



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

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total</u>
Revenue	\$ 2,553,835	\$ 74,152	\$ -	\$ 2,627,987
Expenses	1,816,826	126,929	-	1,943,755
Operating Income/(Loss)	\$ 737,008	\$ (52,777)	\$ -	\$ 684,232
Depreciation	-	14,434	-	14,434
Total Income/(Loss)	\$ 737,008	\$ (67,211)	\$ -	\$ 669,798
Transfers In/(Out)	(504,312)	504,312	-	-
Total Surplus/(Deficit)	\$ 232,696	\$ 437,101	\$ -	\$ 669,798

Revenue

Operating revenue for March totaled \$858k, favorable to budget by \$5k (<1%). Year-to-date revenue is unfavorable to budget by \$5k (<1%). Significant variances to budget are as follows:

- Non-Assessment Revenue is \$6k unfavorable to budget YTD.

Expense

Operating expenses for March came in \$22k (3%) favorable to budget, with year-to-date expenses \$131k (5%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by \$51k (7%) YTD due to open positions in Community Standards and Landscape. Temporary labor costs are \$5k YTD.
- There is an initial combined savings of \$48k due to the timing of expenses in Landscape, Maintenance, Community Standards, Fleet and Security. The year is just beginning, so this number will ebb and flow as expenditures are made.
- Insurance expense is \$8k favorable to budget due to the auto policy renewing lower than anticipated, this savings will continue through this year.
- Utilities are favorable to budget by \$29k YTD.

Balance Sheet/Cash Flow

- Operating cash is \$1.5 mil at 3/31/23, equal to 1.78 months of cash on hand.
- There is currently \$10.4 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 Terrace Homes East and Horseshoe have small net losses due to higher security costs for gate personnel and increased landscape/maintenance hours.

Reserves

- Reserve expenses came in at \$11k for the month of March. YTD reserve expenses are at \$127k, higher than budget by \$100k.
- 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 March 31, 2023

	March 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	\$ 1,399,524	\$ 1,397,160	\$ 2,364	\$ 5,588,640
Master Assessments	331,347	330,981	366	994,041	992,943	1,098	3,971,772
Builder & Developer Assessments	8,134	9,279	(1,145)	24,403	27,837	(3,434)	111,348
Total Assessment Revenue	805,989	805,980	9	2,417,967	2,417,940	27	9,671,760
Lot Sale Fees	8,700	7,500	1,200	20,800	22,500	(1,700)	90,000
Management Fees (Cost Sharing)	360	360	-	1,080	1,080	-	4,320
Fines/Fees (Violations, Mods etc.)	27,581	28,700	(1,119)	78,251	86,100	(7,849)	343,200
Security Monitoring Unmanned Gates	3,660	3,660	-	10,980	10,980	-	43,920
Cell Tower Lease(s)	7,989	6,415	1,574	19,358	19,245	113	76,980
Other Income (CFD, Interest, Misc)	3,596	250	3,346	5,398	750	4,648	55,626
Total Non-Assessment Income	51,885	46,885	5,000	135,867	140,655	(4,788)	614,046
Total Operating Income	857,875	852,865	5,010	2,553,835	2,558,595	(4,760)	10,285,806
EXPENSES							
Reserve Contributions	168,104	168,104	-	504,312	504,312	-	2,017,248
Capital Contribution	-	-	-	-	-	-	-
Total Reserve Expense	168,104	168,104	-	504,312	504,312	-	2,017,248
Personnel Expenses	252,832	254,313	(1,481)	712,322	762,939	(50,617)	3,196,036
Administration	20,494	24,535	(4,041)	55,667	55,155	512	200,620
Information Technology	16,942	15,003	1,939	49,724	44,407	5,317	181,700
Human Resources	1,795	575	1,220	11,172	6,810	4,362	35,350
Total Administrative Expense	292,064	294,426	(2,362)	828,885	869,311	(40,426)	3,613,706
Landscape Services	48,776	50,980	(2,204)	93,643	105,807	(12,164)	550,370
Facilities Maintenance	14,570	25,364	(10,794)	57,945	63,535	(5,589)	254,567
Utilities	20,459	31,809	(11,350)	64,799	93,532	(28,733)	637,363
Fleet	30,611	22,640	7,971	61,687	64,920	(3,233)	250,005
Total Maintenance Expense	114,416	130,793	(16,377)	278,075	327,794	(49,719)	1,692,305
Security	239,955	240,787	(832)	653,541	679,561	(26,020)	2,659,844
Community Standards	483	85	398	1,704	7,480	(5,776)	8,220
Community Relations	3,150	3,425	(275)	4,926	5,275	(349)	23,300
Total Community Program Expense	243,588	244,297	(709)	660,171	692,316	(32,145)	2,691,364
Insurance (non-EE) & Taxes	16,473	19,020	(2,547)	49,696	58,060	(8,364)	229,325
Depreciation	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-
Total General Expense	16,473	19,020	(2,547)	49,696	58,060	(8,364)	229,325
Total Operating Expense	834,644	856,640	(21,995)	2,321,138	2,451,793	(130,654)	10,243,948
Operating Income/(Loss)	23,230	(3,775)	27,005	232,696	106,803	125,894	41,858
Reserve Income	192,865	180,604	12,261	578,464	541,812	36,652	2,167,248
Depreciation	4,811	-	4,811	14,434	-	14,434	-
Reserve Expenses	10,500	14,000	(3,500)	126,929	27,200	99,729	2,259,133
Reserve Net Income/(Loss)	177,553	166,604	10,949	437,101	514,612	(77,511)	(91,885)
Total Net Income/(Loss)	\$ 200,784	\$ 162,830	\$ 37,954	\$ 669,798	\$ 621,415	\$ 48,383	\$ (50,027)

DC RANCH ASSOCIATION

BALANCE SHEET

As Of March 31, 2023

	<u>3/31/2023</u>	<u>12/31/2022</u>	<u>Y/Y Change</u>
ASSETS			
CASH			
Cash - Operating	\$ 1,516,231	\$ 1,056,616	\$ 459,615
Petty Cash	350	350	-
TOTAL CASH	<u>1,516,581</u>	<u>1,056,966</u>	<u>459,615</u>
CAPITAL FUND	69,168	69,168	-
RESERVE FUND	10,445,686	10,112,659	333,027
Accounts Receivable (Net)	120,974	318,660	(197,686)
Intercompany Receivable	-	1,597	(1,597)
Prepaid Expenses	358,200	261,358	96,842
Other Current Assets	2,206	36,528	(34,322)
TOTAL CURRENT ASSETS	<u>481,379</u>	<u>618,143</u>	<u>(136,763)</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	(273,789)	(259,354)	(14,434)
PROPERTY, PLANT AND EQUIPMENT, NET	<u>82,274</u>	<u>96,708</u>	<u>(14,434)</u>
TOTAL ASSETS	<u><u>\$ 12,595,088</u></u>	<u><u>\$ 11,953,643</u></u>	<u><u>\$ 641,444</u></u>
LIABILITIES			
Accounts Payable	\$ 264,397	\$ 384,101	\$ (119,704)
Intercompany Payable	86,248	147,688	(61,440)
Accrued Expenses	103,103	119,459	(16,356)
Prepaid Assessments	450,840	291,988	158,852
Deferred Revenue	-	-	-
Other Current Liabilities	13,503	3,207	10,296
TOTAL CURRENT LIABILITIES	<u>918,090</u>	<u>946,444</u>	<u>(28,353)</u>
TOTAL LONG-TERM LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	<u><u>\$ 918,090</u></u>	<u><u>\$ 946,444</u></u>	<u><u>\$ (28,353)</u></u>
NET ASSETS			
Operating Equity	445,739	445,739	-
Capital Equity	69,168	69,168	-
Reserve Equity	10,492,293	10,492,293	-
Current Year Profit/Loss	669,798	-	669,798
TOTAL NET ASSETS	<u><u>\$ 11,676,997</u></u>	<u><u>\$ 11,007,200</u></u>	<u><u>\$ 669,798</u></u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 12,595,088</u></u>	<u><u>\$ 11,953,643</u></u>	<u><u>\$ 641,444</u></u>

DC RANCH ASSOCIATION

STATEMENT OF CASH FLOW

For the Period Ended March 31, 2023

	<u>Current Month</u> Month Ended March 2023	<u>Year-to-Date</u> Year Ended March 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (deficit) for period	\$ 200,784	\$ 669,798
Adjustments to reconcile net income (deficit)		
Depreciation	4,811	14,434
<u>(Increase)/Decrease in:</u>		
Accounts receivable	67,978	197,686
Intercompany receivables	-	1,597
Prepaid expenses	25,207	(96,842)
<u>Increase/(Decrease) in:</u>		
Accounts payable	4,664	(119,704)
Accrued expenses	(175)	(1,050)
Accrued payroll expenses	(18,078)	(15,306)
Deferred revenue	-	-
Prepaid assessments	124,991	81,840
Prepaid Council assessments	(48,965)	77,012
Intercompany payables	(368,558)	(61,440)
Other liabilities/	42,349	44,618
NET CASH FROM OPERATING ACTIVITIES	<u>35,008</u>	<u>792,642</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	35,008	792,642
CASH, BEGINNING OF PERIOD	<u>11,996,427</u>	<u>11,238,793</u>
CASH, END OF PERIOD	<u><u>\$ 12,031,435</u></u>	<u><u>\$ 12,031,435</u></u>