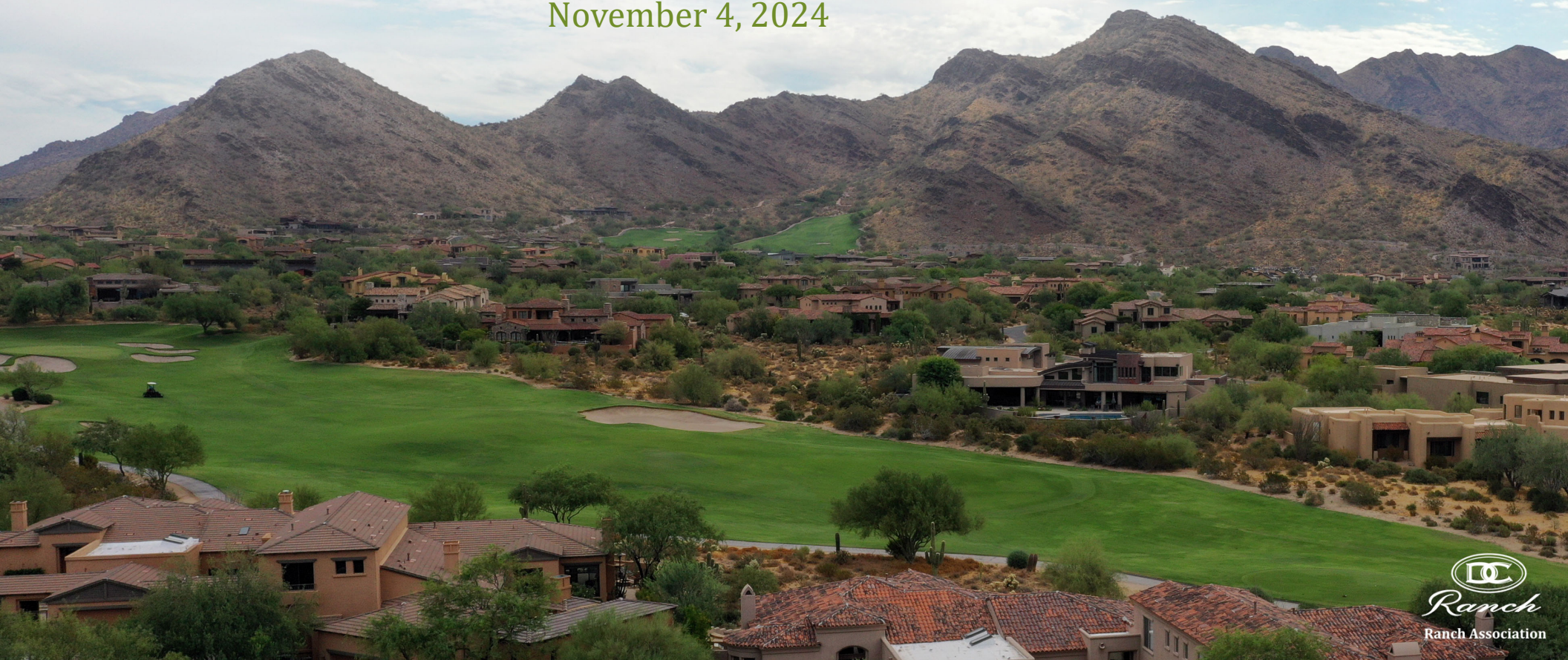


DC Ranch Association Board of Directors Meeting

November 4, 2024



Mission Statements

- **Ranch Association:** Emphasizing customer care and sustained property values. Protects fiscal and environmental assets. Provides professional financial, landscape, and maintenance staff. Manages security services.
- **Community Council:** Visioning and facilitating initiatives that enhance residents' quality of life and serve collective interests. Provides recreational, educational, cultural, and volunteer opportunities. Promotes the DC Ranch brand and manages communication programs.
- **Covenant Commission:** Establishes and maintains standards for architectural and landscape design while working with property owners, builders, and architects to preserve harmony with our desert environment.

Mission Statements

	Ranch Association	Community Council	Covenant Commission
Mission	Professionally manage community assets to sustain property values and quality of life.	Facilitate a connected and welcoming community, enhance quality of life, promote engagement.	Ensure quality design within DC Ranch.
Major Operational Areas	Community Standards Modifications Landscape & Maintenance Community Patrol/Gates NVMs & Elections	Communications & Brand Community Centers Events, Programs, Clubs Public Affairs Paths & Trails Market Street Park	Design Review – Residential and Commercial
Board	7-members, elected by NVMs	7-members, self-appointed	5-members, self-appointed
Primary Funding Source(s)	Assessments	Assessments Benefit Fees Program Fees	Design Review Fees

Principles of Civil Dialogue

Respect and diversity of thought are valued at DC Ranch. Civil dialogue should be used when addressing the Board, another resident, or a DC Ranch staff member.



Meeting Agenda

- Call to Order
- Roll Call | Establish Quorum | Adopt Agenda
- President's Comments
- Consent Agenda
 - Approval of Oct. 7, 2024 Regular Meeting Minutes
- Executive Director's Report
 - Financial Report
- Old Business
 - Consider Approval of Policy 101 Amendments
 - Consider Extension to Contract with Anderson Security
- New Business
- Committee Reports
 - Budget and Finance
 - Modification Committee
 - Policy Committee
 - Sustainability Committee
 - Community Patrol and Gate Access
- Member Open Forum
- Announcements
- Adjournment

Roll Call

- Don Matheson – President
- Iryna Sukhovolets – Vice President
- Marla Walberg – Secretary
- Dave Underwood – Treasurer
- Karen Gallivan - Director
- Phil Geiger – Director
- David Young – Director



President Comments | NVM Spotlight

Donna Doglione | Silverleaf Upper Canyon 6.03/6.02 NVM



Donna's been a dedicated realtor in Scottsdale for 27 years. A local since 1972, she knows the area inside and out. When she's not busy helping clients, you might spot her on the pickleball court – she's a six-day-a-week player! She also enjoys a good game of Canasta or Mahjong. Donna is committed to representing her neighbors, keeping them updated, and valuing their feedback to maintain a thriving HOA.

President Comments | NVM Spotlight



Kat Thatcher | Canyon Villas T1 & T4 NVM

Kat is a multifaceted community leader. As the vice chair of the Women's Club, she contributes to local initiatives.

She's also a skilled organizer, planning neighborhood events like the popular Cookie Stroll in Silverleaf.

Her insights on arts and travel are shared monthly in Ranch News.

Beyond her community work, Kat is a successful art and antique consultant and sought-after speaker.

She's passionate about animal welfare, caring for four rescue dogs, and is a creative entrepreneur with her own jewelry line.

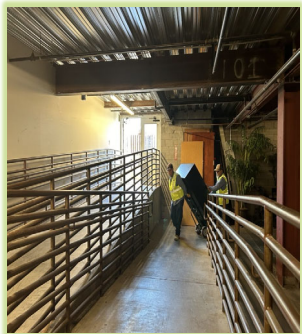
Driven by a strong belief in community, Kat became an NVM to foster a stronger, safer neighborhood.

Consent Agenda

- Consider Approval of October 7, 2024 Regular Meeting Minutes

Executive Director's Report

- *Office Move.* The Ranch Association, Covenant Commission, and Community Council Team members worked together collaboratively to complete the move from the Ranch Offices on Market Street and the satellite landscape and maintenance office to a shared space at Canyon Village. This centrally located office allows more team members to be in a larger space at a reasonable lease rate.



Executive Director's Report

- *Welcome New Team Members*
 - Aiden Simkins has joined the Community Standards team. Aiden will conduct routine inspections of neighborhoods as well as scheduled visits to ensure conformance with the DC Ranch CC&Rs, Community Standards, and Design Guidelines. Aiden has experience in property management as well as a background in IT and computer programming.
 - Jay Hinnant will join the DC Ranch Internal Services Team as IT Manager. Jay will oversee IT daily operations and advance IT initiatives, projects and innovations. He brings significant experience, having worked as Senior Network Administrator for Arizona Materials, Senior Director of Information Systems for St. Mary's Food Bank, and most recently designing, developing and managing a new data center in Goodyear, AZ.

Executive Director's Report

- *NVM Elections.* NVM interest forms were due Nov. 1. Next steps include:
 - Nov. 18 – NVM ballots will be emailed to all residents
 - Dec. 6 – Ballots due by 5 p.m.
 - Dec. 16 – 2025 NVMs announced this week
 - Jan. 1 – New NVM one-year terms begin
- *Community Safety Forum.* The forum was held Oct. 23 with presentations from the City of Scottsdale's Fire and Public Safety personnel and Social Services, and updates from the DC Ranch team.
- *Market Street Villas Paint Project.* Phase I of the paint project is underway.
- *Frank Civil Study Evaluation.* The subcommittee met to begin a multi-stage review of the road study, with a follow up meeting scheduled for the week of Nov. 4.

Executive Director's Report - Landscape

- Sun Country completed the excavation and cleanout of the wash that runs through the Desert Camp Country Club, removing a significant amount of material from beneath the bridges.
- Firewise is continuing their work in Desert Haciendas.



Executive Director's Report - Landscape

- Replacement Elm trees were delivered and installed in Arcadia.
- Ryegrass germination and grow-in is complete and the grass is healthy. Mowing resumes November 5.



Executive Director's Report - Landscape

- Irrigation tune-up and preparation of the wildflower plots is underway. Sowing of the seed mix begins the first week of November.
- The Landscape Team welcomes Tomas Ponce, who previously worked with Enchanted Garden Landscape. The irrigation team is now operating at full capacity with a new technician, and two existing members of the landscaping team are being trained to develop their skills as irrigation technicians.



Executive Director's Report - Landscape

- DC Ranch Landscape and Maintenance teams participated in Scottsdale's citywide cleanup in recognition of National Make a Difference Day, proudly representing DC Ranch. They collected over 25 large bags of trash and litter along Thompson Peak Parkway, from Pima to Legacy Boulevard.



Executive Director's Report - Maintenance

- The maintenance team performed routine light inspections and repairs at North Country Club, PU1, and PU2. They also checked and maintained the lighting along paths and trails throughout DC Ranch.
- The maintenance team completed safety and aesthetic improvements in Country Club with a new directional sign and repaired railing.



Executive Director's Report - Maintenance

- The team performed water feature maintenance throughout the Windgate community, including repairs to the Jacaranda fountain.



Executive Director's Report - Maintenance

- The team replaced the light post on Legacy Street, disposed of the old post, repaired electrical fixtures, and cleaned up a cement spill in Arcadia.



3rd Quarter 2024 Financial Report



Statement of Revenue and Expense for the period ending September 30, 2024

	September 2024			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue						
Assessment	\$ 878,650	\$ 878,626	\$ 24	\$ 7,938,357	\$ 7,907,634	\$ 30,723
Non-Assessment	47,215	57,306	(10,091)	469,918	541,459	(71,541)
Total Revenue	925,865	935,932	(10,067)	8,408,276	8,449,093	(40,817)
Expenses						
Operating Expenses	722,398	807,296	(84,898)	6,481,663	6,698,381	(216,718)
Reserve/Capital Funding	180,211	180,211	-	1,646,899	1,646,899	-
Total Expense	902,609	987,507	(84,898)	8,128,562	8,345,280	(216,718)
Operating Income/(Loss)	\$ 23,256	\$ (51,575)	\$ 74,831	\$ 279,713	\$ 103,813	\$ 175,900
Reserve Income/(Loss)	138,229	(195,351)	333,580	1,264,067	142,908	1,121,159
Capital Income/(Loss)	(2,856)	(2,857)	1	(706)	(713)	7
Total Net Income/(Loss)	\$ 158,629	\$ (249,783)	\$ 408,412	\$ 1,543,074	\$ 246,008	\$ 1,297,066

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Mgmt fee (\$104k)
Interest \$25k
Other \$7k



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Mgmt fee (\$302k)
EE costs \$448k
Other \$71k



Balance Sheet at September 30, 2024

Assets			
	<u>9/30/2024</u>	<u>12/31/2023</u>	<u>Y/Y Change</u>
Operating Cash	\$ 1,925,182	\$ 1,602,148	\$ 323,034
Reserve Funds	12,996,284	11,711,519	1,284,765
Capital Funds	90,668	65,668	25,000
Accounts Receivable, Net	74,560	99,735	(25,175)
Intercompany Receivables	-	237	(237)
Prepaid Expenses	92,463	103,802	(11,339)
Interfund Transfers	0	112,498	(112,498)
Operating Lease RTU Asset	208,791	208,791	0
Other	2,206	43,571	(41,365)
Total Current Assets	<u>378,020</u>	<u>568,634</u>	<u>(190,613)</u>
Fixed Assets			
Property & Equipment	360,678	360,678	-
Depreciation	(343,952)	(318,245)	(25,706)
	16,727	42,433	(25,706)
Total Assets	<u>\$ 15,406,881</u>	<u>\$ 13,990,402</u>	<u>\$ 1,416,480</u>

Liabilities/Equity			
	<u>9/30/2024</u>	<u>12/31/2023</u>	<u>Y/Y Change</u>
Liabilities			
Current Liabilities			
Accounts Payable	\$ 390,264	\$ 437,543	\$ (47,278)
Intercompany Payable	218,403	225,360	(6,957)
Accrued Expenses	144,147	160,781	(16,634)
Prepaid Assessments	323,359	274,964	48,395
Deferred Revenue	-	-	-
Interfund Transfers	-	112,498	(112,498)
Operating Lease RTU Asset	208,791	208,791	-
Other Current Liabilities	44,438	36,060	8,378
	<u>1,329,402</u>	<u>1,455,997</u>	<u>(126,595)</u>
Long-Term Liabilities			
Other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Equity			
Operating Equity	737,860	737,860	-
Reserve Equity	11,688,444	11,688,444	-
Capital Equity	108,101	108,101	-
CY Net Income/(Loss)	1,543,074	-	1,543,074
	<u>14,077,479</u>	<u>12,534,405</u>	<u>1,543,074</u>
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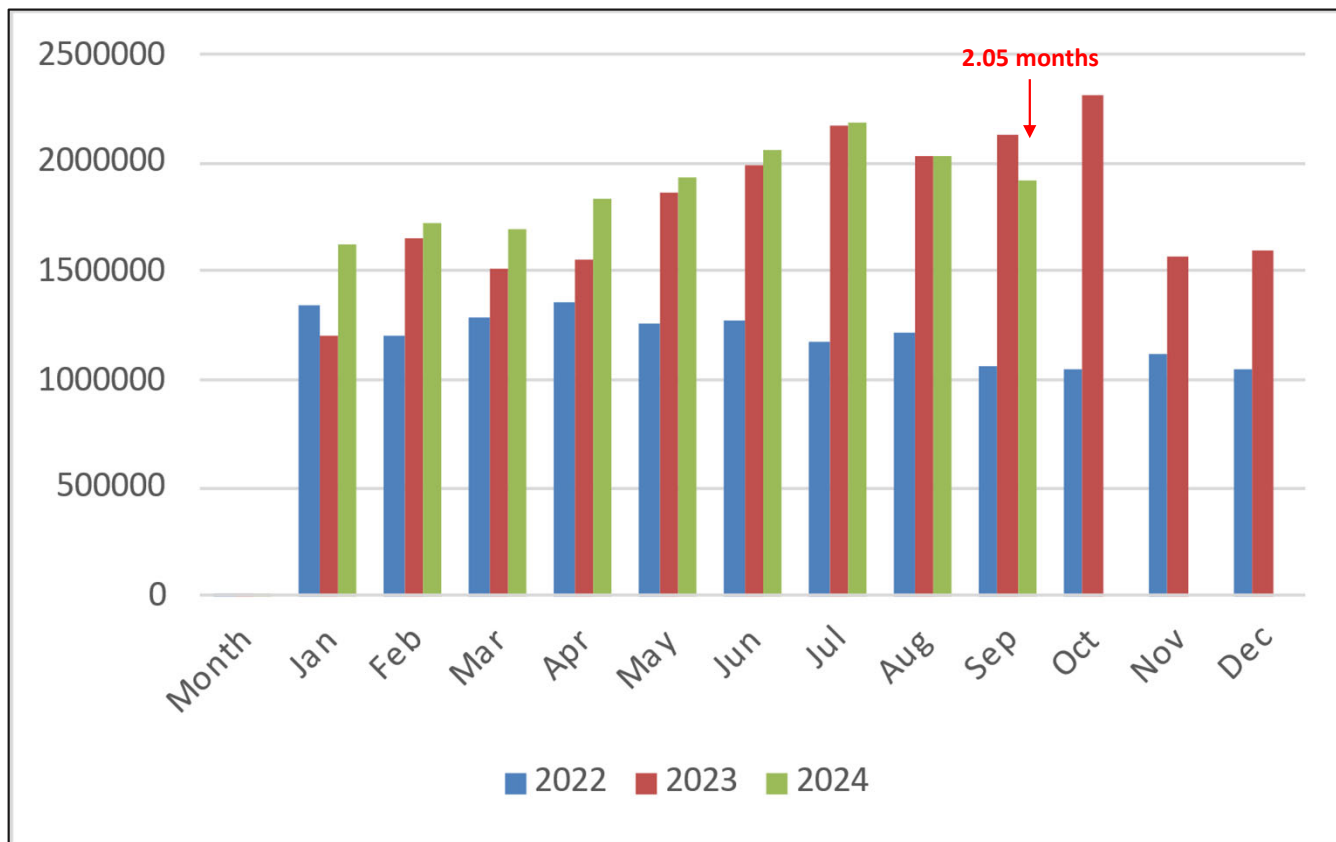
Statement of Cash Flows for the period ending September 30, 2024

	<u>Current Month</u> Month Ended September 2024	<u>Year-to-Date</u> Year Ended September 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (deficit) for period	\$ 158,629	\$ 1,543,074
Adjustments to reconcile net income (deficit)		
Depreciation	2,856	25,706
<i>(Increase)/Decrease in:</i>		
Accounts receivable	26,093	25,175
Intercompany receivables	-	237
Prepaid expenses	26,720	11,339
<i>Increase/(Decrease) in:</i>		
Accounts payable	(34,302)	(47,278)
Accrued expenses	12,087	(16,634)
Prepaid assessments	(50,243)	48,395
Intercompany payables	(129,818)	(6,957)
Other liabilities	(14,707)	49,743
NET CASH FROM OPERATING ACTIVITIES	(2,684)	1,632,799
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property, Plant & Equipment	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments of long-term debt	-	-
NET CASH FROM FINANCING ACTIVITIES	-	-
NET INCREASE (DECREASE) IN CASH	(2,684)	1,632,799
CASH, BEGINNING OF PERIOD	15,014,819	13,379,335
CASH, END OF PERIOD	\$ 15,012,134	\$ 15,012,134

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CASH, END OF PERIOD	\$ 15,012,134	\$ 15,012,134

Operating Cash Balances by Month



3rd Quarter 2024 Financial Report

Questions?



Old Business

- Consider Approval of Amendments to Policy 101
 - Highlights of major changes:
 - Change in composition (previously approved by Board)
 - Requires review of policies on an as needed basis
 - Terms moved from one year to two-year, staggered for continuity
 - Policy 102 requires: *When the Policy Committee recommends a new policy or a change to a policy and prior to the Board of Directors formal vote, community members shall be provided with a 30-day comment period, where they are afforded an opportunity to provide input and comment on the proposed policy. The proposed policy or policies will be posted on DCRanch.com and notice regarding the posting will reflect in the weekly This Week on the Ranch e-mail to DC Ranch residents.*
 - *Recommendation: The Board approve the proposed amendments to Policy 101.*

Old Business

- Consider Extension to Contract with Anderson Security
- *Recommendation: Approve an extension to the contract with Anderson Security to June 30, 2025 in accordance with the terms as proposed and authorize the Executive Director to execute the addendum on behalf of the Board.*
 - Current contract expires Dec. 28, 2024.
 - Extension allows for robust review of proposals received through the RFP process and provides opportunity to evaluate services for cost efficiencies
 - RFP Review Continues through February 2025
 - Transition (if applicable) Process, Service Evaluation, and Contract Negotiations March 1 to June 30, 2025
 - New Contract Effective July 1, 2025

Committee Reports

- Budget and Finance
- Modification
- Policy
- Sustainability
- Community Patrol and Gate

Member Open Forum



We want to hear from residents
(three-minute limit).

Please raise your hand to be called
upon to speak.

Announcements

- Nov. 11, 2024 – Special Board Meeting for Budget Consideration
- Dec. 2, 2024 – Next Regularly Scheduled Ranch Association Board Meeting

Adjournment