

CHAMONIX-AT-WOODRUN CONDOMINIUM ASSOCIATION

ANNUAL OWNERS MEETING

February 25, 2010

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 3:02 P.M. Nonmembers Mike George and Lee Wilson of Snowmass Lodging Company were also present.

| Members Present | Unit # | % Common Ownership |
|-------------------------------|----------|--------------------|
| Don Anthony | 20 | 2.88 |
| Betty Lebovitz (by telephone) | 25&15 | 9.22 |
| Employee Units | E- 1,2,3 | 4.90 |
| Dick Brown (by telephone) | 35 | 3.17 |
| Brian Moir | 40 | 2.59 |
| Peter Van Giesen (by phone) | 46 | 3.17 |
| Faye & Joe Rosenbaum | 47 | 2.88 |
| | | |
| Members Present by Proxy | Unit # | % Common Ownership |
| Schumacher | 13 | 3.46 |
| Cole | 31 | 3.17 |
| Luke | 34 | 3.46 |
| Woodson | 33 | 3.46 |
| Hastings | 36&37 | 6.91 |
| Brag | 41 | 3.46 |
| Thompson | 44 | 3.46 |
| Ringel | 50 | 2.59 |
| Croft | 54 | 3.46 |
| | | |
| TOTAL | | 62.24% |

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

Lee Wilson presented proof of notice of the meeting.

3. APPROVAL OF MINUTES OF FEBRUARY 26, 2009, MEETING

The February 26, 2009, Annual Meeting Minutes were presented. Mr. Brown 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 2009 the following projects and major repairs have been completed at Chamonix:

- Chimneys were inspected/cleaned
- Garage fire sprinkler system air leaks were repaired
- Hot water and heat boilers were repaired
- Heat circulation pumps were rebuilt
- Carbon Monoxide detectors were installed in all condominiums and monthly operational checks instituted
- Three decks were repaired and coated with synthetic decking
- Rusted column at pool deck was exposed and treated
- Bird netting, dryer vent, gutter and roof repairs; fascia painting
- An antifreeze injector was added to the heat system
- Hot water and driveway boiler controls were repaired
- Pin hole leaks were repaired in hot water circulating lines
- Window panes were replaced (broken seals)

Rental Report

Total SLC rental bookings for this winter 2009-2010 are currently pacing 7.3% down from those of last year in dollar volume. Revenue per available unit, or REVPAR, for all SLC rental units is pacing down 20.6% for winter 2009-2010 from the prior winter, and Chamonix condominiums are pacing down 11.2%. The Snowmass Village overall rental market reports a drop of 21.7% for the prior six months, and a drop of 14.0% for the forward looking six months, as of January 2010.

Financial Summary

First quarter 2010 – November 2009 through January 2010

The Association is approximately on budget with a 0.5% operating deficit, or -\$678, as compared to the plan, after one quarter. We have listed variance notes below:

Income – Revenues are over budget by \$749, or 0.1%, because of higher than anticipated interest income.

General & Administrative - Over budget by \$11,259 YTD, as a result of higher than expected insurance costs, and high depreciation, as planned, to retire the lobby furniture balance.

Utilities - Costs are \$5,107, or 7.8% under budget YTD. Electric costs are \$1,922 over budget. The annual electric refund was \$998.98, as posted in December 2009. Gas costs are running

12.5% (\$5,592) lower than budget YTD.

Repairs & Maintenance – Year to Date the category is 4.6% (\$4,725) below budget. R&M (SLC), Firewood, Painting and Staining, Groundskeeping, and Snow Removal line items are lower than budget on essentially timing issues. Projects later in the year will most likely bring these lines closer to budget. Pool Maintenance and Equipment Service Contracts are over budget respectively, because of final payment for the spa entrapment prevention installation, and newly required elevator permitting costs. The Pool Maintenance line item should be closer to budget by fiscal year end, unless other major issues develop. Additional elevator permitting requirements, as well as increasing fire alarm and sprinkler monitoring costs, are likely to keep the Service Contract line over budget.

2008-2009 YEAR-END FINANCIAL

The Association is undergoing its outside audit at this time and expects no adjusting entries or negative management comments. The completed audit will be made available to any member upon request. The Association ended the prior fiscal year with an unaudited operating fund profit of \$27,117. The prior year end October 2008 book balance for the operating fund was (\$65,496). The Association employs an adjustment policy, whereby it adds accumulated depreciation of \$208,264 and subtracts accumulated loan principal payments of (\$50,183), yielding an adjusted operating fund balance of \$92,585 at the start of fiscal 2008-2009. It is the intention of the Board to budget \$7,756 each year for member funded depreciation costs, understanding that the annual actual costs will be higher, until the adjusted operating fund balance analysis in the outside auditor report shows that the surplus has been absorbed.

The Reserve fund had an (unaudited) balance of \$506,121 at fiscal year-end October 31, 2009.

5. ELECTION OF MANAGERS

Mr. Brown's and Mr. Anthony's Board terms expire in 2010. Both are willing to continue on the Board. A Colorado State law requires that Board elections be by secret ballot. Mrs. Rosenbaum made a motion to submit the slate of candidates to the membership for a three-year term. Mr. Brown seconded, and the motion passed. Mr. Brown and Mr. Anthony were elected by secret ballot. Thank you for your willingness to serve on the Association Board.

6. UNFINISHED BUSINESS

Mr. Wilson reported the outcome of the C Building wheelchair lift ballot. At present, with approximately 77% of the ownership voting, the ballot tally shows 39.77% of the total ownership voting "no", and 36.89% voting "yes". There are two members whose ballots were returned unmarked, so they are considered to have abstained. After discussion the management company was instructed to use its best efforts to try to collect the remaining ballots that have yet to be returned and report the results, as of June 25, 2010, to the board.

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. Dr. 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

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

Base Village

The Viceroy Hotel opened in December 2009. Snowmass Village Town Council is working with the developer to utilize the bond funding to continue construction on the arrival center.

8. QUESTIONS FROM THE FLOOR

9. ADJOURNMENT

Mrs. Lebovitz made a motion to adjourn. Dr. Van Giesen seconded, and the motion was passed. The meeting was adjourned at 3:32 P.M.

Respectfully submitted,


Brian Moir, Secretary