

Paseo Master Association

Treasurer's Report

Based on Unaudited May 31, 2021 Financial Statements (HOA meeting of June 23, 2021)

The Paseo HOA had an operating surplus of \$942,498 which is \$293,098 in excess of the minimum recommended by our professionals (two months of 2021 assessments).

The replacement reserves were \$1,306,163 at 12.31.20 and increased to \$1,322,647 as of 5.31.21. Assessments of \$180,000 along with interest of \$135 were added to the reserves. Total expenditures of (\$163,651) were charged against the reserves during the calendar year.

The working capital fund was \$136,155 at 12.31.20. Year to date capital contributions of \$172,500 were added to the fund. Special projects of (\$15,877) were expensed leaving a balance of \$292,778 as of 5.31.21. Please note there have been several closings remitted since 5.31.21 (17) and there are currently 21 pending sales.

For the month, the association had an income of \$49,100 against a budget of \$5,190 for a positive variance of \$43,911. Food and beverage exceeded budget by \$16,655. Salaries, excluding food and beverage, exceeded budget by \$11,278. There were also positive variances in entertainment, pool and maintenance.

For the year, the association had an income of \$258,674 against a budget of \$31,016 for a positive variance of \$227,658. Food and beverage exceeded budget by \$112,862. Salaries, excluding food and beverage, exceeded budget by \$61,235.

For the year, food and beverage had a direct loss of (\$34,104) against a budget of (\$146,079) for a positive variance of \$112,862. Salaries were under budget by \$75,805, supplies by \$19,090 and cost of goods sold due to the rate variance of \$25,318.

Paseo Master HOA
Balance Sheet
As of 05.31.21

	Operating	Working Capital	Total	Capital Reserves	Total
Cash	1,171,020	292,778	1,463,798	1,381,728	2,845,525
Accounts receivable	54,400		54,400		54,400
Other receivables	27,867		27,867		27,867
Deposits			-		-
Other current assets	99,282		99,282		99,282
Current assets	1,352,568	292,778	1,645,347	1,381,728	3,027,074
Deferred revenue	(294,700)		(294,700)		(294,700)
Current liabilities	(115,371)		(115,371)	(59,080)	(174,451)
Fund Balance	942,498	292,778	1,235,276	1,322,647	2,557,923
Fund balance					
Beginning Balance	677,824	136,155	813,979	1,306,163	2,120,142
Net Income (loss)	421,297		421,297		421,297
Collected		172,500	172,500	180,000	352,500
Cash impact of the working capital fund	(156,623)		(156,623)		(156,623)
Interest			-	135	135
Capital projects		(15,877)	(15,877)	(163,651)	(179,527)
Fund balance	942,498	292,778	1,235,276	1,322,647	2,557,923
Two months of assessments			649,400		
Excess (deficit) operating reserves			293,098		

Paseo Master HOA
Income Statement
As of 05.31.21

	Current Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Master dues	294,700	294,700	-	1,473,500	1,473,500	-
Reserve dues	-	-	-	180,000	180,000	-
Interest income	7	125	(118)	814	625	189
Events	-	-	-	-	-	-
Retail items	1,521	250	1,271	15,444	5,000	10,444
Amenities and other	699	1,030	(331)	5,236	5,150	86
Food and beverage	92,874	78,200	14,674	629,615	620,500	9,115
Capital assessments	-	-	-	15,877	-	15,877
Income	389,799	374,305	15,494	2,320,485	2,284,775	35,710
Legal	85	500	415	1,956	2,500	545
Other administrative	5,438	5,896	458	28,017	29,542	1,525
Bulk Cable	101,655	101,708	53	508,274	508,538	264
Utilities (other)	20,212	19,219	(993)	86,661	94,456	7,795
Contracts	4,780	6,385	1,605	26,590	31,925	5,335
Insurance	5,166	6,085	919	27,390	29,409	2,019
Lifestyle park	-	75	75	-	375	375
Cost of sales	33,000	30,790	(2,210)	222,650	246,358	23,708
Food and beverage supplies	16,370	15,370	(1,000)	93,091	112,181	19,090
Entertainment	2,000	6,450	4,450	33,364	36,200	2,836
Other amenities	7,157	8,418	1,261	45,461	45,097	(364)
Retail items	895	250	(645)	11,836	5,000	(6,836)
Pool (other)	5,021	6,020	999	22,465	30,100	7,635
Landscaping	9,188	11,268	2,080	46,834	56,340	9,506
Maintenance	3,846	8,326	4,480	29,973	42,180	12,207
Payroll	-	-	-	-	-	-
Food and beverage	60,262	65,454	5,192	347,975	408,924	60,949
Member services	8,138	7,820	(318)	43,666	46,963	3,297
Pool monitor	7,143	14,978	7,835	30,475	74,076	43,601
Administration	32,606	34,655	2,049	172,221	175,333	3,112
Maintenance	17,737	19,449	1,712	87,038	98,263	11,225
Capital reserves	-	-	-	180,000	180,000	-
Capital projects	-	-	-	15,877	-	(15,877)
Expenses	340,699	369,116	28,416	2,061,811	2,253,760	191,948
Net Income (loss) - normal operations	49,100	5,190	43,911	258,674	31,016	227,658
Unusual items	-	-	-	-	-	-
Cash recognition of working capital assessments	55,500	-	55,500	162,623	-	162,623
Net Income (loss) per KW statements	104,600	5,190	99,411	421,297	31,016	390,281
Working Capital projects	-	-	-	-	-	-
Lift for LED basketball project	-	-	-	364	-	(364)
Landscaping upgrades at the VC	-	-	-	7,256	-	(7,256)
Wireless microphones - theater	-	-	-	2,649	-	(2,649)
Extra weight for the strength machines	-	-	-	2,260	-	(2,260)
Gym rowing machine	-	-	-	1,998	-	(1,998)
Tiki project (design)	-	-	-	1,350	-	(1,350)
	-	-	-	15,877	-	(15,877)

	Month-to-Date			Year-to-Date			05.31.20		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Change	%
Food Sales	45,206	38,000	7,206	306,684	324,250	(17,566)	225,732	80,952	35.9%
Bar Sales	47,667	40,200	7,467	322,931	296,250	26,681	186,639	136,292	73.0%
Total Sales	92,874	78,200	14,674	629,615	620,500	9,115	412,371	217,244	52.7%
Cost of goods sold									
Food	19,704	16,720	(2,984)	124,802	142,670	17,868	104,466	(20,336)	-19.5%
Bar	13,296	14,070	774	97,848	103,688	5,840	63,336	(34,512)	-54.5%
Total COGS	33,000	30,790	(2,210)	222,650	246,358	23,708	167,802	(54,848)	-32.7%
Supplies	16,370	15,370	(1,000)	93,091	112,181	19,090	75,805	(17,287)	-22.8%
Labor	60,262	65,454	5,192	347,975	408,924	60,949	317,843	(30,132)	-9.5%
Total direct expenses	109,633	111,614	1,981	663,717	767,463	103,746	561,450	(102,266)	-18.2%
Direct loss	(16,759)	(33,414)	16,655	(34,101)	(146,963)	112,862	(149,079)	114,978	-77.1%
Direct cost recovery	84.7%	70.1%	14.7%	94.9%	80.9%	14.0%	73.4%		
Cost of goods sold									
Food	43.6%	44.0%	0.4%	40.7%	44.0%	3.3%	46.3%		
Bar	27.9%	35.0%	7.1%	30.3%	35.0%	4.7%	33.9%		
Total	35.5%	39.4%	3.8%	35.4%	39.7%	4.3%	40.7%		
Supplies	17.6%	19.7%	2.0%	14.8%	18.1%	3.3%	18.4%		
Labor	64.9%	83.7%	18.8%	55.3%	65.9%	10.6%	77.1%		
Food				0.00					
Rate			187						
Volume			(3,171)						
Bar									
Rate			3,387						
Volume			(2,614)						
COGS Variance			(2,210)						

Paseo Master HOA
Working Capital Fund

Balance as of 12.31.20			136,155
Closings (sales) 2021	115	1,500	172,500
2020/2021 Projects	Paid	O/S	
Lift for LED basketball project	(364)		(364)
Landscaping upgrades at the VC	(7,256)	(1,414)	(8,669)
Wireless microphones - theater	(2,649)		(2,649)
Extra weight for the strength machines	(2,260)		(2,260)
Gym rowing machine	(1,998)		(1,998)
Tiki project (design)	(1,350)	(7,650)	(9,000)
Bar stools for Bistro serving table		(5,000)	(5,000)
Landscaping upgrades at the VC		(7,307)	(7,307)
Drainage issues at tennis		(9,411)	(9,411)
Portable propane generator		(2,500)	(2,500)
Available balance 3.31.21	(15,877)	(33,282)	259,496
Closings since prior month end	17	1,500	25,500
Pending properties	21	1,500	31,500
Estimated additional 2021 sales	-	1,500	-
Working capital estimate for 2021			316,496
Priority items			
Tiki expansion			100,000
Walk-in freezer - Tiki kitchen			50,000
Restructure serving station (Tiki)			25,000
Tiki kitchen AC			25,000
Asphalt, fencing and landscaping at BB/PB court			25,000
PB Canopy and pad			10,000
WordPress (mypaseo.life)			10,000
Transfer to replacement reserves			100,000
			345,000

Paseo Master HOA
Cost by Service
As of 05.31.21

	Current Month			Year to Date			Average per Month		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Bulk Cable	101,655	101,708	53	508,274	508,538	264	101,655	101,708	53
Administration	38,129	41,051	2,922	202,193	207,375	5,182	40,439	41,475	1,036
Replacement Reserves	-	-	-	180,000	180,000	-	36,000	36,000	-
Maintenance	21,583	27,775	6,192	117,011	140,443	23,432	23,402	28,089	4,686
Food and Beverage	16,759	33,414	16,655	34,101	146,963	112,862	6,820	29,393	22,572
Utilities	20,212	19,219	(993)	86,661	94,456	7,795	17,332	18,891	1,559
Amenity Access	7,143	14,978	7,835	30,475	74,076	43,601	6,095	14,815	8,720
Landscaping	9,188	11,268	2,080	46,834	56,340	9,506	9,367	11,268	1,901
Member Services	8,138	7,820	(318)	43,666	46,963	3,297	8,733	9,393	659
Pool	5,021	6,020	999	22,465	30,100	7,635	4,493	6,020	1,527
Entertainment	2,000	6,450	4,450	33,364	36,200	2,836	6,673	7,240	567
Insurance	5,166	6,085	919	27,390	29,409	2,019	5,478	5,882	404
Management Contract	4,172	4,185	13	20,861	20,925	64	4,172	4,185	13
Tennis (net)	3,990	4,785	795	20,566	23,265	2,699	4,113	4,653	540
IT Services	405	2,000	1,595	4,725	10,000	5,275	945	2,000	1,055
Café	2,054	1,500	(554)	16,150	11,167	(4,983)	3,230	2,233	(997)
Events (net)	268	500	233	2,751	2,500	(251)	550	500	(50)
Retail (net)	(625)	-	625	(3,608)	-	3,608	(722)	-	722
Other	342	753	411	947	3,765	2,818	189	753	564
Total	245,600	289,511	43,911	1,394,827	1,622,485	227,658	278,965	324,497	45,532

Per Unit									
Bulk Cable	88.70	88.75	0.05	444	443.75	0.23	88.70	88.75	0.05
Administration	33.27	35.82	2.55	176	180.96	4.52	35.29	36.19	0.90
Replacement Reserves	-	-	-	157	157.07	-	31.41	31.41	-
Maintenance	18.83	24.24	5.40	102	122.55	20.45	20.42	24.51	4.09
Food and Beverage	14.62	29.16	14.53	30	128.24	98.48	5.95	25.65	19.70
Utilities	17.64	16.77	(0.87)	76	82.42	6.80	15.12	16.48	1.36
Amenity Access	6.23	13.07	6.84	27	64.64	38.05	5.32	12.93	7.61
Landscaping	8.02	9.83	1.81	41	49.16	8.30	8.17	9.83	1.66
Member Services	7.10	6.82	(0.28)	38	40.98	2.88	7.62	8.20	0.58
Pool	4.38	5.25	0.87	20	26.27	6.66	3.92	5.25	1.33
Entertainment	1.75	5.63	3.88	29	31.59	2.47	5.82	6.32	0.49
Insurance	4.51	5.31	0.80	24	25.66	1.76	4.78	5.13	0.35
Management Contract	3.64	3.65	0.01	18	18.26	0.06	3.64	3.65	0.01
Tennis (net)	3.48	4.18	0.69	18	20.30	2.35	3.59	4.06	0.47
IT Services	0.35	1.75	1.39	4	8.73	4.60	0.82	1.75	0.92
Café	1.79	1.31	(0.48)	14	9.74	(4.35)	2.82	1.95	(0.87)
Events (net)	0.23	0.44	0.20	2	2.18	(0.22)	0.48	0.44	(0.04)
Retail (net)	(0.55)	-	0.55	(3)	-	3.15	(0.63)	-	0.63
Other	0.30	0.66	0.36	1	3.29	2.46	0.17	0.66	0.49
Total	214	252.63	38.32	1,217	1,415.78	198.65	243.43	283.16	39.73

Paseo Master HOA
Reserve roll-forward

	Assessments	Expenditures	Interest	Special Transfers	Balance
04.01.16					77,415
12.31.16	73,607	36,280			114,742
12.31.17	98,142	75,627	161		137,418
12.31.18	400,000	329,676	204		207,946
12.31.19	408,000	437,998	1,808	500,000	679,756
12.31.20	418,608	496,775	4,574	700,000	1,306,163
05.31.21	180,000	163,651	135		1,322,647
	1,578,357	1,540,007	6,882	1,200,000	1,322,647