

Residents and Members of Swann Keys Civic Association,

Our Board and Staff continues to work well together and is focused on moving the SKCA forward regardless of the challenges we are presented. This year has been extremely challenging with COVID-19 and the restrictions it has place upon us. With the recent spike in COVID cases, we need to exercise a high degree of caution due to our resident's age and demographics. Until the State of Delaware relaxes COVID-19 restrictions, the monthly Board of Directors meetings will be held via Webex. The Club House remains open with the proper COVID-19 procedures in place. Due to the size and use of the Community Center, the Center remains closed at this time.

This month our budget and finances again look good. Significant progress was made on accounts receivable reduction and overall our expenses are slightly under budget for the year. All of the issues with Pool COVID-19 invoices have been resolved. The Long Range Planning Committee (LRPC) had several meetings and made significant progress. The Committee has completed the 5 Year Project Projections and is moving forward with reviewing years 6 through 10. The LRPC provides weekly update to the Board and will prepare a formal plan to the BOD and Community when appropriate. The Committee has not met for 2 weeks due to a focus shift to the boat ramp issues. The LRPC will resume meetings after we have better cost projections. We continue planning work on the marina bulkhead and boat ramp projects. Unfortunately, due to the large amount of construction in the area, we will mostly likely delayed starting bulkhead projection until the Spring of 2021.

Unfortunately, a very complex issue was brought to the Board of Directors attention over the last month regarding our boat ramps. The issue surfaced when a property owner obtain a survey of their property that illustrated they owned one half of our east side boat ramp. Since this is a Real Property issue, the SKCA Attorney, David Hutt was engaged immediately. This started a significant amount of research, deed and property plat reviews commenced. Subsequently, the owners of the west side boat ramp contacted us with similar concerns. There were a series of unfortunate events where one or more owners locked or blocked our boat ramps. This is a very busy time for removing boats for winterization. Blocking and closing the ramps places many residents in a bad positions with uncertainty regarding their ability to use the ramps.

The property owner expressed concerns regarding liability with the use of the boat ramp by residents. On recommendation of our Attorney, Release of Liability letters were sent to all property owners involved. The Release of Liability adds a layer of legal protection for the owners. To date none of the impacted owners agreed to sign the letter. We continue to meet with the property owners, formally and informally to develop an amicable solution.

For 35 years, the residents of Swann Keys have enjoyed and benefited from the use of the boat ramps. It is the position of our Attorney that we have the legal rights for continued use. We are a water front community with 100's of boats and other watercraft being owned by our members. The boat ramps are an asset of the community. This asset must be protected and preserved. Many owners have boat trailers that have benefitted from our private roads, ramps and are not registered for public road use. Closing the boat ramps puts our community in a very disadvantaged position that could result in another legal challenge by owners who purchased properties that believe that SKCA has not protected their assets.

On behalf of the entire Board of Directors, we are spending countless hours, days and now even weeks trying to come up with a solution acceptable to all. Most property owners have been very reasonable in our discussions and negotiation. Others are less cooperative. Taking legal action and going to the courts will be expensive and least efficient way to resolve this issue. The last thing that Swann Keys needs is another legal battle to divide the community. We will continue to work to avoid a legal / court pathway. We are keeping the entire community informed, as appropriate, with every step in our process. This property boundary issue could be resolved with a simple solution of amending property lines and recording the appropriate documentation. Several property owners have suggested a payment to adjust the property lines which are in dispute. The Board of Directors has no authority to make any payments aforementioned. This would require a vote of the entire community.

The west side ramp impacted owners have asked the Board of Directors to close the ramp on December 1st for the season. This may put a burden on impacted ramp users. The Board of Directors will decide on 11/15/2020 during our Board Meeting.

In summary, this Board of Directors and the SKCA have taken no actions to spark this latest issue. Swann Keys has over the years had many disputes regarding the communities founding documentation and various court cases. Your Board had as an opportunity to resolve this issue forever. We are being totally transparent, working within our authority and attempting to resolve this complex issue.

Respectfully submitted
Jeff Markiewicz,
President, SKCA 2020/2021
Jeffm.swannkeys@gmail.com

Financial Snapshot

October 2020 / Fiscal Year 2021

Account and Cash Summary

Operations Accounts

PNC Checking - Ending 9681	\$ 193,739.46
M.M. Savings - PNC - 6328	\$ 96,274.06
Business Checking - Bank of Ocean City - 5459	\$ 3,946.71
Petty Cash	\$ 191.24
	<u>\$ 294,151.47</u>

Reserve / Capital Accounts

MM Savings - Bank of Ocean City - 4468	\$ 128,280.02
Bank of Ocean City - Reserve CD	\$ 101,504.36
	<u>\$ 229,784.38</u>

Total Operations / Reserve Accounts **\$ 523,935.85**

Accounts Receivable / Payable Summary

Accounts Receivable

Accounts Receivable - Maintenance Fees	
0 - 30 Days	\$ 100.00
31 - 60 Days (FY21 Maint. Fees)	\$ (0.09)
61 - 90 Days	\$ (63.47)
91 and Greater	\$ 15,975.09
Total Maintenance Fees Receivable	<u>\$ 16,011.53</u>
Other Accounts Receivable	\$ -
	<u>\$ 16,011.53</u>

FY 21 Maintenance Fee Performance

FY21 Annual Fees	\$ 545,401.00
FY21 Collected	\$ 529,389.47
Total Due	\$ 16,011.53
% Collected	97%

Accounts Payable **\$ 9,007.21**

Operating Budget Expenses

Monthly Operating Budget Performance

Budgeted Expenses for Month	\$ 38,001.00
Actual Expenses	<u>\$ 35,664.20</u>
Under / Over Budget for Month	\$ 2,336.80

Annual Operating Budget Performance

Annual Budgeted Expenses to Date	\$ 190,005.00
Annual Expenses to Date	<u>\$ 179,444.63</u>
Under / Over Budget for Year	\$ 10,560.37

Under Budget for FY2021

Annual Capital / Reserve Projects Performance

Capital / Reserve beginning balance June 1, 2020 **\$ 297,758.98**

Planned Projects	Budget / Estimate	Revised	Spend
Boat Ramp - I - West Side	\$ 27,000.00	\$ -	\$ -
WoodPiling- Club House - Marina - Phase 1	\$ 37,000.00	\$ -	\$ -
Completion Water Plant Upgrades (1/2 Cost)	\$ 68,196.00	-	\$ 68,196.00
Swimming Pool Sand Filter - Phase 1	\$ 1,230.00	\$ -	\$ -
Capital / Reserve Contingency	\$ 10,250.00	\$ 10,250.00	\$ -
Unplanned Project			
Project 1	\$ -	\$ -	\$ -
Project 2	\$ -	\$ -	\$ -
Totals	\$ 143,676.00	\$ 10,250.00	\$ 68,196.00

Under / Over Budget **\$ 75,480.00**

Under Budget

Capital / Reserve Fund Estimated May 31, 2021 **\$ 154,082.98**

Community Critical Path Projects / Tasks

#	Item	Notes	Lead	Status
1	Pool, Park Club House	<ul style="list-style-type: none"> Pool Closed for season Park and Club House remain open. 	Jeff Markiewicz	DONE
2	Water Plan Renovations	<ul style="list-style-type: none"> Renovations Completed – Monitoring and adjustments ongoing 	Bill Althoff	DONE
3	New Accounting Software and Chart of Accounts Installed	<ul style="list-style-type: none"> Continue to make adjustments – Steady state at this point. 	Wilma Denton	DONE
4	Lift Station & Power in Canals	<ul style="list-style-type: none"> Meetings with boring company and electricians completed. New DEC Power Line installs changes this project significantly. 	Ronnie Young	
5	Boat Ramp Signage	<ul style="list-style-type: none"> Installed 	Ronnie Young	DONE
6	No Wake Signage	<ul style="list-style-type: none"> Several signs install – others being prepped and install soon 	Ronnie Young	ACTIVE
7	New Boat Ramp	<ul style="list-style-type: none"> MAJOR ISSUE WITH PROPERTY SURFACED. Need survey of property – Survey Company selected – 6 quotes received Review options – Wood vs. Composite, Concrete Options Need meeting with adjoining property owners Need refreshed quotes / bids after drawings are ready Begin Construction – Mid October 2020 – Close ramp for winter Ready Spring of 2021 - DELAYED 	Ronnie Young Bill Althoff	Delayed
8	Bulkhead Replacement Community Center	<ul style="list-style-type: none"> Need survey of property Need refreshed quotes / bids after drawings are ready Begin Construction – Mid October 2020 – Delayed 	Ronnie Young Bill Althoff	Delayed
9	Community Survey	<ul style="list-style-type: none"> Closed Survey on Aug 17th. Present to BOD and Community on Sept 20th. 	Lori Monroe	DONE
10	Long Range Planning Committee	<ul style="list-style-type: none"> Committee Formed Began meeting on Oct 14, 2020 Great Team / Even better results expected. 	LRPC	ACTIVE
11	Residents Checks	<ul style="list-style-type: none"> Continue – Great work Dan 	Dan Cavanaugh	ACTIVE
12	Energy Usage Study	<ul style="list-style-type: none"> With new COA we can now track energy usage more effectively. Review options for Energy Savings – ie: why do we cool large areas 24/7 	?????	Not Started
13	Web Site Management	<ul style="list-style-type: none"> Have started self-posting content 	Tom Tompkins Jeff Markiewicz	DONE
14	Image and Identity	<ul style="list-style-type: none"> New format for communications pieces Redesign of News Letter Templates Explore Monthly Update to community Develop Communications Matrix 	Tom Tompkins	Not Started
15	Dog Bag Stations	<ul style="list-style-type: none"> Installed 	Bill Althoff	DONE
16	Community Communications Plan	<ul style="list-style-type: none"> Work started almost finalized by Tom and BOD Will be shared with the community soon. Excellent Job! Tommy. 	Tom Tompkins	ACTIVE
17	OneCall EMAIL Notifications	<ul style="list-style-type: none"> Enable / Built OneCall Email Notifications Sync up and ask community for emails address updates. Took significant work but all is in place. Still soliciting email addresses. 	Jeff Markiewicz	DONE
18	Build Online Customer Portal for Residents	<ul style="list-style-type: none"> Forms ready for (1) Communications to Staff / BOD (2) Maintenance Requests (3) BOD Nominations Needs final review and posting to website with supporting processes in place to reply to requests. 	Jeff Markiewicz	ACTIVE

2020/2021 Board of Directors Summary of Community Accomplishments Since May 17th, 2020

1	Implemented Daily Proper Checks
2	Removed dangerous Putt Putt Course
3	Started weekly Operations Meetings with Staff and Leaders
4	Started monthly Community Update Videos and President Reports to community
5	Designed, Conducted and Compiled Community wide Survey – Released on 9/20
6	Implemented new processes for Cash Reimbursements
7	Changed Petty Cash Processes
8	Installed new Accounting Software / System
9	Converted all historical Accounting Transactions
10	Implemented new Payments Approval Processes
11	Designed / Implemented new Chart of Accounts
12	Implemented new “Financial Snapshot Report” for the community
13	Provided detailed Financial Summaries / Treasurers Report Timely
14	Reconciled Check Book / Payments back 10 years +.
15	Started Webex / Teleconference for Board and other meetings
16	Updated / New Community Center Rental Contract
17	Installed new Security System for Office to protect sensitive resident information.
18	Installed / Repaired new Security Cameras
19	Began regular meetings with Shady Park Property Manager
20	Completed Water Upgrade Project
21	Started Boat Ramp and Marina Replacement Projects
22	Developed all Documentation, Signage and Procedure required to open Covid Safe Facilities
23	Opened Pool, Park and Community Center on July 8 th , while many communities closed
24	Updates to Sewage Lift Stations (Doors, Guiderails, Power)
25	Started process to rewire / reconfigure all West Side Sewage Lift Stations
26	New Boat Ramp Signage / No Wake Signage Installed
27	Started routine cutting of Laws Point Drainage Ditches
28	Installed Commercial Grade / Kid Safe Mulch in Playground
29	Updated Basketball, Volleyball, Horseshoe Pits
30	Web Site / Timely Postings of News and Events
31	Dispatched team for Safety and Property Damage Notification during Tropical Storm Isaias
32	Removed dangerous pool chairs / equipment from pool area
33	Developed Covid procedures for Clubhouse Fall opening
34	Continued Wellness Checks
35	Assisted Property Owners who were quarantined with finding vendors for maintenance / lawn care
36	Introduced new community engagement activities, Picture, Sign Contests
37	Passed Motion to add consistency with SK Common Area Parking – No parking on Marina Grass
38	Installed Pet Bag Stations in critical areas
39	Responded to urgent Laws Point Road power replacement project
40	Formed Long Range Planning Committee / Started work on SK Long Range Plan
41	Synchronized QuickBooks, Survey and OneCall Customer Information
42	Developed a BOD and Community Communications Plan
43	Implemented OneCall Email Updates to the Community – Synchronized email addresses in OneCall