



**DC Ranch Community Council
Financial Highlights – Director Analysis
for period ending March 31, 2024**

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 1,572,055	\$ 25,829	\$ 92,763	\$ 1,690,647
Expenses	1,073,263	108,008	574,235	1,755,506
Operating Income/(Loss)	\$ 498,792	\$ (82,179)	\$ (481,472)	\$ (64,860)
Depreciation	-	-	9,491	9,491
Total Income/(Loss)	\$ 498,792	\$ (82,179)	\$ (490,963)	\$ (74,350)
Transfers In/(Out)	(176,256)	176,256	-	-
Total Surplus/(Deficit)	\$ 322,536	\$ 94,077	\$ (490,963)	\$ (74,350)

Revenue

Operating revenue for March totaled \$560k, higher than budget by \$102k (22%). Year-to-date revenue is favorable to budget by \$250k (17%). Significant variances to budget include:

- Community Benefit Fees came in \$104k (71%) higher than forecast for March. Benefit Fees YTD reflect a revenue surplus of \$259k (65%).
- 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 March. 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 March came in \$35k (7%) favorable to budget, with year-to-date expense \$47k (4%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are about even with budget YTD due to a mix between the changes in governance structure and open positions so far this year. Cost sharing amounts will be revised to offset any variance.
- Administrative expenses are higher YTD 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 \$24k YTD due to cost savings for DC Ranch Day and the timing of expenses for community engagement and communications.
- Given the dynamic nature of Community Celebrations & Events, a small percentage of funds are reserved to accommodate unforeseen circumstances, such as spikes in registrations (additional

catering, seating and supplies), as well as weather-related contingencies. This amount serves as a buffer and may be reallocated to other events throughout the fiscal year.

Facilities

- Facilities expense overall are \$23k below budget mainly due to the savings in utilities and contract services at Desert Camp. These savings are expected to continue until DCSIP is complete and Desert Camp Community Center reopens.

Reserve

- Reserve expenditures total \$108k so far for the year.
- Interest income totals \$26k YTD.

Capital

- The Desert Camp Site Improvement Project is on track with expenditures totaling \$293k in March and \$574k YTD.
- Depreciation expense (non-cash) totals \$9k for the year.
- Interest income totals \$93k YTD.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 4.72 months as of 3/31/2024.
- There is \$7.2 mil in the capital fund and \$2.8 mil in the reserve fund. Reserves are currently 100.62% funded. 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>
April 2024	\$332,011	\$152,412
May 2024	\$318,777	\$116,686

Community Council is starting the year off strong with over \$322k in operating net income in the first quarter. Community Benefit Fees are performing moderately above budget (65%) so far this year. 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 March 31, 2024

	March 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	\$ -	\$ 638,586	\$ 638,586	\$ -	\$ 2,554,344
Commercial Assessments	75,660	73,554	2,106	226,980	220,662	6,318	882,648
Community Council Benefit Fees	250,528	146,338	104,190	657,556	398,734	258,822	1,500,000
Total Assessment Revenue	539,050	432,754	106,296	1,523,122	1,257,982	265,140	4,936,992
Community Celebrations & Events	6,866	7,050	(184)	9,312	9,350	(38)	24,500
Community Programming	5,368	4,180	1,188	15,857	13,074	2,783	83,940
Total Program Revenue	12,234	11,230	1,004	25,169	22,424	2,745	108,440
Community Center Rentals	2,195	-	2,195	4,370	-	4,370	-
Resident Access	-	-	-	160	-	160	1,000
Total Facilities Revenue	2,195	-	2,195	4,530	-	4,530	1,000
Management Fee	-	11,525	(11,525)	-	34,575	(34,575)	138,300
Advertising	-	-	-	360	-	360	8,280
Interest	6,647	2,385	4,262	18,874	7,155	11,719	28,613
Other Income	-	-	-	-	-	-	9,100
Total Other Income	6,647	13,910	(7,263)	19,234	41,730	(22,496)	184,293
Total Operating Income	560,126	457,894	102,232	1,572,055	1,322,136	249,919	5,230,725
EXPENSES							
Reserve Contributions	58,752	58,752	-	176,256	176,256	-	705,024
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	58,752	58,752	-	176,256	176,256	-	705,024
Personnel Expenses	220,048	228,699	(8,651)	686,992	686,097	895	2,827,270
Administration	21,290	29,960	(8,670)	69,452	63,972	5,480	270,645
Travel/Mtgs/ERR	5,162	4,755	407	12,459	17,356	(4,897)	69,620
Total Administrative Expense	246,500	263,414	(16,914)	768,903	767,425	1,478	3,167,535
Community Celebrations & Events	87,723	87,229	494	129,111	132,232	(3,121)	309,707
Community Programming	7,372	8,220	(848)	19,587	20,240	(653)	149,200
Community Engagement & Public Affairs	2,897	6,250	(3,353)	9,798	23,800	(14,002)	69,245
Communications	6,856	8,455	(1,599)	14,632	20,838	(6,206)	74,720
Total Program Expense	104,847	110,154	(5,307)	173,126	197,110	(23,984)	602,872
Ranch Offices	17,645	17,747	(102)	52,934	53,241	(307)	220,964
Desert Camp Community Center	9,062	16,746	(7,684)	35,545	51,579	(16,034)	227,711
The Homestead Community Center	2,656	7,747	(5,091)	13,935	18,346	(4,411)	81,962
MS Park/P&T/Seasonal Décor	1,283	2,356	(1,073)	2,135	4,786	(2,651)	110,310
Total Facilities Expense	30,645	44,596	(13,951)	104,549	127,952	(23,403)	640,947
Insurance (non-EE) & Taxes	6,287	7,575	(1,288)	18,861	22,725	(3,864)	90,900
Other Expenses	4,097	1,859	2,238	7,824	5,051	2,773	23,447
Total General Expense	10,384	9,434	950	26,685	27,776	(1,091)	114,347
Total Operating Expense	451,128	486,350	(35,222)	1,249,519	1,296,519	(47,000)	5,230,725
Operating Income/(Loss)	108,998	(28,456)	137,454	322,536	25,617	296,919	-
Reserve Net Income/(Loss)	13,663	-	13,663	94,077	-	94,077	-
Capital Net Income/(Loss)	(266,149)	-	(266,149)	(490,963)	-	(490,963)	-
Reserve & Capital Net Income/(Loss)	(252,486)	-	(252,486)	(396,886)	-	(396,886)	-
Total Net Income/(Loss)	\$ (143,488)	\$ (28,456)	\$ (115,032)	\$ (74,350)	\$ 25,617	\$ (99,967)	\$ -

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At March 31, 2024

	<u>3/31/2024</u>	<u>12/31/2023</u>	<u>Y/Y Change</u>
ASSETS			
OPERATING FUND			
Cash	\$ 2,054,959	\$ 1,824,454	\$ 230,505
Petty Cash	500	500	-
TOTAL OPERATING CASH	<u>2,055,459</u>	<u>1,824,954</u>	<u>230,505</u>
RESERVE FUND			
Cash	1,628,130	1,015,626	612,504
Investments (Net)	1,132,469	1,559,821	(427,352)
TOTAL RESERVE FUND	<u>2,760,599</u>	<u>2,575,447</u>	<u>185,152</u>
CAPITAL FUND			
Cash	7,215,762	3,000,016	4,215,746
Investments (Net)	-	4,977,784	(4,977,784)
TOTAL CAPITAL FUND	<u>7,215,762</u>	<u>7,977,800</u>	<u>(762,038)</u>
Accounts Receivable (Net)	71,955	10,872	61,083
Intercompany Receivable	124,081	250,840	(126,759)
Prepaid Expenses	130,383	98,624	31,759
Interfund Transfers	2,730	134,273	(131,542)
Operating Lease Right-to-Use Asset	199,974	199,974	-
OTHER CURRENT ASSETS	<u>529,123</u>	<u>694,582</u>	<u>(165,459)</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>	(370,903)	(361,412)	(9,491)
PROPERTY, PLANT AND EQUIPMENT, NET	<u>113,290</u>	<u>122,780</u>	<u>(9,491)</u>
TOTAL ASSETS	<u>\$ 12,674,233</u>	<u>\$ 13,195,564</u>	<u>\$ (521,331)</u>
LIABILITIES			
Accounts Payable	\$ 37,593	\$ 96,328	\$ (58,735)
Intercompany Payable	-	224	(224)
Accrued Liabilities	146,295	362,818	(216,523)
Deferred Revenue	11,456	10,173	1,283
Prepaid Assessments	61,353	102,593	(41,240)
Interfund Transfers	2,730	134,273	(131,542)
Operating Lease Right-to-Use Liability	199,974	199,974	-
Other Current Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	<u>459,401</u>	<u>906,382</u>	<u>(446,981)</u>
TOTAL LIABILITIES	<u>\$ 459,401</u>	<u>\$ 906,382</u>	<u>\$ (446,981)</u>
NET ASSETS			
Reserve Equity	2,663,792	2,515,269	148,523
Capital Equity	7,820,014	8,051,193	(231,178)
Operating Equity	1,805,375	1,722,720	82,655
Current Year Profit/Loss	(74,350)	-	(74,350)
TOTAL NET ASSETS	<u>\$ 12,214,831</u>	<u>\$ 12,289,181</u>	<u>\$ (74,350)</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 12,674,233</u>	<u>\$ 13,195,564</u>	<u>\$ (521,331)</u>

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date March 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	(74,350)
Adjustments to reconcile Net Income (deficit)		
Depreciation		9,491
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(61,083)
Intercompany Receivable		130,050
Prepaid Expense		(7,604)
Prepaid Insurance		(27,446)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		(58,735)
Intercompany Payable		(224)
Accrued Payroll Expenses		(43,886)
Accrued Expenses		(172,637)
Deferred Revenue		1,283
Prepaid Assessments		(41,240)
Other Liabilities		-
NET CASH FROM OPERATING ACTIVITIES	\$	(346,381)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant & Equipment		-
NET INCREASE (DECREASE) IN CASH	\$	(346,381)

CASH, BEGINNING OF PERIOD	\$	12,378,201
CASH, END OF PERIOD	\$	12,031,820

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:	4.72
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Operating Cash at 3/31/24	\$	2,055,459	
Total 2024 operating budget expenses	\$	5,230,725	
MINIMUM - Average of three months	\$	1,307,681	
		Amount over minimum	Amount under minimum
	\$	747,778	N/A
MAXIMUM - Average of six months	\$	2,615,363	
		Amount over maximum	Amount under maximum
		N/A	\$ 559,904

