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

❖ The Community Council continues to operate in a positive position through May, reporting $1.7m in operating net income, which is $1.7m favorable to budget. Community Benefit Fees are performing well to budget at $2.2m, favorable by $1.4m YTD, while controlling Operating Expenses at $252k under budget.

Summary by Fund - YTD				
	Operating	Reserve	Capital	Total CC
Revenue	$ 4,037,842	$ 35,640	$ 7,421	$ 4,080,903
Expenses	2,018,949	153,553	62,777	2,235,280
Operating Income/(Loss)	**$ 2,018,893**	**$ (117,914)**	**$ (55,356)**	**$ 1,845,623**
Depreciation	-	-	69,367	69,367
Total Income/(Loss)	**$ 2,018,893**	**$ (117,914)**	**$ (124,724)**	**$ 1,776,256**
Transfers In/(Out)	(305,170)	305,170	-	-
Total Surplus/(Deficit)	**$ 1,713,723**	**$ 187,256**	**$ (124,724)**	**$ 1,776,256**

Revenue

Operating revenue for May totaled $966k, higher than budget by $409k (73.2%). Year-to-date revenue is favorable to budget by $1.4m (54%). Significant variances to budget include:

- May Community Benefit Fees including residential and commercial properties came in $413k (220%) higher than forecast for the month. YTD reflects a revenue surplus of $1.4m (176%).
- Interest has a $11k positive variance to budget YTD due to a higher rate on the ICS account (high-yield savings account that is fully FDIC insured) and Treasury Securities and with additional cash generated by excess Community Benefit Fees transferred to savings.

Expense

Operating expenses for May came in $42k (8.4%) favorable to budget, with year-to-date expense $252k (9.8%) lower than budget. Notable expense variances include:

Administration

- Personnel costs are $111.4k (8.6%) lower than estimated in the budget YTD due to open or transitioning positions. This variance will begin to shrink with a two new hires in May to refill open positions.
- Administrative costs are under budget by $45k (23%) YTD attributable to favorable Software & Licenses $5.5k, Postage $1.9k, and other timining differences.

Programs

- Program expenses are favorable to budget by $55k YTD (15%) due to cost savings and includes the Playhouse Production during May that adhered to budget with revenue $4k under plan while managing costs to $7k under budget.

Facilities

- Facilities expense overall is $62.7k 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 savings in utilities and repairs & maintenance so far this year.

General

- Insurance (non-EE) expense is $21k over budget YTD primarily due to an increase in the Master Policy. This trend will continue through the year.

Reserve

- Reserve expenditures total $135.7k for the year includes Desert Camp gates, window/doors, painting, stucco, walls & fences, repainting / wood beems, sidewalk ramp, parking lot sealcoating; concrete at Desert Parks, website & brand refresh, and artificial turf at The Homestead. Current month expenditures include $13k deposit for Holiday Decorations and $4.8k progress payment for the website redesign project.
- Interest income is $35.6k YTD.

Capital

- Depreciation expense (non-cash) totals $69.3k for the year.
- Interest income totals $7.4k YTD with $2.6k recorded in the current month; an increase attributable to the excess 2025 benefit fees of $895k transferred in during March.
- Capital expenditures total $62.7k for the year includes tennis umbrellas & chairs, fitness equipment, and $25k for Desert Camp concrete path conversion and $28.5k basketball and playground lights. There were no Capital Expenditures during May.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 7.08 months as of May 31, 2026. The cash on hand requirement is lowered in accordance with the approved tenant improvement funding plan. With benefit fees exceeding the annual $1.7m budget during May, all additional fees will be transferred to Capital thus reducing the growth of operating cash and effectively lowering the number of months cash on hand to between the 3 to 6 month standard. A $491.3k transfer was made to Capital on June 16, 2026.
- There is $1.2m in the capital fund and $3.0m in the reserve fund.

Looking Forward

Community Benefit Fees continue to perform strongly, coming in $1.4m favorable to budget through May, and has exceeded the $1.7m annual budget. Accordingly, all Benefit Fee revenue for the balance of the year will be directed to Capital.

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

Month	Currently in escrow	Budgeted Benefit Fees
June 2026	$461,758	$271,759
July 2026	$227,022	$132,857

DC RANCH COMMUNITY COUNCIL

BALANCE SHEET

For the Period Ended

	May 31, 2026	December 31, 2025	Y/Y Change
ASSETS			
OPERATING FUND			
Cash	$ 3,439,331	$ 2,695,969	$ 743,362
Petty Cash	-	-	-
TOTAL OPERATING CASH	3,439,331	2,695,969	743,362
RESERVE FUND			
Cash	1,886,427	1,733,850	152,576
Investments (Net)	1,104,443	1,031,955	72,488
TOTAL RESERVE FUND	2,990,870	2,765,805	225,065
CAPITAL FUND			
Cash	931,174	350,896	580,278
Investments (Net)	245,616	-	245,616
TOTAL CAPITAL FUND	1,176,791	350,896	825,894
Accounts Receivable (Net)	132,379	45,255	87,124
Intercompany Receivable	370,307	437,697	(67,390)
Prepaid Expenses	113,966	187,643	(73,677)
Interfund Transfers	70,000	965,000	(895,000)
Operating Lease Right-to-Use Asset	1,039,840	1,062,175	(22,335)
OTHER CURRENT ASSETS	1,726,493	2,697,770	(971,278)
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	-
Construction In Progress	-	-	-
TOTAL PROPERTY, PLANT & EQUIPMENT	1,095,777	1,095,777	-
Less Accumulated Depreciation	(472,358)	(402,990)	(69,367)
PROPERTY, PLANT AND EQUIPMENT, NET	623,419	692,786	(69,367)
TOTAL ASSETS	**$ 9,956,903**	**$ 9,203,227**	**$ 753,676**
LIABILITIES			
Accounts Payable	$ 65,684	$ 95,976	$ (30,292)
Intercompany Payable	2,681	53,128	(50,446)
Accrued Liabilities	209,153	219,029	(9,876)
Deferred Revenue	24,836	15,746	9,090
Prepaid Assessments	42,745	88,801	(46,056)
Interfund Transfers	70,000	965,000	(895,000)
Operating Lease Right-to-Use Liability	1,149,748	1,149,748	-
Other Current Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	1,564,848	2,587,428	(1,022,580)
TOTAL LIABILITIES	**1,564,848**	**2,587,428**	**(1,022,580)**
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	1,776,256	-	1,776,256
TOTAL NET ASSETS	**8,392,055**	**6,615,799**	**1,776,256**
TOTAL LIABILITIES & NET ASSETS	**$ 9,956,903**	**$ 9,203,227**	**$ 753,676**

DC RANCH COMMUNITY COUNCIL

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending May 31, 2026

	May 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)	$ 1,132,286	$ 1,132,535	$ (249.00)	$ 2,718,084
Commercial Assessments	80,510	80,510	-	402,550	402,550	-	966,120
Community Council Benefit Fees	600,399	187,578	412,821	2,221,382	804,921	1,416,461	1,700,000
Total Assessment Revenue	**907,333**	**494,595**	**412,738**	**3,756,218**	**2,340,006**	**1,416,212**	**5,384,204**
Community Celebrations & Events	-	-	-	9,577	9,300	277	19,500
Community Programming	13,814	21,406	(7,592)	50,385	64,723	(14,338)	121,371
Total Program Revenue	**13,814**	**21,406**	**(7,592)**	**59,962**	**74,023**	**(14,061)**	**140,871**
Community Center Rentals	4,280	3,500	780	15,673	13,000	2,673	20,250
Resident Access	180	360	(180)	1,080	1,800	(720)	4,320
Total Facilities Revenue	**4,460**	**3,860**	**600**	**16,753**	**14,800**	**1,953**	**24,570**
Cost Share Reimbursement	34,668	34,735	(67)	173,340	173,675	(335)	416,821
Advertising	-	-	-	-	-	-	5,040
Interest	4,830	3,500	1,330	28,569	17,500	11,069	42,000
Other Income	1,500	-	1,500	3,000	-	3,000	108,940
Total Other Income	**40,998**	**38,235**	**2,763**	**204,909**	**191,175**	**13,734**	**572,801**
Total Operating Income	**966,605**	**558,096**	**408,509**	**4,037,842**	**2,620,004**	**1,417,838**	**6,122,446**
EXPENSES							
Reserve Contributions	61,034	61,034	-	305,170	305,170	-	732,404
Capital Contributions	-	-	-	-	-	-	-
Total Reserve Expense	**61,034**	**61,034**	**-**	**305,170**	**305,170**	**-**	**732,404**
Personnel Expenses	230,652	256,593	(25,941)	1,188,577	1,300,019	(111,442)	3,188,401
Administration	24,252	33,223	(8,971)	128,752	162,279	(33,527)	395,042
Travel/Mtgs/ERR	2,594	2,520	74	23,903	35,605	(11,702)	87,903
Total Administrative Expense	**257,498**	**292,336**	**(34,838)**	**1,341,231**	**1,497,903**	**(156,672)**	**3,671,346**
Community Celebrations & Events	8,792	8,092	700	173,644	174,510	(866)	356,850
Community Programming	51,200	58,050	(6,850)	102,608	124,130	(21,522)	218,175
Community Engagement	5,283	6,802	(1,519)	26,940	39,185	(12,245)	65,780
Communications	3,149	5,555	(2,406)	19,040	39,775	(20,735)	75,077
Total Program Expense	**68,424**	**78,499**	**(10,075)**	**322,232**	**377,600**	**(55,368)**	**715,882**
Ranch Offices	16,205	19,631	(3,426)	81,202	98,780	(17,578)	238,072
Desert Camp Community Center	32,372	30,983	1,389	150,443	173,925	(23,482)	426,042
The Homestead Community Center	6,748	8,326	(1,578)	24,871	41,280	(16,409)	98,078
MS Park/P&T/Seasonal Décor	683	923	(240)	15,904	21,145	(5,241)	105,420
Total Facilities Expense	**56,009**	**59,863**	**(3,854)**	**272,420**	**335,130**	**(62,710)**	**867,612**
Insurance (non-EE) & Taxes	13,332	8,946	4,386	62,816	41,740	21,076	99,865
Other Expenses	4,753	2,814	1,939	20,250	18,803	1,447	35,337
Total General Expense	**18,085**	**11,760**	**6,325**	**83,065**	**60,543**	**22,522**	**135,202**
Total Operating Expense	**461,050**	**503,492**	**(42,442)**	**2,324,119**	**2,576,346**	**(252,227)**	**6,122,446**
Operating Income/(Loss)	**505,555**	**54,604**	**450,951**	**1,713,723**	**43,658**	**1,670,065**	**-**
Reserve Net Income/(Loss)	50,850	-	50,850	187,256	-	187,256	-
Capital Net Income/(Loss)	(11,295)	-	(11,295)	(124,724)	-	(124,724)	-
Reserve & Capital Net Income/(Loss)	**39,555**	**-**	**39,555**	**62,533**	**-**	**62,533**	**-**
Total Net Income/(Loss)	**$ 545,110**	**$ 54,604**	**$ 490,506**	**$ 1,776,256**	**$ 43,658**	**$ 1,732,598**	**$ -**

DC RANCH COMMUNITY COUNCIL

STATEMENT OF CASH FLOW

Year-To-Date May 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (deficit) for period	$	1,776,256
Adjustments to reconcile Net Income (deficit)		
The Depreciation		69,367
Noncash lease expense		22,335
(Increase)/Decrease in:		
Accounts Receivable		(87,124)
Intercompany Receivable		67,390
Prepaid Expense		76,368
Prepaid Insurance		(2,692)
Increase/(Decrease) in:		
Accounts Payable		(30,292)
Intercompany Payable		(50,446)
Accrued Payroll Expenses		(19,313)
Accrued Expenses		9,437
Deferred Revenue		9,090
Prepaid Assessments		(46,056)
Other Liabilities		-
NET CASH FROM OPERATING ACTIVITIES	**$**	**1,794,321**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment		-
Disposal of Property, Plant & Equipment		-
NET INCREASE (DECREASE) IN CASH	**$**	**1,794,321**
CASH, BEGINNING OF PERIOD	$	5,812,670
CASH, END OF PERIOD	**$**	**7,606,991**

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: ***7.08***

Operating Cash at 5/31/2026	$	3,439,331	
Total 2026 operating budget expenses	$	6,122,446	
MINIMUM - Average of three months	$	1,456,704	
		Amount over minimum	Amount under minimum
	$	1,982,626	N/A
MAXIMUM - Average of six months	$	2,913,409	
		Amount over maximum	Amount under maximum
	$	525,922	N/A

DC Ranch Community Council

Resale Benefit Fee Trend - May 2026

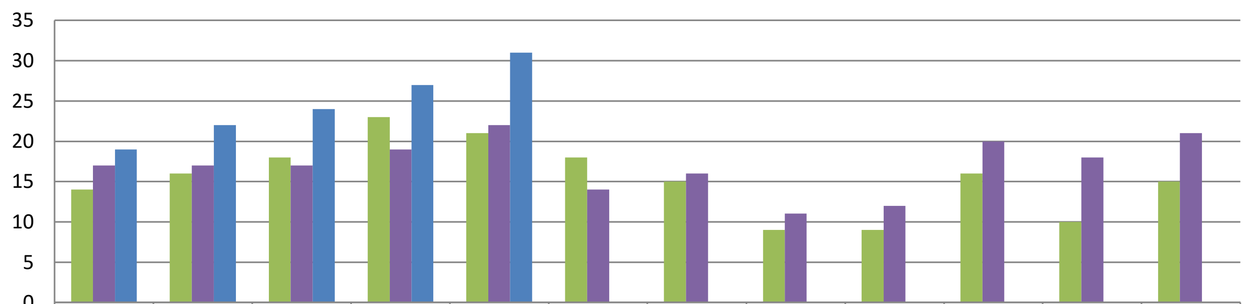
Month	2024 Actual	2025 Actual	In Process	2026 Actual	2026 Budget	Budget Variance	Change from Prior Year
January	$ 225,406	$ 348,590	$ -	$ 312,588	$ 100,716	$ 211,872	$ (36,002)
February	181,623	222,584	$ -	$ 364,384	$ 177,913	$ 186,471	$ 141,800
March	250,528	113,805	$ -	$ 481,425	$ 149,090	$ 332,335	$ 367,620
April	354,636	278,105		$ 462,587	$ 189,624	$ 272,963	$ 184,482
May	303,452	225,055	$ -	$ 600,399	$ 187,578	$ 412,821	$ 375,344
June	296,406	249,963	$ 461,758	$ -	$ 271,759		
July	289,095	163,786	$ 227,022	$ -	$ 132,857		
August	72,293	169,215	$ -	$ -	$ 83,757		
September	168,085	185,940	$ 11,500	$ -	$ 78,545		
October	185,415	171,748	$ 67,500	$ -	$ 99,632		
November	76,071	96,725	$ 30,250	$ -	$ 102,845		
December	185,400	318,675	$ -	$ -	$ 125,684		
Annual Total	**$ 2,588,409**	**$ 2,544,190**	**$ 798,030**	**$ 2,221,383**	**$ 1,700,000**	**$ 1,416,462**	**$ 1,033,244**

Includes $30,000 commercial benefit fee for Legacy Crossing LLC recorded in April that is currently under dispute with payment still pending.

Property Sale Breakdown

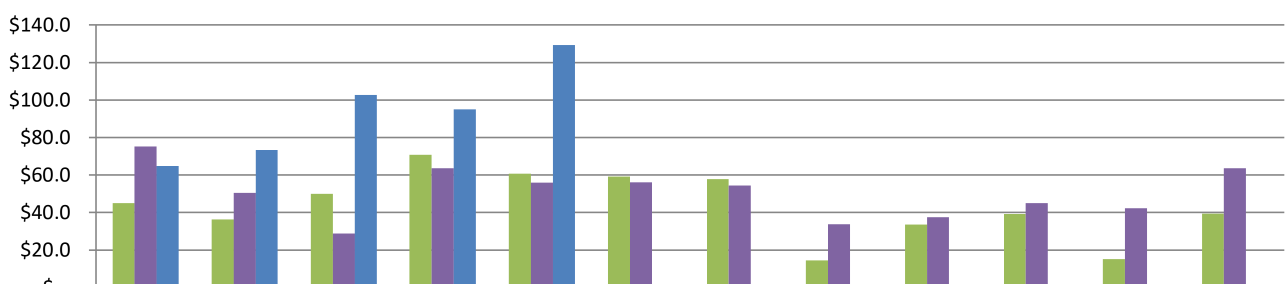
Location	May	YTD	Average Price	YTD Average
Desert Parks - House	5	22	$ 1,234,000	$ 1,494,035
Desert Camp - House	5	20	2,544,500	1,570,100
Country Club - House	3	20	4,651,667	3,799,381
Silverleaf - House	13	44	4,841,654	5,621,284
Country Club - Land	0	2	-	175,000
Silverleaf - Land	2	9	1,925,000	4,536,667
Commercial/Corporate	3	6	9,911,926	6,041,096
Total/Average	31	123	$ 4,173,380	$ 3,780,662

Count of Property Sales



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	14	16	18	23	21	18	15	9	9	16	10	15
2025	17	17	17	19	22	14	16	11	12	20	18	21
2026	19	22	24	27	31							

Property Sales by Month (in Millions)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024	$45.1	$36.3	$50.1	$70.9	$60.7	$59.3	$57.8	$14.5	$33.6	$39.3	$15.2	$39.4
2025	$75.3	$50.4	$28.8	$63.6	$56.0	$56.1	$54.4	$33.8	$37.4	$45.1	$42.3	$63.7
2026	$64.7	$73.2	$102.7	$95.0	$129.3							