



PO Box 3811  
Ocean City, MD 21842

January 22, 2020

Fellow St. Tropez Owners,

I want to thank owners who attended the Annual Meeting on November 21, 2019. We hope to see those who were unable to attend at a future meeting. Board member, Dorothy Causey, was absent. She will no longer continue as a board member for now but will be focusing on her recovery. We wish her well and express our thanks for the invaluable cost analysis she provided as a board member.

In the absence of any forthcoming clues as to Capital Vacations' long-term goals, the association continues to cope with Capitals' ongoing evolution. We find ourselves working with new managers and with personnel whose duties have been expanded or reassigned. Our management contract expired at the end of 2019. Our mutually agreed to, one-year extension will afford a better feel for the management company's intent in executing our contract and whether the changes are tolerable to the association. In 2020 the association absorbed the cost of a full-time operations manager in Ocean City. Further, we anticipate operating costs for the office, including rental, personnel, utilities, etc. will also be offloaded to the association in 2021. We will be keeping our management options open and I will keep you posted on this as the year progresses.

Our financial position remains strong. We expect to close the year with an operating surplus. Other sources of income from rental of delinquent and association-owned units, pet fees, late fees and dissolution fees continue to supplement the loss of maintenance fee revenue due to owner attrition. The search to identify new revenue sources is ongoing.

Owners re-elected Chester Duncan to the Board and voted Michael Edmonds in as a new board member. Owners also ratified the 2020 Budget which includes the cost for the full-time manager referenced above. Building improvements in 2019 included installation of a video surveillance system for the property; security improvements have already been realized with this system. Improvements for 2020 will include much-needed entry door replacement; the new doors will be equipped with Wi-Fi push button locks. A new office will be constructed in the first two parking spaces on the west side of the upper, G1 garage level; this will enable the association to forgo the cost of renting an office space in the future. A five-year payback is anticipated. During the concluding minutes, much beneficial owner feedback aimed at improved communications and improving building cleanliness and maintenance was shared. Some owners expressed an interest in trading their units with other owners as a matter of mutual convenience; the board will try to identify a vehicle for this.

In closing, I want to extend best wishes for the new year to you and yours from the Board; we appreciate your continued support. Further, we hope you have a healthy and prosperous 2020 and that your time in Ocean City this year is most enjoyable.

Sincerely,  
Ron Harrington,  
President