

SWANPOINT AT LAKE ELKHORN CONDOMINIUM ASSOCIATION, INC.

January 8, 2008

www.swanpoint.org

Present: Gracie Bradford, President; Pamela Ford, Vice President; Kathy Bestany, Secretary; Ferd Lazarus, Investment Advisor; Barbara Boyd, Treasurer, Operating Budget; Dave Bittner, Webmaster and Board Member; Tom Alizio, Board Member; Mike Klein and Beth Sorrick, WP&M Management Company; Ann Wing, Grounds Committee Chair; Mary Sklarevsky, Covenant Advisor; Mark King, Chair, Swan Point Architectural Committee (SPRAC); Chris Carroll and Pam Brown, residents.

Meeting was called to order at 7:10 p.m.

Minutes of the December 11 meeting were approved by email and are posted on the Swan Point website.

1. Resident's Speakout

Pam Brown reported that a person was killed crossing Cradlerock Way yesterday. A discussion followed about possible solutions. There was general agreement that drivers drive too fast on Cradlerock. Cross walk exists on Cradlerock, but drivers fail to stop for crosswalk traffic; speed bumps may be a solution; police cars stationed for speeders may also be a solution.

Chris Carroll questioned whether the tree in front of his residence will be removed as it sustained substantial damage from the wind storm and many of the limbs are missing. Chris requested that a dogwood be planted if the tree is removed. Ann Wing explained that it takes several years after a tree is removed before another tree can be planted. Trees to be planted will be selected and placed so that their mature height, canopy spread and root system needs are appropriate to the space available. The Association may not replace every tree, and replacement trees may not be in the same location. There is a long-term objective of spacing trees in a manner consistent with providing optimal light, moisture and nutrients for tree health. Board requested that Joe Edler of RAR examine the tree to determine if it needs to be removed or can be saved. A motion was made by Barbara Boyd and seconded by Kathy Bestany to have the tree put at the top of the list of priorities for RAR when they return to the property in February to continue master tree plan. The motion was approved unanimously.

2. Management Report

Beth Sorrick reported on the water damage at a unit from a failed ice maker. WP&M is working with the residents' insurance company on repair of drywall in the kitchen and ceiling damage in the clubroom.

WP&M received chimney cleaning proposals from McDowell's and Complete Chimneys, Inc. Board discussion and vote occurred later in the meeting.

Power washing and gutter cleaning proposals will be forwarded to the Board as they are received.

Mike Klein described the scope of the master insurance policy for Swan Point. The policy covers only what was offered by the builder at the time the units were built. It does not cover upgrades. For example, finished basements were an upgrade as were hardwood floors. All upgrades should be covered by the homeowners HO6 policy. It is essential that homeowners review their policies with their agents to ensure adequate coverage for their units and their upgrades.

Gracie Bradford inspected the damage incurred by the December wind storm. Many roofs and chimneys sustained slight damage. The windstorm damage is not covered by the master insurance policy; therefore, residents who sustained wind damage are responsible for the repair. Gracie Bradford has a list of residences with damage. Arrangements may be made with WP & M to have their personnel gang these requests and repair damages. Homeowners will be billed by WP&M. Homeowners must contact WP&M to contract for their services. Homeowners may also choose another contractor or perform the repairs themselves. The repairs will require an Exterior Alteration Application if anything other than replacing those items which were blown off is involved (for example, painting of new sections of trim, replacement as opposed to repair of chimney caps, etc.). Cars that were damaged by the fallen trees were covered by individuals' auto insurance policies.

3. President's Report

Gracie Bradford requested that board members use the "reply to all" feature when answering email so that all board members are informed.

Gracie Bradford reminded the Board that Swan Point by-laws require that we invest in U.S. government-backed securities. Barbara Boyd will contact our broker to verify that our investments are only in U.S. government-backed securities.

Gracie Bradford requested that Mike Klein review RAR billing about a cabled tree.

Gracie Bradford suggested via email that the board get quotes from WP &M and several roofers for a community-wide inspection of all roofs by having the selected company have personnel walk the roofs.

An annual budgeted line item is the Swan Point audit. Gracie Bradford requested that the Audited Financial Statement use the 2007 Reserve Study, not the 1999

Reserve Study. Several audit notes need to be clarified and/or updated. Auditor's letter will not be signed and returned until the issue of the notes is resolved.

4. Grounds Committee Report

The mailbox renovation project was approved by Owen Brown; project will begin in March to April (when it is warm enough to pour concrete) with construction assistance from WP&M. Ann Wing will get a mounting kit from the Post Office and a sample paver to Mike Klein.

The inner court will received additional plantings. \$700 is allocated for this project from the Grounds budget.

The committee urged the Board to proceed with entrance sign lighting. A temporary spotlight will be set up at one entrance by WP&M and Mark King to test if this will provide sufficient lighting for the entry way. The Board will then need a vote to fund the project and file an application with Owen Brown prior to proceeding with a final version project. Owen Brown will require evidence of CA's approval of our project on CA property.

Grounds requested that the entrance gardens of both entryways be renovated. No action was taken. Grounds also requested an additional bed opposite the existing bed at the east entrance. No action was taken.

Grounds requested that rotting timber walls be replaced. Mike Klein believes that several of the walls need only the upper timbers replaced so that we can get several more years of service. A set of stairs on the east side of the units in the lower court was not included in the reserve study but needs to be included in any proposals for repair and replacement.

Grounds will review the installation of rain gardens between buildings 10 and 11 at the next grounds meeting. It was noted that the landscape study done by Slater and Associates noted these areas as well as several other areas throughout the property that have serious erosion problems. Slater's study will be put up on the website.

5. SPRAC Report

SPRAC chair and the covenant advisor are working with Owen Brown on the new color scheme for Swan Point. Owen Brown allows only one trim color. They are also working with Duron on the new paint colors, which are part of the Millennium Collection which has been discontinued as an off-the-shelf product and thus must be custom mixed by Duron.

6. Web Master's Report

Dave Bittner worked with Mark King on updating the website and created a list of future plans for the site.

7. By-Laws Update

Mike Klein provided disks of the current by-laws. Kathy Bestany will review the current by-laws, provide suggestions for updates/changes and create a timetable for completion of the project.

8. Old Business

Board received Swan Point's federal tax return for which \$811 is owed and the State return for which \$338 is owed. Mike Klein clarified that Swan Point is not a non-profit entity; it is a limited liability corporation (LLC) and thus pays taxes. A motion was made by Ferd Lazarus and seconded by Tom Alizio to approve the Federal and State tax returns and the motion was approved unanimously. The returns were signed by the Board president.

A motion was made by Dave Bittner and seconded by Pamela Ford to accept the final version of the Reserve Study. The motion was approved unanimously.

After examining the proposals for chimney cleaning from McDowell's and Complete Chimneys, a motion was made by Ferd Lazarus and seconded by Dave Bittner to accept McDowell's proposal for chimney cleaning. McDowell's will charge \$99.95 for a unit with one fireplace flue. If a unit has more than one flue, McDowell's will charge \$75 per flue. The quote is based on the participation of 30 units. The motion was approved unanimously. Information will be posted on the website. It is the unit owner's responsibility to contact WP&M to get added to the list. The contract is between the homeowner and McDowell (the Association has no responsibility).

Non board members were asked to leave in order for the board to discuss delinquency report and attorney's report.

9. Delinquency and Attorney's Reports

After discussion, a motion was made by Dave Bittner and seconded by Kathy Bestany to have Swan Point's Attorney Mike Neall continue legal action against one delinquent unit owner. The motion was approved unanimously.

After discussion about violation status, a motion was made by Tom Alizio and seconded by Kathy Bestany to sign the legal document authorizing Mike Neall to begin legal action against a delinquent unit owner. Mike Klein noted that in the case of a rental, the rental payment can be garnished for payment to Swan Point. The motion was approved unanimously.

Corrections and updates were given for the CCR History Report

Owners of two rental units in violation of the covenants will be invited to a closed meeting regarding violations.

Meeting was adjourned at 9:50 p.m.

Respectfully submitted,

Kathy Bestany
Secretary