



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Highlands Ranch Community Association

Financial Statements

September 30, 2025

HRCA Financial Statements
September 30, 2025
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Highlands Ranch Community Association, Inc.
Statement of Revenues and Expenses for All Funds
For the Nine Months Ending September 30, 2025

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE	& PLANT		
Revenues										
Homeowner assessments	\$ 1,527,720	\$ -	\$ -	\$ 14,216,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,744,541
Homeowner fees	846,617	-	-	-	-	-	-	-	-	846,617
Recreation programs	-	-	-	5,374,626	-	991,485	-	-	-	6,366,111
Facility operations	-	-	-	934,838	-	12,821	-	-	(49,500)	898,159
Community events	388,422	-	-	-	-	-	-	-	-	388,422
Interest	118,910	11,766	186,794	183,924	139,037	-	4,646	606	-	645,683
Other revenue	203,027	-	-	49,425	-	151,885	-	-	-	404,337
Total revenues	3,084,696	11,766	186,794	20,759,634	139,037	1,156,191	4,646	606	(49,500)	25,293,870
Expenses										
Salaries	1,292,560	-	-	9,104,362	-	978,767	-	-	-	11,375,689
Employee benefits	419,266	-	-	2,339,012	-	192,484	-	-	-	2,950,762
Depreciation Expense	-	86,140	-	-	-	-	71,947	2,457,765	-	2,615,852
Facility operations	13,410	-	-	1,071,829	203,772	107,800	13,242	11,738	-	1,421,791
Program	-	-	-	859,644	-	149,925	1,547	-	-	1,011,116
Occupancy	54,494	-	-	1,195,292	-	-	-	-	(49,500)	1,200,286
Information Technology Expenses	138,591	-	-	468,403	788	100	-	-	-	607,882
General & Administrative	247,462	-	-	356,300	-	4,588	-	-	-	608,350
Insurance	57,363	-	-	387,062	-	27,815	-	-	-	472,240
Professional services	212,941	-	54,319	136,264	-	-	-	-	-	403,524
Communications and marketing	123,443	-	-	268,100	-	-	-	-	-	391,543
Community events	400,242	-	-	1,000	-	-	-	-	-	401,242
Other operating expenses	2,697	24	-	23,505	-	160	-	-	-	26,386
Total expenses	2,962,469	86,164	54,319	16,210,773	204,560	1,461,639	86,736	2,469,503	(49,500)	23,486,663
(Gains) / Losses	-	-	-	-	-	-	950	32,203	-	33,153
Excess (deficiency) of revenues over expense	122,227	(74,398)	132,475	4,548,861	(65,523)	(305,448)	(83,040)	(2,501,100)	-	1,774,054
Transfers										
Transfers to Bond Fund	-	-	-	606	-	-	-	(606)	-	-
Transfers to Backcountry Fund	-	-	-	(450,000)	-	450,000	-	-	-	-
Transfers for Reserves	-	-	(65,040)	(5,448,750)	(617,469)	-	65,040	6,066,219	-	-
Total transfers (Out) / In	-	-	(65,040)	(5,898,144)	(617,469)	450,000	65,040	6,065,613	-	-
Net revenues (expenses)	\$ 122,227	\$ (74,398)	\$ 67,435	\$ (1,349,283)	\$ (682,992)	\$ 144,552	\$ (18,000)	\$ 3,564,513	\$ -	\$ 1,774,054

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of September 30, 2025

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE			
ASSETS										
Cash & Equivalents										
1000 - Wells Fargo Invest Sweep	\$ 621,365	\$ -	\$ -	\$ 323,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 944,655
1002 - Wells Fargo Payroll Checking	32,256	-	-	-	-	-	-	-	-	32,256
1003 - Wells Fargo Rec Operating Checking	-	-	-	(129,712)	-	-	-	-	-	(129,712)
1004 - Wells Fargo BC Operating Checking	-	-	-	-	-	306,824	-	-	-	306,824
1005 - Wells Fargo Admin Operating Checking	17,281	-	-	2,080	-	-	-	-	-	19,361
Wells Fargo Checking, Payroll and Sweep	670,902	-	-	195,658	-	306,824	-	-	-	1,173,384
1022 - Morgan Stanley Capital Project Fund	-	-	-	-	2,139,504	-	-	-	-	2,139,504
1024 - Morgan Stanley OSCA	-	-	5,375,966	-	-	-	-	-	-	5,375,966
1026 - Morgan Stanley Rec Reserve MM	-	-	-	-	2,214,280	-	-	-	-	2,214,280
1050 - Morgan Stanley Admin Op	3,548,562	-	-	-	-	-	-	-	-	3,548,562
1051 - Morgan Stanley Rec Op	-	-	-	3,796,649	-	-	-	-	-	3,796,649
Morgan Stanley	3,548,562	-	5,375,966	3,796,649	4,353,784	-	-	-	-	17,074,961
1028 - RBC Wealth Mgmt Admin Reserve MM	-	560,930	-	-	-	-	-	-	-	560,930
1032 - RBC Wealth Mgmt BC Reserve CD	-	-	-	-	-	-	204,098	-	-	204,098
RBC Wealth Management	-	560,930	-	-	-	-	204,098	-	-	765,028
1044 - Cash Drawer Cash on Hand	-	-	-	2,862	-	-	-	-	-	2,862
1045 - Program Cash on Hand	200	-	-	-	-	-	-	-	-	200
1048 - Deposit Cash Clearing	1,695	-	-	-	-	-	-	-	-	1,695
Cash on Hand	1,895	-	-	2,862	-	-	-	-	-	4,757
Total Cash & Equivalents	4,221,359	560,930	5,375,966	3,995,169	4,353,784	306,824	204,098	-	-	19,018,130
Accounts Receivable and Other Assets										
1100 - AR-Assessments & Legal	25,064	-	-	264,237	-	-	-	-	-	289,301
1105 - Allowance for Doubtful Accounts	(6,791)	-	-	(27,050)	-	-	-	-	-	(33,841)
1180 - AR- Covenants & Legal	143,501	-	-	-	-	-	-	-	-	143,501
2102 - Unearned CIS Fines & Fees	(116,415)	-	-	-	-	-	-	-	-	(116,415)
1191 - Accrued Interest Receivable	19,106	2,209	66,408	36,329	12,825	-	1,237	-	-	138,114
1195 - Miscellaneous Receivable	153,810	-	-	1,143	-	204	-	-	-	155,157
1196 - Misc Rec – PM Shared Credit	-	-	-	29,117	-	-	-	-	-	29,117
1200 - Prepaid Expense	51,086	-	-	241,836	-	4,680	-	-	-	297,602
1205 - Prepaid Insurance	32,665	-	-	271,502	-	17,465	-	-	-	321,632
1225 - Undeposited Funds	35	-	-	-	-	-	-	-	-	35
1250 - Interfund Receivable	-	-	-	1,901,066	-	-	-	-	(1,901,066)	-
1260 - Intercompany Receivable 501c3	87,720	-	-	30,869	4,720	17,549	-	-	-	140,858
1600 - Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-
Total Accounts Receivable and Other Assets	389,781	2,209	66,408	2,748,967	17,545	39,898	1,237	-	(1,901,066)	1,364,979
Fixed Assets										
Fixed Assets - Cost	-	854,639	-	-	-	-	1,572,858	86,997,365	-	89,424,862
Fixed Assets - Accumulated Depreciation	-	(526,819)	-	-	-	-	(1,136,453)	(48,076,250)	-	(49,739,522)
Total Fixed Assets	-	327,820	-	-	-	-	436,405	38,921,115	-	39,685,340
Total ASSETS	\$ 4,611,140	\$ 890,959	\$ 5,442,374	\$ 6,744,136	\$ 4,371,329	\$ 346,722	\$ 641,740	\$ 38,921,115	\$ (1,901,066)	\$ 60,068,449

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of September 30, 2025

	ADMINISTRATIVE			OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE	OPERATING		RESERVE	OPERATING	RESERVE	& PLANT			
LIABILITIES & EQUITY											
Liabilities											
2000 - Accounts Payable	17,898	-	-	1,156,043	-	6,335	-	-	-	-	1,180,276
2005 - Accrued Expenses	52,954	-	-	229,043	-	73,116	-	-	-	-	355,113
2006 - Accrued AP - PM Shared Credit	-	-	-	(82)	-	-	-	-	-	-	(82)
2007 - FAMLI Payable	-	-	-	-	-	-	-	-	-	-	-
2009 - Colorado Payback	-	-	-	-	-	-	-	-	-	-	-
2015 - Accrued Bond Interest Payable	-	-	-	-	-	-	-	-	-	-	-
2020 - Sales Taxes Payable - State	-	-	-	1,619	-	-	-	-	-	-	1,619
2045 - Accrued Payroll & Vacation Expense	105,727	-	-	639,998	-	58,721	-	-	-	-	804,446
2050 - AFLAC Pre-Tax	-	-	-	-	-	-	-	-	-	-	-
2100 - Unearned Assessments	167,348	-	-	1,714,411	-	-	-	-	-	-	1,881,759
2101 - Deferred Assessments	22,208	-	-	-	-	-	-	-	-	-	22,208
2105 - Unearned Program & Facilities Revenue	33,883	-	-	1,155,035	-	-	-	-	-	-	1,188,918
2110 - Unearned Other Revenue	-	-	-	11,135	-	4,273	-	-	-	-	15,408
2250 - Interfund Payable	478,820	87,750	6,913	2,343	1,225,452	87,760	12,027	-	(1,901,066)	(1)	
2260 - Intercompany Payable 501c3	37,397	-	-	14,622	-	-	-	-	-	-	52,019
2610 - Bonds Payable - 2004 Series	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	913,891	87,750	6,913	4,924,167	1,225,452	230,205	12,027	-	(1,901,066)		5,499,339
Equity											
Retained Earnings	3,528,290	1,017,690	5,370,470	3,169,252	3,793,498	(28,035)	665,688	35,356,602	-	-	52,873,455
3030 - Other Comprehensive Income	46,732	(140,083)	(2,444)	-	35,371	-	(17,975)	-	-	-	(78,399)
Net Income	122,227	(74,398)	67,435	(1,349,283)	(682,992)	144,552	(18,000)	3,564,513	-	-	1,774,054
Total Equity (Fund Balance)	3,697,249	803,209	5,435,461	1,819,969	3,145,877	116,517	629,713	38,921,115	-	-	54,569,110
Total LIABILITIES & EQUITY	\$ 4,611,140	\$ 890,959	\$ 5,442,374	\$ 6,744,136	\$ 4,371,329	\$ 346,722	\$ 641,740	\$ 38,921,115	\$ (1,901,066)	\$	60,068,449

Highlands Ranch Community Association
Statement of Cash Flows for All Funds
For the Nine Months Ending September 30, 2025

	ADMINISTRATIVE			RECREATION		BACKCOUNTRY		DEBT SERVICE	
	OPERATING	RESERVE	OSCA	OPERATING	RESERVE	OPERATING	RESERVE	& PLANT	TOTAL
Cash flows from operating activities									
Excess (deficiency) of revenues over expenses	\$ 122,227	\$ (74,398)	\$ 67,435	\$ (1,349,283)	\$ (682,992)	\$ 144,552	\$ (18,000)	\$ 3,564,513	\$ 1,774,054
Adjustment to reconcile excess (deficiency) of revenues over expenses to net cash from (used for) operating activities									
Depreciation expense	-	86,140	-	-	-	-	71,947	2,457,765	2,615,852
(Gain) loss on asset disposal	-	-	-	-	-	-	950	32,203	33,153
Interest expense attributable to amortization of bond issuance costs	-	-	-	-	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-	-	-	-
(Increase) decrease in operating assets									
Assessments receivable, net	6,952	-	-	45,379	-	-	-	-	52,331
Accounts receivable, other	(87,928)	939	(37,389)	161,691	(480)	(1,826)	610	(1)	35,616
Prepaid expenses and other assets	(19,349)	-	-	(44,221)	-	(3,338)	-	-	(66,908)
Other	31,354	5,192	(7,913)	(38,776)	15,429	-	1,129	-	6,415
Increase (decrease) in operating liabilities									
Accounts payable and accrued expenses	83,675	-	-	929,700	-	16,028	1	-	1,029,404
Accrued payroll and related items	-	-	-	-	-	-	-	-	-
Assessments paid in advance	(11,247)	-	-	(219,770)	-	-	-	-	(231,017)
Deferred revenue	39,751	-	-	(49,156)	-	(5,077)	-	-	(14,482)
Net cash from (used for) operating activities	165,435	17,873	22,133	(564,436)	(668,043)	150,339	56,637	6,054,480	5,234,418
Cash flows from investing activities									
Proceeds from sale of equipment	-	-	-	-	-	-	3,000	-	3,000
Purchases of property and equipment	-	(49,921)	-	-	-	-	(61,726)	(6,054,480)	(6,166,128)
Net cash from (used for) investing activities	-	(49,921)	-	-	-	-	(58,726)	(6,054,480)	(6,163,128)
Cash flows from financing activities									
Payment of accounts payable for property and equipment	-	-	-	-	-	-	-	-	-
Bond principal payments	-	-	-	-	-	-	-	-	-
Net borrowing and transfers among funds	354,713	49,945	(57,159)	(1,299,575)	920,014	23,586	8,475	-	(1)
Net cash from (used for) financing activities	354,713	49,945	(57,159)	(1,299,575)	920,014	23,586	8,475	-	(1)
Net change in cash, cash equivalents, and restricted cash	520,148	17,897	(35,026)	(1,864,011)	251,971	173,925	6,386	(0)	(928,711)
Cash, cash equivalents, and restricted cash, beginning of year	3,701,211	543,033	5,410,992	5,859,180	4,101,813	132,899	197,712	-	19,946,840
Cash, cash equivalents, and restricted cash, end of year	\$ 4,221,359	\$ 560,930	\$ 5,375,966	\$ 3,995,169	\$ 4,353,784	\$ 306,824	\$ 204,098	\$ (0)	\$ 19,018,129

HRCA Administrative Fund
Variance Analysis - Actual vs. Budget
For the Nine Months Ending September 30, 2025

	Current Month					Year To Date				
	Actual	Budget	Variance			Actual	Budget	Variance		
			\$	%				\$	%	
Revenues										
Homeowner assessments	\$ 169,413	\$ 166,235	\$ 3,178	2%		\$ 1,527,720	\$ 1,496,112	\$ 31,608	2%	
Homeowner fees	84,692	49,099	35,593	72%	A	846,617	722,010	124,607	17%	A
Recreation programs	-	-	-			-	-	-		
Community events	46,791	52,880	(6,089)	(12%)		388,422	405,530	(17,108)	(4%)	
Interest	12,353	13,264	(911)	(7%)		118,910	125,778	(6,868)	(5%)	
Other revenue	23,280	23,475	(195)	(1%)		203,027	205,775	(2,748)	(1%)	
Total revenues	336,529	304,953	31,576	10%		3,084,696	2,955,206	129,490	4%	
Expenses										
Salaries	139,952	138,181	(1,771)	(1%)		1,292,560	1,261,110	(31,451)	(2%)	
Employee benefits	35,153	37,268	2,114	6%		419,266	335,836	(83,429)	(25%)	B
Depreciation Expense	-	-	-			-	-	-		
Facility operations	1,183	1,856	674	36%		13,410	18,508	5,098	28%	
Program	-	-	-			-	-	-		
Occupancy	6,156	5,798	(358)	(6%)		54,494	51,792	(2,702)	(5%)	
Information Technology Expenses	13,274	16,236	2,962	18%		138,591	152,668	14,077	9%	
General & Administrative	19,253	13,875	(5,378)	(39%)		247,462	174,070	(73,391)	(42%)	C
Insurance	6,456	5,895	(561)	(10%)		57,363	53,054	(4,309)	(8%)	
Professional services	36,050	27,156	(8,895)	(33%)		212,941	257,400	44,459	17%	D
Communications and marketing	12,809	9,770	(3,040)	(31%)		123,443	108,424	(15,019)	(14%)	
Community events	27,554	28,790	1,236	4%		400,242	426,195	25,953	6%	
Interest	-	-	-			-	-	-		
Other operating expenses	1,530	135	(1,395)	(1,034%)		2,697	1,215	(1,483)	(122%)	
Total expenses	299,371	284,959	(14,412)	(5%)		2,962,469	2,840,272	(122,196)	(4%)	
(Gains) / Losses	-	-	-			-	-	-		
Excess (deficiency) of revenues over expenses	37,158	19,994	17,164	86%		122,227	114,933	7,294	6%	
Transfers										
Transfers to Backcountry Fund	-	-	-			-	-	-		
Transfers for Capital Equipment	-	-	-			-	-	-		
Transfers for Reserves	-	-	-			-	-	-		
Total transfers In / (Out)	-	-	-			-	-	-		
Net revenues (expenses)	\$ 37,158	\$ 19,994	\$ 17,164	86%		\$ 122,227	\$ 114,933	\$ 7,294	6%	

Variance materiality = \$20k and 10%

**HRCA Administrative Fund
Variance Analysis - Actual vs. Budget
For the Nine Months Ending September 30, 2025**

Variance Discussion - MTD Actual vs. Budget

- A -** Homeowner Fee revenue is ahead of budget for the month due to higher status letter/transfer fees (\$7K), credit card fees (\$6K), late fees (\$4K), covenants & architecture fees (\$6), and legal fees charged for collection of delinquent assessments (\$13K).

Variance Discussion - YTD Actual vs. Budget

- A -** Homeowner Fee revenue is ahead of budget due to higher status letter/transfer fees (\$48K), credit card fees (\$51K), late fees (\$31K), and covenants & architecture fees (\$13); offset by lower legal fees charged for collection of delinquent assessments (\$18K).
- B -** Employee benefits expense exceeds budget primarily due to higher than anticipated medical/dental/life insurance costs (\$46K), retirement plan expenses (\$22K), vacation accrual expense (\$13K), and employee development costs (\$4K).
- C -** General and Administrative expenses exceed budget primarily due to higher credit card and ACH transaction fees (\$77K). Note this credit card fee variance is partially offset by \$51K of credit card fee income included in Homeowner Fees revenue.
- D -** Professional services are favorable to budget primarily due to lower legal (\$21K) and consulting fees (\$24K). The community survey will not be completed in 2025.

Administrative Fund Community Events
For the Nine Months Ending September 30, 2025

	Revenue	Expense	Profit/(Loss)
Beer Festival	68,172	(33,632)	34,539
Beer Festival donation	-	(35,000)	(35,000)
Cans Festival	-	-	-
Coffee with a Cop	-	(79)	(79)
Cold Cases and Cocktails	13,497	(2,302)	11,195
Doggie Splash	5,040	-	5,040
Easter Egg Hunt	468	(4,471)	(4,004)
Fall Craft Show	14,190	(1,048)	13,143
Farmers Market	8,571	(3,380)	5,191
Father Daughter Sweetheart Ball	25,898	(19,800)	6,098
Garage Sale	-	(44)	(44)
General	-	(5,831)	(5,831)
Golf Tournament	49,770	(28,330)	21,440
Golf Tournament donation	-	(21,557)	(21,557)
Hometown Holiday Celebration	-	(465)	(465)
House Decorations	-	-	-
Jewelry Show	-	-	-
July 4th Fireworks	-	(23,594)	(23,594)
July 4th Parade	2,641	(19,646)	(17,005)
Miscellaneous Pop Up Events	5,194	(4,000)	1,194
Miscellaneous Tastings	-	(26)	(26)
Oaked & Smoked	-	(1,438)	(1,438)
Other	-	(600)	(600)
Paranormal Party	-	-	-
Princess Teas	3,723	(2,210)	1,513
Race Series	164,595	(117,959)	46,636
Recycling Events	-	(65,837)	(65,837)
Spirit Tastings	-	-	-
Spring Bazaar	16,128	(1,112)	15,016
Super Hero Party	1,615	(1,094)	521
Tacos and Tequila	8,921	(6,787)	2,133
	<u>388,422</u>	<u>(400,242)</u>	<u>(11,820)</u>

Community Relations & Marketing

2025 BUDGET - COMMUNITY EVENTS

	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													
Beer Festival	-	-	-	-	77,750	-	-	-	-	-	-	-	77,750
Cold Cases and Cocktails	-	9,000	-	-	-	-	-	-	-	9,000	-	-	18,000
Doggie Splash	-	-	-	-	-	-	-	-	3,880	-	-	-	3,880
Easter Egg Hunt	-	-	-	1,000	-	-	-	-	-	-	-	-	1,000
Fall Craft Show	-	-	-	-	-	-	-	-	15,500	-	-	-	15,500
Farmers Market	-	-	-	3,500	-	-	-	-	3,500	-	-	-	7,000
Father Daughter Sweetheart Ball	-	24,500	-	-	-	-	-	-	-	-	-	-	24,500
Golf Tournament	-	-	-	-	-	42,600	-	-	-	-	-	-	42,600
Hometown Holiday Celebration	-	-	-	-	-	-	-	-	-	-	-	17,000	17,000
Jewelry Show	-	-	-	-	-	-	-	-	-	-	13,500	-	13,500
July 4th Parade	-	-	-	-	-	-	2,000	-	-	-	-	-	2,000
Miscellaneous Pop Up Events	2,150	-	2,150	-	-	-	-	-	-	-	2,150	-	6,450
Oaked & Smoked	-	-	-	-	-	-	-	-	-	22,000	-	-	22,000
Princess Teas	5,100	-	-	-	-	-	-	-	-	5,100	-	-	10,200
Race Series	-	-	45,000	-	25,000	15,000	50,000	20,000	30,000	-	55,000	-	240,000
Spring Bazaar	-	-	14,000	-	-	-	-	-	-	-	-	-	14,000
Super Hero Party	-	-	-	5,100	-	-	-	-	-	-	-	-	5,100
Tacos and Tequila	-	-	-	-	8,800	-	-	-	-	-	-	-	8,800
	7,250	33,500	61,150	9,600	111,550	57,600	52,000	20,000	52,880	36,100	70,650	17,000	529,280
5100 - Community Events Expense													
Beer Festival	-	-	-	-	77,500	-	-	-	-	-	-	-	77,500
Cans Festival	-	-	-	-	-	-	-	-	-	-	-	-	-
Coffee with a Cop	-	150	-	-	-	-	-	150	-	-	-	-	300
Cold Cases and Cocktails	-	1,650	-	-	-	-	-	-	-	1,650	-	-	3,300
Colorados Most Haunted	-	-	-	-	-	-	-	-	-	-	-	-	-
Doggie Splash	-	-	-	-	-	-	-	-	140	-	-	-	140
Easter Egg Hunt	-	-	-	5,200	-	-	-	-	-	-	-	-	5,200
Fall Craft Show	-	-	-	-	-	-	-	-	150	-	-	-	150
Farmers Market	-	-	500	-	-	-	-	-	-	-	-	-	500
Father Daughter Sweetheart Ball	-	21,135	-	-	-	-	-	-	-	-	-	-	21,135
Garage Sale	-	-	-	-	250	-	-	-	-	-	-	-	250
General	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Golf Tournament	-	-	-	-	-	42,100	-	-	-	-	-	-	42,100
Hometown Holiday Celebration	-	-	-	-	-	-	-	-	-	-	-	22,000	22,000
Jewelry Show	-	-	-	-	-	-	-	-	-	-	250	-	250
July 4th Fireworks	-	-	-	-	-	-	22,000	-	-	-	-	-	22,000
July 4th Parade	-	-	-	-	-	-	20,000	-	-	-	-	-	20,000
Miscellaneous Pop Up Events	1,810	-	1,810	-	-	-	-	-	-	-	1,810	-	5,430
Oaked & Smoked	-	-	-	-	-	-	-	-	-	12,600	-	-	12,600
Princess Teas	2,150	-	-	-	-	-	-	-	-	2,150	-	-	4,300
Race Series	2,000	2,000	25,000	2,000	19,000	17,000	31,000	10,500	28,000	2,000	32,000	1,000	171,500
Recycling Events	-	-	-	-	-	80,000	-	-	-	-	-	-	80,000
Spring Bazaar	-	-	250	-	-	-	-	-	-	-	-	-	250
Super Hero Party	-	-	-	2,150	-	-	-	-	-	-	-	-	2,150
Tacos and Tequila	-	-	-	-	6,100	-	-	-	-	-	-	-	6,100
	6,460	25,435	28,060	9,850	103,350	139,600	73,500	11,150	28,790	18,900	34,560	23,500	503,155
Net Income	790	8,065	33,090	(250)	8,200	(82,000)	(21,500)	8,850	24,090	17,200	36,090	(6,500)	26,125

HRCA Recreation Fund
Variance Analysis - Actual vs. Budget
For the Nine Months Ending September 30, 2025

	Current Month				Year To Date			
	Actual	Budget	Variance		Actual	Budget	Variance	
			\$	%			\$	%
Revenues								
Homeowner assessments	\$ 1,580,541	\$ 1,578,417	\$ 2,124	0%	\$ 14,216,821	\$ 14,205,750	\$ 11,071	0%
Homeowner fees	-	-	-		-	-	-	
Recreation programs	518,295	491,532	26,763	5%	5,374,626	5,210,506	164,119	3%
Facility operations	68,447	85,485	(17,038)	(20%)	934,838	978,635	(43,797)	(4%)
Community events	-	-	-		-	-	-	
Interest	15,061	15,619	(558)	(4%)	183,924	148,105	35,819	24% A
Other revenue	14,304	14,015	289	2%	49,425	45,135	4,290	10%
Total revenues	2,196,647	2,185,067	11,580	1%	20,759,634	20,588,131	171,502	1%
Expenses								
Salaries	933,281	946,296	13,015	1%	9,104,362	9,087,179	(17,182)	0%
Employee benefits	245,750	246,954	1,204	0%	2,339,012	2,286,562	(52,450)	(2%)
Depreciation Expense	-	-	-		-	-	-	
Facility operations	87,749	96,753	9,004	9%	1,071,829	977,922	(93,907)	(10%) B
Program	60,412	73,513	13,101	18%	859,644	907,938	48,294	5%
Occupancy	134,710	129,318	(5,392)	(4%)	1,195,292	1,119,072	(76,220)	(7%)
Information Technology Expenses	48,062	55,549	7,486	13%	468,403	501,558	33,155	7%
General & Administrative	43,730	33,024	(10,705)	(32%)	356,300	351,240	(5,061)	(1%)
Insurance	44,534	41,430	(3,104)	(7%)	387,062	372,870	(14,192)	(4%)
Professional services	11,033	17,378	6,344	37%	136,264	156,398	20,133	13%
Communications and marketing	20,406	19,080	(1,327)	(7%)	268,100	222,150	(45,950)	(21%) C
Community events	-	-	-		1,000	-	(1,000)	
Interest	-	-	-		-	-	-	
Other operating expenses	414	425	11	3%	23,505	3,895	(19,610)	(503%)
Total expenses	1,630,081	1,659,719	29,638	2%	16,210,772	15,986,784	(223,989)	(1%)
(Gains) / Losses	-	-	-		-	-	-	
Excess (deficiency) of revenues over expenses	566,566	525,348	41,218	8%	4,548,861	4,601,348	(52,486)	(1%)
Transfers								
Transfers to Bond Fund	-	-	-	100%	606	-	606	100%
Transfers to Backcountry Fund	(50,000)	(50,000)	-	0%	(450,000)	(450,000)	-	0%
Transfers for Capital Equipment	-	-	-		-	-	-	
Transfers for Reserves	(605,417)	(605,417)	(0)	0%	(5,448,750)	(5,448,750)	(0)	0%
Total transfers In / (Out)	(655,417)	(655,417)	(0)	0%	(5,898,144)	(5,898,750)	606	0%
Net revenues (expenses)	\$ (88,851)	\$ (130,069)	\$ 41,218	(32%)	\$ (1,349,282)	\$ (1,297,402)	\$ (51,880)	4%

Variance materiality = \$25k and 10%

HRCR Recreation Fund
Variance Analysis - Actual vs. Budget
For the Nine Months Ending September 30, 2025

Variance Discussion - MTD Actual vs. Budget

No items met scope

Variance Discussion - YTD Actual vs. Budget

- A -** Interest income exceeds budget projections due to interest rates remaining elevated longer than anticipated.
- Facility operations expense is unfavorable to budget by \$94K YTD due to higher than anticipated facility maintenance and supplies expenses, notably elevator service and repairs, gym floor maintenance, partition service and repairs, fence repairs, tennis court dividers, servicing RTU units, fire alarm inspections, electrical service maintenance at tennis pavilion, and re-finishing terrazzo floors.
- B -**
- C -** Communications and marketing expenses exceed budget primarily due to higher expenses for activity guide (\$28K), postage and printing (\$14K), and newsletter (\$4K).

HRCA Backcountry Fund
Variance Analysis - Actual vs. Budget
For the Nine Months Ending September 30, 2025

	Current Month					Year To Date				
	Actual	Budget	Variance			Actual	Budget	Variance		
			\$	%				\$	%	
Revenues										
Recreation programs	\$ 50,501	\$ 55,400	\$ (4,899)	(9%)		\$ 991,485	\$ 1,156,350	\$ (164,865)	(14%)	A
Facility operations	1,424	1,591	(167)	(10%)		12,821	14,319	(1,498)	(10%)	
Other revenue	16,875	20,990	(4,115)	(20%)		151,885	163,410	(11,525)	(7%)	
Total revenues	68,800	77,981	(9,181)	(12%)		1,156,191	1,334,079	(177,888)	(13%)	
Expenses										
Salaries	96,782	95,890	(892)	(1%)		978,767	1,059,439	80,672	8%	
Employee benefits	23,196	26,069	2,873	11%		192,484	256,859	64,375	25%	B
Facility operations	15,915	19,950	4,035	20%		107,800	144,400	36,600	25%	C
Program	11,908	11,250	(658)	(6%)		149,925	208,335	58,410	28%	D
Information Technology Expenses	-	-	-			100	-	(100)		
General & Administrative	204	315	111	35%		4,588	5,085	497	10%	
Insurance	3,159	3,656	497	14%		27,815	32,904	5,089	15%	
Other operating expenses	54	50	(4)	(7%)		160	300	140	47%	
Total expenses	151,217	157,179	5,963	4%		1,461,640	1,707,322	245,683	14%	
Excess (deficiency) of revenues over expenses	(82,416)	(79,198)	(3,218)	4%		(305,449)	(373,243)	67,794	(18%)	
Transfers										
Transfers to Backcountry Fund	50,000	50,000	-	0%		450,000	450,000	-	0%	
Total transfers In / (Out)	50,000	50,000	-	0%		450,000	450,000	-	0%	
Net revenues (expenses)	\$ (32,416)	\$ (29,198)	\$ (3,218)	11%		\$ 144,551	\$ 76,757	\$ 67,794	88%	

Variance materiality = \$10k and 10%

Variance Discussion - MTD Actual vs. Budget

No items met scope

Variance Discussion - YTD Actual vs. Budget

- A** - Program revenue is below budget YTD primarily due to planned reduction of equine program offerings (\$183K); offset by increased participation in youth camp.
- B** - Employee benefits expense is favorable to budget due to lower medical insurance costs and lower salaries expense.
- C** - Facility operations expenses are favorable to budget due to lower maintenance and supplies (\$20K), vehicle costs (\$7K), portable restrooms (\$7K) and uniform costs (\$3K).
- D** - Program expenses are favorable to budget primarily due to reduced equine expense due to restructured program.

HRCA
Statement of Revenues and Expenses
September 30, 2025

	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	169,413	1,580,541	-	1,749,954	166,235	1,578,417	-	1,744,651	3,178	2,124	-	5,303	2%	0%		0%
Homeowner fees	84,692	-	-	84,692	49,099	-	-	49,099	35,593	-	-	35,593	72%			72%
Recreation programs	-	518,295	50,501	568,796	-	491,532	55,400	546,932	-	26,763	(4,899)	21,864		5%	-9%	4%
Facility operations	-	68,447	1,424	69,871	-	85,485	1,591	87,076	-	(17,038)	(167)	(17,205)	-	-20%	-10%	-20%
Community events	46,791	-	-	46,791	52,880	-	-	52,880	(6,089)	-	-	(6,089)	-12%			-12%
Interest	12,353	15,061	-	27,414	13,264	15,619	-	28,883	(911)	(558)	-	(1,469)	-7%	-4%		-5%
Other revenue	23,280	14,304	16,875	54,459	23,475	14,015	20,990	58,480	(195)	289	(4,115)	(4,021)	-1%	2%	-20%	-7%
Total revenues	336,529	2,196,647	68,800	2,601,976	304,953	2,185,067	77,981	2,568,001	31,576	11,580	(9,181)	33,975	10%	1%	-12%	1%
Expenses																
Salaries	139,952	933,281	96,782	1,170,015	138,181	946,296	95,890	1,180,367	(1,771)	13,015	(892)	10,352	-1%	1%	-1%	1%
Employee benefits	35,153	245,750	23,196	304,099	37,268	246,954	26,069	310,291	2,114	1,204	2,873	6,192	6%	0%	11%	2%
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-				
Facility operations	1,183	87,749	15,915	104,846	1,856	96,753	19,950	118,560	674	9,004	4,035	13,714	36%	9%	20%	12%
Program	-	60,412	11,908	72,320	-	73,513	11,250	84,763	-	13,101	(658)	12,443		18%	-6%	15%
Occupancy	6,156	134,710	-	140,866	5,798	129,318	-	135,116	(358)	(5,392)	-	(5,751)	-6%	-4%		-4%
Information Technology Expenses	13,274	48,062	-	61,336	16,236	55,549	-	71,785	2,962	7,486	-	10,448	18%	13%		15%
General & Administrative	19,253	43,730	204	63,187	13,875	33,024	315	47,214	(5,378)	(10,705)	111	(15,973)	-39%	-32%	35%	-34%
Insurance	6,456	44,534	3,159	54,149	5,895	41,430	3,656	50,981	(561)	(3,104)	497	(3,168)	-10%	-7%	14%	-6%
Professional services	36,050	11,033	-	47,083	27,156	17,378	-	44,533	(8,895)	6,344	-	(2,550)	-33%	37%		-6%
Communications and marketing	12,809	20,406	-	33,216	9,770	19,080	-	28,849	(3,040)	(1,327)	-	(4,366)	-31%	-7%		-15%
Community events	27,554	-	-	27,554	28,790	-	-	28,790	1,236	-	-	1,236	4%			4%
Interest	-	-	-	-	-	-	-	-	-	-	-	-				
Other operating expenses	1,530	414	54	1,997	135	425	50	610	(1,395)	11	(4)	(1,388)	-1034%	3%	-7%	-227%
Total expenses	299,371	1,630,081	151,217	2,080,669	284,959	1,659,719	157,179	2,101,858	(14,412)	29,638	5,963	21,189	-5%	2%	4%	1%
Transfers																
Transfers to Bond Fund	-	-	-	-	-	-	-	-	-	-	-	-				
Transfers to Backcountry Fund	-	(50,000)	50,000	-	-	(50,000)	50,000	-	-	-	-	-		0%	0%	
Transfers for Capital Equipment	-	-	-	-	-	-	-	-	-	-	-	-				
Transfers for Reserves	-	(605,417)	-	(605,417)	-	(605,417)	-	(605,417)	-	(0)	-	(0)		0%		0%
Total Transfers In / (Out)	-	(655,417)	50,000	(605,417)	-	(655,417)	50,000	(605,417)	-	(0)	-	(0)		0%	0%	0%
Net revenue (expense)	37,158	(88,851)	(32,416)	(84,109)	19,994	(130,069)	(29,198)	(139,273)	17,164	41,218	(3,218)	55,164	86%	-32%	11%	-40%

HRCA
Statement of Revenues and Expenses
For the Nine Months Ending September 30, 2025

	YTD Actuals				YTD Budget				YTD Variance				YTD % Variance			
	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total
Revenues																
Homeowner assessments	1,527,720	14,216,821	-	15,744,542	1,496,112	14,205,750	-	15,701,862	31,608	11,071	-	42,680	2%	0%		0%
Homeowner fees	846,617	-	-	846,617	722,010	-	-	722,010	124,607	-	-	124,607	17%			17%
Recreation programs	-	5,374,626	991,485	6,366,111	-	5,210,506	1,156,350	6,366,856	-	164,119	(164,865)	(745)		3%	-14%	0%
Facility operations	-	934,838	12,821	947,658	-	978,635	14,319	992,954	-	(43,797)	(1,498)	(45,296)		-4%	-10%	-5%
Community events	388,422	-	-	388,422	405,530	-	-	405,530	(17,108)	-	-	(17,108)	-4%			-4%
Interest	118,910	183,924	-	302,834	125,778	148,105	-	273,884	(6,868)	35,819	-	28,950	-5%	24%		11%
Other revenue	203,027	49,425	151,885	404,337	205,775	45,135	163,410	414,320	(2,748)	4,290	(11,525)	(9,983)	-1%	10%	-7%	-2%
Total revenues	3,084,696	20,759,634	1,156,191	25,000,520	2,955,206	20,588,131	1,334,079	24,877,416	129,490	171,502	(177,888)	123,104	4%	1%	-13%	0%
Expenses																
Salaries	1,292,560	9,104,362	978,767	11,375,689	1,261,110	9,087,179	1,059,439	11,407,728	(31,451)	(17,182)	80,672	32,039	-2%	0%	8%	0%
Employee benefits	419,266	2,339,012	192,484	2,950,762	335,836	2,286,562	256,859	2,879,257	(83,429)	(52,450)	64,375	(71,504)	-25%	-2%	25%	-2%
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-				
Facility operations	13,410	1,071,829	107,800	1,193,038	18,508	977,922	144,400	1,140,830	5,098	(93,907)	36,600	(52,208)	28%	-10%	25%	-5%
Program	-	859,644	149,925	1,009,569	-	907,938	208,335	1,116,273	-	48,294	58,410	106,704		5%	28%	10%
Occupancy	54,494	1,195,292	-	1,249,786	51,792	1,119,072	-	1,170,864	(2,702)	(76,220)	-	(78,922)	-5%	-7%		-7%
Information Technology Expenses	138,591	468,403	100	607,094	152,668	501,558	-	654,226	14,077	33,155	(100)	47,132	9%	7%		7%
General & Administrative	247,462	356,300	4,588	608,350	174,070	351,240	5,085	530,395	(73,391)	(5,061)	497	(77,955)	-42%	-1%	10%	-15%
Insurance	57,363	387,062	27,815	472,240	53,054	372,870	32,904	458,828	(4,309)	(14,192)	5,089	(13,412)	-8%	-4%	15%	-3%
Professional services	212,941	136,264	-	349,205	257,400	156,398	-	413,797	44,459	20,133	-	64,592	17%	13%		16%
Communications and marketing	123,443	268,100	-	391,543	108,424	222,150	-	330,574	(15,019)	(45,950)	-	(60,969)	-14%	-21%		-18%
Community events	400,242	1,000	-	401,242	426,195	-	-	426,195	25,953	(1,000)	-	24,953	6%			6%
Interest	-	-	-	-	-	-	-	-	-	-	-	-				
Other operating expenses	2,697	23,505	160	26,361	1,215	3,895	300	5,410	(1,483)	(19,610)	140	(20,952)	-122%	-503%	47%	-387%
Total expenses	2,962,469	16,210,772	1,461,640	20,634,881	2,840,272	15,986,784	1,707,322	20,534,378	(122,196)	(223,989)	245,683	(100,503)	-4%	-1%	14%	0%
Transfers																
Transfers to Bond Fund	-	606	-	606	-	-	-	-	-	606	-	606				
Transfers to Backcountry Fund	-	(450,000)	450,000	-	-	(450,000)	450,000	-	-	-	-	-		0%	0%	
Transfers for Capital Equipment	-	-	-	-	-	-	-	-	-	-	-	-				
Transfers for Reserves	-	(5,448,750)	-	(5,448,750)	-	(5,448,750)	-	(5,448,750)	-	(0)	-	(0)		0%		0%
Total Transfers In / (Out)	-	(5,898,144)	450,000	(5,448,144)	-	(5,898,750)	450,000	(5,448,750)	-	606	-	606		0%	0%	0%
Net revenue (expense)	122,227	(1,349,282)	144,551	(1,082,504)	114,933	(1,297,402)	76,757	(1,105,712)	7,294	(51,880)	67,794	23,208	6%	4%	88%	-2%