

FINANCIAL RESULTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

For the three months ended September 30, 2022, **the net loss before depreciation is \$12,276 better than plan;** a (\$168,815) loss versus a planned loss of (\$181,091).

Operating Revenue is \$10,136 or 0.9%, better than plan, with no material component variances to plan.

Operating Expenses are \$2,142 or 0.1% better than plan. Higher than planned utility expenses and higher than plan legal expenses (due to continued CCR enforcement actions) were offset by savings in Security and Maintenance primarily related to lower wages due to staff vacancies.

ACCOUNTS RECEIVABLE

The Owner Accounts Receivable balance at month end is \$23,524, inclusive of one homeowner in process with legal counsel. The receivable balance represents **0.91% of the combined quarterly regular and special assessment billing**, compared to .67% at the same month end in the prior fiscal year. Excluding the one account with legal counsel, the delinquency rate is .47%.

RESERVE FUND

The Reserve Fund balance is \$1,451,634 at month end. See the attached *Revenues and Expenses Statement – Reserve and Special Project Funds*, for the results compared to budget in addition to the *Balance Sheet* for related cash balances. The West Pool and Drainage project expenses are recorded as *equal to budget* until there is reasonable certainty that the total project expenditures will be more or less than the total project budget. The West Pool project expenses inception to date are \$1,087,900 or 30 % of the total project budget. The Drainage project expenses inception to date are \$51,990 or 3 % of the total project budget.

SPECIAL ASSESSMENTS

The Venture Out community approved two special assessments at the annual meeting held on February 16, 2022. The Storm Drain, Proposition # 1, passed with 89% approval and Proposition # 2, the new West Pool passed with 74.5% approval. These special assessments are in addition to the regular current quarterly assessment.

The total of the special assessments is \$2,967.00, payable in full by April 1, 2022, or in four equal quarterly installments of \$741.75 beginning April 1, 2022.

The components of the special assessments are as follows:

1. 48" storm drain project: \$903.00 total, or \$225.75 quarterly
2. Construction of the new west pool: \$2,064.00 total, or \$516.00 quarterly.

These Special Assessments are shown as separate funds on the accompanying Balance Sheet and separately in the Reserve Fund Revenue and Expense statement. Amounts collected for the Special Assessments are initially deposited into the Operating Fund and then transferred periodically to the respective special assessment funds. Special Assessment Income is recognized in the month in which the quarterly assessment is billed.

Venture Out at Mesa, Inc.

Balance Sheet
as of September 30, 2022

	Operating Fund	Reserve Fund	West Pool Special Assessment	48" Drain Special Assessment	Recreation Activities Fund	Consolidated
Assets						
Cash	\$ 920,041	\$ 1,327,931	\$ 1,829,908	\$ 1,074,052	\$ 67,791	\$ 5,219,723
Owner HOA Dues Receivables	23,524					23,524
Prepaid Expenses & Other	10,224					10,224
Interfund Due From / (To)	(118,470)	123,703			(5,233)	-
Fixed Assets - Net	8,770,897					8,770,897
Total Assets	\$ 9,606,216	\$ 1,451,634	\$ 1,829,908	\$ 1,074,052	\$ 62,558	\$ 14,024,368
Liabilities						
Accounts Payable	58,016					58,016
RV Overnight & Storage Reservation Deposits	48,383					48,383
Prepaid HOA & Special Assessments	442,494		768,840	336,368		1,547,702
Unearned Marketing Revenue	107,855					107,855
Other Payables	407					407
Accrued Expenses			344,000			344,000
Wages Payable	70,059					70,059
Accrued Vacation & PTO	207,016					207,016
Total Liabilities	\$ 934,230	\$ -	\$ 1,112,840	\$ 336,368	\$ -	\$ 2,383,438
Fund Balances						
Net Income / (Loss)	(168,812)	148,871	205,159	349,018	(5,825)	528,411
Beginning Fund Balances	8,840,798	1,302,763	511,909	388,666	68,383	11,112,519
Total Fund Balances	\$ 8,671,986	\$ 1,451,634	\$ 717,068	\$ 737,684	\$ 62,558	\$ 11,640,930
Total Liabilities and Fund Balances	\$ 9,606,216	\$ 1,451,634	\$ 1,829,908	\$ 1,074,052	\$ 62,558	\$ 14,024,368

Venture Out at Mesa Inc.

Revenues and Expenses Statement - Operating Fund

From 09/01/2022 to 09/30/2022

	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	364,375	364,375		1,093,125	1,093,125	
Owner Fees	2,006	165	1,841	10,960	3,540	7,420
Transfer & Disclosure Fees	500	1,840	(1,340)	5,000	5,520	(520)
Other Service Fees	1,264	1,435	(172)	2,043	2,551	(508)
RV Overnight Space Rentals	5,250	6,700	(1,450)	16,141	17,700	(1,559)
Vehicle Storage	3,239	1,350	1,889	7,346	4,150	3,196
Real Estate Office Rental	741	1,200	(459)	6,068	5,600	468
Century Link Marketing Program	3,379	3,315	64	10,165	9,945	220
Laundry Operations	490	400	90	1,339	1,550	(212)
Water Vending Machines	185	200	(15)	647	550	97
Other Income	1,404	1,642	(238)	6,533	5,757	776
Interest Income	302	211	91	1,384	561	823
Retail Sales	172	211	(39)	408	473	(65)
Total Revenue	383,307	383,044	262	1,161,159	1,151,022	10,136

Expenses

Association	29,101	25,900	(3,201)	71,890	51,171	(20,719)
Administration	83,968	87,433	3,465	201,266	198,040	(3,226)
Activities	70,925	70,465	(460)	171,653	171,815	163
Security	75,565	87,408	11,843	225,531	249,973	24,442
Maintenance	51,796	61,956	10,160	143,790	164,452	20,662
Landscaping	31,501	16,686	(14,815)	139,324	137,659	(1,665)

Venture Out at Mesa Inc.

Revenues and Expenses Statement - Operating Fund

From 09/01/2022 to 09/30/2022

	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	27,455	26,723	(732)	61,026	63,904	2,879
Pool	10,468	7,868	(2,600)	24,819	21,204	(3,615)
Waste Disposal	12,025	13,532	1,508	30,970	34,036	3,067
Irrigation	6,509	6,815	306	15,675	17,078	1,403
Laundry Operations		500	500		800	800
Payroll Taxes, Insurance & Other Benefits	1		(1)	1		(1)
Utilities	56,233	51,754	(4,479)	176,783	160,134	(16,649)
Common Element Capital Purchases \$90,000 limit	4,877	4,877		24,147	24,147	
Bathhouse 6 repipe/reline - Op Fund				37,699	37,700	1
Bath House 5 Roofing repair - accidental damage	5,400		(5,400)	5,400		(5,400)
Total Expense	465,824	461,917	(3,906)	1,329,974	1,332,113	2,142
Net Income	(82,517)	(78,873)	(3,644)	(168,815)	(181,091)	12,276

Venture Out at Mesa, Inc.
Revenue and Expenses Statements – Reserve and Special Project Funds
For the Three Months Ended September 30, 2022

	Actual Current Period	Budget Current Period	Month Better / (Worse) than Budget	Actual YTD	Budget YTD	YTD Better / (Worse) than Budget
Reserve Fund						
Revenues						
Regular Assessment Income	\$ -	\$ -	\$ -	\$ 201,135	\$ 201,135	\$ -
Interest Income - Reserve Fund	1,897	-	1,897	5,753	-	5,753
Total Revenue	1,897	-	1,897	206,888	201,135	5,753
Expenses						
Ceramics Room Remodel				8,397	8,397	-
Common Area Pole Lights	23,443	23,443	-	23,443	23,443	-
West Pool Construction Mgmt	2,580	2,580	-	4,070	4,070	-
Community Center Ballroom Floor Refinish	22,107	23,500	1,393	22,107	23,500	1,393
Total Expenses	48,130	49,523	1,393	58,017	59,410	1,393
Net Income	\$ (46,233)	\$ (49,523)	\$ 3,290	\$ 148,871	\$ 141,725	\$ 7,146

	Actual Current Period	Budget Current Period	Month Better / (Worse) than Budget	Actual YTD	Budget YTD	YTD Better / (Worse) than Budget	Inception To Date	Total Budget	% Complete
West Pool Project Fund									
Special Assessment Income	\$ -	\$ -	\$ -	\$ 902,484	\$ 902,484	\$ -	1,804,968	3,609,936	50%
Project Expenses	344,000	344,000	-	697,325	691,919	(5,406)	1,087,900	3,632,681	30%
Net Income	\$ (344,000)	\$ (344,000)	\$ -	\$ 205,159	\$ 210,565	\$ (5,406)			

	Actual Current Period	Budget Current Period	Month Better / (Worse) than Budget	Actual YTD	Budget YTD	YTD Better / (Worse) than Budget	Inception To Date	Total Budget	% Complete
Drainage Project Fund									
Special Assessment Income	\$ -	\$ -	\$ -	\$ 394,837	\$ 394,837	\$ -	789,674	1,579,347	50%
Project Expenses	14,504	10,651	(3,853)	45,819	41,966	(3,853)	51,990	1,579,347	3%
Net Income	\$ (14,504)	\$ (10,651)	\$ (3,853)	\$ 349,018	\$ 352,871	\$ (3,853)			