



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

## Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total</u>
Revenue	\$ 6,012,652	\$ 177,899	\$ -	\$ 6,190,552
Expenses	4,303,927	621,483	-	4,925,410
<b>Operating Income/(Loss)</b>	<b>\$ 1,708,725</b>	<b>\$ (443,583)</b>	<b>\$ -</b>	<b>\$ 1,265,142</b>
Depreciation	-	-	34,353	34,353
<b>Total Income/(Loss)</b>	<b>\$ 1,708,725</b>	<b>\$ (443,583)</b>	<b>\$ (34,353)</b>	<b>\$ 1,230,789</b>
Transfers In/(Out)	(1,176,728)	1,176,728	-	-
<b>Total Surplus/(Deficit)</b>	<b>\$ 531,997</b>	<b>\$ 733,145</b>	<b>\$ (34,353)</b>	<b>\$ 1,230,789</b>

### Revenue

Operating revenue for July totaled \$854k, favorable to budget by \$1k (1%). Year-to-date revenue is favorable to budget by \$16k (<1%). Significant variances to budget are as follows:

- Interest income is \$15k favorable to budget YTD.

### Expense

Operating expenses for July came in \$58k (7%) favorable to budget, with year-to-date expenses \$382k (7%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by \$109k (6%) YTD due to open positions in Community Standards and Landscape. Temporary labor costs are \$5k YTD.
- There is an initial combined savings of \$171k 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 \$20k 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 \$86k YTD.

### Balance Sheet/Cash Flow

- Operating cash is \$2.2 mil at 7/31/23, equal to 2.55 months of cash on hand.
- There is currently \$10.8 mil in reserve funds and \$69k in the capital fund.

### Individual Neighborhoods

- Employee costs are 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.

- All neighborhoods have a favorable variance to budget, except Terrace Homes East, that has a small net loss due to higher landscape/maintenance hours and utilities expenses.

### **Reserves**

- Reserve expenses came in at \$61k for the month of July. YTD reserve expenses are at \$621k, lower than budget by \$370k.
- 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 \$178k YTD.

# DC RANCH ASSOCIATION

## 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
<b>INCOME</b>							
Neighborhood Assessments	\$ 466,508	\$465,720	\$ 788	\$ 3,265,556	\$3,260,040	\$ 5,516	\$ 5,588,640
Master Assessments	331,347	330,981	366	2,319,429	2,316,867	2,562	3,971,772
Builder & Developer Assessments	8,134	9,279	(1,145)	56,939	64,953	(8,014)	111,348
<b>Total Assessment Revenue</b>	<b>805,989</b>	<b>805,980</b>	<b>9</b>	<b>5,641,924</b>	<b>5,641,860</b>	<b>64</b>	<b>9,671,760</b>
Lot Sale Fees	5,100	7,500	(2,400)	56,700	52,500	4,200	90,000
Management Fees (Cost Sharing)	360	360	-	2,520	2,520	-	4,320
Fines/Fees (Violations, Mods etc.)	28,571	28,700	(129)	197,208	200,900	(3,692)	343,200
Security Monitoring Unmanned Gates	3,660	3,660	-	25,620	25,620	-	43,920
Cell Tower Lease(s)	5,064	6,415	(1,351)	44,224	44,905	(681)	76,980
Other Income (CFD, Interest, Misc)	5,475	250	5,225	44,456	28,063	16,393	55,626
<b>Total Non-Assessment Income</b>	<b>48,230</b>	<b>46,885</b>	<b>1,345</b>	<b>370,728</b>	<b>354,508</b>	<b>16,220</b>	<b>614,046</b>
<b>Total Operating Income</b>	<b>854,219</b>	<b>852,865</b>	<b>1,354</b>	<b>6,012,652</b>	<b>5,996,368</b>	<b>16,284</b>	<b>10,285,806</b>
<b>EXPENSES</b>							
Reserve Contributions	168,104	168,104	-	1,176,728	1,176,728	-	2,017,248
Capital Contribution	-	-	-	-	-	-	-
<b>Total Reserve Expense</b>	<b>168,104</b>	<b>168,104</b>	<b>-</b>	<b>1,176,728</b>	<b>1,176,728</b>	<b>-</b>	<b>2,017,248</b>
Personnel Expenses	233,963	254,313	(20,350)	1,670,840	1,780,191	(109,351)	3,196,036
Administration	14,021	14,610	(589)	136,674	123,870	12,804	200,620
Information Technology	9,777	15,086	(5,309)	102,807	107,973	(5,166)	181,700
Human Resources	1,650	2,335	(686)	23,232	18,955	4,277	35,350
<b>Total Administrative Expense</b>	<b>259,411</b>	<b>286,344</b>	<b>(26,933)</b>	<b>1,933,552</b>	<b>2,030,989</b>	<b>(97,437)</b>	<b>3,613,706</b>
Landscape Services	26,130	40,944	(14,814)	205,071	293,544	(88,473)	550,370
Facilities Maintenance	18,523	20,294	(1,770)	116,442	148,327	(31,885)	254,567
Utilities	60,091	74,495	(14,404)	265,397	351,565	(86,168)	637,363
Fleet	23,153	19,340	3,813	143,011	152,180	(9,169)	250,005
<b>Total Maintenance Expense</b>	<b>127,897</b>	<b>155,073</b>	<b>(27,175)</b>	<b>729,921</b>	<b>945,616</b>	<b>(215,695)</b>	<b>1,692,305</b>
Security	220,667	218,637	2,030	1,516,524	1,558,234	(41,710)	2,659,844
Community Standards	51	160	(109)	2,624	7,870	(5,246)	8,220
Community Relations	755	925	(170)	6,946	8,975	(2,029)	23,300
<b>Total Community Program Expense</b>	<b>221,474</b>	<b>219,722</b>	<b>1,752</b>	<b>1,526,094</b>	<b>1,575,079</b>	<b>(48,985)</b>	<b>2,691,364</b>
Insurance (non-EE) & Taxes	13,272	19,020	(5,748)	114,360	134,140	(19,780)	229,325
Other Expenses	-	-	-	-	-	-	-
<b>Total General Expense</b>	<b>13,272</b>	<b>19,020</b>	<b>(5,748)</b>	<b>114,360</b>	<b>134,140</b>	<b>(19,780)</b>	<b>229,325</b>
<b>Total Operating Expense</b>	<b>790,157</b>	<b>848,263</b>	<b>(58,105)</b>	<b>5,480,655</b>	<b>5,862,552</b>	<b>(381,896)</b>	<b>10,243,948</b>
<b>Operating Income/(Loss)</b>	<b>64,062</b>	<b>4,603</b>	<b>59,459</b>	<b>531,997</b>	<b>133,817</b>	<b>398,181</b>	<b>41,858</b>
Reserve Net Income/(Loss)	133,778	(12,327)	146,105	733,145	272,834	460,311	(91,885)
Capital Net Income/(Loss)	(4,908)	-	(4,908)	(34,353)	-	(34,353)	-
<b>Reserve/Capital Net Income/(Loss)</b>	<b>128,870</b>	<b>(12,327)</b>	<b>141,197</b>	<b>698,792</b>	<b>272,834</b>	<b>425,958</b>	<b>(91,885)</b>
<b>Total Net Income/(Loss)</b>	<b>\$ 192,932</b>	<b>\$ (7,725)</b>	<b>\$ 200,657</b>	<b>\$ 1,230,789</b>	<b>\$ 406,651</b>	<b>\$ 824,138</b>	<b>\$ (50,027)</b>

# DC RANCH ASSOCIATION

## BALANCE SHEET

As Of July 31, 2023

	7/31/2023	12/31/2022	Y/Y Change
<b>ASSETS</b>			
<b>CASH</b>			
Cash - Operating	\$ 2,173,556	\$ 1,056,616	\$ 1,116,940
Petty Cash	350	350	-
<b>TOTAL CASH</b>	<b>2,173,906</b>	<b>1,056,966</b>	<b>1,116,940</b>
<b>CAPITAL FUND</b>	<b>69,168</b>	<b>69,168</b>	<b>-</b>
<b>RESERVE FUND</b>	<b>10,755,512</b>	<b>10,112,659</b>	<b>642,853</b>
Accounts Receivable (Net)	64,919	318,660	(253,741)
Intercompany Receivable	-	9,713	(9,713)
Prepaid Expenses	294,524	261,358	33,166
Operating Lease Right-to-Use Asset	148,167	148,167	-
Other Current Assets	2,206	36,528	(34,322)
<b>TOTAL CURRENT ASSETS</b>	<b>509,815</b>	<b>774,426</b>	<b>(264,610)</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	(293,707)	(259,354)	(34,353)
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>66,971</b>	<b>96,708</b>	<b>(29,737)</b>
<b>TOTAL ASSETS</b>	<b>\$ 13,575,373</b>	<b>\$ 12,109,926</b>	<b>\$ 1,465,446</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 347,809	\$ 384,101	\$ (36,292)
Intercompany Payable	358,248	147,688	210,560
Accrued Expenses	110,231	119,459	(9,228)
Prepaid Assessments	341,561	291,988	49,573
Deferred Revenue	-	-	-
Operating Lease Right-to-Use Liability	148,167	148,167	-
Other Current Liabilities	23,251	3,207	20,044
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,329,268</b>	<b>1,094,611</b>	<b>234,658</b>
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 1,329,268</b>	<b>\$ 1,094,611</b>	<b>\$ 234,658</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	1,230,789	-	1,230,789
<b>TOTAL NET ASSETS</b>	<b>\$ 12,246,104</b>	<b>\$ 11,015,316</b>	<b>\$ 1,230,789</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 13,575,373</b>	<b>\$ 12,109,926</b>	<b>\$ 1,465,446</b>

# DC RANCH ASSOCIATION

## STATEMENT OF CASH FLOW

For the Period Ended July 31, 2023

	<u>Current Month</u> Month Ended July 2023	<u>Year-to-Date</u> Year Ended July 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (deficit) for period	\$ 192,932	\$ 1,230,789
Adjustments to reconcile net income (deficit)		
Depreciation	4,908	34,353
<i>(Increase)/Decrease in:</i>		
Accounts receivable	70,174	253,741
Intercompany receivables	-	9,713
Prepaid expenses	10,130	(33,166)
<i>Increase/(Decrease) in:</i>		
Accounts payable	15,810	(36,292)
Accrued expenses		(2,488)
Accrued payroll expenses	9,203	(6,740)
Deferred revenue		-
Prepaid assessments	(123,744)	(84,905)
Prepaid Council assessments	51,771	134,478
Intercompany payables	73,390	210,560
Other liabilities/	(3,625)	54,367
NET CASH FROM OPERATING ACTIVITIES	<u>300,948</u>	<u>1,764,410</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>300,948</b>	<b>1,759,793</b>
CASH, BEGINNING OF PERIOD	<u>12,697,639</u>	<u>11,238,793</u>
<b>CASH, END OF PERIOD</b>	<b><u>\$ 12,998,586</u></b>	<b><u>\$ 12,998,586</u></b>