

**EDGEWATER BEACH RESORT OWNERS ASSOCIATION
BOARD OF TRUSTEES SPECIAL MEETING MINUTES
Saturday, April 28, 2018**

I. CALL TO ORDER

Marcia Svetkey called the meeting to order at 10:32 a.m. at The Sea View, South Dennis, MA. Thomas Conners led the Pledge of Allegiance.

II. WELCOME AND INTRODUCTORY REMARKS

Marcia Svetkey welcomed owners to the Ninth Annual Meeting of the Edgewater Owners Association. Marcia introduced the following:

Board of Trustees:

Marcia Svetkey, Chairperson
Dottie Fulginiti, Vice Chairperson/Treasurer
John Winston, Secretary
Thomas Conners, Trustee
Dennis Ducharme, Trustee

Vacation Resorts International and Resort Staff:

Michael McManus, Director of Resort Operations/VRI
Clayton Walsh, Resort General Manager
Albena Ninova, Assistant General Manager

Marcia discussed the results of the recent elections where Tom Conners and Marcia Svetkey were re-elected to a 3 year term. Marcia thanked David M. Reed, Jr. for running and encouraged owners to participate in future elections. Marcia discussed the role and makeup of the Board explaining that each member is a volunteer and is elected by the owners.

Marcia Svetkey described how the Board and Management meet six times a year to review the day-to-day operations at the resort, the monthly financial statements, discuss capital projects, deliberate on how to save on expenditures and strategize the best way to keep maintenance fees as low as possible.

Marcia outlined the Special Assessment plan and reminded owners that the assessment was billed in 2017, 2018 with the final installment to be billed in 2019. She reviewed the 5-year implementation plan: Year 1 - the indoor/outdoor pool project completed, Year 2 - dedicated to planning and developing, interviewing companies along with some insulation work, and Year 3 & 4 - construction (beach access/sliders/interior renovations) and Year 5 - installation of new furnishings.

III. GENERAL FINANCES

Dottie Fulginiti reviewed the 2017 general finances stating that the cash flow for operations is about \$515,000 short, a decrease of about \$24,000 from 2016. Reserve spending for 2017 was approximately \$295,000 to a budget of \$285,000. The developer owns 177 weeks representing \$113,000 in maintenance fees each year. Dottie reported that the 2017 delinquency rate was actually 17.2% of the ownership base.

Dottie reported that an independent audit is completed each year and is available for owners in June. To receive a copy, please email Michael McManus at Michael.mcmanus@vriresorts.com.

Dottie reviewed the importance of open communication and reported that owners can communicate with the Board and Management through constant contact, Facebook, the resort website and also encouraged owners to send in their email address. She also reminded owners that they can contact the Board directly by email at: board@edgewaterbeachresort.com.

IV. VRI MANAGEMENT

Fire Update - Michael McManus reported that on April 14, 2018 at 12:30 a.m., the alarm went off due to an electrical fire in the crawl space of unit 705. The fire department quickly responded and cleared the building. No one was injured but there was severe damage to several units and visible damage to the outside of the building.

V. RESORT UPDATE

Clayton Walsh reviewed the following improvements and accomplishments that were completed in 2017/2018 which included the following:

- Exterior buildings painted
- Attic insulation installed
- Purchased new black-out drapes
- Kitchen tabletops were painted
- Bathroom wallpaper removed
- Purchased new BBQ grills
- Relocated the ice machine
- Beach cleaning
- Lobby painted
- Purchased picnic tables (to be delivered soon)
- Repaired the water damage to units 715/716

Clayton reported on the power outages in March, the future projects that are being monitored, discussed and scheduled as follows:

- Wi-Fi enhancement
 - Minor repairs were completed to the damaged Wi-Fi equipment that occurred over the past winter. The Wi-Fi will continue to be monitored.
- Septic system
 - Preventative maintenance program.
 - Plans for the remaining five systems.
- Maintaining the beach
- Review the drainage system issues on the second floor decks
- The outdoor pool will be opening Memorial Day Weekend

VI. REPORT FROM THE MANAGEMENT COMPANY

Michael McManus presented a PowerPoint presentation that reviewed the services VRI provides. Some of the highlights include:

- VRI was formed in 1981.
- Part of the ILG family of companies.
- VRI provides management services to over 140 resorts in Canada, US and Mexico including 30 in the Northeast, 13 of which are on Cape Cod.
- VRI provides the following services:
 - Operations Management
 - Property Management Computer System
 - Financial Services
 - Assessment, Billing and Collection
 - Reservation and Owner Services
 - Rentals
 - Sales
 - Owner Benefits Program
 - Emergency Services
 - Insurance and Risk Management
 - Purchasing power through VRI's Preferred Vendor Program
 - Training
- VRI's in-house exchange program called Trading Places Exchange:
 - Close to 700 resorts participating
 - No annual membership fee
 - Low exchange fees
 - Online booking and exchange

Michael explained that delinquent owners are blocked from the use of their week and that the week is placed in the rental program. Michael reported on how the industry has changed over the years and how the Board has made the changes work to benefit the owners by partnering with Vacation Clubs, Points Programs and focusing on rental programs to help the resort's financial position.

VII. QUESTIONS FROM THE OWNERS IN THE AUDIENCE

Marcia Svetkey served as moderator for the Q/A session during which several owners inquired about the following:

Q.) Are chairs from the pool or BBQ area allowed to be dragged down to the beach?

A.) Lounge chairs are placed on the beach for guest use during the summer months. Owners are asked not to move chairs from the common areas.

Q.) Has the Board considered putting racks down at the beach to hold chairs for guests to use?

A.) No, but that will be discussed at the next Board meeting.

Q.) Has the Board considered removing the chairs from the beach?

A.) No, but that will be discussed at the next Board meeting.

Q.) Does the resort have housekeeping standards? And are the staff members trained each year on the standards?

A.) Yes, the housekeeping manager and supervisors train each employee on the housekeeping standards.

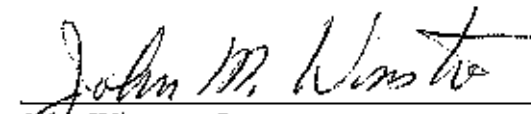
Q.) Can the smoking area be kept up year round for guest use? And if so, will putting up an umbrella be considered?

A.) The Board will discuss this at the next Board meeting and take your suggestion under advisement.

Several owners shared their appreciation for the work the Board is putting in to protect the Edgewater Beach Resort. The owners requested the Board to consider wearing name tags and putting their photos in the newsletter.

VII. ADJOURNMENT

The meeting was adjourned by Marcia Svetkey at 12:30 p.m. and lunch was served to the 87 owners in attendance.



John Winston, Secretary

MJM/smt

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