

## Marriott's Cypress Harbour Update Spring 2020

Dear Marriott's Cypress Harbour Owners,

First and foremost, your Board of Directors and Resort Leadership hope you are safe from this catastrophic pandemic COVID-19 virus. As it was unsafe to meet in person, the Spring Board meeting was held electronically – quite a different experience – and shorter. Following is information about our current status, some highlights and what we are doing to ensure your next visit is safe.

### COVID-19 MEASURES TAKEN

While the daily health and safety measures already in place are designed to address a broad spectrum of viruses including COVID-19, cleaning protocols have been updated for high frequency guest touchpoints and public areas. Further, an enhanced cleaning protocol has been developed by a third-party environmental hygienist for our villas.

Associates and guests are continually reminded to follow all World Health Organization and Centers for Disease Control and Prevention recommendations for everyday preventive actions.

To minimize close contacts, large gatherings of owners/guests have been eliminated by modifying or cancelling activities. The Cypress Spa, pool, saunas, hot tubs and all food and beverage outlets were closed.



As guidance and local laws dictate, we have begun to slowly re-open certain amenities. The pool and hot tubs were just recently opened and activities will gradually be resumed, considering the need for social distancing.

### IMPACT ON THE RESORT

Of course, occupancy levels dropped substantially at the start of the outbreak. Income from food and beverage also stopped. Staffing was reduced accordingly with many associates being

furloughed. (Note: the management team has worked with associates to consider their circumstances and to balance that with the operational demands of the resort.) Those furloughed did have their benefits, which usually are company paid at 70%, fully paid while on furlough. Additionally, they were able to collect unemployment benefits. Other staff worked reduced work weeks. Some associates and Management were needed on property to provide for the limited numbers of guests and maintain security.

## FINANCIAL UPDATE

Our year end 2019 operating results ended with a surplus of \$1,577,439, which included proceeds from the insurance company of \$602,492 due to the impact from Hurricane Irma. As a result, \$315,000 was transferred to our reserves for future. As of 31 March 2020, we are \$348,673 ahead of budget. Obviously, this may be difficult to maintain due to the impact of COVID-19.

The 2019 annual independent audit was conducted by Crowe LLP and we received an **unqualified opinion** stating our financial **statements** are fairly and appropriately presented, and in compliance with generally accepted accounting principles (GAAP). Should you wish to review the Audit, please contact [Christopher.Cawthorne@vacationclub.com](mailto:Christopher.Cawthorne@vacationclub.com). Chris will provide a copy upon an Owner's request at the expense of the Association.

We saw a significant increase in property taxes for the year 2019. As a result, we added 2019 to our ongoing lawsuit against the Orange County Property Appraiser. Thus, the current suit now includes 2017, 2018 and 2019.

## PROJECT UPDATE

A key decision made at the April Board meeting was to defer any new development or non-critical projects. Also, the Board and Management Team agreed to move up some projects to reduce inconvenience to owners and guests before occupancy rises. Projects in progress include resealing the parking lots, Phase 2 building painting (Buildings 54-57 and 63), Clubhouse pool restroom renovation and replacing equipment in the fitness center.

## PLANNED BOARD/ANNUAL MEETING

The Fall Board meeting is scheduled for October 15 and 16 at Cypress Harbour. The annual meeting will be on Friday October 16 at 4 PM.



Until the time draws closer, we won't know whether the meeting can be in person or will need to be conducted electronically.

Again, depending on circumstances, the 2<sup>nd</sup> Annual Pickleball Tournament will be scheduled during the week of the meetings.

END NOTE

From all of us to all of you, we wish you a safe and healthy summer season. Please take care of yourselves and heed guidance on avoiding this pandemic. Hope to see many of you in the Fall.

Warm Regards,

Patti Soltys for the Board of Directors

Deb Gammon, President  
Patti Soltys, Vice-President  
Gonzalo Ponce, Treasurer  
Malcolm Seheult, Secretary  
Mike DiGiovacchino, Director

[mmse13@comcast.net](mailto:mmse13@comcast.net)  
[psoltys@aol.com](mailto:psoltys@aol.com)  
[gps1955@gmail.com](mailto:gps1955@gmail.com)  
[mstriniboy@aol.com](mailto:mstriniboy@aol.com)  
[michael061@aol.com](mailto:michael061@aol.com)