

KISSING TREE

SAN MARCOS ★ TEXAS

Kissing Tree Master Community, Inc.

June 2023 Financial Package

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July 15, 2023

Board of Directors
Kissing Tree Master Community, (KTM)

Dear KTM Board,

I have attached the June 2023 Financial Package for Kissing Tree Master Community, (KTM). Generally Accepted Accounting Principles (GAAP) were followed to create this Package. Although management believes this is a fair, accurate, and complete representation of the financial position of KTM, these financials have not been audited or reviewed. As such, these financials are for internal use only; they should not be relied on for any external purposes. Please do not hesitate to reach out with any questions regarding this Financial Package.

Sincerely,

Darrell Mead

Darrell J. Mead, CPA
Director of Accounting
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Kissing Tree Master Community
Statement of Financial Position NC

Period 06/30/2023

Assets

Cash-Operating

Checking-Operating	172,510
Restricted Use Funds	34,927

<u>Total Cash-Operating</u>	<u>207,436</u>
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Cash-Reserves

Reserve Checking	133,642
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<u>Total Cash-Reserves</u>	<u>133,642</u>
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Accounts Receivable

Accounts Receivable	6,069
A/R - Other	10,155

<u>Total Accounts Receivable</u>	<u>16,224</u>
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Current Asset (Other)

Deposits	500
Prepaid Expenses	55,192
Prepaid Insurance	6,271

<u>Total Current Asset (Other)</u>	<u>61,962</u>
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Fixed Assets

Fixed Assets	262,765
Accumulated Depreciation	(77,081)

<u>Total Fixed Assets</u>	<u>185,684</u>
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Total Assets

604,948

Liabilities & Equity

Accounts Payable

Accounts Payable	58,962
Accrued Expenses	185,504

<u>Total Accounts Payable</u>	<u>244,465</u>
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Current Liabilities (Other)

Prepaid Assessments	139,697
Refundable Deposit	400

<u>Total Current Liabilities (Other)</u>	<u>140,097</u>
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Due To Related Party

Late Fees	350
Tenant Setup Fees	300

<u>Total Due To Related Party</u>	<u>650</u>
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Long Term Liabilities

Notes Payable	10,550,367
Note Payable - Macrolease	53,250

<u>Total Long Term Liabilities</u>	<u>10,603,616</u>
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Reserve Contribution

Unearned Reserve Income	133,286
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<u>Total Reserve Contribution</u>	<u>133,286</u>
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Equity

Prior Year Surplus (Deficit)	(9,807,368)
Equity Adjustments	165,353
Current Year Surplus/(Deficit)	(875,152)

<u>Total Equity</u>	<u>(10,517,167)</u>
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Kissing Tree Master Community
Statement of Financial Position NC
Period 06/30/2023

Liabilities & Equity

Total Liabilities & Equity

604,948

Kissing Tree Master Community Statement of Financial Activity NC

Period 6/1/2023 To 6/30/2023 11:59:00 PM

	Current Month Consolidated				Year to Date Consolidated				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
Income									
Assessment Revenue									
40000:Association Assessm	222,323	209,440	12,883	6.15%	1,203,094	1,158,822	44,272	3.82%	2,504,712
TOTAL Assessment Revenue	222,323	209,440	12,883	6.15%	1,203,094	1,158,822	44,272	3.82%	2,504,712
Enforcement Fees									
42050:Design Review Applic	2,053	1,000	1,053	105.32%	8,752	6,000	2,752	45.86%	12,000
42100:Fines	0	0	0	0.00%	200	0	200	100.00%	0
42101:Collection fee	0	0	0	0.00%	350	0	350	100.00%	0
42104:Late Fees	125	0	125	100.00%	875	0	875	100.00%	0
42105:Tenant Account Setu	199	0	199	100.00%	1,100	0	1,100	100.00%	0
42350:Returned Deposit Fer	25	0	25	100.00%	285	0	285	100.00%	0
TOTAL Enforcement Fees	2,402	1,000	1,402	140.22%	11,562	6,000	5,562	92.69%	12,000
Other Revenue									
49050:Access Device Revei	672	200	472	236.20%	2,642	1,200	1,442	120.20%	2,400
49150:Interest	114	50	64	128.36%	618	300	318	105.99%	600
49300:Miscellaneous	0	500	(500)	-100.00%	3,400	3,000	400	13.33%	6,000
TOTAL Other Revenue	787	750	37	4.88%	6,660	4,500	2,160	48.01%	9,000
Program & Amenity Revenues									
45050:Facility & Park Renta	0	600	(600)	-100.00%	3,425	3,600	(175)	-4.86%	7,200
45075:Maint. Service Reimb	0	100	(100)	-100.00%	2,200	600	1,600	266.67%	1,200
45100:Fitness Revenue	14,131	3,358	10,773	320.82%	88,845	53,894	34,951	64.85%	74,050
45250:Program Revenue	8,955	2,500	6,455	258.22%	52,639	15,000	37,639	250.92%	30,000
45350:Program Sponsorship	1,200	2,500	(1,300)	-52.00%	8,340	15,000	(6,660)	-44.40%	30,000
TOTAL Program & Amenity I	24,286	9,058	15,228	168.12%	155,449	88,094	67,355	76.46%	142,450
Property Transfer Fees									
41100:Community Enhancer	2,125	7,000	(4,875)	-69.64%	19,780	42,000	(22,220)	-52.90%	84,000
41150:Working Capital	42,126	14,280	27,846	195.00%	123,768	112,098	11,670	10.41%	192,066
TOTAL Property Transfer Fe	44,251	21,280	22,971	107.95%	143,548	154,098	(10,550)	-6.85%	276,066
TOTAL Income	294,049	241,528	52,521	21.75%	1,520,312	1,411,514	108,798	7.71%	2,944,228
Expense									
Administrative									
50000:Accounting Fee	0	0	0	0.00%	8,250	4,000	(4,250)	-106.25%	4,000
50025:Staff Development &	0	1,000	1,000	100.00%	4,666	3,000	(1,666)	-55.53%	6,000
50075:Bank Charges	10	0	(10)	-100.00%	130	0	(130)	-100.00%	0
50100:Comp - Srv & Sup	350	0	(350)	-100.00%	2,100	0	(2,100)	-100.00%	0
50125:Website & Software	305	1,600	1,295	80.94%	4,235	9,600	5,365	55.88%	19,200
50150:Coupons & Statemen	613	500	(113)	-22.53%	3,248	3,000	(248)	-8.27%	6,000
50200:Dep. & Amort.	2,190	0	(2,190)	-100.00%	13,138	0	(13,138)	-100.00%	0
50300:Insurance	10,212	10,235	24	0.23%	61,264	61,410	146	0.24%	122,825
50325:Interest Expense	803	0	(803)	-100.00%	5,841	0	(5,841)	-100.00%	0
50375:Legal Fees-General (	344	500	156	31.20%	1,945	3,000	1,055	35.17%	6,000
50425:Mgmt Fees-Staffing	130,120	129,433	(687)	-0.53%	753,607	776,598	22,991	2.96%	1,553,202

Kissing Tree Master Community Statement of Financial Activity NC

Period 6/1/2023 To 6/30/2023 11:59:00 PM

	Current Month Consolidated				Year to Date Consolidated				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
50426:Mgmt Fee-Tech	1,550	1,040	(510)	-49.04%	7,827	6,240	(1,587)	-25.43%	12,480
50427:Mgmt Fee-Doors	3,017	3,080	63	2.05%	16,748	17,043	296	1.73%	36,834
50429:Managment Collectio	262	0	(262)	-100.00%	1,887	0	(1,887)	-100.00%	0
50485:Mileage/Auto	0	200	200	100.00%	376	1,200	824	68.64%	2,400
50525:Office Equipment/Fur	521	500	(21)	-4.14%	6,438	3,000	(3,438)	-114.59%	6,000
50550:Office Equipment Rei	158	0	(158)	-100.00%	529	0	(529)	-100.00%	0
50600:Office Supplies	58	1,500	1,443	96.17%	3,067	9,000	5,933	65.92%	18,000
50625:Permits & Licenses	50	75	25	33.33%	50	450	400	88.89%	900
50650:Postage	27	300	273	91.00%	474	1,800	1,326	73.66%	3,600
50700:Property Tax & Sales	0	0	0	0.00%	0	9,250	9,250	100.00%	9,250
50720:Reserve Study	0	0	0	0.00%	0	3,000	3,000	100.00%	3,000
50800:Uniforms & Clothing	0	0	0	0.00%	828	750	(78)	-10.37%	1,500
TOTAL Administrative	150,587	149,963	(624)	-0.42%	896,648	912,341	15,693	1.72%	1,811,191
<u>Amenity Maintenance</u>									
62000:General Maintenance	1,183	1,200	17	1.45%	7,429	6,750	(679)	-10.06%	13,950
62050:Building Maint - Repa	2,795	3,333	538	16.13%	11,644	19,998	8,354	41.78%	40,000
62051:Elevator Testing & M.	0	100	100	100.00%	0	500	500	100.00%	4,000
62075:Fitness Equipment	469	7,500	7,031	93.75%	4,553	45,000	40,447	89.88%	90,000
62100:Gate Attendant/Patro	54,651	55,680	1,029	1.85%	334,607	334,080	(527)	-0.16%	668,160
62125:Access Control Syste	0	3,200	3,200	100.00%	19,653	19,200	(453)	-2.36%	38,400
62150:Fire & Safety	480	450	(30)	-6.57%	5,600	1,350	(4,250)	-314.84%	2,700
62200:Gate/Fence/Wall Rep	0	750	750	100.00%	4,697	4,500	(197)	-4.37%	9,000
62250:HVAC Service	1,627	500	(1,127)	-225.37%	6,970	4,500	(2,470)	-54.88%	9,000
62300:Janitorial Service & S	1,333	2,400	1,067	44.47%	17,421	14,400	(3,021)	-20.98%	28,800
62325:Lighting & Electric	0	0	0	0.00%	404	2,250	1,846	82.03%	4,500
62450:Pest Control	638	500	(138)	-27.52%	2,565	3,000	435	14.50%	6,000
62500:Pool Maintenance	5,755	7,000	1,245	17.79%	40,203	38,000	(2,203)	-5.80%	76,000
62550:Pool Supplies	1,388	1,000	(388)	-38.80%	1,547	4,000	2,453	61.32%	8,000
62600:Community Enhancer	0	0	0	0.00%	3,614	4,000	386	9.64%	6,000
62625:Site Signage	0	0	0	0.00%	214	900	686	76.24%	1,800
62655:Sports Court P&S	0	0	0	0.00%	0	900	900	100.00%	1,800
62675:Street Maintenance	0	0	0	0.00%	0	900	900	100.00%	1,800
62750:Waste Removal/Recy	853	1,200	347	28.92%	4,319	7,200	2,881	40.01%	14,400
62765:Pond & Storm Water	1,743	1,500	(243)	-16.22%	97,598	27,000	(70,598)	-261.48%	39,000
TOTAL Amenity Maintenanc	72,914	86,313	13,399	15.52%	563,038	538,428	(24,610)	-4.57%	1,063,310
<u>Community Engagement</u>									
70075:Cafe Expense	980	1,500	520	34.68%	11,531	9,000	(2,531)	-28.12%	18,000
70250:Fitness Supplies	0	0	0	0.00%	528	0	(528)	-100.00%	0
70300:Fitness Classes	10,936	6,000	(4,936)	-82.26%	57,460	30,600	(26,860)	-87.78%	66,600
70400:Club Initiatives	0	150	150	100.00%	0	900	900	100.00%	1,800
70650>Welcome Program	1,564	1,000	(564)	-56.38%	9,106	6,000	(3,106)	-51.77%	12,000
70675:Community Wide Pro	1,200	5,000	3,800	76.00%	34,095	30,000	(4,095)	-13.65%	60,000
70700:Entertainment Licens	0	0	0	0.00%	1,642	8,750	7,108	81.23%	8,750
71100:Special Events	1,078	0	(1,078)	-100.00%	18,767	0	(18,767)	-100.00%	0

Kissing Tree Master Community Statement of Financial Activity NC

Period 6/1/2023 To 6/30/2023 11:59:00 PM

	Current Month Consolidated				Year to Date Consolidated				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
75000:Decorations & Flags	0	0	0	0.00%	2,044	1,800	(244)	-13.56%	21,600
75200:Community Engager	0	0	0	0.00%	10,862	0	(10,862)	-100.00%	0
TOTAL Community Engager	15,757	13,650	(2,107)	-15.44%	146,035	87,050	(58,985)	-67.76%	188,750
<u>Landscaping</u>									
61150:Irrigation Inspection &	0	2,000	2,000	100.00%	28,070	12,000	(16,070)	-133.92%	24,000
61200:Landscape Maintena	50,392	65,917	15,525	23.55%	277,611	380,277	102,666	27.00%	778,229
61250:Landscape Refurbish	0	0	0	0.00%	39,966	27,250	(12,716)	-46.66%	54,500
61300:Tree Maintenance	0	5,000	5,000	100.00%	2,309	10,000	7,691	76.91%	20,000
61910:Landscape Maint Gol	100,000	100,000	0	0.00%	200,000	200,000	0	0.00%	400,000
TOTAL Landscaping	150,392	172,917	22,525	13.03%	547,956	629,527	81,571	12.96%	1,276,729
<u>Reserve</u>									
80000:Reserve Contribution	7,000	7,000	0	0.00%	42,000	42,000	0	0.00%	84,000
TOTAL Reserve	7,000	7,000	0	0.00%	42,000	42,000	0	0.00%	84,000
<u>Utilities</u>									
50725:Telephone & Internet	1,645	1,667	22	1.33%	9,354	9,998	644	6.44%	20,000
60000:Electric Service	7,582	10,000	2,418	24.18%	37,827	52,000	14,173	27.26%	112,000
60050:Gas Services	1,927	1,000	(927)	-92.72%	18,340	17,000	(1,340)	-7.88%	30,000
60100:Water & Sewer	12,178	30,000	17,822	59.41%	134,267	134,000	(267)	-0.20%	289,000
TOTAL Utilities	23,333	42,667	19,334	45.31%	199,788	212,998	13,210	6.20%	451,000
TOTAL Expense	419,982	472,510	52,528	11.12%	2,395,465	2,422,344	26,879	1.11%	4,874,980
Excess Revenue / Expense	(125,933)	(230,982)	105,049	-45.48%	(875,152)	(1,010,830)	135,678	-13.42%	(1,930,752)

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