

Paseo Master Association

Treasurer's Report

Based on Unaudited February 28, 2021 Financial Statements (HOA meeting of March 16, 2021)

The Paseo HOA had an operating surplus of \$789,285 which is \$139,885 in excess of what is recommended by our professionals (two months of 2021 assessments).

The replacement reserves were \$1,306,163 at 12.31.20 and decreased to \$1,295,203 as of 2.28.21. Assessments of \$90,000 along with interest of \$130 were added to the reserves. Total expenditures of (\$101,091) were charged against the reserves during the calendar year.

The working capital fund was \$136,155 at 12.31.20. Year to date capital contributions of \$49,500 were added to the fund. Special projects of (\$364) were expensed leaving a balance of \$185,291 as of 2.28.21.

For the month, the association had an income of \$66,518 against a budget of \$20,281 for a positive variance of \$46,237. Food and beverage exceeded budget by \$21,607. Salaries, excluding food and beverage, exceeded budget by \$12,206.

For the year, the association had an income of \$107,939 against a budget of \$12,575 for a positive variance of \$95,364. Food and beverage exceeded budget by \$52,230. Salaries, excluding food and beverage, exceeded budget by \$23,755.

For the year, food and beverage had a direct loss of (\$12,696) against a budget of (\$64,926) for a positive variance of \$52,230. Salaries were under budget by \$33,373 and supplies by \$17,211.

Paseo Master HOA  
Balance Sheet  
As of 02.28.21

	Operating	Working Capital	Total	Capital Reserves	Total
Cash	1,170,814	185,291	1,356,105	1,365,168	2,721,273
Other receivables	37,299		37,299		37,299
Deposits			-		-
Other current assets	56,336		56,336		56,336
Current assets	1,264,449	185,291	1,449,740	1,365,168	2,814,908
Deferred revenue	(294,700)		(294,700)		(294,700)
Current liabilities	(180,464)		(180,464)	(69,965)	(250,429)
Fund Balance	789,285	185,291	974,577	1,295,203	2,269,779
Fund balance					
Beginning Balance	681,346	136,155	817,501	1,306,163	2,123,664
Net Income (loss)	157,076		157,076		157,076
Collected		49,500	49,500	90,000	139,500
Cash impact of the working capital fund	(49,136)		(49,136)		(49,136)
Interest			-	130	130
Capital projects		(364)	(364)	(101,091)	(101,454)
Fund balance	789,285	185,291	974,577	1,295,203	2,269,779
Two months of assessments	649,400				
Excess (deficit) operating reserves	139,885				

Paseo Master HOA  
Income Statement  
As of 02.28.21

	Current Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Master dues	294,700	294,700	-	589,400	589,400	-
Reserve dues	-	-	-	90,000	90,000	-
Interest income	564	125	439	727	250	477
Events	-	-	-	-	-	-
Retail items	6,042	1,000	5,042	8,457	4,000	4,457
Amenities and other	1,616	1,030	586	2,455	2,060	395
Food and beverage	135,059	148,200	(13,141)	244,860	261,400	(16,541)
Capital assessments	364		364	364		364
Income	438,344	445,055	(6,711)	936,262	947,110	(10,848)
Legal	266	500	235	351	1,000	650
Other administrative	5,689	5,896	207	10,944	11,792	848
Bulk Cable	101,655	101,708	53	203,309	203,415	106
Utilities (other)	16,052	18,126	2,074	33,910	37,345	3,435
Contracts	4,780	6,385	1,605	12,250	12,770	520
Insurance	5,577	5,577	(0)	11,154	11,154	(0)
Lifestyle park	-	75	75	-	150	150
Cost of sales	48,070	58,890	10,820	85,724	103,910	18,186
Food and beverage supplies	16,431	26,113	9,682	29,695	46,906	17,211
Entertainment	9,459	7,675	(1,784)	18,609	12,275	(6,334)
Other amenities	10,011	9,253	(758)	18,172	18,506	334
Retail items	5,156	1,000	(4,156)	6,032	4,000	(2,032)
Pool (other)	3,913	6,020	2,108	7,825	12,040	4,215
Landscaping	9,188	11,268	2,080	18,376	22,536	4,160
Maintenance	3,725	8,526	4,801	9,052	17,052	8,000
Payroll				-		
Food and beverage	69,815	84,059	14,244	142,137	175,510	33,373
Member services	8,493	9,321	828	18,915	19,942	1,027
Pool monitor	5,197	13,631	8,434	11,327	29,451	18,124
Administration	32,708	32,458	(250)	68,861	66,781	(2,080)
Maintenance	15,279	18,294	3,015	31,315	38,000	6,685
Capital reserves	-	-	-	90,000	90,000	-
Capital projects	364	-	(364)	364	-	(364)
Expenses	371,827	424,775	52,948	828,323	934,535	106,212
Net Income (loss) - normal operations	66,518	20,281	46,237	107,939	12,575	95,364
Unusual items						
Cash recognition of working capital assessments	(22,136)		22,136	(49,136)		49,136
Net Income (loss) per KW statements	88,654	20,281	68,374	157,076	12,575	144,501
Working Capital projects						
Lift for LED basketball project	364		(364)	364		(364)
	364	-	(364)	364	-	(364)



Paseo Master HOA  
Food and Beverage  
As of 02.28.21

	Month-to-Date			Year-to-Date			02.29.20		%	2017	2018	2019	2020
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Change		Actual	Actual	Actual	Actual
Food Sales	64,733	78,000	(13,267)	117,624	138,000	(20,376)	143,454	(25,830)	-18.0%	572,330	561,133	582,215	398,932
Bar Sales	70,327	70,200	127	127,236	123,400	3,836	126,138	1,097	0.9%	481,545	513,011	530,384	408,023
Total Sales	135,059	148,200	(13,141)	244,860	261,400	(16,541)	269,592	(24,733)	-9.2%	1,053,875	1,074,144	1,112,599	806,955
Cost of goods sold													
Food	25,388	34,320	8,932	45,659	60,720	15,061	61,311	15,653	25.5%	229,819	223,887	260,861	178,494
Bar	22,681	24,570	1,889	40,065	43,190	3,125	41,891	1,826	4.4%	154,887	191,627	192,433	136,603
Total COGS	48,070	58,890	10,820	85,724	103,910	18,186	103,202	17,478	16.9%	384,707	415,514	453,293	315,097
Supplies	16,431	26,113	9,682	29,695	46,906	17,211	38,722	9,027	23.3%	193,379	221,200	237,628	165,996
Labor	69,815	84,059	14,244	142,137	175,510	33,373	165,471	23,335	14.1%	930,803	811,841	841,451	706,931
Total direct expenses	134,315	169,062	34,747	257,556	326,326	68,770	307,395	49,840	16.2%	1,508,888	1,448,556	1,532,372	1,188,024
Direct loss	745	(20,862)	21,607	(12,696)	(64,926)	52,230	(37,803)	25,107	-66.4%	(455,013)	(374,411)	(419,773)	(381,070)
Direct cost recovery	100.6%	87.7%	12.9%	95.1%	80.1%	15.0%	87.7%			69.8%	74.2%	72.6%	67.9%
Cost of goods sold													
Food	39.2%	44.0%	4.8%	38.8%	44.0%	5.2%	42.7%			40.2%	39.9%	44.8%	44.7%
Bar	32.3%	35.0%	2.7%	31.5%	35.0%	3.5%	33.2%			32.2%	37.4%	36.3%	33.5%
Total	35.6%	39.7%	4.1%	35.0%	39.8%	4.7%	38.3%			36.5%	38.7%	40.7%	39.0%
Supplies	12.2%	17.6%	5.5%	12.1%	17.9%	5.8%	14.4%			18.3%	20.6%	21.4%	20.6%
Labor	51.7%	56.7%	5.0%	58.0%	67.1%	9.1%	61.4%			88.3%	75.6%	75.6%	87.6%
	-	-	-	(0.00)	-	-							
Food													
Rate			3,094			6,096							
Volume			5,838			8,966							
Bar													
Rate			1,933			4,467							
Volume			(44)			(1,343)							
COGS Variance			10,820			18,186							

Paseo Master HOA  
Working Capital Fund

Balance as of 12.31.20			136,155
Closings (sales) 2021	33	1,500	49,500
2020/2021 Projects	Paid	O/S	
Lift for LED basketball project	(364)		(364)
Extra weight for the strength machines		(2,057)	(2,057)
Bar stools for Bistro serving table		(5,000)	(5,000)
Landscaping upgrades at the VC with new vendor		(8,990)	(8,990)
Gym rowing machine		(1,998)	(1,998)
Wireless microphones - theater		(2,649)	(2,649)
Available balance 2.28.21	(364)	(20,694)	164,597
Closings since prior month end	19	1,500	28,500
Pending properties	42	1,500	63,000
Estimated additional 2021 sales	-	1,500	-
Working capital available for 2021			<u>256,097</u>
Priority items			
Restructure serving station (Tiki)			25,000
Walk-in freezer - Tiki kitchen			50,000
Tiki kitchen AC			10,000
Asphalt, fencing and landscaping at BB/PB court			15,000
WordPress (mypaseo.life)			10,000
Additional parking by tennis courts 5 and 6			30,000
Transfer to replacement reserves			100,000
			<u>240,000</u>

Paseo Master HOA  
Cost by Service  
As of 02.28.21

	Current Month			Year to Date			Average per Month		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Bulk Cable	101,655	101,708	53	203,309	203,415	106	101,655	101,708	53
Administration	38,663	38,854	191	80,156	79,573	(583)	40,078	39,787	(291)
Replacement Reserves	-	-	-	90,000	90,000	-	45,000	45,000	-
Maintenance	19,005	26,820	7,815	40,367	55,052	14,685	20,183	27,526	7,343
Food and Beverage	(745)	20,862	21,607	12,696	64,926	52,230	6,348	32,463	26,115
Utilities	16,052	18,126	2,074	33,910	37,345	3,435	16,955	18,673	1,718
Amenity Access	5,197	13,631	8,434	11,327	29,451	18,124	5,664	14,726	9,062
Landscaping	9,188	11,268	2,080	18,376	22,536	4,160	9,188	11,268	2,080
Member Services	8,493	9,321	828	18,915	19,942	1,027	9,458	9,971	513
Pool	3,913	6,020	2,108	7,825	12,040	4,215	3,913	6,020	2,108
Entertainment	9,459	7,675	(1,784)	18,609	12,275	(6,334)	9,305	6,138	(3,167)
Insurance	5,577	5,577	(0)	11,154	11,154	(0)	5,577	5,577	(0)
Management Contract	4,172	4,185	13	8,345	8,370	25	4,172	4,185	13
Tennis (net)	4,005	4,620	615	8,471	9,240	769	4,235	4,620	385
IT Services	405	2,000	1,595	3,510	4,000	490	1,755	2,000	245
Café	3,563	2,500	(1,063)	5,881	5,000	(881)	2,940	2,500	(440)
Events (net)	1,546	500	(1,046)	1,948	1,000	(948)	974	500	(474)
Retail (net)	(885)	-	885	(2,425)	-	2,425	(1,212)	-	1,212
Other	(1,081)	753	1,834	(915)	1,506	2,421	(457)	753	1,210
Total	228,182	274,420	46,237	571,461	666,825	95,364	285,730	333,413	47,682
Per Unit									
Bulk Cable	88.70	88.75	0.05	177.41	177.50	0.09	88.70	88.75	0.05
Administration	33.74	33.90	0.17	69.94	69.44	(0.51)	34.97	34.72	(0.25)
Replacement Reserves	-	-	-	78.53	78.53	-	39.27	39.27	-
Maintenance	16.58	23.40	6.82	35.22	48.04	12.81	17.61	24.02	6.41
Food and Beverage	(0.65)	18.20	18.85	11.08	56.65	45.58	5.54	28.33	22.79
Utilities	14.01	15.82	1.81	29.59	32.59	3.00	14.79	16.29	1.50
Amenity Access	4.53	11.89	7.36	9.88	25.70	15.81	4.94	12.85	7.91
Landscaping	8.02	9.83	1.81	16.04	19.66	3.63	8.02	9.83	1.81
Member Services	7.41	8.13	0.72	16.51	17.40	0.90	8.25	8.70	0.45
Pool	3.41	5.25	1.84	6.83	10.51	3.68	3.41	5.25	1.84
Entertainment	8.25	6.70	(1.56)	16.24	10.71	(5.53)	8.12	5.36	(2.76)
Insurance	4.87	4.87	(0.00)	9.73	9.73	(0.00)	4.87	4.87	(0.00)
Management Contract	3.64	3.65	0.01	7.28	7.30	0.02	3.64	3.65	0.01
Tennis (net)	3.49	4.03	0.54	7.39	8.06	0.67	3.70	4.03	0.34
IT Services	0.35	1.75	1.39	3.06	3.49	0.43	1.53	1.75	0.21
Café	3.11	2.18	(0.93)	5.13	4.36	(0.77)	2.57	2.18	(0.38)
Events (net)	1.35	0.44	(0.91)	1.70	0.87	(0.83)	0.85	0.44	(0.41)
Retail (net)	(0.77)	-	0.77	(2.12)	-	2.12	(1.06)	-	1.06
Other	(0.94)	0.66	1.60	(0.80)	1.31	2.11	(0.40)	0.66	1.06
Total	199.11	239.46	40.35	498.66	581.87	83.21	249.33	290.94	41.61