

FINANCIAL RESULTS FOR THE SEVEN MONTHS ENDED JANUARY 31, 2022

For the seven months ended January 31, 2022, **the net income before depreciation is \$282,800 better than plan;** \$199,576 income versus a planned loss of (\$83,224). The positive variance is approximately 24% related to better than planned revenue and 76% due to lower operating expenses, primarily related to lower wages due to staffing shortages and in some cases purposeful delays in hiring.

Operating Revenue is \$67,620 or 2.5%, better than plan. Due to higher than planned unit sales, Real Estate Office rental income and transfer/disclosure fees are a combined ~ \$58,000 above plan. RV Overnight space income is ~\$13,800 over plan related to higher-than-expected summer occupancy rate.

Operating Expenses are \$215,184 or 7.8 % better than plan and are primarily related to less than planned staff expenses in Activities, Security and Maintenance. Material departmental expense variances are discussed below. Overall, Employee Benefits, Payroll Taxes and Workers Comp insurance are \$56,800 better than plan, which is primarily reflective of less than planned staffing. These costs are allocated directly to the various departments and are not shown separately, but account for approximately 26% of the overall expense savings.

Activities is ~ \$60,500 better than plan: ~\$18,000 due to delay in hiring two janitorial positions; \$25,000 savings due to a delay in seasonal janitorial contracted services; and approximately \$14,300 less in employee benefit/tax allocations.

Security is ~\$32,500 better than plan primarily related to less than planned staffing (~\$34,000) and therefore lower than planned benefit/payroll tax allocations (~\$14,000), offset by higher security system , golf cart and auto maintenance costs

Maintenance is ~\$55,000 better than plan, of which approximately \$30,000 related to less than wage /benefit costs. \$14,000 in savings due to lower than planned contract painting costs. Other miscellaneous timing differences generally comprise the balance of savings.

Janitorial is ~\$42,300 better than plan primarily related to less than planned staffing and hence benefit and tax allocations.

Landscaping is ~\$30,900 better than plan primarily related to less than planned staffing and hence benefit and tax allocations.

Utilities are ~ \$16,200 better than plan, primarily related to irrigation water savings to the substantive rains of the monsoon season. Electricity is \$7,500 better than plan, but these savings are offset by higher natural gas of \$8,600.

Accounts Receivable

The Owner Accounts Receivable balance at month end is \$22,882. Two accounts owe more than one quarterly assessment. **The total Accounts Receivable balance represents 1.78% of the quarterly assessment, compared to 2.69% for the same period last year.**

Reserve Fund

See the accompanying Revenue and Expense statement for the Reserve Fund for a listing of year-to-date expenditures. The Reserve Fund balance is \$1,114,001 at month end.

Venture Out at Mesa Inc.
Consolidated Balance Sheet by Fund

	01/31/2022			
	<u>Operating Fund</u>	<u>Reserve Fund</u>	<u>Recreation Activities Fund</u>	<u>Total Funds</u>
<u>Assets</u>				
Cash	1,474,508	1,382,485	82,086	2, 939, 079
Owner HOA Dues Receivables	22,882			22, 882
Prepaid Expenses & Other	17,335			17, 335
Interfund Due From / (To)	955	(955)		
Fixed Assets - Net	9,395,748			9, 395, 748
<u>Total Assets</u>	<u>10,911,429</u>	<u>1,381,530</u>	<u>82,086.00</u>	<u>12,375,045.00</u>
<u>Liabilities</u>				
Accounts Payable - Net Total	86,527			86, 527
Prepaid Assessments	157,879			157, 879
RV Overnight & Storage Reservation Deposits	17,335			17, 335
Unearned Marketing Revenue	131,175			131, 175
Other Payables	1,922			1, 922
Wages Payable	62,543			62, 543
Accrued Vacation & PTO	212,831			212, 831
Deferred Revenue	699,600	157,410		857, 010
<u>Total Liabilities</u>	<u>1,369,812</u>	<u>157,410</u>	<u>0.00</u>	<u>1,527,222.00</u>
<u>Fund Balance</u>				
Net Income	199,579	373,642	25	573, 246
Fund Balances	9,342,038	850,478	82,061	10, 274, 577
<u>Total Fund Balances</u>	<u>9,541,617</u>	<u>1,224,120</u>	<u>82,086.00</u>	<u>10,847,823.00</u>

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Consolidated Balance Sheet by Fund

	01/31/2022			
	<u>Operating Fund</u>	<u>Reserve Fund</u>	<u>Recreation Activities Fund</u>	<u>Total Funds</u>
<u>Total Liabilities and Fund Balances</u>	<u>10,911,429</u>	<u>1,381,530</u>	<u>82,086.00</u>	<u>12,375,045.00</u>

Venture Out at Mesa Inc.

Revenues and Expenses Statement - Operating Fund

From 01/01/2022 to 01/31/2022

	Actual Current Period	Budget Current Period	Variance Real of the Period to its Budget in \$	Actual Current Year	YTD Budget	Variance YTD Budget to YTD Real\$
Revenues						
Assessments	349,800	349,800		2,448,600	2,448,600	
Owner Fees	6,169	8,103	(1,934)	23,775	23,767	8
Transfer & Disclosure Fees	6,500	4,680	1,820	47,860	19,800	28,060
Other Service Fees	5,194	7,321	(2,127)	21,180	27,991	(6,811)
RV Overnight Space Rentals	19,125	18,000	1,125	74,483	60,800	13,683
Vehicle Storage	1,083	350	733	28,349	27,100	1,249
Real Estate Office Rental	5,599	6,000	(401)	52,684	22,100	30,584
Century Link Marketing Program	3,413	3,615	(202)	23,585	23,805	(220)
Laundry Operations	3,007	3,537	(531)	7,997	9,801	(1,804)
Water Vending Machines	1,874	2,650	(776)	5,729	5,500	229
Other Income	651	338	313	11,375	8,545	2,830
Interest Income	203	113	90	1,399	1,174	225
Retail Sales	1,263	1,270	(7)	4,373	4,785	(413)
Total Revenue	403,881	405,777	(1,897)	2,751,389	2,683,768	67,620

Expenses

Association	20,717	23,073	2,356	113,140	116,663	3,523
Administration	55,732	53,385	(2,347)	429,702	421,140	(8,561)
Activities	57,286	66,280	8,994	360,792	421,256	60,466
Security	63,029	60,460	(2,568)	410,344	442,899	32,555
Maintenance	37,693	54,901	17,208	277,141	332,108	54,967
Landscaping	7,659	12,855	5,196	150,448	181,345	30,898

Venture Out at Mesa Inc.

Revenues and Expenses Statement - Operating Fund

From 01/01/2022 to 01/31/2022

	Actual Current Period	Budget Current Period	Variance Real of the Period to its Budget in \$	Actual Current Year	YTD Budget	Variance YTD Budget to YTD Real\$
Janitorial	20,782	29,344	8,562	141,448	183,734	42,286
Pool	8,938	7,417	(1,521)	60,673	55,675	(4,998)
Waste Disposal	13,946	17,643	3,697	83,840	74,041	(9,799)
Irrigation	5,617	4,736	(881)	38,441	35,113	(3,328)
Laundry Operations		250	250	897	1,900	1,003
Payroll Taxes, Insurance & Other Benefits	1		(1)	(1)		1
Utilities	88,565	87,484	(1,081)	440,670	456,840	16,170
Common Element Capital Purchases \$90,000 limit				20,730	20,730	
Bathhouse 3 Repipe/Relining - Op Fund				23,548	23,548	1
Total Expense	379,965	417,828	37,864	2,551,813	2,766,992	215,184
Net Income	23,916	(12,051)	35,967	199,576	(83,224)	282,800

Venture Out at Mesa Inc.
Revenues and Expenses Statement - Reserve Fund
From 07/01/2021 to 01/31/2022

Current Period

Revenues

Reserve Assessment Income	550,935.00
Interest Income - Reserve Fund	1,275.93

Total Revenue	552,210.93
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Expenses

Maintenance - Electrical Contracted Services	5,200.00
Pavement: Crack Seal/Repair	1,400.00
Pavement - Striiping	11,550.00
Concrete: Sidewalks	8,538.00
Common Area Pole Lights - Large	65,472.07
Common Area Backflow Valves	986.98
Common Area - 312 Aero Drainage	2,973.00
Pickleball Courts 1-4	10,000.00
Pickleball Courts 5-6	4,500.00
Pickleball Courts 7-8	4,708.00
West Pool Replacement	21,112.50
EPC Pool Pool Lift	516.47
EPC Water Heaters	3,855.83
Community Cntr Elevator Equipment	13,191.00
Bathhouse 3 Remodel/Replace	10,036.18
Bathhouse 5 Remodel/Replace	5,297.40
Bathhouse 8 Fixtures/Plumbing/Water Heater	1,432.51
Oasis Bldg HVAC	7,800.00

Total Expense	178,569.94
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Net Income	373,640.99
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Venture Out at Mesa Inc.

Revenues and Expenses Statement - Reserve Fund

From 01/01/2022 to 01/31/2022

	Actual Current Period	Budget Current Period	Variance Real of the Period to its Budget in \$	Actual Current Year	YTD Budget	Variance YTD Budget to YTD Real\$
<u>Revenues</u>						
Assessments	78,705	78,705		550,935	550,935	
Interest Income						
Interest Income - Reserve Fund	215		215	1,276		1,276
TOTAL Interest Income	<u>215</u>		<u>215</u>	<u>1,276</u>		<u>1,276</u>
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Total Revenue	78,920	78,705	215	552,211	550,935	1,276
<u>Expenses</u>						
Maintenance				5,200		(5,200)
Unspent Reserve Contingency Expenses					46,484	46,484
Pavement-Asphalt				12,950	9,200	(3,750)
Concrete Gutters, Sidewalks & Drives						
Concrete: Sidewalks				8,538		(8,538)
TOTAL Concrete Gutters, Sidewalks & Drives				<u>8,538</u>		<u>(8,538)</u>
Common Area				69,432	90,220	20,788
West Pool	1,720		(1,720)	21,113	24,240	3,128
EPC Pool						
EPC Pool Pool Lift				516		(516)
TOTAL EPC Pool				<u>516</u>		<u>(516)</u>
EPC Clubhouse						

Venture Out at Mesa Inc.

Revenues and Expenses Statement - Reserve Fund

From 01/01/2022 to 01/31/2022

	Actual Current Period	Budget Current Period	Variance Real of the Period to its Budget in \$	Actual Current Year	YTD Budget	Variance YTD Budget to YTD Real\$
EPC Water Heaters				3,856		(3,856)
TOTAL EPC Clubhouse				<u>3,856</u>		<u>(3,856)</u>
Community Center						
Community Cntr HVAC					4,900	4,900
Community Cntr Elevator Equipment				13,191		(13,191)
TOTAL Community Center				<u>13,191</u>	<u>4,900</u>	<u>(8,291)</u>
Bathhouse 3						
Bathhouse 3 Remodel/Replace				10,036		(10,036)
TOTAL Bathhouse 3				<u>10,036</u>		<u>(10,036)</u>
Bathhouse 5						
Bathhouse 5 Remodel/Replace				5,297	5,340	43
TOTAL Bathhouse 5				<u>5,297</u>	<u>5,340</u>	<u>43</u>
Bathhouse 8						
Bathhouse 8 Fixtures/Plumbing/Water Heater				1,433		(1,433)
TOTAL Bathhouse 8				<u>1,433</u>		<u>(1,433)</u>
TOTAL Bathhouses				<u>16,766</u>	<u>5,340</u>	<u>(11,426)</u>
Oasis Building						
Oasis Bldg HVAC				7,800		(7,800)
TOTAL Oasis Building				<u>7,800</u>		<u>(7,800)</u>

Venture Out at Mesa Inc.

Revenues and Expenses Statement - Reserve Fund

From 01/01/2022 to 01/31/2022

	Actual Current Period	Budget Current Period	Variance Real of the Period to its Budget in \$	Actual Current Year	YTD Budget	Variance YTD Budget to YTD Real\$
Total Expense	1,720	0	(1,720)	178,570	198,884	20,315
Net Income	77,200	78,705	(1,505)	373,641	352,051	21,590