

THE FLAGSHIP CONDOMINIUM (INTERVAL) ASSOCIATION, INC.

NOTICE OF ANNUAL MEETING 2023

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 21, 2023 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.fantsearesorts.com > Owner Information when posted.

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

Minutes of the 2022 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 21, 2023

AGENDA

FLAGSHIP CONDOMINIUM (INTERVAL) ASSOCIATION, INC.

ANNUAL MEETING OF THE MEMBERSHIP

Wednesday, June 21, 2023

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 2022 ANNUAL MEETING -Sharon W.
- IV. ANNOUNCEMENT OF ELECTION RESULTS - Hueston
- V. 2023 BUDGET PRESENTATION - Chris
- VI. REPORTS OF:
 - a. Property Manager – Roxanne P.
 - 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, 2023

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 22, 2022, at 7:00 p.m.

Teleconference via Zoom: 1-646-558-8658, Meeting ID: 983 185 2492

Attendees: Approximately 50-60 attendees were on Zoom and few were on conference calls. The transcript is on record with management at the Flagship, 60 North Maine Avenue, Atlantic City, NJ 08401.

Sharon Wilson opened the meeting, welcomed everyone on Zoom, 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 May 20, 2022.

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 ten 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 approval of the minutes of June 23, 2021. The minutes were approved by Sabrina Presby and seconded by Drake Nakishi.

Robert Hueston, Esq. announced that there are two positions open on the Board and there are three candidates: Sabrina Celeste-Presby, Ryan Sherman, and Robert Rhinesmith. Of the 278 ballots received, there were 28 ballots giving the Board authority to cast their vote. The Board chose to cast their vote to the two highest vote getters. The result: Ryan 116 votes, Sabrina 110 votes, Robert 52 votes. Ryan and Sabrina, who are the two incumbent members of the Board, 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 break even of zero surplus or deficit.

For 2022 Maintenance Fees have increased 2.50% across all unit types. Maintenance fees are determined by:

- . Reserve Contributions as given in the independent Reserve Study for renovations in a given year.
- . Property Taxes which we have no control other than to appeal on the Association's behalf if impactful.
- . Bad Debt Expense estimated to be uncollectible in dues in a given year.
- . Other factors such as projected revenues/salaries and related expenses/operating expenses, insurance, etc.

The financial closing for 2021 was good despite the pandemic. The audited 2021 financial statements and 2022 Final Budget are available for owners upon request by emailing chris@60north.net.

Property Management Report by Roxanne Passarella

We have more staff this year than last year in housekeeping and with J1 students. Ed Griffin is our Maintenance Manager. We are looking for a few more staff employees for the VIP area and Front Desk.

The Shuttle is back with a schedule on Fridays, Saturdays, and Sundays from 10 a.m. to 10 p.m. We are re-branding; the name will be "Boardwalk Resorts".

Restating a requirement: An owner must be present when family members occupy the room, unless one occupant is on the deed.

Building Management, Design, and Construction Report by Nicole Crawford

Within the last year in design and construction, we have the rooftop project going on, energy projects that reduce our utilities, resurfacing of all garage floors, painting of the front of the building, installed a bird netting system, and installed a new security system and upgraded our surveillance. Plans are for replacing supply return lines for water and elevator screen updates with new technology. There are 51 rooms converted to Next Gen, floors 21, 23, and 24 have been completed. Renovations will continue as scheduled.

Interval Timeshare Owner Services Report by Mark Connelly

Owner rate usage increased in 2022. Telephone volumes increased, staffing was difficult. We are working with the developer to improve our owner portal website features to include mortgage payments.

2021 was a wild ride. The ups and downs of the pandemic made for a very interesting year. It was quite obvious people were tired of being cooped up. For the year, Flagship Owners booked 2,967 Owner Weeks and Split Weeks which is over 1,200 more than 2020. You also booked 5,920 Owner Rate reservations for your short-stay getaways. On the other hand, Flagship owners only deposited 5,849 weeks for 2021. This is a relatively low number, but makes sense given the increase in owner week usage.

As announced at last year's meeting, FantaSea Resorts has contracted with a call center in Omaha, NE to provide Customer Care services to our owners and guests. As with any change, we experienced and continue to experience growing pains. Omaha faces many of the same challenges as businesses here in the north east. With Covid just about behind us, we have experienced an unprecedented surge in call volume with people looking to travel and vacation again. While we recognize you may be experiencing longer than usual hold times and call interruptions, we are working to minimize the service delays and we appreciate your patience and cooperation.

Representatives have been trained to provide all the same services you've come to expect. They can book you weeks and split 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 fantasearesorts.com. We continue to work with our software developer to bring new features and enhancements to the Portal. Last year we added the ability to cancel reservations online as well as implemented a "contact us" feature for general inquiries as well as reservation, maintenance fee and mortgage questions. We have recently added the ability to request your deposit with RCI or Interval International.

Last but not least we want you to know that we are and will continue to work toward improving your customer care experience. And again, we appreciate your patience as we do so.

Report of Officers

Fran McDonald announced that the new toilets in the Ultra Suites will be higher.

Roxanne Passarella announced the rebranding of FantaSea Resorts to Boardwalk Resorts. The colors will be red, black, and white. In addition to the color changes, uniforms and signage will change.

Ryan Sherman and Sabrina Celeste-Presby thanked the members for their votes.

Comments from the Owners

- . Richard Lawrence has trouble making reservations because no one answers the phone. Mark Connelly said management is aware of the extended hold times and increased call volumes. Try to make your reservation online or email contact@60North.net.
- . Charisse Brandon likes online reservation because it's less frustrating than waiting on the phone. Charisse is concerned about the attitude of Front Desk personnel. Fran McDonald said we're hiring more people to help and to email contact@60North.net with any complaints. The email will be forward to the appropriate department.
- . Gustina Swygert is owner since 2011. Encountered difficulty because week couldn't be used until 2021. When a room was finally assigned, it was filthy and the Front Desk called maintenance to clean. Gustina wrote a complaint but no one responded. Roxanne Passarella will personally check into this.
- . Diane Datcher is a Chairman's Club owner. She had to reserve six months in advance. Diane saw vacation being promoted on Facebook but couldn't get the 16th as requested. Mark Connolly said this was high season and there was the NAACP conference affecting availability.
- . Regina Burnett asked if Boardwalk Resort replaces FantaSea. Yes. Roxanne Passarella announced the name change.
- . Another owner, Kevin whose last name was not noted, asked which rooms have been renovated. Nicole Crawford said all the renovated rooms are on floors 19, 21, 23, 24, and 27. Owners are first priority. No marketing nights in those rooms. 51 Next Gen rooms are done.
- . Gregory Middleton asked when renovations will be done to the Ultra Suites because he hasn't seen anything. Fran McDonald mentioned that there are new sofas and chairs and new backsplashes in the kitchen among other renovations.
- . Jessica Bass-McKnight has difficulty contacting anyone. Jessica would like to pay more or use vacation packages. Chris Ibone suggested to email contact@60North.net.
- . Ricky Smith, an Ultra Suite owner, asked why he could not use a room for one night if no one was there that weekend. Chris Ibone said that he could not rent the Ultra Suite that night because it was not his week unless he were a five-star Chairman. Chris asked for more information and will resolve with Mr. Smith.
- . Alvaro Gomez has seen a lot of improvement in Atlantic City, but not much going on. Chris Ibone indicated that there is much money pouring into the City. Roxanne Passarella said that there is mini golf, there is a sporting area, the boardwalk has a new look, there's an indoor race track, and a water park. Baron Brockington said we are concerned for each owner. Roxanne Passarella said that our home is your home.
- . Annette States asked if we have a choice of where we process our week with RCI and Interval. Chris Ibone said that you cannot have both. If you upgraded to a point system, it's RCI. There's no difference.

Names of owners with comments in detail are on file with management.

Sharon Wilson thanked the owners for attending this meeting, thanked management for addressing everyone's concerns, and requested a motion to adjourn the meeting. The motion was made by Fran McDonald and seconded by Ricky Smith and Baron Brockington.

There being no other business, this Annual meeting of the Flagship Condominium Owners adjourned at 8:45 p.m.

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 21, 2023 ANNUAL MEETING

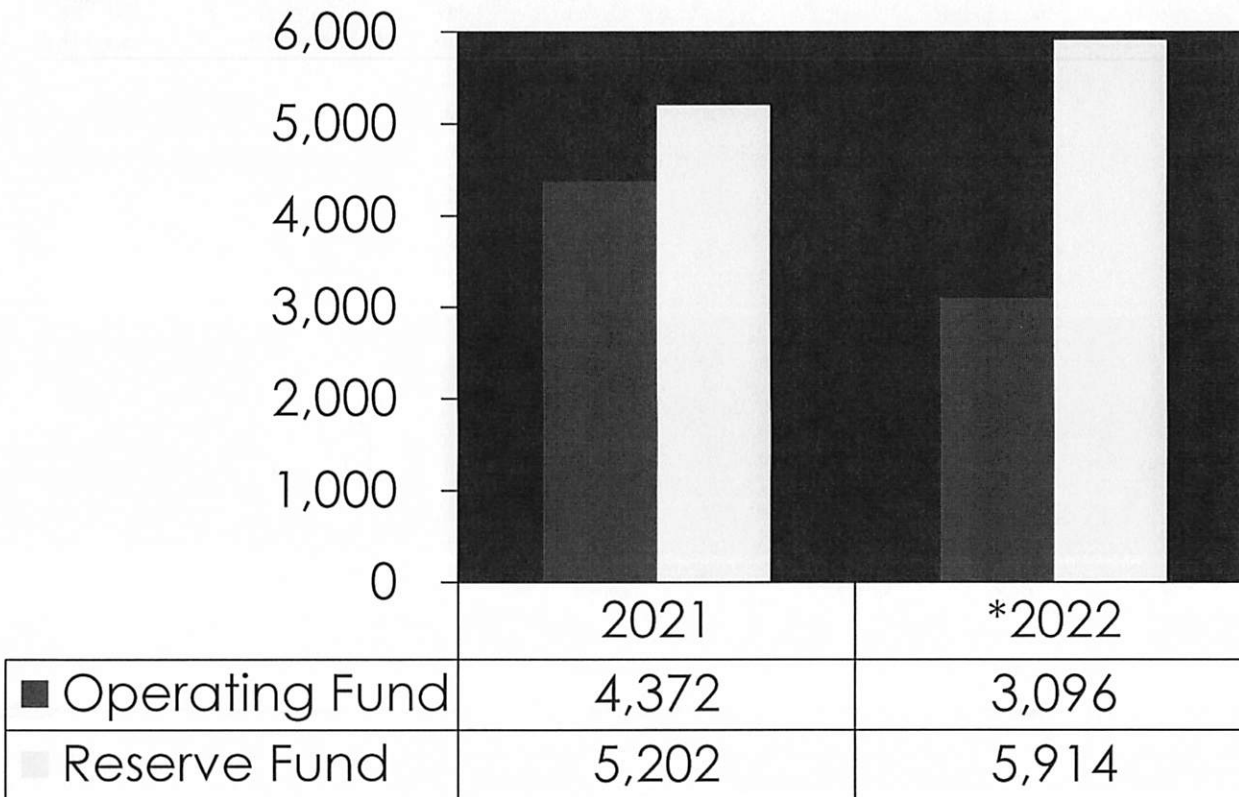
CLUB
BOARDWALK
RESORTS
FLAGSHIP

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..

2022 STATE OF FSCOA

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



■ Operating Fund



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.

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).

2023 MAINTENANCE FEE GRID

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

-- Unit Summary --

For the year ended December 31, 2023

Unit Summary - Annual Ownership - 413 Units

Unit Type	Total Maintenance	Real Estate Taxes	Total Reserves	Total 2023 Billing
Jr. Studio	\$581.21	\$75.78	\$62.35	\$719.34
Studio	653.83	85.25	70.14	809.22
One-bedroom	784.57	102.30	84.16	971.03
Two-bedroom	864.01	112.65	92.68	1,069.34

For the year 2023 Maintenance Fees have increased 3.00% across all unit types from 2022. Last year's increase was 2.50% from 2021 to 2022. The average Maintenance Fee is 870.59 for 2023 versus 845.60 for 2022. (An average increase of \$24.99/interval) The average increase percentage has been 2.40% 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 \$1000.00 per interval week or more depending on if there is active sales (2019 data). Based on the unit type/weeks split for FSCOA, your average MF is \$870.59. ARDA also goes on to say that industry rate increases are on average 5.00% per year since 2019, this year our increase is 60% of that average, at 3.00%, or 2.00% lower than that average.

SIGNIFICANT DRIVERS OF THE 2023 BUDGET

- PROPERTY TAX EXPENSE WAS INCREASED VERY MINIMALLY BASED ON THE NEW REAL ESTATE EVALUATION INCREASE OF ABOUT \$8M, AND THE TAX RATE EXPECTED TO REMAIN RELATIVELY FLAT.
- ALL LIABILITY INSURANCES AND PROPERTY INSURANCES WERE INCREASED BASED ON MARKET RATES/REGULATION BY 15%-20% (~115K). 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. THE ACTUAL RATE WE SAW DURING RENEWAL WAS CLOSER TO 40%. THIS WILL BE A VARIANCE IN 2023 AS THE INSURANCE MARKET IS MORE VOLATILE THAN EVER.
- HOTEL REVENUE INCREASED BASED ON 2022'S ACTUALS AND PROJECTED BY ~\$56K.
- RESERVE CONTRIBUTIONS WERE INCREASED BASED ON THE THIRD PARTY INDEPENDENT STUDIES.
- BAD DEBT EXPENSE WAS INCREASED TO ACCOUNT FOR CERTAIN PERCENTAGES OF UNPAID DUES.
- INCREASES IN PAYROLL, ACROSS VARIETY OF DEPARTMENTS, BY LAW MINIMUM WAGE INCREASES, AND SOME EVEN HIRE RATES TO ATTEMPT TO INCREASE OUR APPEAL TO THE LABOR MARKET FOR CERTAIN DEPARTMENTS, MAINLY HOUSEKEEPING.
- 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

- AS DEMONSTRATED WITH THE VARIOUS POINTS THE FLAGSHIP CONDOMINIUM ASSOCIATION IS IN A RELATIVELY GOOD STATE. WE 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, UNANTICIPATED HIKES IN PROPERTY TAXES, ETC..) MAINTAINING SURPLUSES IN THE FUNDS CAN QUELL SOME OF THOSE COSTS, AND DIVERT THE COST POTENTIALLY AWAY FROM THE OWNERS
- 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 PRELIMINARY 2022 FINANCIALS AND 2023 FINAL BUDGET. THOSE ARE AVAILABLE UPON REQUEST BY EMAILING CHRISI@60NORTH.NET