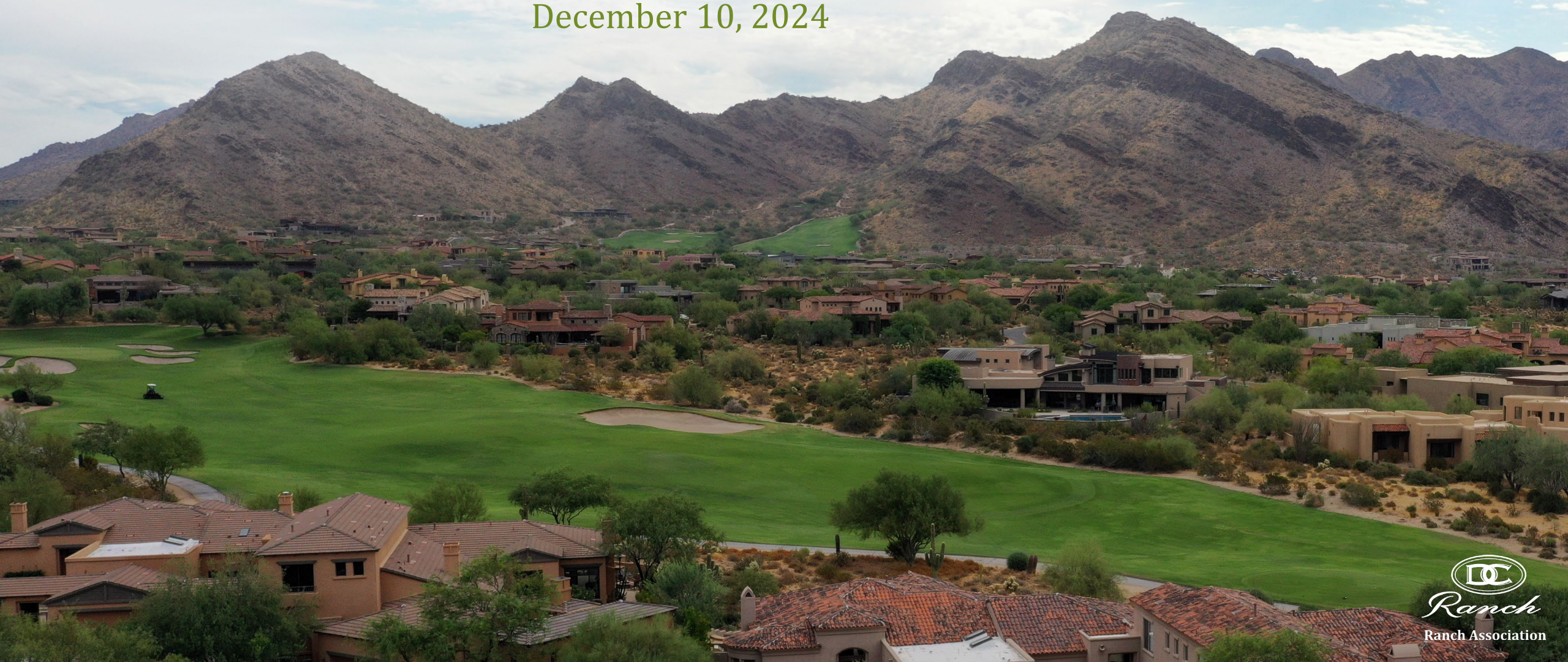


DC Ranch Association 2025 Budget Presentation

December 10, 2024



Meeting Agenda

- Call to Order
- Roll Call / Establish Quorum
- Adopt Agenda
- Discuss and Vote on Ranch Association 2025 Operating Budget
- Adjourn

Roll Call

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



DC Ranch Association Mission

The Ranch Association is responsible for the professional management and protection of the community's fiscal and environmental assets.

The Ranch Association delivers high quality and consistent operations, landscape, maintenance, and security services with an emphasis on customer care and open communication that result in sustained property values and exceptional quality of life.

DC Ranch Structure

- Every DC Ranch homeowner has three assessments:
 - Ranch Master (HOA):
 - Landscape
 - Maintenance
 - Community Patrol and Gate Access
 - Neighborhood/Sub-Association
 - Costs specific to your neighborhood
 - Community Council:
 - Community Centers
 - Paths, trails, Market Street Park
 - Programs, classes, and events
- Other AZ planned communities have similar structures.
- This meeting will cover Ranch Association assessments only.

The 2025 Budget Process

Each year, the budget process at DC Ranch incorporates direction from the Board of Directors, Finance Committee and staff; strategic plans; governing documents; core services; and community values.

This year additional components were incorporated, including:

- Nine (9) Board, Finance Committee and joint budget work sessions, not including sub-committee work done separately.
- A dedicated Budget Sub-Committee made up of members from the Ranch Finance Committee.
- A dedicated Reserve Sub-Committee made up of members from the Ranch Finance Committee to analyze reserve elements and funding levels, incorporate resident feedback and will ultimately be a key resource for future reserve planning.
- Feedback on neighborhood budgets was requested from all Neighborhood Voting Members and incorporated where possible.

Budget Adjustments

In effort to minimize an increase to Ranch Association assessments, reductions and cuts were made. Highlights include:

Funding Reduced

- CPGA Contract funding (\$300,000)
- Admin costs (office supplies, etc.) (\$24,000)
- Landscaping costs (irrigation water, equipment, turf, tools) (\$38,000)
- Maintenance expenses (equipment, lighting, parts) (\$36,000)
- Fleet costs (leases, maintenance, GPS) (\$26,000)
- Community Standards costs (printing, meeting support, professional development) (\$9,000)
- Communications and community programs (\$1,650)
- Personnel (\$108,000)
- New first aid and AED contract savings (\$10,000)

Funding Eliminated

- Firewise Maintenance (\$167,000) and Grant support (\$6,600)
- Tree trimming services (\$59,000)
- Weed spraying (\$43,750)
- Plant replacement (\$25,000)
- Capital fund contribution (\$25,000)
- Sustainability Committee funding (\$10,000)
- NVM Appreciation and support (\$7,500)
- Realtor program funding (\$3,200)
- Home & Landscape Expo (\$2,000)
- Supplemental funding for architectural design review (\$75,000)

Budget Highlights



Expense Notables

- Community Patrol and Gate Access contract is under review and will be decided in 2025. Costs allocated to this function decreased by \$300k; it is not yet known how this will affect CPGA services.
- Staff costs decreased 10% over current year budget. A comprehensive salary and benefit survey will be completed next year to guide future wage adjustments and benefit offerings. *Employee costs are less than 30% of the total budget.*
- Reserve contributions increased by 14% overall per the current repair and replacement schedule and supplemental analysis of reserve sub-committee. A third-party on-site audit will be conducted in 2025 and analysis on road replacement is underway.
- No contribution to the capital fund is budgeted in 2025.
- Management fee expense (net) increased \$364k as compared to budget Y/Y. This will be covered in more detail on the next slide.
- Administrative costs are decreasing \$20k Y/Y due in part to the elimination of funding for the Sustainability Committee.
- Community Relations and Communications is decreasing \$12k Y/Y due to the reduction or elimination of certain programs.
- Fleet costs decreased 5% for vehicle leases and fuel costs.
- Utilities are budgeted based on current usage plus an anticipated 6% rate increase from the provider.

Expenses – cont'd

- A portion of the increase in Landscape costs reflects Arcadia tree replacement, included in the operating budget of that neighborhood.
- GL/Prop insurance premiums for 2024 are forecast with an average 15% increase over 2024 actual premiums.

Revenue Notables

- Ranch Master assessments are increasing 3.6% over the current year.
- Total consolidated assessments are increasing 5.6% over the current year.
- Other revenue (fines, fees etc.) are forecasted to decrease \$12k or 2% as compared to current year budget.

Overall

- Total expense increase is 3.9% over 2024 budget.
- As the community ages, the schedule for work replacement, and with 54 miles of roads, the funding for repair, maintenance and replacement becomes a very large expense.
- Ranch Association, Community Council and Covenant Commission partner to share costs to create efficiencies and maximize cost savings through the management fee agreement. The items included result in a zero net effect to the bottom line for each entity.

DC Ranch Cost Sharing

Cost sharing between Ranch Association, Community Council and Covenant Commission has been in place for many years. It is an operational mechanism to tap into the talents of individual teams to provide cross-organizational services, avoid duplication of work, improve consistency of services and ultimately save community dollars.

- Major operational areas include Communications, Finance, Landscape & Maintenance, Administration, IT, HR, CPGA, Board Support, procurement, office space, insurance etc.
- Significant change in governance structure in 2024 resulted in major changes to the cost sharing allocations and agreement, thus shining a spotlight on it this year.
- Additional enhancements in 2024 include:
 - Team members onboarded with consistency
 - Full HR services
 - Collections coordinated
 - RFP process improvements via new procurement coordination
 - Health insurance benefits under one broker



**Cost Sharing
Amounts for
2025**

Ranch provides:

Shared staff	\$303,916
➤ Receptionist, Landscape, Maintenance and CPGA oversight	
CPGA Services	\$98,008
Landscape/Maintenance Service & Supplies	\$29,932
Office Costs	\$23,379
Leased Vehicles	\$19,074
<hr/>	
Ranch receives Reimbursement	<u>\$474,309</u>

Ranch receives:

Shared staff	(\$818,780)
➤ Executive, Finance, IT, HR, Communications, Facilities and Covenant Commission	
Leased Office Space	(\$111,378)
Information Tech Costs	
Office Equip/Supplies	(\$75,057)
Joint Activities	(\$15,874)
<hr/>	
Ranch pays reimbursement	<u>(\$1,021,089)</u>

Net payment – (\$546,780)

DC Ranch Association Consolidated Operating Budget



2025 Consolidated Operating Budget				
2888 Units				
	2025	2024	\$ Variance	% Variance
ASSESSMENT	\$ 11,132,941	\$ 10,543,508	\$ 589,433	5.59%
TOTAL REVENUE	11,720,635	11,282,037	438,598	3.89%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	\$ 2,875,006	\$ 2,782,803	\$ 92,203	3.31%
<i>LANDSCAPE</i>	2,254,810	2,212,446	42,364	1.91%
<i>FACILITIES</i>	973,287	986,390	(13,103)	-1.33%
<i>ADMINISTRATION/HR</i>	1,217,737	905,100	312,637	34.54%
<i>UTILITIES</i>	683,585	635,227	48,358	7.61%
<i>COMMUNITY STANDARDS</i>	623,723	850,247	(226,524)	-26.64%
<i>FLEET</i>	255,818	268,220	(12,402)	-4.62%
<i>TAXES/INSURANCE</i>	233,390	217,001	16,389	7.55%
<i>INFORMATION TECHNOLOGY/MIS</i>	132,407	214,946	(82,539)	-38.40%
<i>COMM REL/COMMUNICATIONS</i>	10,500	22,125	(11,625)	-52.54%
TOTAL OPERATING EXPENSES	\$ 9,260,263	\$ 9,094,505	\$ 165,758	1.82%
<i>RESERVE CONTRIBUTION</i>	2,460,372	2,162,532	297,840	13.77%
<i>CAPITAL CONTRIBUTION</i>	-	25,000	(25,000)	-100.00%
TOTAL EXPENSES	\$ 11,720,635	\$ 11,282,037	\$ 438,598	3.89%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	



The Sixteen (16) Neighborhoods & Ranch Master Association in Detail*

*Requested budget adjustments were incorporated where possible.

Ranch Master Operating Budget



Ranch Master Association				
2888 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 141.65	\$ 136.70	\$ 4.95	3.6%
REVENUE	5,451,333	5,429,343	21,990	0.4%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	1,225,046	1,191,270	33,776	2.8%
<i>LANDSCAPE</i>	1,015,353	1,066,932	(51,579)	-5.1%
<i>FACILITIES</i>	536,640	562,494	(25,854)	-4.8%
<i>ADMINISTRATION/HR</i>	1,217,737	895,100	322,637	26.5%
<i>UTILITIES</i>	93,031	83,564	9,467	10.2%
<i>COMMUNITY STANDARDS</i>	623,723	850,247	(226,524)	-36.3%
<i>FLEET</i>	255,818	268,220	(12,402)	-4.8%
<i>TAXES/INSURANCE</i>	123,110	110,165	12,945	10.5%
<i>INFORMATION TECHNOLOGY/MIS</i>	90,455	128,962	(38,507)	-42.6%
<i>COMM REL/COMMUNICATIONS</i>	10,500	22,125	(11,625)	-110.7%
TOTAL OPERATING EXPENSES	5,191,413	5,179,079	12,334	0.2%
<i>RESERVE CONTRIBUTION</i>	259,920	225,264	34,656	13.3%
<i>CAPITAL CONTRIBUTION</i>	-	25,000	(25,000)	
TOTAL EXPENSES	5,451,333	5,429,343	21,990	0.4%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH MASTER ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
2025 Ranch Master Assessment	\$ 141.65	\$ 136.70	\$ 4.95	increase

Desert Haciendas Operating Budget



1.11 Desert Haciendas				
87 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 196.90	\$ 176.20	\$ 20.70	11.7%
REVENUE	\$ 205,541	\$ 183,948	\$ 21,593	11.7%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,537	9,745	792	8.1%
<i>LANDSCAPE</i>	48,745	55,151	(6,406)	-11.6%
<i>FACILITIES</i>	14,968	14,776	192	1.3%
<i>UTILITIES</i>	25,271	22,224	3,047	13.7%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,752	(2,132)	-56.8%
TOTAL OPERATING EXPENSES	101,141	105,648	(4,507)	-4.3%
<i>RESERVE CONTRIBUTION</i>	104,400	78,300	26,100	33.3%
TOTAL EXPENSES	\$ 205,541	\$ 183,948	\$ 21,593	11.7%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		2024 Amount	Change Y/Y	
Neighborhood Assessment	\$ 196.90	\$ 176.20	\$ 20.70	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 338.55	\$ 312.90	\$ 25.65	increase

Terrace Homes West Operating Budget



1.13 Terrace Homes West				
	74 Units			
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 158.35	\$ 149.25	\$ 9.10	6.1%
REVENUE	\$ 140,630	\$ 132,530	\$ 8,100	6.1%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,537	9,745	792	8.1%
<i>LANDSCAPE</i>	37,715	39,130	(1,415)	-3.6%
<i>FACILITIES</i>	15,170	14,456	714	4.9%
<i>UTILITIES</i>	13,428	12,551	877	7.0%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,812	(2,192)	-57.5%
TOTAL OPERATING EXPENSES	78,470	79,694	(1,224)	-1.5%
<i>RESERVE CONTRIBUTION</i>	62,160	52,836	9,324	17.6%
TOTAL EXPENSES	\$ 140,630	\$ 132,530	\$ 8,100	6.1%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 158.35	\$ 149.25	\$ 9.10	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 300.00	\$ 285.95	\$ 14.05	increase

Park & Manor Operating Budget



1.17 Park & Manor				
165 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 138.60	\$ 116.85	\$ 21.75	18.6%
REVENUE	\$ 274,464	\$ 231,364	\$ 43,100	18.6%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,562	9,745	817	8.4%
<i>LANDSCAPE</i>	81,785	62,721	19,064	30.4%
<i>FACILITIES</i>	23,695	25,503	(1,808)	-7.1%
<i>UTILITIES</i>	28,042	24,643	3,399	13.8%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,680	3,812	(2,132)	-55.9%
TOTAL OPERATING EXPENSES	145,764	126,424	19,340	15.3%
<i>RESERVE CONTRIBUTION</i>	128,700	104,940	23,760	22.6%
TOTAL EXPENSES	\$ 274,464	\$ 231,364	\$ 43,100	18.6%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 138.60	\$ 116.85	\$ 21.75	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 280.25	\$ 253.55	\$ 26.70	increase

Country Club Operating Budget



Country Club				
568 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 184.20	\$ 180.00	\$ 4.20	2.3%
REVENUE	\$ 1,274,079	\$ 1,245,440	\$ 28,639	2.3%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	554,141	579,528	(25,387)	-4.4%
<i>LANDSCAPE</i>	181,583	179,621	1,962	1.1%
<i>FACILITIES</i>	68,341	64,488	3,853	6.0%
<i>UTILITIES</i>	84,598	83,187	1,411	1.7%
<i>INFORMATION TECHNOLOGY/MIS</i>	9,036	15,204	(6,168)	-40.6%
<i>INSURANCE</i>	1,500	1,356	144	10.6%
TOTAL OPERATING EXPENSES	899,199	923,384	(24,185)	-2.6%
<i>RESERVE CONTRIBUTION</i>	374,880	322,056	52,824	16.4%
TOTAL EXPENSES	\$ 1,274,079	\$ 1,245,440	\$ 28,639	2.3%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 184.20	\$ 180.00	\$ 4.20	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 325.85	\$ 316.70	\$ 9.15	increase

The Estates Operating Budget



1.18 The Estates				
111 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 111.60	\$ 98.50	\$ 13.10	13.3%
REVENUE	\$ 148,683	\$ 131,220	\$ 17,463	13.3%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,537	9,745	792	8.1%
<i>LANDSCAPE</i>	34,338	40,494	(6,156)	-15.2%
<i>FACILITIES</i>	20,988	20,640	348	1.7%
<i>UTILITIES</i>	14,600	13,941	659	4.7%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,776	(2,156)	-57.1%
TOTAL OPERATING EXPENSES	82,083	88,596	(6,513)	-7.4%
<i>RESERVE CONTRIBUTION</i>	66,600	42,624	23,976	56.3%
TOTAL EXPENSES	\$ 148,683	\$ 131,220	\$ 17,463	13.3%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 111.60	\$ 98.50	\$ 13.10	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 253.25	\$ 235.20	\$ 18.05	increase

Terrace Homes East Operating Budget



1.14 Terrace Homes East				
77 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 159.30	\$ 148.20	\$ 11.10	7.5%
REVENUE	\$ 147,188	\$ 136,920	\$ 10,268	7.5%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,537	9,745	792	8.1%
<i>LANDSCAPE</i>	38,445	40,937	(2,492)	-6.1%
<i>FACILITIES</i>	18,998	17,571	1,427	8.1%
<i>UTILITIES</i>	17,528	17,767	(239)	-1.3%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,776	(2,156)	-57.1%
TOTAL OPERATING EXPENSES	87,128	89,796	(2,668)	-3.0%
<i>RESERVE CONTRIBUTION</i>	60,060	47,124	12,936	27.5%
TOTAL EXPENSES	\$ 147,188	\$ 136,920	\$ 10,268	7.5%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 159.30	\$ 148.20	\$ 11.10	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 300.95	\$ 284.90	\$ 16.05	increase

Rosewood Operating Budget



2.15 Rosewood				
34 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 176.45	\$ 167.85	\$ 8.60	5.1%
REVENUE	\$ 71,984	\$ 68,488	\$ 3,496	5.1%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,507	9,745	762	7.8%
<i>LANDSCAPE</i>	16,730	15,057	1,673	11.1%
<i>FACILITIES</i>	5,081	4,891	190	3.9%
<i>UTILITIES</i>	6,222	5,235	987	18.9%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,776	(2,156)	-57.1%
TOTAL OPERATING EXPENSES	40,160	38,704	1,456	3.8%
<i>RESERVE CONTRIBUTION</i>	31,824	29,784	2,040	6.8%
TOTAL EXPENSES	\$ 71,984	\$ 68,488	\$ 3,496	5.1%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 176.45	\$ 167.85	\$ 8.60	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 318.10	\$ 304.55	\$ 13.55	increase

Camelot Operating Budget



2.13-2.14 Camelot				
166 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 133.10	\$ 124.00	\$ 9.10	7.3%
REVENUE	\$ 265,124	\$ 247,043	\$ 18,081	7.3%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	30,539	29,179	1,360	4.7%
<i>LANDSCAPE</i>	65,642	60,958	4,684	7.7%
<i>FACILITIES</i>	12,543	12,121	422	3.5%
<i>UTILITIES</i>	41,980	33,269	8,711	26.2%
<i>INFORMATION TECHNOLOGY/MIS</i>	4,860	11,916	(7,056)	-59.2%
TOTAL OPERATING EXPENSES	155,564	147,443	8,121	5.5%
<i>RESERVE CONTRIBUTION</i>	109,560	99,600	9,960	10.0%
TOTAL EXPENSES	\$ 265,124	\$ 247,043	\$ 18,081	7.3%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 133.10	\$ 124.00	\$ 9.10	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 274.75	\$ 260.70	\$ 14.05	increase

Haciendas Operating Budget



2.17 Haciendas				
89 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 138.15	\$ 124.85	\$ 13.30	10.7%
REVENUE	\$ 147,546	\$ 133,358	\$ 14,188	10.6%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,537	9,745	792	8.1%
<i>LANDSCAPE</i>	39,154	42,825	(3,671)	-8.6%
<i>FACILITIES</i>	10,392	11,383	(991)	-8.7%
<i>UTILITIES</i>	21,763	28,273	(6,510)	-23.0%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,752	(2,132)	-56.8%
TOTAL OPERATING EXPENSES	83,466	95,978	(12,512)	-13.0%
<i>RESERVE CONTRIBUTION</i>	64,080	37,380	26,700	71.4%
TOTAL EXPENSES	\$ 147,546	\$ 133,358	\$ 14,188	10.6%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 138.15	\$ 124.85	\$ 13.30	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 279.80	\$ 261.55	\$ 18.25	increase

Market Street Villas Operating Budget



2.3 Market Street Villas				
90 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 549.15	\$ 525.95	\$ 23.20	4.4%
REVENUE	\$ 593,069	\$ 568,050	\$ 25,019	4.4%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,537	9,745	792	8.1%
<i>LANDSCAPE</i>	116,264	111,507	4,757	4.3%
<i>FACILITIES</i>	24,280	18,407	5,873	31.9%
<i>UTILITIES</i>	39,568	35,623	3,945	11.1%
<i>INSURANCE</i>	105,960	103,224	2,736	2.7%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,776	(2,156)	-57.1%
TOTAL OPERATING EXPENSES	298,229	282,282	15,947	5.6%
<i>RESERVE CONTRIBUTION</i>	294,840	285,768	9,072	3.2%
TOTAL EXPENSES	\$ 593,069	\$ 568,050	\$ 25,019	4.4%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 549.15	\$ 525.95	\$ 23.20	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 690.80	\$ 662.65	\$ 28.15	increase

Montelana Operating Budget



2.10 Montelana				
46 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 184.65	\$ 167.00	\$ 17.65	10.6%
REVENUE	\$ 101,924	\$ 92,190	\$ 9,734	10.6%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	10,507	9,745	762	7.8%
<i>LANDSCAPE</i>	37,052	34,405	2,647	7.7%
<i>FACILITIES</i>	6,783	6,816	(33)	-0.5%
<i>UTILITIES</i>	13,394	10,124	3,270	32.3%
<i>INFORMATION TECHNOLOGY/MIS</i>	1,620	3,776	(2,156)	-57.1%
TOTAL OPERATING EXPENSES	69,356	64,866	4,490	6.9%
<i>RESERVE CONTRIBUTION</i>	32,568	27,324	5,244	19.2%
TOTAL EXPENSES	\$ 101,924	\$ 92,190	\$ 9,734	10.6%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 184.65	\$ 167.00	\$ 17.65	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 326.30	\$ 303.70	\$ 22.60	increase

Windgate Operating Budget



Silverleaf - Windgate				
382 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 273.20	\$ 276.50	\$ (3.30)	-1.2%
REVENUE	\$ 1,261,564	\$ 1,276,806	\$ (15,242)	-1.2%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	344,158	369,927	(25,769)	-7.0%
<i>LANDSCAPE</i>	237,384	235,734	1,650	0.7%
<i>FACILITIES</i>	102,928	104,800	(1,872)	-1.8%
<i>ADMINISTRATION</i>	-	10,000	(10,000)	100.0%
<i>UTILITIES</i>	159,278	154,189	5,089	3.3%
<i>INSURANCE</i>	900	720	180	25.0%
<i>INFORMATION TECHNOLOGY/MIS</i>	4,356	7,212	(2,856)	-39.6%
TOTAL OPERATING EXPENSES	<u>849,004</u>	<u>882,582</u>	<u>(33,578)</u>	<u>-3.8%</u>
<i>RESERVE CONTRIBUTION</i>	412,560	394,224	18,336	4.7%
TOTAL EXPENSES	<u>\$ 1,261,564</u>	<u>\$ 1,276,806</u>	<u>\$ (15,242)</u>	<u>-1.2%</u>
NET REVENUE (LOSS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
<u>2025 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 273.20	\$ 276.50	\$ (3.30) <i>decrease</i>	
Ranch Master Association Assessment	141.65	136.70	4.95 <i>increase</i>	
2025 Total Ranch Assessment/Mo.	\$ 414.85	\$ 413.20	\$ 1.65 <i>increase</i>	

Arcadia Operating Budget



Silverleaf - Arcadia				
123 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 505.65	\$ 421.40	\$ 84.25	20.0%
REVENUE	\$ 755,556	\$ 631,209	\$ 124,347	19.7%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	282,166	237,303	44,863	18.9%
<i>LANDSCAPE</i>	176,101	101,802	74,299	73.0%
<i>FACILITIES</i>	32,202	32,246	(44)	-0.1%
<i>UTILITIES</i>	49,207	46,146	3,061	6.6%
<i>INFORMATION TECHNOLOGY/MIS</i>	5,328	10,732	(5,404)	-50.4%
<i>INSURANCE</i>	960	768	192	25.0%
TOTAL OPERATING EXPENSES	545,964	428,997	116,967	27.3%
<i>RESERVE CONTRIBUTION</i>	209,592	202,212	7,380	3.6%
TOTAL EXPENSES	\$ 755,556	\$ 631,209	\$ 124,347	19.7%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
<u>2025 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 505.65	\$ 421.40	\$ 84.25	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 647.30	\$ 558.10	\$ 89.20	increase

Horseshoe Operating Budget



Silverleaf - Horseshoe				
300 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 208.90	\$ 184.10	\$ 24.80	13.5%
REVENUE	\$ 761,169	\$ 671,945	\$ 89,224	13.3%
EXPENSES				
<i>COMM PATROL & GATE ACCESS</i>	344,158	287,891	56,267	19.5%
<i>LANDSCAPE</i>	89,289	84,581	4,708	5.6%
<i>FACILITIES</i>	68,196	63,313	4,883	7.7%
<i>UTILITIES</i>	56,834	55,680	1,154	2.1%
<i>INFORMATION TECHNOLOGY/MIS</i>	3,732	6,912	(3,180)	-46.0%
<i>INSURANCE</i>	960	768	192	25.0%
TOTAL OPERATING EXPENSES	563,169	499,145	64,024	12.8%
<i>RESERVE CONTRIBUTION</i>	198,000	172,800	25,200	14.6%
TOTAL EXPENSES	\$ 761,169	\$ 671,945	\$ 89,224	13.3%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
<u>2025 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 208.90	\$ 184.10	\$ 24.80	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 350.55	\$ 320.80	\$ 29.75	increase

Sterling Villas Operating Budget



Sterling Villas 1-16				
	16 Units			
	2025	2024	Variance	Percent Variance
ASSESSMENT	\$ 219.00	\$ 183.00	\$ 36.00	19.7%
REVENUE	\$ 42,052	\$ 35,135	\$ 6,917	19.7%
LESS: EQUITY ADJUSTMENT	-	-	-	0.0%
TOTAL REVENUE	\$ 42,052	\$ 35,135	\$ 6,917	19.7%
EXPENSES				
LANDSCAPE	13,636	16,366	(2,730)	-16.7%
FACILITIES	7,176	7,152	24	0.3%
UTILITIES	4,536	4,657	(121)	-2.6%
INFORMATION TECHNOLOGY/MIS	-	-	-	0%
TOTAL OPERATING EXPENSES	25,348	28,175	(2,827)	-10.0%
RESERVE CONTRIBUTION	16,704	6,960	9,744	140.0%
TOTAL EXPENSES	\$ 42,052	\$ 35,135	\$ 6,917	19.7%
NET REVENUE (LOSS)	\$ -	\$ -	\$ -	0.0%
2025 RANCH ASSOCIATION ASSESSMENT/MO.		2024 Amount	Change Y/Y	
Sterling Villas Neighborhood Assessment	\$ 219.00	\$ 183.00	\$ 36.00	increase
Horseshoe Neighborhood Assessment	208.90	184.10	24.80	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 569.55	\$ 503.80	\$ 65.75	increase

Pioneer Operating Budget

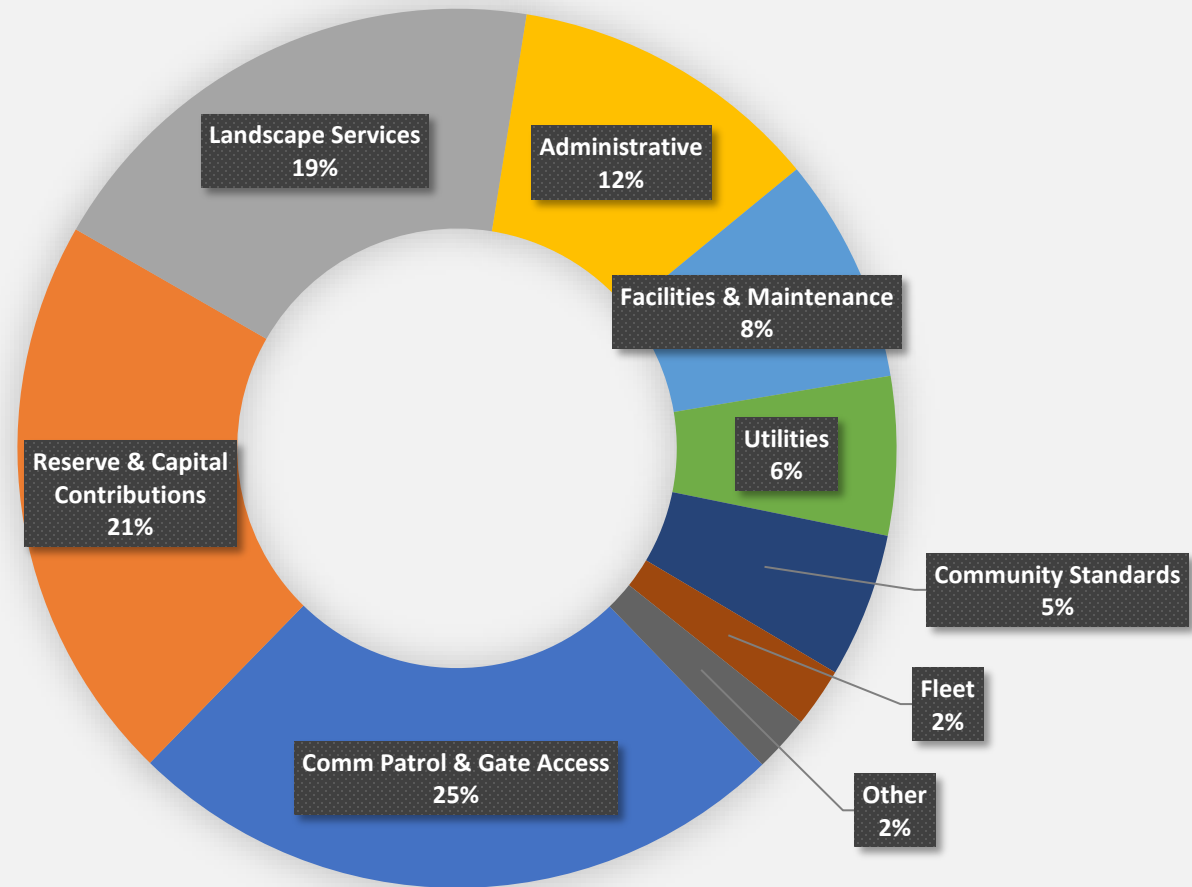


Pioneer				
49 Units				
	<u>2025</u>	<u>2024</u>	<u>Variance</u>	<u>Percent Variance</u>
ASSESSMENT	\$ 119.20	\$ 99.35	\$ 19.85	20.0%
REVENUE	\$ 70,089	\$ 58,408	\$ 11,681	20.0%
EXPENSES				
<i>LANDSCAPE</i>	25,594	24,225	1,369	5.7%
<i>FACILITIES</i>	4,906	5,333	(427)	-8.0%
<i>UTILITIES</i>	14,305	4,154	10,151	244.4%
<i>INFORMATION TECHNOLOGY/MIS</i>	-	-	-	0.0%
TOTAL OPERATING EXPENSES	<u>44,805</u>	<u>33,712</u>	<u>11,093</u>	<u>32.9%</u>
<i>RESERVE CONTRIBUTION</i>	25,284	24,696	588	2.4%
TOTAL EXPENSES	<u>\$ 70,089</u>	<u>\$ 58,408</u>	<u>\$ 11,681</u>	<u>20.0%</u>
NET REVENUE (LOSS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
<u>2025 RANCH ASSOCIATION ASSESSMENT/MO.</u>		<u>2024 Amount</u>	<u>Change Y/Y</u>	
Neighborhood Assessment	\$ 119.20	\$ 99.35	\$ 19.85	increase
Ranch Master Association Assessment	141.65	136.70	4.95	increase
2025 Total Ranch Assessment/Mo.	\$ 260.85	\$ 236.05	\$ 24.80	increase



The Final Numbers at a Glance

2025 Consolidated Expenses



2024/2025 Assessment Comparison



	2024 Assessments			2025 Assessments					\$ Change	% Change
	Neighborhood	Master	Total	Reserve	Operating	Neighborhood	Master	Total		
Ranch Master	\$ -	\$ 136.70	\$ 136.70	\$ 7.50	\$ 134.15	\$ -	\$ 141.65	\$ 141.65	\$ 4.95	3.62%
Desert Haciendas	176.20	136.70	312.90	100.00	96.90	196.90	141.65	338.55	25.65	8.20%
Terrace West	149.25	136.70	285.95	70.00	88.35	158.35	141.65	300.00	14.05	4.91%
Park & Manor	116.85	136.70	253.55	65.00	73.60	138.60	141.65	280.25	26.70	10.53%
Country Club	180.00	136.70	316.70	55.00	129.20	184.20	141.65	325.85	9.15	2.89%
Estates	98.50	136.70	235.20	50.00	61.60	111.60	141.65	253.25	18.05	7.67%
Terrace East	148.20	136.70	284.90	65.00	94.30	159.30	141.65	300.95	16.05	5.63%
Rosewood	167.85	136.70	304.55	78.00	98.45	176.45	141.65	318.10	13.55	4.45%
Camelot	124.00	136.70	260.70	55.00	78.10	133.10	141.65	274.75	14.05	5.39%
Haciendas	124.85	136.70	261.55	60.00	78.15	138.15	141.65	279.80	18.25	6.98%
Market St Villas	525.95	136.70	662.65	273.00	276.15	549.15	141.65	690.80	28.15	4.25%
Montelana	167.00	136.70	303.70	59.00	125.65	184.65	141.65	326.30	22.60	7.44%
Windgate	276.50	136.70	413.20	90.00	183.20	273.20	141.65	414.85	1.65	0.40%
Arcadia	421.40	136.70	558.10	142.00	363.65	505.65	141.65	647.30	89.20	15.98%
Horseshoe	184.10	136.70	320.80	55.00	153.90	208.90	141.65	350.55	29.75	9.27%
Sterling	367.10	136.70	503.80	87.00	340.90	427.90	141.65	569.55	65.75	13.05%
Pioneer	99.35	136.70	236.05	43.00	76.20	119.20	141.65	260.85	24.80	10.51%

Next Steps and Implementation

- Board shall adopt the budget(s) at least 45 days before the beginning of the fiscal year (CC&Rs 8.1 and 8.2)
- Board shall provide a copy of the budget(s) and amount of assessment(s) at least 30 days prior to the effective date of such budget(s) (CC&Rs 8.1 and 8.2)
- Budget effective date will be Feb. 1, 2025
 - ✓ January 2025 assessment installment will be comprised of 2024 budget numbers
 - Pursuant to the Ranch CC&Rs at Article VIII, Section 8.1, *“The Board shall send a copy of the final budget and notice of the amount of the Base Assessment to be levied pursuant to such budget, to each Owner at least 30 days prior to the effective date of such budget.”*
 - Pursuant to the Ranch CC&Rs at Article VIII, Section 8.1, *“If any proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.”*
 - ✓ February 2025 assessment installment will include a “catch up” amount to cover for assessment increase that was not collected in January 2025
 - Pursuant to the Ranch CC&Rs at Article VIII, Section 8.6, *“Owners shall pay assessments in the manner and on the dates the Board establishes... If the Board so elects, assessments may be paid in two or more installments...”*
 - ✓ The remaining 2025 monthly assessment installments will be billed in equal amounts
- Thank you to Board, Budget & Finance Committee, NVMs, DC Ranch staff



Questions?



Adjournment