



**DC Ranch Community Council
Financial Highlights – Director Analysis
for period ending May 31, 2023**

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 2,533,033	\$ 31,244	\$ 108,653	\$ 2,672,930
Expenses	1,759,509	80,773	379,254	2,219,536
Operating Income/(Loss)	\$ 773,524	\$ (49,529)	\$ (270,601)	\$ 453,394
Depreciation	-	-	20,022	20,022
Total Income/(Loss)	\$ 773,524	\$ (49,529)	\$ (290,623)	\$ 433,372
Transfers In/(Out)	(228,215)	228,215	-	-
Total Surplus/(Deficit)	\$ 545,309	\$ 178,686	\$ (290,623)	\$ 433,372

Revenue

Operating revenue for May totaled \$687k, higher than budget by \$279k (69%). Year-to-date revenue is favorable to budget by \$396k (19%). Significant variances to budget include:

- Community Benefit Fees came in \$269k (261%) higher than forecast for May. Benefit Fees YTD reflect a revenue surplus of \$415k (69%).
- Assessments are slightly higher than budget due to the lots that were estimated to be subtracted for the new Ranch Association maintenance facility, which has not been finalized.
- Program Revenue YTD reflects the absence of \$50k in revenue from the spring charitable event, which is now scheduled for the fall. However, there is also a corresponding cost savings resulting in no effect to the bottom line.
- Interest has a \$20k positive variance to budget YTD due to a higher rate on our ICS account (high-yield savings account).

Expense

Operating expenses for May came in \$14k (3%) favorable to budget, with year-to-date expense \$187k (9%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$61k lower than estimated in the budget YTD due to a couple of open positions.
- Administrative expenses are higher than budget due to the timing of IT expenses and Special Projects.
- Travel/Mtgs/ERR is \$9k under budget YTD due to timing of expenses for uniforms and professional development.

Programs

- Program expenses are favorable to budget by \$87k YTD due to cost savings for DC Ranch Day and Eggstravaganza, postponement of the spring charitable event, and timing of recreation and community engagement program expenses.

Facilities

- Facilities expense overall is \$33k below budget due to the timing of supply purchases, service expenditures and seasonal décor costs.

Reserve

- Reserve expenditures total \$81k so far for the year, \$24k over budget YTD due to the timing of projects, but will even out over the course of the year.
- Interest income totals \$31k YTD, which is \$16k higher than estimated due to increased rates.

Capital

- Capital expenditures for DCSIP are \$380k YTD.
- Depreciation expense totals \$20k so far for the year.
- Interest income for the capital fund is \$109k through May.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 4.27 months as of 5/31/2023.
- There are \$7.2 mil in capital funds and \$2.2 mil in reserve funds. Reserves are currently 88.02% funded.

Looking Forward

- Future escrow amounts *in progress* are as follows:

<u>Month</u>	<u>Currently in escrow</u>	<u>Budgeted Benefit Fees</u>
June 2023	\$512,125	\$168,234
July 2023	\$124,234	\$137,311

Community Council is beginning the year in a positive position with a \$583k favorable variance to the operating budget through May. Council Community Benefit Fees have been gaining steam in the last couple of months and performing well against budget YTD. A transfer to the capital fund may be considered after benefit fee revenue reaches the annual budgeted amount of \$1.5 mil.

DC RANCH COMMUNITY COUNCIL

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending May 31, 2023

	May 2023			Year-to-Date			Annual
	Current Month	Budget	Budget Variance	Year to Date	Budget	Budget Variance	2023 Budget
INCOME							
Residential Assessments	\$ 188,301	\$ 188,301	\$ -	\$ 941,505	\$ 941,505	\$ -	\$ 2,259,612
Commercial Assessments	66,930	65,067	1,863	334,650	325,335	9,315	780,804
Community Council Benefit Fees	372,637	103,217	269,420	1,016,167	601,231	414,936	1,500,000
Total Assessment Revenue	627,868	356,585	271,283	2,292,322	1,868,071	424,251	4,540,416
Community Celebrations & Events	100	200	(100)	7,352	56,850	(49,498)	70,595
Community Programming	18,571	16,962	1,609	40,015	37,578	2,437	68,308
Total Program Revenue	18,671	17,162	1,509	47,367	94,428	(47,061)	138,903
Community Center Rentals	2,840	500	2,340	13,235	10,500	2,735	13,100
Resident Access	620	250	370	2,220	2,250	(30)	3,400
Total Facilities Revenue	3,460	750	2,710	15,455	12,750	2,705	16,500
Management Fee	31,420	31,420	-	157,100	157,100	-	377,040
Advertising	-	1,440	(1,440)	-	3,960	(3,960)	7,200
Interest	5,240	50	5,190	20,264	250	20,014	665
Other Income	-	-	-	525	-	525	9,076
Total Other Income	36,660	32,910	3,750	177,889	161,310	16,579	393,981
Total Operating Income	686,659	407,407	279,252	2,533,033	2,136,559	396,474	5,089,800
EXPENSES							
Reserve Contributions	45,643	45,643	-	228,215	228,215	-	547,716
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	45,643	45,643	-	228,215	228,215	-	547,716
Personnel Expenses	235,215	234,990	225	1,114,615	1,174,950	(60,335)	2,821,802
Administration	24,900	29,741	(4,841)	124,358	126,185	(1,827)	303,228
Travel/Mtgs/ERR	2,548	6,854	(4,306)	18,007	27,494	(9,487)	66,529
Total Administrative Expense	262,663	271,585	(8,922)	1,256,979	1,328,629	(71,650)	3,191,559
Community Celebrations & Events	4,411	6,981	(2,570)	132,965	192,905	(59,940)	346,282
Community Programming	35,576	41,035	(5,459)	56,320	77,765	(21,445)	144,560
Community Engagement	2,243	1,075	1,168	17,254	24,450	(7,196)	42,100
Communications & Public Affairs	6,560	3,521	3,039	22,704	21,477	1,227	61,210
Total Program Expense	48,789	52,612	(3,823)	229,243	316,597	(87,354)	594,152
Ranch Offices	17,112	16,765	347	85,563	87,025	(1,462)	204,380
Desert Camp Community Center	19,494	21,383	(1,889)	97,655	112,733	(15,078)	260,395
The Homestead Community Center	6,106	7,973	(1,867)	28,922	34,199	(5,277)	85,447
MS Park/P&T/Seasonal Décor	1,865	2,482	(617)	18,081	29,022	(10,941)	115,060
Total Facilities Expense	44,577	48,603	(4,026)	230,221	262,979	(32,758)	665,282
Insurance (non-EE) & Taxes	6,985	6,085	900	34,714	30,425	4,289	73,020
Other Expenses	3,361	1,340	2,021	8,351	7,830	521	18,071
Total General Expense	10,346	7,425	2,921	43,065	38,255	4,810	91,091
Total Operating Expense	412,019	425,868	(13,849)	1,987,724	2,174,675	(186,951)	5,089,800
Operating Income/(Loss)	274,641	(18,461)	293,102	545,309	(38,116)	583,425	-
Reserve Net Income/(Loss)	49,721	48,643	1,078	178,686	186,869	(8,183)	304,327
Capital Net Income/(Loss)	19,803	(3,761)	23,564	(290,623)	(18,805)	(271,818)	(45,132)
Reserve & Capital Net Income/(Loss)	69,524	44,882	24,642	(111,937)	168,064	(280,001)	259,195
Total Net Income/(Loss)	\$ 344,165	\$ 26,421	\$ 317,744	\$ 433,372	\$ 129,948	\$ 303,424	\$ 259,195

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At May 31, 2023

	5/31/2023	12/31/2022	Y/Y Change
ASSETS			
OPERATING FUND			
Cash	\$ 1,810,313	\$ 1,508,330	\$ 301,983
Petty Cash	500	500	-
TOTAL OPERATING CASH	1,810,813	1,508,830	301,983
RESERVE FUND			
Cash	496,813	603,051	(106,238)
Investments	1,727,000	1,477,000	250,000
Accrued Interest	10,238	4,751	5,487
Discount on Investments	(6,866)	(12,623)	5,756
TOTAL RESERVE FUND	2,227,185	2,072,180	155,005
CAPITAL FUND			
Cash	769,865	1,135,106	(365,241)
Investments	6,517,000	6,472,000	45,000
Accrued Interest	6,790	-	6,790
Discount on Investments	(62,474)	(105,325)	42,851
TOTAL CAPITAL FUND	7,231,181	7,501,781	(270,601)
Accounts Receivable (Net)	138,376	25,435	112,941
Intercompany Receivable	181,780	154,192	27,588
Prepaid Expenses	82,592	40,979	41,613
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	602,721	420,579	182,142
PROPERTY, PLANT & EQUIPMENT			
Furniture & Fixtures	28,459	28,459	-
Vehicles & Equipment	184,143	164,860	19,283
Desert Camp Renovation(s)	161,479	161,479	-
Homestead Renovation(s)	110,112	110,112	-
TOTAL PROPERTY, PLANT & EQUIPMENT	484,192	464,909	19,283
<i>Less Accumulated Depreciation</i>	(333,381)	(313,359)	(20,022)
PROPERTY, PLANT AND EQUIPMENT, NET	150,811	151,551	(739)
TOTAL ASSETS	\$ 12,022,711	\$ 11,654,921	\$ 367,790
LIABILITIES			
Accounts Payable	\$ 46,067	\$ 163	\$ 45,903
Intercompany Payable	8,116	12,702	(4,586)
Accrued Liabilities	155,572	242,288	(86,715)
Deferred Revenue	10,147	8,962	1,185
Prepaid Assessments	46,092	67,630	(21,538)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	(481)	(650)	169
TOTAL CURRENT LIABILITIES	465,487	531,069	(65,582)
TOTAL LIABILITIES	\$ 465,487	\$ 531,069	\$ (65,582)
NET ASSETS			
Reserve Equity	2,148,782	2,148,782	-
Capital Equity	7,536,183	7,536,183	-
Operating Equity	1,438,888	1,438,888	-
Current Year Profit/Loss	433,372	-	433,372
TOTAL NET ASSETS	\$ 11,557,224	\$ 11,123,852	\$ 433,372
TOTAL LIABILITIES & NET ASSETS	\$ 12,022,711	\$ 11,654,921	\$ 367,790

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date May 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	433,372
Adjustments to reconcile Net Income (deficit)		
Depreciation		20,022
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(112,941)
Intercompany Receivable		(27,588)
Prepaid Expense		1,407
Prepaid Insurance		(43,020)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		45,903
Intercompany Payable		(4,586)
Accrued Payroll Expenses		(15,611)
Accrued Expenses		(71,104)
Deferred Revenue		1,185
Prepaid Assessments		(21,538)
Other Liabilities		169
NET CASH FROM OPERATING ACTIVITIES	\$	205,670

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant & Equipment		(19,283)
---	--	----------

NET INCREASE (DECREASE) IN CASH

	\$	186,387
--	----	---------

CASH, BEGINNING OF PERIOD	\$	11,082,792
---------------------------	----	------------

CASH, END OF PERIOD	\$	11,269,179
----------------------------	-----------	-------------------

ADDITIONAL INFORMATION - OPERATING FUNDS REQUIREMENTS:

Per Board policy, operating funds should be between 3-6 months of budgeted annual operating expenses.

Number of months budgeted expenses in cash, end of period:	4.27
---	-------------

Operating Cash at 5/31/23	\$	1,810,813
---------------------------	----	-----------

Total 2023 operating budget expenses	\$	5,089,800
--------------------------------------	----	-----------

MINIMUM - Average of three months	\$	1,272,450
--	----	-----------

Amount over minimum	Amount under minimum
\$ 538,363	N/A

MAXIMUM - Average of six months	\$	2,544,900
--	----	-----------

Amount over maximum	Amount under maximum
N/A	\$ 734,087

**DC Ranch Community Council
Resale Benefit Fee Trend - May 2023**

Month	2021 Actual	2022 Actual	In Process	2023 Actual	2023 Budget	Budget Variance	Change from Prior Year
Jan	\$ 283,272	\$ 165,815	\$ -	\$ 80,113	\$ 65,696	\$ 14,417	\$ (85,702)
Feb	530,781	397,845	-	253,134	157,940	95,194	(144,711)
Mar	491,131	311,878	-	135,311	150,646	(15,335)	(176,567)
Apr	564,467	357,798	-	174,973	123,732	51,241	(182,825)
May	526,293	201,745	-	372,637	103,217	269,420	170,892
Jun	654,990	546,370	512,125	-	168,234	-	-
Jul	717,439	170,030	124,234	-	137,311	-	-
Aug	251,248	197,500	54,300	-	97,896	-	-
Sep	301,195	80,700	-	-	98,797	-	-
Oct	242,518	75,744	-	-	131,840	-	-
Nov	196,165	184,613	-	-	110,966	-	-
Dec	157,487	132,175	-	-	153,725	-	-
Annual Total	\$ 4,916,984	\$ 2,822,213	\$ 690,659	\$ 1,016,167	\$ 1,500,000	\$ 414,936	\$ (418,913)

Property Sale Breakdown				
Location	May	YTD	Average Price	YTD Average
PU 1 - House	5	19	\$ 1,406,400	\$ 1,164,534
PU 2 - House	5	20	\$ 1,094,080	\$ 1,421,333
PU 4 - House	7	15	\$ 2,764,286	\$ 2,909,667
Silverleaf - House	8	19	\$ 5,334,375	\$ 5,375,557
PU 4 - Land	0	1	\$ -	\$ 3,900,000
Silverleaf - Land	0	0	\$ -	\$ -
Commercial	0	1	\$ -	\$ 3,000,000
Total/Average	25	75	\$ 2,981,096	\$ 2,709,778

