

**THE ENCLAVE ASSOCIATION**

Third QUARTER FINANCIAL STATEMENTS  
Cumulative from October 1, 2021 THROUGH June 30, 2022



Dear Board Members,

Year to date (YTD) through the third quarter of 2021-22, the Enclave Association had an operating surplus to budget of \$78,849, or 143.52%. All referenced comparisons are actual to budget.

Total Operating Income through quarter three was higher by \$394. Higher than budgeted interest on owner assessment delinquencies was offset by the loss of one employee renter for two budgeted months.

Utility costs were under budget by \$16,077 or 9.72%. Savings in line item headings ELECTRIC and GAS expenses are a result of difficult to predict factors related to an unusually volatile electric and gas market, as well as the unknown consumption rate of utilities during the renovation/development project. The increase of \$1,254 in TELEPHONE SERVICES is a result of losing Woodrun Place in the shared cost of phone lines and not correctly budgeting for that change - the service capacity cannot be incrementally reduced in relation to Woodrun Place exiting the co-op.

Repairs and maintenance expenses related to line item headings PEST CONTROL, ROOF REPAIRS, PAINTING & STAINING and PAINTING & STAINING- DEFERRAL were under budget by \$9,069, or 41.15%. Savings in the ROOF REPAIRS category are largely a result of lower than anticipated roof snowfall removal, which only had to be performed once. Savings in PAINTING & STAINING – DEFERRAL are a result of the cancellation of normal painting upkeep work due to the renovation/development project.

Service expenses related to line item headings GROUNDSKEEPING, SNOW REMOVAL, CUSTODIAL SERVICES, EQUIPMENT CONTRACTS, WINDOW CLEANING and CHIMNEY CLEANING were under budget by \$34,227, or 21.22%. Savings in SNOW REMOVAL are a result of lower than anticipated snowfall. Savings in GROUNDSKEEPING and HOUSEKEEPING are largely a result of a less than anticipated need in staff during the renovation/development project, while still protecting key staff with guaranteed hours.

Professional Expenses related to line item headings REPAIRS & MAINTENANCE – CONTRACTORS, LEGAL and ACCOUNTING/AUDIT were under budget by \$3,109, or 14.13%. This is a 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 \$3,746 or 37.94%. The overage in INTERNET SUPPORT 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. The investigation of the degradation of the current phone line has resulted in the loss of phone service to some units. Staff, architect, and RA are working on a plan to replace and expand this line to the new units, new arrival center, etc.

Non-budgeted administrative costs for line item heading MISCELLANEOUS EXPENSES totaled \$1,103. This cost is a result of the purchase of new check stock necessitated by the switch of HOA banking services from Alpine Bank to Timberline Bank.

Administrative costs related to line item headings DEPRECIATION, DIRECTORS EXPENSE, MANAGEMENT FEE, INSURANCE, TAXES, VEHICLE RENTAL and FRONT OFFICE FEE were over budget by \$3,163, or 0.8%. The cost overrun in this category is a result of purchasing additional Owners and Contractors Protective insurance related to the renovation project.

Expenses related to line item heading POOL MAINTENANCE were under budget by \$8,816 or 26.72%. Savings in this category are a result of a decreased need for maintenance time allocated to this category during the renovation project. In coordination with the general contractor, operations work to maintain the pool continues during the project to preserve the asset. Staff have isolated the source of water loss to cracked skimmer boxes and are investigating replacement and/or repair options.

Supplies expenses related to line item headings FIREWOOD and SUPPLIES were under budget by \$2,593, or 14.31%. Savings in FIREWOOD due to conscientious ordering of product were partially offset by the purchase of tools and unit keys in the SUPPLIES category.

Labor Allocations of line item heading REPAIRS & MAINTENANCE – MANAGEMENT CO STAFF was under budget by \$11,474, or 54.02%. 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 account (304) at quarter two end. This delinquent account attempted to pay their assessment but made the payment out to the wrong entity. This account is still due – management has reached out to the delinquent owner and is still awaiting payment.

Management, after discussion with the HOA's auditor, has reclassified the unfunded soft costs related to the renovation/development project from the Reserve to the Operating Fund. The Reserve Fund (Non-Arrival Center) amounted to \$507,744 and the Reserve Fund - Arrival Center amounted to \$111,821 as of June 30, 2022.

In order to obtain final Town of Snowmass Village approval for the Enclave's Phase 1 and 2 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 6/30/22 for these efforts amount to \$1,008,809. 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 \$600,077. 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.

Vacasa rental performance discussion is deferred until Enclave reopens.



THE ENCLAVE ASSOCIATION, INC.  
Delinquent Owners Accounts Receivable as of 06/30/22

<u>Unit</u>	<u>Owner</u>	<u>Amount</u>	<u>Notes</u>
304	Word	\$4,729	Unpaid Third Quarter Assessment

## FINANCIAL STATEMENTS

## Balance Sheet

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

As of: 06/30/2022

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	Account Number
<b>ASSETS</b>		
<b>Cash</b>		
Timber Operating - 1905	166,260.18	1000
Timber Operating ICS	297,367.91	1009
ABS: OP 6060702595	17,461.06	1011
Timber Reserve	1,000.32	1013
Timber Construction	1,000.32	1016
<b>Total Cash</b>	<b>483,089.79</b>	
<b>ASSESSMENTS RECEIVABLE</b>		
Assessments Receivable	2,474.19	1101
<b>Total ASSESSMENTS RECEIVABLE</b>	<b>2,474.19</b>	
Other Receivable	944.20	1145
Prepaid Expense	3,528.31	1200
Prepaid Insurance	5,508.81	1201
<b>FIXED ASSETS</b>		
Fixed Assets - Employee Units	96,823.45	1504
Fixed Assets - Equipment & Machinery	66,965.59	1520
<b>Total FIXED ASSETS</b>	<b>163,789.04</b>	
<b>ACCUMULATED DEPRECIATION</b>		
Accumulated Depreciation - Employee Units	-98,590.45	1604
Accumulated Depreciation - Equipment & Machinery	-62,884.60	1620
<b>Total ACCUMULATED DEPRECIATION</b>	<b>-161,475.05</b>	
<b>TOTAL ASSETS</b>	<b>497,859.29</b>	
<b>LIABILITIES &amp; CAPITAL</b>		
<b>Liabilities</b>		
Accounts Payable	1,654.21	2000
<b>Total Liabilities</b>	<b>1,654.21</b>	
<b>Capital</b>		
Working Capital	6,000.00	3204
<b>RETAINED EARNINGS</b>		
Reserve Fund	507,744.10	3510
Reserve Fund - Arrival Center	111,820.64	3511
Operating Fund Current Year Balance	-153,364.51	3520
<b>Total RETAINED EARNINGS</b>	<b>466,200.23</b>	
Calculated Retained Earnings	23,908.85	
Calculated Prior Years Retained Earnings	96.00	
<b>Total Capital</b>	<b>496,205.08</b>	
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>497,859.29</b>	



## 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: Jun 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
<b>Income</b>						
Regular Assessments	861,496.69	861,496.26	0.43	0.00%	1,148,661.67	4000
Rental Income	8,080.00	9,100.00	-1,020.00	-11.21%	9,100.00	4100
Late Fees & Penalty Revenue	2,124.70	800.00	1,324.70	165.59%	1,000.00	4300
Interest Income	88.98	0.00	88.98	0.00%	0.00	8010
<b>Total Operating Income</b>	<b>871,790.37</b>	<b>871,396.26</b>	<b>394.11</b>	<b>0.05%</b>	<b>1,158,761.67</b>	
<b>Expense</b>						
<b>UTILITIES EXPENSE</b>						<b>5000</b>
Cable TV	18,096.58	18,241.75	145.17	0.80%	24,322.33	5001
Electric	30,451.02	37,400.00	6,948.98	18.58%	50,434.57	5003
Trash Collection	5,199.60	5,000.00	-199.60	-3.99%	5,666.67	5004
Water & Sewer	32,246.85	32,500.00	253.15	0.78%	45,635.26	5005
Telephone Service	3,262.42	2,008.52	-1,253.90	-62.43%	2,678.00	5006
Gas	60,116.80	70,300.00	10,183.20	14.49%	76,712.80	5007
<b>Total UTILITIES EXPENSE</b>	<b>149,373.27</b>	<b>165,450.27</b>	<b>16,077.00</b>	<b>9.72%</b>	<b>205,449.63</b>	
<b>REPAIRS AND MAINTENANCE EXPENSE</b>						<b>5100</b>
Painting & Staining	958.57	0.00	-958.57	0.00%	289.44	5104
Painting & Staining - Deferral	0.00	4,400.00	4,400.00	100.00%	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	15,220.20	5,638.20	37.04%	15,220.20	5124
<b>Total REPAIRS AND MAINTENANCE EXPENSE</b>	<b>12,970.75</b>	<b>22,039.40</b>	<b>9,068.65</b>	<b>41.15%</b>	<b>25,820.63</b>	
<b>SERVICES</b>						<b>5200</b>
Groundskeeping	77,425.36	82,700.00	5,274.64	6.38%	106,970.00	5201
Snow Removal	9,046.66	16,509.68	7,463.02	45.20%	16,509.68	5202
Custodial Services	15,537.57	38,300.00	22,762.43	59.43%	53,000.00	5203
Landscaping Contracts	208.40	0.00	-208.40	0.00%	0.00	5207
Equipment Service Contracts	20,269.41	19,042.48	-1,226.93	-6.44%	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
<b>Total SERVICES</b>	<b>127,051.40</b>	<b>161,278.16</b>	<b>34,226.76</b>	<b>21.22%</b>	<b>208,347.35</b>	
<b>PROFESSIONAL EXPENSE</b>						<b>5300</b>
Accounting/Audit Expense	7,300.00	7,300.00	0.00	0.00%	12,257.00	5301

## Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget	Account Number
Legal	175.00	500.00	325.00	65.00%	500.00	5302
Repairs & Maintenance - Contractors	11,416.29	14,200.00	2,783.71	19.60%	15,000.00	5303
<b>Total PROFESSIONAL EXPENSE</b>	<b>18,891.29</b>	<b>22,000.00</b>	<b>3,108.71</b>	<b>14.13%</b>	<b>27,757.00</b>	
<b>OFFICE EXPENSE</b>						<b>5400</b>
Direct Office Expense	1,447.65	1,447.65	0.00	0.00%	1,930.20	5403
Internet Support	10,166.02	8,051.58	-2,114.44	-26.26%	12,520.00	5405
Telephone Equipment	903.67	375.02	-528.65	-140.97%	500.00	5406
Miscellaneous Expenses	1,102.96	0.00	-1,102.96	0.00%	230.00	5407
<b>Total OFFICE EXPENSE</b>	<b>13,620.30</b>	<b>9,874.25</b>	<b>-3,746.05</b>	<b>-37.94%</b>	<b>15,180.20</b>	
<b>ADMINISTRATION EXPENSE</b>						<b>5500</b>
Depreciation - Association Funds	521.28	521.27	-0.01	0.00%	695.00	5501
Directors' Expense	176.15	600.02	423.87	70.64%	800.00	5503
Management Fee	243,124.25	243,124.15	-0.10	0.00%	324,165.51	5504
Insurance	72,278.84	68,963.83	-3,315.01	-4.81%	71,137.93	5510
Taxes, Assessments, & Licenses	9,415.68	9,143.79	-271.89	-2.97%	12,191.71	5513
Vehicle Rental	18,495.89	18,495.90	0.01	0.00%	18,495.90	5514
Front Office Fee	55,811.84	55,811.85	0.01	0.00%	55,811.85	5517
<b>Total ADMINISTRATION EXPENSE</b>	<b>399,823.93</b>	<b>396,660.81</b>	<b>-3,163.12</b>	<b>-0.80%</b>	<b>483,297.90</b>	
<b>POOL/HOT TUB EXPENSE</b>						<b>5600</b>
Pool Maintenance	24,183.75	33,000.00	8,816.25	26.72%	39,469.50	5602
<b>Total POOL/HOT TUB EXPENSE</b>	<b>24,183.75</b>	<b>33,000.00</b>	<b>8,816.25</b>	<b>26.72%</b>	<b>39,469.50</b>	
<b>SUPPLIES EXPENSE</b>						<b>5700</b>
Firewood	9,205.35	14,000.00	4,794.65	34.25%	21,061.46	5701
Supplies	6,326.48	4,125.00	-2,201.48	-53.37%	4,500.00	5702
<b>Total SUPPLIES EXPENSE</b>	<b>15,531.83</b>	<b>18,125.00</b>	<b>2,593.17</b>	<b>14.31%</b>	<b>25,561.46</b>	
<b>LABOR ALLOCATIONS</b>						<b>5800</b>
Repairs & Maintenance - Management Co Staff	9,764.00	21,237.50	11,473.50	54.02%	25,650.00	5802
<b>Total LABOR ALLOCATIONS</b>	<b>9,764.00</b>	<b>21,237.50</b>	<b>11,473.50</b>	<b>54.02%</b>	<b>25,650.00</b>	
Reserve Funding	76,671.00	76,671.00	0.00	0.00%	102,228.00	8810
<b>Total Operating Expense</b>	<b>847,881.52</b>	<b>926,336.39</b>	<b>78,454.87</b>	<b>8.47%</b>	<b>1,158,761.67</b>	
Total Operating Income	871,790.37	871,396.26	394.11	0.05%	1,158,761.67	
Total Operating Expense	847,881.52	926,336.39	78,454.87	8.47%	1,158,761.67	
<b>NOI - Net Operating Income</b>	<b>23,908.85</b>	<b>-54,940.13</b>	<b>78,848.98</b>	<b>143.52%</b>	<b>0.00</b>	
Total Income	871,790.37	871,396.26	394.11	0.05%	1,158,761.67	
Total Expense	847,881.52	926,336.39	78,454.87	8.47%	1,158,761.67	



## Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget	Account Number
Net Income	23,908.85	-54,940.13	78,848.98	143.52%	0.00	