

MINUTES of THE ENCLAVE ASSOCIATION, INC.
ANNUAL OWNERS MEETING - Draft

March 2, 2008

1. Roll call and certification of proxies

Mel Blumenthal, President of the Association, called the meeting to order in the meeting room of The Crestwood at Snowmass Village, Colorado at 3:10 P.M. Nonmembers Michael George and Joe Porcaro of Snowmass Lodging Company (SLC) were also present for the entire meeting. Kelly Boggs, tax matters partner from the firm, Reese Henry & Co, and Michael Hoffman, Association attorney of the firm, Garfield & Hecht. Jim Gustafson & Jim Kehoe, of Caudill, Gustafson, & Associates, project architects

Members Present	Unit #	Points	Rental Non rental	Proxy given
Stiles	102	1170	R	
Losi	104	1170	NR	
Klein	105	1170	NR	
Blumenthal	206/106/107	3885	NR, NR, NR	
Burns	109	1170	NR	
Matthew	113	1545	NR	
Novo	203	1170	R	
Lustberg	204	1170	NR	
Novo	207	1545	NR	
Barford	208	1545	NR	
Duvoisin	209	1170	R	
Torelli	210/312	2715	R, R	
Kliwer	212	1170	NR	
Kaufman	213	1545	NR	
Threshie	301	1860	NR	
Word	304	1170	NR	
Fiasse	306	1170	NR	
Garon	307	1860	NR	
Fisher	311	1170	NR	

Members Present by Proxy	Unit #	Points	Proxy given To
Owen	101	1860	NR Blumenthal

Henderson	108	1545	R	Blumenthal
Canfield	103/110	2715	R, R	Novo
Shrewsbury	111	1170	NR	Blumenthal
Chomsky	112	1170	R	Initially Chomsky son, later Blumenthal
Jacobs	201	1860	R	Blumenthal
Branner	202	1170	R	Threshie
Eldean	205	1170	R	Blumenthal
Wiener	211	1170	R	Blumenthal
Oleshansky	302	1170	NR	Novo
Hart	303	1170	R	Word
Kerpsack	305	1170	R	Blumenthal
Shifman	308/309	2715	NR,R	Garon
Rimland	310	1545	R	Kaufman
Casperino	313	1545	R	Blumenthal

TOTAL: (52,515/52,515 = 100%)

Verification of the signed proxies established that the required quorum of one-third (33%) of Enclave owners was achieved.

2. Proof of notice of meeting

Joe Porcaro presented proof of notice of meeting.

3. Reading and approval of minutes of March 4, 2007, meeting.

Management had previously distributed the minutes of the March 4, 2007, meeting. Mr. Lustberg made a motion to waive the reading of the minutes and approve them as written. Mr. Matthew seconded, and the motion passed.

4. Report of Officers

State of the Property

Completed projects last year and through this fall

Recarpeted elevators and luggage carts.

Painted/stained various wall sections that were showing accelerated wear.

Repainted the pool and rail sections, sealed the aggregate surfaces by the pool.

Replaced pool cover.

Performed miscellaneous siding and railing repairs.

Added fluorescent lighting for the common stairways.

Insulated entry door thresholds where needed.

Performed electrical repairs and pump replacements in the pool mechanical room.

Financial Position

The Association is undergoing its outside audit at this time and expects no adjusting entries or negative management comments. Primarily due to undepreciated assets and unpaid assessments at year-end, the Operating Fund borrowed \$44,285 (unaudited) from the Reserve Fund as of September 2007 for working capital needs. The completed audit will be made available to any member upon request.

The Association finished the prior year with \$931 in the Deferred Painting Fund, and the Association has spent \$50,752 during the past year for exterior staining and miscellaneous painting work. The association will also collect \$30,000 this year to use for future exterior staining/painting needs.

Current year operations through the first four months show an operating surplus to budget of \$3,035 – essentially for lower Gas costs than expected YTD, with other line item variances offsetting. In February, The Enclave developed a few minor roof leaks. This surplus is likely to be used to offset the costs to clear the snow from and to make various repairs to roof sections.

5. Election of Officers

Mr. Blumenthal noted that this year two Board seats are open for election – those held by Mr. Kaufman and Mr. Novo. Both Mr. Novo and Mr. Kaufman have indicated their desire to run for re-election to the Board. Mr. Blumenthal asked if there were any other members present who wished to declare candidacy for the Board of Directors at this time. As there were no other nominations or declarations of candidacy, Mr. Blumenthal then closed the nominations. Mrs. Lustberg made a motion to nominate the slate of candidates – Mr. Novo and Mr. Kaufman - and Mr. Torelli seconded. Mr. Porcaro passed out ballots for the attendees to use for the vote, as a state law requires that votes for Board seats must be done by secret ballot.

Mr. Novo and Mr. Kaufman were elected to the Board.

6. Old Business

Insurance

At \$28,089,810 property limit, the Association has average replacement coverage of roughly \$445.87 per foot, based upon exterior square footages, and including the carports and the arrival center building. If a unit owner has renovated kitchen or bath areas, performed other interior modifications, or purchased a unit that had interior modifications performed subsequent to initial construction, the Board strongly recommends that those unit owners have their units appraised on a replacement cost basis. If the appraisal sets the replacement cost value for a unit higher than the average square foot policy limit described above, the Board strongly encourages the affected owner to purchase coverage to supplement the policy obtained by the

Association. The Board advises each and every owner to have his insurance agent review existing association policies and that owner's policies to make sure that each and every owner has appropriate coverage for his personal property and unit improvements. The Board has decided to maintain liability insurance coverage on a blanket basis for \$1 million per occurrence and \$2 million aggregate, with a \$25 million umbrella. The deductible was maintained at \$5,000 property deductible per incidence to partially offset the cost of the replacement limit. Increased costs of construction are separate from the property limits at \$2,000,000 under the building and ordinance section of the Package coverage. Demolition has a limit of \$500,000, separate also from the property limits. For fiscal 2007-2008 the Association purchased a minimum workers compensation policy, primarily to protect against uninsured subcontractors working on site who might become injured.

John Wilkinson of Aspen Insurance Agency is available to discuss any specific insurance questions owners may have for either the Association or their private needs. The Board encourages you to contact Mr. Wilkinson at (970) 925-7285 and/or your insurance broker to review your private insurance needs related to unit ownership within the Association, especially if you have made improvements to your unit.

Building Renovation and Potential Expansion Plan

Mr. Blumenthal introduced Jim Kehoe, Seth Hmielowski, and Jim Gustafson of the architectural firm Caudill Gustafson & Associates to do a presentation on their firm's proposed alternative concepts for members of The Enclave, Inc. Association to consider with regard to a possible upgrade of the current facility and development of adjacent property owned by the Association.

Mr. Burns made a motion to delay any votes on the project. Mr. Guillermo Novo seconded. Mr. Blumenthal asked for discussion. After discussion by the members, Mr. Blumenthal called for a voice vote. The motion was defeated by a vote of 64.44% of 97.77% total votes cast, or 65.91%.

Mr. Garon made a motion to amend ballot questions 3 and 5 to insert the phrase "6-member" between the words "a" and "majority". Mr. Kaufman seconded, and the motion passed by unanimous voice vote.

Mr. Klein made a motion to vote upon the six ballot questions prepared by the Board prior to the annual meeting – exhibit A. Mr. Garon seconded. The six ballot questions were approved by the members, according to the following ratios:

Ballot Question 1	78.52%
Ballot Question 2	93.32%
Ballot Question 3	97.77%
Ballot Question 4	82.98%
Ballot Question 5	97.77%
Ballot Question 6	78.52%

7. New Business

The annual meeting for next year will be at 4:00 p.m. on March 1, 2009: the first Sunday of that month.

Outside Appraisal

While the declaration states that an outside appraisal is to be performed annually to verify replacement costs, management has been unable to find an appraiser who will perform the work for a reasonable price. Mrs. Lustberg made a motion to waive the outside appraisal requirement for fiscal years 2006-2007 and 2007-2008. Mr. Klein seconded, and the motion passed.

Motion to Ratify the Acts of the Board and/or Directors

Mr. Klein made a motion to ratify the acts of the Board and/or Directors for the last year. Mr. Garon seconded, and the motion passed.

8. Adjournment

Mrs. Lustberg made a motion to adjourn the meeting at 8:40 PM. Mr. Fisher seconded, and the motion passed.

Respectfully submitted,

Mr. Oscar Novo, Secretary