

CHAMONIX-AT-WOODRUN CONDOMINIUM ASSOCIATION

ANNUAL OWNERS MEETING

February 7, 2006

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 Betty Lebovitz, President of the Association, at 3:55 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
Betty Lebovitz (by telephone)	25&15	9.25
Employee Units	E- 1,2,3	4.91
Don Anthony (by telephone)	20	2.89
Dick Brown (by telephone)	35	3.18
Peter Van Giesen (by phone)	46	3.18
Roselyn & Harry Hastings	36	4.34
Roselyn & Harry Hastings	37	2.60

Members Present by Proxy	Unit #	% Common Ownership
Rosenberg	21	3.76
Applebaum	22,23	7.23
Bergeron	30	2.60
Cole	31	3.18
Woodson	33	3.47
Luke	34	3.47
Brag	41	3.47
Ringel	50	2.60
	TOTAL	63.6 %

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 8, 2005, MEETING

The February 8, 2005, Annual Meeting Minutes were presented. Mrs. Lebovitz made a motion to waive the reading of the minutes and approve them as presented. Dr. Van Giesen seconded, and the minutes were approved as distributed.

4. REPORT OF PRESIDENT/MANAGEMENT

Physical Property

Since February 2005 the following projects and major repairs have been completed at Chamonix:

- All courtyard facing walls and trim were painted, including a change to a dark brown trim color.
- Stucco was repaired near the driveway entry and northwest corner of the office building.
- The driveways were sealed, with minor repairs.
- Our fire alarm system was inspected and repaired, as required. New fire alarm wiring was installed from the fire panel to C Building.
- New primary electric wiring was installed from the exterior transformer into the mechanical room, and a new main switch was installed in the mechanical room. The wiring was compromised during the water main break repairs, and the switch was found defective during line replacement.
- New oak doors were installed at C, A, and the Office entries. All front door hardware was refinished to a darker color.
- Railings were installed and upgraded surrounding the pool deck. One access gate was added to the pool enclosure. A second gate by the hot tub is in design stage.
- The pool deck was coated with epoxy.
- The B Building third floor entry ceiling and shingles were refinished.
- Gutters were installed on high eaves over AA Building entry, and at the interior drive-through. Gutter heat tapes were replaced on B Building, and gutters were adjusted on the C Building entry. A roof leak was repaired at the AA entry.
- Pinhole leaks in the hot water piping were repaired in C, and A Buildings and underground parking.
- C Building third floor deck had waterproofing, improved drainage, and a wood-look Trex deck installed.
- Windows with broken seals were replaced in three condominiums.

Rental Report

SLC rental bookings for this winter are up approximately 8%, or \$230,492, compared to the prior year.

Financial Summary

After the first two months the Association's expenses are \$14,455, or 9% under budget, and the operating fund for the current year to date has a surplus to budget of \$14,266, or 6%.

Income is on budget.

General and Administrative items are 7.6%, or \$5,316 under budget, with savings in insurance costs and depreciation offsetting higher telephone equipment expenses. Insurance premiums are lower than forecast, and the depreciation schedule was set assuming the new laundry equipment would be installed this fall. It is now scheduled for spring installation because of an unexpected need to pour a new concrete pad to support the equipment and to improve some venting.

Utility costs are below budget by 6%, or \$1,835 YTD, with lower than forecast gas costs accounting for the majority of the savings at \$1,357. The anticipated 40% increase in the budget to date remains conservatively high.

Repairs & Maintenance expenses are 14%, or \$7,304 below budget, with savings to date in most categories. Most of these variations are expected to return closer to budgeted amounts, as the year progresses, although there may be some annual savings, if these trends continue. Window cleaning was much higher than anticipated. Our service provider changed ownership and increased charges. We are shopping for an alternative.

2004-2005 YEAR-END FINANCIAL

The audit for the prior year is in progress. The association auditor indicates we have no external adjustments to the books and no negative management letter issues at this time.

The fiscal year ended October 31, 2005, with an unaudited deficit of \$27,410, or \$19,890 to the operating budget. During the 2004-2005 budget process, we projected the deficit at \$17,524.

The differences are the result of utility, maintenance, firewood, custodial and service contracts increases, and paintwork timing offset by slightly lower director's expenses, phone system, supplies, window washing and chimney cleaning timing, and grounds costs. The window washing was completed in the first two months of fiscal 2005-2006.

The Reserve fund (for replacement of capital items) had a balance of \$399,854 at fiscal year-end October 31, 2005.

5. ELECTION OF MANAGERS

Grace de Quesada's and Peter Van Giesen's terms expire in 2006. Each expressed a

willingness to continue on the Board. In addition Karen Van Giesen sent a resume and expressed a desire to serve as a Board member. Karen withdrew her submission prior to the annual meeting. A new Colorado State law requires that Board elections be by secret ballot. Mrs. Lebovitz made a motion to submit the slate of candidates to the membership for two three-year terms. Mr. Brown seconded, and the motion passed. Grace de Quesada and Peter Van Giesen were elected by secret ballot. Thank you to all candidates for your willingness to serve on the Association Board.

6. UNFINISHED BUSINESS

7. NEW BUSINESS

Minutes note - tax allocations and disclosures

Mr. Anthony made a motion affirming that the following management practice is a policy of the Board and Management, and is adhered to by the Association. Mrs. De Quesada 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

Mrs. Lebovitz made a motion to ratify the acts of the Board for the past year. Dr. Van Giesen seconded the motion, and it was approved.

Base Village

Base village construction is on hold for the winter. Pending government approvals, construction should resume in the spring. The Woodrun triple chair has been removed, and the new Sam's Knob six-pack and Fannie Hill cabriolet lifts are running this winter.

WCE Fee agreements

SLC instituted a revised Standard Rental Agency Agreement between itself and Unit owners reducing its fixed monthly management fee from \$0 to an average credit of \$250 per month. SLC also offered a similar, Home Care Management Agency Agreement contract to nonrental owners that includes the same average \$250 credit per month to each nonrental owner choosing to sign the agreement. Simultaneous to this offer, SLC proposed, and the Chamonix Board approved, increased association management fees by an average of \$250 per unit per month. The net economic effect for Chamonix members who enter the revised unit management agreements with SLC


is zero. At this time, all but one of the eligible management agreements has been received. Two owners presently choose to rent through an outside rental agency. The rental guests visiting those two condominiums are now receiving all front desk services available to other Chamonix guests.

8. QUESTIONS FROM THE FLOOR

9. ADJOURNMENT

Mr. Brown made a motion to adjourn. Dr. Van Giesen seconded, and the motion was passed. The meeting was adjourned at 4:20 P.M.

Respectfully submitted,


Graciela de Quesada, Secretary