

# Dreamland Villa Retirement Community

## Profit and Loss YTD Comparison

October 2023

	TOTAL	
	OCT 2023	JAN - OCT, 2023 (YTD)
<b>Income</b>		
4000 Annual Fee Revenue		
4000.1 Annual Fee Revenue	1,297.85	303,171.77
<b>Total 4000 Annual Fee Revenue</b>	<b>1,297.85</b>	<b>303,171.77</b>
4001 55+ Donation Income	911.00	8,790.60
4001.1 Membership Annual Drive Income	-1.00	-1.00
<b>Total 4001 55+ Donation Income</b>	<b>910.00</b>	<b>8,789.60</b>
4003 Donations - Unrestricted	565.29	1,775.29
4101 Read Hall Event/Kitchen Income	65.00	741.71
4102 Special Events Revenue	1,074.00	18,677.91
4208 Entertainment-TAD		
4208.1 Ticket Sales	1,001.00	9,331.00
4208.2 Lease Payment	2,500.00	25,000.00
4208.3 Utility Reimbursement	2,302.36	17,115.49
<b>Total 4208 Entertainment-TAD</b>	<b>5,803.36</b>	<b>51,446.49</b>
4300 Administrative Related Income		
4002 Transfer & Escrow Fees		
4002.1 Transfer Fee	3,600.00	52,800.00
4002.2 Escrow Fees	1,350.00	21,050.00
<b>Total 4002 Transfer &amp; Escrow Fees</b>	<b>4,950.00</b>	<b>73,850.00</b>
4100 Read Hall Rental Income	837.50	6,765.50
4300.2 Commissions & Misc Revenue		536.60
4300.3 Kee Card Replacement	120.00	601.50
4300.4 Defendant Legal Fees Contrib		8,677.55
4501 Activity Fees	45.00	520.00
<b>Total 4300 Administrative Related Income</b>	<b>5,952.50</b>	<b>90,951.15</b>
4400 Restricted Accounts Income		325.00
4405 Nature Walk Income	500.00	580.00
<b>Total 4400 Restricted Accounts Income</b>	<b>500.00</b>	<b>905.00</b>
4502 Interest Earned	351.15	2,591.07
4503 Crown Castle Lease Income	1,200.00	12,000.00
Services		0.00
<b>Total Income</b>	<b>\$17,719.15</b>	<b>\$491,049.99</b>
<b>GROSS PROFIT</b>	<b>\$17,719.15</b>	<b>\$491,049.99</b>
<b>Expenses</b>		
5001 55+ Compliance Expense	224.16	1,691.47

**Please read the financial statements footnotes. They are an integral part of the monthly DVRC financial statements.**

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5300 Admin & Office Expenses		
5300.1 Postage	79.73	1,119.95
5300.2 Copy Machine Expense	190.60	2,300.26
5300.3 Supplies	210.51	5,257.66
5300.5 Telephone, Internet & Website Exp	1,280.47	6,370.92
5300.6 Accounting Expense		1,625.12
5300.8 Permits, Licenses & Fees	270.00	1,185.00
5300.9 Advertising		869.16
5300.95 Computer & Camera Systems	681.64	3,736.22
5300.97 Volunteer Benefits		1,064.37
5501.1 Property Tax	15.66	15.66
5502 Bank Charges		26.35
5503 Credit Card Fees		
5503.1 Intuit Credit Card Fees ONLY	-0.77	63.30
5503.2 Credit Card Fees NOT Intuit		775.73
<b>Total 5503 Credit Card Fees</b>	<b>-0.77</b>	<b>839.03</b>
5601.2 Citizen	500.00	5,200.00
5801 Legal Expense		2,453.00
5901 Parcel Split/FH Appraisal	1,850.00	6,140.00
<b>Total 5300 Admin &amp; Office Expenses</b>	<b>5,077.84</b>	<b>38,202.70</b>
5350 Membership Marketing Expense	482.43	3,774.13
5400 Restricted Accounts Expense		
5405 Nature Walk Expense		483.80
5407 Woodshop Expense		399.04
<b>Total 5400 Restricted Accounts Expense</b>		<b>882.84</b>
5501.5 Income Tax Expense		10,992.22
5900 Insurance		
5900.1 Fire Protection		7,812.40
5900.2 General Insurance	10,662.00	45,891.00
<b>Total 5900 Insurance</b>	<b>10,662.00</b>	<b>53,703.40</b>
5950 Read Hall Expenses		
5950.1 Read Kitchen Exp		707.05
5950.2 Special Events Expenses	650.00	7,062.82
<b>Total 5950 Read Hall Expenses</b>	<b>650.00</b>	<b>7,769.87</b>
6201 Bldg & Grounds Maintenance		
6201.1 Parts & Building Repair	99.31	1,848.72
6201.2 Consumable Supplies	1,003.54	7,779.03
6201.3 Contractor Work	832.75	7,683.13
6201.4 Vehicle Expense	227.42	1,022.01
<b>Total 6201 Bldg &amp; Grounds Maintenance</b>	<b>2,163.02</b>	<b>18,332.89</b>

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October 2023

	TOTAL	
	OCT 2023	JAN - OCT, 2023 (YTD)
6300 Swimming Pools Expenses		
6300.1 Gas - Pools	1,665.25	47,730.77
6300.2 Pool Repairs	526.88	6,412.84
6300.3 Pool Chemicals	2,439.55	10,853.70
6300.4 Pool / Hot Tub Permits		1,360.00
<b>Total 6300 Swimming Pools Expenses</b>	<b>4,631.68</b>	<b>66,357.31</b>
6400 Utilities		
6400.2 Electric	4,400.98	32,195.43
6400.3 Water/Sewer	725.95	15,183.15
6400.4 Trash Collection	153.07	1,474.75
<b>Total 6400 Utilities</b>	<b>5,280.00</b>	<b>48,853.33</b>
7000 Payroll & Related Expenses		
7001 Maintenance Payroll Costs		0.00
7001.1 Maintenance Gross Wages	7,605.69	91,356.47
7002.1 Maintenance Payroll Tax Exp	573.84	8,052.67
<b>Total 7001 Maintenance Payroll Costs</b>	<b>8,179.53</b>	<b>99,409.14</b>
7002 Office Payroll Costs		0.00
7001.2 Office Gross Wages	5,621.00	53,070.06
7002.2 Office Payroll Tax Exp	472.15	4,687.03
<b>Total 7002 Office Payroll Costs</b>	<b>6,093.15</b>	<b>57,757.09</b>
7004 Workers Comp Ins.	91.36	1,055.29
7005 Payroll Processing	162.86	1,727.59
7050 Contract Agency		8,997.78
<b>Total 7000 Payroll &amp; Related Expenses</b>	<b>14,526.90</b>	<b>168,946.89</b>
<b>Total Expenses</b>	<b>\$43,698.03</b>	<b>\$419,507.05</b>
NET OPERATING INCOME	<b>\$ -25,978.88</b>	<b>\$71,542.94</b>
Other Income		
1255 Loss on Retirement of Assets		-7,524.00
<b>Total Other Income</b>	<b>\$0.00</b>	<b>\$ -7,524.00</b>
NET OTHER INCOME	<b>\$0.00</b>	<b>\$ -7,524.00</b>
NET INCOME	<b>\$ -25,978.88</b>	<b>\$64,018.94</b>

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# Dreamland Villa Retirement Community

## Balance Sheet

As of October 31, 2023

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1010 Checking Account	78,876.60
1011 Petty Cash	920.00
1200 Money Market Accounts	158,005.87
<b>Total Bank Accounts</b>	<b>\$237,802.47</b>
Other Current Assets	
12071 Chase CD Interest Receivable	351.15
<b>Total Other Current Assets</b>	<b>\$351.15</b>
<b>Total Current Assets</b>	<b>\$238,153.62</b>
Fixed Assets	
1100 Equipment	106,050.23
1110 Land	69,174.00
1120 Buildings	877,114.00
1130 Building Improvements	246,235.00
1140 Swimming Pools	329,999.77
1150 Furniture and Fixtures	35,841.13
1170 Accumulated Depreciation	-1,304,841.00
<b>Total Fixed Assets</b>	<b>\$359,573.13</b>
<b>TOTAL ASSETS</b>	<b>\$597,726.75</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2000 Advance Dues Payments	380.00
2100 Facility Use Deposits	5,545.19
2200 Accrued Income Tax Payable	11,835.37
<b>Total Other Current Liabilities</b>	<b>\$17,760.56</b>
<b>Total Current Liabilities</b>	<b>\$17,760.56</b>
<b>Total Liabilities</b>	<b>\$17,760.56</b>
Equity	
3030 Retained Earnings	515,947.25
Net Income	64,018.94
<b>Total Equity</b>	<b>\$579,966.19</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$597,726.75</b>

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## OCTOBER 2023 FINANCIAL STATEMENT FOOTNOTES

**1. 55+ Donation Income:** A residential property is considered to have a stale Affidavit if the last Age-Verification Affidavit is more than two years old. In early October 2023 it was evident that by December 2023, 27.5% of the properties subject to the Maricopa County Senior Citizen Overlay Zoning Ordinance would have stale affidavits by the December 2023 reporting date. To cure this potential problem, wonderful DVRC volunteers distributed door to door, 750 Affidavits for Age-Verification. By October 31<sup>st</sup>, about 200 updated Verification of Age-Affidavits were returned to DVRC along with \$911 from the residents of the stale affidavit dated properties. The funds collected compensate DVRC for its hard costs to collect the updated affidavits necessary to protect Dreamland Villa Subdivision's 55+ age-restricted status.

**2. Interest Earned:** DVRC has a CD (balance sheet account 1215) renewed every 90 days. At October 24, 2023, DVRC earned \$351.15 interest (P & L Account 4502), to be paid December 24, 2023 (interest receivable balance sheet account 12071).

**3. Telephone, Internet & Website Expense: P & L account 5300.5.** October 2023's expense is substantially higher as a result of two issues:

a. Quarterly, DVRC pays Advantex, LLC \$143.52 to host the DreamlandVilla.org website. The October 2023 P & L recorded both the June 1<sup>st</sup> and the September 1<sup>st</sup> hosting fees.

b. The July 2023 financial statement footnotes, paragraph 3, disclosed GoDaddy charged DVRC's credit card \$467.34 for the annual renewal of Microsoft 365 Business Professional software. DVRC disputed the charge receiving an August 2023 temporary credit for the charge. However, GoDaddy has won the battle convincing NBAZ to charge back to DVRC the \$467.64 on the credit card statement paid in October 2023.

**4. Minor Parcel Split and Farnsworth Hall Appraisal, P & L Parcel Split/FH Appraisal, account 5901:** This account records the costs to separate a residential lot located between 6116 and 6132 E Butte Street from the larger Farnsworth Hall Property at 6159 E University Drive, Mesa. At the January 2024 general membership meeting, the members shall be asked to approve the sale of the newly created Butte Street residential lot. The reasons why the entire Farnsworth Hall property may need to be sold at a future date, shall also be addressed at that meeting.

**5. Income Tax Expense (Accrued), P & L account 5501.5 and Balance Sheet Accrued Income Tax Payable, account 2200:** An IRS August 2023 notice charged DVRC \$11,835.37 in penalties and interest (1) for DVRC's failure to pay by January 15, 2022, the income taxes due on the December 15, 2021 sale of the 5502 E Butte Street property and (2) DVRC's failure to file its 2021 tax return by April 15, 2022. DVRC filed a letter requesting abatement of the penalties and interest. The IRS received the letter on August 19, 2023. The IRS responded it would provide its abatement decision in 90 days, on or about November 19, 2023.

**6. Payroll (P & L 7000 series accounts):** Payroll costs from January 1 to October 31, 2023 are now shown separately: maintenance \$99,409.14 and the paid office staff \$57,757.09. For the same period the office staff motivated the buyers, Realtors and title companies to pay DVRC \$73,850 in Transfer (4002.1) and Disclosure Fee (4002.2) revenue. These funds compensate DVRC for its costs to document who are the buyers of homes in the Dreamland Villa Subdivision and obtain the Verification of Age Affidavits for the new occupants, actions necessary to protect Dreamland Villa Subdivision's 55+ age-restricted status.

**RECURRING INFORMATIONAL FOOTNOTE: Telephone, Internet & Website Costs: P & L account 5300.5.** CenturyLink provides internet to Farnsworth Hall. Quantum Fiber provides internet to Read Hall. VOIPCOM provides telephone service. Other recurring monthly services are provided by DropBox paid through PayPal, Adobe, Mailchimp, and Intuit (QuickBooks). Quarterly, DVRC pays Advantex, LLC \$143.52 to host the DreamlandVilla.org website. Through August, (charged to the September credit card bill) DVRC had paid GoDaddy \$27.05 per month to host DVRC's Property Management System (PMS). Starting in September 2023 DVRC paid GoDaddy \$272.66 to host the PMS for 12 months, an annual savings of \$51.94.

**Submitted by Ward Jennings, Director and Treasurer, DVRC Board of Directors**

**CY 2023 CHANGES IN FIXED ASSETS**

**AT OCTOBER 31, 2023**

<u>General Ledger</u>		<u>12/31/2023</u>	<u>10/31/2023</u>	<u>Change</u>	<u>Notes</u>
<u>Account</u>	<u>Description</u>				
1100	Equipment	98,980.71	106,050.23	7,069.52	A/G
1110	Land	69,174.00	69,174.00	-	
1120	Building	877,114.00	877,114.00	-	
1130	Bldg Improvements	234,578.00	246,235.00	11,657.00	B/C
1140	Swimming Pools	164,506.00	329,999.77	165,493.77	D/E
1150	Furniture & Fixtures	35,841.13	35,841.13	-	
1170	Accumulated Depreciation	(1,265,237.00)	(1,304,841.00)	(39,604.00)	F/G
		<u>214,956.84</u>	<u>359,573.13</u>		

A	New door access system		15,129.52		
G	See July 2023 Financial Statement Footnote: \$8,060 door access system taken out of service		<u>(8,060.00)</u>	<u>7,069.52</u>	
B	Reroof west end of Read Hall		4,437.00		
C	A/C Unit Read Hall		<u>7,220.00</u>	<u>\$ 11,657.00</u>	
D	Davis Pools Heater Replacment		2,974.59		
E	Remodel Read Hall swimming pools/hot tub		146,817.00		
H	Farnworth Hall Pool Heater Replacement		<u>15,702.18</u>	<u>165,493.77</u>	*
F	2022 Depreciation per 2022 Tax Return		(40,140.00)		
G	See July 2023 Financial Statement Footnote: \$536 in accumulted depreciation also written off.		<u>536.00</u>	<u>(39,604.00)</u>	

\* Additional Note: During the second half of CY 2022, DVRC spent \$9,200 on pools and hot tubs repair, remodel or replacement.

## MONEY MARKET ACCOUNT ACTIVITY

January 1 to October 31, 2023

	<u>Operating Account</u>	<u>NBAZ MM</u>	<u>Chase Checking</u>	<u>Chase CD (1)</u>
Beginning Balance: 1/1/2023		\$ 320,890.05		
Interest Earned:				
1st Qtr 2023		\$ 37.75		
Apr-23		\$ 1.43		
May-23		\$ 2.38		
Jun-23		\$ 1.89		\$ 1,241.12
Sep-23				\$ 945.35
Total Interest Earned		\$ 43.45		
Operating Funds	\$ (11,404.77)	\$ 11,404.77		
Funds Available:		\$ 332,338.27		
Less Disbursements:				
3.23.23 Platinum Pool Care		\$ (37,342.00)		
3.24.23 Transfer to Chase Bank		\$ (250,000.00)	\$ 125,000.00	\$ 125,000.00
5.1.23 Checks			\$ (20.00)	
5.11.23 Mesa Roofing	\$ (2,137.50)			
5.31.23 Sunrize Communication	\$ (1,671.40)			
5.1.23 Davis Pools	\$ (2,974.00)			
5.3.23 Platinum Pool Care		\$ (37,342.00)		
5.17.23 Platinum Pool Care			\$ (37,342.00)	
6.1.23 Sunrize Communication	\$ (4,895.40)			
6.1.23 Mesa Roofing	\$ (2,299.50)			
6.26.23 Platinum Pool Care	\$ (34,791.00)			
10.2.23 Farnsworth Hall Pool Heater Deposit			\$ (15,702.18)	
Total Disbursements: Increase Fixed Assets:	\$ (48,768.80)	\$ (324,684.00)	\$ (53,064.18)	
Close NBAZ MM Acct to Operating Funds	\$ 7,652.38	\$ (7,652.38)		
Interest transferred to Operating Funds		\$ (1.89)		
Transfer MM funds to Operating Acct	\$ 41,116.42		\$ (41,116.42)	
Operating funds used to pay for Capital Imp	\$ -			
Balance at October 31, 2023		\$ 0.00	\$ 30,819.40	\$ 127,186.47
			\$172,762.70	

Farnsworth Hall Pool Heater: Replacement cost: \$31,404.18. Work to be finished in Nov 23.

Footnote 1: Interest on the Chase 90 day CD will be paid at renewal, December 24, 2023.