

APPROVED

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

Tuesday, April 11, 2023

I. ROLL CALL/CALL TO ORDER

The meeting was called to order by Marcia Svetkey at 2:45 p.m. The following persons were in attendance via Zoom:

Board of Trustees:

Marcia Svetkey, Chairperson

Dennis Ducharme, Secretary

Steve Castinetti, Trustee

Jean McCrave Baxter, Trustee

Absent:

Tom Conners, Vice Chairperson/Treasurer

VRI Americas (VRI) and Resort Staff:

Michael McManus, Regional Director, Resort Operations

John Verity, Resort General Manager

II. APPROVAL OF AGENDA

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

III. ELECTION RESULTS/OFFICERS

Michael McManus reported that the tabulation of ballots for the trustee election was complete. The two candidates with the most votes were Steve Castinetti and Jean McCrave Baxter. Marcia Svetkey, Chairperson, introduced and welcomed the newly elected member, Jean McCrave Baxter.

MOTION: Dennis Ducharme moved to re-elect Marcia Svetkey as Chairperson, Tom Conners as Vice Chairperson/Treasurer, and Dennis Ducharme as Secretary. Motion was seconded by Steve Castinetti and approved unanimously.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

A. February 14, 2023 – Board Meeting Minutes

MOTION: Steve Castinetti moved to approve the February 14, 2023 Board Meeting Minutes as presented. Motion was seconded by Dennis Ducharme and approved with Jean McCrave Baxter abstaining.

V. MANAGEMENT REPORTS

A. Resort Update

John Verity reported on the following items:

Operations

- The Resort has had a busier-than-usual early spring. Contractors working on the Cape Wind project in Hyannis and Craigville Beach have rented three units and brought in rental revenue of approximately \$18,000.
- Yennis Douglas, the executive housekeeper for the past 12 years has accepted the role of Assistant General Manager.
- Annira Rodriguez, the head supervisor for the past nine years, was promoted to housekeeping manager.
- Freezing temperature on Saturday, February 4, 2023, caused pipes and in-room sprinklers to burst. Fortunately, the staff was on-site during that time. The rooms affected were 136, 236, 126, 118, 218, 116, and 216. The indoor pool shower also had a pipe burst. All the damage has since been repaired with the exception of room 118, where the ceiling sprinkler burst. Currently, the walls and ceilings have been redone and the flooring installation will soon be complete and the unit back online by April 14, 2023. The carpets, furniture, and unit contents were not damaged by the pipe or sprinkler burst.
- Proposals are being collected for work to replaster the indoor pool and spa before the upcoming summer season.

B. Review of Action Items

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

C. Owner Communications

No discussion.

VI. FINANCIAL REPORT

A. Financials

Michael McManus reviewed the Financial Statements as of year-end December 31, 2022 and month-end January 31, 2023. Included in the review were the Cash Balances Report, Accounts Receivable Summary, Balance Sheet, Comparative Income Statement and Cash Flow Analysis.

Michael reported that \$1,002,132 of the special assessment funds were allocated to cover the compounded deficit/operating shortfall of the Edgewater Beach Resort in 2022, as anticipated by the EBR Trustees. \$760,604 was used to start building, structural, and physical improvement projects.

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Michael reported that 2023 was the first year the Operating Account started off with a positive cashflow of \$1,245,996.

Michael reported that 2023 Collections were down 3% compared to January 2022. A record number of homeowners established payment plans for their 2023 Maintenance Fee bills.

B. Variance Report

No report at this time.

C. Collections

Michael McManus distributed and reviewed an accounts receivable report dated January 31, 2023 showing that 61.0% of the total billable intervals have been collected compared to 64.0% of the total billable intervals in 2022.

D. SeaWinds II

Michael McManus reported that SeaWinds II is current with their financial obligation as of January 31, 2023. The contract with Sea Winds II is under review.

VII. OLD BUSINESS

A. Insurance Claim February 2023

Covered under V. Management Reports, A. Resort Update.

VIII. LEGAL COUNSEL

Marcia Svetkey discussed the need to get recent votes and new Board Members recorded at Barnstable County. Marcia also asked that John and Michael follow up with Attorney Brandow concerning NERM units with clouded titles.

IX. NEW BUSINESS

A. Insurance Coverage 2023-2024

Michael McManus distributed the proposals from The Armstrong Company and Rogers Gray Insurance for 2023-2024 coverage.

The Board discussed the extremely high rising costs in insurance premiums from both brokers, Rogers Gray premiums went up 20% over last year and The Armstrong property insurance premiums alone were up \$159,000 increase over 2022 rates.

MOTION: Dennis Ducharme moved to renew insurance coverage with Rogers Gray for General Liability, Directors & Officers EPLI, Crime, Commercial Automobile, Workers Compensation and Umbrella as discussed with option 1 of the umbrella: \$5 M Lead Excess/Starstone. Motion was seconded by Steve Castinetti and approved unanimously.

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MOTION: Dennis Ducharme moved to renew, under duress, the insurance coverage with Armstrong for the Property Insurance Policy. Motion was seconded by Steve Castinetti and approved unanimously.

MOTION: Dennis Ducharme moved to authorize management to shop out the Property Insurance Coverage due to the premiums more than doubling in one year. Motion was seconded by Steve Castinetti and approved unanimously.

B. General Manager Performance Review

After John was asked to leave the room, Michael McManus distributed and reviewed John Verity’s 2023 Yearly Performance Review.

MOTION: Dennis Ducharme moved to approve the review as presented and to award John Verity a 6% merit pay increase and merit bonus for his exceptional hard work over the past year. Motion was seconded by Steve Castinetti and approved unanimously.


X. NEXT MEETING DATES

Future Meetings are scheduled as follows:

- Saturday, May 6, 2023 at 10:00 a.m. – Annual Meeting (Zoom)
- Tuesday, June 6, 2023 at 2:30 p.m. – Zoom
- Tuesday, August 8, 2023, 10:30 a.m. at VRI Hyannis Office
- Tuesday, October 17, 2023, 10:30 a.m. at the Edgewater Beach Resort
- Tuesday, December 12, 2023 at 2:30 p.m. – Zoom

XI. ADJOURNMENT

MOTION: There being no further business, Dennis Ducharme moved to adjourn the meeting at 5:35 p.m. Motion was seconded by Steve Castinetti and approved unanimously.

DocuSigned by:

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 Dennis Ducharme, Secretary

7/18/2023

 Date

MJM/wc

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