## Paseo Master Association Treasurer's Report

Based on Unaudited May 31, 2022 Financial Statements (HOA meeting of June 15, 2022)

The Paseo Master HOA had an operating surplus of \$727,880 which is \$29,912 above the minimum recommended by our professionals (two months of 2022 assessments) when adjusted for the remaining budget of 2022.

The replacement reserves were \$1,734,934 at 12.31.21 and increased to \$1,918,549 as of 5.31.22. Assessments of \$183,600 along with interest of \$15 were added to the reserves. No expenditures have been charged against the reserves during the calendar year.

The working capital fund was \$339,299 at 12.31.21. Year to date capital contributions of \$136,500 were added to the fund. Special projects of (\$11,251) were expensed leaving a balance of \$464,548 as of 5.31.22. Additional estimated expenditures of (\$12,100) have been approved by the board.

For the month, the association had an income of \$9,944 against a budget of (\$5,041) for a positive variance of \$14,985. Food and beverage subsidy was less than budget by \$7,134.

For the year, the association had an income of \$62,967 against a budget \$35,580 for a positive variance of \$27,387. Food and beverage subsidy was less than budget by \$31,643, offset against a much higher electrical rate than budgeted and various water issues. Utilities were over budget by (\$12,808).

For the year, food and beverage had a direct loss of (\$113,278) against a budget of (\$144,921) for a positive variance of \$31,643. The impact of sales less the related cost of goods sold was \$56,826. Salaries were over budget by (\$5,518), cost of goods sold due to the rate variance by (\$5,853) and supplies were over by (\$13,812).

Paseo Master HOA Balance Sheet As of 05.31.22

Excess (deficit) operating reserves

Cash         1,012,510         464,548         1,477,058         1,925,997         3,403,055           Accounts receivable         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552         48,552	73 01 03.31.22		Working		Capital	
Accounts receivable         48,552         48,552         48,552         48,552         48,552         Cother ceivables         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,446         2,246         3,270         3,270         3,270         3,270,210         3,271         3,271,210         3,271,210         3,271,210         3,271,210         3,271,210         3,271,210         3,271,210         3,271,210         3,271,210         3,271,210		Operating	_	Total	•	Total
Other receivables         2,446         2,446         2,446           Deposits         -         -           Other current assets         119,156         119,156         119,156           Current assets         1,182,665         464,548         1,647,212         1,925,997         3,573,210           Deferred revenue         (300,594)         (300,594)         (300,594)         (300,594)         (153,441)         (7,448)         (160,889)           Current liabilities         (153,441)         (153,441)         (7,448)         (160,889)           Fund Balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Fund balance         664,913         339,299         1,004,211         1,734,934         2,739,146           Net Income (loss)         63,717         63,717         63,717         63,717         63,717         63,717           Collected         136,500         136,500         183,600         320,100           Transfer         -         -         -         -         -           Interest         -         -         15         15         15           Capital projects         728,630         464,548         1,193,177         1	Cash	1,012,510	464,548	1,477,058	1,925,997	3,403,055
Deposits         -         -           Other current assets         119,156         119,156         119,156           Current assets         1,182,665         464,548         1,647,212         1,925,997         3,573,210           Deferred revenue         (300,594)         (300,594)         (300,594)         (300,594)         (300,594)         (160,889)           Current liabilities         (153,441)         (153,441)         (7,448)         (160,889)           Fund Balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Fund balance         664,913         339,299         1,004,211         1,734,934         2,739,146           Net Income (loss)         63,717         63,717         63,717         63,717         63,717           Collected         136,500         136,500         183,600         320,100           Transfer         -         -         -         -         -           Interest         (11,251)         (11,251)         -         (11,251)           Capital projects         728,630         464,548         1,193,177         1,918,549         3,111,726           Two months of assessments (2022)         662,388         -         -	Accounts receivable	48,552		48,552		48,552
Other current assets         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         119,156         140         119,156         464,548         1,647,212         1,925,997         3,573,210         3,573,210         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100         100 <t< td=""><td>Other receivables</td><td>2,446</td><td></td><td>2,446</td><td></td><td>2,446</td></t<>	Other receivables	2,446		2,446		2,446
Current assets         1,182,665         464,548         1,647,212         1,925,997         3,573,210           Deferred revenue         (300,594)         (300,594)         (300,594)         (300,594)           Current liabilities         (153,441)         (153,441)         (7,448)         (160,889)           Fund Balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Fund balance         664,913         339,299         1,004,211         1,734,934         2,739,146           Net Income (loss)         63,717         63,717         63,717         63,717           Collected         136,500         136,500         183,600         320,100           Transfer         -         -         -         -         -           Interest         -         -         15         15           Capital projects         (11,251)         (11,251)         -         (11,251)           Fund balance         728,630         464,548         1,193,177         1,918,549         3,111,726	Deposits			-		-
Deferred revenue         (300,594)         (300,594)         (300,594)           Current liabilities         (153,441)         (153,441)         (7,448)         (160,889)           Fund Balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Fund balance         664,913         339,299         1,004,211         1,734,934         2,739,146           Net Income (loss)         63,717         63,717         63,717           Collected         136,500         136,500         183,600         320,100           Transfer         -         -         -         -         -           Interest         (11,251)         (11,251)         -         (11,251)           Fund balance         728,630         464,548         1,193,177         1,918,549         3,111,726	Other current assets	119,156		119,156		119,156
Current liabilities         (153,441)         (153,441)         (7,448)         (160,889)           Fund Balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Fund balance         Beginning Balance         664,913         339,299         1,004,211         1,734,934         2,739,146           Net Income (loss)         63,717         63,717         63,717           Collected         136,500         136,500         183,600         320,100           Transfer         -         -         -         -         -           Interest         -         15         15         15           Capital projects         (11,251)         (11,251)         -         (11,251)           Fund balance         728,630         464,548         1,193,177         1,918,549         3,111,726	Current assets	1,182,665	464,548	1,647,212	1,925,997	3,573,210
Fund Balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Fund balance         664,913         339,299         1,004,211         1,734,934         2,739,146           Net Income (loss)         63,717         63,717         63,717           Collected         136,500         136,500         183,600         320,100           Transfer         -         -         -         -         -           Interest         -         15         15         15           Capital projects         (11,251)         (11,251)         -         (11,251)           Fund balance         728,630         464,548         1,193,177         1,918,549         3,111,726	Deferred revenue	(300,594)		(300,594)		(300,594)
Fund balance Beginning Balance 664,913 339,299 1,004,211 1,734,934 2,739,146 Net Income (loss) 63,717 63,717 Collected 136,500 136,500 183,600 320,100 Transfer Interest - 15 15 Capital projects (11,251) (11,251) - (11,251) Fund balance 728,630 464,548 1,193,177 1,918,549 3,111,726  Two months of assessments (2022) 662,388	Current liabilities	(153,441)		(153,441)	(7,448)	(160,889)
Beginning Balance       664,913       339,299       1,004,211       1,734,934       2,739,146         Net Income (loss)       63,717       63,717       63,717         Collected       136,500       136,500       183,600       320,100         Transfer       -       -       -       -         Interest       -       15       15         Capital projects       (11,251)       (11,251)       -       (11,251)         Fund balance       728,630       464,548       1,193,177       1,918,549       3,111,726         Two months of assessments (2022)       662,388	Fund Balance	728,630	464,548	1,193,177	1,918,549	3,111,726
Beginning Balance       664,913       339,299       1,004,211       1,734,934       2,739,146         Net Income (loss)       63,717       63,717       63,717         Collected       136,500       136,500       183,600       320,100         Transfer       -       -       -       -         Interest       -       15       15         Capital projects       (11,251)       (11,251)       -       (11,251)         Fund balance       728,630       464,548       1,193,177       1,918,549       3,111,726         Two months of assessments (2022)       662,388						
Net Income (loss)       63,717       63,717       63,717         Collected       136,500       136,500       183,600       320,100         Transfer       -       -       -       -         Interest       -       15       15         Capital projects       (11,251)       (11,251)       -       (11,251)         Fund balance       728,630       464,548       1,193,177       1,918,549       3,111,726         Two months of assessments (2022)       662,388						
Collected         136,500         136,500         183,600         320,100           Transfer         -         -         -         -           Interest         -         15         15           Capital projects         (11,251)         (11,251)         -         (11,251)           Fund balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Two months of assessments (2022)         662,388			339,299		1,734,934	
Transfer         -         -         -         -         -         -         -         -         -         15         15         15         15         Capital projects         (11,251)         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)         -         (11,251)		63,717		•		•
Interest         -         15         15           Capital projects         (11,251)         (11,251)         -         (11,251)           Fund balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Two months of assessments (2022)         662,388         662,388			136,500	136,500	183,600	320,100
Capital projects         (11,251)         (11,251)         -         (11,251)           Fund balance         728,630         464,548         1,193,177         1,918,549         3,111,726           Two months of assessments (2022)         662,388	Transfer			-	-	-
Fund balance 728,630 464,548 1,193,177 1,918,549 3,111,726  Two months of assessments (2022) 662,388	Interest			-	15	15
Two months of assessments (2022) 662,388	Capital projects		(11,251)	(11,251)	-	(11,251)
	Fund balance	728,630	464,548	1,193,177	1,918,549	3,111,726
	Two months of assessments (2022)	662.388				
	Remaining budget for 2022	35,580				

30,662

As of U5.31.22		urrent Mon	th I	Year to Date				
	Actual	Budget	Variance	Actual	Budget	Variance		
Master dues	300,594	300,594	-	1,502,968	1,502,970	(2)		
Reserve dues	-	-	-	183,600	183,600	-		
Interest income	10	20	(10)	72	100	(28)		
Events	-	-	-	-	-	-		
Retail items	1,684	2,000	(316)	17,283	13,000	4,283		
Amenities and other	312	980	(668)	2,427	4,900	(2,473)		
Food and beverage	89,192	78,200	10,992	708,125	620,500	87,625		
Capital assessments	2,866		2,866	11,251	-	11,251		
Income	394,657	381,794	12,863	2,425,726	2,325,070	100,656		
Legal	195	400	205	1,167	2,000	833		
Other administrative	4,744	5,386	642	32,543	28,367	(4,176)		
Bulk Cable	105,730	105,719	(12)	528,651	528,593	(59)		
Utilities	16,980	16,483	(497)	101,388	88,580	(12,808)		
Contracts	4,827	5,471	644	26,825	27,355	530		
Insurance	6,151	6,000	(151)	29,316	30,000	684		
Lifestyle park	2,012	125	(1,887)	3,156	625	(2,531)		
Cost of sales	36,412	28,824	(7,588)	267,636	230,985	(36,651)		
Food and beverage supplies	15,462	13,447	(2,015)	108,194	94,382	(13,812)		
Entertainment	3,900	4,000	100	41,466	35,500	(5,966)		
Other amenities	8,646	9,467	821	65,477	54,835	(10,642)		
Retail items	(1,021)	2,000	3,021	10,624	13,000	2,376		
Pool (other)	9,150	5,643	(3,507)	34,990	28,215	(6,775)		
Landscaping	7,452	11,114	3,662	48,969	55,570	6,601		
Maintenance	4,593	8,551	3,958	36,786	43,305	6,519		
Payroll								
Food and beverage	77,862	83,606	5,744	445,572	440,054	(5,518)		
Member services	8,557	8,327	(230)	42,976	53,128	10,152		
Pool monitor	9,823	11,955	2,132	56,385	57,410	1,025		
Administration	38,723	38,837	114	182,871	188,212	5,341		
Maintenance	20,899	21,480	581	102,164	105,775	3,611		
Capital reserves	-	-	-	183,600	183,600	-		
Capital projects	2,866	-	(2,866)	11,251	-	(11,251)		
Expenses	383,963	386,835	2,871	2,362,009	2,289,491	(72,518)		
Net Income (loss) - normal operations Unusual items	10,694	(5,041)	15,735	63,717	35,580	28,137		
Cash recognition of working capital assessments	36,134		36,134	125,249		125,249		
Net Income (loss) per KW statements	46,828	(5,041)	51,869	188,966	35,580	153,386		
Food and beverage			7,134			31,643		
All other cost centers			8,601			(3,505)		
			-,002			(=)555)		

Paseo Master HOA Food and Beverage As of 05.31.22

/ 10 01 03101122	M	onth-to-Dat	re I	ν	ear-to-Date	I	05.31	21	ĺ	2017	2018	2019	2020	2021	2022
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Change	%	Actual	Actual	Actual	Actual	Actual	Budget
	Actual	buuget	variance	Actual	Duaget	variance	Actual	Change	/º	Actual	Actual	Actual	Actual	Actual	buuget
Food Sales	42,999	38,000	4,999	351,836	324,250	27,586	306,684	45,152	14.7%	572,330	561,133	582,215	398,932	585,635	633,575
Bar Sales	46,193	40,200	5,993	356,288	296,250	60,038	322,931	33,357	10.3%	•	513,011	530,384	408,023	596,336	599,975
	,	,	2,222	333,233		/	,	,		,	,		,		222,212
Total Sales	89,192	78,200	10,992	708,125	620,500	87,625	629,615	78,509	12.5%	1,053,875	1,074,144	1,112,599	806,955	1,181,970	1,233,550
Cost of goods sold															
Food	21,646	15,960	(5,686)	153,756	136,185	(17,571)	124,802	(28,954)	-23.2%	229,819	223,887	260,861	178,494	249,452	266,102
Bar	14,766	12,864	(1,902)	113,880	94,800	(19,080)	97,848	(16,033)	-16.4%	154,887	191,627	192,433	136,603	185,221	191,992
Total COGS	36,412	28,824	(7,588)	267,636	230,985	(36,651)	222,650	(44,987)	-20.2%	384,707	415,514	453,293	315,097	434,673	458,094
Supplies	15,462	13,447	(2,015)	108,194	94,382	(13,812)	93,091	(15,103)	-16.2%	193,379	221,200	237,628	165,996	210,344	199,800
Labor	77,862	83,606	5,744	445,572	440,054	(5,518)	347,975	(97,597)	-28.0%	930,803	811,841	841,451	706,931	826,488	1,016,463
Total direct expenses	129,735	125,877	(3,858)	821,403	765,421	(55,982)	663,717	(112,700)	-17.0%	1,508,888	1,448,556	1,532,372	1,188,024	1,471,506	1,674,356
rotal all cet expenses	123,733	123,077	(3,030)	021,103	703,121	(33,302)	003,717	(112,700)	17.070	1,500,000	1,110,550	1,552,572	1,100,021	1,171,300	1,074,330
Direct loss	(40,543)	(47,677)	7,134	(113,278)	(144,921)	31,643	(34,101)	(79,177)	232.2%	(455,013)	(374,411)	(419,773)	(381,070)	(289,536)	(440,806)
Direct cost recovery	68.7%	62.1%	6.6%	86.2%	81.1%	5.1%	94.9%			69.8%	74.2%	72.6%	67.9%	80.3%	73.7%
Cost of goods sold															
Food	50.3%	42.0%	-8.3%	43.7%	42.0%	-1.7%	40.7%			40.2%	39.9%	44.8%	44.7%	42.6%	42.0%
Bar	32.0%	32.0%	0.0%	32.0%	32.0%	0.0%	30.3%			32.2%	37.4%	36.3%	33.5%	31.1%	32.0%
Total	40.8%	36.9%	-4.0%	37.8%	37.2%	-0.6%	35.4%			36.5%	38.7%	40.7%	39.0%	36.8%	37.1%
Supplies	17.3%	17.2%	-0.1%	15.3%	15.2%	-0.1%	14.8%			18.3%	20.6%	21.4%	20.6%	17.8%	16.2%
Labor	87.3%	106.9%	19.6%	62.9%	70.9%	8.0%	55.3%			88.3%	75.6%	75.6%	87.6%	69.9%	82.4%
	-	-	-	(0.00)	-	(0.00)									
Food															
Rate			(3,586)			(5,985)									
Volume			(2,099)			(11,586)									
Bar															
Rate			16			132									
Volume			(1,918)			(19,212)									
COGS Variance			(7,588)			(36,651)									

## Paseo Master HOA Working Capital Fund

Balance as of 12.31.21			339,299
Closings (sales) 2022	91	1,500	136,500
2020/2021 Projects	Paid	O/S	
Tiki project (design)	-	(7,650)	(7,650)
Tiki project (equipment design)	-	(3,950)	(3,950)
Maintenance golf cart	(7,350)		(7,350)
Three additional pool deck heaters	(1,035)		(1,035)
Mini split and insulation for maintenance shed	(2,866)	(500)	(3,366)
Available balance 05.31.22	(11,251)	(12,100)	452,448
Closings since prior month end	8	1,500	12,000
Pending properties (as of 6.15.22)	12	1,500	18,000
		_	
Working capital estimate		_	482,448
		•	
Priority items			
Tiki expansion			350,000
New Tiki equipment (non replacements)			114,942
Additional Tiki TVs			2,500
		-	467,442
		-	

	Current Month			,	Year to Date		Average per Month			
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	
							•			
Bulk Cable	105,730	105,719	(12)	528,651	528,593	(59)	105,730	105,719	(12)	
Administration	43,662	44,623	961	216,581	218,579	1,998	43,316	43,716	400	
Replacement Reserves	-	-	-	183,600	183,600	-	36,720	36,720	-	
Maintenance	25,492	30,031	4,539	138,950	149,080	10,130	27,790	29,816	2,026	
Food and Beverage	40,543	47,677	7,134	113,278	144,921	31,643	22,656	28,984	6,329	
Utilities	16,980	16,483	(497)	101,388	88,580	(12,808)	20,278	17,716	(2,562)	
Amenity Access	9,823	11,955	2,132	56,385	57,410	1,025	11,277	11,482	205	
Landscaping	7,452	11,114	3,662	48,969	55,570	6,601	9,794	11,114	1,320	
Member Services	8,557	8,327	(230)	42,976	53,128	10,152	8,595	10,626	2,030	
Pool	9,150	5,643	(3,507)	34,990	28,215	(6,775)	6,998	5,643	(1,355)	
Entertainment	3,900	4,000	100	41,466	35,500	(5,966)	8,293	7,100	(1,193)	
Insurance	6,151	6,000	(151)	29,316	30,000	684	5,863	6,000	137	
Management Contract	4,209	4,271	62	21,047	21,355	308	4,209	4,271	62	
Tennis (net)	5,923	6,000	77	30,357	30,000	(357)	6,071	6,000	(71)	
IT Services	405	1,000	595	4,725	5,000	275	945	1,000	55	
Café	2,037	1,500	(537)	24,118	15,000	(9,118)	4,824	3,000	(1,824)	
Events (net)	-	500	500	5,859	2,500	(3,359)	1,172	500	(672)	
Retail (net)	(2,705)	-	2,705	(6,659)	-	6,659	(1,332)	_	1,332	
Other	2,591	792	(1,799)	6,854	3,960	(2,894)	1,371	792	(579)	
Total	289,900	305,635	15,735	1,622,851	1,650,991	28,139	324,570	330,198	5,628	
Per Unit										
Bulk Cable	92.26	92.25	(0.01)	461.30	461.25	(0.05)	92.26	92.25	(0.01)	
Administration	38.10	38.94	0.84	188.99	190.73	1.74	37.80	38.15	0.35	
Replacement Reserves	-	-	-	160.21	160.21	-	32.04	32.04	-	
Maintenance	22.24	26.21	3.96	121.25	130.09	8.84	24.25	26.02	1.77	
Food and Beverage	35.38	41.60	6.22	98.85	126.46	27.61	19.77	25.29	5.52	
Utilities	14.82	14.38	(0.43)	88.47	77.29	(11.18)	17.69	15.46	(2.24)	
Amenity Access	8.57	10.43	1.86	49.20	50.10	0.89	9.84	10.02	0.18	
Landscaping	6.50	9.70	3.20	42.73	48.49	5.76	8.55	9.70	1.15	
Member Services	7.47	7.27	(0.20)	37.50	46.36	8.86	7.50	9.27	1.77	
Pool	7.98	4.92	(3.06)	30.53	24.62	(5.91)	6.11	4.92	(1.18)	
Entertainment	3.40	3.49	0.09	36.18	30.98	(5.21)	7.24	6.20	(1.04)	
Insurance	5.37	5.24	(0.13)	25.58	26.18	0.60	5.12	5.24	0.12	
Management Contract	3.67	3.73	0.05	18.37	18.63	0.27	3.67	3.73	0.05	
Tennis (net)	5.17	5.24	0.07	26.49	26.18	(0.31)	5.30	5.24	(0.06)	
IT Services	0.35	0.87	0.52	4.12	4.36	0.24	0.82	0.87	0.05	
Café	1.78	1.31	(0.47)	21.05	13.09	(7.96)	4.21	2.62	(1.59)	
Events (net)	-	0.44	0.44	5.11	2.18	(2.93)	1.02	0.44	(0.59)	
Retail (net)	(2.36)	-	2.36	(5.81)	-	5.81		- 0.44	1.16	
Other	2.26	0.69	(1.57)	5.98	3.46	(2.53)	(1.16) 1.20	0.69	(0.51)	
Total	252.97	266.70	12 72	1 /16 10	1,440.65	24.55	202 22	200 12		
IUlal	252.97	200.70	13.73	1,416.10	1,440.03	24.55	283.22	288.13	4.91	