



DC Ranch Association Financial Summary Report for period ending January 31, 2023

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total</u>
Revenue	\$ 845,069	\$ 30,837	\$ -	\$ 875,906
Expenses	586,859	64,906	-	651,765
Operating Income/(Loss)	\$ 258,210	\$ (34,069)	\$ -	\$ 224,141
Depreciation	4,811		-	4,811
Total Income/(Loss)	\$ 253,399	\$ (34,069)	\$ -	\$ 219,330
Transfers In/(Out)	(168,104)	168,104		-
Total Surplus/(Deficit)	\$ 85,295	\$ 134,035	\$ -	\$ 219,330

Revenue

Operating revenue for January totaled \$845k, unfavorable to budget by \$8k (<1%). Significant variances to budget are as follows:

- Non-Assessment Revenue is \$8k unfavorable to budget YTD.

Expense

Operating expenses for January came in \$46k (6%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by \$15k (6%) YTD due to open positions in January in Community Standards and Landscape.
- There is an initial combined savings of \$32k due to the timing of expenses in Landscape, Maintenance, Utilities, Community Standards, Fleet and Security. The year is just beginning, so this number will ebb and flow as expenditures are made.
- Insurance expense is \$3k favorable to budget due to the auto policy renewing lower than anticipated.
- Depreciation expense was moved back to operations in 2023. This is a non-cash expense and will be a budget variance through year end.

Balance Sheet/Cash Flow

- Operating cash is \$1.2 mil at 1/31/23, equal to 1.41 months of cash on hand.
- There is currently \$10.2 mil in reserve funds and \$69k in the capital fund.

Individual Neighborhoods

- Employee cost is being allocated to the neighborhoods using actual payroll data each month. Variances to budget are to be expected, as the need for staff time changes according to the needs of the neighborhoods. The Director of Community Services and

Landscape/Maintenance Managers review this data in detail to ensure the figures are correct.

- Most neighborhoods are beginning the year with a favorable variance to budget. Only Country Club, Terrace Homes East and Horseshoe have small losses due to higher security costs for gate personnel and additional landscape/maintenance hours in January.

Reserves

- Reserve expenses came in at \$65k for the month of January, higher than budget by \$52k.
- Reserve spending will vary from budget depending on the continual assessment of expenditures and scheduling of projects. Some projects are completed early, while others are pushed into the next year.
- Reserve interest is surpassing budget estimates due to the availability of higher earnings rates for the reinvestment of maturing treasury notes.

DC RANCH ASSOCIATION

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending January 31, 2023

	January 2023			Year-to-Date			Annual
	Current Month	Budget	Budget Variance	Year to Date	Budget	Budget Variance	2023 Budget
INCOME							
Neighborhood Assessments	\$ 466,508	\$ 465,720	\$ 788	466,508	465,720	\$ 788	\$ 5,588,640
Master Assessments	331,347	330,981	366	331,347	330,981	366	3,971,772
Builder & Developer Assessments	8,134	9,279	(1,145)	8,134	9,279	(1,145)	111,348
Total Assessment Revenue	805,989	805,980	9	805,989	805,980	9	9,671,760
Lot Sale Fees	3,700	7,500	(3,800)	3,700	7,500	(3,800)	90,000
Management Fees (Cost Sharing)	360	360	-	360	360	-	4,320
Fines/Fees (Violations, Mods etc.)	24,098	28,700	(4,602)	24,098	28,700	(4,602)	343,200
Security Monitoring Unmanned Gates	3,660	3,660	-	3,660	3,660	-	43,920
Cell Tower Lease(s)	6,453	6,415	38	6,453	6,415	38	76,980
Other Income (CFD, Interest, Misc)	809	250	559	809	250	559	55,626
Total Non-Assessment Income	39,080	46,885	(7,805)	39,080	46,885	(7,805)	614,046
Total Operating Income	845,069	852,865	(7,796)	845,069	852,865	(7,796)	10,285,806
EXPENSES							
Reserve Contributions	168,104	168,104	-	168,104	168,104	-	2,017,248
Capital Contribution	-	-	-	-	-	-	-
Total Reserve Expense	168,104	168,104	-	168,104	168,104	-	2,017,248
Personnel Expenses	238,574	254,313	(15,739)	238,574	254,313	(15,739)	3,196,036
Administration	15,711	15,810	(99)	15,711	15,810	(99)	200,620
Information Technology	16,827	15,086	1,741	16,827	15,086	1,741	181,700
Human Resources	5,524	3,225	2,299	5,524	3,225	2,299	35,350
Total Administrative Expense	276,636	288,434	(11,798)	276,637	288,434	(11,797)	3,613,706
Landscape Services	19,504	28,181	(8,677)	19,504	28,181	(8,677)	550,370
Facilities Maintenance	17,219	18,007	(787)	17,219	18,007	(787)	254,567
Utilities	22,410	29,083	(6,673)	22,410	29,083	(6,673)	637,363
Fleet	15,580	21,140	(5,560)	15,580	21,140	(5,560)	250,005
Total Maintenance Expense	74,714	96,411	(21,697)	74,714	96,411	(21,697)	1,692,305
Security	216,881	225,487	(8,606)	216,881	225,487	(8,606)	2,659,844
Community Standards	892	6,860	(5,968)	892	6,860	(5,968)	8,220
Community Relations	985	925	60	985	925	60	23,300
Total Community Program Expense	218,759	233,272	(14,513)	218,759	233,272	(14,513)	2,691,364
Insurance (non-EE) & Taxes	16,750	20,020	(3,270)	16,750	20,020	(3,270)	229,325
Depreciation	4,811	-	4,811	4,811	-	4,811	-
Other Expenses	-	-	-	-	-	-	-
Total General Expense	21,562	20,020	1,542	21,562	20,020	1,542	229,325
Total Operating Expense	759,774	806,241	(46,466)	759,775	806,241	(46,466)	10,243,948
Operating Income/(Loss)	85,295	46,625	38,670	85,295	46,625	38,670	41,858
Reserve Income	198,941	180,604	18,337	198,941	180,604	18,337	2,167,248
Reserve Expenses	64,906	13,200	51,706	64,906	13,200	51,706	2,259,133
Reserve Net Income/(Loss)	134,035	167,404	(33,369)	134,035	167,404	(33,369)	(91,885)
Total Net Income/(Loss)	\$ 219,330	\$ 214,029	\$ 5,301	\$ 219,330	\$ 214,029	\$ 5,301	\$ (50,027)

DC RANCH ASSOCIATION

BALANCE SHEET

As Of January 31, 2023

	<u>1/31/2023</u>	<u>12/31/2022</u>	<u>Y/Y Change</u>
ASSETS			
CASH			
Cash - Operating	\$ 1,201,385	\$ 1,056,616	\$ 144,769
Petty Cash	350	350	-
TOTAL CASH	<u>1,201,735</u>	<u>1,056,966</u>	<u>144,769</u>
CAPITAL FUND	69,168	69,168	-
RESERVE FUND	10,150,986	10,112,659	38,327
Accounts Receivable (Net)	256,609	318,149	(61,539)
Intercompany Receivable	1,597	1,597	-
Prepaid Expenses	399,092	261,358	137,734
Other Current Assets	2,434	2,351	83
TOTAL CURRENT ASSETS	<u>659,733</u>	<u>583,455</u>	<u>76,278</u>
PROPERTY, PLANT & EQUIPMENT			
Property & Equipment	356,062	356,062	-
Construction In Progress	-	-	-
TOTAL PROPERTY, PLANT & EQUIP	<u>356,062</u>	<u>356,062</u>	<u>-</u>
Less Accumulated Depreciation	(264,166)	(259,354)	(4,811)
PROPERTY, PLANT AND EQUIPMENT, NET	<u>91,896</u>	<u>96,708</u>	<u>(4,811)</u>
TOTAL ASSETS	<u><u>\$ 12,173,519</u></u>	<u><u>\$ 11,918,956</u></u>	<u><u>\$ 254,563</u></u>
LIABILITIES			
Accounts Payable	\$ 279,024	\$ 384,101	\$ (105,078)
Intercompany Payable	170,859	147,688	23,171
Accrued Expenses	122,440	117,528	4,912
Prepaid Assessments	401,896	291,477	110,419
Deferred Revenue	-	-	-
Other Current Liabilities	5,015	3,207	1,808
TOTAL CURRENT LIABILITIES	<u>979,235</u>	<u>944,001</u>	<u>35,233</u>
TOTAL LONG-TERM LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	<u><u>\$ 979,235</u></u>	<u><u>\$ 944,001</u></u>	<u><u>\$ 35,233</u></u>
NET ASSETS			
Operating Equity	413,493	413,493	-
Capital Equity	69,168	69,168	-
Reserve Equity	10,492,293	10,492,293	-
Current Year Profit/Loss	219,330	-	219,330
TOTAL NET ASSETS	<u><u>\$ 11,194,284</u></u>	<u><u>\$ 10,974,954</u></u>	<u><u>\$ 219,330</u></u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 12,173,519</u></u>	<u><u>\$ 11,918,956</u></u>	<u><u>\$ 254,563</u></u>

DC RANCH ASSOCIATION

STATEMENT OF CASH FLOW

For the Period Ended January 31, 2023

	<u>Current Month</u> Month Ended January 2023	<u>Year-to-Date</u> Year Ended January 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (deficit) for period	\$ 219,330	\$ 219,330
Adjustments to reconcile net income (deficit)		
Depreciation	4,811	4,811
<u>(Increase)/Decrease in:</u>		
Accounts receivable	61,539	61,539
Intercompany receivables	-	-
Prepaid expenses	(137,734)	(137,734)
<u>Increase/(Decrease) in:</u>		
Accounts payable	(105,078)	(105,078)
Accrued expenses	(557)	(557)
Accrued payroll expenses	5,469	5,469
Deferred revenue	-	-
Prepaid assessments	(21,296)	(21,296)
Prepaid Council assessments	131,715	131,715
Intercompany payables	23,171	23,171
Other liabilities	1,725	1,725
NET CASH FROM OPERATING ACTIVITIES	<u>183,096</u>	<u>183,096</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property, Plant & Equipment	-	-
NET CASH FROM INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of long-term debt	-	-
Principal payments of long-term debt	-	-
NET CASH FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	183,096	183,096
CASH, BEGINNING OF PERIOD	<u>11,238,793</u>	<u>11,238,793</u>
CASH, END OF PERIOD	<u><u>\$ 11,421,889</u></u>	<u><u>\$ 11,421,889</u></u>