

CHAMONIX-AT-WOODRUN CONDOMINIUM ASSOCIATION
ANNUAL OWNERS MEETING
 March 04 , 2022

1. CALL TO ORDER, ROLL CALL AND PROXY
 CERTIFICATION

The virtual meeting was called to order in the meeting room of Chamonix Condominiums, in Snowmass Village, Colorado by Brian Moir, President of the Association, at 3:10 P.M. Nonmembers Mike George, Scott Hale of Vacasa were also present.

<u>Members Present</u>	<u>Unit #</u>	<u>% Common Ownership</u>
Ray Rinker	25&15	9.22
Mark Urban	35	3.17
Brian Moir	40	2.59
Employee Units	E- 1, 2, 3	4.90
William Powers	45	3.46
Creixell	32	3.17
Denny Thorley	33	3.46
Kevin Coyne	21	3.75
Smith	50	2.59
Hastings	36/37	6.91
Total present (including phone)	8	43.22%

<u>Members Present by Proxy</u>	<u>Unit #</u>	<u>% Common Ownership</u>
Brag	41	3.46
Phillips	22/23	6.63
Burns	27	2.59
Ailes	30	2.59
Cole	31	3.17
Total by proxy	6	18.44%

TOTALS 61.66% Common Ownership

Verification of the signed proxies and members in attendance established that the required quorum of 50% of Chamonix owners was achieved.

2. PROOF OF NOTICE OF MEETING

Mr. Hale presented proof of notice of meeting.

3. APPROVAL OF MINUTES OF February 24, 2021, MEETING

Mr. Powers made a motion to waive the reading of the minutes of the February 24, 2021, annual meeting of the members and to approve them, as presented. Mr. Thorley seconded,

and the minutes were approved, as distributed.

4. REPORT OF PRESIDENT/MANAGEMENT

Physical Property

Since February 2021 the following projects and major repairs have been completed at Chamonix:

- Domestic hot water system pinhole leaks were repaired
- Fire Extinguishers were checked and replaced or recharged as needed
- Chimneys were inspected/cleaned
- Heat & Snowmelt boilers repaired, serviced, and inspected for winter
- Snowmelt pump was rebuilt
- Repaired laundry equipment
- Common area and unit heat zone valves have been serviced or replaced
- Garage fire sprinklers were repaired and tested
- Replaced Domestic Hot Water and Snowmelt Boiler Filters
- Windows were cleaned
- The locker room wood was restained
- Garage parking space numbers and lines were repainted in the underground garage
- Various elevator inspection related requirements were undertaken with pit sealing planned for early spring 2022
- The Internet service was upgraded, and costs for related repairs to common lobby drywall sections were recovered from the Internet provider
- Stairwell closets with attendant heat and sprinkler systems and were added in three locations - AA, B, A, and office locations
- Various sewer lines were snaked and cleared
- Heat tapes were inspected and repaired. Others that have evidenced problems this winter will be checked this spring and replaced, as needed. The electrician will be asked if circuit notice lights when tapes become inoperable can be added to help identify problems more quickly than in the past.
- Various old office telephone handsets were replaced
- Management successfully negotiated for the inclusion of Owl Creek Homes under the master property replacement insurance policy, adding over \$73 million in replacement cost coverage under certain conditions at no additional cost to Chamonix
- A pool pump seal was replaced
- The pool cover was replaced
- Common area lights with failing ballasts were replaced with ones that produce higher lumens

Financial Summary – Through Fiscal Quarter 1 end (Nov-Jan)

The Association has a \$11,165 surplus, or 7%, as compared to the plan, after one quarter. The savings against budget to date are attributed to lower than budgeted gas costs with minor cumulative other line variances.

Receivables

Assessment payments for 6 units were delinquent at quarter end in the amount of \$. All condominium owners have been contacted regarding payment of their delinquent accounts. Members as of this meeting date with remaining net delinquencies are those amounts are listed below:

CX20 \$17,242	CX32 \$24,804	CX41 \$18,810	CX44 \$18,810
CX54 \$6,966			

2020-2021 Year-End Financials

The financials for the Association are being audited at this time. Management expects neither any material adjusting entries nor negative management comments. The completed audit will be made available to any member upon request.

The auditor's snipped note regarding a special accounting process for depreciation and the employee unit loan from 2019-2020 is below. As the HOA has retired (paid off) the employee units loans with working capital from the balance sheet during fiscal 2020-2021, we await an update report from the auditor. The accelerated loan pay off is expected to create a large increase in the calculated surplus under this method, and the HOA will adjust its budgeting methods, accordingly.

6. OPERATING FUND BALANCE - DIFFERENT METHODS OF ACCOUNTING

The Association's assessment for the employee units is calculated on a cash basis and includes only actual cash costs to the Association. Thus, depreciation (a non-cash expense) is excluded from the assessment and principal payments on the notes are included. GAAP requires that the income statement exclude principal repayments and include depreciation expense. This does not affect the financial viability of the Association. The removal of depreciation and addition of principal payments would result in an adjusted fund balance of \$18,616.

Reported Ending Fund Balance	\$ (169,697)
Plus Unassessed Depreciation	344,728
Less Principal Payments not Expensed	<u>(156,415)</u>
Adjusted Ending Fund Balance	
(Cash/Budget Basis of Accounting)	<u>\$ 18,616</u>

The HOA is in the process of obtaining a \$500,000 Line of Credit in the event that cash needs related to reserve fund expenditures in the near term exceed the available cash in the balance sheet.

The Reserve fund had an (unaudited) balance of \$458,891 at fiscal year-end October 31, 2021.

5. Rental Program Performance

Per the most recently released update, the Vacasa managed rental program continues to significantly outpace the market.

WINTER 2019/20 vs. 2021/22 Performance

How are we pacing compared to 2019/20?

Notes:

- Performance is compared to 2019/20 due to COVID-19 impacts on the 2020/21 season.
- Winter RentPAN continues to pace strong, up 79% compared to 2019/20.
- A combination of high owner holds and international business impact from Covid relative to historical resulted in a slight lag in pace for January's Rent and Occupancy. However, a successful yield strategy that capitalized on high demand weekend dates has led to a strong ADR and RentPAN.
- February Rent is in a great place, currently 17% up with Nights and ADR up as well.
- Overall, Chamonix is in a great position for Winter. Rent is up 32%, Nights gained is 40%, and ADR is up 27%.

	Rent % change	Occ % change	ADR % change	RentPAN % change
Nov	226%	404%	-9%	357%
Dec	36%	41%	22%	72%
Jan	-5%	-3%	22%	19%
Feb	17%	3%	51%	56%
Mar	145%	155%	48%	272%
Apr	-	-	-	-
Total	32%	40%	27%	79%

2021/22 Market Performance

How are we and the market pacing for 2021/22?

	Chamonix Occupancy	Market Occupancy	Chamonix ADR	Market ADR	Chamonix RentPAN	Market RentPAN
Nov	21%	20%	\$264	\$235	\$56	\$46
Dec	55%	56%	\$1,287	\$713	\$709	\$399
Jan	74%	67%	\$943	\$570	\$703	\$384
Feb	85%	79%	\$1,190	\$572	\$1,010	\$450
Mar	62%	69%	\$1,162	\$566	\$725	\$388
Apr	15%	18%	\$548	\$294	\$83	\$53
Total	52%	56%	\$1,048	\$569	\$546	\$321

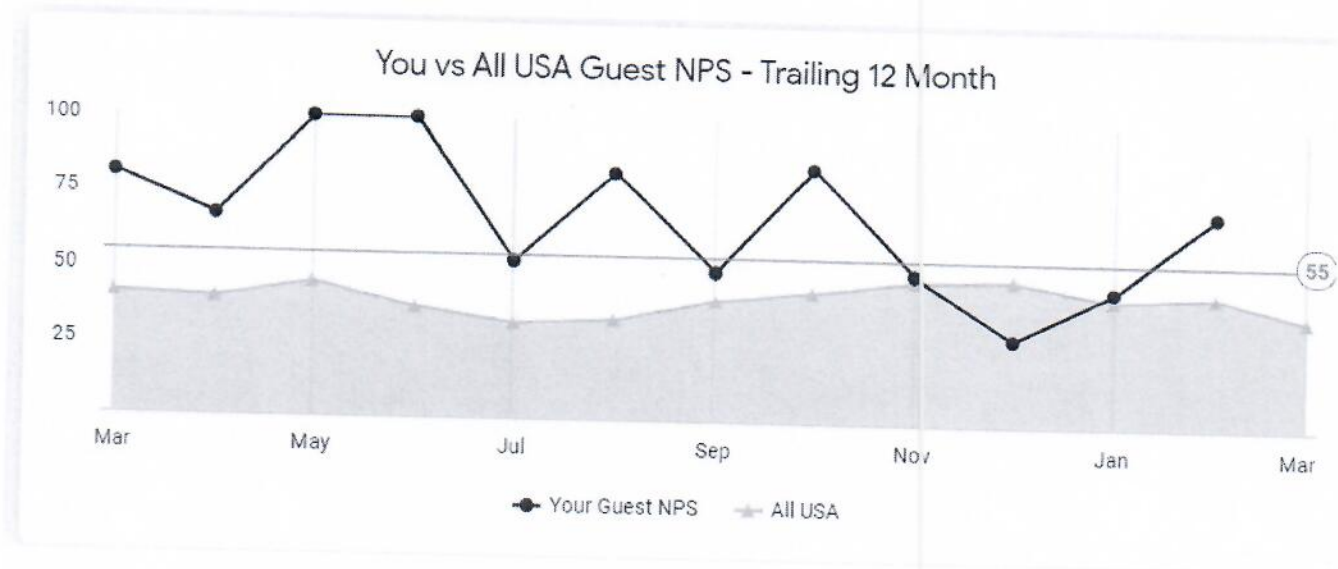
Market data based on Destimetrics Snowmass RAD Report as of 1.31.22

* The "Market" is defined by Destimetrics as the Snowmass comp set of: Crestwood Condo Hotel, Destination Residences Snowmass, iTrip Vacations Snowmass, Linelight Hotel Snowmass, Pokolodi Lodge, Snowmass Mountain Chalet, Snowmass Mountain Lodging, Stonebridge Inn, The Viceroy, Timberline Condominiums, Vacasa - Snowmass - Chamonix, Vacasa - Snowmass - Enclave, Vacasa - Snowmass - Owl Creek Homes, Westin Snowmass Resort, Wildwood Snowmass Hotel.

Notes:

- Winter RentPAN is currently pacing 70% ahead of the market.
- January performed well compared to the market, with all metrics significantly ahead.
- February is pacing well overall, with RentPAN up 124% to market.
- Overall, Winter is in a good position for the remainder of the season.

Rental Program Guest Net Promoter Score



Snowmass Village Op score is 70.6, Vacasa overall is 36.6, and Vacasa target is 55.0.

Owners are encouraged to contact local management staff, should they wish to rent other units at Chamonix, Enclave, and Owl Creek, so that management can try to obtain the best price possible.

6. ELECTION OF MANAGERS

The terms for Mr. Urban expires in 2022. Mr. Urban is willing to continue on the Board. Mr. Powers made a motion to submit the slate of one candidate to the membership for a three-year term. Mr. Moir seconded, and the motion passed. Mr. Urban was elected to the board. Voting is by percentage ownership in the Association. Thank you for your willingness to serve on the Association Board.

The Board also noted that Dick Brown and Peter Van Giesen both retired from the Board in recent months after many years of service to the membership. The Board, the members, and the management staff all collectively thanked them for their work over the years.

7. UNFINISHED BUSINESS

The members expressed some interest in window replacements this spring. Mr. Hale sent a note to the membership inviting members to share in the lift and related costs for replacing windows this spring. Management will try to contract the prior contractor to get more information about what past replacements entailed. Mr. Rinker advised that in his units trim and mechanical pieces were replaced, and he was able to repair rather than replace his windows. He recommends that owners consider replacing trim and mechanical components, when that is feasible. Mr. Hale advised that approximately 4-5 owners with approximately 20-25 windows under consideration for replacement. Mr. Moir asked that management send one more solicitation to the membership to see if any other owners are interested in undertaking window replacements/repairs.

The HOA intends to have lifts on site in early spring to repaint the fascia and to investigate and repair gutter/roof transitions that have roof runoff passing between the roof and gutters.

The HOA also expects to replace the elevator in the AA building in early spring.

The HOA is in the process of investigating costs to replace the aging snowmelt and domestic hot water boiler systems and the heat boiler systems.

8. NEW BUSINESS

MINUTES NOTES

Tax allocations and disclosures

Mr. Thorley made a motion affirming that the following management practice is a policy of the Board and Management and is adhered to by the Association. Mr. Powers seconded, and the motion passed.

Management has performed various time studies and has developed specific allocations for budgeting and tax purposes. These studies have been incorporated into the Association's current year tax returns. The Association's membership surpluses are added to reserve funds or carried forward to the next fiscal year, and membership deficits are covered by increased assessments in the next fiscal year. Reserve funds are held in separate accounts.

Motion to ratify acts of the Board of Directors for the past year

Mr. Thorley made a motion to ratify the acts of the Board for the past year and through the date of this meeting. Mr. Powers seconded the motion, and it was approved.

9. QUESTIONS FROM THE FLOOR

Mr. Rinker recommended that the HOA consider publishing a directory of owners and information, subject to obtaining permission from each of those owners to avoid any privacy concerns.

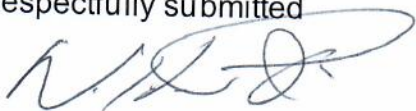
Mr. Rinker recommended that the board consider having management issue the draft documents that the board references during the meetings to the membership at large and providing more information on a more regular basis to the members regarding ongoing projects.

Mrs. Owens on behalf of her parents, Mr. & Mrs. Hastings, commented that her aging parents cannot get into and out of their units without using stairs. Mr. Moir advised that the board would research accessibility to and from the unit from the perspective of improving those aspects of the building.

10. ADJOURNMENT

Mr. Thorley made a motion to adjourn. Mr. Moir seconded, and the motion was passed. The meeting was adjourned at 5:12 P.M.

Respectfully submitted



William Powers, Acting Secretary