



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

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 2,849,580	\$ 53,042	\$ 147,556	\$ 3,050,178
Expenses	1,822,135	236,586	2,074,077	4,132,798
Operating Income/(Loss)	\$ 1,027,445	\$ (183,544)	\$ (1,926,521)	\$ (1,082,620)
Depreciation	-	-	15,818	15,818
Total Income/(Loss)	\$ 1,027,445	\$ (183,544)	\$ (1,942,339)	\$ (1,098,438)
Transfers In/(Out)	(293,760)	293,760	-	-
Total Surplus/(Deficit)	\$ 733,685	\$ 110,216	\$ (1,942,339)	\$ (1,098,438)

Revenue

Operating revenue for May totaled \$622k, higher than budget by \$187k (43%). Year-to-date revenue is favorable to budget by \$635k (29%). Significant variances to budget include:

- Community Benefit Fees came in \$187k (160%) higher than forecast for May. Benefit Fees YTD reflect a revenue surplus of \$648k (97%).
- 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 through May. Due to the governance restructure, cost sharing amounts will be revised and recorded in a future month.
- Interest has a \$23k 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 May came in \$6k (1%) unfavorable to budget, with year-to-date expense \$35k (2%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$32k higher than estimated in the 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.
- Other administrative expenses are higher YTD than budget, mainly due to additional legal and professional fees.

Programs

- Program expenses are favorable to budget by \$43k YTD due to cost savings for spring events and the timing of expenses for community engagement and communications.

Facilities

- Facilities expense overall are \$39k 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 \$237k so far for the year.
- Interest income totals \$53k YTD.

Capital

- The Desert Camp Site Improvement Project is on track with expenditures totaling \$417k in May and \$2 mil YTD.
- Depreciation expense (non-cash) totals \$16k for the year.
- Interest income totals \$148k YTD.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 5.76 months as of 5/31/2024.
- There is \$6.2 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>
June 2024	\$431,871	\$208,735
July 2024	\$119,648	\$154,251

The Community Council remains in a strong financial position, reporting over \$733,000 in operating net income year-to-date. Community Benefit Fees are performing moderately above budget, currently at 88% of the annual operating budget. A transfer to the capital fund will be considered once benefit fee revenue reaches the budgeted amount of \$1.5 million.

DC RANCH COMMUNITY COUNCIL

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending May 31, 2024

	May 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	\$ -	\$ 1,064,310	\$ 1,064,310	\$ -	\$ 2,554,344
Commercial Assessments	75,660	73,554	2,106	378,300	367,770	10,530	882,648
Community Council Benefit Fees	303,452	116,686	186,766	1,315,644	667,832	647,812	1,500,000
Total Assessment Revenue	591,974	403,102	188,872	2,758,254	2,099,912	658,342	4,936,992
Community Celebrations & Events	-	-	-	9,312	9,350	(38)	24,500
Community Programming	20,620	17,454	3,166	40,968	35,498	5,470	83,940
Total Program Revenue	20,620	17,454	3,166	50,280	44,848	5,432	108,440
Community Center Rentals	1,630	-	1,630	6,000	-	6,000	-
Resident Access	80	-	80	260	-	260	1,000
Total Facilities Revenue	1,710	-	1,710	6,260	-	6,260	1,000
Management Fee	-	11,525	(11,525)	-	57,625	(57,625)	138,300
Advertising	-	360	(360)	360	360	-	8,280
Interest	7,938	2,385	5,553	34,426	11,925	22,501	28,613
Other Income	-	-	-	-	-	-	9,100
Total Other Income	7,938	14,270	(6,332)	34,786	69,910	(35,124)	184,293
Total Operating Income	622,242	434,826	187,416	2,849,580	2,214,670	634,910	5,230,725
EXPENSES							
Reserve Contributions	58,752	58,752	-	293,760	293,760	-	705,024
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	58,752	58,752	-	293,760	293,760	-	705,024
Personnel Expenses	246,162	228,699	17,463	1,175,754	1,143,495	32,259	2,827,270
Administration	27,143	24,787	2,356	124,289	107,004	17,285	270,645
Travel/Mtgs/ERR	1,856	3,656	(1,800)	16,697	27,952	(11,255)	69,620
Total Administrative Expense	275,161	257,142	18,019	1,316,740	1,278,451	38,289	3,167,535
Community Celebrations & Events	6,320	6,537	(217)	148,086	154,098	(6,012)	309,707
Community Programming	40,747	44,525	(3,778)	65,771	71,440	(5,669)	149,200
Community Engagement & Public Affairs	2,217	6,550	(4,333)	18,187	40,400	(22,213)	69,245
Communications	9,142	13,414	(4,272)	27,837	37,422	(9,585)	74,720
Total Program Expense	58,426	71,026	(12,600)	259,882	303,360	(43,478)	602,872
Ranch Offices	17,639	17,747	(108)	97,580	96,735	845	220,964
Desert Camp Community Center	5,317	16,123	(10,806)	48,534	83,203	(34,669)	227,711
The Homestead Community Center	8,356	6,026	2,330	27,667	29,408	(1,741)	81,962
MS Park/P&T/Seasonal Décor	1,902	1,673	229	14,815	17,889	(3,074)	110,310
Total Facilities Expense	33,215	41,569	(8,354)	188,596	227,235	(38,639)	640,947
Insurance (non-EE) & Taxes	13,434	7,575	5,859	38,582	37,875	707	90,900
Other Expenses	5,992	3,232	2,760	18,336	9,766	8,570	23,447
Total General Expense	19,426	10,807	8,619	56,917	47,641	9,276	114,347
Total Operating Expense	444,979	439,296	5,683	2,115,895	2,150,447	(34,552)	5,230,725
Operating Income/(Loss)	177,263	(4,470)	181,733	733,685	64,223	669,462	-
Reserve Net Income/(Loss)	8,208	-	8,208	110,216	-	110,216	-
Capital Net Income/(Loss)	(402,937)	-	(402,937)	(1,942,339)	-	(1,942,339)	-
Reserve & Capital Net Income/(Loss)	(394,728)	-	(394,728)	(1,832,123)	-	(1,832,123)	-
Total Net Income/(Loss)	\$ (217,465)	\$ (4,470)	\$ (212,995)	\$ (1,098,438)	\$ 64,223	\$ (1,162,661)	\$ -

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

At May 31, 2024

	<u>5/31/2024</u>	<u>12/31/2023</u>	<u>Y/Y Change</u>
ASSETS			
OPERATING FUND			
Cash	\$ 2,511,974	\$ 1,824,454	\$ 687,520
Petty Cash	500	500	-
TOTAL OPERATING CASH	<u>2,512,474</u>	<u>1,824,954</u>	<u>687,520</u>
RESERVE FUND			
Cash	907,989	1,015,626	(107,638)
Investments (Net)	1,887,516	1,559,821	327,696
TOTAL RESERVE FUND	<u>2,795,505</u>	<u>2,575,447</u>	<u>220,058</u>
CAPITAL FUND			
Cash	2,225,088	3,000,016	(774,928)
Investments (Net)	3,979,959	4,977,784	(997,825)
TOTAL CAPITAL FUND	<u>6,205,047</u>	<u>7,977,800</u>	<u>(1,772,752)</u>
Accounts Receivable (Net)	45,176	10,872	34,305
Intercompany Receivable	186,260	254,131	(67,871)
Prepaid Expenses	113,139	95,333	17,806
Interfund Transfers	-	134,273	(134,273)
Operating Lease Right-to-Use Asset	88,105	88,105	-
OTHER CURRENT ASSETS	<u>432,681</u>	<u>582,713</u>	<u>(150,033)</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>	(377,230)	(361,412)	(15,818)
PROPERTY, PLANT AND EQUIPMENT, NET	<u>106,963</u>	<u>122,780</u>	<u>(15,818)</u>
TOTAL ASSETS	<u>\$ 12,052,669</u>	<u>\$ 13,083,695</u>	<u>\$ (1,031,025)</u>
LIABILITIES			
Accounts Payable	\$ 500,541	\$ 96,328	\$ 404,214
Intercompany Payable	17,843	224	17,619
Accrued Liabilities	186,259	355,066	(168,807)
Deferred Revenue	11,694	10,173	1,521
Prepaid Assessments	49,731	102,593	(52,862)
Interfund Transfers	-	134,273	(134,273)
Operating Lease Right-to-Use Liability	88,105	88,105	-
TOTAL CURRENT LIABILITIES	<u>854,174</u>	<u>786,761</u>	<u>67,412</u>
TOTAL LIABILITIES	<u>\$ 854,174</u>	<u>\$ 786,761</u>	<u>\$ 67,412</u>
NET ASSETS			
Reserve Equity	2,663,792	2,523,021	140,771
Capital Equity	7,820,014	8,051,193	(231,178)
Operating Equity	1,813,127	1,722,720	90,407
Current Year Profit/Loss	(1,098,438)	-	(1,098,438)
TOTAL NET ASSETS	<u>\$ 11,198,496</u>	<u>\$ 12,296,933</u>	<u>\$ (1,098,438)</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 12,052,669</u>	<u>\$ 13,083,695</u>	<u>\$ (1,031,025)</u>

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date May 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	(1,098,438)
Adjustments to reconcile Net Income (deficit)		
Depreciation		15,818
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(34,305)
Intercompany Receivable		67,871
Prepaid Expense		7,188
Prepaid Insurance		(24,994)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		404,214
Intercompany Payable		17,619
Accrued Payroll Expenses		3,830
Accrued Expenses		(172,637)
Deferred Revenue		1,521
Prepaid Assessments		(52,862)
Other Liabilities		-

NET CASH FROM OPERATING ACTIVITIES **\$ (865,175)**

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant & Equipment -

NET INCREASE (DECREASE) IN CASH **\$ (865,175)**

CASH, BEGINNING OF PERIOD \$ 12,378,201

CASH, END OF PERIOD **\$ 11,513,026**

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: **5.76**

Operating Cash at 5/31/24 \$ 2,512,474

Total 2024 operating budget expenses \$ 5,230,725

MINIMUM - Average of three months \$ 1,307,681

Amount over
minimum

\$ 1,204,793

Amount under
minimum

N/A

MAXIMUM - Average of six months \$ 2,615,363

Amount over
maximum

N/A

Amount under
maximum

\$ 102,889

DC Ranch Community Council Resale Benefit Fee Trend - May 2024

Month	2022 Actual	2023 Actual	In Process	2024 Actual	2024 Budget	Budget Variance	Change from Prior Year
January	\$ 165,815	\$ 80,113	\$ -	\$ 225,406	\$ 77,987	\$ 147,419	\$ 145,293
February	397,845	253,134	-	181,623	174,409	7,214	(71,511)
March	311,878	135,311	-	250,528	146,338	104,190	115,216
April	357,798	174,973	-	354,636	152,412	202,224	179,663
May	201,745	372,637		303,452	116,686	186,766	(69,185)
June	546,370	429,010	431,871	-	208,735	-	-
July	170,030	162,622	119,648	-	154,251	-	-
August	197,500	122,175	18,225	-	94,326	-	-
September	80,700	118,794	85,000	-	88,362	-	-
October	75,744	205,100	-	-	101,806	-	-
November	184,613	220,614	-	-	93,780	-	-
December	132,175	242,100	4,125	-	90,908	-	-
Annual Total	\$ 2,822,213	\$ 2,516,582	\$ 658,869	\$ 1,315,644	\$ 1,500,000	\$ 647,812	\$ 299,476

Property Sale Breakdown				
Location	May	YTD	Average Price	YTD Average
PU 1 - House	5	21	\$ 1,717,180	\$ 1,354,900
PU 2 - House	8	24	\$ 1,528,688	\$ 1,491,902
PU 4 - House	3	11	\$ 3,100,000	\$ 2,845,000
Silverleaf - House	4	31	\$ 6,618,750	\$ 4,628,226
PU 4 - Land	0	1	\$ -	\$ 1,000,000
Silverleaf - Land	1	4	\$ 4,100,000	\$ 5,775,000
Commercial	0	0	\$ -	\$ -
Total/Average	21	92	\$ 2,890,019	\$ 2,860,093

