

**ANNUAL ZOOM HOMEOWNERS' MEETING ZOOM
COVE AT YARMOUTH RESORT HOTEL OWNERS' ASSOCIATION, INC.
COVE AT YARMOUTH RESORT HOTEL CONDOMINIUM TRUST
Saturday, April 10, 2021**

I. WELCOME AND INTRODUCTIONS

Scott Dravis called the zoom meeting to order at 10:05 a.m. and extended a warm welcome to owners joining “virtually” this morning. Scott noted that today’s meeting was an informational meeting only and that no official action or votes will be taken. The Board met in person yesterday and is joining the meeting virtually as well. The Board and Management were introduced.

Board of Trustees:

Venita Amidon	Alan Fletcher
Paul Cavaliere	Debra Jones
Ingrid Dooling	Marcia Moser
Steven Fabrizio	Rodrigo Orozco-Silva
Malcolm MacPhail	

Advisory Committee:

Michael Miles
Elizabeth Bairos

Vacation Resorts International and Resort Management:

Scott Dravis, Sr. Vice President of Resort Operations/VRI
Michael Edwards, General Manager
Erin Lee, Asst. General Manager

II. APPROVAL OF ANNUAL MEETING MINUTES (4/6/19)

Scott Dravis informed the audience that the minutes of the Annual Owner’s Meeting of April 6, 2019 would be approved at next year’s Annual Meeting which hopefully will be an in person meeting.

III. RESORT OPERATIONS

Scott Dravis introduced Michael Edwards who provided a detailed PowerPoint presentation which included the following topics:

- This year marks the 35th anniversary of the Cove at Yarmouth.
- Reviewed an organizational chart and key staffing statistics and reported that there is an acute staffing shortage and it is projected to last through the summer and may likely affect operations during the summer season.
- Ownership: total sold intervals stand at 90.9% or 11,702 intervals. Unsold inventory is 1,205 intervals.

- COVID-19 had a significant impact on operations. The resort was closed from March through June and most of the employees were furloughed with a skeleton staff retained to provide essential services. COVID-19 protocols were reviewed that were put in place and how operations evolved throughout 2020-2021.
- Major unit renovations occur on a 7-year cycle and will begin in December 2022 and conclude in 2025. Anticipated costs are expected to be between \$6.1 - \$6.5 million.

IV. FINANCIAL REPORTS

A. 2020 Financial Recap

Scott Dravis reported on the 2020 year-end Financials as follows:

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenue	\$6,600,180	\$7,309,804	(\$439,624)
Payroll	\$2,057,882	\$2,460,999	(\$403,117)
Operating	\$1,110,189	\$1,279,800	(\$169,611)
Admin/General	\$1,503,143	\$1,525,373	\$4,770
Fixed Expenses	\$421,741	\$438,640	(\$16,899)
Reserves/Other	\$755,512	\$1,344,992	(\$579,480)
		Net Operating Income	\$145,233

Scott noted that despite a significant loss of revenue due to the impact of COVID-19 on the resorts finances, expenses were curtailed resulting in a positive net income of \$145,233.

Scott reported on the 2020-2021 Budget Comparison as follows:

	<u>2021</u>	<u>2020</u>	<u>Variance</u>
Payroll	\$2,576,906	\$2,460,999	\$115,907
Operating	\$1,236,789	\$1,279,800	\$(43,011)
Admin/General	\$1,560,111	\$1,525,373	\$34,738
Fixed Expenses	\$457,820	\$438,640	\$19,180
Other/Reserves	\$1,337,609	\$1,334,992	\$2,617

The Cove's maintenance fee of \$590 is substantially lower than both the national and regional averages as reported by the American Resort Development Association.

2020 Reserve Expenses totaled \$734,637. Major projects included:

- Heat pump replacements
- Palladium window replacements
- RDIF room door locks
- Pool deck resurface
- New pool furniture
- Parking lot resurfacing
- Emergency generator for common areas
- Pool equipment

C. 2021 Planned Reserve Expenditures

Michael Edwards provided a list of budgeted Reserve Expenses for 2021 at a projected total cost of \$178,351 as follows:

Building Improvements	\$17,459
Pools and Recreation	\$53,734
Misc. Equipment	\$27,533
Misc.	\$18,787
Mechanicals	\$10,838
Other	\$50,000

V. ELECTION RESULTS

Scott Dravis stated that a total of eight candidates ran for three open seats on the Board. Ballots were mailed to owners earlier in the year and tabulated by VRI.

With tabulation completed, Scott Dravis announced that the following candidates were elected for a six-year term: Paul Cavaliere Jr., Steven Fabrizio and Marcia Moser.

Scott thanked those that stepped forward this year and noted that owner involvement is critical to the success of the Cove at Yarmouth.

VI. ADJOURNMENT

There being no further business or questions from the audience, the meeting was adjourned at 11:12 a.m.

Ingrid Dooling, Secretary/Treasurer

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