

**EDGEWATER BEACH RESORT OWNERS ASSOCIATION
BOARD OF TRUSTEES MEETING MINUTES
Monday, October 15, 2018**

I. ROLL CALL/CALL TO ORDER

The meeting of the Board of Trustees was called to order by Marcia Svetkey at 10:00 a.m. at Edgewater Beach Resort. The following persons were in attendance:

Board of Trustees:

Tom Connors
Dorothy Fulginiti
Marcia Svetkey
John Winston, via telephone

Absent:

Dennis Ducharme

VRI Americas (VRI) and Resort Staff:

Michael McManus, Director of Resorts/VRI
Clayton Walsh, Resort General Manager

II. APPROVAL OF AGENDA

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

III. APPROVAL OF PREVIOUS MEETING MINUTES (08/13/18)

MOTION: John Winston moved to approve the August 13, 2018 Regular Meeting Minutes as written. Motion was seconded by Marcia Svetkey and approved unanimously.

IV. MANAGEMENT REPORTS

A. Resort Update

Clayton Walsh distributed the August Variance Report and reviewed the following:

- Contract labor is over budget by \$22,094 for the year. (See Housekeeping)
- Housekeeping Payroll is under budget by \$26,971 for the year. (See Contract labor)
- Electric expenses is over budget year to date by \$7,238.

The Board directed Clayton to contact the electric company regarding the variance and compare expenses to 2017, review rates and to report back at next Board meeting. Further discussion is also to be held on the organization and structure of housekeeping activities.

- Northstar Mechanical is currently installing the new chiller.

The Board directed Clayton to obtain the schedule of work being completed for the chiller installation and distribute to the Board.

- A section of the lobby floor needs to be removed and replaced; a contractor submitted a proposal to replace the entire floor at a cost of \$9,000.

The Board reviewed the proposal to replace the lobby floor and directed Clayton to obtain quotes to repair only the section in need of replacement and the remedial services needed.

- Comcast Business phone service, TV service and IID cable need to be upgraded before January 1, 2019 as Comcast is discontinuing the current plan.
 - Proposals for hospitality service, basic service vs. HD video/premium channels, were reviewed.

MOTION: Tom Conners moved to approve the Comcast HD Video Guest Room Package, eight phone lines and hospitality internet at a monthly fee of \$1,383.95 as discussed. Motion was seconded by John Winston and approved unanimously.

Lars Jensen, P.E., S.E. of INGHOUSE (structural engineer) joined the meeting and reviewed/discussed the following four projects with the Board:

- Interior second floor deck and water drainage issues.
- Pool building exhaust fan.
- Ceiling issues between west and south building exterior walkways.
- 5-Year Egress Evaluation/Certification for Town of 95 Chase Ave.
 - Railings at the center and west buildings need to be replaced.

MOTION: Tom Conners moved to accept the proposal from Fraser Construction to complete the repairs to railings in the west building, center building and as needed to wood railing in the east building as stipulated with a cost not to exceed \$23,000. Motion was seconded by John Winston and approved unanimously.

MOTION: Tom Conners moved to accept the proposal from High Efficiency for \$3,195 to add another exhaust fan to the pool building. Motion was seconded by Dottie Fulginiti and approved unanimously.

B. Review of Action Items

Marcia Svetkey and Michael McManus reviewed the action items, a couple of items were added and those items completed were removed from the list.

C. Owner Communications

Marcia Svetkey discussed several emails received by the Board from owners.

V. FINANCIAL REPORT

A. Financials

Michael McManus reviewed the financial statements as of month end August 2018. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

B. Collections

Michael McManus distributed and reviewed an accounts receivable report dated September 30, 2018 showing that 80.4% of the total billable intervals for 2018 have been collected.

Michael distributed two collection reports:

- Continental Central Credit stated that \$127,869 was placed on April 6, 2018 and 54% or \$69,031 has been collected as of August 31, 2018.
- Owner Retention Specialist, Michelle Thompson's quarterly report stated that as of September 28, 2018, the resort net revenue was \$12,144.54.

C. SeaWinds II

Michael McManus stated that SeaWinds II has met their financial obligation to Edgewater Beach Resort as of month end August 2018.

VI. OLD BUSINESS

A. Reserve Report

Tabled until the next meeting.

B. Special Assessment/Capital Expenditure Project Report

i. Design

Marcia Svetkey stated that the Design Committee would be meeting right after today's Board meeting with a representative from Ferguson Facilities Supply to review a variety of the materials needed for the studio reconstruction.

ii. Construction

Michael McManus reported that on October 10, 2018, Ken Phillips, Allied Construction, was at Edgewater Beach Resort inspecting each room (excluding studios) and evaluating the scope of work needed for the Special Assessment renovation project. Ken requested that a follow up telephonic meeting with the Design Committee be held at the end of October to review the project and propose a schedule to be set up.

iii. Budget

Michael McManus reported that as of August 31, 2018, the Special Assessment account has a balance of 1.2 million of the 2.4 million billed.

C. Sales

Michael McManus reported that the InnSeason sales team sold seven Association units in July 2018 and that on August 23, 2018, the Association received a total of \$ 1,983.15 in sales commissions.

VII. LEGAL COUNSEL

A. NERM Update

Michael McManus reported that five more owners have returned license documents and they have been sent to Attorney Blank's office to be recorded.

B. Amendment to Trust

Tabled until the next meeting.

VIII. NEW BUSINESS

A. Open Discussion

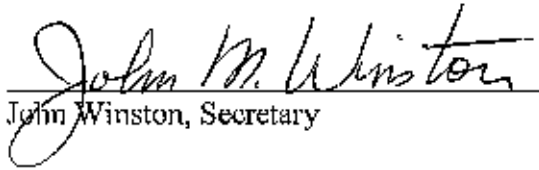
Marcia stated that the next meeting would be at VRI on December 10, 2018. Tom Conners stated that he would be able to make that meeting but would be in Florida for the February meeting.

IX. NEXT MEETING DATE

Board Meeting, Monday, December 10, 2018, 10:00 a.m. at the VRI Office
Special Owners Meeting, Saturday, May 4, 2019, 10:00 a.m. at The SeaView Restaurant

X. ADJOURNMENT

MOTION: There being no further business, Tom Conners moved to adjourn the meeting at 2:32 p.m. Motion was seconded by John Winston and approved unanimously.


John Winston, Secretary

MJM/smt

ebr: 101518min