

APPROVED

**EDGEWATER BEACH RESORT OWNERS ASSOCIATION
BOARD OF TRUSTEES TELEPHONIC/ZOOM ORGANIZATIONAL MEETING MINUTES
Wednesday, April 14, 2021**

I. ROLL CALL/CALL TO ORDER

A duly noticed telephonic/Zoom meeting of the Board of Trustees was called to order by Marcia Svetkey at 2:37p.m. The following persons were in attendance:

Board of Trustees:

Stephen Castinetti Marcia Svetkey
Dennis Ducharme Dorothy Fulginiti

Absent:

Tom Conners

VRI Americas (VRI) and Resort Staff:

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

II. 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:

Thomas Conners – 582 votes
Marcia Svetkey – 584 votes

The two (2) candidates, Thomas Conners and Marcia Svetkey, will serve three-year terms effective this meeting.

MOTION: Stephen Castinetti moved to re-elect 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: Dennis Ducharme moved to approve the agenda as presented. Motion was seconded by Dorothy Fulginiti and approved unanimously.

IV. APPROVAL OF PREVIOUS MEETING MINUTES (02/10/21)

MOTION: Dennis Ducharme moved to approve the February 10, 2021 Regular Meeting Minutes as written. Motion was seconded by Dottie Fulginiti and approved unanimously.

V. MANAGEMENT REPORTS

A. Resort Update

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John Verity reviewed the following:

Maintenance Department:

- The department is focused on the rooms currently not being renovated, the pools, and extra projects that are not in the scope of work being performed by Granite State.
- Fireplace cleaning and maintenance has been completed in each unit and six fireplaces required parts and labor.
- Railroad ties have been replaced at the beach dune area.
- In the next few weeks Mobi-Mats will be installed along the beach walkway next to the Soundings. Sand will also be removed from the walkway leading to the beach from the courtyard.
- Power washing first floor decks, as well as the concrete grill and picnic areas.
- Scrubbing exterior patio walls, ceilings, fences, etc.
- Power washing spa, pool, pool deck surfaces and furniture. Outdoor pool will reopen mid-May.
- Ordered 18 replacement screens for bedroom windows.
- Replaced four single panels of double hung bedroom windows.
- Replaced hardware on large east facing dining room window in room 233.
- Studio units had paint touch ups, maintenance checks and deep cleaning.
- Exterior and landscaping projects are to take place over the next four weeks.
- The nearby Eversource transformer blew disrupting the resort's power especially the internal phone system which, as a result, is being replaced.

Housekeeping Department:

- Rooms have been deep cleaned for the upcoming season.
- Final cleaning of Phase II renovated rooms to take place the week of April 12-16, 2021.
- New Mass Save lights have been installed.
- Team leaders are focused on hiring housekeepers, laundry staff and houseman for 2021.
- Contract labor has been employed for the season beginning April 17, 2021.

Front Desk Department:

- Taylor Ford is working on increasing rental revenue through online reservations.
- COVID-19 protocols are still in place.
- The office/front desk area is currently limited with a maximum of three people allowed at a time.
- The front desk hours are to increase starting April 17, 2021.

Repair Services/Water Leaks:

- Fire sprinkler leak damage has been repaired and bathroom sheet rock and plaster and paint in rooms 105 and 205 are complete.
- Rooms 111,112, 211, 212 have had exterior slider walls rebuilt and refinished due to water damage, and two large second floor patio windows have been ordered. Window installation will take place April 28-30, 2021.
- Rooms 103, 104, 203, and 204 exterior walls were repaired and a leaking slider door was repaired in room 103.
- Removed sheet rock and moisture damage in gym ceiling and walls.

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Marcia Svetkey reviewed the action items, new items were added, old items revised, and items completed were removed from the list.

C. Owner Communications

Michael McManus distributed a letter received from Joseph and Nancy Botelho. Michael reported that he had a conversation with Mrs. Botelho where he further explained the longstanding Board policy for deeding back units and reported that Mrs. Botelho was not willing to agree to the terms.

VI. FINANCIAL REPORT**A. Financials**

Michael McManus reviewed the financial statements as of year-end December 31, 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 2020 year-end financials indicate that the Trust's eleven-year compounded deficit since 2009 is \$1,046,081. That is when the owners took control of the property. The developer continues to not pay his financial obligations.

Michael reported that 76.1% of the homeowners paid their 2020 maintenance fees and that 71.3% of the owners have paid their 2021 maintenance fees so far.

Michael reported that the Edgewater's request for forgiveness of the PPP loan for \$167,025 received in 2020 was approved and that a new PPP loan for \$134,349.35 had also just been approved. While these are much needed funds, they still do not fulfill all of the resort's needs. As a result, Michael reported that John Verity is already working on the 2022 Budget as cashflow is running tight.

B. Variance Report

John Verity reviewed the year-end December 31, 2020 variance report.

C. Collections

Michael McManus distributed and reviewed an accounts receivable report dated March 31, 2021 showing that 71.3% of the total billable intervals for 2021 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 March 31, 2021.

VII. OLD BUSINESS

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A. Special Assessment/Capital Expenditure Project Report

- i. Design
- ii. Construction
- iii. Budget

Michael McManus reported that the ten units renovated by Granite State are being returned to use by owners and guests on April 17, 2021.

John Verity reviewed the past two months' construction reports and stated that he was satisfied with the progress. Renovation of the remaining units in the West Bldg and in the South Bldg has been deferred to later this year into next year.

B. Sales

Michael McManus reported that Joe Takacs, MVP, was having discussions with Attorney John Funk regarding opportunities to repurpose studio/one bedroom units 701 through 716.

John Verity reviewed an update from MVP sales and reported that there is an increased interest in buying and selling of prime weeks, April-September. MVP currently has 76 weeks listed for sale.

VIII. LEGAL COUNSEL

A. NERM Update

Currently no action taken due to restrictions resulting from the COVID-19 pandemic.

B. Insurance Claim

Marcia Svetkey reported on recent communications with Attorney Richard F. Wholley about the litigation.

C. BELFOR

Michael McManus reported the next installment payment of \$75,000 is due mid-June 2021.

D. MCAD Complaint

Marcia Svetkey reported that Attorney Jaclyn L. Kugell from Morgan, Brown & Joy was assigned to represent the EBR Trust by Philadelphia Insurance, and mediation has been scheduled for mid-June 2021.

IX. NEW BUSINESS

A. Insurance renewal

Michael McManus reported that both brokers Armstrong Insurance and Rogers and Gray sent an insurance renewal proposal.

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The Board reviewed the two proposals via email and decided on Rogers and Gray to provide the Workers Comp, Directors and Officers, Crime and Liability insurance. Armstrong will continue to provide the property insurance policy all effective April 1, 2021 through 2022. The Board authorized Marcia Svetkey to sign the necessary paperwork.

MOTION: Dennis Ducharme moved to approve the insurance property policy with Armstrong Insurance at a premium of \$83,404. Motion was seconded by Stephen Castinetti and approved unanimously.

MOTION: Dennis Ducharme moved to approve the Workers Compensation, Directors & Officers, Crime, Umbrella and Liability policies with Rogers and Gray at a premium of \$28,388.20. Motion was seconded by Stephen Castinetti and approved unanimously.

B. Open Discussion

Dottie Fulginiti left the meeting at 4:15 p.m.

Marcia Svetkey reviewed the Annual Meeting Agenda and asked each Board member to notify her if they would not be able to make the May 1, 2021 Zoom Meeting.

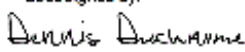
X. NEXT MEETING DATE

Future meetings are as follows:

Saturday, May 1, 2021, 10:00 a.m. - Annual Owners Meeting via Zoom
Wednesday, May 19, 2021, 3:00 p.m. - Budget Board Meeting via Zoom
Wednesday, June 9, 2021, 2:30 p.m. - Regular Board Meeting via Zoom

XI. ADJOURNMENT

MOTION: There being no further business, Dennis Ducharme moved to adjourn the meeting at 4:50 p.m. Motion was seconded by Stephen Castinetti and approved unanimously.

DocuSigned by:


Dennis Ducharme, Secretary

MJM/nb

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