



***THE LASAMMANA CONDOMINIUM OWNERS ASSOCIATION, INC.***

**NOTICE OF ANNUAL MEETING 2021**

**TO: ALL INTERVAL OWNERS**

PLEASE TAKE NOTICE that the Annual Meeting of The La Sammana Condominium Owners Association, Inc. will be held on **online** Wednesday, November 10, 2021 at 7:00 p.m. via **Zoom** Meetings, Meeting ID: **983 185 2492**, <https://zoom.us/> for purposes of an annual members meeting. The agenda will include nomination and election of two (2) Trustees from among Interval Owners, and such other business of the membership as may properly come before the meeting may be conducted. Participation by all Interval Owners eligible to vote is necessary to establish a quorum to conduct the meeting and transact business for the purpose(s) stated. Once on the website, in the top right-hand side, click **"Join a Meeting"**. Or join by telephone using **1 646 558 8656 (NY)** and enter the Meeting ID: **983 185 2492**.

**Formal action may be taken at any regular, special or rescheduled meeting.**

Minutes of the 2020 Annual Meeting of The La Sammana Condominium Owners Association, Inc., and any duly held meeting of the Board of Trustees are available for inspection by all members of The La Sammana Condominium Owners Association, Inc. during business hours at the Office of the General Manager.

Owners reserve the right to nominate themselves or others in "good standing" as defined in legislation.

This notice supersedes all prior notices published by The La Sammana Condominium Owner's Association, Inc.

**BOARD OF TRUSTEES  
LS COA, INC.**

Dated: October 10, 2021

**AGENDA**

**THE LA SAMMANA CONDOMINIUM ASSOCIATION, INC.**

**ANNUAL MEETING OF THE MEMBERSHIP**

**November 10, 2021**

**Location: Zoom Meeting**

**Time: 7:00 P.M.**

- I. OPEN MEETING ANNOUNCEMENT/PUBLICATION OF NOTICE
- II. PARLIMENTARY PROCEDURES
- III. WAIVER OF READING AND APPROVAL OF MINUTES OF 2020 ANNUAL MEETING
- IV. APPOINTMENT OF ELECTION JUDGES
- V. ELECTION OF TRUSTEES
- VI. PRESENTATION OF THE 2022 BUDGET
- VII. REPORTS OF:
  - a. OFFICERS
  - b. PROPERTY MANAGER
- VIII. OLD BUSINESS/NEW BUSINESS
- IX. ADJOURNMENT

## PARLIAMENTARY PROCEDURE

### LA SAMMANA CONDOMINIUM ASSOCIATION, INC. ANNUAL MEETING

NOVEMBER 10, 2021

---

1. There are no questions on the agenda of this annual meeting which require a vote of the membership other than the election of Trustees.
2. At this annual meeting the chair will take questions from the members under old/new business and allow debate limited to 10 minutes per question. Any members wishing to speak or debate the question may do so, without interruption from others, but only if he or she conducts himself or herself in an orderly fashion and is not abusive to the chair, members of the Board or owners present. Otherwise, the chair will declare the guest out of order.
3. The chair will limit the length of speeches and allow each member to speak only once on each question.
4. Formal motions, seconds and/or amendments are not necessary.
5. Following the debate the chair will close the debate, "restate" the question and put the question to a non-binding vote of the members present by a show of hands. The purpose of the non-binding vote will be solely to obtain the consensus of the members assembled whether or not the Board should consider the proposed question more fully at a subsequent regular open meeting of the Board.

6. If the consensus is that Board considers the proposed question more fully, the Board will report its action or inaction on the proposed question and its reasoning at the next annual meeting, or the Board may put the proposed question to a formal vote of the full membership on the agenda of the next annual meeting.
7. A binding vote on any questions raised by the membership at this annual meeting requires notice of the question to all members and a membership vote of the majority in person or by proxy at a duly noticed meeting of the membership.
8. The Board considers that the above procedure is fair and time efficient and it applies the basics of parliamentary procedure for running a meeting.

**LA SAMMANA CONDOMINIUM ASSOCIATION, INC.**  
**ANNUAL MEETING OF THE MEMBERSHIP**  
**Wednesday, November 11, 2020**  
**MINUTES**

1. **OPEN MEETING ANNOUNCEMENT, QUORUM and OPEN OF MEETING.** Hans Juette, President, called the meeting to order at 7:05 p.m. on the Zoom platform. Trustees present in person were Hans Juette, Jim Liebler, and Donna Marie Donaldson. Also, in attendance were Donna Shaw, Esq., Hueston McNulty, P.C., Association Counsel, Chris Ibone, FantaSea Accounts Supervisor, and Phyllis Sacchetti, General Manager. Mr. Juette advised the owners that the Notice of Open Board Meetings was published and posted in accordance with the provisions of the Open Meetings Act. Management certified that a quorum of members was present in person or by proxy. The meeting commenced with the Pledge of Allegiance led by Mr. Juette. Thereafter Mr. Juette asked Ms. Donna Shaw Esq. to explain the informal parliamentary procedures for conducting business at the Annual Meeting.

2. **WAIVER OF READING AND APPROVAL OF MINUTES.** Mr. Juette called for a motion from the floor to waive reading of and approve the minutes of the 2019 Annual Meeting and. A motion from the floor was made and duly seconded and the members passed the motion by acclamation without objection.

3. **ELECTION OF BOARD MEMBERS.** Ms. Shaw advised the owners in attendance that there were two candidates for two open seats. Hans Juette, incumbent and Jim Liebler, incumbent, were the nominees for election. Counsel conducted a vote by acclamation of the members present to install the two incumbents for new 2-year terms.

4. **FINANCIALS AND PRESENTATION OF THE 2021 BUDGET AND TREASURER'S REPORT.** A review of the method of accounting for the Association, known as Fund Accounting, was conducted for the benefit of the membership. There are two separate funds for the Association. The first fund is the Replacement Fund used to fund projects for room and common area renovations and future replacement of building elements. Expenditures from this fund are largely determined by a Reserve Study prepared by an independent professional engineer. The second fund is the Operating Fund from which the largest portion of the maintenance fees are used for day-to-day operations, such as housekeeping, maintenance, hospitality, and property

management. The finances of the Association are designed to break even and to be self-sustaining and supported by maintenance fees collected from the members of the Association.

The efforts of the in-house management teams to remain efficient with a collection rate of 81.92% through October 20, 2020. 2019 Maintenance Fees collected in 2020 stated as a percentage of the total 2019 Maintenance Fees is 4.09%

A review of the budget approved by the Board for 2021 was outlined, noting the continuing challenges of the Covid-19 pandemic on rentals, staffing, services and additional supplies for cleaning and disinfecting per recommended protocols. A member requested additional information on how the Association's budget compared with similar operations.

In conclusion, financial closing for 2019 and projections for year end 2020 are strong under the circumstances and President Hans Juetten applauded the financial and management teams for their great efforts to maintain the Association's excellent financial condition.

The Audit Report for 2019 was distributed to members in the meeting packets.

5. **OWNERS' SERVICES REPORT.** Ms. Sacchetti discussed the level of staffing, currently at 13 full time persons. She discussed the challenges imposed by the pandemic, including the furloughing of staff during the height of the state of emergency and the efforts to return staff from furlough status.

Ms. Sacchetti reviewed the RCI hospitality scores averaging 4.8 out of 5.0 and high scores from Hotels.com.

With the increase in rentals over the summer due to the partial relaxation of state of emergency, management has worked to increase staffing and to reward staff with bonuses throughout the summer to show appreciation for their hard work.

Ms. Sacchetti reviewed the status of projects completed in 2020 and anticipated for completion in 2021.

6. **New and Old Business.**

There was one member question relating to the use of Owner Weeks during the summer season.

There being no further business, the meeting was adjourned at 8:04 p.m. following a motion from the floor and duly seconded.

**CERTIFICATION**

I hereby certify the foregoing minutes of the Annual Membership meeting held on November 11, 2020 were approved and duly adopted by the Board of Trustees on the \_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jim Liebler , Secretary

**WELCOME OWNERS!**

**LASAMMANA CONDOMINIUM  
ASSOCIATION**

**NOVEMBER 10, 2021 ANNUAL  
MEETING**

**fantasea RESORTS**

FLAGSHIP

LA SAMMANA

ATLANTIC PALACE

Dream Smart





# LARGEST CONTRIBUTORS TO DUES

- Reserve Contributions – How much contribution in dollars does the independent reserve study call for renovations
- Property Taxes – City, State, Local Bodies determine the tax rates each and every year. The rate tends to be relatively flat in their case.
- Bad Debt Expense – Expense to Reserve what is estimated to be uncollectible in a given year
- Other Factors – Projected Revenues/Salaries and Related Expenses/Insurance Costs, Operating Expenses etc...

# REFERENCED ITEM 2020 AUDITED FINANCIALS

## La Sammana Condominium Owners Association, Inc. Statement of Changes in Fund Balances For the Year Ended December 31, 2020

	Total	Operating Fund	Replacement Fund
Fund Balances - Beginning of Year	\$ 2,510,110	\$ 1,525,752	\$ 984,358
Interfund Transfer	-	40,997	(40,997)
Excess of Revenues over Expenses	232,254	33,266	198,988
Fund Balances - End of Year	<u>\$ 2,742,364</u>	<u>\$ 1,600,015</u>	<u>\$ 1,142,349</u>

1. Fund Balances – Beginning of Year: Where we started @ YE 2019
2. Excess of Revenues over Expenses: How we performed in 2020, which was a \$33,266 surplus in the Operating Fund, and a \$198,988 surplus in the Replacement or Reserve Fund (Interfund Transfers – Auditor Suggestions to balance funds)
3. Fund Balances – End of Year: Where we finished @ YE 2020 or the Association's year over year positioning – Year over Year (running) surplus of \$1,600,015 in Operating and \$1,142,349 in Replacement Fund

---

# **GENERAL BUDGETING PROCESS**

- **We begin with \$0 expenses across the board in all departments. We hold meetings to discuss what is necessary for operating said departments, and translate that into a budget, while looking for areas of savings along the way.**
- **It is good and common practice to always budget a non-profit Association such as LSCOA to a break even or \$0 surplus or deficit. The picture is clearer and more effective when you do so (non for profit/self-sustaining entity)**

# REFERENCE ITEM 2022 FEE GRID

## LA SAMMANA CONDOMINIUM OWNER'S ASSOCIATION 2022 MAINTENANCE FEE SCHEDULE BASED ON 62 UNITS

### UNIT SUMMARY - 62 units

Unit Type	Total Maintenance	Real Estate Taxes	Total Reserves	Weekly 2022 Maint. Fee
Studio	\$284.51	\$18.94	\$51.12	\$354.57
One Bedroom	526.76	35.07	94.64	656.47
Two Bedroom	898.12	59.79	161.36	1,119.27

For the year 2022 Maintenance Fees will increase 4.0% across all unit types from 2021. Last year's increase was .50% from 2020 to 2021. The average Maintenance Fee is 591.53 for 2022 versus 568.81 for 2021 or on average increase of \$22.72 per interval.

\*Per ARDA (American Resort Development Association) Industry Average Maintenance Fees Across the U.S. territories are roughly \$965.00 per interval week. Based on the unit type/weeks split for LSCOA, your average MF is \$591.53. ARDA also goes on to say that Industry Average Rate increases are on average 3-6% per year, this year your increase is within that average.

It is important to note that the Average MF Increase for LaSammana over the last 5 years, is 1.49% inclusive of 2022.

# SIGNIFICANT DRIVERS OF THE 2022 BUDGET

- Bad Debt Expense is even at \$110/interval week, to avoid any large provisions at year end, we strive to keep dues 100% allowed for in any given year.
- Payroll and Related expense was increased to accommodate normal rate increases and the changing NJ law for minimum wage, and their related expenses (tax, etc.) Some positions were adjusted to accommodate market rates.
- Operating expenses are even versus 2021's budget.
- Hotel revenue is increased slightly based on 2021 actuals.
- Property insurance was increased by 15% to accommodate a volatile market.
- Other income lines such as Interest Income and Misc. Income were decreased. The CD rates are at an all time low, and we didn't see as many split weeks in the current year to generate housekeeping fees.
- Important to note that it only takes ~\$18,320 to move the MF 1%.
- All other areas of the budget were kept relatively flat and do not significantly impact the budget, or its final break even number of \$0

# FINANCIAL CLOSING

- As demonstrated with the various points the LaSammana COA is consistent and strong. We strive to keep the Association as healthy as possible as it is vital to its sustainability when unexpected/uncontrollable events can occur (IE. Emergency Renovations/Damage to Rooms, Unanticipated hikes in Property Taxes, etc..) Maintaining surpluses in the funds can quell some of those costs, and divert the cost potentially away from the owners
- Fulfillment of all owners to paying their dues not only helps the health of the association (bad debt reserves) but helps that dues paying owner from footing the bill of the non-paying owner
- 2021 again looks like a good year for the LSCOA, and we appreciate each and everyone's part as owners in contributing to its growth considering the circumstances that still exist.
- The fact that LSCOA is adhering to allowing for 100% of all dues, and has a 71% funded Replacement Fund makes it incredibly healthy and sustainable.
- Any particular items of financial nature are available via request