



**DC Ranch Community Council
Financial Highlights – Director Analysis
for period ending March 31, 2020**

Summary by Fund - YTD

	<u>Operating</u>	<u>Reserve</u>	<u>Capital</u>	<u>Total CC</u>
Revenue	\$ 1,233,212	\$ 4,422	\$ 4,214	\$ 1,241,847
Expenses	822,206	35,384	19,075	876,665
Operating Income/(Loss)	\$ 411,006	\$ (30,963)	\$ (14,862)	\$ 365,181
Depreciation	-	-	9,313	9,313
Total Income/(Loss)	\$ 411,006	\$ (30,963)	\$ (24,175)	\$ 355,868
Transfers In/(Out)	(72,600)	62,100	10,500	-
Total Surplus/(Deficit)	\$ 338,406	\$ 31,137	\$ (13,675)	\$ 355,868

Revenue

Operating revenue for March totaled \$423k, higher than budget by \$51k (14%). Year-to-date revenue is favorable to budget by \$252k (26%). Significant variances to budget include:

- Community Benefit Fees came in \$50k (30%) higher than forecast for March, resulting in a \$227k revenue surplus YTD.
- Covenant Commission Reimbursement for shared expenses (management fee) is \$31,800 higher than budget YTD. This will cumulatively be the case for the remainder of the fiscal year. When the budget was approved, the function and partnership between Covenant Commission and Community Council had not yet been finalized. As such, the budget reflects no shared expenses between organizations. The final agreement will result in an approximate budget surplus of \$30k to Council. This amount reflects the difference between the funds we will be receiving from the Covenant Commission for shared costs, less the amount of personnel costs Council will pay for one (1) FTE to Covenant.
- Programming and rentals are lower than budget due to the cancellation of certain programs in the last half of March in response to the COVID-19 pandemic.

Expense

Operating expenses for March came in \$39k (12%) less than anticipated, with year-to-date expense \$74k lower (8%) than budget. Notable variances include:

- Personnel costs are \$9k higher than estimated in the budget for YTD. Included in this amount is approximately \$25k in expenses for the Covenant Commission staff, which are part of the management fee. So, there is a savings in personnel costs of \$14k in other departments YTD.
- Management Fee expenses are over budget YTD by \$3k and will cumulatively be the case for the remainder of the year – see explanation above in the Revenue section.
- In addition, there is a cumulative savings of \$86k YTD across all departments for various services and supplies. We are completing the first quarter of the fiscal year, so this amount is largely due to timing and will fluctuate as the year progresses. Savings by department is as follows:

- Administration - \$22k savings in Legal/Professional Fees, Public Affairs, Special Projects and Information Technology.
- Communications/Community Engagement - \$8k savings in Collateral Printing/Postage and Community Relations.
- Community Center Operations - \$19k savings in various supplies and services related to facility maintenance.
- Programming – \$13k in savings due to the cancellation of events, clubs and classes in March.
- Seasonal Decorations – \$20k savings due to the timing of an invoice payment made in April.
- Paths & Trails - \$4k savings in supplies and projects.

Balance Sheet/Cash Flow

- Operating cash on hand is equal to 5.75 months as of 3/31/20.
- There are currently \$1.3 mil in capital funds and \$1.5 mil in reserve funds. Reserves are currently 87.33% funded.
- The amount in Capital Fund–Current Projects represents the amount of funds remaining to complete Board approved projects.

Looking Forward

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

<u>Month</u>	<u>Currently in escrow</u>	<u>Budgeted Benefit Fees</u>
April 2020	\$164,062	\$135,512
May 2020	\$72,565	\$165,619

Community Council continues a positive financial position through March with a \$326k favorable variance to the operating budget. Community Benefit Fees and expense timing/savings are the main drivers for this number so far this year.



DC Ranch Community Council Statement of Revenue and Expense For the month and YTD ended March 31, 2020

	MARCH ACTUAL	MARCH BUDGET	BUDGET VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	2020 BUDGET
REVENUE							
Community Benefit - Transfer Fee	\$ 215,236	\$ 165,081	\$ 50,155	\$ 593,741	\$ 367,046	\$ 226,695	\$ 1,500,000
Residential Assessments (2,688 units)	139,854	139,750	104	419,510	419,250	260	1,677,131
Commercial/Apartment Assessments (970 Commercial units)	50,440	50,440	-	151,320	151,320	-	605,280
Charitable Events (Dinner in the Desert / Tour de Scottsdale)	-	-	-	-	-	-	192,000
Event/Club/Class Registrations	1,551	5,435	(3,884)	11,745	9,310	2,435	54,379
Community Center Rentals	2,070	6,000	(3,930)	8,323	13,500	(5,178)	43,200
Other (Interest, CFD from city, processing fees, misc.)	2,740	3,258	(518)	9,176	9,774	(598)	46,796
Arts/Education Program Registrations/Ticket Sales	(293)	905	(1,198)	3,517	7,405	(3,888)	26,570
Covenant Commission Expense Reimbursement	10,600	-	10,600	31,800	-	31,800	-
Advertising (website)	-	-	-	1,440	1,320	120	7,080
Community Garden Leases	880	880	-	2,640	2,640	-	10,560
TOTAL REVENUE	\$ 423,078	\$ 371,749	\$ 51,329	\$ 1,233,212	\$ 981,565	\$ 251,647	\$ 4,162,996
EXPENSE							
Administrative (office rent, phones, IT, admin staff)	\$ 104,723	\$ 103,721	\$ 1,002	\$ 307,948	\$ 308,561	\$ (613)	\$ 1,250,429
Community Center Operations (utilities, upkeep, center staff)	76,464	81,042	(4,578)	224,015	249,333	(25,318)	1,006,257
Events/Clubs/Classes (instructors, supplies, rentals, catering, planning staff)	32,660	42,565	(9,905)	133,509	147,145	(13,636)	665,860
Communication/New Residents (website, newspaper, merchants, tours, staff)	39,877	44,080	(4,203)	125,703	134,135	(8,432)	514,900
Management Fees (reimbursement to Ranch Association)	1,275	298	977	3,825	894	2,931	3,576
Charitable Events (Dinner in the Desert / Tour de Scottsdale)	-	-	-	-	-	-	189,100
Seasonal Decorations (supplies, storage, labor)	-	19,500	(19,500)	-	19,500	(19,500)	64,500
Arts and Education Programs (instructors, supplies, rentals)	2,483	2,720	(237)	3,908	4,410	(502)	64,725
Employee Relations and Training (mileage, conferences, dues, uniforms)	664	1,845	(1,181)	14,622	19,450	(4,828)	61,360
Market Street Park / Paths and Trails (utilities, upkeep)	396	1,785	(1,389)	2,438	6,540	(4,102)	28,155
Insurance & Taxes	1,988	1,932	56	6,238	6,296	(58)	23,734
TOTAL EXPENSE	\$ 260,530	\$ 299,488	\$ (38,958)	\$ 822,206	\$ 896,264	\$ (74,058)	\$ 3,872,596
NET OPERATING INCOME/(LOSS)	\$ 162,548	\$ 72,261	\$ 90,287	\$ 411,006	\$ 85,301	\$ 325,705	\$ 290,400
TRANSFERS IN/OUT							
Reserve & Capital Fund Contributions (Transfer Out)	24,200	24,200	-	72,600	72,600	-	290,400
NET SURPLUS (DEFICIT)	\$ 138,348	\$ 48,061	\$ 90,287	\$ 338,406	\$ 12,701	\$ 325,705	\$ -

DC Ranch Community Council, Inc.
Balance Sheet Comparison Report
As Of 3/31/2020

	<u>Balance</u> <u>3/31/2020</u>	<u>Balance</u> <u>12/31/2019</u>	<u>Change</u>
Assets			
<u>Cash</u>			
111020 - AAB Operating Cash - Council	\$0.00	\$422,260.57	(\$422,260.57)
111025 - BOK Operating Cash - Council	\$1,995,117.63	\$1,338,659.93	\$656,457.70
119000 - Petty Cash	\$700.00	\$700.00	\$0.00
<u>Cash Total</u>	<u>\$1,995,817.63</u>	<u>\$1,761,620.50</u>	<u>\$234,197.13</u>
<u>Capital Fund</u>			
112100 - BOK Capital Fund - Council - Current Projects	\$68,826.52	\$68,826.52	\$0.00
112150 - BOK Capital Fund - Council - Savings	\$1,254,073.74	\$1,258,435.29	(\$4,361.55)
<u>Capital Fund Total</u>	<u>\$1,322,900.26</u>	<u>\$1,327,261.81</u>	<u>(\$4,361.55)</u>
<u>Reserve Fund</u>			
129420 - BOK Reserve Fund	\$1,500,716.82	\$1,469,579.37	\$31,137.45
<u>Reserve Fund Total</u>	<u>\$1,500,716.82</u>	<u>\$1,469,579.37</u>	<u>\$31,137.45</u>
<u>Accounts Receivable</u>			
141200 - Community Council Accounts Receivable	\$4,737.80	\$4,942.75	(\$204.95)
141300 - Accounts Receivable - Benefit Fees	\$71,370.00	\$15,800.00	\$55,570.00
141400 - Accounts Receivable - Event Brite	\$0.00	\$874.98	(\$874.98)
142000 - Accounts Receivable - Other	\$0.00	\$6,592.92	(\$6,592.92)
144500 - Commercial Assessments Receivable	\$10,900.00	\$1,127.00	\$9,773.00
144900 - Allowance for Bad Debt	(\$1,354.29)	(\$1,354.29)	\$0.00
159000 - Accounts Receivable Clearing Account	\$0.00	\$0.00	\$0.00
<u>Accounts Receivable Total</u>	<u>\$85,653.51</u>	<u>\$27,983.36</u>	<u>\$57,670.15</u>
<u>Prepaid Expenses</u>			
135000 - Due From Check Front	\$0.00	\$0.00	\$0.00
151000 - Prepaid Insurance	\$19,604.49	\$8,859.38	\$10,745.11
151500 - Prepaid Programs & Events	\$30,640.46	\$6,028.02	\$24,612.44
151700 - Prepaid Expense - Charitable Events	\$5,075.49	\$0.00	\$5,075.49
151800 - Prepaid Expense - Arts & Education	\$5,450.30	\$1,740.00	\$3,710.30
152000 - Prepaid Utilities	\$0.00	\$0.00	\$0.00
153000 - Prepaid Postage	\$752.79	\$732.11	\$20.68
154000 - Prepaid Expenses	\$75.00	\$240.00	(\$165.00)
<u>Prepaid Expenses Total</u>	<u>\$61,598.53</u>	<u>\$17,599.51</u>	<u>\$43,999.02</u>
<u>Intercompany Receivable</u>			
131000 - Due From Covenant Commission	\$0.00	\$0.00	\$0.00
133000 - Due From DC Ranch Association	\$0.00	\$57,454.30	(\$57,454.30)
<u>Intercompany Receivable Total</u>	<u>\$0.00</u>	<u>\$57,454.30</u>	<u>(\$57,454.30)</u>
<u>Property and Equipment</u>			
171000 - Furniture & Fixtures	\$165,918.57	\$165,918.57	\$0.00
172000 - Property & Equipment	\$191,471.23	\$191,471.23	\$0.00
172500 - Leasehold Improvement - Community Garden	\$137,041.53	\$137,041.53	\$0.00

DC Ranch Community Council, Inc.
Balance Sheet Comparison Report
As Of 3/31/2020

	<u>Balance</u> <u>3/31/2020</u>	<u>Balance</u> <u>12/31/2019</u>	<u>Change</u>
Assets			
174000 - Homestead Remodel & Capital Improvement	\$121,771.49	\$121,771.49	\$0.00
175000 - Desert Camp Remodel Capital Improvement	\$98,372.58	\$98,372.58	\$0.00
179000 - Accumulated Depreciation	(\$517,615.58)	(\$508,302.17)	(\$9,313.41)
<u>Property and Equipment Total</u>	<u>\$196,959.82</u>	<u>\$206,273.23</u>	<u>(\$9,313.41)</u>
<u>Other</u>			
162000 - Interfund Transfer - From Operating Fund	\$0.00	\$0.00	\$0.00
162050 - Interfund Transfer - To Capital Fund	\$0.00	\$0.00	\$0.00
<u>Other Total</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
 <i>Assets Total</i>	 \$5,163,646.57	 \$4,867,772.08	 \$295,874.49
Liabilities and Equity			
<u>Current Liabilities</u>			
210000 - Accounts Payable	\$32,552.58	\$80,060.99	(\$47,508.41)
211000 - Insurance Payable	\$0.00	\$0.00	\$0.00
212000 - Payroll / Month End Accrual	\$133,022.32	\$90,937.79	\$42,084.53
213000 - Accrued Expenses	\$700.00	\$0.00	\$700.00
216000 - Insurance Claim Payable	\$0.00	\$0.00	\$0.00
220000 - Prepaid Assessments	\$24,988.00	\$68,676.00	(\$43,688.00)
220500 - Prepaid Event Registration	\$0.00	\$0.00	\$0.00
221500 - Prepaid Facility Rental	\$6,090.00	\$7,620.00	(\$1,530.00)
221600 - Deposit Facility Rental	\$3,955.00	\$3,805.00	\$150.00
222000 - Section 125 Liability	(\$22.37)	\$426.64	(\$449.01)
<u>Current Liabilities Total</u>	<u>\$201,285.53</u>	<u>\$251,526.42</u>	<u>(\$50,240.89)</u>
<u>Intercompany Payable</u>			
231000 - Due to Covenant Commission	\$0.00	\$9,752.68	(\$9,752.68)
233000 - Due to DC Ranch Association	\$0.00	\$0.00	\$0.00
<u>Intercompany Payable Total</u>	<u>\$0.00</u>	<u>\$9,752.68</u>	<u>(\$9,752.68)</u>
<u>Capital and Reserve Equity</u>			
311000 - Capital Equity	\$1,513,697.21	\$1,413,286.40	\$100,410.81
320100 - Reserve Equity	\$1,489,417.20	\$1,380,175.85	\$109,241.35
<u>Capital and Reserve Equity Total</u>	<u>\$3,003,114.41</u>	<u>\$2,793,462.25</u>	<u>\$209,652.16</u>
 <u>Retained Earnings</u>	 \$1,603,378.57	 \$1,272,971.41	 \$330,407.16
 <u>Net Income</u>	 \$355,868.06	 \$540,059.32	 (\$184,191.26)
 <i>Liabilities & Equity Total</i>	 \$5,163,646.57	 \$4,867,772.08	 \$295,874.49

DC RANCH COMMUNITY COUNCIL
STATEMENT OF CASH FLOWS
MONTH OF MARCH 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Net income (deficit) for period	\$	138,348
Adjustments to reconcile net income (deficit)		
Accounts receivable		1,344
Prepaid insurance		1,816
Prepaid programs and expense		(7,504)
Prepaid expenses		(298)
Intercompany Receivable		332
Accounts payable		(3,574)
Accrued payroll expenses		14,509
Deferred revenue - facility rentals		(6,353)
Prepaid assessments		16,900
Prepaid event registration		-
Other liabilities		420
		420

NET CASH FROM OPERATING ACTIVITIES

155,940

CASH, BEGINNING OF PERIOD

1,839,877

CASH, END OF PERIOD

\$ 1,995,818

ADDITIONAL INFORMATION - OPERATING FUNDS REQUIREMENTS:

Per Board policy, operating funds should be between three months and six months of average budgeted annual operating expenses.

Number of months budgeted expenses in cash, end of period:

5.75

Total 2020 operating budget expenses

\$ 4,162,996

MINIMUM - Average of three months

\$ 1,040,749

Amount over
minimum

\$ 955,069

Amount
under
minimum

N/A

MAXIMUM - Average of six months

\$ 2,081,498

Amount over
maximum

N/A

Amount
under
maximum

\$ 85,680

