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

Tuesday, October 12, 2021

I. ROLL CALL/CALL TO ORDER

A duly noticed Zoom meeting of the Board of Trustees was called to order by Marcia Svetkey at 2:33 p.m. The following persons were in attendance:

Board of Trustees:

Steve Castinetti Marcia Svetkey
Dennis Ducharme Dottie Fulginiti

Absent:

Tom Conners

VRI Americas (VRI) and Resort Staff:

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

II. APPROVAL OF AGENDA

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

III. APPROVAL OF PREVIOUS MEETING MINUTES (8/10/21)

MOTION: Steve Castinetti moved to approve the August 10, 2021, Zoom Meeting Minutes as written. Motion was seconded by Dottie Fulginiti and approved unanimously.

IV. GENERAL MANAGER'S EMPLOYEE REVIEW

Michael McManus presented the General Manager's employee review to the Board. Marcia Svetkey commented on his extremely positive performance over the past year during the COVID-19 pandemic and her interactions with him.

The Board directed Michael to email both the 2020 and 2021 performance reviews to the Board for their further review and comment.

V. MANAGEMENT REPORTS

John Verity, General Manager, joined the meeting.

A. Resort Update

John Verity reviewed the following:

Maintenance Department:

- Pool mobile filtration equipment has been repaired.

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- Pool lift repaired per ADA Requirements.
- Mobi-Mats were reinstalled after storms and large rainfall to maintain safe walking paths.
- The exteriors of the studios as well as the East, West and Center buildings need to be painted. Rotten trim boards, shingles and rake boards need to be replaced as well. The current budget does not allow for this extensive work.

Housekeeping Department:

- The labor shortage is affecting staffing. Third party cleaning service is required each week.
- Guest comment cards show very good ratings/remarks from exchangers and renters.

Front Desk Department:

- Taylor Ford is working on increasing rental revenue.
- The Facebook page is being maintained by Taylor and is generating traffic and rentals.
- The Front Desk is currently limited with a maximum of three employees.
- The Front Desk closes daily at 11:00 p.m.

Repair Services/Water Leaks:

- The Maintenance Department is reviewing water leaking into the lobby from rooms on the second floor.

B. Review of Action Items

Marcia Svetkey and Michael McManus went through the list; new items were added, old items were revised, and items completed were removed from the list.

C. Owner Communications

Marcia Svetkey mentioned several owners have emailed the Board with deed back and sales requests. The owners have been referred to John Verity for follow up and appropriate action.

VI. FINANCIAL REPORT

A. Financials

Dottie Fulginiti left the meeting.

Michael McManus reviewed the Financial Statements as of month end July 31, 2021. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported that 74.5% of homeowners paid their 2021 maintenance fee bills and the resort is ahead of the 2020 collection numbers.

Michael McManus reviewed the 2020 Independent Review as presented by Sean Murphy, CPA, DePaola, Begg & Associates, PC. Michael stated that the report was previously emailed to the Board.

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MOTION: Dennis Ducharme moved to approve the 2020 Year End Report as presented. Motion was seconded by Steve Castinetti and approved unanimously.

B. Variance Report

John Verity reviewed the July 31, 2021, Monthly Variance Report with the Board. John pointed out that rental revenue was very close to budget and that as of July 2021 the Association retained \$106,583 in rental revenue.

John was asked to make changes to the format of the report to make it easier for the Board to review.

C. Collections

Michael McManus distributed and reviewed the Accounts Receivable report showing that 74.5% of the total billable intervals for 2021 have been collected.

D. SeaWinds II

Michael McManus reported SeaWinds II is current with all financial obligations to Edgewater.

VII. OLD BUSINESS

A. Special Assessment/Capital Expenditure Project Report

John Verity reported renovations would start again on November 6, 2021, and that a crew from GSCF will be onsite to move furniture and demolish rooms.

B. Sales

John Verity stated he sold two Association intervals this week and that sales were moving slowly with the COVID-19 pandemic affecting the flow of foot traffic. John added that many owners have been looking for additional intervals and some are working with MVP on resales.

VIII. LEGAL COUNSEL

A. NERM Update

Michael McManus reported that legal is drafting a proposal to take NERM to court for non-payment of maintenance fees. Michael distributed a list of still non-recorded unit owners who have been calling the Edgewater as well as the current bill for maintenance fees which was sent to NERM totaling \$2,013,413.39.

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B. Insurance Claim

Michael McManus and Marcia Svetkey reported that EBR Attorney Richard Wholley has received and forwarded the defendant's first set of document requests to the plaintiff (EBR) and the defendant's first set of interrogatories to the plaintiff. Richard has set up a first meeting with Michael and Marcia to gather information.

C. BELFOR

Michael McManus stated that the final payment of \$75,000 will be made to BELFOR Property Restoration in December 2021. This payment must be received by BELFOR no later than December 14, 2021.

D. MCAD Complaint

Marcia Svetkey stated that the item was still open, but requested a report from the Attorney that the matter will be closed within the next 30 days.

IX. NEW BUSINESS

A. VRI Management Contract

Michael McManus distributed an email from Jan Sampson, VRI Sr. Vice President for Corporate and Business Development, to the Chair, Marcia Svetkey, along with a copy of the current management agreement. Marcia also reviewed her conversation with Jan and the contract renewal procedures. Michael addressed the question posed by Trustee, Dottie Fulginiti. Dottie asked about the computer services fees paid each month including the nature of the services incorporated in this fee.

Michael reviewed two documents that outline this service with the Board.

MOTION: Dennis Ducharme moved to approve the auto renewal of the VRI Management Agreement, for the five-year term as proposed, with no changes necessary to the provisions but did request a letter outlining the new rates. Motion was seconded by Steve Castinetti and approved unanimously. Dottie Fulginiti and Tom Connors were not present.

B. Open Discussion

Michael McManus reviewed a few of the over 118 comment cards that were previously distributed from the in-house guests. Marcia Svetkey asked a question about the RCI Comment Card Reports that were emailed last week. John Verity clarified that the guests put the wrong room number on several comment cards.

John stated that going forward he would be emailing monthly in-house comment cards to the Board. John will also hold monthly meetings with the department heads to review the comments received.

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X. NEXT MEETING DATE

The next scheduled meeting is as follows:

Tuesday, December 14, 2021, 2:30 p.m. – Board Meeting via Zoom

XI. ADJOURNMENT

MOTION: There being no further business, Dennis Ducharme moved to adjourn the meeting at 4:35 p.m. Motion was seconded by Steve Castinetti and approved unanimously.

DocuSigned by:

Dennis Ducharme, Secretary

MJM/nb

ebr: 101221min