

CHAMONIX-AT-WOODRUN CONDOMINIUM ASSOCIATION

ANNUAL OWNERS MEETING

February 11, 2003

1. CALL TO ORDER, ROLL CALL AND PROXY CERTIFICATION

The meeting was called to order in the meeting room of Chamonix Condominiums, in Snowmass Village, Colorado by Anita Cole, President of the Association, at 4:10 P.M. Nonmembers Mike George and Lee Wilson of Snowmass Lodging Company were also present.

Members Present	Unit #	% Common Ownership
Graciela de Quesada	45	3.47
Anita Cole (by telephone)	17	2.60
Employee Units	E- 1,2,3	4.91
Chris Lux	26	5.20
Betty Lebovitz (by telephone)	25&15	9.25
Dick Brown (by telephone)	35	3.18
Peter Van Giesen (by phone)	46	3.18

Members Present by Proxy	Unit #	% Common Ownership
Anthony	20	2.89
Cole	31	3.18
Luke	34	3.47
Hastings	36	4.34
Hastings	37	2.60
Hartman	40	2.60
Brag	41	3.47

TOTAL 54.34%

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

2. PROOF OF NOTICE OF MEETING

Lee Wilson presented proof of notice of the meeting.

3. APPROVAL OF MINUTES OF FEBRUARY 12, 2002, MEETING

The February 12, 2002, Annual Meeting Minutes were presented. Dick Brown made a motion to waive the reading of the minutes and approve them as presented. Peter Van Giesen seconded, and the minutes were approved as distributed.

4. REPORT OF PRESIDENT/MANAGEMENT

Physical Property

Since February 2002 the following projects and major repairs have been completed at Chamonix: As a result of a catastrophic blockage and sewage back-up in early February 2002, the B Building sewer line was replaced to the sewer main along the western property line. The old sewer line had settled so that material collected in a low section and formed a dam in the line. Sewer lines were videotaped from AA, A, B, and C buildings to the main. No problems similar to the B Building problem were identified. We repaired leaks in domestic hot water supply lines and fire sprinkler lines in the underground parking. Main heat control valves and circulation pumps were replaced, and antifreeze was added to the heat system. Heat exchangers were replaced in both of the domestic hot water boilers. We replaced approximately 8 double pane windows, as seal failures between panes occurred. We installed a new connection from our water main to the lawn sprinkler system. This will allow us more control over grounds watering when problems arise in the irrigation ditch supply. There was a break in the irrigation line from Woodrun Five that had to be repaired in early summer. Our fire alarm system required repairs in two zones and the communication module. We replaced the tile in the conference bath, second floor B Building. An additional heat exchanger was added to the spa system to increase gas savings in the main heat system. The pool and spa required major repairs to the filtration and electrical control systems. We recoated the pool deck with epoxy to hold the deck pebbles. We painted rails and walls around the courtyard. Chimneys were inspected and cleaned. We had awnings throughout the property recovered in a brown color selected by our architect. We patched uneven sections of the courtyard concrete with a thin surface coating to reduce the chances of trip and fall incidents. Ski locker doorknobs were replaced. Gutter pans were repaired and some new pans installed in the lower parking. High-speed Internet service was installed in all condominiums. A new module was installed on our phone system to allow caller location during 911 calls.

Rental Report

Management analyzed revenue generation and owner returns through the rental program December 2001 through April 2002 compared to the same period in 2000-2001. Average Chamonix revenue per unit declined from \$54,787 to \$50,493 on a decrease of 5% in average rental occupancy and a decrease of \$20.74 per night in average rate. Owner use by rental owners decreased from an average of 22 nights per unit last year to 16 nights per unit in the year under review. Management attributes the decline in revenue primarily to reduced demand after the tragedy of September 11.

Financial Summary

After the first two months, the Association's expenses are about 2% under budget.

General and Administrative items are 1% over budget by \$282, primarily because of an early year expense to telephone equipment that is expected to be offset by service savings later in the year.

Utility costs are down \$919 YTD, with savings in electric costs as a result of dividends from the power company, partly offset by telephone service costs.

Repairs & Maintenance expenses are 4% below budget, with savings to date in painting and staining and groundskeeping, partially offset by high snow removal and custodial costs. Most of these variations are expected to return closer to budgeted amounts as the year progresses.

The audit for the prior year is complete. The association auditor indicates we have no external adjustments to the books and no negative management letter issues.

The Reserve fund (for replacement of capital items) had a balance of \$ 353,982 at fiscal year-end October 31, 2002.

5. ELECTION OF MANAGERS

Both Grace de Quesada's and Peter Van Giesen's terms are expiring. Both have indicated they will run for three-year terms. Anita Cole's and Dick Brown's terms expire in 2004. Betty Lebovitz's term will expire in 2005. Anita Cole asked for nominations from the floor. Hearing none, she closed the nominations. Dick Brown made a motion to nominate Peter Van Giesen and Grace de Quesada to the Board. Betty Lebovitz seconded, and the motion passed. Thank you to all candidates for your willingness to serve on the Association Board.

6. UNFINISHED BUSINESS

Courtyard Renovation

The results of the courtyard ballot show that 60% of the ownership is in favor of the project, and 15 % voted against the project. 20% have not yet returned a ballot. (The remaining 5% represents the employee unit ownership.) In addition, 46% of condo ownership voted for a special assessment to pay for the project, and 21% voted for a financed payment plan.

The Board of Managers discussed the project at a meeting prior to the Annual meeting, and came to the following decision. As a majority of members voted in favor of the project, Dick Brown made a motion to approve proceeding with the project. Grace de Quesada seconded, and the motion passed. Because of the complications that could arise from the Association obtaining financing on behalf of some, rather than all members, there was general agreement that a special assessment should be levied, and owners could then decide as individuals whether to obtain financing or not. Betty Lebovitz made a motion to levy a special assessment in an amount to be determined upon final selection of a contractor by the association to perform the work. Mrs. Grace de Quesada seconded, and the motion passed. Anita Cole noted that some money from the Reserve Fund transfer is available to defray early soft costs of the project until assessments are collected.

7. NEW BUSINESS

Minutes note - tax allocations and disclosures

Anita Cole made a motion affirming that the following management practice is a policy of the Board and Management, and is adhered to by the Association. Peter Van Giesen 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

Chris Lux made a motion to ratify the acts of the Board for the past year. The motion was seconded by Grace de Quesada, and it was approved.

Base Village

Intrawest and Aspen Skiing Company submitted the materials for the next phase in the permitting process in January. The Town is continuing the review and taking public comments. A particular concern for Chamonix owners is the loading location of the new lift to Sam's Knob. A letter was sent to all owners in late 2002 regarding the lift controversy.

Representatives of Intrawest and Aspen Skiing Company at 4:00 PM and then Snowmass Village Resort Association at 5:00 PM, will attend the Woodrun Place Annual Meeting, on Wednesday, February 12. Chamonix owners are invited to attend those portions of the Woodrun Place meeting in the Woodrun Place conference room.

8. QUESTIONS FROM THE FLOOR

Dick Brown noted that the domestic hot water supply seemed to produce a high temperature. Lee Wilson will check the temperature to confirm that it is safe.

9. ADJOURNMENT

Dick Brown made a motion to adjourn. Peter Van Giesen seconded, and the motion was passed. The meeting was adjourned at 4:44 P.M.

Respectfully submitted,

A handwritten signature in cursive script, reading "Graciela de Quesada".

Graciela de Quesada, Secretary