

THE ENCLAVE ASSOCIATION

SECOND QUARTER FINANCIAL STATEMENTS
JANUARY 1, 2021 THROUGH MARCH 31, 2021

Dear Board Members,

Year to date (YTD) through the second quarter of 2020-21, the Enclave Association had an operating surplus to budget of \$1,472, or 2.4%. All referenced comparisons are actual to budget.

Total Operating Income through quarter two was higher by \$713. This surplus is due to higher than budgeted interest on owner assessment delinquencies.

Utility costs were over budget by \$5,506 or 5.7%. Savings in Cable TV, Electric, and Telephone Service expenses were offset by higher than budgeted Water/Sewer costs of \$2,242 and Gas costs of \$8,696. Gas costs for the first two quarters of fiscal 2020/2021 are higher as a result of increased unit pricing (up 6% in February and 20% in March year over year). 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, Roof Repairs and Paint & Staining were under budget by \$7,103, or 52.4%. Lower than anticipated snowfall in Snowmass resulted in only one roof shoveling in Winter 2020/2021, compared to two last Winter during this period.

Service expenses related to Groundskeeping, Snow Removal, Custodial Services, Equipment Contracts, Window Cleaning and Chimney Cleaning were over budget by \$17,607, or 16.1%. Savings in Chimney Cleaning and Snow Removal were offset by higher than budgeted Groundskeeping and Custodial costs. Groundskeeping excess is attributable to the installation of new holiday lights on the property, installation of new ski hill lights, and continual upkeep of ski hill stairs. 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, Legal and Accounting/Audit were under budget by \$4,949, or 45.8%. This is mostly a result of contracted maintenance work for the property either not being needed or having the work performed by the local staff at lower prices.

Office Expenses related to Direct Office Expense, Internet Support, Telephone Equipment, and Miscellaneous Expenses were under budget by \$1,585, or 21.8%. 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 became inactive in February 2021.

Administrative costs related to Depreciation, Directors' Expense, Management Fee, Insurance, Taxes, Vehicle Rental and Front Office Fee were under budget by \$381.

Pool Maintenance was under budget by \$1,127 or 6.3%. Savings can be attributed to previous expenditures related to pool equipment and upkeep that have resulted in less needed labor.

Supplies expenses including Firewood and general HOA Supplies were under budget by \$6,019, or 36.8%. Savings are a result of a freeze on supply expenditures.

Labor Allocations of Repairs & Maintenance – Mgmt. Co. Staff was under budget by \$2,707, or 16.7%. Savings were a result of the continued efforts of management-to-line staff focus on proper line item labor classifications.

There are no assessment delinquencies in owner receivable accounts at quarter two end – five accounts have nominal interest or other small balances owed as of quarter end.

The Reserve Fund (Non-Arrival Center) amounted to \$741,893, and the Reserve Fund - Arrival Center amounted to \$104,739 as of March 31, 2021.

In order to obtain final Town of Snowmass Village approval for the Enclave's proposed renovation/development project, in January 2019 the Board approved further expenditures totaling up to \$213,000. Another \$100,000 for expenditures was approved by the Board in February 2021. These expenditures have and will continue to be made from the overall Reserve Fund. The present HOA Board plan is to replenish the reserve fund from a portion of the proposed HOA renovation project bank loan of \$1.5 million which will be presented for approval by the HOA membership at the Special HOA Meeting scheduled for June 3, 2021. Use of a portion of the bank loan proceeds to replenish the Reserve Fund will eliminate the need for a Special Assessment to cover these costs. Cumulative sunk costs through 5/11/21 for these efforts amount to \$659,086. 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 \$721,733 – leaving a present remaining budget for these efforts of \$62,647.

Vacasa uses Destimetrics analytical platform to compare rental market performance. Vacasa uses RevPAN (Revenue Per Available Night), which divides the total rent revenue generated for a period of time by the number of available nights for the time period. As of 3/16/21, RevPAN at The Enclave had declined 17% from last year, while those reporting to Destimetrics in the Snowmass area reported a 39.5% decline. Enclave also was pacing down 9% in total Winter revenue.

THE ENCLAVE ASSOCIATION, INC.
Delinquent Owners Accounts Receivable as of 3/31/21

<u>UNIT</u>	<u>OWNER</u>	<u>AMOUNT</u>	<u>NOTES</u>
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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 2021

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	610,943.60	610,943.34	0.26	0.00%	1,221,886.67
Rental Income	9,800.00	10,200.00	-400.00	-3.92%	20,400.00
Late Fees & Penalty Revenue	1,813.18	700.00	1,113.18	159.03%	1,100.00
Total Operating Income	622,556.78	621,843.34	713.44	0.11%	1,243,386.67
Expense					
UTILITIES EXPENSE					
Cable TV	11,417.40	11,536.44	119.04	1.03%	23,072.82
Electric	23,057.27	28,600.00	5,542.73	19.38%	41,681.46
Trash Collection	4,624.56	3,962.70	-661.86	-16.70%	7,925.42
Water & Sewer	20,242.48	18,000.00	-2,242.48	-12.46%	48,133.96
Telephone Service	847.41	1,279.88	432.47	33.79%	2,559.74
Gas	42,596.31	33,900.00	-8,696.31	-25.65%	49,440.00
Total UTILITIES EXPENSE	102,785.43	97,279.02	-5,506.41	-5.66%	172,813.40
REPAIRS AND MAINTENANCE EXPENSE					
Painting & Staining	0.00	2,136.39	2,136.39	100.00%	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	4,033.00	9,000.00	4,967.00	55.19%	15,220.20
Total REPAIRS AND MAINTENANCE EXPENSE	6,452.20	13,555.59	7,103.39	52.40%	27,667.58
SERVICES					
Groundskeeping	54,426.55	39,000.00	-15,426.55	-39.56%	85,848.24
Snow Removal	10,384.00	15,600.00	5,216.00	33.44%	17,034.01
Custodial Services	45,467.00	38,000.00	-7,467.00	-19.65%	59,466.39
Equipment Service Contracts	12,728.36	12,478.08	-250.28	-2.01%	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	127,493.91	109,886.96	-17,606.95	-16.02%	195,860.62
PROFESSIONAL EXPENSE					
Accounting/Audit Expense	0.00	0.00	0.00	0.00%	11,906.80
Legal	560.00	500.00	-60.00	-12.00%	500.00
Repairs & Maintenance - Contractors	5,290.56	10,300.00	5,009.44	48.64%	25,416.10
Total PROFESSIONAL EXPENSE	5,850.56	10,800.00	4,949.44	45.83%	37,822.90
OFFICE EXPENSE					
Direct Office Expense	965.10	965.10	0.00	0.00%	1,930.20

Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget
Internet Support	4,731.95	6,068.34	1,336.39	22.02%	12,136.66
Telephone Equipment	0.00	250.02	250.02	100.00%	500.00
Miscellaneous Expenses	1.55	0.00	-1.55	0.00%	230.00
Total OFFICE EXPENSE	5,698.60	7,283.46	1,584.86	21.76%	14,796.86
ADMINISTRATION EXPENSE					
Depreciation - Association Funds	394.98	423.54	28.56	6.74%	847.08
Directors' Expense	241.07	507.52	266.45	52.50%	1,015.02
Management Fee	206,689.33	206,689.36	0.03	0.00%	403,240.89
Insurance	64,417.08	64,213.03	-204.05	-0.32%	65,935.13
Taxes, Assessments, & Licenses	6,826.50	7,116.78	290.28	4.08%	14,233.57
Vehicle Rental	15,853.62	15,853.64	0.02	0.00%	31,707.26
Front Office Fee	47,838.72	47,838.73	0.01	0.00%	95,677.45
Total ADMINISTRATION EXPENSE	342,261.30	342,642.60	381.30	0.11%	612,656.40
POOL/HOT TUB EXPENSE					
Pool Maintenance	16,872.65	18,000.00	1,127.35	6.26%	33,000.00
Total POOL/HOT TUB EXPENSE	16,872.65	18,000.00	1,127.35	6.26%	33,000.00
SUPPLIES EXPENSE					
Firewood	10,013.75	10,950.00	936.25	8.55%	11,200.00
Supplies	311.96	5,394.48	5,082.52	94.22%	10,788.90
Total SUPPLIES EXPENSE	10,325.71	16,344.48	6,018.77	36.82%	21,988.90
LABOR ALLOCATIONS					
Repairs & Maintenance - Management Co Staff	13,492.92	16,200.00	2,707.08	16.71%	24,552.00
Total LABOR ALLOCATIONS	13,492.92	16,200.00	2,707.08	16.71%	24,552.00
Reserve Funding	51,114.00	51,114.00	0.00	0.00%	102,228.00
Total Operating Expense	682,347.28	683,106.11	758.83	0.11%	1,243,386.66
Total Operating Income	622,556.78	621,843.34	713.44	0.11%	1,243,386.67
Total Operating Expense	682,347.28	683,106.11	758.83	0.11%	1,243,386.66
NOI - Net Operating Income	-59,790.50	-61,262.77	1,472.27	2.40%	0.01
Total Income	622,556.78	621,843.34	713.44	0.11%	1,243,386.67
Total Expense	682,347.28	683,106.11	758.83	0.11%	1,243,386.66
Net Income	-59,790.50	-61,262.77	1,472.27	2.40%	0.01

Balance Sheet

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

As of: 03/31/2021

Accounting Basis: Accrual

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

Level of Detail: Detail View

Account Name	Balance
ASSETS	
Cash	
ABS: OP 6060702595	116,020.64
ABS: ICS 8900073225	582,360.62
Total Cash	698,381.26
ASSESSMENTS RECEIVABLE	
Assessments Receivable	509.22
Total ASSESSMENTS RECEIVABLE	509.22
Other Receivable	-400.00
Prepaid Expense	1,130.48
Prepaid Insurance	5,379.42
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	-96,823.45
Accumulated Depreciation - Equipment & Machinery	-63,925.30
Total ACCUMULATED DEPRECIATION	-160,748.75
TOTAL ASSETS	708,040.67
LIABILITIES & CAPITAL	
Liabilities	
Accounts Payable	61,531.03
Due To Management Company	491.11
Prepaid Assessments	5,483.41
Unit Modification - Deposit	1,000.00
OTHER CURRENT LIABILITIES	
Sales Tax Liability	57.75
Total OTHER CURRENT LIABILITIES	57.75
Total Liabilities	68,563.30
Capital	
Working Capital	6,000.00
RETAINED EARNINGS	
Reserve Fund	741,893.24
Reserve Fund - Arrival Center	104,739.14
Operating Fund Current Year Balance	-153,364.51
Total RETAINED EARNINGS	693,267.87
Calculated Retained Earnings	-59,790.50

Balance Sheet

Account Name	Balance
Total Capital	639,477.37
TOTAL LIABILITIES & CAPITAL	708,040.67