



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

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 3,725,890	\$ 45,786	\$ 161,741	\$ 3,933,417
Expenses	2,432,969	94,410	396,516	2,923,894
Operating Income/(Loss)	\$ 1,292,921	\$ (48,624)	\$ (234,775)	\$ 1,009,522
Depreciation	-	-	28,031	28,031
Total Income/(Loss)	\$ 1,292,921	\$ (48,624)	\$ (262,806)	\$ 981,491
Transfers In/(Out)	(319,501)	319,501	-	-
Total Surplus/(Deficit)	\$ 973,420	\$ 270,877	\$ (262,806)	\$ 981,491

Revenue

Operating revenue for July totaled \$460k, higher than budget by \$33k (8%). Year-to-date revenue is favorable to budget by \$701k (23%). Significant variances to budget include:

- Community Benefit Fees came in \$25k (18%) higher than forecast for July. Benefit Fees YTD reflect a revenue surplus of \$701k (77%).
- 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 \$32k positive variance to budget YTD due to a higher rate on the ICS account (high-yield savings account that is fully FDIC insured).

Expense

Operating expenses for July came in \$46k (11%) favorable to budget, with year-to-date expense \$245k (8%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$92k 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, office supplies and special projects.
- Travel/Mtgs/ERR is \$12k under budget YTD due to timing of expenses for uniforms and professional development.

Programs

- Program expenses are favorable to budget by \$102k 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 \$20k below budget due to the timing of supply purchases and contracted service expenditures.

Reserve

- Reserve expenditures total \$94k so far for the year, \$185k under budget YTD due to the timing of projects, but will even out over the course of the year.
- Interest income totals \$46k YTD, which is \$25k higher than estimated due to increased rates.

Capital

- Capital expenditures for DCSIP are \$397k YTD.
- Depreciation expense (non-cash) totals \$28k so far for the year.
- Interest income for the capital fund is \$162k through July.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 5.10 months as of 7/31/2023.
- 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>
August 2023	\$250,175	\$97,896
September 2023	\$90,394	\$98,797

The Community Council is in a positive position with a \$947k favorable variance to the operating budget through July. 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 July 31, 2023

	July 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	\$ -	\$ 1,318,107	\$ 1,318,107	\$ -	\$ 2,259,612
Commercial Assessments	66,930	65,067	1,863	468,510	455,469	13,041	780,804
Community Council Benefit Fees	162,622	137,311	25,311	1,607,799	906,776	701,023	1,500,000
Total Assessment Revenue	417,853	390,679	27,174	3,394,416	2,680,352	714,064	4,540,416
Community Celebrations & Events	-	2,300	(2,300)	9,399	60,875	(51,476)	70,595
Community Programming	2,480	2,092	388	45,377	40,970	4,407	68,308
Total Program Revenue	2,480	4,392	(1,912)	54,776	101,845	(47,069)	138,903
Community Center Rentals	800	250	550	16,305	11,100	5,205	13,100
Resident Access	520	150	370	3,360	2,650	710	3,400
Total Facilities Revenue	1,320	400	920	19,665	13,750	5,915	16,500
Management Fee	31,420	31,420	-	219,940	219,940	-	377,040
Advertising	-	360	(360)	-	4,320	(4,320)	7,200
Interest	7,149	50	7,099	32,717	350	32,367	665
Other Income	-	-	-	4,376	3,850	526	9,076
Total Other Income	38,569	31,830	6,739	257,033	228,460	28,573	393,981
Total Operating Income	460,221	427,301	32,920	3,725,890	3,024,407	701,483	5,089,800
EXPENSES							
Reserve Contributions	45,643	45,643	-	319,501	319,501	-	547,716
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	45,643	45,643	-	319,501	319,501	-	547,716
Personnel Expenses	211,910	234,990	(23,080)	1,553,770	1,645,913	(92,143)	2,821,802
Administration	16,411	32,406	(15,995)	161,412	188,477	(27,065)	303,228
Travel/Mtgs/ERR	8,828	10,175	(1,347)	31,011	42,619	(11,608)	66,529
Total Administrative Expense	237,149	277,571	(40,422)	1,746,192	1,877,009	(130,817)	3,191,559
Community Celebrations & Events	753	6,481	(5,728)	140,475	206,167	(65,692)	346,282
Community Programming	5,763	10,665	(4,902)	69,201	95,315	(26,114)	144,560
Community Engagement	1,000	3,350	(2,350)	19,416	28,200	(8,784)	42,100
Communications & Public Affairs	1,108	4,151	(3,043)	31,604	33,199	(1,595)	61,210
Total Program Expense	8,623	24,647	(16,024)	260,696	362,881	(102,185)	594,152
Ranch Offices	17,250	16,765	485	120,063	120,555	(492)	204,380
Desert Camp Community Center	20,446	22,602	(2,156)	142,182	156,114	(13,932)	260,395
The Homestead Community Center	8,370	8,509	(139)	43,933	50,733	(6,800)	85,447
MS Park/P&T/Seasonal Décor	36,402	25,657	10,745	58,526	57,361	1,165	115,060
Total Facilities Expense	82,469	73,533	8,936	364,704	384,763	(20,059)	665,282
Insurance (non-EE) & Taxes	6,692	6,085	607	48,602	42,595	6,007	73,020
Other Expenses	2,278	1,986	292	12,774	10,966	1,808	18,071
Total General Expense	8,971	8,071	900	61,377	53,561	7,816	91,091
Total Operating Expense	382,855	429,465	(46,610)	2,752,470	2,997,715	(245,245)	5,089,800
Operating Income/(Loss)	77,366	(2,164)	79,530	973,420	26,692	946,728	-
Reserve Net Income/(Loss)	53,602	(174,400)	228,002	270,877	61,112	209,765	304,327
Capital Net Income/(Loss)	24,018	(3,761)	27,779	(262,806)	(26,327)	(236,479)	(45,132)
Reserve & Capital Net Income/(Loss)	77,621	(178,161)	255,782	8,071	34,785	(26,714)	259,195
Total Net Income/(Loss)	\$ 154,987	\$ (180,325)	\$ 335,312	\$ 981,491	\$ 61,477	\$ 920,014	\$ 259,195

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At July 31, 2023

	7/31/2023	12/31/2022	Y/Y Change
ASSETS			
OPERATING FUND			
Cash	\$ 2,163,255	\$ 1,508,330	\$ 654,925
Petty Cash	500	500	-
TOTAL OPERATING CASH	2,163,755	1,508,830	654,925
RESERVE FUND			
Cash	762,281	603,051	159,230
Investments (Net)	1,557,095	1,469,129	87,967
TOTAL RESERVE FUND	2,319,376	2,072,180	247,196
CAPITAL FUND			
Cash	2,397,105	1,135,106	1,261,999
Investments (Net)	4,869,901	6,366,675	(1,496,774)
TOTAL CAPITAL FUND	7,267,006	7,501,781	(234,775)
Accounts Receivable (Net)	37,937	25,435	12,503
Intercompany Receivable	320,934	154,192	166,742
Prepaid Expenses	140,512	40,979	99,534
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	699,357	420,579	278,778
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>	(341,390)	(313,359)	(28,031)
PROPERTY, PLANT AND EQUIPMENT, NET	142,802	151,551	(8,748)
TOTAL ASSETS	\$ 12,592,297	\$ 11,654,921	\$ 937,376
LIABILITIES			
Accounts Payable	\$ 48,455	\$ 163	\$ 48,291
Intercompany Payable	6,406	12,702	(6,296)
Accrued Liabilities	176,145	242,288	(66,143)
Deferred Revenue	3,939	8,962	(5,023)
Prepaid Assessments	52,975	67,630	(14,655)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	(939)	(650)	(289)
TOTAL CURRENT LIABILITIES	486,953	531,069	(44,116)
TOTAL LIABILITIES	\$ 486,953	\$ 531,069	\$ (44,116)
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	981,491	-	981,491
TOTAL NET ASSETS	\$ 12,105,343	\$ 11,123,852	\$ 981,491
TOTAL LIABILITIES & NET ASSETS	\$ 12,592,297	\$ 11,654,921	\$ 937,376

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date July 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	981,491
Adjustments to reconcile Net Income (deficit)		
Depreciation		28,031
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(12,503)
Intercompany Receivable		(166,742)
Prepaid Expense		(69,878)
Prepaid Insurance		(29,656)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		48,291
Intercompany Payable		(6,296)
Accrued Payroll Expenses		6,882
Accrued Expenses		(73,025)
Deferred Revenue		(5,023)
Prepaid Assessments		(14,655)
Other Liabilities		(289)
NET CASH FROM OPERATING ACTIVITIES	\$	686,628

CASH FLOWS FROM INVESTING ACTIVITIES

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

	\$	667,346
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CASH, BEGINNING OF PERIOD	\$	11,082,792
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CASH, END OF PERIOD	\$	11,750,137
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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:	5.10
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Operating Cash at 7/31/2023	\$	2,163,755
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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	Amount under minimum
\$ 891,305	N/A

MAXIMUM - Average of six months	\$	2,544,900
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Amount over maximum	Amount under maximum
N/A	\$ 381,145

**DC Ranch Community Council
Resale Benefit Fee Trend - July 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	-	162,622	137,311	25,311	(7,408)
Aug	251,248	197,500	250,175	-	97,896	-	-
Sep	301,195	80,700	90,394	-	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	\$ 340,569	\$ 1,607,799	\$ 1,500,000	\$ 701,023	\$ (543,681)

Property Sale Breakdown				
Location	July	YTD	Average Price	YTD Average
PU 1 - House	3	23	\$ 1,205,917	\$ 1,161,822
PU 2 - House	2	32	\$ 2,303,800	\$ 1,484,039
PU 4 - House	1	23	\$ 3,850,000	\$ 2,962,565
Silverleaf - House	4	31	\$ 5,112,250	\$ 5,558,374
PU 4 - Land	0	1	\$ -	\$ 3,900,000
Silverleaf - Land	0	0	\$ -	\$ -
Commercial	0	1	\$ -	\$ 3,000,000
Total/Average	10	111	\$ 3,252,435	\$ 2,896,935

