

**Sparkling Waters Homeowners Association (SWHA)
Annual Meeting
Sunday, April 10, 2011**

Members Represented:

1. Akins
2. Bagnall
3. Bushelle
4. Graham
5. Jennings
6. Lio
7. Montgomery
8. Rogacki/Heise
9. Styba
10. Totty

By Proxy:

11. Franks
12. Gildea
13. LeRoy
14. Manion (Lot A6)
15. Manion (Lot A8)
16. Minton
17. Mullett
18. Nation
19. Rabb
20. Rak
21. Shaw
22. Spolski
23. Spurling
24. Vellanikaran

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. As 24 lots are represented at this meeting, a quorum has been successfully obtained.

2. Update on Association Activities

A. Dock Status

- a. Submerged Land Lease (SLL) obtained in July 2010; Construction completed in Oct 2010
- b. Based on square footage of the common areas vs. slips, SWHA will pay 33% of SLL annual renewal and slip assignees will pay 67%

- c. Slip Assignees pay for share of liability insurance
 - d. All 12 slips now have a signed and recorded assignment and agreement
 - e. Separate Dock Account managing docking facility funds
 - f. Board of Directors appointed Chris Lio as Dockmaster, whose responsibilities include dock maintenance and ensuring Mooring Facility Rules and Regulations are followed. Need to add few more rules to the list.
- B. New CR&R, Slip Assignments, By-Laws, Dock Declaration Recorded with Okaloosa County Clerk <http://officialrecords.clerkofcourts.cc/>
 - C. Renewed liability insurance through Harris Insurance Services for 2011.
 - D. Re-registered SWHA with State of Florida
 - E. Renewed retainer with Attorney firm, Becker & Poliakoff
 - F. Website. www.sparklingwatershoa.com It's just the public site now. Secure Login to be added by University of Florida students. Members will be able to check their account status from the secure site. Need feedback from folks on what to include on the website.
 - G. Neighborhood BBQ--last year's BBQ was a great success. Propose to have another in September 2011.
 - H. Tax Return: Filed tax return for 2010, IRS Form 1120-H. No taxes owed, as expenses are greater than interest accrued.
3. Near-Term Activities
- A. Mooring Facility Rules posted to website. Dock Rules Committee needs to finalize all rules and regulations.
 - B. Website Development
 - C. Landscaping
 - D. Talk to County Regarding Drainage Problems
 - E. Re-register SWHA with State of Florida
4. Financial Report
- See slides 10-20 of the attachment briefed at the April 10th meeting. At time of minutes publication, 38 of 42 lots are now current through 2010 and 28 of 42 lots are current on 2011 dues. There are two properties in foreclosure and one delinquency. Unknown when the outstanding dues/fees owed for those three properties 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 16-17 of the attached briefing presented at the April 10th 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 \$47K in the road repair savings account. Roads are

already over 13 years old. Given other expenses and allotments, treasurer recommended to keep assessments at \$400 per lot per year.

6. New Business.

- A. Panhandle LLC Services proposed a \$6,000 base fee plus extra charges, for a total estimated cost of \$7,350 per year to manage the association and include duties such as monitoring contractors/repairmen. This amount does not include landscaping.
- B. SWHA BBQ. Association to sponsor annual neighborhood Barbeque in September some time after Labor Day. Christine Totty and Joan Lio volunteered to help. More to follow.
- C. Fran Jennings volunteered to lead the Landscaping Committee. Work day proposed to be on Saturday, May 14th to plan flowers/bushes. Landscaping Committee to determine what will be done on the workday, what needs to be purchased and a cost estimate, and then make a proposal to Board of Directors. Will meet immediately after annual meeting is adjourned to get organized.
- D. Fran Jennings asked if it was ever going to be possible to install private gates at the entrance to Shimmering Lane. Barry Graham replied that it would be cost prohibitive. Neighbors are concerned that the empty lots are being used as public beaches/parks during the weekdays.
- E. Drainage problems along Parish Blvd. Barry Graham talked to the County engineers. They have completed an elevation survey to determine the causes. Barry to contact the Department of Works to determine what can be done to alleviate the flooding that occurs during heavy rains.
- F. Chris Lio is concerned that residents are dumping grass clippings in the wetlands area subjecting themselves and SWHA to heavy fines. Barry to contact the offenders.
- G. Scott Styba asked if a "Dead End" sign could be installed at the entrance to Shimmering Lane to deter people from attempting to use Shimmering Lane as the entrance to a waterfront highway and then being forced to turn around at all hours of the night and day. Alicia Graham to research the cost.

8. Voting Issues

- A. Billy Montgomery made the motion to approve the proposed budget for Sparkling Waters Homeowners Association for April 2011-April 2012. Seconded by Fran Jennings. All voted in favor.
- B. Ellis Akins made the motion to vote on whether to hire Panhandle LLC to manage the association. Christine Totty seconded. All voted against the motion.
- C. Ellis Akins and Bill Bushelle are stepping down from serving on the Board of Directors. Bill Bushelle nominated John Totty for Vice President. Ellis Akins nominated Russell Bagnall for Board Member at Large. Bill Bushelle nominated Barry Graham for President and Alicia Graham for Secretary/Treasurer. Joan Lio made a motion to vote on nominated officers. Ellis Akins seconded. All voted in favor of proposed slate of officers.

D. Joan Lio made the motion that the next annual meeting be the 1st Sunday in April, April 1st, 2012. Easter Sunday is April 8, 2012. Okaloosa County Schools Spring Break is March 19-23, 2012. Fran Jennings seconded. All voted in favor.

9. Next annual meeting is scheduled for the 1st Sunday in April -- April 1st, 2012 at 2:00PM at 552 Shimmering Lane. President Barry Graham adjourned the 2011 annual meeting at 3:19 PM.

Attachment: Briefing slides presented at April 10, 2011 annual meeting.

Minutes as recorded by:

--SIGNED--

Alicia Graham, SWHA Secretary

Approved by:

--SIGNED--

Barry Graham, SWHA President