897</b>	<b>\$ 4,031,814</b>	<b>\$ 24,915,919</b>

**HRCA Administrative Fund**  
**Variance Analysis - Actual vs. Budget**  
**For the One Month Ended January 31, 2023**

	Current Month					Year To Date			
	Actual	Budget	Variance			Actual	Budget	Variance	
			\$	%				\$	%
<b>Revenues</b>									
Homeowner assessments	\$ 221,954	\$ 190,754	\$ 31,200	16%	A	\$ 221,954	\$ 190,754	\$ 31,200	16%
Homeowner fees	22,864	67,423	(44,560)	(66%)	B	22,864	67,423	(44,560)	(66%)
Community improvement services	29,736	7,500	22,236	296%	C	29,736	7,500	22,236	296%
Legal Revenue	(1,505)	3,417	(4,922)	(144%)		(1,505)	3,417	(4,922)	(144%)
Facility operations	-	-	-			-	-	-	
Community events	-	1,013	(1,013)	(100%)		-	1,013	(1,013)	(100%)
Advertising	-	-	-			-	-	-	
Management Fee Revenue	-	28,145	(28,145)	(100%)	D	-	28,145	(28,145)	(100%)
Interest and other Revenue	14,859	23,815	(8,956)	(38%)		14,859	23,815	(8,956)	(38%)
<b>Total revenues</b>	<b>287,909</b>	<b>322,067</b>	<b>(34,158)</b>	<b>(11%)</b>		<b>287,909</b>	<b>322,067</b>	<b>(34,158)</b>	<b>(11%)</b>
<b>Expenses</b>									
Salaries	114,861	130,800	15,939	12%	E	114,861	130,800	15,939	12%
Employee benefits	35,049	43,100	8,051	19%		35,049	43,100	8,051	19%
Facility operations	1,750	662	(1,089)	(165%)		1,750	662	(1,089)	(165%)
Professional services	24,935	41,313	16,378	40%	F	24,935	41,313	16,378	40%
Advertising	3,152	833	(2,319)	(278%)		3,152	833	(2,319)	(278%)
Office expenses	22,618	12,338	(10,280)	(83%)	G	22,618	12,338	(10,280)	(83%)
Insurance	5,977	11,900	5,923	50%		5,977	11,900	5,923	50%
Information Technology Expenses	20,992	15,554	(5,438)	(35%)		20,992	15,554	(5,438)	(35%)
Occupancy	6,143	6,122	(21)	0%		6,143	6,122	(21)	0%
Community events	5,544	2,083	(3,460)	(166%)		5,544	2,083	(3,460)	(166%)
Conferences, meetings and travel	1,990	2,490	500	20%		1,990	2,490	500	20%
Dues, subscriptions and memberships	1,048	1,393	346	25%		1,048	1,393	346	25%
Management Fee Expense	-	13,719	13,719	100%	H	-	13,719	13,719	100%
Other operating expenses	92	583	491	84%		92	583	491	84%
<b>Total expenses</b>	<b>244,151</b>	<b>282,891</b>	<b>38,739</b>	<b>14%</b>		<b>244,151</b>	<b>282,891</b>	<b>38,739</b>	<b>14%</b>
<b>Transfers</b>									
Transfers for Capital Equipment	-	-	-			-	-	-	
Transfers for Reserves	-	-	-			-	-	-	
<b>Total transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total expenses after transfers</b>	<b>244,151</b>	<b>282,891</b>	<b>38,739</b>	<b>14%</b>		<b>244,151</b>	<b>282,891</b>	<b>38,739</b>	<b>14%</b>
<b>Net revenue (expense)</b>	<b>\$ 43,757</b>	<b>\$ 39,176</b>	<b>\$ 4,581</b>	<b>12%</b>		<b>\$ 43,757</b>	<b>\$ 39,176</b>	<b>\$ 4,581</b>	<b>12%</b>

Variance materiality = \$10k and 10%

**Variance Discussion - MTD Actual vs. Budget**

- A** - Homeowner assessments revenue exceeded budget by \$31K. Annual payees may need to be spread over twelve months. Will adjust in Feb.
- B** - Homeowner fee revenue is less than budget due to fewer status letter fees, legal fees, and resales than expected.
- C** - CIS revenue exceeded budget because CIS fines were not budgeted for the year. In January, we collected \$25K.
- D** - Management fee revenue/expense between Rec and Admin was discontinued in 2023.
- E** - Overall salaries were less than budget. Largest variance is CIS Department coming in \$11K under budget.
- F** - Professional services are favorable to budget primarily due to lower legal fees (\$18K less than expected).
- G** - Office expenses were unfavorable to budget due to higher bank/credit card fees (\$3K), office supplies (\$5K), and postage (\$2K).
- H** - Management fee revenue/expense between Rec and Admin was discontinued in 2023.

**HRCA Recreation Fund**  
**Variance Analysis - Actual vs. Budget**  
**For the One Month Ended January 31, 2023**

	Current Month				Year To Date				
	Actual	Budget	Variance		Actual	Budget	Variance		
			\$	%			\$	%	
<b>Revenues</b>									
Homeowner assessments	\$ 1,494,897	\$ 1,493,284	\$ 1,613	0%	\$ 1,494,897	\$ 1,493,284	\$ 1,613	0%	
Recreation programs	474,270	453,827	20,443	5%	474,270	453,827	20,443	5%	
Facility operations	135,445	91,644	43,801	48%	135,445	91,644	43,801	48%	
Advertising	-	-	-		-	-	-		
Management Fee Revenue	-	13,719	(13,719)	(100%)	-	13,719	(13,719)	(100%)	
Interest and other Revenue	7,223	5,696	1,527	27%	7,223	5,696	1,527	27%	
<b>Total revenues</b>	<b>2,111,835</b>	<b>2,058,170</b>	<b>53,665</b>	<b>3%</b>	<b>2,111,835</b>	<b>2,058,170</b>	<b>53,665</b>	<b>3%</b>	
<b>Expenses</b>									
Salaries	788,344	832,840	44,495	5%	788,344	832,840	44,495	5%	
Employee benefits	217,134	221,676	4,543	2%	217,134	221,676	4,543	2%	
Facility operations	61,281	82,593	21,312	26%	61,281	82,593	21,312	26%	
Professional services	21,788	21,472	(317)	(1%)	21,788	21,472	(317)	(1%)	
Advertising	1,111	833	(277)	(33%)	1,111	833	(277)	(33%)	
Office expenses	51,081	39,535	(11,547)	(29%)	51,081	39,535	(11,547)	(29%)	
Insurance	41,260	35,750	(5,510)	(15%)	41,260	35,750	(5,510)	(15%)	
Information Technology Expenses	49,599	57,758	8,158	14%	49,599	57,758	8,158	14%	
Occupancy	167,885	125,309	(42,576)	(34%)	167,885	125,309	(42,576)	(34%)	
Program	69,481	64,851	(4,631)	(7%)	69,481	64,851	(4,631)	(7%)	
Conferences, meetings and travel	594	838	244	29%	594	838	244	29%	
Licenses and permits	3,438	37,700	34,262	91%	3,438	37,700	34,262	91%	
Dues, subscriptions and memberships	139	563	424	75%	139	563	424	75%	
Management Fee Expense	-	28,145	28,145	100%	-	28,145	28,145	100%	
Other operating expenses	16,549	458	(16,091)	(3,511%)	16,549	458	(16,091)	(3,511%)	
<b>Total expenses</b>	<b>1,489,685</b>	<b>1,550,320</b>	<b>60,636</b>	<b>4%</b>	<b>1,489,685</b>	<b>1,550,320</b>	<b>60,636</b>	<b>4%</b>	
<b>Transfers</b>									
Transfers to Bond Fund	279,709	267,200	(12,509)	(5%)	279,709	267,200	(12,509)	(5%)	
Transfers to Backcountry Fund	-	41,650	41,650	100%	-	41,650	41,650	100%	
Transfers for Capital Equipment	11,938	16,500	4,562	28%	11,938	16,500	4,562	28%	
Transfers for Reserves	-	64,575	64,575	100%	-	64,575	64,575	100%	
<b>Total transfers</b>	<b>291,648</b>	<b>389,925</b>	<b>98,277</b>	<b>25%</b>	<b>291,648</b>	<b>389,925</b>	<b>98,277</b>	<b>25%</b>	
<b>Total expenses after transfers</b>	<b>1,781,332</b>	<b>1,940,245</b>	<b>158,913</b>	<b>8%</b>	<b>1,781,332</b>	<b>1,940,245</b>	<b>158,913</b>	<b>8%</b>	
<b>Net revenue (expense)</b>	<b>\$ 330,503</b>	<b>\$ 117,925</b>	<b>\$ 212,578</b>	<b>180%</b>	<b>\$ 330,503</b>	<b>\$ 117,925</b>	<b>\$ 212,578</b>	<b>180%</b>	

Variance materiality = \$25k and 10%

**Variance Discussion - MTD Actual vs. Budget**

- A** - Facility rental for aquatics exceeded budget by \$12K due to XXXXX. Non-resident memberships exceeded budget by \$10K.
- B** - Natural Gas cost exceeded budget by \$20K due to increased usage and increased rates. Electricity exceed budget by \$16K
- C** - Ellis permitting of \$37K was budgeted all in January, was recorded to PPD and will be amortized over the year
- D** - Management fee revenue/expense between Rec and Admin was discontinued in 2023.
- E** - Transfers will be made quarterly or as needed to fund Backcountry
- F** - Transfers will be made quarterly to Reserve Fund

**HRCA Backcountry Fund**  
**Variance Analysis - Actual vs. Budget**  
**For the One Month Ended January 31, 2023**

	Current Month				Year To Date			
	Actual	Budget	Variance		Actual	Budget	Variance	
			\$	%			\$	%
<b>Revenues</b>								
Recreation programs	10,778	12,000	(1,222)	(10%)	10,778	12,000	(1,222)	(10%)
Facility operations	1,355	2,205	(851)	(39%)	1,355	2,205	(851)	(39%)
Interest and other Revenue	5,831	8,400	(2,569)	(31%)	5,831	8,400	(2,569)	(31%)
<b>Total revenues</b>	<b>17,963</b>	<b>22,605</b>	<b>(4,642)</b>	<b>(21%)</b>	<b>17,963</b>	<b>22,605</b>	<b>(4,642)</b>	<b>(21%)</b>
<b>Expenses</b>								
Salaries	60,570	66,744	6,173	9%	60,570	66,744	6,173	9%
Employee benefits	25,570	22,738	(2,832)	(12%)	25,570	22,738	(2,832)	(12%)
Facility operations	2,365	7,443	5,078	68% <b>A</b>	2,365	7,443	5,078	68%
Professional services	-	283	283	100%	-	283	283	100%
Advertising	(64)	-	64		(64)	-	64	
Office expenses	488	855	367	43%	488	855	367	43%
Insurance	3,848	3,605	(243)	(7%)	3,848	3,605	(243)	(7%)
Program	10,457	22,000	11,543	52% <b>B</b>	10,457	22,000	11,543	52%
Conferences, meetings and travel	1,390	1,525	135	9%	1,390	1,525	135	9%
Licenses and permits	-	47	47	100%	-	47	47	100%
<b>Total expenses</b>	<b>104,623</b>	<b>125,239</b>	<b>20,616</b>	<b>16%</b>	<b>104,623</b>	<b>125,239</b>	<b>20,616</b>	<b>16%</b>
(Gains) / Losses	-	-	-		-	-	-	
<b>Transfers</b>								
Transfers to Backcountry Fund	-	(41,650)	(41,650)	100% <b>C</b>	-	(41,650)	(41,650)	100%
Transfers for Capital Equipment	-	-	-		-	-	-	
Transfers for Reserves	-	-	-		-	-	-	
<b>Total transfers</b>	<b>-</b>	<b>(41,650)</b>	<b>(41,650)</b>	<b>100%</b>	<b>-</b>	<b>(41,650)</b>	<b>(41,650)</b>	<b>100%</b>
<b>Total expenses after transfers</b>	<b>104,623</b>	<b>83,589</b>	<b>(21,034)</b>	<b>(25%)</b>	<b>104,623</b>	<b>83,589</b>	<b>(21,034)</b>	<b>(25%)</b>
<b>Net revenue (expense)</b>	<b>\$ (86,660)</b>	<b>\$ (60,984)</b>	<b>(25,676)</b>	<b>42%</b>	<b>\$ (86,660)</b>	<b>\$ (60,984)</b>	<b>(25,676)</b>	<b>42%</b>

Variance materiality = \$5k and 10%

**Variance Discussion - MTD Actual vs. Budget**

- A** - Facility operations expenses are favorable to budget due to lower than expected uniforms, supplies, and noxious weeds expenses for the month.
- B** - Program expenses are less than budget primarily due to \$14K bill for archery targets budgeted in January, received in February.
- C** - Transfers to Backcountry from Rec Fund will be made quarterly or as needed

**HRCA**  
**Statement of Revenues and Expenses**  
**For the Month Ending January 31, 2023**

	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
<b>Revenues</b>																
Homeowner assessments and fees	221,954	1,494,897	-	1,716,851	190,754	1,493,284	-	1,684,038	31,200	1,613	-	32,813	16%	0%		2%
Homeowner fees	22,864	-	-	22,864	67,423	-	-	67,423	(44,560)	-	-	(44,560)	-66%			-66%
Community Improvement Services	29,736	-	-	29,736	7,500	-	-	7,500	22,236	-	-	22,236	296%			296%
Legal Revenue	(1,505)	-	-	(1,505)	3,417	-	-	3,417	(4,922)	-	-	(4,922)	-144%			-144%
Recreation programs	-	474,270	10,778	485,048	-	453,827	12,000	465,827	-	20,443	(1,222)	19,221		5%	-10%	4%
Facility operations	-	135,445	1,355	136,800	-	91,644	2,205	93,850	-	43,801	(851)	42,950		48%	-39%	46%
Community Events	-	-	-	-	1,013	-	-	1,013	(1,013)	-	-	(1,013)	-100%			-100%
Advertising	-	-	-	-	-	-	-	-	-	-	-	-				
Management Fee	-	-	-	-	28,145	13,719	-	41,864	(28,145)	(13,719)	-	(41,864)	-100%	-100%		-100%
Interest and other revenue	14,859	7,223	5,831	27,913	23,815	5,696	8,400	37,911	(8,956)	1,527	(2,569)	(9,998)	-38%	27%	-31%	-26%
<b>Total revenues</b>	<b>287,909</b>	<b>2,111,835</b>	<b>17,963</b>	<b>2,417,707</b>	<b>322,067</b>	<b>2,058,170</b>	<b>22,605</b>	<b>2,402,842</b>	<b>(34,158)</b>	<b>53,665</b>	<b>(4,642)</b>	<b>14,865</b>	<b>-11%</b>	<b>3%</b>	<b>-21%</b>	<b>1%</b>
<b>Expenses</b>																
Salaries	114,861	788,344	60,570	963,776	130,800	832,840	66,744	1,030,384	15,939	44,495	6,173	66,608	12%	5%	9%	6%
Employee benefits	35,049	217,134	25,570	277,753	43,100	221,676	22,738	287,515	8,051	4,543	(2,832)	9,762	19%	2%	-12%	3%
Facility operations	1,750	61,281	2,365	65,396	662	82,593	7,443	90,698	(1,089)	21,312	5,078	25,302	-165%	26%	68%	28%
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-				
Professional services	24,935	21,788	-	46,724	41,313	21,472	283	63,067	16,378	(317)	283	16,344	40%	-1%	100%	26%
Advertising	3,152	1,111	(64)	4,198	833	833	-	1,667	(2,319)	(277)	64	(2,532)	-278%	-33%		-152%
Office expenses	22,618	51,081	488	74,187	12,338	39,535	855	52,727	(10,280)	(11,547)	367	(21,459)	-83%	-29%	43%	-41%
Insurance	5,977	41,260	3,848	51,085	11,900	35,750	3,605	51,255	5,923	(5,510)	(243)	170	50%	-15%	-7%	0%
Interest	-	-	-	-	-	-	-	-	-	-	-	-				
IT Expenses	20,992	49,599	-	70,591	15,554	57,758	-	73,312	(5,438)	8,158	-	2,720	-35%	14%		4%
Occupancy	6,143	167,885	-	174,029	6,122	125,309	-	131,431	(21)	(42,576)	-	(42,597)	0%	-34%		-32%
Program	-	69,481	10,457	79,938	-	64,851	22,000	86,851	-	(4,631)	11,543	6,913		-7%	52%	8%
Community events	5,544	-	-	5,544	2,083	-	-	2,083	(3,460)	-	-	(3,460)	-166%			-166%
Conferences, meetings and travel	1,990	594	1,390	3,974	2,490	838	1,525	4,853	500	244	135	879	20%	29%	9%	18%
Licenses and permits	-	3,438	-	3,438	-	37,700	47	37,747	-	34,262	47	34,309		91%	100%	91%
Dues, subscriptions and memberships	1,048	139	-	1,187	1,393	563	-	1,956	346	424	-	769	25%	75%		39%
Management Fee	-	-	-	-	13,719	28,145	-	41,864	13,719	28,145	-	41,864	100%	100%		100%
Other operating expenses	92	16,549	-	16,641	583	458	-	1,042	491	(16,091)	-	(15,600)	84%	-3511%		-1498%
<b>Total expenses</b>	<b>244,151</b>	<b>1,489,685</b>	<b>104,623</b>	<b>1,838,459</b>	<b>282,891</b>	<b>1,550,320</b>	<b>125,239</b>	<b>1,958,450</b>	<b>38,739</b>	<b>60,636</b>	<b>20,616</b>	<b>119,991</b>	<b>14%</b>	<b>4%</b>	<b>16%</b>	<b>6%</b>
<b>Transfers</b>																
Transfers to Bond Fund	-	279,709	-	279,709	-	267,200	-	267,200	-	(12,509)	-	(12,509)		-5%		-5%
Transfers to Backcountry Fund	-	-	-	-	-	41,650	(41,650)	-	-	41,650	(41,650)	-		100%	100%	
Transfers for Capital Equipment	-	11,938	-	11,938	-	16,500	-	16,500	-	4,562	-	4,562		28%		28%
Transfers for Reserves	-	-	-	-	-	64,575	-	64,575	-	64,575	-	64,575		100%		100%
<b>Total Transfers</b>	<b>-</b>	<b>291,648</b>	<b>-</b>	<b>291,648</b>	<b>-</b>	<b>389,925</b>	<b>(41,650)</b>	<b>348,275</b>	<b>-</b>	<b>98,277</b>	<b>(41,650)</b>	<b>56,627</b>		<b>25%</b>	<b>100%</b>	<b>16%</b>
<b>Total expense after transfers</b>	<b>244,151</b>	<b>1,781,332</b>	<b>104,623</b>	<b>2,130,107</b>	<b>282,891</b>	<b>1,940,245</b>	<b>83,589</b>	<b>2,306,725</b>	<b>38,739</b>	<b>158,913</b>	<b>(21,034)</b>	<b>176,619</b>	<b>14%</b>	<b>8%</b>	<b>-25%</b>	<b>8%</b>
<b>Net revenue (expense)</b>	<b>43,757</b>	<b>330,503</b>	<b>(86,660)</b>	<b>287,600</b>	<b>39,176</b>	<b>117,925</b>	<b>(60,984)</b>	<b>96,117</b>	<b>4,581</b>	<b>212,578</b>	<b>(25,676)</b>	<b>191,483</b>	<b>12%</b>	<b>180%</b>	<b>42%</b>	<b>199%</b>