

Sparkling Waters Homeowners Association (SWHA)
Annual Meeting
Sunday, April 2, 2017

Members Represented:

1. Berkhimer, Craig and Joann
2. Bushelle, Bill and Paula
3. Graham, Barry and Alicia
4. Hale, Eleanor
5. Lio, Joan and Chris
6. Rogacki, John and Heise, Sharon
7. Russo, Troy
8. Shaw, Mike
9. Stinson, John
10. Styba, Scott
11. Totty, John

By Proxy:

12. Acree
13. Akins
14. Bone
15. Broyles
16. Day
17. Franks
18. Gusoff
19. Montgomery
20. Nation
21. Rodriguez
22. Spolski
23. Whitecotton
24. Vellanikaran

Meeting was called to order by President Barry Graham at 2:10 PM.

1. Homeowner Introductions

Covenants, Restrictions and Reservations (CRR) define a quorum as 51% or 22 of the 42 lots represented. With 24 lots represented at this meeting, a quorum has been successfully obtained.

2. Update on Association Activities

A. Renewed liability insurance through Harris Insurance Services for 2017.

B. Installed solar lighting on boardwalk.

C. Rules and Regulations updated to include restrictions on commercial activity, RV/boat storage, and prevention of watercraft or structure bumping against the community dock. Recorded on Okaloosa County records site on February 24, 2017.

D. Re-registered SWHA with State of Florida

- E. Renewed retainer with Attorney firm, Becker & Poliakoff
- F. Renewed website domain name and website support through Just Host. Significantly higher cost than previous years. Will review other services to see if we can find a lower cost alternative.
- G. Tax Return: Filed tax return for 2016, IRS Form 1120-H. No taxes owed, as expenses are greater than interest accrued, however earnings were highest ever: \$3414.80 due all sinking funds being in investment accounts (vs money market accounts) in 2016.
- H. Neighborhood BBQ--last year's BBQ was a great success. Propose to have another in on a Sunday in late-October 2017 with an Oktoberfest theme.
- I. Landscaping.
 - a. Workday was March 11th. Turnout was light. Participants replaced boardwalk and dock decking and added new plants and mulch to the common flower beds.
 - b. Barry obtained 2 bids from local landscaping companies. One was for \$8K and one was for \$11k for approximately 6 visits per year.
- J. Cracks in Shimmering Lane and Radiant Circle more prevalent and are beginning to erode due to water seepage into the cracks. Investigated road maintenance options with 2 different companies plus DIY options buying materials from Home Depot. Most cost effective is hiring Emerald Concrete & Paving to fill cracks and seal coat both streets for \$8500.00

3. Near-Term Activities

- A. Barry will request new bids from landscaping companies for twice-a-year maintenance of the common flower beds.
- B. Workday participants replaced 99 of 1200 deck boards. Recommended deck board replacement schedule is every 5 years or 240 boards per year. Recommended joist/stringer replacement schedule is every 10 years. Barry proposed replacing an additional 141 deck boards in 2017 to get on the 5 year replacement cycle. Also need to look at replacing railing boards.
- C. Re-register SWHA with State of Florida prior to May 1st.
- D. Submerged Land Lease Renewal. SLL does not expire until May 2025. There is still a 6% tax on indirect income (slip transfers). The transfer fee is based on DEP's appraised value of the slip, not the actual sales price. SWHA has to collect the expected transfer fee at closing to ensure we have the funds to pay DEP come the following May. Slip owners maintenance fees are based on power base charge ($\div 11$), Lights ($\div 13$), Metered power use per slip, taxes of subtotal of base share + metered use + lights/miscellaneous, water ($\div 10$), 67% of SLL renewal fee ($\div 12$), and insurance. Links to new SLL statutes that contain language regarding transfer fees will be posted to www.sparklingwatershoa.com.

4. Financial Report

See slides 13-20 of the attachment briefed at the April 2nd meeting. At time of minutes publication, 38 of 42 lots are current on 2017 dues.

5. Proposed Budget

See slide 20 of the attached briefing presented at the April 2nd meeting. President recommended using \$8500.00 of the 2017 road repair allotment of \$10,000 to patch and seal coat Radiant Circle and Shimmering Lane. Roads are over 19 years old. This preventative maintenance is estimated to extend the life of the private roads by 6 years. Given other expenses and allotments, treasurer recommended keeping assessments at \$400 per lot per year.

6. New Business.

A. Sparkling Waters Phonebook. Florida Statutes have previously allowed homeowners associations to share personal contact information only with written consent of each homeowner. New statute, an amendment to Section 718.111(12), clarifies that an association can publish all owner telephone numbers in a directory and that owners can consent to the publication of other contact information. *“An association may print and distribute to parcel owners a directory containing the name, parcel address, and telephone number of each parcel owner. However, an owner may exclude his or her telephone number from the directory by so requesting in writing to the association.”* Members present elected to pursue both options: a directory with just addresses and phone numbers and a more detailed contact list with other contact information such as email addresses.

B. SWHA BBQ. Association to sponsor annual neighborhood Barbeque with an Oktoberfest theme on a Sunday in late-October 2017. Christine Totty, Joan Lio, and Paula Bushelle volunteered to organize.

C. For safety, dogs are not allowed on the beaches in Okaloosa County per County Ordinance No. 77-19, Section 6. Ordinance 5-25 states it is unlawful for pet owners to fail to dispose of their animal's waste on any public or private property.
<http://library.municode.com/index.aspx?clientId=11900>

D. Waste Disposal:

a. Hazardous Waste Disposal. Location: 80 Ready Ave: FREE Drive Thru Drop-off for local residents every Tuesday thru Saturday from 7am - 3pm, no appointment necessary. For more info: 850-301-2013 or
<http://www.co.okaloosa.fl.us/pw/environmental/hazardous-waste>

b. Yard Waste: For bulky yard waste pickup (e.g. tree limb piles), call 850-301-2822 to schedule a special pickup.

c. Bulky Waste: For bulky waste pickup (e.g. furniture), call 850-862-7141 or 850-301-2822 to schedule a special pickup.

E. 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.

F. Residents are encouraged to report non-functioning lights to Gulf Power directly at: <http://www.gulfpower.com/outages> or call Customer Service at 1-800-225-5797 24 hours — 7 days a week.

8. Voting Issues

A. Bill Bushelle made the motion to approve the proposed budget for Sparkling Waters Homeowners Association for April 2017-April 2018 and also to keep the annual dues for

2018-2019 at \$400 per lot per year to build the investment accounts. Seconded by Troy Russo. All voted in favor.

- B. Bill Bushelle made a motion to further increase 2018-2019 dues by \$100 for property owners who do not participate in the workdays. Barry amended the motion to include other equivalent neighborhood beautification or maintenance tasks (as approved by a BOD member in advance) as qualifying for the \$100 exemption. John Stinson seconded. All voted in favor.
- C. Bill Bushelle made the motion to approve Emerald Concrete and Paving's bid of \$8500 to perform preventative road maintenance as previously briefed. John Rogacki seconded. All voted in favor.
- D. John Rogacki motioned that the HOA endorse Congressman Matt Gaetz' effort to open a pass near Navarre Beach to the Gulf of Mexico. Troy Russo seconded. 10 members present voted yes, 1 family voted no. John Rogacki volunteered to write the letter to Congressman Gaetz.
- E. Bill Bushelle made the motion that the next annual meeting be April 8, 2018. Easter Sunday is April 1st, 2018. Okaloosa County Schools Spring Break is March 16-23, 2018. John Rogacki seconded. All voted in favor.
- F. Bill Bushelle made the motion that as there were no volunteers for officer positions, that the existing slate of officers (Barry Graham, president, John Totty, vice president, Ryan Bone, Director at Large, Alicia Graham, secretary/treasurer), be retained. John Rogacki seconded the motion. All voted in favor.

9. Next annual meeting is scheduled for Sunday, April 8, 2018 at 2:00PM at 552 Shimmering Lane. President Barry Graham adjourned the 2017 annual meeting at 3:32 PM.

Attachment: Briefing slides presented at April 2, 2017 annual meeting.

Minutes as recorded by:

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Alicia Graham, SWHA Secretary

Approved by:

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Barry Graham, SWHA President