**Minutes**

**January 19, 2026 Finance Committee Meeting**
**Highlands Ranch Community Association, Inc.**
**Eastridge Recreation Center**

**FC Members Present:**

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

**FC Members Absent:**

None

**Staff Members Present:**

Brice Kahler, CFO
Emily Arnold, Controller

**Board Members and Visitors Present:**

None

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 November 17, 2025, Finance Committee meeting minutes.

   **A motion was made to accept the November 17, 2025, HRCA Finance Committee meeting minutes as presented. The motion was approved unanimously.**

   **Motion: Jennifer Harris Second: Shane Callahan**

   A Finance Committee meeting was not held in December 2025.

**3.** The Finance Committee reviewed and discussed the November 30, 2025, HRCA Financial Statements. The actual to budget favorable/unfavorable variances were identified, explained, and discussed for consolidated financials and each operating fund. We had a strong month in November resulting in YTD consolidated revenues ahead of budget by $327K (1.1% to budget), and consolidated expenses exceeding budget YTD by $141K (0.5% to budget.). Elevator repair expenses accounted for significant increase over budget. Taking out non-cash depreciation and loss on disposal, we are $366K ahead of budget. $7M of capital expenditures have been made YTD, predominantly Westridge renovation and the rust mitigation project at Eastridge, encompassing HVAC upgrades to manage humidity, structural steel replacement, and window replacement. Glass still needs to be installed at Eastridge before opening indoor pool.

**A motion was made that the HRCA Finance Committee accept the November 30, 2025, Highlands Ranch Community Association Financial Statements. The motion was approved unanimously.**

**Motion: Erik Vaska Second: Michael Flower**

4. The Finance Committee next reviewed and discussed the DRAFT December 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. YTD consolidated revenues over expenses of $1.9M are $400K *below* budget. This swing is caused by $539K loss on disposal of assets, primarily relating to Westridge renovation finalized in December. The building was initially capitalized in 2001 and depreciated over 39 years. Renovation write-offs 24 years into depreciation period necessarily resulted in a non-cash loss. Adjusting for non-cash loss on disposal and depreciation, HRCA is $360K above budget. Capital expenditures for the year are $8.3M.

The December financial statements will be finalized and presented for approval after the annual audit is completed in March 2026.

5. The Finance Committee next reviewed the Q4 2025 Highlands Ranch Community Association 501(c)3 Financial Statements. Our 501c3 funds are not required to be audited. Actual to budget variances and sources of funding were discussed for Highlands Ranch Cultural Affairs Association, Highlands Ranch Scholarship Fund, and Highlands Ranch Backcountry Conservation and Education Fund / Backcountry Wilderness Area Fund combined. HRBCEF includes only backcountry raffle activity; HRBWAF includes all other backcountry activity. Once HRBWAF has been in existence for five years and can accommodate raffles, we will wind down HRBCEF.

**A motion was made to recommend that the HRCA Finance Committee accept the Q4 2025, 501(c)3 Financial Statements. The motion was approved unanimously.**

**Motion: Ron Welk Second: Doug MacLeod**

6. Brice Kahler presented the Q4 2025 Investment overview. HRCA is conservatively invested per our Investment Policy. We discussed laddering investment maturities into 2028 and 2029.

With no further business, the meeting was adjourned.

Respectfully Submitted,

Emily Arnold, Controller