

**RACQUET CLUB OWNERS' ASSOCIATION
ANNUAL MEETING MINUTES - DRAFT
Thursday – August 8, 2024**

Attendees:

Board Members:

Greg Grotke	Vice President
Hal Naiman	Secretary
James Coope	Member
Molly Daniels	Member
Paul DeLauro	Member
Peter Koclanes	Member
Rhonda Salinsky	Member
Kathy Summers	Member

VRC Staff:

Kim Rediker	General Manager
Keith Chamberlain	Director of Finance & Operations
Steve Loftus	Director of Facilities & Grounds
Lindsay Stadler	Owner Relations Manager - <i>Taking Minutes</i>
Heather Gilman	Accounting Manager - <i>Verifying Quorum</i>

Absent:

Fred Bradford	President
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1. Call to Order:

The meeting was called to order at 5:00PM and notice of the meeting was proven. Ms. Rediker verified quorum and thanked everyone who attended the meeting or sent in a proxy.

Ms. Rediker welcomed all VRC homeowners and introduced the members of the Board of Directors and VRC Managers. She commented that the success of the HOA has so much to do with a very engaged Board and an outstanding Management team.

2. Approval of the 2023 Homeowner Meeting Minutes:

The 2023 Annual Homeowner Meeting were approved through a Zoom online poll.

3. Treasurer's Report:

Mr. Chamberlain reviewed the balance sheet as of May 31st and reported that the VRC has \$5.2M cash on hand (\$1.8M Operating cash, \$2M is liquid reserve cash, \$1.37M in Cd's).

He noted that this balance sheet is subject to some revisions as an audit review is underway.

Mr. Chamberlain demonstrated how the new owner AppFolio portal works, pointing out where owners can access statements and payment details, edit contact information and vehicle information, review HOA shared documents, budgets and financials, calendar events and submit design review approval requests and maintenance workorder requests. Links to the HOA Owner Statement Portal, Club Membership Account and Short-Term Rental Reservations portal can be found on the VRC Homeowner Website <https://homeowners.vailracquetclub.com/>.

Mr. Chamberlain reviewed the year end FY2024 Income Statements. The total operating income was \$448K better than budget. Expenses were over budget by approximately \$200K, but overall, the Association was \$254K favorable to budget for the year.

Mr. Chamberlain said the VRC is in the process of having a Reserve Study completed which will include a list of all the components for which the HOA is responsible and a projected timeline and costs for replacement.

Mr. Chamberlain reviewed improvements to the Long-Term Rental Program including the use of Matterport virtual tours. He suggested owners consider this program as an option if they are not using their unit.

4. Manager's Report:

- **Software Conversion -**

Ms. Rediker said Mr. Chamberlain has been an amazing addition to the team and his knowledge of software got the VRC successfully through the software conversions last fall. While some owners liked having only one software program, the old system was very antiquated and did not provide much functionality. Owners now have more information available easily, and the VRC is much more efficient.

- **Apres Café –**

Apres Café has been a great partner, and they appreciate all the homeowners at the VRC. With a sustainable level of business, revenue continues to increase. Apres Café will close for the fall off-season, October 20th and will reopen in early December.

- **Rules & Regulations –**

There was a change to the HOA Rules and Regulations regarding what is permitted on patios/decks. Ms. Rediker noted that if you don't see something listed as permitted, that means it is not allowed. As a reminder, firepits and outdoor rugs are not allowed.

- **Window Cleaning –**

According to VRC governing documents, windows are the owner's responsibility. However, this year the Board of Directors approved contracting with a window washing

vendor to clean the outside of all windows at the VRC. The cleaning project began in June and has continued throughout the summer. The crew took a break during high occupancy periods at the VRC, but will be back in September to finish.

- **Bicycle Drive –**

The VRC is again hosting a bicycle drive with Josh Pace and Bicycles for Humanity on September 7th from 9am – 1pm. All donated bikes will go to Africa. The VRC is continuing to work to eliminate bike racks at the condo buildings and will remove and donate abandoned bikes under stairwells.

- **Tennis Courts Across the Street -**

The two upper tennis courts across the street are essentially unusable, and the lower courts have quite a few cracks and ripples from ground water. The VRC will engage a professional landscape architect to finalize ideas for how best to use that property. All feedback from previous homeowner surveys will be taken into consideration.

- **Governing Documents –**

The Board of Directors has started the process of restating and amending the governing documents. The Articles of Incorporation and Declaration are from the 1970s, and the Bylaws were last restated in the early 2000s. They are antiquated, difficult to interpret, and non-conforming with parts of the Colorado Common Interest Ownership Act (CCIOA), which is the set of laws that govern HOAs in Colorado. Informational owner meetings will be held this fall. 67% approval is necessary to adopt the restated governing documents.

- **Homeowner Dinner –**

Ms. Rediker reminded everyone that the VRC Homeowner Dinner is this Saturday on the deck outside the Elk meeting room.

- **Real Estate –**

Ms. Rediker reported that there are currently 2 units under contract:

- 1 - Two-bedroom condo for \$1.3M
- 1 - Two-bedroom condo for \$975,000

There are currently two units listed for sale:

- 1 – One-bedroom condo for \$715,000
- 1 – Three-bedroom townhome for \$1.9M

Ms. Rediker reported that 17 units sold between August 1, 2023 and July 31, 2024. The average sales price was \$1.2M and the average price per square foot is \$1,263. That is a price increase over the prior year of 28%. The average price for one-bedroom condos was up 7%, two bedroom condos was up 31%, and three bedroom/townhomes increased 26% from the prior year.

Ms. Rediker reviewed the average sales price:

- One bedroom - \$723,000
- Two bedroom - \$1.3M
- Three bedroom - \$1.8M

The VRC had more sales than any other property in the neighborhood. The price increase year over year and price per square foot has outpaced the neighbors as well.

5. Committee Reports:

Buildings and Grounds Planning Committee:

Mr. Loftus provided an update and photos of the building 11 deck, stair and patio replacement project which was completed this summer. Snowmelt has been added to the path towards each entry door, but not the entire patio. Once the walkway to the townhomes is melted, then maintenance will be able to switch the valve, so it heats the paths at building 11 as well. Mr. Loftus encouraged owners to stop by and look at the new patio, landscaping and boulder wall at building 11.

- **Mailboxes -**

The new mailboxes at the condos have been installed. It was a big challenge to work with the post office and get them in service. If you have any questions or interest in the mailboxes, please contact Ms. Rediker.

- **EV Chargers –**

There are 4 dual port chargers at the VRC, and usage continues to increase. Mr. Loftus noted that 80% of the juice coming out to the charger is powered by wind and solar.

- **Tree Removal Campaign-**

Mr. Loftus reviewed that some property trees were too close to the buildings and removed as requested by the fire department and insurance company. Unfortunately, the bark beetle is back and the VRC is losing about 8 lodgepoles per year.

- **Property Lighting –**

Mr. Loftus has replaced several light posts at the townhomes, some will also be replaced at the condos.

- **Pool Pump –**

The original pool pump failed and was replaced quickly just in time for the 4th of July holiday.

- **Park Area Walkway –**

Mr. Loftus reported that the walkway around the park area will be upgraded with new pavers this fall starting September 9th. The walkway will be closed during this project.

- **Lull –**

The original lull lift (from the early 1970's) officially died and has been replaced. It is an important piece of equipment for the VRC deck replacements, capital projects, appliance and furniture deliveries to the upper-level condo units etc.

- **Patio & Creekside Deck Project at Building 10 –**

The creekside patio and deck replacement project at building 10 is planned to begin spring 2025 and the walkway between building 10 and 11 will also be replaced at that time.

Rental Committee Report:

Ms. Daniels, Rental Committee Chairperson, thanked all rental owner participants.

Rental income is pacing well compared to the prior two years and July was the best one ever. The rental operation had a great year and when the rentals do well, the Vail Racquet Club does well.

There are currently 91 units that participate in the short-term rental program (60 Platinum, 28 Gold, 3 Silver). This year 57% of our bookings have been through the VRC website directly which means a commission does not have to be paid.

Guests of the VRC tend to book in advance. Half of the guests come from Colorado, with Florida, Texas & New York as other states of origin. The VRC has very high rating scores on Expedia and Booking.com.

The average net income this year per unit size was \$16,416 for a one bedroom, \$20,464 for a two bedroom and \$24,531 for a three bedroom. Rental income is dependent on owner use and availability during peak seasons.

Ms. Daniels reviewed benefits of participating in the short-term rental program in addition to the income. All aspects of rentals are handled completely by the VRC, including the marketing, guest arrivals, cleaning, maintenance and on call services etc. Also, every guest stay is charged a \$39 non-refundable damage deposit fee which covers any minor accidental damages up to \$1000. The rental operation also provided complimentary deep cleans and carpet cleans this spring.

The VRC staff is always looking at ways to enhance the quality of our guest experience and has plans to invest in new branded umbrellas, larger branded coffee mugs, new pillows, linens and towels for all STR units. Anyone interested in the short-term rental program can contact Lindsay Stadler.

Club Committee:

Ms. Salinsky, Club Committee Chairman, reported that the Club Operation is running well. There are currently 432 outside members in addition to the 311 owner memberships. They are very excited about the new Club automation system and app which offers a

variety of features including club check-in, class sign ups, court reservations, massage bookings, personal training & billing solutions. The management team has more tools available and can now better monitor club usage. She encourages all to use the app which is a great way for owners to be informed and it provides updates on class changes or cancellations.

The owner family club membership is a great value and includes all family members in the direct family line (grandparents, parents, children and grandchildren).

The owner 10 complimentary guest passes are now virtual and available to use at the front desk. Owners may also purchase a 10-punch pass card for \$200. She noted that any Club questions can be directed to Craig Holst, Club Manager.

Ms. Salinsky noted that several new items have been added to the Mountain Shoppe including candles, pillows, soaps, journals, coffee and new VRC logo shirts and hats. A small snack center has been added to the lobby area and anyone can purchase water, meat/cheese trays, yogurt other snack options. Also, as a reminder all VRC owners receive 10% off all Mountain Shoppe purchases.

The daily Club operating hours are from 6am – 9pm.

Ms. Salinsky also reminder owners that personal training sessions and massages are available to book on the Club app. VRC owners can book at 50-minute massage for only \$100. Tennis and pickleball lessons are available as well.

Finance Committee:

Mr. Grotke, Finance Committee Chairperson, reminded owners that the financials were included in the annual homeowner meeting packet. The Finance committee members have a range of experience including general management, banking, finance, business and corporate law. All that experience goes into the work that the committee does as they review budgets completed by management before it is presented to the Board of Directors for final approval. They also maintain a 10-year capital plan.

He noted that VRC Owners did see an increase in insurance rates this year and unfortunately, that continues to be a big unknown. The committee has seen some estimates that include a 10-20% increase. More information will be shared once they have a better idea of where insurance rates may be going. He noted that they are aware that some HOAs are losing insurance, so it's been important for the VRC to comply with any requests from the insurance company or fire department including some tree removal etc.

Mr. Grotke added that VRC owners are fortunate to be a part of a property that is doing so well financially.

6. Board of Directors Candidates:

Ms. Rediker thanked Ms. Salinsky and Mr. Naiman for serving many years on the VRC Board of Directors. Ms. Rediker introduced the Board of Director candidates:

1. Greg Grotke
2. Katie Novey
3. Jim Zurcher

Each candidate introduced themselves and was given 3 minutes to address the audience. She asked for any nominations from the floor and there were none.

7. Vote for Board of Directors:

Ms. Rediker confirmed that since there are 3 candidates and 3 open positions a ballot vote is not necessary. A Zoom poll was populated, and all 3 candidates were unanimously elected to the VRC Board of Directors.

8. Unfinished Business:

There was no unfinished business.

9. New Business:

Ms. Rediker opened the floor to the homeowners for questions and comments.

10. Approval of the Actions of the Board of Directors:

The actions of the Board of Directors over the past year were approved through an online Zoom poll.

11. Insurance Payment Poll:

A poll was taken regarding preference of billing of insurance – monthly or biannually. A majority of owners prefer to be billed monthly.

12. Adjournment:

The VRC Annual Homeowner Meeting was adjourned at 7:19PM.