

Neptune House Owners Association Owners Meeting

March 28, 2026

Meeting Highlights:

- 40 Participants Logged In
- Two Directors Elected
- Strategic Initiatives Addressed
- Facility Improvements Detailed
- Financial Status Reported

An Owners Meeting of the Neptune House Owners Association (the "Association") was held via videoconference on March 28, 2026. Forty participants logged into the meeting, including members of the Association Board of Directors (Cheryl Moore, Mark Morrissette, Phil Totino and Monica Warek) and Association Secretary Chris Lindgren. Also participating were Resort Manager Samantha Disotell and Jay Agustin and Katie Corson of Vacatia, the firm providing management services to the Association.

Opening Remarks

Association President Phil Totino opened the meeting by welcoming the owners and introducing Board members, Association officers, Resort Manager Samantha Disotell and Vacatia representatives Jay Agustin and Katie Corson.

Phil then briefly reviewed highlights of the resort season, including work to upgrade the employee housing building to current building codes and safety standards; completion of the third year of unit interior upgrades to a common standard of function, comfort, quality and appearance; strong financial performance; development of a new Renter's Handbook; and listing of Association-owned inventory for sale on the Vacatia website. Phil also reviewed resort challenges, including the passing of former general manager Meredith McAloon, poor winter weather impacting operations, unpredictable insurance premiums, and declining ownership averaging a net loss of six paying shares per year.

Strategic Initiatives

Director Monica Warek presented an overview of the unit interior inventory process, explaining its goals of creating equivalent function and quality across all units while maintaining their unique character. She detailed the annual process of analyzing and documenting needed upgrades, prioritizing repairs based on damage severity, and implementing design guidelines such as neutral color palettes and lighter furniture. Monica highlighted key challenges including budget constraints, staffing difficulties, and unique island conditions that impact the implementation of upgrades, noting that the estimated total cost of needed unit upgrades is over \$500,000, with 28% of upgrades having been completed, and with remaining upgrades averaging over \$17,000 per unit.

Facility Improvements

Resort Manager Samantha Disotell provided an update on 2025 facility improvements and 2026

plans for the property. She detailed numerous improvements made over the last year to the living units and common areas, and addressed projects planned for the 2026 season, including repairs to the employee housing building and new furniture for multiple living units.

Financial Status

Association Treasurer Mark Morrissette presented the 2025 financial results, highlighting a strong performance with a \$165,000 gain compared to the budgeted \$2,000 loss. He attributed this to one-time revenue events and to good expense control. He reported that the resort's financial position has significantly improved over the past two years, with strong fund balances allowing for upcoming projects in the resort's 25-year Reserve Plan, including employee housing, decking, and roofing.

Mark reviewed the history of changes in maintenance fees. He indicated that maintenance fees are expected to increase between 5% and 6% in future years due to Block Island inflation, declining ownership, and the reserves needs. He also noted that the Board is pursuing ways to minimize fee increases while maintaining the health of the resort.

Election of Directors

Association Secretary Chris Lindgren indicated that, as there are staggered terms for the Board's five Directors, owners had voted prior to the meeting to elect two Directors at this time to serve three-year terms. Chris thanked those owners who had submitted their ballots. He reported that incumbent Director Phil Totino received 110 votes and incumbent Director Monica Warek received 102 votes, and were thus reelected to three-year terms to serve until March 2029. Chris thanked Phil and Monica and reiterated the importance of owners' willingness to volunteer their time and expertise to guide the resort.

Questions and Answers

Board members, Samantha and the Vacatia representatives responded to questions and comments from owners in attendance. Owners commented on a number of items, including difficulties in selling shoulder season weeks, available avenues to sell Association-owned weeks, the need for and cost of the updates being made to the employee housing building, and the need for significant updates to some owner units. Owners expressed gratitude for the work being done by the Board and the Resort Manager.

Following the question and answer session, the meeting was adjourned at 11:25 a.m.

Respectfully submitted



Chris Lindgren, Association Secretary