



**DC Ranch Community Council
Financial Highlights – Director Analysis
for period ending February 29, 2024**

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 1,011,929	\$ 16,914	\$ 62,501	\$ 1,091,344
Expenses	680,887	54,004	280,988	1,015,879
Operating Income/(Loss)	\$ 331,042	\$ (37,090)	\$ (218,487)	\$ 75,465
Depreciation	-	-	6,327	6,327
Total Income/(Loss)	\$ 331,042	\$ (37,090)	\$ (224,814)	\$ 69,138
Transfers In/(Out)	(117,504)	117,504	-	-
Total Surplus/(Deficit)	\$ 213,538	\$ 80,414	\$ (224,814)	\$ 69,138

Revenue

Operating revenue for February totaled \$484k, higher than budget by \$2k (<1%). Year-to-date revenue is favorable to budget by \$148k (17%). Significant variances to budget include:

- Community Benefit Fees came in \$7k (4%) higher than forecast for February. Benefit Fees YTD reflect a revenue surplus of \$155k (61%).
- Assessments are slightly higher than budget due to the commercial lots that were estimated to be subtracted for the new Ranch Association maintenance facility, which has not been finalized.
- The management fee has not been recorded thru February. Due to the governance restructure, cost sharing amounts will be revised and recorded in a future month.
- Interest has a \$12k positive variance to budget due to a higher rate on the ICS account (high-yield savings account that is fully FDIC insured).

Expense

Operating expenses for February came in \$15k (4%) unfavorable to budget, with year-to-date expense \$12k (1%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$10k higher than estimated in the budget YTD due to the changes in governance structure. Cost sharing amounts will be revised to offset the variance.
- Administrative expenses are higher than budget due to legal fees and the timing of IT expenses.
- Travel/Mtgs/ERR is \$5k under budget YTD due to timing of employee expenses.

Programs

- Program expenses are favorable to budget by \$5k due to cost savings for DC Ranch Day and the timing of expenses for community engagement and communications.

Facilities

- Facilities expense overall are \$9k below budget mainly due to the savings in utilities and contract services at Desert Camp.

Reserve

- Reserve expenditures total \$54k so far for the year.
- Interest income totals \$17k YTD.

Capital

- The Desert Camp Site Improvement Project is on track with expenditures totaling \$120k in February and \$281k YTD.
- Depreciation expense (non-cash) totals \$6k for the year.
- Interest income totals \$63k YTD.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 4.53 months as of 2/29/2024.
- There is \$7.5 mil in the capital fund and \$2.8 mil in the reserve fund. Reserves are currently 100.62% funded, but this will change significantly with the addition of new DCSIP assets, as well as possible adjustments from the reserve study.

Looking Forward

- Future escrow amounts *in progress* are as follows:

<u>Month</u>	<u>Currently in escrow</u>	<u>Budgeted Benefit Fees</u>
March 2024	\$284,103	\$146,338
April 2024	\$142,625	\$152,412

Community Council is starting the year off strong with over \$200k in operating net income. Community Benefit Fees are performing moderately above budget so far. A transfer to the capital fund will be considered when benefit fee revenue reaches the annual budgeted amount of \$1.5 mil, which will help to fully fund DCSIP.

DC RANCH COMMUNITY COUNCIL

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending February 29, 2024

	February 2024			Year-to-Date			Annual
	Current Month	Budget	Budget Variance	Year to Date	Budget	Budget Variance	2024 Budget
INCOME							
Residential Assessments	\$ 212,862	\$ 212,862	\$ -	\$ 425,724	\$ 425,724	\$ -	\$ 2,554,344
Commercial Assessments	75,660	73,554	2,106	151,320	147,108	4,212	882,648
Community Council Benefit Fees	181,623	174,409	7,214	407,029	252,396	154,633	1,500,000
Total Assessment Revenue	470,145	460,825	9,320	984,073	825,228	158,845	4,936,992
Community Celebrations & Events	2,446	2,300	146	2,446	2,300	146	24,500
Community Programming	5,553	5,094	459	10,489	8,894	1,595	83,940
Total Program Revenue	7,999	7,394	605	12,935	11,194	1,741	108,440
Community Center Rentals	-	-	-	2,175	-	2,175	-
Resident Access	20	-	20	160	-	160	1,000
Total Facilities Revenue	20	-	20	2,335	-	2,335	1,000
Management Fee	-	11,525	(11,525)	-	23,050	(23,050)	138,300
Advertising	-	-	-	360	-	360	8,280
Interest	5,883	2,385	3,498	12,226	4,770	7,456	28,613
Other Income	-	-	-	-	-	-	9,100
Total Other Income	5,883	13,910	(8,027)	12,586	27,820	(15,234)	184,293
Total Operating Income	484,047	482,129	1,918	1,011,929	864,242	147,687	5,230,725
EXPENSES							
Reserve Contributions	58,752	58,752	-	117,504	117,504	-	705,024
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	58,752	58,752	-	117,504	117,504	-	705,024
Personnel Expenses	229,380	228,699	681	466,943	457,398	9,545	2,827,270
Administration	24,618	15,132	9,486	48,163	34,012	14,151	270,645
Travel/Mtgs/ERR	5,626	8,886	(3,260)	7,297	12,601	(5,304)	69,620
Total Administrative Expense	259,623	252,717	6,906	522,403	504,011	18,392	3,167,535
Community Celebrations & Events	6,918	6,879	39	41,388	45,003	(3,615)	309,707
Community Programming	6,890	7,455	(565)	12,215	12,020	195	149,200
Community Engagement & Public Affairs	1,553	10,550	(8,997)	6,901	17,550	(10,649)	69,245
Communications	3,804	8,404	(4,600)	7,775	12,383	(4,608)	74,720
Total Program Expense	19,165	33,288	(14,123)	68,279	86,956	(18,677)	602,872
Ranch Offices	17,645	17,747	(102)	35,289	35,494	(205)	220,964
Desert Camp Community Center	8,670	18,706	(10,036)	26,483	34,833	(8,350)	227,711
The Homestead Community Center	7,805	5,420	2,385	11,279	10,599	680	81,962
MS Park/P&T/Seasonal Décor	516	1,214	(698)	853	2,430	(1,577)	110,310
Total Facilities Expense	34,635	43,087	(8,452)	73,904	83,356	(9,452)	640,947
Insurance (non-EE) & Taxes	6,287	7,575	(1,288)	12,574	15,150	(2,576)	90,900
Other Expenses	3,148	1,629	1,519	3,727	3,192	535	23,447
Total General Expense	9,435	9,204	231	16,301	18,342	(2,041)	114,347
Total Operating Expense	381,610	397,048	(15,438)	798,391	810,169	(11,778)	5,230,725
Operating Income/(Loss)	102,437	85,081	17,356	213,538	54,073	159,465	-
Reserve Net Income/(Loss)	13,103	-	13,103	80,414	-	80,414	-
Capital Net Income/(Loss)	(93,682)	-	(93,682)	(224,814)	-	(224,814)	-
Reserve & Capital Net Income/(Loss)	(80,579)	-	(80,579)	(144,400)	-	(144,400)	-
Total Net Income/(Loss)	\$ 21,857	\$ 85,081	\$ (63,224)	\$ 69,138	\$ 54,073	\$ 15,065	\$ -

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At February 29, 2024

	<u>2/29/2024</u>	<u>12/31/2023</u>	<u>Y/Y Change</u>
ASSETS			
OPERATING FUND			
Cash	\$ 1,975,538	\$ 1,824,454	\$ 151,084
Petty Cash	500	500	-
TOTAL OPERATING CASH	<u>1,976,038</u>	<u>1,824,954</u>	<u>151,084</u>
RESERVE FUND			
Cash	1,412,142	1,015,626	396,516
Investments (Net)	1,386,168	1,559,821	(173,653)
TOTAL RESERVE FUND	<u>2,798,309</u>	<u>2,575,447</u>	<u>222,862</u>
CAPITAL FUND			
Cash	5,821,535	3,000,016	2,821,518
Investments (Net)	1,665,455	4,977,784	(3,312,329)
TOTAL CAPITAL FUND	<u>7,486,989</u>	<u>7,977,800</u>	<u>(490,810)</u>
Accounts Receivable (Net)	54,462	10,872	43,590
Intercompany Receivable	100,865	250,840	(149,975)
Prepaid Expenses	232,129	98,624	133,505
Interfund Transfers	100	134,273	(134,173)
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	<u>587,530</u>	<u>694,582</u>	<u>(107,053)</u>
PROPERTY, PLANT & EQUIPMENT			
Furniture & Fixtures	28,459	28,459	-
Vehicles & Equipment	184,143	184,143	-
Desert Camp Renovation(s)	161,479	161,479	-
Homestead Renovation(s)	110,112	110,112	-
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>484,192</u>	<u>484,192</u>	<u>-</u>
<i>Less Accumulated Depreciation</i>	(367,739)	(361,412)	(6,327)
PROPERTY, PLANT AND EQUIPMENT, NET	<u>116,453</u>	<u>122,780</u>	<u>(6,327)</u>
TOTAL ASSETS	<u>\$ 12,965,320</u>	<u>\$ 13,195,564</u>	<u>\$ (230,244)</u>
LIABILITIES			
Accounts Payable	\$ 107,582	\$ 96,501	\$ 11,081
Intercompany Payable	-	224	(224)
Accrued Liabilities	226,427	362,214	(135,787)
Deferred Revenue	13,675	10,173	3,502
Prepaid Assessments	58,812	102,593	(43,781)
Interfund Transfers	100	134,273	(134,173)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	(939)	(939)	-
TOTAL CURRENT LIABILITIES	<u>605,631</u>	<u>905,012</u>	<u>(299,381)</u>
TOTAL LIABILITIES	<u>\$ 605,631</u>	<u>\$ 905,012</u>	<u>\$ (299,381)</u>
NET ASSETS			
Reserve Equity	2,663,792	2,663,792	-
Capital Equity	7,820,014	7,820,014	-
Operating Equity	1,806,745	1,806,745	-
Current Year Profit/Loss	69,138	-	69,138
TOTAL NET ASSETS	<u>\$ 12,359,689</u>	<u>\$ 12,290,551</u>	<u>\$ 69,138</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 12,965,320</u>	<u>\$ 13,195,564</u>	<u>\$ (230,244)</u>

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date February 29, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	69,138
Adjustments to reconcile Net Income (deficit)		
Depreciation		6,327
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(43,590)
Intercompany Receivable		149,975
Prepaid Expense		(99,772)
Prepaid Insurance		(33,733)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		11,081
Intercompany Payable		(224)
Accrued Payroll Expenses		36,247
Accrued Expenses		(172,034)
Deferred Revenue		3,502
Prepaid Assessments		(43,781)
Other Liabilities		-
NET CASH FROM OPERATING ACTIVITIES	\$	(116,864)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant & Equipment		-
NET INCREASE (DECREASE) IN CASH	\$	(116,864)

CASH, BEGINNING OF PERIOD	\$	12,378,201
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CASH, END OF PERIOD	\$	12,261,337
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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:	4.53
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Operating Cash at 1/31/24	\$	1,976,038
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Total 2024 operating budget expenses	\$	5,230,725
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MINIMUM - Average of three months	\$	1,307,681
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Amount over minimum	Amount under minimum
\$ 668,357	N/A

MAXIMUM - Average of six months	\$	2,615,363
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Amount over maximum	Amount under maximum
N/A	\$ 639,325

