



August 27, 2015

Dear Snowmass Mountain Condominium Owners,

Your Snowmass Mountain Board of Directors has been busy again this year working on your behalf to oversee the maintenance of the HOA property and its management. In anticipation of the upcoming meeting on September 12, 2015 at 1:30 PM MDT we are distributing three reports to provide background information on Board and Property Manager activities, and to provide a finance picture of the state of the HOA.

Enclosed is a proxy form that has two components, one to appoint a proxy to vote for the two seats for the Board of Directors and a second the appointment of a proxy for general matters. If you do not plan to attend the meeting in person but would like to appoint a proxy please fill out both proxies as indicated even if your proxy will be the same for both the election and general matters. Please review the applications from the candidates, and return the proxy form at your earliest convenience if you will be unable to attend the meeting. All proxies must be received no later than September 12, 2015 at 1:30 PM. Election ballots will be distributed at the meeting to be marked by your proxy holder per your indicated preference. These ballots will remain secret.

We would like to give you, the Owners, an opportunity to send in any questions you may have to the Board of Directors prior to the meeting so that they may address them. Please send any questions you have by e-mail or regular mail to Kelly Brockett or a Board member. Another change to the meeting structure this year is that a dial in number will be provided so that Owners who cannot attend in person will be able to call in and listen to the meeting. This line will be for listening purposes only and the Board will not take questions or comments from those calling in.

As a Board representing you, the Owners, we always welcome your comments, suggestions and questions to help make Snowmass Mountain Condominiums the best possible place to live and visit!

Sincerely,

Your Snowmass Mountain Condominium Association Board of Directors

SNOWMASS MOUNTAIN CONDOMINIUM
ASSOCIATION

NOTICE OF
ANNUAL HOMEOWNERS MEETING

Notice IS GIVEN OF THE annual Meeting of Snowmass Mountain Condominium Association, to be held on Saturday, **September 12, 2015** beginning at 1:30 PM in the Snowmass Mountain Building A, Snowmass Mountain Meeting Room, Snowmass Village, Colorado.

We encourage your attendance and participation in the Association business of Snowmass Mountain. If you are unable to attend the meeting, please sign the enclosed Proxy and return it in the envelope provided herewith or fax it to 970-923-8890 so that a quorum may be counted to conduct the normal business of the Association.

The purpose of the meeting includes review of the proposed 2015/2016 Association Budget and the regular business of the Association.

Please respond to the Board's request for any agenda items on the Proxy sheet enclosed.

Jerome Simecek
Managing Agent

August 27, 2015
Enclosures

SNOWMASS MOUNTAIN CONDOMINIUMS
HOMEOWNERS MEETING
SEPTEMBER 12, 2015
“A” BUILDING CONFERENCE ROOM
SNOWMASS VILLAGE, COLORADO
1:30 PM MDT
Dial In: 1-800-794-3726 Passcode: 9076975

Board of Directors:

Mike Mitchell, President
Term Expires 2017

Kirk Samsel, Vice President
Term Expires 2016

Carl Vill, Director
Term Expires 2015

Lori McCool, Treasurer
Term Expires 2015

Greer Fox, Director
Term Expires 2016

AGENDA

- I. Call to order
- II. Proof of Notice of Meeting
- III. Approval of Minutes from August 23, 2014 and January 14, 2015
- IV. President’s Report
- V. Manager’s Report
- VI. Financial Report
- VII. Old Business
 - a. Flue Remediation Update
 - b. Current Management Agreement and Status of RFP Development
- VIII. New Business
 - a. Reserve Study Update
 - b. Update on Board Activities
 - c. Owner Questions and Feedback
- IX. Election of Directors
- X. Adjournment

**Presidents Report for Snowmass Mountain Condominiums
Annual Homeowners Meeting, Sept 12th 2015**

This is the first of what the Board intends to be regular annual reports provided to Owners ahead of the annual HOA meeting. The purpose is to update Owners on the last year's activities within the complex and future Board objectives.

The Board has been very active in the last year, holding monthly telephone meetings throughout 2015 as well as a two-day retreat in early June and several "ad hoc" teleconferences to deal with the flues and reserve study projects.

Flues/Firebox project

This has been the most demanding and time-consuming project in the last year, and the Board has updated owners periodically on progress. Unfortunately, the information we relied on for the first half of 2015, namely that we could install replacement flues onto the existing fireboxes, turned out to be false. In late June we learned that we would need to replace the fireboxes as well as the flues. (In our defense, the original information came from a reputable fireplace company via one contractor, and subsequently the same information was confirmed via a second contractor. Since both contractors were relying upon the same experienced fireplace company that has worked extensively in Snowmass Village, the Board thought that this original guidance was sound. Unfortunately, it was not.)

By mid-July, the Board had obtained bids from three contractors for an expanded scope that included replacement of all flues and new fireboxes throughout the complex. Board members met in person with each of the contractors and worked through an extensive set of questions for each one, to ensure as full an understanding as possible of the individual contractor experience and capabilities, the approaches to be taken, costs, timings, impact on individual units and remediation plans, potential problems and other factors. After receiving and discussing the final bids from the three Contractors, a majority of the Board voted to award the work to S&S Construction. A contract has now been signed and work has begun within the complex. A progress update will be provided at the HOA meeting.

We are grateful to owners for their timely feedback and thoughtful questions during the consultation process that we employed during this project and, despite the unexpected change in scope of this project, we hope that Owners appreciated being given the chance to provide their feedback to the Board.

Management Agreement

SMC and SH had been negotiating a property management agreement for several years, and following an intense final period with the Board red-lining various document versions and negotiating with SH, this was brought to closure in February 2015. The new management agreement runs until September 2016.

Staff changes within Snowmass Hospitality (SH)

As owners may be aware, there have been a number of staff changes within SH this year. Hank Hayes, formerly our property manager, and Shawn Gleason, who oversaw financial records, among others, are no longer with the company. Jerome Simecek has taken over Hank's role as regards SMC and is now our primary point of contact on Board matters. Aaron Walker is still our on-site Assistant Property Manager, and Nicholas de la Torre remains the full-time SH staff person with responsibility for our property.

Property Management RFP (Request for Proposal)

Soliciting and evaluating competitive bids, including alternative models for property management, has been raised previously both by the Board and in Annual HOA meetings. During the Board's face-to-face meeting this June, we reviewed various possible objectives for 2015/2016 and identified this as a high priority task. The Board is now committed to generating an RFP and soliciting bids from various property management companies operating in the area, including Snowmass Hospitality. The Board's goal is to complete preparation of the RFP, solicit and review bids, and select a property management company to supply services from September 2016 onwards. The timing of these activities will include provision of a transition period in the event that the property management company selected is not Snowmass Hospitality. The decision to commit to this RFP process in 2015-6 was taken before the recent changes in SH staffing noted above.

Reserve study

An initial Reserve Analysis was commissioned in 2012, following the wall repair project. A reserve analysis is a planning tool that provides an inventory of HOA property and condition so that a schedule and associated costs for long-term maintenance and replacement can be anticipated. Updating the reserve study has been another focus of the Board's efforts during 2015, and we spent a lot of time in our June meeting working through the details of replacement/refurbishment costs and timings for virtually every aspect of the complex. The overall goal is to understand what expenditures we as an HOA may be confronted with, and when, so that we can plan for these in a structured way and maintain an appropriate major maintenance budget in anticipation of these costs. Lori McCool has been spearheading this effort and our progress on this is described in more detail in her Financial Report.

Property Maintenance

The significant activities in this area for the last year are detailed in the Manager's report. The Board spent a portion of its June on site meeting walking the property, and from this and previous site walk-arounds, Kirk Samsel produced an extensive list of maintenance items that need to be addressed. While many of these are relatively small in nature, they affect the overall appearance and function of the complex, and SH is currently working through many of these. Other items have been captured and are earmarked for future Board discussion.

Unit remodeling guidelines

Board members have been concerned for some time now about various remodeling activities that occur within the complex. While many of these are internal to individual units, they nevertheless have an impact on the units that surround them and the complex as a whole (contractor vehicles, noise, dust and dirt, etc.). In addition, the work needs to be done by licensed contractors and inspected and approved by the Town of Snowmass Village (TOSV) Building Inspectors as necessary. Some remodeling impacts the external façade of the buildings, and these require Board approval, where a key focus for the Board is ensuring that proposed external work minimizes any negative impact on the integrity as well as aesthetics of the buildings.

To this end, the Board has reviewed the existing Rules and Regulations governing unit remodels and expanded its guidance to owners regarding the steps they need to take before and during any remodeling, as well as clarifying that the Board wishes to receive TOSV inspection approvals to ensure that the work was completed correctly. Greer Fox led this project and the Board distributed these expanded guidelines in March of this year. Since then we have received and approved two proposals that followed the guidelines and, from the Board's perspective, we found the system to work well.

The Board is also looking back over certain past remodels to ensure that, where appropriate, we have records of the necessary TOSV approvals for the work conducted and that all remodeled units are structurally sound.

Owner Communications

The Board has tried to keep owners informed of developments within the complex via a quarterly newsletter, in addition to extra communications on the flue project. We intend to distribute a regular quarterly newsletter going forward, and welcome any feedback on whether the information provided is useful, how it could be improved, etc.

This report, and others distributed with the Annual HOA meeting package, is also part of our plan to improve communication with owners. We hope that by providing written reports ahead of the meeting, owners will have a good grasp of the state of the HOA prior to the meeting, which is particularly relevant for those who cannot attend the Annual meeting in person. In addition, we are inviting Owners to send in questions for the Board ahead of time, and the Board will do its best to address these questions during the meeting. We are also providing a "listen-only" phone line so that owners can listen into the HOA meeting if they so wish. Finally, we have continued the practice of posting Board communications to the Owners page of the SMC website.

2015-2016 Objectives

The Board discussed its objectives for 2015-6 at our 2-day meeting in June. In addition to continuing to address the topics described above in this report, the Board committed to undertake certain other projects. One of these is capital project management, both as it relates to defining project scope and selecting contractors, as well as the role of the Board and SH during and after project execution. This is a work in progress but we are trying to take concrete steps to improve our effectiveness in this area. Kirk Samsel is leading the Board's efforts to improve our Internet service to units, and will also be looking at the structure and purpose of our web site, and how

best to provide a better forum for communication and information sharing. We are also gathering realtor perspectives on SMC property valuations, to understand the perceived strengths and weaknesses of the complex and what opportunities we have to enhance these valuations. We continue to address landscaping issues and agreed that for the coming year a garden specialist will be consulted during the fall so that there will be vibrant seasonal plantings and flower pots to enhance the driveway areas throughout the year.

Conclusion

While the flues project has taken up a lot of time and effort, the Board has also made significant progress on a number of other areas that it considered very important. Many of these will not be completed until 2015-6, and will require continued diligent effort to complete them, but we believe that we have prioritized appropriately and are tackling the most important areas for the HOA. Owner feedback on whether they agree is of course always welcome.

SNOWMASS MOUNTAIN CONDOMINIUM ASSOCIATION ANNUAL OWNERS' MEETING:

September 12, 2015

MANAGER'S REPORT:

Executive Summary:

Once again, this has been a very active year for the Snowmass Mountain Condominium Association. Snowmass Hospitality has re-animated the office on site by stationing Aaron Walker in that location. This provides the Association an increased presence and point of contact for owners and guests. The departure of Hank Hays this summer has brought back me, Jerome Simecek, to this Association. My priority has been re-familiarizing myself with the property. It is great to see so many of the owners that I have worked with previously.

This summer has been spent working with the Board on the chimney flue and firebox replacement project. This is in conjunction with maintaining the overall appearance of the complex, keeping the HOA financial picture solid, and working on completion of the special projects that have been undertaken this spring and summer.

Project Updates:

Staff continues to maintain the amenities and common elements throughout the complex. This includes the regular maintenance and service of the buildings, grounds, and mechanical systems.

Some projects, big and small, have also been completed this year. A quick highlight of some of the projects follows below:

- Gutter improvements were made on the upper buildings. These appear to better handle the water flows from this past season. Additional gutter drain extensions were installed on the lower buildings to push water away from the foundations.
- Additional landscaping, including trees and drip irrigation was added behind the upper D-G buildings to dress up the area.
- Also behind D-G buildings, the gravel areas were improved to provide for better drainage and appearance.
- In the parking lot the lines were all repainted this year. Parking enforcement has also been stepped up. This is especially important with the flue project limiting the number of spaces available for use. Management has received positive feedback on these efforts from several owners.
- In the wireless internet world, the Association has been working with Everwave to improve the experience. This included installation of new more powerful access points (APs), additional switches, and adjusting frequencies to better serve clients. Management also replenished the Everwave contact service cards to provide IT assistance to the end

users at Snowmass Mountain. We are working on better “tent” type cards for all units to increase awareness.

- The painting and staining of railings and walkways was completed this summer. This work brightened up the fence along the parking lot and entry to the buildings and protects these improvements.
- G2 was damaged by a vehicle and significant work was needed to safely repair this deck.
- The amenity building security cards installed seem to be working well at controlling access to the building. Management has noted fewer people using the space and those that do have their cards with them, identifying them as Snowmass Mountain guests.
- Rules and Regulations enforcement continues to be a focus of the Association. Violations appear to be decreasing and we are working to promptly address them.
- A fire risk assessment to assist in protecting the Association from forest fire risks was completed with the Snowmass Wildcat Fire District. The Association is working with their neighbors to implement the recommendations provided.
- Less apparent, but important nonetheless, water heaters were replaced in several buildings along with the hot water recirculation pump in H building.

Overview:

Snowmass Mountain Condominiums Homeowners’ Association has made and continues to make significant investments in their property both in the individual units and the common elements and it shows. Overall, the property curb appeal has never been better and the infrastructure is seeing needed attention. Your Board has been very active with a focus on maintaining and improving the property’s value, appearance, and quality. They have dedicated a significant amount of time on these efforts and continue to do so.

**Financial Information – Fiscal Year End 2015 and Projected Financial Budget Fiscal Year End 2016 for
Snowmass Mountain Condominiums (“SMC”)**

Enclosed for your review are the following financial reports:

Exhibit A - Balance Sheet prepared as of June 30, 2015, and Statement of Income (Loss) for the period October 1, 2014 through June 30, 2015, which includes a comparison to the fiscal year 2015 budget;

Exhibit B - A nine (9) year assessment cost analysis for SMC which includes eight (8) years of historical cost and the fiscal year 2016 budgeted cost, including the 2016 special assessment to repair the wood burning flues and fireboxes;

Exhibit C - A Reserve Projection for the next fifteen (15) year period; and

Exhibit D - The fiscal year 2016 proposed draft budget (including both net income (loss) from the operating assessments, the major maintenance assessments and the special assessment).

Summary of the Financial Information

The Board of Directors (the "Board") is proposing a significant increase of fifteen (15%) percent in the major maintenance assessment and approximately seventeen (17%) percent in the operating assessment for fiscal year 2016. The amount of the increase in the operating assessment has not yet been finalized. This report provides some background and rationale for these increases. The Assessment Analysis shows that with the exception of the wall project, assessments have not significantly increased during the past eight (8) years. The results of the Reserve Projection that the Board has recently completed shows there is a significant funding gap between anticipated future expenditures for major maintenance/capital repairs and annual income currently raised from the major maintenance assessments. Finally, the proposed draft operating budget includes potential increases primarily in the costs for labor for maintaining the routine operations of SMC. These increases are in addition to the special assessment to fund the construction project underway at SMC to replace the wood burning flues and fireboxes in all the units.

Balance Sheet dated June 30, 2015 and Statement of Income (Loss) for the Year ended 6/30/2015

These financial reports include the last quarterly assessment for the fiscal year. Please note that while there is approximately \$100,000 in the operating bank account, this money will be used to cover the fourth quarter expenses of Snowmass Mountain Condominium Association (the "Association"). As of the end of June, there is a loss from operations of about \$12,000, which is primarily due to some significant gutter and heat tape repairs (approximately \$14,000) that were required and the expenditure of approximately \$20,000 to have the wood burning fireplace flues inspected. Offsetting these expenditures that had not been budgeted, the labor costs for routine maintenance work performed by Snowmass Hospitality employees (exclusive of the annual management fee of approximately \$90,000) was approximately \$10,000 under budget.

As of the end of June, there was approximately \$250,000 in the major maintenance bank account. Subsequent to this date there have been expenditures of approximately \$160,000 to advance certain material costs to the Contractor hired to replace the flues and fireboxes and \$15,000 to complete the contract for staining and painting some of the common area surfaces. By the end of August, it is estimated that there will be approximately \$90,000 remaining in the major maintenance bank account. As of June 30, 2015, there a loss of approximately \$49,000 from the major maintenance income/expense which is the result of the installation of new gutters on the backs of the lower buildings during 2015 which had not been included in the major maintenance budget.

Analysis of Average Cost per Square Foot of Assessments for a nine (9) year period for SMC

The Snowmass Mountain Condominium Association Assessment Analysis (“ Assessment Analysis”) is a summary of certain costs associated with the ownership of a condominium at SMC. Every quarter, each owner pays a regular quarterly assessment to the Association. There are three components to this regular quarterly assessment; (i) regular operating assessments which cover the normal/routine maintenance and management tasks required in the complex (“operating assessment”), (ii) common utility assessments which are allocated to the individual condominium units (“utility assessment”), and (iii) major maintenance assessments which are placed into a separate capital reserve account for the cost of repair and replacement of non-operating, non-recurring type expenses, such as the replacement of the roofs, repainting the buildings and other major items that are generally not annually recurring (“major maintenance assessment”). The Assessment Analysis also includes special assessments that have been levied to cover unusual items (that may not have been budgeted for or accrued for), such as the major project to replace the railroad tie walls that had deteriorated over the years.

This Assessment Analysis has been prepared for the prior eight (8) fiscal years and also includes the next fiscal year which is for the period 10/1/2015 through 9/30/2016. Over the prior eight (8) year period (10/1/2007 – 9/30/2015) there was a slight decrease in the cost per square foot for the regular quarterly assessments. This decrease was due to small increases in operating assessments and major maintenance assessments (3.1% and 15.5% respectively) having been offset by decreasing utility prices plus the one year (during the railroad tie wall replacement project) that the quarterly major maintenance assessment was not charged. Since the regular quarterly assessments have stayed relatively consistent for the past eight (8) years, now there is a need to begin performing more major repairs and the homeowners must play catch up to adequately fund the capital reserve account. To summarize, the **average** annual cost per square foot for this nine (9) year period for the regular quarterly assessments is \$7.84. Multiplying this amount by the number of square feet in a condominium unit results in the annual cost for regular quarterly assessments.

When the special assessments (primarily the unique expenses incurred to (i) replace the railroad tie walls with the concrete walls to support the buildings and (ii) to replace the wood burning flues and fireboxes) are added to the regular quarterly assessments for this nine (9) year period (eight (8) years of actual expenses plus the estimated expenses for fiscal year 2016), the cost per square foot is \$20.23. Multiplying this amount by the number of square feet for a condominium unit results in the **average** annual amount spent by that condominium owner for maintaining the complex (everything exterior to

the condominium units) for each year during the nine (9) year period. As an example, in the case of a three bedroom unit this calculation is \$20.23 x 1,396 square feet or \$28,241 per year or approximately \$254,170 for the nine (9) year period.

Reserve Projection for fifteen (15) years for SMC

This Reserve Projection ("Reserve Projection") has been compiled primarily from the Reserve Study prepared by Aspen Reserve Specialties ("ARS") dated June 26, 2012, and updated and revised as of December 6, 2014 (the "Study"), copies of which are available on the SMC Website. The Reserve Projection has been revised where appropriate to reflect more accurate information received and/or obtained by the Board to perform certain work and/or replace certain building components. The Board and the management company representatives have now attempted to identify all components of the complex/buildings which may, at some point in the future, require replacement and/or repair. The Reserve Projection has been prepared for a fifteen (15) year period. Beyond this time period, the information is less certain and more difficult to calculate. Please read the notes on the Reserve Projection carefully because these help explain the reasoning for the component's/item's cost and the year it is contemplated that the action will be taken. The purpose of the Study and the Reserve Projection is to (i) prepare a useful guide for both the timing of repairs and replacement of components of the buildings or aesthetic enhancements of the buildings and/or property, (ii) anticipate the cost of such repairs and/or replacements, and (iii) best allow the Board and the homeowners to estimate and plan for cash needs.

Because of the aging nature of our property and the fact that neither the operating nor the major maintenance assessments have been increased with any regularity, there are a significant number of items of postponed maintenance and component replacement that will need to be performed in the next five (5) to ten (10) years. This Reserve Projection contemplates items which will be done within the next fifteen (15) years and does not include those repairs/replacements beyond; but prudence requires that every component on each building has to be considered for repair/replacement on a continuous cyclical basis as the years pass. For any given year, items listed for maintenance and/or replacement that year which are not performed must be carried forward into a future year. Postponed repairs and replacements cannot be forestalled indefinitely.

During the budget process for each fiscal year, the Reserve Projection should be consulted to determine which items included on the Reserve Projection will require action during that particular fiscal year and what an accurate cost will be to perform the work. Then the selected replacements/repairs should be included in that fiscal year's major maintenance budget. Additionally, the Reserve Proposal and the Study should act as a guide to obtain proposals from vendors in advance of performing normal maintenance and special replacement projects.

Annual Major Maintenance Assessments for SMC

Each fiscal year a major maintenance budget is prepared along with an operating budget which is approved by the Board and then is presented to the homeowners at the annual homeowners' meeting. The major maintenance budget is generally funded by the major maintenance assessment included as

part of the regular quarterly assessments. The Reserve Projection suggests that over the next five (5) years there is a potential required expenditure level of approximately \$1,900,000. This amount includes the \$600,000 for the flue/firebox replacement that will be funded in fiscal year 2016 by a special assessment. So there are anticipated expenditures of approximately \$1,300,000 which will need to be funded by the quarterly major maintenance assessments or additional special assessments. The Association does not have enough money funded in its major maintenance account to pay for the items that will require action in the next five (5) years. Therefore the Board is recommending an increase of fifteen (15%) percent in the major maintenance regular quarterly assessment for at least the next three (3) years. This will result in an increase of less than \$100 per quarter for fiscal year 2016 for the largest condominiums in the complex.

It is generally recommended that capital reserve accounts remain seventy (70%) percent funded at all times. If the capital reserve account/contribution falls below this level, then a situation will likely exist where additional specials assessments, deferred maintenance and lower property values are possible in the future. The Board believes that it is imperative that the Association begin immediately to build up the cash in its capital reserve so that the Association will remain financially strong and viable and will be able to meet the improvement/replacement requirements as they are needed.

Major Maintenance Budget for fiscal year 10/1/2015 – 9/30/2016 for SMC

In the case of the major maintenance budget for fiscal year 2016, the process was to review the Reserve Projection to determine what repair/replacement action would be required. The total of the suggested repairs/replacements in the Reserve Projection for fiscal year 2016 is \$838,900. However, due to the focus on the wood burning flue and firebox project, most of the major maintenance items which had been scheduled in fiscal year 2015 were not completed and several were not budgeted. So the \$126,540 for fiscal year 2015 (from the Reserve Projection) has to be added to the fiscal year 2016 budget resulting in a major maintenance requirement of \$965,440. The 2016 fiscal year major maintenance budget is \$888,440. The \$77,000 difference between the Reserve Projection totals for fiscal years 2015 and 2016 and the major maintenance budget for fiscal 2016 is made up of (i) \$40,000 (\$20,000 per fiscal year) which needs to be set aside in the major maintenance reserve account to begin accumulating a fund to replace the pool in 7-10 years, (ii) \$22,000 for painting/staining of common area surfaces which was completed in fiscal year 2015, and (iii) \$15,000 for water heaters for Buildings H and I which should be replaced in September, 2015, so they are still considered to be in fiscal year 2015.

Operating Budget for fiscal year 10/1/2015 - 9/30/2016 for SMC

Each year an operating budget is prepared for the fiscal year and is approved by the Board and presented to the homeowners at the annual homeowners' meeting. The operating budget is funded by the operating portion of the regular quarterly assessments. The operating budget has in the past primarily included services for the routine cleaning and maintenance of the property such as shoveling snow, sweeping stairs, maintaining the grounds, and cleaning the pool, but has not historically included routine preventative maintenance. The operating budget for fiscal year ended 2016 includes an increase in operating assessments of approximately seventeen (17%) percent over last fiscal year. The

largest increase in the operating budget is for amounts requested by Snowmass Hospitality for increases in labor rates and increases in hours of service. This requested increase represents a ninety three (93%) percent increase over the actual labor costs expended in fiscal year 2015. At the present time, this operating budget has not been approved by the Board.

A list of maintenance items requiring attention was prepared earlier this summer by the Board to guide the management company to begin correcting some of the more obvious postponed maintenance items or building repairs. Many of these are one of a kind type repairs that have been overlooked and which require immediate attention to eliminate both safety concerns and the aesthetic appearance of our property. There are operating costs (the last column on the Reserve Projection) included in the Reserve Projection because these non-routine repairs have not been adequately budgeted for/considered in the operating budgets in past years. Repairs have frequently been done more on a reactive basis than a proactive basis. The Study along with the preparation of the Reserve Projection has reminded the Board that there is preventative maintenance required for many building components and there are unique maintenance items or repairs that should be performed each year to prolong the life of certain components and equipment on our property. Therefore these unique operating expenses included in the Reserve Projection under the Operating Expense column should be added, as appropriate, to each fiscal year's operating budget.

Conclusions

1. The 2015 operating and major maintenance budgets were accurate and met, with the exception of the flue inspection charges and some gutter repair and replacement work performed.
2. Historical information shows that regular quarterly assessments have remained consistent for the past eight (8) years.
3. The major maintenance cash reserve is being used to fund the upfront costs of the construction project to replace the wood burning flues and fireboxes and this cash will be replaced when the special assessment is levied in 2016.
4. The Study, the Reserve Projection and the 2016 major maintenance budget show a need to increase future major maintenance assessments to perform needed repairs and replacements and have the cash available each year to do such repairs and the Board is taking steps to address this issue.
5. The 2016 operating budget shows a significant increase in both labor rates and number of hours of service being suggested by Snowmass Hospitality and the Board is currently considering options to address these increases.

If anyone would like to discuss the details of this report or any of the attached exhibits or if you require additional detailed information, please do not hesitate to contact Lori McCool at lmccol@enivid.com or 713-598-6585.

Exhibit A
Snowmass Mountain Condominium Association, Inc.
Balance Sheet
As of June 30, 2015

	Jun 30, 15
ASSETS	
Current Assets	
Checking/Savings	
Operating Accounts	
100 · Alpine Operating Ck - 00396	3,339.46
101 · Alpine Operating MM - 01521	98,326.43
Total Operating Accounts	101,665.89
Major Maintenance Accounts	
110 · Alpine Maintenance Ck -30823	3,486.62
111 · Alpine Major Maint MM -03079	73,367.88
112 · TBlne MM Reserve - 35354	178,949.88
Total Major Maintenance Accounts	255,804.38
Total Checking/Savings	357,470.27
Accounts Receivable	
145 · Accounts Receivable - Owner	80,339.11
Total Accounts Receivable	80,339.11
Other Current Assets	
Common Element Asset	
165 · Prepaid Expense	7,563.00
167 · Prepaid Deposit	300.00
Total Common Element Asset	7,863.00
170 · Undeposited Funds	31,449.05
Total Other Current Assets	39,312.05
Total Current Assets	477,121.43
TOTAL ASSETS	477,121.43
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · Accounts Payable - Trade	47,852.54
Total Accounts Payable	47,852.54
Other Current Liabilities	
Liabilities	
240 · Deferred Asmnt Income	136,280.49
255 · Pet Deposit	1,800.00
256 · Security Deposit	3,200.00
Total Liabilities	141,280.49

Exhibit A
Snowmass Mountain Condominium Association, Inc.
Balance Sheet
As of June 30, 2015

	<u>Jun 30, 15</u>
	<u>141,280.49</u>
Total Other Current Liabilities	<u>141,280.49</u>
	<u>189,133.03</u>
Total Current Liabilities	<u>189,133.03</u>
Total Liabilities	189,133.03
Equity	
300 - Retained Earnings	348,709.76
Net Income	<u>(60,721.36)</u>
Total Equity	<u>287,988.40</u>
TOTAL LIABILITIES & EQUITY	<u><u>477,121.43</u></u>

Exhibit A
Snowmass Mountain Condominium Association, Inc.
Profit & Loss Budget vs. Actual
October 2014 through June 2015

Scope:
\$3,500 &
15%

	Oct '14 - Jun 15	Budget	\$ Over Budget	% of Budget	REF #
Ordinary Income/Expense					
Income					
Operating Income					
400 · Regular Assessments	275,965.20	275,965.20	0.00	100.0%	
401 · Utility Assessment	41,813.54	41,550.12	263.42	100.63%	
460 · Regular Assessment Fin Chg	41.57	135.00	(93.43)	30.79%	
461 · Interest Earned	6.74	9.00	(2.26)	74.89%	
462 · Fines & Penalties	0.00	0.00	0.00	0.0%	
463 · Misc Income	0.00	0.00	0.00	0.0%	
Key Cards					
465 · Key Card Replacement Income	350.00	900.00	(550.00)	38.89%	
466 · Key Card Expenses	(354.31)	0.00	(354.31)	100.0%	
Total Key Cards	(4.31)	900.00	(904.31)	(0.48%)	
Unit A7					
470 · Assoc Unit Rent	14,400.00	14,400.00	0.00	100.0%	
471 · Unit A7 Costs	0.00	0.00	0.00	0.0%	
Total Unit A7	14,400.00	14,400.00	0.00	100.0%	
Total Operating Income	332,222.74	332,959.32	(736.58)	99.78%	
Total Income	332,222.74	332,959.32	(736.58)	99.78%	
Gross Profit	332,222.74	332,959.32	(736.58)	99.78%	
Expense					
Administrative Expense					
507 · Managing Agent Fees	65,001.00	65,001.00	0.00	100.0%	
501 · Bank Charges	0.00	0.00	0.00	0.0%	
502 · Insurance / Property Taxes	31,273.95	37,151.26	(5,877.31)	84.18%	1
505 · Office Supplies & Expense	1,249.65	1,485.00	(235.35)	84.15%	
506 · Office Expense	0.00	0.00	0.00	0.0%	
510 · Miscellaneous	0.00	750.00	(750.00)	0.0%	
540 · Website Maint.	450.00	450.00	0.00	100.0%	
Total Administrative Expense	97,974.60	104,837.26	(6,862.66)	93.45%	
Labor					
520 · Maint. Labor Common Area	17,429.50	24,840.00	(7,410.50)	70.17%	2
521 · Pool/Spa Labor	7,550.00	5,706.00	1,844.00	132.32%	
523 · Snow Removal	5,080.00	8,316.00	(3,236.00)	61.09%	
522 · Landscaping Labor	5,208.00	5,384.50	(176.50)	96.72%	
530 · Hskp/Amenity Labor	3,879.00	4,284.00	(405.00)	90.55%	
531 · Patrol/Security	1,044.00	2,646.00	(1,602.00)	39.46%	
Total Labor	40,190.50	51,176.50	(10,986.00)	78.53%	

Exhibit A
Snowmass Mountain Condominium Association, Inc.
Profit & Loss Budget vs. Actual
October 2014 through June 2015

Scope:
\$3,500 &
15%

	Oct '14 - Jun 15	Budget	\$ Over Budget	% of Budget	REF #
Supplies & Contract Services					
545 · Pest Control	1,215.00	1,125.00	90.00	108.0%	
546 · Snowmelt Maintenance	2,723.50	3,184.00	(460.50)	85.54%	
547 · Fire Safety/Monitoring	4,834.24	6,800.00	(1,965.76)	71.09%	
548 · Sewer Line Maintenance	718.00	0.00	718.00	100.0%	
549 · Contract Services	2,546.71	2,800.00	(253.29)	90.95%	
550 · Boiler Service & Inspection	942.00	4,200.00	(3,258.00)	22.43%	
553 · Chimney Sweep & Window Clean	17,815.00	1,500.00	16,315.00	1,187.67%	3
565 · Common Area Supply	2,353.00	900.00	1,453.00	261.44%	
566 · Pool Supply	25.00	1,800.00	(1,775.00)	1.39%	
567 · Contract Pool Labor/Services	100.00	3,500.00	(3,400.00)	2.86%	
568 · Landscaping Supply & Irrigation	2,245.35	8,500.00	(6,254.65)	26.42%	4
569 · Gutter Repair&Roof Maintenance	13,201.39	0.00	13,201.39	100.0%	5
570 · Miscellaneous	0.00	1,350.00	(1,350.00)	0.0%	
Total Supplies & Contract Services	48,719.19	35,659.00	13,060.19	136.63%	
Other Budgeted Expenses					
575 · Electric - Owner	27,313.12	27,920.48	(607.36)	97.83%	
576 · Natural Gas - Owner	18,365.00	19,178.31	(813.31)	95.76%	
Total Other Budgeted Expenses	45,678.12	47,098.79	(1,420.67)	96.98%	
Utilities Expense					
581 · Firewood	3,532.00	5,500.00	(1,968.00)	64.22%	
582 · Natural Gas - Snowmelt	20,985.11	24,456.09	(3,470.98)	85.81%	
584 · Water and Sanitation	26,405.21	24,450.00	1,955.21	108.0%	
585 · Electric - Association	8,436.16	8,006.53	429.63	105.37%	
586 · Natural Gas - Association	8,394.13	8,956.65	(562.52)	93.72%	
587 · Trash Service	3,159.47	5,355.00	(2,195.53)	59.0%	
588 · Internet / Cable Services	27,923.94	29,340.00	(1,416.06)	95.17%	
589 · Telephone	2,032.58	2,025.00	7.58	100.37%	
Total Utilities Expense	100,868.60	108,089.27	(7,220.67)	93.32%	
Professional Fees					
595 · Tax / Review / Audit	3,881.00	4,000.00	(119.00)	97.03%	
596 · Director's Meeting	4,357.69	3,500.00	857.69	124.51%	
597 · Legal - General	0.00	1,800.00	(1,800.00)	0.0%	
598 · Reserve Study	2,500.00	0.00	2,500.00	100.0%	
Total Professional Fees	10,738.69	9,300.00	1,438.69	115.47%	
Total Expense	344,169.70	356,160.82	(11,991.12)	96.63%	
Net Ordinary Income	(11,946.96)	(23,201.50)	11,254.54	51.49%	

Exhibit A
Snowmass Mountain Condominium Association, Inc.
Profit & Loss Budget vs. Actual
October 2014 through June 2015

Scope:
\$3,500 &
15%

	Oct '14 - Jun 15	Budget	\$ Over Budget	% of Budget	REF #
Other Income/Expense					
Other Income					
Major Maintenance Income					
800 · Major Maint Assessment	86,625.00	86,625.00	0.00	100.0%	
820 · Maintenance Account Interest	151.73	405.00	(253.27)	37.46%	
Total Major Maintenance Income	86,776.73	87,030.00	(253.27)	99.71%	
Total Other Income	86,776.73	87,030.00	(253.27)	99.71%	
Other Expense					
Major Maintenance					
900 · Major Maint Projects	4,500.00	0.00	4,500.00	100.0%	6
915 · Chimney Flue Inspection/Repair	0.00	0.00	0.00	0.0%	
920 · Hot Water Heater Replacement	40,702.00	40,000.00	702.00	101.76%	
921 · Major Maint - Water Damage	0.00	3,500.00	(3,500.00)	0.0%	7
922 · Pool Area Rehab	0.00	0.00	0.00	0.0%	
923 · Stain/Paint Breezeways/Railings	13,500.00	15,000.00	(1,500.00)	90.0%	
924 · Irrigation/Landscaping	0.00	0.00	0.00	0.0%	
925 · Pool Upgrade/Deck Repair	0.00	0.00	0.00	0.0%	
926 · Security Upgrade	0.00	0.00	0.00	0.0%	
927 · Heat Tape and Gutter Upgrade	72,199.13	23,210.00	48,989.13	311.07%	8
928 · Sewer Line Repairs	4,650.00	4,400.00	250.00	105.68%	
929 · Wood Deck - Units	0.00	0.00	0.00	0.0%	
930 · Remodel Assoc Apt	0.00	0.00	0.00	0.0%	
931 · Reserve Study	0.00	0.00	0.00	0.0%	
9312 · Amenity Bldg Remodel	0.00	0.00	0.00	0.0%	
Total Major Maintenance	135,551.13	86,110.00	49,441.13	157.42%	
Total Other Expense	135,551.13	86,110.00	49,441.13	157.42%	
Net Other Income	(48,774.40)	920.00	(49,694.40)	(5,301.57%)	
Net Income	(60,721.36)	(22,281.50)	(38,439.86)	272.52%	

Exhibit A
Snowmass Mountain Condominium Association, Inc.
Variance Explanations
Scope: Over \$3,500 & 15%

REF#	Account #	Descriptions
Expense		
1	502	Insurance / Property Taxes is (\$5,877) under budget due to a renewal of the insurance billing cycle. The new bill will be sent at the end of August 2015 which will catch up to the budget.
2	520	Maintenance Labor Common Area is (\$7,411) under budget. SH labor hours were under budget at the end of June but many items need to be completed in the summer months and likely the budget will end up being break even for the year.
3	553	Chimney Sweep & Window Clean is \$16,315 over budget as the Board approved a chimney flue camera inspection project coded to this expense line.
4	568	Landscaping Supply & Irrigation is (\$6,255) under budget due to timing variance. This line will see expenses with the purchase of flowers etc for the property.
5	569	Gutter Repair & Roof Maintenance is \$13,201 over budget. This is a new line item requested by board Treasurer, and was not included in the 2014.2015 budget. Items include old roof clip removal and hole repair, gutter repair, gutter flashing, and chimney re-flashing to prevent leaks.
Other Expense		
6	900	Major Maint Projects is \$4,500 over budget as work was preformed in building D storage shop to fix a window and tie wall and was approved by the Board during summer meeting. This line also includes the Project Management fee for the large projects completed in 2014.
7	921	Major Maint Water Damage is (\$3,500) under budget as we haven't had water leaks or damages this fiscal year to date.
8	927	Heat Tape and Gutter Upgrade is \$48,989 over budget. This expense is for installing new gutters on the back of the lower buildings.

Exhibit B

Snowmass Mountain Association Assessment Analysis

Operating Assessment History				
Fiscal Year	% Change		Annual	Cost/Sq. Foot
Proposed 2015-2016	17.2%	\$	431,122	\$ 5.94
2014-2015	3.1%	\$	367,954	\$ 5.55
2013-2014	0.0%	\$	356,980	\$ 5.39
2012-2013	0.0%	\$	356,980	\$ 5.39
2011-2012	0.0%	\$	356,980	\$ 5.39
2010-2011	0.0%	\$	356,980	\$ 5.39
2009-2010	0.0%	\$	356,980	\$ 5.39
2008-2009	0.0%	\$	356,980	\$ 5.39
2007-2008	0.0%	\$	356,980	\$ 5.39

% Change from 2008 to 2015	3.1%
% Change from 2015 to 2016	17.2%

Utility Assessment History				
Fiscal Year	% Change		Annual	Cost/Sq. Foot*
Proposed 2015-2016	0.0%	\$	57,730	\$ 0.87
2014-2015	1.4%	\$	57,730	\$ 0.87
2013-2014	4.9%	\$	56,925	\$ 0.86
2012-2013	50.4%	\$	54,246	\$ 0.82
2011-2012	-15.9%	\$	36,069	\$ 0.54
2010-2011	-28.8%	\$	42,890	\$ 0.65
2009-2010	-26.5%	\$	60,234	\$ 0.91
2008-2009	-4.3%	\$	81,983	\$ 1.24
2007-2008	0.0%	\$	85,638	\$ 1.29

% Change from 2008 to 2015	-32.6%
% Change from 2015 to 2016	0.0%

Major Maintenance Assessment History				
Fiscal Year	% Change		Annual	Cost/Sq. Foot
Proposed 2015-2016	15.0%	\$	132,825	\$ 1.92
2014-2015	5.0%	\$	115,500	\$ 1.74
2013-2014	0.0%	\$	110,000	\$ 1.66
2012-2013	-100.0%	\$	-	-
2011-2012	0.0%	\$	110,000	\$ 1.66
2010-2011	0.0%	\$	110,000	\$ 1.66
2009-2010	10.0%	\$	110,000	\$ 1.66
2008-2009	0.0%	\$	100,000	\$ 1.51
2007-2008	0.0%	\$	100,000	\$ 1.51

% Change from 2008 to 2015	15.5%
% Change from 2015 to 2016	15.0%

Total Assessment History				
Fiscal Year	% Change		Annual	Cost/Sq. Foot
Proposed 2015-2016	14.9%	\$	621,677	\$ 8.73
2014-2015	3.3%	\$	541,184	\$ 8.17
2013-2014	27.4%	\$	523,905	\$ 7.91
2012-2013	-18.3%	\$	411,226	\$ 6.21
2011-2012	-1.3%	\$	503,049	\$ 7.59
2010-2011	-3.3%	\$	509,870	\$ 7.70
2009-2010	-2.2%	\$	527,214	\$ 7.96
2008-2009	-0.7%	\$	538,963	\$ 8.13
2007-2008	0.0%	\$	542,618	\$ 8.19

% Change from 2008 to 2015	-0.3%	Avg. Cost/sq foot over 9 yrs	\$7.84
% Change from 2015 to 2016	14.9%		

Exhibit B

Special Assessment History			
Fiscal Year		Annual	Cost/Sq. Foot
Proposed 2015-2016		\$ 600,000	\$ 9.06
2014-2015		\$ -	\$ -
2013-2014		\$ -	\$ -
2012-2013		\$ -	\$ -
2011-2012		\$ 2,001,200	\$ 30.20
2010-2011		\$ 4,002,400	\$ 60.41
2009-2010		\$ -	\$ -
2008-2009		\$ 738,301	\$ 11.14
2007-2008		\$ -	\$ -

		Avg. Cost/sq foot over 9 yrs	\$12.31
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Total Cost Including Special Assessments			
Fiscal Year		Annual	Cost/Sq. Foot
2015-2016		\$ 1,221,677	\$ 18.44
2014-2015		\$ 541,184	\$ 8.17
2013-2014		\$ 523,905	\$ 7.91
2012-2013		\$ 411,226	\$ 6.21
2011-2012		\$ 2,504,249	\$ 37.80
2010-2011		\$ 4,512,270	\$ 68.10
2009-2010		\$ 527,214	\$ 7.96
2008-2009		\$ 1,277,264	\$ 19.28
2007-2008		\$ 542,618	\$ 8.19

		Avg. Cost/sq foot over 9 yrs	\$20.23
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* Actual cost per square foot will vary based on actual utility usage
 Note: There are 66,257 total square feet in the complex

Exhibit C
Snowmass Mountain Condominums Reserve Projection for 2015-2026

Item #	Description	Useful Life	Remaining Life	Last Done	Replacement Date	Worst Case Cost	Notes	2015	2016	2017	2018	2019	2020	Years 2021-2025	Years 2026-beyond	Operating Budget
309	Stone Siding	N/A	10	installed in 2011	2024	\$ 24,000.00	Not included in report - report suggests this be done out of operating monies; include in the operating budget annually under a category for "Stonework Repair" with an amount of \$1,500/year.									24,000.00
403	Driveway Concrete	6	2	installed in 2011	2017	\$ 75,000.00	Suggests 5% of total area to be reserved for every 6 years - so recurring major maint expense - periodic repairs and replacement; BOD determined to start accumulating in 2017			25,000.00				25,000.00	25,000.00	
501A	Amenity Building Doors	25	10		2024	\$ 5,500.00	Four (4) doors - replacement; repair/repaint in 2015 from operating funds to make appearance more positive							4,000.00		1,500.00
501B	Condo Unit Doors	25	15		2029	\$ 90,000.00	All condo doors - sixty (60)								90,000.00	
501C	Mechanical Rooms, doors leading into storage areas and Trash Shed	25	10		2024	\$ 25,000.00	Doors in storage areas (these are in bad shape), work rooms and mechanical rooms - twenty five (25)				12,500.00			12,500.00		
502	Trash shed garage door	20	10	replaced in 2011	2021	\$ 4,200.00								4,200.00		
506A	Building Windows	25	10		2025	\$ 310,000.00	Many of the windows and doors are leaking the sealant and likely will need to be replaced within the next three (3) to five (5) years - there are approximately 250 windows. Issues are water mitigation, efficiency and an updated look. We should try and get an assessment done of the condition of the windows and the cost to replace and may need selective repairs to ensure windows last to 2025.		2,500.00	2,500.00	2,500.00	2,500.00		300,000.00		
506B	Building Sliding Glass Doors	25	15		2030	\$ 530,000.00	Many of the windows and doors are leaking the sealant and likely will need to be replaced within the next (3) three to (5) five years - there are approximately 130 sliding glass doors. Issues are water mitigation, efficiency and an updated look. We should try and get an assessment done of the condition of the doors and the cost to replace and may need selective repairs to ensure window last to 2015		2,500.00	2,500.00	2,500.00	2,500.00			520,000.00	
506C	Trim around doors and windows	10	1		2015	\$ 100,000.00	Much of window trim has peeling paint and is warped and has pulled away from building and is moisture problem and will have to be addressed - get estimate from contractor to perform work on J/K building in 2015 - Summit estimate for 32 windows in need of repair currently is \$90,000.		50,000.00	50,000.00						
603	Flagstone Patios - deck surface	N/A	operating	installed in 2011	operating	\$ -	Report does not reserve for but will have replacement costs over time; the report indicates proper maintenance should be observed which would include inspecting these once a year and noting issues to be repaired/replaced that year - See line item 309 where budget \$1,500 a year to maintain all stone and brick work on property									
1008	flagstone patio walls	7	5	installed in 2011	2025	\$ 50,000.00	Report does not reserve for but will have replacement costs over time; the report indicates proper maintenance should be observed which would include inspecting these once a year and noting issues; Consider replacement costs in 10 years or 2025.							50,000.00		

Exhibit C
Snowmass Mountain Condominums Reserve Projection for 2015-2026

Item #	Description	Useful Life	Remaining Life	Last Done	Replacement Date	Worst Case Cost	Notes	2015	2016	2017	2018	2019	2020	Years 2021-2025	Years 2026-beyond	Operating Budget	
701	building gas boilers (four boilers - one for buildings B&C and one for buildings D&E and two for building A)	14	9	Two boilers replaced in 2011	2023	\$ 30,000.00	Report indicates useful life of 14 years - Report says two (2) boilers but we have four (4) boilers so have doubled replacement amount-boilers in bldg A replaced in 2011							30,000.00			
701	miscellaneous equipment-expansion tanks for boilers	N/A	5		2019	\$ 15,000.00	Operating line item to include miscellaneous snowmelt equipment and other equipment on the property - only small items that could need replacing to maintain equipment - \$5,000 every five years										15,000.00
	building water heaters(B-D-F-H-A)					\$ 16,000.00	Suggest draining water heaters annually to preserve; cost estimated at \$7,500 per water heater with exception of 400 gallon heaters; report says 10 year life, Lowe's says 15 have used 15 but should reserve a couple years before to be prudent										16,000.00
703A	Building A	12	0	done in 2002	2016	\$ 15,000.00	two (2) gas water heater		15,000.00								
	Building B	12	0	done in 2002	2016	\$ 7,500.00	gas water heater		7,500.00								
	Building C	12	0	done in 2003	2016	\$ 7,500.00	gas water heater		7,500.00								
	Building D	12	0	done in 2003	2016	\$ 7,500.00	gas water heater		7,500.00								
	Building E	12	10	replaced in 2013	2024	\$ 7,500.00	gas water heater								7,500.00		
	building water heaters																
703B	Building F	12	12	replaced in 2014	2026	\$ 8,500.00	electric water heater								8,500.00		
	Building G	12	12	replaced in 2014	2026	\$ 8,500.00	electric water heater								8,500.00		
	Building H	12	0	done in 1995	2005	\$ 7,500.00	electric water heater	7,500.00									
	Building I	12	0	done in 1995	2005	\$ 7,500.00	electric water heater	7,500.00									
	Building J and K	12	12	replaced in 2014	2026	\$ 15,000.00	400 gallon electric water heater								15,000.00		
	Building L	12	12	replaced in 2014	2026	\$ 15,000.00	400 gallon electric water heater								15,000.00		
	Snowmelt expansion tank	N/A	5	installed in 2011	2019	\$ -	Unpredictable life because of rubber bladder - need cost anyway - include in operating budget for miscellaneous equipment parts which might fail										
702	Snowmelt boiler	30	26	installed in 2011	2040	\$ 62,000.00									62,000.00		
725	Snowmelt miscellaneous equipment	5	2	new in 2011	2016	\$ 19,500.00	Recommend set up some replacement every five years an amount for replacement because various parts will need to be replaced and equipment expensive - not sure of cost for entire original equipment - likely should maintain amount in liquid funds and budget so if equipment does need to be replaced the funds are available; in the meantime buget \$3,000 per year for operating repairs					9,750.00			9,750.00		
721	Miscellaneous equipment					\$ -	Two expansion tanks, two circulating pumps - unknown what these really are for but are located in building B/C and D/E; included in \$3,000 per year operating costs for miscellaneous equipment repair/replace										
801	Stone sign/monument	20	17	new in 2011	2031	\$ 8,000.00										8,000.00	
901A	fire protection system - bldg J and L	25	2	one panel rebuilt in 2008	2016	\$ 12,000.00	Report says three (3) panels in J and one in L not sure and may be newer than report contemplates		12,000.00								
901B	fire protection system - bldg D-E and Clubhouse A	25	16	new in 2012	2030	\$ 12,000.00	Report says three (3) panels in Bldg E-F and Bldg A									12,000.00	

Exhibit D
Snowmass Mountain Condominium Association, Inc
2015-16 DRAFT Budget Analysis

	2014-15 Proforma Actual	2014-15 Approved Budget	2015-16 Proposed Budget	2015 Proforma vs. 2016 Proposed Budget	2015 Proforma vs. 2016 Proposed Budget
				Favorable / (Unfavorable) \$ Variance	Favorable / (Unfavorable) % Variance
Operating Income					
400 · Operating Assessments	367,954	367,954	431,122	63,169	17%
401 · Utility Assessment	57,993	57,730	57,730	(263)	0%
460 · Regular Assessment Fin Chg	72	180	102	30	43%
461 · Interest Earned	10	12	12	2	23%
462 · Fines & Penalties	0	0	0	0	0%
Key Cards					
465 · Key Card Replacement Income	650	1,200	900	250	38%
466 · Key Card Expenses	(354)	0	(300)	54	-15%
Total Key Cards	296	1,200	600	304	103%
Unit A7					
470 · Assoc Unit Rent	19,200	19,200	20,200	1,000	5%
471 · Unit A7 Costs	0	0	0	0	0%
Total Unit A7	19,200	19,200	20,200	1,000	5%
Total Operating Income	445,524	446,276	509,766	64,242	14%
Operating Expense					
Administrative Expense					
507 · Managing Agent Fees	86,668	86,668	89,095	(2,427)	-3%
502 · Insurance / Property Taxes	34,603	39,942	40,042	(5,439)	-16%
505 · Office Supplies & Expense	1,745	1,980	1,980	(235)	-13%
510 · Miscellaneous	250	1,000	1,000	(750)	-300%
540 · Website Maint.	600	600	600	0	0%
Total Administrative Expense	123,866	130,190	132,717	(8,851)	-7%
Labor					
520 · Maint. Labor Common Area	24,450	31,860	22,269	2,181	9%
524 · Property Inspection & Repairs Maint. Labor	0	0	21,294	(21,294)	100%
521 · Pool/Spa Labor	9,836	7,992	16,380	(6,544)	-67%
523 · Snow Removal	5,296	8,532	9,243	(3,947)	-75%
522 · Landscaping Labor	11,324	11,500	18,281	(6,958)	-61%
530 · Hskp/Amenity Labor	5,531	5,936	16,650	(11,119)	-201%
531 · Patrol/Security	1,044	2,646	7,098	(6,054)	-580%
Total Labor	57,480	68,466	111,215	(53,735)	-93%

Exhibit D
Snowmass Mountain Condominium Association, Inc
2015-16 DRAFT Budget Analysis

	2014-15 Proforma Actual	2014-15 Approved Budget	2015-16 Proposed Budget	2015 Proforma vs. 2016 Proposed Budget	2015 Proforma vs. 2016 Proposed Budget
				Favorable / (Unfavorable) \$ Variance	Favorable / (Unfavorable) % Variance
Supplies & Contract Services					
545 · Pest Control	1,590	1,500	1,500	90	6%
546 · Snowmelt Maintenance	2,724	3,184	3,184	(461)	-17%
547 · Fire Safety/Monitoring	6,034	8,000	8,000	(1,966)	-33%
549 · Contract Services	4,465	4,000	4,000	465	10%
550 · Boiler Service & Inspection	942	4,200	3,000	(2,058)	-218%
553 · Chimney Sweep & Window Clean	17,815	1,500	1,500	16,315	92%
564 · Pool Towels	0	0	2,400	(2,400)	100%
565 · Common Area Supply	2,653	1,200	1,800	853	32%
566 · Pool Supply	625	2,400	2,400	(1,775)	-284%
567 · Contract Pool Labor/Services	1,600	5,000	5,000	(3,400)	-213%
568 · Landscaping Supply & Irrigation	2,245	8,500	8,500	(6,255)	-279%
569 · Gutter Repair&Roof Maintenance	13,201	0	10,000	3,201	24%
570 · Miscellaneous	450	1,800	1,800	(1,350)	-300%
Total Supplies & Contract Services	54,344	41,284	53,084	1,260	2%
Other Budgeted Expenses					
575 · Electric - Owner	34,202	34,809	34,809	(607)	-2%
576 · Natural Gas - Owner	22,396	23,209	23,209	(813)	-4%
Total Other Budgeted Expenses	56,597	58,018	58,018	(1,421)	-3%
Utilities Expense					
581 · Firewood	3,532	5,500	5,500	(1,968)	-56%
582 · Natural Gas - Snowmelt	21,064	24,535	24,535	(3,471)	-16%
584 · Water and Sanitation	35,533	32,600	38,336	(2,803)	-8%
585 · Electric - Association	10,923	10,493	10,493	430	4%
586 · Natural Gas - Association	12,266	12,829	12,829	(563)	-5%
587 · Trash Service	5,881	7,140	7,319	(1,438)	-24%
588 · Internet / Cable Services	37,704	39,120	39,120	(1,416)	-4%
589 · Telephone	2,708	2,700	2,700	8	0%
Total Utilities Expense	129,611	134,917	140,832	(11,221)	-9%
Professional Fees					
595 · Tax / Review / Audit	3,881	4,000	3,900	(19)	0%
596 · Director's Meeting	7,858	7,000	7,000	858	11%
597 · Legal - General	600	2,400	2,000	(1,400)	-233%
598 · Reserve Study	2,500	0	1,000	1,500	60%
Total Professional Fees	14,839	13,400	13,900	939	6%
Total Operating Expense	436,737	446,276	509,766	(73,029)	-17%
Net Operating Income (Loss)	8,787	0	0	(8,787)	-100%

Exhibit D
Snowmass Mountain Condominium Association, Inc
2015-16 DRAFT Budget Analysis

	2014-15 Proforma Actual	2014-15 Approved Budget	2015-16 Proposed Budget	2015 Proforma vs. 2016 Proposed Budget	2015 Proforma vs. 2016 Proposed Budget
				Favorable / (Unfavorable) \$ Variance	Favorable / (Unfavorable) % Variance
Major Maintenance Income					
800 - Major Maint Assessment	115,500	115,500	132,825	17,325	15%
820 - Maintenance Account interest	287	540	300	13	5%
Total Major Maintenance Income	115,787	116,040	133,125	17,338	15%
Major Maintenance Expense					
900 - Major Maint Projects	4,500	0	30,400	(25,900)	-576%
915 - Chimney Flue Inspection/Repair	250,000	0	600,000	(350,000)	-140%
920 - Hot Water Heater Replacement	55,702	40,000	37,500	18,202	33%
921 - Major Maint - Water Damage	0	3,500	0	0	0%
923 - Stain/Paint Breezeways/Railings	27,000	15,000	0	27,000	100%
924 - Irrigation/Landscaping	0	0	10,000	(10,000)	100%
925 - Pool Resurface/Deck Repair	0	0	7,000	(7,000)	100%
927 - Heat Tape and Gutter Upgrade	72,199	23,210	11,540	60,659	84%
928 - Sewer Line Repairs	4,650	4,400	0	4,650	100%
929 - Wood Deck - Units	0	34,500	100,000	(100,000)	100%
933 - Window & Door Repair/Maint	0	0	55,000	(55,000)	100%
934 - Pool House Renovation/Repair	0	0	7,000	(7,000)	100%
932 - Amenity Bldg Remodel	0	0	30,000	(30,000)	100%
Total Major Maintenance Expense	414,051	120,610	888,440	(474,389)	-115%
Net Major Maintenance Income (Loss)	(298,264)	(4,570)	(755,315)	(457,051)	153%
Net Income (Loss)	(289,477)	(4,570)	(755,315)	(465,838)	161%

Exhibit D
Snowmass Mountain Condominium Association, Inc
2016 Proposed Budget Notes

Revenue

400 - Regular Assessments	To be determined at the Board Meeting. Budget currently to achieve a Zero Based Budget.
401 - Utility Assessment	Budget flat to previous year based on actuals.
460 - Regular Assessment Fin Chg	Finance charges for late assessment payments based on current year actuals.
461 - Interest Earned	Interest earned on operating funds, flat to previous year's budget.
465 - Key Card Replacement Income	Income associated with providing replacement key cards for the security system in the amenity building - \$25/card.
466 - Key Card Expenses	Budget for cost of replacing amenity building key cards.
470 - Assoc Unit Rent	Based on \$1,600/month rental until lease renewal in December, 2015, when rental will be raised to \$1,700/month.
471 - Unit A7 Costs	Contra-revenue line to track Unit A7 costs. Amount budgeted to cover the cost to the Association of the flue/firebox replacement project.

Expense

Administrative Expense

507 - Managing Agent Fees	Budget based on a CPI increase for 2015 of 2.8%. New contract as of 8.22.14: 2%, or CPI, which ever is greater; not to exceed 4%.
502 - Insurance / Property Taxes	Budget based on quote from Neil-Garing Agency.
505 - Office Supplies & Expense	Budget flat to previous year budget based on the combined totals.
510 - Miscellaneous	Allowances of \$250/quarter budgeted for miscellaneous items.
540 - Website Maint.	Budget flat to previous year's budget and actuals, based on contract fees with web host.

Labor

520 - Maint. Labor Common Area	Budget based on the Snowmass Mountain Condominiums Annual SH Labor Schedule which includes adjustments for seasonality. This line includes Dumpster cleaning, power washing, building maintenance, and General Property clean up including storage areas. This budget line is lower than previous year's budget due to the addition of account 524. This line reflects an increase in billable rates.
524 - Property Inspection & Repairs Maint. Labor	This is a new Budget line item based on the Snowmass Mountain Condominiums Annual SH Labor Schedule which includes adjustments for seasonality. Daily service based on Management Agreement for the daily Mechanical systems inspections and repairs. This line reflects an increase in billable rates.
521 - Pool/Spa Labor	Budget based on the Snowmass Mountain Condominiums Annual SH Labor Schedule which includes adjustments for seasonality. Per association management agreement, this is a daily task, assume pool and hot tub to remain open daily 12 months per year. This includes cleaning, testing, and pool deck service. This line reflects an increase in billable rates.
523 - Snow Removal	Budget based on the Snowmass Mountain Condominiums Annual SH Labor Schedule which includes adjustments for seasonality. Service includes shoveling and plowing common areas. This line reflects an increase in billable rates.
522 - Landscaping Labor	Budget based on the Snowmass Mountain Condominiums Annual SH Labor Schedule which includes adjustments for seasonality. Adjusted based on actual amount of time forecasted for Lawn Mowing, Flower Bed Maintenance, and Fertilizing/pest control. This line reflects an increase in billable rates.
530 - Hskp/Amenity Labor	Budget based on the Snowmass Mountain Condominiums Annual SH Labor Schedule which includes adjustments for seasonality. Increased service level based on actual service level for the restrooms and amenity building to maintain this asset. This line reflects an increase in billable rates.
531 - Patrol/Security	Budget based on the Snowmass Mountain Condominiums Annual SH Labor Schedule which includes adjustments for seasonality. Budget line item for daily parking patrol and security walk through property. Per Association agreement, parking patrol to be a daily task.

Supplies & Contract Services

545 - Pest Control	Budget flat to previous year assuming quarterly contract with pest control.
546 - Snowmelt Maintenance	Budgeted flat to previous year's budget. This budget is based on an annual contract the Association has for the preventative maintenance of the snowmelt equipment and for starting the equipment at the beginning of the winter season and for shutting down the equipment at the end of the season.
547 - Fire Safety/Monitoring	Budget flat to previous year's budget. Based off contract figures with Apex and CenturyLink dedicated lines. Also includes annual inspections.
549 - Contract Services	Budget flat to previous year. Down from actual as management anticipated more in-house labor for repairs and maintenance.
550 - Boiler Service & Inspection	Budget of \$500/month for the winter months (November-April) for repairs to mechanical equipment.
553 - Chimney Sweep & Window Clean	Budget in May for window cleaning. Assumes that chimney cleaning will not be needed in the first year with new flues.
564 - Pool Towels	New expense line to pay for towel laundry service at pool.
565 - Common Area Supply	Budget increased based on last year's actual expenses, but not full proforma amount.
566 - Pool Supply	Budgeted flat to previous year's budget for purchase of pools chemicals and equipment.
567 - Contract Pool Labor/Services	Budget to cover the cost of regrouting the deck of the pool and smoothing out the deck each year and resurfacing portions of the pool itself.

Exhibit D
Snowmass Mountain Condominium Association, Inc
2016 Proposed Budget Notes

568 - Landscaping Supply & Irrigation	Budget flat to previous year, and includes irrigation start up and shut down and the purchase of landscaping materials including flowers.
569 - Gutter Repair & Roof Maintenance	Budget reflects what is anticipated to complete the retrofit of the gutters begun in 2015 due to the fact there are still some issues with the gutters on the fronts of the lower buildings and the fronts and backs of Buildings B and C.
570 - Miscellaneous	Budget flat to previous year at \$150/month for miscellaneous operating expenses.
Other Budgeted Expenses	
575 - Electric - Owner	Budget flat from previous year based on actuals.
576 - Natural Gas - Owner	Budget flat from previous year based on actuals.
Utilities Expense	
581 - Firewood	Budget flat from previous year based on actuals.
582 - Natural Gas - Snowmelt	Budget flat from previous year based on actuals.
584 - Water and Sanitation	Budget based on anticipated cost for Water & Sanitation, a 5% increase from current actuals.
585 - Electric - Association	Budget flat from previous year based on actuals.
586 - Natural Gas - Association	Budget flat from previous year based on actuals.
587 - Trash Service	Budget based on anticipated cost for Trash Service based on previous year's budget, which is higher than this year's proforma expenses. Budget includes an increase in trash service to prevent dumpsters from overflowing between trash pickup services.
588 - Internet / Cable Services	Budget flat from previous year based on actuals.
589 - Telephone	Budget flat from previous year based on actuals.
Professional Fees	
595 - Tax / Review / Audit	Budget decreased slightly based on previous year's actuals and anticipated costs for the 2015-2016 fiscal year.
596 - Director's Meeting	Budget stayed the same based on previous year's actuals and anticipated costs for the 2015-2016 fiscal year.
597 - Legal - General	Budget reduced from previous year's budgeted figures due to downward trend in actual expenses.
598 - Reserve Study	Budget based off of Snowmass Hospitality estimate to complete an update of the reserve study.
Other Income	
Major Maintenance Income	
800 - Major Maint Assessment	To be determined at the Board Meeting. Budget currently shows a 15% increase over the previous year.
820 - Maintenance Account interest	Budget based on current year's actuals.
Other Expense	
Major Maintenance	
ALL	These are anticipated costs for repairs/replacements identified in the Reserve Projection. These costs will be reviewed, analyzed and approved by the Board in September, 2015.

Exhibit D

Snowmass Mountain Condo Annual SH Labor Schedule

Housekeeping / Amenity Labor	Estimated Hours per Service	Winter 21 weeks Nov 25 -April 14						Summer 15 weeks June 3- Sept 15						Off Season 16 Weeks April 14- June 3 & Sept 16 to Nov 24						Annual Budget
		# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	
		- Restrooms	1	7	7	21	147	\$ 30	\$ 4,410	7	7	15	105	\$ 30	\$ 3,150	3	3	16	48	
- Amenity Bldg	1	7	7	21	147	\$ 30	\$ 4,410	4	4	15	60	\$ 30	\$ 1,800	3	3	16	48	\$ 30	\$ 1,440	\$ 16,650
							\$ 8,820						\$ 4,950							\$ 2,880
Common Area Maintenance Labor	Estimated Hours per Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	
- Dumpster Cleaning	1	3	3	21	63	\$ 39	\$ 2,457	3	3	15	45	\$ 39	\$ 1,755	2	2	16	32	\$ 39	\$ 1,248	
- General Property & Storage Cleanup	2	4	8	21	168	\$ 39	\$ 6,552	4	8	15	120	\$ 39	\$ 4,680	3	6	16	96	\$ 39	\$ 3,744	
- Power Washing Common Areas	4	0	0	21	0	\$ 39	\$ -	0.25	1	15	15	\$ 39	\$ 585	0.5	2	16	32	\$ 39	\$ 1,248	\$ 22,269
							\$ 9,009						\$ 7,020							\$ 6,240
Patrol/Security	Estimated Hours per Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	
- Parking Patrol/Security	0.5	7	3.5	21	73.5	\$ 39	\$ 2,867	7	3.5	15	52.5	\$ 39	\$ 2,048	7	3.5	16	56	\$ 39	\$ 2,184	\$ 7,098
							\$ 2,867						\$ 2,048							\$ 2,184
Property Inspection & Repairs Maintenance Labor	Estimated Hours per Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	
- Mechanical Systems	1	7	7	21	147	\$ 39	\$ 5,733	7	7	15	105	\$ 39	\$ 4,095	7	7	16	112	\$ 39	\$ 4,368	
- Property Inspections & Repairs	1	5	5	21	105	\$ 39	\$ 4,095	3	3	15	45	\$ 39	\$ 1,755	2	2	16	32	\$ 39	\$ 1,248	\$ 21,294
							\$ 9,828						\$ 5,850							\$ 5,616
Landscaping Labor	Estimated Hours per Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	
- Mowing	8	0	0	21	0	\$ 39	\$ -	1.5	12	15	180	\$ 39	\$ 7,020	1.5	12	10	120	\$ 39	\$ 4,680	
- Water / Irrigation & Flower Bed Maint.	2.5	0	0	21	0	\$ 39	\$ -	2.5	6.25	15	93.75	\$ 39	\$ 3,656	1	2.5	10	25	\$ 39	\$ 975	
- Fertilizing & Spraying	4	0	0	21	0	\$ 39	\$ -	0.5	2	15	30	\$ 39	\$ 1,170	0.5	2	10	20	\$ 39	\$ 780	\$ 18,281
							\$ -						\$ 11,846							\$ 6,435
Pool & Spa Labor	Estimated Hours per Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	
- Cleaning & Vacuuming	1	2	1	21	21	\$ 39	\$ 819	2	2	15	30	\$ 39	\$ 1,170	1	1	16	16	\$ 39	\$ 624	
- Pool Deck Maint.	0.5	4	2	21	42	\$ 39	\$ 1,638	4	2	15	30	\$ 39	\$ 1,170	1	0.5	16	8	\$ 39	\$ 312	
- Pool Opening & Closing	0.75	7	5.25	21	110.25	\$ 39	\$ 4,300	7	5.25	15	78.75	\$ 39	\$ 3,071	7	5.25	16	84	\$ 39	\$ 3,276	\$ 16,380
							\$ 6,757						\$ 5,411							\$ 4,212
Snow Removal Labor	Estimated Hours per Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	# of Services per week	Hours Per week	# of weeks	Total Hours per Season	AVG Bill Rate	Total Cost of Service	
- Stairs & Walkway Shoveling	3	3	9	21	189	\$ 39	\$ 7,371	0	0	15	0	\$ 39	\$ -	1	3	16	48	\$ 39	\$ 1,872	
- Plowing	0	0	0	21	0	\$ 50	\$ -	0	0	15	0	\$ 50	\$ -	0	0	16	0	\$ 50	\$ -	\$ 9,243
							\$ 7,371						\$ -							\$ 1,872
Snowmass Mtn Condo Labor by Season							\$ 44,651						\$ 37,125							\$ 29,439

Total Annual Snowmass Mtn Condo Labor \$ 111,215

SNOWMASS MOUNTAIN CONDOMINIUM ASSOCIATION GENERAL PROXY TO VOTE FOR
CANDIDATES FOR THE BOARD OF DIRECTORS

The undersigned condominium owner/member of the SNOWMASS MOUNTAIN

CONDOMINIUM ASSOCIATION hereby appoints Mike Mitchell, President of the Board of Directors,
or _____ [if you choose to appoint someone
other than Mike Mitchell, please strike out his name above, initial the strikeout, and insert the name of
your proxy in the space provided] as my proxy to vote and act as proxy of the undersigned for the
undersigned at the Annual Meeting specifically with regard to the election of the Board of Directors,
including all adjournments thereof, of the SNOWMASS MOUNTAIN CONDOMINIUM
ASSOCIATION, to be held on September 12, 2015 beginning at 1:30 PM MST

I direct my proxy to vote in the election of the directors for the two candidates I have selected below. All
ballots will be distributed and marked at the meeting per direction below.

Election of two (2) Directors to serve on the Board:

SELECT TWO:

Lori McCool, Incumbent	_____
Carl Vill, Incumbent	_____
Brian Sledge	_____
Chris Madigan	_____
Such persons as my proxy determines in my proxy's sole discretion	_____

If you wish to vote for another person or persons, please write in and mark their name below:

_____ write in candidate
_____ write in candidate

****IMPORTANT: YOUR VOTES WILL ONLY BE COUNTED FOR CANDIDATES YOU
ACTUALLY SELECT AND MARK**

IN WITNESS THEREOF, I (WE) executed this proxy on _____, 2015.

Owner/Member: _____
(Please print)

Signature
Unit Number _____

Special comments and/or instructions:

Please return in envelope provided or fax to: (970) 923-8890 or e-mail to
kbrockett@snowmasshospitality.com

SNOWMASS MOUNTAIN CONDOMINIUM ASSOCIATION PROXY TO VOTE ON
MATTERS THAT COME BEFORE THE ANNUAL MEETING

The undersigned condominium owner/member of the SNOWMASS MOUNTAIN
CONDOMINIUM ASSOCIATION hereby appoints Mike Mitchell, President of the Board of
Directors, or

_____ [if you choose to appoint
someone other than Mike Mitchell, please strike out his name above, initial the strikeout, and
insert the name of your proxy in the space provided] as my proxy to vote and act as proxy for
the undersigned at the Annual Meeting, including all adjournments thereof, of SNOWMASS
MOUNTAIN CONDOMINIUM ASSOCIATION, to be held on September 12, 2015 beginning
at 1:30 PM MST, according to the percentage of ownership on which the undersigned would be
entitled to vote if personally present at such meeting, hereby ratifying and confirming all that
said proxy shall lawfully do by virtue hereby, and revoking all former proxies given to vote upon
such ownership, including the following matters:

Ratification of all acts of the Board of Directors and Officers;

Budget and Assessment of members to meet the expenses of the Association for the coming
year; and

Such other matters and business as may properly come before said meeting other than the
election of directors.

This general proxy conveys authority to vote on any matter that may be brought for a vote before
the membership of the Association.

The undersigned acknowledges receipt of the Notice of the Annual Meeting of the Members of
the Snowmass Mountain Condominium Association.

IN WITNESS THEREOF, I (WE) executed this proxy on _____, 2015.

Owner/Member: _____

(Please print)

Signature

Unit Number _____

Please return in envelope provided or fax to: (970) 923-8890 or e-mail to
kbrockett@snowmasshospitality.com

**OWNER INTERESTED IN SERVING ON THE
BOARD OF DIRECTORS
BIOGRAPHICAL INFORMATION**

Name Lari B McCool

Address 112 Riverwood, Bolmer TX 78006

Phone Number (Office) _____
(Home) Cell 713-598-6585

Condominium unit(s) owned K-6

Profession and/or Business Background Attorney and CPA
both Texas licensed

Educational Background BBA - accounting & business
education; JD from Baylor

Civic Participation _____

Personal Information _____

Reasons for wanting to serve on the Association Board continue to serve
on board to complete planned
construction projects and other critical
maintenance projects; No other current
board member has accounting or legal
expertise.

Please return to: Nominations
Snowmass Mountain Condominium Association
P.O. Box 5550
Snowmass Village, CO 81615
FAX: 970-923-8890
EMAIL: kneilson@snowmasshospitality.com

**Board of Directors
Biographical Information
August 2015**

Carl Vill
P.O. Box 5631
Snowmass Village,CO 8161

Mobile: 970-309-0679

Resident: Owned Unit A-3 since 2001

Professional and Business Background:

U.S. Navy-4 ½ years. Officer on deck aircraft carrier. Atomic Weapons Officer. Chemical Engineer with American Cyanmid for 38 years. Numerous leadership and budgetary responsibilities around the world in manufacturing and sale of chemical supplies. Last position was Chairman and President of International Joint Venture.

Education Background

BS Chemical Engineering
MS Business and Engineering

Civic Participation

Previous: President of Trustees of Health Village, NJ-a continuing care facility for 375 residents. Numerous civic organizations. Board Member Center of Addicted Illnesses, New Jersey.

Present: Board Member-Seniors Independent Foundation-Aspen, Colorado
Member Parish Council, St. Mary's Catholic Church, Aspen, Colorado
Former Treasurer, co-manager of Wall Stabilization Project and current Board Member Snowmass Mountain Condominiums.

Personal Information

Widower. Four children and 11 grandchildren.

Reasons for wanting to serve on the Association Board

A number of owners have asked me to run for re-election. If elected, this will be my last term.

I am the only current Board member that was present during the five year wall stabilization project. As a result, I have numerous contacts in the local city government as well as with numerous local contractors. Also, I will be able to pass on vital information to any new members that don't know the history of the property especially the complex wall project.

My goal is for fiscal responsibility, long range planning, seasonal beautification of the property and increasing the values of our property.

I have also been active in the current flue project and re-election will enable me to work to a successful completion of this project since I will be onsite.

Brian Sledge

Snowmass Mountain Condominiums – Unit F2 (full time resident)

Full time resident of Snowmass Village since 1972, owner at Snowmass Mountain for 25 years. Full time owner occupant past 8 years. Raised two children in Aspen and has 2 grandchildren in the valley.

Profession:

- Current board president of a 30 unit complex in Glenwood Springs.
- Property manager at 3 properties in Glenwood Springs.
- Retired.

Career:

1979 – 1998 – Owner operator Aspen Photography Studio, with over 2 million in annual sales. DBA Ski Foto (60 employees) Services Aspen mountain, Aspen Highlands and Snowmass Mountain. Owned and operated two color photo labs with multiple sales locations. Also catered to Wedding and Corporate photography.

1972 – 1979 – Snowmass ski patrol (professional)

Reasons for wanting to server:

- To protect and enhance our investments. I have learned by operating a company that if you watch pennies and the dollars will follow.
- Enhance the quality of our property
- Ensure fair and upfront bids for work throughout the complex (at least 2 bids are needed for large or capital work).
- Establish and define short term cost vs. long term owner use.
- Accountability from our Management Company and vendors that service our property.
- Management Company needs to “sharpen” their pencil and compete for business on a regular basis. Against the “old boy network” of doing business without binding defined bids and contracts.
- I feel the new board members are moving in the right direction and we need to continue the momentum forward and not let the old school thinking prevail.
- Pay attention to building details – this will enhance our property values.
- We need to begin the process of updating our property by implementing a professional and planned course of action over time and not being satisfied with status quo and taking the lowest bid when it might not provide the best outcome for the work being performed.
- Provide more transparency to owners of the financial condition of the association and the major maintenance and operating maintenance expenditures that are required for five and ten years.
- To slow the HOA dues increases which have been rising steady and expect more attention from property management and eliminate wasteful spending.

