

**SEAPOINTE VILLAGE MASTER ASSOCIATION**  
**Report in lieu of Open Council Meeting**  
**Saturday, September 12, 2020**

<b>SV Master Council</b>	SPV I – Joe Panepinto	SPV II – Stan Cach
	SPV III – Ben Martorana	SPV IV – John Ferrara
	SPV V – Mike Szelak	SPV VI – Elly Bernstein
	SPV VII – Anton Lemli	

The Seapointe Village Master Association open meeting scheduled for Saturday September 12,2020 is cancelled. This report in lieu of open meeting will serve to update the membership regarding Master Association activities.

**Coronavirus related**

There were no reported cases of COVID-19 infection at Seapointe Village this summer. Seapointe followed CDC guidelines, NJ Department of Health guidelines, and New Jersey Executive orders to navigate through the busy summer months. And we did this with significantly fewer staff members in the Aquatics and Custodial Departments.

Seapointe’s staff – in particular the Custodial and Aquatics staff - followed CDC guidelines and NJ Dept of Health guidelines to prevent the spread of infection. Our efforts included placing appropriate signage and other messaging on site, including at entrances and in other high visibility locations that can be easily seen by customers and visitors; we took measures to reduce the need to touch fixed items that cannot be removed; ex: leaving gates ajar; and we tried to emphasize wearing of face coverings. We placed over 2 dozen hand sanitizer stands throughout the Village.

Outdoor community area tables/chairs were cleaned daily with disinfectants, sprayed weekly with a longer lasting product, and we reduced the number and/or configuration of tables and chairs and tried to maintain a distance of at least 6 feet between each group setting. On the beach there were only a few reports where individuals seemed to feel others were sitting too close to them.

Our expenses for consumable supplies such as disinfectants and disposable gloves and masks was over \$5,000, plus there were expenses for some equipment such as fans and air scrubbers.

The plan to operate the pools and spas generally worked well. Feedback from owners seemed to support the “single access gate - must show rec tag” approach.

Indoor community areas such as exercise rooms, game rooms, playrooms and lounges remained closed all season. Community bathrooms were open and Custodial staff cleaned them regularly using EPA-registered disinfectants.

Even though gyms are now permitted to open in NJ, given the 25% capacity requirement will allow only 1 or 2 people to work out at a time, the exercise rooms will remain closed for several more weeks until a plan can be developed and implemented. Homeowners will be notified via email when the gyms are open, hours of operation and the operating plans.

Lower Township Construction Code Official Gary Playford made regular site visits to Seapointe throughout the summer. He is the Township official designated to observe and inspect open public facilities for their compliance with CDC and State guidelines.

The periodic email updates distributed to the homeowners throughout the summer were well received. Feedback from owners was overwhelmingly positive.

**Treasurer's Report**

Financial Review - Preliminary financial statements for fiscal year April 2020 through August 2020 operating performance compared to budget indicate:  
 Income is over budget by \$4,412. Expenses are under budget by \$59,656.

ITEM	AMOUNT	OVER/UNDER BUDGET	COMMENT
TOTAL INCOME	\$1,194,992	+\$4,412	
Administrative fees	\$10,302	+\$4,052	Resale activity
Reimbursable payroll	\$92,531	-\$7,829	Custodial
Miscellaneous income	\$62,579	+\$7,829	Beach grill lease paid in full
TOTAL EXPENDITURES	\$1,245,816	-\$59,656	4.7%
Professional fees	\$15,811	-\$11,689	Accounting exp zero ytd
Office operations	\$18,485	+\$60	
Misc A&G expenses	\$10,418	-\$1,335	
Insurance	\$82,753	+\$24,378	W/C
Custodial expenses	\$28,203	+\$9,703	Contract services
Maintenance expenses	\$22,507	-\$14,992	Consistent with 2019
Beach related expenses	\$36,382	+\$2,382	Additional grading
Pool Operations	\$48,858	+\$1,358	
Security supplies	\$5,564	-\$3,436	
Payroll & related	\$644,728	-\$14,616	Net payroll variance -\$7,147
Trash	\$14,652	-\$348	
Electric	\$45,717	-\$14,283	
Gas	\$12,780	-\$8,720	
Water	\$46,828	+\$4,828	
NET INCOME	(\$50,824)	\$64,068	4.9% positive variance

Account balances & related fiscal issues

As of September 1, 2020, Master Association cash is \$1,308,232 (including \$219,887 of PPP funds)

<u>Account Balances</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating/Payroll	\$110,492	\$206,959	\$191,333	\$61,290
Capital Reserve	\$1,169,593	\$181,286	\$383,737	\$433,203
Deferred Maintenance	\$28,147	\$136,744	\$115,986	\$105,729
TOTAL	\$1,308,232	\$524,989	\$691,056	\$600,222
Rehab Assessment		\$357,884		
TOTAL		\$882,873		
Balance on line of credit	\$49,855	\$784,463		

Reserve Replacement / Deferred Maintenance expenses fiscal year to date - \$93,995

Reserve Replacement / Deferred Maintenance expenses during 2020-2021 fiscal year to date are \$93,995 \$64,695 is identified as Reserve Replacement and \$29,300 is classed as Deferred Maintenance. Detail shown below.

<u>Reserve for Replacement</u>	<u>\$64,695</u>	<u>Deferred Maintenance</u>	<u>\$29,300</u>
Ibis pool tile	\$26,656	Tennis court resurfacing	\$20,150
Dumpster repairs	\$12,881	Plaza deck trellis	\$9,150
Ibis pool filter racks	\$12,182		
Beach trash/recycling cans	\$2,165		
Ibis pool filter	\$1,397		
Benches	\$1,819		
Plaza deck umbrellas	\$2,479		
Loan interest/fees	\$3,517		

Audited Financials

St. Clair CPAs sent draft 3/31/2020 financial statements for all villages. Village Council members will arrange conference calls with the accountants to review the drafts prior to issuance of final 3/31/2020 financial statements.

**Landscaping**

2020 was a fair year for landscaping. Lyn Taylor's design effort, flower selection, placement and color scheme were good this summer. The roses bloomed early this summer. The hydrangeas bloomed better this year compared to previous years. We tried white impatiens this summer, but the initial planting failed miserably. We replaced all of the white impatiens on Dune Drive with New Guinea impatiens, and they did much better.

Typical off-season replacement of evergreen shrubs and bushes will be necessary. Some of the bushes on the plaza deck were destroyed by the August 4<sup>th</sup> storm. New planting at the plaza deck hot tub area rehab matured a bit this season. The daylilies lining the inside of the main pool fence created better sightlines and enhanced views from the plaza deck.

**Beach**

The 2020 beach layout followed the same general configuration as past several years. The 20 x 40 tent for table seating; the deli-trailer & service pavilion, three storage sheds. There is an ever-present issue with placement of these amenities adversely affecting beach and ocean views for a few ground level units in North Beach and South Beach. We relocated storage boxes to southern end to eliminate view obstruction from the ground level oceanfront units in South Beach Building, but (because of utility locations) we cannot easily relocate the deli-trailer in such a way to eliminate view obstruction from the North Beach Building.

This year we had 62 beach storage boxes on platforms. There were 100 entries for the beach storage box lottery. We will build 12 more for 2021.

Restricting tents to the back of the bathing beach area this summer was favorably received and should continue next season.

### **Beach, continued**

The beach lifeguard crew served effectively this summer. Linda Kelly continued the position of "Beach Ambassador" in July, and she roamed the beach making sure beach users were aware of distancing guidelines, rules and regulations, enforcing tags and generally monitoring behavior.

67 seasonal beach tags were sold this year (2020), generating \$5,025 (46 in 2019).  
325 daily tags were sold (298 last year)

Brian Balestreire reported that food sales were strong this summer. Dinners three nights per week were exceptionally successful, especially taco and seafood nights, assuming the weather cooperated. He booked live entertainment a few times this summer. He lost some Fridays in July to bad weather. He struggled with help this season.

### **Pools**

Aquatics Department navigated through the challenges posed by strict guidelines imposed by the NJ Dept of Health to operate aquatics facilities this summer. Steve McBride and his supervisors Jose Otero, Luis Acevedo and Jose Panesso did an outstanding job dealing with the contact tracing information gathering and capacity limits. They were extremely dedicated to their jobs. Multiple members of the department worked 55+ hours per week every week during July and August. For the pay week ending 9/5 we had six members of the Aquatics Department work over 65 hours.

As stated previously, the plan to operate the pools and spas generally worked well. Homeowner feedback supports the "single access gate - must show rec tag" approach. The pool monitors frequently dealt with difficult guests (either rental guests or adult children of owners) throughout the summer that challenged the need for rec tags or were impatient due to capacity limits especially the last few weeks in August.

During the SV III and IV video-meetings last weekend, participants were asked for their opinion to continue this next season, even if contact tracing is no longer required, and even if it means higher payroll costs, and responses were supportive.

For the most part the pools and spas functioned well, equipment generally performed well, water quality was maintained very well throughout the season, and routine maintenance/custodial work was done according to schedule.

Weekly testing of water quality for our pools and hot tubs was consistently satisfactory and the unannounced Cape May County pool inspection on August 28th was 100% satisfactory for all facilities again this season for the 11th year in a row.

There were 2 reported rescues in the pools this summer – one at Centre Court and one at oceanfront pool.

Off-season aquatics work includes: replacing some sidewalk around Centre Court pool that is sinking; adding a handrail to the SCS pool; replacing the railing by the water slide at Centre Court pool, replacing all the tiki tops at Centre Court pool and replacing some tables/chairs at Centre Court.

### **Personnel & Security**

Staffing was a major challenge again this year, especially for Custodial and Aquatics. Security was understaffed 40-80 hours per week early in the summer but reached adequate staffing levels by mid-July. Custodial was severely under-staffed all season. Aquatics ran into overtime throughout July and August. OT thru 8/31/2020 is \$41,515.

Maintenance did its usual efficient, effective job this summer. Wayne Craig and his staff generally stayed on top of maintenance needs throughout the village.

Custodial ran with a crew of 12-13.5 this summer. There were five inside ladies, three evening staff and 4-5.5 daytime outside staff. Everyone has worked at least 2 years, so there was no training required. The entire Custodial staff did an outstanding job. Custodial supply costs were \$28,203. Infection-prevention purchases (hand sanitizer, disinfectant wipes, disposable gloves and masks, and hand sanitizer stands total over \$5,000. Supply costs also include \$4,760 for contract cleaning and \$2,345 for commercial fans.

The Security Department performed well this summer. The Department was effective, visible and active. Most of the seasonal staff were new hires. Increasing the starting hourly rate seemed to make a difference. The department emphasized daily procedures for tag checking, parking checks throughout the summer and added some late morning back gate monitoring in August. They wrote a lot of parking violations which again seemed to improve awareness for residents to use their parking passes and park in proper parking areas. Package delivery took several man-hours daily during the summer.

Off-season staffing levels will gradually decrease to 240 hours per week, allowing for one guard per shift, plus an 8-4 person daily and 2 guards on weekend evenings.

### **Shore Protection Plan**

Our consultant has been in regular contact with NJ DEP representatives. The DEP is working on the 90% plans. The DEP commented the COVID shortfalls have affected the State budget and the project. The earliest the project would begin is Fall 2021, to be completed Spring 2022, but that it could be pushed back to Fall 2022. The DEP and USACE are sensitive to not adversely affecting the tourism season.

Litigation in Ocean County involving single family homes have had a substantial number of settlements in the past 60 days (about 70 of 100 cases). These were all matters where the government was offering nominal compensation (\$500 or \$750 per property) on the basis that the properties were made more valuable as a result of the storm protection provided by the project. In these matters, the homeowners' claims for compensation ranged between \$200,000 and \$600,000, depending upon the value of the home and the storm protection already in place at each property. The settlements were all the same amount -- \$120,000 -- based upon a blanket proposal.

The remaining cases include about 20 single family homes and another 10 or so cases involving association-owned properties. None of those latter cases were willing to accept the \$120,000 proposal, as their monetary claims are larger. These cases are being mediated. Any cases which do not settle are likely to be delayed for at least another year, since the pandemic has resulted in the suspension of jury trials in NJ since March, and there is now a large backlog of cases that will probably focus on getting the criminal cases handled first and then having the civil cases like ours put on the back burner until the courts can catch up.

### **Plaza Deck Hot Tub Area Rehab Project**

The Association's structural engineer inspected the plaza deck in June. He reports the main objectives of the project have been accomplished.

There are a few loose ends remaining on this project. One panel of the sentry glass panels on the ocean front deck was cracked upon initial installation. We are still waiting for this panel to get replaced. The spa coping outside edge is rough. The contractor will return at the end of the season to grind the rough edges smooth. The sidewalk area by the steps to the spas have mortar stains.

The total assessment for the project is \$4,057,712. \$56,543 (1.4%) is still outstanding from 15 owners, of which \$15,232 is expected to be uncollectible from 2 owners.

### **Off-season Master Association Projects/ Purchases**

The North Beach trex walkway was replaced with AccessDeck before the 2020 season at a cost of \$16,015, which is about double the cost of the trex walkways. Additional walkway will be replaced for the 2021.

We held off buying additional Weber BBQ grills this year. The existing grills are near end of service life. There are 16 grills total. We will replace 5-7 before next season – average cost \$1,500 each.

We will build 12 more beach storage boxes. Cost will be around \$6,000.

We will replace additional underwater lagoon lighting this off-season, cost will be around \$6,000.

The walkways to the beach and the beach landings are aging. Boards are become more and more uneven and screw heads are losing their bite.

### **Beach – Outfall Extension**

The end of the outfall line is more or less covered in sand. Even a strong storm that might wash away some sand will only provide a short term benefit.

In order for Seapointe to extend its outfall, we must go thru the permitting process, and the engineering design for the outfall itself. Preparation of applications and engineering design will take several months, and the permitting process will take several months.

The actual construction will only take a few weeks. When the outfall was extended 300 feet In 2008-2009, engineering and permitting costs were about \$40,000 and actual outfall construction was \$278,000.

### **Off-season Projects throughout the Village**

North Beach roof repair will take place this off-season. North Beach is working on a multi-phase interior refurbishment plan.

Garden Residences will be replacing their domestic water pumps and replacing lighting throughout their parking areas this off-season.

Additional garage lighting will be replaced in North Beach and South Beach parking garages.

Ibis Residences will be removing their decorative exterior shutters.

**Reserve for Master Plan / Anticipated Projects**

This topic has been a regular mention during open meetings.

<u>Project</u>	<u>Timeframe</u>	<u>Budget</u>
Outfall extension	2020-2021 off-season	Unknown
Dunes / walkovers	2021-2022 off-season?	\$350,000
Gatehouse / front entry	2021-2022 off-season?	\$200,000
Street repaving	in the coming 5 years	\$200,000 Twp participation?
Garden pool & lagoon	2021-2022?	Unknown
Centre Court pool	after Garden pool	Unknown

**Sales & Rental Activity**

There have been 19 sales to date this calendar year, and 11 more under contract as of Sept 7. There are 8 units, or about 1.5% of Seapointe Village/Ibis condos are for sale.

Rental activity did not begin until June. Loss of group business during the Spring and Fall has had a detrimental impact on overall rental activity, whether at Seapointe Village or throughout the Wildwoods. Overall rental activity is about 25% behind last year.

**Association Management Office**

Off-season office hours schedule. 8am – 5pm Monday thru Friday; 9am – Noon on Saturday; closed Sundays beginning September 13<sup>th</sup>.