

Sparkling Waters Homeowners Association

2017 Annual Meeting
April 2, 2017

SWHA Annual Meeting Agenda

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

Roll Call

P = Proxy

- P Akins, Ellis & Alicia-1
- Berkhimer, Craig & Joann-1
- P Bone, Ryan & Heather -1
- P Broyles, Philip -1
- Bushelle, Bill & Paula-1
- P Day, Lauren & Jason-1
- Dixon, Alan & Monika-1
- Felty, Thomas & Libbi-1
- P Franks, Chad & Kim-1
- Gildea, James & Gaudencia-1
- Graham, Barry & Alicia-1
- P Gusoff, Daniel & Samantha-1
- Hale, Josh & Eleanor-1
- Hammons, Stewart & Keara-1
- Hawk, Kenneth-1
- Henderlite Pritchard, Alison-1
- Hoy, Neil & Kattie-1
- Johnson, Sam & Silinda-1
- Keith, Stephen-1
- Lio, Christopher & Joan-1
- Manion, Lisa & Michael-2
- McLawhorn, Howard & Maureen-1

- P Montgomery, Billy & Cynthia-1
- P Nation, Andrew-1
- Rak, Kevin and Mary-1
- P Rodriguez, Moises & Yeidy, M.-1
- Rogacki, J & Heise, S -1
- Russell, Stephanie-1
- Russo, Troy-1
- Saxey, Thomas-1
- Shaw, Michael & Helen-1
- Simpson, Douglass & Mary-1
- Smith, Jackie B.-1
- Sotomayor, Luis-1
- P Spolski, John, Nancy, John-1
- Stinson, John & Suzanne-1
- Styba, Scott & Maria-1
- Totty, John & Christine-1
- P Tracy Acree Constr-1
- P Whitecotton, Donald & Connie-1
- P Vellanikaran, Alice-1

Present - _____ of 42

Update on Assoc Activities

- Re-registered SWHA with State of Florida
- Obtained two landscaping bids
- Fall Neighborhood BBQ
- Renewed website domain name/JustHost - Jan 1st
- Change to R&R for parking restrictions
- Federal tax return
- Installed solar lights on boardwalk
- Renewed retainer with Becker & Poliakoff
- Obtained liability insurance
- Landscaping/Spring Work Day - Mar 11th
- Investigated road maintenance options

Landscaping Bids

- Obtained two estimates from landscaping companies to perform monthly maintenance on neighborhood gardens.
- One was \$11K for the year and the other was \$8K. Both estimates were much higher than the \$1500 approved for this task.
- Both were for ~6 visits per year

Rules and Regulations Changes

- Three changes were approved by the BOD: commercial activity restrictions (no nuisances to neighbors), clearly specify parking restrictions for RVs, Boats, and Trailers; and watercraft must be moored so they do not bump against dock.
- Recorded with Okaloosa County Clerk on 2/24/17
<https://clerkapps.okaloosaclerk.com/LandmarkWeb/search/index?theme=.blue§ion=searchCriteriaName&quickSearchSelection=>

Landscaping/Spring Workday, March 11th



Boardwalk
West



Boardwalk
East



Spring
2017



Spring
2016



Landscaping/Spring Workday, March 11th



Road Maintenance Options

- Gulf Coast Traffic Engineering, Pensacola:
 - Seal Coating ~ \$40K for .3 miles of private roads
 - 2 inches of asphalt ~ \$60K
 - Tear down/reconstruct Radiant Circle and Shimmering Lane ~ \$120K
- Emerald Concrete and Paving, FWB:
 - Remove debris. Fill cracks w Asphalt Filler. Seal Coat 34K sq ft. 1 year workmanship guarantee. \$8500.00
- Home Depot -- 40 lb Bucket Pothole Patch \$31.97; seal coating materials >\$6500



Current Maintenance Strategies

- *Non-Structural (Preventative & Preservation)*

- *Asphalt Rejuvenator* \$0.94 per S/Y
- *Chip Seal / Cape Seal* \$2.77 per S/Y
- *Micro Surfacing* \$2.94 per S/Y *
- *Thin Lift Asphalt* \$4.71 per S/Y

\$1 million Micro = 340136 SY / 13000 SY per mile = 26 miles

- *Structural (Rehabilitation & Reconstruction)*

- *Hot –mix- asphalt (HMA)* \$6.92 per S/Y
 - *Mill and Fill* \$10.85 per S/Y
 - *Level and Overlay* \$9.71 per S/Y
 - *Base Repair & Surface* \$15.40 per S/Y
 - *Full Depth Reclaim* \$23.11 per S/Y

\$1 million Mill & Fill = 92165 SY / 13000 SY per SY = 7 miles



Future near term activities

- Re-register SWHA with State of Florida
- Further explore landscaping options
- Additional boardwalk repair/replacement
- Potential road maintenance

Financial Report

Alicia Graham
Secretary/Treasurer

Previously Estimated 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

Financial Report

- Assessments/Fees collected
 - All delinquent lots have been sold and delinquent accounts paid up through 2016
 - **35** of 42 lots fully Paid as of April 1st, 2017
- Earned \$3,414.80 in interest and dividends in Tax Year 2016. (*\$2,011.02 in 2015; \$1925.01 in 2014; \$61.24 in 2013*)

Financial Report

- **Actual Expenses (Apr 16 – Apr 17)**
 - Gulf Power (Street Lights) 1,845.98
 - State filing fee 61.25
 - Administrative (postage, recording fees, supplies, etc.) 516.72
 - Attorney Fees 125.00
 - Construction, repair, supplies, landscaping, etc. 1,210.60
 - Liability Insurance 1,382.72
 - Common Dock Expenses (SWHA 1/3 Share) plus utilities 228.00
 - Fall BBQ 112.25

 - **TOTAL EXPENSES:** 5,482.52
 - Deposit to Investment Acct 10,000.00
- **Current Balance Checking Acct (xxx-xxx-625-0) 10,160.27**
- **Balance Main Ray James Investmnt Acct (3/26/17) 122,246.63**
- **Balance Dock Ray James Investmnt Acct (4/2/17) 12,573.75**

Financial Report

- Upcoming expenses (Apr 17-Apr 18)
 - Insurance 1,400.00
 - Filing Fee (due by May 1st) 61.25
 - Utilities (Streetlights and Gazebo) 2,000.00
 - Attorney Retainer (due by Jan 1st) 125.00
 - Administrative 500.00
 - SWHA 1/3 Share of Dock Fees 156.00
- Allocations
 - Improvements 1,500.00
 - Road Repair Investment Account 10,000.00
 - Attorney costs 1,000.00
- Total Projected Expenses/Allocations: \$16,742.25

Financial Report

• Beginning Balance	10,160.27
• CY17 Assessments	14,000.00
• CY17 Outstanding Dues	2,800.00
• Delinquent Property Dues/Fees	0.00
• Less Projected Expenses	- 4,242.25
• Less Projected Allocations	- 12,500.00
• Expected Working Balance	10,218.27

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

January 31 to February 28, 2017

RAYMOND JAMES®

Sparkling Waters Home Owners Assn Account Summary

Account No. [REDACTED]

Closing Value \$122,246.63

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) 317-8956 | (850) 269-8026
halprin@raymondjames.com | scott.finkler@raymondjames.com

Raymond James Capital Access Client Services | 800-759-9797
24 hours a day, 7 days a week, including holidays
Online Account Access | 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	\$	121,876.19	\$	121,439.70
Deposits	\$	0.00	\$	0.00
Income	\$	299.06	\$	595.73
Withdrawals	\$	0.00	\$	0.00
Expenses	\$	0.00	\$	0.00
Change in Value	\$	71.38	\$	211.20
Ending Balance	\$	122,246.63	\$	122,246.63
Purchases	\$	(299.06)	\$	(595.73)
Sales/Redemptions	\$	0.00	\$	0.00

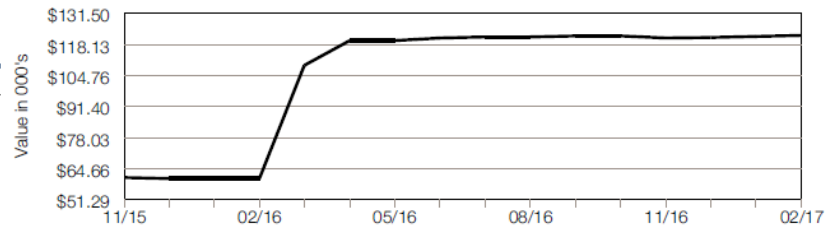
Dollar-Weighted Performance

See Understanding Your Statement for important information about these calculations.

Performance Inception	YTD	2016	2015
11/02/15	0.66%	2.89%	(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

Value Percentage



SWHA Proposed Budget May 2017-April 2018

Administrative/Attorney Costs	1,686.25
Insurance	1,400.00
Utilities	2,000.00
Street Maintenance and Repair Fund	10,000.00
SWHA partial share of Dock costs	156.00
Improvements	1,500.00
Total	16,742.25
Number of Lots	42
Per Lot assessment	398.63

Dock Sinking Fund (Goal - \$60K)

January 31 to February 28, 2017

RAYMOND JAMES®

Sparkling Waters Dock Fund Account Summary

Account No. [REDACTED]

Closing Value \$10,173.75

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) 317-8956 | (850) 269-8026
halprinfinkler.com | 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	\$	10,141.41	\$	10,109.42
Deposits	\$	0.00	\$	0.00
Income	\$	13.92	\$	27.53
Withdrawals	\$	0.00	\$	0.00
Expenses	\$	0.00	\$	0.00
Change in Value	\$	18.42	\$	36.80
Ending Balance	\$	10,173.75	\$	10,173.75
Purchases	\$	(13.92)	\$	(27.53)
Sales/Redemptions	\$	0.00	\$	0.00

Dollar-Weighted Performance

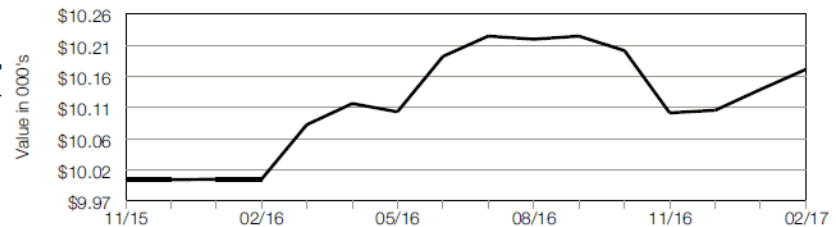
See Understanding Your Statement for important information about these calculations.

Performance Inception	YTD	2016	2015
11/02/15	0.64%	1.09%	0.00%

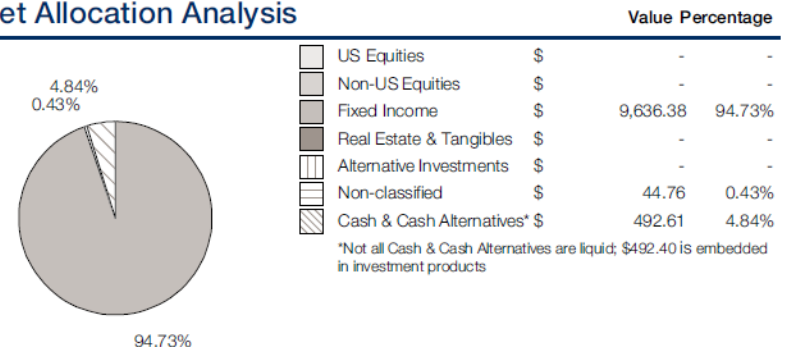
Excludes some limited partnerships, unpriced securities and annuity history prior to the annuity being linked to the account.

+\$2,400
Total:
\$12,573.75

Value Over Time



Asset Allocation Analysis



Account carried by Raymond James & Associates
Member New York Stock Exchange/SIPC

Morningstar asset allocation information is as of 02/27/2017 (mutual funds & annuities) and 02/17/2017 (529s).



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 5 June

- Maintenance and Repair \$200.00
- SLL Renewal Share 0.00
- Insurance 12.50
- 1/10th Water Usage after HOA pays 9.43

• Total \$217.50

+

• Lights + Actual Electrical Usage By Slip
(\$5 + \$16.34 + \$x)

New Business

- Discuss Sparkling Waters Phonebook
- Set date for SWHA BBQ in October
- Discuss potential landscape maintenance contract to supplement Spring Work Day – reduced # of visits
- Navarre pass to Gulf

New Business (cont)

- Proposed Date for Next Annual Meeting-
Sunday, April 8th, 2018 (Easter is April 1st;
Okaloosa Cty Spring Break is March 16-23rd)
- Open floor
 - Wait to be recognized
 - Once recognized you have the floor
 - Five minute time limit

Reminders

- Responsibilities of Landlords
- Seller's responsibilities (closing requirements)
- Please report street light outages directly to Gulf Power via <https://www.gulfpower.com/outages>
- 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>

Reminders – Waste Disposal

- Hazardous Waste: 80 Ready Ave: FREE Drive Thru Drop-off for local residents every Tuesday thru Saturday from 7am - 3pm, no appointment necessary. For more info call: 850-301-2013 or <http://www.co.okaloosa.fl.us/pw/environmental/hazardous-waste>
- Yard Waste: For bulky yard waste pickup (e.g. tree limb piles) , call 850 301-2822. Bag or containerize leaves, trimmings, grass clippings and other such materials, NOT to exceed fifty pounds. Stack items that may not fit into a container or bag. Items may not be over 6 feet in length and may not be larger than 4 in diameter. [http://www.co.okaloosa.fl.us/sites/default/files/doc/dept/public works/Recycle/22791 PDS.PDF](http://www.co.okaloosa.fl.us/sites/default/files/doc/dept/public%20works/Recycle/22791_PDS.PDF)
- Bulky Waste: (Appliances, furniture, etc.) Call (850) 862-7141 or (850) 301-2822 to arrange for Wednesday pick-up.

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 8th, 2018 – Yes or No.

Roll Call

P = Proxy

- P Akins, Ellis & Alicia-1
- Berkhimer, Craig & Joann-1
- P Bone, Ryan & Heather -1
- P Broyles, Philip -1
- Bushelle, Bill & Paula-1
- P Day, Lauren & Jason-1
- Dixon, Alan & Monika-1
- Felty, Thomas & Libbi-1
- P Franks, Chad & Kim-1
- Gildea, James & Gaudencia-1
- Graham, Barry & Alicia-1
- P Gusoff, Daniel & Samantha-1
- Hale, Josh & Eleanor-1
- Hammons, Stewart & Keara-1
- Hawk, Kenneth-1
- Henderlite Pritchard, Alison-1
- Hoy, Neil & Kattie-1
- Johnson, Sam & Silinda-1
- Keith, Stephen-1
- Lio, Christopher & Joan-1
- Manion, Lisa & Michael-2
- McLawhorn, Howard & Maureen-1

- P Montgomery, Billy & Cynthia-1
- P Nation, Andrew-1
- Rak, Kevin and Mary-1
- P Rodriguez, Moises & Yeidy, M.-1
- Rogacki, J & Heise, S -1
- Russell, Stephanie-1
- Russo, Troy-1
- Saxey, Thomas-1
- Shaw, Michael & Helen-1
- Simpson, Douglass & Mary-1
- Smith, Jackie B.-1
- Sotomayor, Luis-1
- P Spolski, John, Nancy, John-1
- Stinson, John & Suzanne-1
- Styba, Scott & Maria-1
- Totty, John & Christine-1
- P Tracy Acree Constr-1
- P Whitecotton, Donald & Connie-1
- P 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.

Property Boundaries

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

