



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

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 5,076,381	\$ 69,240	\$ 251,544	\$ 5,397,165
Expenses	3,481,786	106,090	503,955	4,091,830
Operating Income/(Loss)	\$ 1,594,595	\$ (36,850)	\$ (252,411)	\$ 1,305,335
Depreciation	-	-	40,044	40,044
Total Income/(Loss)	\$ 1,594,595	\$ (36,850)	\$ (292,455)	\$ 1,265,290
Transfers In/(Out)	(456,430)	456,430	-	-
Total Surplus/(Deficit)	\$ 1,138,165	\$ 419,580	\$ (292,455)	\$ 1,265,290

Revenue

Operating revenue for October totaled \$511k, higher than budget by \$81k (19%). Year-to-date revenue is favorable to budget by \$845k (20%). Significant variances to budget include:

- Community Benefit Fees came in \$73k (56%) higher than forecast for October. Benefit Fees YTD reflect a revenue surplus of \$819k (66%).
- 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 \$59k 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 October came in \$23k (5%) favorable to budget, with year-to-date expense \$283k (7%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$142k lower than estimated in the budget YTD due to several vacancies throughout the year.
- Administrative expenses are lower than budget due to the timing of office supplies and special projects.
- Travel/Mtgs/ERR is \$10k under budget YTD due to timing of expenses for uniforms and professional development.

Programs

- Program expenses are favorable to budget by \$117k 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 winter 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 \$69k YTD, which is \$39k higher than estimated due to increased rates.

Capital

- Capital expenditures for DCSIP are \$504k YTD.
- Depreciation expense (non-cash) totals \$40k so far for the year.
- Interest income for the capital fund is \$252k through October.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 6.18 months as of 10/31/2023. A \$1 mil transfer from operating to capital was made in November. An additional transfer to capital will be considered prior to year end.
- As of 10/31, there is \$7.3 mil in the capital fund and \$2.5 mil in the reserve fund. 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>
November 2023	\$265,639	\$110,966
December 2023	\$227,325	\$153,725

Nearing year end, the Community Council is in a positive position with a \$1.1 mil favorable variance to the operating budget. Community Benefit Fees have been up and down over the course of the year, but continue to perform well against budget. In addition to the \$1 mil transfer to the capital fund made in November, it is possible that another transfer will be considered closer to year-end.

DC RANCH COMMUNITY COUNCIL

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending October 2023

	October 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	\$ -	\$ 1,883,010	\$ 1,883,010	\$ -	\$ 2,259,612
Commercial Assessments	66,930	65,067	1,863	669,300	650,670	18,630	780,804
Community Council Benefit Fees	205,100	131,840	73,260	2,053,868	1,235,309	818,559	1,500,000
Total Assessment Revenue	460,331	385,208	75,123	4,606,178	3,768,989	837,189	4,540,416
Community Celebrations & Events	5,244	8,300	(3,056)	14,899	69,375	(54,476)	70,595
Community Programming	3,838	3,747	91	55,498	53,917	1,581	68,308
Total Program Revenue	9,082	12,047	(2,965)	70,397	123,292	(52,895)	138,903
Community Center Rentals	-	500	(500)	17,515	12,100	5,415	13,100
Resident Access	140	150	(10)	4,060	3,100	960	3,400
Total Facilities Revenue	140	650	(510)	21,575	15,200	6,375	16,500
Management Fee	31,420	31,420	-	314,200	314,200	-	377,040
Advertising	360	360	-	360	5,400	(5,040)	7,200
Interest	9,605	72	9,533	59,295	522	58,773	665
Other Income	-	-	-	4,376	3,850	526	9,076
Total Other Income	41,385	31,852	9,533	378,231	323,972	54,259	393,981
Total Operating Income	510,938	429,757	81,181	5,076,381	4,231,453	844,928	5,089,800
EXPENSES							
Reserve Contributions	45,643	45,643	-	456,430	456,430	-	547,716
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	45,643	45,643	-	456,430	456,430	-	547,716
Personnel Expenses	210,208	234,990	(24,782)	2,209,308	2,350,883	(141,575)	2,821,802
Administration	21,345	20,921	424	229,056	246,250	(17,194)	303,228
Travel/Mtgs/ERR	8,508	3,705	4,803	44,520	54,169	(9,649)	66,529
Total Administrative Expense	240,061	259,616	(19,555)	2,482,884	2,651,302	(168,418)	3,191,559
Community Celebrations & Events	85,632	91,381	(5,749)	230,098	300,510	(70,412)	346,282
Community Programming	10,263	10,145	118	88,891	122,610	(33,719)	144,560
Community Engagement	3,060	1,350	1,710	25,498	36,100	(10,602)	42,100
Communications & Public Affairs	3,051	3,097	(46)	47,102	49,398	(2,296)	61,210
Total Program Expense	102,006	105,973	(3,967)	391,590	508,618	(117,028)	594,152
Ranch Offices	17,250	16,765	485	171,812	170,850	962	204,380
Desert Camp Community Center	24,146	21,423	2,723	208,245	214,056	(5,811)	260,395
The Homestead Community Center	5,234	7,257	(2,023)	68,143	71,886	(3,743)	85,447
MS Park/P&T/Seasonal Décor	495	1,950	(1,455)	68,518	72,159	(3,641)	115,060
Total Facilities Expense	47,125	47,395	(270)	516,717	528,951	(12,234)	665,282
Insurance (non-EE) & Taxes	6,872	6,085	787	69,687	60,850	8,837	73,020
Other Expenses	1,399	1,366	33	20,908	14,805	6,103	18,071
Total General Expense	8,270	7,451	819	90,595	75,655	14,940	91,091
Total Operating Expense	443,106	466,078	(22,972)	3,938,216	4,220,956	(282,740)	5,089,800
Operating Income/(Loss)	67,832	(36,321)	104,153	1,138,165	10,497	1,127,668	-
Reserve Net Income/(Loss)	54,531	48,643	5,888	419,580	207,041	212,539	304,327
Capital Net Income/(Loss)	20,063	(3,761)	23,824	(292,455)	(37,610)	(254,845)	(45,132)
Reserve & Capital Net Income/(Loss)	74,594	44,882	29,712	127,125	169,431	(42,306)	259,195
Total Net Income/(Loss)	\$ 142,425	\$ 8,561	\$ 133,864	\$ 1,265,290	\$ 179,928	\$ 1,085,362	\$ 259,195

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At October 31, 2023

	10/31/2023	12/31/2022	Y/Y Change
ASSETS			
OPERATING FUND			
Cash	\$ 2,620,775	\$ 1,508,330	\$ 1,112,444
Petty Cash	500	500	-
TOTAL OPERATING CASH	2,621,275	1,508,830	1,112,444
RESERVE FUND			
Cash	731,909	603,051	128,858
Investments (Net)	1,736,170	1,469,129	267,041
TOTAL RESERVE FUND	2,468,079	2,072,180	395,899
CAPITAL FUND			
Cash	706,161	1,135,106	(428,945)
Investments (Net)	6,549,389	6,366,675	182,714
TOTAL CAPITAL FUND	7,255,550	7,501,781	(246,232)
Accounts Receivable (Net)	25,124	25,435	(311)
Intercompany Receivable	92,822	154,192	(61,370)
Prepaid Expenses	79,476	40,979	38,497
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	397,396	420,579	(23,183)
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>	(353,403)	(313,359)	(40,044)
PROPERTY, PLANT AND EQUIPMENT, NET	130,789	151,551	(20,762)
TOTAL ASSETS	\$ 12,873,088	\$ 11,654,921	\$ 1,218,167
LIABILITIES			
Accounts Payable	\$ 83,728	\$ 163	\$ 83,564
Intercompany Payable	-	12,702	(12,702)
Accrued Liabilities	137,060	242,288	(105,228)
Deferred Revenue	10,096	8,962	1,134
Prepaid Assessments	54,027	67,630	(13,603)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	(939)	(650)	(289)
TOTAL CURRENT LIABILITIES	483,946	531,069	(47,123)
TOTAL LIABILITIES	\$ 483,946	\$ 531,069	\$ (47,123)
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	1,265,290	-	1,265,290
TOTAL NET ASSETS	\$ 12,389,143	\$ 11,123,852	\$ 1,265,290
TOTAL LIABILITIES & NET ASSETS	\$ 12,873,088	\$ 11,654,921	\$ 1,218,167

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date October 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	1,265,290
Adjustments to reconcile Net Income (deficit)		
Depreciation		40,044
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		311
Intercompany Receivable		61,370
Prepaid Expense		(30,629)
Prepaid Insurance		(7,869)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		83,564
Intercompany Payable		(12,702)
Accrued Payroll Expenses		(28,338)
Accrued Expenses		(76,890)
Deferred Revenue		1,134
Prepaid Assessments		(13,603)
Other Liabilities		(289)
NET CASH FROM OPERATING ACTIVITIES	\$	1,281,395

CASH FLOWS FROM INVESTING ACTIVITIES

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

\$ 1,262,112

CASH, BEGINNING OF PERIOD

\$ 11,082,792

CASH, END OF PERIOD

\$ 12,344,904

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:

6.18

Operating Cash at 10/31/23 \$ 2,621,275

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

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

Amount over
minimum

\$ 1,348,825

Amount under
minimum

N/A

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

Amount over
maximum

\$ 76,375

Amount under
maximum

N/A

DC Ranch Community Council Resale Benefit Fee Trend - October 2023

Month	2021 Actual	2022 Actual	In Process	2023 Actual	2023 Budget	Budget Variance	Change from Prior Year
January	\$ 283,272	\$ 165,815	\$ -	\$ 80,113	\$ 65,696	\$ 14,417	\$ (85,702)
February	530,781	397,845	-	253,134	157,940	95,194	(144,711)
March	491,131	311,878	-	135,311	150,646	(15,335)	(176,567)
April	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
June	654,990	546,370	-	429,010	168,234	260,776	(117,360)
July	717,439	170,030	-	162,622	137,311	25,311	(7,408)
August	251,248	197,500	-	122,175	97,896	24,279	(75,325)
September	301,195	80,700	-	118,794	98,797	19,997	38,094
October	242,518	75,744	-	205,100	131,840	73,260	129,356
November	196,165	184,613	265,639	-	110,966	-	-
December	157,487	132,175	227,325	-	153,725	-	-
Annual Total	\$ 4,916,984	\$ 2,822,213	\$ 492,964	\$ 2,053,868	\$ 1,500,000	\$ 818,559	\$ (451,556)

Property Sale Breakdown				
Location	October	YTD	Average Price	YTD Average
PU 1 - House	2	30	\$ 975,000	\$ 1,175,130
PU 2 - House	2	40	\$ 2,392,500	\$ 1,590,981
PU 4 - House	3	27	\$ 1,166,667	\$ 2,941,696
Silverleaf - House	5	41	\$ 3,272,000	\$ 5,364,746
PU 4 - Land	0	1	\$ -	\$ 3,900,000
Silverleaf - Land	1	2	\$ -	\$ 2,800,000
Commercial	0	1	\$ -	\$ 3,000,000
Total/Average	13	142	\$ 3,155,385	\$ 2,892,771

