

## FINANCIAL RESULTS FOR THE FOUR MONTHS ENDED OCTOBER 31, 2022

For the four months ended October 31, 2022, **the net loss before depreciation is \$2,629 worse than plan;** a \$ (194,077) loss versus a planned loss of (\$191,448).

**Operating Revenue is \$22,103 or 1.4%, better than plan,** with no material component variances to plan.

**Operating Expenses are \$24,730 or 1.4 % worse than plan.** Higher than planned utility expenses, primarily related to electricity, and higher than planned legal expenses due to continued CCR enforcement actions, were partially 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 \$105,419, inclusive of one homeowner with legal counsel. The receivable balance represents **4.07% of the combined quarterly regular and special assessment billing**, compared to **2.35%** at the same month end in the prior fiscal year.

### RESERVE FUND

The Reserve Fund balance is \$1,634,232 at month end. See the attached *Revenues and Expenses Statement – Reserve and Special Project Funds*, for the results compared to budget. 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 \$1,995,264 or 55 % of the total project budget. The Drainage project expenses inception to date are \$360,274 or 23 % 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 October 31, 2022

|   | Operating<br>Fund    | Reserve<br>Fund     | West Pool<br>Special<br>Assessment | 48" Drain<br>Special<br>Assessment | Recreation<br>Activities<br>Fund | Consolidated         |
|---|----------------------|---------------------|------------------------------------|------------------------------------|----------------------------------|----------------------|
| <b>Assets</b>                               |                      |                     |                                    |                                    |                                  |                      |
| Cash  | \$ 1,173,716         | \$ 1,658,380        | \$ 1,629,841                       | \$ 972,045                         | \$ 67,794                        | \$ 5,501,776         |
| Owner HOA Dues Receivables                  | 105,419              |                     |                                    |                                    |                                  | 105,419              |
| Prepaid Expenses & Other                    | 11,669               |                     |                                    |                                    |                                  | 11,669               |
| Interfund Due From / (To)                   | 18,024               | (12,792)            |                                    |                                    | (5,232)                          | -                    |
| Fixed Assets - Net                          | 8,770,897            |                     |                                    |                                    |                                  | 8,770,897            |
| <b>Total Assets</b>                         | <b>\$ 10,079,725</b> | <b>\$ 1,645,588</b> | <b>\$ 1,629,841</b>                | <b>\$ 972,045</b>                  | <b>\$ 62,562</b>                 | <b>\$ 14,389,761</b> |
| <b>Liabilities</b>                          |                      |                     |                                    |                                    |                                  |                      |
| Accounts Payable                            | 84,298               |                     |                                    |                                    |                                  | 84,298               |
| RV Overnight & Storage Reservation Deposits | 32,412               |                     |                                    |                                    |                                  | 32,412               |
| Prepaid HOA & Special Assessments           | 204,449              |                     | 299,796                            | 131,161                            |                                  | 635,406              |
| Deferred Revenue                            | 728,750              |                     |                                    |                                    |                                  | 728,750              |
| Unearned Marketing Revenue                  | 104,940              |                     |                                    |                                    |                                  | 104,940              |
| Other Payables/ Accrued Expenses            | 1,080                | 11,356              | 617,858                            | 16,649                             |                                  | 646,943              |
| Wages Payable                               | 70,059               |                     |                                    |                                    |                                  | 70,059               |
| Accrued Vacation & PTO                      | 207,016              |                     |                                    |                                    |                                  | 207,016              |
| <b>Total Liabilities</b>                    | <b>\$ 1,433,004</b>  | <b>\$ 11,356</b>    | <b>\$ 917,654</b>                  | <b>\$ 147,810</b>                  | <b>\$ -</b>                      | <b>\$ 2,509,824</b>  |
| <b>Fund Balances</b>                        |                      |                     |                                    |                                    |                                  |                      |
| Net Income / (Loss)                         | (194,077)            | 331,469             | 200,278                            | 435,569                            | (5,821)                          | 767,418              |
| Beginning Fund Balances                     | 8,840,798            | 1,302,763           | 511,909                            | 388,666                            | 68,383                           | 11,112,519           |
| <b>Total Fund Balances</b>                  | <b>\$ 8,646,721</b>  | <b>\$ 1,634,232</b> | <b>\$ 712,187</b>                  | <b>\$ 824,235</b>                  | <b>\$ 62,562</b>                 | <b>\$ 11,879,937</b> |
| <b>Total Liabilities and Fund Balances</b>  | <b>\$ 10,079,725</b> | <b>\$ 1,645,588</b> | <b>\$ 1,629,841</b>                | <b>\$ 972,045</b>                  | <b>\$ 62,562</b>                 | <b>\$ 14,389,761</b> |

## Venture Out at Mesa Inc.

### Revenues and Expenses Statement - Operating Fund

From 10/01/2022 to 10/31/2022

|                                | Actual Current<br>Period | Budget Current<br>Period | Variance Real of<br>the Period to its<br>Budget in \$ | Actual Current<br>Year | YTD Budget       | Variance YTD<br>Budget to YTD<br>Real\$ |
|--------------------------------|--------------------------|--------------------------|---|------------------------|------------------|---|
| <b>Revenues</b>                |                          |                          |   |                        |                  |   |
| Assessments                    | 364,375                  | 364,375                  |   | 1,457,500              | 1,457,500        |   |
| Owner Fees                     | 11,042                   | 3,780                    | 7,262   | 22,002                 | 7,245            | 14,757                                  |
| Transfer & Disclosure Fees     | 1,500                    | 4,140                    | (2,640)   | 6,500                  | 9,660            | (3,160)                                 |
| Other Service Fees             | 6,699                    | 5,369                    | 1,330   | 8,742                  | 7,920            | 822                                     |
| RV Overnight Space Rentals     | 10,560                   | 5,000                    | 5,560   | 26,679                 | 22,700           | 3,979                                   |
| Vehicle Storage                | 11,183                   | 11,200                   | (17)  | 18,529                 | 15,350           | 3,179                                   |
| Real Estate Office Rental      | 2,785                    | 4,500                    | (1,715)   | 8,854                  | 10,100           | (1,246)                                 |
| Century Link Marketing Program | 3,378                    | 3,315                    | 63  | 13,543                 | 13,260           | 283                                     |
| Laundry Operations             | 900                      | 1,000                    | (100)   | 2,239                  | 2,550            | (312)                                   |
| Water Vending Machines         | (15)                     | 400                      | (415)   | 632                    | 950              | (318)                                   |
| Other Income                   | 3,274                    | 828                      | 2,446   | 9,808                  | 6,585            | 3,223                                   |
| Interest Income                | 417                      | 220                      | 197   | 1,800                  | 781              | 1,019                                   |
| Retail Sales                   | 790                      | 798                      | (8)   | 1,148                  | 1,271            | (123)                                   |
| <b>Total Revenue</b>           | <b>416,888</b>           | <b>404,925</b>           | <b>11,963</b>   | <b>1,577,976</b>       | <b>1,555,872</b> | <b>22,103</b>                           |

### **Expenses**

|                |        |        |          |         |         |          |
|----------------|--------|--------|----------|---------|---------|----------|
| Association    | 49,995 | 20,886 | (29,109) | 121,884 | 72,057  | (49,827) |
| Administration | 66,738 | 57,814 | (8,924)  | 268,005 | 255,854 | (12,151) |
| Activities     | 52,644 | 53,852 | 1,208    | 224,296 | 225,667 | 1,371    |
| Security       | 48,755 | 61,124 | 12,369   | 274,287 | 311,097 | 36,810   |
| Maintenance    | 49,665 | 47,781 | (1,884)  | 193,457 | 212,233 | 18,776   |
| Landscaping    | 32,375 | 34,486 | 2,111    | 171,699 | 172,145 | 446      |

## Venture Out at Mesa Inc.

### Revenues and Expenses Statement - Operating Fund

From 10/01/2022 to 10/31/2022

|   | Actual Current<br>Period | Budget Current<br>Period | Variance Real of<br>the Period to its<br>Budget in \$ | Actual Current<br>Year | YTD Budget       | Variance YTD<br>Budget to YTD<br>Real\$ |
|---|--------------------------|--------------------------|---|------------------------|------------------|---|
| Janitorial                                      | 18,075                   | 21,956                   | 3,881   | 79,102                 | 85,860           | 6,760                                   |
| Pool  | 12,746                   | 7,482                    | (5,264)   | 37,566                 | 28,686           | (8,880)                                 |
| Waste Disposal                                  | 10,382                   | 12,511                   | 2,129   | 41,352                 | 46,547           | 5,196                                   |
| Irrigation                                      | 4,942                    | 4,543                    | (399)   | 20,618                 | 21,621           | 1,003                                   |
| Laundry Operations                              |                          | 50                       | 50  |                        | 850              | 850                                     |
| Payroll Taxes, Insurance & Other Benefits       | 1                        |                          | (1)   | 1                      |                  | (1)                                     |
| Utilities                                       | 58,333                   | 55,250                   | (3,083)   | 235,117                | 215,384          | (19,733)                                |
| Common Element Capital Purchases \$90,000 limit |                          |                          |   | 24,147                 | 24,147           |   |
| Pavement: Seal & Crack Repair - OP Fund         | 37,423                   | 37,472                   | 49  | 37,423                 | 37,472           | 49                                      |
| Bathhouse 6 repipe/reline - Op Fund             |                          |                          |   | 37,699                 | 37,700           | 1                                       |
| Bath House 5 Roofing repair - accidental damage |                          |                          |   | 5,400                  |                  | (5,400)                                 |
| <b>Total Expense</b>                            | <b>442,074</b>           | <b>415,207</b>           | <b>(26,867)</b>                                       | <b>1,772,053</b>       | <b>1,747,320</b> | <b>(24,730)</b>                         |
| <b>Net Income</b>                               | <b>(25,186)</b>          | <b>(10,282)</b>          | <b>(14,904)</b>                                       | <b>(194,077)</b>       | <b>(191,448)</b> | <b>(2,629)</b>                          |

**Venture Out at Mesa, Inc.**  
**Revenue and Expenses Statements – Reserve and Special Project Funds**  
**For the Four Months Ended October 31, 2022**

|                                 | Actual<br>Current<br>Period | Budget<br>Current<br>Period | Month<br>Better / (Worse)<br>than Budget | Actual<br>YTD     | Budget<br>YTD     | YTD<br>Better / (Worse)<br>than Budget |
|---------------------------------|-----------------------------|-----------------------------|--|-------------------|-------------------|--|
| <b>Reserve Fund</b>             |                             |                             |  |                   |                   |  |
| <b>Revenues</b>                 |                             |                             |  |                   |                   |  |
| Regular Assessment Income       | \$ 201,135                  | \$ 201,135                  | \$ -                                     | \$ 402,270        | \$ 402,270        | \$ -                                   |
| Interest Income - Reserve Fund  | 1,972                       | -                           | 1,972                                    | 7,725             | -                 | 7,725                                  |
| <b>Total Revenue</b>            | <b>203,107</b>              | <b>201,135</b>              | <b>1,972</b>                             | <b>409,995</b>    | <b>402,270</b>    | <b>7,725</b>                           |
| <b>Expenses</b>                 |                             |                             |  |                   |                   |  |
| Ceramics Room Remodel           | 8,397                       | 8,397                       | -  | 16,793            | 16,793            | -                                      |
| EPC Pool Heater                 | 4,828                       | 4,828                       | -  | 4,828             | 4,828             | -                                      |
| Community Center Ballroom Floor | -                           | -                           | -  | 22,105            | 23,500            | 1,395                                  |
| Pole Lights                     | 11,358                      | 14,201                      | 2,843                                    | 34,800            | 37,644            | 2,844                                  |
| <b>Total Expenses</b>           | <b>24,583</b>               | <b>27,426</b>               | <b>2,843</b>                             | <b>78,526</b>     | <b>82,765</b>     | <b>4,239</b>                           |
| <b>Net Income</b>               | <b>\$ 178,524</b>           | <b>\$ 173,709</b>           | <b>\$ 4,815</b>                          | <b>\$ 331,469</b> | <b>\$ 319,505</b> | <b>\$ 11,964</b>                       |

|                               | Actual<br>Current<br>Period | Budget<br>Current<br>Period | Month<br>Better / (Worse)<br>than Budget | Actual<br>YTD     | Budget<br>YTD     | YTD<br>Better / (Worse)<br>than Budget | Inception<br>To Date | Total<br>Budget | %<br>Complete |
|-------------------------------|-----------------------------|-----------------------------|--|-------------------|-------------------|--|----------------------|-----------------|---------------|
| <b>West Pool Project Fund</b> |                             |                             |  |                   |                   |  |                      |                 |               |
| Special Assessment Income     | \$ 902,484                  | \$ 902,484                  | \$ -                                     | \$ 1,804,968      | \$ 1,804,968      | \$ -                                   | 2,707,452            | 3,609,936       | 75%           |
| Project Expenses              | 903,293                     | 903,293                     | -  | 1,604,690         | 1,599,283         | (5,407)                                | 1,995,264            | 3,632,681       | 55%           |
| <b>Net Income</b>             | <b>\$ (809)</b>             | <b>\$ (809)</b>             | <b>\$ -</b>                              | <b>\$ 200,278</b> | <b>\$ 205,685</b> | <b>\$ (5,407)</b>                      |                      |                 |               |

|                              | Actual<br>Current<br>Period | Budget<br>Current<br>Period | Month<br>Better / (Worse)<br>than Budget | Actual<br>YTD     | Budget<br>YTD     | YTD<br>Better / (Worse)<br>than Budget | Inception<br>To Date | Total<br>Budget | %<br>Complete |
|------------------------------|-----------------------------|-----------------------------|--|-------------------|-------------------|--|----------------------|-----------------|---------------|
| <b>Drainage Project Fund</b> |                             |                             |  |                   |                   |  |                      |                 |               |
| Special Assessment Income    | \$ 394,837                  | \$ 394,837                  | \$ -                                     | \$ 789,674        | \$ 789,674        | \$ -                                   | 1,184,510            | 1,579,347       | 75%           |
| Project Expenses             | 308,286                     | 308,286                     | -  | 354,105           | 350,252           | (3,853)                                | 360,274              | 1,579,347       | 23%           |
| <b>Net Income</b>            | <b>\$ 86,551</b>            | <b>\$ 86,551</b>            | <b>\$ -</b>                              | <b>\$ 435,569</b> | <b>\$ 439,422</b> | <b>\$ (3,853)</b>                      |                      |                 |               |