

SEAPOINTE VILLAGE MASTER ASSOCIATION
Report in lieu of Open Council Meeting
Saturday, December 5, 2020

SV Master Council	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 December 5, 2020 is cancelled. This report in lieu of open meeting will serve to update the membership regarding Master Association activities. A video-conference open-house scheduled for Saturday December 12, 2020 will allow open discuss between SV owners and the SV Master Council.

The Seapointe Village Master Council officers for 2021 remain unchanged from 2020.

President	Stan Cach	Seapointe Village I – South Beach
Vice President	Elly Bernstein	Seapointe Village VI – Single Family Homes
Treasurer	Mike Szelak	Seapointe Village V – Centre Court
Secretary	Joe Panepinto	Seapointe Village I – North Beach
Members	John Ferrara	Seapointe Village IV – Garden Residences
	Anton Lemli	Seapointe Village VII - Townhomes
	Ben Martorana	Seapointe Village III – Pinnacle Residences

2021 Master Association Meeting Schedule (all Master Association meetings held on Saturday)

March 6	2021 Budget approval
May 29	Annual Meeting
September 11	End of season recap
December 4	Insurance renewal

Note: Meeting dates are tentative, subject to change.

Coronavirus related

To date there have still been no reported cases of COVID-19 infection at Seapointe Village, although we are sad to report SV IV Garden Residences Council member Sandy Olszak passed away Wednesday November 25th from multiple issues including complications from the Coronavirus.

The Department Supervisors and staff are meeting regularly to review procedures, emphasize the importance of following CDC guidelines, wearing masks, using hand sanitizer and having it readily available, and making sure Custodial staff is cleaning all touch points regularly.

Similar to summer practices at the outdoor pool areas, the Ibis Pool indoor area is cleaned daily with disinfectants, sprayed weekly with a longer lasting product, and we reduced the number and configuration of tables and lounge chairs and tried to maintain a distance of at least 6 feet between each group setting. The capacity of the indoor pool area is 15 people.

Expenses for consumable supplies such as disinfectants and disposable gloves and masks-is over \$6,000 year to date, plus there were expenses for some equipment such as fans, foggers and air scrubbers.

Firepits, playground, basketball and tennis courts remain open for use.

Indoor community areas such as exercise rooms, game rooms, playrooms and lounges remain closed all season.

Treasurer's Report

Financial Review - Preliminary financial statements for fiscal year April 2020 through November 2020 operating performance compared to budget indicate:
 Income is over budget by \$6,644. Expenses are over budget by \$8,284.

ITEM	AMOUNT	OVER/UNDER BUDGET	COMMENT
TOTAL INCOME	\$1,885,872	+\$6,644	0.035%
Administrative fees	\$28,734	+\$10,650	Resale activity
Reimbursable payroll	\$145,352	-\$9,148	Custodial / Maintenance
Miscellaneous income	\$64,458	-\$2,292	Vending/parking
TOTAL EXPENDITURES	\$1,897,355	+\$8,284	.0044%
Professional fees	\$47,743	+\$243	Consultants/Engr.
Office operations	\$30,747	+\$1,197	Postage
Misc A&G expenses	\$22,970	+\$6,518	Licenses/Meeting Exp.
Insurance	\$103,044	-\$1,356	D&O journal entry
Custodial expenses	\$35,964	+\$12,964	Covid/contract evening svcs
Maintenance expenses	\$26,756	-\$17,994	Cost controls/Exp timing
Beach related expenses	\$56,367	+\$16,367	Pre-season grading/boxes
Pool Operations	\$66,062	+\$8,062	Increased testing costs
Landscaping	\$101,489	-\$53,961	
Security supplies	\$7,586	-\$4,164	
Payroll & related	\$964,679	+\$51,210	Seasonal bonus
Trash	\$32,249	+\$11,249	Bulk trash \$10,283
Electric	\$77,676	-\$12,324	Late pool opening?
Gas	\$24,194	-\$12,556	Late pool opening?
Water	\$108,114	+\$5,114	
NET INCOME	(\$101,815)	(\$1,640)	1.64% negative variance

Account balances & related fiscal issues

As of December 1, 2020, Master Association cash is \$1,129,338.

<u>Account Balances</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating/Payroll	\$27,758	\$81,653	\$153,067	\$41,507
Capital Reserve	\$1,073,402	\$358,163	\$300,846	\$344,141
Deferred Maintenance	\$28,178	\$136,093	\$116,240	\$108,775
TOTAL	\$1,129,338	\$575,909	\$570,153	\$494,423
Rehab Assessment		\$722,939		
TOTAL	\$1,129,338	\$1,298,848		
Balance on line of credit	\$31,184	\$784,463		

Audited Financials

The 3/31/2020 financial statements have been finalized with St. Clair CPAs and will be issued within a few weeks.

Reserve Replacement / Deferred Maintenance expenses fiscal year to date - \$100,097

Reserve Replacement / Deferred Maintenance expenses during 2020-2021 fiscal year to date are \$100,097 of which \$70,796 is identified as Reserve Replacement and \$29,301 is classed as Deferred Maintenance.

<u>Reserve for Replacement</u>	<u>\$70,796</u>	<u>Deferred Maintenance</u>	<u>\$29,301</u>
Ibis pool tiling	\$26,656	Tennis court resurfacing	\$20,151
Dumpster repairs	\$12,881	Plaza deck trellis	\$9,150
Ibis pool filter rack	\$13,578		
Golf cart	\$5,864		
Trash cans	\$2,771		
Plaza deck umbrellas	\$2,479		
Loan interest/fees	\$4,049		

Notes:

An additional 1,100 linear feet of AccessRec beach walkway was purchased (\$56,704) which will be paid in April 2021.

174 lounge chairs were sent for restrapping (\$20,328) which will be paid when chairs are returned, sometime in January.

BBQ grills will be ordered in the Spring (\$10,500).

Insurance Renewal

Insurance premiums for the new policy year increased 8.51%, or \$34,099 to \$434,507 for the 2020-2021 property and liability package.

Property insurance premium increased \$27,998, and remains with Lexington (\$123,930,000 value), based in the insurance valuation update done in early 2016. The deductible for claims from water damage remains at \$25,000.

Liability insurance premiums increased \$4,992, again attributed to the open claims. One of them settled in 2020

	New 2020-2021	Expiring 2019-2020
Property (\$123.9 Million valuation)	\$343,540	\$315,542
General Liability (\$2million)	\$59,198	\$54,206
Wind Deductible Buyback to \$10,000	\$30,335	\$29,226
Fidelity Bond/ Crime	\$1,434	\$1,434
Boiler & Machinery	Included	Included
Earthquake	Included	Included
	\$434,507	\$400,408

Aggregate premium increase of \$34,099 – 8.51%

Umbrella (\$50,000,000) \$23,491 – Changed to November renewal
 \$10,676 increase from expiring policy

Directors & Officers \$3,285 - September renewal
 \$7 increase from expiring policy

Workers Compensation \$68,688 – November renewal (subject to audit)
 \$2,772 decrease from 2019-2020 policy

Shore Protection Plan

The State of New Jersey Department of Environmental Protection advises the USACE-NJDEP dune project is currently planned for the winter of 2022-2023, beginning after the tourism season in the fall/early winter of 2022. The DEP is working on the 90% plans which will still show no sand harvesting south of Jefferson Avenue.

Under an agreement between Lower Township and the DEP, the DEP will cover the municipality's costs for the project.

Litigation regarding the beach cases in the other communities have ground to a halt during the pandemic. Jury trials have once again been suspended by the NJ Supreme Court so not much is expected to happen until mid to late 2021. About 2/3 of the cases involving single family homes were settled over the summer, with about 30-40 remaining open. None of the cases involving association-owned properties settled and none of them have resulted in jury verdicts to date.

Beach – Outfall Extension

Our beach consultant and engineer are working on the CAFRA permit application and engineering design to extend the stormwater outfall pipe on the Seapointe beach. This project will likely be performed during the 2021-2022 off-season.

A visual inspection of the storm drainage field under the dunes will be performed this off-season.

In 2008-2009, the outfall pipe was extended 300 ft and a backflow gate valve chamber was installed. Costs were roughly \$40,000 for permitting and design and actual outfall construction was \$278,000.

Master Council continues to look into alternative ways to address recommendations to improve the Seapointe Village stormwater system.

Hotel Icona

Work on the Hotel Icona top floor addition to construct an additional 20 hotel rooms has been stopped apparently due to issues with construction permits. Representatives from Icona have indicated it is possible the construction will not be completed before Memorial Day 2021. This project does not include the swimming pool/recreation deck expansion.

Club License

In November the Lower Township Council amended their liquor license ordinance to allow for additional club licenses. Application costs are \$150 to the Township and \$200 to the State. Seapointe Village will apply for a Club License to ascertain that Seapointe qualifies for a license prior to surveying our membership to determine the level of interest in perhaps offering limited alcoholic beverages for sale, such as tropical drinks.

Landscaping

In-house landscaping cleanup, irrigation system winterization and sycamore trimming was completed in November. A post-season walkthrough was conducted in mid-September and identified areas for shrub replacement. Haberman will replace shrubs in Spring 2021. Through end of October, total Haberman invoices are \$97,434. (\$107,576 last year; \$107,696 in 2018, \$97,128 in 2017; \$105,823 in 2016). Irrigation repair costs (\$7,760) are down \$5,432 compared to last year.

Lyn Taylor submitted the flower plan for the upcoming season in early December. Her proposal is for \$38,178, an increase of \$1,276 compared to last year. She indicates she will continue the flowers next year including begonia salvia, verbena and geraniums. The plan will retain some white annuals in 2021. The plan includes red annuals on Dune Drive in 2021.

Beach

The beach was cleared of all seasonal amenities and structures by the end of September. The beach is raked three times per week through the off-season as needed to prevent dune accretion eastward and to control the level of the back-beach sand, to prevent the North Beach and South Beach landings from being enveloped by sand.

The additional snow fencing continues to increase sand accumulation along the east side of the dunes bringing the Seapointe dunes closer into compliance with the USACE dune design, specifically the crest width. The fencing also serves to define the beach raking limits and makes DEP pre-season flag placement more consistent from year to year.

2020 was the third year of a five year lease with Brian Balestreire to operate the deli-hut.

Unauthorized vehicles are prohibited from driving and parking on our beach.

Pools

This off-season, the Ibis pool facility is open 12noon until 8PM. On Friday-Saturday-Sunday a pool attendant is present for purposes of contact tracing. Pool water temperature is kept at 84-85 degrees and the hot tub at 103 degrees. We are maintaining inside air temperature slightly above the pool water temperature, which is keeping humidity levels within normal 50-60 percent range. The usual off-season practices, installing the pool gate and the outdoor pool cover, and the cover above the gate under the glass doors was done by end of October.

Personnel & Security

Department supervisors are evaluating equipment and tools, supplies and personnel as part of preparation for 2021 budget planning. Off-season staff continues to perform preventive maintenance and off-season projects.

Off-season staffing includes 5 in Custodial, 5 in Maintenance, 1 in Aquatics and Security staffing at 256 hours per week (1 round the clock plus second guard daily 8am – 4pm and Friday/Saturday evenings)

The management routine and procedures translate to effective and efficient operations thanks to the department supervisors.

Plaza Deck Hot Tub Area Rehab 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 rough edges have been ground smooth. The sidewalk area by the steps to the spas have mortar stains.

The total assessment for the project is \$4,057,712. \$45,711 (1.1%) is still outstanding from 13 owners, of which \$15,232 is expected to be uncollectible from 2 owners.

Off-season Master Association Projects/ Purchases

In September the Master Council authorized up to \$60,000 to purchase enough AccessDeck to replace the remaining trex beach walkways. The material was delivered several weeks ago. We do not have to pay until April 2021. Cost is \$56,704.

We did keep some of the trex walkways and landings for use at the Ibis walkway.

16 more beach storage boxes have been constructed. Cost is approximately \$8,000.

We will buy seven additional Weber BBQ grills in Spring 2021, at an average cost \$1,500 each.

Additional underwater lagoon lighting will be replaced before next season, cost will be around \$6,000.

Through the Fall, a greater than usual village population has resulted in continued high volume of packages delivered for owners and guests. It is not unusual for Security Guards to spend 60-90 minutes per day delivering packages. We changed the procedure to match residential delivery. Packages dropped off at the Management Office are delivered by SV Security to the condo unit entry door.

Off-season Projects throughout the Village

North Beach roof repair started in early December.

North Beach is working on a multi-phase interior refurbishment plan.

South Beach is replacing rooftop HVAC ductwork

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

Pinnacle had its vertical dryer ducts cleaned.

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

Ibis Residences removed their decorative exterior shutters.

Chimney caps will be replaced on two single family homes, one roof has been replaced.

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	2021-2022 off-season	Unknown
Dunes / walkovers	2022-2023 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	2023-2024?	Unknown
Centre Court pool	after Garden pool	Unknown

Sales & Rental Activity

There have been 34 resales to date this calendar year (19 last year to date), and 2 units are under contract as of today, both of which are scheduled to close before the end of the calendar year. Total of 34 posted sales transactions year to date is \$14,803,900 for an average of \$435,409. Sales prices range from \$265,000 for a one-bedroom unit in Centre Court to \$700,000 for a two-story single-family home.

<u>Year</u>	<u>Sales</u>	<u>Total</u>	<u>Ave sale price</u>
2020 ytd	34	\$14,803,900	\$435,409
2019	23	\$9,737,000	\$423,348
2018	27	\$12,407,850	\$459,550
2017	18	\$7,316,352	\$406,464
2016	23	\$10,047,000	\$436,828
2015	18	\$7,053,400	\$391,855

10 condos or about 2% of Seapointe Village/Ibis condos are for sale.

Homeowner Passings

Lillian Antaki	Pinnacle 312	June 12
Herb Wienkoop	Garden 204	October 2
Sandy Olszak	Garden 417	November 25

Owner Handbook

The Owner's Handbook has been updated for 2021 and is posted on the Association website. Updates to the 2021 Handbook include more explanation about package delivery, reminder that carpet and tile is not permitted on unit balconies, and that flooring underlayment is recommended under wood and tile installations.