Minutes

August 18, 2025, Finance Committee Meeting
Highlands Ranch Community Association, Inc.
Eastridge Recreation Center

FC Members Present:

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

FC Members Absent:

none

Staff Members Present:

Brice Kahler, CFO
Emily Arnold, Controller

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 July 21, 2025, Finance Committee meeting minutes.

   A motion was made to accept the July 21, 2025, HRCA Finance Committee meeting minutes as presented. The motion was approved unanimously.

   Motion: Jennifer Harris Second: Erik Vaska

3. The Finance Committee reviewed and discussed the July 31, 2025, HRCA Financial Statements. The actual to budget favorable/unfavorable variances were identified, explained, and discussed for consolidated financials, each operating fund, and program performance. Consolidated revenues are ahead of budget YTD by $68K (0.3% to budget); consolidated expenses exceed budget YTD by $76K (0.4% to budget.). Taking out non-cash depreciation and loss on disposal we are $71K ahead of budget. $4.1M of capital expenditures have been made YTD, predominantly Westridge renovation. Recreation programs are running ahead of budget, although there is some softening in the youth sports market.

A motion was made that the HRCA Finance Committee accept the July 31, 2025, Highlands Ranch Community Association Financial Statements. The motion was approved unanimously.

Motion: Leighton Stephenson Second: Ron Welk

4. Brice Kahler presented proposed updates to the Fund Management and Reserve Policy. The policy is being updated to calculate minimum fund balances based on anticipated future reserve expenditures as opposed to historical reserve expenditures. The Board of Directors will approve final version at the September meeting.

5. Brice Kahler presented the long-term forecast review of fund balances under both the current policy (based on prior three years of actual expenditures) and the proposed policy (based on succeeding three years of forecasted expenditures). Key assumptions include inflationary cost increases and 2% - 3% annual assessment increases.

With no further business, the meeting was adjourned.

Respectfully Submitted,

Emily Arnold, Controller