

**VAIL RACQUET CLUB**  
**BOARD OF DIRECTORS MEETING Minutes**  
April 25, 2024

**Attendees:**

Fred Bradford	President
Greg Grotke	Vice President
Hal Naiman	Secretary
James Coope	Member
Molly Daniels	Member
Paul DeLauro	Member
Rhonda Salinsky	Member
Kathy Summers	Member
Peter Koclanes	Member
Kim Rediker	General Manager
Keith Chamberlain	Director of Finance

**Call to Order:**

The meeting was called to order at 2:02 PM and a quorum was established and notice of the meeting was proven.

**Approval of the February 15, 2024 Meeting Minutes:**

The February 15, 2024, Board of Director Meeting Minutes were approved unanimously.

**President's Report:**

Mr. Bradford said it was a great season and things are going well. He mentioned how important Apres Café is to our organization and he is pleased it is doing so well.

**Treasurer's Report:**

Mr. Chamberlain reported on the YTD summary and year-end projections. He said the Club is performing well and the new software, Club Automation, has helped with managing and tracking club access. The Club operation is projected to have a surplus of approximately \$199K.

Mr. Chamberlain reported that the Rental Operation made up for any loss it had going into the winter season with big months in February and March. As of March, the Rental Operation is projected to have a good surplus at the end of the fiscal year. Mr. Chamberlain noted that the new RDP software makes the program easier to manage and more efficient.

HOA revenue through March is ahead of budget by \$96K. Mr. Chamberlain noted, however, that additional expenses often offset excess revenue. He said the HOA is expected to end the fiscal year with a small surplus.

Mr. Chamberlain confirmed that the VRC should either refund or move surpluses in the HOA and Club Entities to capital reserve as a not-for-profit entity. Historically, the surpluses have been moved to the capital reserve account to eliminate the tax liability.

This year the Rental Operation surplus is expected to cover the cost of carpet cleans and possibly spring and fall cleans. If a surplus remains after those costs are covered, the remaining balance will be distributed to rental participants on a percentage basis. Ms. Rediker confirmed that the Board will vote later in the year after the CPA review is complete on how to handle Rental Operation surplus funds.

### **Manager's Report:**

#### **Staffing –**

Ms. Rediker reported that the winter season went well, with full staff at the front desk as of mid-January. The Club had fitness attendants for most of the winter, helping to ease the transition to the Club Automation app for owners and members. The Club has hired a pool technician who will open and close the pool and do chemical maintenance 5 days a week. This is a task that was previously handled by the maintenance team, and allows them to focus on capital projects, common area maintenance, and in-room maintenance.

#### **USPS –**

After many months of non-response from the USPS, they were recently on-site to address the mailboxes that were installed in Fall 2023. Ms. Rediker will keep those who asked for boxes informed of the process.

#### **Real Estate Update –**

Ms. Rediker reported that from 1/1/24 – 4/20/24 there have been four unit sales at the VRC.

- 3 one-bedroom condos, ranging from \$690,000 - \$750,000
- 1 two-bedroom condo loft for \$1,310,000

Ms. Rediker reviewed the average price per square foot for the VRC vs the East Vail comp set:

- Vail Racquet Club - \$1,233 (up \$22)
- Timber Falls - \$1,051 (down \$63)
- Courtside - \$1,167 (up \$167)

#### **Senate Short Term Rental Bill -**

Ms. Rediker reported that the Short-Term Rental bill considered by the Colorado Senate died in committee. She noted that over 9,000 Eagle County Residents wrote letters in opposition or testified. A big thanks to Ms. Daniels who assisted Mr. Romer (CEO of the Vail Valley Partnership). This bill had the potential to decimate the Vail economy.

#### **Lawsuit –**

Ms. Rediker reported that a lawsuit that named over 20 HOAs in Colorado, including the VRC, claiming receipt of illegitimate PPP funds has been dropped. Our D&O Insurer Philadelphia was engaged to defend the VRC along with several other CO Associations.

#### **Apres Café –**

The owners of Apres Café shared with Ms. Rediker that they had a great winter overall and it was busier than last winter with several VRC owners visiting every week. Staffing is still a challenge, but they do have a great core staff. The summer hours will be 1 pm - 9 pm Thursday through Monday, closed Tuesday and Wednesday. They will be closed from April 21<sup>st</sup> through June 7<sup>th</sup>.

### **Special Projects/ Restating of Governing Documents –**

Ms. Rediker reported that she has been working with Mr. Ivy to update the VRC Bylaws, Articles of Incorporation, and Declarations. A survey was completed for Mr. Jonah Hunt (legal counsel) and Mr. Hunt provided an initial draft. The draft has been reviewed by Mr. Ivy and Ms. Rediker, and will be finalized for Board subcommittee review in the coming months. Ms. Daniels, Ms. Summers, and Mr. Bradford volunteered for the subcommittee, with Ms. Salinsky as an alternate.

### **Major Capital Projects –**

Ms. Rediker noted Mr. Loftus is very focused on the spring major capital projects including the Building 11 deck and patio replacement project, the townhome asphalt renovation, and parking lot striping. She noted that the building 9-12 wood fireplace replacement \$3,000 incentive is still available and ongoing. Ms. Rediker added that Club building walkway paver renovation is planned to reconfigure some of the snowmelt and Mr. Loftus promised to investigate a bike wash station at that time. Also, the Club roof renovation is scheduled to begin in mid-May and the cedar shake roof will be replaced with asphalt shingles with super insulate. The lighting systems in both Club steam rooms will be replaced.

### **Miscellaneous Property Maintenance –**

Ms. Rediker noted that the slate plank tiles in the Club building will be professionally cleaned this spring. She is also waiting for an estimate from a landscaping company to redo the entry gardens which may cost more than was budgeted and require additional irrigation.

Ms. Rediker shared that maintenance of unit windows is the responsibility of each homeowner, including cleaning. Many windows are difficult to reach and require professional attention. She suggested the Association coordinate professional window washing for all units in 2024. The cost is \$250/townhome and \$900/condo building, for a total of approximately \$28,000. The Board directed management to move forward with this project using Association operating funds.

### **Building and Grounds Committee:**

Mr. Chamberlain reviewed the HOA Capital Plan projections for FY24/25 including the following major projects:

1. Building 11 Deck Project
2. Townhome Asphalt Renovation
3. Condo Buildings 9-12 Fireplace Incentives
4. Club Walkway Renovation
5. Club Roof Replacement
6. Purchase Used Kumatsu Loader

Mr. Chamberlain suggested the Buildings and Grounds committee walk the property with Mr. Loftus to review any concerns.

Mr. Chamberlain reviewed the proposal to engage an outside company for a reserve study. Of importance, our insurance broker has noted that most insurers now require one for coverage. After some discussion, the Board supports this action.

### **Finance Committee and Proposed Budget –**

Mr. Chamberlain reviewed the 24/25 proposed consolidated budget and planning factors which includes no change in operating dues and an increase of 8% in capital dues, for a total increase of 1.6% per unit.

Mr. Chamberlain noted the Club charges an “annual initiation fee” of \$120, which is a misnomer as it is an annual enrollment fee. The Club committee discussed increasing outside club dues by \$10/month and removing the annual fee. New members would still pay a one-time initiation fee.

The proposed Rental Operation budget remains conservative, based upon overall lodging projections for the Vail community and an unknown future economy.

The HOA budget includes funding for a Reserve Study.

Ms. Rediker noted that a budget meeting is required, with all owners invited. Typically, this meeting is held in June or July. The Budget is approved unless a majority of Association members veto the budget at that meeting.

Mr. Grotke made a motion to adopt the proposed 24/25 budget as presented including a 1.6% increase in HOA dues and an additional expense for a Reserve Study completed by professional engineers. Mr. Naiman seconded and all agreed.

### **Rental Committee –**

Ms. Daniels reported that the Rental Operation had a blockbuster year. There are currently 93 units in the Short-Term Rental Program. She said the \$29 damage waiver would be increased to \$39, protecting each guest for up to \$1000 for accidental damage. It’s been a huge.

Ms. Daniels said the Rental Committee reviewed the owner split for “seasonal” rentals per a request from a Rental Operation participant. The Rental Committee agreed to keep the split unchanged.

Ms. Daniels presented a new STR guest-of-owner Club usage fee of \$45 per reservation. This amount is based upon the typical per-stay Club fee remitted for paying rental guests. All “non-paying” guest-of-owner reservations will receive a confirmation letter for their stay which includes details for the cleaning and club usage fees for which they are responsible.

Ms. Daniels noted the Rental Committee hopes to cover the cost of carpet cleaning and possibly deep cleaning in STR units with the 23/24 revenue surplus, but the final decision will be presented at the August meeting.

Ms. Rediker said the VRC has begun to purchase fans for each bedroom for units in the STR program. If owners wish to purchase their own fans, or if they have a ceiling fan, they will receive a \$40 per bedroom credit on their account.

**Club Committee-**

Ms. Salinsky reported that there are currently 425 outside Club members. Ms. Salinsky reviewed the expected \$200K surplus and said the Club Committee approves the proposed budget for next year.

Ms. Salinsky presented photos of the new configuration of the cardio room, fitness center, and Yoga/Pilates studio. The changes have been well-received, with most commenting that each room now feels more spacious.

Ms. Salinsky reported that the tennis court spring maintenance program will occur including repainting and resurfacing. The class schedule is available on the Club Automation.

**Unfinished Business:**

There was no unfinished business.

**New Business:****Upcoming Meetings:**

- Wednesday, August 7<sup>th</sup> @ 2pm – Board of Directors Meeting
- Thursday, August 8<sup>th</sup> @ 5pm - Annual Homeowner Meeting
- Saturday, August 10<sup>th</sup> @ 5pm - Annual Homeowner Dinner
- Sunday, August 11<sup>th</sup> @ 4pm – Board of Director Organizational Meeting

**Adjournment:**

The meeting was adjourned at 4:51pm