



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Highlands Ranch Community Association

Financial Statements

May 31, 2026

HRCA Financial Statements
May 31, 2026
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Highlands Ranch Community Association, Inc.
Statement of Revenues and Expenses for All Funds
For the Five Months Ending May 31, 2026

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE	& PLANT		
Revenues										
Homeowner assessments	\$ 849,414	\$ -	\$ -	\$ 8,060,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,910,314
Homeowner fees	461,674	-	-	-	-	-	-	-	-	461,674
Recreation programs	-	-	-	3,101,551	-	218,324	-	-	-	3,319,875
Facility operations	-	-	-	516,029	-	7,634	-	-	(27,500)	496,163
Community events	216,450	-	-	-	-	-	-	-	-	216,450
Interest	52,457	6,495	95,689	91,909	52,216	-	1,953	-	-	300,719
Other revenue	106,303	-	-	29,650	-	86,460	-	-	-	222,413
Total revenues	1,686,298	6,495	95,689	11,800,039	52,216	312,418	1,953	-	(27,500)	13,927,608
Expenses										
Salaries	766,656	-	-	5,035,349	-	484,856	-	-	-	6,286,861
Employee benefits	252,847	-	-	1,286,508	-	117,625	-	-	-	1,656,980
Depreciation Expense	-	50,722	-	-	-	-	48,407	1,677,497	-	1,776,626
Facility operations	4,151	-	-	464,983	88,244	57,719	3,527	-	-	618,624
Program	-	-	-	409,593	-	86,697	-	-	-	496,290
Occupancy	30,327	-	-	679,872	1,296	-	-	-	(27,500)	683,995
Information Technology Expenses	63,795	9,302	-	222,059	-	-	-	-	-	295,156
General & Administrative	166,726	-	-	221,956	-	3,050	-	-	-	391,732
Insurance	31,454	-	-	219,352	-	16,041	-	-	-	266,847
Professional services	146,353	-	15,713	77,829	-	-	-	-	-	239,895
Communications and marketing	58,904	-	-	144,995	-	-	-	-	-	203,899
Community events	185,489	-	-	-	-	-	-	-	-	185,489
Other operating expenses	1,874	-	-	2,840	-	625	-	-	-	5,339
Total expenses	1,708,576	60,024	15,713	8,765,336	89,540	766,613	51,934	1,677,497	(27,500)	13,107,733
(Gains) / Losses	-	-	-	-	-	-	5,500	22,485	-	27,985
Excess (deficiency) of revenues over expense	(22,278)	(53,529)	79,976	3,034,703	(37,324)	(454,195)	(55,481)	(1,699,982)	-	791,890
Transfers										
Transfers to Bond Fund	-	-	-	-	-	-	-	-	-	-
Transfers to Backcountry Fund	-	-	-	(270,833)	-	270,833	-	-	-	-
Transfers for Reserves	-	-	(92,734)	(2,031,250)	(237,166)	-	92,734	2,268,416	-	-
Total transfers (Out) / In	-	-	(92,734)	(2,302,083)	(244,496)	270,833	92,734	2,275,746	-	-
Net revenues (expenses)	\$ (22,278)	\$ (53,529)	\$ (12,758)	\$ 732,620	\$ (281,820)	\$ (183,362)	\$ 37,253	\$ 575,764	\$ -	\$ 791,890

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of May 31, 2026

	ADMINISTRATIVE		OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE & PLANT	ELIMINATIONS	TOTAL
	OPERATING	RESERVE		OPERATING	RESERVE	OPERATING	RESERVE			
ASSETS										
Cash & Equivalents										
1000 - Wells Fargo Invest Sweep	\$ 313,142	\$ -	\$ -	\$ 1,244,691	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,557,833
1002 - Wells Fargo Payroll Checking	52,955	-	-	-	-	-	-	-	-	52,955
1003 - Wells Fargo Rec Operating Checking	-	-	-	(379,311)	-	-	-	-	-	(379,311)
1004 - Wells Fargo BC Operating Checking	-	-	-	-	-	130,804	-	-	-	130,804
1005 - Wells Fargo Admin Operating Checking	35,482	-	-	-	-	-	-	-	-	35,482
Wells Fargo Checking, Payroll and Sweep	401,579	-	-	865,380	-	130,804	-	-	-	1,397,763
1022 - Morgan Stanley Capital Project Fund	-	-	-	-	-	-	-	-	-	-
1024 - Morgan Stanley OSCA	-	-	9,021,780	-	-	-	-	-	-	9,021,780
1026 - Morgan Stanley Rec Reserve MM	-	-	-	-	2,834,699	-	-	-	-	2,834,699
1050 - Morgan Stanley Admin Op	4,431,865	-	-	-	-	-	-	-	-	4,431,865
1051 - Morgan Stanley Rec Op	-	-	-	4,886,639	-	-	-	-	-	4,886,639
Morgan Stanley	4,431,865	-	9,021,780	4,886,639	2,834,699	-	-	-	-	21,174,983
1028 - RBC Wealth Mgmt Admin Reserve MM	-	569,864	-	-	-	-	-	-	-	569,864
1032 - RBC Wealth Mgmt BC Reserve CD	-	-	-	-	-	-	205,837	-	-	205,837
RBC Wealth Management	-	569,864	-	-	-	-	205,837	-	-	775,701
Cash on Hand	76	-	-	2,862	-	-	-	-	-	2,938
Total Cash & Equivalents	4,833,520	569,864	9,021,780	5,754,881	2,834,699	130,804	205,837	-	-	23,351,385
Accounts Receivable and Other Assets										
1100 - AR-Assessments & Legal	34,626	-	-	341,930	-	-	-	-	-	376,556
1105 - Allowance for Doubtful Accounts	(11,221)	-	-	(38,873)	-	-	-	-	-	(50,094)
1180 - AR- Covenants & Legal	125,190	-	-	-	-	-	-	-	-	125,190
2102 - Unearned CIS Fines & Fees	(87,906)	-	-	-	-	-	-	-	-	(87,906)
1191 - Accrued Interest Receivable	7,597	4,751	26,184	54,549	8,092	-	1,843	-	-	103,016
1195 - Miscellaneous Receivable	(26)	-	-	1,109	-	-	1,004	-	-	2,087
1196 - Misc Rec – PM Shared Credit	-	-	-	30,813	-	-	-	-	-	30,813
1200 - Prepaid Expense	90,789	-	-	353,429	-	560	-	-	-	444,778
1205 - Prepaid Insurance	20,868	-	-	149,732	-	9,478	-	-	-	180,078
1225 - Undeposited Funds	(1,950)	-	-	-	-	-	-	-	-	(1,950)
1110 - PM Cash Clearing	-	-	-	-	-	-	-	-	-	-
1250 - Interfund Receivable	-	-	-	1,695,468	-	3,325,163	-	-	(5,020,631)	-
1260 - Intercompany Receivable 501c3	32,380	-	-	-	-	57,758	-	-	-	90,138
Total Accounts Receivable and Other Assets	210,347	4,751	26,184	2,588,157	8,092	3,392,959	2,847	-	(5,020,631)	1,212,706
Fixed Assets										
Fixed Assets - Cost	-	929,345	-	-	-	-	1,565,864	88,038,041	-	90,533,250
Fixed Assets - Accumulated Depreciation	-	(607,139)	-	-	-	-	(1,035,302)	(47,738,697)	-	(49,381,138)
Total Fixed Assets	-	322,206	-	-	-	-	530,562	40,299,344	-	41,152,112
Total ASSETS	\$ 5,043,867	\$ 896,821	\$ 9,047,964	\$ 8,343,038	\$ 2,842,791	\$ 3,523,763	\$ 739,246	\$ 40,299,344	\$ (5,020,631)	\$ 65,716,203

Highlands Ranch Community Association, Inc.
Balance Sheet for All Funds
As of May 31, 2026

	ADMINISTRATIVE			OSCA	RECREATION		BACKCOUNTRY		DEBT SERVICE	ELIMINATIONS	TOTAL
	OPERATING	RESERVE	OPERATING		RESERVE	OPERATING	RESERVE	& PLANT			
LIABILITIES & EQUITY											
Liabilities											
2000 - Accounts Payable	61,839	-	-	116,974	-	14,927	-	-	-	-	193,740
2005 - Accrued Expenses	93,316	-	-	400,644	-	95,371	1,004	-	-	-	590,335
2006 - Accrued AP - PM Shared Credit	-	-	-	-	-	-	-	-	-	-	-
2007 - FAMLI Payable	5,018	-	-	17,407	-	-	-	-	-	-	22,425
2009 - Colorado Payback	-	-	-	-	-	-	-	-	-	-	-
2015 - Accrued Bond Interest Payable	-	-	-	-	-	-	-	-	-	-	-
2020 - Sales Taxes Payable - State	-	-	-	302	-	-	-	-	-	-	302
2045 - Accrued Payroll & Vacation Expense	153,592	-	-	919,512	-	98,935	-	-	-	-	1,172,039
2050 - AFLAC Pre-Tax	-	-	-	-	-	-	-	-	-	-	-
2100 - Unearned Assessments	56,956	-	-	657,475	-	-	-	-	-	-	714,431
2101 - Deferred Assessments	214,993	-	-	1,610,650	-	-	-	-	-	-	1,825,643
2105 - Unearned Program & Facilities Revenue	91,938	-	-	2,127,325	-	3,500,000	-	-	-	-	5,719,263
2110 - Unearned Other Revenue	-	-	-	11,037	-	10,687	-	-	-	-	21,724
2250 - Interfund Payable	722,512	176,524	3,617,366	-	376,420	-	127,809	-	(5,020,631)	-	-
2260 - Intercompany Payable 501c3	-	-	-	2,763	-	-	-	-	-	-	2,763
2610 - Bonds Payable - 2004 Series	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,397,707	176,524	3,617,366	5,864,089	376,420	3,719,920	128,813	-	(5,020,631)	10,260,208	
Equity											
Retained Earnings	3,661,180	913,767	5,438,582	1,752,685	2,763,655	(12,795)	592,577	39,723,580	-	54,833,231	
3030 - Other Comprehensive Income	7,258	(139,941)	4,774	(6,356)	(15,464)	-	(19,397)	-	-	(169,126)	
Net Income	(22,278)	(53,529)	(12,758)	732,620	(281,820)	(183,362)	37,253	575,764	-	791,890	
Total Equity (Fund Balance)	3,646,160	720,297	5,430,598	2,478,949	2,466,371	(196,157)	610,433	40,299,344	-	55,455,995	
Total LIABILITIES & EQUITY	\$ 5,043,867	\$ 896,821	\$ 9,047,964	\$ 8,343,038	\$ 2,842,791	\$ 3,523,763	\$ 739,246	\$ 40,299,344	\$ (5,020,631)	\$ 65,716,203	

**Highlands Ranch Community Association
Statement of Cash Flows for All Funds
For the Five Months Ending May 31, 2026**

	ADMINISTRATIVE			RECREATION		BACKCOUNTRY		DEBT SERVICE	
	OPERATING	RESERVE	OSCA	OPERATING	RESERVE	OPERATING	RESERVE	& PLANT	TOTAL
Cash flows from operating activities									
Excess (deficiency) of revenues over expenses	\$ (22,278)	\$ (53,529)	\$ (12,758)	\$ 732,620	\$ (281,820)	\$ (183,362)	\$ 37,253	\$ 575,764	\$ 791,890
Adjustment to reconcile excess (deficiency) of revenues over expenses to net cash from (used for) operating activities									
Depreciation expense	-	50,722	-	-	-	-	48,407	1,677,497	1,776,626
(Gain) loss on asset disposal	-	-	-	-	-	-	5,500	22,485	27,985
Bad debt expense	-	-	-	-	-	-	-	-	-
(Increase) decrease in operating assets									
Assessments and covenants receivable, net	(10,350)	-	-	(24,894)	-	-	-	-	(35,244)
Accounts receivable, other	163,403	(2,644)	(12,455)	44,528	(4,188)	(39,789)	(1,859)	-	146,996
Prepaid expenses and other assets	10,269	-	-	33,185	-	5,416	-	-	48,870
Other	(8,425)	(4,667)	(17,402)	(31,560)	(20,043)	-	(1,371)	-	(83,468)
Increase (decrease) in operating liabilities									
Accounts payable and accrued expenses	127,307	-	-	131,169	(1,853)	73,958	1,004	-	331,585
Assessments paid in advance	(112,294)	-	-	(1,186,054)	-	-	-	-	(1,298,348)
Deferred revenue	296,079	-	-	2,572,926	-	3,500,402	-	-	6,369,407
Net cash from (used for) operating activities	443,711	(10,118)	(42,615)	2,271,920	(307,904)	3,356,625	88,934	2,275,745	8,076,298
Cash flows from investing activities									
Proceeds from sale of equipment	-	-	-	-	-	-	-	-	-
Purchases of property and equipment	-	(51,735)	-	-	-	-	(203,870)	(2,275,745)	(2,531,350)
Net cash from (used for) investing activities	-	(51,735)	-	-	-	-	(203,870)	(2,275,745)	(2,531,350)
Cash flows from financing activities									
Payment of accounts payable for property and equipment	-	-	-	-	-	-	-	-	-
Net borrowing and transfers among funds	501,798	61,036	3,608,525	(532,350)	(324,531)	(3,429,142)	114,663	-	(1)
Net cash from (used for) financing activities	501,798	61,036	3,608,525	(532,350)	(324,531)	(3,429,142)	114,663	-	(1)
Net change in cash, cash equivalents, and restricted cash	945,509	(817)	3,565,910	1,739,570	(632,435)	(72,517)	(273)	0	5,544,947
Cash, cash equivalents, and restricted cash, beginning of year	3,888,011	570,681	5,455,870	4,015,311	3,467,134	203,321	206,110	-	17,806,438
Cash, cash equivalents, and restricted cash, end of year	\$ 4,833,520	\$ 569,864	\$ 9,021,780	\$ 5,754,881	\$ 2,834,699	\$ 130,804	\$ 205,837	\$ 0	\$ 23,351,385

HRCA Administrative Fund
Variance Analysis - Actual vs. Budget
For the Five Months Ending May 31, 2026

	Current Month					Year To Date				
	Actual	Budget	Variance			Actual	Budget	Variance		
			\$	%				\$	%	
Revenues										
Homeowner assessments	\$ 170,660	\$ 169,909	\$ 750	0%		\$ 849,414	\$ 849,547	\$ (133)	0%	
Homeowner fees	107,225	133,707	(26,481)	(20%)	A	461,674	444,900	16,774	4%	
Recreation programs	-	-	-			-	-	-		
Community events	97,814	115,416	(17,602)	(15%)		216,450	215,691	759	0%	
Interest	7,229	12,892	(5,663)	(44%)		52,457	67,748	(15,291)	(23%)	
Other revenue	27,516	22,174	5,342	24%		106,303	105,312	991	1%	
Total revenues	410,444	454,098	(43,654)	(10%)		1,686,297	1,683,197	3,100	0%	
Expenses										
Salaries	164,358	162,308	(2,049)	(1%)		766,656	765,018	(1,638)	0%	
Employee benefits	46,614	51,249	4,635	9%		252,847	249,709	(3,138)	(1%)	
Depreciation Expense	-	-	-			-	-	-		
Facility operations	528	1,260	732	58%		4,151	7,350	3,199	44%	
Program	-	-	-			-	-	-		
Occupancy	6,391	6,023	(368)	(6%)		30,327	30,115	(212)	(1%)	
Information Technology Expenses	13,161	12,382	(779)	(6%)		63,795	70,998	7,202	10%	
General & Administrative	29,944	25,898	(4,045)	(16%)		166,726	154,588	(12,138)	(8%)	
Insurance	6,277	6,490	212	3%		31,454	32,449	995	3%	
Professional services	25,508	25,783	274	1%		146,353	129,087	(17,267)	(13%)	
Communications and marketing	11,368	9,625	(1,743)	(18%)		58,904	47,775	(11,129)	(23%)	
Community events	107,557	101,920	(5,637)	(6%)		185,489	180,795	(4,694)	(3%)	
Interest	-	-	-			-	-	-		
Other operating expenses	358	175	(183)	(104%)		1,874	875	(999)	(114%)	
Total expenses	412,064	403,113	(8,951)	(2%)		1,708,578	1,668,759	(39,819)	(2%)	
(Gains) / Losses	-	-	-			-	-	-		
Excess (deficiency) of revenues over expenses	(1,620)	50,985	(52,605)	(103%)		(22,281)	14,438	(36,719)	254%	
Transfers										
Transfers to Backcountry Fund	-	-	-			-	-	-		
Transfers for Capital Equipment	-	-	-			-	-	-		
Transfers for Reserves	-	-	-			-	-	-		
Total transfers In / (Out)	-	-	-			-	-	-		
Net revenues (expenses)	\$ (1,620)	\$ 50,985	\$ (52,605)	(103%)		\$ (22,281)	\$ 14,438	\$ (36,719)	254%	

Variance materiality = \$20k and 10%

**HRCA Administrative Fund
Variance Analysis - Actual vs. Budget
For the Five Months Ending May 31, 2026**

Variance Discussion - MTD Actual vs. Budget

A - Homeowner Fee revenue is unfavorable to budget for the month due to lower status letter/transfer fees (\$4K), late fees (\$16K), and lower revenue from architectural review services and fines (\$6K).

Variance Discussion - YTD Actual vs. Budget

No items met scope

**Administrative Fund Community Events
For the Five Months Ending May 31, 2026**

		Revenue	Expense	Profit/(Loss)
Beer Festival	May	64,771	(37,783)	26,988
Beer Festival donation	May	-	-	-
Coffee with a Cop	April	-	-	-
Cold Cases and Cocktails	March, Oct	13,555	(1,927)	11,628
Doggie Splash	Sept	-	-	-
Easter Egg Hunt	April	983	(5,404)	(4,422)
Fall Craft Show	Sept	-	(386)	(386)
Farmers Market	April - Oct	2,857	(1,170)	1,687
Father Daughter Sweetheart Ball	Feb	34,233	(30,497)	3,736
Garage Sale	May	-	-	-
General	Jan - Dec	990	(1,405)	(415)
Golf Tournament	June	-	(1,903)	(1,903)
Golf Tournament donation	June	-	-	-
Hometown Holiday Celebration	Dec	(56)	(129)	(186)
Jewelry Show	Nov	-	-	-
July 4th Fireworks	July	-	-	-
July 4th Parade	July	-	-	-
Miscellaneous Pop Up Events	Jan, Mar, Nov	2,885	(2,041)	844
Miscellaneous Tastings	Feb, Dec	3,629	(2,858)	771
Oaked & Smoked	Oct	-	-	-
Other		-	-	-
Princess Teas	Jan, Oct	2,070	(663)	1,407
Race Series	Mar-Nov	63,261	(47,152)	16,109
Recycling Events	June	-	(43,912)	(43,912)
Spring Bazaar	March	17,297	(668)	16,629
Super Hero Party	April	-	-	-
Tacos and Tequila	May	9,975	(7,592)	2,383
		<u>216,450</u>	<u>(185,489)</u>	<u>30,960</u>

Community Relations & Marketing

2025 BUDGET - COMMUNITY EVENTS

	1/31/2026	2/28/2026	3/31/2026	4/30/2026	5/31/2026	6/30/2026	7/31/2026	8/31/2026	9/30/2026	10/31/2026	11/30/2026	12/31/2026	Total
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
4400 - Community Events Revenue													
Beer Festival	-	-	-	-	80,000	-	-	-	-	-	-	-	80,000
Cold Cases and Cocktails	-	-	12,000	-	-	-	-	-	-	12,000	-	-	24,000
Doggie Splash	-	-	-	-	-	-	-	-	5,000	-	-	-	5,000
Easter Egg Hunt	-	-	-	1,000	-	-	-	-	-	-	-	-	1,000
Fall Craft Show	-	-	-	-	-	-	-	-	15,000	-	-	-	15,000
Farmers Market	-	-	-	-	1,416	1,416	1,417	1,417	1,417	1,417	-	-	8,500
Father Daughter Sweetheart Ball	-	30,000	-	-	-	-	-	-	-	-	-	-	30,000
Golf Tournament	-	-	-	-	-	46,500	-	-	-	-	-	-	46,500
Hometown Holiday Celebration	-	-	-	-	-	-	-	-	-	-	-	17,000	17,000
Jewelry Show	-	-	-	-	-	-	-	-	-	-	15,000	-	15,000
July 4th Parade	-	-	-	-	-	-	2,500	-	-	-	-	-	2,500
Miscellaneous Pop Up Events	2,025	-	-	-	-	-	-	-	-	-	-	-	2,025
Miscellaneous Tastings	-	-	-	-	-	-	-	-	-	-	-	9,000	9,000
Oaked & Smoked	-	-	-	-	-	-	-	-	-	25,000	-	-	25,000
Princess Teas	2,250	-	-	-	-	-	-	-	-	-	-	-	2,250
Race Series	-	-	38,000	-	25,000	13,750	50,000	20,000	25,000	-	46,000	-	217,750
Spring Bazaar	-	-	15,000	-	-	-	-	-	-	-	-	-	15,000
Super Hero Party	-	-	-	-	-	-	-	-	-	-	-	-	-
Tacos and Tequila	-	-	-	-	9,000	-	-	-	-	-	-	-	9,000
	4,275	30,000	65,000	1,000	115,416	61,666	53,917	21,417	46,417	38,417	61,000	26,000	524,525
5100 - Community Events Expense													
Beer Festival	-	-	-	10,000	30,000	38,300	-	-	-	-	-	-	78,300
Cans Festival	-	-	-	-	-	-	-	-	-	-	-	-	-
Coffee with a Cop	-	50	-	-	-	-	-	-	-	50	-	50	150
Cold Cases and Cocktails	-	-	2,250	-	-	-	-	-	-	2,250	-	-	4,500
Colorados Most Haunted	-	-	-	-	-	-	-	-	-	-	-	-	-
Doggie Splash	-	-	-	-	-	-	-	50	200	-	-	-	250
Easter Egg Hunt	-	2,500	500	2,000	-	-	-	-	-	-	-	-	5,000
Fall Craft Show	-	-	-	-	-	-	-	-	1,200	-	-	-	1,200
Farmers Market	-	-	-	500	520	520	520	520	520	520	-	-	3,620
Father Daughter Sweetheart Ball	8,000	19,000	-	-	-	-	-	-	-	-	-	-	27,000
Garage Sale	-	-	-	-	-	-	-	-	-	-	-	-	-
General	400	400	400	650	400	400	400	400	400	400	400	400	5,050
Golf Tournament	-	-	-	-	-	46,500	-	-	-	-	-	-	46,500
Hometown Holiday Celebration	-	-	-	-	-	-	-	-	-	500	11,000	23,500	35,000
Jewelry Show	-	-	-	-	-	-	-	-	-	-	1,200	-	1,200
July 4th Fireworks	-	-	-	-	-	-	24,250	-	-	-	-	-	24,250
July 4th Parade	-	-	-	-	-	-	19,300	-	-	-	-	-	19,300
Miscellaneous Pop Up Events	2,025	-	-	-	-	-	-	-	-	-	-	-	2,025
Miscellaneous Tastings	-	-	-	-	-	-	-	-	-	-	-	2,000	2,000
Oaked & Smoked	-	-	-	-	-	-	-	-	3,000	12,500	-	-	15,500
Princess Teas	1,500	-	-	-	-	-	-	-	-	-	-	-	1,500
Race Series	1,000	2,000	22,000	1,000	16,000	14,000	24,500	4,300	27,500	6,000	30,000	1,000	149,300
Recycling Events	-	-	-	-	50,000	-	-	-	50,000	-	-	-	100,000
Spring Bazaar	-	-	1,200	-	-	-	-	-	-	-	-	-	1,200
Super Hero Party	-	-	-	-	-	-	-	-	-	-	-	-	-
Tacos and Tequila	-	-	-	1,500	5,000	-	-	-	-	-	-	-	6,500
	12,925	23,950	26,350	15,650	101,920	99,720	68,970	5,270	82,820	22,220	42,600	26,950	529,345
Net Income	(8,650)	6,050	38,650	(14,650)	13,496	(38,054)	(15,053)	16,147	(36,403)	16,197	18,400	(950)	(4,820)

HRCA Recreation Fund
Variance Analysis - Actual vs. Budget
For the Five Months Ending May 31, 2026

	Current Month					Year To Date			
			Variance					Variance	
	Actual	Budget	\$	%		Actual	Budget	\$	%
Revenues									
Homeowner assessments	\$ 1,612,181	\$ 1,611,811	\$ 370	0%		\$ 8,060,900	\$ 8,059,053	\$ 1,847	0%
Homeowner fees	-	-	-			-	-	-	
Recreation programs	537,525	490,790	46,735	10%	A	3,101,551	2,954,536	147,015	5%
Facility operations	79,855	78,055	1,800	2%		516,029	532,145	(16,116)	(3%)
Community events	-	-	-			-	-	-	
Interest	20,200	16,403	3,797	23%		91,909	82,557	9,352	11%
Other revenue	(319)	40	(359)	(898%)		29,650	32,200	(2,550)	(8%)
Total revenues	2,249,442	2,197,099	52,343	2%		11,800,038	11,660,491	139,547	1%
Expenses									
Salaries	1,080,851	1,122,230	41,379	4%		5,035,349	5,033,598	(1,750)	0%
Employee benefits	224,153	285,899	61,746	22%	B	1,286,508	1,379,438	92,930	7%
Depreciation Expense	-	-	-			-	-	-	
Facility operations	102,724	138,547	35,823	26%	C	464,983	627,889	162,906	26%
Program	71,919	80,197	8,278	10%		409,593	383,112	(26,481)	(7%)
Occupancy	137,322	138,871	1,549	1%		679,872	663,309	(16,563)	(2%)
Information Technology Expenses	47,332	45,491	(1,842)	(4%)		222,059	247,078	25,020	10%
General & Administrative	48,356	37,041	(11,315)	(31%)		221,956	213,303	(8,653)	(4%)
Insurance	43,973	44,824	852	2%		219,352	224,122	4,771	2%
Professional services	13,909	14,356	447	3%		77,829	75,696	(2,133)	(3%)
Communications and marketing	23,588	14,885	(8,703)	(58%)		144,995	103,975	(41,020)	(39%)
Community events	-	-	-			-	-	-	
Interest	-	-	-			-	-	-	
Other operating expenses	333	533	200	38%		2,840	2,665	(175)	(7%)
Total expenses	1,794,461	1,922,874	128,413	7%		8,765,335	8,954,186	188,852	2%
(Gains) / Losses	-	-	-			-	-	-	
Excess (deficiency) of revenues over expenses	454,981	274,225	180,756	66%		3,034,703	2,706,305	328,398	12%
Transfers									
Transfers to Backcountry Fund	(54,167)	(54,167)	-	0%		(270,833)	(270,833)	-	0%
Transfers for Capital Equipment	-	-	-			-	-	-	
Transfers for Reserves	(406,250)	(406,250)	-	0%		(2,031,250)	(2,031,250)	-	0%
Total transfers In / (Out)	(460,417)	(460,417)	-	0%		(2,302,083)	(2,302,083)	-	0%
Net revenues (expenses)	\$ (5,436)	\$ (186,191)	\$ 180,756	(97%)		\$ 732,620	\$ 404,222	\$ 328,398	81%

Variance materiality = \$25k and 10%

HRCA Recreation Fund
Variance Analysis - Actual vs. Budget
For the Five Months Ending May 31, 2026

Variance Discussion - MTD Actual vs. Budget

- A -** Recreation program revenue exceeds budget due to higher participation than expected in sports and fitness programs - especially personal training and youth sports - (\$31K), and preschool classes (\$21K); offset by lower revenue in aquatics programs (\$7K).
- B -** Employee benefits expense is favorable to budget primarily due to lower medical claims experience for the month (\$40K). Vacation expense (\$9K) and payroll taxes (\$11K) were also favorable to budget.
- C -** Facility operations expense is favorable to budget largely due to less maintenance and equipment costs than anticipated (\$32K).

Variance Discussion - YTD Actual vs. Budget

- A -** Facility operations expense is favorable to budget YTD largely due to savings in snow removal costs as a result of the dry winter (\$55K), timing of uniform and shop items still to be purchased (\$35K), and less maintenance and equipment costs than anticipated (\$71K).
- B -** Information technology expenses are favorable to budget due to savings in managed services (\$15K) and software services (\$14K). Consulting hours have been less than anticipated with in-house solutions. These savings were offset by increased computer purchases for new employees (\$4K).
- C -** Communications and marketing expenses exceed budget primarily due to higher costs to publish, print and mail monthly newsletters. The 2026 budget assumed a transition to digital distribution for a majority of recipients which is still in process.

HRCA Backcountry Fund
Variance Analysis - Actual vs. Budget
For the Five Months Ending May 31, 2026

	Current Month					Year To Date				
	Actual	Budget	Variance			Actual	Budget	Variance		
			\$	%				\$	%	
Revenues										
Recreation programs	\$ 50,066	\$ 53,554	\$ (3,488)	(7%)		\$ 218,324	\$ 225,199	\$ (6,875)	(3%)	
Facility operations	1,527	1,527	0	0%		7,634	7,633	1	0%	
Other revenue	17,292	17,292	0	0%		86,460	90,708	(4,248)	(5%)	
Total revenues	68,885	72,372	(3,488)	(5%)		312,418	323,541	(11,123)	(3%)	
Expenses										
Salaries	113,929	115,293	1,364	1%		484,856	489,741	4,885	1%	
Employee benefits	22,631	23,728	1,097	5%		117,625	113,741	(3,883)	(3%)	
Facility operations	14,883	12,000	(2,883)	(24%)		57,719	51,200	(6,519)	(13%)	
Program	13,884	10,041	(3,843)	(38%)		86,697	92,205	5,508	6%	
Information Technology Expenses	-	-	-			-	-	-		
General & Administrative	411	315	(96)	(31%)		3,050	3,075	25	1%	
Insurance	3,159	3,175	15	0%		16,041	15,873	(168)	(1%)	
Other operating expenses	-	25	25	100%		625	150	(475)	(316%)	
Total expenses	168,898	164,577	(4,321)	(3%)		766,612	765,985	(627)	0%	
Excess (deficiency) of revenues over expenses	(100,014)	(92,205)	(7,809)	(8%)		(454,194)	(442,444)	(11,749)	(3%)	
Transfers										
Transfers to Backcountry Fund	54,167	54,167	-	0%		270,833	270,833	-	0%	
Total transfers In / (Out)	54,167	54,167	-	0%		270,833	270,833	-	0%	
Net revenues (expenses)	\$ (45,847)	\$ (38,038)	\$ (7,809)	(21%)		\$ (183,360)	\$ (171,611)	\$ (11,749)	(7%)	

Variance materiality = \$10k and 10%

Variance Discussion - MTD and YTD Actual vs. Budget

No items met scope

HRCA
Statement of Revenues and Expenses
May 31, 2026

	Current Month Actuals				Current Month Budget				Current Month Variance				Month to Date % Variance			
	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total
Revenues																
Homeowner assessments	170,660	1,612,181	-	1,782,840	169,909	1,611,811	-	1,781,720	750	370	-	1,120	0%	0%		0%
Homeowner fees	107,225	-	-	107,225	133,707	-	-	133,707	(26,481)	-	-	(26,481)	-20%			-20%
Recreation programs	-	537,525	50,066	587,591	-	490,790	53,554	544,344	-	46,735	(3,488)	43,247	-	10%	-7%	8%
Facility operations	-	79,855	1,527	81,381	-	78,055	1,527	79,582	-	1,800	0	1,800	-	2%	0%	2%
Community events	97,814	-	-	97,814	115,416	-	-	115,416	(17,602)	-	-	(17,602)	-15%			-15%
Interest	7,229	20,200	-	27,429	12,892	16,403	-	29,296	(5,663)	3,797	-	(1,866)	-44%	23%		-6%
Other revenue	27,516	(319)	17,292	44,489	22,174	40	17,292	39,506	5,342	(359)	0	4,983	24%	-898%	0%	13%
Total revenues	410,444	2,249,442	68,885	2,728,770	454,098	2,197,099	72,372	2,723,569	(43,654)	52,343	(3,488)	5,201	-10%	2%	-5%	0%
Expenses																
Salaries	164,358	1,080,851	113,929	1,359,138	162,308	1,122,230	115,293	1,399,831	(2,049)	41,379	1,364	40,693	-1%	4%	1%	3%
Employee benefits	46,614	224,153	22,631	293,398	51,249	285,899	23,728	360,876	4,635	61,746	1,097	67,478	9%	22%	5%	19%
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Facility operations	528	102,724	14,883	118,135	1,260	138,547	12,000	151,807	732	35,823	(2,883)	33,672	58%	26%	-24%	22%
Program	-	71,919	13,884	85,803	-	80,197	10,041	90,238	-	8,278	(3,843)	4,435	-	10%	-38%	5%
Occupancy	6,391	137,322	-	143,713	6,023	138,871	-	144,894	(368)	1,549	-	1,181	-6%	1%		1%
Information Technology Expenses	13,161	47,332	-	60,493	12,382	45,491	-	57,872	(779)	(1,842)	-	(2,621)	-6%	-4%		-5%
General & Administrative	29,944	48,356	411	78,711	25,898	37,041	315	63,254	(4,045)	(11,315)	(96)	(15,457)	-16%	-31%	-31%	-24%
Insurance	6,277	43,973	3,159	53,410	6,490	44,824	3,175	54,489	212	852	15	1,079	3%	2%	0%	2%
Professional services	25,508	13,909	-	39,418	25,783	14,356	-	40,138	274	447	-	721	1%	3%		2%
Communications and marketing	11,368	23,588	-	34,956	9,625	14,885	-	24,510	(1,743)	(8,703)	-	(10,446)	-18%	-58%		-43%
Community events	107,557	-	-	107,557	101,920	-	-	101,920	(5,637)	-	-	(5,637)	-6%			-6%
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other operating expenses	358	333	-	691	175	533	25	733	(183)	200	25	42	-104%	38%	100%	6%
Total expenses	412,064	1,794,461	168,898	2,375,423	403,113	1,922,874	164,577	2,490,564	(8,951)	128,413	(4,321)	115,141	-2%	7%	-3%	5%
Transfers																
Transfers to Backcountry Fund	-	(54,167)	54,167	-	-	(54,167)	54,167	-	-	-	-	-		0%	0%	
Transfers for Capital Equipment	-	-	-	-	-	-	-	-	-	-	-	-				
Transfers for Reserves	-	(406,250)	-	(406,250)	-	(406,250)	-	(406,250)	-	-	-	-		0%		0%
Total Transfers In / (Out)	-	(460,417)	54,167	(406,250)	-	(460,417)	54,167	(406,250)	-	-	-	-		0%	0%	0%
Net revenue (expense)	(1,620)	(5,436)	(45,847)	(52,902)	50,985	(186,191)	(38,038)	(173,244)	(52,605)	180,756	(7,809)	120,342	-103%	-97%	21%	-69%

HRCA
Statement of Revenues and Expenses
For the Five Months Ending May 31, 2026

	YTD Actuals				YTD Budget				YTD Variance				YTD % Variance			
	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total	Admin	Rec	BC	Total
Revenues																
Homeowner assessments	849,414	8,060,900	-	8,910,314	849,547	8,059,053	-	8,908,600	(133)	1,847	-	1,714	0%	0%		0%
Homeowner fees	461,674	-	-	461,674	444,900	-	-	444,900	16,774	-	-	16,774	4%			4%
Recreation programs	-	3,101,551	218,324	3,319,875	-	2,954,536	225,199	3,179,735	-	147,015	(6,875)	140,140		5%	-3%	4%
Facility operations	-	516,029	7,634	523,662	-	532,145	7,633	539,778	-	(16,116)	1	(16,116)		-3%	0%	-3%
Community events	216,450	-	-	216,450	215,691	-	-	215,691	759	-	-	759	0%			0%
Interest	52,457	91,909	-	144,366	67,748	82,557	-	150,305	(15,291)	9,352	-	(5,939)	-23%	11%		-4%
Other revenue	106,303	29,650	86,460	222,412	105,312	32,200	90,708	228,220	991	(2,550)	(4,248)	(5,807)	1%	-8%	-5%	-3%
Total revenues	1,686,297	11,800,038	312,418	13,798,753	1,683,197	11,660,491	323,541	13,667,230	3,100	139,547	(11,123)	131,524	0%	1%	-3%	1%
Expenses																
Salaries	766,656	5,035,349	484,856	6,286,860	765,018	5,033,598	489,741	6,288,357	(1,638)	(1,750)	4,885	1,497	0%	0%	1%	0%
Employee benefits	252,847	1,286,508	117,625	1,656,979	249,709	1,379,438	113,741	1,742,888	(3,138)	92,930	(3,883)	85,909	-1%	7%	-3%	5%
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-				
Facility operations	4,151	464,983	57,719	526,853	7,350	627,889	51,200	686,439	3,199	162,906	(6,519)	159,586	44%	26%	-13%	23%
Program	-	409,593	86,697	496,291	-	383,112	92,205	475,317	-	(26,481)	5,508	(20,973)		-7%	6%	-4%
Occupancy	30,327	679,872	-	710,199	30,115	663,309	-	693,425	(212)	(16,563)	-	(16,775)	-1%	-2%		-2%
Information Technology Expenses	63,795	222,059	-	285,854	70,998	247,078	-	318,076	7,202	25,020	-	32,222	10%	10%		10%
General & Administrative	166,726	221,956	3,050	391,732	154,588	213,303	3,075	370,967	(12,138)	(8,653)	25	(20,765)	-8%	-4%	1%	-6%
Insurance	31,454	219,352	16,041	266,848	32,449	224,122	15,873	272,445	995	4,771	(168)	5,597	3%	2%	-1%	2%
Professional services	146,353	77,829	-	224,182	129,087	75,696	-	204,783	(17,267)	(2,133)	-	(19,399)	-13%	-3%		-9%
Communications and marketing	58,904	144,995	-	203,900	47,775	103,975	-	151,750	(11,129)	(41,020)	-	(52,150)	-23%	-39%		-34%
Community events	185,489	-	-	185,489	180,795	-	-	180,795	(4,694)	-	-	(4,694)	-3%			-3%
Interest	-	-	-	-	-	-	-	-	-	-	-	-				
Other operating expenses	1,874	2,840	625	5,339	875	2,665	150	3,690	(999)	(175)	(475)	(1,649)	-114%	-7%	-316%	-45%
Total expenses	1,708,578	8,765,335	766,612	11,240,525	1,668,759	8,954,186	765,985	11,388,931	(39,819)	188,852	(627)	148,406	-2%	2%	0%	1%
Transfers																
Transfers to Backcountry Fund	-	(270,833)	270,833	-	-	(270,833)	270,833	-	-	-	-	-		0%	0%	
Transfers for Capital Equipment	-	-	-	-	-	-	-	-	-	-	-	-				
Transfers for Reserves	-	(2,031,250)	-	(2,031,250)	-	(2,031,250)	-	(2,031,250)	-	-	-	-		0%		0%
Total Transfers In / (Out)	-	(2,302,083)	270,833	(2,031,250)	-	(2,302,083)	270,833	(2,031,250)	-	-	-	-		0%	0%	0%
Net revenue (expense)	(22,281)	732,620	(183,360)	526,979	14,438	404,222	(171,611)	247,049	(36,719)	328,398	(11,749)	279,930	254%	81%	-7%	113%