

THE ENCLAVE ASSOCIATION

SECOND QUARTER FINANCIAL STATEMENTS
CUMULATIVE FROM OCTOBER 1, 2021 THROUGH MARCH 31, 2022

Dear Board Members,

Year to date (YTD) through the second quarter of 2021-22, the Enclave Association had an operating surplus to budget of \$28,049, or 43.74%. All referenced comparison are actual to budget.

Total Operating Income through quarter one was higher by \$464. Higher than budgeted interest on owner assessment delinquencies was offset by the loss of one employee renter for one month.

Utility costs were over budget by \$1,057 or .90%. Savings in line item headings ELECTRIC, CABLE TV and TRASH expenses were offset by higher than budgeted WATER & SEWER and TELEPHONE SERVICES costs which totaled \$1,913. The increase of \$975 in TELEPHONE SERVICES is a result of general increasing in pricing and the loss of Woodrun Place from the Co-Op.

Repairs and maintenance expenses related to line item headings PEST CONTROL, ROOF REPAIRS, PAINTING & STAINING and PAINTING & STAINING- DEFFERAL were under budget by \$3,448, or 21%. Savings in the ROOF REPAIRS category are largely a result of lower than anticipated roof snowfall removal, which only had to be performed once.

Service expenses related to line item headings GROUNDSKEEPING, SNOW REMOVAL, CUSTODIAL SERVICES, EQUIPMENT CONTRACTS, WINDOW CLEANING and CHIMNEY CLEANING were under budget by \$10,749, or 11.40%. Savings in SNOW REMOVAL are a result of lower than anticipated snowfall, while savings in GROUNDSKEEPING largely result from a less than anticipated need to upkeep the holiday lights.

Professional Expenses related to line item headings REPAIRS & MAINTENANCE – CONTRACTOS, LEGAL and ACCOUNTING/AUDIT were under budget by \$1,727, or 14.76%. This is result of a decrease in maintenance work for the property being performed by outside contractors.

Office Expenses related to line item headings DIRECT OFFICE EXPENSE, INTERNET SUPPORT, TELEPHONE EQUIPMENT, and MISCELLANEOUS EXPENSES were over budget by \$2,406 or 36.56%. This overage is due to the installation of new high-speed internet fiber cables throughout the property, which required the housing of the installation team for eight days.

Non-budgeted administrative costs for line item heading MISCELLANEOUS EXPENSES totaled \$851. This cost is a result of the purchase of new check stock caused by the switch of HOA financial services from Alpine Bank to Timberline Bank.

Administrative costs related to line item headings DEPRECIATION, DIRECTORS EXPENSE, MANAGMENT FEE, INSURANCE, TAXES, VEHICLE RENTAL and FRONT OFFICE FEE were under budget by \$2,426, or .8%. Savings in this category are a result of lower than budgeted insurance costs.

Expenses related to line item heading POOL MAINTENANCE were under budget by \$5,308, or 22.49%. Savings in this category are a result of a decreased need for maintenance time allocated to this category.

Supplies expenses related to line item headings FIREWOOD and SUPPLIES were over budget by \$1,225 or 10.84%. Overages in this category are largely due to the purchase of tools and unit keys.

Labor Allocations of line item heading REPAIRS & MAINTENANCE – MANAGEMENT CO STAFF was under budget by \$9,463, or 73.79%. Savings were a result of the loss of one budgeted maintenance technician for four months and the continued efforts of management-to-line staff focus on proper line item labor classifications.

There was one delinquent owner assessment accounts at quarter two end. This delinquent amount has since been paid in full.

Management, after discussion with the HOA's auditor, has reclassified the unfunded soft costs related to the renovation/development project from the Operating to the Reserve Fund. The Reserve Fund (Non-Arrival Center) amounted to \$443,781 and the Reserve Fund - Arrival Center amounted to \$110,404 as of March 31, 2022.

In order to obtain final Town of Snowmass Village approval for the Enclave's proposed renovation/development project, the Board has approved expenditures for soft and other project related costs to be made from the Reserve Fund. Cumulative costs through 3/31/22 for these efforts amount to \$896,953. Funding via approved assessments for Phase 1 and 2 and surplus transfers to date (including those approved in January 2019 and February 2021) amount to \$408,733 – leaving a present deficit for these efforts of \$488,220. This deficit is now anticipated to be replenished by a combination of loan proceeds and reserve fund line item adjustments. These costs are presently all charged to the reserve fund, as the first allowable use of the loan to partially replenish the reserve fund is in November 2022.

Rental performance was recently discussed in a separate Vacasa memo to the Board. Summary notes are as follows:

Winter 2021-2022 Enclave Average Daily Rate (ADR) is pacing at \$962 versus market of \$583. Paid occupancy of 57% trails market at 59%. ADR discounted by the occupancy % yields RENTPAN (REVPAR), with Enclave's result of \$550 exceeding market of \$345 - 59% superior performance to market.

THE ENCLAVE ASSOCIATION, INC.
Delinquent Owners Accounts Receivable as of 03/31/22

<u>Unit</u>	<u>Owner</u>	<u>Amount</u>	<u>Notes</u>
104	Losi	\$139	Unpaid Interest

FINANCIAL STATEMENTS

Annual Budget - Comparative

Properties: The Enclave Association, Inc. Snowmass - P.O. Box 5441 360 Wood Rd. Snowmass Village, CO 81615

Period Basis: Calendar

As of: Mar 2022

Additional Account Types: None

Accounting Basis: Accrual

GL Account Map: COSV - The Enclave Association, Inc.

Level of Detail: Detail View

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget	Account Number
Income						
Regular Assessments	574,331.09	574,330.84	0.25	0.00%	1,148,661.67	4000
Rental Income	7,300.00	7,800.00	-500.00	-6.41%	9,100.00	4100
Late Fees & Penalty Revenue	1,563.28	600.00	963.28	160.55%	1,000.00	4300
Total Operating Income	583,194.37	582,730.84	463.53	0.08%	1,158,761.67	
Expense						
UTILITIES EXPENSE						5000
Cable TV	11,983.24	12,161.17	177.93	1.46%	24,322.33	5001
Electric	24,230.38	24,700.00	469.62	1.90%	50,434.57	5003
Trash Collection	4,390.99	4,500.00	109.01	2.42%	5,666.67	5004
Water & Sewer	21,937.56	21,000.00	-937.56	-4.46%	45,635.26	5005
Telephone Service	2,314.13	1,339.02	-975.11	-72.82%	2,678.00	5006
Gas	53,701.19	53,800.00	98.81	0.18%	76,712.80	5007
Total UTILITIES EXPENSE	118,557.49	117,500.19	-1,057.30	-0.90%	205,449.63	
REPAIRS AND MAINTENANCE EXPENSE						5100
Painting & Staining	958.57	0.00	-958.57	0.00%	289.44	5104
Painting & Staining - Deferral	0.00	0.00	0.00	0.00%	7,807.12	5105
Pest Control	2,430.18	2,419.20	-10.98	-0.45%	2,503.87	5116
Roof Repairs	9,582.00	14,000.00	4,418.00	31.56%	15,220.20	5124
Total REPAIRS AND MAINTENANCE EXPENSE	12,970.75	16,419.20	3,448.45	21.00%	25,820.63	
SERVICES						5200
Groundskeeping	47,957.36	52,700.00	4,742.64	9.00%	106,970.00	5201
Snow Removal	8,342.66	15,300.00	6,957.34	45.47%	16,509.68	5202
Custodial Services	10,092.57	10,300.00	207.43	2.01%	53,000.00	5203
Equipment Service Contracts	12,549.17	11,228.32	-1,320.85	-11.76%	27,141.67	5209
Window Cleaning	3,600.00	3,726.00	126.00	3.38%	3,726.00	5210
Chimney Cleaning	964.00	1,000.00	36.00	3.60%	1,000.00	5211
Total SERVICES	83,505.76	94,254.32	10,748.56	11.40%	208,347.35	
PROFESSIONAL EXPENSE						5300
Accounting/Audit Expense	0.00	0.00	0.00	0.00%	12,257.00	5301
Legal	175.00	500.00	325.00	65.00%	500.00	5302
Repairs & Maintenance	9,797.60	11,200.00	1,402.40	12.52%	15,000.00	5303

Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget	Account Number
- Contractors						
Total PROFESSIONAL EXPENSE	9,972.60	11,700.00	1,727.40	14.76%	27,757.00	
OFFICE EXPENSE						5400
Direct Office Expense	965.10	965.10	0.00	0.00%	1,930.20	5403
Internet Support	7,214.02	5,367.72	-1,846.30	-34.40%	12,520.00	5405
Telephone Equipment	653.67	250.02	-403.65	-161.45%	500.00	5406
Miscellaneous Expenses	156.43	0.00	-156.43	0.00%	230.00	5407
Total OFFICE EXPENSE	8,989.22	6,582.84	-2,406.38	-36.56%	15,180.20	
ADMINISTRATION EXPENSE						5500
Misc Expense	850.78	0.00	-850.78	0.00%	0.00	5519
Total ADMINISTRATION EXPENSE	850.78	0.00	-850.78	0.00%	0.00	
ADMINISTRATION EXPENSE						5500
Depreciation - Association Funds	347.52	347.52	0.00	0.00%	695.00	5501
Directors' Expense	176.15	400.02	223.87	55.96%	800.00	5503
Management Fee	162,082.78	162,082.78	0.00	0.00%	324,165.51	5504
Insurance	66,580.25	68,963.83	2,383.58	3.46%	71,137.93	5510
Taxes, Assessments, & Licenses	6,277.12	6,095.86	-181.26	-2.97%	12,191.71	5513
Vehicle Rental	15,853.62	15,853.62	0.00	0.00%	18,495.90	5514
Front Office Fee	47,838.72	47,838.72	0.00	0.00%	55,811.85	5517
Total ADMINISTRATION EXPENSE	299,156.16	301,582.35	2,426.19	0.80%	483,297.90	
POOL/HOT TUB EXPENSE						5600
Pool Maintenance	18,291.70	23,600.00	5,308.30	22.49%	39,469.50	5602
Total POOL/HOT TUB EXPENSE	18,291.70	23,600.00	5,308.30	22.49%	39,469.50	
SUPPLIES EXPENSE						5700
Firewood	8,215.35	8,300.00	84.65	1.02%	19,561.46	5701
Supplies	4,309.66	3,000.00	-1,309.66	-43.66%	4,500.00	5702
Total SUPPLIES EXPENSE	12,525.01	11,300.00	-1,225.01	-10.84%	24,061.46	
LABOR ALLOCATIONS						5800
Repairs & Maintenance - Management Co Staff	3,362.00	12,825.00	9,463.00	73.79%	25,650.00	5802
Total LABOR ALLOCATIONS	3,362.00	12,825.00	9,463.00	73.79%	25,650.00	
Interest Expense	-2.55	0.00	2.55	0.00%	0.00	8000
Reserve Funding	51,114.00	51,114.00	0.00	0.00%	102,228.00	8810
Total Operating Expense	619,292.92	646,877.90	27,584.98	4.26%	1,157,261.67	
Total Operating Income	583,194.37	582,730.84	463.53	0.08%	1,158,761.67	
Total Operating Expense	619,292.92	646,877.90	27,584.98	4.26%	1,157,261.67	
NOI - Net Operating Income	-36,098.55	-64,147.06	28,048.51	43.73%	1,500.00	

Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget	Account Number
Total Income	583,194.37	582,730.84	463.53	0.08%	1,158,761.67	
Total Expense	619,292.92	646,877.90	27,584.98	4.26%	1,157,261.67	
Net Income	-36,098.55	-64,147.06	28,048.51	43.73%	1,500.00	

Balance Sheet

Properties: The Enclave Association, Inc. Snowmass - P.O. Box 5441 360 Wood Rd. Snowmass Village, CO 81615

As of: 03/31/2022

Accounting Basis: Accrual

GL Account Map: COSV - The Enclave Association, Inc.

Level of Detail: Detail View

Include Zero Balance GL Accounts: No

Account Name	Balance
ASSETS	
Cash	
Timberline Operating 1905	7,977.27
ABS: OP 6060702595	36,088.06
ABS: ICS 8900073225	505,588.06
Timber Reserve	1,000.07
Timber Construction	1,000.07
Total Cash	551,653.53
ASSESSMENTS RECEIVABLE	
Assessments Receivable	-535.23
Total ASSESSMENTS RECEIVABLE	-535.23
Other Receivable	1,975.65
Prepaid Expense	6,736.62
Prepaid Insurance	4,904.83
FIXED ASSETS	
Fixed Assets - Employee Units	96,823.45
Fixed Assets - Equipment & Machinery	66,965.59
Total FIXED ASSETS	163,789.04
ACCUMULATED DEPRECIATION	
Accumulated Depreciation - Employee Units	-98,590.45
Accumulated Depreciation - Equipment & Machinery	-62,711.84
Total ACCUMULATED DEPRECIATION	-161,302.29
TOTAL ASSETS	567,222.15
LIABILITIES & CAPITAL	
Liabilities	
Accounts Payable	37,326.91
Prepaid Assessments	5,713.42
Total Liabilities	43,040.33
Capital	
Working Capital	6,000.00
RETAINED EARNINGS	
Reserve Fund	443,781.03
Reserve Fund - Arrival Center	110,404.34
Total RETAINED EARNINGS	554,185.37
Calculated Retained Earnings	-36,098.55
Calculated Prior Years Retained Earnings	95.00
Total Capital	524,181.82
TOTAL LIABILITIES & CAPITAL	567,222.15