

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

**NOTICE OF ANNUAL MEETING 2022**

**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 09, 2022 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 2021 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, 2022

## AGENDA

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

**ANNUAL MEETING OF THE MEMBERSHIP**

**November 09, 2022**

**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 2021 ANNUAL MEETING
- IV. ELECTION OF TRUSTEES
- V. PRESENTATION OF THE 2023 BUDGET
- VI. REPORTS OF:
  - a. OFFICERS
  - b. PROPERTY MANAGER
- VII. OLD BUSINESS/NEW BUSINESS
- VIII. ADJOURNMENT

## PARLIAMENTARY PROCEDURE

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

NOVEMBER 09, 2022

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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 10, 2021**  
**MINUTES**

1. **OPEN MEETING ANNOUNCEMENT, QUOROM and OPEN OF MEETING.** Hans Juette, President, called the meeting to order at 7:06 p.m. The meeting was conducted on the Zoom platform. Trustees present were Hans Juette, Jim Liebler, Clem Thomas, and Donna Marie Donaldson. Also, in attendance were Donna B. Shaw, Esq., 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. The meeting commenced with the Pledge of Allegiance led by Mr. Juette. Thereafter Mr. Juette asked Ms. Shaw 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 to approve the minutes of the November 11, 2020, Annual Meeting and to waive reading of and approve the minutes. A motion was made by Donna Donaldson and duly seconded by Jim Liebler and the members passed the motion by acclamation without dissent. The motion passed.

3. **ELECTION OF BOARD MEMBERS.** Ms. Shaw advised the owners in attendance that there were two candidates for two open seats, Donna Donaldson, and Clem Thomas. Balloting for this election was entirely by ballot in advance of the virtual meeting. Counsel reported that the ballots submitted met quorum, and that there were no write-in candidates, and asked for a motion to waive counting the ballots and to elect the candidates by acclamation. The motion was made and duly seconded. All voted in favor. Accordingly, Donna Donaldson and Clem Thomas were re-elected for 2-year terms.

4. **FINANCIALS AND PRESENTATION OF THE 2022 BUDGET AND TREASURER'S REPORT.** Mr. Ibone reviewed the method of accounting for the Association, which is known as Fund Accounting. 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. He explained that the largest contributors to maintenance fees are the reserves for renovations, real estate taxes assessed by the Brigantine, uncollectible bad debt and projected increases in salaries, benefits, and insurance. 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.

Referring to the 2020 Audited Financials, the balance of Operating Fund at the beginning of 2020 was \$1,525,752 and the balance of the Replacement Fund was \$984,358. The balance of Operating Fund at the end of 2020 was \$1,600,015 and the balance of the Replacement Fund was \$1,142,349.

Mr. Ibone noted that the excess of revenues over expenses is a measure of performance in 2020.

Mr. Ibone reviewed the budget approved by the Board for 2022. The increase in the 2022 Maintenance Fee is 4.0% across all unit types. He noted that over the past 4 years, the average increase, inclusive of 2022, is 1.49%, which is well below the industry average of 3-6% per year.

Balance Sheet and Income and Expense Statements were distributed to members in the meeting packets.

5. **OWNERS' SERVICES REPORT.** Ms. Sacchetti indicated the level of staffing at 18 full time persons, with positions open for two full-time Front Desk Agents, and one full time Guest Room Attendant. She just filled one full-time Houseman position.

Ms. Sacchetti reviewed the RCI hospitality scores from the twelve months ending 10/31/21 based on 501 cards sent and 179 cards received. Out of the 5.0 Gold Crown Standard-- Check-in was rated 4.8; Resort Hospitality was rated 4.7; Resort Maintenance was rated 4.6; Unit maintenance was rated 4.5; and Unit Housekeeping was rated 4.6.

UPDATE:

The summer was busy and successful. Owners were happy to come back and overall had outstanding vacations. They were happy to get back to a normal summer, to see other owners, and many of the same staff. They were complimentary about the conditions of the property. Several owners pre-paid 2022 maintenance fees and made 2022 reservations, and a few did for 2023 as well.

The complimentary shuttle was a great service for owners and guests.

Supply chain problems are still challenging, but the Purchasing Agent continues to do a fantastic job in finding new sources for supplies and competitive pricing.

Currently management is investigating upgrading the WiFi system to a secured network.

2020 Reserve Project Recap:

The guest room wall coverings have been slow due to high occupancy. To date, a total of fifty units have been completed, with twelve remaining to finish.

2021 Reserve Project Recap:

All scheduled projects were completed.

1. Replace Lobby HVAC - Completed.
2. Replace swimming pool heater - completed.
3. Replace nineteen safes - completed.
4. Repair of rooftop elevator - completed.
5. Purchased four undercounter refrigerators - completed.
6. Purchased two dishwashers - completed.

Only \$27,000 of the allocated \$172,870 for 2021 was spent. The difference will be carried over into 2022.

2022 Reserve Projections: On the list for consideration are:

Begin initial steps into replacing the roof, which is under warranty until 3/16/2024. Will Shockey, Director of Design & Development will be soliciting a proposal from Bob Edwards, a structural engineer, for specifications and going out to bid.

Ms. Sacchetti also announced her retirement in December. All members of the Board spoke to acknowledge her years of service, marked by leadership and personal attention to members and guests.

**6. OLD BUSINESS/NEW BUSINESS.**

A member in attendance asked about businesses and restaurants in the Brigantine and surrounding areas remaining open. Both Ms. Sacchetti and Mr. Ibone responded with a run-down of restaurants which remain open, new businesses, and expansions of existing businesses.

Another member asked whether the Board had ever considered allowing members to visit with small pets and submitted a request via direct message on the zoom chat for a vote. Ms. Sacchetti responded that there was no provision for pets to visit, and given the small number of units available, it would be exceedingly difficult to designate certain units as "pet-friendly." Of course, under the law, La Sammana must accommodate service animals, but not emotional support animals. The member then withdrew her request for a vote.

There being no further business, the meeting was adjourned at 8:20 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 10, 2021, were approved, and duly adopted by the Board of Trustees on the \_\_\_ day of \_\_\_\_\_, 2022.

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





**WELCOME OWNERS!**

**LASAMMANA CONDOMINIUM  
ASSOCIATION**

**NOVEMBER 09, 2022 ANNUAL  
MEETING**



# 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
- Insurance – The insurance markets can be really volatile, and that market dictates our rates.
- Other Factors – Projected Revenues/Salaries and Related Expenses/Insurance Costs, Operating Expenses etc...

# REFERRED ITEM 2021 AUDITED FINANCIALS

## La Sammana Condominium Owners Association, Inc. Statement of Changes in Fund Balances For the Year Ended December 31, 2021

	Total	Operating Fund	Replacement Fund
Fund Balances - Beginning of Year	\$ 2,742,364	\$ 1,600,015	\$ 1,142,349
Excess of Revenues over Expenses	<u>355,971</u>	<u>219,646</u>	<u>136,325</u>
Fund Balances - End of Year	<u><u>\$ 3,098,335</u></u>	<u><u>\$ 1,819,661</u></u>	<u><u>\$ 1,278,674</u></u>

1. Fund Balances – Beginning of Year: Where we started @ YE 2020
2. Excess of Revenues over Expenses: How we performed in 2021, which was a \$219,646 surplus in the Operating Fund, and a \$136,325 surplus in the Replacement or Reserve Fund (Interfund Transfers – Auditor Suggestions to balance funds)
3. Fund Balances – End of Year: Where we finished @ YE 2021 or the Association’s year over year positioning – Year over Year (running) surplus of \$1,819,661 in Operating and \$1,278,674 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 2023 FEE GRID

## LA SAMMANA CONDOMINIUM OWNER'S ASSOCIATION 2023 MAINTENANCE FEE SCHEDULE BASED ON 62 UNITS

### UNIT SUMMARY - 62 units

Unit Type	Total Maintenance	Real Estate Taxes	Total Reserves	Weekly 2023 Maint. Fee
Studio	\$287.02	\$18.94	\$52.14	\$358.10
One Bedroom	531.41	35.07	96.53	663.01
Two Bedroom	906.05	59.79	164.59	1,130.43

For the year 2023 Maintenance Fees will increase 1.0% across all unit types from 2022. Last year's increase was 4.0% from 2021 to 2022. The average Maintenance Fee is 597.43 for 2023 versus 591.53 for 2022 or an average increase of \$5.90 per interval.

\*Per ARDA (American Resort Development Association) Industry Average Maintenance Fees Across the U.S. territories are roughly \$1000.00 per interval week. Based on the unit type/weeks split for LSCOA, your average MF is \$597.43. ARDA also goes on to say that Industry Average Rate increases are on average 3-6% per year, this year your increase is well below that average.

It is important to note that the Average MF Increase for LaSammana over the last 5 years, is 1.51% inclusive of 2023.

# SIGNIFICANT DRIVERS OF THE 2023 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. Some longevity positions were raised along with the company effort to start all housekeeping members at \$15/hour min a year prior to the requirement.
- Operating expenses are even versus 2021's budget.
- Hotel revenue is increased slightly based on 2021/2022 actuals.
- Property insurance was increased by 15% to accommodate a volatile market.
- Other income lines were decreased. The Board has elected to continue to use a Surplus Carry Over Revenue line, to defer MF expense from the Owners.
- Important to note that it only takes ~\$19,000 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
- 2022 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 79% funded Replacement Fund makes it incredibly healthy and sustainable.
- Any particular items of financial nature are available via request