

Paseo Master Association
Treasurer's Report

Based on Unaudited October 2022 Financial Statements (HOA meeting of November 16, 2022)

The Paseo Master HOA had an operating surplus of \$610,348 which is (\$87,072) below the minimum recommended by our professionals (two months of 2023 assessments) when adjusted for the remaining budget of 2022.

The replacement reserves were \$1,734,934 at 12.31.21 and increased to \$2,090,089 as of 10.31.22. Assessments of \$367,200 along with interest of \$149 were added to the reserves. Expenditures of (\$12,195) 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 \$190,500 were added to the fund. Special projects of (\$19,662) were expensed leaving a balance of \$510,137 as of 10.31.22. Additional estimated expenditures of (\$274,888) have been approved by the board.

For the month, the association had a loss of (\$35,070) against a budgeted loss of (\$18,874) for a negative variance of (\$16,196). Although we will have additional costs related to Hurricane Ian, for October we incurred expenses of (\$28,872). Food and beverage subsidy was less than budget by \$23,108. Non food and beverage salaries were under budget by \$23,108 due to some open administrative positions. Expenses related to the pool and maintenance were over budget by (\$12,566).

For the year, the association had a loss of (\$54,565) against a budgeted loss of (\$17,684) for a negative variance of (\$36,881). Although we will have additional costs related to Hurricane Ian, for the year we incurred expenses of (\$28,872). Food and beverage subsidy was less than budget by \$44,114. Non food and beverage salaries were under budget by \$52,826 due to some open administrative positions. Expenses related to the pool and maintenance were over budget by (\$53,794). Utilities were over budget by (\$20,853). Most other cost centers had minor negative budget variances.

For the year, food and beverage had a direct loss of (\$365,862) against a budget of (\$409,976) for a positive variance of \$44,114. The impact of sales less the related cost of goods sold was \$72,648. Salaries were under budget by \$29,221, cost of goods sold due to the rate variance by (\$17,919) and supplies were over by (\$39,836).

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, leak repairs on the main fountain, lagoon and lap pools along with a main pipe fitting in the pool equipment room. For Ian (not replacement reserve items) we are purchasing repair parts for our parking lot lights and have fencing repairs at the tennis courts. Replacement items related to Ian will be the modified installation of the parking lot and tennis light poles, the canvas canopy covers at tennis, new pathway landscape lights and the thatched roofs at the lap pool and lifestyle park.