



Owners' Packet

for the

2022

Annual Owners' Meeting

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Snowmass Mountain Condominiums Annual Owners' Meeting

Contents

Letter from the Board	3
NOTICE OF ANNUAL HOMEOWNERS MEETING	4
Proxy	5
Agenda	7
2021 Annual Meeting Minutes Draft	8
TREASURER'S REPORT 2022	11
President's Report	13
Manager's Report August 2022	14
Financials	15
Balance Sheet June 2022	15
P&L – Budget vs Actuals.....	16

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Letter from the Board

Dear Snowmass Mountain Condominium Owners:

The upcoming Annual Homeowners meeting is scheduled for September 24th at 1:00 PM. This meeting will be in person.

2022 General Proxy Instructions

To facilitate the conduct of the 2022 Annual Meeting of the Members, the Board of Directors of the Association requests that you return the enclosed General Proxy, designating the Association President, or a proxy of your choice, to vote on your behalf concerning all matters that may come before the Annual Meeting of the Members to be held on September 24th 2022. Without the return of your General Proxy, there may be insufficient representation of the membership to obtain a quorum. Greater than 50% of the membership must appear in person or by proxy to satisfy the quorum requirements for the meeting.

Approval of the AOM minutes from 2021 will be held at the meeting.

Background information

Your Snowmass Mountain Board of Directors are distributing three reports to provide background information on Board and Property Manager activities, and budget information to provide a financial picture of the state of the HOA. We would also 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 (mighty4@mightyousemanagement.com) or regular mail to Snowmass Mountain Condominium Association, PO Box 5124, Snowmass Village, Co, 81615, or to a Board member. These questions should reach the Board on or before September 17th, 2022.

Board of Director Positions

Election materials have been mailed with this packet to allow for owners to vote for the two open positions that need to be filled this year. It is very important that all Owners return their ballots by mail as soon as possible.

Sincerely,

Your Snowmass Mountain Condominium Association Board of Directors

SNOWMASS MOUNTAIN CONDOMINIUM
ASSOCIATION

NOTICE OF ANNUAL HOMEOWNERS MEETING

Notice IS GIVEN THAT THE annual Meeting of Snowmass Mountain Condominium Association, to be held on Saturday, September 24th, 2022 at 1:00 PM.

Stan Stokes
Managing Agent
08/25/2022
Enclosures

Proxy

SNOWMASS MOUNTAIN CONDOMINIUM ASSOCIATION

2022 GENERAL PROXY TO VOTE ON MATTERS THAT COME BEFORE THE ANNUAL MEETING

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

_____ [If you choose to appoint someone other than Doug Mercatoris, 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 24th 2022 beginning at 1:00 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.
- 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 _____, 2022

Owner/Member: _____
(Please print)

(Signature)

Unit Number: _____

Please mail back to:
Snowmass Mountain Condominium Assoc.
PO Box 5124
Snowmass Village, Co, 81615

or e-mail to: mighty4@mightyousemanagement.com.

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Agenda
SNOWMASS MOUNTAIN CONDOMINIUMS
ANNUAL HOMEOWNERS MEETING
September 24th, 2021
SNOWMASS VILLAGE, COLORADO
1:00PM MDT

Board of Directors:

Tom Sherman, Past President
Resigned after sale of unit

Kirk Samsel, Vice President
Term Expires 2022

Doug Mercatoris, President
Term Expires 2024

Dick Wallace, Treasurer
Term Expires 2023

Dave Wolf
Term Expires 2023

Agenda

- I. Call to order
- II. Roll Call and Proxies
- III. Proof of Notice of Meeting
- IV. Approval of Minutes from August, 28nd 2021
- V. President's Report
- VI. Manager's Report
- VII. Financial Report
- VIII. Old Business
- IX. New Business
- X. Adjournment

2021 Annual Meeting Minutes Draft

SNOWMASS MOUNTAIN CONOMINIUM ASSOCIATION ANNUAL MEETING MINUTES VIA ZOOM AUGUST 28, 2021

Board Members Present:

President: Tom Sherman

Secretary: Dick Wallace

Treasurer: Doug Mercatoris

Director: Dave Wolff

Mighty Mouse Management:

Stan Stokes, owner

Steve Frischmann, manager

President Tom Sherman called the meeting to order at 1:06 p.m. He stated a quorum had not been obtained but the ballots for the election would be counted at the end of the meeting. He welcomed everyone to the meeting and asked if everyone had received the Annual Meeting packet.

Roll Call: See attached addendum for owners present and proxies.

President's Report: Tom said due to the pandemic, it has been a hard year for everyone but through it all the Board, through Zoom, managed to hold their monthly Board meetings. They have made progress on projects and dealt with any concerns that might have voiced through the year. The biggest capital improvement project was the painting. The color selection was difficult, but the end product looks fantastic. In less than a year, the plan is to have the roofs replaced which will complete the major projects. Anyone on premise that has not weighed in on the roof color should look at the samples in Steve's office. Landscaping has continued to enhance the grounds and some lighting has been updated for aesthetic and safety reasons. We're within our budget by keeping a close eye on expenditures and thanks to Merc for doing a wonderful job.

There have been many complaints regarding noise and the Board has worked to eradicate some issues. There has been direct communication with Snowmass Vacations who tightened up their documents on renter rules. New floors must be sound proofed as much as possible and there is a rule about how thick carpet padding must be. Hopefully all these measures will help with noise reduction.

We've added two more members to the Board, Dick Wallace and Dave Wolff. Tom encourages anyone interested to serve, should let him know. Various input and ideas helps increase the value of our property and make the place look even better.

Treasurer's Report: Merc stated that the budget was included in the packet. There were several areas under budget but the painting went over budget by \$13,000 due to added work requested by the Board. Due to good financial planning, the roofs will be paid for without borrowing money or special assessing. Right now, with no unforeseen large expenses like pool failure, we should be able to operate at the same level with the same assessments for some time. We're also in line with funds for the reserve study which was included in the packet until 2034.

Manager's Report: Steve reported:

1. Boilers and water heaters are in good condition. The pool boiler was replaced and is using less BTUs which should save money in the long run.
2. The painting crew was great to work with and are now finishing final details
3. Apex has been replaced with Vision Security who are much more responsive and easier to work with. The alarm panel in the J Building has been replaced.
4. There have been drain pipe leaks. As the PVC gets old, it cracks so some walls needed to be opened to remove the old pipe and repaired.
5. A fitting blew off the main feed to the A Building and made quite a mess, but that has been repaired.
6. Dick and Guion have done a great job on the gardens spending a lot of their time and money so a great thank you to them.
7. The bike cleaning power washing station is operational for rinsing off bikes.
8. There was an air leak in the hot tub that needed repair.
9. MMM did fire mitigation on the east and south side of the A Building removing shrubs and trees too close to the building.
10. The sauna has been repaired.
11. A video camera has been installed which can read license plates at night to deter car thefts. Signs to that effect have been posted.

Tom asked if anyone had any questions for Steve. Being none, he asked Steve and Greer to start the ballot counting. Merc mentioned it was planned to have food and drink this year but due to COVID, that was cancelled. One owner brought up a suggestion for reducing problems created by short term renters. He said in his condo association in New York, a deposit had to be posted by the renters, anywhere from \$500 to \$1,000. All violations were deducted from that deposit, and it got renters' attention. He suggested the Board discuss with Snowmass Vacations to implement a similar program. Tom said it would be discussed at a future Board meeting.

Landscaping: Several people thanked Dick and Guion for their work on the landscaping. Tara asked if there was any discussion to landscaping the opposite side of the entrance. Tom said it was just discussed at the Board meeting yesterday and the Board will ask Snowmass Lawn for ideas and cost on that area. Merc said money had been budgeted anywhere from \$2,000 to \$15,000 and if anyone wanted to supplement that, they are welcome.

Other Business: Steve was given a great thanks for doing a great job enforcing policy and managing parking as best he could. All the Board members were thanked for doing a great job in keeping the place a great place to live. Steve was asked if there was a breakdown of owner vs. renters. Steve said there were 25 owner occupied, 13 short term rentals, and 10 long term rentals. Merc mentioned that the Board has been discussing the owner demographics to correlate to different policies.

Snowmass Mt. Condo Assoc.
Annual meeting 8/28/2021
Page 3

Voting results: Merc was re-elected with 47.31 points. Merc thanked the other candidate for his interest and hoped he would be interested in serving in the future. Tom thanked Greer for helping with the voting. Tom thanked everyone for attending and stay safe. Hearing no further comments, the meeting was adjourned at 1:35 p.m.

Note:

Merc asked about election of officers and suggested the officers remain the same for the next year. The Board agreed.

TREASURER'S REPORT 2022

The narrative of this section will focus on the following items

1. 2021-22 budget performance to date
2. 2021-22 Major Maintenance Expenditures
3. 2022-23 Proposed Fiscal Year Budget

1. 2021-22 Budget performance to date

In general, the operating budget for the current year is in balance and we project finishing the year within budget. Both our labor and contract services are tracking to be under budget for the year. There are a few notable differences from the projected operating budget (October through June):

Total Administrative expense is over budget \$31,972.00 Due to increased Insurance coverage.

Total Labor Under Budget \$7,174.00

Total supplies and Contract services under budget \$10,513.00

Utility expenses under budget \$7,948

The overall expenses through the end of June are over budget \$6,391.00 Due to increased Insurance Coverage.

2. 2021-22 Major Maintenance Expenditures

Major Maintenance is under Budget by \$133,303 Due to the cost savings on the Roofing Project.

3. 2022-23 Fiscal Year Proposed Budget

Major maintenance reserve assessment will remain the same as 2021-22.

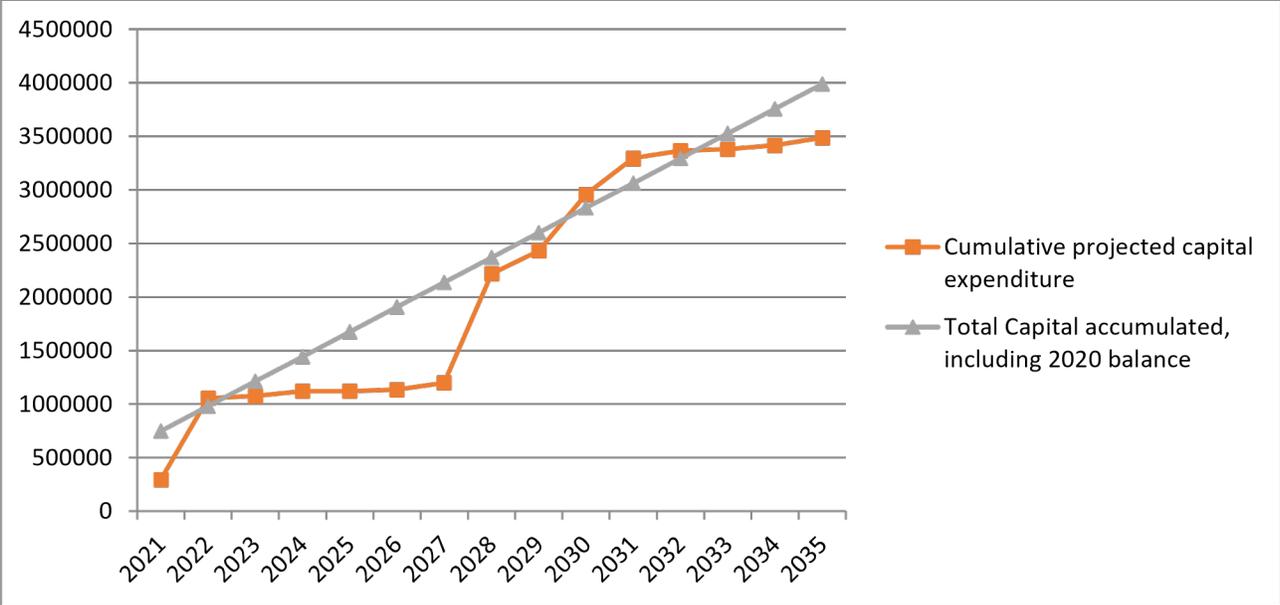
Unfortunately, Regular Assessments will see a sharp increase in the 2022-23 budget year, driven by higher costs for labor and natural gas, but particularly by a 90% increase in our complex insurance costs (accounting for 70% of the increase).

4. Reserve Study

The SMC Reserve Study was initiated in 2012 and included an assessment by an external agency (Aspen Reserve Specialties, ARS) of the current condition, expected continued service and projected replacement costs of the major structural and mechanical elements of the complex. This study was updated by ARS in 2015. Since this time, the Board has expanded the reserve study to include other elements of the property, and reviews and updates the Reserve Study annually to determine the adequacy of the capital reserve fund of the HOA. Following a Strategic Review of Capital Investment in 2018-19, the reserve study was further updated. We expect the Board to authorize a new reserve study in 2023.

This is illustrated in the graph below, which tracks projected capital assessment income against anticipated capital expenditure from 2021 to 2035. As can be seen, the projected expenditure exceeds income slightly in years 2022 (roof replacement) and 2030-2031 (windows, doors, and pool replacement), but overall, the planned accrual of capital through regular capital assessments is broadly in line with the projected expenditures. Obviously, these are just projections and there are several assumptions in the capital expenditure plan. Nevertheless, while unexpected demand for capital could still occur, the Board considers this analysis to be a fair projection of income vs expenditure over the next 15 years.

Projected Cumulative Capital Expenditure vs Cumulative Capital Investment Income 2021-2035



President's Report

for Snowmass Mountain Condominiums

Annual Homeowners' Meeting, Saturday September 24th, 2022

Introduction

The purpose of this report is to update Owners on the activities of last year, and future Board objectives. The Board held monthly telephone/Zoom meetings throughout 2021-22. No in-person meetings were held due to the pandemic and the safety for all involved, except for our July meeting, which was finally in person. The coronavirus outbreak and the resulting restrictions imposed by both the State and Pitkin County were certainly an impediment to all of us, but the Board continued to make progress for the benefit of the owners and the complex.

Capital Improvements

Having completed the Strategic Plan for Capital Investment in 2019, the Board focused on the next and final major capital improvement project, the roofs, and gutters. We hope you are happy with the result of both the painting and the new roofs. We think the complex looks much improved and far more sophisticated than it had, and certainly far better than many other complexes nearby. No new capital projects are planned for the near future.

Landscaping

Landscaping continues to be enhanced with plantings, and improved lighting. You may see other small projects from time to time, all for improved safety or aesthetics. Examples of this is the "other" side of our complex entry way opposite the SMC sign, and the new light that was installed above the door to the refuse.

Budget

We continue to be within budget versus our forecast. This is particularly important given the capital improvements that ended this year. Delaying the roof replacement by a year worked in our favor as we were able to save a significant sum of money.

Board Change

There are two Board seats open. Tom Sherman, President, has sold his unit, and Kirk Ramsel's term is up. Kirk has served four consecutive terms. On behalf of the existing Board and as an owner, I'd like to thank Kirk for all the years he volunteered to make our complex better. His thinking and view were very valuable. Please thank Kirk when you see him. Please consider running for a Board seat. We need fresh thinking and new perspectives.

Rules Violations

Noise is mostly, but not exclusively, caused by short term renters. As written many months ago, we worked with Snowmass Vacations to "tighten up" their process to help us minimize noise problems. While issues still arise, we have seen far fewer than in past years. That's progress that the Board is proud of. You probably noticed that new "no smoking" signs were hung around our complex letting everyone know, especially renters, that there is an immediate \$250 fine. The result has been far fewer violations.

Conclusion

This has certainly been another challenging year for all. As I leave the Board and Snowmass Mountain Condominiums, I am proud of what we have accomplished over the last year. I will miss being here as an owner but feel I am leaving the Board in a great place for the next Board.

We hope to see you in person in September. Please submit your resumes to run for a Board seat.

Warm regards,
Tom Sherman
Former President

Manager's Report August 2022

Tyler Newton

Mighty Mouse Management (MMM) has been managing the complex now for 6 years. Working closely with the Board, we are continually improving and upgrading the complex.

Here are some of the changes that affected all units.

- New Roofs-Heat tape and gutters
- Upgraded landscaping

Boilers in buildings A, B, D, Pool & Snowmelt

- There have been no boiler failure or shutdowns that affected anyone this past year. All components seem to be in fine working order. There is ongoing logs and preventative maintenance being done to help prevent future breakdowns.

Hot water heaters

- Except for a high amperage relay being replaced in one of the H building water heaters, there has not been any problems this past year.
- A we've replaced a recirculation pump in the J Building.

General plumbing

- Pressurized water pipes - There were several leaks in the water pipes due to age or failing solder joints. All known issues seen like these have been replaced.
- Drainpipes - Several cracked drainpipes have been discovered and fixed in a few of the buildings.
- We've snaked out the drain in the Boiler Room of the L building.

Below are other projects completed over the last year:

1. New light over refuse door for better visibility.
2. New entry garden irrigation.
3. New Irrigation Booster Pump for D Building.
4. Tightening of fines for rules violations.
5. Monetary deposit requirement for short term rentals to help avoid violations.
6. Raised partial garage ceiling of E building due to movement so cars can fit without hitting their roof racks.

Financials

Balance Sheet June 2022

1:04 PM 07/20/22 Accrual Basis	Snowmass Mountain Condominium Association, Inc.	
	Balance Sheet	
	As of June 30, 2022	
		<u>Jun 30, 22</u>
ASSETS		
Current Assets		
Checking/Savings		
Operating Accounts		
100 - Alpine Operating Ck	5,547.19	
101 - Alpine Operating MM	137,085.14	
Total Operating Accounts		142,632.33
Major Maintenance Accounts		
113 - 1st Bk Capital Reserve CD	259,272.35	
110 - Alpine Capital Reserve Ck	4,935.34	
111 - Alpine Capital Reserve MM	75,669.73	
Total Major Maintenance Accounts		339,877.42
Total Checking/Savings		482,509.75
Accounts Receivable		
145 - Accounts Receivable - Owner		(31,817.45)
Total Accounts Receivable		(31,817.45)
Other Current Assets		
Common Element Asset		
166 - Prepaid Insurance	21,551.05	
167 - Prepaid Deposit	300.00	
Total Common Element Asset		21,851.05
170 - Undeposited Funds		17,563.43
Total Other Current Assets		39,414.48
Total Current Assets		490,106.78
TOTAL ASSETS		<u><u>490,106.78</u></u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200 - Accounts Payable - Trade		42,515.61
Total Accounts Payable		42,515.61
Other Current Liabilities		
Liabilities		
230 - Accrued Expenses	3,901.00	
255 - Pet Deposit	2,550.00	
Total Liabilities		6,451.00
Total Other Current Liabilities		6,451.00
Total Current Liabilities		48,966.61
Total Liabilities		48,966.61
Equity		
300 - Retained Earnings	672,343.47	
Net Income	(231,203.30)	
Total Equity		441,140.17
TOTAL LIABILITIES & EQUITY		<u><u>490,106.78</u></u>

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07/20/22
Accrual Basis

Snowmass Mountain Condominium Association, Inc.
Profit & Loss Budget vs. Actual
October 2021 through June 2022

	<u>Oct '21 - Jun 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense			
Income			
Operating Income			
400 - Regular Assessments (59)	321,792.07	322,524.15	(732.08)
401 - Utility Assessment	46,786.58	50,061.50	(3,274.92)
460 - Regular Assessment Fin Chg	161.82	150.00	11.82
461 - Interest Earned	211.02	1,875.00	(1,663.98)
462 - Fines & Penalties	2,250.00	2,000.00	250.00
463 - Misc Income	0.00	200.00	(200.00)
Key Cards			
465 - Key Card Replacement Income	75.00		
Total Key Cards	75.00		
Unit A7			
470 - Assoc Unit Rent	16,200.00	16,200.00	0.00
Total Unit A7	16,200.00	16,200.00	0.00
Total Operating Income	387,476.49	393,010.65	(5,534.16)
Total Income	387,476.49	393,010.65	(5,534.16)
Gross Profit	387,476.49	393,010.65	(5,534.16)
Expense			
Administrative Expense			
507 - Managing Agent Fees	54,650.16	54,650.10	0.06
501 - Bank Charges	2,028.24	200.00	1,828.24
502 - Insurance / Property Taxes	75,709.87	45,813.90	29,895.97
505 - Office Supplies & Expense	1,995.67	747.00	1,248.67
510 - Miscellaneous	(100.55)	900.00	(1,000.55)
540 - Website Maint.	0.00	0.00	0.00
Total Administrative Expense	134,283.39	102,311.00	31,972.39
Labor			
520 - Maint. Labor Common Area	21,529.50	21,917.31	(387.81)
521 - Pool/Spa Labor	13,327.50	15,875.00	(2,547.50)
523 - Snow Removal	7,358.00	5,000.00	2,358.00
522 - Landscaping Labor	5,250.04	6,000.00	(749.96)
524 - Property Insp & Repairs Maint	3,685.00	10,667.31	(6,982.31)
530 - Help/Amenity Labor	8,767.00	8,280.00	487.00
531 - Patrol/Security	4,248.50	3,600.00	648.50
Total Labor	64,165.54	71,339.62	(7,174.08)

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Accrual Basis

Snowmass Mountain Condominium Association, Inc.
Profit & Loss Budget vs. Actual
October 2021 through June 2022

	Oct '21 - Jun 22	Budget	\$ Over Budget
Supplies & Contract Services			
573 - Building Settlement Survey	0.00	0.00	0.00
554 - Chimney Sweep	1,460.00	2,850.00	(1,390.00)
551 - Dryer Vent Cleaning	0.00	0.00	0.00
545 - Pest Control	1,285.00	1,260.00	25.00
546 - Snowmelt Maintenance	0.00	1,000.00	(1,000.00)
547 - Fire Safety/Monitoring	12,104.81	7,025.00	5,079.81
548 - Sewer Line Maintenance	991.75		
549 - Contract Services	0.00	750.00	(750.00)
550 - Boiler Service & Inspection	2,766.90	6,675.00	(3,908.10)
553 - Window Clean	0.00	1,250.00	(1,250.00)
565 - Maintenance Supply	4,191.55	3,750.00	441.55
566 - Pool Supply	2,834.63	1,575.00	1,259.63
567 - Contract Pool Labor/Services	0.00	750.00	(750.00)
568 - Landscaping Supply & Irrigation	831.64	9,375.00	(8,543.36)
570 - Housekeeping Supply	0.00	720.00	(720.00)
Total Supplies & Contract Services	26,466.28	36,980.00	(10,513.72)
Other Budgeted Expenses			
575 - Electric - Owner	31,825.66	36,614.04	(4,788.38)
576 - Natural Gas - Owner	23,496.68	17,209.46	6,287.22
Total Other Budgeted Expenses	55,322.34	53,823.50	1,498.84
Utilities Expense			
581 - Firewood	2,280.00	5,500.00	(3,220.00)
582 - Natural Gas - Snowmelt	28,296.41	21,000.00	7,296.41
584 - Water and Sanitation	42,733.55	37,003.84	5,729.71
585 - Electric - Association	8,713.29	13,571.78	(4,858.49)
586 - Natural Gas - Association	8,464.48	6,547.37	1,917.11
587 - Trash Service	6,599.13	7,137.90	(538.77)
588 - Internet / Cable Services	25,260.77	39,570.93	(14,310.16)
589 - Telephone	0.00	0.00	0.00
Total Utilities Expense	122,347.63	130,331.82	(7,984.19)
Professional Fees			
595 - Tax / Review / Audit	4,300.00	4,400.00	(100.00)
596 - Director's Meeting	1,251.59	2,666.67	(1,415.08)
597 - Legal - General	1,232.00	1,125.00	107.00
Total Professional Fees	6,783.59	8,191.67	(1,408.08)
Total Expense	409,368.77	402,977.61	6,391.16
Net Ordinary Income	(21,892.28)	(9,966.96)	(11,925.32)

1:08 PM
 07/20/22
 Accrual Basis

Snowmass Mountain Condominium Association, Inc.
Profit & Loss Budget vs. Actual
 October 2021 through June 2022

	Oct '21 - Jun 22	Budget	\$ Over Budget
Other Income/Expense			
Other Income			
Major Maintenance Income			
810 - Insurance Claim Income	977.50		
800 - Major Maint Assessment	174,396.74	174,233.76	162.98
820 - Maintenance Account Interest	11.62	100.00	(88.38)
Total Major Maintenance Income	<u>175,385.86</u>	<u>174,333.76</u>	<u>1,052.10</u>
Total Other Income	<u>175,385.86</u>	<u>174,333.76</u>	<u>1,052.10</u>
Other Expense			
Major Maintenance			
935 - Plumbing Leaks	1,020.86	4,000.00	(2,979.14)
900 - Major Maint Projects	21,828.58		
921 - Major Maint - Roofing Project	360,378.62	490,000.00	(129,621.38)
922 - Complex Painting	0.00	0.00	0.00
924 - Irrigation/Landscaping	1,468.82	15,000.00	(13,531.18)
933 - Window & Door Repair/Maint	0.00	9,000.00	(9,000.00)
Total Major Maintenance	<u>384,696.88</u>	<u>518,000.00</u>	<u>(133,303.12)</u>
Total Other Expense	<u>384,696.88</u>	<u>518,000.00</u>	<u>(133,303.12)</u>
Net Other Income	<u>(209,311.02)</u>	<u>(343,666.24)</u>	<u>134,355.22</u>
Net Income	<u>(231,203.30)</u>	<u>(353,633.20)</u>	<u>122,429.90</u>