

**APPROVED**

**EDGEWATER BEACH RESORT OWNERS' ASSOCIATION  
BOARD OF TRUSTEES MEETING MINUTES**

Tuesday, October 11, 2022

**I. ROLL CALL/CALL TO ORDER**

The meeting was called to order by Marcia Svetkey at 2:32 p.m. The following persons were in attendance via Zoom:

Board of Trustees:

Marcia Svetkey, Chairperson  
Tom Conners, Vice Chairperson/Treasurer  
Dennis Ducharme, Secretary  
Steve Castinetti, Trustee

Absent:

Dottie Fulginiti, Trustee

VRI Americas (VRI) and Resort Staff:

Michael McManus, Director of Resorts/VRI  
John Verity, Resort General Manager

**II. APPROVAL OF AGENDA**

**MOTION:** Steve Castinetti moved to approve the agenda as presented. Motion was seconded by Dennis Ducharme and approved unanimously.

**III. APPROVAL OF PREVIOUS MEETING MINUTES**

**MOTION:** Dennis Ducharme moved to approve the August 9, 2022, Meeting Minutes as presented. Motion was seconded by Steve Castinetti and approved unanimously.

**IV. MANAGEMENT REPORTS**

A. Resort Update

John Verity reviewed the following:

Front Desk Department:

- The Front Desk team continues to help grow the rental business and assist John with the Owner Resale program.
- July, August, and September 2022 rentals surpassed the same months in 2021.

**APPROVED**Housekeeping Department:

- The Resort is still fully occupied each week with numerous short-term stays which results in more expenses in laundry and labor each week.
- In August 2022 there were more guests checking out after five days, leaving rooms open for two-night rentals.
- In September 2022, travel trends changed to reflect two-three-night stays vs. summer weekly rentals.
- Rental housekeeping fees were reviewed with the Board and an increase was proposed to cover expenses.

**MOTION:** Dennis Ducharme moved to approve new rates for housekeeping services as follows: \$45/Studio, \$55/one bedroom, and \$70/two Bedroom starting November 1, 2022. Motion was seconded by Steve Castinetti and approved unanimously.

Completed Maintenance Projects:

- Overhaul of the Fitness Center and a new heating/air conditioning unit was installed.
- Three exterior doors were replaced in the lobby, laundry room, and indoor pool areas.
- New exterior furniture for the units has been installed, including the studio units as well as 715 and 716.
- Sliders, side walls, parking lot posts were rebuilt as needed.
- A leak from the air conditioning pipes in the lobby ceiling was repaired.
- The new exterior shower has been built.
- There is a new exterior grill and platform near the ocean front building.
- There is a new ice machine entrance door.
- There are painted paver walkways on the first-floor center building plus two handicap ramps on each end.
- The new irrigation well pump has been purchased and installed.
- Septic repairs on the East and West Systems have been completed.
- New screens on the Oceanfront windows have been installed.
- There is a new air conditioning chiller installed in South/Oceanfront building.
- The new indoor pool filtration system has been installed.
- Building roof repairs have been completed after sustained damage from two wind/rainstorms.

## B. Review of Action Items

Marcia Svetkey reviewed the action items report. Several items (A-120/A-142/A-144/A-145 and A-146) were noted as completed and removed, while others were refined to include more detail.

**APPROVED****C. Owner Communications**

Marcia Svetkey reported that issuing the Summer Newsletter has been delayed allowing the Trustees to work on and update owners on the following projects: Deed in Lieu from former developer/NERM, the Sales Program with Capital Vacations, the Rental Guarantee Program with Capital Vacations and further evaluation of services being offered by Lemonjuice. Marcia stated that John Verity will be providing an article regarding the special assessment funds collected to date, projects under way and completed including pictures, as well as projects planned for 2023. Marcia also explained that the Winter 2023 Newsletter will be issued on time in January to ensure legal requirements are met, e.g., Call for Nomination of Board members.

**V. FINANCIAL REPORT****A. Financials**

Michael McManus reviewed the financial statements as of month-end August 31, 2022. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported that as of August 31, 2022, \$1.6 million was collected of the special assessment billed in May 2022. John Verity is following the Special Assessment plan and several projects were completed this summer including the following: \$31,500 in building improvements, \$177,300 in structural improvements, \$53,680 in physical service and amenity improvements. Operational expenses have been averaging \$180,000 per month.

Michael McManus distributed the 2021 Independent Review as presented by Sean Murphy, CPA, DePaola, Begg & Associates, PC. Michael stated that the report was previously emailed to the Board and approved for distribution.

**B. Variance Report**

No report.

**C. Collections**

Michael McManus distributed and reviewed an Accounts Receivable Report dated August 31, 2022, showing that 71.8% of the total billable intervals for 2022 have been collected.

Michael also noted that 52.8% of the total billable interval owners have paid their 2022 Special Assessment.

**D. SeaWinds II**

Michael McManus reported that SeaWinds was current with their financial obligation as of August 31, 2022.

## **VI. OLD BUSINESS**

### **A. Edgewater Beach Resort North**

Dennis Ducharme reported that he spoke with Scott McGregor at Lemonjuice and informed them that the Trustees would be changing the focus from downsizing to increasing the ownership base with the assistance of Capital Vacations sales team in 2023.

Marcia reported that the subcommittee worked long and hard with legal on the sales and rental guarantee contracts that would benefit Capital Vacations and Edgewater Beach Resort. The benefits would be to grow the owner base and increase rental revenue. Marcia also stated that Capital was responsive and cooperative and that we look forward to working with them.

## **VII. LEGAL COUNSEL**

### **A. NERM Update**

Michael McManus and Marcia Svetkey reported that the Deed In Lieu paperwork has not been completed and is still in the hands of NERM Attorney Gary Blank and EBR Attorney Laura Brandow. Marcia explained that Attorney Brandow reported that Attorney Blank requested a release for his client pertaining to any future claims. Dennis Ducharme requested a similar mutual release be guaranteed to the parties listed on the original claim and that no future litigation would be pursued by either of the parties.

### **B. Insurance Claim**

Marcia Svetkey reported that EBR Attorney Richard Wholley has mediation scheduled for November 17, 2022. Marcia and Michael McManus will participate in the mediation session. Marcia will report back with updates as new information becomes available.

## **VIII. NEW BUSINESS**

### **A. Christmas Bonus**

Michael McManus and John Verity discussed the 2022 Year End Employee Bonus Proposal. John was asked to leave the meeting.

**MOTION:** Dennis Ducharme moved to approve the 2022 Year End Employee Bonus Proposal as presented. Motion was seconded by Stephen Castinetti and approved unanimously.

John Verity rejoined the meeting.

**APPROVED**


**IX. NEXT MEETING DATES**

Future Meetings are scheduled as follows:

Tuesday, December 13, 2022, at 2:30 p.m., via Zoom – Board Meeting

**X. ADJOURNMENT**

**MOTION:** There being no further business, Tom Conners moved to adjourn the meeting at 4:48 p.m. Motion was seconded by Steve Castinetti and approved unanimously.

DocuSigned by:  
  
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Dennis Ducharme, Secretary

MJM/nb

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