



2026 RANCH ASSOCIATION BUDGET

The DC Ranch Association is responsible for the professional management and protection of the community's fiscal and environmental assets. The Ranch Association delivers high quality operations for landscape, maintenance, standards enforcement, and community patrol and gate access with emphasis on resident care that result in sustained property values and exceptional quality of life. The Ranch Association budget is comprised of three components: Ranch Master and reserve assessment, neighborhood assessment and neighborhood reserve assessment.

RANCH MASTER ASSESSMENT

The Ranch Master funds services that include landscape and maintenance of common areas, community standards enforcement, modifications, community patrol and gate access, community relations, administrative costs and reserve fund contributions. The 2026 budget reflects increases due to staff restructuring; increased staff benefits costs including health insurance; planned billing rate/wage increase with GardaWorld Security in April 2026; and higher general liability/property insurance.

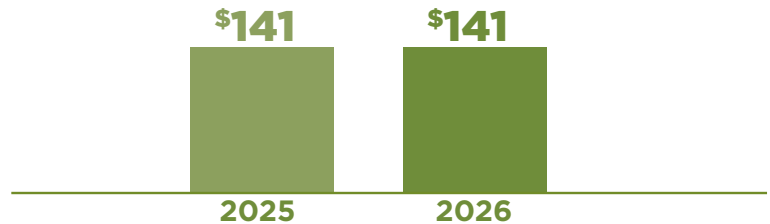
NEIGHBORHOOD ASSESSMENT

Each neighborhood has its own assessment rate based on unique features and services, including landscape and maintenance (i.e., turf management, park tree trimming, irrigation, painting, masonry work), utilities and community patrol and gate access. Neighborhood budgets do not cover the expense for streetscape tree trimming obligations in the neighborhoods where owners are responsible for the streetscape tree trimming.

RESERVE ASSESSMENT

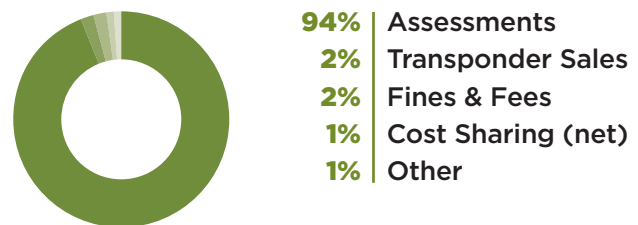
The neighborhood reserve account is for future major repairs and replacement of assets, including roads, mailbox kiosks, common wall painting and repair, gate equipment, park features, playgrounds and street signs.

RANCH MASTER ASSESSMENT REMAINS FLAT



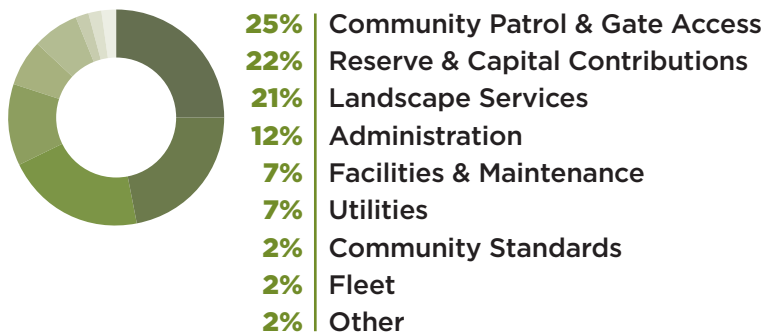
The Ranch Association Board of Directors passed a balanced consolidated budget of **\$11,964,365** and approved Ranch Master assessments remaining **flat**, with no increase from current **\$141.65** a month.

2026 REVENUE



The Ranch Association and Community Council partner to share costs to create efficiencies and maximize cost savings through a Cost Share Agreement. The items included result in a net zero effect to the bottom line for each entity.

2026 EXPENSES



The Ranch Association is in a strong financial position with overall well-funded reserves. Areas of funding variability and focus include utilities (water & electric) projected increases; market pricing for insurance; and contingency for unplanned emergency expenses.

For the first time since 2017, a Level 1 ('Boots on the Ground') Reserve Study has been conducted for the Ranch Association.

Reserve contributions will vary across neighborhoods based on current funding levels and anticipated repair and replacement needs.

Major structural changes have resulted in a net reduction of approximately \$354K in cost sharing between the Ranch Association and Community Council. This allowed the Ranch Association to hire a dedicated Director of Finance and 4 new operations team members (landscape & maintenance) for 2026.

A \$50K contribution to the Capital Fund is allocated to provide funding for major equipment needs to support Ranch Association operations.