

President's Comments - continued

Master Council also provides information and documentation on the Association website, spvma.com. He noted two new cameras are streaming live on the website, one facing the plaza deck and one in Ibis pool.

Mission Statement – to preserve, protect and enhance quality of life at Seapointe Village. Correlate owner feedback guiding Master Council actions to enhance amenities. (non-smoking areas, covered seating at the beach, the exercise room, beach firepit, beach storage lockers)

Other major business items to be reported on during the meeting:

Plaza Deck rehab project – an update on close-out items will be provided during the meeting

Shore Protection Plan –update on schedule, working with our consultants and special legal counsel to monitor activity. He noted the article in this week's Cape May Herald.

He noted continued master planning for refurbishment of recreational amenities.

Additional future projects and costs anticipated include:

Dunes and walkovers during the 2021-2022 off-season with a preliminary budget of \$350,000 based on cost estimated obtained several years ago;

Gatehouse / front entry rehab with a preliminary budget of \$200,000 financed from existing reserves; exact year undetermined at this time

Street repaving sometime in the coming 5 years, with a preliminary budget of \$200,000 based on cost estimates obtained several years ago, but Master Council is also looking for Township participation to reduce this cost.

Also, Garden pool & lagoon rehab perhaps in 2021-2022 off-season, and Centre Court pool rehab after Garden pool. No budgets have been established for these pool rehab projects.

Storm water system inspection and monitoring

He reminded owners to register their bikes annually, and that village bike rooms are periodically inspected and unregistered, abandoned bikes are removed.

Reminders & recommendations to owners – replace original appliances, minimize chance of water damage by changing water heaters, ice maker lines, washer hoses, turn off water when leaving. Suggest homeowners have insurance and make sure contractors they use have insurance certificates. He noted there are contractor guidelines available on the website, in the Management Office and at the Security Gatehouse.

Thanks for attending and for participation in making Seapointe Village the premier location on the Jersey Shore.

Coronavirus (COV19) information from the Center for Disease Control available to attendees.

Manager's report: Jim Yost

Generally been an uneventful offseason, except for the visit to Wildwood January 28th by President Donald Trump.

The Master Association budget challenges focused on the impact of the minimum wage increase, utility cost increases, and controlling operating expenses. The village-wide budget challenges this year revolved around labor cost increases; insurance premiums; some operating cost increases, and gas expense increases.

Update on Hotel Icona development will be provided later during the meeting.

Rec tags this year have a red band white tag -going back to old design.

There have also been quite a few off-season projects throughout the Village
New cameras have been installed to provide additional coverage to plaza deck, west gate and Ibis pool area. 2 of them (plaza deck and Ibis pool) have been set up for live streaming to be viewed on the Association website.
Centre Court lower pool sidewalk drainage work done, and retaining wall erected next to bottom of slide. We are looking into some sort of shade for this area.
Sealant was replaced throughout the Garden pool deck.
The underwater lighting in the Garden lagoon will be replaced.
Playground equipment rehabilitated.
The basketball backboards will be replaced.
The tennis court and basketball surfaces will be recoated this Spring.
5 new BBQ grills before the season – yes, they will be Weber grills.
Beach walkways will be extended. We are using Accesdeck walkway on North Beach side.
New beach wheelchair purchased.

The Ibis zero-entry pool tile surface will be replaced this Spring.
The vertical filter rack in the Ibis pool pump room needs to be replaced. In order to replace the rack, the four filters need to be disassembled, the present rack needs to be removed, a new rack installed and the filters reassembled. Since the filtration systems will be shut down to perform this work, the Ibis pool will have to be closed. We have scheduled from April 20 thru May 22 to perform this work. At the same time this is done, we can have the zero-entry pool retiled and we can repaint the Ibis pool surface.

Other notable off-season projects throughout the Village
Garden Residences elevator modernization is in progress. Expected modernization project to be complete by end of April.
Pinnacle – new coating to SUF roof / new rooftop gutters will be installed in Spring.
Drop ceiling throughout the Centre Court parking area was removed in September/ contractors are working to secure wiring. New LED lighting installed throughout.
North Beach and South Beach changing over to LED lighting fixtures throughout their parking garage. New lights are much brighter (4000k) and use less electricity compared to fixtures they replaced. Expected to take 4-5 years to complete this change-over, replacing 5-6 lights per year.
South Beach is implementing new resident parking tags for 2020.
North Beach upgraded their exercise room with all new equipment / switched the meeting rooms and exercise rooms.

A total of 22 Seapointe Village condos (SPV & Ibis) are in the multi-listing (29 in 2019). There has been 3 resale to date this calendar year & 4 under contract. There were 21 units sold in 2019. SV Realty forecasts 15 sales in 2020.

Treasurer's Report: Mike Szelak

Fiscal year to date Review the handout for fiscal year to date April 2019 through February 2020.

Income is over budget by \$29,346. Expenses are over budget by \$16,590.

ITEM	AMOUNT	OVER/UNDER BUDGET	COMMENT
TOTAL INCOME	\$2,487,509	+\$29,346	1.19%
Administrative fees	\$27,977	+\$12,577	Resale activity
Reimbursable payroll	\$186,736	+\$13,736	Custodial / Maintenance
Miscellaneous income	\$65,283	+\$3,033	Beach storage lockers
TOTAL EXPENDITURES	\$2,266,670	+\$16,590	.07%
Professional fees	\$44,708	-\$11,292	Consultants/Engr.
Office operations	\$42,756	+\$3,731	Help wanted ads
Misc A&G expenses	\$14,617	-\$1,903	Meeting Expenses
Insurance	\$145,463	+\$7,283	Workers Comp premiums
Custodial expenses	\$34,508	+\$15,008	Tried contract supplies
Maintenance expenses	\$48,510	-\$740	Cost controls
Beach related expenses	\$45,058	+\$13,058	Tractors/tent/grading
Pool Operations	\$80,203	+\$16,203	Some 2018 exp carry-over
Security supplies	\$20,779	+\$9,750	2 AED; gate repairs
Payroll & related	\$1,070,417	+\$937	Net payroll var -\$12,799
Trash	\$23,320	+\$3,820	Bulk trash \$7,026
Electric	\$97,274	-\$12,226	
Gas	\$43,584	-\$1,416	
Water	\$125,881	-\$19	
NET INCOME	(\$5,808)	\$12,756	0.05% positive variance ytd

Account balances & related fiscal issues

As of March 3, 2020, Master Association cash is \$1,091,123.

<u>Account Balances</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating/Payroll	\$87,560	\$162,992	\$278,162	\$73,978
Capital Reserve	\$861,879	\$373,604	\$313,957	\$420,721
Deferred Maintenance	\$141,684	\$116,512	\$125,480	\$111,912
TOTAL	\$1,091,123	\$653,108	\$717,599	\$606,611

Reserve Replacement / Deferred Maintenance expenses fiscal year to date - \$2,171,196
 Reserve Replacement / Deferred Maintenance expenses during 2019-2020 fiscal year to date are \$2,171,196 of which \$1,997,881 is project-related; \$138,506 is identified as Reserve Replacement and \$34,808 is classed as Deferred Maintenance. Detail of the non-project expenses are shown below.

<u>Reserve for Replacement</u>	<u>\$138,506</u>	<u>Deferred Maintenance</u>	<u>\$34,808</u>
Beach trash cans	\$5,052	Plaza deck sealants	\$13,732
CCTV system	\$7,122	Signage	\$790
Golf cart	\$4,425	Trellis repairs	\$12,758
Tiki huts	\$8,292	Garden pool deck caulk	\$7,528
BBQ grills	\$3,995		
Benches	\$3,752		
Plaza deck furniture	\$5,166		
Playground equipment	\$11,871		
CC pool sitework	\$12,400		
Beach walkway	\$16,015		
Beach bathroom doors	\$3,268		
Exterior lighting	\$4,297		
Tennis court resurfacing (Dep)	\$10,000		
Dumpster repairs (17)	\$14,500		

2020 Master Association Budget - \$2,755,242 (3.2%) Increase
 He presented the 2020 fiscal year budget. The \$2,755,242 budget includes a 2.6% increase in condo fees, which is \$6, \$8, \$10 or \$14 depending on unit size.

The 2020 operating budget increases by \$84,296.

What increased and why:

- \$49,628 increase for payroll and wage taxes, most of which is driven by the minimum wage increase to \$11 effective 1/1/2020
- \$8,000 increase in beach operating expenses
- \$5,000 increase in custodial and maintenance operating supplies
- \$4,298 increase in bad debt reimbursement & depreciation
- \$3,750 increase in gas
- \$3,400 increase in insurance premiums (workers compensation)
- \$3,000 increase in trash removal expenses
- \$2,500 increase in security supplies

The budget handout includes a 3-page handout explaining components of each of the budget line items, along with the Ibis amenity usage fee calculation table.

Master fees for the 2020-2021 fiscal year (compared to prior year) are as shown below.

	<u>2019-2020</u>	<u>2018-2019</u>	<u>Change</u>
One bedroom	\$319	\$313	\$6
One bedroom / den	\$357	\$349	\$8
Two bedroom	\$395	\$385	\$10
Two bedroom / den & larger	\$471	\$457	\$14

2020 Budget, continued

Upon a motion by Szelak, second by Ferrara, the 2020 Seapointe Village Master Association operating budget passed as proposed by a 6-0 vote.

Part of the Treasurers report is motion to transfer \$100,000 from Deferred Maintenance to Reserve Replacement. Current funds in DM over \$140,000, currently funding at \$32,000 annually, average spending less than \$25,000. Motion by Szelak, Second by Ferrara, motion passes 6-0.

He reminded owners about the collection policy and late payment fees, and that the policy would be distributed to all owners with the 2020 condo fee mailing.

Accountant perform 3/20/2020 audit fieldwork first week in June. Accountants using the Financial Reporting Framework for Small & Medium Size business Entities in presentation of Reserve Replacement and Deferred Maintenance Funds (Equity as opposed to Liability)

Committee reports:

Landscaping: Jim Yost

The pre-season landscaping cleanup is scheduled to begin in early March. The Spring work will be mostly routine cleanup and mulching. The arborist is scheduled to perform annual pre-season inspection in mid-March. Flower delivery is scheduled for Tuesday April 28th.

Beach: Jim Yost

Beach grading and raking has been on-going 3 times per week for most of the off-season. The fencing installed along the east side of the dunes continues to aid in additional sand accretion on the dunes to enhance the crest width. The tractor raking has defined a line along the toe of the dune which has led to a relatively consistent back line of the dunes.

At this time the height of the sand on the back beach area is approximately one foot higher than the elevation of the landings. There is too much sand on the back beach area.

The beach amenity plan is consistent with last year, including the tented seating area. The tent will again be rented, scheduled to be put up the week before Memorial Day and removed the week after Labor Day. Amenity placement will begin in early May.

There are 62 beach storage lockers available for rental. We were unable to build any more this off-season, but will schedule for 6-12 more next year. We will distribute lottery forms with the condo fee mailing in the coming weeks. Rental fee to remain at \$275 for this season.

Our consultants will be conducting their annual pre-season beach survey this coming week. New DEP rep conducting the inspections.

Pools: Jim Yost

Pre-season work will begin week of March 30. Pre-season opening will begin at oceanfront pool, then move to Garden pool, then finally to Centre Court.

The Ibis pool will be closed for an extended period of time in April and May for pre-season maintenance and work to replace the filter rack. The vertical filter rack in the Ibis pool pump room needs to be replaced. In order to replace the rack, the four filters need to be disassembled, the present rack needs to be removed, a new rack installed and the filters reassembled. Since the filtration systems will be shut down to perform this work, the Ibis pool will have to be closed. We have scheduled from April 20 thru May 22 to perform this work. At the same time this is done, we can have the zero-entry pool retiled and we can repaint the Ibis pool surface.

Steve McBride, Jose Otero & Steve Sorenson will be supervising the department. Steven and Jose will concentrate on getting the pools open for the season, then the daily operations while Steve Sorenson (along with Dave Lindsay) will handle the beach for the summer. Most of the beach lifeguard staff is returning.

So far, about eight from last years pool guard staff will be returning. Jeff Dudley will return to conduct Red Cross certifications.

A copy of the 2020 hours of operation for recreational facilities is attached. The hours for the firepit on the man-made beach remain until 11pm, consistent with the Ibis firepit.

Personnel & Security: Jim Yost

All four department supervisors are returning. Department supervisors are focusing on pre-season work and facility opening, and payroll cost controls. Security staff emphasis on ongoing training and consistency of procedures.

Unfinished Business:

Ocean Front Hot Tub Area Rehab Project

Status of remaining outstanding items. The items, current status and cost (if any) as shown below.

<u>Item</u>	<u>Status</u>	<u>Cost</u>
Kynar finish on Main Pool Aluminum Gazebo	Completed	\$15,500
Garden Spa Waterwall corner barrier	Completed	\$4,638
Landscaped Area lighting	Completed	-\$0-
Lighting on elevated deck stairs	Completed	\$4,297
Exhaust pipe wall	Completed	\$4,500
Laminated SentryGlas for the elevated deck	Eight panels incomplete	\$35,329
Spa Coping Replacement	Removed in October	-\$0-
	Awaiting completion by MLPC	
Pipe supports for the main pool rain curtain	Installed by end of March	
Fountain Feature overspray	Open	TBD
Shade covering for main pool gazebo	Open	TBD

At the September work session, we estimated \$90,000 to complete the outstanding items. As of March 3, 2020, total expenditure is \$64,264.

Ocean Front Hot Tub Area Rehab Project Assessment Update

The total assessment for the project is \$4,057,712. At the September meeting, the assessment was implemented effective October 15, 2019, due November 15, 2019. Owners were given a monthly payment plan option.

As of March 3, 2020 the amount outstanding from owners = \$171,747 (4.2%; 95.8% collected)
As of March 3, 2020 the balance on the line of credit = \$180,463

37 owners still owe/have a balance. 17 opted for the payment plan. \$15,232 is expected to be uncollectible from 2 owners.

Shore Protection Plan

Our environmental consultant Joe Lomax reports that NJDEP/ USACE advised him the earliest commencement for the project is Fall 2021 into early 2022. (see article in this weeks Cape May Herald). We have repeatedly expressed concern that work not take place on our beach between May and September.

There have been no new revisions to the 60% Plans for Seapointe since earlier versions, other than confirmation that there will be no sand borrowing from the Seapointe beach. There would be three pedestrian walk-overs, and a vehicle cross over at Memphis Avenue. As stated previously, an ADA accessible walk-over is proposed in front of The Grand. The board of The Grand is opposing this walk-over, suggesting it be relocated to the end of Memphis Avenue next to the vehicle cross-over.

Our special legal counsel Anthony DellaPelle reports he had oral argument in the appellate courts for the pending challenges to the Army Corps project involving properties in Bay Head, Berkeley Township and Point Pleasant Beach. The argument was scheduled 2/3/2020. He expected a decision sometime in March.

Note the handout – article in the March 4, 2020 Cape May Herald about the project.

ICONA Development

at the Jan 16th Lower Township Planning Board meeting the application to expand the hotel and recreational facilities was approved. Things got a bit heated once again between Eustace Mita and his neighbors at The Grand.

Icona also applied for a CAFRA Application. This is the next step in the process. The Grand responded by requesting the DEP hold open public meetings on this matter. The DEP responded that a public meeting would be held only if any essential information could not be obtained in any other way.

First Response – Fire

Lower Township has extended the agreement with Wildwood Crest for WWC Fire Department to continue first response for fire alarms through 2022.

New Business:

Master Plan

Stan Cach announced a meeting of the joint Village Council members would take place this Spring/early summer to discuss future planning for the Village, review chronology.

Homeowner Comment

1-318 Commented that in Sea Girt there were open walkways between dunes, was uncertain whether this was agreed upon by DEP as final.

1-406/410 Commented about water wall behind kiddie pool not being as strong as initially represented before project took place.

Before closing, Stan Cach reminded attendees about daylight saving time and clock change.

With no further questions, the meeting was adjourned at 11:10 am.