



# DC Ranch Association Financial Summary Report for period ending April 30, 2024

## Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total</u>
Revenue	\$ 3,714,684	\$ 162,170	\$ -	\$ 3,876,853
Expenses	2,700,487	257,949		2,958,435
<b>Operating Income/(Loss)</b>	<b>\$ 1,014,197</b>	<b>\$ (95,779)</b>	<b>\$ -</b>	<b>\$ 918,418</b>
Depreciation	-	-	11,425	11,425
<b>Total Income/(Loss)</b>	<b>\$ 1,014,197</b>	<b>\$ (95,779)</b>	<b>\$ (11,425)</b>	<b>\$ 906,993</b>
Transfers In/(Out)	(745,844)	720,844	25,000	-
<b>Total Surplus/(Deficit)</b>	<b>\$ 268,353</b>	<b>\$ 625,065</b>	<b>\$ 13,575</b>	<b>\$ 906,993</b>

### Revenue

Operating revenue for April totaled \$931k, unfavorable to budget by \$5k (<1%). Year-to-date revenue is unfavorable to budget by \$28k (<1%). Significant variances to budget are as follows:

- The 2024 cost sharing agreement between Ranch, Council and Covenant is in process of being revised, due to the governance restructure and realignment of shared staff. Management fees have not been paid or received YTD, but will be caught up in a future month. This has resulted in a \$49k temporary revenue shortfall to budget YTD.
- Non-assessment revenue is \$11k favorable to budget YTD.
- Interest income is \$8k favorable to budget YTD.

### Expense

Operating expenses for April came in \$16k (2%) favorable to budget, with year-to-date expenses \$80k (2%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by \$100k (8%) YTD. This figure will fluctuate throughout the year as positions are filled and vacated. This variance will be offset by the management fee agreement (see note above).
- Administrative costs reflect additional professional and legal fees incurred \$31k above the budgeted amount.
- Landscape expenses are \$57k over budget due to the timing expenses for arbor care and plants, this will even out in May.
- There are combined savings of \$80k due to the timing of expenses across all departments. This number will ebb and flow as expenditures are made.
- Insurance expense is \$9k higher than budget, which will continue through year end. This is mainly due to a necessary adjustment to property values in Market Street Villas, but also reflects slightly higher premiums for D&O, flood and auto policies.
- Utilities are unfavorable to budget by \$20k YTD.
- Management fees of \$17k have not been received YTD – see note in Revenue section.

### **Balance Sheet/Cash Flow**

- Operating cash is \$1.8 mil at 4/30/2024, equal to 1.96 months of cash on hand.
- There is currently \$12.3 mil in reserve funds and \$91k 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 Operations reviews this data in detail to ensure the figures are correct.
- Most neighborhoods have an unfavorable variance to budget in April, due to \$57k in arbor care expended a month earlier than planned; this will even out in May.

### **Reserves**

- Reserve expenses came in at \$56k for the month of April. YTD reserve expenses are at \$258k, lower than budget by \$84k.
- 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 \$162k YTD.

# DC RANCH ASSOCIATION

## STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending April 30, 2024

	April 2024			Year-to-Date			Annual
	Current Month	Budget	Budget Variance	Year to Date	Budget	Budget Variance	2024 Budget
<b>INCOME</b>							
Neighborhood Assessments	\$ 504,756	\$ 504,778	\$ (22)	\$ 2,019,023	\$ 2,019,112	\$ (89)	\$ 6,057,336
Master Assessments	364,989	364,944	45	1,459,956	1,459,776	180	4,379,328
Builder & Developer Assessments	8,905	8,904	1	35,621	35,616	5	106,848
<b>Total Assessment Revenue</b>	<b>878,650</b>	<b>878,626</b>	<b>24</b>	<b>3,514,600</b>	<b>3,514,504</b>	<b>96</b>	<b>10,543,512</b>
Lot Sale Fees	11,800	7,500	4,300	36,800	30,000	6,800	90,000
Management Fees (Cost Sharing)	-	12,125	(12,125)	-	48,500	(48,500)	145,500
Fines/Fees (Violations, Mods etc.)	25,352	25,550	(198)	106,105	102,200	3,905	305,400
Security Monitoring Unmanned Gates	3,840	3,840	-	15,360	15,360	-	46,080
Cell Tower Lease(s)	6,791	6,639	152	26,707	26,556	151	80,923
Other Income (CFD, Interest, Misc)	4,607	1,500	3,107	15,112	6,000	9,112	70,622
<b>Total Non-Assessment Income</b>	<b>52,390</b>	<b>57,154</b>	<b>(4,764)</b>	<b>200,084</b>	<b>228,616</b>	<b>(28,532)</b>	<b>738,525</b>
<b>Total Operating Income</b>	<b>931,040</b>	<b>935,780</b>	<b>(4,740)</b>	<b>3,714,684</b>	<b>3,743,120</b>	<b>(28,436)</b>	<b>11,282,037</b>
<b>EXPENSES</b>							
Reserve Contributions	180,211	180,211	-	720,844	720,844	-	2,162,532
Capital Contribution	-	-	-	25,000	25,000	-	25,000
<b>Total Reserve Expense</b>	<b>180,211</b>	<b>180,211</b>	<b>-</b>	<b>745,844</b>	<b>745,844</b>	<b>-</b>	<b>2,187,532</b>
Personnel Expenses	246,619	305,471	(58,852)	1,121,415	1,221,884	(100,469)	3,842,931
Administration	15,659	9,690	5,969	62,310	54,535	7,775	167,150
Information Technology	14,352	14,360	(8)	67,491	59,450	8,041	217,646
Human Resources	4,291	2,149	2,142	11,251	10,120	1,131	37,453
<b>Total Administrative Expense</b>	<b>280,922</b>	<b>331,670</b>	<b>(50,748)</b>	<b>1,262,466</b>	<b>1,345,989</b>	<b>(83,523)</b>	<b>4,265,180</b>
Landscape Services	98,953	40,194	58,759	198,978	141,878	57,100	633,369
Facilities Maintenance	14,934	23,044	(8,110)	64,873	86,659	(21,786)	265,560
Utilities	37,672	34,435	3,237	127,999	107,580	20,419	635,227
Fleet	21,020	24,226	(3,206)	79,467	94,787	(15,320)	268,220
<b>Total Maintenance Expense</b>	<b>172,579</b>	<b>121,899</b>	<b>50,680</b>	<b>471,318</b>	<b>430,904</b>	<b>40,414</b>	<b>1,802,376</b>
Community Patrol & Gate Access	214,692	227,014	(12,322)	884,708	920,645	(35,937)	2,780,103
Community Standards	76	3,610	(3,534)	288	3,790	(3,502)	7,720
Community Relations	274	2,075	(1,801)	2,277	8,375	(6,098)	22,125
<b>Total Community Program Expense</b>	<b>215,043</b>	<b>232,699</b>	<b>(17,656)</b>	<b>887,273</b>	<b>932,810</b>	<b>(45,537)</b>	<b>2,809,948</b>
Insurance (non-EE) & Taxes	19,857	17,648	2,209	79,429	70,892	8,537	217,001
Other Expenses	-	-	-	-	-	-	-
<b>Total General Expense</b>	<b>19,857</b>	<b>17,648</b>	<b>2,209</b>	<b>79,429</b>	<b>70,892</b>	<b>8,537</b>	<b>217,001</b>
<b>Total Operating Expense</b>	<b>868,612</b>	<b>884,127</b>	<b>(15,515)</b>	<b>3,446,331</b>	<b>3,526,439</b>	<b>(80,108)</b>	<b>11,282,037</b>
<b>Operating Income/(Loss)</b>	<b>62,428</b>	<b>51,653</b>	<b>10,775</b>	<b>268,353</b>	<b>216,681</b>	<b>51,672</b>	<b>-</b>
Reserve Net Income/(Loss)	194,151	(13,224)	207,375	625,065	478,684	146,381	281,831
Capital Net Income/(Loss)	(2,856)	(2,857)	1	13,575	13,572	3	-
<b>Reserve/Capital Net Income/(Loss)</b>	<b>191,294</b>	<b>(16,081)</b>	<b>207,375</b>	<b>638,640</b>	<b>492,256</b>	<b>146,384</b>	<b>281,831</b>
<b>Total Net Income/(Loss)</b>	<b>\$ 253,722</b>	<b>\$ 35,572</b>	<b>\$ 218,150</b>	<b>\$ 906,993</b>	<b>\$ 708,937</b>	<b>\$ 198,056</b>	<b>\$ 281,831</b>

# DC RANCH ASSOCIATION

## BALANCE SHEET

As Of April 30, 2024

	<u>4/30/2024</u>	<u>12/31/2023</u>	<u>Y/Y Change</u>
<b>ASSETS</b>			
<b>CASH</b>			
Cash - Operating	\$ 1,841,275	\$ 1,601,798	\$ 239,476
Petty Cash	350	350	-
<b>TOTAL CASH</b>	<u>1,841,625</u>	<u>1,602,148</u>	<u>239,476</u>
<b>CAPITAL FUND</b>	90,668	65,668	25,000
<b>RESERVE FUND</b>	12,347,295	11,711,519	635,776
Accounts Receivable (Net)	127,723	99,735	27,988
Intercompany Receivable	-	237	(237)
Prepaid Expenses	203,825	103,802	100,023
Operating Lease Right-to-Use Asset	208,791	208,791	-
Other Current Assets	2,206	156,069	(153,864)
<b>TOTAL CURRENT ASSETS</b>	<u>542,544</u>	<u>568,634</u>	<u>(26,089)</u>
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>			
Property & Equipment	360,678	360,678	-
Construction In Progress	-	-	-
<b>TOTAL PROPERTY, PLANT &amp; EQUIP</b>	<u>360,678</u>	<u>360,678</u>	<u>-</u>
Less Accumulated Depreciation	(329,670)	(318,245)	(11,425)
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<u>31,008</u>	<u>42,433</u>	<u>(11,425)</u>
<b>TOTAL ASSETS</b>	<u>\$ 14,853,140</u>	<u>\$ 13,990,402</u>	<u>\$ 862,738</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 341,151	\$ 437,543	\$ (96,392)
Intercompany Payable	310,238	225,360	84,878
Accrued Expenses	150,225	160,781	(10,556)
Prepaid Assessments	365,735	274,964	90,771
Deferred Revenue	-	-	-
Operating Lease Right-to-Use Liability	208,791	208,791	-
Other Current Liabilities	35,602	148,558	(112,956)
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,411,742</u>	<u>1,455,997</u>	<u>(44,255)</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 1,411,742</u>	<u>\$ 1,455,997</u>	<u>\$ (44,255)</u>
<b>NET ASSETS</b>			
Operating Equity	737,860	737,860	-
Capital Equity	108,101	108,101	-
Reserve Equity	11,688,444	11,688,444	-
Current Year Profit/Loss	906,993	-	906,993
<b>TOTAL NET ASSETS</b>	<u>\$ 13,441,398</u>	<u>\$ 12,534,405</u>	<u>\$ 906,993</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>\$ 14,853,140</u>	<u>\$ 13,990,402</u>	<u>\$ 862,738</u>

# DC RANCH ASSOCIATION

## STATEMENT OF CASH FLOW

For the Period Ended April 2024

	<u>Current Month</u> Month Ended April 2024	<u>Year-to-Date</u> Year Ended April 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (deficit) for period	\$ 253,722	\$ 906,993
Adjustments to reconcile net income (deficit)		
Depreciation	2,856	11,425
<u>(Increase)/Decrease in:</u>		
Accounts receivable	3,329	(27,988)
Intercompany receivables	-	237
Prepaid expenses	20,890	(100,023)
<u>Increase/(Decrease) in:</u>		
Accounts payable	53,329	(96,392)
Accrued expenses	(1,357)	(7,945)
Accrued payroll expenses	19,195	(2,612)
Deferred revenue	-	-
Prepaid assessments	(20,256)	(37,368)
Prepaid Council assessments	(5,064)	128,140
Intercompany payables	111,639	84,878
Other liabilities	(2,730)	40,907
NET CASH FROM OPERATING ACTIVITIES	<u>435,555</u>	<u>900,252</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property, Plant & Equipment	-	-
NET CASH FROM INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Acquisition of long-term debt	-	-
Principal payments of long-term debt	-	-
NET CASH FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>435,555</b>	<b>900,252</b>
CASH, BEGINNING OF PERIOD	<u>13,844,033</u>	<u>13,379,335</u>
<b>CASH, END OF PERIOD</b>	<u><u>\$ 14,279,587</u></u>	<u><u>\$ 14,279,587</u></u>