

Paseo Master Association
Treasurer's Report

Based on Unaudited November 30, 2020 Financial Statements (HOA meeting of December 16, 2020)

The Paseo HOA had an operating surplus of \$702,445, which is \$53,045 in excess of what is recommended by our professionals (two months of 2021 assessments).

The replacement reserves were \$679,756 at 12.31.19 and increased to \$1,322,951 as of 11.30.20. Assessments of \$418,608 along with interest of \$4,172 were added to the reserves. The board also approved a \$700,000 transfer from operations. Total expenditures of (\$479,585) 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 \$187,500 were added to the fund. (\$161,679) of special projects were expensed leaving a balance of \$112,505 as of 11.30.20. The board has additional approved projects that have not been funded yet for an estimated (\$7,000).

For the month, the association had an income of \$21,413 against a budget of (\$25,235) for a positive variance of \$46,648. Food and beverage exceeded budget by \$19,275. Salaries, excluding food and beverage, exceeded budget by \$12,817.

For the year, the association had an income of \$816,051 against a budget of \$585,939 for a positive variance of \$230,112. Food and beverage exceeded budget by \$18,618, maintenance (including labor) exceeded budget by \$45,592 and administration (including labor) exceeded budget by \$43,287. Most other departments were under budget due to the reduction in operations due to Covid-19.

For the year, food and beverage had a direct loss of (\$343,483) against a budget of (\$362,101) for a positive variance of \$18,618. Please note that sales are (\$290,744) under budget year to date.

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 bulk cable. The actual budget variance has been and will be considerably higher than what is reported in the treasurer's report.