

APPROVED

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

Wednesday, February 10, 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 2:33 p.m. The following persons were in attendance:

Board of Trustees:

Tom Conners Steve Castinetti
Dottie Fulginiti Marcia Svetkey
Dennis Ducharme

VRI Americas (VRI) and Resort Staff:

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

II. APPROVAL OF AGENDA

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

III. APPROVAL OF PREVIOUS MEETING MINUTES (12/16/20)

MOTION: Dottie Fulginiti moved to approve the December 16, 2020 Telephonic/Zoom Meeting Minutes as written. Motion was seconded by Stephen Castinetti and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

John Verity reviewed the following:

- Phase I renovation in East and Center units continues with punch list items; outlet covers, a/c registers, door stops, and touch up painting.
- Replacing four single panels of double hung bedroom windows.
- New in room thermostats programmed and working properly (two have been ordered recently to replace two that are malfunctioning). Mass Save Inspection of thermostats was Friday, February 5, 2021.
- New fan motor installed on small chiller in the West side building. All filters have been changed. Rooms 116/117-118, and 216/217-218 need attention for summer 2021.
- The in room thermostats have been adjusted for winter.
- Front office/desk staff are continuing to do an excellent job with COVID-19 procedures, explanations, and check in and outs. Maintenance calls for in room services are following pandemic protocols.
- Lobby access is limited with no more than two persons allowed at one time for check in or reservations only.
- Service requests are taken via phone.

APPROVED

- Staff and managers wear masks at all times.
- Lobby hours are 7:00 a.m. to 9:00 p.m. Sunday – Friday, and 24 hours on Saturday.
- Monthly SBA Disaster Relief Loan repayment terms begin August of 2021, the monthly payment of \$593 will be expensed to the 2022 operating budget. The total loan amount is \$121,000.
- We are still awaiting the go ahead from the bank to apply for forgiveness on the 2020 PPP Loan of \$167,000. In addition, we are consulting with experts to determine our eligibility for a 2021 PPP loan.
- The indoor pool has been reopened to day users with no major issues to report, but the spa remains closed per Governor’s orders.
- The recently replaced dehumidifier in the indoor pool has a one year warranty as did the previous one.

B. Review of Action Items

Marcia Svetkey reviewed the action items. A-142 was added to the list in an effort to get the remaining old deeds/licenses recorded with the assistance of Albena, Assistant General Manager.

C. Owner Communications

None.

V. FINANCIAL REPORT

Dennis Ducharme joined the meeting.

A. Financials

Michael McManus reviewed the Financial Statements as of month end November 30, 2020. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported that 70.6% of the total homeowners paid their 2020 maintenance fees and that 19.1% of the owners have paid their 2021 maintenance fees so far.

Michael reported that revenues were \$332,531 under budget for 2020 and that \$106,000 was due to the lack of rental income leaving a year end deficit projected at \$588,574.

Michael McManus distributed an overview from the American Institute of CPA’s on the differences between an Audit, Review and Compilation of year end financial statements and the cost associated with each service.

MOTION: Dennis Ducharme moved to direct management to retain the Association’s current CPA firm for the 2020 review and tax return preparation and to authorize Marcia Svetkey as Chairperson to sign the Commitment Letter from Frank Mello, CPA. Motion was seconded by Tom Conners and approved unanimously.

B. Variance Report

APPROVED

John Verity prepared and distributed a variance report as of November 30, 2020. John stated that several accounts were under budget due to the COVID-19 pandemic and the limited number of rentals and owners that traveled in 2020.

C. Collections

Michael McManus distributed and reviewed an accounts receivable report dated November 30, 2020 showing that 70.6 % of the total billable intervals for 2020 have been collected.

D. SeaWinds II

Michael McManus stated that SeaWinds II has met their financial obligation to Edgewater Beach Resort as of month end December 31, 2020.

VI. OLD BUSINESS

A. Special Assessment/Capital Expenditure Project Report

John Verity reported on the following:

- Phase I renovation punch list work began November 9, 2020 and was completed on January 30, 2021. Phase II renovations will begin February 15, 2021 with April as the anticipated completion date. Due to the late start, the project may have to be extended into the 2020-2021 winter season for completion.
- To complete Phase I, new granite countertops were installed in 30 kitchens and bathrooms, along with completion of kitchen tile backsplash.
- Cabinet spaces next to microwaves were corrected.
- Bathroom tub walls were cleaned and grouted where needed. Circular hand towel rings were installed in all bathrooms between two sinks and mirrors.
- New furniture was installed in the Phase 1 renovated units in East and Center buildings, plus 119-21, 219-21, 122, 123, 124 and 222 in the West building.
- Drapes were repaired to eliminate bulge and the living room rugs were cut to fit.

B. Sales

John Verity reviewed an update from MVP sales. There is an increased interest in buying and selling of prime weeks; 15 weeks sold in the fourth quarter of 2020. MVP currently has 76 weeks listed for sale as of February 3, 2021.

VII. 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.

B. Insurance Claim

APPROVED

Marcia Svetkey reported that Attorney Richard F. Wholley has been in discussion with Attorney Schneider from Morrison Mahoney LLP, Counsellors at Law, regarding claim #10272291 but which will likely be going to court in the near future.

C. BELFOR

Michael McManus reported that the December payment was made on time and received by Christina Stamper, the attorney representing Belfor Property Restoration. The two remaining payments have been scheduled for June and December.

D. MCAD Complaint

Michael McManus reported that John Verity received a letter from The Commonwealth of Massachusetts Commission Against Discrimination (MCAD) on December 28, 2020 regarding EEOC/HUD Number :16C-2020-02131. John reported that the complaint was turned over to the Rogers Gray Insurance broker and that Philadelphia Insurance has assigned an attorney to represent the Association in the case. Interviews with management, General Manager, named employees, and Marcia Svetkey, Chairperson, were conducted in January/February. Marcia stated that she will continue to keep the Board informed on its progress.

VIII. NEW BUSINESS

A. Winter Newsletter

Marcia Svetkey stated that the Winter Newsletter was mailed to owners in February 2021. Due to other ongoing issues, the newsletter was mailed later than usual but we will return to our earlier schedule for future editions. The newsletter included messaging about the upcoming Annual Meeting for Saturday, May 1, 2021 and a Call for Nominations for election to the Board. The newsletter encouraged owners to participate in the Annual Meeting via Zoom either by computer or telephone.

B. Open Discussion

Michael McManus reported on the FEMA flood insurance policies at Edgewater Beach Resort. The Board asked that the policies be reviewed by Michael Robinson with Rogers Gray Insurance.

IX. NEXT MEETING DATE

Future meeting dates are as follows:


Monday, April 14, 2021, 2:30 p.m.- Board Meeting via ZOOM

Saturday, May 1, 2021, 10:00 a.m. - Annual Owners Meeting via ZOOM

X. ADJOURNMENT

MOTION: There being no further business, Tom Connors moved to adjourn the meeting at 4:36 p.m. Motion was seconded by Dottie Fulginiti and approved unanimously.

APPROVED

DocuSigned by:

Dennis Ducharme, Secretary

MJM/nb

ebr: 021021min