

Paseo Master Association  
Treasurer's Report

Based on Unaudited April 30, 2023 Financial Statements (HOA meeting of May 17, 2023)

The Paseo Master HOA had an operating surplus as of 4.30.23 of \$665,968 which is (\$117,832) below the maximum and \$26,769 over the minimum recommended by our professionals.

The replacement reserves were \$2,053,345 at 12.31.22 and increased to \$2,248,757 as of 4.30.23. Assessments of \$206,000 along with interest of \$24,140 were added to the reserves. Expenditures of (\$34,728) have been charged against the reserves during the calendar year.

The working capital fund was \$524,511 on 12.31.22. Year to date capital contributions of \$91,500 were added to the fund. Special projects of (\$11,527) were expensed leaving a balance of \$604,484 as of 4.30.23.

For the month, the association had a profit of \$33,946 against a budget of \$20,009 for a positive variance of \$13,937. The food and beverage subsidy were less than the budget by \$14,572. Interest income exceeded budget by \$3,890. The only major negative issue was insurance, which was (\$6,952) over budget.

For the year, the association had a profit of \$147,365 against a budget of \$68,696 for a positive variance of \$78,669. The food and beverage subsidy were less than the budget by \$53,506. Pool, landscaping, and maintenance were under budget by \$9,025. Interest income exceeded budget by \$13,097 and other labor departments were under budget by \$13,730. The only major negative issue was insurance, which was (\$11,979) over budget.

For the year, food and beverage had a direct loss of (\$35,209) against a budget of (\$88,715) for a positive variance of \$53,506. The impact of sales less the related cost of goods sold was \$33,068. Salaries were over budget by (\$9,068), cost of goods sold due to the rate variance by \$19,433 and supplies were under by \$10,073.

Paseo Master HOA  
Balance Sheet  
As of 3.31.23

	Operating	Working Capital	Total	Capital Reserves	Total
Cash	659,632	581,180	1,240,812	2,137,557	3,378,369
Accounts receivable			-		-
Other receivables	15,524		15,524		15,524
Deposits			-		-
Other current assets	225,409		225,409	9,812	235,221
Current assets	900,565	581,180	1,481,745	2,147,369	3,629,114
Deferred revenue			-		-
Current liabilities	(266,584)		(266,584)		(266,584)
Fund Balance	633,981	581,180	1,215,161	2,147,369	3,362,530
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Fund balance					
Beginning Balance	520,563	524,511	1,045,073	2,053,345	3,098,418
Net Income (loss)	113,418		113,418		113,418
Collected		64,000	64,000	103,000	167,000
Interest			-	15,852	15,852
Capital projects		(7,330)	(7,330)	(24,828)	(32,158)
Fund balance	633,981	581,180	1,215,161	2,147,369	3,362,530
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Two months of assessments (2023)	715,104				
Remaining budget for 2023	48,687				
Excess (deficit) operating reserves	(129,810)				
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2023 budget	5,705,037				
10%	570,504				
Remaining budget for 2023	48,687				
Excess (deficit) operating reserves	14,790				

Paseo Master HOA  
Income Statement  
As of 3.31.23

	Current Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Master assessments	323,218	323,219	(1)	969,655	969,657	(2)
Reserve assessments	-	-	-	103,000	103,000	-
Interest income	3,300	371	2,929	10,320	1,113	9,207
Events	-	-	-	-	-	-
Retail items	3,811	3,000	811	10,483	9,000	1,483
Amenities and other	506	413	93	2,736	1,239	1,497
Food and beverage	219,888	195,000	24,888	545,505	505,000	40,505
Capital assessments	5,325		5,325	7,330	-	7,330
Income	556,048	522,003	34,045	1,649,029	1,589,009	60,020
Legal	(673)	400	1,073	1,328	1,200	(128)
Other administrative	3,393	5,387	1,994	18,437	16,160	(2,277)
Bulk Cable	109,977	109,960	(17)	329,953	329,880	(73)
Utilities	21,865	20,945	(920)	66,562	61,720	(4,842)
Contracts	5,023	5,928	905	20,458	17,782	(2,676)
Insurance	13,527	6,900	(6,627)	25,727	20,700	(5,027)
Lifestyle park	-	250	250	-	750	750
Cost of sales	73,993	74,100	107	193,602	192,500	(1,102)
Food and beverage supplies	25,379	29,009	3,630	69,987	77,096	7,109
Entertainment	10,370	6,250	(4,120)	27,045	24,250	(2,795)
Other amenities	11,462	13,334	1,872	36,537	40,002	3,465
Retail items	2,118	3,000	882	6,496	9,000	2,504
Pool (other)	5,901	7,567	1,666	16,714	22,701	5,987
Landscaping	10,976	11,490	514	27,214	34,470	7,256
Maintenance	5,524	9,765	4,241	32,090	29,295	(2,795)
Payroll						
Food and beverage	100,292	108,674	8,382	309,151	301,573	(7,578)
Member services	10,434	11,793	1,359	29,658	34,680	5,022
Pool monitor	9,413	12,357	2,944	35,185	37,061	1,876
Administration	39,247	41,964	2,717	113,867	119,333	5,466
Maintenance	21,615	23,170	1,555	65,271	67,169	1,898
Capital reserves	-	-	-	103,000	103,000	-
Capital projects	5,325	-	(5,325)	7,330	-	(7,330)
Expenses	485,161	502,243	17,082	1,535,611	1,540,322	4,711
Net Income (loss) - normal operations						
Unusual items	70,887	19,760	51,127	113,418	48,687	64,731
Cash recognition of working capital assessments						
	22,175		22,175	56,670		56,670
Net Income (loss) per KW statements	93,062	19,760	73,302	170,088	48,687	121,401
Food and beverage			37,007			38,934
All other cost centers			14,120			25,797
			51,127			64,731

Paseo Master HOA  
Food and Beverage  
As of 3.31.23

	Month-to-Date			Year-to-Date			03.31.22		%	2017	2018	2019	2020	2021	2022
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Change		Actual	Actual	Actual	Actual	Actual	Actual
Food Sales	116,503	97,500	19,003	282,673	257,500	25,173	235,155	47,518	20.2%	572,330	561,133	582,215	398,932	585,635	661,588
Bar Sales	103,385	97,500	5,885	262,832	247,500	15,332	234,833	27,999	11.9%	481,545	513,011	530,384	408,023	596,336	614,326
Total Sales	219,888	195,000	24,888	545,505	505,000	40,505	469,988	75,517	16.1%	1,053,875	1,074,144	1,112,599	806,955	1,181,970	1,275,914
Cost of goods sold															
Food	46,416	42,900	(3,516)	118,387	113,300	(5,087)	99,668	(18,719)	-18.8%	229,819	223,887	260,861	178,494	249,452	310,663
Bar	27,577	31,200	3,623	75,215	79,200	3,985	74,955	(260)	-0.3%	154,887	191,627	192,433	136,603	185,221	194,966
Total COGS	73,993	74,100	107	193,602	192,500	(1,102)	174,623	(18,979)	-10.9%	384,707	415,514	453,293	315,097	434,673	505,628
Supplies	25,379	29,009	3,630	69,987	77,096	7,109	68,012	(1,976)	-2.9%	193,379	221,200	237,628	165,996	210,344	242,172
Labor	100,292	108,674	8,382	309,151	301,573	(7,578)	269,275	(39,876)	-14.8%	930,803	811,841	841,451	706,931	826,488	992,502
Total direct expenses	199,664	211,783	12,119	572,740	571,169	(1,571)	511,909	(41,851)	-8.2%	1,508,888	1,448,556	1,532,372	1,188,024	1,471,506	1,740,303
Direct loss	20,224	(16,783)	37,007	(27,235)	(66,169)	38,934	(41,921)	14,686	-35.0%	(455,013)	(374,411)	(419,773)	(381,070)	(289,536)	(464,389)
Direct cost recovery	110.1%	92.1%	18.1%	95.2%	88.4%	6.8%	91.8%			69.8%	74.2%	72.6%	67.9%	80.3%	73.3%
Cost of goods sold															
Food	39.8%	44.0%	4.2%	41.9%	44.0%	2.1%	42.4%			40.2%	39.9%	44.8%	44.7%	42.6%	47.0%
Bar	26.7%	32.0%	5.3%	28.6%	32.0%	3.4%	31.9%			32.2%	37.4%	36.3%	33.5%	31.1%	31.7%
Total	33.7%	38.0%	4.3%	35.5%	38.1%	2.6%	37.2%			36.5%	38.7%	40.7%	39.0%	36.8%	39.6%
Supplies	11.5%	14.9%	3.3%	12.8%	15.3%	2.4%	14.5%			18.3%	20.6%	21.4%	20.6%	17.8%	19.0%
Labor	45.6%	55.7%	10.1%	56.7%	59.7%	3.0%	57.3%			88.3%	75.6%	75.6%	87.6%	69.9%	77.8%
	-	-	-	0.00	-	-									
Food															
Rate			4,845			5,989									
Volume			(8,361)			(11,076)									
Bar															
Rate			5,506			8,891									
Volume			(1,883)			(4,906)									
COGS Variance			107			(1,102)									

Paseo Master HOA  
Working Capital Fund

Balance as of 12.31.22			524,511
Closings (sales) 2022	1	1,500	1,500
Closings (sales) 2023	25	2,500	62,500
2022/2023 Projects	Paid	O/S	
Tiki project (equipment design)		(3,950)	(3,950)
General Contractor (working capital items only)		(478,707)	(478,707)
New Tiki equipment		(202,465)	(202,465)
Replacements		85,437	85,437
Civil Engineer	-	(12,900)	(12,900)
Window tinting in the Pub	(2,005)		(2,005)
Mypaseo.life	(5,325)		(5,325)
VC Drain	-	(4,197)	(4,197)
Audio / Visual equipment upgrade		(2,400)	(2,400)
Available balance 3.31.23	(7,330)	(619,181)	(38,001)
Closings since prior month end	13	2,500	32,500
Pending properties (as of 4.10.23)	16	2,500	40,000
Working capital estimate			<u>34,499</u>
Other items			
Additional golf cart parking by fishing pier			40,000
Additional parking by tennis courts 5 and 6			30,000
Additional lighting at BB/PB court			20,000
Operating Surplus			129,810
			<u>219,810</u>

Paseo Master HOA  
Cost by Service  
As of 3.31.23

	Current Month			Year to Date			Average per Month		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Bulk Cable	109,977	109,960	(17)	329,953	329,880	(73)	109,984	109,960	(24)
Administration	41,968	47,751	5,783	133,632	136,693	3,061	44,544	45,564	1,020
Replacement Reserves	-	-	-	103,000	103,000	-	34,333	34,333	-
Maintenance	27,139	32,935	5,796	97,362	96,464	(898)	32,454	32,155	(299)
Food and Beverage	(20,224)	16,783	37,007	27,235	66,169	38,934	9,078	22,056	12,978
Utilities	21,865	20,945	(920)	66,562	61,720	(4,842)	22,187	20,573	(1,614)
Amenity Access	9,413	12,357	2,944	35,185	37,061	1,876	11,728	12,354	625
Landscaping	10,976	11,490	514	27,214	34,470	7,256	9,071	11,490	2,419
Member Services	10,434	11,793	1,359	29,658	34,680	5,022	9,886	11,560	1,674
Pool	5,901	7,567	1,666	16,714	22,701	5,987	5,571	7,567	1,996
Entertainment	10,370	6,250	(4,120)	27,045	24,250	(2,795)	9,015	8,083	(932)
Insurance	13,527	6,900	(6,627)	25,727	20,700	(5,027)	8,576	6,900	(1,676)
Management Contract	4,394	4,395	1	13,183	13,183	(0)	4,394	4,394	(0)
Tennis (net)	5,494	6,550	1,056	14,502	19,650	5,148	4,834	6,550	1,716
IT Services	405	1,333	928	6,615	3,999	(2,616)	2,205	1,333	(872)
Café	4,111	5,000	889	15,790	15,000	(790)	5,263	5,000	(263)
Events (net)	-	667	667	445	2,001	1,556	148	667	519
Retail (net)	(1,693)	-	1,693	(3,988)	-	3,988	(1,329)	-	1,329
Other	547	783	236	(4,323)	2,349	6,672	(1,441)	783	2,224
Total	254,604	303,459	48,855	961,510	1,023,970	62,460	320,503	341,323	20,820
Per Unit									
Bulk Cable	95.97	95.95	(0.02)	287.92	287.85	(0.06)	95.97	95.95	(0.02)
Administration	36.62	41.67	5.05	116.61	119.28	2.67	38.87	39.76	0.89
Replacement Reserves	-	-	-	89.88	89.88	-	29.96	29.96	-
Maintenance	23.68	28.74	5.06	84.96	84.17	(0.78)	28.32	28.06	(0.26)
Food and Beverage	(17.65)	14.64	32.29	23.77	57.74	33.97	7.92	19.25	11.32
Utilities	19.08	18.28	(0.80)	58.08	53.86	(4.23)	19.36	17.95	(1.41)
Amenity Access	8.21	10.78	2.57	30.70	32.34	1.64	10.23	10.78	0.55
Landscaping	9.58	10.03	0.45	23.75	30.08	6.33	7.92	10.03	2.11
Member Services	9.10	10.29	1.19	25.88	30.26	4.38	8.63	10.09	1.46
Pool	5.15	6.60	1.45	14.58	19.81	5.22	4.86	6.60	1.74
Entertainment	9.05	5.45	(3.60)	23.60	21.16	(2.44)	7.87	7.05	(0.81)
Insurance	11.80	6.02	(5.78)	22.45	18.06	(4.39)	7.48	6.02	(1.46)
Management Contract	3.83	3.84	0.00	11.50	11.50	(0.00)	3.83	3.83	(0.00)
Tennis (net)	4.79	5.72	0.92	12.65	17.15	4.49	4.22	5.72	1.50
IT Services	0.35	1.16	0.81	5.77	3.49	(2.28)	1.92	1.16	(0.76)
Café	3.59	4.36	0.78	13.78	13.09	(0.69)	4.59	4.36	(0.23)
Events (net)	-	0.58	0.58	0.39	1.75	1.36	0.13	0.58	0.45
Retail (net)	(1.48)	-	1.48	(3.48)	-	3.48	(1.16)	-	1.16
Other	0.48	0.68	0.21	(3.77)	2.05	5.82	(1.26)	0.68	1.94
Total	222.17	264.80	42.63	839.01	893.52	54.50	279.67	297.84	18.17