

THE ENCLAVE ASSOCIATION

FIRST QUARTER FINANCIAL STATEMENTS
Cumulative from October 1, 2022 through December 31, 2022

Dear Board Members,

Year to date (YTD) through the first quarter of 2021-22, the Enclave Association had an operating deficit to budget of \$3,301. All referenced comparisons are actual to budget.

Total Operating Income through quarter one was at a deficit of \$659. This deficit is the result of changes in Colorado law that affected HOA interest collection policies, which resulted in a \$671 deficit to budget for the Late Fees & Penalty Revenue line item. Loss of rents will continue to increase until the old arrival center is fully converted into employee housing. It is the HOA's plan to recoup all lost rents from the General Contractor.

Utility costs were under budget by \$4,391, or 9.4%. Savings for the Utilities Expense category were largely a result of lower than budgeted consumption related to line items Water & Sewer and Gas. Savings in these line items were likely a result of the closure of the property beyond the anticipated opening date. Further savings in this category were a result of the lack of anticipated increase in the monthly charges for the Cable TV line item. As hoped, gas costs have roughly returned to historical norms. While gas unit prices remain inflated, consumption is down because of the absence of a snow-melted driveway hardscape due to construction delays. The annual rebate from Holy Cross Energy (electricity supplier) was \$20 higher than last year. This rebate is for capital credits of the Electricity Co-Op.

Repairs and Maintenance expenses related to Painting & Staining Vacasa Labor, Painting & Staining Supplies, Pest Control, Special Projects Vacasa Labor, Roof and Special Projects Vendor were on budget. Savings in the Special Projects Vendor line item were offset by cost overruns in a Painting line item. The Special Projects budget lines items were established as operating budget contingencies because of construction delays for the 2022-2023 fiscal year. Work charged to this account to date was for maintenance of the rear-access ski stairs.

Service expenses as a category were under budget by \$2,336, or 6.7%. Savings in Snow Removal Vacasa Labor and Custodial Services Vacasa Labor were partially offset by overages in Groundskeeping Vacasa Labor, Groundskeeping Vendors, Chimney Cleaning, Window Cleaning and Snow Removal Vendors.

Professional Expenses related to Repairs & Maintenance – Contractors, Legal and Accounting/Audit were over budget by \$2,130, or 18.6%. This overage is a result of repair work done on the east and west elevators which totaled \$3,517 and were partially offset by savings in Custodial Services Vendors. These repairs involved replacing failed equipment that were not covered by the HOA contract with TK Elevator Corporation.

Office Expenses related to Direct Office Expense, Internet Support, Telephone Equipment, and Miscellaneous Expenses were under budget by \$373, or 9.5%. Savings in this category were a result of the HOA contract with Resort Internet not receiving an anticipated price increase.

Administrative costs related to Depreciation Association Funds, Directors' Expense, Management Fee, Insurance, Taxes Assessments & Licenses, Vehicle Rental and Front Office Fee were over budget by \$13,647, or 7.3%. The large increase in the Insurance line of \$13,848 was primarily due to a shrinking market for excess umbrella liability insurance. Due to a national increase in massive liability claims coupled with the location and occupancy of The

Enclave, only two providers for this type of insurance provided a quote for this type of service.

The Pool Maintenance category was under budget by \$534 or 7.5%. The surplus in this category is largely due to reduced pool maintenance during the construction period closure.

Supplies expenses including Firewood Vacasa Labor, Supplies Miscellaneous and general Firewood Supplies were under budget by \$2,027, or 19.3%. Savings are a result of management of shelf stocks to keep inventory on hand as low as possible.

Labor Allocations of Repairs & Maintenance – Mgmt. Co. Staff was under budget by \$3,463, or 69%. 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. Management contacted the delinquent owners, and the accounts are now paid in full. Interest on these delinquent accounts was charged according to the new Colorado law that was passed August 9, 2022.

The Reserve Fund (Non-Arrival Center) amounted to \$406,747 and the Reserve Fund -Arrival Center amounted to \$114,653 as of December 31, 2022.

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. The expenditures are to be made from the overall Reserve Fund and are anticipated to be replaced as a component of an HOA approved loan related to the renovation/development project. Cumulative sunk costs to date through 03/03/2023 for these efforts amount to \$1,137,867. 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, including invoices awaiting approval, of \$729,134.

There is no rental performance data for Summer 2022 due to the closure of the property for the renovation/development project.

THE ENCLAVE ASSOCIATION, INC.

Delinquent Owners Accounts Receivable as of 12/31/22

<u>Unit</u>	<u>Owner</u>	<u>Amount</u>	<u>Notes</u>
208	Brian and Marilyn Wilson	\$719.90	Paid on 1/13/23
304	Word to Word Family Ltd Partnership	\$5,808.86	Paid on 2/9/23

FINANCIAL STATEMENTS

Annual Budget - Comparative

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

Period Basis: Calendar

As of: Dec 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	312,011.86	312,012.00	-0.14	0.00%	1,248,048.01	4000
Special Assessments	17,864.97	17,865.00	-0.03	0.00%	71,460.00	4023
Rental Income	1,400.00	1,400.00	0.00	0.00%	14,000.00	4100
Late Fees & Penalty Revenue	78.93	750.00	-671.07	-89.48%	1,000.00	4300
Interest Income	72.31	60.00	12.31	20.52%	182.47	8010
Total Operating Income	331,428.07	332,087.00	-658.93	-0.20%	1,334,690.48	
Expense						
UTILITIES EXPENSE						5000
Cable TV	5,849.36	7,111.80	1,262.44	17.75%	28,447.16	5001
Electric	11,418.03	11,400.00	-18.03	-0.16%	53,460.64	5003
Trash Collection	515.90	500.00	-15.90	-3.18%	5,719.56	5004
Water & Sewer	9,778.53	10,408.82	630.29	6.06%	45,635.26	5005
Telephone Service	1,169.52	1,200.00	30.48	2.54%	5,263.87	5006
Gas	13,598.37	16,100.00	2,501.63	15.54%	65,000.00	5007
Total UTILITIES EXPENSE	42,329.71	46,720.62	4,390.91	9.40%	203,526.49	
REPAIRS AND MAINTENANCE EXPENSE						5100
Painting & Staining - Vacasa Labor	5,368.00	5,000.00	-368.00	-7.36%	7,800.00	5104
Painting & Staining - Supplies	175.41	200.00	24.59	12.30%	500.00	5105
Pest Control - Vendors	2,511.36	2,419.20	-92.16	-3.81%	2,550.00	5118
Special Projects - Vacasa Labor	0.00	0.00	0.00	0.00%	91,520.00	5121
Roof - Vendor	2,625.00	2,625.00	0.00	0.00%	15,220.20	5126
Special Projects - Vendor	5,133.51	5,580.00	446.49	8.00%	33,480.00	5128
Total REPAIRS AND MAINTENANCE EXPENSE	15,813.28	15,824.20	10.92	0.07%	151,070.20	

Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget	Account Number
SERVICES						5200
Groundskeeping - Vacasa Labor	8,178.00	7,000.00	-1,178.00	-16.83%	94,000.00	5201
Snow Removal - Vacasa Labor	2,816.00	6,400.00	3,584.00	56.00%	14,855.07	5202
Custodial Services - Vacasa Labor	1,100.00	2,957.97	1,857.97	62.81%	23,831.80	5203
Groundskeeping - Vendors	5,711.13	5,000.00	-711.13	-14.22%	40,000.00	5207
Snow Removal - Supplies	0.00	149.03	149.03	100.00%	149.03	5208
Equipment Service Contracts	8,825.83	8,923.15	97.32	1.09%	30,630.00	5209
Chimney Cleaning	1,446.00	1,000.00	-446.00	-44.60%	1,000.00	5211
Window Cleaning - Vendors	3,852.00	3,600.00	-252.00	-7.00%	7,200.00	5214
Snow Removal - VendorsExpense	765.00	0.00	-765.00	0.00%	1,505.58	5215
Total SERVICES	32,693.96	35,030.15	2,336.19	6.67%	213,171.48	
PROFESSIONAL EXPENSE						5300
Accounting/Audit Expense	0.00	0.00	0.00	0.00%	13,530.00	5301
Legal	0.00	175.00	175.00	100.00%	500.00	5302
Repairs & Maintenance - Contractors	7,451.83	4,267.00	-3,184.83	-74.64%	15,000.00	5303
Custodial Services - Vendors	6,120.00	7,000.00	880.00	12.57%	29,168.20	5305
Total PROFESSIONAL EXPENSE	13,571.83	11,442.00	-2,129.83	-18.61%	58,198.20	
OFFICE EXPENSE						5400
Direct Office Expense	482.55	482.55	0.00	0.00%	1,930.20	5403
Internet Support	3,084.84	3,468.24	383.40	11.05%	13,872.92	5405
Telephone Equipment	0.00	0.00	0.00	0.00%	1,378.66	5406
Miscellaneous Expenses	10.00	0.00	-10.00	0.00%	300.00	5407
Total OFFICE EXPENSE	3,577.39	3,950.79	373.40	9.45%	17,481.78	
ADMINISTRATION EXPENSE						5500
Depreciation - Association Funds	173.76	173.76	0.00	0.00%	695.04	5501
Directors' Expense	0.00	200.01	200.01	100.00%	800.00	5503
Management Fee	81,041.39	81,041.39	0.00	0.00%	324,165.51	5504
Insurance	104,196.27	90,348.55	-13,847.72	-15.33%	90,348.55	5510
Taxes, Assessments, & Licenses	3,511.39	3,511.39	0.00	0.00%	14,045.55	5513
Vehicle Rental	2,642.27	2,642.67	0.40	0.02%	26,422.70	5514
Front Office Fee	7,973.12	7,973.12	0.00	0.00%	79,731.20	5517
Total ADMINISTRATION EXPENSE	199,538.20	185,890.89	-13,647.31	-7.34%	536,208.55	

Annual Budget - Comparative

Account Name	YTD Actual	YTD Budget	YTD \$ Var.	YTD % Var.	Annual Budget	Account Number
POOL/HOT TUB EXPENSE						5600
Pool - Vacasa Labor	5,101.00	5,443.53	342.53	6.29%	29,236.96	5602
Pool - Supplies	1,085.41	1,166.88	81.47	6.98%	4,667.49	5603
Pool - Vendor Repairs	450.00	560.14	110.14	19.66%	1,607.87	5604
Total POOL/HOT TUB EXPENSE	6,636.41	7,170.55	534.14	7.45%	35,512.32	
SUPPLIES EXPENSE						5700
Firewood - Vacasa Labor	1,496.00	2,727.12	1,231.12	45.14%	12,214.02	5701
Supplies -Miscellaneous	5,470.12	5,075.00	-395.12	-7.79%	7,000.00	5702
Firewood - Supplies	1,536.59	2,727.12	1,190.53	43.66%	8,847.44	5703
Total SUPPLIES EXPENSE	8,502.71	10,529.24	2,026.53	19.25%	28,061.46	
LABOR ALLOCATIONS						5800
Repairs & Maintenance - Management Co Staff	1,537.00	5,000.01	3,463.01	69.26%	20,000.00	5802
Total LABOR ALLOCATIONS	1,537.00	5,000.01	3,463.01	69.26%	20,000.00	
Interest Expense	0.00	0.00	0.00	0.00%	71,460.00	8000
Total Operating Expense	324,200.49	321,558.45	-2,642.04	-0.82%	1,334,690.48	
Total Operating Income	331,428.07	332,087.00	-658.93	-0.20%	1,334,690.48	
Total Operating Expense	324,200.49	321,558.45	-2,642.04	-0.82%	1,334,690.48	
NOI - Net Operating Income	7,227.58	10,528.55	-3,300.97	-31.35%	0.00	
Total Income	331,428.07	332,087.00	-658.93	-0.20%	1,334,690.48	
Total Expense	324,200.49	321,558.45	-2,642.04	-0.82%	1,334,690.48	
Net Income	7,227.58	10,528.55	-3,300.97	-31.35%	0.00	

Balance Sheet

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

As of: 12/31/2022

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	Account Number
ASSETS		
Cash		
Timber Operating - 1905	148,546.47	1000
Timber Operating ICS	367,156.87	1009
ABS: OP 6060702595	16,516.86	1011
Timber Reserve	1,000.81	1013
Timber Construction	1,001.11	1016
Total Cash	534,222.12	
ASSESSMENTS RECEIVABLE		
Assessments Receivable	7,156.39	1101
Total ASSESSMENTS RECEIVABLE	7,156.39	
Other Receivable	2,836.90	1145
Prepaid Expense	3,596.39	1200
Prepaid Insurance	8,971.59	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	-98,590.45	1604
Accumulated Depreciation - Equipment & Machinery	-63,232.08	1620
Total ACCUMULATED DEPRECIATION	-161,822.53	
TOTAL ASSETS	558,749.90	
LIABILITIES & CAPITAL		
Liabilities		
Accounts Payable	80,280.39	2000
OTHER CURRENT LIABILITIES		
Use Tax Liability	49.09	2105
Total OTHER CURRENT LIABILITIES	49.09	
Total Liabilities	80,329.48	
Capital		
Working Capital	6,000.00	3204
RETAINED EARNINGS		
Reserve Fund	406,746.97	3510
Reserve Fund - Arrival Center	114,653.24	3511
Operating Fund Current Year Balance	-153,364.51	3520
Total RETAINED EARNINGS	368,035.70	
Calculated Retained Earnings	7,227.58	
Calculated Prior Years Retained Earnings	97,157.14	

Balance Sheet

Account Name	Balance	Account Number
Total Capital	478,420.42	
TOTAL LIABILITIES & CAPITAL	558,749.90	