

**ANNUAL HOMEOWNERS' MEETING
COVE AT YARMOUTH RESORT HOTEL OWNERS' ASSOCIATION, INC.
COVE AT YARMOUTH RESORT HOTEL CONDOMINIUM TRUST
Saturday, April 9, 2022**

I. WELCOME AND INTRODUCTIONS

President Marcia Moser called the meeting to order at 10:00 a.m. and extended a warm welcome to the owners present. Marcia introduced the Board and Resort Management.

Board of Directors/Trustees:

Marcia Moser, President	Steven Fabrizio, Vice President
Ingrid Dooling, Secretary/Treasurer	Alan Fletcher, Trustee
Venita Amidon, Trustee	Malcolm MacPhail, Trustee
Debora Jones, Trustee	Paul Cavaliere, Trustee

Absent:

Rodrigo Orozco-Silva, Trustee

Advisory Committee:

Michael Miles, Advisory Committee Member
Elizabeth Bairos, Advisory Committee Member

VRI Americas (VRI) and Resort Management Staff:

Scott Dravis, Sr. Vice President of Resort Operations/VRI
Rich Muller, Chief Operating Officer/VRI
Michael Edwards, Resort General Manager
Erin Lee, Assistant General Manager

II. APPROVAL OF ANNUAL MEETING MINUTES (4/16/19, 4/10/21)

Scott Dravis informed the audience that copies of the April 6, 2019 and April 10, 2021 Annual Meeting Minutes were handed out today and are also available for owners on the Resort's website.

MOTION: Motion was made that the owners present waive the reading of the 2019 and 2021 Annual Meeting Minutes of The Cove at Yarmouth Hotel Owners Association, Inc. and the Cove at Yarmouth Resort Hotel Condominium Trust, and furthermore, that the owners present also approve the 2019 and 2021 Annual Meeting Minutes of the Cove at Yarmouth Hotel Owners Association, Inc. and the Cove at Yarmouth Resort Hotel Condominium Trust as presented. Motion was duly seconded and approved unanimously.

III. RESORT OPERATIONS

Michael Edwards discussed the importance of vacationing and urged owners to utilize their weeks by vacationing at the resort or exchanging to the thousands of other resort locations available through the exchange companies.

Michael Edwards provided a detailed PowerPoint presentation which included the following topics:

- An organizational chart of key personnel.
- There are currently 34 full time and 21 part time staff members.
- Owners are encouraged to visit the newly developed website.
- Various ownership statistics most notable:
 - 12,798 total weeks, 10,565 sold or 91.1%
- Challenges of Operations during COVID-19
 - A total of 30 staff members tested positive since 2020.
 - The required safety protocols, enhanced cleaning procedures, and other measures have been implemented to keep the owners, public and staff safe.
- Pinnacle Lifestyle Solutions has been conducting sales since 2021.
 - There were 118 new sales in 2021.
 - There is a resale program for summer weeks.
- The Wi-Fi system will be upgraded which will provide better access and greater bandwidth.
- Unit Renovations: Back in 2000 the Board committed to a seven-year room refurbishment schedule and this year the third cycle since 2000 is being worked on. Work will begin at the end of 2023 and occur over three years with completion scheduled for April 2026.
 - The cost is estimated at 9.5 million dollars.
 - Most major furniture items in the rooms will be replaced.
 - The work and funding will be completed under the existing Capital/Reserve Budget without the need for a special assessment.

IV. FINANCIAL REPORTS

A. 2021 Budget Recap

Scott Dravis reported on the 2021 year-end financials. The following is a summary:

Operating Budget: \$7,169,234

Operating Loss: (\$31,970) that is less than .05% (1/2 of 1%) variance based on the budget.

B. 2021 Reserve Expenditure

Michael Edwards itemized the capital expenditures totaling \$160,277 as follows:

- Arcade upgrade
- Speed bumps
- Storage containers
- Ice machines
- Housekeeping equipment
- Pool equipment

C. 2022 Budget

The Cove's maintenance fee of \$605 is substantially lower than the national average and 26% less than the regional average that is reported by the American Resort Development Association.

A summary of the 2022-2021 budget comparison is as follows:

	2022 Budget	2021 Budget	Variance
Revenue	\$7,235,449	\$7,169,236	\$66,213
Payroll	\$2,638,312	\$2,576,906	\$61,406
Operating	\$1,274,563	\$1,236,789	\$37,774
Administrative	\$1,562,584	\$1,560,111	\$2,473
Fixed	\$458,900	\$457,820	\$1,080
Reserves	\$1,301,089	\$1,337,609	(\$36,520)

D. 2022 Planned Reserve Expenditures

Michael Edwards provided a list of budgeted reserve expenses for 2022 at a proposed cost of \$235,130 as follows:

- Heat pumps
- Wi Fi upgrades
- Recreation Center locker room updates
- Heron landing pergola
- Hot tub resurfacing
- Fire alarm panel upgrade
- Fitness equipment
- iWall
- Housekeeping equipment
- Pool equipment
- Conservation work
- Electric vehicle charging stations
- Co-generation system

V. ADJOURNMENT

There being no further business or questions from the audience the meeting was adjourned at 11:25 a.m.

Ingrid Dooling, Secretary/Treasurer

SWD/nb

cay: 2022hoa