



HIGHLANDS RANCH

COMMUNITY ASSOCIATION

Minutes

February 17, 2025 Finance Committee Meeting
Highlands Ranch Community Association, Inc.
Eastridge Recreation Center

FC Members Present:

Leighton Stephenson
Ron Welk
Shane Callahan
Michael Flower
Erik Vaska
Jennifer Harris

FC Members Absent:

None

Staff Members Present:

Brice Kahler, CFO
Emily Arnold, Controller
Mark Gunther, Chief Operations Officer
Jake Heerdt, Recreation Manager

Board Members and Visitors Present:

Leo Stegman, Board Treasurer

1. The Finance Committee meeting was called to order at 6:00 p.m. A quorum of the Finance Committee was present.
2. The Finance Committee reviewed the January 20, 2025, Finance Committee meeting minutes.

A motion was made to accept the January 20, 2025, HRCA Finance Committee meeting minutes as presented. The motion was approved with one abstention.

Motion: Michael Flower

Second: Shane Callahan

3. Mark Gunther, Director of Operations, and Jake Heerdt, Recreation Manager, gave a presentation on the 2022 Reserve Study that runs through 2040. The study is a living document that is reviewed by HRCA management quarterly, updated with current pricing and timing of reserve expenditures, and monitored for tracking with budget. Determination is made on what projects can be deferred, or need acceleration, to maximize the life of assets. Changes to scope of projects are also considered. \$9 million is expected to be spent in 2025, predominantly on the Westridge renovation and roof replacement budgeted at \$6.2 million. A new study must be done every 5 years by Colorado law; the next one is slated to begin in the latter half of 2026 and finalized in Q1 2027.
4. HRCA Income Statement mapping updates were reviewed. Certain expense categories were updated or renamed to be more reflective of operations and ensure rollups for financial statement presentation matched with audited financial categories.
5. The Finance Committee next reviewed and discussed the DRAFT January 31, 2025, HRCA Financial Statements. The actual to budget favorable/unfavorable variances were identified, explained, and discussed for consolidated financials, each operating fund, and various programs. We had a good start to the year with January consolidated revenues up \$34K or 1.3% to budget. January consolidated expenses are up \$5K or 0.2% to budget.

The January financial statements will be finalized and presented for approval after the annual audit is completed in March.

6. The Finance Committee next reviewed the 2025 Highlands Ranch Community Association 501(c)3 budgets for Highlands Ranch Cultural Affairs Association, Highlands Ranch Scholarship Fund, and Highlands Ranch Backcountry Conservation and Education Fund. Of note, HRCA is budgeted to provide 26 \$2,500 scholarships to community high school seniors in 2025, funded by the annual Beer Festival. Also of note, SCFD grants received dictates the level of programming for HRCAA events.

A motion was made that the HRCA Finance Committee endorse the 2025 HRCA 501(c)3 Budgets, as drafted, and recommend that said budgets be approved by the HRCA Board of Directors. The motion was approved unanimously.

Motion: Michael Flower

Second: Erik Vaska

With no further business, the meeting was adjourned.

Respectfully Submitted,

Emily Arnold, Controller