



DC Ranch Association Financial Summary Report for period ending November 30, 2023

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total</u>
Revenue	\$ 9,449,000	\$ 753,192	\$ -	\$ 10,202,192
Expenses	7,134,549	1,377,415	3,500	8,515,464
Operating Income/(Loss)	\$ 2,314,451	\$ (624,222)	\$ (3,500)	\$ 1,686,728
Depreciation	-	-	53,983	53,983
Total Income/(Loss)	\$ 2,314,451	\$ (624,222)	\$ (57,483)	\$ 1,632,745
Transfers In/(Out)	(1,849,144)	1,849,144	-	-
Total Surplus/(Deficit)	\$ 465,307	\$ 1,224,922	\$ (57,483)	\$ 1,632,745

Revenue

Operating revenue for November totaled \$857k, favorable to budget by \$5k (<1%). Year-to-date revenue is favorable to budget by \$41k (<1%). Significant variances to budget are as follows:

- Interest income is \$38k favorable to budget YTD due to higher interest rates.

Expense

Operating expenses for November came in \$92k (11%) unfavorable to budget, with year-to-date expenses \$309k (3%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by \$57k (2%) YTD due to open positions throughout the year. Temporary labor costs are \$5k YTD.
- There is an initial combined savings of \$164k due to the timing of expenses in Landscape, Maintenance, Community Standards, IT and CPGA. This number will ebb and flow as expenditures are made.
- Insurance expense is \$29k 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 \$63k YTD.

Balance Sheet/Cash Flow

- Operating cash is \$1.57 mil at 11/30/23, equal to 1.83 months of cash on hand.
- There is currently \$11.6 mil in reserve funds and \$66k 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.

- Most neighborhoods were over budget in expenses for November. Reasons include tree trimming services, Landscape/Maint hours for the month and utilities.
- All neighborhoods have a favorable variance to budget YTD, except Country Club, Terrace Homes East, Rosewood, Haciendas and Horseshoe Canyon.

Reserves

- Reserve expenses came in at \$79k for the month of November. YTD reserve expenses are at \$1.4 mil, lower than budget by \$836k.
- 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 \$297k YTD.

DC RANCH ASSOCIATION

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending November 30, 2023

	November 2023			Year-to-Date			Annual
	Current Month	Budget	Budget Variance	Year to Date	Budget	Budget Variance	2023 Budget
INCOME							
Neighborhood Assessments	\$ 466,508	\$ 465,720	\$ 788	\$ 5,131,587	\$ 5,122,920	\$ 8,667	\$ 5,588,640
Master Assessments	331,347	330,981	366	3,644,817	3,640,791	4,026	3,971,772
Builder & Developer Assessments	8,134	9,279	(1,145)	89,476	102,069	(12,593)	111,348
Total Assessment Revenue	805,989	805,980	9	8,865,881	8,865,780	101	9,671,760
Lot Sale Fees	6,900	7,500	(600)	79,500	82,500	(3,000)	90,000
Management Fees (Cost Sharing)	360	360	-	3,960	3,960	-	4,320
Fines/Fees (Violations, Mods etc.)	28,016	28,700	(684)	312,159	315,700	(3,541)	343,200
Security Monitoring Unmanned Gates	3,660	3,660	-	40,260	40,260	-	43,920
Cell Tower Lease(s)	6,639	6,415	224	72,199	70,565	1,634	76,980
Other Income (CFD, Interest, Misc)	5,816	250	5,566	75,041	29,063	45,978	55,626
Total Non-Assessment Income	51,391	46,885	4,506	583,118	542,048	41,070	614,046
Total Operating Income	857,380	852,865	4,515	9,448,999	9,407,828	41,171	10,285,806
EXPENSES							
Reserve Contributions	168,104	168,104	-	1,849,144	1,849,144	-	2,017,248
Capital Contribution	-	-	-	-	-	-	-
Total Reserve Expense	168,104	168,104	-	1,849,144	1,849,144	-	2,017,248
Personnel Expenses	293,148	254,313	38,835	2,740,341	2,797,443	(57,102)	3,196,036
Administration	14,538	14,810	(272)	211,716	185,810	25,906	200,620
Information Technology	17,749	14,686	3,063	158,795	166,698	(7,903)	181,700
Human Resources	2,929	2,260	669	31,549	31,475	74	35,350
Total Administrative Expense	328,365	286,069	42,296	3,142,400	3,181,426	(39,026)	3,613,706
Landscape Services	44,761	26,823	17,938	410,478	523,847	(113,369)	550,370
Facilities Maintenance	18,933	20,492	(1,559)	195,504	237,509	(42,005)	254,567
Utilities	85,472	57,306	28,166	542,113	605,197	(63,084)	637,363
Fleet	31,451	19,340	12,111	243,225	229,915	13,310	250,005
Total Maintenance Expense	180,617	123,961	56,657	1,391,320	1,596,468	(205,148)	1,692,305
Community Patrol & Gate Access	207,134	213,287	(6,153)	2,402,417	2,431,557	(29,140)	2,659,844
Community Standards	(0)	85	(85)	3,097	8,185	(5,088)	8,220
Community Relations	1,375	925	450	14,025	15,175	(1,150)	23,300
Total Community Program Expense	208,509	214,297	(5,788)	2,419,540	2,454,917	(35,377)	2,691,364
Insurance (non-EE) & Taxes	17,417	19,020	(1,603)	181,289	210,305	(29,016)	229,325
Other Expenses	-	-	-	-	-	-	-
Total General Expense	17,417	19,020	(1,603)	181,289	210,305	(29,016)	229,325
Total Operating Expense	903,012	811,451	91,561	8,983,693	9,292,260	(308,567)	10,243,948
Operating Income/(Loss)	(45,632)	41,415	(87,046)	465,306	115,569	349,738	41,858
Reserve Net Income/(Loss)	120,383	135,702	(15,319)	1,224,922	(230,672)	1,455,594	(91,885)
Capital Net Income/(Loss)	(4,908)	-	(4,908)	(57,483)	-	(57,483)	-
Reserve/Capital Net Income/(Loss)	115,476	135,702	(20,226)	1,167,438	(230,672)	1,398,110	(91,885)
Total Net Income/(Loss)	\$ 69,844	\$ 177,117	\$ (107,272)	\$ 1,632,744	\$ (115,104)	\$ 1,747,848	\$ (50,027)

DC RANCH ASSOCIATION

BALANCE SHEET

As Of November 30, 2023

	11/30/2023	12/31/2022	Y/Y Change
ASSETS			
CASH			
Cash - Operating	\$ 1,565,904	\$ 1,056,616	\$ 509,288
Petty Cash	350	350	-
TOTAL CASH	1,566,254	1,056,966	509,288
CAPITAL FUND	65,668	69,168	(3,500)
RESERVE FUND	11,634,705	10,112,659	1,522,046
Accounts Receivable (Net)	197,217	318,660	(121,442)
Intercompany Receivable	-	9,713	(9,713)
Prepaid Expenses	113,176	261,358	(148,182)
Operating Lease Right-to-Use Asset	148,167	148,167	-
Other Current Assets	2,206	36,528	(34,322)
TOTAL CURRENT ASSETS	460,766	774,426	(313,660)
PROPERTY, PLANT & EQUIPMENT			
Property & Equipment	360,678	356,062	4,616
Construction In Progress	-	-	-
TOTAL PROPERTY, PLANT & EQUIP	360,678	356,062	4,616
Less Accumulated Depreciation	(313,338)	(259,354)	(53,983)
PROPERTY, PLANT AND EQUIPMENT, NET	47,341	96,708	(49,367)
TOTAL ASSETS	\$ 13,774,734	\$ 12,109,926	\$ 1,664,807
LIABILITIES			
Accounts Payable	\$ 394,610	\$ 384,101	\$ 10,509
Intercompany Payable	117,138	147,688	(30,550)
Accrued Expenses	153,575	119,459	34,116
Prepaid Assessments	302,164	291,988	10,176
Deferred Revenue	-	-	-
Operating Lease Right-to-Use Liability	148,167	148,167	-
Other Current Liabilities	11,019	3,207	7,812
TOTAL CURRENT LIABILITIES	1,126,673	1,094,611	32,062
TOTAL LONG-TERM LIABILITIES	0	0	0
TOTAL LIABILITIES	\$ 1,126,673	\$ 1,094,611	\$ 32,062
NET ASSETS			
Operating Equity	418,352	418,352	-
Capital Equity	165,876	165,876	-
Reserve Equity	10,431,088	10,431,088	-
Current Year Profit/Loss	1,632,745	-	1,632,745
TOTAL NET ASSETS	\$ 12,648,061	\$ 11,015,316	\$ 1,632,745
TOTAL LIABILITIES & NET ASSETS	\$ 13,774,734	\$ 12,109,926	\$ 1,664,807

DC RANCH ASSOCIATION

STATEMENT OF CASH FLOW

For the Period Ended November 30, 2023

	<u>Current Month</u> Month Ended November 2023	<u>Year-to-Date</u> Year Ended November 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (deficit) for period	\$ 69,844	\$ 1,632,745
Adjustments to reconcile net income (deficit)		
Depreciation	4,908	53,983
<u>(Increase)/Decrease in:</u>		
Accounts receivable	(25,697)	121,442
Intercompany receivables	-	9,713
Prepaid expenses	(36,988)	148,182
<u>Increase/(Decrease) in:</u>		
Accounts payable	2,511	10,509
Accrued expenses	-	(2,488)
Accrued payroll expenses	30,521	36,604
Deferred revenue	-	-
Prepaid assessments	(15,150)	(50,257)
Prepaid Council assessments	(3,713)	60,433
Intercompany payables	2,343	(30,550)
Other liabilities	5,325	42,134
NET CASH FROM OPERATING ACTIVITIES	<u>33,904</u>	<u>2,032,450</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property, Plant & Equipment	-	(4,616)
NET CASH FROM INVESTING ACTIVITIES	<u>-</u>	<u>(4,616)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of long-term debt	-	-
Principal payments of long-term debt	-	-
NET CASH FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	33,904	2,027,834
CASH, BEGINNING OF PERIOD	<u>13,232,723</u>	<u>11,238,793</u>
CASH, END OF PERIOD	<u>\$ 13,266,627</u>	<u>\$ 13,266,627</u>