

**EDGEWATER BEACH RESORT OWNERS ASSOCIATION
BOARD OF TRUSTEES TELEPHONIC ORGANIZATIONAL MEETING MINUTES
Monday, April 13, 2020**

I. ROLL CALL/CALL TO ORDER

A duly noticed telephonic meeting of the Board of Trustees was called to order by Marcia Svetkey at 10:02 a.m. The following persons were in attendance:

Board of Trustees:

Tom Conners
Dennis Ducharme
Dorothy Fulginiti
Marcia Svetkey
Ralph (Bill) Traynham

VRI Americas (VRI) and Resort Staff:

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

Marcia Svetkey welcomed Ralph (Bill) Traynham as the newest Board member.

II. ELECTION RESULTS/ELECTION OF OFFICERS

Michael McManus reported 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:

Stephen Castinetti – 270
Dottie Fulginiti – 570
Laura Santino - 141
Ralph (Bill) Traynham - 434

The two (2) candidates who received the most votes, Dottie Fulginiti and Bill Traynham, will serve three-year terms effective this meeting.

MOTION: Dottie Fulginiti moved to re-elect the same slate of officers: Marcia Svetkey as Chairperson, Tom Conners as Vice Chairperson/Treasurer and Dennis Ducharme as Secretary. Motion was seconded by Dennis Ducharme and approved unanimously.

III. APPROVAL OF AGENDA

MOTION: Bill Traynham moved to approve the agenda as presented. Motion was seconded by Tom Conners and approved unanimously.

IV. APPROVAL OF PREVIOUS MEETING MINUTES (02/10/20)

MOTION: Dennis Ducharme moved to approve the February 10, 2020 Regular Meeting Minutes as written. Motion was seconded by Dottie Fulginiti and approved by Dottie Fulginiti, Dennis Ducharme and Marcia Svetkey who were in attendance at that meeting.

V. MANAGEMENT REPORTS

A. Resort Update

John Verity reported on the following:

Maintenance Department:

- Fireplace cleaning and maintenance has been completed in each unit and four units required parts and labor.
- Working on railroad tie replacement at beach/dune.
- Power washing the first floor decks, as well as concrete grill and picnic areas.
- Scrubbing exterior patio walls, ceilings, fences, etc.
- Power washing spa and pool and the pool deck surfaces and furniture.
- Ordered 24 replacement screens for bedroom windows.
- The outdoor pool will reopen early May.
- Studios had paint touch ups, maintenance checks, deep cleaning, exterior cleaning and landscaping.

Housekeeping Department:

- Rooms have been deep cleaned for the upcoming season.
- Staff at minimum levels during March and into April due to COVID-19 pandemic.
- Emptied the linen closets for repairs, cleaning, and painting.

Front Desk Department:

- Minimal staff working to answer phones and contact owners to reschedule vacation weeks.
- Office/Front Desk currently open Monday through Saturday 8:00 a.m. to 5:00 p.m. during March and into April, due to COVID-19 pandemic.
- Tuesday May 5, 2020 the Resort hopes to reopen.

Yearly Property Inspections:

- The Town of Dennis yearly inspection is scheduled for May 5, 2020, for health, building, plumbing, electrical and Fire Department.
- The annual fire sprinkler inspection, in conjunction with Cape Cod Alarm, was completed on December 12, 2019.
- Annual alarm inspection was completed in January 2020.

B. Review of Action Items

Marcia Svetkey and Michael McManus reviewed the action items and several new items were added and those items completed were removed from the list.

C. Owner Communications

Postcards have been mailed to all owners notifying them of the Board's decision to cancel the 2020 Annual Meeting and announce the results of the election. Marcia Svetkey asked the Board and management for input on the Summer Newsletter.

VI. FINANCIAL REPORT

A. Financials

Michael McManus reviewed the financial statements as of month end February 29, 2020. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported the 2019 year end financials indicate that the Trust ended the year with a combined deficit of \$817,000.

B. Variance Report

John Verity reviewed the February 29, 2020 variance report that was previously distributed. John reported the month to date variances and year to date.

C. Collections

Michael McManus distributed and reviewed an accounts receivable report dated February 29, 2020 showing just over 60% of the total billable intervals for 2020 have been collected.

D. SeaWinds II

Michael McManus reported that SeaWinds II has met their financial obligation to Edgewater Beach Resort as of month end February 29, 2020.

VII. OLD BUSINESS

A. Special Assessment/Capital Expenditure Project Report

- (PPP) Paycheck Protection Program/CARES Act/COVID-19
 - John Verity reported that he has an SBA application in with Bank Newport under the PPP.
 - Bank of America is requesting two loan applications: SBA document 2483 and traditional loan documents requiring social security number, name, and date of birth from one officer.
 - The Board discussed writing to Senators Warren/Markey for assistance with the application process, to review the documentation being required and eligibility.
- Design/Construction/Budget

Michael McManus and John Verity reported that work has continued during the COVID-19 pandemic and that the following has been installed: bathroom and kitchen cabinets, appliances, tile backsplash in kitchens, new box spring and mattresses. Granite State Contract Furnishings has installed artwork, blackout drapes and window treatments.

Michael reported that Hitchcock construction has replaced seven sliders in renovated rooms and two other units, as well, in the west wing for a total of nine new sliders. The slider work included balcony repair work, new stationary windows on second floor balconies, new rubber roof installed and scuppers/gutters installed to aid in drainage and prevent water from leaking into first floor units.

B. Sales

- Received a letter from InnSeason attorney, Eckert Seamans, Attorneys at Law. A conference call will need to be held at a later date to discuss further.
- Sales meeting at the Resort with inhouse guest/owners put on hold due to COVID-19 pandemic/shelter in place. There are telephonic and email efforts in place.

C. Insurance Claim

Michael McManus and Marcia Svetkey reported on recent communications with Attorney Jason Cohn.

D. Belfor

Michael McManus reported Marcia, Michael, and Jason will be working to negotiate a settlement with Michael Cody with Belfor per direction from the Board in a call on Wednesday, April 8, 2020.

Several correspondences have been sent back and forth between Belfor and Edgewater Beach Resort Trustees.

VIII. LEGAL COUNSEL

A. NERM Update

Michael McManus reported Atty. Christopher Malloy is working on taking legal action against NERM, Leon Narbonne, in accordance with the Resort's Assessment Billing and Collection Policy. An email from Attorney Malloy was distributed which reported courts are closed and the case against NERM is put on hold until COVID-19 condition changes and courts open.

Marcia reported on the AG's response to the letter sent to the Massachusetts Attorney General on behalf of Edgewater Beach Resort owners who are still waiting for licenses to be recorded by NERM. Twenty-three (23) owners' licenses are still pending, and new paperwork will need to be signed by each owner and sent to NERM for recording. Copies will be sent simultaneously to the Attorney General's office for tracking.

IX. NEW BUSINESS

A. 2020 Insurance Policy

Michael McManus reported that the broker, Armstrong Company, sent an insurance renewal proposal, and the broker, Rogers and Gray, also sent a proposal. The Board reviewed the two proposals during a March 28, 2020 telephonic meeting with Marcia Svetkey, Tom Connors, Dennis Ducharme and Dottie Fulginiti in attendance. The Board decided to go with Rogers and Gray to provide the Workers Comp, Directors and Officers, Crime and Liability insurance while Armstrong will continue to provide the property insurance policy, all effective April 1, 2020 thru 2021.

MOTION: Tom Conners moved to approve the insurance property policy with Armstrong at a premium of \$66,723. Motion was seconded by Dottie Fulginiti and approved unanimously.

MOTION: Tom Conners moved to approve the Workers Compensation, Directors & Officers, Crime, Umbrella and Liability policies with Rogers and Gray at a premium of \$29,700. Motion was seconded by Dottie Fulginiti and approved unanimously.

B. Open Discussion

Marcia Svetkey discussed the COVID-19 health pandemic and the Board's earlier decision to cancel the Annual Meeting due to guidelines from Governor Baker and the Centers for Disease Control (CDC). Marcia noted that the Summer Newsletter, as usual, will include the information that would have been presented to owners at the Annual Meeting. She also said that in an effort to keep owners informed, consideration was being given to preparing the presentation for the Annual Meeting just like we would have for the meeting and posting it online.

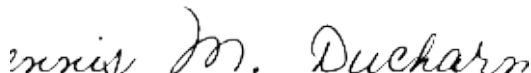
X. NEXT MEETING DATE

Future meeting dates are as follows:

- Monday, June 8, 2020, 10:00 a.m. - Board Meeting at the VRI Office
- Monday, August 10, 2020, 10:00 a.m. - Board Meeting at the VRI Office
- Monday, October 19, 2020, 10:00 a.m. - Board Meeting at Edgewater Beach Resort
- Monday, December 9, 2020, 10:00 a.m. - Board Meeting at the VRI Office

XI. ADJOURNMENT

MOTION: There being no further business, Tom Conners moved to adjourn the meeting at 12:22 p.m. Motion was seconded by Bill Traynham and approved unanimously.


Dennis Ducharme, Secretary

MJM/nb

ebr: 041320min