



**DC Ranch Community Council
Financial Highlights
For period ending March 31, 2026**

❖ The Community Council finishes the first quarter in a positive position, reporting \$932.7k in operating net income, which is \$921.5k favorable to budget through March. Community Benefit Fees are performing well to budget, favorable by \$730.6k YTD. Once the benefit fee amount budgeted in operations (\$1.7 mil) has been exceeded, a transfer will be made.

Summary by Fund - YTD				
	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 2,246,118	\$ 24,144	\$ 2,338	\$ 2,272,599
Expenses	1,130,236	89,924	17,044	1,237,204
Operating Income/(Loss)	\$ 1,115,882	\$ (65,780)	\$ (14,707)	\$ 1,035,395
Depreciation	-	-	41,620	41,620
Total Income/(Loss)	\$ 1,115,882	\$ (65,780)	\$ (56,327)	\$ 993,775
Transfers In/(Out)	(183,102)	183,102	-	-
Total Surplus/(Deficit)	\$ 932,780	\$ 117,322	\$ (56,327)	\$ 993,775

Revenue

Operating revenue for March totaled \$848k, higher than budget by \$339k (66.6%). Year-to-date revenue is favorable to budget by \$738k (49%). Significant variances to budget include:

- March Community Benefit Fees came in \$332k (223%) higher than forecast for the month. YTD reflects a revenue surplus of \$730.6k (171%).
- Interest has a \$8.5k positive variance to budget YTD due to a higher rate on the ICS account (high-yield savings account that is fully FDIC insured) and cash generated by excess 2025 Community Benefit Fees transferred to Capital during March.

Expense

Operating expenses for March came in \$95.6k (18%) favorable to budget, with year-to-date expense \$183k (12%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are \$54k (7%) lower than estimated in the budget YTD due to open or transitioning positions. Other administrative costs are lower than budget YTD due to timing of expenditures.

Programs

- Program expenses are favorable to budget by \$36k YTD due to cost savings.

Facilities

- Facilities expense overall is \$60k below budget, in part due to the savings in rent for the new offices at Canyon Village. This difference was part of the funding plan for the tenant improvements. Desert Camp and The Homestead also have some savings in utilities and repairs & maintenance so far this year, and timing difference of \$15k budgeted for other facilities expense at Desert Camp.

General

- Insurance (non-EE) expense is \$12.3k over budget YTD primarily due to an increase in the Master Policy and monthly amortization over the term.

Reserve

- Reserve expenditures total \$90k for the year including website and brand refresh that will be reviewed for capitalization treatment, and expenses primarily for Desert Camp gates, windows/doors, painting, stucco, walls & fences; tree replacement; and landscape improvements for artificial turf at The Homestead.

- Interest income is \$24k YTD.

Capital

- Depreciation expense (non-cash) totals \$41.6k for the year.
- Interest income totals \$2.3k YTD.
- A transfer to Capital from the Operating account was made during March for prior year excess benefit fees of \$895k.
- Capital expenditures total \$17k for the year including \$15.5k for tennis umbrellas & chairs and \$1.5k fitness equipment.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 4.80 months as of 3/31/2026. A couple of items to note here – the cash on hand requirement is lowered in accordance with the approved tenant improvement funding plan; and decreased with the \$895k transferred in March for excess 2025 benefit fees.
- There is \$1.2 mil in the capital fund and \$2.9 mil in the reserve fund.

Looking Forward

Community Benefit Fees continue to perform strongly, coming in \$730.6k favorable to budget YTD. If April closes near the amounts currently in escrow, the full benefit fee allocation budgeted to Operations (\$1.7M) will be met or exceeded. Accordingly, all Benefit Fee revenue for the balance of the year will be directed to Capital.

- Future escrow amounts *in progress* are as follows:

<u>Month</u>	<u>Currently in escrow</u>	<u>Budgeted Benefit Fees</u>
Apr 2026	\$710,393	\$189,624
May 2026	\$121,857	\$187,578

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET As of March 31, 2026

	<u>3/31/2026</u>	<u>12/31/2025</u>	<u>Y/Y Change</u>
ASSETS			
OPERATING FUND			
Cash	\$ 2,325,633	\$ 2,695,969	\$ (370,335)
Petty Cash	-	-	-
TOTAL OPERATING CASH	<u>2,325,633</u>	<u>2,695,969</u>	<u>(370,335)</u>
RESERVE FUND			
Cash	2,064,363	1,733,850	330,513
Investments (Net)	859,687	1,031,955	(172,268)
TOTAL RESERVE FUND	<u>2,924,050</u>	<u>2,765,805</u>	<u>158,245</u>
CAPITAL FUND			
Cash	1,217,440	350,896	866,544
Investments (Net)	-	-	-
TOTAL CAPITAL FUND	<u>1,217,440</u>	<u>350,896</u>	<u>866,544</u>
Accounts Receivable (Net)	140,893	45,255	95,638
Intercompany Receivable	538,834	437,697	101,136
Prepaid Expenses	166,137	187,643	(21,506)
Interfund Transfers	-	895,000	(895,000)
Operating Lease Right-to-Use Asset	1,048,142	1,062,175	(14,033)
OTHER CURRENT ASSETS	<u>1,894,005</u>	<u>2,627,770</u>	<u>(733,765)</u>
PROPERTY, PLANT & EQUIPMENT			
Furniture & Fixtures	83,870	83,870	-
Vehicles & Equipment	407,635	407,635	-
Leasehold Improvements	416,135	416,135	-
Desert Camp Renovation(s)	7,562	7,562	-
Homestead Renovation(s)	110,112	110,112	-
Construction In Progress	70,463	70,463	-
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>1,095,777</u>	<u>1,095,777</u>	<u>-</u>
<i>Less Accumulated Depreciation</i>	(444,611)	(402,990)	(41,620)
PROPERTY, PLANT AND EQUIPMENT, NET	<u>651,166</u>	<u>692,786</u>	<u>(41,620)</u>
TOTAL ASSETS	\$ 9,012,295	\$ 9,133,227	\$ (120,932)
LIABILITIES			
Accounts Payable	\$ 53,833	\$ 95,976	\$ (42,143)
Intercompany Payable	53,128	53,128	-
Accrued Liabilities	106,028	219,029	(113,001)
Deferred Revenue	28,945	15,746	13,199
Prepaid Assessments	11,039	88,801	(77,762)
Interfund Transfers	-	895,000	(895,000)
Operating Lease Right-to-Use Liability	1,149,748	1,149,748	-
Other Current Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	<u>1,402,721</u>	<u>2,517,428</u>	<u>(1,114,707)</u>
TOTAL LIABILITIES	1,402,721	2,517,428	(1,114,707)
NET ASSETS			
Reserve Equity	2,325,678	2,325,678	-
Capital Equity	2,907,251	2,907,251	-
Operating Equity	1,382,870	1,382,870	-
Current Year Profit/Loss	993,775	-	993,775
TOTAL NET ASSETS	7,609,574	6,615,799	993,775
TOTAL LIABILITIES & NET ASSETS	\$ 9,012,295	\$ 9,133,227	\$ (120,932)

DC RANCH COMMUNITY COUNCIL

STATEMENT OF REVENUE AND EXPENSE For the Month and YTD Ending March 31, 2026

	March 2026			Year-to-Date			Annual
	Current Month	Budget	Budget Variance	Year to Date	Budget	Budget Variance	2026 Budget
INCOME							
Residential Assessments	\$ 226,424	\$ 226,507	\$ (83.00)	\$ 679,438	\$ 679,521	\$ (83.00)	\$ 2,718,084
Commercial Assessments	80,510	80,510	-	241,530	241,530	-	966,120
Community Council Benefit Fees	481,425	149,090	332,335	1,158,396	427,719	730,677	1,700,000
Total Assessment Revenue	788,359	456,107	332,252	2,079,364	1,348,770	730,594	5,384,204
Community Celebrations & Events	1,127	-	1,127	2,737	2,300	437	19,500
Community Programming	13,628	11,916	1,712	31,735	32,900	(1,165)	121,371
Total Program Revenue	14,755	11,916	2,839	34,472	35,200	(728)	140,871
Community Center Rentals	2,775	2,500	275	7,890	8,000	(110)	20,250
Resident Access	360	360	-	810	1,080	(270)	4,320
Total Facilities Revenue	3,135	2,860	275	8,700	9,080	(380)	24,570
Cost Share Reimbursement	34,668	34,735	(67)	104,004	104,205	(201)	416,821
Advertising	-	-	-	-	-	-	5,040
Interest	6,551	3,500	3,051	19,078	10,500	8,578	42,000
Other Income	500	-	500	500	-	500	108,940
Total Other Income	41,719	38,235	3,484	123,582	114,705	8,877	572,801
Total Operating Income	847,968	509,118	338,850	2,246,118	1,507,755	738,363	6,122,446
EXPENSES							
Reserve Contributions	61,034	61,034	-	183,102	183,102	-	732,404
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	61,034	61,034	-	183,102	183,102	-	732,404
Personnel Expenses	250,744	265,573	(14,829)	722,191	776,321	(54,130)	3,188,401
Administration	17,656	47,374	(29,718)	66,852	103,295	(36,443)	395,042
Travel/Mtgs/ERR	3,621	11,369	(7,748)	19,094	29,032	(9,938)	87,903
Total Administrative Expense	272,021	324,316	(52,295)	808,136	908,648	(100,512)	3,671,346
Community Celebrations & Events	14,009	12,092	1,917	65,545	64,826	719	356,850
Community Programming	15,748	19,510	(3,762)	39,404	50,370	(10,966)	218,175
Community Engagement	3,068	8,952	(5,884)	12,035	22,756	(10,721)	65,780
Communications	4,940	10,385	(5,445)	12,294	27,113	(14,819)	75,077
Total Program Expense	37,766	50,939	(13,173)	129,277	165,065	(35,788)	715,882
Ranch Offices	16,260	20,256	(3,996)	48,728	59,518	(10,790)	238,072
Desert Camp Community Center	25,554	46,063	(20,509)	79,409	110,729	(31,320)	426,042
The Homestead Community Center	3,613	7,436	(3,823)	11,226	23,718	(12,492)	98,078
MS Park/P&T/Seasonal Décor	875	7,023	(6,148)	3,211	8,869	(5,658)	105,420
Total Facilities Expense	46,302	80,778	(34,476)	142,573	202,834	(60,261)	867,612
Insurance (non-EE) & Taxes	12,532	8,196	4,336	36,951	24,588	12,363	99,865
Other Expenses	4,065	4,073	(8)	13,298	12,326	972	35,337
Total General Expense	16,597	12,269	4,328	50,249	36,914	13,335	135,202
Total Operating Expense	433,720	529,336	(95,616)	1,313,338	1,496,563	(183,225)	6,122,446
Operating Income/(Loss)	414,248	(20,218)	434,466	932,780	11,192	921,588	-
Reserve Net Income/(Loss)	42,552	-	42,552	117,322	-	117,322	-
Capital Net Income/(Loss)	(12,235)	-	(12,235)	(56,327)	-	(56,327)	-
Reserve & Capital Net Income/(Loss)	30,317	-	30,317	60,995	-	60,995	-
Total Net Income/(Loss)	\$ 444,564	\$ (20,218)	\$ 464,782	\$ 993,775	\$ 11,192	\$ 982,583	\$ -

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date March 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (deficit) for period	\$	993,775
Adjustments to reconcile Net Income (deficit)		
The Depreciation		41,620
Noncash lease expense		14,033
<i>(Increase)/Decrease in:</i>		
Accounts Receivable		(95,638)
Intercompany Receivable		(101,136)
Prepaid Expense		32,696
Prepaid Insurance		(11,190)
<i>Increase/(Decrease) in:</i>		
Accounts Payable		(42,143)
Intercompany Payable		-
Accrued Payroll Expenses		(116,448)
Accrued Expenses		3,447
Deferred Revenue		13,199
Prepaid Assessments		(77,762)
Other Liabilities		-
NET CASH FROM OPERATING ACTIVITIES	\$	654,453

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Property, Plant & Equipment		-
Disposal of Property, Plant & Equipment		-
NET INCREASE (DECREASE) IN CASH	\$	654,453

CASH, BEGINNING OF PERIOD	\$	5,812,670
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CASH, END OF PERIOD	\$	6,467,124
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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:	4.80
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Operating Cash at 3/31/2026	\$	2,325,633
Total 2026 operating budget expenses	\$	6,122,446
MINIMUM - Average of three months	\$	1,452,182

Amount over minimum	Amount under minimum
\$ 873,451	N/A

MAXIMUM - Average of six months	\$	2,904,364
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Amount over maximum	Amount under maximum
N/A	\$ 578,731

**Note: Cash on hand threshold has been adjusted, per tenant improvement funding plan.*

