



# HIGHLANDS RANCH

## COMMUNITY ASSOCIATION

**Highlands Ranch Community Association**

**Financial Statements**

**October 31, 2025**

**HRCA Financial Statements**  
**October 31, 2025**  
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**Highlands Ranch Community Association, Inc.**  
**Statement of Revenues and Expenses for All Funds**  
**For the Ten Months Ending October 31, 2025**

|                                                     | <b>ADMINISTRATIVE</b> |                    | <b>OSCA</b>      | <b>RECREATION</b>     |                     | <b>BACKCOUNTRY</b> |                    | <b>DEBT SERVICE</b> | <b>ELIMINATIONS</b> | <b>TOTAL</b>        |
|-----------------------------------------------------|-----------------------|--------------------|------------------|-----------------------|---------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
|                                                     | <b>OPERATING</b>      | <b>RESERVE</b>     |                  | <b>OPERATING</b>      | <b>RESERVE</b>      | <b>OPERATING</b>   | <b>RESERVE</b>     | <b>&amp; PLANT</b>  |                     |                     |
| <b>Revenues</b>                                     |                       |                    |                  |                       |                     |                    |                    |                     |                     |                     |
| Homeowner assessments                               | \$ 1,699,414          | \$ -               | \$ -             | \$ 15,796,355         | \$ -                | \$ -               | \$ -               | \$ -                | \$ -                | \$ 17,495,769       |
| Homeowner fees                                      | 937,469               | -                  | -                | -                     | -                   | -                  | -                  | -                   | -                   | 937,469             |
| Recreation programs                                 | -                     | -                  | -                | 5,980,456             | -                   | 1,041,377          | -                  | -                   | -                   | 7,021,833           |
| Facility operations                                 | -                     | -                  | -                | 1,064,215             | -                   | 14,245             | -                  | -                   | (55,000)            | 1,023,460           |
| Community events                                    | 423,171               | -                  | -                | -                     | -                   | -                  | -                  | -                   | -                   | 423,171             |
| Interest                                            | 131,231               | 13,339             | 207,805          | 197,539               | 159,751             | -                  | 5,214              | 606                 | -                   | 715,485             |
| Other revenue                                       | 226,307               | -                  | -                | 49,696                | -                   | 168,760            | -                  | -                   | -                   | 444,763             |
| <b>Total revenues</b>                               | <b>3,417,592</b>      | <b>13,339</b>      | <b>207,805</b>   | <b>23,088,261</b>     | <b>159,751</b>      | <b>1,224,382</b>   | <b>5,214</b>       | <b>606</b>          | <b>(55,000)</b>     | <b>28,061,950</b>   |
| <b>Expenses</b>                                     |                       |                    |                  |                       |                     |                    |                    |                     |                     |                     |
| Salaries                                            | 1,436,975             | -                  | -                | 10,085,409            | -                   | 1,079,058          | -                  | -                   | -                   | 12,601,442          |
| Employee benefits                                   | 460,317               | -                  | -                | 2,555,766             | -                   | 214,418            | -                  | -                   | -                   | 3,230,501           |
| Depreciation Expense                                | -                     | 96,682             | -                | -                     | -                   | -                  | 79,978             | 2,740,446           | -                   | 2,917,106           |
| Facility operations                                 | 15,064                | -                  | 11,939           | 1,182,487             | 228,760             | 125,884            | 13,242             | -                   | -                   | 1,577,376           |
| Program                                             | -                     | -                  | -                | 939,500               | -                   | 167,645            | 1,547              | -                   | -                   | 1,108,692           |
| Occupancy                                           | 60,526                | -                  | -                | 1,295,117             | -                   | -                  | -                  | -                   | (55,000)            | 1,300,643           |
| Information Technology Expenses                     | 150,330               | -                  | -                | 512,974               | 788                 | 100                | -                  | -                   | -                   | 664,192             |
| General & Administrative                            | 280,715               | -                  | -                | 386,480               | 543                 | 4,874              | -                  | -                   | -                   | 672,612             |
| Insurance                                           | 64,492                | -                  | -                | 431,623               | -                   | 30,974             | -                  | -                   | -                   | 527,089             |
| Professional services                               | 245,622               | -                  | 84,100           | 148,980               | -                   | -                  | -                  | -                   | -                   | 478,702             |
| Communications and marketing                        | 137,415               | -                  | -                | 302,912               | -                   | -                  | -                  | -                   | -                   | 440,327             |
| Community events                                    | 422,410               | -                  | -                | 1,000                 | -                   | -                  | -                  | -                   | -                   | 423,410             |
| Other operating expenses                            | 5,019                 | 24                 | -                | 24,259                | -                   | 542                | -                  | -                   | -                   | 29,844              |
| <b>Total expenses</b>                               | <b>3,278,885</b>      | <b>96,706</b>      | <b>96,039</b>    | <b>17,866,507</b>     | <b>230,091</b>      | <b>1,623,495</b>   | <b>94,767</b>      | <b>2,740,446</b>    | <b>(55,000)</b>     | <b>25,971,936</b>   |
| (Gains) / Losses                                    | -                     | -                  | -                | -                     | -                   | -                  | 950                | 33,265              | -                   | 34,215              |
| <b>Excess (deficiency) of revenues over expense</b> | <b>138,707</b>        | <b>(83,367)</b>    | <b>111,766</b>   | <b>5,221,754</b>      | <b>(70,340)</b>     | <b>(399,113)</b>   | <b>(90,503)</b>    | <b>(2,773,105)</b>  | <b>-</b>            | <b>2,055,799</b>    |
| <b>Transfers</b>                                    |                       |                    |                  |                       |                     |                    |                    |                     |                     |                     |
| Transfers to Bond Fund                              | -                     | -                  | -                | 606                   | -                   | -                  | -                  | (606)               | -                   | -                   |
| Transfers to Backcountry Fund                       | -                     | -                  | -                | (500,000)             | -                   | 500,000            | -                  | -                   | -                   | -                   |
| Transfers for Reserves                              | -                     | -                  | (34,176)         | (6,054,167)           | (596,264)           | -                  | 34,176             | 6,650,431           | -                   | -                   |
| <b>Total transfers (Out) / In</b>                   | <b>-</b>              | <b>-</b>           | <b>(34,176)</b>  | <b>(6,553,561)</b>    | <b>(596,264)</b>    | <b>500,000</b>     | <b>34,176</b>      | <b>6,649,825</b>    | <b>-</b>            | <b>-</b>            |
| <b>Net revenues (expenses)</b>                      | <b>\$ 138,707</b>     | <b>\$ (83,367)</b> | <b>\$ 77,590</b> | <b>\$ (1,331,807)</b> | <b>\$ (666,604)</b> | <b>\$ 100,887</b>  | <b>\$ (56,327)</b> | <b>\$ 3,876,720</b> | <b>\$ -</b>         | <b>\$ 2,055,799</b> |

Highlands Ranch Community Association, Inc.  
Balance Sheet for All Funds  
As of October 31, 2025

|                                                   | ADMINISTRATIVE      |                   |                     | RECREATION          |                     | BACKCOUNTRY       |                   | DEBT SERVICE         |                       |                      |
|---------------------------------------------------|---------------------|-------------------|---------------------|---------------------|---------------------|-------------------|-------------------|----------------------|-----------------------|----------------------|
|                                                   | OPERATING           | RESERVE           | OSCA                | OPERATING           | RESERVE             | OPERATING         | RESERVE           | & PLANT              | ELIMINATIONS          | TOTAL                |
| <b>ASSETS</b>                                     |                     |                   |                     |                     |                     |                   |                   |                      |                       |                      |
| <b>Cash &amp; Equivalents</b>                     |                     |                   |                     |                     |                     |                   |                   |                      |                       |                      |
| 1000 - Wells Fargo Invest Sweep                   | \$ 1,874,444        | \$ -              | \$ -                | \$ 309,010          | \$ -                | \$ -              | \$ -              | \$ -                 | \$ -                  | \$ 2,183,454         |
| 1002 - Wells Fargo Payroll Checking               | 51,983              | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | 51,983               |
| 1003 - Wells Fargo Rec Operating Checking         | -                   | -                 | -                   | (178,603)           | -                   | -                 | -                 | -                    | -                     | (178,603)            |
| 1004 - Wells Fargo BC Operating Checking          | -                   | -                 | -                   | -                   | -                   | 246,792           | -                 | -                    | -                     | 246,792              |
| 1005 - Wells Fargo Admin Operating Checking       | 14                  | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | 14                   |
| <b>Wells Fargo Checking, Payroll and Sweep</b>    | <b>1,926,441</b>    | <b>-</b>          | <b>-</b>            | <b>130,407</b>      | <b>-</b>            | <b>246,792</b>    | <b>-</b>          | <b>-</b>             | <b>-</b>              | <b>2,303,640</b>     |
| 1022 - Morgan Stanley Capital Project Fund        | -                   | -                 | -                   | -                   | 2,145,431           | -                 | -                 | -                    | -                     | 2,145,431            |
| 1024 - Morgan Stanley OSCA                        | -                   | -                 | 5,397,430           | -                   | -                   | -                 | -                 | -                    | -                     | 5,397,430            |
| 1026 - Morgan Stanley Rec Reserve MM              | -                   | -                 | -                   | -                   | 1,619,823           | -                 | -                 | -                    | -                     | 1,619,823            |
| 1050 - Morgan Stanley Admin Op                    | 3,554,426           | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | 3,554,426            |
| 1051 - Morgan Stanley Rec Op                      | -                   | -                 | -                   | 3,805,777           | -                   | -                 | -                 | -                    | -                     | 3,805,777            |
| <b>Morgan Stanley</b>                             | <b>3,554,426</b>    | <b>-</b>          | <b>5,397,430</b>    | <b>3,805,777</b>    | <b>3,765,254</b>    | <b>-</b>          | <b>-</b>          | <b>-</b>             | <b>-</b>              | <b>16,522,887</b>    |
| 1028 - RBC Wealth Mgmt Admin Reserve MM           | -                   | 563,767           | -                   | -                   | -                   | -                 | -                 | -                    | -                     | 563,767              |
| 1032 - RBC Wealth Mgmt BC Reserve CD              | -                   | -                 | -                   | -                   | -                   | -                 | 204,468           | -                    | -                     | 204,468              |
| <b>RBC Wealth Management</b>                      | <b>-</b>            | <b>563,767</b>    | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>          | <b>204,468</b>    | <b>-</b>             | <b>-</b>              | <b>768,235</b>       |
| 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                |
| 1049 - Customer Refund Cash Clearing              | 200                 | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | 200                  |
| <b>Cash on Hand</b>                               | <b>2,095</b>        | <b>-</b>          | <b>-</b>            | <b>2,862</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>             | <b>-</b>              | <b>4,957</b>         |
| <b>Total Cash &amp; Equivalents</b>               | <b>5,482,962</b>    | <b>563,767</b>    | <b>5,397,430</b>    | <b>3,939,046</b>    | <b>3,765,254</b>    | <b>246,792</b>    | <b>204,468</b>    | <b>-</b>             | <b>-</b>              | <b>19,599,719</b>    |
| <b>Accounts Receivable and Other Assets</b>       |                     |                   |                     |                     |                     |                   |                   |                      |                       |                      |
| 1100 - AR-Assessments & Legal                     | 60,053              | -                 | -                   | 576,886             | -                   | -                 | -                 | -                    | -                     | 636,939              |
| 1105 - Allowance for Doubtful Accounts            | (6,791)             | -                 | -                   | (27,050)            | -                   | -                 | -                 | -                    | -                     | (33,841)             |
| 1180 - AR- Covenants & Legal                      | 144,548             | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | 144,548              |
| 2102 - Unearned CIS Fines & Fees                  | (113,940)           | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | (113,940)            |
| 1191 - Accrued Interest Receivable                | 24,732              | 2,948             | 63,731              | 41,472              | 14,859              | -                 | 1,727             | -                    | -                     | 149,469              |
| 1195 - Miscellaneous Receivable                   | 159,071             | -                 | -                   | 42,631              | -                   | 233               | -                 | -                    | -                     | 201,935              |
| 1196 - Misc Rec – PM Shared Credit                | -                   | -                 | -                   | 27,719              | -                   | -                 | -                 | -                    | -                     | 27,719               |
| 1200 - Prepaid Expense                            | 91,884              | -                 | -                   | 316,629             | -                   | 4,277             | -                 | -                    | -                     | 412,790              |
| 1205 - Prepaid Insurance                          | 39,508              | -                 | -                   | 303,082             | -                   | 18,147            | -                 | -                    | -                     | 360,737              |
| 1225 - Undeposited Funds                          | 892                 | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | 892                  |
| 1110 - PM Cash Clearing                           | -                   | -                 | -                   | (96)                | -                   | -                 | -                 | -                    | -                     | (96)                 |
| 1250 - Interfund Receivable                       | -                   | -                 | -                   | 2,405,721           | -                   | -                 | -                 | -                    | (2,405,721)           | -                    |
| 1260 - Intercompany Receivable 501c3              | 77,424              | -                 | -                   | 12,359              | -                   | 21,849            | -                 | -                    | -                     | 111,632              |
| 1600 - Bond Issuance Costs                        | -                   | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | -                    |
| <b>Total Accounts Receivable and Other Assets</b> | <b>477,381</b>      | <b>2,948</b>      | <b>63,731</b>       | <b>3,699,353</b>    | <b>14,859</b>       | <b>44,506</b>     | <b>1,727</b>      | <b>-</b>             | <b>(2,405,721)</b>    | <b>1,898,784</b>     |
| <b>Fixed Assets</b>                               |                     |                   |                     |                     |                     |                   |                   |                      |                       |                      |
| Fixed Assets - Cost                               | -                   | 854,639           | -                   | -                   | -                   | -                 | 1,541,993         | 87,451,656           | -                     | 89,848,288           |
| Fixed Assets - Accumulated Depreciation           | -                   | (537,360)         | -                   | -                   | -                   | -                 | (1,144,483)       | (48,218,332)         | -                     | (49,900,175)         |
| <b>Total Fixed Assets</b>                         | <b>-</b>            | <b>317,279</b>    | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>          | <b>397,510</b>    | <b>39,233,324</b>    | <b>-</b>              | <b>39,948,113</b>    |
| <b>Total ASSETS</b>                               | <b>\$ 5,960,343</b> | <b>\$ 883,994</b> | <b>\$ 5,461,161</b> | <b>\$ 7,638,399</b> | <b>\$ 3,780,113</b> | <b>\$ 291,298</b> | <b>\$ 603,705</b> | <b>\$ 39,233,324</b> | <b>\$ (2,405,721)</b> | <b>\$ 61,446,616</b> |

Highlands Ranch Community Association, Inc.  
Balance Sheet for All Funds  
As of October 31, 2025

|                                              | ADMINISTRATIVE      |                   | OSCA                | RECREATION          |                     | BACKCOUNTRY       |                   | DEBT SERVICE         | ELIMINATIONS          | TOTAL                |
|----------------------------------------------|---------------------|-------------------|---------------------|---------------------|---------------------|-------------------|-------------------|----------------------|-----------------------|----------------------|
|                                              | OPERATING           | RESERVE           |                     | OPERATING           | RESERVE             | OPERATING         | RESERVE           | & PLANT              |                       |                      |
| <b>LIABILITIES &amp; EQUITY</b>              |                     |                   |                     |                     |                     |                   |                   |                      |                       |                      |
| <b>Liabilities</b>                           |                     |                   |                     |                     |                     |                   |                   |                      |                       |                      |
| 2000 - Accounts Payable                      | 7,962               | -                 | -                   | 151,366             | -                   | 5,361             | -                 | -                    | -                     | 164,689              |
| 2005 - Accrued Expenses                      | 65,902              | -                 | -                   | 208,340             | 543                 | 74,305            | -                 | -                    | -                     | 349,090              |
| 2006 - Accrued AP - PM Shared Credit         | -                   | -                 | -                   | (82)                | -                   | -                 | -                 | -                    | -                     | (82)                 |
| 2007 - FAMLI Payable                         | 2,106               | -                 | -                   | 8,186               | -                   | -                 | -                 | -                    | -                     | 10,292               |
| 2009 - Colorado Payback                      | -                   | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | -                    |
| 2015 - Accrued Bond Interest Payable         | -                   | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | -                    |
| 2020 - Sales Taxes Payable - State           | -                   | -                 | -                   | 247                 | -                   | -                 | -                 | -                    | -                     | 247                  |
| 2045 - Accrued Payroll & Vacation Expense    | 117,189             | -                 | -                   | 746,210             | -                   | 71,666            | -                 | -                    | -                     | 935,065              |
| 2050 - AFLAC Pre-Tax                         | -                   | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | -                    |
| 2100 - Unearned Assessments                  | 34,375              | -                 | -                   | 461,847             | -                   | -                 | -                 | -                    | -                     | 496,222              |
| 2101 - Deferred Assessments                  | 341,166             | -                 | -                   | 3,159,181           | -                   | -                 | -                 | -                    | -                     | 3,500,347            |
| 2105 - Unearned Program & Facilities Revenue | 39,189              | -                 | -                   | 1,039,137           | -                   | -                 | -                 | -                    | -                     | 1,078,326            |
| 2110 - Unearned Other Revenue                | -                   | -                 | -                   | 11,899              | -                   | 2,849             | -                 | -                    | -                     | 14,748               |
| 2250 - Interfund Payable                     | 1,600,915           | 87,750            | 17,768              | -                   | 622,995             | 64,266            | 12,027            | -                    | (2,405,721)           | -                    |
| 2260 - Intercompany Payable 501c3            | 37,397              | -                 | -                   | 14,622              | -                   | -                 | -                 | -                    | -                     | 52,019               |
| 2610 - Bonds Payable - 2004 Series           | -                   | -                 | -                   | -                   | -                   | -                 | -                 | -                    | -                     | -                    |
| <b>Total Liabilities</b>                     | <b>2,245,943</b>    | <b>87,750</b>     | <b>17,768</b>       | <b>5,800,953</b>    | <b>623,538</b>      | <b>218,447</b>    | <b>12,027</b>     | <b>-</b>             | <b>(2,405,721)</b>    | <b>6,600,705</b>     |
| <b>Equity</b>                                |                     |                   |                     |                     |                     |                   |                   |                      |                       |                      |
| Retained Earnings                            | 3,528,287           | 1,017,692         | 5,370,472           | 3,169,253           | 3,793,497           | (28,036)          | 665,687           | 35,356,604           | -                     | 52,873,456           |
| 3030 - Other Comprehensive Income            | 47,406              | (138,081)         | (4,669)             | -                   | 29,682              | -                 | (17,682)          | -                    | -                     | (83,344)             |
| Net Income                                   | 138,707             | (83,367)          | 77,590              | (1,331,807)         | (666,604)           | 100,887           | (56,327)          | 3,876,720            | -                     | 2,055,799            |
| <b>Total Equity (Fund Balance)</b>           | <b>3,714,400</b>    | <b>796,244</b>    | <b>5,443,393</b>    | <b>1,837,446</b>    | <b>3,156,575</b>    | <b>72,851</b>     | <b>591,678</b>    | <b>39,233,324</b>    | <b>-</b>              | <b>54,845,911</b>    |
| <b>Total LIABILITIES &amp; EQUITY</b>        | <b>\$ 5,960,343</b> | <b>\$ 883,994</b> | <b>\$ 5,461,161</b> | <b>\$ 7,638,399</b> | <b>\$ 3,780,113</b> | <b>\$ 291,298</b> | <b>\$ 603,705</b> | <b>\$ 39,233,324</b> | <b>\$ (2,405,721)</b> | <b>\$ 61,446,616</b> |

**Highlands Ranch Community Association**  
**Statement of Cash Flows for All Funds**  
**For the Ten Months Ending October 31, 2025**

|                                                                                                                        | <b>ADMINISTRATIVE</b> |                   |                     | <b>RECREATION</b>   |                     | <b>BACKCOUNTRY</b> |                   | <b>DEBT SERVICE</b> |                      |
|------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|---------------------|---------------------|---------------------|--------------------|-------------------|---------------------|----------------------|
|                                                                                                                        | <b>OPERATING</b>      | <b>RESERVE</b>    | <b>OSCA</b>         | <b>OPERATING</b>    | <b>RESERVE</b>      | <b>OPERATING</b>   | <b>RESERVE</b>    | <b>&amp; PLANT</b>  | <b>TOTAL</b>         |
| <b>Cash flows from operating activities</b>                                                                            |                       |                   |                     |                     |                     |                    |                   |                     |                      |
| Excess (deficiency) of revenues over expenses                                                                          | \$ 138,707            | \$ (83,367)       | \$ 77,590           | \$ (1,331,807)      | \$ (666,604)        | \$ 100,887         | \$ (56,327)       | \$ 3,876,720        | \$ 2,055,799         |
| Adjustment to reconcile excess (deficiency) of revenues over expenses to net cash from (used for) operating activities |                       |                   |                     |                     |                     |                    |                   |                     |                      |
| Depreciation expense                                                                                                   | -                     | 96,682            | -                   | -                   | -                   | -                  | 79,978            | 2,740,446           | 2,917,106            |
| (Gain) loss on asset disposal                                                                                          | -                     | -                 | -                   | -                   | -                   | -                  | 950               | 33,265              | 34,215               |
| Interest expense attributable to amortization of bond issuance costs                                                   | -                     | -                 | -                   | -                   | -                   | -                  | -                 | -                   | -                    |
| Bad debt expense                                                                                                       | -                     | -                 | -                   | -                   | -                   | -                  | -                 | -                   | -                    |
| (Increase) decrease in operating assets                                                                                |                       |                   |                     |                     |                     |                    |                   |                     |                      |
| Assessments receivable, net                                                                                            | (28,037)              | -                 | -                   | (267,270)           | -                   | -                  | -                 | -                   | (295,307)            |
| Accounts receivable, other                                                                                             | (92,041)              | 201               | (34,711)            | 134,968             | 2,205               | (6,155)            | 120               | -                   | 4,587                |
| Prepaid expenses and other assets                                                                                      | (67,847)              | -                 | -                   | (150,580)           | -                   | (3,617)            | -                 | -                   | (222,044)            |
| Other                                                                                                                  | 32,028                | 7,194             | (10,138)            | (38,776)            | 9,740               | -                  | 1,422             | -                   | 1,470                |
| Increase (decrease) in operating liabilities                                                                           |                       |                   |                     |                     |                     |                    |                   |                     |                      |
| Accounts payable and accrued expenses                                                                                  | 102,338               | -                 | -                   | 17,347              | 543                 | 29,187             | -                 | -                   | 149,415              |
| Accrued payroll and related items                                                                                      | -                     | -                 | -                   | -                   | -                   | -                  | -                 | -                   | -                    |
| Assessments paid in advance                                                                                            | (144,220)             | -                 | -                   | (1,472,334)         | -                   | -                  | -                 | -                   | (1,616,554)          |
| Deferred revenue                                                                                                       | 364,015               | -                 | -                   | 2,994,891           | -                   | (6,501)            | -                 | -                   | 3,352,405            |
| <b>Net cash from (used for) operating activities</b>                                                                   | <b>304,943</b>        | <b>20,710</b>     | <b>32,741</b>       | <b>(113,561)</b>    | <b>(654,116)</b>    | <b>113,801</b>     | <b>26,143</b>     | <b>6,650,431</b>    | <b>6,381,092</b>     |
| <b>Cash flows from investing activities</b>                                                                            |                       |                   |                     |                     |                     |                    |                   |                     |                      |
| Proceeds from sale of equipment                                                                                        | -                     | -                 | -                   | -                   | -                   | -                  | 3,000             | -                   | 3,000                |
| Purchases of property and equipment                                                                                    | -                     | (49,921)          | -                   | -                   | -                   | -                  | (30,862)          | (6,650,431)         | (6,731,214)          |
| <b>Net cash from (used for) investing activities</b>                                                                   | <b>-</b>              | <b>(49,921)</b>   | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>           | <b>(27,862)</b>   | <b>(6,650,431)</b>  | <b>(6,728,214)</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                                                                                | 1,476,808             | 49,945            | (46,303)            | (1,806,573)         | 317,557             | 92                 | 8,475             | -                   | 1                    |
| <b>Net cash from (used for) financing activities</b>                                                                   | <b>1,476,808</b>      | <b>49,945</b>     | <b>(46,303)</b>     | <b>(1,806,573)</b>  | <b>317,557</b>      | <b>92</b>          | <b>8,475</b>      | <b>-</b>            | <b>1</b>             |
| Net change in cash, cash equivalents, and restricted cash                                                              | 1,781,751             | 20,734            | (13,562)            | (1,920,134)         | (336,559)           | 113,893            | 6,756             | 0                   | (347,121)            |
| 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                                                               | <b>\$ 5,482,962</b>   | <b>\$ 563,767</b> | <b>\$ 5,397,430</b> | <b>\$ 3,939,046</b> | <b>\$ 3,765,254</b> | <b>\$ 246,792</b>  | <b>\$ 204,468</b> | <b>\$ 0</b>         | <b>\$ 19,599,719</b> |

**HRCA Administrative Fund**  
**Variance Analysis - Actual vs. Budget**  
**For the Ten Months Ending October 31, 2025**

|                                                      | Current Month    |                  |                   |             |  | Year To Date      |                   |                  |             |   |
|------------------------------------------------------|------------------|------------------|-------------------|-------------|--|-------------------|-------------------|------------------|-------------|---|
|                                                      | Actual           | Budget           | Variance          |             |  | Actual            | Budget            | Variance         |             |   |
|                                                      |                  |                  | \$                | %           |  |                   |                   | \$               | %           |   |
| <b>Revenues</b>                                      |                  |                  |                   |             |  |                   |                   |                  |             |   |
| Homeowner assessments                                | \$ 171,694       | \$ 166,235       | \$ 5,459          | 3%          |  | \$ 1,699,414      | \$ 1,662,347      | \$ 37,067        | 2%          |   |
| Homeowner fees                                       | 90,852           | 75,687           | 15,165            | 20%         |  | 937,469           | 797,697           | 139,772          | 18%         | A |
| Recreation programs                                  | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| Community events                                     | 34,749           | 36,100           | (1,351)           | (4%)        |  | 423,171           | 441,630           | (18,459)         | (4%)        |   |
| Interest                                             | 12,321           | 13,264           | (943)             | (7%)        |  | 131,231           | 139,042           | (7,811)          | (6%)        |   |
| Other revenue                                        | 23,280           | 23,475           | (195)             | (1%)        |  | 226,307           | 229,250           | (2,943)          | (1%)        |   |
| <b>Total revenues</b>                                | <b>332,896</b>   | <b>314,760</b>   | <b>18,135</b>     | <b>6%</b>   |  | <b>3,417,591</b>  | <b>3,269,966</b>  | <b>147,625</b>   | <b>5%</b>   |   |
| <b>Expenses</b>                                      |                  |                  |                   |             |  |                   |                   |                  |             |   |
| Salaries                                             | 144,415          | 150,969          | 6,554             | 4%          |  | 1,436,975         | 1,412,078         | (24,897)         | (2%)        |   |
| Employee benefits                                    | 41,052           | 37,992           | (3,060)           | (8%)        |  | 460,317           | 373,829           | (86,489)         | (23%)       | B |
| Depreciation Expense                                 | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| Facility operations                                  | 1,654            | 2,156            | 502               | 23%         |  | 15,064            | 20,664            | 5,601            | 27%         |   |
| Program                                              | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| Occupancy                                            | 6,033            | 5,639            | (394)             | (7%)        |  | 60,526            | 57,430            | (3,096)          | (5%)        |   |
| Information Technology Expenses                      | 11,739           | 16,236           | 4,497             | 28%         |  | 150,330           | 168,904           | 18,574           | 11%         |   |
| General & Administrative                             | 33,254           | 15,473           | (17,781)          | (115%)      |  | 280,715           | 189,543           | (91,172)         | (48%)       | C |
| Insurance                                            | 7,129            | 5,895            | (1,234)           | (21%)       |  | 64,492            | 58,949            | (5,543)          | (9%)        |   |
| Professional services                                | 32,682           | 27,156           | (5,526)           | (20%)       |  | 245,622           | 284,555           | 38,933           | 14%         | D |
| Communications and marketing                         | 13,971           | 16,108           | 2,137             | 13%         |  | 137,415           | 124,532           | (12,882)         | (10%)       |   |
| Community events                                     | 22,168           | 18,900           | (3,268)           | (17%)       |  | 422,410           | 445,095           | 22,685           | 5%          |   |
| Interest                                             | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| Other operating expenses                             | 2,322            | 135              | (2,187)           | (1,620%)    |  | 5,019             | 1,350             | (3,670)          | (272%)      |   |
| <b>Total expenses</b>                                | <b>316,417</b>   | <b>296,658</b>   | <b>(19,759)</b>   | <b>(7%)</b> |  | <b>3,278,885</b>  | <b>3,136,930</b>  | <b>(141,955)</b> | <b>(5%)</b> |   |
| (Gains) / Losses                                     | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| <b>Excess (deficiency) of revenues over expenses</b> | <b>16,479</b>    | <b>18,103</b>    | <b>(1,623)</b>    | <b>(9%)</b> |  | <b>138,706</b>    | <b>133,036</b>    | <b>5,670</b>     | <b>4%</b>   |   |
| <b>Transfers</b>                                     |                  |                  |                   |             |  |                   |                   |                  |             |   |
| Transfers to Backcountry Fund                        | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| Transfers for Capital Equipment                      | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| Transfers for Reserves                               | -                | -                | -                 |             |  | -                 | -                 | -                |             |   |
| <b>Total transfers In / (Out)</b>                    | <b>-</b>         | <b>-</b>         | <b>-</b>          |             |  | <b>-</b>          | <b>-</b>          | <b>-</b>         |             |   |
| <b>Net revenues (expenses)</b>                       | <b>\$ 16,479</b> | <b>\$ 18,103</b> | <b>\$ (1,623)</b> | <b>(9%)</b> |  | <b>\$ 138,706</b> | <b>\$ 133,036</b> | <b>\$ 5,670</b>  | <b>4%</b>   |   |

Variance materiality = \$20k and 10%

**HRCA Administrative Fund  
Variance Analysis - Actual vs. Budget  
For the Ten Months Ending October 31, 2025**

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

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No items met scope

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

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- A -** Homeowner Fee revenue is ahead of budget due to higher status letter/transfer fees (\$37K), credit card fees (\$61K), late fees (\$32K), and legal fees related to delinquent accounts (\$13); offset by lower covenants & architecture fees (\$4K).
- B -** Employee benefits expense exceeds budget primarily due to higher than anticipated medical/dental/life insurance costs (\$48K), retirement plan expenses (\$26K), and vacation accrual expense (\$13K).
- C -** General and Administrative expenses exceed budget primarily due to higher credit card and ACH transaction fees (\$94K). Note this credit card fee variance is partially offset by \$61K of credit card fee income included in Homeowner Fees revenue.
- D -** Professional services are favorable to budget primarily due to lower legal (\$17K) and consulting fees (\$23K). The community survey will not be completed in 2025.

**Administrative Fund Community Events**  
**For the Ten Months Ending October 31, 2025**

|                                 | <b>Revenue</b> | <b>Expense</b>   | <b>Profit/(Loss)</b> |
|---------------------------------|----------------|------------------|----------------------|
| Beer Festival                   | 68,172         | (33,632)         | 34,539               |
| Beer Festival donation          | -              | (35,000)         | (35,000)             |
| Coffee with a Cop               | -              | (104)            | (104)                |
| Cold Cases and Cocktails        | 26,482         | (3,664)          | 22,818               |
| 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                  | 10,000         | (5,042)          | 4,958                |
| Father Daughter Sweetheart Ball | 25,898         | (19,800)         | 6,098                |
| Garage Sale                     | -              | (44)             | (44)                 |
| General                         | -              | (8,937)          | (8,937)              |
| Golf Tournament                 | 49,770         | (28,330)         | 21,440               |
| Golf Tournament donation        | -              | (21,557)         | (21,557)             |
| Hometown Holiday Celebration    | -              | (490)            | (490)                |
| House Decorations               | -              | -                | -                    |
| Jewelry Show                    | -              | (455)            | (455)                |
| July 4th Fireworks              | -              | (23,594)         | (23,594)             |
| July 4th Parade                 | 2,641          | (19,646)         | (17,005)             |
| Miscellaneous Pop Up Events     | 7,642          | (4,158)          | 3,484                |
| Miscellaneous Tastings          | -              | (26)             | (26)                 |
| Oaked & Smoked                  | 17,887         | (11,709)         | 6,178                |
| Other                           | -              | (600)            | (600)                |
| Paranormal Party                | -              | -                | -                    |
| Princess Teas                   | 3,723          | (2,833)          | 890                  |
| Race Series                     | 164,595        | (122,066)        | 42,529               |
| Recycling Events                | -              | (65,837)         | (65,837)             |
| Spirit Tastings                 | -              | -                | -                    |
| Spring Bazaar                   | 16,128         | (1,484)          | 14,644               |
| Super Hero Party                | 1,615          | (1,094)          | 521                  |
| Tacos and Tequila               | 8,921          | (6,787)          | 2,133                |
|                                 | <u>423,171</u> | <u>(422,410)</u> | <u>761</u>           |

Community Relations & Marketing

2025 BUDGET - COMMUNITY EVENTS

|                                        | Jan<br>Budget | Feb<br>Budget | Mar<br>Budget | Apr<br>Budget | May<br>Budget | Jun<br>Budget   | Jul<br>Budget   | Aug<br>Budget | Sep<br>Budget | Oct<br>Budget | Nov<br>Budget | Dec<br>Budget  | Total<br>Budget |
|----------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|---------------|---------------|---------------|---------------|----------------|-----------------|
| <b>4400 - Community Events Revenue</b> |               |               |               |               |               |                 |                 |               |               |               |               |                |                 |
| 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         |
| <b>5100 - Community Events Expense</b> |               |               |               |               |               |                 |                 |               |               |               |               |                |                 |
| 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         |
| <b>Net Income</b>                      | <b>790</b>    | <b>8,065</b>  | <b>33,090</b> | <b>(250)</b>  | <b>8,200</b>  | <b>(82,000)</b> | <b>(21,500)</b> | <b>8,850</b>  | <b>24,090</b> | <b>17,200</b> | <b>36,090</b> | <b>(6,500)</b> | <b>26,125</b>   |

**HRCA Recreation Fund**  
**Variance Analysis - Actual vs. Budget**  
**For the Ten Months Ending October 31, 2025**

|                                                      | Current Month    |                    |                   |               | Year To Date          |                       |                  |                |
|------------------------------------------------------|------------------|--------------------|-------------------|---------------|-----------------------|-----------------------|------------------|----------------|
|                                                      | Actual           | Budget             | Variance          |               | Actual                | Budget                | Variance         |                |
|                                                      |                  |                    | \$                | %             |                       |                       | \$               | %              |
| <b>Revenues</b>                                      |                  |                    |                   |               |                       |                       |                  |                |
| Homeowner assessments                                | \$ 1,579,534     | \$ 1,578,417       | \$ 1,117          | 0%            | \$ 15,796,355         | \$ 15,784,167         | \$ 12,189        | 0%             |
| Homeowner fees                                       | -                | -                  | -                 |               | -                     | -                     | -                |                |
| Recreation programs                                  | 605,830          | 557,604            | 48,226            | 9%            | 5,980,456             | 5,768,110             | 212,346          | 4%             |
| Facility operations                                  | 129,377          | 132,167            | (2,790)           | (2%)          | 1,064,215             | 1,110,802             | (46,587)         | (4%)           |
| Community events                                     | -                | -                  | -                 |               | -                     | -                     | -                |                |
| Interest                                             | 13,616           | 15,619             | (2,003)           | (13%)         | 197,539               | 163,724               | 33,815           | 21% <b>A</b>   |
| Other revenue                                        | 271              | 15                 | 256               | 1,707%        | 49,696                | 45,150                | 4,546            | 10%            |
| <b>Total revenues</b>                                | <b>2,328,628</b> | <b>2,283,821</b>   | <b>44,806</b>     | <b>2%</b>     | <b>23,088,261</b>     | <b>22,871,952</b>     | <b>216,309</b>   | <b>1%</b>      |
| <b>Expenses</b>                                      |                  |                    |                   |               |                       |                       |                  |                |
| Salaries                                             | 981,047          | 978,135            | (2,912)           | 0%            | 10,085,409            | 10,065,314            | (20,094)         | 0%             |
| Employee benefits                                    | 216,754          | 240,493            | 23,739            | 10%           | 2,555,766             | 2,527,056             | (28,711)         | (1%)           |
| Depreciation Expense                                 | -                | -                  | -                 |               | -                     | -                     | -                |                |
| Facility operations                                  | 110,658          | 89,906             | (20,752)          | (23%)         | 1,182,487             | 1,067,828             | (114,659)        | (11%) <b>B</b> |
| Program                                              | 79,856           | 99,256             | 19,400            | 20%           | 939,500               | 1,007,194             | 67,694           | 7%             |
| Occupancy                                            | 99,825           | 121,968            | 22,143            | 18%           | 1,295,117             | 1,241,040             | (54,077)         | (4%)           |
| Information Technology Expenses                      | 44,571           | 55,549             | 10,978            | 20%           | 512,974               | 557,107               | 44,132           | 8%             |
| General & Administrative                             | 30,180           | 31,039             | 859               | 3%            | 386,480               | 382,279               | (4,201)          | (1%)           |
| Insurance                                            | 44,561           | 41,430             | (3,131)           | (8%)          | 431,623               | 414,300               | (17,323)         | (4%)           |
| Professional services                                | 12,716           | 17,378             | 4,662             | 27%           | 148,980               | 173,775               | 24,795           | 14%            |
| Communications and marketing                         | 34,812           | 35,685             | 874               | 2%            | 302,912               | 257,835               | (45,076)         | (17%) <b>C</b> |
| Community events                                     | -                | -                  | -                 |               | 1,000                 | -                     | (1,000)          |                |
| Interest                                             | -                | -                  | -                 |               | -                     | -                     | -                |                |
| Other operating expenses                             | 754              | 400                | (354)             | (89%)         | 24,259                | 4,295                 | (19,964)         | (465%)         |
| <b>Total expenses</b>                                | <b>1,655,736</b> | <b>1,711,239</b>   | <b>55,503</b>     | <b>3%</b>     | <b>17,866,508</b>     | <b>17,698,023</b>     | <b>(168,485)</b> | <b>(1%)</b>    |
| (Gains) / Losses                                     | -                | -                  | -                 |               | -                     | -                     | -                |                |
| <b>Excess (deficiency) of revenues over expenses</b> | <b>672,892</b>   | <b>572,582</b>     | <b>100,310</b>    | <b>18%</b>    | <b>5,221,753</b>      | <b>5,173,930</b>      | <b>47,823</b>    | <b>1%</b>      |
| <b>Transfers</b>                                     |                  |                    |                   |               |                       |                       |                  |                |
| Transfers to Bond Fund                               | -                | -                  | -                 | 100%          | 606                   | -                     | 606              | 100%           |
| Transfers to Backcountry Fund                        | (50,000)         | (50,000)           | -                 | 0%            | (500,000)             | (500,000)             | -                | 0%             |
| Transfers for Capital Equipment                      | -                | -                  | -                 |               | -                     | -                     | -                |                |
| Transfers for Reserves                               | (605,417)        | (605,417)          | (0)               | 0%            | (6,054,167)           | (6,054,167)           | (0)              | 0%             |
| <b>Total transfers In / (Out)</b>                    | <b>(655,417)</b> | <b>(655,417)</b>   | <b>(0)</b>        | <b>0%</b>     | <b>(6,553,560)</b>    | <b>(6,554,167)</b>    | <b>606</b>       | <b>0%</b>      |
| <b>Net revenues (expenses)</b>                       | <b>\$ 17,475</b> | <b>\$ (82,835)</b> | <b>\$ 100,310</b> | <b>(121%)</b> | <b>\$ (1,331,807)</b> | <b>\$ (1,380,237)</b> | <b>\$ 48,430</b> | <b>(4%)</b>    |

Variance materiality = \$25k and 10%

**HRCR Recreation Fund  
Variance Analysis - Actual vs. Budget  
For the Ten Months Ending October 31, 2025**

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

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No items met scope

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

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- A -** Interest income exceeds budget projections due to interest rates remaining elevated longer than anticipated.
- Facility operations expense is unfavorable to budget by \$115K YTD primarily due to higher than anticipated facility maintenance 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. Pool maintenance costs also exceeded budget due to high cost of chemicals and winterizing outdoor pools.
- B -**
- C -** Communications and marketing expenses exceed budget primarily due to higher expenses for activity guide (\$29K), postage and printing (\$14K), and newsletter (\$3K).

**HRCa Backcountry Fund**  
**Variance Analysis - Actual vs. Budget**  
**For the Ten Months Ending October 31, 2025**

|                                                      | Current Month      |                    |                   |             |  | Year To Date      |                  |                  |              |          |
|------------------------------------------------------|--------------------|--------------------|-------------------|-------------|--|-------------------|------------------|------------------|--------------|----------|
|                                                      | Actual             | Budget             | Variance          |             |  | Actual            | Budget           | Variance         |              |          |
|                                                      |                    |                    | \$                | %           |  |                   |                  | \$               | %            |          |
| <b>Revenues</b>                                      |                    |                    |                   |             |  |                   |                  |                  |              |          |
| Recreation programs                                  | \$ 49,892          | \$ 54,600          | \$ (4,708)        | (9%)        |  | \$ 1,041,377      | \$ 1,210,950     | \$ (169,573)     | (14%)        | <b>A</b> |
| Facility operations                                  | 1,424              | 1,591              | (167)             | (10%)       |  | 14,245            | 15,910           | (1,665)          | (10%)        |          |
| Other revenue                                        | 16,875             | 16,740             | 135               | 1%          |  | 168,760           | 180,150          | (11,390)         | (6%)         |          |
| <b>Total revenues</b>                                | <b>68,191</b>      | <b>72,931</b>      | <b>(4,740)</b>    | <b>(6%)</b> |  | <b>1,224,382</b>  | <b>1,407,010</b> | <b>(182,628)</b> | <b>(13%)</b> |          |
| <b>Expenses</b>                                      |                    |                    |                   |             |  |                   |                  |                  |              |          |
| Salaries                                             | 100,291            | 99,229             | (1,061)           | (1%)        |  | 1,079,058         | 1,158,669        | 79,611           | 7%           |          |
| Employee benefits                                    | 21,934             | 27,872             | 5,938             | 21%         |  | 214,418           | 284,731          | 70,313           | 25%          | <b>B</b> |
| Facility operations                                  | 18,084             | 20,850             | 2,766             | 13%         |  | 125,884           | 165,250          | 39,366           | 24%          | <b>C</b> |
| Program                                              | 17,720             | 8,350              | (9,370)           | (112%)      |  | 167,645           | 216,685          | 49,040           | 23%          | <b>D</b> |
| Information Technology Expenses                      | -                  | -                  | -                 |             |  | 100               | -                | (100)            |              |          |
| General & Administrative                             | 286                | 1,065              | 779               | 73%         |  | 4,874             | 6,150            | 1,276            | 21%          |          |
| Insurance                                            | 3,159              | 3,656              | 497               | 14%         |  | 30,974            | 36,560           | 5,586            | 15%          |          |
| Other operating expenses                             | 382                | 25                 | (357)             | (1,429%)    |  | 542               | 325              | (217)            | (67%)        |          |
| <b>Total expenses</b>                                | <b>161,856</b>     | <b>161,048</b>     | <b>(809)</b>      | <b>(1%)</b> |  | <b>1,623,496</b>  | <b>1,868,370</b> | <b>244,874</b>   | <b>13%</b>   |          |
| <b>Excess (deficiency) of revenues over expenses</b> | <b>(93,665)</b>    | <b>(88,117)</b>    | <b>(5,548)</b>    | <b>6%</b>   |  | <b>(399,114)</b>  | <b>(461,360)</b> | <b>62,246</b>    | <b>(13%)</b> |          |
| <b>Transfers</b>                                     |                    |                    |                   |             |  |                   |                  |                  |              |          |
| Transfers to Backcountry Fund                        | 50,000             | 50,000             | -                 | 0%          |  | 500,000           | 500,000          | -                | 0%           |          |
| <b>Total transfers In / (Out)</b>                    | <b>50,000</b>      | <b>50,000</b>      | <b>-</b>          | <b>0%</b>   |  | <b>500,000</b>    | <b>500,000</b>   | <b>-</b>         | <b>0%</b>    |          |
| <b>Net revenues (expenses)</b>                       | <b>\$ (43,665)</b> | <b>\$ (38,117)</b> | <b>\$ (5,548)</b> | <b>15%</b>  |  | <b>\$ 100,886</b> | <b>\$ 38,640</b> | <b>\$ 62,246</b> | <b>161%</b>  |          |

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 (\$187K); offset by increased participation in youth camp and early childhood education (\$20K).

**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 facility maintenance (\$12K), vehicle costs (\$7K), portable restrooms (\$7K), vegetation maintenance (\$10K), 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  
October 31, 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       |
| <b>Revenues</b>                   |                       |                  |                 |                  |                      |                  |                 |                  |                        |                |                |               |                          |              |            |             |
| Homeowner assessments             | 171,694               | 1,579,534        | -               | 1,751,227        | 166,235              | 1,578,417        | -               | 1,744,651        | 5,459                  | 1,117          | -              | 6,576         | 3%                       | 0%           |            | 0%          |
| Homeowner fees                    | 90,852                | -                | -               | 90,852           | 75,687               | -                | -               | 75,687           | 15,165                 | -              | -              | 15,165        | 20%                      |              |            | 20%         |
| Recreation programs               | -                     | 605,830          | 49,892          | 655,722          | -                    | 557,604          | 54,600          | 612,204          | -                      | 48,226         | (4,708)        | 43,518        |                          | 9%           | -9%        | 7%          |
| Facility operations               | -                     | 129,377          | 1,424           | 130,802          | -                    | 132,167          | 1,591           | 133,758          | -                      | (2,790)        | (167)          | (2,956)       | -                        | -2%          | -10%       | -2%         |
| Community events                  | 34,749                | -                | -               | 34,749           | 36,100               | -                | -               | 36,100           | (1,351)                | -              | -              | (1,351)       | -4%                      |              |            | -4%         |
| Interest                          | 12,321                | 13,616           | -               | 25,937           | 13,264               | 15,619           | -               | 28,883           | (943)                  | (2,003)        | -              | (2,946)       | -7%                      | -13%         |            | -10%        |
| Other revenue                     | 23,280                | 271              | 16,875          | 40,426           | 23,475               | 15               | 16,740          | 40,230           | (195)                  | 256            | 135            | 196           | -1%                      | 1707%        | 1%         | 0%          |
| <b>Total revenues</b>             | <b>332,896</b>        | <b>2,328,628</b> | <b>68,191</b>   | <b>2,729,714</b> | <b>314,760</b>       | <b>2,283,821</b> | <b>72,931</b>   | <b>2,671,513</b> | <b>18,135</b>          | <b>44,806</b>  | <b>(4,740)</b> | <b>58,202</b> | <b>6%</b>                | <b>2%</b>    | <b>-6%</b> | <b>2%</b>   |
| <b>Expenses</b>                   |                       |                  |                 |                  |                      |                  |                 |                  |                        |                |                |               |                          |              |            |             |
| Salaries                          | 144,415               | 981,047          | 100,291         | 1,225,752        | 150,969              | 978,135          | 99,229          | 1,228,333        | 6,554                  | (2,912)        | (1,061)        | 2,581         | 4%                       | 0%           | -1%        | 0%          |
| Employee benefits                 | 41,052                | 216,754          | 21,934          | 279,740          | 37,992               | 240,493          | 27,872          | 306,358          | (3,060)                | 23,739         | 5,938          | 26,618        | -8%                      | 10%          | 21%        | 9%          |
| Depreciation Expense              | -                     | -                | -               | -                | -                    | -                | -               | -                | -                      | -              | -              | -             |                          |              |            |             |
| Facility operations               | 1,654                 | 110,658          | 18,084          | 130,397          | 2,156                | 89,906           | 20,850          | 112,913          | 502                    | (20,752)       | 2,766          | (17,484)      | 23%                      | -23%         | 13%        | -15%        |
| Program                           | -                     | 79,856           | 17,720          | 97,576           | -                    | 99,256           | 8,350           | 107,606          | -                      | 19,400         | (9,370)        | 10,030        |                          | 20%          | -112%      | 9%          |
| Occupancy                         | 6,033                 | 99,825           | -               | 105,858          | 5,639                | 121,968          | -               | 127,607          | (394)                  | 22,143         | -              | 21,748        | -7%                      | 18%          |            | 17%         |
| Information Technology Expenses   | 11,739                | 44,571           | -               | 56,310           | 16,236               | 55,549           | -               | 71,785           | 4,497                  | 10,978         | -              | 15,475        | 28%                      | 20%          |            | 22%         |
| General & Administrative          | 33,254                | 30,180           | 286             | 63,720           | 15,473               | 31,039           | 1,065           | 47,577           | (17,781)               | 859            | 779            | (16,143)      | -115%                    | 3%           | 73%        | -34%        |
| Insurance                         | 7,129                 | 44,561           | 3,159           | 54,849           | 5,895                | 41,430           | 3,656           | 50,981           | (1,234)                | (3,131)        | 497            | (3,868)       | -21%                     | -8%          | 14%        | -8%         |
| Professional services             | 32,682                | 12,716           | -               | 45,397           | 27,156               | 17,378           | -               | 44,533           | (5,526)                | 4,662          | -              | (864)         | -20%                     | 27%          |            | -2%         |
| Communications and marketing      | 13,971                | 34,812           | -               | 48,783           | 16,108               | 35,685           | -               | 51,794           | 2,137                  | 874            | -              | 3,011         | 13%                      | 2%           |            | 6%          |
| Community events                  | 22,168                | -                | -               | 22,168           | 18,900               | -                | -               | 18,900           | (3,268)                | -              | -              | (3,268)       | -17%                     |              |            | -17%        |
| Interest                          | -                     | -                | -               | -                | -                    | -                | -               | -                | -                      | -              | -              | -             |                          |              |            |             |
| Other operating expenses          | 2,322                 | 754              | 382             | 3,458            | 135                  | 400              | 25              | 560              | (2,187)                | (354)          | (357)          | (2,898)       | -1620%                   | -89%         | -1429%     | -518%       |
| <b>Total expenses</b>             | <b>316,417</b>        | <b>1,655,736</b> | <b>161,856</b>  | <b>2,134,009</b> | <b>296,658</b>       | <b>1,711,239</b> | <b>161,048</b>  | <b>2,168,945</b> | <b>(19,759)</b>        | <b>55,503</b>  | <b>(809)</b>   | <b>34,936</b> | <b>-7%</b>               | <b>3%</b>    | <b>-1%</b> | <b>2%</b>   |
| <b>Transfers</b>                  |                       |                  |                 |                  |                      |                  |                 |                  |                        |                |                |               |                          |              |            |             |
| 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%          |
| <b>Total Transfers In / (Out)</b> | <b>-</b>              | <b>(655,417)</b> | <b>50,000</b>   | <b>(605,417)</b> | <b>-</b>             | <b>(655,417)</b> | <b>50,000</b>   | <b>(605,417)</b> | <b>-</b>               | <b>(0)</b>     | <b>-</b>       | <b>(0)</b>    |                          | <b>0%</b>    | <b>0%</b>  | <b>0%</b>   |
| <b>Net revenue (expense)</b>      | <b>16,479</b>         | <b>17,475</b>    | <b>(43,665)</b> | <b>(9,711)</b>   | <b>18,103</b>        | <b>(82,835)</b>  | <b>(38,117)</b> | <b>(102,849)</b> | <b>(1,623)</b>         | <b>100,310</b> | <b>(5,548)</b> | <b>93,138</b> | <b>-9%</b>               | <b>-121%</b> | <b>15%</b> | <b>-91%</b> |

**HRCA**  
**Statement of Revenues and Expenses**  
**For the Ten Months Ending October 31, 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       |
| <b>Revenues</b>                   |                  |                    |                  |                    |                  |                    |                  |                    |                  |                  |                  |                 |                |            |             |             |
| Homeowner assessments             | 1,699,414        | 15,796,355         | -                | 17,495,769         | 1,662,347        | 15,784,167         | -                | 17,446,513         | 37,067           | 12,189           | -                | 49,256          | 2%             | 0%         |             | 0%          |
| Homeowner fees                    | 937,469          | -                  | -                | 937,469            | 797,697          | -                  | -                | 797,697            | 139,772          | -                | -                | 139,772         | 18%            |            |             | 18%         |
| Recreation programs               | -                | 5,980,456          | 1,041,377        | 7,021,833          | -                | 5,768,110          | 1,210,950        | 6,979,060          | -                | 212,346          | (169,573)        | 42,773          |                | 4%         | -14%        | 1%          |
| Facility operations               | -                | 1,064,215          | 14,245           | 1,078,460          | -                | 1,110,802          | 15,910           | 1,126,712          | -                | (46,587)         | (1,665)          | (48,252)        |                | -4%        | -10%        | -4%         |
| Community events                  | 423,171          | -                  | -                | 423,171            | 441,630          | -                  | -                | 441,630            | (18,459)         | -                | -                | (18,459)        | -4%            |            |             | -4%         |
| Interest                          | 131,231          | 197,539            | -                | 328,771            | 139,042          | 163,724            | -                | 302,766            | (7,811)          | 33,815           | -                | 26,005          | -6%            | 21%        |             | 9%          |
| Other revenue                     | 226,307          | 49,696             | 168,760          | 444,763            | 229,250          | 45,150             | 180,150          | 454,550            | (2,943)          | 4,546            | (11,390)         | (9,787)         | -1%            | 10%        | -6%         | -2%         |
| <b>Total revenues</b>             | <b>3,417,591</b> | <b>23,088,261</b>  | <b>1,224,382</b> | <b>27,730,234</b>  | <b>3,269,966</b> | <b>22,871,952</b>  | <b>1,407,010</b> | <b>27,548,928</b>  | <b>147,625</b>   | <b>216,309</b>   | <b>(182,628)</b> | <b>181,306</b>  | <b>5%</b>      | <b>1%</b>  | <b>-13%</b> | <b>1%</b>   |
| <b>Expenses</b>                   |                  |                    |                  |                    |                  |                    |                  |                    |                  |                  |                  |                 |                |            |             |             |
| Salaries                          | 1,436,975        | 10,085,409         | 1,079,058        | 12,601,442         | 1,412,078        | 10,065,314         | 1,158,669        | 12,636,061         | (24,897)         | (20,094)         | 79,611           | 34,620          | -2%            | 0%         | 7%          | 0%          |
| Employee benefits                 | 460,317          | 2,555,766          | 214,418          | 3,230,502          | 373,829          | 2,527,056          | 284,731          | 3,185,615          | (86,489)         | (28,711)         | 70,313           | (44,887)        | -23%           | -1%        | 25%         | -1%         |
| Depreciation Expense              | -                | -                  | -                | -                  | -                | -                  | -                | -                  | -                | -                | -                | -               |                |            |             |             |
| Facility operations               | 15,064           | 1,182,487          | 125,884          | 1,323,435          | 20,664           | 1,067,828          | 165,250          | 1,253,742          | 5,601            | (114,659)        | 39,366           | (69,693)        | 27%            | -11%       | 24%         | -6%         |
| Program                           | -                | 939,500            | 167,645          | 1,107,145          | -                | 1,007,194          | 216,685          | 1,223,879          | -                | 67,694           | 49,040           | 116,734         |                | 7%         | 23%         | 10%         |
| Occupancy                         | 60,526           | 1,295,117          | -                | 1,355,644          | 57,430           | 1,241,040          | -                | 1,298,470          | (3,096)          | (54,077)         | -                | (57,173)        | -5%            | -4%        |             | -4%         |
| Information Technology Expenses   | 150,330          | 512,974            | 100              | 663,404            | 168,904          | 557,107            | -                | 726,011            | 18,574           | 44,132           | (100)            | 62,607          | 11%            | 8%         |             | 9%          |
| General & Administrative          | 280,715          | 386,480            | 4,874            | 672,070            | 189,543          | 382,279            | 6,150            | 577,972            | (91,172)         | (4,201)          | 1,276            | (94,098)        | -48%           | -1%        | 21%         | -16%        |
| Insurance                         | 64,492           | 431,623            | 30,974           | 527,090            | 58,949           | 414,300            | 36,560           | 509,809            | (5,543)          | (17,323)         | 5,586            | (17,281)        | -9%            | -4%        | 15%         | -3%         |
| Professional services             | 245,622          | 148,980            | -                | 394,602            | 284,555          | 173,775            | -                | 458,330            | 38,933           | 24,795           | -                | 63,728          | 14%            | 14%        |             | 14%         |
| Communications and marketing      | 137,415          | 302,912            | -                | 440,326            | 124,532          | 257,835            | -                | 382,368            | (12,882)         | (45,076)         | -                | (57,958)        | -10%           | -17%       |             | -15%        |
| Community events                  | 422,410          | 1,000              | -                | 423,410            | 445,095          | -                  | -                | 445,095            | 22,685           | (1,000)          | -                | 21,685          | 5%             |            |             | 5%          |
| Interest                          | -                | -                  | -                | -                  | -                | -                  | -                | -                  | -                | -                | -                | -               |                |            |             |             |
| Other operating expenses          | 5,019            | 24,259             | 542              | 29,820             | 1,350            | 4,295              | 325              | 5,970              | (3,670)          | (19,964)         | (217)            | (23,850)        | -272%          | -465%      | -67%        | -400%       |
| <b>Total expenses</b>             | <b>3,278,885</b> | <b>17,866,508</b>  | <b>1,623,496</b> | <b>22,768,889</b>  | <b>3,136,930</b> | <b>17,698,023</b>  | <b>1,868,370</b> | <b>22,703,323</b>  | <b>(141,955)</b> | <b>(168,485)</b> | <b>244,874</b>   | <b>(65,566)</b> | <b>-5%</b>     | <b>-1%</b> | <b>13%</b>  | <b>0%</b>   |
| <b>Transfers</b>                  |                  |                    |                  |                    |                  |                    |                  |                    |                  |                  |                  |                 |                |            |             |             |
| Transfers to Bond Fund            | -                | 606                | -                | 606                | -                | -                  | -                | -                  | -                | 606              | -                | 606             |                |            |             |             |
| Transfers to Backcountry Fund     | -                | (500,000)          | 500,000          | -                  | -                | (500,000)          | 500,000          | -                  | -                | -                | -                | -               |                | 0%         | 0%          |             |
| Transfers for Capital Equipment   | -                | -                  | -                | -                  | -                | -                  | -                | -                  | -                | -                | -                | -               |                |            |             |             |
| Transfers for Reserves            | -                | (6,054,167)        | -                | (6,054,167)        | -                | (6,054,167)        | -                | (6,054,167)        | -                | (0)              | -                | (0)             |                | 0%         |             | 0%          |
| <b>Total Transfers In / (Out)</b> | <b>-</b>         | <b>(6,553,560)</b> | <b>500,000</b>   | <b>(6,053,560)</b> | <b>-</b>         | <b>(6,554,167)</b> | <b>500,000</b>   | <b>(6,054,167)</b> | <b>-</b>         | <b>606</b>       | <b>-</b>         | <b>606</b>      |                | <b>0%</b>  | <b>0%</b>   | <b>0%</b>   |
| <b>Net revenue (expense)</b>      | <b>138,706</b>   | <b>(1,331,807)</b> | <b>100,886</b>   | <b>(1,092,215)</b> | <b>133,036</b>   | <b>(1,380,237)</b> | <b>38,640</b>    | <b>(1,208,561)</b> | <b>5,670</b>     | <b>48,430</b>    | <b>62,246</b>    | <b>116,346</b>  | <b>4%</b>      | <b>-4%</b> | <b>161%</b> | <b>-10%</b> |