

Dreamland Villa Retirement Community

Profit and Loss YTD Comparison

September 2023

| | TOTAL | |
|---|--------------------|-----------------------|
| | SEP 2023 | JAN - SEP, 2023 (YTD) |
| Income | | |
| 4000 Annual Fee Revenue | | |
| 4000.1 Annual Fee Revenue | 499.35 | 301,873.92 |
| Total 4000 Annual Fee Revenue | 499.35 | 301,873.92 |
| 4001 55+ Donation Income | | 7,879.60 |
| 4003 Donations - Unrestricted | | 1,210.00 |
| 4101 Read Hall Event/Kitchen Income | 38.95 | 676.71 |
| 4102 Special Events Revenue | | 17,603.91 |
| 4208 Entertainment-TAD | | |
| 4208.1 Ticket Sales | 91.00 | 8,330.00 |
| 4208.2 Lease Payment | 2,500.00 | 22,500.00 |
| 4208.3 Utility Reimbursement | 2,896.25 | 14,813.13 |
| Total 4208 Entertainment-TAD | 5,487.25 | 45,643.13 |
| 4300 Administrative Related Income | | |
| 4002 Transfer & Escrow Fees | | |
| 4002.1 Transfer Fee | 2,800.00 | 49,200.00 |
| 4002.2 Escrow Fees | 1,050.00 | 19,700.00 |
| Total 4002 Transfer & Escrow Fees | 3,850.00 | 68,900.00 |
| 4100 Read Hall Rental Income | 575.00 | 5,928.00 |
| 4300.2 Commissions & Misc Revenue | 45.60 | 536.60 |
| 4300.3 Kee Card Replacement | | 481.50 |
| 4300.4 Defendant Legal Fees Contrib | | 8,677.55 |
| 4501 Activity Fees | 40.00 | 475.00 |
| Total 4300 Administrative Related Income | 4,510.60 | 84,998.65 |
| 4400 Restricted Accounts Income | | 325.00 |
| 4405 Nature Walk Income | 80.00 | 80.00 |
| Total 4400 Restricted Accounts Income | 80.00 | 405.00 |
| 4502 Interest Earned | 226.71 | 2,239.92 |
| 4503 Crown Castle Lease Income | 1,200.00 | 10,800.00 |
| Services | | 0.00 |
| Total Income | \$12,042.86 | \$473,330.84 |
| GROSS PROFIT | \$12,042.86 | \$473,330.84 |
| Expenses | | |
| 5001 55+ Compliance Expense | | 1,467.31 |
| 5300 Admin & Office Expenses | | |
| 5300.1 Postage | | 1,040.22 |
| 5300.2 Copy Machine Expense | 190.60 | 2,109.66 |
| 5300.3 Supplies | 115.72 | 4,867.15 |
| 5300.5 Telephone, Internet & Website Exp | 663.82 | 5,090.45 |

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| | TOTAL | |
|--|-----------------|-----------------------|
| | SEP 2023 | JAN - SEP, 2023 (YTD) |
| 5300.6 Accounting Expense | | 1,625.12 |
| 5300.8 Permits, Licenses & Fees | 50.00 | 915.00 |
| 5300.9 Advertising | | 869.16 |
| 5300.95 Computer Systems | | 3,054.58 |
| 5300.97 Volunteer Benefits | | 1,064.37 |
| 5501.5 Income Tax Expense | | 10,992.22 |
| 5502 Bank Charges | | 26.35 |
| 5503 Credit Card Fees | | |
| 5503.1 Intuit Credit Card Fees ONLY | 0.12 | 64.07 |
| 5503.2 Credit Card Fees NOT Intuit | | 775.73 |
| Total 5503 Credit Card Fees | 0.12 | 839.80 |
| 5601.2 Citizen | 500.00 | 4,700.00 |
| 5801 Legal Expense | | 2,453.00 |
| 5900 Insurance | | |
| 5900.1 Fire Protection | | 7,812.40 |
| 5900.2 General Insurance | | 35,229.00 |
| Total 5900 Insurance | | 43,041.40 |
| 5901 Parcel Split/FH Appraisal | 245.00 | 4,290.00 |
| Total 5300 Admin & Office Expenses | 1,765.26 | 86,978.48 |
| 5350 Membership Marketing Expense | | 3,291.70 |
| 5400 Restricted Accounts Expense | | |
| 5405 Nature Walk Expense | | 483.80 |
| 5407 Woodshop Expense | | 399.04 |
| Total 5400 Restricted Accounts Expense | | 882.84 |
| 5950 Read Hall Expenses | | |
| 5950.1 Read Kitchen Exp | | 707.05 |
| 5950.2 Special Events Expenses | | 6,412.82 |
| Total 5950 Read Hall Expenses | | 7,119.87 |
| 6201 Bldg & Grounds Maintenance | | |
| 6201.1 Parts & Building Repair | | 1,749.41 |
| 6201.2 Consumable Supplies | 209.71 | 6,775.49 |
| 6201.3 Contractor Work | 229.00 | 6,850.38 |
| 6201.4 Vehicle Expense | 95.00 | 794.59 |
| Total 6201 Bldg & Grounds Maintenance | 533.71 | 16,169.87 |
| 6300 Swimming Pools Expenses | | |
| 6300.1 Gas - Pools | 496.96 | 46,065.52 |
| 6300.2 Pool Repairs | 39.30 | 5,885.96 |
| 6300.3 Pool Chemicals | 1,119.01 | 8,414.15 |
| 6300.4 Pool / Hot Tub Permits | 595.00 | 1,360.00 |
| Total 6300 Swimming Pools Expenses | 2,250.27 | 61,725.63 |

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September 2023

| | TOTAL | |
|--|----------------------|-----------------------|
| | SEP 2023 | JAN - SEP, 2023 (YTD) |
| 6400 Utilities | | |
| 6400.2 Electric | 5,118.08 | 27,794.45 |
| 6400.3 Water/Sewer | 665.31 | 14,457.20 |
| 6400.4 Trash Collection | 152.37 | 1,321.68 |
| Total 6400 Utilities | 5,935.76 | 49,573.93 |
| 7000 Payroll & Related Expenses | | |
| 7001 Salaries & Wages | 13,178.00 | 131,379.84 |
| 7002 Employer Tax Expense | 1,037.09 | 11,693.71 |
| 7004 Workers Comp Ins. | 90.75 | 963.93 |
| 7005 Payroll Processing | 165.10 | 1,564.73 |
| 7050 Contract Agency | | 8,997.78 |
| Total 7000 Payroll & Related Expenses | 14,470.94 | 154,599.99 |
| Total Expenses | \$24,955.94 | \$375,809.02 |
| NET OPERATING INCOME | \$ -12,913.08 | \$97,521.82 |
| Other Income | | |
| 1255 Loss on Retirement of Assets | | -7,524.00 |
| Total Other Income | \$0.00 | \$ -7,524.00 |
| NET OTHER INCOME | \$0.00 | \$ -7,524.00 |
| NET INCOME | \$ -12,913.08 | \$89,997.82 |

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Dreamland Villa Retirement Community

Balance Sheet

As of September 30, 2023

| | TOTAL |
|---|---------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 1010 Checking Account | 102,159.11 |
| 1011 Petty Cash | 920.00 |
| 1200 Money Market Accounts | 0.00 |
| 1210 Chase Checking | 46,521.58 |
| 1215 Chase CD | 127,186.47 |
| Total 1200 Money Market Accounts | 173,708.05 |
| Total Bank Accounts | \$276,787.16 |
| Other Current Assets | |
| 12074 Other Receivables | 275.56 |
| 12075 T2 Presents - Receivable | 2,987.25 |
| Total Other Current Assets | \$3,262.81 |
| Total Current Assets | \$280,049.97 |
| 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 | 314,297.59 |
| 1150 Furniture and Fixtures | 35,841.13 |
| 1170 Accumulated Depreciation | -1,304,841.00 |
| Total Fixed Assets | \$343,870.95 |
| TOTAL ASSETS | \$623,920.92 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Credit Cards | |
| 2500 NBAZ Credit Card | 595.00 |
| Total Credit Cards | \$595.00 |
| Other Current Liabilities | |
| 2000 Advance Dues Payments | 380.00 |
| 2100 Facility Use Deposits | 0.00 |
| 2100.1 Farnsworth Hall Deposits | 3,700.00 |
| 2100.2 Read Hall Deposits | 139.48 |
| 2100.3 Arts & Crafts Deposits | 1,275.19 |
| 2409 2023 Contributions | 50.81 |
| Total 2100 Facility Use Deposits | 5,165.48 |
| 2200 Accrued Income Tax Payable | 11,835.37 |

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Dreamland Villa Retirement Community

Balance Sheet

As of September 30, 2023

| | TOTAL |
|--|---------------------|
| Total Other Current Liabilities | \$17,380.85 |
| Total Current Liabilities | \$17,975.85 |
| Total Liabilities | \$17,975.85 |
| Equity | |
| 3030 Retained Earnings | 515,947.25 |
| Net Income | 89,997.82 |
| Total Equity | \$605,945.07 |
| TOTAL LIABILITIES AND EQUITY | \$623,920.92 |

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SEPTEMBER 2023 FINANCIAL STATEMENT FOOTNOTES

1. Telephone, Internet & Website Costs: P & L account 5300.5. CenturyLink provides internet to Farnsworth Hall. Quantum Fiber now provides internet to Read Hall and 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.

CenturyLink is refunding DVRC \$275.20 because of duplicate billings that continued AFTER Quantum Fiber's internet replaced CenturyLink's internet at Read Hall.

The September 2023 Statement of Profit and Loss records the Farnsworth Hall CenturyLink internet expense for both August and September.

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 \$272.66 to host the PMS for 12 months, an annual savings of \$51.94.

Quarterly, DVRC pays Advantex, LLC \$143.52 to host the DreamlandVilla.org website. The September 2023 Statement of Profit and Loss records both the June 1st and the September 1st hosting fees.

GoDaddy hosts DVRC's property management system (PMS) website and provides domain name renewal. In July 2023, GoDaddy charged DVRC's credit card \$467.34 to renew a Microsoft licensed product, available from Microsoft for \$136. NBAZ removed (reversed) the GoDaddy \$467.34 charge on DVRC's August 2023 credit card statement. However, NBAZ AGAIN charged DVRC GoDaddy's \$467.34 in September, a payment that will show up on the October 2023 NBAZ credit card statement and the October 2023 Profit and Loss Statement.

2. Minor Parcel Split and Farnsworth Hall Appraisal, P & L Parcel Split/FH Appraisal, account 5901: Captures 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. This account also captures the cost to obtain an appraisal for the value of the primary Farnsworth Hall parcel.

3. 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. On August 19, 2023, the IRS received DVRC's August 12, 2023 letter requesting abatement of the penalties and interest. On September 26, 2023 the IRS requested a 60 day extension to respond to DVRC's request for abatement of the penalties and interest.

4. Balance Sheet – Other Current Assets: Other Receivables – 12074, \$275.56, CenturyLink refund. T2 Presents – Receivable – 12075, \$2,987.25. The September 2023 reimbursement for the utilities and \$91 payment of the August 2023 ticket sales commission was received October 2, 2023, therefore a September 2023 receivable.

MONEY MARKET ACCOUNT ACTIVITY

January 1 to September 30, 2023

| | Operating <u>Account</u> | <u>NBAZ MM</u> | Chase <u>Checking</u> | Chase <u>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 | | <u>\$ 43.45</u> | | |
| Operating Funds | \$ (11,404.77) | \$ 11,404.77 | | |
| Funds Available: | | <u>\$ 332,338.27</u> | | |
| 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) | | | |
| Total Disbursements: Increase Fixed Assets: | \$ (48,768.80) | \$ (324,684.00) | \$ 87,638.00 | |
| 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 | <u>\$ 41,116.42</u> | | \$ (41,116.42) | |
| Operating funds used to pay for Capital Imp | <u>\$ -</u> | | | |
| Balance at September 30, 2023 | | <u>\$ 0.00</u> | \$ 46,521.58 | \$ 127,186.47 |
| | | | <u>\$ 173,708.05</u> | |

The Farnsworth Hall pool heater is scheduled to be replaced in the 4th Qtr, 2023 at an estimated cost of \$31,404.36. A \$15,702.18 deposit, to order the new part, was paid 10/2/23.

Footnote 1: Interest on the Chase 90 day CD is paid at renewal.

| CY 2023 CHANGES IN FIXED ASSETS | | AT SEPTEMBER 30, 2023 | | | |
|---------------------------------|--------------------------|-----------------------|-------------------|-------------|-------|
| General Ledger | | 12/31/2023 | 9/30/2023 | Change | Notes |
| Account | Description | | | | |
| 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 | 314,297.59 | 149,791.59 | 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>343,870.95</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 | 149,791.59 | * |
| H | Replace Farnsworth Hall Pool Heater | | | | |
| 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> | |
| H | DVRC provided the contractor replacing the Farnsworth Hall pool heater an October 2, 2023 \$15,702.18 deposit to order the replacement heater. The total cost is estimated to be \$31,404.36. | | | | |

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

From 4/1/2018 to 7/15/2022, 50+ months, the former directors spent \$4,500 on pool and hot tub captial improvements.