

Paseo Master Association
Treasurer's Report

Based on Unaudited April 30, 2020 Financial Statements (HOA meeting of May 21, 2020)

The Paseo HOA had an operating surplus as of 4.30.20 of \$815,623.

The replacement reserves were \$679,756 at 12.31.19 and decreased to \$593,197 as of 4.30.20. Assessments of \$209,304 along with interest of \$1,830 were added to the reserves. Total expenditures of (\$297,693) were charged against the reserves during the calendar year.

The working capital fund was \$86,684 at 12.31.19. Year to date capital contributions of \$67,500 were added to the fund. (\$93,285) of special projects were expensed leaving a balance of \$60,899 as of 4.30.20. The board has two approved projects that have not been funded yet for (\$17,749).

For the month, the association had an income of \$67,232 against a budget of \$52,966 for a positive variance of \$14,266. Food and beverage missed budget by (\$14,126) due to the impacts of the mandated shut-down of services. Maintenance (including labor) exceeded budget by \$5,770 and administration (including labor) exceeded budget by \$6,950. Most other costs were under budget due to the decreased activity at the village center.

For the year, the association had an income of \$220,511 against a budget of \$138,760 for a positive variance of \$81,751. Food and beverage missed budget by (\$6,046), maintenance (including labor) exceeded budget by \$28,595 and administration (including labor) exceeded budget by \$20,934. Most other costs were under budget due to the decreased activity at the village center.

For the year, food and beverage had a direct loss of (\$119,526) against a budget of (\$113,526) for a negative variance of (\$6,046).

Please note that KW and our auditors have determined that Paseo will not record any expense for the five free months of Hotwire service that started on April 21, 2020. We have elected to show the budget variances as if we didn't budget the imputed expense for this period. The actual budget variances would be and will be considerably higher than what is reported in the treasurer's report.

Paseo Master HOA
Balance Sheet
As of 04.30.20

	Operating	Working Capital	Capital Reserves	Total
Cash	1,394,767	60,899	591,819	2,047,485
Due to/from	-			-
Other receivables	821			821
Deposits				-
Other current assets	123,495		3,556	127,051
Current assets	1,519,083	60,899	595,375	2,175,357
Deferred revenue	(575,043)			(575,043)
Current liabilities	(128,417)		(2,178)	(130,595)
Working capital surplus	815,623	60,899	593,197	1,469,719
Fixed assets (net)	27,997			27,997
Fund balance	843,620	60,899	593,197	1,497,717
Fund balance				
Beginning Balance	623,109	86,684	679,756	1,389,550
Net Income (loss)	220,511			220,511
Collected		67,500	209,304	276,804
Interest			1,830	1,830
Capital projects		(93,285)	(297,693)	(390,978)
Fund balance	843,620	60,899	593,197	1,497,717
Current surplus	-	-	-	-
Surplus	843,620			
Less fixed assets	(27,997)			
Available surplus	815,623			

Paseo Master HOA
Income Statement
As of 04.30.20

	Current Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Master dues	287,521	287,521	-	1,150,085	1,150,084	1
Reserve dues	104,652	104,652	-	209,304	209,304	-
Interest income	618	500	118	4,032	2,000	2,032
Events	-	5,500	(5,500)	-	10,600	(10,600)
Retail items	45	250	(205)	5,724	4,750	974
Amenities and other	(552)	1,223	(1,775)	5,301	4,892	409
Food and beverage	11,936	107,881	(95,945)	374,726	551,024	(176,298)
Capital assessments	25,566		25,566	93,285	-	93,285
Income	429,785	507,527	(77,742)	1,842,455	1,932,654	(90,199)
Legal	500	3,000	2,500	2,220	12,000	9,780
Other administrative	4,001	6,327	2,326	19,687	25,308	5,621
Bulk Cable	51,368	44,916	(6,452)	249,308	247,035	(2,273)
Utilities (other)	16,639	19,578	2,939	76,303	78,892	2,589
Contracts	4,095	6,397	2,302	21,754	25,588	3,834
Insurance	5,578	5,522	(56)	21,085	22,088	1,003
Lifestyle park	-	208	208	-	832	832
Cost of sales	8,622	42,673	34,051	152,081	218,619	66,538
Food and beverage supplies	5,381	21,015	15,634	67,143	103,258	36,115
Entertainment	-	6,025	6,025	22,490	29,750	7,260
Other amenities	7,314	13,253	5,939	38,381	48,012	9,631
Retail items	28	250	222	1,288	4,750	3,462
Pool (other)	3,996	7,404	3,408	19,520	29,616	10,096
Landscaping	10,023	10,951	928	48,176	43,804	(4,372)
Maintenance	7,627	8,885	1,258	31,174	36,090	4,916
Payroll						
Food and beverage	42,699	74,833	32,134	275,073	342,673	67,600
Member services	4,364	8,927	4,563	31,936	39,555	7,619
Pool monitor	7,366	10,375	3,009	37,877	43,649	5,772
Administration	33,301	35,425	2,124	132,630	138,163	5,533
Maintenance	17,730	22,242	4,512	64,417	88,096	23,679
Capital reserves	104,652	104,652	-	209,304	209,304	-
Depreciation	1,703	1,703	(0)	6,813	6,812	(1)
Capital projects	25,566	-	(25,566)	93,285	-	(93,285)
Expenses	362,553	454,561	92,008	1,621,944	1,793,894	171,950
Net Income (loss) - normal operations	67,232	52,966	14,266	220,511	138,760	81,751
Unusual items						
Change in accounting for Hotwire free service	-	32,046	32,046	-	32,046	32,046
Net Income (loss) per KW statements	67,232	20,920	46,312	220,511	106,714	113,797

Paseo Master HOA
Income Statement
As of 04.30.20

Current Month			Year to Date		
Actual	Budget	Variance	Actual	Budget	Variance
Working Capital projects					
LED lighting project	-	-	554	-	(554)
Tiki lighting	-	-	6,330	-	(6,330)
Acoustic panels for the pub	-	-	3,183	-	(3,183)
Door between the kitchen and bistro	-	-	1,182	-	(1,182)
Aerobic pac dumbbells	-	-	1,214	-	(1,214)
Spa Barber chairs (3)	-	-	746	-	(746)
Eversafe storage building	-	-	13,833	-	(13,833)
Bocce shade structures	-	-	12,190	-	(12,190)
Landscaping bocce/shed	-	-	4,770	-	(4,770)
Firepit (gross cost)	(6,850)	6,850	(1,817)	-	1,817
Retaining wall stone	4,250	(4,250)	4,250	-	(4,250)
Power wash circle drive	750	(750)	7,150	-	(7,150)
Emergency lighting	-	-	11,311	-	(11,311)
Sound system antenna kit	-	-	571	-	(571)
Fix low spot in pavers (circle)	6,000	(6,000)	6,000	-	(6,000)
Convert kiddie splash pad to geothermal	6,906	(6,906)	6,906	-	(6,906)
Pickleball lines	1,010	(1,010)	1,413	-	(1,413)
Tennis fencing repairs	8,550	(8,550)	8,550	-	(8,550)
Pickleball fencing repairs	2,850	(2,850)	2,850	-	(2,850)
Furniture removal (dumpsters)	2,100	(2,100)	2,100	-	(2,100)
25,566	-	(25,566)	93,285	-	(93,285)

Month-to-Date		Year-to-Date		04.30.19			2017	2018	2019	2020
Budget	Variance	Actual	Budget	Variance	Actual	Change	Actual	Actual	Actual	Budget
Actual						%				

Food Sales	11,072	55,125	(44,053)	205,834	294,750	(88,916)	292,802	(86,968)	-29.7%	572,330	561,133	582,215	604,750	
	Bar Sales	864	52,756	(51,892)	168,892	256,274	(87,382)	254,629	(85,737)	-33.7%	481,545	513,011	530,384	546,322
Total Sales		11,936	107,881	(95,945)	374,726	551,024	(176,298)	547,431	(172,705)	-31.5%	1,053,875	1,074,144	1,112,599	1,151,072
Cost of goods sold														
Food	7,208	23,153	15,945	93,825	123,797	29,972	134,990	41,165	30.5%	229,819	223,887	260,861	253,995	
Bar	1,413	19,520	18,107	58,256	94,822	36,566	90,739	32,483	35.8%	154,887	191,627	192,433	202,139	
Total COGS		8,622	42,673	34,051	152,081	218,619	66,538	225,730	73,648	32.6%	384,707	415,514	453,293	456,134
Supplies														
Labor	5,381	21,015	15,634	67,143	103,258	36,115	89,276	22,133	24.8%	193,379	221,200	237,628	229,408	
	42,699	74,853	32,134	275,073	342,673	67,600	321,429	46,356	14.4%	930,803	811,841	841,451	856,848	
Total direct expenses		56,702	138,521	81,819	494,298	664,550	170,252	636,435	142,137	22.3%	1,508,888	1,448,556	1,532,372	1,542,390
Direct loss														
	(44,766)	(30,640)	(14,126)	(119,572)	(113,526)	(6,046)	(89,004)	(30,568)	34.3%	(455,013)	(374,411)	(419,773)	(381,318)	
Direct cost recovery														
	21.1%	77.9%	-56.8%	75.8%	82.9%	-7.1%	86.0%			69.8%	74.2%	72.6%	74.6%	
Cost of goods sold														
Food	65.1%	42.0%	-23.1%	45.6%	42.0%	-3.6%	46.1%			40.2%	39.9%	44.8%	42.0%	
Bar	163.5%	37.0%	-126.5%	34.5%	37.0%	2.5%	35.6%			32.2%	37.4%	36.3%	37.0%	
Total		72.2%	39.6%	-32.7%	40.6%	39.7%	-0.9%	41.2%		36.5%	38.7%	40.7%	39.6%	
Supplies														
Labor	45.1%	19.5%	-25.6%	17.9%	18.7%	0.8%	16.3%			18.3%	20.6%	21.4%	19.9%	
	357.7%	69.4%	-288.4%	73.4%	62.2%	-11.2%	58.7%			88.3%	75.6%	75.6%	74.4%	
Food														
Rate	-	-	-	-	-	0.00								
Volume														
Bar														
Rate														
Volume														
COGS Variance				34,051			66,538							

Paseo Master HOA
Working Capital Fund

Balance as of 12.31.19			86,684
Closings (sales) 2020	45	1,500	67,500
2020 Projects	Paid	O/S	
LED lighting project	(554)		(554)
LED Tiki lighting	(6,330)		(6,330)
Acoustic panels for the pub	(3,183)		(3,183)
Door between the kitchen and bistro	(1,182)		(1,182)
Aerobic pac dumbbells	(1,214)		(1,214)
Spa Barber chairs (3)	(746)		(746)
Eversafe storage building	(13,833)		(13,833)
Bocce shade structures	(12,190)	(12,191)	(24,380)
Landscaping bocce/shed	(4,770)		(4,770)
Firepit (net)	1,817	(5,034)	(3,217)
Retaining wall stone	(4,250)		(4,250)
Power wash circle drive	(7,150)		(7,150)
Emergency lighting	(11,311)		(11,311)
Sound system antenna kit	(571)		(571)
Fix low spot in pavers (circle)	(6,000)		(6,000)
Convert kiddie splash pad to geothermal	(6,906)		(6,906)
Pickleball lines	(1,413)		(1,413)
Tennis fencing repairs	(8,550)		(8,550)
Pickleball ball fencing repairs	(2,850)		(2,850)
Furniture removal (dumpsters)	(2,100)	(525)	(2,625)
Available balance 02.29.20	(93,285)	(17,749)	43,150
Anticipated additional home sales 2020	24	1,500	36,000
Working capital available			79,150
Funding of capital projects:			
Infrared tiki heaters and installation			(5,000)
Bar stools for Bistro serving table			(4,607)
Café and ice cream cabinets			(5,650)
Café and ice cream granite			(2,000)
Café take out bar stools (four)			(945)
Lagoon pool additional lighting			(1,200)
Tiki kitchen AC			(8,695)
Anticipated balance 12.31.20			51,053
Operating contingency			(50,000)
Excess funds			1,053

Paseo Master HOA
Cost by Service
As of 04.30.20

	Current Month			Year to Date			Average per Month		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Bulk Cable	51,368	44,916	(6,452)	249,308	247,035	(2,273)	62,327	61,759	(568)
Administration	37,802	44,752	6,950	154,537	175,471	20,934	38,634	43,868	5,233
Replacement Reserves	104,652	104,652	-	209,304	209,304	-	52,326	52,326	-
Maintenance	25,357	31,127	5,770	95,591	124,186	28,595	23,898	31,047	7,149
Food and Beverage	44,766	30,640	(14,126)	119,572	113,526	(6,046)	29,893	28,382	(1,512)
Utilities	16,639	19,578	2,939	76,303	78,892	2,589	19,076	19,723	647
Amenity Access	7,366	10,375	3,009	37,877	43,649	5,772	9,469	10,912	1,443
Landscaping	10,023	10,951	928	48,176	43,804	(4,372)	12,044	10,951	(1,093)
Member Services	4,364	8,927	4,563	31,936	39,555	7,619	7,984	9,889	1,905
Pool	3,996	7,404	3,408	19,520	29,616	10,096	4,880	7,404	2,524
Entertainment	-	6,025	6,025	22,490	29,750	7,260	5,623	7,438	1,815
Insurance	5,578	5,522	(56)	21,085	22,088	1,003	5,271	5,522	251
Management Contract	3,497	3,497	(0)	13,990	13,988	(2)	3,497	3,497	(0)
Tennis (net)	4,715	4,420	(295)	17,610	17,680	70	4,402	4,420	18
IT Services	405	2,700	2,295	7,020	10,800	3,780	1,755	2,700	945
Café	74	2,000	1,926	10,421	9,500	(921)	2,605	2,375	(230)
Events (net)	1,511	(500)	(2,011)	6,239	2,900	(3,339)	1,560	725	(835)
Retail (net)	(17)	-	17	(4,436)	-	4,436	(1,109)	-	1,109
Other	1,141	518	(623)	(4,477)	2,072	6,549	(1,119)	518	1,637
Total	323,238	337,504	14,266	1,132,065	1,213,816	81,751	283,016	303,454	20,438
Per Unit									
Bulk Cable	44.82	39.19	(5.63)	217.55	215.56	(1.98)	54.39	53.89	(0.50)
Administration	32.99	39.05	6.06	134.85	153.12	18.27	33.71	38.28	4.57
Replacement Reserves	91.32	91.32	-	182.64	182.64	-	45.66	45.66	-
Maintenance	22.13	27.16	5.04	83.41	108.36	24.95	20.85	27.09	6.24
Food and Beverage	39.06	26.74	(12.33)	104.34	99.06	(5.28)	26.08	24.77	(1.32)
Utilities	14.52	17.08	2.56	66.58	68.84	2.26	16.65	17.21	0.56
Amenity Access	6.43	9.05	2.63	33.05	38.09	5.04	8.26	9.52	1.26
Landscaping	8.75	9.56	0.81	42.04	38.22	(3.82)	10.51	9.56	(0.95)
Member Services	3.81	7.79	3.98	27.87	34.52	6.65	6.97	8.63	1.66
Pool	3.49	6.46	2.97	17.03	25.84	8.81	4.26	6.46	2.20
Entertainment	-	5.26	5.26	19.62	25.96	6.34	4.91	6.49	1.58
Insurance	4.87	4.82	(0.05)	18.40	19.27	0.88	4.60	4.82	0.22
Management Contract	3.05	3.05	(0.00)	12.21	12.21	(0.00)	3.05	3.05	(0.00)
Tennis (net)	4.11	3.86	(0.26)	15.37	15.43	0.06	3.84	3.86	0.02
IT Services	0.35	2.36	2.00	6.13	9.42	3.30	1.53	2.36	0.82
Café	0.06	1.75	1.68	9.09	8.29	(0.80)	2.27	2.07	(0.20)
Events (net)	1.32	(0.44)	(1.76)	5.44	2.53	(2.91)	1.36	0.63	(0.73)
Retail (net)	(0.01)	-	0.01	(3.87)	-	3.87	(0.97)	-	0.97
Other	1.00	0.45	(0.54)	(3.91)	1.81	5.71	(0.98)	0.45	1.43
Total	282.06	294.51	12.45	987.84	1,059.18	71.34	246.96	264.79	17.83