

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

Monday, April 15, 2019

I. ROLL CALL/CALL TO ORDER

The meeting of the Board of Trustees was called to order by Marcia Svetkey at 9:54 a.m. in Hyannis, MA, at the VRI Office. The following persons were in attendance:

Board of Trustees:

Tom Conners	Dennis Ducharme
Dorothy Fulginiti	Marcia Svetkey

Absent:

John Winston

VRI Americas (VRI) and Resort Staff:

Michael McManus, Director of Resorts/VRI

Absent:

John Verity, Resort General Manager

II. APPROVAL OF AGENDA

MOTION: Dennis Ducharme moved to approve the agenda as presented. Motion was seconded by Dottie Fulginiti and approved unanimously.

III. APPROVAL OF PREVIOUS MEETING MINUTES (02/11/19)

MOTION: Dottie Fulginiti moved to approve the February 11, 2019 Regular Meeting Minutes as written. Motion was seconded by Dennis Ducharme and approved unanimously except for Tom Conners who had not attended that meeting.

IV. ELECTION RESULTS & ELECTION OF OFFICERS

Michael McManus reported that the tabulation of mail-in ballots for the Trustee Election was completed. Following is a list of the candidates along with the number of votes received:

Dennis Ducharme – 587
Laura Santino – 146

The one (1) candidate who received the most votes, Dennis Ducharme, will serve a three-year term effective this meeting.

On February 13, 2019 Dottie Fulginiti tendered her resignation as Treasurer/Vice Chair in an email to the Board which has been placed in the Resort's files.

MOTION: Dottie Fulginiti moved to re-elect Marcia Svetkey as Chairperson. Motion was seconded by Dennis Ducharme and approved unanimously.

MOTION: Dennis Ducharme moved to elect Tom Conners as Vice Chairperson/Treasurer. Motion was seconded by Dottie Fulginiti and approved unanimously.

MOTION: Tom Conners moved to elect Dennis Ducharme as Secretary. Motion was seconded by Dottie Fulginiti and approved unanimously.

V. MANAGEMENT REPORTS

A. Resort Update

Michael McManus reviewed the following:

- Northstar Mechanical finished installing a Carrier 30RAP016 chiller, new valves, circuit setters, control stage and filled the system with glycol fluid.
- The chiller system was turned on April 5, 2019 and will be tested when weather permits.
- Lars Jensen, engineer, re-inspected and informed the town that the new railings were installed, inspected and approved. An engineer stamped letter is on file with the Town of Dennis.
- High Efficiency installed a second exhaust fan in the pool building.
- A rebate for the boiler was received in the amount of \$1,250.

B. Review of Action Items

Marcia Svetkey and Michael McManus reviewed the action items. A couple of items were added, and those items completed were removed from the list.

C. Owner Communications

Michael reported that a handful of owners refused to pay 2019 Maintenance fees until they received compensation from insurance for the loss of use in 2018.

VI. FINANCIAL REPORT

A. Financials/Variance Report

Michael McManus reviewed the Year End financial statements dated December 31, 2018. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported that 81% of the homeowners paid their 2018 fees, the other 19% which represents \$355,333.76 of unpaid maintenance fees, were blocked from using their units until fees were paid.

Michael McManus reviewed the financial statements as of month end February 2019. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael distributed a variance report from John Verity, showing each item purchased of \$250 or greater for the February Financials. Michael asked the Board to review and send any questions over to John Verity and Albenia Ninova for clarification.

B. Collections

Michael McManus distributed and reviewed an accounts receivable report dated March 31, 2019 showing that 68.6 % of the total billable intervals for 2019 have been collected.

C. SeaWinds II

Michael McManus stated that SeaWinds II has met their financial obligation to Edgewater Beach Resort as of month end February 2019.

VII. OLD BUSINESS

A. Reserve Report Updated

Michael McManus reported on the following:

Northstar Mechanical

- Open item: chiller system will need to be tested when the weather permits before the next payment is made.

Mr. Fence Co. - Outside Pool:

- Aluminum pool fence with combo lock gates was installed.
- A pool shop gate was installed.

Beach Furniture

- Per an email vote from the Board, telescope furniture has been ordered with GSCF: 30 lounge chaises and 18 chairs; estimated delivery date of April 26, 2019.

B. Special Assessment/Capital Expenditure Project Report

Michael McManus reported on the following project:

Mobi Mats

- The Mobi Mats were installed as of March 21, 2019

i. Design

Michael McManus stated that the studio units were inspected by the Town of Dennis plumbing inspector, the Board of Health and the building inspector; the units were given approval to open as of April 4, 2019.

Michael McManus reported GSCF Design team will be installing furnishings in rooms 701-714 during the week of April 8, 2019.

ii. Construction

Michael McManus reported that rooms 701-714 are scheduled to be opened for owners to view the day of the Annual/Special Meeting, May 4, 2019.

iii. Budget

Michael McManus reported that with the current selections made, the budget is short (87,536.69). Marcia noted that several line items in the Special Assessment Budget need to be discussed and revised and requested a meeting be set up to go over the list.

C. Sales

No information to report.

VIII. LEGAL COUNSEL

A. NERM

Michael McManus reported that NERM did not make this year's \$25,000 settlement payment even after two meetings with NERM held at VRI with Dennis Ducharme, Marcia Svetkey, Michael McManus and Attorney Brandow. Michael distributed a sales proposal drafted by Attorney Thomas Coniaris on behalf of NERM to sell association inventory and NERM inventory through four quarterly auctions over a four-year period. The Board had several questions concerning the terms.

The Board directed Michael to contact Attorney Brandow, to send her the draft agreement, and to have her review the document on behalf of the Edgewater.

B. Amendment to Trust

MOTION: Dottie Fulginiti moved to approve Attorney Brandow review the Trust documents which need to be recorded and to report back a course of action, with the understanding that the overall review expense is not to exceed \$3,000. Motion was seconded by Tom Connors and approved unanimously.

IX. NEW BUSINESS

A. Open Discussion

Marcia Svetkey discussed the Annual/Special Meeting format, agenda, individual Board member roles and asked Michael McManus to send the PowerPoint presentation to her for review.

B. Insurance Renewal

Michael McManus reported that the Armstrong Company sent an insurance renewal based on the Sedgwick property appraisal.

MOTION: Tom Conners moved to approve the insurance policy increase in premiums of \$41,904. Motion was seconded by Dottie Fulginiti and approved unanimously.

The Board requested additional information from the insurance broker:

- Was the increase in price due to the loss runs at Edgewater?
- Can the property insurance be changed mid-year?
- Can a second quote be obtained from another broker?
- Was the increase due to the change in property value?

X. NEXT MEETING DATE

Annual/Special Meeting, Saturday, May 4, 2019, 10:00 a.m. at the SeaView Restaurant
Board Meeting, Monday, June 10, 2019, 10:00 a.m. at the VRI Office
Board Meeting, Monday, August 12, 2019, 10:00 a.m. at the VRI Office
Board Meeting, Monday, October 21, 2019, 10:00 a.m. at EBR
Board Meeting, Monday, December 9, 2019, 10:00 a.m. at the VRI Office

XI. ADJOURNMENT

MOTION: There being no further business, Tom Conners moved to adjourn the meeting at 1:22 p.m. Motion was seconded by Dottie Fulginiti and approved unanimously.



Dennis Ducharme, Secretary

MJM/smt

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