

**Sparkling Waters Homeowners Association (SWHA)  
Annual Meeting  
Sunday, March 17, 2013**

**Members Represented:**

1. Bagnall
2. Bushelle
3. Day
4. Dixon
5. Graham
6. Lio
7. Manion (2 lots)
8. Nicholson/Rettig
9. Rogacki/Heise
10. Rodriguez
11. Russo
12. Shaw
13. Simpson
14. Totty

**By Proxy:**

15. 1<sup>st</sup> Commercial Bank (2 lots)
16. Akins
17. Coogle
18. Franks
19. Gildea
20. Jennings-Beasley
21. Montgomery
22. Nation
23. Spolski
24. Spurling

Meeting was called to order by President Barry Graham at 2:12 PM.

1. Homeowner Introductions

Covenants, Restrictions and Reservations (CRR) define a quorum as 51% or 22 of the 42 lots represented. With 26 lots represented at this meeting, a quorum has been successfully obtained.

2. Update on Association Activities

A. Landscaping. Common flowerbeds installed during May 2011 work day still look good. Considering adding small Crape Myrtles to the beds along Parish Blvd.

B. Dock Status

- a. Submerged Land Lease (SLL) is now a fixed annual fee. Florida Department of Environmental Protection (DEP) previously charged a 6% fee/tax on direct and indirect income produced by the transfer or renting of boat slips on the common dock. Gov Scott signed *HB 13 into law effective July 1, 2012. All transfers that occurred after July 1, 2012 are no longer subject to the 6% fee.*

- b. Based on square footage of the common areas vs. slips, SWHA will pay 33% of fixed SLL annual renewal and slip assignees will pay 67%. Slip Assignees pay for share of liability insurance
    - c. Chris Lio has agreed to continue on as Dockmaster.
  - C. Renewed liability insurance through Harris Insurance Services for 2013.
  - D. Re-registered SWHA with State of Florida
  - E. Renewed retainer with Attorney firm, Becker & Poliakoff
  - F. Established a mutual fund account for Road Repairs as the savings account was earning a small fraction of a percent in interest. Account established was for the Lord Abbett Short Duration Income A fund. Expect to earn 4% interest so long as no withdrawals are made for at least a year.
  - G. Neighborhood BBQ--last year's BBQ was a great success. Propose to have another in October 2013, but either avoid conflicts with NCAA Football or provide TV access.
  - H. Tax Return: Filed tax return for 2012, IRS Form 1120-H. No taxes owed, as expenses are greater than interest accrued.
3. Near-Term Activities
- A. Website Development. Website is out-of-date and will be updated soon.
  - B. Landscaping. Spring workday to be scheduled based on availability of members. Need to: replace plants lost over the winter, spray poison ivy near gazebo, stain/varnish wetlands overwalk, repair overwalk and gazebo (loose boards, replace gazebo roof shingles). Sparkling Waters sign on west end (in front of Rogacki-Heise property) needs repair.
  - C. Overwalk, Gazebo and Dock Repairs. Some boards need replacing. Please report damage to Dockmaster, Chris Lio.
  - D. Re-register SWHA with State of Florida
4. Financial Report
- See slides 13-22 of the attachment briefed at the March 17th meeting. At time of minutes publication, 32 of 42 lots are current on 2013 dues. There are two properties in foreclosure and one expected to be in foreclosure. Unknown when the outstanding dues/fees owed for the properties in foreclosure will be collected, particularly for the foreclosed properties that also involve bankruptcy. New CRR stipulate that buyers of foreclosed SWHA properties must pay back dues up to a limit specified by Florida Statute 719.108. Homeowners who are having trouble paying their dues can contact the Treasurer to make arrangements for paying incrementally.
5. Proposed Budget
- See slides 19-21 of the attached briefing presented at the March 17th meeting. Treasurer recommended increasing the road repair allotment to \$10,000 annually, given that road repaving is estimated to be \$150K and we only have \$57K in the road repair savings account. Roads are over 15 years old. Given other expenses and allotments, treasurer recommended keeping assessments at \$400 per lot per year.
6. New Business.

- A. It is the responsibility of property owners to ensure that tenants and buyers receive copies of the Covenants, Restrictions and Reservations and Mooring Facility Rules & Regulations.
- B. SWHA BBQ. Association to sponsor annual neighborhood Barbeque in October some time after Labor Day. More to follow.
- C. Board of Directors working on establishing rules document for levying fines for CRR violations. Rules document will be similar to Mooring Facility Rules and Regulations.
- D. Neighborhood Security. Residents are advised to report suspicious activity to the Okaloosa County Sheriff non-emergency number, (850) 651-7400.
- E. Florosa Fire Department will be flushing fire hydrants in the next week or so.
- F. Dixon's asked how do they request permission to extend their dock. Barry Graham recommended they contact Okaloosa County Growth Management office to obtain a permit.

#### 8. Voting Issues

- A. Lisa Manion made the motion to approve the proposed budget for Sparkling Waters Homeowners Association for April 2013-April 2014. Seconded by Joan Lio. All voted in favor.
- B. John Rogacki made the motion that the next annual meeting be the 1st Sunday in April, April 6, 2014. Easter Sunday is April 20, 2014. Okaloosa County Schools Spring Break is March 24-28, 2014. Lisa Manion seconded. All voted in favor.
- C. Russ Bagnall nominated Barry Graham for President, John Totty for Vice President, and Alicia Graham for Secretary/Treasurer. Christine Totty seconded. All voted in favor.
- D. John Totty nominated Chris Nicholson for the Director at Large position. Christine Totty seconded. All voted in favor.

9. Next annual meeting is scheduled for Sunday, April 6, 2014 at 2:00PM at 552 Shimmering Lane. President Barry Graham adjourned the 2013 annual meeting at 3:20 PM.

Attachment: Briefing slides presented at March 17, 2013 annual meeting.

Minutes as recorded by:

Alicia Graham, SWHA Secretary

Approved by:

Barry Graham, SWHA President