

Reminder to all owners to replace original appliances, minimize chances of water damage by changing water heaters, ice maker lines, washer hoses, and to turn off water when leaving the condo. And we suggest homeowners have insurance and make sure the contractors they use to perform services in your condos also have insurance certificates.

Manager's report: Jim Yost

The staff has been working to maintain the village infrastructure, facilities and amenities, plaza deck beach and pools.

Challenges with the Master Association and Village 2021 budgets (impact of minimum wage increases, COVID-related expenses and procedures); results for fiscal year ended 3/31/2021 are mixed but within acceptable ranges.

As stated previously, the biggest challenge this summer is maintaining staffing levels to provide expected services. Staffing shortages are impacting the Shore and almost all seasonal businesses. Larger unemployment compensation rates, expected reduced number of foreign student workers, fewer workers from outside mainland US, and lack of affordable housing are all impacting the labor market. Some businesses are offering \$1,000 hiring bonuses and dramatically higher hourly rates compared to previous years.

Master Council continues to monitor the Shore Protection Plan, FEMA flood insurance concerns, and the impact of graduated minimum wage increases.

Safety continues to be of importance: the inter-local agreement with Wildwood Crest providing first response coverage for fire alarms continues thru 2021, LTPD and First Response will be present in Diamond Beach.

He noted Village strengths: landscaping, pools and the beach. He noted the staff experience and professionalism – supervisors, full time year round staff and many returning seasonal staff.

Swiftreach community outreach notification service in place, broadcast email & text.

ACH for automatic condo fee payment is in place. 25% participation at present. There is no charge to participating homeowners. Participation is voluntary.

The cost to replace a lost recreation tag is now \$50. This increase from \$25 represents the first time rec tag replacement fees have increased in over 25 years.

Resale activity is strong - (by end of June there will be 19 sold year to date). One unit is in the multi-list. SV Realty reports rental activity year to date is ahead of last year. 25% of SV owners have owned less than 5 years. 44% have owned more than 25 years.

Parking meters on Memphis Avenue have been eliminated. The ParkMobile parking app is in effect. We also purchased two immobilization boots in event some individuals repeatedly decide they don't want to pay for parking.

Association Management Office hours are 9 AM – 5 PM daily thru Labor Day.

All of the constituent village meetings that are scheduled for during the Memorial Day Weekend will also be conducted via video-conference. SV I & V this afternoon; SV IV, III and VII Sunday

Coronavirus related

In light of Monday's announcements by the State of New Jersey, as of Friday May 28 the State indoor mask mandate will be lifted and face coverings will no longer be required in the multi-family buildings and social distancing is no longer mandated if you have been fully vaccinated. If you feel more comfortable wearing your mask you may continue to do so. If you have not been fully vaccinated, we are strongly encouraging you to follow CDC guidance and wear a face mask in any indoor public setting.

Strict capacity limits are no longer in effect for the pool areas but the lounge chairs are set up to allow for spacing between groups. Pool monitors will continue to verify rec tags, unit number and resident last name.

As of Friday May 28 the exercise rooms and meeting rooms are open.

Treasurer's Report

2020-2021 Fiscal year recap Preliminary financial statements for fiscal year April 2020 through March 2021 operating performance compared to budget indicate the fiscal year finishes with a \$70,267 deficit before adjustments and journal entries.

Income is over budget by \$27,373. Expenses are over budget by \$97,640.

ITEM	AMOUNT	OVER/UNDER BUDGET	COMMENT
TOTAL INCOME	\$2,782,615	+\$27,373	1.159%
Administrative fees	\$41,500	+\$24,250	Resale activity
Reimbursable payroll	\$205,515	+\$5,515	Custodial / Maintenance
Miscellaneous income	\$64,608	-\$2,392	Vending, parking
TOTAL EXPENDITURES	\$2,581,886	+\$97,640	3.93%
Office operations	\$48,980	+\$4,230	Help wanted ads
Management Fee	\$270,000	+\$10,000	Timing
Insurance	\$166,817	+\$13,317	Workers Comp premiums
Custodial expenses	\$41,714	+\$16,714	PPE
Maintenance expenses	\$37,365	-\$13,635	Expense controls
Beach related expenses	\$79,160	+\$39,158	Tent/lockers/grading
Pool Operations	\$83,829	+\$13,830	Testing service, LG certs
Security supplies	\$9,375	-\$3,125	
Payroll & related	\$1,242,205	+\$60,397	Seasonal bonus
Trash	\$33,544	+\$10,544	Bulk trash \$11,263
Electric	\$104,576	-\$11,924	
Gas	\$38,103	-\$14,647	
Water	\$135,195	+\$9,195	
NET INCOME	(\$70,267)		2.55% negative variance

2020 fiscal year pandemic impact – approximately \$83,000

In-season retention bonuses approx. \$46,000
 Special cleaning supplies and PPE \$11,884
 Contract cleaning \$7,480
 Pool monitoring (1200 hours) – approx. \$18,000

Account balances & related fiscal issues

As of May 6, 2021, Master Association cash is \$1,330,901. Total combined reserve accounts equal \$1,127,794 (\$857,921 last year).

<u>Account Balances</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating/Payroll	\$105,334	\$88,705	\$204,537	\$146,627
Capital Reserve	\$1,048,405	\$810,703	\$484,445	\$504,226
Deferred Maintenance	\$79,389	\$47,218	\$146,763	\$128,339
TOTAL	1,233,128	\$946,626	\$935,745	\$779,192
Rehab Assessment	\$97,773	\$202,827	\$457,508	
TOTAL	\$1,330,901	\$1,149,453	\$1,293,253	

Balance on line of credit -\$0- \$137,789 \$784,463

Note: Seapointe received confirmation May 7th that the \$219,887 in PPP funds was forgiven.

Plaza Deck Assessment Update

The total assessment for the project is \$4,057,712. \$37,248 (0.92%) is still outstanding from 12 owners, of which \$15,232 is expected to be uncollectible from 2 owners.

Reserve Replacement / Deferred Maintenance expenses - \$162,966

Reserve Replacement / Deferred Maintenance expenses during 2020-2021 fiscal year are \$162,966 of which 100% are classified to the Reserve Replacement fund.

Stormwater system engr	\$11,331
Copier	\$6,450
Ibis pool tiling	\$26,656
Lounge chair restrapping	\$20,530
Dumpster repairs	\$12,881
Ibis pool filter rack	\$13,578
Tennis court resurfacing	\$20,151
Garage drainage grates	\$7,357
BBQ grills	\$7,242
Plaza deck trellis	\$9,150
CCTV system upgrades	\$7,063
Golf cart	\$5,864
Centre Court pool sitework	\$3,395
Trash cans	\$2,771
Plaza deck umbrellas	\$2,479
Loan interest/fees	\$4,495

Note: An additional 1,100 linear feet of AccessRec beach walkway was purchased which was paid in April 2021 (subsequent fiscal year).

Year end accounting

St. Clair/CPA Solutions will perform the 3/31/2021 work for Master and villages. Draft financial statements will be issued by early August, and final statements by Labor Day. This is the sixth year of service.

2021 Master Association Budget - \$2,836,620 (3.0%) Increase

The 2021 Master Association budget was finalized with a 2.9% increase in condo fees.

The 2021 operating budget increases by \$81,378.

What increased and why:

\$47,692 increase for payroll and wage taxes, most of which is driven by the minimum wage increase to \$12 effective 1/1/2021

\$16,568 increase in reserve contributions

\$12,200 increase in insurance premiums (\$9,000 in umbrella liability \$3,000 in G/L)

\$9,000 increase in water expense

\$8,000 increase in beach operating expenses

Looking ahead into summer months

The staffing shortage is a major concern.

There is uncertainty regarding seasonal staff arriving in Wildwood

There is uncertainty regarding rental availability for out-of-town seasonal staff

Spikes in pay rates for seasonal employees at the Shore

Seapointe Village initiated voluntary ACH (automatic withdraw) of monthly condo fees.

The current participation rate is about 25%. Interested homeowners must complete and return the written authorization for auto condo fee payment. The ACH participation form is available on the Association website (www.spvma.com) or in the Office. There is no charge or convenience fee implemented by Seapointe Village for this service. The Association will schedule this withdraw to be done on the 5th of the month, (or the first business day after the 5th if the 5th falls on a weekend or holiday).

Landscaping

The pre-season landscaping work is complete. Flowers arrived April 27th. The flower plan for 2021 includes with begonia salvia, verbena and geraniums. Red annuals have been planted on Dune Drive. The landscaping and arborist have been closely monitoring the shrubs and trees throughout the village.

Beach

The new beach walkways have been installed at the Ibis walkway (farthest south), the South Beach walkway and the North Beach walkway. The new walkways extend from the dune landings all the way to the high tide line, which should make it easier to make your way to your favorite spot on the beach for sun bathing. Seapointe Village has invested over \$70,000 in new walkways over the last 2 years.

We also purchased the new beach tent and built the new seating platform under the tent. The investment of over \$15,000 for the new beach tent and platform is projected to save Seapointe Village more than \$30,000 over the next five years, through eliminating seasonal rental expense.

Beach, continued

The beach layout and additional amenities, including walkways and connectors, the Ibis Lane landing, tiki umbrellas, volleyball and tetherball will generally follow past years layout, with exception that all of beach storage lockers will be located in front of dunes to the southern end of our beach.

This drawing for the beach storage locker lottery took place on Monday May 17th. Demand for the beach lockers was greater this year than any year in the past, and even though an additional 16 lockers were constructed for this season, (bringing the total number of available lockers to 78) there were more Seapointe Village owners that entered the lottery this year that did not get a locker than ever before.

We will build more lockers this coming off-season, and hopefully we will reach the point where supply meets demand.

The beach grill will be open Friday through Monday of Memorial Day Weekend, then weekends through June 12th. It will be open daily from June 18th through Labor Day. The fall hours of operation will be occupancy dependent.

Once again this year, beach tents and canopies are restricted to back beach areas. Also, our northern and southern boundaries will be delineated with decorative bollards and rope along with signage, to assist our beach ambassadors in monitoring activity.

In April, the US Fish and Wildlife Service sent notice of closing of the beaches south of Diamond Beach from April 1 thru September 30 to protect migratory shorebirds. They have also posted large banners on the property line.

Pools

Strict capacity limits are no longer in effect for the pool areas but the lounge chairs are set up to allow for spacing between groups. Pool monitors will continue to verify rec tags, unit number and resident last name.

There is one entry/exit gate for each pool area (same as in 2020). A rec tag is required for entry. There will be a monitor at the gate. The monitor will be checking for rec tags, and is recording tag number, condo unit number and resident last name. Even if pandemic restrictions are lifted completely, the one entry/exit gate for tag checking control will continue.

Steve McBride and Jose Panesso will be supervising the department. Most of the beach lifeguards are returning and have many years experience on the beach. Mike D'Amico has returned early and is handling the beach guard pre-season duties.

We expect a large turnover in pool guards, probably over 50% will be new this season. Jeff Dudley conducted the first round of pool lifeguard several weeks ago and a second round of training will take place the weekend of June 19-20.

We are closely monitoring staffing levels and the shore labor market the seasonal labor market typically has the largest impact on the Aquatics Department.

Personnel & Security

Seapointe Village benefits from experienced department heads, pre-season planning, and (hopefully) returning seasonal staff.

Mel Casanova leads the Custodial Department. Besides the full time year round staff, most expected seasonal staff are returnees.

Wayne Craig oversees the Maintenance Department, which did an efficient job this off-season completing projects throughout the village.

Roger Eckhart is the Security Supervisor. The department has mostly returning staff. He requested and encouraged continued cooperation from all owners regarding compliance with CDC recommendations and guidelines.

Unfinished Business

Shore Protection Plan

The project is tentatively scheduled to take place during the 2022-2023 off-season.

Seapointe Village will be taking a pro-active approach, preparing a plan and submitting it to the NJ DEP and the USACOE as well as to Lower Township, recognizing our beach is unlike all the areas north of us in that our beach undergoes sand accretion, NOT sand erosion, on to the beach up to the dunes and access walkways and the sand continues to naturally build up on the beach going westerly. The existing dunes are already being constructed in accordance with the ACOE's design to sustain effective storm protection. SV probably has as much as 90% of the dune elevation already in place.

We will request grant funding to construct the dunes and the walkover systems, especially since the system now protects and will additionally protect and serve the further extent of the Diamond Beach area and supports the public obligation of beach access.

Seapointe will be requesting to include the dune walkovers within the construction costs funded by the State/Federal governments. Construction on our property is being planned for an access pier/ramp system for all four private property owners.

The Association's long term commitment to construct, maintain and expand perhaps the most robust privately constructed and maintained dune system on the Jersey coast should be acknowledged. Seapointe Village wants to retain ownership of the dunes and will suggest an access easement, to allow the USACOE and NJ DEP to come onto Seapointe property to inspect and enhance dunes to the current standard, while the Seapointe Village retains ownership.

Exercise rooms

As of Friday May 28 the exercise rooms will open. Hand sanitizer and disinfecting wipes will be available, and the rooms will be closed periodically during the day to allow for staff to wipe down all equipment, while trying to minimize any inconvenience to users. Please be considerate of your fellow residents.

Reserve for Master Plan / Anticipated Projects

<u>Project</u>	<u>Timeframe</u>	<u>Budget</u>
Outfall extension	2021-2022 off-season	\$400,000
Gatehouse / front entry	2022-2023 off-season?	\$200,000
Dunes / walkovers	2022-2023 off-season	\$450,000
Street repaving	in the coming 5 years	\$200,000 Twp participation?
Garden pool & lagoon	2023-2024?	Unknown
Centre Court pool	after Garden pool	Unknown
Storm water system	TBD	Unknown

Sales/Rental Report

One Seapointe Village condos (SPV & Ibis) is currently in the multi-listing. There have been twelve resales to date this calendar year. By end of June, that number will increase to at least 18.

SV Realty reports their rental inventory has decreased approximately 20% in just 2 years. They report this year is the busiest pre-season they have ever experienced, and their July inventory of rental periods is sold out.

New Business

Outfall Extension: Consultants are working on design and bid documents. Project will be competitively bid, at two extension lengths of approximately 150' and 240' and bid documents will provide contractor scheduling flexibility to aid in obtaining lowest possible project cost. Objective is to have extension completed before Spring 2022.

Public Comment

- 2-517 Will outfall extension be fully underwater. A-yes
- 2-708 Asked about South Beach 7th floor hallway ceiling A – pending roof repairs
- 2-708 Asked if CDC Guidelines for elevator use remain in effect, limiting suggested use to one party/family/group at a time. A-CDC Guidelines have been lifted.
- 5/117 Asked of videoconference meetings will continue once pandemic restrictions are lifted. A- possibly for some meetings
- 3-503 Suggests finding a hybrid (in-person and video meeting)
- 5-221 Asks if single point of entry will remain for pools. Requested a different entry point be considered for Centre Court because current point requires steps, and is difficult to navigate for parents with strollers and smaller children. A – single point of entry will remain; will discuss changing entry point at Centre Court to make access easier.
- 2-708 Asks status of club license A- application submission pending
- 5-214 Asks if Assn governing documents permit club license; A – they are silent. Asks about insurance impact; A – disclosure on forms necessary. Asks about control of license A- uncertain at this time (ABC rules will govern).
- 2-218 Suggests a revenue sharing approach with beverage outlet operator.

Public Comment, continued

2-712 Asks if Seapointe owns the dumpsters A – yes

5-209 Asks about hot tubs

5-407 Question about club membership – is there a card?

2-404 is there a membership wait time? A – ABC rules will govern

2-708 Stated that club south of Seapointe allows membership to be shared

5-404 Consideration of having owner vote. A- there will be a survey

There were no further questions, and the meeting was adjourned at 10:30am.