

THE ENCLAVE ASSOCIATION

FIRST QUARTER FINANCIAL STATEMENTS
OCTOBER 1, 2020 THROUGH DECEMBER 31, 2020

Dear Board Members,

Year to date (YTD) through the first quarter of 2020-21, the Enclave Association had an operating deficit to budget of \$427, or 0.6% down to the budget. All referenced comparisons are actual to budget.

Total Operating Income through quarter one was higher by \$191. This surplus is due to slightly higher than budgeted interest on owner assessment delinquencies.

Utility costs were over budget by \$3,711 or 8.3%. Minor savings in Cable TV, Electric, and Trash Collection expenses were offset by higher than budgeted Water/Sewer costs of \$1,932 and Gas costs of \$2,782. Gas costs for November and December were roughly \$2,330 higher than this period last year, as occupancy was higher than normal during these months, causing the second and third DHW boilers to be active, when they normally might be turned off. The annual rebate from Holy Cross Energy (electricity supplier) was the same as in the prior year, so it had no impact on this line item. The rebate is for capital credits of the Electricity Co-Op.

Repairs and maintenance expenses related to Pest Control and Roof Repairs were under budget by \$912, or 26.7%. Lower than anticipated snowfall in the Snowmass resulted in the roof not requiring maintenance or shoveling to date this winter.

Service expenses related to Groundskeeping, Snow Removal, Custodial Services, Equipment Contracts, Window Cleaning and Chimney Cleaning were over budget by \$9,484, or 16.9%. Savings in Chimney Cleaning and Snow Removal were offset by higher than budgeted Groundskeeping and Custodial costs. A significant portion of the Groundskeeping excess is attributable to the installation of new holiday lights on the property, as well as upkeep of existing lights. Custodial excess is largely due to the increased cleaning of public areas (front office, elevators, exercise room, pool area), due to Covid-19 protocols and precautions.

Professional Expenses related to Repairs & Maintenance – Contractors were under budget by \$939, or 20.9%. This is mostly a result of maintenance work for the property either not being needed or being performed by the local staff.

Office Expenses related to Direct Office Expense, Internet Support, Telephone Equipment, and Miscellaneous Expenses were under budget by \$939, or 25.8%. Savings are largely attributable to the two rebates from Resort Internet that Enclave received as a result of the delayed timetable for promised upgrades by the vendor. Resort Internet largely completed the upgrade on 12/26/20, and these rebates will no longer be applicable starting February 2021.

Administrative costs related to Depreciation, Directors' Expense, Management Fee, Insurance, Taxes, Vehicle Rental and Front Office Fee were under budget by \$32.

Pool Maintenance was over budget by \$1,370 or 12.5%. Expense overruns were due to the purchase of a wireless autofill machine for the spa area as well, as extensive work performed to keep the pool free from debris in October.

Supplies expenses including Firewood and general HOA Supplies were under budget by \$8,079, or 83.3%. Savings were a result of an audit of current firewood stock vs. past orders, ordering of firewood in September as a result of this audit, and a general focus on supply

ordering.

Labor Allocations of Repairs & Maintenance – Mgmt. Co. Staff was under budget by \$3,152, or 26.3%. Savings were a result of the continued efforts of management-to-line staff focus on proper line item labor classifications.

There were two delinquent owner assessment accounts at quarter one end, totaling \$13,318. Management contacted these owners, and received one payment. The second owner has been notified that payment is now four months past due.

The Reserve Fund (Non-Arrival Center) amounted to \$792,340, and the Reserve Fund - Arrival Center amounted to \$103,323 as of December 31, 2020.

In order to obtain final Town of Snowmass Village approval for the Enclave's proposed renovation/development project, on January 15, 2019 the Board approved further expenditures totaling up to \$213,000. The expenditures are to be made from the overall Reserve Fund and replaced via a series of annual special assessments that are scheduled to occur in fiscal years 2021/2022, 2022/2023, and 2023/2024. Cumulative sunk costs through 1/31/21 for these efforts amount to \$582,628. Funding via approved assessments for Phase 1 and 2 and surplus transfers to date (including those approved on 01/15/19 by the Board for fiscal years 2021/2022, 2022/2023, and 2023/2024) amount to \$621,733 – leaving a present remaining budget for these efforts of up to \$39,105.

Vacasa corporate staff are in the process of reviewing how Vacasa might compare The Enclave's actual rental performance to market. Vacasa corporate staff are also reviewing how to compare year over year actual rental results after the processing changes for the revised rental management agreements were instituted as of August 1, 2020.

Those results will be reported separately from HOA quarterly reports.

THE ENCLAVE ASSOCIATION, INC.
Delinquent Owners Accounts Receivable as of 12/31/20

<u>UNIT</u>	<u>OWNER</u>	<u>AMOUNT</u>	<u>NOTES</u>
306	Ainsworth Investments	\$5,142.76	
Management has spoken to owner about payment – owner is checking financials on their end. Issue is likely related to location of one of two owners (South America).			
301	Nutini Capital, Int'l LTD	\$8175.66	
Payment was submitted for first quarter assessment on 1/28/21			
Total		\$13,318.42	

FINANCIAL STATEMENTS

Balance Sheet

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

As of: 12/31/2020

Accounting Basis: Accrual

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

Level of Detail: Detail View

Account Name	Balance	Account Number
ASSETS		
Cash		
ABS: OP 6060702595	171,401.51	1000
ABS: ICS 8900073225	582,360.62	1012
Total Cash	753,762.13	
ASSESSMENTS RECEIVABLE		
Assessments Receivable	13,493.71	1101
Total ASSESSMENTS RECEIVABLE	13,493.71	
Prepaid Insurance	5,379.42	1201
FIXED ASSETS		
Fixed Assets - Employee Units	96,823.45	1504
Fixed Assets - Equipment & Machinery	66,965.59	1520
Total FIXED ASSETS	163,789.04	
ACCUMULATED DEPRECIATION		
Accumulated Depreciation - Employee Units	-96,823.45	1604
Accumulated Depreciation - Equipment & Machinery	-63,727.81	1620
Total ACCUMULATED DEPRECIATION	-160,551.26	
TOTAL ASSETS	775,873.04	
LIABILITIES & CAPITAL		
Liabilities		
Accounts Payable	88,462.87	2000
Prepaid Assessments	5,201.12	2300
Unit Modification - Deposit	1,000.00	2375
Total Liabilities	94,663.99	
Capital		
Working Capital	6,000.00	3204
RETAINED EARNINGS		
Reserve Fund	791,986.20	3510
Reserve Fund - Arrival Center	103,322.84	3511
Operating Fund Current Year Balance	-151,864.51	3520
Total RETAINED EARNINGS	743,444.53	
Calculated Retained Earnings	-68,235.48	
Total Capital	681,209.05	
TOTAL LIABILITIES & CAPITAL	775,873.04	

Annual Budget - Comparative

Properties: Active

Period Basis: Calendar

As of: Dec 2020

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
Income					
Regular Assessments	305,471.80	305,471.67	0.13	0.00%	1,221,886.67
Rental Income	5,100.00	5,100.00	0.00	0.00%	20,400.00
Late Fees & Penalty Revenue	540.50	350.00	190.50	54.43%	1,100.00
Total Operating Income	311,112.30	310,921.67	190.63	0.06%	1,243,386.67

Expense

UTILITIES EXPENSE					
Cable TV	5,626.57	5,768.22	141.65	2.46%	23,072.82
Electric	10,638.43	11,400.00	761.57	6.68%	41,681.46
Trash Collection	1,887.67	1,981.35	93.68	4.73%	7,925.42
Water & Sewer	10,931.73	9,000.00	-1,931.73	-21.46%	48,133.96
Telephone Service	421.05	426.64	5.59	1.31%	2,559.74
Gas	18,682.02	15,900.00	-2,782.02	-17.50%	49,440.00
Total UTILITIES EXPENSE	48,187.47	44,476.21	-3,711.26	-8.34%	172,813.40

REPAIRS AND MAINTENANCE EXPENSE					
Painting & Staining	0.00	0.00	0.00	0.00%	2,136.39
Painting & Staining - Deferral	0.00	0.00	0.00	0.00%	7,807.12
Pest Control	2,419.20	2,419.20	0.00	0.00%	2,503.87
Roof Repairs	88.00	1,000.00	912.00	91.20%	15,220.20
Total REPAIRS AND MAINTENANCE EXPENSE	2,507.20	3,419.20	912.00	26.67%	27,667.58

SERVICES					
Groundskeeping	35,573.76	26,000.00	-9,573.76	-36.82%	85,848.24
Snow Removal	2,816.00	6,400.00	3,584.00	56.00%	17,034.01
Custodial Services	15,613.00	12,000.00	-3,613.00	-30.11%	59,466.39
Equipment Service Contracts	7,135.20	6,933.33	-201.87	-2.91%	24,851.10
Window Cleaning	3,600.00	3,600.00	0.00	0.00%	7,452.00
Chimney Cleaning	888.00	1,208.88	320.88	26.54%	1,208.88
Total SERVICES	65,625.96	56,142.21	-9,483.75	-16.89%	195,860.62

PROFESSIONAL EXPENSE					
Accounting/Audit Expense	0.00	0.00	0.00	0.00%	11,906.80
Legal	0.00	0.00	0.00	0.00%	500.00
Repairs & Maintenance - Contractors	3,402.48	4,300.00	897.52	20.87%	25,416.10
Total PROFESSIONAL EXPENSE	3,402.48	4,300.00	897.52	20.87%	37,822.90

OFFICE EXPENSE					
Direct Office Expense	482.55	482.55	0.00	0.00%	1,930.20

Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget
Internet Support	2,218.23	3,034.17	815.94	26.89%	12,136.66
Telephone Equipment	0.00	125.01	125.01	100.00%	500.00
Miscellaneous Expenses	1.55	0.00	-1.55	0.00%	230.00
Total OFFICE EXPENSE	2,702.33	3,641.73	939.40	25.80%	14,796.86
ADMINISTRATION EXPENSE					
Depreciation - Association Funds	197.49	211.77	14.28	6.74%	847.08
Directors' Expense	241.07	253.77	12.70	5.00%	1,015.02
Management Fee	108,413.57	108,413.58	0.01	0.00%	403,240.89
Insurance	64,417.08	64,213.03	-204.05	-0.32%	65,935.13
Taxes, Assessments, & Licenses	3,413.25	3,558.39	145.14	4.08%	14,233.57
Vehicle Rental	7,926.81	7,926.83	0.02	0.00%	31,707.26
Front Office Fee	23,919.36	23,919.37	0.01	0.00%	95,677.45
Total ADMINISTRATION EXPENSE	208,528.63	208,496.74	-31.89	-0.02%	612,656.40
POOL/HOT TUB EXPENSE					
Pool Maintenance	12,369.81	11,000.00	-1,369.81	-12.45%	33,000.00
Total POOL/HOT TUB EXPENSE	12,369.81	11,000.00	-1,369.81	-12.45%	33,000.00
SUPPLIES EXPENSE					
Firewood	1,166.00	7,000.00	5,834.00	83.34%	11,200.00
Supplies	452.44	2,697.24	2,244.80	83.23%	10,788.90
Total SUPPLIES EXPENSE	1,618.44	9,697.24	8,078.80	83.31%	21,988.90
LABOR ALLOCATIONS					
Repairs & Maintenance - Management Co Staff	8,848.46	12,000.00	3,151.54	26.26%	24,552.00
Total LABOR ALLOCATIONS	8,848.46	12,000.00	3,151.54	26.26%	24,552.00
Reserve Funding	25,557.00	25,557.00	0.00	0.00%	102,228.00
Total Operating Expense	379,347.78	378,730.33	-617.45	-0.16%	1,243,386.66
Total Operating Income	311,112.30	310,921.67	190.63	0.06%	1,243,386.67
Total Operating Expense	379,347.78	378,730.33	-617.45	-0.16%	1,243,386.66
NOI - Net Operating Income	-68,235.48	-67,808.66	-426.82	-0.63%	0.01
Total Income	311,112.30	310,921.67	190.63	0.06%	1,243,386.67
Total Expense	379,347.78	378,730.33	-617.45	-0.16%	1,243,386.66
Net Income	-68,235.48	-67,808.66	-426.82	-0.63%	0.01