

KISSING TREE

SAN MARCOS ★ TEXAS

Kissing Tree Master Community, Inc.
February 2023 Financial Package

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March 14, 2023

Board of Directors
Kissing Tree Master Community, (KTM)

Dear KTM Board,

I have attached the February 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,

David G Schmitt

David G. Schmitt, CPA
Controller
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Kissing Tree Master Community
Statement of Financial Position NC

Period 02/28/2023

Assets

Cash-Operating

Checking-Operating	184,469
Restricted Use Funds	45,732

<u>Total Cash-Operating</u>	230,200
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Cash-Reserves

Reserve Checking	105,508
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<u>Total Cash-Reserves</u>	105,508
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Accounts Receivable

Accounts Receivable	4,189
Accts Rec - Manual Billings	871

<u>Total Accounts Receivable</u>	5,060
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Current Asset (Other)

Deposits	500
Prepaid Expenses	160,331
Prepaid Insurance	14,598

<u>Total Current Asset (Other)</u>	175,429
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<i>Total Assets</i>		516,197
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Liabilities & Equity

Accounts Payable

Accounts Payable	193,473
Accrued Expenses	171,817

<u>Total Accounts Payable</u>	365,290
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Current Liabilities (Other)

Prepaid Assessments	97,035
Refundable Deposit	400

<u>Total Current Liabilities (Other)</u>	97,435
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Due To Related Party

Late Fees	225
Tenant Setup Fees	273

<u>Total Due To Related Party</u>	498
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Long Term Liabilities

Notes Payable	9,879,367
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<u>Total Long Term Liabilities</u>	9,879,367
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Reserve Contribution

Unearned Reserve Income	105,286
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<u>Total Reserve Contribution</u>	105,286
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Equity

Prior Year Surplus (Deficit)	(9,806,943)
Equity Adjustments	55,063
Current Year Surplus/(Deficit)	(179,798)

<u>Total Equity</u>	(9,931,678)
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<i>Total Liabilities & Equity</i>		516,197
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Kissing Tree Master Community Statement of Financial Activity NC

Period 2/1/2023 To 2/28/2023 11:59:00 PM

	Current Month Consolidated				Year to Date Consolidated				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
Income									
<u>Assessment Revenue</u>									
40000:Association Assessm	189,779	183,260	6,519	3.56%	376,757	362,474	14,283	3.94%	2,504,712
TOTAL Assessment Revenue	189,779	183,260	6,519	3.56%	376,757	362,474	14,283	3.94%	2,504,712
<u>Enforcement Fees</u>									
42050:Design Review Applic	1,177	1,000	177	17.75%	1,986	2,000	(14)	-0.71%	12,000
42101:Collection fee	140	0	140	100.00%	175	0	175	100.00%	0
42104:Late Fees	375	0	375	100.00%	525	0	525	100.00%	0
42105:Tenant Account Setu	327	0	327	100.00%	527	0	527	100.00%	0
42350:Returned Deposit Fer	110	0	110	100.00%	135	0	135	100.00%	0
TOTAL Enforcement Fees	2,130	1,000	1,130	112.97%	3,348	2,000	1,348	67.40%	12,000
<u>Other Revenue</u>									
49050:Access Device Reven	313	200	113	56.27%	772	400	372	92.97%	2,400
49150:Interest	105	50	55	110.38%	191	100	91	91.11%	600
49300:Miscellaneous	0	500	(500)	-100.00%	0	1,000	(1,000)	-100.00%	6,000
TOTAL Other Revenue	418	750	(332)	-44.30%	963	1,500	(537)	-35.80%	9,000
<u>Program & Amenity Revenues</u>									
45050:Facility & Park Renta	0	600	(600)	-100.00%	0	1,200	(1,200)	-100.00%	7,200
45075:Maint. Service Reimb	0	100	(100)	-100.00%	0	200	(200)	-100.00%	1,200
45100:Fitness Revenue	9,700	20,232	(10,532)	-52.06%	44,278	40,464	3,814	9.43%	74,050
45250:Program Revenue	12,342	2,500	9,842	393.67%	15,090	5,000	10,090	201.80%	30,000
45350:Program Sponsorship	520	2,500	(1,980)	-79.20%	920	5,000	(4,080)	-81.60%	30,000
TOTAL Program & Amenity	22,562	25,932	(3,370)	-13.00%	60,288	51,864	8,424	16.24%	142,450
<u>Property Transfer Fees</u>									
41100:Community Enhancer	2,585	7,000	(4,415)	-63.07%	2,585	14,000	(11,415)	-81.54%	84,000
41150:Working Capital	11,424	16,422	(4,998)	-30.43%	22,380	29,988	(7,608)	-25.37%	192,066
TOTAL Property Transfer Fe	14,009	23,422	(9,413)	-40.19%	24,965	43,988	(19,023)	-43.25%	276,066
TOTAL Income	228,897	234,364	(5,467)	-2.33%	466,321	461,826	4,495	0.97%	2,944,228
Expense									
<u>Administrative</u>									
50000:Accounting Fee	4,300	0	(4,300)	-100.00%	4,300	0	(4,300)	-100.00%	4,000
50025:Staff Development &	0	250	250	100.00%	601	500	(101)	-20.21%	6,000
50075:Bank Charges	50	0	(50)	-100.00%	70	0	(70)	-100.00%	0
50100:Comp - Srv & Sup	350	0	(350)	-100.00%	700	0	(700)	-100.00%	0
50125:Website & Software	305	1,600	1,295	80.94%	813	3,200	2,387	74.60%	19,200
50150:Coupons & Statemen	572	500	(72)	-14.37%	1,126	1,000	(126)	-12.64%	6,000
50300:Insurance	10,212	10,235	24	0.23%	20,418	20,470	52	0.25%	122,825
50375:Legal Fees-General (0	500	500	100.00%	0	1,000	1,000	100.00%	6,000
50425:Mgmt Fees-Staffing	121,536	129,433	7,897	6.10%	243,564	258,866	15,302	5.91%	1,553,202
50426:Mgmt Fee-Tech	1,477	1,040	(437)	-42.06%	2,712	2,080	(632)	-30.38%	12,480
50427:Mgmt Fee-Doors	2,685	2,695	11	0.39%	5,257	5,331	74	1.39%	36,834
50429:Management Collectio	655	0	(655)	-100.00%	965	0	(965)	-100.00%	0

Kissing Tree Master Community Statement of Financial Activity NC

Period 2/1/2023 To 2/28/2023 11:59:00 PM

	Current Month Consolidated				Year to Date Consolidated				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
50485:Mileage/Auto	0	200	200	100.00%	0	400	400	100.00%	2,400
50525:Office Equipment/Fur	561	500	(61)	-12.29%	1,749	1,000	(749)	-74.91%	6,000
50600:Office Supplies	43	1,500	1,457	97.15%	329	3,000	2,671	89.04%	18,000
50625:Permits & Licenses	0	75	75	100.00%	0	150	150	100.00%	900
50650:Postage	57	300	243	80.95%	207	600	393	65.54%	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	0	0	0.00%	3,000
50800:Uniforms & Clothing	276	0	(276)	-100.00%	276	250	(26)	-10.29%	1,500
TOTAL Administrative	143,078	148,828	5,750	3.86%	283,087	307,097	24,010	7.82%	1,811,191
<u>Amenity Maintenance</u>									
62000:General Maintenance	0	1,200	1,200	100.00%	4,319	1,950	(2,369)	-121.49%	13,950
62050:Building Maint - Repa	2,744	3,333	589	17.66%	3,716	6,666	2,950	44.25%	40,000
62051:Elevator Testing & M:	0	100	100	100.00%	0	100	100	100.00%	4,000
62075:Fitness Equipment	0	7,500	7,500	100.00%	10,806	15,000	4,194	27.96%	90,000
62100:Gate Attendant/Patro	61,351	55,680	(5,671)	-10.19%	116,003	111,360	(4,643)	-4.17%	668,160
62125:Access Control Syste	7,367	3,200	(4,167)	-130.22%	10,438	6,400	(4,038)	-63.10%	38,400
62150:Fire & Safety	0	450	450	100.00%	0	450	450	100.00%	2,700
62200:Gate/Fence/Wall Rep	0	750	750	100.00%	4,697	1,500	(3,197)	-213.10%	9,000
62250:HVAC Service	0	500	500	100.00%	0	1,000	1,000	100.00%	9,000
62300:Janitorial Service & S	2,439	2,400	(39)	-1.65%	5,987	4,800	(1,187)	-24.74%	28,800
62325:Lighting & Electric	0	0	0	0.00%	32	750	718	95.73%	4,500
62450:Pest Control	445	500	55	11.02%	0	1,000	1,000	100.00%	6,000
62500:Pool Maintenance	5,680	5,000	(680)	-13.60%	13,520	10,000	(3,520)	-35.20%	76,000
62550:Pool Supplies	0	500	500	100.00%	0	1,000	1,000	100.00%	8,000
62600:Community Enhancer	0	0	0	0.00%	0	2,000	2,000	100.00%	6,000
62625:Site Signage	0	0	0	0.00%	0	300	300	100.00%	1,800
62655:Sports Court P&S	0	0	0	0.00%	0	300	300	100.00%	1,800
62675:Street Maintenance	0	0	0	0.00%	0	300	300	100.00%	1,800
62750:Waste Removal/Recy	583	1,200	617	51.41%	908	2,400	1,492	62.18%	14,400
62765:Pond & Storm Water	3,549	1,500	(2,049)	-136.59%	5,403	19,000	13,597	71.57%	39,000
TOTAL Amenity Maintenanc	84,159	83,813	(346)	-0.41%	175,829	186,276	10,447	5.61%	1,063,310
<u>Community Engagement</u>									
70075:Cafe Expense	513	1,500	987	65.83%	2,699	3,000	301	10.03%	18,000
70250:Fitness Supplies	0	0	0	0.00%	194	0	(194)	-100.00%	0
70300:Fitness Classes	8,420	600	(7,820)	-1303.40%	15,194	6,600	(8,594)	-130.21%	66,600
70400:Club Initiatives	0	150	150	100.00%	0	300	300	100.00%	1,800
70650>Welcome Program	427	1,000	573	57.32%	2,764	2,000	(764)	-38.18%	12,000
70675:Community Wide Pro	2,404	5,000	2,596	51.91%	5,707	10,000	4,293	42.93%	60,000
70700:Entertainment Licens	0	0	0	0.00%	1,642	0	(1,642)	-100.00%	8,750
71100:Special Events	100	0	(100)	-100.00%	100	0	(100)	-100.00%	0
75000:Decorations & Flags	133	0	(133)	-100.00%	2,044	900	(1,144)	-127.11%	21,600
75200:Community Engager	1,157	0	(1,157)	-100.00%	1,269	0	(1,269)	-100.00%	0
TOTAL Community Engager	13,155	8,250	(4,905)	-59.45%	31,611	22,800	(8,811)	-38.65%	188,750

Kissing Tree Master Community Statement of Financial Activity NC

Period 2/1/2023 To 2/28/2023 11:59:00 PM

	Current Month Consolidated				Year to Date Consolidated				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
Landscaping									
61150:Irrigation Inspection &	14,541	2,000	(12,541)	-627.04%	14,915	4,000	(10,915)	-272.88%	24,000
61200:Landscape Maintenan	45,002	60,751	15,749	25.92%	90,804	119,459	28,655	23.99%	778,229
61250:Landscape Refurbish	0	0	0	0.00%	0	13,625	13,625	100.00%	54,500
61300:Tree Maintenance	0	0	0	0.00%	144	0	(144)	-100.00%	20,000
61910:Landscape Maint Gol	0	0	0	0.00%	0	0	0	0.00%	400,000
TOTAL Landscaping	59,543	62,751	3,208	5.11%	105,863	137,084	31,221	22.78%	1,276,729
Reserve									
80000:Reserve Contribution	7,000	7,000	0	0.00%	14,000	14,000	0	0.00%	84,000
TOTAL Reserve	7,000	7,000	0	0.00%	14,000	14,000	0	0.00%	84,000
Utilities									
50725:Telephone & Internet	1,309	1,666	357	21.45%	2,730	3,332	602	18.06%	20,000
60000:Electric Service	3,550	8,000	4,450	55.62%	7,038	16,000	8,962	56.01%	112,000
60050:Gas Services	4,382	4,500	118	2.63%	7,627	9,000	1,373	15.25%	30,000
60100:Water & Sewer	17,516	18,000	484	2.69%	18,334	36,000	17,666	49.07%	289,000
TOTAL Utilities	26,757	32,166	5,409	16.82%	35,729	64,332	28,603	44.46%	451,000
TOTAL Expense	333,691	342,808	9,117	2.66%	646,119	731,589	85,470	11.68%	4,874,980
Excess Revenue / Expense	(104,794)	(108,444)	3,650	-3.37%	(179,798)	(269,763)	89,965	-33.35%	(1,930,752)

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