



2024 RANCH ASSOCIATION BUDGET

The DC Ranch Association is responsible for the professional management and protection of the community's fiscal and environmental assets. The Ranch Association delivers high quality operations for landscape, maintenance, standards enforcement, and community patrol and gate access with an emphasis on resident care that result in sustained property values and exceptional quality of life.

RANCH MASTER ASSESSMENT

The Ranch Master funds services that include landscape and maintenance of common areas, community standards enforcement, modifications, community patrol and gate access, community relations, administrative costs and reserve fund contributions. The 2024 budget reflects increases due to fleet costs (7%), landscape and maintenance supplies (average of 12%) and higher general liability/property insurance.

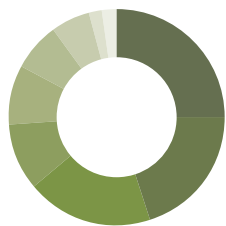
NEIGHBORHOOD ASSESSMENT

Each neighborhood has its own assessment rate based on unique features and services, including landscape and maintenance (i.e., turf management, park tree trimming, irrigation, painting, masonry work), utilities and community patrol and gate access. Neighborhood budgets do not cover the expense for streetscape tree trimming obligations in the neighborhoods where owners are responsible for the streetscape tree trimming.

RESERVE ASSESSMENT

The neighborhood reserve account is for future major repairs and replacement of assets, including roads, mailbox kiosks, common wall painting and repair, gate equipment, park features, playgrounds and street signs.

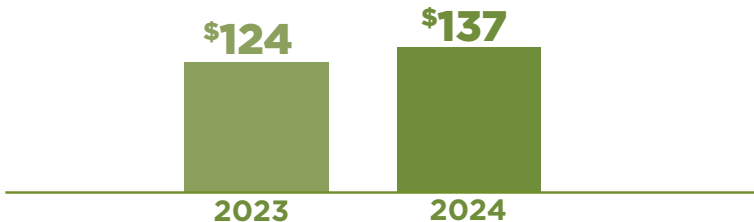
2024 EXPENSES



- 25% Community Patrol & Gate Access
- 20% Landscape Services
- 19% Reserve & Capital Contributions
- 10% Administration
- 9% Facilities & Maintenance
- 7% Community Standards
- 6% Utilities
- 2% Fleet
- 2% Other

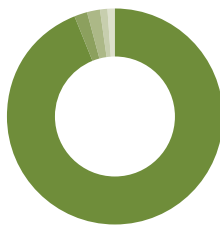
Staff costs (including temporary labor) are increasing by 20% to account for an additional landscape crew member, Project Manager/Contract Administrator and the transition of two Covenant Commission employees. Employee costs remain static at 34% of the total budget.

RANCH MASTER ASSESSMENT INCREASE



The Ranch Association Board of Directors passed a balanced consolidated budget of **\$11,282,037** and approved an assessment increase from \$124 to **\$137** a month.

2024 REVENUE



- 94% Assessments
- 2% Transponder Sales
- 2% Fines & Fees
- 1% Cost Sharing
- 1% Other

The Ranch Association and Community Council partner to share costs to create efficiencies and maximize cost savings through a Cost Share Agreement. The items included result in a net zero effect to the bottom line for each entity.

Reserve contributions will increase 4-8% depending on each neighborhood's current funding levels and anticipated repair and replacement needs, unless a neighborhood specifically requested to have their reserve contributions set at a higher rate.

Funding for special projects in the Ranch Master assessment includes sustainability initiatives (\$10K) and Community Patrol and Gate Access initiatives (\$10K).

A \$25K contribution to the Capital Fund is allocated to provide funding for the purchase of land for the maintenance yard.

As the community ages, the funding for repair, maintenance, and replacement of the 54 miles of roads becomes a significant expense. Road replacement costs are estimates and may not cover escalated future expenses.