

**SWAN POINT AT LAKE ELKHORN CONOMINIUM ASSOCIATION, INC.**  
**BOARD OF DIRECTORS MEETING**  
**AUGUST 4, 2009**  
[www.swanpoint.org](http://www.swanpoint.org)

Present: Gracie Bradford, President; Kathy Bestany, Secretary; Barbara Boyd, Treasurer; Dave Bittner, Board Member and Web Master; Lee Hanna, Board Member; Mary Sklarevsky, SPRAC Consultant; and Beth Sorrick, WP&M Management Company.

Meeting was called to order at 6:04 p.m.

As previously agreed the topic of the meeting is the proposed budget for 2009-2010.

Board members reviewed the budget line items proposed by WP&M. and noted:

The annual contribution to the reserve fund was projected for ten years based on the previous reserve study.

The 2011 budget must include funding for a new reserve study. Maryland Condominium Law requires a reserve study be done every 3 to 5 years.

The proposed budget for snow removal is \$30,000; any remaining funds will be applied to tree work. We will begin in the new fiscal year to seek snow removal/lawn care proposals from vendors.

Beth will review Brickman billing to see if we are being billed for pruning. Since pruning was incomplete, Board will not approve payment of the bill; Beth will ask for a reduced price for services.

Questions again arose about the extent of coverage for the master insurance policy, i.e., does it include the entire three floors of units. Beth has requested a response from the insurance agent within 30 days.

A question arose as to whether the monthly late fee is cumulative or a one time fee. Beth will investigate and report back to the Board.

Board members want an analysis of what remains for tree work; we have barely completed half the property. The Board is concerned about the dead wood problem in the community that needs to be addressed. Beth noted that emergency tree service is expensive; for example, the trees that fell in the June storm costs \$5,000 to remove.

Board members were reminded that a one dollar increase in the condo fee per unit is \$1800 in revenue.

WP&M sent a letter to all Swan Point homeowners about the bill passed by the Maryland State Assembly and effective June 1. The bill has restored the provisions of the Maryland Condominium Act, requiring each Condominium Association to secure and maintain policies to cover both common elements and individual units. The Master Policies currently in effect for our Association will stand, unchanged, and Swan Point units will be ensured against damages caused by insurable events, with the exception of any betterments (upgrades) that current or former owners have made to the unit. It also requires an annual reminder of these provisions as well as full disclosure to all new Unit Owners. The law further provides that a Condominium Association may collect the deductible portion of its policy from the owner of the unit where the damage originated, up to a limit of \$5,000. The deductible on your Master Insurance Policy is \$2,500. Under this new provision an association is no longer required to amend their By-Laws in order to collect this amount.

The Board and WP&M strongly recommend that homeowners contact the carrier of their HO-6 Policy (Condominium Unit Owner's) to confirm that their policy covers their share of the Master Policy deductible. Should a leak occur in your unit, a fire begin and spread to another area, or any other unforeseen insurable event occur, your loss would be limited to the deductible you maintain on your HO-6.

A recommendation was made to have a local attorney review and recommend By Law changes. A local attorney will be more familiar with the Columbia covenants than our current legal firm.

The current lawn contract does not include lawn aeration and overseeding. \$2500 was allotted for this service.

Board members expressed concern that WP&M's fee increase was five percent in a time of low inflation and tight budgets. Gracie Bradford will meet with WP&M officials to negotiate a lower fee.

Audit fees were increased from \$1500 to \$1700 as Maryland Condominium Law requires additional reports.

Website maintenance fee of \$5,000 has been reduced to \$2,000 annually as the redesign of the website has been completed. Only normal maintenance is required. Special projects will require additional fees.

The budget for repairs and maintenance was increased from \$3500 to \$9,000 as the firelanes and hash marks need to be repainted.

Private area lighting and water and sewer are fixed expenses.

The extermination budget is for two contracts, which are billed quarterly. The Board requested that the extermination company check for hornets nests which have been observed at Building 12.

A question arose about WP&M's response to an emergency call by a unit owner. WP&M will fix the emergency so that there is no danger/damage to other units. The unit owner is responsible for up to \$2,500 for an insured event and is responsible for ALL charges for an uninsured event. WP&M will not perform any services beyond ending the immediate emergency without a contract signed by the responsible unit owner.

Projected total expenses are \$290,450. The Board recommends a monthly fee of \$162, a \$2 increase, to cover the expenses.

Beth asked board members running for re-election to submit their forms immediately; as the ballots will be mailed Friday.

No decision was made about having a community picnic.

Meeting adjourned at 8:15 p.m.

Respectfully submitted,

Kathy Bestany  
Secretary