

**SWAN POINT AT LAKE ELKHORN CONDOMINIUM ASSOCIATION, INC.
ANNUAL MEETING, SEPTEMBER 25, 2007**

Owen Brown Interfaith Center

HYPERLINK "<http://www.swanpoint.org/>"www.swanpoint.org

Present: Randy Lappert, President; Barbara Boyd, Vice President; Kathy Bestany, Secretary, Ferd Lazarus, Treasurer; Gracie Bradford and Tom Alizio, Board Members; Michael Klein, President, WP & M Management Company.

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

Between proxy votes and residents in attendance a quorum was established.

Approval of the Annual Meeting Minutes--Minutes of September 26, 2006 annual meeting were approved. Board members were introduced to the audience by Randy Lappert, Board President.

Time Limit--Board requested that speakers observe the three-minute limit during resident's speakout and state their name and unit number.

Emergency Procedures--WP&M will send a list of emergency procedures to all Swan Point homeowners and the information will be on the Swan Point website.

Reserve Study--Mike Klein described the Reserve Study done by Becht Engineering. The purpose of the reserve study is to estimate the amount of money needed to replace those common element components (infrastructure) that will require replacement before the end of the useful life of the components—for example, walls, road surfaces, etc. The study concludes that Swan Point has underfunded the reserve fund by approximately \$234,000. The additional \$234,000 and the money borrowed from the reserves to pay the snow removal will be contributed to the reserve fund over a 10-year period. The monthly fee is increasing because of the shortfall in the reserve fund and the legal requirement to repay funds borrowed from the reserves. An infrastructure expense for next year will be the replacement of the small retaining walls throughout the community with stone walls similar to the wall behind Harbor Lane. According to the reserve study, they have a one-year lifespan remaining. Board chose RAR as the contractor for tree work.

President's Remarks--Randy Lappert addressed the audience about his service to the Swan Point community. He has been a board member for 18 years and president for 8 years and now is stepping down. He hopes that other members of the community will volunteer their time and talents.

Four individuals are seeking election to three positions available on the board. The board members select the board officers. Residents elected to the board are Ferd Lazarus, Pamela Ford and Dave Bittner

Treasurer's Report—Ferd Lazarus explained the investment strategies for Swan Point funds based on Swan Point By-Laws that only government-backed securities may be purchased. Money must be available when needed for payment of association's bills. The operating budget is the funds needed to pay the association's bills. Reserve funds are accumulated to pay for infrastructure replacements, such as the Harbor Lane retaining wall. The association borrowed from the reserve fund to pay the snow bills and the reserve funds must be repaid. We failed to get a majority of residents to vote for a one-time payment of \$266 to repay the reserve fund.

Snow Removal—Mike Klein explained that he has doplar radar available in his office and is in communication with the snow removal contractor. Because of excessive snow removal bills, Chapel Valley will not return as a contractor. Contracts will be written by the event with a cap of \$1860 for chemicals per event. In addition, the snow removal budget has increased significantly.

Budget—Mike Klein went through the proposed 2007-08 budget line by line. The Board has continued to hire a rodent control company because of rat sightings. The traps are species specific and, therefore, are no danger to other animals.

Grounds Committee Report—Ann Wing named the members of the grounds committee and thanked them for their work. She exhibited a variety of native perennials that do well in shade. She explained the coding on the trees-- red tie means the tree is to be taken down, green, tree is to be trimmed. She explained that it takes several years for a tree stump to rot after the tree is removed. The committee will not recommend taking a good tree down, but will remove a diseased or dead tree or a tree imposing a risk to a house. If homeowner wants a healthy tree taken down, they must pay for a new tree. Trees are our largest and best asset. Unfortunately, the builder chose some species (ex. Bradford Pear) that were not the best choices and also planted them in places that now 25 years later makes them inappropriate for their area. She listed the goals for the committee for the coming year—addressing erosion areas, putting in shrubs and plantings near the Harbor Lane retaining wall, replacing trees and shrubs behind building 19, using rain gardens to reduce erosion, and fighting the drought by encouraging people to water their own areas and areas near them. The grounds master plan, created by Slater and Associates, will be on the Swan Point website.

Budget for 2007-2008—Ferd Lazarus made a motion to approve the proposed budget increasing the monthly fee to \$158 and it was seconded by Barbara Boyd. The board voted unanimously to approve the budget.

Webmaster's Report—Dave Bittner encouraged residents to participate in the website by providing their email addresses and by using the website to get information they need on insurance, exterior applications, recommended contractors, light fixture replacement, etc.

13. SPRAC Report—Gracie Bradford reported that a walkthrough will be

conducted in the spring. SPRAC committee members will be practicing a review of their own homes in preparation for the walkthrough. Mark King is creating a “how to do a walkthrough” booklet.

14. Resident’s Speakout

Question was asked as to how to manage the landscape contractor. Mike Klein replied that we maintain the checkbook; for example, since the current contractor did not prune, the cost will be deducted from the final bill.

Residents of 7485 Swan Point Way were informed that the board voted to approve a check for up to \$600 to them for water damage in their unit.

Question was asked why RAR was chosen as the contractor for landscaping and snow removal. Both RAR and McFall & Berry were interviewed by board members, both submitted bids that were compared line by line. Some believed that McFall & Berry did not do a consistent good job.

Question was asked about rentals. Howard County rental licenses are of two types, one for single family use, the other for “rooming house” use. The license states which type it is. Swan Point By-Laws permit only single family licenses. Copies of both licenses and leases must be given to the Board by the unit owner. If there is a problem, management company will notify Howard County and Howard County will do an inspection of the unit to determine if there is a license violation. We are still awaiting results of an inspection.

Question was asked about what to do about speeding cars. A gentle reminder will be placed on the website.

Question was asked about illegally parked cars. Cars with expired tags, those that are parked illegally, those that are inoperable or that do not belong to residents may be towed. Residents should notify the management company and give them the color, make and tag number of the vehicle. Management company will take the appropriate action.

Meeting was adjourned at 9:30 p.m.

Respectfully submitted,

Kathy Bestany
Secretary

