

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

Monday, October 14, 2019

I. ROLL CALL/CALL TO ORDER

The meeting of the Board of Trustees was called to order by Marcia Svetkey at 10:07 a.m. at Edgewater Beach Resort. The following persons were in attendance:

Board of Trustees:

Marcia Svetkey

Tom Conners

Dennis Ducharme (By Proxy to Tom Conners)

Dorothy Fulginiti

Absent:

John M. Winston

VRI Americas (VRI) and Resort Staff:

Michael McManus, Director of Resorts/VRI

John Verity, General Manager

Marcia Svetkey sadly noted that John Winston passed away in September. She spoke about his immense contributions to the Edgewater and how he will be missed. Our deepest sympathies and condolences have been relayed to Joy Winston and Family, along with a donation in John's memory to The Cross Roads House in Portsmouth, NH, on behalf of the Edgewater, its Board and staff, and VRI.

Michael McManus distributed copies of excerpts from the By-laws and the Board discussed how to fill the open seat. After a long deliberation, the Board decided to let the ownership decide who is to fill the seat since John's term was to end with this next election which is quickly approaching.

Discussion was held regarding the use of Proxies, and it was decided that going forward they will be allowed, as needed.

II. APPROVAL OF AGENDA

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

III. APPROVAL OF PREVIOUS MEETING MINUTES (08/12/19 and Telephonic 9/27/19)

MOTION: Tom Conners moved to approve the August 12, 2019 Regular Meeting Minutes and the September 27, 2019 telephonic meeting minutes as written. Motion was seconded by Dottie Fulginiti and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

John Verity reviewed the following:

Maintenance Department:

- Search continues for a new Maintenance Manager
- Reorganized and cleaned downstairs maintenance room
- Repaired and painted shed and trash enclosure
- Repaired non-functioning electrical outlets, lighting and switches in maintenance, mechanical rooms and exterior of the resort
- Reviewed issues with hot water boilers and hot water heat exchangers with J M Pazakis Plumbing and Heating
 - proposal to correct and discussion to follow
- Removed and replaced dryer vent under room 134, exit pipe and vent relocated to west side
- Wrapped up tractor beach sweep for the season
- Payroll adjusted for slow season, one employee per shift, two employees per shift on Saturdays
- MASS Save Program
 - New LED energy efficient bulb program will be completed by November 1, 2019

Housekeeping Department:

- Deep cleanings to include carpets, drapes will take place this week
- Contract Labor fees will stop on Saturday, October 12, 2019

Yearly Property Inspections:

- Town of Dennis to perform annual inspection for 2019 in the next 30 days

Weekly Owner Meetings:

- Per the Board, meetings will be suspended and owners are to be encouraged to come to the Annual Meeting in May.

Studio Owners:

- Comments have been very positive. Owners have been updated as to maintenance fee refund from 2018 fire.
- Owners have requested additional outdoor furniture for 2020.

Mobi Mats:

- Remove, clean and store the mats for the winter and reinstall for guest use in April.

Pools:

- Outdoor pool to close on Tuesday, October 15, 2019

July 23, 2019 Tornado:

- The insurance adjuster, John Verity and a rep from Ball and Boyd public adjusters along with roofing contractor, Ted Hitchcock, met Wednesday, October 2, at the resort. Results pending for approved repairs and/or replacement.

B. Review of Action Items

Marcia Svetkey and Michael McManus reviewed the action items. A couple of items were added and others revised/updated. Those items completed were removed from the list.

C. Owner Communications

Marcia Svetkey discussed several emails received by the Board from owners looking to deed back and/or sell.

V. **FINANCIAL REPORT**

A. Financials

Michael McManus reviewed the financial statements as of month-end August 31, 2019. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported that 77.9% of the homeowners paid their 2019 maintenance fee bills and the resort is running tight on cash.

B. Year End Report

MOTION: Tom Conners moved to approve the December 31, 2018 Year End Report as presented by DePaola, Begg & Associates. Motion was seconded by Dottie Fulginiti and approved unanimously.

C. Collections

Michael McManus distributed and reviewed the quarterly owner retention report dated September 30, 2019, showing that for the year a net revenue collected totaled \$48,539.95.

D. SeaWinds II

Michael McManus stated that SeaWinds II has met their financial obligation to Edgewater Beach Resort as of month-end September 2019.

VI. **OLD BUSINESS**

A. Special Assessment/Capital Expenditure Project Report

i. Design

Michael McManus reported that the Team is meeting, November 2, 2019, with GSCF onsite to review each room and confirm the quantity of items needed for each room type.

ii. Construction

John Verity reported that he was working closely with the reservations department to take rooms out of use for renovations work which will start Saturday, November 2, 2019. John stated that the studio units will be utilized this winter for owners of those said units.

iii. Budget

Michael McManus reported that he was exploring loans or leasing options for resort renovations from NorthStar Leasing Co and Colebrook Financial. The Board directed management to email terms upon receipt to the full Board for consideration.

B. Sales

Michael McManus reported that Attorney Tom Coniaris held an Auction on behalf of NERM and EBR Owner Association on October 5, 2019 at 10:00 a.m. in the lobby of the resort, and four units were sold. The next Auction is to be held in late November.

The Board discussed the need to revitalize the sales efforts going forward and to look for additional opportunities to grow the owner base.

The Board recognized that there are over 1,000 weeks to be sold, 448 delinquent owner weeks, 177 owned by the developer and another 448 held by the Owner Association.

The following goals were set for 2020:

- sell a minimum of 50 weeks
- continue auctions with Attorney Coniaris
- continue working with InnSeason
- solicit owner resale program proposals
- look for another sales organization to also sell Association inventory

C. Insurance Claim

Michael McManus reviewed the status of the fire insurance claim.

- Reviewed and discussed the letter drafted by Attorney Cohn regarding the April 14, 2018 fire and insurance coverage.
- Discussed the letter received from Charlie O'Connor, Belfor USA, and his response to the letter sent on behalf of the Board, by the Chair, Marcia Svetkey.

MOTION: Tom Connors moved to authorize a 20% good faith payment of \$122,424.14 to Belfor USA and to continue working with Attorney Cohn to get such insurance funds from Chubb. Motion was seconded by Dottie Fulginiti and approved unanimously.

VII. LEGAL COUNSEL

A. NERM Update

Michael McManus reported Attorney Laura Brandow requested copies of the judgement against NERM and the Settlement Agreement filed in Superior Court Docket No. BACV2009-00681 from the courts. After reviewing such documents, she will present options to the Board for consideration.

VIII. NEW BUSINESS

A. Open Discussion

Marcia Svetkey discussed the Winter Newsletter, and asked the Board to submit any articles to her. Marcia stated she would draft an article paying tribute to John Winston and his dedication and service on the Edgewater Board.

IX. NEXT MEETING DATE

Board Meeting, Monday, December 09, 2019, 10:00 a.m. at the VRI Office
Board Meeting, Monday, February 10, 2020, 10:00 a.m. at the VRI Office
Board Meeting, Monday, April 13, 2020, 10:00 a.m. at the VRI Office (Organizational Mtg)
Special Meeting, Saturday, May 2, 2020, 10:00 a.m. at the SeaView

X. ADJOURNMENT

MOTION: There being no further business, Tom Connors moved to adjourn the meeting at 2:22 p.m. Motion was seconded by Dottie Fulginiti and approved unanimously.



Dennis Ducharme, Secretary

MJM/smt

ebr: 101419min