



August 7, 2019

Dear Homeowner,

We have had another successful year both operationally and with the continuation of our multiyear capital improvement plan. We can all be proud of the completed projects which have already added wonderful enhancements to our property. These projects continue to proceed according to plan and within the overall budget. I'll begin with a brief update of our major capital projects:

Completed Major Projects:

- **Building 12:** Back deck, patio and sidewalk replacements
- **Buildings 3 and 5:** New patios, decks and stair tower refurbishment
- **Townhome exteriors:** Buildings F, J, K, M, N, O and P
- **Tennis Courts:** New post tension tennis courts with patio viewing area
- **Pickleball:** New multipurpose court
- **Bike Storage:** New bike storage building
- **Building 9 and 10:** Refurbished common area hallways

Ongoing Projects:

- **Building 13 deck replacement:** Substantially complete - end of August
- **Townhome exteriors: D, G, H, I, L** substantially complete - November 1st
- **Natural gas fireplace infrastructure and conversions**
- **Family Room on the Club level**
- **Locker Room remodel:** August 12th – mid-December; locker rooms will be closed
 - o If you have a locker and have not removed your items, please contact Craig Holst who will assist you with bagging and storing your belongings

Fall Projects:

- **Building 14:** Patio work for deck replacement - September 17th – October
- **Building 11:** Common hallways; September 17th – November

In addition to the success of the projects, fiscal year 2018/19 had several other noteworthy accomplishments:

- The operations of the Association are on solid ground and we have again received a clean financial review from the CPAs.
- All operations (Homeowners Association, Club, Lodging and Garden Level Rentals) performed at or better than budget, producing surpluses to the respective reserve funds and providing no cost spring deep cleaning to the rental operation participants.
- There are currently no delinquent homeowner accounts of concern.
- The Board continued to spend considerable time examining the new Town of Vail STR Ordinance which required non-local Rental by Owners (RBO) to have a local agent. The Association's Governing Documents designate the Association as the "exclusive rental, lodging and overnight occupancy agent". After receiving a letter from an attorney representing a few RBO owners the



Board obtained additional legal opinion letters which again confirmed that non-local owners, as defined under the Town's STR Ordinance, are prohibited from renting their units short term as a Rental by Owner. Local Owners, as defined under the Ordinance, may still rent RBO.

- Real estate sales have continued to be brisk with a low inventory and prices steadily increasing.

Our Annual Homeowner Meeting is scheduled for **August 10, 2019 at 2:00 PM** in the Royal Elk Meeting Room at the Club. This meeting is an opportunity for you to participate in the governance of your Association as we review the fiscal year end results along with other updates concerning your Association. Also, the election for the Board of Directors will take place with three Board positions up for election. **We sincerely hope that you will be able to personally attend the Annual Meeting. Please send your RSVP to VRC.HOA@VRCMR.com.**

If you cannot attend, then we respectfully request that you execute and send in the enclosed proxy form. By sending in your proxy you will help ensure that the Association has a quorum and therefore can hold an official meeting.

At last year's Annual Meeting it was noted that several owners had the impression that the Board automatically votes all proxies provided at the meeting. Actually, owners have three options when sending in their proxy for the Annual Meeting:

- Assign your proxy to the Board of Directors to be voted as a majority of the individual Board members present at the meeting vote
- Assign it to another individual that you know and trust who will be attending the meeting
- Allow your proxy to be used only for the purposes of obtaining a quorum.

Also, it was noted at last year's meeting that some owners had the impression the Board was self-perpetuating. As is, there is only one Board member that has served more than 10 years and in most of the elections the Board has voted their proxies in the same way that the floor voted as was the case in 5 of the last 6 years. I personally feel that this type of tenure has benefited the Association in the past since having some longevity helps provide historical knowledge and experience which is very useful during the Board's deliberations. I'd also like to share that over the last 10 years there have been 21 different Board members who have served with an average time of service being less than two terms.

In closing, the Board is very pleased with the continued progress and results over the past year and we thank you for your support.

We look forward to seeing you at the meeting!

Sincerely,



Fred Bradford
President