

QUARTERLY NEWSLETTER

Donna Richards, President

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From the President – Donna Richards

Happy Summer Swan Lake Estates! It is wonderful to see the hard work going into beautifying your yards and homes. Congratulations to the Knipper (April) and Tran (May) residences for earning Yard of the Month recognition. It is obvious that many Swan Lake Estates homeowners are “house proud”!

With the increased activity and projects that come with the summer months, be mindful of the Covenants, Conditions and Restrictions (CC&Rs) for your phase of the neighborhood. As of late, the more frequent transgressions involve trailers and vehicles. Refrain from leaving trailers parked within street view. Also, refrain from leaving inoperable vehicles parked in a driveway. Don't make someone else the “bad guy” when ALL of us are obligated to adhere to the CC&Rs. We all want to live in an aesthetically pleasing neighborhood. Do your part.

There are many HOA projects and tasks in progress. The Board of Directors is working on the 2025 budget, implementing elements of the Strategic Plan, improving processes based on the Oversight Committee's recommendations, planning courses of action to execute pool improvements, and organizing sprinkler system repairs in the entrance areas.

Finally, it is a time of transition for the Board of Directors. My term as President and representative for The Village ends in September. Likewise, Julianne Wyatt's (Phase 2, Unit 1) term expires in September. We are also seeking representatives for Phase 1, Unit 1 and Phase 3-The Overlook. Please consider representing your phase.

May you and your family have a fun and safe summer!

Architectural Control Committee – Don Newton, Chair



Thank you to our outgoing volunteers, D. Scruggs and C. Wanner for their service to the ACC. These gentlemen were invaluable to this committee and the HOA. We are fortunate to already have two new homeowners, A. Jenkins and M. Racca, who graciously stepped up to fill the vacancies.

Please continue to contact the Architectural Control Committee (ACC) with your questions concerning renovations, fences, driveways, and outbuildings. We are happy to help you understand how the neighborhood's covenants help maintain architectural standards. Please refer to the documents section of the Swan Lake Estates website for a copy of covenants, bylaws, and a phase/unit map of the neighborhood. <https://www.swanlakehoa.org>

Submit your requests to the Homeland Neighborhood Management portal. After signing in, navigate to the third tab at the top of the page labeled “Account Info.” Then click on “ARC Requests.” To create a new ACC/ARC Request, click the “Add ACC Request” link, enter the required information, and click “Submit.” <https://homeland.cincwebaxis.com/>

By using the portal, all committee members are simultaneously notified of new requests. The committee will notify you of the decision and/or if any additional information is required. The covenants allow 30 days for committee review, but requests are usually reviewed, and the homeowner notified of the decision within a week.

Please remember that many requests require approval from **both** the ACC and the Harrison County Office of Zoning before a permit is issued. <https://harrisoncountymys.gov/departments/zoning/index.php>

Treasurer's Update – Frank Scott, Treasurer

Operational expenses through April of this year are normal. The HOA has collected almost all 2024 annual assessments. The Board of Directors has initiated action on the three delinquent accounts in accordance with the HOA's CC&Rs and bylaws.

Several homeowners are using the Homeland Neighborhood Management portal to make a lump sum or multiple payments for their 2025 annual assessment. You can make a payment anytime for 2025 through the Homeland portal <https://homeland.cincwebaxis.com/> using a credit card (+ a 3.25% service fee) or E-Check (+ \$1.99 service fee) by entering your bank account information. You can also send a check to Homeland Neighborhood Management, PO Box 967, Commerce, GA 30529.



We are beginning the budgetary planning process for 2025. If you have any suggestions, please contact me or another member of the Board of Directors.

Social Committee – Michelle Ladner, Chair

Congratulations to the winners of the 2nd Annual Branden Estorffe Kid's Fishing Tournament: Age 6 and under – Mary Sessums; Ages 7-11 – Lillian Barta; Age 12 and over – Avery Skaggs. A special shout out to Dennis Nowell for heading up the tournament for the second year. Don't forget about the July 6 HOA Summer Bash starting at 6pm. Bring a side dish to share and join in fellowship with your neighbors at the pool clubhouse.

Social Events 2024

July 6th – Summer Bash 6pm, Fireworks at dusk
August 11th – Burger Box Food Truck 4:30-7:30pm
October TBD – Fall Festival/Craft Vendors/Antique Cars
December TBD – Cookies and Pics with Santa

Oversight Committee – Buck Lawrence, Chair



Dear Homeowners – In accordance with our charter, The Oversight Committee presents the following Report of the Committee's Conclusions and Recommendations to the general membership (see end of newsletter and the HOA website, <https://www.swanlakehoa.org>.). Many thanks to the Board of Directors for the creation and support of this committee. I would like to personally thank committee members Violet Brantley, Tom Cecil, and Allen Jenkins for the hours of research and deliberations they committed to this report.

Please be aware that the numbering and location of the recommendations is strictly for identification purposes. Prioritization and implementation rests with the Board of Directors.

I will be available for questions at the quarterly meeting. With that, I am happy to state that the 2024 Scope of Work for this committee is concluded.

The committee has room for another volunteer. This is a great opportunity to be of service to both the Board and the Membership. Please e-mail me at molwrnc@gmail.com or phone 228-424-5748 if you are interested or want to know more.

2nd Quarter Membership Meeting Agenda

The 2nd Quarter HOA Membership Meeting is scheduled for 6pm, THURSDAY June 20 at the Coast Electric Power Association Auditorium, 14082 US 49, Gulfport, MS 39503. Your attendance is greatly appreciated.

Agenda

1. Welcome
2. Updates from the President
3. Finance Update from the Treasurer
4. Nominations for Board of Directors
5. Adjournment

SLE HOA Board of Directors

Donna Richards, President	(P4-Village)	dmrichards61@hotmail.com	228-297-3903
Bart Loftis, Vice President	(P3-Overlook)	bart.loftis@caffeyinc.com	228-380-0807
Frank Scott, Treasurer	(P1 U1)	scott_f@bellsouth.net	228-349-0474
Juliane Wyatt, Secretary	(P2 U1)	jwyattflute@gmail.com	859-750-8951
Michelle Ladner	(P1 U2)	cmladner75@gmail.com	228-669-0761
Karol Musslewhite	(P1 U1)	mussle2@yahoo.com	270-243-0537
Don Newton	(P3-Overlook)	dnewtonslhoa@gmail.com	228-223-4008
Scott Smith	(P1 U2)	fireman139@gmail.com	228-297-1391
Philip Ward	(P1 U3)	glory6151@aol.com	228-539-9195

TO: BOARD OF DIRECTORS, SWAN LAKE ESTATES HOMEOWNERS ASSOCIATION
FROM: OVERSIGHT COMMITTEE
DATE: MAY 7, 2024

Dear Ms. President, Officers and Board Members,

On behalf of the Oversight Committee, we would like to thank you for supporting the creation of this committee and for your participation in this review process. Our Scope of Work included a review of financial reporting, performance reporting, risk oversight and management, and internal control. We began our committee work in October 2023 and will be concluding our work with this report and the subsequent presentation to the Membership next month.

It was not within the approved Scope of Work Plan for this committee to evaluate or comment upon the Board's Agenda selections or decisions. According, no such evaluations were made. Our report is presented in the following format:

- Officers and Directors Discussions
- Board and Membership Meeting Minutes
- Policies and Procedures Review
- Insurance Review
- Financial Data Review
- Miscellaneous Data

Each section highlights the Committee's conclusions, followed by the Committee's recommendations and concluding with reference citations.

Having established this baseline report, we would suggest that continuing oversight be broken into sections that are reviewed on a two-year cycle. We would further suggest that the next Oversight Cycle include a review of all aspects of the "Contract Process" and a detailed review of the "Banking Transactional Records".

Respectfully submitted,

Swan Lake Estates Homeowners Association
Oversight Committee

OFFICERS and DIRECTORS DISCUSSIONS:**CONCLUSIONS:**

- 1.) Historically, there has been no formal training for Officers and Directors on their Leadership or Fiduciary Roles and Duties.
- 2.) No active encouragement for membership to attend meetings, although there is for events.
- 3.) Entire Board is not actively involved in the annual budgeting process.
- 4.) Reserve analyses have not been performed to determine an optimum level of funding.
- 5.) Board is to be complemented for establishing Oversight Committee and supporting the work of the committee.

RECOMMENDATIONS:

- 1.) Engage a facilitator for Officer & Director workshop to better understand Leadership Roles and Duties. Commit to follow up workshops every third year.
- 2.) Establish Spring and Fall Open Forums to facilitate membership communications.
- 3.) Enter into negotiations with University of Southern Mississippi for a student internship.
- 4.) Join HOALeader.com to receive continuous "Best Practices" advice.
- 5.) Contract with an independent company to perform a Reserve Analysis of Swan Lake Estates Homeowners Association real property facilities.

REFERENCES:

Internet search: www.vinteam.io/hoamanagement/hoa-board

Internet search: [www.HOAleader.com/HOA Leadership Roles and Duties](http://www.HOAleader.com/HOA%20Leadership%20Roles%20and%20Duties)

Personal interview: Executive Director, Mississippi Gulf Coast Chamber of Commerce

Personal interview: Vice President of Traditions Campus William Carey University

Personal interview: Experiential Learning Coordinator University of Southern Mississippi

BOARD and MEMBERSHIP MEETINGS MINUTES:**CONCLUSIONS:**

- 1.) Historically, homeowner access to Board Meeting Agendas has not been readily accessible.
- 2.) The current Secretary, Julianne Wyatt, is to be complimented for the improvements made in the quality of the information documented in the Board and Membership Meeting minutes.
- 3.) Committee meeting minutes are completely unaddressed.
- 4.) Minutes of both Board meetings and Membership meetings show a lack of consistency in both formatting of the presentations and in the detail of documentation of issues presented and discussed. Clear statements of issue resolution are often not available.

RECOMMENDATIONS:

- 1.) The utilization of **Executive sessions** should be immediately adopted.
- 2.) A Guideline to Reporting and Recording Meetings Policy should be immediately adopted. This should include how, when, and where to publish agendas: adoption of Robert's Rules of Order for Meetings: how, when, and where to publish meeting minutes.

REFERENCES:

Internet search: www.Edcfiresafe.org/board/Roberts_rules_3_2

Internet search: www.Woodruffsaawyer.com/do-notebook/reviewing-committee-and-board-meeting

Internet search: [www.Boardsource.com/executive sessions for nonprofit boards](http://www.Boardsource.com/executive%20sessions%20for%20nonprofit%20boards)

Internet search: www.Doola.com/blog/amend-meeting-minutes

Internet search: [www.Jimslaughter.com/community associations-10 meeting myths](http://www.Jimslaughter.com/community%20associations-10%20meeting%20myths)

Internet search: [www.BoardSource.com/executive sessions for nonprofit boards](http://www.BoardSource.com/executive%20sessions%20for%20nonprofit%20boards)

POLICIES and PROCEDURES REVIEW:**CONCLUSIONS:**

- 1.) Historically, homeowners access to the governing policy documents has not been readily accessible.
- 2.) Policy documents (for homeowner's benefit) should be separated from Procedure and Technical documents (for Board of Director's benefit), and all the other miscellaneous papers.
- 3.) The Board is to be complemented for its transparency in the handling of the new December 2023 Collection Letter Policy both in its e-mail/regular mail to the individual homeowners and in its postings to both webpages.
- 4.) Existing policies have not been addressed in a number of years and need to be re-evaluated either by update or elimination.
- 5.) It is important for the Board to add additional policies to improve the quality of life within Swan Lake Estates.

RECOMMENDATIONS:

- 1.) A suggested timetable, of not more than 6 months, should be established to implement the following new policies:
 - a. Conflict of Interest/ Code of Conduct Policy
 - b. Document Retention Policy
 - c. Architectural Review Committee Policy
 - d. Guideline to Reporting and Recording Meetings
 - e. Handling of Contracts
 - f. Documentation and Filing of Tax Returns
- 2.) A suggested timetable, of not more than 12 months, should be established to complete the re-evaluations identified in above Conclusion 4. The Board should communicate their progress towards this recommendation at every membership Quarterly Newsletter and Meeting.
- 3.) A suggested timetable, of not more than 18 months, should be established to consider these unaddressed policies:
 - a. Dispute Resolution and Complaint Policy
 - b. HOA E-mail Policy
 - c. HOA Social Media Policy
 - d. Enforcement Due Process Policy and Procedures
 - e. Pet Policy
 - f. Service Animal Policy
 - g. Short-Term Rental Policy

REFERENCES:

Internet search: [HOA Management.com/](https://www.hoamanagement.com/) Community Resources

Internet search: pdsaz.com/ Planned Development Services/ Sample Community Association Code of Conduct

Internet search: uschabber.com/ Strategy/ How Long Should You Keep Documents?

Internet search: fieldstonerp.com/ Architectural Designs Guidelines

INSURANCE REVIEW:**CONCLUSIONS:**

- 1.) As insurance carriers continuously change the terms and conditions of their policy offerings, the HOA should periodically engage in a Request for Proposal as to its insurance business.
- 2.) In light of rising medical costs, a medical expenses coverage limit of \$5,000 could expose the HOA to unnecessary financial risk.

RECOMMENDATIONS:

- 1.) Policy should be established to competitively place a Request for Proposal for insurance coverage at a maximum of every 3 to 5 years.

- 2.) An independent real property appraiser should be engaged to establish documented base line insurance valuations for all Association properties.
- 3.) Independent advice should be obtained as to the adequacy of current medical liability limits.

REFERENCES:

Internet search: [Sigbcs.com/what-insurance-coverages-does-your-hoa-need/](https://sigbcs.com/what-insurance-coverages-does-your-hoa-need/)

Internet search: [Proinsgrp.com/5-essential-insurance-policies/](https://proinsgrp.com/5-essential-insurance-policies/)

Internet search: [Epsten.com/ Homeowner Association Insurance Checklist](https://epsten.com/Homeowner-Association-Insurance-Checklist)

FINANCIAL DATA REVIEW:***Banking Transactional Records:*****CONCLUSIONS:**

- 1.) Because of unforeseen delays in obtaining the banking data and in an attempt to facilitate the review process, the Oversight Committee accepted a limited amount of monthly banking records that did not come directly from Popular Bank.
- 2.) After attempting to reconcile the transactions recorded in these monthly banking statements to Swan Lake Estates Homeowners Association Income Statements-Operating, the Committee decided that it was unable to proceed with the limited information it had. Therefore, there is no conclusion to be drawn.

RECOMMENDATIONS:

- 1.) As no conclusion was able to be drawn, this facet of the Oversight Committee's Review should be assigned the highest priority in the next oversight review cycle.

Tax Returns:**CONCLUSIONS:**

- 1.) Board should review tax return, make appropriate approvals, and document in minutes these activities.

RECOMMENDATIONS:

- 1.) A new policy for the "Documentation and Filing of Tax Returns" should be implemented.

REFERENCES:

Internet search: [IRS.gov/ Instructions for Form 1120-H-Introductory Material](https://irs.gov/Instructions-for-Form-1120-H-Introductory-Material)

Internet search: [csmhoa.com/ HOA tax returns: can your HOA not file it?](https://csmhoa.com/HOA-tax-returns-can-your-HOA-not-file-it?)

Internet search: [thecpa.tax/ Do HOAs Have to File Tax Returns?](https://thecpa.tax/Do-HOAs-Have-to-File-Tax>Returns?)

Financial Fiduciary Duties:**CONCLUSIONS:**

- 1.) There appears to be no documentation establishing monetary values for any tangible real assets of the Association.
- 2.) Historically, it appears that no Independent Reserve Analysis has ever been performed.
- 3.) Historically, it appears that a lack of transparency has resulted in little to no engagement of the Residents in the budgeting process.
- 4.) The Budgeting Process appears not to be meeting the Fiduciary Standard of Care in the following areas:
 - a. Not addressing the effects of Inflation
 - b. Not funding, or reducing funding for projects in an attempt to "balance the budget"
 - c. Not funding Reserves to a level needed for tangible real asset replacement or enhancement

RECOMMENDATIONS:

- 1.) Tangible Real Assets should be immediately appraised by independent valuation firm and then recorded on the Association's Balance Sheet.
- 2.) Reserve Analysis should be immediately performed with resultant calculations incorporated into the annual operating budget.

- 3.) The newly created Budget Committee should become more transparent, so that Resident's expectations are aligned with budget proposals.

REFERENCES:

Internet search: HOAmanagement.com/ the best reserve studies services

Internet search: millerdodson.com/

Internet search: bls.gov/data/inflation_calculator

Internet search: [clarksimpsonmiller.com/ plan-hoa-annual-budget-guide](http://clarksimpsonmiller.com/plan-hoa-annual-budget-guide)

Internet search: [clarksimpsonmiller.com/ budgeting-mistakes-of-self-managed-boards](http://clarksimpsonmiller.com/budgeting-mistakes-of-self-managed-boards)

Internet search: [clarksimpsonmiller.com/ present-hoa-budgets-effectively-how-to](http://clarksimpsonmiller.com/present-hoa-budgets-effectively-how-to)

MISCELLANEOUS REVIEWS:

CONCLUSIONS:

- 1.) An opportunity might exist to lower the record keeping fee from Homeland Neighborhood Management by either paying lump sum in advance or by entering into multiyear contract.
- 2.) These same cost savings opportunities might be available within additional contracts.

RECOMMENDATIONS:

- 1.) Explore other savings opportunities and, if available, take advantage of them.

REFERENCES:

Internet search: www.homelandmgt.com

Internet search: www.wilkinsonlawms.com