

DRAFT
SEAPOINTE VILLAGE MASTER ASSOCIATION
Open Council Meeting
Saturday, March 8, 2025
Meeting conducted by video-conference

Meeting was called to order at 9:00 a.m.

Roll Call:	SPV I – Joe Panepinto	SPV II – Stan Cach
	SPV III – Bill Porcek	SPV IV – John Ferrara
	SPV V – Mike Szelak	SPV VI – Anita Magatti
	SPV VII – Matt Marra	

Proof of notice was emailed to homeowners on February 12, 2025. The link to the video-conference and meeting materials were emailed on Thursday March 6, 2025.

Approximately 105 homeowners participated in the meeting

Approval of minutes

Upon motion by Ferrara, second by Magatti, minutes of SPV Master Meeting held December 7, 2024 were accepted as presented.

President's Comments: Joe Panepinto

Good morning!

I would like to thank all of you for participating in today's meeting.

Before we start I would like to clarify that, contrary to what our treasurer Mr. Szelak would like, we will not be starting this meeting with a rendition of "Fly Eagles Fly".

It has been an extremely busy time for the Master Council and thankfully a rewarding one. After last year's insurance crisis the Council worked long and hard to rectify that situation and achieved great results in lowering the premiums for all of the villages.

However, slay one dragon and another appears in the form of the newly enacted "Structural Integrity Law". This law mandates that all condominium associations must have a reserve study for their properties and more importantly they must fund the potential costs outlined in those studies. This has led to massive increases in the funds that we are expected to collect. In many cases the fund balances are unattainable. To give you a little history, Seapointe Village has been ahead of the curve in maintaining our complex. We have had yearly structural inspections long before they were required and each village had their own reserve study. Now, because of several building collapses the State has stepped in. The Master has developed a strategy of carefully scrutinizing these reserve studies to eliminate any frivolous expenditures and working with the creators to come up with a plan that makes financial sense for all of the villages.

We are still in the dark as far as the Shore Protection Plan parameters and what it means for Seapointe. Jim will bring you up to date in his report.

Lastly let me reiterate what I have said before. Seapointe Village is nearly 40-years old this year. That is the magic number for the onset of costly repairs and expenditures as per the insurance industry.

The Master Council is acutely aware of how costly it is for all of us to maintain a residence here at SPV.

That is why we carefully explore any and all alternatives before we spend any funds. We do research to collect as much data as possible. While we are reluctant to spend, please be assured that we will never ignore or dismiss any issue that could potentially harm our community. Not under my watch!

Thank You - I'll turn it over to Jim for the Manager's Report

Manager's Report

January and February are dedicated to preparing the budget for the Master Association and constituent villages for the upcoming fiscal year. The Master Association budget challenges focused on increases in reserve contributions and energy costs.

Budget and condo fee information will be distributed in the coming weeks.

New State legislation – Structural Integrity Act mandates periodic structural inspections, requires reserve study updated and mandates appropriate funding of both reserve for replacement and deferred maintenance schedules. The recommended reserve contributions included in reserve studies are also increasing. Engineering firms that prepare reserve studies are factoring the increasing costs of materials and labor to replacement costs of association assets.

Two units under contract in 2025 year to date and two listed for sale. Demand remains high but listings are few. Local and national trends reflect strong demand for sales and rental properties.

The inventory for rental properties at Seapointe Village is down but this is consistent in the Wildwoods. SV Realty reports demand for vacation rental properties is high for the 2025 season.

The rec tag/elastic wristband is green with white print and are sequentially numbered. There are also smaller sizes for children. They will be available in early May.

We refurbished 25 of the original beach storage lockers and built 10 additional for a total of 110 beach storage lockers for 2025. Seasonal rental fee for 2025 is \$400.

Same as for past 2 seasons, some will be placed some at the northern end of the beach.

The lottery for beach storage lockers will again take place in May. We will send notice along with the 2025 budget/condo fee information. Based on recent past years, the number of owners wanting a locker will likely exceed the number of available lockers.

Ibis Pool HVAC/dehumidification system replacement completed this past week (\$197,000). Roof under HVAC system will be replaced during system replacement (\$10,000).

Pinnacle exercise room expanded and equipment reoriented. Expect to be open week of March 17th once flooring is complete.

The Pinnacle game room has been converted into a play room for kids – focused on ages 2-7. Special thanks to Seapointe Realty for their significant financial contribution, and to Broker/Office Manager Judy Huber and Director of Operations Dorothy Lindholm for their design efforts.

A scammer listed a Seapointe residence for rent on Apartments.com.

At its March 6th meeting, the Lower Township Zoning Board approved demolition of several commercial buildings on Pacific Avenue and replacement with residential housing.

North Beach balcony waterproofing project stopped for 2 months due to cold weather. Work will resume this coming week and expected to be completed by end of April. This project involves removal of balcony railings, prepare and waterproof balcony surfaces, powder-coat balcony railings and reinstall. Project includes new railing brackets and replacement of about 50% of bolts securing the brackets to the balconies.

Garden Residences will be replacing four exterior balcony support beams this Spring.

Treasurer's Report

Financial Review – Preliminary financial statements for fiscal year April 2024 through February 2025 operating performance compared to budget indicate:
Income is over budget by \$13,098. Expenses are over budget by \$9,862.

ITEM	AMOUNT	OVER/UNDER BUDGET	COMMENT
TOTAL INCOME	\$3,288,402	+\$13,098	+0.4%
Administrative fees	\$16,289	+\$1,089	
Miscellaneous income	\$141,483	-\$1,517	
Reimb. Payroll	\$243,526	+\$13,526	
TOTAL EXPENDITURES	\$3,085,861	+\$9,692	+0.4%
Professional fees	\$81,564	-\$2,936	
Office operations	\$47,493	-\$2,607	
Misc A&G Expenses	\$27,088	+\$3,552	
Insurance	\$211,976	+\$9,376	
Custodial expenses	\$27,706	+\$206	
Maintenance expenses	\$70,157	+\$11,908	
Landscaping	\$170,019	-\$1,981	
Beach related expenses	\$38,837	-\$11,163	
Pool Operations	\$110,870	+\$3,870	
Security supplies	\$14,924	-\$1,826	
Payroll & related	\$1,599,885	-\$29,315	
Trash	\$21,077	+\$2,577	
Electric	\$97,826	+\$1,826	
Gas	\$73,427	+\$12,927	
Water	\$176,739	+\$16,539	
NET INCOME	(\$58,181)	+\$3,406	0.1% positive variance

Expect to end the fiscal year with a slight deficit, less than 1%, attributed to utility expenses.

Account balances

As of February 28, 2025, Master Association cash is \$1,163,457.

Account Balances	2025	2024	2023	2022
Operating/Payroll	\$247,269	\$193,921	\$152,880	\$157,568
Capital Reserve	\$863,264	\$296,453	\$407,824	\$964,404
Deferred Maintenance	\$52,924	\$36,063	\$12,277	\$73,608
TOTAL	\$1,163,457	\$526,437	\$572,981	\$1,195,580

NOTE: Of the \$500,000 gatehouse assessment, only \$33,765 outstanding from 32 owners.

Reserve Replacement / Deferred Maintenance expenses fiscal year to date - \$239,363
 Reserve Replacement / Deferred Maintenance expenses during 2024-2025 fiscal year to date are \$239,363, of which \$228,999 is classified as Reserve Replacement and \$10,364 is classed as Deferred Maintenance. Detail shown below.

<u>Reserve for Replacement</u>	<u>\$228,999</u>	<u>Deferred Maintenance</u>	<u>\$10,364</u>
Ibis pool bldg. roof framing	\$48,200	Plaza deck joint repairs	\$10,364
Gatehouse	\$58,705		
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		
Beach tractor rake	\$5,110		
Ibis pool flat roof	\$10,723		
Pinnacle exercise room	\$17,309		

2025 Master Association Budget - \$3,733,732 (5.1%) Increase

The 2025 Master Association budget increases \$182,358 (5.1%) and includes a 4.3% increase in condo fees.

What increased and why:

\$64,753 (20.7%) increase in reserve contributions

\$47,300 (13.8%) increase for utilities

\$19,800 (12.4%) increase in allowance for water

\$15,500 (24.1%) increase in allowance for gas

\$11,000 (10.9%) increase in allowance for electric

\$47,975 (2.8%) increase for payroll and wage taxes

\$23,000 (4.8%) increase in operating expenses

\$20,000 (11.3%) increase in landscaping / extermination

Master fees for the 2025-2026 fiscal year (compared to prior year) are as shown below.

	<u>2025-2026</u>	<u>2024-2025</u>	<u>Change</u>	<u>%</u>
One bedroom	\$422	\$405	\$17	4.20%
One bedroom / den	\$474	\$455	\$19	4.18%
Tow bedroom	\$527	\$505	\$22	4.36%
Two bedroom / den & larger	\$631	\$605	\$26	4.30%

Motion to accept budget by Szelak, second by Ferrara; vote 7-0.

Budgets throughout the villages were mostly positively affected by reductions in property insurance premiums but adversely affected by mandated reserve contributions and increasing energy and utility costs.

Committee Reports

Landscaping:

The pre-season landscaping cleanup has begun. The Spring work will be mostly routine cleanup and mulching. The arborist is scheduled to perform annual pre-season inspection the third week in March. Flower delivery is scheduled for late April.

Beach:

Beach grading and raking has been on-going 1-2 times per week for most of the off-season. It has been more difficult to maintain a line along the toe of the dune this year compared to previous years.

The beach amenity plan will be consistent with previous years.
Beach set up will begin last week April.

There are 110 beach storage lockers. Most will be located at the southern end, some placed at the northern end of the beach. The lottery for beach storage lockers will again take place in May. We will send notice along with the 2025 budget/condo fee information. Based on recent past years, the number of owners wanting a locker will likely exceed the number of available lockers. Seasonal rental fee is \$400 for this season.

Aquatics

Off-season maintenance list includes replacement of Ibis HVAC/dehumidification system and sandblasting/painting of Centre Court pools.

The largest off-season project is a replacement of HVAC/dehumidification system for Ibis pool, which was completed this past week.

This off-season, the Ibis pool facility is open 10am – 10pm. 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. Ibis has functioned well this off-season.

Pre-season work will begin week of March 25. Pre-season opening will begin at oceanfront pool, then move to Garden pool, then finally to Centre Court.

Regular schedule calls for the Ibis pool to be closed for the week after Mother's Day for pre-season maintenance.

2025 seasonal pool schedule is attached.

Personnel

Custodial has 6 full time year-round staff. We will add staff in early April for pre-season power washing, facility preparation and flower planting. Peak season staff is 18 full time, or 720 hours per week late June thru Labor Day. The Department functioned with 13 staff in summer 2024.

Maintenance has five full time year-round staff plus one part time employee for beach raking. Peak season staffing is 230 hours per week. No change to annual staffing standards.

Security Security operates at 256 hours per week, one per shift plus a second guard daily 8 AM – 4 PM. Seasonal staff increases begin in early May. Peak season staffing will be approximately 524-544 hours per week – 3 per shift, plus tag checking. Tony Kiska is Dept Supervisor. He expects all 2024 staff to return in 2025.

Unfinished Business

Shore Protection Project

A lot of uncertainty revolves around the Project at present.

Recent articles in the Cape May Herald indicate that the three Borough of Wildwood Crest Commissioners oppose the project for several reasons, including concerns that the borrow area from Borough beaches will have an adverse effect on useability and safety of Crest beaches.

According to the articles, the Crest will pass a resolution at the March 12th Commissioner's meeting to pull out of their State Aid Agreement with the NJ DEP. Such action would essentially kill the Project as it is currently designed.

City of Wildwood Mayor Ernie Troiano also strongly opposes the Project but is allowing Wildwood Crest to take the lead.

The State is attempting to strong arm the municipalities, implying that future FEMA funds to rebuild in event of significant storm damage would be withheld from municipalities that back out of their Agreements to move forward with the Project.

The DEP is in a holding pattern at present until the matter is resolved.

Assuming the Project stays on track, work is expected to begin in early 2026.

Main Entry / Gatehouse Project

Delays in receiving the final plans and drawings from architect Darren Vickery (referred by Tom Bauer) has postponed the project until Fall 2025.

As of 2/24, he states he is basically 100% complete with permit drawings and doing final review/coordination with the structural engineer early the week of 2/24-28.

While the goal was to have the new gatehouse completed by Spring 2025, the delay will afford us additional time to solicit contractors that would not have been able to bid had the project taken place in Spring 2025.

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

Gatehouse Assessment was a split allocation method – following the 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

Of the \$500,000 assessment implemented in December, we have collected over \$466,000 and there is \$33,765 due from owners as of 2/24.

DRAFT

New Business

Upcoming Meetings

The Master Association Annual Meeting is scheduled for Saturday June 14th at 9am. (Sunday before Father's Day), Meeting will be conducted by video-conference.
Open house dates in July and August have not been scheduled.

Homeowner Comment

4-214 asked about condo fee breakdown between Master and Village

1-318 commented that utility bills are going up, we should be more vigilant knowing that the increase are coming

7-518 asked about location of the Kids Play Room

1-318 concerned about the Shore Protection Project and consequences for Seapointe

1-311 asked when the Township meetings occur

7-316 asked if gatehouse architect faces a financial penalty for not meeting deadline / asks if Ibis agreement still in place for Ibis owners use of indoor pool and Seapointe facilities

5-114 asked who was behind the design and furnishing the Kid's Room / Thanked Chris Adam for being a resource and keeping us informed / Expressed disappointment with Township changes to business area on Pacific Avenue / asked about landscaping budget increases

7-616 asked about status of structural assessment & reserve study reports

7-518 asked if Carini's and South Station will be open this season

4-214 asked when the beach shack opens/closes and if there will be chair rentals

1-311 asks if North Beach garage entrance is closed due to the balcony project / as the gatehouse drawings on the website / contractor selection/final numbers for the gatehouse project

7-316 asks about contingency in place for offset any additional expenses for gatehouse

1-406 asks if Icona is fighting the Dunes / states that without dues built there, our property is at risk / who is responsible to watch kids in playroom

1-512 how much has been completed in the NB Balcony project / asks for explanation about line item for trailer rental for the guard house project

2-318 asks if government changes including FEMA will modify including dune project

2-401 asks if meeting video will be posted on SPVMA website.

2-705 asks if the main entrance water fountain will remain this year and in the future

There were no further questions, and the meeting was adjourned at 10:15 a.m.