

THE FLAGSHIP CONDOMINIUM (INTERVAL) ASSOCIATION, INC.

NOTICE OF ANNUAL MEETING 2024

TO: ALL UNIT OWNERS AND INTERVAL OWNERS

PLEASE TAKE NOTICE that the Annual Meeting of The Flagship Condominium (Interval) Association, Inc. will be held **online** on Wednesday, June 26th, 2024 at 7:00 p.m. via **Zoom** Meetings, Meeting ID: **983 185 2492**, <https://zoom.us/> for purposes of an annual members meeting. The agenda will include nomination and election of two (2) Trustees from among Interval or Condo Owners, and such other business of the membership as may come before the meeting may be conducted. Participation by all unit and interval owners eligible to vote is necessary to establish a quorum to conduct the meeting and transact business. Once on the website, in the top right-hand side, click "**Join a Meeting**". Or Call in # **1 646 558 8656 (NY)**. The Package for the meeting can be found online at www.clubboardwalkresorts.com > Owner Information when posted.

Formal action may be taken at any regular, special or rescheduled meeting.

Minutes of the 2023 Annual Meeting of The Flagship Condominium (Interval) Association, Inc, and any duly held meeting of the Board of Directors are available for inspection by all members of The Flagship Condominium (Interval) Association, Inc. during business hours at the executive offices of the Association.

This notice supersedes all prior notices published by The Flagship Condominium (Interval) Association, Inc.

BOARD OF DIRECTORS
FLAGSHIP CONDOMINIUM ASSOCIATION, INC.

Dated: May 26, 2024

AGENDA

FLAGSHIP CONDOMINIUM (INTERVAL) ASSOCIATION, INC.

ANNUAL MEETING OF THE MEMBERSHIP

Wednesday, June 26, 2024

7:00 P.M.

- I. OPEN MEETING ANNOUNCEMENT/PUBLICATION OF NOTICE – Sharon W.
- II. PARLIAMENTARY PROCEDURES – Hueston/Chris (Zoom Decorum)
- III. WAIVER OF READING AND APPROVAL OF MINUTES OF 2023 ANNUAL MEETING -Sharon W.
- IV. ANNOUNCEMENT OF ELECTION RESULTS - Hueston
- V. 2024 BUDGET PRESENTATION - Chris
- VI. REPORTS OF:
 - a. Property Manager – Kristy L./ Roxanne
 - b. Design- Nicole
 - c. Owner Services – Mark C.
 - d. Officers – Any Board Member
- VII. GENERAL DISCUSSION/OLD AND NEW BUSINESS/QUESTIONS – Sharon W.
- VIII. ADJOURNMENT

PARLIAMENTARY PROCEDURE
FLAGSHIP CONDOMINIUM ASSOCIATION, INC.
ANNUAL MEETING

June, 2024

1. There are no questions on the agenda of this annual meeting which require a vote of the membership other than the election of Trustees.
2. At this annual meeting the chair will take questions from the members under old/new business and allow debate limited to 10 minutes per question. Any members wishing to speak or debate the question may do so, without interruption from others, but only if he or she conducts himself or herself in an orderly fashion and is not abusive to the chair, members of the Board or owners present. Otherwise, the chair will declare the guest out of order.
3. The chair will limit the length of speeches and allow each member to speak only once on each question.
4. Formal motions, seconds and/or amendments are not necessary.
5. Following the debate the chair will close the debate, "restate" the question and put the question to a non-binding vote of the members present by a show of hands. The purpose of the non-binding vote will be solely to obtain the consensus of the members assembled whether or not the Board should consider the proposed question more fully at a subsequent regular open meeting of the Board.

6. If the consensus is that Board considers the proposed question more fully, the Board will report its action or inaction on the proposed question and its reasoning at the next annual meeting, or the Board may put the proposed question to a formal vote of the full membership on the agenda of the next annual meeting.
7. A binding vote on any questions raised by the membership at this annual meeting requires notice of the question to all members and a membership vote of the majority in person or by proxy at a duly noticed meeting of the membership.
8. The Board considers that the above procedure is fair and time efficient and it applies the basics of parliamentary procedure for running a meeting.

FLAGSHIP CONDOMINIUM OWNERS ASSOCIATION
ANNUAL GENERAL ASSEMBLY MEETING

June 21, 2023, at 7:00 p.m.

Teleconference via Zoom: 1-646-558-8656, Meeting ID: 983 185 2492

Attendees: Approximately 75 attendees were on Zoom including few on conference calls. The transcript, the audio, and names of owners with comments are on record with management at the Flagship, 60 North Maine Avenue, Atlantic City, NJ 08401.

Sharon Wilson opened the meeting, welcomed all newcomers and returning owners, and announced that notice of this meeting has been published in the STAR LEDGER and ATLANTIC CITY PRESS in accordance with the Open Meetings Act. Notification of the Annual meeting was sent to all owners on 05/21/2023.

Robert Hueston, Esq. reviewed the detailed Parliamentary Procedures included in the package to all owners. The Chair will take questions from the members and allow debate limited to two minutes per question. If there is a question for the Board the question will be restated and put to a non-binding vote of the members present by a show of hands. This vote will be solely to obtain the consensus whether or not the Board should consider the proposed question at a subsequent regular open meeting of the Board.

Chris Ibone explained the meeting decorum. When connected to Zooms, owners are asked to be 'muted' unless there's a motion to vote, to key in their name and contract number in the chat box, to use the electronic hand showing they want to speak, and to announce their first and last name when giving their comment to the Board.

Sharon Wilson motioned to waive the reading and get approval of the minutes of 06/22/2022. Motion was made to approve the minutes of 06/22/2022; the motion was seconded by Tanyelle Mims.

Robert Hueston, Esq. announced that there are two positions open on the Board and there are four candidates: Sharon Wilson, Baron Brockington, Tanyelle Mims, and Quibila Divine. Of the 383 ballots received, there were 30 ballots giving the Board authority to cast their vote. The Board chose to cast their vote to the two highest vote getters. The result: Sharon has 131 votes; Baron has 106 votes; Quibila has 78 votes; Tanyelle has 68 votes. Sharon and Baron, who are the two incumbent members of the Board, will each have two-year terms and will continue in their present positions.

2022 Budget Report by Chris Ibone

The budgeting process begins with zero expenses across the board in all departments. Meetings are held to discuss what is necessary and are translated into a budget while looking for areas of savings. The aim is to budget FSCOA, a non-profit association, to a breakeven of zero surplus or deficit.

The largest contributors to the maintenance fees are:

- . Reserve Contributions – per a third party independent study, this is a dollar amount allocated for renovations in a given year.
- . Property Taxes – applied to the evaluation of the real estate, may be alleviated by appeal if successful.
- . Bad Debt – includes covering owners' unpaid dues.
- . Other Factors – revenues, insurance, salaries, etc.

Audited Financial Closing:

Currently the FSCOA sits with a \$3,096,000 surplus in the Operating Fund and a \$5,914,000 surplus in the combined Reserve Fund. 2022 still showed growth in areas such as hotel revenue and occupancy. For 2022, our Payroll started to begin to right size itself, and in 2021 we got the benefit of the PPP forgiveness which was recorded as income in 2021. Still we hold a *preliminary (no 2022 draft audit yet) rolling surplus in the Operating Fund of \$3,096,000, which is solid, and our Reserve Fund grew to \$5,914,000. The 2022 fund balances are subject to change.

Property Management Report by Roxanne Passarella

- . The Shuttle schedule has been expanded to five days. An Acme run on Sundays will be sign-in.
- . The June Sunset cruise was popular with 45 attendees. Email apologies with a benefit will be sent due to the actual cruise being one hour instead of the announced two hours.
- . Other activities will include a BBQ, Karaoke, Paint and Sip, Clambake, and more.
- . Complimentary coffee has started in the Lobby.

Building Design and Construction Report by Nicole Crawford

- . Installed new boiler headers
- . Completed an energy-efficient roof top for pumping hot and cold water with added savings in electric.
- . HVAC units are completed.
- . Seventh floor has been renovated along with three other floors and corridors.
- . There will be an upgrade in September/October to the Simplex system.

Interval Timeshare Owner Services Report by Mark Connelly

2022 saw somewhat of a return to normalcy. The pandemic was more or less over and more and more people were getting out and about. For the year, Flagship Owners booked 2418 Owner Weeks and Split Weeks which is about 500 less than 2021. You also booked 7733 Owner Rate nights for your overnights. On the other hand, Flagship owners deposited 6489 weeks for 2022 which is up from 2021. This, along with the drop in owner week usage, indicates people are once again traveling away from home to other resorts and destinations.

As has been previously announced, and most of you know, we contracted with a call center in Omaha, NE beginning in May 2021 to provide Customer Care services to our owners and guests. As with any change, we experienced and continue to experience opportunities for improvement. The call center continues to face many of the same challenges as businesses here in NJ. Our segment of the call center is fully staffed with 6 representatives and 3 more in training. With Covid behind us, we have experienced a surge in call volume with people looking to travel and vacation again, especially the closer we get to summer. While we recognize you may be experiencing longer than usual hold times and call interruptions, we are working to minimize these service delays and we appreciate your patience and cooperation.

Representatives have been, or are being trained, to provide all the same services you've come to expect. They can book your weeks, make owner rate reservations, deposit your week or points with the exchange companies as well as process maintenance fee and mortgage payments.

Online booking of owner weeks and owner rates is also available 24/7 through the Owner Portal via clubboardwalkresorts.com. You also have the ability to cancel your reservations online and there is a "contact us" feature for general inquiries as well as reservation, maintenance fee and mortgage questions. We added the ability to request your deposit with RCI or Interval International. That feature can be found at the bottom of same page where you would book your week. We continue to work with our software developer to bring new features and enhancements to the Portal.

As always, we want you to know that we continue to work toward improving your customer care experience. And again, we appreciate your patience as we do so.

General Comments from the Owners

- . Alvaro Gomez: Who else can be contacted for bookings? Call Customer care at 800-609-009 or go online at owner.clubboardwakresorts.com to reserve. The Chairman's rooms always have maintenance issues. Maintenance says that rain goes through the doors. Nicole Crawford said that the roof has been sealed, parapet walls are repaired, and are working with a third company for water proofing that area.
- . Charlene Jefferson: Complimented management for offering coffee in the Lobby. Appreciates the Shuttle coming back as well as the Acme run. Booked a reservation and would like to know the rate for parking. Mark Connolly indicated that owners don't pay for parking.
- . Quibila Divine: Is there a way we can get a Happy Hour rate at the pool? Also, we were not permitted to bring out food to our rooms from the restaurant. Roxanne Passarella said that the restaurant allows take out and will make sure the restaurant staff knows.
- . Robert Taylor: Where can we find the rates for the Chairman's rooms? How do we know that we're being charged correctly when we register? Mark Connolly said the room rates did not change and he can send a note to Mark. There are limitations on our software. The rates are the same from Sunday through Thursday. It's very seasonal. Fridays and Saturdays are more, with Saturday being \$10 more than Friday. Mr. Taylor also asked for the location of the Chairman's Club floors. Five star and other units are on 15, 16, 17, 18, 32, and ½ of 8. We've done renovations and put in a dispatch system. It's best to call outside busy hours 11am-12noon and 4pm-5pm.
- . Robert Rhinesmith: Asked if we can have charge stations for electric vehicles. Chris Ibone said this will be brought up to the Board, and they will look at options and consider whether an increase in the budget is acceptable compared to the benefit.
- . Janet Prester: The government initiatives with solar may have something for charging stations.
- . Jenny Ng: Tried to book for June 29th and 30th. Has RCI points. Someone was to call her back. Can't book anything without paying a maintenance fee at the end of the month. Mark Connolly said you can book up until your maintenance fee posts. You do not need to go to RCI to book at the Flagship. The Club points get to RCI only when you deposit them with RCI. Email contact@60north.net with your name and email, and they'll walk you through the process.
- . Giacomo and Maria Montuori: It's good that BWG is being remodeled. Get rid of chef. Why are you selling frozen pizza?! It's like cafeteria food. Kristy Lelii will have the restaurant offer a breakfast buffet, have fewer items on the menu, and concentrate on food. Mr. Montuori complained that the shower was leaking on the wall, and asked for maintenance to change the seal. The next month when he came, he got the same unit #2413, and it had the same problem as before.
- . Gloria and Kevin Burch: We are told we can book sixty days in advance, and when we do, they're still booked. We have a deluxe studio and even if deluxe is booked, we should be able to get a studio. They pay their mortgage, Mr. Burch is a disabled Veteran, and is exempt from taxes. How can he get the benefits he's entitled to get? Mark Connolly asked Mr. Burch to email contact@60north.net regarding the taxes and your contract number.
- . Miss Barnett: Will have guests and would like a two-bedroom unit. Mark Connolly explained that there are seven two-bedroom units out of 400 and they're occupied because owners are using their weeks. It's seasonal. You might have availability in November/December because people are trying to use their weeks before the end of the year. Also, January through March is less lively.
- . Marion and Frank Harris: Have to let water run a long time to get hot water. Trying to get through, people are always on the phone. Carpet is terrible in elevator. Nicole Crawford said there was a shutdown of the elevator in that riser.

- . Mr. Rose: Asked about insurance rates. Chris Ibone said that we changed brokers a couple times. Industry itself has volatile insurance rates, considering building location, market, etc. Mr. Rose noticed that rooms mirror each other, e.g. 405 and 406, but 406 is in better shape than 405 and the fridge in 405 is in bad shape.
- . Gretchen Bender: She remembers the bus to Smithville. Only one machine in the computer room gets the Internet. The Wi-Fi in rooms needs to be upgraded. Chris Ibone will bring Wi-Fi suggestion up with the Board. Roxanne Passarella explained that an upgrade would cost approximately \$500,000. The money is not available. The Board will need to discuss this. This may have to be a separate fee from the maintenance fee.
- . Frances Holly Speziale: Notices that the lifeguards permit children in the hot tubs. The lifeguards say it's up to the parents. Roxanne Passarella explained that the lifeguards are not lifeguards but pool attendants. Holly asked if there are owners who live in the building. Chris Ibone said yes; there are eight with five private owners and three in a rental program.
- . Patricia Fuller: Suggested to owners that if there's a problem with your unit, request another room. Appreciates the restoration of the Shuttle and the Sunday run for Acme. Would like to see it again next year.
- . Veronica Fraser: Was confirmed for Chairman's Club. The room given had a security issue; it was occupied with luggage there. Preferred a lower floor. Roxanne Passarella indicated that Chairman's Club rooms start from the 17th floor and up. Roxanne Passarella indicated that there was a software issue. If a Chairman's Club owner prefers a lower floor, make this request at time of booking.

Additional Comments:

- . (New Owner): He had to pay \$1,400 to a system that is a point arrangement. Purchased 4/23. Was called (by someone) to come in and sign documents. Mark Connolly said there is no roster. If you own a week, you have that week. We only sell 52 weeks for a unit; we don't sell over capacity.
- . (Owner): Was approached during the Covid to do the point system. Needs guidance on how to use her unit and the best usage advice. Mark Connolly suggested she email contact@60north.net.
- . (Owner): Who gets access to the renovated rooms? Roxanne Passarella said that it's not access; it's that they're getting booked. Every floor gets re-done when they come up in the cycle. There is a plan to eliminate the bath tubs in the Chairman's units.
- . (Owners - Mrs. and Husband): Compared her unit on the 27th floor with a similar unit at the Borgata. There are so many issues with 2715. When was the last time this unit was renovated? Nicole Crawford said it was renovated in 2016. Roxanne Passarella indicated that the rooms have a 10-15 year life; ours are sooner, renovating the oldest rooms first.
- . (Owner): Asked if there will be a New Year's Parade. Roxanne Passarella and Kristy Lelii indicated that this is being considering. Management welcomes suggestions for events and activities, and encouraged all to email suggestions to contact@60north.net.
- . (Several Owners): Asked for 2022 Annual Meeting minutes as well as this one for 2023. Owners can email contact@60north.net

Sharon Wilson thanked the owners for attending this meeting and requested a motion to adjourn the meeting. The motion was made by Anthony Albencei and seconded by Beverly Wellons.

There being no other business, this Annual meeting of the Flagship Condominium Owners adjourned at 9:15 p.m.

Certification

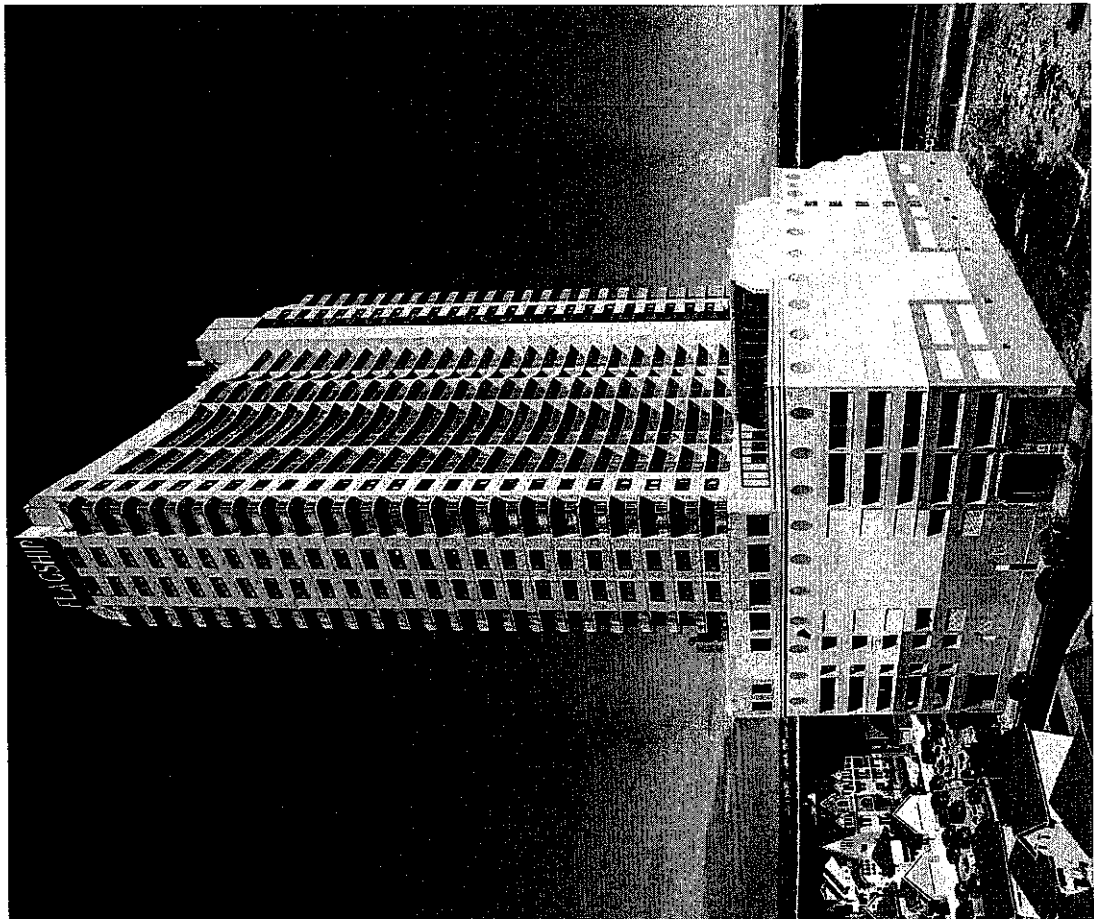
I hereby certify the foregoing minutes of the COA Annual General Assembly meeting were approved and duly adopted by the Board on

date: _____ by: _____
Ryan Sherman, Secretary or (Officer)

WELCOME OWNERS!

FLAGSHIP CONDOMINIUM ASSOCIATION

JUNE 26, 2024 ANNUAL MEETING



CLUB
BOARDWALK
RESORTS
FLAGSHIP

LARGEST CONTRIBUTORS TO DUES

- RESERVE CONTRIBUTIONS – HOW MUCH CONTRIBUTION IN DOLLARS DOES THE INDEPENDENT RESERVE STUDY CALL FOR RENOVATIONS IN A GIVEN YEAR
- PROPERTY TAXES – CITY/STATE/LOCAL DETERMINES THE TAX RATE WHICH GETS APPLIED TO THE EVALUATION OF THE REAL ESTATE – HAVE NO CONTROL OTHER THAN TO APPEAL ON THE ASSOCIATION’S BEHALF IF IMPACTFUL
- BAD DEBT EXPENSE – EXPENSE TO RESERVE WHAT IS ESTIMATED TO BE UNCOLLECTIBLE IN DUES IN A GIVEN YEAR
- OTHER FACTORS – PROJECTED REVENUES/SALARIES AND RELATED EXPENSES/ OPERATING EXPENSES, INSURANCE, ETC..

2023 STATE OF FSCOA

*Numbers are represented in the "thousands" (IE- 1,000 = 1 million All representative of Dollar Amounts



Currently the FSCOA sits with a \$1,775,000 rolling surplus in the Operating Fund and a \$7,693,000 rolling surplus in the combined Reserve Fund. 2023 still showed growth in areas such as hotel revenue and occupancy. Our largest expense was that of Bad Debt, the rise in uncollectible accounts to which the Association has to adjust their Allowance for Bad debt.

GENERAL BUDGETING PROCESS

- WE BEGIN WITH \$0 EXPENSES ACROSS THE BOARD IN ALL DEPARTMENTS. WE HOLD MEETINGS TO DISCUSS WHAT IS NECESSARY FOR OPERATING SAID DEPARTMENTS, AND TRANSLATE THAT INTO A BUDGET, WHILE LOOKING FOR AREAS OF SAVINGS ALONG THE WAY.
- WE FOLLOW ALL FINANCIAL PROTOCOL WHEN IT COMES TO BUDGETING FOR OUR CAPITAL RESERVES, AS OUR CONTRIBUTIONS ALWAYS FOLLOW MINIMALLY WHAT THE INDEPENDENT THIRD-PARTY RESERVE STUDY CALLS FOR.
- IT IS GOOD AND COMMON PRACTICE TO ALWAYS BUDGET A NON-PROFIT ASSOCIATION SUCH AS FSCOA TO A BREAK EVEN OR \$0 SURPLUS OR DEFICIT. THE PICTURE IS CLEARER AND MORE EFFECTIVE WHEN YOU DO SO (NON FOR PROFIT/SELF-SUSTAINING).

2024 MAINTENANCE FEE GRID

Flagship Condominium Association, Inc. Maintenance Fee Schedule For Interval Units

-- Unit Summary --

For the year ended December 31, 2024

Unit Summary - Annual Ownership - 414 Units

Unit Type	Total Maintenance	Real Estate Taxes	Total Reserves	Total 2024 Billing
Jr. Studio	\$605.03	\$71.83	\$64.04	\$740.90
Studio	680.62	80.80	72.04	833.46
One-bedroom	816.73	96.96	86.45	1,000.14
Two-bedroom	899.41	106.78	95.20	1,101.39

For the year 2024 Maintenance Fees have increased 3.00% across all unit types from 2023. Last year's increase was 3.00% from 2022 to 2023. The average Maintenance Fee is 896.93 for 2024 versus 870.59 for 2023. (An average increase of \$26.34/interval) The average increase percentage has been 2.65% over the last 5 years, vs. 5.15% the previous 5 years.

*Per ARDA (American Resort Development Association) Industry Average Maintenance Fees Across the U.S. territories are roughly \$1035.00 per interval week or more depending on if there is active sales (2019 data). Post-Covid data reports indicate that Average increases have risen to 8-15% in a lot of cases year over year.

SIGNIFICANT DRIVERS OF THE 2024 BUDGET

- PROPERTY TAX EXPENSE WAS DECREASED BASED ON THE NEW REAL ESTATE EVALUATION INCREASE OF ABOUT \$8M, AND THE TAX RATE EXPECTED TO REMAIN RELATIVELY FLAT OR EVEN DECREASE.
- ALL LIABILITY INSURANCES AND PROPERTY INSURANCES WERE INCREASED BASED ON MARKET RATES/REGULATION BY 20% AND 30% RESPECTIVELY (~398K). SINCE 2000, THE NUMBER OF "CATASTROPHIC EVENTS" SUCH AS FIRES, TORNADOES, SEVER STORMS, ETC... HAS INCREASED DRASTICALLY WHICH IS DRIVING PARTICULARLY PROPERTY HIGH BASED ON THE MARKET EVALUATIONS. INSURANCE EXPENSES HAVE ESSENTIALLY DOUBLED IN THE LAST TWO YEAR, PARTICULARLY DRIVEN BY PROPERTY, AND ITS MARKET VOLATILITY.
- HOTEL REVENUE INCREASED BASED ON 2023'S ACTUALS AND PROJECTED BY ~\$57K.
- RESERVE CONTRIBUTIONS WERE INCREASED BASED ON THE THIRD PARTY INDEPENDENT STUDIES.
- BAD DEBT EXPENSE WAS INCREASED TO ACCOUNT FOR CERTAIN PERCENTAGES OF UNPAID DUES, TYPICALLY ONE OF THE LARGEST BUDGET DRIVERS (~285k).
- INCREASES IN PAYROLL, ACROSS VARIETY OF DEPARTMENTS, MANDATED BY STATE LAW, IT HAS NOW RISEN TO \$15/HR.
- ALL OTHER AREAS OF THE BUDGET WERE KEPT RELATIVELY FLAT AND DO NOT SIGNIFICANTLY IMPACT THE BUDGET, OR ITS FINAL BREAK EVEN NUMBER OF \$0

FINANCIAL CLOSING

- MANAGEMENT IN TANDEM WITH THE BOARD STRIVE TO KEEP THE ASSOCIATION AS HEALTHY AS POSSIBLE AS IT IS VITAL TO ITS SUSTAINABILITY WHEN UNEXPECTED/UNCONTROLLABLE EVENTS CAN OCCUR (IE. EMERGENCY RENOVATIONS/DAMAGE TO ROOMS, GENERAL UPKEEP, UNANTICIPATED HIKES IN PROPERTY TAXES, ETC..) THE ASSOCIATION IS DESIGNED TO BREAK-EVEN AND TO HAVE REVENUES (LARGELY DUES) BE EQUAL TO THE EXPENSES THE ASSOCIATION INCURS, NO MORE, AND NO LESS THEN ITS RESPONSIBILITY TO MAINTAIN ITSELF.
- FULFILLMENT OF ALL OWNERS TO PAYING THEIR DUES NOT ONLY HELPS THE HEALTH OF THE ASSOCIATION (BAD DEBT RESERVES) BUT HELPS (YOU) THAT DUES PAYING OWNER FROM FOOTING THE BILL OF THE NON-PAYING OWNER
- ANY ITEMS DISCUSSED ARE BASED ON THE INTERNAL 2023 FINANCIALS AND 2024 FINAL BUDGET. THOSE ARE AVAILABLE UPON REQUEST BY EMAILING CHRISI@60NORTH.NET