



Board of Directors Meeting Minutes
REGULAR MEETING
DC Ranch Community Council, Inc.
Desert Camp Community Center
September 28, 2018
5:30 p.m.

Attending:

Mark Eberle, Vice President
Jim Patterson, Treasurer
Jill Hegardt
Natalie Ingram
Jill Edwards Resnick

Staff Attending:

Jenna Kohl, Executive Director
Jona Davis, Community Engagement Director
Beth Overton, Facilities and Recreation Director
Erin May Valdez, Executive Assistant/HR Administrator

Excused Absence:

Ron Belmont, President
Bud Kern

I. Call to order

Mark Eberle called the meeting to order at 5:30 p.m. and welcomed all guests in attendance.

II. Approval of July Minutes

***Motion: To approve the minutes from the July 16 exec session and regular meeting minutes
Motioned by Jim Patterson; Seconded by Jill Hegardt; Motion passed unanimously***

III. President's Report

Mark welcomed the recent new hires, and Jona introduced them:

Candace Thomas, Event and Program Coordinator
Mike Gertzman, Senior Manager of Communications
Alexandra Duemer, Communications Coordinator

Because the September exec session was moved to September 18 due to President Belmont being unable to attend the original date, Mark Eberle publicly recorded the vote that took place 9/18 regarding Capital funds approved for safety and security updates at Desert Camp Community Center. The motion and vote from 9/18 reads:

Beth reviewed the quote from Safeguard for installing a lobby camera with audio, upgrading the existing receiver and installing an access reader and continental panel at the front desk at Desert Camp. This also includes a key fob software update. Recent security issues prompted this request and staff feels resident and staff safety is imperative. These additional funds will add \$8,094 in total to the Capital Budget.

***Motion: To approve the \$8,094 requested funds for community center access and safety updates
Motioned by Bud Kern; Seconded by Jill Hegardt; Motion passed unanimously***

IV. Executive Director's Report

Jenna highlighted the staff report. The board's budget work session is on October 11, with the public budget presentation slated for October 18. Staff will hold a public meeting showcasing the DCR2020 initiative on October 29. Staff is undergoing a project to review and implement new team values. The segmentation study, to target DC Ranch's future buyers as well find ways to best serve current residents' interests, will begin in November. The MOU with the school district has been signed and Council will execute it and begin working with all parties. DC Ranch staff is working with Scottsdale PD regarding concerns from residents on parking on 91st street by the Corporate Center.

IV. Financial Reports

Brandy Nash, the Council's intern from ASU, presented the monthly financials as her administrative project. She indicated that we ended August \$37K to the good. We had over \$20K more in benefit fees than budgeted, and Communications Department payroll was less than budgeted due to the open positions during hiring. Expenses for the year are over budget right now, due to the \$400K transfer to the capital fund in June. Our cash balance sits at 4.68 months.

V. Reserve Study Update and Proposed Guidelines

Beth reviewed the proposed guidelines for the Reserve fund. The guidelines establish that an "amount sufficient" to meet future obligations would be at least 80% reserved.

***Motion: To approve the proposed Reserve guidelines that mark our reserve minimum as 80% funded
Motioned by Jill Edwards Resnick; Seconded by Jim Patterson; Motion passed unanimously***

VI. Financial Management Policy Proposed Changes

Jenna reviewed the two proposed changes to the board's Financial Management policy. The first change clarifies how excess benefit fees will be used to fund the Capital and/or Reserve fund, and how the Executive Director and Director of Financial Management shall monitor and approve these transfers, and advise the board of any transfers. The second change clarifies that the Reserve fund must maintain a minimum of 80% funded, to be consistent with governing documents and the approved Reserve guidelines.

***Motion: To approve the proposed additions and edits to the Financial Management Policy
Motioned by Natalie Ingram; Seconded by Jim Patterson; Motion passed unanimously***

VII. Path & Trail Project Update/Proposal for Safety Improvements

Beth and Brad Bishop reviewed the path and trail project updates and the five deliverables for the project: survey of property, develop recommendations, compose new maps, install emergency markers, and install wayfinding signs/kiosks. Okanogan Trail Construction, the company working on this project, has put together 50 recommendations to enhance safety and improve connectivity throughout the system. Beth and Brad reviewed 12 of these recommendations that focus on crosswalks and entryways, totaling \$47,163. These recommendations will need to be completed to be represented on the upcoming maps.

***Motion: To approve the expenditure of \$47,163 in capital funding to complete the proposed 12 safety recommendations to the path and trail system, to ensure they are represented in upcoming map printings
Motioned by Natalie Ingram; Seconded by Jill Edwards Resnick; Motion passed unanimously***

VIII. Sidewalk along 94th Street

Resident Valentin Dinu spoke regarding his concern for residents and children walking along 94th Street toward Bell Road, where there is no sidewalk. Pedestrians and bikers either must be in the road, or walk in the desert landscape. This stretch of road is not in DC Ranch's boundaries. However, multiple residents and NVMs have reached out to the Director of Public Affairs Chris Irish to ask for assistance in convincing the City, who owns the property adjacent to 94th Street in this area, to install a sidewalk. Chris has discussed this issue with Jenna, Ranch Association Executive Director Darren Shaw, Council board members, and Ranch Association board members. She has requested approval from all parties to move forward and contact Mayor Lane's office regarding this issue. Maintenance and possible lighting of the sidewalk would all fall under the purview of the City. Jenna will check if any projects like this have been approved by the City in the past.

***Motion: To authorize Chris Irish to engage with the Mayor's and city's offices to advocate for a sidewalk to be installed along 94th Street. The City would be responsible for maintenance and upkeep of any implemented sidewalk.
Motioned by Jill Edwards Resnick; Seconded by Jim Patterson; Motion passed unanimously***

IX. Adjourn Meeting

Motion: To adjourn the meeting at 6:30 p.m.

Motioned by Mark Eberle; Seconded by Jim Patterson; Motion passed unanimously.



Staff Report

November 2018

Finance and Administration

- *Resident Group.* We have eight applicants for the Council Resident Group; the applications are under review, and we plan to host the first session in late November.
- *Neighborhood Meetings.* Council representatives will join Ranch Association at neighborhood meetings that are designed to engage with residents and talk about relevant topics of interest. The first such meeting is scheduled in Park and Manor on November 9. Also, correspondence went out to NVMs in planning unit one regarding park use and the contribution from Council to Ranch for park maintenance to offset use by residents of the apartment communities.
- *Budget.* Upon Board approval of the 2019 Council Operating Fund budget, staff will develop the budget letter and spreadsheet which will be mailed to residents later in November.
- *Partner Engagement.* ED Kohl and PA Director Irish attended several events including a tour of the new airport facility, candidates' night, and other events to engage with city officials and elected representatives in support of our mission to sustain and maintain partnerships on behalf of DC Ranch.
- *Office Lease.* Staff, in partnership with Covenant Commission and Ranch Association, have been researching options for office space; the current Ranch Office lease expires in August 2019.
- *Brown Parcel Development.* A developer is considering purchase and development of a parcel located just west of Villas of Desert Park Village, accessible off of Union Hills Drive to the north (it is bordered by Legacy on the south). Initial plans call for a 5-lot single-family home development (consistent with existing zoning); the project must go through City and DC Ranch review.
- *Insurance.* Staff is working on the insurance renewal for 2019. The general liability insurance rate was locked in for three years, beginning January 1, 2018. Through our broker, we are bidding out the commercial auto, umbrella, and D&O policies. We will again joint bid with Ranch Association, which results in cost savings for the community. We are also considering additional insurance coverage for large-scale outdoor events that could be negatively impacted by weather and other factors.
- *Community Meetings.* We engaged in several community meetings in October, including the Ranch-sponsored safety forum on Oct. 24, the Council budget meeting on Oct. 18, the City of Scottsdale Park open house on Oct. 25, and the DCR2020 Strategic Planning Update session of both Ranch and Council Boards on Oct. 29.
- *City of Scottsdale Park Open House.* As noted above, the City held an open house on Thurs., Oct. 25 to gather DC Ranch resident feedback on plans for two park parcels that the City owns. The parcels are located just south of Thompson Peak Parkway, on both sides of the Reata Wash. The east parcel was originally proposed as a tennis center years ago. The City is

updating their plans and is seeking input that they will use in crafting conceptual designs for development. Learn more at dcranch.com; initial concept plans are posted along with a link to submit feedback to the City. About forty residents attended the session.

Events and Programs

- *Tour de Scottsdale Update:* 88 participants donated their registration to the Conservancy.
- *Spooky-week Events:* Prickly Pumpkin Patch, Spooky Carnival Hotel Ranchsylvania and Legends of the Lost Dutchman events provided fun for all ages. See statistics report for attendance figures.
- *Upcoming Events:* A calendar of upcoming events for November is attached.
- *Programs and Events:* Throughout September and October, over 1,800 participated in a variety of events including Food Truck Night, Photography in the Desert, Wisdom+Wit trivia night, Speakers Series, TGIF, Spooky-week events, Men's and Women's Club and fitness classes.

Communications and Engagement

- *Fall Intern Program:* ASU senior Brandy Nash completed her 12-week internship with DC Ranch. She rotated through eight different areas of the Community Council and Ranch Association operations.
- *Segmentation Study:* DCR2020 Strategic Initiative 3 is to "Identify and Position DC Ranch for the Target Buyers of the Future." Douglas Griffen with Advanced Strategy Center was contracted to conduct a segmentation study. The project will begin in November with an estimated completion by January.
- *DC Ranch Gives Pajama Drive:* DC Ranch Gives is collecting new pajamas for all ages and sizes through Dec. 10. The goal is to collect 500 pajamas for infants, children, and teens in need. Donations can be dropped off at Desert Camp and The Homestead during business hours; monetary donations are also accepted.
- *New Resident 'Round the Ranch Sunset Tour:* Thirty six new residents attended the Sunset Tour on Nov. 12 that departed from the Living Room, stopped at the Country Club and concluded with a champagne toast in Upper Canyon.

Facilities and Recreation

- *Desert Camp Playground Project Update:* Project start delayed until Monday, Oct. 29. Old playground excavated and area has been prepped for new equipment and surface. Project is on track and should be completed November 20.
- *Priority II Project Updates:* The Desert Camp north parking lot cut through has been completed. We have received several compliments and "thank you's" for the new walkway. The south parking lot cut through work is scheduled for Dec. 3.
- *Community Center Access Update:* Safeguard installed the new audio lobby cameras, key fob swipe and 16 channel DVR at Desert Camp.
- *Path & Trail Project Update:* Staff is narrowing down the final designs for trail signage. Over the past month staff met with stakeholders including the Country Club at DC Ranch and Silverleaf Country Club to discuss the scope of the project. The project is on track.

- *Desert Camp Pool Repairs:* The Desert Camp pool area will be closed Nov. 5 to 9 for minor repairs to the toddler pool pebble tec and pool cool decking. Lap swimmers have access to The Village pool during the closure.
- *Anniversary Food Truck Night :* The enhanced 20th Anniversary Food Truck was a hit. 175 residents gathered at The Homestead and enjoyed four tantalizing food trucks, lawn games, music and neighbors. We had Buddyz Pizza, Pho King, Scookie and Pura Vida Grinds.
- *New Strength and Balance Class:* The new Strength and Balance class is off to a good start. Eleven residents registered in October and November. This new fitness class is for all levels of active adults on Monday and Wednesday from 10:30 to 11:30 a.m. at The Homestead Community Center.
- *Community Center Rentals:* Community Center rentals are picking up for the holiday season. Year to date we have hosted 82 resident rentals with over 4600 participants for a total of \$28,477 in rental revenue. We have an additional 16 resident rentals scheduled for the remainder of the year.

Public Affairs Update

- *94th Street Sidewalk:* The city has started the design phase of the project, but construction funding is unconfirmed at this time. We will continue to monitor and report on progress.
- *Future Bond Package:* The city manager wants to put a bond package together for November 2019 or 2020. Staff is in the loop and it will be important to get a DC Ranch resident on the citizen's advisory committee. We will discuss this topic with the board when the time is appropriate.
- *Dessert EDGE:* The November 6 election results will dictate any future action. Stay tuned!
- *State Land adjacent to Pima:* The state has received an "application" for a portion of the state land that is north of the 101 and west of Pima. An "application" starts the sale process, which often takes more than year. Staff is seeking more information.
- *SUSD land at Copper Ridge:* The MOU has been signed. Staff is waiting for an "initial discussion meeting" to be set by SUSD.
- *Scottsdale Airport:* Jenna and Chris toured their new facility. Residents were invited to the public Open House on Nov. 4.
- *Sky Harbor NextGen:* The FAA has agreed to hold meetings for public input on the eastbound routes in February/March 2019.

Other Updates

- *Founders Reception and Pioneer Panel: **Mark your calendar for Wednesday, Dec. 5*** for a special 20th anniversary event. The Founders Reception will begin at 5:30 p.m. with hors d'oeuvres and a champagne toast celebrating those who helped make DC Ranch a special place. The Pioneer Panel, open to all DC Ranch residents, will follow the private reception at 6:30 p.m. The Pioneer Panel brings together some of the community's most influential contributors to share their thoughts on how they created something new and distinctive in DC Ranch. They'll explore what inspired them, the challenges they faced, and what they learned along the way—plus fun facts and colorful stories sprinkled in. The evening offers extra surprises: Memorabilia including photos and models of DC Ranch homes will be on display along with carefully chosen items that will go inside the 20th anniversary time capsule. A special "DC Ranch beer" is being brewed for the event and will be served along with wine, iced tea, and a dazzling array of appetizers. At the end of the evening, join

neighbors for the reading of a specially written DC Ranch poem by the Scottsdale Poet Laureate and a toast to honor DC Ranch's past and its future.

- *Phoenix Home and Garden Magazine Luxury Home Tour*: A DC Ranch home has been chosen to be a part of the upcoming Phoenix Home and Garden Magazine 2018 Luxury Home Tour. There are five homes total on the tour located in various parts of the Valley. The selected home is located at 19286 N 107th Street, Lot 2423, behind the Horseshoe Gate. Ranch Association is coordinating with the magazine and homeowner to manage visitors to the home between noon and 5 p.m. on Saturday, Nov. 10. The home will be featured in the magazine in an upcoming issue, and the DC Ranch Communications team is doing a story on the home.



NOVEMBER 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 Basic Yoga Flow Food Truck Night Celebration	2 Drop-in Pickleball	3 20 for 20: Hiking Challenge Community Campout
4 Drop-in Pickleball	5 All Levels Yoga Strength & Balance Shallow Water	6 Basic Yoga Flow Duplicate Bridge	7 All Levels Yoga Strength & Balance Social Bridge	8 Basic Yoga Flow	9 Drop-in Pickleball Kid's Cuisine	10 Women's Club: Scavenger Hunt
11 Drop-in Pickleball Sunday Shakespeare	12 All Levels Yoga Strength & Balance	13 Basic Yoga Flow Duplicate Bridge Creative Arts Workshop	14 All Levels Yoga Strength & Balance Social Bridge Shallow Water Grapenuts	15 Basic Yoga Flow Shallow Water Tai Chi	16 Drop-in Pickleball	17 Cocktails from the Garden
18 Drop-in Pickleball	19 All Levels Yoga Strength & Balance Shallow Water	20 Basic Yoga Flow Duplicate Bridge	21 All Levels Yoga Strength & Balance Social Bridge Shallow Water	22	23 Drop-in Pickleball	24
25 Drop-in Pickleball	26 All Levels Yoga Strength & Balance Shallow Water	27 Basic Yoga Flow Duplicate Bridge	28 All Levels Yoga Strength & Balance Social Bridge Shallow Water	29 Basic Yoga Flow Tai Chi	30 Drop-in Pickleball	

Adult Programs

Duplicate Bridge

Every Tuesday from 12:30 to 4 p.m.
Desert Camp Community Center

Grapenuts: Wines under \$12

Wednesday, Nov. 14 | 6 to 8 p.m.
Desert Camp Community Center

Social Bridge

Every Wednesday from 12:30 to 4 p.m.
Desert Camp Community Center

DC Ranch Women's Club: Scavenger Hunt

Saturday, Nov. 10 | 1 to 5 p.m.
Desert Camp Community Center

Arts & Education

Sunday Shakespeare: Julius Caesar

Sunday, Nov. 11 | 6 to 7:30 p.m.
The Homestead Community Center

Creative Arts Workshop

Tuesday, Nov. 13 | 5:30 to 8 p.m.
Desert Camp Community Center

Community Garden

Cocktails from the Garden

Saturday, Nov. 17 | 11 a.m. to Noon
Community Garden at Copper Ridge School

Fitness Programs

20 for 20: Hiking Challenge - Silverleaf

Saturday, Nov. 3 | 9 a.m. to Noon
Meet at The Homestead Community Center

All Levels Yoga

Mondays and Wednesdays | 9 to 10 a.m.
The Homestead Community Center

Basic Yoga Flow

Tuesdays and Thursdays | 9 to 10 a.m.
The Homestead Community Center
No class on Nov. 22 due to Thanksgiving

Drop-in Pickleball

Fridays | 9 to 11 a.m.
Sundays | 4 to 6 p.m.
Desert Camp Community Center Courts

Shallow Water Exercise

Mondays and Wednesdays | 3 to 4 p.m.
Desert Camp Community Center Pool
No class on Nov. 7 due to pool closure
No class on Nov. 12 due to Veterans Day; make
up class on Nov. 15

Strength and Balance

Mondays and Wednesdays | 10:30 to 11:30 a.m.
The Homestead Community Center

Tai Chi

Thursday, Nov. 15 & 29; Dec. 6 | 6 to 7 p.m.
Desert Camp Community Center

Other

Food Truck Night Celebration

Thursday, Nov. 1 | 5 to 8 p.m.
The Homestead Community Center

Community Campout

Saturday, Nov. 3 | 5 p.m. to
Sunday, Nov. 4 | 10 a.m.
Desert Camp Community Center

Youth Programs

Kid's Cuisine

Thursday, Nov. 9 | 6 to 8 p.m.
The Homestead Community Center
Ages 9 to 15

DC Ranch Gives

Pajama Drive - Nov. 5 to Dec. 10

Goal: 500 NEW pajamas for infants, children,
and teens

The Pajama Program provides new pajamas and new books to children in need nationwide, many of whom are waiting to be adopted. These children live in group homes, shelters and temporary housing facilities and are shuffled often from one place to another. Many of them have been abandoned, abused or neglected.



DC Ranch Gives is collecting new pajamas for all ages and sizes from Monday, Nov. 5 through Monday, Dec. 10. Our goal is to collect 500 pajamas for infants, children, and teens. Donations can be dropped off at Desert

Camp Community Center and The Homestead Community Center during business hours. Monetary donations accepted; checks must be made out to Pajama Program.



Workshops, Camps, Classes	-	-	-	-	-	41	-	0	-	22			63
Registrant Total	82	0	0	656	0	41	0	0	0	22			801

Lifestyle Event Registrants	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Tour de Scottsdale Kickoff Party	-	-	-	-	-	-	-	-	-	-			0
Tour de Scottsdale	-	-	-	-	-	-	-	-	-	0			0
Habitat at The Ranch	-	-	132	-	-	-	-	-	-	-			132
Registrant Total	0	0	132	0	0	0	0	0	0	0			132

Communications	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
DCRanch.com Ad Sales Purchased	0	1	2	0	1	2	0	1	0	0			7
DCRanch.com Articles	5	6	4	5	3	2	2	0	0	8			35
DCRanch.com Unique Visits	4,303	3,357	4,319	3,935	3,459	3,433	3,349	3,561	3,268	4,222			37,206
E-communications (# of emails)	20	22	22	21	20	18	19	15	20	22			199
Facebook Posts	19	18	20	19	18	17	11	10	18	10			160
Postcards/Mailers/Other	1	1	0	1	1	0	0	0	1	1			6
Posters/Flyers/Graphics	16	20	22	20	16	15	14	15	16	14			168
Ranch News Articles	17	16	17	16	17	0	17	17	16	16			149
Communications Total	4,381	3,441	4,406	4,017	3,535	3,487	3,412	3,619	3,339	4,293			37,930

Desert Camp Use (# of bookings)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sponsored Club/Meetings	14	13	10	11	12	8	10	9	9	12			108
Non-Sponsored Club/Meetings	20	24	22	21	22	16	13	18	19	29			204
Community Council Events	2	1	5	2	0	0	0	0	1	7			18
DC Ranch Meetings/Events	7	1	3	6	5	4	10	2	6	9			53
Fitness Center Entries (Key Fob Swipes)	3,267	3,135	3,529	3,233	3,365	3,807	2,573	2,760	2,751	2,859			31,278
Lifestyle Events	0	0	0	0	0	0	0	0	0	2			2
Playhouse	0	0	0	0	0	0	0	0	0	0			0
Recreation Programs	12	12	11	32	28	40	35	18	8	11			207
Room & Patio Rentals	8	9	4	7	5	3	3	6	3	6			54
Pool Cabana Rentals	0	0	2	3	9	7	1	4	4	2			32
Use Total	3,330	3,195	3,586	3,315	3,446	3,885	2,645	2,817	2,801	2,937			31,956

Desert Camp Tennis & Pickleball Bookings	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Tennis Court 1	104	83	143	118	76	63	58	71	91	91			898
Tennis Court 2	92	78	93	79	50	44	43	53	61	65			658
Ball Machine	41	29	26	29	14	15	18	15	19	27			233
Pickleball #1	58	38	59	58	10	6	11	13	16	22			291
Pickleball #2 (effective end of April)	-	-	-	3	3	2	5	5	17	13			48
	295	228	321	284	150	128	130	152	187	205			2,080

The Homestead Use (# of bookings)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sponsored Club/Meetings	1	0	0	0	0	0	0	0	0	0			1
Non-Sponsored Club/Meetings	0	0	0	0	0	0	0	0	0	0			0
Community Council Events	0	7	5	1	0	0	1	2	2	4			22
DC Ranch Meetings/Events	2	1	6	4	5	0	3	4	5	11			41
Lifestyle Events	0	0	2	0	0	0	0	0	0	3			5
Playhouse	4	9	9	23	0	24	14	0	0	0			83
Recreation Programs	23	23	17	0	15	1	1	0	16	29			125
Room & Patio Rentals	7	7	8	5	9	1	0	1	4	3			45
Use Total	37	47	47	33	29	26	19	7	27	50			322



DC Ranch Community Council

To: DC Ranch Community Council Board of Directors
From: Jenna Kohl, Executive Director
Date: 11/1/2018
Subject: *2019 Budget Proposal*

Recommendation

Staff recommends that the Board approve the 2019 DC Ranch Community Council Operating Budget as proposed.

Background

The Covenants require, in Section 9.4, that “at least 45 days before the beginning of each fiscal year, the Community Council shall prepare a budget covering the estimated Common Expenses during the coming year, including a capital contribution to establish a reserve fund as provided in Section 9.5. The Budget shall include operational and administrative costs of the Community Council...” So, a decision by the Board on a budget at the November 8 meeting is required.

To recap the budget process, starting in July, staff began to compile the budget based on Board direction, resident requests, identified needs and past practice. The Board and staff met in September to review preliminary budget figures and for the Board to provide direction. Staff refined the budget, and the Board and staff met again in early October for a budget review. A resident budget meeting was held on October 18, at which staff gave a power point overview of the entire budget and all three funds. Residents had several insightful comments and questions.

The proposed 2019 Operating Fund Budget for the DC Ranch Community Council is attached for your consideration; this is the same budget that was presented on October 18. The budget, as proposed, is balanced. It includes an increase in assessments from \$47 to \$49 per month and includes cost reductions in several areas as outlined on the attached memo. The budget reflects our commitment to maintain high quality services and programs that reflect Board direction and resident requests, while keeping the budget relatively stable.

Next Steps

The Council Covenants require that “the Community Council shall send a copy of the Budget and notice of the amount of the General Assessment for the following year to each Ranch Association and commercial owner or commercial association, if any, at least 30 days prior to the beginning of the fiscal year.” To that end, and in conjunction with Ranch Association, staff will prepare the required notices to accompany the budget and will send that out to all appropriate parties later this month.

Attachments

- 2019 Budget Proposal
- 2019 Budget Transmittal Memo dated 10-18-18
- 2019 Potential Capital Projects
- 2019 Planned Reserve Projects



**DC RANCH COMMUNITY COUNCIL
PROPOSED 2019 OPERATING BUDGET**

COMMUNITY COUNCIL OPERATING FUND	2019	2018	2018	19 Budget
DESCRIPTION	BUDGET	Projected	BUDGET	v 18 Projected
Revenue				
Builder & Developer Assessments	16,856	17,900	19,169	(1,044)
Community Council Assessments	1,550,650	1,472,623	1,471,401	78,028
Commercial Assessments	570,360	547,080	547,080	23,280
Management Fee Income	96,600	47,748	12,000	48,852
Community Council Benefit Fee	1,500,000	2,115,607	1,500,000	(615,607)
Events Registrations	24,205	26,381	24,905	(2,176)
Clubs and Class Registrations	30,545	32,532	35,190	(1,987)
Charitable Events Registrations and Donations	167,500	164,875	171,750	2,625
Community Garden	150	430	1,060	(280)
Arts and Education Registrations	26,524	26,980	27,100	(456)
Facility Rental	44,000	41,790	45,180	2,210
Keyfobs & Other	2,400	2,840	2,400	(440)
Service Fee Revenue	12,000	13,390	12,000	(1,390)
Other Revenue	19,940	17,991	18,920	1,949
Total Revenue	4,061,730	4,528,167	3,888,155	(466,437)
Expense				
Administrative (personnel, office supplies, lease)	813,885	691,618	664,030	122,267
Legal/Professional Fees	34,800	24,464	21,000	10,336
Audit/Tax Return	13,450	13,450	13,450	0
Public Affairs	15,750	57,610	88,945	(41,860)
Reserve Study	350	350	350	0
Special Projects	29,980	4,620	7,000	25,360
Intern Program	2,400	2,400	2,400	0
Operational Expenses	290,818	276,160	268,280	14,658
Permits/License/Taxes	120	122	135	(2)
Bank Charges	2,100	2,876	3,900	(776)
Service Fees	12,000	12,756	12,000	(756)
Total Administrative Expense	1,215,653	1,086,426	1,081,490	129,227
New Residents and Community Building	32,230	27,766	31,400	4,464
Communications (personnel, PR, brand, Ranch News)	477,240	451,017	454,145	26,223
Community Events, Celebrations, Programs and Activities	563,366	578,314	606,490	(14,948)
Recreation Programming	77,350	70,131	79,735	7,219
Charitable Events	168,450	162,773	172,700	5,677
Arts and Education	63,275	61,456	61,375	1,819
Total Communications, Engagement, Events, Programs	1,381,911	1,351,457	1,405,845	30,454

Desert Camp Cost Center	589,246	557,137	568,520	32,109
The Homestead Cost Center	145,088	142,954	148,270	2,134
Total Community Center Expenses	734,334	700,091	716,790	34,243
Community Garden Expense	0	15,320	12,160	(15,320)
Market Street Park and Paths and Trails	36,920	35,410	35,260	1,510
Seasonal Decorations	67,300	88,376	77,000	(21,076)
General Reserve Contribution	236,184	224,940	224,940	11,244
Capital Fund Contribution	24,000	412,000	12,000	(388,000)
Management Fee	343,200	299,767	296,760	43,433
Insurance	21,278	18,469	17,540	2,809
Tax & Interest	950	946	50	4
Total Other Expenses	729,832	1,095,228	675,710	(365,395)
TOTAL EXPENSES	4,061,730	4,233,202	3,879,835	(171,472)
TOTAL REVENUE	4,061,730	4,528,167	3,888,155	(466,437)
NET SURPLUS/DEFICIT	(0)	294,965	8,320	(294,965)



DC Ranch Community Council

To: DC Ranch Community Council Board of Directors
From: Jenna Kohl, Executive Director
Date: 10/12/2018
Subject: *2019 Budget Proposal*

Overview

Attached is the proposed 2019 Operating Fund Budget for the DC Ranch Community Council, for your consideration. The budget, as proposed, is balanced. Our goal was to maintain a high quality of services and programs that reflect Board direction and resident requests, while keeping the budget relatively stable. To achieve a balanced budget, several areas were adjusted, as outlined below in the budget highlights:

Budget Highlights

- *Revenue - Benefit Fees.* The Board directed staff to keep the benefit fee budget relatively flat so we do not become too reliant on a variable income source for operating expenses. Therefore, we kept the benefit fee projection consistent with 2018 budget at \$1.5 million. Any excess benefit fees will be used to strengthen both the Council's Reserve Fund, which is used for repair and replacement of existing assets, as well as the Capital Fund, which is for capital projects, including a potential future large-scale amenity. All other revenue sources are relatively conservative in nature; for example, we do not budget for 100% participation in events and programs but rather base the projections on actual, historical figures.
- *Revenue - Assessments.* Assessments are proposed to increase from \$47 to \$49 per month, a 4% increase. The monthly assessment is essential for continued investment in the community, preservation of home values, and the desire to meet community needs for programs, activities, amenities, and services.
- *Reserve Fund.* The Reserve contribution was increased 5%, consistent with past practice and the Reserve projections. We plan to transfer \$275,000 of excess benefit fees into the Reserve Fund later in 2018. This brings the Reserve funding to a level (above 90% funded) that is consistent with best practices for the industry.
- *Community Centers.* Funding for the community centers remains consistent with 2018. Coffee and tea costs are increasing. We have decided to outsource pool maintenance, so we adjusted the management fee and contract expenses accordingly.
- *Office Space.* Our contract for the Ranch Offices expires in August 2019; we budgeted for an increase of 10% for lease fees starting in September 2019.
- *Management Fee.* The funds associated with the Management Fee are in the budget, including a \$27,600 contribution to Ranch Association for park maintenance.

- *Strategic Plan/DCR2020*. Funds are included to get started on several of the tactics.
- *Programming and Events*. Adjustments have been made to programs and events to reflect resident and Board feedback as well as to make changes based on attendance patterns. New areas of focus include lifelong learning classes; new instructional classes for cards and board games; new fitness classes (i.e., Pilates fusion); a new hiking program; etc.
- *Contracts*. Many contracts, through staff negotiation, are remaining flat (i.e., the holiday light storage costs).
- *Collateral*. Funds are included for path and trail maps. Also, instead of producing a community calendar in 2019, those funds will go to producing seasonal program guides.
- *Transfer to Capital Fund*. This was increased from \$12,000 in 2018 to \$24,000 in 2019.
- *Reductions*. Additional reductions were made as follows: move DC Ranch Day to The Homestead, reduce computers/software, reduce Board related costs, reduce Scottsdale Involvement line item, reallocate funding for garden programming.
- *Capital Expenses*. Capital projects will be initiated as funding allows, per Board approval. We have several capital projects, many safety related, that we will identify at the meeting.

I would like to thank the Board for providing detailed direction in crafting the budget, as well as Council staff for their diligence and professionalism in putting together a balanced budget. This proposed budget reflects hours of discussion, analysis, and research by staff throughout the organization. We take a zero-based-type budgeting approach: we discuss and justify every budget figure, factor in Board direction and resident input, consider participation levels, evaluate opportunities for efficiencies and cost sharing, and are mindful about our commitment to providing the highest level of service to the community while being thoughtful stewards of community dollars.

Next Steps

At the October 18 budget meeting, staff will give an overview of the Council budget, highlighting budget items for 2019. The final budget will go before the Board for your consideration at your November 8 meeting.

Attachments

-Draft Summary of 2019 Budget Proposal

Potential Capital Budget Projects

Future	Project	Budget	Notes
Desert Camp	Install new cameras at each gate; tennis court, playground, north patio	??	1st qtr
Desert Camp	Ozone Water Treatment Lap and Kiddie Pool	\$12,000	1st qtr
Desert Camp/Homestead	Install new thermostats (remote accessible)	\$5,600	2nd qtr
Desert Camp	Install Light Poles for Full Court Basketball Area	??	1st qtr
Desert Camp	Second Pickleball Court Fence (backstop to desert)	\$15,000	2nd qtr
Desert Camp	Pickleball Court Area Shade Structure (large multiuse area)	\$12,000	2nd qtr
Desert Camp	Pickleball Court Area Shade Structure (small tennis cabana style)	\$5,000	2nd qtr
Desert Camp	Pathway and retaining wall for picnic area near tennis courts	\$7,000	4th qtr
Desert Camp	Hitting Wall for Tennis Courts	\$4,000	4th qtr
Homestead	Mist system for Veranda	\$6,000	4th qtr
MSP	Handrail at Market Street fire pit by wash	\$5,000	1st qtr
P & Trails	Trail and safety improvement recommendations from P&T capital project	\$55,000	1st qtr

2019 Potential Capital Budget Projects - DRAFT

Location	Project	Priority 1	Priority 2	Priority 3
Admin	Space Needs Analysis*	\$ 12,500		
Admin	Master Plan*	\$ 5,000		
Desert Camp	Install new cameras at each gate; tennis court, playground, north patio	\$ 14,000		
Desert Camp	Ozone Water Treatment Lap and Kiddie Pool	\$ 12,000		
Desert Camp/Homestead	Install new thermostats (remote accessible)	\$ 5,600		
MSP	Handrail at Market Street fire pit by wash	\$ 5,000		
MSP	Handrails on bridge at Market Street Park	To Be Determined		
CC & RO	Contingency for security improvements		\$ 20,000	
Desert Camp	Install Light Poles for Full Court Basketball Area		\$ 20,000	
Desert Camp	Complete Second Pickleball Court Fence		\$ 15,000	
Desert Camp	Second Pickleball Court Fence (partial backstop on desert side)		\$ 8,000	
Desert Camp	Pickleball Court Area Shade Structure (large multiuse area)		\$ 12,000	
Desert Camp	Pickleball Court Area Shade Structure (small tennis cabana style)		\$ 5,000	
Desert Camp	Pathway and retaining wall for picnic area near tennis courts			\$ 7,000
Desert Camp	Hitting Wall for Tennis Courts			\$ 4,000
Homestead	Mist system for Veranda			\$ 6,000
		\$ 54,100	\$ 80,000	\$ 17,000

Priority 1, 2, & 3 Capital Expenditures =
\$ 151,100

Future items for consideration:

Desert Camp - concrete path conversion for ADA accesible path by basketball court

Desert Camp - drainage behind West Cabana for clean out for custodial

*Reflects 50% of total budget; other half funded by Ranch Association



2019 Reserve Budget Projects

Project Type	Project	Location	Status	Budget
Reserve	Asphalt Crack Seal & Sealcoat - D	DC	Budgeted	15,810.00
Reserve	Concrete Bridge Truss & Railing Replacement - D	DC	Budgeted	30,600.00
Reserve	Community Needs Assessment	ADMIN	Budgeted	9,000.00
Reserve	Concrete Patio & Paths - D	DC	Budgeted	10,200.00
Reserve	Lap Lanes Replacement	DC	Budgeted	2,288.88
Reserve	North Patio Umbrellas - DC	DC	Budgeted	3,774.00
Reserve	Pool Area Umbrellas Replacement - D	DC	Budgeted	7,803.00
Reserve	Pool Kool-Decking Maint - D	DC	Budgeted	15,300.00
Reserve	Concrete Paths - M	MSP	Budgeted	10,200.00
Reserve	Concrete Paths - P	P&T	Budgeted	15,300.00
Reserve	Flat Roof Recoating - H	TH	Budgeted	9,180.00
Reserve	Patio Furniture Replacement - H	TH	Budgeted	28,560.00
Reserve	Shade Structure Maintenance - H	TH	Budgeted	8,160.00
Reserve	Carpeting - Offices - H	TH	Budgeted	6,242.40
Reserve	Carpeting Replacement - H	TH	Budgeted	35,700.00
				<u>208,118.28</u>
Reserve	Pool Heaters Lap Pool Replacement - D	DC	Recommend Hold	7,140.00
Reserve	Website - Admin	ADMIN	Recommend Hold	56,100.00
Reserve	Concrete Furniture - D	DC	Recommend Hold	10,200.00
Reserve	Interior Lighting & Fan Replacement - D	DC	Recommend Hold	10,200.00
Reserve	Monument Tree Replacement - D	DC	Recommend Hold	7,140.00
Reserve	Shade Screen Replacement Tennis Courts - D	DC	Recommend Hold	1,326.00
Reserve	Monument Tree Replacement - MSP	MSP	Recommend Hold	7,140.00
Reserve	Grand Hall Chairs - H	TH	Recommend Hold	30,600.00
Reserve	Lobby Flooring Replacement - H	TH	Recommend Hold	7,140.00
Reserve	Concrete Planter Bed Curbing Replacement - C	CG	Recommend Hold	5,100.00
Reserve	Exterior Painting - Shed & Trellis - C	CG	Recommend Hold	2,550.00
				<u>144,636.00</u>