



**DC Ranch Association
Policy 202
Policy on Financial Reporting**

Date of Adoption: June 4, 2018

Effective Date: June 4, 2018

Revised: November 6, 2023

202.1 Purpose: The purpose of this policy is to establish financial reporting guidelines for DC Ranch Association.

202.2 Scope: This policy applies to the financial reports of DC Ranch Association.

202.3 Responsibility/Authority: The DC Ranch Association Board of Directors.

202.3 a Delegation of Authority: The DC Ranch Association Board of Directors delegates some of its responsibilities to the Executive Director, such as the management of its financial operations. The Executive Director authorizes the Director of Financial Operations to maintain, prepare, and publish the financial reports of DC Ranch Association.

202.4 Introduction: The Association's mission statement is as follows: To serve all DC Ranch Stakeholders through the professional management and protection of the community's fiscal and environmental assets. DC Ranch Association delivers high quality and consistent operations, landscape, maintenance and community patrol and gate access with an emphasis on customer care and open communication that result in sustained property values and exceptional quality of life.

The Board of Directors serve as fiduciaries to the corporation. As a fiduciary, the Association Board of Directors is responsible for ensuring that an appropriate financial reporting structure is in place. DC Ranch Association financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP).

202.5 Level of Reporting and Frequency:

202.5a Audit: An audit of the financial statements is performed yearly by a Certified Public Accountant. See policy 203 regarding Audits.

202.5b Quarterly Financial Statements: Quarterly financial statements are prepared. The financial statements include following:

- A narrative report that summarizes the organization's current financial position and includes explanations for significant budget variances.
- Consolidated Balance Sheet as of the end of the quarter.
- Summary Statement of Revenue and Expense, comparing actual amounts to budgeted amounts for the quarter and year to date.
- Statement of Cash Flows for the Operating Account for the quarter and year to date.
- Accounts Receivable and managing collections on delinquent accounts.

Other statements as requested by the Board Treasurer

202.5c Monthly Financial Statements: Monthly financial statements will be prepared. The financial statements will include the following:

- A narrative report that summarizes the organization's current financial position and includes explanations for significant budget variances.
- Consolidated Balance Sheet as of the end of the month.
- Summary Statement of Revenue and Expense, comparing actual amounts to budgeted amounts for the month and year to date.
- Statement of Cash Flows for Operating Account for the month and year to date.
- Accounts Receivable.
- Other statements as requested by the Board Treasurer.

202.6 Distribution and Distribution Means:

202.6a Audit: The audit will be provided to the Board of Directors. It will also be made available to Association members by posting it on the DC Ranch website within one week of the audit being accepted by the Board.

202.6b Quarterly Financial Statements:

- Quarterly financial statements will be distributed to the Budget and Finance Committee and Executive Director for review via e-mail by the 20th day following the end of the quarter.

- A summary of the quarterly financial statements will be presented by the Board Treasurer at the next board meeting following the 20th day after the end of the quarter. The Board Treasurer may delegate this presentation to the Director of Financial Operations.

202.6c Monthly Financial Statements:

- The monthly statements will be distributed to the Budget and Finance Committee and Executive Director for review via e-mail by the 20th day following the end of the month.
- The monthly financial statements will be made available to Association members by posting them on the DC Ranch website by the 20th day following the end of the month.

Approved by: _____

Board President or Secretary

Date: _____

11/8/2023