



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

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 4,565,443	\$ 60,352	\$ 221,297	\$ 4,847,093
Expenses	3,082,446	106,090	497,776	3,686,312
Operating Income/(Loss)	\$ 1,482,997	\$ (45,738)	\$ (276,478)	\$ 1,160,781
Depreciation	-	-	36,040	36,040
Total Income/(Loss)	\$ 1,482,997	\$ (45,738)	\$ (312,518)	\$ 1,124,741
Transfers In/(Out)	(410,787)	410,787	-	-
Total Surplus/(Deficit)	\$ 1,072,210	\$ 365,050	\$ (312,518)	\$ 1,124,741

Revenue

Operating revenue for September totaled \$419k, higher than budget by \$30k (8%). Year-to-date revenue is favorable to budget by \$764k (20%). Significant variances to budget include:

- Community Benefit Fees came in \$20k (20%) higher than forecast for September. Benefit Fees YTD reflect a revenue surplus of \$745k (68%).
- 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 are also corresponding cost savings resulting in no effect to the bottom line.
- Interest has a \$49k 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 September came in \$20k (5%) favorable to budget, with year-to-date expense \$262k (7%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$151k lower than estimated in the budget YTD due to several open positions.
- Administrative expenses are lower than budget due to the timing of 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 \$113k YTD due to cost savings for DC Ranch Day and Eggstravaganza, cancellation of the spring charitable event, and timing of recreation, communications

and community engagement program expenses. Some of these savings may go toward one-time enhancements for fall programming.

Facilities

- Facilities expense overall are \$12k 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 may even out by the end of the year.
- Interest income totals \$60k YTD, which is \$33k higher than estimated due to increased rates.

Capital

- Capital expenditures for DCSIP are \$498k YTD.
- Depreciation expense (non-cash) totals \$36k so far for the year.
- Interest income for the capital fund is \$221k through September.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 5.90 months as of 9/30/2023.
- 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>
October 2023	\$291,745	\$131,840
November 2023	\$71,669	\$110,966
December 2023	\$212,850	\$153,725

The Community Council is in a positive position with a \$1 mil favorable variance to the operating budget through the third quarter. 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 September 30, 2023

	September 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	\$ -	\$ 1,694,709	\$ 1,694,709	\$ -	\$ 2,259,612
Commercial Assessments	66,930	65,067	1,863	602,370	585,603	16,767	780,804
Community Council Benefit Fees	118,794	98,797	19,997	1,848,768	1,103,469	745,299	1,500,000
Total Assessment Revenue	374,025	352,165	21,860	4,145,847	3,383,781	762,066	4,540,416
Community Celebrations & Events	210	200	10	9,655	61,075	(51,420)	70,595
Community Programming	3,872	3,723	149	51,660	50,170	1,490	68,308
Total Program Revenue	4,082	3,923	159	61,315	111,245	(49,930)	138,903
Community Center Rentals	-	250	(250)	17,515	11,600	5,915	13,100
Resident Access	180	150	30	3,920	2,950	970	3,400
Total Facilities Revenue	180	400	(220)	21,435	14,550	6,885	16,500
Management Fee	31,420	31,420	-	282,780	282,780	-	377,040
Advertising	-	360	(360)	-	5,040	(5,040)	7,200
Interest	8,823	50	8,773	49,691	450	49,241	665
Other Income	-	-	-	4,376	3,850	526	9,076
Total Other Income	40,243	31,830	8,413	336,847	292,120	44,727	393,981
Total Operating Income	418,530	388,318	30,212	4,565,443	3,801,696	763,747	5,089,800
EXPENSES							
Reserve Contributions	45,643	45,643	-	410,787	410,787	-	547,716
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	45,643	45,643	-	410,787	410,787	-	547,716
Personnel Expenses	215,277	234,990	(19,713)	1,999,099	2,115,893	(116,794)	2,821,802
Administration	21,747	17,871	3,876	205,860	225,329	(19,469)	303,228
Travel/Mtgs/ERR	2,712	3,040	(328)	36,011	50,464	(14,453)	66,529
Total Administrative Expense	239,737	255,901	(16,164)	2,240,971	2,391,686	(150,715)	3,191,559
Community Celebrations & Events	1,483	1,481	2	144,466	209,129	(64,663)	346,282
Community Programming	6,140	11,165	(5,025)	78,629	112,465	(33,836)	144,560
Community Engagement	2,754	2,700	54	22,438	34,750	(12,312)	42,100
Communications & Public Affairs	4,680	9,621	(4,941)	44,050	46,301	(2,251)	61,210
Total Program Expense	15,057	24,967	(9,910)	289,584	402,645	(113,061)	594,152
Ranch Offices	17,248	16,765	483	154,562	154,085	477	204,380
Desert Camp Community Center	20,366	17,958	2,408	184,074	192,633	(8,559)	260,395
The Homestead Community Center	10,983	7,191	3,792	62,909	64,629	(1,720)	85,447
MS Park/P&T/Seasonal Décor	3,529	8,266	(4,737)	68,024	70,209	(2,185)	115,060
Total Facilities Expense	52,127	50,180	1,947	469,568	481,556	(11,988)	665,282
Insurance (non-EE) & Taxes	7,106	6,085	1,021	62,815	54,765	8,050	73,020
Other Expenses	4,552	1,172	3,380	19,510	13,439	6,071	18,071
Total General Expense	11,658	7,257	4,401	82,324	68,204	14,120	91,091
Total Operating Expense	364,222	383,948	(19,726)	3,493,233	3,754,878	(261,645)	5,089,800
Operating Income/(Loss)	54,308	4,370	49,938	1,072,210	46,818	1,025,392	-
Reserve Net Income/(Loss)	51,794	48,643	3,151	365,050	158,398	206,652	304,327
Capital Net Income/(Loss)	(46,200)	(3,761)	(42,439)	(312,518)	(33,849)	(278,669)	(45,132)
Reserve & Capital Net Income/(Loss)	5,595	44,882	(39,287)	52,531	124,549	(72,018)	259,195
Total Net Income/(Loss)	\$ 59,903	\$ 49,252	\$ 10,651	\$ 1,124,741	\$ 171,367	\$ 953,374	\$ 259,195

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At September 30, 2023

	9/30/2023	12/31/2022	Y/Y Change
ASSETS			
OPERATING FUND			
Cash	\$ 2,501,372	\$ 1,508,330	\$ 993,042
Petty Cash	500	500	-
TOTAL OPERATING CASH	2,501,872	1,508,830	993,042
RESERVE FUND			
Cash	682,125	603,051	79,073
Investments (Net)	1,731,424	1,469,129	262,295
TOTAL RESERVE FUND	2,413,549	2,072,180	341,369
CAPITAL FUND			
Cash	773,829	1,135,106	(361,277)
Investments (Net)	6,523,227	6,366,675	156,552
TOTAL CAPITAL FUND	7,297,057	7,501,781	(204,725)
Accounts Receivable (Net)	30,064	25,435	4,630
Intercompany Receivable	35,475	154,192	(118,717)
Prepaid Expenses	162,296	40,979	121,318
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	427,810	420,579	7,231
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>	(349,399)	(313,359)	(36,040)
PROPERTY, PLANT AND EQUIPMENT, NET	134,794	151,551	(16,757)
TOTAL ASSETS	\$ 12,775,081	\$ 11,654,921	\$ 1,120,159
LIABILITIES			
Accounts Payable	\$ 143,815	\$ 163	\$ 143,652
Intercompany Payable	-	12,702	(12,702)
Accrued Liabilities	123,907	242,288	(118,380)
Deferred Revenue	8,549	8,962	(413)
Prepaid Assessments	51,181	67,630	(16,449)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	(939)	(650)	(289)
TOTAL CURRENT LIABILITIES	526,487	531,069	(4,582)
TOTAL LIABILITIES	\$ 526,487	\$ 531,069	\$ (4,582)
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	1,124,741	-	1,124,741
TOTAL NET ASSETS	\$ 12,248,593	\$ 11,123,852	\$ 1,124,741
TOTAL LIABILITIES & NET ASSETS	\$ 12,775,081	\$ 11,654,921	\$ 1,120,159

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date September 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	1,124,741
Adjustments to reconcile Net Income (deficit)		
Depreciation		36,040
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(4,630)
Intercompany Receivable		118,717
Prepaid Expense		(106,577)
Prepaid Insurance		(14,741)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		143,652
Intercompany Payable		(12,702)
Accrued Payroll Expenses		(41,699)
Accrued Expenses		(76,682)
Deferred Revenue		(413)
Prepaid Assessments		(16,449)
Other Liabilities		(289)
NET CASH FROM OPERATING ACTIVITIES	\$	1,148,968

CASH FLOWS FROM INVESTING ACTIVITIES

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

\$ 1,129,685

CASH, BEGINNING OF PERIOD

\$ 11,082,792

CASH, END OF PERIOD

\$ 12,212,477

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:

5.90

Operating Cash at 9/30/23 \$ 2,501,872

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

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

Amount over
minimum

\$ 1,229,422

Amount under
minimum

N/A

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

Amount over
maximum

N/A

Amount under
maximum

\$ 43,028

**DC Ranch Community Council
Resale Benefit Fee Trend - September 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	-	118,794	98,797	19,997	38,094
Oct	242,518	75,744	291,745	-	131,840	-	-
Nov	196,165	184,613	71,669	-	110,966	-	-
Dec	157,487	132,175	212,850	-	153,725	-	-
Annual Total	\$ 4,916,984	\$ 2,822,213	\$ 576,264	\$ 1,848,768	\$ 1,500,000	\$ 745,299	\$ (580,912)

Property Sale Breakdown				
Location	September	YTD	Average Price	YTD Average
PU 1 - House	3	28	\$ 1,065,667	\$ 1,148,354
PU 2 - House	2	38	\$ 2,600,000	\$ 1,548,796
PU 4 - House	1	24	\$ 2,836,800	\$ 2,957,325
Silverleaf - House	2	36	\$ 4,712,500	\$ 5,493,600
PU 4 - Land	0	1	\$ -	\$ 3,900,000
Silverleaf - Land	1	1	\$ 3,100,000	\$ 3,100,000
Commercial	0	1	\$ -	\$ 3,000,000
Total/Average	9	129	\$ 2,639,867	\$ 2,866,306

