



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

### Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total</u>
Revenue	\$ 10,252,671	\$ 525,208	\$ -	\$ 10,777,879
Expenses	7,845,352	996,159	-	8,841,512
<b>Operating Income/(Loss)</b>	<b>\$ 2,407,318</b>	<b>\$ (470,951)</b>	<b>\$ -</b>	<b>\$ 1,936,367</b>
Depreciation	-	-	31,419	31,419
<b>Total Income/(Loss)</b>	<b>\$ 2,407,318</b>	<b>\$ (470,951)</b>	<b>\$ (31,419)</b>	<b>\$ 1,904,948</b>
Transfers In/(Out)	(2,007,321)	1,982,321	25,000	-
<b>Total Surplus/(Deficit)</b>	<b>\$ 399,997</b>	<b>\$ 1,511,370</b>	<b>\$ (6,419)</b>	<b>\$ 1,904,948</b>

### Revenue

Operating revenue for November totaled \$924k, unfavorable to budget by \$12k (1%). Year-to-date revenue is unfavorable to budget by \$68k (<1%). Significant variances to budget are as follows:

- There was a special assessment billed to one neighborhood for requested tree trimming services, which will be added to the operating budget next year.
- Shared staff costs in the management fee agreement were recalculated in accordance with the restructure; as a result the amount each entity is due/owes will differ from the original budget amount.
- Non-assessment revenue is \$3 unfavorable to budget YTD.
- Interest income is \$31k favorable to budget YTD.

### Expense

Operating expenses for November came in \$45k (5%) favorable to budget, with year-to-date expenses \$355k (3%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by \$607k (18%) YTD. This figure will fluctuate throughout the year as positions are filled and vacated. This variance is partially offset by the management fee agreement (see note above).
- Administrative costs reflect additional professional and legal fees incurred \$71k above the budgeted amount.
- Management fees are \$369k higher than the original budget amount; however, are offset by the cost savings in personnel (see notes above).
- There are combined savings of \$268k due to the timing of expenses across departments. This number will ebb and flow as expenditures are made.
- Insurance expense is \$10k 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 \$70k YTD.

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

- Operating cash is \$2.1 mil at 11/30/2024, equal to 2.2 months of cash on hand.
- There is currently \$13 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 a favorable variance to budget, except Country Club, Market Street Villas and Horseshoe. Reasons include the timing of arbor care, overage in water usage, additional landscape and/or maintenance hours and legal fees.

#### **Reserves**

- Reserve expenses came in at \$54k for the month of November. YTD reserve expenses are at \$996k, lower than budget by \$1.2 mil.
- 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 \$452k YTD.

# DC RANCH ASSOCIATION

## STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending November 30, 2024

	November 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)	\$ 5,552,313	\$ 5,552,558	\$ (245)	\$ 6,057,336
Special Assessments	-	-	-	30,507	-	30,507	
Master Assessments	365,126	364,944	182	4,015,016	4,014,384	632	4,379,328
Builder & Developer Assessments	8,769	8,904	(135)	97,822	97,944	(122)	106,848
<b>Total Assessment Revenue</b>	<b>878,650</b>	<b>878,626</b>	<b>24</b>	<b>9,695,657</b>	<b>9,664,886</b>	<b>30,771</b>	<b>10,543,512</b>
Lot Sale Fees	5,200	7,500	(2,300)	88,040	82,500	5,540	90,000
Management Fees (Cost Sharing)	535	12,125	(11,590)	5,885	133,375	(127,490)	145,500
Fines/Fees (Violations, Mods etc.)	23,238	25,550	(2,312)	272,132	281,050	(8,918)	305,400
Security Monitoring Unmanned Gates	3,840	3,840	-	42,240	42,240	-	46,080
Cell Tower Lease(s)	8,405	6,791	1,614	74,281	74,093	188	80,923
Other Income (CFD, Interest, Misc)	4,337	1,500	2,837	74,435	42,813	31,622	70,622
<b>Total Non-Assessment Income</b>	<b>45,555</b>	<b>57,306</b>	<b>(11,751)</b>	<b>557,013</b>	<b>656,071</b>	<b>(99,058)</b>	<b>738,525</b>
<b>Total Operating Income</b>	<b>924,205</b>	<b>935,932</b>	<b>(11,727)</b>	<b>10,252,671</b>	<b>10,320,957</b>	<b>(68,286)</b>	<b>11,282,037</b>
<b>EXPENSES</b>							
Reserve Contributions	180,211	180,211	-	1,982,321	1,982,321	-	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>2,007,321</b>	<b>2,007,321</b>	<b>-</b>	<b>2,187,532</b>
Personnel Expenses	234,210	305,471	(71,261)	2,753,253	3,360,181	(606,928)	3,842,931
Administration	46,855	16,440	30,415	586,772	156,260	430,512	167,150
Information Technology	10,655	14,360	(3,705)	194,232	201,526	(7,294)	217,646
Human Resources	2,363	1,335	1,028	40,097	33,654	6,443	37,453
<b>Total Administrative Expense</b>	<b>294,082</b>	<b>337,606</b>	<b>(43,524)</b>	<b>3,574,354</b>	<b>3,751,621</b>	<b>(177,267)</b>	<b>4,265,180</b>
Landscape Services	32,667	32,100	567	556,573	607,864	(51,291)	633,369
Facilities Maintenance	19,025	22,677	(3,652)	181,713	245,316	(63,603)	265,560
Utilities	98,847	83,243	15,604	660,061	590,222	69,839	635,227
Fleet	16,607	21,095	(4,488)	208,049	245,818	(37,769)	268,220
<b>Total Maintenance Expense</b>	<b>167,145</b>	<b>159,115</b>	<b>8,030</b>	<b>1,606,396</b>	<b>1,689,220</b>	<b>(82,824)</b>	<b>1,802,376</b>
Community Patrol & Gate Access	216,817	226,328	(9,511)	2,452,884	2,539,286	(86,402)	2,780,103
Community Standards	-	35	(35)	1,320	7,685	(6,365)	7,720
Community Relations	274	1,375	(1,101)	5,543	14,450	(8,907)	22,125
<b>Total Community Program Expense</b>	<b>217,091</b>	<b>227,738</b>	<b>(10,647)</b>	<b>2,459,747</b>	<b>2,561,421</b>	<b>(101,674)</b>	<b>2,809,948</b>
Insurance (non-EE) & Taxes	18,794	17,648	1,146	204,856	198,153	6,703	217,001
Other Expenses	-	-	-	-	-	-	-
<b>Total General Expense</b>	<b>18,794</b>	<b>17,648</b>	<b>1,146</b>	<b>204,856</b>	<b>198,153</b>	<b>6,703</b>	<b>217,001</b>
<b>Total Operating Expense</b>	<b>877,323</b>	<b>922,318</b>	<b>(44,995)</b>	<b>9,852,673</b>	<b>10,207,736</b>	<b>(355,063)</b>	<b>11,282,037</b>
<b>Operating Income/(Loss)</b>	<b>46,882</b>	<b>13,614</b>	<b>33,268</b>	<b>399,997</b>	<b>113,221</b>	<b>286,776</b>	<b>-</b>
Reserve Net Income/(Loss)	238,738	5,930	232,808	1,511,370	85,904	1,425,466	281,831
Capital Net Income/(Loss)	(2,856)	(2,857)	1	(6,419)	(6,427)	8	-
<b>Reserve/Capital Net Income/(Loss)</b>	<b>235,882</b>	<b>3,073</b>	<b>232,809</b>	<b>1,504,951</b>	<b>79,477</b>	<b>1,425,474</b>	<b>281,831</b>
<b>Total Net Income/(Loss)</b>	<b>\$ 282,763</b>	<b>\$ 16,687</b>	<b>\$ 266,076</b>	<b>\$ 1,904,948</b>	<b>\$ 192,698</b>	<b>\$ 1,712,250</b>	<b>\$ 281,831</b>

# DC RANCH ASSOCIATION

## BALANCE SHEET

As Of November 30, 2024

	11/30/2024	12/31/2023	Y/Y Change
<b>ASSETS</b>			
<b>CASH</b>			
Cash - Operating	\$ 2,063,834	\$ 1,601,798	\$ 462,036
Petty Cash	350	350	-
<b>TOTAL CASH</b>	<b>2,064,184</b>	<b>1,602,148</b>	<b>462,036</b>
<b>CAPITAL FUND</b>	<b>90,646</b>	<b>65,668</b>	<b>24,978</b>
<b>RESERVE FUND</b>	<b>13,170,397</b>	<b>11,711,519</b>	<b>1,458,879</b>
Accounts Receivable (Net)	145,984	99,735	46,249
Intercompany Receivable	-	237	(237)
Prepaid Expenses	122,352	103,802	18,550
Operating Lease Right-to-Use Asset	208,791	208,791	-
Other Current Assets	305	156,069	(155,764)
<b>TOTAL CURRENT ASSETS</b>	<b>477,432</b>	<b>568,634</b>	<b>(91,201)</b>
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>			
Property & Equipment	360,678	360,678	-
Construction In Progress	-	-	-
<b>TOTAL PROPERTY, PLANT &amp; EQUIP</b>	<b>360,678</b>	<b>360,678</b>	<b>-</b>
Less Accumulated Depreciation	(349,664)	(318,245)	(31,419)
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>11,014</b>	<b>42,433</b>	<b>(31,419)</b>
<b>TOTAL ASSETS</b>	<b>\$ 15,813,674</b>	<b>\$ 13,990,402</b>	<b>\$ 1,823,272</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 397,781	\$ 437,543	\$ (39,762)
Intercompany Payable	326,288	225,360	100,928
Accrued Expenses	130,657	160,781	(30,124)
Prepaid Assessments	267,509	274,964	(7,455)
Deferred Revenue	-	-	-
Operating Lease Right-to-Use Liability	208,791	208,791	-
Other Current Liabilities	43,293	148,558	(105,265)
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,374,320</b>	<b>1,455,997</b>	<b>(81,677)</b>
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 1,374,320</b>	<b>\$ 1,455,997</b>	<b>\$ (81,677)</b>
<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	1,904,948	-	1,904,948
<b>TOTAL NET ASSETS</b>	<b>\$ 14,439,354</b>	<b>\$ 12,534,405</b>	<b>\$ 1,904,948</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 15,813,674</b>	<b>\$ 13,990,402</b>	<b>\$ 1,823,272</b>

# DC RANCH ASSOCIATION

## STATEMENT OF CASH FLOW

For the Period Ended November 30, 2024

	<u>Current Month</u> Month Ended November 2024	<u>Year-to-Date</u> Year Ended November 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (deficit) for period	\$ 282,763	\$ 1,904,948
Adjustments to reconcile net income (deficit)		
Depreciation	2,856	31,419
<u>(Increase)/Decrease in:</u>		
Accounts receivable	(36,472)	(46,249)
Intercompany receivables	-	237
Prepaid expenses	(45,048)	(18,550)
<u>Increase/(Decrease) in:</u>		
Accounts payable	20,480	(39,762)
Accrued expenses	-	(7,945)
Accrued payroll expenses	(27,524)	(22,179)
Deferred revenue	-	-
Prepaid assessments	(98,629)	(160,178)
Prepaid Council assessments	30,629	152,724
Intercompany payables	(95,815)	100,928
Other liabilities	43,938	50,500
NET CASH FROM OPERATING ACTIVITIES	<u>77,179</u>	<u>1,945,892</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>77,179</b>	<b>1,945,892</b>
CASH, BEGINNING OF PERIOD	<u>15,248,048</u>	<u>13,379,335</u>
<b>CASH, END OF PERIOD</b>	<u><b>\$ 15,325,227</b></u>	<u><b>\$ 15,325,227</b></u>