

TMVRC Owners Association, Inc.

As of September 30, 2022
FINANCIALS

Prepared by: Auberge Resorts, LLC as Manager

TMVRC Owners Association, Inc.
Madeline Hotel & Residences
DEFINITIONS
As of September 30, 2022

Accounting basis and financial reporting

Fund accounting is an accounting system for recording that emphasizes accountability rather than profitability, and is used by nonprofit organizations and by governments. In this method, a fund consists of a self-balancing set of accounts.

Nonprofit organizations and government agencies have special requirements to show, in financial statements and reports, how money is spent, rather than how much profit was earned. Unlike profit oriented businesses, which use a single set of self-balancing accounts (or general ledger), nonprofits can have more than one general ledger (or fund), depending on their financial reporting requirements. An accountant for such an entity must be able to produce reports detailing the expenditures and revenues for each of the organization's individual funds (Operating Fund and Reserve Fund and possibly Special Assessment Fund), and reports that summarize the organization's financial activities across all of its funds.

Like profit-making organizations, nonprofits and governments will produce Consolidated Financial Statements. These are generated in line with the reporting requirements in the country they are based or if they are large enough they may produce them under International Financial Reporting Standards (IFRS), an example of this is the UK based charity Oxfam. If the organization is small it may use a cash basis accounting but larger ones generally use accrual basis accounting for their funds.

Nonprofit organizations in the United States have prepared their financial statements using Financial Accounting Standards Board (FASB) guidance since 1993. The financial reporting standards are primarily contained in FAS117 and FIN43. FASB issued a major update in 2016 that changed reporting net assets from three primary categories to two categories, restricted and unrestricted funds and how these are represented on financial statements.

Accounting basis

The accrual basis of accounting used by most businesses requires revenue to be recognized when it is earned and expenses to be recognized when the related benefit is received. Revenues may actually be received during a later period, while expenses may be paid during an earlier or later period. Cash basis accounting, used by some small businesses, recognizes revenue when received and expenses when paid.

Variance explanation

For variance explanations, Better/Worse comparisons are used with common abbreviations of B/(W) where Worse (W) is recorded as a negative number.

TMVRC Owners Association, Inc.
Madeline Hotel & Residences
OCCUPANCY OVERVIEW
As of September 30, 2022

Percentage Occupied - Month				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Residence Occupancy %	56.9%	52.0%	4.9%	61.8%

Percentage Occupied - YTD				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Residence Occupancy %	62.9%	70.7%	-7.8%	73.3%

Overall Room Nights - Month				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Occupied Residence Condos	476	532	(56)	541
Residence Owner Stays	445	372	73	460
Total Occupied Residence RN	921	904	17	1,001

Overall Room Nights - YTD				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Occupied Residence Condos	4,579	5,380	(801)	5,413
Residence Owner Stays	4,094	3,685	409	3,844
Total Occupied Residence RN	8,673	9,065	(392)	9,257

TMVRC Owners Association, Inc.
Madeline Hotel & Residences
FINANCIAL OVERVIEW
As of September 30, 2022

Profit/(\$Loss) - Month				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Surplus (Deficit)	6,968	0	6,968	(6,633)

Profit/(\$Loss) - YTD				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Surplus (Deficit)	58,687	0	58,687	120,565

Overall Dept Cost per Occupied Residence - Month				
<u>Department</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Guest Services	17.87	17.90	0.04	19.67
Housekeeping	0.95	3.11	2.16	2.16
Engineering	25.90	23.29	(2.61)	26.23
Total	\$44.71	\$44.30	(\$0.41)	\$48.06

Overall Dept Cost per Occupied Residence - YTD				
<u>Department</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Guest Services	16.31	15.87	(0.44)	13.76
Housekeeping	1.92	2.84	0.92	1.52
Engineering	23.32	23.66	0.33	23.38
Total	\$41.56	\$42.36	\$0.81	\$38.66

Labor Cost per Occupied Residence - Month				
<u>Department</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Guest Services	16.21	14.58	(1.63)	8.30
Housekeeping	0.93	2.24	1.32	0.84
Engineering	13.95	18.62	4.67	9.44
Total	\$31.09	\$35.45	\$4.36	\$18.59

Labor Cost per Occupied Residence - YTD				
<u>Department</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Guest Services	14.40	14.65	0.25	7.23
Housekeeping	1.77	1.89	0.12	1.31
Engineering	12.16	15.06	2.91	10.62
Total	\$28.33	\$31.60	\$3.28	\$19.15

Delinquent Accounts- 31+days				
	<u>Current</u>	<u>Last Month</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
# of Condominium Units	1	3	2	0
Total Dollars	\$7,261	\$14,932	\$7,671	\$0

TMVRC Owners Association, Inc.
Madeline Hotel & Residences
UTILITY OVERVIEW
As of September 30, 2022

Total Occupied Residences - Month				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Occupied Residences	921	904	17	1,001

Total Occupied Residences - YTD				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Occupied Residences	8,673	9,065	(392)	9,257

Electricity - Month				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Expense	\$26,968	\$30,247	\$3,279	\$30,853
kWh*	340,612	339,856	(756)	373,200
Expense/kWh	\$0.08	\$0.09	\$0.01	\$0.08
kWh/Occ. Residence	369.83	375.95	6.12	372.83

Electricity - YTD				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Expense	\$229,129	\$252,060	\$22,930	\$250,309
kWh*	2,817,739	2,832,131	14,392	3,088,745
Expense/kWh	\$0.08	\$0.09	\$0.01	\$0.08
kWh/Occ. Residence	324.89	312.42	(12.46)	333.67

Gas - Month				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Expense	\$23,341	\$14,492	(\$8,849)	\$14,155
Therms*	19,966	19,322	(644)	18,742
Expense/Therm	\$1.17	\$0.75	(\$0.42)	\$0.76
Therms/Occ. Residence	21.68	21.37	(0.30)	18.72

Gas - YTD				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Expense	\$267,685	\$207,714	(\$59,971)	\$202,468
Therms*	298,607	276,951	(21,656)	346,312
Expense/Therm	\$0.90	\$0.75	(\$0.15)	\$0.58
Therms/Occ. Residence	34.43	30.55	(3.88)	37.41

Water/Sewer - Month				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Expense	\$8,928	\$9,457	\$528	\$8,479
000's Gallon*	940	946	6	1,066
Expense/ 000's Gallon	\$9.50	\$10.00	\$0.50	\$7.95
Gallon /Occ. Residence	1,021	1,046	25.48	1065

Water/Sewer - YTD				
	<u>Actual</u>	<u>Budget</u>	<u>Variance B/(W)</u>	<u>Last Year</u>
Expense	\$94,591	\$84,240	(\$10,351)	\$77,458
000's Gallon*	11,226	8,424	(2,802)	8,270
Expense/ 000's Gallon	\$8.43	\$10.00	\$1.57	\$9.37
Gallon /Occ. Residence	1,294	929	(365)	893

TMVRC Owners Association, Inc.
Madeline Hotel & Residences
BALANCE SHEET
As of September 30, 2022

	<u>Operating Fund</u>	<u>Reserve Fund</u>	<u>Total</u>
Assets			
Cash	354,422	1,447,361	1,801,783
Maintenance Fees Receivable	917,273		917,273
Due to/ (from) Operating Fund	207,593	-	207,593
Due to/ (from) Reserve for Replacement Fund	-	(207,593)	(207,593)
Total Assets	<u>1,479,288</u>	<u>1,239,768</u>	<u>2,719,056</u>
Liabilities			
Unearned Maintenance Fees	985,772	-	985,772
Accounts Payable ¹	222,031	-	222,031
Total Liabilities	<u>1,207,803</u>	<u>-</u>	<u>1,207,803</u>
Equity			
Fund Balance - Year to Date	58,687	(76,327)	(17,640)
Operating Surplus Transferred	-	-	-
Fund Balance - Prior Year	212,798	1,316,095	1,528,893
Fund Balance LTD	271,485	1,239,768	1,511,253
Total Liabilities and Equity	<u>1,479,288</u>	<u>1,239,768</u>	<u>2,719,056</u>

1- Hotel Madeline Payable of \$205K included in Accounts payable

TMVRC Owners Association, Inc.
Madeline Hotel & Residences
STATEMENT OF REVENUE AND EXPENSES
OPERATING FUND
As of September 30, 2022

	September 30, 2022				YEAR TO DATE				YEAR-END ACTUALS/FORECAST				
	ACTUAL	BUDGET	Var B/(W)		ACTUAL	BUDGET	Var B/(W)		FORECAST	BUDGET	Var B/(W)		
REVENUES													
Maintenance Fees	246,458	246,458	0	0.0%	2,301,188	2,301,188	0	0.0%	3,126,676	3,126,676	0	0.0%	
Space Rent	2,115	0	2,115	0.0%	19,035	0	19,035	0.0%	25,380	0	25,380	0.0%	
Operating Interest and Late Fee	114	0	114	0.0%	1,200	0	1,200	0.0%	1,612	0	1,612	0.0%	
TOTAL REVENUES	\$ 248,688	\$ 246,458	\$ 2,229	0.9%	\$ 2,321,422	\$ 2,301,188	\$ 20,235	0.9%	\$ 3,153,668	\$ 3,126,676	\$ 26,992	0.9%	
EXPENSES													
Accounting and General	36,598	35,237	(1,361)	-3.9%	336,052	307,729	(28,323)	-9.2%	432,528	406,955	(25,573)	-6.3%	
Guest Services	22,949	24,641	1,692	5	6.9%	217,704	220,379	2,676	1.2%	294,887	292,381	(2,506)	-0.9%
Homeowners Association Audit Expense	0	3,027	3,027	3	100.0%	790	21,498	20,708	96.3%	4,490	21,550	17,060	79.2%
Homeowners Association Bookkeeping Expense	2,080	1,800	(280)	-15.6%	14,026	16,100	2,074	12.9%	18,976	21,600	2,624	12.1%	
Homeowners Association Manager Expense	12,065	17,190	5,124	1	29.8%	152,185	154,957	2,772	1.8%	206,109	202,084	(4,025)	-2.0%
Housekeeping	15,801	15,989	187	1.2%	141,567	158,534	16,968	10.7%	184,213	204,419	20,205	9.9%	
Insurance	11,278	6,492	(4,785)	2	-73.7%	79,083	61,676	(17,407)	-28.2%	100,461	81,153	(19,308)	-23.8%
Maintenance	36,701	37,889	1,188	3.1%	307,723	350,999	43,276	12.3%	451,723	485,089	33,366	6.9%	
Management Fee	19,917	19,741	(175)	-0.9%	179,250	177,672	(1,578)	-0.9%	238,474	236,896	(1,578)	-0.7%	
Owner Storage	833	833	0	0.0%	8,773	7,500	(1,273)	-17.0%	11,273	10,000	(1,273)	-12.7%	
Parking	6,498	7,248	750	10.3%	60,398	59,016	(1,382)	-2.3%	113,740	103,537	(10,202)	-9.9%	
Real Estate Tax Expense	3,910	4,946	1,036	20.9%	37,823	44,511	6,688	15.0%	52,661	59,348	6,686	11.3%	
Reserve study	0	0	0	0.0%	0	3,900	3,900	100.0%	0	3,900	3,900	100.0%	
Shared Facility Expense	13,852	14,333	481	3.4%	135,956	131,165	(4,792)	-3.7%	170,462	164,977	(5,485)	-3.3%	
Utilities	59,237	57,094	(2,143)	4	-3.8%	591,405	585,552	(5,853)	-1.0%	873,263	832,788	(40,475)	-4.9%
TOTAL EXPENSES	\$ 241,719	\$ 246,458	\$ 4,739	1.9%	\$ 2,262,735	\$ 2,301,188	\$ 38,452	1.7%	\$ 3,153,260	\$ 3,126,676	\$ (26,584)	-0.9%	
SURPLUS (DEFICIT)	\$ 6,968	\$ -	\$ 6,968		\$ 58,687	\$ -	\$ 58,687		\$ 408	\$ -	\$ 408		
2021 Opening Fund Balance					\$ 212,798				\$ 212,798				
LIFE-TO-DATE FUND BALANCE					\$ 271,485				\$ 213,206				

- 1 Lower allocated wages for Residence Director, in conjunction with hotel RMA work
- 2 Greater than budgeted annual increases in property, liability, and umbrella insurances.
- 3 Audit postponed by BOD to revise scope of Audit
- 4 YoY Rate increase in Gas utility approx. 10% greater than budget assumption
- 5 Unused contingency \$1.3K

**TMVRC Owners Association, INC.
Madeline Hotel & Residences
OPERATIONS BUDGET VARIANCE
As of September 30, 2022**

DESCRIPTION	Monthly VAR B/(W)	MTD %	YTD VAR B/(W)	YTD %	MTD EXPLANATION Variances greater than 5% and \$2,500	YTD EXPLANATION Variances greater than 5% and \$2,500
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REVENUES

Space Rent	2,115	0.0%	19,035	0.0%	Space rent for Free Propel Movement	Space rent for Free People Movement
Operating Interest and Late Fee	114	0.0%	1,200	0.0%		

EXPENSES

Accounting and General			(28,323)	-9.2%		+\$21K YTD incremental Legal expense outside of normal HOA activity, related to rules and regulations and other ongoing vendor related legal matters. Increases in PTEB, greater than budget assumption.
Homeowners Association Audit Expense	3,027	100.0%	20,708	96.3%	Audit Postponed by BOD in order to explore expanded scope.	Audit Postponed by BOD in order to explore expanded scope.
Homeowners Association Manager Expense	5,124	29.8%			Reduced Residence Director allocated wages, in conjunction with hotel RMA project work	
Housekeeping			16,968	10.7%		Carry forward of lower than anticipated hours from Q1 and closure months of Q2.
Insurance	(4,785)	-73.7%	(17,407)	-28.2%	Upon review a true-up will be booked in October to realign insurance to budgeted coverages.	Renewal for 2022/ 2023 exceeded the budgeted YoY increase by \$3K per month, or approx. \$19K for remainder of 2022.
Maintenance			43,276	12.3%		Labor down \$31K to Budget resulting from lower than expected hours and various vacant positions within PO&M team. \$8K of unused PO&M contingency YTD
Real Estate Tax Expense			6,688	15.0%		Hotel booked adjustment to accrued property taxes to adjust to most recent assessment
Reserve study			3,900	100.0%		External reserve committee report deferred to future year. 2021/2022 Reserve study update to be completed internally with reserve committee and BOD.

TMVRC Owners Association, Inc.
Madeline Hotel & Residences
STATEMENT OF REVENUE AND EXPENSES
RESERVE FUND
As of September 30, 2022

	Year to Date 2022			YEAR-END FORECAST			Notes
	ACTUAL	BUDGET	Var B/(W)	FORECAST	BUDGET	Var B/(W)	
REVENUES							
Reserve For Replacement Assessments	500,000	500,000	-	500,000	500,000	-	
Reserve For Replacement Assessments- Garage	4,725	4,725	-		4,725		
Bank Interest	108	-	108	45	-		
TOTAL REVENUES	504,833	504,725	108	500,045	504,725	(4,680)	
EXPENSES							
Common Areas-Elevators							
GSF-Elevator Cab Refurb.-Guest-Lot 38		33,000	33,000		33,000	33,000	Design work has begun, Completion spring 2023
GSF-Elevator Cab Refurb.-Guest-Lot 50-51		132,000	132,000		132,000	132,000	Design work has begun, Completion spring 2023
Common Area Equipment							
GLCE-Gate Arm Operator-Garage	5,576	10,000	4,424	6,500	10,000	3,500	Project completed \$6.5K Funds Re allocated to other projects, Elements not needed
HSF-Kid's Club-Desktop Computers-Lot 38		7,500	7,500	-	7,500	7,500	Funds Re allocated to other projects, Elements not needed
HSF-Kid's Club-Televisions-Lot 38		2,800	2,800	-	2,800	2,800	Funds Re allocated to other projects, Elements not needed
HSF - Computers Desktops & laptops - Staff	1,904	10,000	8,096	1,904	10,000	8,096	1 Laptop replacement purchased
Common Area -Fitness							
HSF-Fitness Equipment-Cardio	44,454	43,709	(745)	44,454	43,709	(745)	Project Completed, Variance approved by BOD
Common Area-Furnishings							
HSF-Kid's Club-Dining Chairs-Lot 38		2,000	2,000	-	2,000	2,000	Completed all common area furnishing. Total project cost \$3.5K, Yielding \$5K in total savings
HSF-Kid's Club-Dining Table-Lot 38		2,000	2,000	-	2,000	2,000	
HSF-Kid's Club-Ottoman-Lot 38		500	500	-	500	500	
HSF-Kid's Club-Sectional Couch-Lot 38	3,501	4,000	499	3,501	4,000	499	

KEY GREEN- Completed
BLUE- Forecasted/ Bid rec'd/ partially completed

	Year to Date 2022			YEAR-END FORECAST			Notes	
	ACTUAL	BUDGET	Var B/(W)	FORECAST	BUDGET	Var B/(W)		
Common Areas - HVAC								
GSF-HVAC-Split A/C System-Elev. Cntrl. 3&4		5,354	5,354	5,000	5,354	354	Bids received, Slated for 2022. Only 4 units are being utilized	
GSF-HVAC-Split A/C System-Elev. Cntrl. 5&6		5,354	5,354	5,000	5,354	354		
GSF-HVAC-Split A/C System-Serv. Elev. Cntrl.		5,354	5,354	5,000	5,354	354		
GSF-HVAC-Split A/C System-Garage BOH (CU/HP-1)		4,589	4,589	5,000	4,589	(411)		
GSF-HVAC-Split A/C System-Garage BOH (CU/HP-2)		4,589	4,589	-	4,589	4,589		
GSF-HVAC-Split A/C System-Garage BOH (CU/HP-3)		4,589	4,589	-	4,589	4,589		
Common Area - Mechanical								
GSF-Pump/Motor-Boiler (BP-3) 5 HP		5,245	5,245	-	5,245	5,245	Included in Boiler replacement	
GSF-Pump/Motor-Snow Melt Heat Exch.		6,000	6,000	648	6,000	5,352		
GSF-Valve Replacement-Allowance-Lot 50-51 & 38	3,006	13,659	10,653	3,006	13,659	10,653	Move second 50% to 2023	
GSF-Pump/Motor-Coil Circ.-50-51		5,150	5,150	1,274	5,150	3,876	Purchased, awaiting invoice	
GSF-Pump/Motor-Sump-GroundWater-50-51		20,688	20,688	10,000	20,688	10,688	TBD to replace in 2022, Still in working order	
GSF-VFD 2 ChillWater Pump-Ph 1-50-51		4,429	4,429	22,806	4,429	(18,377)	Completed 4/22	
GSF-VFD 4 HotWater Pump-Lot 50-51		18,025	18,025	-	18,025	18,025	Completed 4/22	
GSF-VFD 5 Snow Melt Pump-Lot 50-51		12,154	12,154	-	12,154	12,154	Pump found to be in working order, Funds allocated to make up air BMU3	
Common Area-Pool/Spa								
HSF-Pool-Spa Water Pressure Pump-5 HP-2	2,315	2,375	60	2,315	2,375	60	Completed	
HSF-Pool furniture		10,927	10,927	-	10,927	10,927	Project completed, billed as operating expense in 2021.	
Ext. Building Maintenance								
LCE-Paint/Waterproof-Balconies-Lot 38	20,430	80,000	59,571	20,430	80,000	59,571	Completed	
LCE-Paint/Waterproof-Balconies-Lot 50-51	21,144	16,298	(4,846)	21,144	16,298	(4,846)	Complete at \$21K, Second payment of 10572 made July 1	
GCE-Heat Tape/Gutter/Downspout Repairs		7,500	7,500	-	7,500	7,500	Defer project. Heat tape found to be in good condition, funds used for roof project	
GCE-Paint/Waterproof-Bldg. Exterior-38	42,678	32,655	(10,023)	120,727	32,655	(88,072)	Originally bid by Log Chinking, who defaulted on contract, judgement awarded to HOA for recouperation of deposit plus damages. Orig. budget was \$95,831, Project to be completed by Hensen.	
GCE-Paint/Waterproof-Bldg. Exterior-50-51	133,850	125,150	(8,700)	133,850	125,150	(8,700)	Overage approved by BOD Project completed, variance due to bonding.	
Roof								
GSF - Roof Repairs - Annual Allowance	118,600	25,000	(93,600)	118,600	25,000	(93,600)	BOD approved increase scope of work to cut down on future mobilization fees . Project completed.	
Board Approved 38 Hallway								
HSF- 38 Building Hallway Carpet, Wall Sconce lighting, V	53,362	100,000	46,638	53,362	100,000	46,638	Design phase is underway. Funding payment released in July	
GSF-38 Building Lobby Renovation	61,193	65,000	3,807	61,193	65,000	3,807		
2022 Contingency								
GSF- Boiler Replacement #3 (previously planned for 2030)				225,000	-	(225,000)	Contingency Boiler approved by BOD, to Bill portion to TMV in conjunction to snowmelt agreement	
Pool cleaning robot				3,000		(3,000)		Approved by BOD
Corridor Wall treatments - Approved by BOD 9/21	69,150		(69,150)	141,351		(141,351)		Approved by BOD
Total EXPENSES	\$ 581,161	\$ 827,593	\$ 246,433	\$ 1,015,063	\$ 827,593	\$ (187,470)		
SURPLUS (DEFICIT)	\$ (76,327)	\$ (322,868)	\$ 246,541	\$ (515,018)	\$ (322,868)	\$ (192,149)		
2021 Opening Fund Balance	\$ 1,316,095			\$ 1,316,095				
LIFE-TO-DATE FUND BALANCE	\$ 1,239,768			\$ 801,077	\$ (322,868)	\$ 1,123,946		

**TMVRC Owners Association, Inc.
Madeline Hotel & Residences
DELINQUENCIES
As of September 30, 2022**

Unit #	31 - 60 days	61 - 90 days	> 90 days	TOTAL	Late Fees and Interest (incl. in total)
IPC-18	-	133.29	-	133.29	0.87
IPC-19	-	133.29	-	133.29	0.87
IPC-8	-	133.29	-	133.29	0.87
IPC-9	-	133.29	-	133.29	0.87
RC-536	-	6,727.49	-	6,727.49	44.07
	\$0.00	\$7,260.65	\$0.00	\$7,260.65	\$47.55