



VAIL RACQUET CLUB OWNERS ASSOCIATION

2025 Annual Homeowner Meeting Minutes

Thursday – August 7, 2025

Attendees:

Greg Grotke	President
Molly Daniels	Vice President
James Coope	Secretary
Fred Bradford	Board Member
Paul Delauro	Board Member
Katie Novey	Board Member
Peter Koclanes	Board Member
Kathy Summers	Board Member
Jim Zurcher	Board Member
Kim Rediker	General Manager
Keith Chamberlain	Director of Finance
Steve Loftus	Director of Facilities
Lindsay Stadler	Owner Relations Manager - <i>Q&A Chat</i>
Heather Gilman	Accounting Manager - <i>Verifying Quorum</i>

Mr. Grotke introduced the Board of Directors and Ms. Rediker introduced the VRC management team/staff and reviewed their roles.

I. Call to Order

The meeting was called to order at 5:06PM and notice of the meeting was proven. Ms. Rediker verified quorum.

II. Proof of Meeting Notice

Mr. Grotke confirmed proof of the meeting notice.

III. Approval of the 2024 Annual HOA Meeting Minutes

The 2024 Annual Homeowner Meeting Minutes which were presented in the meeting information packet and were approved through a Zoom online poll.

IV. Reports of the Officers

A. President's Report

Mr. Grotke thanked all homeowners for attending the meeting. Operations have been a lot more transparent this year and the Board members have been very engaged with homeowners and staff. The new software systems have allowed for more

transparency with more information available and allowing for data-driven decisions. The VRC has been doing some things the same for many years and there have been opportunities to make some changes. Hopefully owners appreciate the changes.

Mr. Grotke reported that the Club committee recommended that aging fitness equipment be upgraded this year, and so owners will notice new equipment throughout the Club facility. The VRC waterfall property across the street is also aging and should be addressed. The Board is finalizing some possible plans for the waterfall property which will be shared soon with owners.

B. Treasurer's Report

Mr. Chamberlain said when he joined the VRC two years ago, the software systems were antiquated and by the end of 2023, the VRC migrated to 3 new software systems. In the last six months, the VRC team has really hit a stride with the new processes. Mr. Chamberlain thanked Ms. Gilman, the Accounting Manager, for all her help and assistance this year.

- He reviewed the FY2025 Income Statement.
- Big capital projects are currently in process including the club building roof replacement and the deck/patio project at building 10. Net operating income for the combined operations was about \$8K less than the previous year.
- Any surplus income will be moved to the respective reserve funds for the year (which has historically been done each year) as directed by the Board.
- The Club operation had a very good year, and all new fitness equipment was just recently purchased. The Club will contribute \$82K to the Club reserve for the year.
- Rental Operation revenue was down slightly compared to the prior year, primarily due to spring and fall deep cleaning expense accounting, but still ended the year with a slight surplus.
- He presented how much each entity is contributing to the Association by year. Since 2019 the Club contribution has increased by over 60%, which is dramatic and the reason to invest more in the Club facilities.
- The VRC had a Reserve Study completed recently and it will be a valuable tool for management and the Board to use and refer to in the future when planning capital improvements.
- The contract with the current IT provider will be terminated and Mr. Carl, the Accounting Assistant, will take on some of the in-house IT responsibilities with the help of an outside IT contractor that will be a resource for the team.

C. Manager's Report

Ms. Rediker said it's been a wonderful and busy year at the VRC. Management has worked collaboratively with the Board to increase transparency, communication and levels of service and she hopes owners have noticed the difference.

Property Updates -

- The Club building elevator had a mechanical malfunction this year and unfortunately a small repair was not possible per Northwest Colorado Council of Governments, and it would not pass inspection. A full renovation of the elevator was necessary, with cab refurbishment included. Although it took longer than expected, the elevator is now working.
- The VRC participated in the Town of Vail's 4th of July Parade this year. Staff and Board members joined the float, and it was a success.
- The Vail Fire Department worked with the maintenance team this year to make sure they have access to every single unit via the building-specific Knox boxes. You should have been contacted if the key on file did not work. If you ever change your lock, please make sure to give a key to the VRC for emergencies as required by the Fire Department.
- Comcast will complete a property-wide equipment upgrade and about 60 channels will be added. Timing is TBD.
- A new golf cart was purchased for the Interior Maintenance Operations team so they can better assist with workorders and owners quickly.
- Bikes for Humanity is returning on October 11th. This is the 3rd year the VRC has hosted this event. They accept old, unused or broken bikes which are refurbished and then sent to Africa.
- Ms. Rediker encouraged all owners to fill out the Annual Homeowner Survey will be sent late September/ early October. The feedback really helps with day-to-day operations and the Board's strategic planning and decision making for the future.
- The VRC Homeowner Dinner is planned for Saturday August 9th 4:30 – 6:30pm at the BBQ Patio area.

Real Estate Report –

August 1, 2024 – July 31, 2025

- \$1204/ square foot for a one-bedroom unit
- \$1249/ square foot for a two-bedroom unit
- \$1309/ square foot for a three-bedroom unit
- 16 units sold
- The VRC average price per square foot verses the competitive set has increased. The Club amenities, condition of the units and the general VRC reputation are all contributing factors.

V. Committee Reports:

A. Buildings and Grounds Planning Committee

Mr. Coope, committee chair, thanked management and Mr. Loftus for their support. There's been a lot happening this summer at the VRC and current major capital projects include new asphalt at the townhomes, new decks, patios and landscaping at building 10, a new roof on the Club building and a new walkway between the tennis courts.

- Replacing the old wood-shake roof on the Club Building was a priority for the Board and Management and important for insurance purposes and safety as well. The Club roof replacement project is wrapping up and it should also improve the heat efficiency and reduce the amount of ice building up.
- The walkway between the tennis courts and around the front of the club building will be replaced this fall.
- The Building and Grounds committee works to anticipate property needs and maintain a 10-year capital plan.
- Mr. Webster was recently promoted and is leading an Interior Operations team who is available for all owners 7 days a week, usually from 8 am – 8 pm each day. This change was made to help improve the owner and guest services. They have a good response rate, generally within 24 hours of a work order being placed. This team is also completing pre-arrival checks for all VRC short-term rental guests and owner arrivals.

Mr. Loftus, the Director of Facilities and Grounds, presented updates on the major capital projects and shared current photos of the facilities/grounds.

- This summer, a 60' Aspen tree by building 15 crashed through the pool fence. Fortunately, no one was hurt.
- The walkway and lighting around the park area was updated last fall.
- Tree removal around property continued this year and several lodgepole pines have been dying due to the bark beetle.
- The creekside deck and patio replacement project at building 10 began in April and is ahead of schedule and will wrap up soon. The project is 99% complete and some landscaping will continue into the fall.
- The Townhome asphalt near building E and F was replaced this spring and was it was in poor condition. A new drain pan was added.
- The Club building roof replacement was big project and is also 99% complete. Lots of snow guards were added. The crew was very careful and demonstrated quality workmanship.
- The walkway between the tennis courts and in front of the Club building will be upgraded this fall with improvements to the drainage system. The new walkway will be plumbed for snowmelt.

B. Rental Committee

Ms. Daniels, committee chair, thanked all homeowners who participated in the VRC Short Term Rental Program. She offered to speak about the program with any owners interested at the upcoming homeowner dinner. Ms. Daniels reviewed updates on the rental program.

- The rental market in the mountains has been softening this summer and July rentals were behind this summer compared to July 2024 and came in little under budget.

- The committee wants to be transparent about the current booking trends with statewide tourism is slowing. A recent article just came out with the headline “Colorado Mountain Towns See a Rate Summer Slump in Visitors”. According to this article, ski season collections are dipping for the first time in many years, international tourism is declining and there seems to be anxiety about the current economy. Fortunately, there were a lot of last-minute bookings and good group business this summer.
- The Rental Operation was able to offer free spring deep cleans and carpet cleans to rental owner participants.
- Ms. Martin, the Director of Sales & Marketing, continues to look for ways to market the VRC and the staff is always looking to help improve the quality of our product. New pillows, additional comforters and VRC-branded coffee mugs have been added to all rental units.
- Pre-arrival inspections completed by the Interior Operations team is just one more way to ensure quality customer service at the VRC.
- The new fitness center Technogym equipment will factor into a guest’s decision to stay at the VRC.
- There are currently 93 units in the STR program (39 one-bedroom, 38 two-bedroom, 3- bedroom condos & 13 townhomes). There are 64 Platinum rated units, 27 Gold rated and 2 Silver rated. Ms. Daniels thanked Ms. Stadler, the Owner Relations & Lodging Quality Manager, for helping the VRC to achieve a higher level of quality.
- This year, the Town of Vail was pushing for a new per-bedroom fee for all short-term rentals, which was not adopted. Mr. Rediker did some very aggressive advocacy work, along with others. This new fee would have been a big financial hit for many STR owners, and some may have backed out of the program.
- The Town of Vail is now considering a new excise tax that has been added to the ballot this fall to collect more funds for staff housing. The VRC is ahead of the game and has 23 employee housing units on property.
- The front desk is totally staffed and there are 3 new agents.
- The new STR owner keycard policy went into effect in the spring. Owners now receive a keycard programmed for the duration of each owner’s stay. She encouraged owners to continue to provide feedback on how they are feeling about this change.
- There will be a homeowner rental program meeting closer to the end of the year which will provide on update on upgrades & standards, sales & marketing efforts and much more.
- The committee interviewed several outside housekeeping companies this spring and the contract was awarded to JR Cruz and his company 3E Cleaning. Feedback on the quality of their work is always welcome.

C. Club Committee

Ms. Summers, the committee chair, reported that the committee has worked hard with management to analyze the data which is now available thanks to the new software. Ms. Summers provided a detailed update on the Club operation.

- The Club pays about 26% of HOA expenses and still has money left over to contribute to the capital reserve fund.
- There are currently 431 outside club memberships, which is just one less than this time last year.
- The VRC homeowner family club membership increased this year from \$96 to \$100/ month. New outside members are currently charged \$200/ month for a family membership and \$125/ month for an individual membership. Current outside club memberships will increase on September 1st.
- Outside club member dues account for 55% of annual revenue and homeowner memberships account for 27.5%, with the other 17.5% from various on-demand guest passes that are sold.
- The Club committee is reviewing possible plans for the VRC waterfall property which is in a state of disrepair. Only one of the courts was resurfaced this year and striped for both pickleball and tennis.
- Data has shown that the demand for pickleball courts is higher than tennis for guests and about even for owners and members.
- The masters swim program is thriving, and the pool has been busy. Apres Café is offering pool service this summer which has enhanced the pool spirit.
- Fitness classes offered weekly include Master's swim, Yoga, Pilates, stretching and personal training and massage.
- The Mountain Shoppe has some new items include VRC logo items and artwork by VRC owners.
- The committee and Mr. Holst, the Club Manager, worked hard to identify what the needs of the Club were and proposed an update to the fitness equipment last spring which was unanimously approved by the Board. The VRC chose Technogym, new state-of-the-art equipment and TKO for the new dumbbells. Technogym can be found in professional sports facilities, universities, rehab centers, hotels and resorts.
- Additional items purchased include 3TRX suspension systems, new rogue benches, Plyo Boxes for plyometric training and a 5th treadmill.
- Ms. Summers thanked Mr. Holst for his hard work and dedication to the Club and its members over the last 27 years.

D. Finance Committee

Ms. Novey, committee chair, has a background in accounting and is a managing director of Bank of America. She worked hard this year and asked the team tough questions at times. Ms. Novey thanked Mr. Chamberlain, the Finance Director, for spending a lot of time with her and for sharing all the good work that has been done

in the last few years, including the software upgrades. Ms. Novey reviewed the VRC financial outlook.

- FY2025 ended with strong results and \$5.5M of revenue across the entire organization and on budget. The Association ended the fiscal year with \$164K in net operating income, which beat budget by \$13K and all three entities contributed to that.
- The committee supported the Club fitness center refresh as it was an investment in one of the fastest growing areas. The Club revenue has grown by over \$600K since 2019, which is incredible growth. This was a great decision that should give us more income and more reserves for future projects.
- Thanked the community for the support and Mr. Grotke thanked Ms. Novey for a great first year on the Board.

VI. Election of Directors

A. Positions for election

Ms. Rediker introduced the Board of Director candidates:

1. Molly Daniels
2. Paul DeLauro
3. Jonathan Diesenhaus

B. Introductions of candidates

Each candidate introduced themselves and was given 3 minutes to address the audience. There were no nominations from the floor.

C. Vote

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.

VII. Unfinished Business

There was no unfinished business.

VIII. New Business

A. Amended and Restated HOA Governing Documents Vote

Mr. Grotke explained that all homeowners will have an opportunity to vote and approve the new Governing Documents starting on Monday August 11th.

- The original governing documents are over 50 years old and do not comply with all the HOA state regulations and statutes. The proposed documents are more consolidated, updated, easier to work off and are more accessible.
- The most discussed change was what to do with the Right of First Refusal Process. The new governing documents will allow for the ROFR to be sent out electronically and decrease the number of days from 20 to 14.

- There were 3 informational homeowner meetings this spring and summer that gave owners a chance to ask questions and review the proposed documents.

Mr. Grotke introduced Mr. Hunt, the HOA's legal counsel. Mr. Hunt explained that updating the HOA governing documents has been years in the making at the VRC and has involved many different people and lots of hard work. Original documents sometimes reflect the intentions of the developer but not the downstream homeowners. The new documents reflect the will of the majority of homeowners and comply with Colorado law.

Mr. Hunt noted the vote will be open for 30 days and it will be shared electronically through Election Buddy. A 2/3 vote of the entire membership is necessary for approval.

B. Mr. Grotke opened the floor to the homeowners for questions and comments.

IX. 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.

X. Adjourn

The VRC Annual Homeowner Meeting was adjourned at 7:20 pm.