



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Monthly Meeting of the Delegates Agenda Virtual

June 21, 2022
6:00 p.m.

Zoom link:

<https://us06web.zoom.us/j/83210465774>

Meeting ID: 832 1046 5774

AGENDA

<u>Business Meeting</u>	<u>Approximate Time:</u>
1. Welcome & Call to Order	6:00 p.m.
2. Pledge of Allegiance	6:02 p.m.
3. Proof of Notice of Meeting	6:03 p.m.
4. Roll Call/Establishment of Quorum	6:04 p.m.
5. Approval of Minutes from the May 17, 2022 Meeting	6:10 p.m.
6. Board of Directors Report - Jim Allen	6:15 p.m.
7. Backcountry Planning Guide Amendment Presentation - Mark Giebel	6:25 p.m.
8. General Manager Update - Mike Bailey	6:30 p.m.
9. Facilities Update - Mark Gunther	6:35 p.m.
10. Member Forum (Sign-up in advance and 3-minute time limit)	6:36 p.m.
11. Delegate Forum (Sign-up in advance and 3-minute time limit)	6:45 p.m.
11. Adjournment	6:50 p.m.

*The Board of Directors meeting follows immediately upon adjournment of Delegate Meeting.
The next Delegate and Board meeting will be held on Tues., July 19, 2022.*

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 Jackie.Kennedy@hrcaonline.org.

The Board Working Session, Regular Delegate Meeting, Board of Directors Meeting, and all other HRCA Committee Meetings are open to our Members.



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Board of Directors Meeting Agenda - Virtual

June 21, 2022

Immediately following monthly Delegate meeting

Zoom link:

<https://us06web.zoom.us/j/83210465774>

Meeting ID: 832 1046 5774

AGENDA

Disclaimer - This packet is provided for information purposes only and is subject to change. Other matters may be considered as deemed appropriate.

1. Call to Order

2. Establishment of Quorum/Roll Call

3. Proof of Notice of Meeting

The Board Chair will remove any Consent Agenda item upon timely request of any Board member or Member of the Association who has an interest in the item. A request is timely if made prior to the Board Vote on the Consent Agenda. Items removed from the Consent Agenda will then be considered separately by the Board immediately following action on the Consent Agenda or placed later on the agenda at the discretion of Board.

4. Consent Agenda

- a. Approval of Board Meeting Minutes of Action from May 2022
- b. Approval of Finance Committee Minutes from May 2022
- c. Approval of Architectural Review Committee Minutes from May 2022
- d. Approval of Development Review Committee Minutes from May 2022

5. Member Forum

6. Director Comments

7. Committee Reports

- a. Delegate Meeting
- b. Architectural Review Committee
- c. Commercial Review Committee
- d. Finance Committee
 - i. Review of the May 2022 Financials
 - ii. Approval of the May 2022 Financials

8. General Manager Report

9. Continued Business

10. New Business

11. Delegate Forum

12. Adjournment



HIGHLANDS RANCH COMMUNITY ASSOCIATION

HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC.
MEETING OF THE DELEGATES MINUTES
VIRTUAL
May 17, 2022
6:00 p.m.

<https://us02web.zoom.us/j/87654880015?pwd=OWxXL3ZLdkN2TU5lNTB5MzJNb1JGQT09>

[Meeting ID: 876 5488 0015](#)

[Passcode: 254579](#)

1. **Guest Speaker: South Metro Fire:** Mike Dell'Orfano provided a PowerPoint presentation. Mike presented about the elections, emergency responses, coverage areas and mitigation efforts. Questions and discussion occurred.
2. **Call to Order:** 6:22p.m.
3. **Proof of Notice of Meeting**
4. **Roll Call / Establishment of Quorum:** A quorum was established. 16,185 lots of 31,338 lots were present.
5. **Approval of Minutes from the Meeting of Delegates on April 19, 2022**
ACTION: The April 19, 2022 Minutes were adopted by unanimous consent. Motion carried.
6. **Board of Directors Report:** Jim Allen provided a PowerPoint presentation. Jim presented about the results of the first delegate election, the upcoming second delegate election, well easement, Eastridge lobby construction, virtual meetings and the Board consent agenda.
7. **General Manager Report:** Mike Bailey gave an update about the landscape initiatives being reviewed by the ARC. Lindsey Smith gave an update about HB1137, and HB1139. Questions and discussion occurred.
8. **Backcountry Update:** Mark Giebel provided a summary of the Backcountry Outdoor Center project and process. Questions and discussion occurred.
ACTION: A motion was made by Greg Herman, #17 and seconded by Colin Campbell, #115 to approve the Backcountry Outdoor Center: Community Involvement Process Action. Vote 1 of 2. Motion carried.
9. **Community Relations Update:** Jamie Noebel provided a PowerPoint presentation. Jamie presented about past and upcoming events.
10. **Facilities Operations Update:** Mark Gunther provided a PowerPoint presentation. Mark presented information about the proposed golf simulator addition to Southridge and the proposed pickleball court conversion at Westridge. Questions and discussion occurred.
11. **Continued / New Business:** Rebecca Rothwell, #26 asked about the fire mitigation email.
12. **Member Forum: None**
13. **Delegate Forum:** Elizabeth Strock, #16 asked how colors are approved for exterior of homes. Keith Glenn, #27 asked about the number of cars on a street with home businesses.
14. **Adjournment:** 7:50 p.m.



HIGHLANDS RANCH COMMUNITY ASSOCIATION

Board of Director's Meeting Minutes

VIRTUAL

May 17, 2022

<https://us02web.zoom.us/j/87654880015?pwd=OWxXL3ZLdkN2TU5INTBSMzJNbjJGQT09>

[Meeting ID: 876 5488 0015](#)

[Passcode: 254579](#)

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Disclaimer – This packet is provided for informational purposes only and is subject to change. Other matters may be considered as deemed appropriate.

1. Call to Order: 7:58 p.m.

2. Establishment of Quorum/Roll Call: A quorum was established. Directors Jim Allen, Brock Norris, Melissa Park, Dan DeBacco and Monica Wasden were present.

3. Proof of Notice of Meeting

The Board Chair will remove any Consent Agenda item upon timely request of any Board member or Member of the Association who has an interest in the item. A request is timely if made prior to the Board vote on the Consent Agenda. Items removed from the Consent Agenda will then be considered separately by the Board immediately following action on the Consent Agenda or placed later on the agenda at the discretion of the Board.

4. Consent Agenda

- Approval of Board Meeting Minutes of Action from April 19, 2022
- Approval of Finance Committee Minutes from April 18, 2022
- Approval of Architectural Review Committee Minutes from April 6, 2022
- Approval of Development Review Committee Minutes from April 13, 2022
- Approval of Board Working Session Minutes from May 9, 2022
- Ratification of Action Taken Under Section 8.13 of Bylaws: Centennial Well Easement

ACTION: A motion was made by Monica Wasden and seconded by Dan DeBacco to approve the consent agenda.

Motion carried.

5. Forum – Member: None

6. Director Comments: The Directors thanked staff for their presentations and board facility tour. Jim Allen confirmed the dates of the Backcountry Open House meeting.

7. Committee Reports

- Delegate Meeting: None
- Architectural Review Committee: Mike Bailey commented about xeriscape.
- Development Review Committee: None
- Commercial Review Committee: None
- Bylaw Committee: Monica Wasden announced that the Committee met for the first-time last week.
- Finance Committee: John Phibbs provided a review of the April 2022 Financials and introduced the new Accounting Manager, Emily Arnold. Melissa Park asked about the Finance Committee comments.

ACTION: A motion was made by Dan DeBacco and seconded by Brock Norris to approve the April 2022 Financials.

Motion carried.

8. General Manager Report: Mike Bailey asked that IMA be invited to a future BWS meeting.

9. Continued Business: None

10. New Business: None

ACTION: A motion was made by Brock Norris and seconded by Melissa Park to Approve \$75,000 for the pickleball court conversion with money from the special projects fund. Discussion occurred. Motion carried with one abstention from Monica

Enhancing property values and creating quality of life through recreation, community events, and leadership



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

ARCHITECTURAL REVIEW COMMITTEE

DATE: April 20, 2022

MEETING MINUTES

I. CALL TO ORDER

The meeting was called to order at 5:30 p.m. by Ms. Laurie Allred, Committee Chair

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:

Diana Sklenar, Community Improvement Supervisor
 Jayma Wessling CIS Coordinator
 Barbara Smith President Spaces HOA
 Kelly Terry Spaces HOA
 Brock Tonn Spaces HOA
 Michael Rustemeyer Homeowner
 Bill and Diana Yoder Homeowners

II. NEW BUSINESS:

- Architectural Reviews – The Committee Members reviewed the following submittals.
 1. **122 Falcon Hills** – Appointment – Moving of previously approved addition – Conditionally Approved by all with site plan depicting the 5' distance
 2. **2697 Rockbridge Way** – Appointment - Sunroom – Approved by all
 3. **401 Rose Finch** – Variance sidewalk – Approved by all as submitted
 4. **1151 Beacon Hill** - Landscaping – Denied, must resubmit with additional xeriscaping features
 5. **3944 Garnet Pl** - Playset – 3 approved, 4 denied due to height
 6. **6182 Willmore** – Sunshade – Approved by all
 7. **10008 Brisbane** – Split rail fence/landscaping – Approved by all

III. Presentation of Artificial Turf for front yard by Jerry Jeter

With no further business, the meeting adjourned at 8:08 p.m.

Laurie Allred, Architectural Review Committee Chair

**COMMUNITY IMPROVEMENT SERVICES DEPARTMENT STATUS REPORT
MAY 2022**

Douglas County Referrals-

ETF2022-011 The Eddy Rando bicycle event- No Exceptions
ETF2022-020 Concert in the Park- Message in a Bottle - No Exceptions
SP2021-100 Palomino Park Site Improvement- Approved by DRC
ZR2022-023 12242 Griggs Road- New Water Well- No Exceptions
EFT2022-007 That Eighties Band- No Exceptions
SP2022-037 Dish Network for Arma Dei- Approved by DRC
ETF2022-004 Elephant Rock Bicycle Tour- No Exceptions

COMMERCIAL NONCOMPLIANCE

The May Commercial activity totals

- 7 Emails sent
- 12 Letters sent
- 3 Phone Calls
- 120 Non compliant yard signs removed
- 4 Direct Visits to locations

STATUS LETTER REQUESTS

Staff processed 218 Status Request letters for May. Of the 218 letters, there were 78 rush orders. Eight orders were cancelled. Violations, including fines and legal fees, were added to applicable accounts.

COMMERCIAL ESTOPPLE LETTER REQUESTS

There were no estopple requests during the month.



HIGHLANDS RANCH COMMUNITY ASSOCIATION

ARCHITECTURAL REVIEW COMMITTEE

DATE: May 18, 2022

MEETING MINUTES

I. CALL TO ORDER

The meeting was called to order at 5:30 p.m. by Ms. Laurie Allred, Committee Chair

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
Mike and Pat Kummer Homeowners
Anthony Freyta Homeowner

II. NEW BUSINESS:

- **954 Painted Canyon** – Appointment to pitch an addition by Mr. & Mrs. Kummer

III. Architectural Reviews – The Committee Members reviewed the following submittals.

1. **10284 Hunterwood** – Appointment – Fence with wall to adjust level if yard – Conditional Approval by all with verified information provided by homeowner
2. **1042 Northampton** – Fence posts – Denied by all
3. **2518 Baneberry Way** – Patio Cover – Approved by 5, Denied by 3 resulting in an Approval
4. **7172 Palisade – Trellis & Pergola** – Approved by all with the exception of the solar lights affixed to trellis
5. **9971 Cottoncreek** – Gazebo – Approved by 5, Denied by 2 resulting in an Approval. Jeff Rohr recused himself
6. **10066 Wyecliff** - Shed – Approved by All
7. **10849 Huntwick** – Garage Door – Approved by 7, Denied by 1 resulting in an Approval
8. **9988 Cottoncreek** – 3-Season Room – Approved by All with 3:12 roof pitch
9. **4748 Bluegate** – Walkway, and concrete pad – Approved by all

With no further business, the regular meeting adjourned at 7:15 p.m and entered into Executive Session

IV. Executive Session to review RIGS

Meeting adjourned at 8:37pm

Laurie Allred, Architectural Review Committee Chair



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

COMMUNITY IMPROVEMENT SERVICES DEPARTMENT STATUS REPORT MAY 2022

ARCHITECTURAL REVIEW COMMITTEE MEETINGS

The Architectural Review Committee meeting was held in person on May 4th and 18th.

SUBMITTALS

312 requests for improvements were processed. Of those, 273 were approved, 16 were conditionally approved, 12 were not approved and 11 were partially approved. There are 346 still in progress pending information, consultant review or going to the May Architecture Committee meeting. The total received for May was 658.

LETTERS OF NONCOMPLIANCE

1878 letters of noncompliance were mailed. The violations included:

- 4 Courtesy Letter
- 15 HRCA Notified by County
 - 1 Submit Accessory Building
 - 1 Basketball Backboard
- 74 Non-Complying Portable Basketball Goal
 - 3 Submit or remove car cover
 - 1 Chicken Coops/Houses
- 67 Commercial Vehicles and/or Trailers
 - 1 Submit Deck/ New Replacement
 - 1 Submit for Door replacement/ addition/ garage door
- 165 Maintain and Stain Fence
- 511 Staining
 - 3 New/ Extension and Interior Fencing
 - 1 Firewood Storage
 - 1 Flag displays
- 22 Remove inoperable vehicle
- 4 Submit Landscape
- 431 Maintain landscape
 - 5 Submit Exterior Lighting
- 20 Holiday Lighting
- 58 72 hour rule
- 12 Refrain from Parking on Landscape
- 12 Paint house review
 - 1 Submit Play Equipment
 - 1 Signs and/or Advertising Devices
 - 1 Submit Solar Shades
 - 1 Remove Temporary Structure
- 2 Trash Enclosures
- 303 Comply with trash pickup
- 43 Maintain property
 - 1 No Noxious or Offensive Activity
- 69 Remove unsightly material
- 40 Remove debris and/or trash
- 2 Failure to comply

**COMMUNITY IMPROVEMENT SERVICES DEPARTMENT STATUS REPORT
MAY 2022**

- I Submission of plans

There were 16 Fine or Chronic letters sent in the month of May for the following violations:

- I Non-Complying Portable Basketball Goal
- 6 Maintain and Stain Fence
- 3 Stain Fence
- I Maintain Landscape
- 4 Paint house review
- I Comply with trash pickup

TRIBUNALS

There were 3 Tribunals scheduled for the month of May. One was rescheduled for June.

9451 Burlington Lane – Car cover in the street

9177 Buck Hill Drive – Denied Track Lighting

6754 Dutch Creek Street – Chronic unsightly material

COMMERCIAL

There was no Development Review Committee meeting for the month of May 2022

Administrative Reviews

Sauna Studio, 9579 University

- Sign application- Approved

Burger King, 3520 Town Center Drive

- Multiple signs – Approved with variance

ENT Credit Union, 9557 University Blvd

- Sign Modification– Approved with variance

Cabinet Warehouse, 5470 County Line Place

- Sign Modification – Approved with variance

Petco, 1265 Sgt. Jon Stiles Drive

- Sign modifications - Approved

Target, 1265 Sgt. Jon Stiles Drive

- Minor site modification for Exterior door - Approved

Discount Fireworks, 2530 County Line Road

- Temporary stand- Approved with conditions

Davey Jones Fireworks, 2550 County Line Road

- Temporary stand- Approved with conditions



HIGHLANDS RANCH

COMMUNITY ASSOCIATION



Community Relations May/June Update

May – Early June Events

UCHealth Virtual Seminar: Stroke Awareness: May 4 – Virtual 95 attendees
Blood Drive: May 5 – 86 units of blood collected
"Cans" Festival May 13 – 220 attendees
Hooked on Fishing: May 14 – 43 kid attendees
Cold Cases & Cocktails: May 25 – 210 attendees
Coffee with a Cop: May 25 – 6 representatives from the DougCo Sheriff's office
Culture on the Green: May 27 – 400 attendees
Summer Concert Series: Mr. Majestyk's 8-Track Revival: June 2 – 2,100 attendees
Beer Festival: May 27 – 2,000 attendees
Adult Swim Party: June 8 – 53 attendees
Summer Concert Series: Face Vocal Band: June 9 – 3,500 attendees
Classic Car Show: June 11 – 5,000 attendees

June Upcoming Events

Coffee with a Cop: Wednesday, June 15, 8:00-10:00am – Douglas County Sheriff's Department will stop by to give residents and business owners the chance to connect with police in a relaxed atmosphere at Northridge Recreation Center.

Summer Concert Series - Thursday, June 16, 6:30-8:00pm - Enjoy a summer of music in the park! This free family event features the best of local bands and guarantees to be a good time! Bring your friends, pack a picnic dinner, and enjoy Soul School.

Comedy Show – Friday, June 17, 6:30-7:30pm - Denver's top drag queens will entertain you all night long with their comedy and musical performances. Get your friends together and make it an unforgettable night.

Chamber Music Series: Romancing the Notes – Saturday, June 18, 6:30-8:00pm - Led by artistic director Laura Schulkind, the Chamber Music Society of Greater Denver presents the quintessential composers of the romantic and bel canto eras in Romancing the Notes, featuring the music of Chopin, Schuman, Bellini, Schubert, Brahms, Strauss, and more. Selections will be performed by the Chamber Music Society in groupings of strings, woodwinds, and voice and feature musicians from the ensemble's previous performances.

Summer Concert Series - Thursday, June 23, 6:30-8:00pm - Enjoy a summer of music in the park! This free family event features the best of local bands and guarantees to be a good time! Bring your friends, pack a picnic dinner, and enjoy The Drones.

Culture on the Green – Friday, June 24, 6:30-8:00pm - Treat yourself to free entertainment outdoors in beautiful Civic Green Park with this series of three professional performances brought to Highlands Ranch. This series features a variety of shows which have widespread appeal and are full of fun, and family entertainment. Bring your family and friends and enjoy live entertainment in the heart of Highlands Ranch! Food truck to be announced.

Please check our web page: [HRCA Event Calendar](#) for more information on upcoming events.



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Questions & Answers for the Comedy Night

Is the HOA Funding the event?

This event (including staff costs) is funded through sponsorship dollars from Community Partners and the SCFD. No HOA dollars go to produce this event, other than the minimal utility costs associated with using the Southridge facility.

Who decided on this event?

The event was created in February by the CR team. This is intended to be a spin on a regular comedy night.

This event is being attended by out of Highlands Ranch attendees.

75% of the attendees live in Highlands Ranch, the other 25% are from Littleton, Castle Rock, Parker and other misc areas.

Why not move the event?

We researched the possibility to relocate the event to another location but were unable to find a venue that could accommodate the size or date at the last minute. We researched ten different locations from the Lone Tree Arts Center to the Littleton Art Center and raw construction spaces in Highlands Ranch.

Why not cancel outright?

It is not our desire to cancel the event. If necessary for security and safety purposes, we will cancel.

Why did you close the rec center (violent threat)?

The Board decided to close the Recreation center early as we had complaints from community members that they would have to see the attendees, and due to the threat of exposing our members to the potential hostile picketers.

Who votes on what (delegates or not)?

Community Events are just like every program area, we are charged to be inclusive. Our community members are creating programs and events for all.

What are we doing to avoid this in the future?

We hope that people will understand that our mission is to be inclusive of all in our community efforts.

Are we going to have an event catered to the right?

There is no political intent behind any event or program HRCA provides. We are here to create events for all community members.

Have such events been sponsored in the past? If so, and, if with the general approval of residents, then a precedent is in place.

We have had several concert events 2018 & 2019 with the Denver Gay Men's Choir, and we did not have any issues.

Some events today, generally reserved for adults and limited to designated venues, are being mainstreamed.

We present 21 and older events all the time at Southridge and Eastridge.

Cultural intentions may or may not be clear. Story, song, comedy, and dramatic events have always been effective instruments to bring about culture change. To what degree do the HRCA Board and Executive Team support any efforts to change the core values of Highlands Ranch?

We are not changing the core values of the organization. Our goal is to be inclusive of all our community in everything we provide and do.

This event is in partnership with the HRCA Cultural Affairs Association, its 501(c)(3) organization that provides educational, artistic, and diverse cultural events for all community residents. In connection with the CAA's funding obligations, our community programs need to evidence diversity, equity, and inclusion.

HRCA FINANCE COMMITTEE MEETING

Monday, June 20, 2022, at 5:30 p.m.
Northridge

AGENDA

1. Interview Finance Committee Applicant – Robert Donahue
2. Roll call and acknowledge that quorum is met.
3. Request motions to approve the following Finance Committee minutes:
 - a. Minutes from May 16, 2022 Finance Committee Meeting
4. Review and approve May 31, 2022 *Highlands Ranch Community Association* Financial Statements.
5. Group discussion of Finance Committee applicant
6. Other business.
7. Adjourn.

**Minutes of the May 16, 2022 Finance Committee Meeting
Highlands Ranch Community Association, Inc.**

FC Members Present:

Dan DeBacco, chair
John Mackowiak – left early
Mikel Wilcox
Jennifer Harris
Briceson Kahler
Leighton Stephenson

Staff Members Present:

John Phibbs, Director of Finance
Emily Arnold, Accounting Manager

Board Members and Visitors Present:

FC Members Absent:

Ron Welk

John Mackowiak took the floor at 6:01 p.m. and announced his resignation from the Committee. Everyone thanked John for his five years of volunteer service, thank you John. There was a discussion that followed and then John left the meeting.

Dan DeBacco called the meeting to order at 6:08 p.m. A quorum of the Finance Committee Members was present.

The Finance Committee reviewed the April 18, 2022 Finance Committee meeting minutes.

A motion was made to approve the April 18, 2022 Highlands Ranch Community Association Finance Committee meeting minutes as presented. The motion was approved unanimously.

Motion: Brice Kahler Second: Jennifer Harris

The Finance Committee then reviewed and discussed the April 30, 2022 HRCA Financial Statements. The actual to budget favorable/unfavorable variances were identified, explained and discussed. The following specific topics were discussed:

○ **Administrative Fund:**

Current Month Variance to Budget	Year to Date Variance to Budget
Revenue (\$37,223)	(\$49,937)
Expense \$7,676	(\$214)
Transfers \$3,376	\$56,003
Net revenue (\$26,172)	\$5,852

○ **Recreation Fund:**

Current Month Variance to Budget	Year to Date Variance to Budget
Revenue \$92,691	\$409,722
Expense (\$33,869)	\$146,503
Transfers \$0	(\$6,567)
Net revenue \$58,822	\$549,659

○ **Backcountry Fund:**

Current Month Variance to Budget	Year to Date Variance to Budget
Revenue \$199	\$554
Expense \$8,838	(\$10,812)
Transfers (\$835)	(\$835)
Net revenue \$8,202	(\$11,093)

A motion was made to recommend that the HRCA Board of Directors accept the April 30, 2022 Highlands Ranch Community Association Financial Statements. The motion was approved unanimously.

Motion: Leighton Stephenson Second: Brice Kahler

Minutes of the May 16, 2022 Finance Committee Meeting / - Continued Highlands Ranch Community Association, Inc

John Phibbs discussed the third-party construction review project that we had engaged Eide Bailly to perform. The engagement letter was signed in August of 2021 but since that time, the manager assigned by Eide Bailly to perform the engagement has left their company. Eide Bailly is not currently staffed to conduct the engagement so it was decided that the construction review will not take place at this time but will be considered for a future project exceeding \$2M.

The Committee reviewed an application for Committee membership and it was decided to ask this individual to come to the June meeting for an interview.

The Committee had a robust discussion regarding a standard budget template format to be used by all departments during the 2023 budget cycle. The Committee will review the departmental presentations provided during the 2022 budget cycle and provide feedback. The Committee had the following suggestions;

- Add additional staffing information and challenges of staffing in the current environment
- Departments should provide their budget income statement (revenue, expenses and net)
- More details regarding business operations like the number of classes and the number of teachers
- Ideas that would improve the bottom line, increasing prices or lowering costs, etc.
- Ideas for retaining staff (i.e. provide benefits to part-time preschool teachers, or discounted daycare to employees)
- For each community event provide revenue, expense and net so the Committee can analyze events that are working and events that are not
- Consider a community-wide survey to gage the pulse of the community
- Consider a way for event participants to provide feedback on each event
- How will 8% inflation impact each departments budgets
- How will HB-1137 impact the HRCA budget
- HRCA staff should consider hiring a Financial Analyst to support a very small accounting department that can help delve deeper into each departments financials and assist the departments during the budget create process
- Each department should determine how they can improve their bottom line by 3% over the prior year

The Committee would like to meet with the General Manager in May or early June and present their ideas for the 2023 budget create cycle.

The Committee would like a presentation regarding our Perfect Mind payment processor Vantiv to better understand what we are being charged and the plan to move to a different vendor.

The Committee would like to hear from IMA and learn about the Risk Management Services (not insurance coverage) IMA is currently providing.

The next Finance Committee meeting is scheduled for Monday June 20, 2022 at 6:00 p.m. Northridge Recreation Center.

Respectfully Submitted,

John Phibbs
Highlands Ranch Community Association, Finance Director



HIGHLANDS RANCH COMMUNITY ASSOCIATION

Highlands Ranch Community Association

Financial Statements

As of May 31, 2022

HRCA Financial Statements
May 31, 2022
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Highlands Ranch Community Association

Financial Statements

Year to Date By Fund

Highlands Ranch Community Association, Inc.
Statement of Revenues and Expenses for All Funds
For the Year Ending May 31, 2022

Financial Row	ADMINISTRATIVE		OSCA		RECREATION		BACKCOUNTRY		DEBT SERVICE		TOTAL
	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	ELIMINATIONS	
Revenues											
Homeowner assessments and fees	\$ 1,344,607	\$ -	\$ -	\$ -	\$ 7,011,179	\$ -	\$ -	\$ -	\$ -	\$ -	8,355,786
Community improvement services	62,345	-	-	-	-	-	-	-	-	-	62,345
Legal Revenue	21,774	-	-	-	-	-	-	-	-	-	21,774
Recreation programs	-	-	-	-	2,182,569	-	115,140	-	-	-	2,297,709
Facility operations	-	-	-	-	353,564	-	6,773	-	-	1,750	362,087
Community events	60,027	-	-	-	-	-	-	-	-	-	60,027
Advertising	-	-	-	-	-	-	-	-	-	-	-
Management Fee Revenue	141,067	-	-	-	62,207	-	-	-	-	(203,274)	-
Interest and other Revenue	48,591	2,189	(35,359)	5,394	185,045	5,394	28,315	(7,652)	2,653	-	229,176
Total revenues	1,678,411	2,189	(35,359)	5,394	9,794,564	5,394	150,228	(7,652)	2,653	(201,524)	11,388,904
Expenses											
Salaries and employee benefits	839,019	-	-	-	4,868,368	-	456,503	-	-	-	6,163,890
Facility operations	8,058	-	-	-	516,566	25,327	27,690	-	-	-	577,641
Depreciation Expense	-	24,357	-	-	-	-	-	52,560	1,082,071	-	1,158,988
Professional services	166,311	-	-	-	103,211	-	450	-	-	-	269,972
Advertising	5,719	-	-	-	33,836	-	-	-	-	-	39,555
Office expenses	72,415	32,520	-	-	226,923	-	2,223	1,327	-	-	335,408
Insurance	23,062	-	-	-	181,147	-	16,699	-	-	-	220,908
Interest	-	-	-	-	-	556	-	-	482,465	-	483,021
Information Technology Expenses	120,579	-	-	-	392,825	-	-	-	-	-	513,404
Occupancy	1,548	-	-	-	497,374	-	-	-	-	1,750	500,672
Program	-	-	-	-	360,788	-	94,847	-	-	-	455,635
Community events	30,829	-	-	-	-	-	-	-	-	-	30,829
Conferences, meetings and travel	12,308	-	-	-	4,188	-	9,810	-	-	-	26,306
Licenses and permits	-	-	-	-	15,952	-	-	-	-	-	15,952
Dues, subscriptions and memberships	9,265	-	-	-	8,776	-	-	-	-	-	18,041
Management Fee Expense	62,207	-	-	-	141,067	-	-	-	-	(203,274)	-
Other operating expenses	-	-	607	-	(100)	-	-	-	-	-	507
Total expenses	1,351,320	56,877	607	25,883	7,350,921	25,883	608,222	53,887	1,564,536	(201,524)	10,810,729
(Gains) / Losses	-	51,455	-	-	-	-	-	(42)	26,030	-	77,443
Excess (deficiency) of revenues over expenses	327,091	(106,143)	(35,966)	(20,489)	2,443,643	(20,489)	(457,994)	(61,497)	(1,587,913)	-	500,732
Transfers to Bond Fund	-	-	-	-	(1,546,322)	-	-	-	1,546,322	-	-
Transfers to Backcountry Fund	-	-	-	-	(187,500)	-	187,500	-	-	-	-
Transfers for Capital Equipment	(99,830)	99,830	(28,636)	-	-	-	-	28,636	-	-	-
Transfers for Reserves	(99,830)	99,830	(583)	(1,742,044)	1,159,420	(4,175)	(4,175)	4,758	582,624	-	-
Total transfers	(99,830)	99,830	(29,219)	(3,475,866)	1,159,420	33,394	183,325	33,394	2,128,946	-	-
Net revenues (expenses)	\$ 227,261	\$ (6,313)	\$ (65,185)	\$ (1,138,931)	\$ (1,032,223)	\$ (28,103)	\$ (274,669)	\$ (28,103)	\$ 541,033	\$ -	\$ 500,732

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

Financial Row	ADMINISTRATIVE		OSCA		RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT		TOTAL
	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	RESERVE	
ASSETS											
Current Assets											
Cash & Equivalents											
Wells Fargo Checking, Payroll and Sweep	6,164,261	-	-	-	931,089	-	215,001	-	-	-	7,310,351
Other Investment Accounts	254,422	-	-	-	609,830	586,844	-	-	-	-	1,451,096
Wells Fargo Bond Fund Accounts	-	-	-	-	-	-	-	-	4,495,224	-	4,495,224
Morgan Stanley	-	-	4,861,911	-	-	6,024,221	-	(3,085)	-	-	10,883,047
RBC Wealth Management	237,322	961,531	-	-	-	-	24,952	214,329	-	-	1,438,134
Cash on Hand	356	-	-	-	2,699	-	-	-	-	-	3,055
Total Cash & Equivalents	6,656,361	961,531	4,861,911	-	1,543,618	6,611,065	239,953	211,244	4,495,224	-	25,580,907
Accounts Receivable											
1100 - AR-Assessments and Legal	68,494	-	-	-	217,654	-	-	-	-	-	286,148
1105 - Allowance for Doubtful Accounts	845	-	-	-	(72,186)	-	-	-	-	-	(71,341)
1180 - AR- Covenants and Legal	220,478	-	-	-	-	-	-	-	-	-	220,478
1191 - Accrued Interest Receivable	-	-	20,359	-	-	7,463	-	-	1,667	-	29,489
Total Accounts Receivable	289,817	-	20,359	-	145,468	7,463	-	-	1,667	-	464,774
Other Current Asset											
1195 - Miscellaneous Receivable	8,256	-	-	-	(104,650)	-	236,034	(79)	-	-	139,561
1200 - Prepaid Expense	50,142	-	-	-	162,592	-	750	-	-	-	213,484
1205 - Prepaid Insurance	11,383	-	-	-	62,083	-	5,647	-	-	-	79,113
1210 - Inventory	-	-	-	-	44,949	-	-	-	-	-	44,949
1225 - Undeposited Funds	(996)	-	-	-	-	-	-	-	-	-	(996)
Total Other Current Asset	68,785	-	4,882,270	-	164,974	6,618,528	242,431	(79)	4,496,891	-	476,111
Total Current Assets	7,014,963	961,531	4,882,270	-	1,854,060	6,618,528	482,384	211,165	4,496,891	-	26,521,792
Fixed Assets											
Fixed Assets - Cost	17,318	541,730	-	-	69,270	-	-	1,313,155	76,003,366	-	77,944,839
Fixed Assets - Accumulated Depreciation	(408,927)	-	-	-	-	-	-	(799,513)	(43,453,516)	-	(44,661,956)
Total Fixed Assets	17,318	132,803	-	-	69,270	-	-	513,642	32,549,850	-	33,282,883
Other Assets											
1110 - PM Cash Clearing	-	-	-	-	30,492	-	-	-	-	-	30,492
1250 - Interfund Receivable	65,258	-	6,500	-	4,140,958	74,071	67,076	-	-	-	4,353,863
1255 - Loan from OSCA Loan Receivable	-	-	262,500	-	-	-	-	-	-	-	262,500
1600 - 1999 Bond Issuance Costs	-	-	-	-	-	-	-	-	50,570	-	50,570
Total Other Assets	65,258	-	269,000	-	4,171,450	74,071	67,076	-	50,570	-	4,697,425
Total ASSETS	\$ 7,097,539	\$ 1,094,334	\$ 5,151,270	\$ -	\$ 6,094,780	\$ 6,692,599	\$ 549,460	\$ 724,805	\$ 37,097,310	\$ -	\$ 64,502,097
LIABILITIES & EQUITY											
Current Liabilities											
Accounts Payable											
2000 - Accounts Payable	5,784	-	1,532	-	250,982	11,971	22,400	932	-	-	293,501
2015 - Accrued Bond Interest Payable	-	-	-	-	-	-	-	-	-	-	-
2025 - Preschool Scrips Pass Through	-	-	-	-	-	-	-	-	524,958	-	524,958
Total Accounts Payable	5,784	-	1,532	-	250,982	11,971	22,400	932	524,958	-	818,469
Other Current Liability											
2005 - Accrued Accounts Payable	91,543	-	-	-	124,200	263	138,969	-	-	-	354,975
2008 - Lease Liability	16,255	-	-	-	65,022	-	-	-	-	-	81,277
2009 - Colorado Payback	5,916	-	-	-	11,294	-	3,658	-	-	-	20,868
2012 - Payroll Cares Act	-	-	-	-	-	-	-	-	-	-	-
2020 - Sales Taxes Payable - State	-	-	-	-	-	-	-	-	-	-	-
2045 - Accrued Payroll and Vacation Expense	67,701	-	-	-	254,253	-	27,010	-	-	-	348,964

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

Financial Row	ADMINISTRATIVE		OSCA		RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT	TOTAL
	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	RESERVE	OPERATING	RESERVE		
2050 - AFLAC Pre-Tax	369	-	-	-	434	-	-	-	-	803
2055 - Cafeteria Plan EE Contribution	(230)	-	-	-	230	-	-	-	-	-
2060 - Health Savings Act EE Cont	-	-	-	-	-	-	-	-	-	-
2100 - Unearned Assessments	60,403	-	-	-	824,697	(2)	-	-	-	885,098
2101 - Deferred Assessments	283,488	-	-	-	1,403,181	-	-	-	-	1,686,669
2102 - Unearned CIS Fines and Fees	565,800	-	-	-	-	-	-	-	-	565,800
2105 - Unearned Program & Facilities Revenue	3,495	-	-	-	1,785,617	(6,254)	-	-	-	1,782,858
2110 - Unearned Other Revenue	-	-	-	-	43,818	62,202	-	-	-	106,020
2115 - Unearned Sponsorship & Grant Revenue	-	-	-	-	-	-	-	-	-	-
2120 - Foreclosure Reserve	-	-	-	-	-	-	-	-	-	-
2125 - Prepaid Vegetation Mngt (Xcel)	-	-	-	-	-	-	22,248	-	-	22,248
2130 - Ppd Natural Resource Mngt -Elk	-	-	-	-	-	-	10,282	-	-	10,282
2135 - Ppd Water Line Easment	-	-	-	-	-	-	8,586	-	-	8,586
2250 - Interfund Payable	3,924,867	-	583	7,174	62,380	-	295,645	-	64,720	4,355,369
Total Other Current Liability	5,019,607	-	583	7,435	4,575,126	-	562,346	-	64,720	10,229,817
Total Current Liabilities	5,025,391	-	2,115	19,406	4,825,008	-	584,746	932	589,679	11,048,276
Long Term Liabilities	-	-	-	-	-	-	-	-	-	-
2255 - Loan from OSCA Loan Payable	-	-	-	262,500	-	-	-	-	-	262,500
2600 - Bonds Payable - 1999 Series	-	-	-	-	-	-	-	-	-	-
2610 - Bonds Payable - 2004 Series	-	-	-	-	-	-	-	-	8,570,000	8,570,000
Total Long Term Liabilities	-	-	-	-	-	-	-	-	8,570,000	8,570,000
Equity	-	-	-	-	-	262,500	-	-	-	-
Restricted Fund Balance	38,659	309,868	1,237,500	-	-	2,926,527	157,779	-	-	4,670,333
Retained Earnings	1,806,225	790,779	3,976,840	2,345,234	2,301,001	239,374	594,199	27,396,602	-	39,450,254
Net Income	227,261	(6,313)	(65,185)	(1,032,227)	(1,032,227)	1,138,931	(28,104)	541,634	-	500,728
Total Equity (Fund Balance)	2,072,145	1,094,334	5,149,155	1,268,774	1,268,774	6,410,692	723,874	37,097,315	27,937,636	44,621,315
Total LIABILITIES & EQUITY	\$ 7,097,536	\$ 1,094,334	\$ 5,151,270	\$ 6,692,598	\$ 6,094,782	\$ 6,692,598	\$ 724,806	\$ 37,097,315	\$ 64,502,092	

Highlands Ranch Community Association
Statement of Cash Flows - May 31, 2022

	Administrative Fund		Recreation Fund				Totals			
	Operating	Reserves	OSCA Fund	Operating	Reserves	Backcountry Operating	Backcountry Reserves	Debt Service and Plant	Period Ended May-22	Period Ended Apr-22
Cash flows from operating activities:										
Excess (deficiency) of revenues over expenses	\$ 227,261	\$ (6,313)	\$ (65,185)	\$ (1,032,223)	\$ 1,138,931	\$ (274,669)	\$ (28,003)	\$ 541,033	\$ 500,732	\$ 386,603
Adjustment to reconcile excess (deficiency) of revenues over expenses to net cash from (used for) operating activities										
Depreciation expense		24,357					52,560	1,082,071	1,158,988	930,670
(Gain) loss on asset disposal										
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										
Accounts receivable, other	(275,014)		1	144,414						(259,835)
Prepaid expenses and other assets	(41,758)			81,508		(224,656)	406	1,419	(129,180)	(251,278)
Increase (decrease) in operating liabilities										
Accounts payable and accrued expenses	(31,619)	(42,701)	(965)	(143,716)	(21,027)	107,757	607	1,317,078	1,185,414	988,435
Accrued payroll and related items	219,442			1,402,353					1,621,795	3,219,437
Assessments paid in advance	267,379			(355,159)		131			(87,649)	(283,623)
Deferred revenue										
Lease liability										
Net cash from (used for) operating activities	365,691	(24,657)	(66,149)	97,177	1,117,904	(391,437)	25,470	2,941,601	4,065,600	4,730,409
Cash flows from investing activities:										
Net (purchases) sales of investments										
Purchases of property and equipment		131,146						847,757	1,112,077	1,298,754
Net cash from (used for) investing activities		131,146					133,174	847,757	1,112,077	1,298,754
Cash flows from financing activities:										
Payment of accounts payable for property and equipment								(897,793)	(897,793)	(897,793)
Bond principal payments	227							(2,320,000)	(2,319,773)	(2,319,773)
Net borrowing and transfers among funds	2,494,576	512,804	204,741	(1,116,248)	970,467	295,972	(153,239)	131,007	3,340,080	3,392,519
Net cash from (used for) financing activities	2,494,803	512,804	204,741	(1,116,248)	970,467	295,972	(153,239)	(3,086,786)	122,514	174,953
Net change in cash, cash equivalents, and restricted cash	2,860,494	619,293	138,592	(1,019,071)	2,088,371	(95,465)	5,405	702,572	5,300,191	6,204,116
Cash, cash equivalents, and restricted cash, beginning of year	3,795,867	342,237	4,723,319	2,562,689	4,522,696	335,418	205,839	3,792,653	20,280,718	20,280,718
Cash, cash equivalents, and restricted cash, end of year	\$ 6,656,361	\$ 961,530	\$ 4,861,911	\$ 1,543,618	\$ 6,611,067	\$ 239,953	\$ 211,244	\$ 4,495,225	\$ 25,580,909	\$ 26,484,834

Highlands Ranch Community Association

Income Statement

**Actual to Budget Analysis
by
Operating Funds**

HRCA Administrative Fund
Variance Analysis - Actual vs. Budget (AVB)

	2022 MTD Actual vs. 2022 MTD Budget			2022 YTD Actual vs. 2022 YTD Budget		
	May 31, 2022		Actual vs. Budget (AVB) %	May 31, 2022		Actual vs. Budget (AVB) %
	Actual	Budget		Actual	Budget	
Revenues						
Homeowner assessments and fees	\$ 302,755	\$ 297,333	\$ 5,422	\$ 1,413,008	\$ (46,626)	(3%)
Community improvement services	15,445	10,500	4,945	52,500	9,845	19%
Community events	11,082	333	10,749	60,027	20,360	51% A
Advertising	2,321	-	2,321	3,213	3,213	100%
Management Fee	14,175	28,000	(13,825)	141,067	(29,433)	(17%) B
Interest and other revenue	9,411	3,413	5,999	45,376	8,314	22%
Total revenues	355,190	339,579	15,611	1,712,737	(34,326)	(2%)
Expenses						
Salaries and employee benefits	151,382	157,093	5,711	839,022	834,701	(4,321)
Facility operations	2,304	1,417	(888)	8,058	7,083	(975)
Professional services	9,790	43,309	33,518	168,087	216,210	48,123
Advertising	-	-	-	5,720	10,000	4,280
Office expenses	13,032	10,876	(2,156)	72,419	54,378	(18,041)
Insurance	5,872	10,753	4,881	23,062	40,506	17,443
Information Technology Expenses	22,948	24,825	1,877	118,795	114,231	(4,564)
Occupancy	346	667	321	1,547	8,500	6,953
Community events	(2,557)	708	3,266	30,831	22,642	(8,189)
Conferences, meetings and travel	2,383	2,350	(33)	12,308	11,750	(558)
Dues, subscriptions and memberships	1,975	2,163	187	9,266	10,813	1,546
Management Fee	9,646	13,750	4,104	62,207	68,750	6,543
Other operating expenses	-	583	583	-	2,917	2,917
Total expenses	217,121	268,492	51,371	1,351,322	1,402,480	51,158
Transfers						
Transfers - Capital Equipment	-	7,458	7,458	-	37,290	37,290
Transfers to Admin. Reserve Fund	18,666	18,666	-	99,830	93,330	(6,500)
Total transfers	18,666	26,124	7,458	99,830	130,620	30,790
Total expenses after transfers	235,787	294,616	58,829	1,451,152	1,533,100	81,948
Net revenue (expense)	\$ 119,403	\$ 44,963	\$ 74,440	\$ 227,259	\$ 179,638	\$ 47,622

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

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

- A - Variance due to timing between actuals and budget. Current month actuals include Cold Cases and Cocktails, plus Cans Festival
- B - Legal fee charges to Rec lower than budgeted
- C - Legal fee actuals lower than budgeted

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

- A - Several events exceeded budget YTD: primarily Cold Cases and Cocktails \$9K, Cans Festival \$5K, Spring Bazaar \$2K, Super Hero Party \$3K
- B - Legal fee charges to Rec lower than budgeted
- C - Legal fee actuals lower than budgeted
- D - Budget did not include Q1 newsletter due to Covid (\$14K unfavorable), plus cellular phone exceeded budget (\$3K)
- E - Variance relates to insurance invoicing timing compared to budget
- F - The Admin Reserve was overfunded by 1.07M so budgeted transfers were not required

**Admin Community Events
YTD May 31, 2022**

	Revenue	Expense	Profit/(Loss)
Beer Festival		(2,474)	2,474
Cold Cases & Cocktails	11,988	1,258	10,730
Doggie Splash	250		250
Easter Egg Hunt	600	1,482	(882)
Farmers Market	3,500	36	3,464
Father Daughter Sweetheart Ball	17,830	18,323	(493)
General	170	3,854	(3,684)
Glow in the Dark Yoga	982	936	46
Hometown Holiday Celebration		479	(479)
Jewelry Show	1,157		1,157
Miscellaneous Pop Up Events		336	(336)
Miscellaneous Tastings	6,688	(259)	6,947
Princess Teas	2,136	443	1,693
Recycling Events		150	(150)
Spring Bazaar	12,056	241	11,815
Super Hero Party	2,700	1,423	1,277
	<u>60,057</u>	<u>26,228</u>	<u>33,829</u>
July 4th Celebration	-	-	-
July 4th Fireworks		4,601	(4,601)
July 4th Parade		-	-
	<u>-</u>	<u>4,601</u>	<u>(4,601)</u>
Total	<u>60,057</u>	<u>30,830</u>	<u>29,227</u>

Comm. Relations & Marketing
FY22 Budget by Month

4400 - Community Events Revenue

	Jan Load	Feb Load	Mar Load	Apr Load	May Load	Jun Load	Jul Load	Aug Load	Sep Load	Oct Load	Nov Load	Dec Load	Total Load
Tacos and Tequila						1,500		11,000					11,000
Adult Swim Night													1,500
Rose in the Ranch										3,000	3,500		3,500
Cold Cases and Cocktails			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
Easter Egg Hunt				500									500
July 4th Parade					1,000	1,000	2,000	1,000	1,000	500	500		7,000
Farmers Market													500
Hometown Holiday Celebration													500
Beer Festival								45,000					45,000
Spirit Tastings	500	500											1,000
Spring Bazaar				10,000									10,000
Garage Sale													10,000
Fall Craft Show									1,500				1,500
Miscellaneous Tastings	250	250	250	250	250	250	250	250		15,000	250	250	15,000
Doggie Splash									3,000				3,000
Paranormal Party										4,500	10,000		4,500
Jewelry Show													10,000
Touch a Truck								2,000					2,000
Glow in the Dark Yoga										1,200	18,000		1,200
Father Daughter Sweetheart Ball							12,000						12,000
Oaked & Smoked								2,000					2,000
Super Hero Party													2,000
Princess Teas												4,000	4,000

5100 - Comm Events Expense

Tacos and Tequila								9,500					9,500
July 4th Fireworks						700	60,000						60,000
Adult Swim Night										75			75
House Decorating											2,000		2,000
Rose in the Ranch										600			600
Cold Cases and Cocktails													150
Senior Fair													1,200
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
July 4th Parade						15,000	15,000	250					30,000
Farmers Market													250
Hometown Holiday Celebration													250
Beer Festival								35,000					35,000
Spirit Tastings	750	750											1,500
Spring Bazaar													1,000
Garage Sale									700				700
Fall Craft Show													700
Miscellaneous Tastings	208	208	208	208	208	208	208	208	208	208	208	208	2,500
Doggie Splash									200				200
Paranormal Party										2,500	1,000		2,500
Jewelry Show								4,500					4,500
Touch a Truck										900			900
Glow in the Dark Yoga											13,000		13,000
Father Daughter Sweetheart Ball							12,000	1,000					12,000
Oaked & Smoked													1,000
Super Hero Party													2,000
Princess Teas													2,000

Net Income	(625)	(625)	2,025	6,625	625	(13,575)	(72,125)	10,625	4,725	18,750	15,475	(12,850)	(41,450)
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HRCA Recreation Fund
Variance Analysis - Actual vs. Budget (AvB)

	2022 MTD Actual vs. 2022 MTD Budget		2022 YTD Actual vs. 2022 YTD Budget		
	Actual	Budget	Actual	Budget	
Revenues					
Homeowner assessments and fees	\$ 1,403,097	\$ 1,402,500	\$ 7,011,179	\$ 7,012,500	0%
Recreation programs	406,113	340,468	2,182,567	1,840,224	19% A
Facility operations	49,381	58,669	353,573	340,260	4%
Management Fee	9,646	13,750	62,207	68,750	(10%)
Interest and other revenue	33,847	1,667	185,044	38,083	386% B
Total revenues	1,902,084	1,817,054	9,794,570	9,299,817	5%
Expenses					
Salaries and employee benefits	932,277	994,849	4,869,752	5,226,639	7%
Facility operations	160,736	117,166	515,187	460,173	(12%) C
Professional services	29,874	50,392	192,971	185,294	(4%) D
Advertising	4,501	6,000	33,836	30,000	(13%)
Office expenses	34,229	39,493	226,925	197,485	(15%) D
Insurance	35,874	32,259	181,145	161,293	(12%)
Information Technology Expenses	61,966	62,126	303,067	310,631	2%
Occupancy	113,730	95,757	497,370	471,338	(6%)
Program	67,485	63,054	360,790	304,166	(19%) E
Conferences, meetings and travel	985	500	4,187	2,500	(67%)
Licenses and permits	3,067	4,292	15,952	22,002	27%
Dues, subscriptions and memberships	58	333	8,777	1,667	(427%)
Management Fee	14,175	28,000	141,067	159,000	11%
Other operating expenses	(1,805)	83	(98)	2,417	104%
Total Expenses	1,457,153	1,494,305	7,350,929	7,534,584	2%
Transfers					
Transfers for capital equipment	-	-	-	-	0%
Transfers to Rec. Reserve	52,083	429,464	1,742,044	2,119,425	18% F
Transfers to Bond Fund	83,228	83,228	1,546,322	1,539,755	0%
Transfers to Backcountry Fund	37,500	37,500	187,500	187,500	0%
Total Transfers	172,811	550,192	3,475,866	3,846,680	10%
Total Expenses after Transfers	1,629,964	2,044,497	10,826,795	11,381,264	5%
Net Revenue (Expense)	\$ 272,120	\$ (227,443)	\$ (1,032,225)	\$ (2,081,447)	(50%)

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

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

- A - Positive variance is due to better than expected participation across all programs than budgeted.
- B - Variance primarily relates to favorable Grant Revenue for Preschool and Day Camps in 2022 of \$30k/month.
- C - Variance due to higher than budgeted pool maintenance expenses and Maint & Supplies expenses primarily due to timing vs. budget plus recent change in capitalization policy with higher thresholds
- D - Variance due to Eastridge Construction Review being cancelled
- E - The transfer between Rec Op and Rec Reserve for capital reserves was postponed due to revising the Eastridge remodel project spend. The project is coming in lower than budgeted by \$700K and the monthly transfer will be reduced accordingly and start back up in June

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

- A - Positive variance is due to better than expected participation across all programs than budgeted.
- B - Variance primarily relates to favorable Grant Revenue for Preschool and Day Camps in 2022 of \$30k/month.
- C - Variance due to higher than budgeted pool maintenance expenses and Maint & Supplies expenses primarily due to timing vs. budget plus recent change in capitalization policy with higher thresholds
- D - Variance due to higher printing costs and Vantiv fees for Perfect Mind processing
- E - Program expenses are greater due to greater program participation and increased revenue
- F - The transfer between Rec Op and Rec Reserve for capital reserves was postponed due to revising the Eastridge remodel project spend. The project is coming in lower than budgeted by \$700K and the monthly transfer will be reduced accordingly and start back up in June

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

	2022 MTD Actual vs. 2022 MTD Budget			2022 YTD Actual vs. 2022 YTD Budget		
	Actual	Budget	%	Actual	Budget	%
Revenues						
Recreation programs	\$ 42,536	\$ 35,000	22%	\$ 115,140	\$ 98,800	17%
Facility operations	\$ 7,491	\$ 8,954	(16%)	\$ 35,089	\$ 44,770	(22%)
Interest and other revenue	\$ -	\$ 8	(100%)	\$ -	\$ 40	(100%)
Total revenues	50,027	43,962	14%	150,229	143,610	5%
Expenses						
Salaries and employee benefits	123,137	91,029	(35%)	456,503	405,591	(13%)
Facility operations	11,323	18,420	39%	27,690	50,600	45%
Professional services	-	-	-	450	1,550	71%
Office expenses	528	816	35%	2,223	4,834	54%
Insurance	3,340	3,500	5%	16,699	17,500	5%
Program	34,600	28,000	(24%)	94,848	72,900	(30%)
Conferences, meetings and travel	5,584	4,000	(40%)	9,810	11,250	13%
Licenses and permits	-	110	100%	-	550	100%
Total expenses	178,512	145,875	(22%)	608,224	564,775	(8%)
Transfers						
Transfer To B. C. Reserve Fund	2,505	835	(200%)	4,175	4,175	0%
Transfer from Recreation Fund	(37,500)	(37,500)	0%	(187,500)	(187,500)	0%
Total transfers	(34,995)	(36,665)	5%	(183,325)	(183,325)	0%
Total expenses after transfers	143,517	109,210	(31%)	424,899	381,450	(11%)
Net revenue (expense)	\$ (93,490)	\$ (65,248)	43%	\$ (274,669)	\$ (237,840)	15%

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

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

- A - Horse trail rides and Youth Camp revenue are higher than budgeted
- B - Staffing was accelerated compared to budget due to labor market challenges
- C - Variance due timing of Vegetation, Natural Resource and Noxious Weed management
- D - Variance due to higher expenses in Horse Trail due to increased revenue.

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

- A - Variance due to horse trail rides and youth camp revenue better than budget.
- B - Variance due to timing of Cel Tower lease revenue and grazing lease revenue
- C - Staffing was accelerated compared to budget due to labor market challenges
- D - Variance due timing of Vegetation, Natural Resource and Noxious Weed management
- E - Variance due to higher expenses in Horse Trail due to increased revenue.

Highlands Ranch Community Association

Income Statement

Operating Fund Analysis

Current Month and Year to Date

HRCA
Statement of Revenues and Expenses
For the Month Ending May 31, 2022

	Current Month Actuals			Current Month Budget			Current Month Variance			Month to Date % Variance		
	Admin	Rec	Total	Admin	Rec	Total	Admin	Rec	Total	Admin	Rec	Total
Revenues												
Homeowner assessments and fees	302,755	1,403,097	1,705,853	297,333	1,402,500	1,699,833	5,422	597	6,019	2%	0%	#DIV/0!
Community improvement Services	15,445	-	15,445	10,500	-	10,500	4,945	-	4,945	47%	#DIV/0!	47%
Recreation programs	-	408,113	408,113	-	340,468	35,000	-	65,646	75,182	#DIV/0!	19%	22%
Facility operations	-	49,381	49,381	-	58,689	8,954	-	(9,289)	(1,463)	#DIV/0!	-16%	-15%
Community Events	11,082	-	11,082	333	-	333	10,749	-	10,749	3225%	#DIV/0!	3225%
Advertising	2,321	-	2,321	28,000	13,750	41,750	2,321	-	2,321	#DIV/0!	#DIV/0!	#DIV/0!
Management Fee	14,175	9,646	23,821	3,413	1,667	5,087	(13,825)	(4,104)	(17,929)	-49%	-30%	#DIV/0!
Interest and other revenue	9,411	33,847	43,259	3,413	8	3,421	5,969	32,181	(8)	176%	193%	-100%
Total revenues	355,190	1,932,084	2,307,301	339,579	1,817,054	2,200,595	15,611	85,030	6,065	5%	5%	14%
Expenses												
Salaries and employee benefits	151,382	932,277	1,206,796	157,093	994,848	1,242,970	5,711	62,571	(36,175)	4%	6%	-35%
Facility operations	2,304	180,736	174,363	1,417	117,166	137,002	(888)	(43,571)	7,067	-63%	-37%	39%
Professional services	9,790	29,874	39,664	43,309	50,392	93,701	33,518	20,519	54,037	77%	41%	#DIV/0!
Advertising	-	4,501	4,501	-	6,000	6,000	-	1,499	1,499	#DIV/0!	25%	#DIV/0!
Office expenses	13,032	34,229	47,261	10,876	39,493	51,185	(2,156)	5,264	268	-20%	13%	35%
Insurance	5,872	35,874	41,746	10,753	32,259	43,012	4,881	(3,616)	160	45%	-11%	5%
Interest	-	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
IT Expenses	22,948	51,986	74,934	24,825	62,126	86,951	1,877	160	2,036	8%	0%	#DIV/0!
Occupancy	346	113,730	114,076	667	95,757	96,424	321	(17,973)	(17,652)	48%	-19%	#DIV/0!
Program	-	67,485	67,485	-	63,054	63,054	-	(4,430)	(6,600)	#DIV/0!	-7%	-24%
Community events	(2,557)	-	(2,557)	708	-	708	3,266	-	3,266	481%	#DIV/0!	#DIV/0!
Conferences, meetings and travel	2,383	985	3,368	2,350	500	6,850	(33)	(485)	(1,564)	-1%	-97%	-40%
Licenses and permits	-	3,067	3,067	-	4,292	4,402	-	1,225	110	29%	29%	100%
Dues, subscriptions and memberships	1,975	58	2,033	2,163	333	2,496	187	276	463	9%	85%	#DIV/0!
Management Fee	9,646	14,175	23,821	13,750	28,000	41,750	4,104	13,825	17,929	30%	49%	#DIV/0!
Other operating expenses	-	(1,805)	(1,805)	583	83	667	583	1,888	2,471	100%	2266%	#DIV/0!
Total expenses	217,121	1,457,153	1,785,512	266,492	1,494,305	1,908,672	51,371	37,151	(32,637)	19%	2%	-22%
Transfers												
Transfers for capital equipment	-	-	-	7,458	-	7,458	-	-	-	100%	#DIV/0!	#DIV/0!
Transfers to Admin. Reserve Fund	18,666	-	18,666	18,666	-	18,666	-	-	-	0%	#DIV/0!	#DIV/0!
Transfers to Rec. Reserve	52,083	-	52,083	429,464	-	429,464	-	377,381	377,381	#DIV/0!	88%	#DIV/0!
Transfers to Bond Fund	33,228	-	33,228	83,228	-	83,228	-	0	0	#DIV/0!	0%	#DIV/0!
Transfers to Backcountry Reserve	-	(37,500)	(37,500)	-	(37,500)	(37,500)	-	-	-	#DIV/0!	0%	0%
Transfers to Backcountry Fund	-	2,505	2,505	-	835	38,335	-	-	(1,670)	#DIV/0!	0%	-4%
Total Transfers	18,666	172,811	156,482	26,124	550,192	539,651	7,458	377,381	(1,670)	29%	89%	-5%
Total expense after transfers	235,787	1,629,964	1,435,517	294,616	2,044,497	2,448,323	59,829	414,532	(34,307)	20%	20%	-31%
Net revenue (expense)	119,403	272,120	(93,490)	44,963	(227,443)	(247,728)	74,440	499,562	(28,242)	166%	-220%	43%

HRCA
Statement of Revenues and Expenses
For the Year Ending May 31, 2022

	Year to Date Actuals		Year to Date Budget		Year to Date Variance		Year to Date % Variance		Total
	Admin	Rec	Admin	BC	Admin	BC	Admin	BC	
Revenues									
Homeowner assessments and fees	1,366,382	7,011,179	1,413,008	7,012,500	(46,626)	(1,321)	-3%	0%	(47,947)
Community Improvement Services	62,345	-	52,500	-	9,845	-	19%	#DIV/0!	9,845
Recreation programs	2,182,567	115,140	1,840,224	98,600	342,343	16,340	#DIV/0!	19%	356,684
Facility operations	353,573	35,089	340,260	44,770	13,313	(9,681)	#DIV/0!	4%	3,632
Community Events	60,027	-	39,667	-	20,360	-	51%	#DIV/0!	20,360
Advertising	3,213	-	3,213	-	-	-	#DIV/0!	#DIV/0!	3,213
Management Fee	141,067	62,207	170,500	68,750	(29,433)	(6,543)	-17%	-10%	(35,976)
Interest and other revenue	45,376	185,044	37,063	38,083	8,314	146,981	22%	386%	155,235
Total revenues	1,678,411	7,794,370	1,712,757	7,299,817	(34,326)	494,733	-2%	5%	487,046
Expenses									
Salaries and employee benefits	839,022	4,869,752	834,701	5,226,639	(4,321)	366,886	-1%	7%	301,653
Facility operations	8,088	515,167	7,063	460,173	1,025	(55,014)	-14%	-12%	(53,080)
Professional services	166,087	192,971	216,210	185,284	(48,123)	(7,877)	22%	-4%	41,546
Advertising	5,720	33,836	10,000	30,000	4,280	(3,836)	43%	-13%	444
Office expenses	72,419	226,825	54,378	197,465	18,041	(29,460)	-33%	-15%	(44,890)
Insurance	23,062	181,145	40,506	161,293	17,443	(19,852)	43%	-12%	(1,608)
Interest	-	-	-	-	-	-	#DIV/0!	#DIV/0!	-
IT Expenses	118,795	303,087	114,251	310,631	(4,564)	7,564	-4%	2%	2,989
Occupancy	1,547	497,370	6,500	471,338	(4,953)	(26,032)	82%	-6%	(19,079)
Program	-	300,790	94,848	304,166	(6,368)	(56,624)	#DIV/0!	-19%	(78,572)
Community events	30,831	-	22,642	-	(8,189)	-	-36%	#DIV/0!	(8,189)
Conferences, meetings and travel	12,308	4,187	11,750	2,500	(558)	(1,687)	-5%	27%	(804)
Licenses and permits	9,266	15,852	22,002	22,552	1,546	(6,050)	14%	100%	6,800
Dues, subscriptions and memberships	82,207	141,087	68,750	159,000	13,457	(7,110)	16%	-427%	(5,564)
Management Fee	-	(98)	2,917	2,417	(500)	17,933	100%	11%	24,476
Other operating expenses	-	-	-	-	-	-	-	-	-
Total expenses	1,351,322	7,350,929	1,402,460	7,534,584	51,158	183,654	4%	2%	191,363
Transfers									
Transfers for capital equipment	-	-	-	-	-	-	-	-	-
Transfers to Admin. Reserve Fund	99,830	-	37,250	-	37,290	-	100%	#DIV/0!	37,290
Transfers to Rec. Reserve	-	1,742,044	93,330	2,119,425	(6,500)	-	-7%	#DIV/0!	(6,500)
Transfers to Bond Fund	-	1,546,322	-	1,539,755	-	377,381	#DIV/0!	18%	377,381
Transfers to Backcountry Reserve	-	(187,500)	(187,500)	(187,500)	-	(6,567)	#DIV/0!	0%	(6,567)
Transfers to Backcountry Fund	-	4,175	4,175	-	-	-	#DIV/0!	0%	-
Total Transfers	99,830	3,475,066	130,650	3,846,680	30,790	370,814	24%	10%	401,604
Total expense after transfers	1,451,152	10,826,795	1,533,100	11,381,264	81,948	554,469	5%	5%	592,967
Net revenue (expense)	227,259	(1,032,225)	(179,638)	(2,081,447)	47,622	1,049,221	27%	-50%	1,060,013

