

Paseo Master Association
Treasurer's Report

Based on Unaudited January 31, 2022 Financial Statements (HOA meeting of February 23, 2022)

The Paseo HOA had an operating surplus of \$661,841 which is (\$547) below the minimum recommended by our professionals (two months of 2022 assessments).

The replacement reserves were \$1,734,934 at 12.31.21 and increased to \$1,826,737 as of 1.31.22. Assessments of \$91,800 along with interest of \$3 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 \$19,500 were added to the fund. No special projects were expensed leaving a balance of \$358,799 as of 1.31.22. Additional estimated expenditures of (\$11,600) have been approved by the board.

For the month and year, the association had a loss of (\$3,072) against a budget \$170 for a negative variance of (\$3,242). Food and beverage subsidy was higher than budget by (\$2,032). The main issues for 2022 that impacted January relate to a much higher electrical rate than budgeted and a higher cost of goods sold rate for food. Management has implemented a plan to reduce electrical usage as much as possible and our next menu will reflect overall price increases.

For the year, food and beverage had a direct loss of (\$36,388) against a budget of (\$34,356) for a negative variance of (\$2,032). The impact of negative sales less the related cost of goods sold was (\$3,412). Salaries were below budget by \$4,714, cost of goods sold due to the rate variance by (\$3,593) and supplies were under by \$259.

Paseo Master HOA
Balance Sheet
As of 01.31.22

	Operating	Working Capital	Total	Capital Reserves	Total
Cash	1,343,965	358,799	1,702,764	1,834,186	3,536,950
Accounts receivable			-		-
Other receivables	67,217		67,217		67,217
Deposits			-		-
Other current assets	67,237		67,237		67,237
Current assets	1,478,419	358,799	1,837,218	1,834,186	3,671,403
Deferred revenue	(601,908)		(601,908)		(601,908)
Current liabilities	(214,670)		(214,670)	(7,448)	(222,118)
Fund Balance	661,841	358,799	1,020,640	1,826,737	2,847,377
<hr/>					
Fund balance					
Beginning Balance	664,913	339,299	1,004,211	1,734,934	2,739,146
Net Income (loss)	(3,072)		(3,072)		(3,072)
Collected		19,500	19,500	91,800	111,300
Transfer			-	-	-
Interest			-	3	3
Capital projects		-	-	-	-
Fund balance	661,841	358,799	1,020,640	1,826,737	2,847,377
<hr/>					
Two months of assessments (2022)	662,388				
Excess (deficit) operating reserves	(547)				

Paseo Master HOA
Income Statement
As of 01.31.22

	Current Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Master dues	300,593	300,594	(1)	300,593	300,594	(1)
Reserve dues	91,800	91,800	-	91,800	91,800	-
Interest income	8	20	(12)	8	20	(12)
Events	-	-	-	-	-	-
Retail items	2,953	3,000	(47)	2,953	3,000	(47)
Amenities and other	523	980	(457)	523	980	(457)
Food and beverage	107,191	113,200	(6,009)	107,191	113,200	(6,009)
Capital assessments	-	-	-	-	-	-
Income	503,068	509,594	(6,526)	503,068	509,594	(6,526)
Legal	175	400	225	175	400	225
Other administrative	7,115	5,386	(1,729)	7,115	5,386	(1,729)
Bulk Cable	105,730	105,719	(12)	105,730	105,719	(12)
Utilities (other)	21,551	18,388	(3,163)	21,551	18,388	(3,163)
Contracts	7,517	5,471	(2,046)	7,517	5,471	(2,046)
Insurance	5,431	6,000	569	5,431	6,000	569
Lifestyle park	874	125	(749)	874	125	(749)
Cost of sales	43,220	42,224	(996)	43,220	42,224	(996)
Food and beverage supplies	17,226	17,485	259	17,226	17,485	259
Entertainment	7,400	7,500	100	7,400	7,500	100
Other amenities	13,865	10,137	(3,728)	13,865	10,137	(3,728)
Retail items	1,388	3,000	1,612	1,388	3,000	1,612
Pool (other)	5,123	5,643	520	5,123	5,643	520
Landscaping	9,464	11,114	1,650	9,464	11,114	1,650
Maintenance	11,294	8,751	(2,543)	11,294	8,751	(2,543)
Payroll						
Food and beverage	83,133	87,847	4,714	83,133	87,847	4,714
Member services	9,652	11,967	2,315	9,652	11,967	2,315
Pool monitor	11,662	11,947	285	11,662	11,947	285
Administration	31,809	37,083	5,274	31,809	37,083	5,274
Maintenance	20,712	21,438	726	20,712	21,438	726
Capital reserves	91,800	91,800	-	91,800	91,800	-
Capital projects	-	-	-	-	-	-
Expenses	506,140	509,425	3,285	506,140	509,425	3,285
Net Income (loss) - normal operations	(3,072)	170	(3,241)	(3,072)	170	(3,241)
Unusual items						
Cash recognition of working capital assessments	19,500		19,500	19,500		19,500
Net Income (loss) per KW statements	16,428	170	16,259	16,428	170	16,259

(0)

Paseo Master HOA
Food and Beverage
As of 01.31.22

	Month-to-Date			Year-to-Date			01.31.21		%	2017	2018	2019	2020	2021	2022
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Change		Actual	Actual	Actual	Actual	Actual	Budget
Food Sales	53,256	60,000	(6,744)	53,256	60,000	(6,744)	52,891	365	0.7%	572,330	561,133	582,215	398,932	585,635	633,575
Bar Sales	53,935	53,200	735	53,935	53,200	735	56,909	(2,974)	-5.2%	481,545	513,011	530,384	408,023	596,336	599,975
Total Sales	107,191	113,200	(6,009)	107,191	113,200	(6,009)	109,800	(2,609)	-2.4%	1,053,875	1,074,144	1,112,599	806,955	1,181,970	1,233,550
Cost of goods sold															
Food	27,112	25,200	(1,912)	27,112	25,200	(1,912)	20,270	(6,842)	-33.8%	229,819	223,887	260,861	178,494	249,452	266,102
Bar	16,108	17,024	916	16,108	17,024	916	17,384	1,276	7.3%	154,887	191,627	192,433	136,603	185,221	191,992
Total COGS	43,220	42,224	(996)	43,220	42,224	(996)	37,655	(5,565)	-14.8%	384,707	415,514	453,293	315,097	434,673	458,094
Supplies	17,226	17,485	259	17,226	17,485	259	13,264	(3,962)	-29.9%	193,379	221,200	237,628	165,996	210,344	199,800
Labor	83,133	87,847	4,714	83,133	87,847	4,714	72,322	(10,811)	-14.9%	930,803	811,841	841,451	706,931	826,488	1,016,463
Total direct expenses	143,579	147,556	3,977	143,579	147,556	3,977	123,241	(14,773)	-12.0%	1,508,888	1,448,556	1,532,372	1,188,024	1,471,506	1,674,356
Direct loss	(36,388)	(34,356)	(2,032)	(36,388)	(34,356)	(2,032)	(13,441)	(22,947)	170.7%	(455,013)	(374,411)	(419,773)	(381,070)	(289,536)	(440,806)
Direct cost recovery	74.7%	76.7%	-2.1%	74.7%	76.7%	-2.1%	89.1%			69.8%	74.2%	72.6%	67.9%	80.3%	73.7%
Cost of goods sold															
Food	50.9%	42.0%	-8.9%	50.9%	42.0%	-8.9%	38.3%			40.2%	39.9%	44.8%	44.7%	42.6%	42.0%
Bar	29.9%	32.0%	2.1%	29.9%	32.0%	2.1%	30.5%			32.2%	37.4%	36.3%	33.5%	31.1%	32.0%
Total	40.3%	37.3%	-3.0%	40.3%	37.3%	-3.0%	34.3%			36.5%	38.7%	40.7%	39.0%	36.8%	37.1%
Supplies	16.1%	15.4%	-0.6%	16.1%	15.4%	-0.6%	12.1%			18.3%	20.6%	21.4%	20.6%	17.8%	16.2%
Labor	77.6%	77.6%	0.0%	77.6%	77.6%	0.0%	65.9%			88.3%	75.6%	75.6%	87.6%	69.9%	82.4%

Paseo Master HOA
Working Capital Fund

Balance as of 12.31.21			339,299
Closings (sales) 2022	13	1,500	19,500
2020/2021 Projects	Paid	O/S	
Tiki project (design)	-	(7,650)	(7,650)
Tiki project (equipment design)	-	(3,950)	(3,950)
Available balance 01.31.22	-	(11,600)	347,199
Closings since prior month end	10	1,500	15,000
Pending properties (as of 2.17.22)	26	1,500	39,000
Working capital estimate			401,199
Priority items			
Tiki expansion			200,000
New Tiki equipment (non replacements)			100,000
Tiki kitchen AC			25,000
Additional lighting at BB/PB court			7,000
			332,000

Paseo Master HOA
Cost by Service
As of 01.31.22

	Current Month			Year to Date			Average per Month		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Bulk Cable	105,730	105,719	(12)	105,730	105,719	(12)	105,730	105,719	(12)
Administration	39,099	42,869	3,770	39,099	42,869	3,770	39,099	42,869	3,770
Replacement Reserves	91,800	91,800	-	91,800	91,800	-	91,800	91,800	-
Maintenance	32,006	30,189	(1,817)	32,006	30,189	(1,817)	32,006	30,189	(1,817)
Food and Beverage	36,388	34,356	(2,032)	36,388	34,356	(2,032)	36,388	34,356	(2,032)
Utilities	21,551	18,388	(3,163)	21,551	18,388	(3,163)	21,551	18,388	(3,163)
Amenity Access	11,662	11,947	285	11,662	11,947	285	11,662	11,947	285
Landscaping	9,464	11,114	1,650	9,464	11,114	1,650	9,464	11,114	1,650
Member Services	9,652	11,967	2,315	9,652	11,967	2,315	9,652	11,967	2,315
Pool	5,123	5,643	520	5,123	5,643	520	5,123	5,643	520
Entertainment	7,400	7,500	100	7,400	7,500	100	7,400	7,500	100
Insurance	5,431	6,000	569	5,431	6,000	569	5,431	6,000	569
Management Contract	4,209	4,271	62	4,209	4,271	62	4,209	4,271	62
Tennis (net)	4,033	4,670	637	4,033	4,670	637	4,033	4,670	637
IT Services	3,105	1,000	(2,105)	3,105	1,000	(2,105)	3,105	1,000	(2,105)
Café	5,164	3,500	(1,664)	5,164	3,500	(1,664)	5,164	3,500	(1,664)
Events (net)	3,557	500	(3,057)	3,557	500	(3,057)	3,557	500	(3,057)
Retail (net)	(1,565)	-	1,565	(1,565)	-	1,565	(1,565)	-	1,565
Other	1,656	792	(864)	1,656	792	(864)	1,656	792	(864)
Total	395,465	392,225	(3,240)	395,465	392,225	(3,240)	395,465	392,225	(3,240)
Per Unit									
Bulk Cable	92.26	92.25	(0.01)	92.26	92.25	(0.01)	92.26	92.25	(0.01)
Administration	34.12	37.41	3.29	34.12	37.41	3.29	34.12	37.41	3.29
Replacement Reserves	80.10	80.10	-	80.10	80.10	-	80.10	80.10	-
Maintenance	27.93	26.34	(1.59)	27.93	26.34	(1.59)	27.93	26.34	(1.59)
Food and Beverage	31.75	29.98	(1.77)	31.75	29.98	(1.77)	31.75	29.98	(1.77)
Utilities	18.81	16.05	(2.76)	18.81	16.05	(2.76)	18.81	16.05	(2.76)
Amenity Access	10.18	10.42	0.25	10.18	10.42	0.25	10.18	10.42	0.25
Landscaping	8.26	9.70	1.44	8.26	9.70	1.44	8.26	9.70	1.44
Member Services	8.42	10.44	2.02	8.42	10.44	2.02	8.42	10.44	2.02
Pool	4.47	4.92	0.45	4.47	4.92	0.45	4.47	4.92	0.45
Entertainment	6.46	6.54	0.09	6.46	6.54	0.09	6.46	6.54	0.09
Insurance	4.74	5.24	0.50	4.74	5.24	0.50	4.74	5.24	0.50
Management Contract	3.67	3.73	0.05	3.67	3.73	0.05	3.67	3.73	0.05
Tennis (net)	3.52	4.08	0.56	3.52	4.08	0.56	3.52	4.08	0.56
IT Services	2.71	0.87	(1.84)	2.71	0.87	(1.84)	2.71	0.87	(1.84)
Café	4.51	3.05	(1.45)	4.51	3.05	(1.45)	4.51	3.05	(1.45)
Events (net)	3.10	0.44	(2.67)	3.10	0.44	(2.67)	3.10	0.44	(2.67)
Retail (net)	(1.37)	-	1.37	(1.37)	-	1.37	(1.37)	-	1.37
Other	1.45	0.69	(0.75)	1.45	0.69	(0.75)	1.45	0.69	(0.75)
Total	345.08	342.26	(2.83)	345.08	342.26	(2.83)	345.08	342.26	(2.83)