

Sparkling Waters Homeowners Association

2015 Annual Meeting
April 12, 2015

SWHA Annual Meeting Agenda

- Update on Assoc activities
- Near term activities
- Financial report
- New Business
- Voting Issues
- Next meeting

Roll Call

- Akins, Ellis & Alicia-1
- Bagnall, Russ & Deborah-1
- 1st Commercial Bank-2
- Bone, Ryan & Heather -1
- Bushelle, Bill & Paula-1
- Cass, Levi & Jackie-1
- Day, Lauren & Jason-1
- Dixon, Alan & Monika-1
- Felty, Thomas & Libbi-1
- Fojtik Rich & McGonigle, J.-1
- Franks, Chad & Kim-1
- Gildea, James & Gaudencia-1
- Graham, Barry & Alicia-1
- Hale, Josh & Eleanor-1
- Hammons, Stewart-1
- Henderlite, Alison-1
- Hoy, Neil & Kattie-1
- Jennings-Beasley, Fran -1
- Johnson, Sam & Silinda-1
- Keith, Stephen-1
- Lio, Christopher & Joan-1
- Manion, Lisa & Michael-2
- McLawhorn, Howard & Maureen-1
- Montgomery, Billy & Cynthia-1
- Nation, Andrew-1
- Rak, Kevin and Mary-1
- Rettig, L. & Nicholson, C.-1
- Rodriguez, Moises & Yeidy, M.-1
- Rogacki, J & Heise, S -1
- Russo, Troy-1
- Shaw, Michael & Helen-1
- Simpson, Douglass & Mary-1
- Spolski, John, Nancy, John-1
- Spurling, David-1
- Strait, Sean & Donna-1
- Styba, Scott & Maria-1
- Totty, John & Christine-1
- Tracy Acree Constr-1
- Wells Fargo Bank-1
- Vellanikaran, Alice-1

P = Proxy

Present - _____ of 42

Update on Assoc Activities

- Rules and Regulations (Fine Structure) recorded with Okaloosa County:
<http://officialrecords.clerkofcourts.cc/>
- Obtained liability insurance
- Re-registered SWHA with State of Florida
- Renewed retainer with Becker & Poliakoff
- Updated website and renewed for 3 years
- Federal tax return
- Fall Neighborhood BBQ
- Landscaping/Spring Work Day and Picnic
- Renewing Submerged Land Lease

Rules and Regulations (Fine Structure)

- Based on CR&R; sets fines for CR&R violations
- SWHA reserves the right to levy additional fines for continuing violations
- For example, CR&R prohibits pets to run free in Sparkling Waters. Violators are subject to a fine.
- In accordance with Florida Statute 720.305,
A fine or suspension may not be imposed without at least 14 days' notice to the person sought to be fined or suspended and an opportunity for a hearing before a committee of at least three members appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee.
- Also posted on www.sparklingwatershoa.com

Landscaping/Spring Workday



Future near term activities

- Landscape maintenance
- Re-register SWHA with State of Florida
- Complete Submerged Land Lease renewal
- Wetlands overwalk & gazebo repairs

Financial Report

Alicia Graham
Secretary/Treasurer

Previously Estimated Budget May 2014-April 2015

Administrative/Attorney Costs	1,525.00
Insurance	1,200.00
Utilities	2,000.00
Street Maintenance and Repair Fund	10,000.00
SWHA partial share of Dock costs	300.00
Improvements	1,500.00
Total	16,525.00
Number of Lots	42
Per Lot assessment	393.45

Financial Report

- Assessments/Fees collected
 - All delinquent lots have been sold and delinquent accounts paid up through 2014
 - 30 of 42 lots fully Paid as of April 12, 2015

Financial Report

• Actual Expenses (6 Apr 14– 10 Apr 15)	
– Gulf Power (Street Lights)	1,870.38
– State filing fee	61.25
– Administrative (postage, recording fees, website, etc.)	156.29
– Attorney Fees	125.00
– Construction, repair, supplies, landscaping, etc.	782.76
– Liability Insurance	1304.17
– Common Dock (SLL-SWHA Share) plus utilities	284.25
– Fall BBQ/Spring Picnic	265.63
– TOTAL EXPENSES:	4,278.68
– Deposit to Road Repair Money Mkt Acct	10,000.00
• Current Balance Checking Acct (xxx-xxx-625-0)	23,194.05
• Balance Lord Abbett Short Duration Inc Class A	51,051.99
• Current Balance Road Repair Money Mkt Acct	27,696.58+10K

Financial Report

- Upcoming expenses (Apr 15-Apr 16)
 - Insurance 1,200.00
 - Filing Fee (due by May 1st) 70.00
 - Utilities (Streetlights and Gazebo) 2,000.00
 - Attorney Retainer (due by Jan 1st) 125.00
 - Administrative 400.00
 - Miscellaneous Purchases and Repairs 1,000.00
- Allocations
 - Improvements 1,500.00
 - Road Repair Accounts 10,000.00
 - Attorney costs 1,000.00
- Total Projected Expenses/Allocations: \$17,295.00

Financial Report

• Beginning Balance	23,295.09
• CY15 Assessments	12,000.00
• CY15 Outstanding Dues	4,800.00
• Delinquent Property Dues/Fees	0.00*
• Less Projected Expenses	- 4,795.00
• Less Projected Allocations	- 12,500.00
• Expected Working Balance	22,800.09

SWHA Proposed Budget May 2015-April 2016

Administrative/Attorney Costs	1,525.00
Insurance	1,200.00
Utilities	2,000.00
Street Maintenance and Repair Fund	10,000.00
SWHA partial share of Dock costs	300.00
Improvements	1,500.00
Total	16,525.00
Number of Lots	42
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Common Dock Submerged Land Lease

- Submerged Land Lease (SLL) obtained in July 2010; Construction completed in Oct 2010; SLL expires May 4, 2015, then good for 10 years
- Based on square footage of the common areas vs slips, SWHA pays 33% of SLL fees; slip assignees pay 67%
- Slip Assignees pay for share of liability insurance and utilities
- Separate Dock Account managing docking facility funds

Submerged Land Lease Renewal

- SLL expires May 4, 2015
- DEP inspected the dock in early March
 - Fully compliant, no issues
 - Submitted application for renewal
 - Awaiting package from Department of State Lands
- New SLL based on HB13 from 2012
 - Will have a term of 10 years
 - After renewal cost of ~\$585, no annual lease fee
 - However, there WILL be tax on indirect income
- Fee: higher of lease (\$0) or 6% of indirect income

Submerged Land Lease Fees

- This year, renewal fee of ~\$585
- In next 9 years, SLL lease fee of ~\$1000 discounted to \$0
- Total SLL fees are the greater of lease fee or 6% of indirect income
- Since lease fees are \$0, fees will always be sales tax on transfer of slips
- HOA will collect fees on any transfers
 - Florida DEP new estimating method for slips
 - Collect 6% on DEP value for any transfer

Dock Electric Bill Components

- Base Charge
 - Energy Charge
 - Fuel Charge
 - Tax
- 
- Dock Usage
 - Lights
 - Misc Usage

Dock Electrical Cost Division

- Base charge: divide by 11 (10 + HOA)
- Lights and misc usage:
 - Stanchion lights: divide by 13
 - Gazebo lights: HOA
 - Misc usage: HOA
- Metered use per slip
- Tax on sub-total of base share + metered use + lights and misc

Boat Slip Fees to be due 31 May

• Maintenance and Repair	\$200.00
• SLL Renewal Share	33.89
• Insurance	5.83
• 1/10 th Water Usage after HOA pays	16.06
<hr/>	
• Total	\$255.78
	+
• Lights + Actual Electrical Usage	By Slip

New Business

- Difference between having sinking fund investments (road repair/dock) at Wells Fargo vs directly:
 - Number of accounts: If we invested multiple accts directly, would have to open an account at each fund. Would be a single account with Wells Fargo.
 - Transaction Fees-\$6 transaction charge at Wells Fargo. There would be no additional charge.
- Coastal Community Bank branch at Eglin closed; no longer convenient
- Use of Wells Fargo for banking simplifies transactions between investment and operating accounts

New Business (cont)

- Sparkling Waters Phonebook
- SWHA BBQ in October
- Neighborhood Security
- Overwalk & Gazebo Repairs
- For safety, dogs are not allowed on the beaches in Okaloosa Cty per Cty Ord No. 77-19, Sect 6. Ord Sec. 5-25:- *Public nuisances. (b)It shall be unlawful and a civil infraction for the owner or custodian of an animal to fail to immediately remove and dispose of that animal's waste upon any public or private property.*

<http://library.municode.com/index.aspx?clientId=11900>

New Business (cont)

- Responsibilities of Landlords ??
- Seller's responsibilities (closing requirements)??
- Proposed Date for Next Annual Meeting-
Sunday, April 4th, 2016 (Easter is March 27th;
Okaloosa Cty Spring Break is March 21-25th)
- Open floor
 - Wait to be recognized
 - Once recognized you have the floor
 - Five minute time limit

Voting Issues

- Budget
 - On the question of whether to accept the recommended budget and assessment?
 - Yes or No
- Use of Wells Fargo Advisors
 - On the question of using Wells Fargo Advisors for managing bank accounts, managing sinking fund accounts (road repair/dock) and to assist in transactions.
 - Yes or No

Voting Issues (cont)

- Officers
 - Nominations: Need new Director; other nominations?
 - Officers: Pres; Vice-Pres; Secy/Treasurer; Director
- Next Annual Meeting? Sunday, April 4th, 2016 – Yes or No.

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Back-ups

Mooring Facility Rules & Regs

- 1. Annual Slip Fees shall be determined by the Board of Directors, which shall annually estimate the expenses of the Association for the ensuing year, plus any deficit from the preceding year, as well as a reserve for the payment of indebtedness or other corporate purposes
- 2. Slip Assignees must be current on all assessments to the Association, including both standard Association annual assessments and Slip Fees, in order to use the Mooring Facility and Boat Slip.
- 3. The Mooring Facility shall be used only on a non commercial basis by and for benefit of the authorized Boat Slip users. Authorized users are Slip Assignee, Assignee's family and accompanied guests, or Assignee's tenant.
- 4. Any vessel moored in a Boat Slip must be registered or documented in the name of the authorized Boat Slip user.
- 5. Boat Slip users must maintain vessel liability insurance on any vessel moored.
- 6. Live-aboards are prohibited.

Mooring Facility Rules & Regs (cont)

- 7. No boat shall be moored outside of a designated slip
- 8. All vessels shall be moored in a seamanlike manner with minimum 1/2 inch nylon dock and spring lines, unless in a boat lift.
- 9. No supplies, equipment, or other items shall be left on the docks. Boat Slip user's shall ensure the Mooring Facility is clean, and all trash and other refuse is removed after each use.
- 10. All electrical lines from the dock to the boat must be three wired, grounded extension lines designed for marine use. Power and water stanchions will not be used to secure power cords, hoses, etc.
- 11. Boat Slip users shall not use, nor permit others to use the Mooring Facility for any disorderly or unlawful purpose.
- 12. Boat Slip users shall remove vessel from Mooring Facility if directed by the dock master (due to adverse weather/hurricane, required repairs, loss of use privileges, etc).
- 13. Boat Slip users shall require all rules and regulation to be faithfully observed by family, guests, employees, tenants, etc.