



**DC Ranch Community Council
Financial Highlights – Director Analysis
for period ending June 30, 2023**

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 3,265,669	\$ 37,827	\$ 133,718	\$ 3,437,213
Expenses	2,095,757	94,410	396,516	2,586,682
Operating Income/(Loss)	\$ 1,169,912	\$ (56,583)	\$ (262,798)	\$ 850,531
Depreciation	-	-	24,027	24,027
Total Income/(Loss)	\$ 1,169,912	\$ (56,583)	\$ (286,825)	\$ 826,504
Transfers In/(Out)	(273,858)	273,858	-	-
Total Surplus/(Deficit)	\$ 896,054	\$ 217,275	\$ (286,825)	\$ 826,504

Revenue

Operating revenue for June totaled \$733k, higher than budget by \$272k (59%). Year-to-date revenue is favorable to budget by \$669k (28%). Significant variances to budget include:

- Community Benefit Fees came in \$261k (155%) higher than forecast for June. Benefit Fees YTD reflect a revenue surplus of \$676k (88%).
- 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 corresponding cost savings resulting in no effect to the bottom line.
- Interest has a \$25k positive variance to budget YTD due to a higher rate on our ICS account (high-yield savings account).

Expense

Operating expenses for June came in \$12k (3%) favorable to budget, with year-to-date expense \$199k (8%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$69k lower than estimated in the budget YTD due to several open positions.
- Administrative expenses are lower than budget due to the timing of IT expenses and office supplies.
- Travel/Mtgs/ERR is \$10k under budget YTD due to timing of expenses for uniforms and professional development.

Programs

- Program expenses are favorable to budget by \$86k 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. Some of this savings may go toward one-time enhancements for fall programming.

Facilities

- Facilities expense overall is \$29k below budget due to the timing of supply purchases, service expenditures and seasonal décor costs.

Reserve

- Reserve expenditures total \$94k so far for the year, \$38k over budget YTD due to the timing of projects, but will even out over the course of the year.
- Interest income totals \$38k YTD, which is \$20k higher than estimated due to increased rates.

Capital

- Capital expenditures for DCSIP are \$397k YTD.
- Depreciation expense (non-cash) totals \$24k so far for the year.
- Interest income for the capital fund is \$134k through June.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 5.19 months as of 6/30/2023.
- There are \$7.3 mil in capital funds and \$2.3 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>
July 2023	\$221,871	\$137,311
August 2023	\$209,300	\$97,896

Community Council is in a positive position with an \$867k favorable variance to the operating budget through the 2nd Quarter. 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 June 30, 2023

	June 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	\$ -	\$ 1,129,806	\$ 1,129,806	\$ -	\$ 2,259,612
Commercial Assessments	66,930	65,067	1,863	401,580	390,402	11,178	780,804
Community Council Benefit Fees	429,010	168,234	260,776	1,445,177	769,465	675,712	1,500,000
Total Assessment Revenue	684,241	421,602	262,639	2,976,563	2,289,673	686,890	4,540,416
Community Celebrations & Events	2,047	1,725	322	9,399	58,575	(49,176)	70,595
Community Programming	2,882	1,300	1,582	42,897	38,878	4,019	68,308
Total Program Revenue	4,929	3,025	1,904	52,296	97,453	(45,157)	138,903
Community Center Rentals	2,270	350	1,920	15,505	10,850	4,655	13,100
Resident Access	620	250	370	2,840	2,500	340	3,400
Total Facilities Revenue	2,890	600	2,290	18,345	13,350	4,995	16,500
Management Fee	31,420	31,420	-	188,520	188,520	-	377,040
Advertising	-	-	-	-	3,960	(3,960)	7,200
Interest	5,305	50	5,255	25,569	300	25,269	665
Other Income	3,851	3,850	1	4,376	3,850	526	9,076
Total Other Income	40,576	35,320	5,256	218,465	196,630	21,835	393,981
Total Operating Income	732,636	460,547	272,089	3,265,669	2,597,106	668,563	5,089,800
EXPENSES							
Reserve Contributions	45,643	45,643	-	273,858	273,858	-	547,716
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	45,643	45,643	-	273,858	273,858	-	547,716
Personnel Expenses	227,245	235,973	(8,728)	1,341,860	1,410,923	(69,063)	2,821,802
Administration	20,642	29,886	(9,244)	145,000	156,071	(11,071)	303,228
Travel/Mtgs/ERR	4,176	4,950	(774)	22,183	32,444	(10,261)	66,529
Total Administrative Expense	252,063	270,809	(18,746)	1,509,043	1,599,438	(90,395)	3,191,559
Community Celebrations & Events	6,757	6,781	(24)	139,723	199,686	(59,964)	346,282
Community Programming	7,119	6,885	234	63,438	84,650	(21,212)	144,560
Community Engagement	1,162	400	762	18,416	24,850	(6,434)	42,100
Communications & Public Affairs	7,792	7,571	221	30,496	29,048	1,448	61,210
Total Program Expense	22,830	21,637	1,193	252,072	338,234	(86,162)	594,152
Ranch Offices	17,250	16,765	485	102,813	103,790	(977)	204,380
Desert Camp Community Center	24,080	20,779	3,301	121,736	133,512	(11,776)	260,395
The Homestead Community Center	6,642	8,025	(1,383)	35,563	42,224	(6,661)	85,447
MS Park/P&T/Seasonal Décor	4,042	2,682	1,360	22,123	31,704	(9,581)	115,060
Total Facilities Expense	52,014	48,251	3,763	282,235	311,230	(28,995)	665,282
Insurance (non-EE) & Taxes	7,196	6,085	1,111	41,910	36,510	5,400	73,020
Other Expenses	2,145	1,150	995	10,496	8,980	1,516	18,071
Total General Expense	9,341	7,235	2,106	52,406	45,490	6,916	91,091
Total Operating Expense	381,891	393,575	(11,684)	2,369,615	2,568,250	(198,635)	5,089,800
Operating Income/(Loss)	350,745	66,972	283,773	896,054	28,856	867,198	-
Reserve Net Income/(Loss)	38,589	48,643	(10,054)	217,275	235,512	(18,237)	304,327
Capital Net Income/(Loss)	3,798	(3,761)	7,559	(286,825)	(22,566)	(264,259)	(45,132)
Reserve & Capital Net Income/(Loss)	42,387	44,882	(2,495)	(69,550)	212,946	(282,496)	259,195
Total Net Income/(Loss)	\$ 393,133	\$ 111,854	\$ 281,279	\$ 826,504	\$ 241,802	\$ 584,702	\$ 259,195

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At June 30, 2023

	6/30/2023	12/31/2022	Y/Y Change
ASSETS			
OPERATING FUND			
Cash	\$ 2,200,812	\$ 1,508,330	\$ 692,482
Petty Cash	500	500	-
TOTAL OPERATING CASH	2,201,312	1,508,830	692,482
RESERVE FUND			
Cash	548,522	603,051	(54,529)
Investments (net)	1,730,888	1,469,129	261,760
TOTAL RESERVE FUND	2,279,410	2,072,180	207,231
CAPITAL FUND			
Cash	772,500	1,135,106	(362,606)
Investments (net)	6,483,746	6,366,675	117,071
TOTAL CAPITAL FUND	7,256,246	7,501,781	(245,536)
Accounts Receivable (net)	106,688	25,435	81,254
Intercompany Receivable	179,213	154,192	25,022
Prepaid Expenses	88,762	40,979	47,784
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	574,638	420,579	154,059
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>	(337,385)	(313,359)	(24,027)
PROPERTY, PLANT AND EQUIPMENT (net)	146,807	151,551	(4,744)
TOTAL ASSETS	\$ 12,458,413	\$ 11,654,921	\$ 803,492
LIABILITIES			
Accounts Payable	\$ 97,038	\$ 163	\$ 96,874
Intercompany Payable	-	12,702	(12,702)
Accrued Liabilities	165,113	242,288	(77,175)
Deferred Revenue	4,781	8,962	(4,181)
Prepaid Assessments	42,090	67,630	(25,540)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	(939)	(650)	(289)
TOTAL CURRENT LIABILITIES	508,057	531,069	(23,012)
TOTAL LIABILITIES	\$ 508,057	\$ 531,069	\$ (23,012)
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	826,504	-	826,504
TOTAL NET ASSETS	\$ 11,950,357	\$ 11,123,852	\$ 826,504
TOTAL LIABILITIES & NET ASSETS	\$ 12,458,413	\$ 11,654,921	\$ 803,492

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date June 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	826,504
Adjustments to reconcile Net Income (deficit)		
Depreciation		24,027
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(81,254)
Intercompany Receivable		(25,022)
Prepaid Expense		(11,022)
Prepaid Insurance		(36,762)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		96,874
Intercompany Payable		(12,702)
Accrued Payroll Expenses		(157)
Accrued Expenses		(77,018)
Deferred Revenue		(4,181)
Prepaid Assessments		(25,540)
Other Liabilities		(289)
NET CASH FROM OPERATING ACTIVITIES	\$	673,460

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant & Equipment		(19,283)
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NET INCREASE (DECREASE) IN CASH

	\$	654,177
CASH, BEGINNING OF PERIOD	\$	11,082,792

CASH, END OF PERIOD

\$ 11,736,968

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:

5.19

Operating Cash at 6/30/2023	\$	2,201,312
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Total 2023 operating budget expenses	\$	5,089,800
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MINIMUM - Average of three months	\$	1,272,450
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		Amount over minimum
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	\$	928,862
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		Amount under minimum
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		N/A
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MAXIMUM - Average of six months	\$	2,544,900
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		Amount over maximum
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		N/A
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		Amount under maximum
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	\$	343,588
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**DC Ranch Community Council
Resale Benefit Fee Trend - June 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	-	429,010	168,234	260,776	(117,360)
Jul	717,439	170,030	221,871	-	137,311	-	-
Aug	251,248	197,500	209,300	-	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	\$ 431,171	\$ 1,445,177	\$ 1,500,000	\$ 675,712	\$ (536,273)

Property Sale Breakdown				
Location	June	YTD	Average Price	YTD Average
PU 1 - House	1	20	\$ 978,000	\$ 1,155,208
PU 2 - House	10	30	\$ 1,445,500	\$ 1,429,388
PU 4 - House	7	22	\$ 2,949,143	\$ 2,922,227
Silverleaf - House	8	27	\$ 6,215,625	\$ 5,624,466
PU 4 - Land	0	1	\$ -	\$ 3,900,000
Silverleaf - Land	0	0	\$ -	\$ -
Commercial	0	1	\$ -	\$ 3,000,000
Total/Average	26	101	\$ 3,300,077	\$ 2,861,736

