

Paseo Master Association  
Treasurer's Report

Based on Unaudited August 31, 2021 Financial Statements (HOA meeting of September 22, 2021)

The Paseo HOA had an operating surplus of \$999,941 which is \$350,541 in excess of the minimum recommended by our professionals (two months of 2021 assessments). The treasurer plans on making a motion before year end to transfer \$300,000 to the replacement reserves from this surplus.

The replacement reserves were \$1,306,163 at 12.31.20 and increased to \$1,403,903 as of 8.31.21. Assessments of \$270,000 along with interest of \$140 were added to the reserves. Total expenditures of (\$172,400) were charged against the reserves during the calendar year. Additional replacements have been approved by the board with an estimated cost of (\$27,541).

The working capital fund was \$136,155 at 12.31.20. Year to date capital contributions of \$280,500 were added to the fund. Special projects of (\$79,778) were expensed leaving a balance of \$336,877 as of 8.31.21. Additional estimated expenditures of (\$23,349) have been approved by the board. Please note there have been nine closings since 8.31.21 and there are currently 12 pending sales.

For the month, the association had an income of \$32,383 against a budget of \$4,811 for a positive variance of \$27,572. Food and beverage subsidy was below budget by \$6,478. Salaries, excluding food and beverage, were below budget by \$7,453. We reversed an accrual for a reserve study, electing to defer that to 2022 for a benefit of \$4,000. Utilities were under budget by \$3,068 due to leak repairs to the kiddie splash pad. This project should pay for itself in water savings in just a few months.

For the year, the association had an income of \$322,117 against a budget of \$38,674 for a positive variance of \$283,443. Food and beverage subsidy was under budget by \$119,866. Salaries, excluding food and beverage, were below budget by \$89,290. Every other cost center is under budget year-to-date.

For the year, food and beverage had a direct loss of (\$138,227) against a budget of (\$259,093) for a positive variance of \$119,866. Salaries were below budget by \$61,132, supplies by \$17,812 and cost of goods sold due to the rate variance by \$27,182.