

Paseo Master Association
Treasurer's Report

Based on Unaudited December **Draft** 2022 Financial Statements (HOA meeting of January 17, 2023)

The Paseo Master HOA had an operating surplus of \$567,378 which is (\$101,783) below the minimum recommended by our professionals (two months of 2023 assessments).

The replacement reserves were \$1,734,934 at 12.31.21 and increased to \$2,066,491 as of 11.30.22. Assessments of \$367,200 along with interest of \$167 were added to the reserves. Expenditures of (\$35,810) 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 \$196,500 were added to the fund. Special projects of (\$21,688) were expensed leaving a balance of \$514,111 as of 11.30.22. Additional estimated expenditures of (\$274,888) have been approved by the board.

For the year, the association had a loss of (\$97,535) against a budgeted loss of (\$45,943) for a negative variance of (\$51,592). Although we will have additional costs related to Hurricane Ian, for the year we incurred expenses of (\$35,628). Food and beverage subsidy was less than budget by \$36,459. Non food and beverage salaries were under budget by \$53,258 mainly due to some open administrative positions. Expenses related to the pool and maintenance are over budget by (\$58,298). Utilities are over budget by (\$22,513). The cafe' is over budget by (\$14,109) and entertainment by (\$8,146).

For the year, food and beverage had a direct loss of (\$422,142) against a budget of (\$458,601) for a positive variance of \$36,459. The impact of sales less the related cost of goods sold was \$93,391. Salaries were under budget by \$22,370, cost of goods sold due to the rate variance by (\$26,453) and supplies were over by (\$52,849).

Future issues include the theater canopy roof leak, the drain issue in front of the breezeway in the circle, drainage issues on the pool deck along with leak repairs on the main fountain, lagoon and lap pools.