



Beachside Village

45 Surf Drive, Falmouth, MA 02540

September 2011

BEACHSIDE VILLAGE RESORT CONDOMINIUM ASSOCIATION
NOTICE OF ANNUAL MEETING

OFFICIAL NOTICE: The Annual Meeting of the Beachside Village Resort Condominium Association will be held on Saturday, October 22, 2011 at 11:00 AM at the Saint Barnabas Parish Hall, 91 West Main Street, Falmouth, Massachusetts 02540.

MEETING AGENDA

1. Welcome
2. Establish if Quorum is Present
3. Minutes from Previous Annual Meeting
4. Chairman's Report
5. Report on Website
6. Membership Report
7. Financial Report
8. Election of New Board Members
9. New Business
10. Adjournment of Meeting

Chairman's Message



Hello Fellow Beachside Village Owners!

It is hard to believe another year is soon to pass since our last Annual Meeting. We are having a very productive year and are nearing the end of our legal battle with the former developer. We informed you last year that a law suit was initiated against Seaside Enterprises, LLC in an effort to solve deeding issues that have plagued the Association and unit owners that did not receive a deed. The judge has entered the decision in our favor; however, the official paperwork has not been filed at the time of this mailing. The wheels of justice seem to rotate at a snail's pace, but we expect the documents any day now.

The owners that are affected will receive a separate notice at that time, and it will outline the steps to getting their rightful property deed. Even though well over 400 owners were affected, the vast majority remains patient with the court and continue paying their maintenance fees to enjoy their vacation condominium as promised.

This year has been challenging, but we are doing pretty well while experiencing the flailing economic climate that brought lack luster collections compared to last year; however, management has trimmed budgeted expenses in every possible category to compensate and we have thus avoided any special operating assessments. Elsewhere in this newsletter, the General Manger's article will inform you of improvements made this past year. Unfortunately, issues that could be postponed were, but the good news is we will catch up this winter and continue to make improvements after next year's fees are collected.

I am proud to say that your volunteer Board of Managers is vigilant and attempts to keep any increases to a minimum while keeping our quality level at an acceptable level. The enclosed Budget for 2012 contains a 5.1 percent increase in maintenance fees to avoid deficit spending. The increase is necessary to offset the increases in insurance, fuel surcharges imposed from our vendors, and a moderate CPI increase in wages to compete in the limited Cape Cod job market.

A friendly reminder, that your annual maintenance fees are the only significant source for funds to cover the upkeep of your condominium and the common expenses at your resort. By paying your fees when due, you are doing your part and fulfilling your commitment that every other member relies on to keep dues and collection costs to a minimum.

Thank You and Best Regards,
Jake Reinisch, Chairman
Board of Mangers

The following pages contain the Budget, Biographies of Candidates and Minutes of previous meeting. This information will be covered at the Annual Meeting. Please be sure to bring your newsletter with you.

If you can not attend the Annual Meeting, PLEASE make sure to return your proxy.

**BEACHSIDE VILLAGE RESORT
CONDOMINIUM ASSOCIATION**

2012 BUDGET

	<u>2011</u>	<u>2012</u>		<u>2011</u>	<u>2012</u>
	<u>Forecast</u>	<u>Budget</u>		<u>Forecast</u>	<u>Budget</u>
OPERATING REVENUE					
MAINTENANCE FEES	\$ 694,365	\$ 729,631	MAINTENANCE EXPENSE CONT.		
SPECIAL ASSESSMENT INCOME	\$ 7,342	\$ 720	MAINTENANCE - INTERIOR	\$ 3,913	\$ 4,134
LATE CHARGES/INTEREST ON DELINQUENT FEES	\$ 9,256	\$ 7,759	GROUPS AND LANDSCAPING	\$ 5,067	\$ 5,167
LODGING RENTALS	\$ 7,801	\$ 8,123	SNOW REMOVAL	\$ 825	\$ 825
SALE OF HOA-OWNED UNITS	\$ -	\$ 5,000	TOTAL MAINTENANCE EXPENSE	\$ 14,255	\$ 14,651
MISCELLANEOUS INCOME	\$ 2,084	\$ 2,315	ADMINISTRATION & GENERAL		
TOTAL GROSS OPERATING REVENUE	\$ 720,848	\$ 753,548	MANAGEMENT CONTRACT	\$ 41,594	\$ 43,897
LESS:					
TRANSFER TO RESERVE FUND	\$ 47,550	\$ 50,000	PROFESSIONAL SERVICES (Actg/Legal)	\$ 14,698	\$ 15,675
BAD DEBT ALLOWANCE	\$ 156,376	\$ 152,815	DUES AND SUBSCRIPTIONS	\$ 987	\$ 560
TOTAL TRANSFERS /ALLOWANCES	\$ 203,926	\$ 202,815	TAXES & LICENSES	\$ 500	\$ 792
NET OPERATING REVENUE	\$ 516,922	\$ 550,733	BOARD MEETING EXPENSES	\$ 996	\$ 1,000
UTILITY EXPENSE					
ELECTRICITY	\$ 29,642	\$ 30,380	PRINTING AND POSTAGE	\$ 6,822	\$ 6,806
GAS	\$ 9,216	\$ 9,300	BANK CHARGES AND LOCKBOX	\$ 1,071	\$ 1,366
GAS - POOL	\$ 843	\$ 1,150	CREDIT CARD CHARGES	\$ 5,254	\$ 5,280
TELEPHONE	\$ 6,640	\$ 6,683	OFFICE SUPPLIES	\$ 4,017	\$ 3,850
WATER & SEWER	\$ 12,634	\$ 12,900	MISCELLANEOUS	\$ 723	\$ 930
CABLE TV & INTERNET SERVICE	\$ 10,733	\$ 11,592	TOTAL ADMINISTRATIVE & GENERAL	\$ 76,663	\$ 80,156
TOTAL UTILITY EXPENSE	\$ 69,707	\$ 72,005	SALARIES, WAGES, TAXES AND BENEFITS		
HOUSEKEEPING EXPENSE					
CLEANING SUPPLIES	\$ 2,995	\$ 3,089	PAYROLL	\$ 221,971	\$ 230,615
GUEST SUPPLIES	\$ 2,865	\$ 2,889	PAYROLL TAXES, EE INS, WKRS COMP ETC.	\$ 52,543	\$ 55,143
CONTRACT LAUNDRY	\$ 11,143	\$ 11,176	TOTAL PAYROLL EXPENSES	\$ 274,515	\$ 285,758
LINEN PURCHASES	\$ 2,572	\$ 2,605	LEASES & CONTRACTS		
ROOM PURCHASES	\$ 3,594	\$ 3,612	REFUSE COLLECTION	\$ 1,000	\$ 1,000
TOTAL HOUSEKEEPING EXPENSE	\$ 23,169	\$ 23,371	PEST CONTROL	\$ 2,555	\$ 3,200
MAINTENANCE EXPENSE					
POOL MAINTENANCE & SUPPLIES	\$ 1,757	\$ 1,850	PROPERTY TAX (City/County)	\$ 21,934	\$ 23,031
BUILDING MAINTENANCE & SUPPLIES	\$ 2,693	\$ 2,675	GENERAL INSURANCE	\$ 45,099	\$ 47,561
			TOTAL LEASES & CONTRACTS	\$ 70,588	\$ 74,792
			TOTAL OPERATING EXPENSES	\$ 528,897	\$ 550,733
			NET OPERATING INCOME	\$ (11,975)	\$ -

* NOTE: The Forecast columns above contain actual numbers through July 31 and are estimated based on history and assumptions for the balance of the current year.

** NOTE: The Budget contains a 5.1% increase to 2012 annual maintenance fees to balance the budget.

ANNUAL MAINTENANCE FEES PER UNIT TYPE

<u>STUDIO</u>	<u>2011</u>	<u>2012</u>	<u>ONE BEDROOM</u>	<u>2011</u>	<u>2012</u>
OPERATING FUND PORTION	\$ 351	\$ 369	OPERATING FUND PORTION	\$ 443	\$ 465
RESERVE FUND PORTION	\$ 21	\$ 23	RESERVE FUND PORTION	\$ 27	\$ 28
PROPERTY TAX PORTION	\$ 26	\$ 27	PROPERTY TAX PORTION	\$ 32	\$ 34
INSURANCE PORTION	\$ 30	\$ 32	INSURANCE PORTION	\$ 38	\$ 40
ANNUAL MAINTENANCE FEE	\$ 428	\$ 450	ANNUAL MAINTENANCE FEE	\$ 540	\$ 568
			<u>TWO BEDROOM</u>	<u>2011</u>	<u>2012</u>
			OPERATING FUND PORTION	\$ 504	\$ 529
			RESERVE FUND PORTION	\$ 31	\$ 32
			PROPERTY TAX PORTION	\$ 37	\$ 39
			INSURANCE PORTION	\$ 43	\$ 45
			ANNUAL MAINTENANCE FEE	\$ 614	\$ 645





**Bio for Candidate for Board of Managers
Beachside Village 2011**



Louis P. Kozlowski

I have worked in the construction industry for 56 years. While in trade/high school, I worked for a building contractor during summer school vacations and continued working for several building contractors for several years. Later, I developed my own building/contracting business. I have worked as an individual contractor for the State of Massachusetts and Federal agencies, Colleges and Towns as a Clerk of Works/Architects/Project Representative, monitoring building projects such as Housing for the elderly, Housing for people with Special Needs, Elementary and High Schools, Dormitories and Town Hall buildings. My duties included inspecting/approving the testing and phases of work performed and materials used to determine they were compliant with the approved plans and specifications. I retired December, 2003. I also worked part time as an agent for the Town of Dudley Board of Health.

We purchased our first Beachside Village timeshare in 2002. Within the next 2 years, we purchased 2 more intervals. I became a member of the very first Board of Managers that implemented the formation of the Homeowners Association. I have been the Treasurer for the past 3 years.

Jake Reinisch

I have been an owner at Beachside Village for approximately 8 years. I joined the Board 3 years ago and have served as the Chairman for the past year. Along with the board experience, I have owned or operated businesses for 31 years and have an excellent understanding of the issues surrounding Beachside. I see a very bright future here at Beachside, especially since our legal issues are nearing the end and I would like to remain a part of the team.



Find us on Facebook!

Beachside Village continues to move into the modern era and to that extent, we now have a facebook page! In order to get to the Beachside Village facebook page go to:
defenderresorts.com

Scroll to the bottom of the page, and click on the facebook icon. A drop down list will show Beachside Village. Click on the name and you will be forwarded to the Beachside page. Make sure to "like" the page.

Then feel free to share your fun vacation memories and pictures.



**BEACHSIDE VILLAGE RESORT
CONDOMINIUM ASSOCIATION
ANNUAL MEETING**

Draft

For Informational Purposes Only, Due to lack of quorum

October 02, 2010

ATTENDEES

Board: Chairman, Thomas Wysocki; Secretary, Jake Reinisch; and Manager, Dave Alicandro.

Absent were Manager, Dustin Sears and Treasurer, Louis Kozlowski.

Guests from Defender Resorts: Richard Bachman, Regional Director; Dori Tolley, General Manager and Katy O'Brien.

WELCOME

The meeting was called to order at 11:20 AM by Chairman Wysocki at the Saint Barnabas Church, Falmouth, MA and he thanked the attendees for making the trip to the meeting.

ESTABLISH A QUORUM

192 proxies were received both by mail and those in attendance; therefore, a quorum was not achieved which required 284. (27 units x 52 weeks = 1,404 intervals – the delinquencies of 269 = 1135 x 25% = 284).

CERTIFICATION OF MAILING

Chairman Wysocki read the certification of mailing stating that the Annual Meeting Notice was mailed out on September 02, 2010 to all owners of record.

READ MINUTES OF THE PREVIOUS 2009 ANNUAL MEETING

Mr. Bachman stated the 2009 Annual Meeting Minutes will have a correction regarding the establish quorum the delinquencies of 284 will be added to the 2009 minutes. Also, a spelling correction of the word although will be corrected.

PRESIDENTS REPORT

- Chairman Wysocki again thanked those in attendance for coming to the meeting and introduced the members of the Board of Managers. He thanked the entire staff for making everyone's 2010 stay at Beachside Village as enjoyable as possible. He thanked Defender Resorts for the financial planning, reporting and stated they are doing a great job.
- He thanked the Board of Managers for bringing professional management to the resort.
- Chairman Wysocki discussed a positive flow of money by reducing operating costs at Beachside Village. He also requested that the owners turn off the lights when they are not in use to help reduce maintenance costs.
- Chairman Wysocki updated the owners on the legal action that has been filed against the developer. The legal action, once the judge rules, will give the Association the authority to start processing the deeds.
- One homeowner asked about the fee for paying for the deed once receivership is approved for the Association. Chairman Wysocki will know more when the bankruptcy court rules on October 12, 2010 regarding the receivership. This date is a tentative date.
- One owner asked how many weeks do not have deeds. Approximately 450. Chairman Wysocki told the owners they may contact Dori Tolley at the office and she can tell them if their week has a deed.
- One owner stated that some of the owners who financed thru Mr. Repossa's company never received their deeds. The owners who sought outside financing were able to get a deed to their week.
- Mr. Bachman reminded everyone that the Board of Managers is all volunteer and since there is no lawyer on the board, we were not in anyway giving legal advice on any of the matters discussed during the meeting. Mr. Bachman also stated the Board of Managers cannot give out advice regarding the pending lawsuit or predict the outcome of the lawsuit. Many of the issues discussed should be reviewed by a lawyer of their choosing.
- One of the owners discussed a transaction that they stated happened in 2005 regarding the sale of a week and then learned the transaction was considered illegal due to not having a deed.
- Chairman Wysocki requested all owners to please leave their email address with Ms. Tolley so they can be contacted when we receive the court ruling and any other pertinent information. The date scheduled is Dec 22, 2010 unless it gets postponed.

- Chairman Wysocki stated there is an 80% collection rate.
- One homeowner stated she did not receive the notice of meeting. Mr. Bachman requested the owner to verify her address with Ms. Tolley.
- The owners briefly discussed the timeframe for next annual meeting.
- Chairman Wysocki commended the owners for paying the maintenance fees on time.

MEMBERSHIP REPORT

Mr. Bachman reported there are 27 units x 52 weeks = 1404. Minus 269 delinquents = 1135. Quorum requirement is 25% of eligible owners which calculates to 284. Mail in proxies totaled 192 and we received 30 at the meeting for a total of 196.

FINANCIAL REPORT

- Rick Bachman presented the August 31, 2010 Financial Report.
- He discussed briefly the collection process. He also discussed the special assessment that help cover the legal expenses.
- Mr. Bachman stated Defender became the management company in August 2008 and Beachside Village had a deficit of \$96,000. The deficit was reduced to \$43,000 at the end of last year (2009). In a forward looking statement, he also stated that the Association is on target so that beginning 2011 there should be no deficit to start out the year.
- Mr. Bachman stated that in the 2011 Budget we will transfer \$47,550 from the Operating Fund to the Reserve Account. Mr. Bachman discussed the Reserve Fund stated that to use money from the Reserve Account, the board must first approve any capital expenditures. Mr. Bachman discussed the savings in electricity bills, maintenance and a wage freeze that all helped to contribute to the Association reducing its expenses.
- Mr. Bachman also stated the buildings are now fully insured for contents and exterior according to the By-Laws and insurance guidelines.
- Mr. Bachman suggested a check box for attendance be added on the next year's proxy. Knowing this number would cut down on copies being printed and we would be able to save money on printing, etc.
- Mr. Bachman discussed the billing and collection policy.
- One homeowner discussed the option of using e-mail to notify owners of important information at a low cost. One example that was suggested was to email owners to send in their proxy's in order to have a quorum.
- Mr. Reinisch reminded the homeowners the financials are on the website for review.
- One homeowner asked how many units have not been sold. Mr. Bachman stated between 2 – 40 units have not been sold. This figure is not clear and they are working to find out the true number.
- The homeowners discussed several different ways to consider for bringing more guests into their resort.
- Mr. Bachman discussed the voluntary contribution of \$3.00 to ARDA. Mr. Bachman explained ARDA and ARDA-ROC. Mr. Bachman informed the homeowners about the legislation that is now on the Governor's desk to be signed which would be a less costly non-judicial foreclosure process. In 2004 ARDA-ROC helped defeat a new law that would have taxed the timeshare owners an accommodation tax in addition to their maintenance fee.

ELECTION OF NEW BOARD MEMBER

David Alicandro stated Tom Wysocki will be leaving the Board of Managers because the By-Laws have board members serve a 3-year term and he will not seek re-election at this time. David Alicandro introduced Ricky Karpen and gave a history of his accomplishments.

Due to lack of quorum, there could be no election; however, by acclamation, Ricky Karpin, will be appointed to the 2011 Board of Managers to serve a 3-year term.

There will also be a meeting of the Board of Managers after this meeting to ratify the slate of officers for 2011 as prescribed in the Association's By-Laws.

QUESTIONS AND ANSWERS

Chairman Wysocki stated the Board of Managers will be looking at policies for the parking situation. One suggestion that the Board is considering is to enforce that only owners park in the lot when it's their week to use the unit. If the owners come to the Resort during a time that is not their week, they must check in with Dori Tolley to see if they can park in the parking lot. The Board of Managers has determined if owners are in violation, their cars will be towed. Chairman Wysocki stated this information regarding the parking issue will be put into the newsletter to inform all homeowners.

Mr. Bachman stated all owners checking in are given a parking pass, and this parking pass must be displayed in the vehicle or it will be towed. Additional signage will be put up to inform the owners. Chairman Wysocki discussed the lounge chairs that are in the pool area are coming up missing. The Board will be putting up signage that indicates the chairs in the pool area cannot be removed. Chairman Wysocki asked for suggestions and comments about the parking issue and the chairs in the pool area be directed to Dori Tolley or sent to the Board Members through email. Mr. Bachman reminded the homeowners that check-out is prior to 10:00AM and must be enforced in order to accommodate the next occupant. Chairman Wysocki stated the homeowners will be informed about any new policies and procedures. Chairman Wysocki informed the homeowners of the slate of officers for the 2011 Board that will be ratified at a board meeting that will be immediately following the public meeting. They will be as follows:

Chairman: James Reinisch
Secretary: David Alicandro
Treasurer: Louis Kozlowski
Manager: Dustin Sears
Manager: Ricky Karpin

ADJOURNMENT

The meeting was adjourned at 1:20PM.



General Manager's Corner

The staff and management of Beachside Village would like to thank our owners for observing the check-in and check-out times this past year. As you know, the staff has only a six hour window to clean, sanitize, perform any reported maintenance and systematically inspect the entire property. So as much as we would love to accommodate special requests for early check-ins or late check-outs, it is just not feasible. We will always accommodate you in the rare circumstance, if we can but must systematically schedule the 6 hour service period to complete everything in a timely manner. We do understand that when you arrive hours early, it can become very frustrating for you when you have to wait until the unit is released. We always recommend leaving your cell number with the desk so that we can call you when your unit has been released. This way, you can notify us when you arrive and you can go about your day enjoying the surrounding area while you wait.

We recently dodged a bullet when Irene paid us a visit a few weeks ago. NOAA warnings told us it could be the worst storm to hit Cape Cod in the last 100 years and maybe ever. David, our only maintenance person worked over and above for 2 1/2 days following required policy and procedures for securing the property. All exterior furniture had to be secured to avoid potential missiles from hurricane force winds along with many other procedures to protect everything associated with the resort. Fortunately, Irene only brought high winds and heavy rain. We had a tree next to Unit 12 split, and the basement flooded. David was there early on Monday and immediately began cleaning up the basement and setting the computers back up that were moved upstairs to avoid any water damage. He then proceeded to clean up outside and spent most of the balance of the day on the pool area. All this, before going home Monday evening to finish cleaning up at his own home. It took until Thursday to get everything back in order, including the rocking chairs back on the decks. The power was not completely re-established in sections of town until the following Saturday. We want to thank the 10 or so owners that stayed during the storm for their patience and understanding while David and our office staff worked to get things back to normal.

We know how our owners enjoy the rocking chairs and we have been researching quality, durability and affordability to replace the ones that have failed recently. Many of the chairs have given way under stress from the salt air and years of rocking the grand kids in your lap. Safety is our first concern so we have been looking seriously at composite materials rather than wood that deteriorates rapidly. Either way, we will purchase new ones that will last beyond the two to three years that we have been averaging.

Another project we continue to research is flat screen televisions to replace the existing CRT sets that are well beyond desirable for most of our owners. I have actually heard from quite a few that they are not here to watch television however, they sure come in handy on an inclement day. So for your viewing pleasure we will be replacing all sets over the next couple of years. Most of you may recall that we have also replaced the sleep sofas over the past two years.

The Board of Managers and your Management Company have accomplished a great deal in the past few years. Much of what we have accomplished may go unnoticed because it is behind the scenes, like a new reservations system that actually connects us to the rest of the world. We also have new and larger hot water tanks in the basement along with new and additional sump pumps in the basement to address the frequent flooding problems associated with being across the street from the beach.

The pool was brought up to the new codes and resurfaced to accommodate a new drain system mandated by the *Virginia Graeme Baker Pool & Spa Safety Act* that affected every pool in America. Wood rot caused us to replace some windows along with repainting the trim on all the buildings.

In addition, we recently spent more on the grounds to protect/create the views in areas that were over grown. We purchased new grills this past year as the old ones didn't last very long in the salt air. We are considering the possibility of a central grilling station as one option which will accommodate more families and subsequently provide more areas for actual picnicking. In addition, we replaced the dilapidated playground set this year with a new larger one that the children have been enjoying since spring.

We have begun replacing all the refrigerators with new apartment size refrigerators. The process requires alterations to the cabinets and counter tops by a carpenter to accommodate the new size, but we know from your comments that they are a much needed amenity. We have already installed four of the new Whirlpool refrigerators in the two bedroom units and will continue with all the rest as occupancy permits.

Beachside Village is a very special place to us all, and we are working together to improve every aspect of your vacation experience. Some improvements will take more time than others, but we will continue to accomplish everything feasible while attempting to stay within budget. We appreciate our owners for their continued patience as we maintain and improve the unique qualities of Beachside Village Resort in a cost effective manner.

Best Regards, Dori Tolley, General Manager



Some Things You Should Know



URGENT: OWNER ALERT

OWNER BE AWARE of unscrupulous companies that make offers to sell or otherwise take possession of your deeded interval week for a fee. During the past few years while our Country has been in recession, numerous "suspect" Transfer Companies have mushroomed whereby offering owners, for a fee (which in many cases is several thousands of dollars), the opportunity to sell or transfer their ownership.

**PLEASE DON'T LET THIS HAPPEN TO YOU.
CALL THE RESORT BEFORE ACTING ON ANY OFFER.**



Housekeeping and Maintenance



While staying at the property, please be sure to provide the Office Staff any housekeeping or maintenance concerns to so we can generate a work order and get them addressed. Remember, "if we don't know about them right away, we can't fix them in a timely manner."

IF YOU HAVE MOVED

Please make sure that we have your new information for the Homeowners' Association database, so you will continue to receive mailings. Remember, it is your responsibility to notify us by the end of the year if you have not received a bill for the next year's maintenance fee. You may contact your resort, and they can record your new address, or there is a place on our website to email us at: www.defenderresorts.com

Industry News

ARDA ROC- (American Resort Development Association/Resort Owners Coalition)

is a coalition comprised of hundreds of thousands of timeshare owners across the country who voluntarily contributes \$3.00 per year to promote a legislative agenda at the local, state and federal level which is beneficial to timeshare owners.

Having Defender CEO, Ken McKelvey, as the Chairman of ARDA-ROC has helped make sure Defender is fully aware of any and all legislative issues that might affect our timeshare industry, thus affecting your Association.

We invite you to be a part of this coalition of timeshare owners by contributing \$3.00 per year to support those who fight for your timeshare rights.

ARDA represents you. Learn more about ARDA and how they work on your behalf at: www.arda.org.

Annual Meeting Notes