DC Ranch Association
Financial Summary Report
for period ending September 30, 2026

Summary by Fund – YTD

	Operating	Reserve	Capital	Total
Revenue	$ 9,158,729	$ 335,326	$ -	$ 9,494,056
Expenses	6,826,519	1,223,348	-	8,049,868
Operating Income/(Loss)	**$ 2,332,210**	**$ (888,022)**	**$ -**	**$ 1,444,188**
Depreciation	-	-	11,945	11,945
Total Income/(Loss)	**$ 2,332,210**	**$ (888,022)**	**$ (11,945)**	**$ 1,432,243**
Transfers In/(Out)	(1,677,886)	1,677,886	-	-
Total Surplus/(Deficit)	**$ 654,324**	**$ 789,864**	**$ (11,945)**	**$ 1,432,243**

Revenue

Operating revenue for September totaled $1,006k, favorable to budget by $4k (Less than 1.0%). Year-to-date revenue is favorable to budget by $138k (approximately 1.5%). Significant variances to budget are as follows:

- Non-assessment revenue is $145k favorable to budget YTD.
- Interest income is $26k favorable to budget YTD.

Expense

Operating expenses for September came in $28k favorable to budget, with year-to-date expenses $447k (4.9%) favorable to budget. Notable variances to budget include:

- Payroll and employee-related expenses are under budget by $139k (5.4%) YTD. While this figure will fluctuate throughout the year as positions are filled and vacated, in April we received a credit back from UHC that we were not anticipating in the amount of approximately $37k. This is due to participants utilizing less healthcare services and UHC passing on the savings to DC Ranch.
- Administrative costs reflect additional professional and legal fees incurred $89k above the budgeted amount, of which $3k is neighborhood specific.
- Cost share fees are now $27k below budget. This is due to removing both the Accounts Payable position and HR manager position from the cost sharing agreement. We will see higher administrative payroll costs because these positions are now paid full-time positions for the Association.
- Landscape contracted services are under budget by $112k. This spend will increase in the upcoming months.
- Security expense is $6k (<1%) unfavorable to budget.
- Insurance expense is $2,141 (<1%) favorable to budget YTD.
- Utilities are favorable to budget by $14k YTD.

- Fleet Expense now has a negative variance of $62k (31%). The two drivers of this are Vehicle maintenance with a negative variance of $45.7k and Vehicle leases with a negative variance of $16K YTD.
- There is a YTD $249k contingency built into the budget for unexpected events.

Balance Sheet/Cash Flow

- Operating cash is $3.3M at 9/30/2026, equal to 3.3 months of cash on hand.
- There is currently $14.1M 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 Landscape and Maintenance Managers review this data in detail to ensure the figures are correct.
- There are currently three neighborhoods which currently have unfavorable variances to budget YTD – Country Club ($11,503), Park and Manor ($3,041) and Sterling Estates ($319).

Reserves

- Reserve expenses were $387k for the month of September. The main expenses include $44k in Gate repairs at Arcadia, Asphalt/ Pavement repairs for $228K at primarily at Windgate, Horseshoe and Arcadia, Cameras in common area $62k, and Culvert clean-out in Windgate and Country Club $50K. YTD reserve expenses were $1,223k.
- Reserve spending will vary from projections 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 income is $335k YTD.

DC RANCH ASSOCIATION

STATEMENT OF REVENUE AND EXPENSE

For the Month and YTD Ending September 30, 2026

	September 2026			Year-to-Date			Annual
	Current Month	Budget	Budget Variance	Year to Date	Budget	Budget Variance	2026 Budget
INCOME							
Master Assessments	$ 383,730	$ 386,278	$ (2,548)	$ 3,447,053	$ 3,476,502	$ (29,449)	$ 4,635,335
Neighborhood Assessments	514,501	514,483	18	4,629,664	4,630,347	(683)	6,173,791
Builder & Developer Assessments	2,881	676	2,205	33,988	6,084	27,904	8,110
Clubhouse Cost Share	56,305	56,804	(499)	506,747	511,236	(4,489)	681,649
Total Assessment Revenue	**957,418**	**958,241**	**(823)**	**8,617,452**	**8,624,169**	**(6,717)**	**11,498,885**
Lot Sale Fees	7,100	9,167	(2,067)	112,897	82,503	30,394	110,000
Modification Submital Fees	7,450	6,000	1,450	103,300	54,000	49,300	72,000
Other Fees	10,759	5,486	5,273	91,693	49,374	42,319	59,540
Gate Transponders	11,456	14,583	(3,127)	127,633	131,247	(3,614)	175,000
Cell Tower Lease(s)	7,188	7,188	0	64,210	64,044	166	85,650
Other Income (CFD, Interest, Misc)	4,544	1,667	2,877	41,545	15,003	26,542	26,300
Total Non-Assessment Income	**48,496**	**44,091**	**4,405**	**541,278**	**396,171**	**145,107**	**528,490**
Total Operating Income	**1,005,914**	**1,002,332**	**3,582**	**9,158,729**	**9,020,340**	**138,389**	**12,027,375**
EXPENSES							
Reserve Contributions	186,432	186,430	2	1,677,886	1,677,870	16	2,237,181
Capital Contribution	-	4,167	(4,167)	-	37,503	(37,503)	50,000
Total Reserve Expense	**186,432**	**190,597**	**(4,165)**	**1,677,886**	**1,715,373**	**(37,487)**	**2,287,181**
Personnel Expenses	310,184	287,792	22,392	2,453,470	2,592,209	(138,739)	3,493,372
Administration	18,506	24,227	(5,721)	328,025	254,603	73,422	330,262
Information Technology	8,904	10,853	(1,949)	103,310	96,777	6,533	128,333
Human Resources	3,832	8,626	(4,794)	31,079	40,734	(9,655)	54,600
Total Administrative Expense	**341,426**	**331,498**	**9,928**	**2,915,884**	**2,984,323**	**(68,439)**	**4,006,567**
Landscape Services	79,667	103,279	(23,612)	470,829	589,627	(118,798)	787,173
Facilities Maintenance	17,665	18,803	(1,138)	157,456	168,277	(10,821)	221,660
Utilities	69,249	66,004	3,245	579,920	594,036	(14,116)	792,008
Fleet	39,994	21,828	18,166	258,381	196,452	61,929	261,936
Total Maintenance Expense	**206,575**	**209,914**	**(3,339)**	**1,466,586**	**1,548,392**	**(81,806)**	**2,062,777**
Community Patrol & Gate Access	252,187	253,805	(1,618)	2,219,221	2,213,045	6,176	2,952,410
Community Standards	108	1,392	(1,284)	5,696	12,528	(6,832)	16,700
Community Relations	500	275	225	5,348	10,653	(5,305)	17,053
Total Community Program Expense	**252,796**	**255,472**	**(2,676)**	**2,230,265**	**2,236,226**	**(5,961)**	**2,986,163**
Insurance (non-EE) & Taxes	23,874	24,025	(151)	213,784	217,355	(3,571)	289,299
Other Expenses	-	27,698	(27,698)	-	249,282	(249,282)	332,378
Total General Expense	**23,874**	**51,723**	**(27,849)**	**213,784**	**466,637**	**(252,853)**	**621,677**
Total Operating Expense	**1,011,103**	**1,039,204**	**(28,101)**	**8,504,405**	**8,950,951**	**(446,546)**	**11,964,365**
Operating Income/(Loss)	**(5,189)**	**(36,872)**	**31,683**	**654,324**	**69,389**	**584,935**	**63,010**
Reserve Net Income/(Loss)	(162,354)	-	(162,354)	789,864	-	789,864	-
Capital Net Income/(Loss)	(1,156)	-	(1,156)	(11,945)	-	(11,945)	-
Reserve/Capital Net Income/(Loss)	**(163,510)**	**-**	**(163,510)**	**777,918**	**-**	**777,918**	**-**
Total Net Income/(Loss)	**$(168,699)**	**$ (36,872)**	**$ (131,827)**	**$ 1,432,243**	**$ 69,389**	**$ 1,362,854**	**$ 63,010**

DC RANCH ASSOCIATION

BALANCE SHEET

As Of September 30, 2026

	9/30/2026	12/31/2025	Y/Y Change
ASSETS			
CASH			
Cash - Operating	$ 3,256,627	$ 2,659,860	$ 596,767
Petty Cash	125	125	-
TOTAL CASH	3,256,752	2,659,985	596,767
CAPITAL FUND	90,668	90,668	-
RESERVE FUND	14,112,099	14,414,720	(302,621)
Accounts Receivable (Net)	112,579	111,841	738
Intercompany Receivable	7,786	53,128	(45,342)
Prepaid Expenses	80,321	199,438	(119,117)
Operating Lease Right-to-Use Asset	144,531	144,531	-
Other Current Assets	581	460	121
TOTAL CURRENT ASSETS	345,798	509,398	(163,600)
PROPERTY, PLANT & EQUIPMENT			
Property & Equipment	386,522	386,522	-
Construction In Progress	-	-	-
TOTAL PROPERTY, PLANT & EQUIP	386,522	386,522	-
Less Accumulated Depreciation	(332,187)	(320,242)	(11,945)
PROPERTY, PLANT AND EQUIPMENT, NET	54,335	66,280	(11,945)
TOTAL ASSETS	**$ 17,859,653**	**$ 17,741,051**	**$ 118,601**
LIABILITIES			
Accounts Payable	$ 413,891	$ 1,640,568	$ (1,226,678)
Intercompany Payable	308,016	371,735	(63,719)
Accrued Expenses	166,574	131,547	35,027
Prepaid Assessments	328,015	376,287	(48,272)
Deferred Revenue	-	-	-
Other Current Liabilities	115,000	125,000	(10,000)
TOTAL CURRENT LIABILITIES	1,331,495	2,645,137	(1,313,642)
Operating Lease Right-to-Use Liability	144,531	144,531	-
TOTAL LONG-TERM LIABILITIES	144,531	144,531	-
TOTAL LIABILITIES	**$ 1,476,026**	**$ 2,789,668**	**$ (1,313,642)**
NET ASSETS			
Operating Equity	1,681,039	1,681,039	0
Capital Equity	87,585	87,585	-
Reserve Equity	13,182,760	13,182,760	-
Current Year Profit/Loss	1,432,243	-	1,432,243
TOTAL NET ASSETS	**$ 16,383,627**	**$ 14,951,384**	**$ 1,432,243**
TOTAL LIABILITIES & NET ASSETS	**$ 17,859,653**	**$ 17,741,051**	**$ 118,602**

DC RANCH ASSOCIATION

STATEMENT OF CASH FLOW

For the Period Ended September 30, 2026

	Current Month Month Ended September 2026	Year-to-Date Year Ended September 2026
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (deficit) for period	$ (168,699)	$ 1,432,243
Adjustments to reconcile net income (deficit)		
Depreciation	1,156	11,945
(Increase)/Decrease in:		
Accounts receivable	17,872	(738)
Intercompany receivables	-	45,342
Prepaid expenses	24,322	119,117
Increase/(Decrease) in:		
Accounts payable	(264,240)	(1,226,678)
Accrued expenses	-	-
Accrued payroll expenses	30,232	31,556
Deferred revenue	-	-
Prepaid assessments	(21,454)	(39,227)
Prepaid Council assessments	(4,797)	(9,045)
Intercompany payables	58,580	(63,719)
Other liabilities	5,670	(6,650)
NET CASH FROM OPERATING ACTIVITIES	(321,357)	294,146
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	-	-
Disposal of Property, Plant & Equipment	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of long-term debt	-	-
Principal payments of long-term debt	-	-
NET CASH FROM FINANCING ACTIVITIES	-	-
NET INCREASE (DECREASE) IN CASH	**(321,357)**	**294,146**
CASH, BEGINNING OF PERIOD	17,780,876	17,165,373
CASH, END OF PERIOD	**$ 17,459,520**	**$ 17,459,520**