



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

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 4,146,913	\$ 54,201	\$ 191,739	\$ 4,392,854
Expenses	2,763,868	106,090	426,022	3,295,980
Operating Income/(Loss)	\$ 1,383,046	\$ (51,889)	\$ (234,283)	\$ 1,096,874
Depreciation	-	-	32,036	32,036
Total Income/(Loss)	\$ 1,383,046	\$ (51,889)	\$ (266,319)	\$ 1,064,838
Transfers In/(Out)	(365,144)	365,144	-	-
Total Surplus/(Deficit)	\$ 1,017,902	\$ 313,255	\$ (266,319)	\$ 1,064,838

Revenue

Operating revenue for August totaled \$421k, higher than budget by \$32k (8%). Year-to-date revenue is favorable to budget by \$734k (21%). Significant variances to budget include:

- Community Benefit Fees came in \$24k (25%) higher than forecast for August. Benefit Fees YTD reflect a revenue surplus of \$725k (72%).
- 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 has been cancelled. However, there is also corresponding cost savings resulting in no effect to the bottom line.
- Interest has a \$40k 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 August came in \$3k (<1%) unfavorable to budget, with year-to-date expense \$242k (7%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$135k 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 \$14k under budget YTD due to timing of expenses for uniforms and professional development.

Programs

- Program expenses are favorable to budget by \$103k YTD due to cost savings for DC Ranch Day and Eggstravaganza, cancellation 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 \$14k below budget due to the timing of supply purchases and contracted service expenditures.

Reserve

- Reserve expenditures total \$106k so far for the year, \$173k under budget YTD due to the timing of projects, but will even out over the course of the year.
- Interest income totals \$54k YTD, which is \$30k higher than estimated due to increased rates.

Capital

- Capital expenditures for DCSIP are \$426k YTD.
- Depreciation expense (non-cash) totals \$32k so far for the year.
- Interest income for the capital fund is \$192k through August.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 5.75 months as of 8/31/2023.
- There are \$7.3 mil in capital funds and \$2.4 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>
September 2023	\$211,544	\$98,797
November 2023	\$149,745	\$131,840

The Community Council is in a positive position with a \$975k favorable variance to the operating budget through August. Community Benefit Fees have been up and down over the course of the year, but continue to perform well against budget YTD. A transfer to the capital fund will be considered closer to year-end, now that benefit fee revenue has surpassed the annual budgeted amount of \$1.5 mil.

DC RANCH COMMUNITY COUNCIL

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending August 31, 2023

	August 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	\$ -	\$ 1,506,408	\$ 1,506,408	\$ -	\$ 2,259,612
Commercial Assessments	66,930	65,067	1,863	535,440	520,536	14,904	780,804
Community Council Benefit Fees	122,175	97,896	24,279	1,729,974	1,004,672	725,302	1,500,000
Total Assessment Revenue	377,406	351,264	26,142	3,771,822	3,031,616	740,206	4,540,416
Community Celebrations & Events	46	-	46	9,445	60,875	(51,430)	70,595
Community Programming	2,411	5,477	(3,066)	47,788	46,447	1,341	68,308
Total Program Revenue	2,457	5,477	(3,020)	57,233	107,322	(50,089)	138,903
Community Center Rentals	1,210	250	960	17,515	11,350	6,165	13,100
Resident Access	380	150	230	3,740	2,800	940	3,400
Total Facilities Revenue	1,590	400	1,190	21,255	14,150	7,105	16,500
Management Fee	31,420	31,420	-	251,360	251,360	-	377,040
Advertising	-	360	(360)	-	4,680	(4,680)	7,200
Interest	8,150	50	8,100	40,868	400	40,468	665
Other Income	-	-	-	4,376	3,850	526	9,076
Total Other Income	39,570	31,830	7,740	296,604	260,290	36,314	393,981
Total Operating Income	421,023	388,971	32,052	4,146,913	3,413,378	733,535	5,089,800
EXPENSES							
Reserve Contributions	45,643	45,643	-	365,144	365,144	-	547,716
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	45,643	45,643	-	365,144	365,144	-	547,716
Personnel Expenses	230,052	234,990	(4,938)	1,783,822	1,880,903	(97,081)	2,821,802
Administration	22,701	18,981	3,720	184,113	207,458	(23,345)	303,228
Travel/Mtgs/ERR	2,289	4,805	(2,516)	33,299	47,424	(14,125)	66,529
Total Administrative Expense	255,042	258,776	(3,734)	2,001,234	2,135,785	(134,551)	3,191,559
Community Celebrations & Events	2,508	1,481	1,027	142,983	207,648	(64,665)	346,282
Community Programming	3,288	5,985	(2,697)	72,489	101,300	(28,811)	144,560
Community Engagement	269	3,850	(3,581)	19,684	32,050	(12,366)	42,100
Communications & Public Affairs	7,767	3,481	4,286	39,370	36,680	2,690	61,210
Total Program Expense	13,831	14,797	(966)	274,526	377,678	(103,152)	594,152
Ranch Offices	17,250	16,765	485	137,313	137,320	(7)	204,380
Desert Camp Community Center	21,526	18,561	2,965	163,708	174,675	(10,967)	260,395
The Homestead Community Center	7,993	6,705	1,288	51,926	57,438	(5,512)	85,447
MS Park/P&T/Seasonal Décor	5,969	4,582	1,387	64,494	61,943	2,551	115,060
Total Facilities Expense	52,737	46,613	6,124	417,441	431,376	(13,935)	665,282
Insurance (non-EE) & Taxes	7,106	6,085	1,021	55,709	48,680	7,029	73,020
Other Expenses	2,184	1,301	883	14,958	12,267	2,691	18,071
Total General Expense	9,290	7,386	1,904	70,666	60,947	9,719	91,091
Total Operating Expense	376,542	373,215	3,327	3,129,012	3,370,930	(241,918)	5,089,800
Operating Income/(Loss)	44,481	15,756	28,725	1,017,902	42,448	975,454	-
Reserve Net Income/(Loss)	42,378	48,643	(6,265)	313,255	109,755	203,500	304,327
Capital Net Income/(Loss)	(3,512)	(3,761)	249	(266,319)	(30,088)	(236,231)	(45,132)
Reserve & Capital Net Income/(Loss)	38,866	44,882	(6,016)	46,936	79,667	(32,731)	259,195
Total Net Income/(Loss)	\$ 83,347	\$ 60,638	\$ 22,709	\$ 1,064,838	\$ 122,115	\$ 942,723	\$ 259,195

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At August 31, 2023

	8/31/2023	12/31/2022	Y/Y Change
ASSETS			
OPERATING FUND			
Cash	\$ 2,438,595	\$ 1,508,330	\$ 930,264
Petty Cash	500	500	-
TOTAL OPERATING CASH	2,439,095	1,508,830	930,264
RESERVE FUND			
Cash	627,992	603,051	24,941
Investments (Net)	1,733,762	1,469,129	264,634
TOTAL RESERVE FUND	2,361,754	2,072,180	289,574
CAPITAL FUND			
Cash	773,758	1,135,106	(361,348)
Investments (Net)	6,496,606	6,366,675	129,930
TOTAL CAPITAL FUND	7,270,363	7,501,781	(231,418)
Accounts Receivable (Net)	4,533	25,435	(20,902)
Intercompany Receivable	102,168	154,192	(52,024)
Prepaid Expenses	188,988	40,979	148,009
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	495,663	420,579	75,084
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>	(345,394)	(313,359)	(32,036)
PROPERTY, PLANT AND EQUIPMENT, NET	138,798	151,551	(12,753)
TOTAL ASSETS	\$ 12,705,673	\$ 11,654,921	\$ 1,050,752
LIABILITIES			
Accounts Payable	\$ 52,845	\$ 163	\$ 52,682
Intercompany Payable	-	12,702	(12,702)
Accrued Liabilities	201,088	242,288	(41,199)
Deferred Revenue	8,693	8,962	(269)
Prepaid Assessments	55,321	67,630	(12,309)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	(939)	(650)	(289)
TOTAL CURRENT LIABILITIES	516,982	531,069	(14,087)
TOTAL LIABILITIES	\$ 516,982	\$ 531,069	\$ (14,087)
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	1,064,838	-	1,064,838
TOTAL NET ASSETS	\$ 12,188,691	\$ 11,123,852	\$ 1,064,838
TOTAL LIABILITIES & NET ASSETS	\$ 12,705,673	\$ 11,654,921	\$ 1,050,752

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date August 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	1,064,838
Adjustments to reconcile Net Income (deficit)		
Depreciation		32,036
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		20,902
Intercompany Receivable		52,024
Prepaid Expense		(125,460)
Prepaid Insurance		(22,550)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		52,682
Intercompany Payable		(12,702)
Accrued Payroll Expenses		35,798
Accrued Expenses		(76,998)
Deferred Revenue		(269)
Prepaid Assessments		(12,309)
Other Liabilities		(289)

NET CASH FROM OPERATING ACTIVITIES **\$ 1,007,703**

CASH FLOWS FROM INVESTING ACTIVITIES

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

NET INCREASE (DECREASE) IN CASH **\$ 988,420**

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

CASH, END OF PERIOD **\$ 12,071,212**

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: **5.75**

Operating Cash at 8/31/2023 \$ 2,439,095

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

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

Amount over
minimum

\$ 1,166,645

Amount under
minimum

N/A

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

Amount over
maximum

N/A

Amount under
maximum

\$ 105,805

DC Ranch Community Council Resale Benefit Fee Trend - August 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	-	122,175	97,896	24,279	(75,325)
Sep	301,195	80,700	211,544	-	98,797	-	-
Oct	242,518	75,744	149,745	-	131,840	-	-
Nov	196,165	184,613	16,000	-	110,966	-	-
Dec	157,487	132,175	8,350	-	153,725	-	-
Annual Total	\$ 4,916,984	\$ 2,822,213	\$ 385,639	\$ 1,729,974	\$ 1,500,000	\$ 725,302	\$ (619,006)

Property Sale Breakdown				
Location	August	YTD	Average Price	YTD Average
PU 1 - House	2	25	\$ 1,117,500	\$ 1,158,276
PU 2 - House	4	36	\$ 1,541,250	\$ 1,490,396
PU 4 - House	0	23	\$ -	\$ 2,962,565
Silverleaf - House	3	34	\$ 5,345,000	\$ 5,539,547
PU 4 - Land	0	1	\$ -	\$ 3,900,000
Silverleaf - Land	0	0	\$ -	\$ -
Commercial	0	1	\$ -	\$ 3,000,000
Total/Average	9	120	\$ 2,715,000	\$ 2,883,289

