

# Sparkling Waters Homeowners Association

2016 Annual Meeting

April 3, 2016

# SWHA Annual Meeting Agenda

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

# Roll Call

P = Proxy

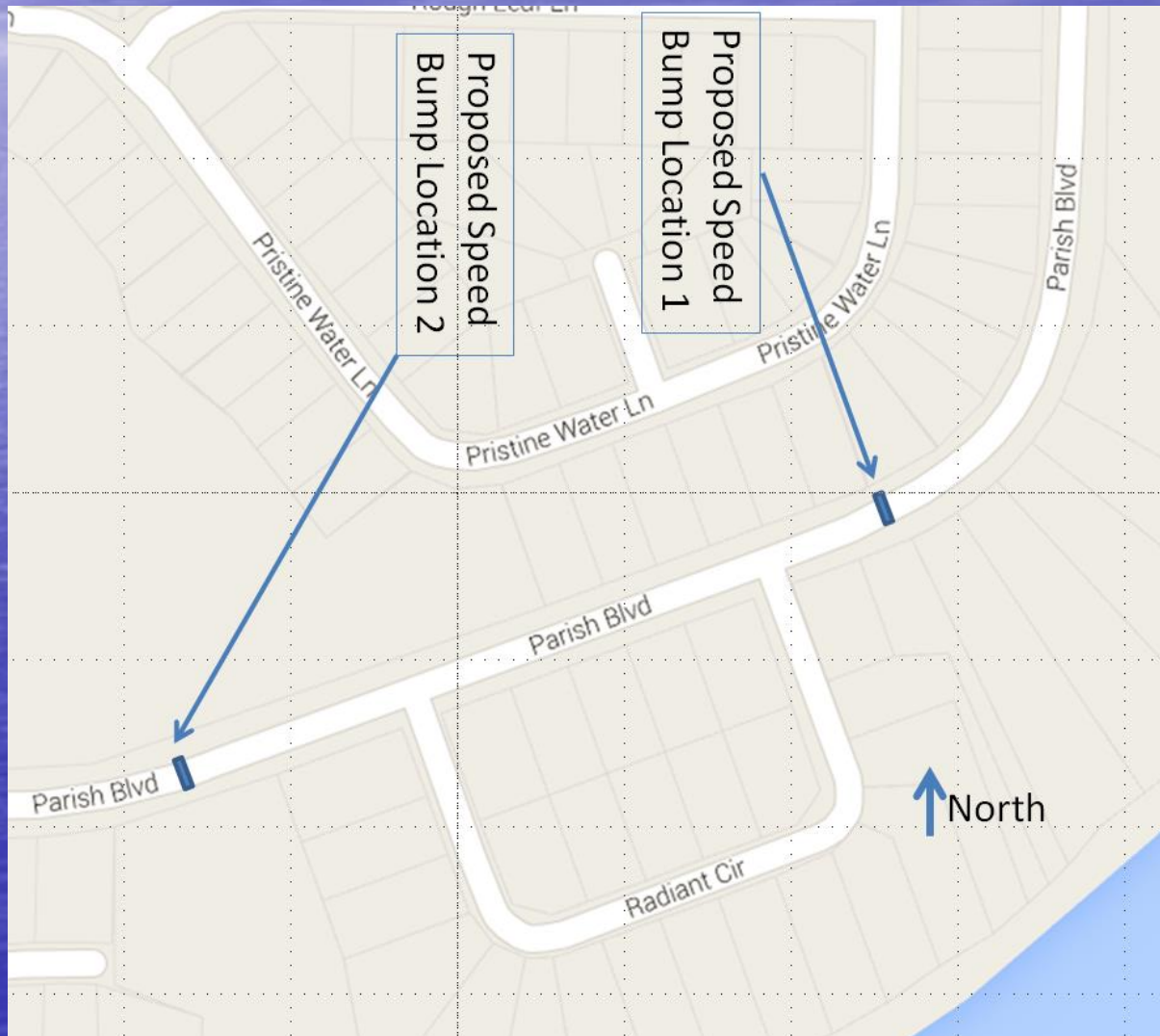
- Akins, Ellis & Alicia-1
- Bagnall, Russ & Deborah-1
- 1<sup>st</sup> Commercial Bank-1
- Bone, Ryan & Heather -1
- Broyles, Philip -1
- Bushelle, Bill & Paula-1
- Cass, Levi & Jackie-1
- Day, Lauren & Jason-1
- Dixon, Alan & Monika-1
- Felty, Thomas & Libbi-1
- Franks, Chad & Kim-1
- Gildea, James & Gaudencia-1
- Graham, Barry & Alicia-1
- Gusoff, Daniel & Samantha-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
- Rodriguez, Moises & Yeidy, M.-1
- Rogacki, J & Heise, S -1
- Russo, Troy-1
- Shaw, Michael & Helen-1
- Simpson, Douglass & Mary-1
- Sotomayor, Luis-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
- Whitecotton, Donald & Connie-1
- Vellanikaran, Alice-1

Present - \_\_\_\_\_ of 42

# Update on Assoc Activities

- Registered new Submerged Land Lease & slip transfer (ICW sale of 583 Radiant Cir) w/ County
- Letter to County on speeding on Parrish Blvd
- Closed out savings/money market account with Coastal Bank & Trust and established two investment accounts with Raymond James
- Obtained liability insurance
- Re-registered SWHA with State of Florida
- Renewed retainer with Becker & Poliakoff
- Updated website
- Federal tax return
- Fall Neighborhood BBQ
- Landscaping/Spring Work Day on Apr 9th

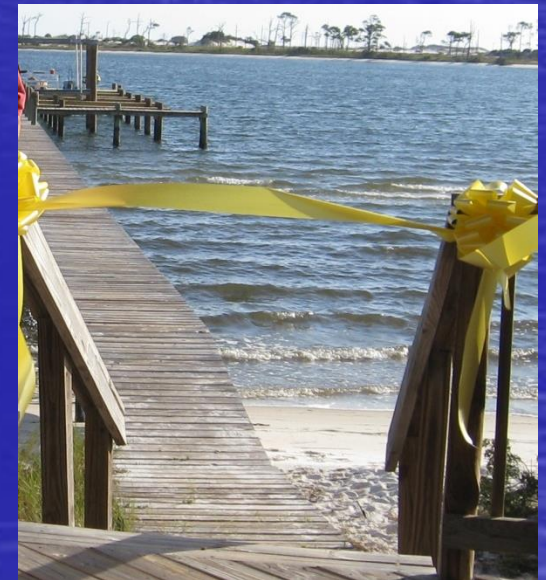
# Letter To County on Speeding



# Insurance Renewal

- Previous carrier decided not to renew
- Had trouble with agent communications
- Got new agent with Harris Insurance
- New agent found new carrier at a slightly reduced price

# Landscaping/Spring Workday, April 9<sup>th</sup>, 9:00 AM



# Future near term activities

- Landscape maintenance
- Wetlands overwalk & dock repairs (repairs from storm damage)
- Re-register SWHA with State of Florida



# Financial Report

Alicia Graham  
Secretary/Treasurer

# Previously Estimated 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
Per Lot assessment	393.45

# Financial Report

- Assessments/Fees collected
  - All delinquent lots have been sold and delinquent accounts paid up through 2014, all but one lot paid up through 2015
  - 25 of 42 lots fully Paid as of April 3, 2016
- Earned \$1965.36 in interest and dividends in Tax Year 2015

# Financial Report

- **Actual Expenses (11 Apr 15– 12 Apr 16)**
  - Gulf Power (Street Lights) 1,886.91
  - State filing fee 61.25
  - Administrative (postage, recording fees, supplies, etc.) 502.20
  - Attorney Fees 125.00
  - Construction, repair, supplies, landscaping, etc. 463.42
  - Liability Insurance 1289.45
  - Common Dock Expenses (SWHA 1/3 Share) plus utilities 158.00
  - Fall BBQ 148.81
  - Dock Repairs/Landscaping (estimated) 400.00
  
  - **TOTAL EXPENSES:** 5,035.04
  - Deposit to Investment Acct 10,000.00
- **Current Balance Checking Acct (xxx-xxx-625-0) 7,361.86**
- **Balance Raymond James Investmnt Acct (3/3/16) 108,329.87**
- **Balance Raymond James Investmnt Acct (4/3/16) 109,425.62**

# Financial Report

- Upcoming expenses (Apr 16-Apr 17)
  - Insurance 1,300.00
  - Filing Fee (due by May 1<sup>st</sup>) 70.00
  - Utilities (Streetlights and Gazebo) 2,000.00
  - Attorney Retainer (due by Jan 1<sup>st</sup>) 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	7,361.86
• CY16 Assessments	10,000.00
• CY16 Outstanding Dues	6,800.00
• Delinquent Property Dues/Fees	0.00*
• Less Projected Expenses	- 4,895.00
• Less Projected Allocations	- 12,500.00
• Expected Working Balance	6,766.86

# Investments

- Sinking Fund Accounts for Road Repair and Dock established with Halprin/Finkler Investment Grp of Wells Fargo in September 2015
- Halprin/Finkler Investment Group moved from Wells Fargo to Raymond James in early October 2015
- Emergency BOD meeting held on October 4, 2015
- Road Repair Savings Account at Coastal Bank & Trust closed in February 2016 & funds transferred to RJ on March 3, 2016
- Coastal Bank & Trust Main Checking and Dock Checking accounts remain open with sufficient balances to cover operating expenses

# Road Maint & Repair Fund (Goal-\$125K)

MEL: 50605 519201601311x0 0100w00011  
50605500

February 29 to March 31, 2016

**RAYMOND JAMES®**

## Sparkling Waters Home Owners Assn Account Summary

Account No. [REDACTED]

Closing Value \$109,425.62

SPARKLING WATERS HOME OWNERS ASSN  
552 SHIMMERING LN  
MARY ESTHER FL 32569-3422527

TAMMY HALPRIN, SCOTT FINKLER  
RaymondJames & Associates, Inc.  
34851 EMERALD COAST PARKWAY | SUITE 200 | DESTIN, FL 32541 | (888) 317-8966 | (850) 269-8026  
<http://raymondjames.com/halprin/finkler> | [scott.finkler@raymondjames.com](mailto:scott.finkler@raymondjames.com)

Raymond James Capital Access Client Services | 800-759-9797  
24 hours a day, 7 days a week, excluding holidays  
Online Account Access | [raymondjames.com/investoraccess](http://raymondjames.com/investoraccess)

### Investment Objectives

Primary: Income with a high risk tolerance and a time horizon exceeding 10 years.

### Activity

	This Statement		Year to Date	
Beginning Balance	\$	60,602.41	\$	60,617.72
Deposits	\$	47,727.46	\$	47,727.46
Income	\$	170.69	\$	500.24
Withdrawals	\$	0.00	\$	0.00
Expenses	\$	0.00	\$	0.00
Change in Value	\$	925.06	\$	571.20
Ending Balance	\$	109,425.62	\$	109,425.62
Purchases	\$	(57,802.74)	\$	(58,230.51)
Sales/Redemptions	\$	0.00	\$	0.00

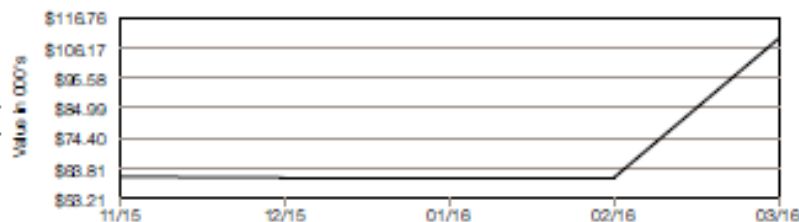
### Dollar-Weighted Performance

See Understanding Your Statement for important information about these calculations.

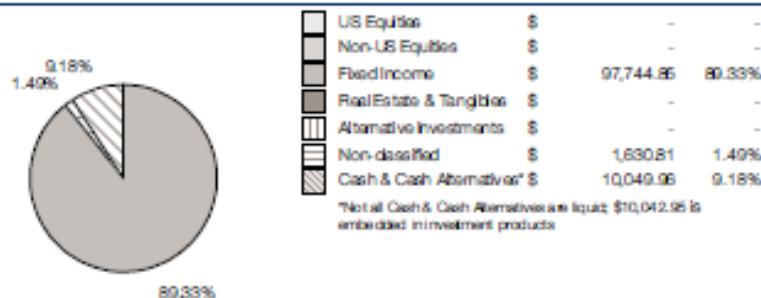
Performance Inception 11/02/15	This Quarter	YTD	2015	2014	Annualized Since 11/02/2015
	1.43%	1.43%	0.86%	N/A	0.79%

Excludes some limited partnerships, unpriced securities and annuity history prior to the annuity being linked to the account.

### Value Over Time



### Asset Allocation Analysis



Account owned by Raymond James & Associates Inc.  
Member New York Stock Exchange/SIPC

Morningstar asset allocation information as of 03/30/2016 (mutual funds & annuities) and 03/17/2016 (ETFs)

Sparkling Waters Home Owners Assn - Account Summary Page 9 of 12





# Dock Sinking Fund (Goal - \$60K)

February 29 to March 31, 2016

**RAYMOND JAMES®**

## Sparkling Waters Dock Fund Account Summary

SPARKLING WATERS HOME OWNERS ASSN  
552 SHIMMERING LN  
MARY ESTHER FL 32569-3422527

Account No. [REDACTED]

Closing Value \$10,086.36

TAMMY HALPRIN, SCOTT FINKLER  
RaymondJames & Associates, Inc.  
34851 EMERALD COAST PARKWAY | SUITE 200 | DESTIN, FL 32541 | (888) 317-8956 | (850) 269-8025  
<http://raymondjames.com/halprinfinkler> | [scott.finkler@raymondjames.com](mailto:scott.finkler@raymondjames.com)

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### Investment Objectives

Primary: Income with a high risk tolerance and a time horizon exceeding 10 years.

### Activity

	This Statement		Year to Date	
Beginning Balance	\$	10,001.31	\$	10,000.53
Deposits	\$	0.00	\$	0.00
Income	\$	0.21	\$	0.99
Withdrawals	\$	0.00	\$	0.00
Expenses	\$	0.00	\$	0.00
Change in Value	\$	84.84	\$	84.84
Ending Balance	\$	10,086.36	\$	10,086.36
Purchases	\$	(10,001.31)	\$	(10,001.31)
Sales/Redemptions	\$	0.00	\$	0.00

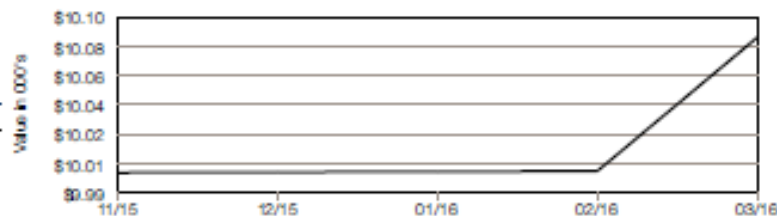
### Dollar-Weighted Performance

See Understanding Your Statement for important information about these calculations.

Performance Inception 11/02/15	This Quarter	YTD	2015	2014	Annualized Since 11/02/2015
	0.86%	0.86%	0.00%	N/A	0.86%

Excludes some limited partnerships, unpriced securities and annuity history prior to the annuity being linked to the account.

### Value Over Time



### Asset Allocation Analysis



Account owned by Raymond James & Associate Inc.  
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Morningstar asset allocation information as of 03/30/2016 (mutual funds & annuities) and 03/17/2016 (ETFs)

Sparkling Waters Dock Fund - Account Summary Page 5 of 12



# Common Dock Submerged Land Lease

- Submerged Land Lease (SLL) obtained in July 2010; Construction completed in Oct 2010; SLL renewed on May 4, 2015, good for 10 years until 2025
- Based on square footage of the common areas vs slips, SWHA pays 33% of SLL fees/utilities; slip assignees pay 67%
- Slip Assignees pay for share of liability insurance and utilities
- Separate Dock Account managing docking facility funds

# Submerged Land Lease Fees

- Last year, renewal fee of ~\$585
- In next 8 years, SLL lease fee of ~\$1000 discounted to \$0. Next renewal due in 2025.
- Total SLL fees are the greater of lease fee or 6% of indirect income
- Per Florida Statute 253.0347, HOA must 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

# Boat Slip Fees to be due 31 May

- Maintenance and Repair \$200.00
- SLL Renewal Share 0.00
- Insurance 5.83
- 1/10<sup>th</sup> Water Usage after HOA pays 8.73

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• Total \$214.56

+

• Lights + Actual Electrical Usage By Slip  
(\$5 + \$16 + \$x)

# SWHA Proposed Budget May 2016-April 2017

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

# 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, Trailers, RVs, boats can not be stored on lot or street except inside fully enclosed garage. 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](http://www.sparklingwatershoa.com)

# New Business

- Sparkling Waters Phonebook
- SWHA BBQ in October
- Neighborhood Security
- Overwalk & Dock 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>

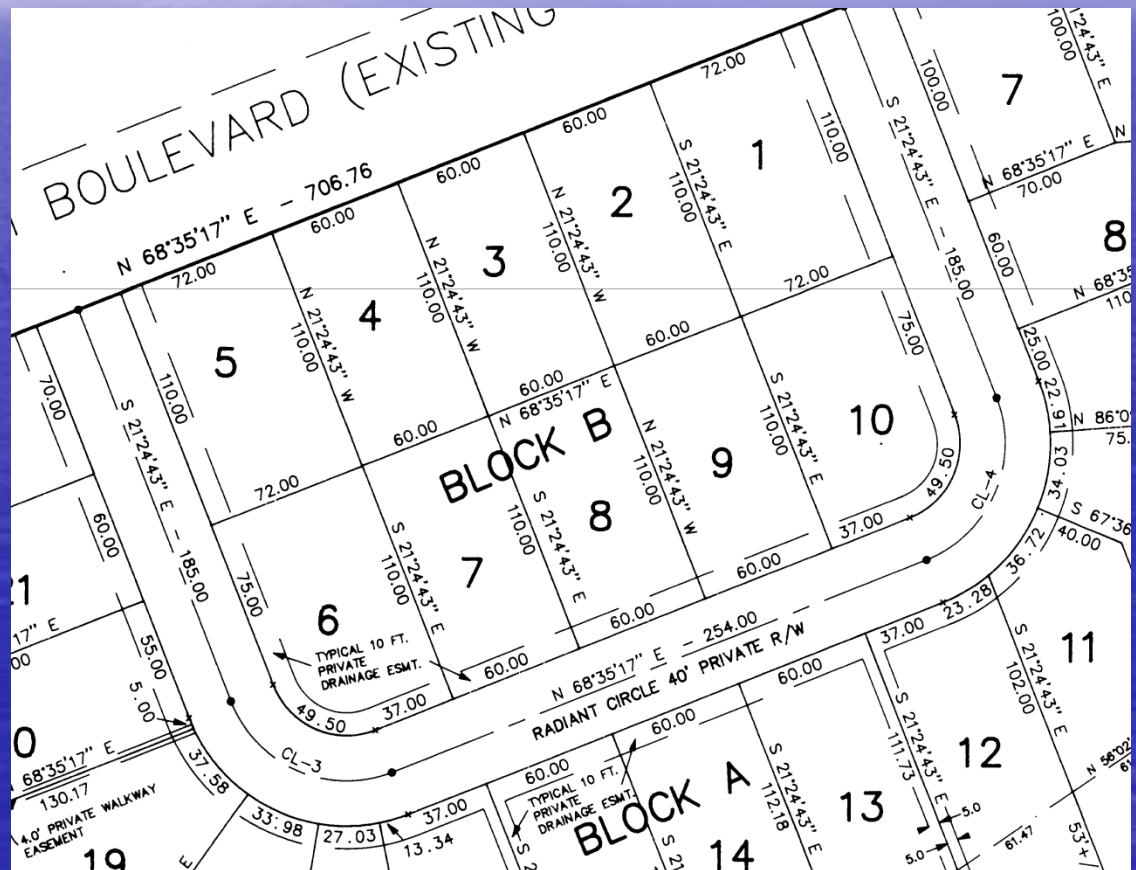


# Hazardous Waste Disposal

- 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>
  - Marine/Car Batteries
  - Rechargeable Batteries
  - Fluorescent Lights
  - Paints (latex and oil-based)
  - Pool Chemicals
  - Pesticides
  - Used Oil, Fuel Antifreeze
  - Computer Components - this includes CRT Televisions/Monitors (important as Waterfront and Goodwill no longer accept these - even if working)

# Property Boundaries

- Lots do not extend to road
- County/HOA right of way
- Please maintain grass etc
- Do not interfere with HOA uses



# New Business (cont)

- Responsibilities of Landlords
- Seller's responsibilities (closing requirements)
- Proposed Date for Next Annual Meeting-  
Sunday, April 2<sup>nd</sup>, 2017 (Easter is April 16<sup>th</sup>;  
Okaloosa Cty Spring Break is March 13-17<sup>th</sup>)
- 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
- Officers
  - Nominations: Need new Director; other nominations?
  - Officers: Pres; Vice-Pres; Secy/Treasurer; Director
- Next Annual Meeting? Sunday, April 2<sup>nd</sup>, 2017 – Yes or No.

# Roll Call

P = Proxy

- Akins, Ellis & Alicia-1
- Bagnall, Russ & Deborah-1
- 1<sup>st</sup> Commercial Bank-1
- Bone, Ryan & Heather -1
- Broyles, Philip -1
- Bushelle, Bill & Paula-1
- Cass, Levi & Jackie-1
- Day, Lauren & Jason-1
- Dixon, Alan & Monika-1
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- Graham, Barry & Alicia-1
- Gusoff, Daniel & Samantha-1
- Hale, Josh & Eleanor-1
- Hammons, Stewart-1
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- 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
- Rodriguez, Moises & Yeidy, M.-1
- Rogacki, J & Heise, S -1
- Russo, Troy-1
- Shaw, Michael & Helen-1
- Simpson, Douglass & Mary-1
- Sotomayor, Luis-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
- Whitecotton, Donald & Connie-1
- Vellanikaran, Alice-1

Present - \_\_\_\_\_ of 42

# 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 ½ 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.