

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

**NOTICE OF ANNUAL MEETING 2024**

**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 06, 2024 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 2023 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, 2024

## **AGENDA**

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

**ANNUAL MEETING OF THE MEMBERSHIP**

**November 06, 2024**

**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 2023 ANNUAL MEETING
- IV. ELECTION OF TRUSTEES
- V. PRESENTATION OF THE 2025 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 06, 2024**

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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.**  
**Open Board Meeting**  
**Wednesday, November 8, 2023**  
**MINUTES**

**1. OPEN MEETING ANNOUNCEMENT, QUOROM and OPEN OF MEETING.**

Hans Juetter called the meeting to order at 5:05 p.m. Trustees present were Hans Juetter, Jim Liebeler, and Donna Donaldson. Also, in attendance were Chris Ibone, Boardwalk Resorts Accounts Supervisor, Nikki Crawford, Director of Design, Ashley Moore, General Manager, and Robert J. Hueston, Esq., Hueston McNulty, P.C. Association Counsel. Mr. Juetter confirmed that the Notice of Open Board Meetings was published and posted in accordance with the provisions of the Open Meetings Act.

**2. APPROVAL OF MINUTES.**

Mr. Juetter called for a motion to accept the "draft" minutes of the August 26, 2023, Open Board Meeting. A motion was made by Ms. Donaldson and duly seconded by Mr. Liebeler to approve the Minutes as presented which were carried unanimously. Mr. Juetter also called for a motion to accept the "draft" minutes of the August 29, 2023 Special Board Meeting regarding Resort Fees. A motion was made by Mr. Liebeler and duly seconded by Mr. Juetter to approve the Minutes as presented which was carried unanimously.

**3. FINANCIALS AND TREASURER'S REPORT.**

Mr. Ibone gave the financial report as of August 31, 2023, which showed a YTD net operating deficit of \$387,713 versus Budget.

Reviewing 2023 Maintenance Fee (MF) Collections, he noted that MF collections through October 29, 2023, were .09% ahead of last year at the same time. Also, 71.87% of 2022 MF Collections have been collected through October 29, 2023.

The reserves standing shows balances in the Morgan Stanley account of \$1,198,277 and \$188,494 in the Parke Bank. After completion of unfinished work for approved projects through 2022/2023 the estimated balance of reserves after completion at 12/31/2023 is anticipated to be \$1,629,136. The Target balance as per the Reserve Study is \$1,539,393. Mr. Ibone commented that the association has \$516,036 in preferred savings deposits and \$494,000 in certificates of deposit (September 2023/February 2024) yielding 3.26%. Currently, the blended rate on CD's and Savings is 3.5%.

Budget variances through August 31, 2023, are: Total Revenue is unfavorable \$406,742 of which \$180,000 is Unsold MF deficit that will not be received from the developer until year-end. In addition, there is a deficit of \$200,384 in MF Owner Income. Hotel Revenue is favorable to budget \$51,132; Payroll is favorable \$19,029 from housekeeping and transportation.

Mr. Ibone asked for approval of the engagement of Forvis Auditors in the amount of \$12,000 for auditing fiscal year 2023. He explained the change in auditors would save the association an estimated \$2,500 and that the Forvis specialized in timeshare and HOA developments. The change has been the recommendation of the Chief Financial Officer for Boardwalk Resorts and should be more efficient since the developer entity and the association would be audited together and includes on-site review of management books and records. The motion to engage Forvis was made by Ms. Donaldson and seconded by Mr. Liebler and carried unanimously.

**4. OWNERS' SERVICES REPORT.** Ms. Moore indicated the level of staffing at 14 full-time and 2 part-time people, with a position open for one full-time Guest Room Attendant. She just filled one full-time Housekeeping Supervisor position.

Ms. Moore reviewed the RCI hospitality scores from the twelve months ending 10/31/23 based on 638 cards sent and 190 cards received. Out of the 5.0 Gold Crown Standard-Check-in was rated 4.8; Resort Hospitality was rated 4.8; Resort Maintenance was rated 4.7; Unit maintenance was rated 4.6; and Unit Housekeeping was rated 4.8. The resort continues to maintain Gold Crown status. Ms. Moore addressed management operations noting the following action items:

**Operation Update:**

I have collected \$24,387.45 for maintenance fees for the 2024 year, and \$5,925.21 in maintenance fees for the 2025 year. Booked 2024 & 2025 Owner Week stays.

All departments have received new branded uniforms.

Bench/Outdoor smoking area added to garage was well received.

Pool was closed and winterized October 5<sup>th</sup>.

Housekeeping and Maintenance have kicked off PMI (Preventative Maintenance Initiative) projects in units, corridors, and common areas.

Highly anticipated door lock upgrade was complete.

Shuttle had alternator replaced in October and new transmission and tires in January. Running brand new.

Sewer lines are still running with no issues. City of Brigantine will reinspect in the spring for any changes.

Looking forward to planning Owner Events for 2024 summer season.

**2023/2024 Projects:**

- Laundry room expansion project
- In unit upgrades: Toilets (increase of complaints)
- Lobby, Owner's Lounge & Fitness Center



Ms. Crawford addressed the board for approval of replacement of 72 toilets which were beyond their useful life. She also stated that the new standards for toilets are comfort height and bowl, and elongated soft close toilet seat. The cost of the toilets was \$25,921.44 and she asked for approval of \$30,000 to include freight and sales tax. Installation would be done by maintenance personnel. Mr. Juetten called for a motion to approve the toilet replacement according to the new standards at a cost of \$30,000. The motion was made and duly seconded and carried unanimously.

Ms. Crawford also discussed her vision for 1<sup>st</sup> floor enhancements, upgrades, and re-finishes, addressing the Owner's Lounge with new furniture and 85" in TV upgrade, wallcoverings, and LED lighting. The improvements would also include the gym enlargement, including a small yoga section, wallcoverings, equipment upgrades and configuring a small area to accommodate a washer and dryer. She estimated the scope of the project in the amount of \$100,000 funded by reserves. The board asked for a more detailed line-item budget and preliminary design sketches of the proposed 1<sup>st</sup> floor alterations.

## **5. LEGAL.**

Mr. Hueston informed the board there are no pending or threatened claims against the Association that would negatively affect the financial position of the Association. He also advised he would conduct the election of Ms. Donaldson and Clem Thomas by acclamation since the incumbents were the only two candidates for the two open seats.



**9. OLD BUSINESS/NEW BUSINESS.**

There being no further business, the meeting was adjourned at 6:50 p.m. following a motion made and duly seconded and carried unanimously.

**CERTIFICATION**

I hereby certify the foregoing minutes of the Open Board Meeting held on November 8, 2023, were approved, and duly adopted by the Board of Trustees on the day of February, 2024.

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Jim Liebler , Secretary



**WELCOME OWNERS!**

**LASAMMANA CONDOMINIUM  
ASSOCIATION**

**NOVEMBER 06, 2024 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...



# REFERENCED ITEM 2023

## AUDITED FINANCIALS

LaSammana Condominium Owners Association, Inc.

Statement of Changes in Fund Balances

For the Year Ended December 31, 2023

	Total	Operating Fund	Replacement Fund
Fund Balances, Beginning of Year	\$ 3,362,064	\$ 1,889,235	\$ 1,472,829
Deficiency of Revenues over Expenses	<u>(137,384)</u>	<u>(63,696)</u>	<u>(73,688)</u>
Fund Balances, End of Year	<u>\$ 3,224,680</u>	<u>\$ 1,825,539</u>	<u>\$ 1,399,141</u>

1. Fund Balances – Beginning of Year: Where we started @ YE 2022
2. Excess of Revenues over Expenses: How we performed in 2023, which was a \$63,696 deficit in the Operating Fund, and a \$73,688 surplus in the Replacement or Reserve Fund (Interfund Transfers – Auditor Suggestions to balance funds)
3. Fund Balances – End of Year: Where we finished @ YE 2023 or the Association's year over year positioning – Year over Year (running) surplus of \$1,825,539 in Operating and \$1,399,141 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 2025 FEE GRID

## LA SAMMANA CONDOMINIUM OWNER'S ASSOCIATION 2025 MAINTENANCE FEE SCHEDULE BASED ON 62 UNITS

### UNIT SUMMARY - 62 units

Unit Type	Total Maintenance	Real Estate Taxes	Total Reserves	Weekly 2025 Maint. Fee
Studio	\$306.55	\$20.30	\$54.25	\$381.10
One Bedroom	567.58	37.59	100.43	705.60
Two Bedroom	967.71	64.09	171.24	1,203.04

For the year 2025 Maintenance Fees will increase 3.57% across all unit types from 2024. Last year's increase was 2.75% from 2023 to 2024. The average Maintenance Fee is 635.80 for 2025 versus 613.86 for 2024 or on average increase of \$21.94 per interval.

\*Per ARDA (American Resort Development Association) Industry Average Maintenance Fees Across the U.S. territories are roughly \$1,170.00 per interval week (2022 data). Based on the unit type/weeks split for LSCOA, your average MF is \$635.80. ARDA also goes on to say that Industry Average Rate increases are on average 5% per year (since 2019), 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 1.96% inclusive of 2025, and 2.15% over the last ten years. In the last two years CPI/Inflation has exceeded those percentages.



# SIGNIFICANT DRIVERS OF THE 2025 BUDGET

- Bad Debt Expense is increased from \$115/interval to \$119.35/interval week or ~\$14,000, to avoid any large provisions we make throughout the year, we strive to keep dues at the proper % 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. NJ minimum wage for 1/1/25 is \$15.49/hour. Maintenance also added a part time position.
- Operating expenses are decreased slightly vs 2024's budget.
- Hotel revenue is even based on 2023/2024 actuals.
- Property insurance was decreased slightly. In 23/24 it was increased over 100% mainly due to accommodate a volatile market, in Property specifically.
- 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. Increase in 2024 largely due to Interest Income generated from reserve investments. For 2025 it is being offset by a decrease in Late Fee Income of ~50k.
- 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
- 2024 again looks like a good year for the LSCOA, and we appreciate each and everyone's part as owners in contributing to its growth
- The fact that LSCOA is adhering to allowing for a large % of all dues, and has a ~80% funded Replacement Fund makes it incredibly healthy and sustainable.
- Any particular items of financial nature are available via request