

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

Monday, June 8, 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 10:04 a.m. The following persons were in attendance:

Board of Trustees:

Marcia Svetkey
Dennis Ducharme
Dorothy Fulginiti

Absent:

Ralph (Bill) Traynham
Tom Conners

VRI Americas (VRI) and Resort Staff:

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

II. APPROVAL OF AGENDA

MOTION: Dennis Ducharme moved to approve the agenda as presented. Motion was seconded by Dottie Fulginiti and approved unanimously.

III. APPROVAL OF PREVIOUS MEETING MINUTES

A. April 8, 2020 – Telephonic Executive Minutes

MOTION: Dennis Ducharme moved to approve the April 8, 2020 Telephonic Executive Meeting Minutes as written. Motion was seconded by Dottie Fulginiti and approved unanimously.

B. April 13, 2020 – Telephonic Organizational Minutes

MOTION: Dennis Ducharme moved to approve the April 13, 2020 Telephonic Organizational Meeting Minutes as written. Motion was seconded by Dottie Fulginiti and approved unanimously.

C. April 15, 2020 – Telephonic Executive Minutes

MOTION: Dottie Fulginiti moved to approve the April 15, 2020 Telephonic Meeting Minutes as written. Motion was seconded by Marcia Svetkey and approved with Dennis Ducharme abstaining.

IV. MANAGEMENT REPORTS

A. Resort Update

John Verity emailed pictures of the renovated rooms and the manager's report which included the following:

Housekeeping Department:

- Rooms have been deep cleaned with new the cleaning protocols.
- Staff has returned part time and the summer schedule begins June 12, 2020.
- Linen closets were emptied for repairs, cleaning and painting.
- The new COVID-19 training and safety protocols have been implemented.
- Daily assignments will include staff assigned specifically to cleaning, wiping and sanitizing public areas each day including monitoring the hand sanitizing stations on property. The staff will wear clean masks and gloves.

Front Desk Department:

- The resort will reopen Saturday, June 13, 2020.
- The lobby will remain closed with limited access of no more than one person allowed at a time for check in.
- Service requests will be taken via phone.
- Staff and managers will wear masks and practice social distancing

Yearly Property Inspections:

- The Town of Dennis yearly inspection was postponed due to COVID-19. The Fire Department inspection was completed.
- The annual fire sprinkler inspection in conjunction with Cape Cod Alarm was completed on December 12, 2019, and the report is on hand and available for the insurance company.

Northstar Mechanical:

- In room HVAC units have been serviced, motors, fans, valves and coils were cleaned and oiled. Filters were changed.
- Room 105 received a rebuilt coil and fan for the heat and air conditioning unit.
- Four rooms received new registers to enhance air flow.

B. Review of Action Items

Tabled until the next meeting.

C. Owner Communications

Marcia Svetkey requested input for the Summer Newsletter. She and John also discussed the list of changes to policy, new policies and procedures, "Know Before You Go" items, and FAQ's that have been prepared to distribute to incoming owners/guests and which will be posted on the website, too.

V. FINANCIAL REPORT

A. Financials

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

Revenues were under budget in three key areas: annual assessments were under budget by \$68,800 and rentals were under by \$51,653. In addition, NERM has not paid a yearly settlement payment of \$25,000 which was due January 31, 2020.

Michael reported that the Paycheck Protection Program (PPP) loan helped the bottom line and help to carry the resort financially during these hard times. Michael further reported that the resort's collection rate was just 71.4% of intervals billed as of April 30, 2020, and how this was a decrease from April 30, 2019.

B. Variance Report

John Verity noted the operating expenses during the month of April were under budget by \$12,862.

C. Collections

Michael McManus distributed and reviewed an accounts receivable report dated April 30, 2020, showing that 71.4% 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 April 30, 2020.

VI. OLD BUSINESS

A. Special Assessment/Capital Expenditure Project Report

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

John Verity reported on the weekly meetings being held with Granite State Contract Furnishings. John stated that renovations were behind schedule due to COVID-19, but most items (90% of the work) will be completed prior to owners' arrival on June 13, 2020. The last 10% of the renovations will be completed in the fall of 2020, including new furniture, granite countertops in kitchens and bathrooms, and punch list items.

Other updates are as follows:

- Installed appliances in the renovated rooms and completed testing.
- Installed 20 new interior doors and hardware.
- Installed the vanities and kitchen cabinets.
- Installed couches, beds, appliances, and window treatments.
- Working on the drapes, couches and the finishing touches on the tub and shower fixtures.
- Painting touch ups are in progress.

Michael McManus reported that Marcia Svetkey shared her punch list of items that needed to be addressed with John Verity. Marcia reviewed a few of the items with the Board.

B. Sales

Michael McManus reported that a response letter was sent to InnSeason's Attorney from Attorney Brandow on behalf of the Trust with the hope of keeping the working relationship positive for the parties.

John Verity reported that some owners have decided to work with MVP Marketing. John reported that one owner resale was completed over the past month.

C. Insurance Claim

Michael McManus reported that Attorney Richard F. Wholley sent an email to the Board stating that he was contacted by Attorney Bill Schneider who will be representing Armstrong. Attorney Schneider is waiting for additional documents from Armstrong and will be in touch at the end of the month.

D. BELFOR

MOTION: Dorothy Fulginiti moved to enter into Executive Session. Motion was seconded by Marcia Svetkey and approved unanimously.

MOTION: Dorothy Fulginiti moved to enter into Regular Session. Motion was seconded by Marcia Svetkey and approved unanimously.

VII. LEGAL COUNSEL

A. NERM Update

Michael McManus reported no action has been taken by Attorney Christopher Malloy since the courts are currently closed. However, NERM is delinquent in maintenance and settlement fees and is blocked from utilizing their remaining 177 units.

VIII. NEW BUSINESS

A. Open Discussion

Michael McManus distributed a proposal to help owners impacted by COVID-19 with a \$99 vacation certificate to be fulfilled by Trading Places Exchange between now and December 16, 2021. Replacement intervals will not need to be deposited in order to be exchanged.

MOTION: Dennis Ducharme moved to approve the vacation certificate program for those owners who could not travel to EBR during the pandemic and who could not reschedule, but paid their maintenance fees for 2020, and for the General Manager to establish a list and work with Trading Places to contact those specific owners. Motion was seconded by Dottie Fulginiti and approved unanimously.

IX. NEXT MEETING DATE

Future meeting dates are as follows:

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

X. ADJOURNMENT

MOTION: There being no further business, Dennis Ducharme moved to adjourn the meeting at 11:51 a.m. Motion was seconded by Dottie Fulginiti and approved unanimously.

Dennis Ducharme

Dennis Ducharme, Secretary

MJM/nb

ebr: 060820min