



**President's Comments, continued**

I would like to thank all members of the Master Council for their tireless, and often thankless work, to keep Seapointe Village the premier community that we all love.

Finally, the Seapointe Village Master Council officers for 2025:

President	Joe Panepinto
Vice President	Bill Porcek
Treasurer	Mike Szelak
Secretary	John Ferrara
Members	Stan Cach Anita Magatti Matt Marra

**Manager's Report**

Our insurance agent was able to identify options for the commercial package insurance renewal that resulted in improved coverage, especially for windstorm insurance and reduced premiums.

This will help the Master Association and all villages as we prepare for the 2025-2026 operating budgets. The 2025 budget process will start after the new year for the upcoming fiscal year, which begins April 1, 2025.

The second phase of the North Beach balcony waterproofing project is in progress. This project involves removal of balcony railings, prepare and waterproof balcony surfaces, powder-coat balcony railings and reinstall on all west, south and east elevation balconies. Project includes new railing brackets and replacement of the bolts securing the brackets to the balconies.

Centre Court pool sandblasting will take place starting this coming week.

The Master Association Capital Reserve Study is in process of being updated and compliant with the Structural Integrity Act. Once finalized, it will be posted on the Association website (spvma.com)

In-house staff refurbished 25 of the beach storage boxes and built 10 additional, bringing the total number of boxes to 110 for 2025. Lottery will again take place in Spring.

This off-season, HVAC/ dehumidification system for the Ibis pool facility will be replaced. Expect the Ibis pool to be closed for several weeks when this work takes place. It will not occur before the Christmas/New Year holiday.

SV Maintenance staff will be conducting the annual inspection of units in the multi-family buildings in the coming weeks. Depending on the building, staff may be inspecting exterior balcony railings, water heaters, and supply lines for ice makers, washing machines and toilets.

There have been 12 sales to date this calendar year, and 2 units are under contract as of Nov 30. (16 last years, 19 in 2022, 27 in 2021; 34 in 2020; 19 ytd in 2019). At this time there are four residences for sale.

The available inventory of condo units for sale in the Wildwoods is very low and sales prices have continued to increase during 2024. At Seapointe Village, all 4 single family homes sold in 2024; the one townhome and two residences in Ibis all sold for over \$1 million

Increasing sales prices seem to indicate that increasing condo fees attributed to the Structural Integrity Act and still relatively high mortgage rates are not affecting buyers.

**Manager's Report, continued**

SPV Realty reports demand for 2025 rentals is strong, booking availability opened early November.

Maintenance Supervisors Mike Siner and Juan Irizarry will have a float in the Wildwood, West Cape May and Lower Township Christmas Parades in the coming weekends.

He reminded owners to replace original appliances, minimize chance of water damage by changing water heaters, plastic ice maker water lines, washer hoses, and turn off water shut off valves when leaving your unit for extended periods of time. He recommended owners to clean dryer duct.

He thanked Master Council, all village Council members, homeowners and staff for their support and wished everyone a healthy holiday season and new year.

**Treasurer's Report**

Financial Review - Preliminary financial statements for fiscal year April through November 2024 operating performance compared to budget indicate:

Income is over budget by \$9,503. Expenses are under budget by \$40,991.

ITEM	AMOUNT	OVER/UNDER BUDGET	COMMENT
TOTAL INCOME	\$2,455,515	+\$9,503	
Administrative fees	\$13,924	+\$3,424	Resale activity
Reimbursable payroll	\$200,630	+\$7,130	
Miscellaneous income	\$141,249	-\$1,051	
TOTAL EXPENDITURES	\$2,486,529	-\$40,991	
Professional fees	\$63,547	+\$1,547	
Office operations	\$33,898	-\$4,802	
Misc A&G expenses	\$19,793	+\$1,529	
Insurance	\$141,103	-\$5,797	
Custodial expenses	\$23,216	-\$2,784	
Maintenance expenses	\$57,913	+\$4,163	
Landscaping	\$145,501	-\$14,498	
Beach related expenses	\$33,016	-\$16,984	
Pool Operations	\$111,532	+\$14,532	Mandatory GFI outlets
Security supplies	\$13,525	-\$725	
Payroll & related	\$1,332,779	-\$26,121	
Trash	\$20,057	+\$3,057	
Electric	\$77,530	+\$1,530	
Gas	\$48,790	-\$710	
Water/Sewer	<u>\$142,778</u>	<u>+\$10,478</u>	
NET INCOME	(\$135,303)	+\$50,494	2.0% positive variance

**Treasurer's Report, continued**

As of December 1, 2024, Master Association cash is \$553,578.

<u>Account Balances</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Operating/Payroll	\$66,603	\$69,119	\$51,698	\$52,941
Capital Reserve	\$450,194	\$347,349	\$527,164	\$1,024,625
Deferred Maintenance	<u>\$36,781</u>	<u>\$9,355</u>	<u>\$58,433</u>	<u>\$84,902</u>
TOTAL	\$553,578	\$425,823	\$627,295	\$1,162,468

Reserve Replacement / Deferred Maintenance expenses fiscal year to date - \$178,226

Reserve Replacement / Deferred Maintenance expenses during 2024-2025 fiscal year to date are \$86,896, of which \$76,532 is classified as Reserve Replacement and \$10,364 is classed as Deferred Maintenance. Detail shown below.

<u>Reserve for Replacement</u>	<u>\$167,862</u>	<u>Deferred Maintenance</u>	<u>\$10,364</u>
Ibis pool bldg. roof framing	\$48,200	Plaza deck joint repairs	\$10,364
Gatehouse	\$41,813		
Centre Court Pool sblast	\$34,250		
Pin Com Rm HVAC	\$9,250		
Pool heater	\$6,806		
Sidewalk site work	\$6,000		
Pool pump	\$4,800		
Tiki thatch	\$6,870		
Ibis spa mechanicals	\$4,320		

Expected Reserve Expenses in 2024-2025 off-season

Ibis pool HVAC – Conover Swanson advises that manufacturer delivery isn't expected until after Thanksgiving. Paid \$98,000 deposit, another \$98,000 due when installed, along with estimated \$15,000 for flat roof replacement under the HVAC equipment.

Convert 1 tennis court to 2 pickleball courts & recoat/fence work \$35,000

Exercise room - Remove wall and expand into office area / add equipment \$10,000

Kids Game Room \$5,000

Beach lockers – Refurbish 25 and build 10 new - \$12,000

Beach lifeguard stand - \$3,000

Beach trash cans 6 @ \$900/ea

### **Treasurer's Report, continued**

#### 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>
Gatehouse / front entry	2024-2025	\$500,000
Dunes / walkovers	2025	\$450,000
Street repaving	unknown	\$200,000 Twp participation?
Garden pool & lagoon	2025-2026?	Unknown
Centre Court pool	2025-2026	Unknown

#### Audited Financials

Roszkowzki Massood performed the fiscal year end 3/31/2024 financial statement and tax return preparation for Master and villages. Eli Massood is the account manager/partner. Field work was performed mid-August. This is the first year of service under a 3-year engagement. Final 3/31/2024 financial statements were issued last week & are posted on the Association website.

#### Capital Reserve Study Update

The Master Association Capital Reserve Study is in process of being updated to be compliant with the Structural Integrity Act. Once finalized, it will be posted on the Association website (spvma.com)

#### ACH Participation

At present, 257 SV homeowners use the ACH for condo fee payment and 122 use bill-pay services - combined 76% of all owners.

The current village-wide condo fee delinquency rate (over 30 days) is less than 1%.

### **Committee Reports**

#### **Landscaping**

In-house landscaping cleanup, irrigation system winterization and sycamore trimming was completed in early November. We conducted the post-season walkthrough in mid-September to identify areas for shrub replacement. Megan Hunter (designer for Haberman) is developing the plan for 2025.

Because of short-staffing and early off-season departure of seasonal Custodial staff, Haberman also performed the entire Fall cleanup. This increased our landscaping cost compared to previous years.

#### **Beach**

The beach was cleared of all seasonal amenities and structures by early October. The beach is raked several 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.

SV Maintenance staff completed rehab of 25 beach storage boxes with new siding and hardware and built 10 additional boxes, bringing the total to 110.

### **Personnel & Security**

Supervisors are evaluating equipment and tools, supplies and personnel as part of preparation for 2025 budget planning. Off-season staff continues to perform preventive maintenance and off-season projects.

Off-season staffing includes 6 in Custodial, 5 in Maintenance, 1 in Aquatics and Security staffing at 240 hours per week (1 round the clock plus second guard daily 8am – 4pm and Friday/Saturday evenings)

### **Unfinished Business**

#### **Shore Protection Project**

The State of New Jersey Department of Environmental Protection advises the USACE-NJDEP dune project is tentatively scheduled to begin in 2025.

NJ DEP released the so-called 95% plans in late October. There are significant changes from the previously released 65% plans.

Changes include: adding substantial amount of sand to the ocean side of the existing dunes; expanding the disabled beach access at Memphis Avenue and directing it onto Seapointe beach; eliminating disabled access at southern-most beach access and including only hardpack I-5 walkovers.

Master Council is in discussions with its environmental consultant, legal counsel and appraiser to review the plans and discuss next steps, likely involving a joint meeting with Lower Township and DEP representatives.

**New Business**

Insurance Renewal 2024 -2025

Insurance premiums for the new 2024-2025 commercial package policy year decreased 37.2%, or \$456,299 to \$771,828 for the 2024-2025 property and liability package.

For the November 2024 renewal, SV I, III and V renewed with current carrier (CHAMP). The Seapointe Village insurance agent was able to place coverage for SV II, IV and VII with different carrier (Narragansett Bay) at substantially lower premiums.

Wind buy back coverage with \$10,000 deductible in effect for 2024-2025, and improvement over previous years where deductible was \$25,000.

The umbrella liability insurance renewed at \$10MM for \$43,199.

Property insurance with various carriers (CHAMP -Arch Specialty & Narragansett Bay (\$164,526,000 value)

Water damage deductible \$10,000.

Earthquake (\$250,000 deductible), Boiler & Machinery included on Arch Specialty policy.

Wind buy back limits with Lloyds. Wind deductible \$10,000. (Previously \$25,000)

General liability policy with Nautilus (\$5,000 deductible)

Umbrella liability policy with XL America / Liberty. (\$10,000,000)

Director's & Officers Liability policy with Continental / CNA – D&O renewed 9/12.

All insurance companies A rated or better by A.M. Best.

	<b>New 2024-2025</b>	<b>Expiring 2023-2024</b>	<b>Change</b>
Property (\$164.5 Million valuation)	\$514,279	\$1,104,498	-\$590,219
General Liability (\$2million)	\$103,734	\$87,738	\$15,996
Wind Deductible Buyback to \$10,000	\$109,217	n/a	\$109,217
Fidelity Bond/ Crime	\$1,399	\$1,399	-\$0-
Umbrella (\$10 Million)	\$43,199	\$34,492	\$8,707
	<b>\$771,828</b>	<b>\$1,228,127</b>	<b>-\$456,299</b>

Directors & Officers	\$6,000 - September renewal	\$691 increase
Workers Compensation	\$58,134 – November renewal	\$7,055 increase policy

Premium Comparison (Property + Wind-buy-back) 2024-25 to 2023-24

<u>Village</u>	<u>2024-25 premium</u>	<u>2023-24 premium</u>	<u>Change</u>	<u>Percentage</u>
Master	\$34,020	\$44,685	-\$10,665	-23.9%
SV I	\$125,417	\$164,733	-\$39,316	-23.9%
SV II	\$125,714	\$165,123	-\$39,409	-23.9%
SV III	\$86,761	\$113,959	-\$27,198	-23.9%
SV IV	\$65,876	\$206,646	-\$140,770	-68.1%
SV V	\$72,963	\$95,836	-\$22,873	-23.9%
SV VII	<u>\$115,744</u>	<u>\$313,484</u>	<u>-\$197,740</u>	<u>-63.1%</u>
Total	\$623,496	\$1,104,498	-\$481,002	-43.6%

Main Entry / Gatehouse Project

The Lower Township Planning Board approved the site plan application for the gatehouse project at the October 17, 2024 meeting.

Architect Darren Vickery (referred by Tom Bauer) is preparing the construction drawings to provide to contractors for bidding. As of 12/1 he is approximately 50% complete and expects to be finished before Christmas.

Timeframe to provide to contractors by Christmas, receive bids by mid-January, award by end of January. Estimate 90-120 construction timeframe start to finish.

Preliminary project budget - \$500,000

- \$350,000 not to exceed construction estimate from contractor
- \$50,000 allowance for professional fees
- \$50,000 trailer rental and site work
- \$50,000 interior contingency / other

Financing Plan for gatehouse and other amenity upgrades

Split allocation method - follows budget line item allocation

Allocate professional fees \$50,000 & \$50,000 contingency allowance by unit      \$200/unit  
Allocate construction costs \$400,000 by population (rec tag)      \$133/tag

Assessment for each unit type

One bedroom	$\$200 + (\$133 \times 4) =$	\$732
One bedroom den	$\$200 + (\$133 \times 5) =$	\$865
Two bedroom	$\$200 + (\$133 \times 6) =$	\$998
Two bedroom den & 3 br	$\$200 + (\$133 \times 8) =$	\$1,264

Master Council vote to implement special assessment.

Motion: Stan Cach      Second: Mike Szelak      Vote 5-0 in favor

Implement effective December 31, 2024, due in full January 31, 2025.

Homeowners will be notified when construction will begin, and any effects on entry into the Village.



### Homeowner Comment

1-318 The Shore Protection Dune Project new plan has significant changes. The new dunes extend much further onto the beach. The cost to run utility service to the beach amenities will be greater. The dunes could take away views.

Master Council members Joe Panepinto and Stan Cach expressed their understanding of his comments, share concerns and not additional changes to the plan regarding Icona were never discussed with Seapointe Village.

7-618 Asked about the expanded exercise room, suggests replacing some of the treadmills.

7-618 Asked about insurance. Jim Yost explained the coverage and how it is determined.

1-707 Asks about the dunes in front of Icona. The new plan pushes out the dunes to create an area between the Icona bulkhead and dunes where the tents are currently located.

1-319 Expresses concerns about Icona dunes affecting views for Seapointe owners.

2-517 Expresses concerns about width of Seapointe dunes. Joe Panepinto and Stan Cach concur that it is frustrating, especially since Seapointe dunes were already 90% compliant with the USACE design.

2-308 Asks about possibility of a Seapointe homeowner directory.