



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

## Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total</u>
Revenue	\$ 4,271,101	\$ 125,273	\$ -	\$ 4,396,374
Expenses	3,049,588	449,998	-	3,499,587
<b>Operating Income/(Loss)</b>	<b>\$ 1,221,513</b>	<b>\$ (324,726)</b>	<b>\$ -</b>	<b>\$ 896,787</b>
Depreciation	-	-	24,538	24,538
<b>Total Income/(Loss)</b>	<b>\$ 1,221,513</b>	<b>\$ (324,726)</b>	<b>\$ (24,538)</b>	<b>\$ 872,249</b>
Transfers In/(Out)	(840,520)	840,520	-	-
<b>Total Surplus/(Deficit)</b>	<b>\$ 380,993</b>	<b>\$ 515,794</b>	<b>\$ (24,538)</b>	<b>\$ 872,249</b>

### Revenue

Operating revenue for May totaled \$862k, favorable to budget by \$9k (1%). Year-to-date revenue is favorable to budget by \$7k (<1%). Significant variances to budget are as follows:

- Interest income is \$6k favorable to budget YTD.

### Expense

Operating expenses for May came in \$48k (6%) favorable to budget, with year-to-date expenses \$245k (6%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by \$76k (6%) YTD due to open positions in Community Standards and Landscape. Temporary labor costs are \$5k YTD.
- There is an initial combined savings of \$104k due to the timing of expenses in Landscape, Maintenance, Community Standards, Fleet and Security. This number will ebb and flow as expenditures are made.
- Insurance expense is \$12k 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 \$58k YTD.

### Balance Sheet/Cash Flow

- Operating cash is \$1.87 mil at 5/31/23, equal to 2.19 months of cash on hand.
- There is currently \$10.7 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 Director of Operations review this data in detail to ensure the figures are correct.

- Most neighborhoods have a favorable variance to budget. Only Terrace Homes East, Haciendas and Windgate have small net losses due to higher landscape/maintenance hours.

### **Reserves**

- Reserve expenses came in at \$133k for the month of May. YTD reserve expenses are at \$450k, lower than budget by \$262k.
- 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. Reserve interest income is \$125k YTD.

# DC RANCH ASSOCIATION

## 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
<b>INCOME</b>							
Neighborhood Assessments	\$ 466,508	\$465,720	\$ 788	\$ 2,332,540	\$ 2,328,600	\$ 3,940	\$ 5,588,640
Master Assessments	331,347	330,981	366	1,656,735	1,654,905	1,830	3,971,772
Builder & Developer Assessments	8,134	9,279	(1,145)	40,671	46,395	(5,724)	111,348
<b>Total Assessment Revenue</b>	<b>805,989</b>	<b>805,980</b>	<b>9</b>	<b>4,029,946</b>	<b>4,029,900</b>	<b>46</b>	<b>9,671,760</b>
Lot Sale Fees	12,800	7,500	5,300	38,700	37,500	1,200	90,000
Management Fees (Cost Sharing)	360	360	-	1,800	1,800	-	4,320
Fines/Fees (Violations, Mods etc.)	26,957	28,700	(1,743)	135,457	143,500	(8,043)	343,200
Security Monitoring Unmanned Gates	3,660	3,660	-	18,300	18,300	-	43,920
Cell Tower Lease(s)	6,600	6,415	185	32,559	32,075	484	76,980
Other Income (CFD, Interest, Misc)	5,191	250	4,941	14,339	1,250	13,089	55,626
<b>Total Non-Assessment Income</b>	<b>55,568</b>	<b>46,885</b>	<b>8,683</b>	<b>241,156</b>	<b>234,425</b>	<b>6,731</b>	<b>614,046</b>
<b>Total Operating Income</b>	<b>861,558</b>	<b>852,865</b>	<b>8,693</b>	<b>4,271,101</b>	<b>4,264,325</b>	<b>6,776</b>	<b>10,285,806</b>
<b>EXPENSES</b>							
Reserve Contributions	168,104	168,104	-	840,520	840,520	-	2,017,248
Capital Contribution	-	-	-	-	-	-	-
<b>Total Reserve Expense</b>	<b>168,104</b>	<b>168,104</b>	<b>-</b>	<b>840,520</b>	<b>840,520</b>	<b>-</b>	<b>2,017,248</b>
Personnel Expenses	253,160	254,313	(1,153)	1,195,236	1,271,565	(76,329)	3,196,036
Administration	27,749	24,185	3,564	104,421	94,450	9,971	200,620
Information Technology	16,035	19,127	(3,092)	80,156	78,252	1,904	181,700
Human Resources	1,105	3,450	(2,345)	13,651	15,295	(1,644)	35,350
<b>Total Administrative Expense</b>	<b>298,049</b>	<b>301,075</b>	<b>(3,026)</b>	<b>1,393,464</b>	<b>1,459,562</b>	<b>(66,098)</b>	<b>3,613,706</b>
Landscape Services	26,673	43,764	(17,091)	156,093	199,568	(43,475)	550,370
Facilities Maintenance	14,578	20,192	(5,614)	88,213	102,583	(14,370)	254,567
Utilities	47,603	66,644	(19,041)	143,700	201,190	(57,490)	637,363
Fleet	19,723	21,140	(1,417)	100,945	109,075	(8,130)	250,005
<b>Total Maintenance Expense</b>	<b>108,577</b>	<b>151,740</b>	<b>(43,163)</b>	<b>488,951</b>	<b>612,416</b>	<b>(123,465)</b>	<b>1,692,305</b>
Security	214,177	213,287	890	1,075,453	1,111,310	(35,857)	2,659,844
Community Standards	475	85	390	2,526	7,675	(5,149)	8,220
Community Relations	184	925	(741)	5,717	7,125	(1,408)	23,300
<b>Total Community Program Expense</b>	<b>214,837</b>	<b>214,297</b>	<b>540</b>	<b>1,083,695</b>	<b>1,126,110</b>	<b>(42,415)</b>	<b>2,691,364</b>
Insurance (non-EE) & Taxes	16,473	19,020	(2,547)	83,478	96,100	(12,622)	229,325
Other Expenses	-	-	-	-	-	-	-
<b>Total General Expense</b>	<b>16,473</b>	<b>19,020</b>	<b>(2,547)</b>	<b>83,478</b>	<b>96,100</b>	<b>(12,622)</b>	<b>229,325</b>
<b>Total Operating Expense</b>	<b>806,040</b>	<b>854,236</b>	<b>(48,196)</b>	<b>3,890,108</b>	<b>4,134,708</b>	<b>(244,599)</b>	<b>10,243,948</b>
<b>Operating Income/(Loss)</b>	<b>55,518</b>	<b>(1,371)</b>	<b>56,888</b>	<b>380,993</b>	<b>129,618</b>	<b>251,376</b>	<b>41,858</b>
Reserve Net Income/(Loss)	61,589	70,802	(9,213)	515,794	191,074	324,720	(91,885)
Capital Net Income/(Loss)	(4,908)	-	(4,908)	(24,538)	-	(24,538)	-
<b>Reserve/Capital Net Income/(Loss)</b>	<b>56,681</b>	<b>70,802</b>	<b>(14,121)</b>	<b>491,256</b>	<b>191,074</b>	<b>300,182</b>	<b>(91,885)</b>
<b>Total Net Income/(Loss)</b>	<b>\$ 112,199</b>	<b>\$ 69,432</b>	<b>\$ 42,767</b>	<b>\$ 872,249</b>	<b>\$ 320,692</b>	<b>\$ 551,558</b>	<b>\$ (50,027)</b>

# DC RANCH ASSOCIATION

## BALANCE SHEET

As Of May 31,2023

	5/31/2023	12/31/2022	Y/Y Change
<b>ASSETS</b>			
<b>CASH</b>			
Cash - Operating	\$ 1,865,567	\$ 1,056,616	\$ 808,951
Petty Cash	350	350	-
<b>TOTAL CASH</b>	<b>1,865,917</b>	<b>1,056,966</b>	<b>808,951</b>
<b>CAPITAL FUND</b>	<b>69,168</b>	<b>69,168</b>	<b>-</b>
<b>RESERVE FUND</b>	<b>10,603,691</b>	<b>10,112,659</b>	<b>491,031</b>
Accounts Receivable (Net)	190,876	318,660	(127,784)
Intercompany Receivable	8,116	9,713	(1,597)
Prepaid Expenses	334,289	261,358	72,931
Operating Lease Right-to-Use Asset	148,167	148,167	-
Other Current Assets	2,216	36,528	(34,312)
<b>TOTAL CURRENT ASSETS</b>	<b>683,664</b>	<b>774,426</b>	<b>(90,762)</b>
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>			
Property & Equipment	360,678	356,062	4,616
Construction In Progress	-	-	-
<b>TOTAL PROPERTY, PLANT &amp; EQUIP</b>	<b>360,678</b>	<b>356,062</b>	<b>4,616</b>
Less Accumulated Depreciation	(283,892)	(259,354)	(24,538)
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>76,786</b>	<b>96,708</b>	<b>(19,922)</b>
<b>TOTAL ASSETS</b>	<b>\$ 13,299,225</b>	<b>\$ 12,109,926</b>	<b>\$ 1,189,299</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 392,820	\$ 384,101	\$ 8,719
Intercompany Payable	318,560	147,688	170,872
Accrued Expenses	129,448	119,459	9,989
Prepaid Assessments	404,756	291,988	112,768
Deferred Revenue	-	-	-
Operating Lease Right-to-Use Liability	148,167	148,167	-
Other Current Liabilities	17,909	3,207	14,702
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,411,660</b>	<b>1,094,611</b>	<b>317,050</b>
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 1,411,660</b>	<b>\$ 1,094,611</b>	<b>\$ 317,050</b>
<b>NET ASSETS</b>			
Operating Equity	418,352	418,352	-
Capital Equity	165,876	165,876	-
Reserve Equity	10,431,088	10,431,088	-
Current Year Profit/Loss	872,249	-	872,249
<b>TOTAL NET ASSETS</b>	<b>\$ 11,887,565</b>	<b>\$ 11,015,316</b>	<b>\$ 872,249</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 13,299,225</b>	<b>\$ 12,109,926</b>	<b>\$ 1,189,299</b>

# DC RANCH ASSOCIATION

## STATEMENT OF CASH FLOW

For the Period Ended May 31, 2023

	<u>Current Month</u> Month Ended May 2023	<u>Year-to-Date</u> Year Ended May 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (deficit) for period	\$ 112,199	\$ 872,249
Adjustments to reconcile net income (deficit)		
Depreciation	4,908	24,538
<i>(Increase)/Decrease in:</i>		
Accounts receivable	(28,727)	127,784
Intercompany receivables	-	1,597
Prepaid expenses	6,600	(72,931)
<i>Increase/(Decrease) in:</i>		
Accounts payable	25,692	8,719
Accrued expenses	16	(2,472)
Accrued payroll expenses	27,157	12,461
Deferred revenue	-	-
Prepaid assessments	21,432	31,817
Prepaid Council assessments	5,358	80,951
Intercompany payables	184,908	170,872
Other liabilities/	7,509	49,013
NET CASH FROM OPERATING ACTIVITIES	<u>367,050</u>	<u>1,304,599</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property, Plant & Equipment	-	(4,616)
NET CASH FROM INVESTING ACTIVITIES	<u>-</u>	<u>(4,616)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Acquisition of long-term debt	-	-
Principal payments of long-term debt	-	-
NET CASH FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>367,050</b>	<b>1,299,982</b>
CASH, BEGINNING OF PERIOD	<u>12,171,725</u>	<u>11,238,793</u>
<b>CASH, END OF PERIOD</b>	<b><u>\$ 12,538,775</u></b>	<b><u>\$ 12,538,775</u></b>