Minutes
SWRA Board of Directors Meeting
December 18, 2012

Call to order –President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, John Mann, Mack Yeargan and Eb Spink were present. Kevin Eason was present to report.

Approval of Prior Minutes:

Board reviewed and approved minutes of December 4, 2012 meeting.

Guest: Nominating Committee Chairman Eldon Johnson
The other committee members were Bob Bradshaw, Betty Litsey, Penny Alexander and Mike Dollar. Eldon presented the Committee Report. The following individuals were unanimously chosen for submission to the Board to be nominated for the StillWaters Residential Association Board of Directors: Tom Dyne, Dave Heinzen, Mary Ellen Moore, Patti Richardson, Al Spiers and Eb Spink. **A motion was approved to accept the nominees as presented.**

Eldon recommended that the Board consider two term limits for Board service. This was his personal suggestion, not that of the committee. As he left the meeting at 9:10 a.m. the Board thanked Eldon for his time and effort on behalf of the community.

Guests: Patti Richardson, Chairman of the Long Range Planning Committee.
Attorney Russell Balch
A motion to move to Executive Session at 9:10 a.m. in order to discuss legal issues was approved.

The Board moved back into Regular Session. Both guests left the meeting at this time. Jerry Grace requested that the board move to New Agenda items first as he had to leave the meeting early. The Board agreed.

NEW AGENDA ITEMS

2013 SWRA Invoice Update - These have been printed. The Communications Committee has been scheduled to help fold and stuff envelopes to be mailed December 27, 2012. A cover letter will be included.

Still Waters Yacht Club Request for Rental – They have approached SWRA to rent the downstairs on Friday nights, which is usually a small group and would like to rent it for larger socials a few times per year. They asked about storage and wanted SWRA to allow the installation of their large TV. Discussion followed. The room is for use by all

StillWaters Property Owners. The current Use and Rules Policy including current rental fees were reviewed.

A motion to lease the room to SWYC with the following stipulations carried.

- **Rental for Friday nights for $400 per month**
- **With an additional fee for social events equal to the currently established rates ($400 per night)**
- **Limited storage equal to other groups such as the bridge/game groups of a shelf in one closet**
- **Subject to SWRA overriding any event in order to rent the facility to other SWRA members on Friday evenings.**
- **Designated SWRA property owner as the responsible party and key holder.**
- **SWYC will be expected to leave the facility clean and set up as found**
- **Be responsible for clean up and damages.**

Deed for Debt Property- Barbara Derketsch on Lakewood Lane has approached SWRA to turn the property over to SWRA in lieu of fees for 2013. **A motion to accept the property and list it for sale once SWRA received title to it, carried unanimously.**

Children's Gatherings - Ree Yeargan has volunteered to organize a group to organize a few events for the children of StillWaters. An article will be put in the newsletter.

GM Report on December 10, 2012

Gate Repairs - Alabama Ornamental replaced the exit gate barrier arm gearbox last week, they are the Door King franchise that sells and services Door King gates. This is a very costly repair; however, SWRA personnel are now trained to install the gearbox. Kevin located a supplier who sells generic gearboxes which are less than the Door King brand cost, the gear boxes are exactly the same; they are even made by the same manufacturing company. The only difference is the Door King emblem and name is not on the cover. The next time a gearbox fails we can repair/replace it for less than $400 as compared to the $2,000 charged by Alabama Ornamental.

Tour of Homes - The "Tour of Homes" was this past weekend. According to the Tallapoosa Historical Society, it was very successful. We had no issues with people in StillWaters for the tour. We had several positive comments about StillWaters and it was very good for our community. We had SWRA personnel at the back gate and patrolling to keep streets from being blocked. There is no additional employee cost. The work hours on Saturday were swapped for hours during the week.

Stoneview Summit Annual HOA meeting - Kevin attended the Stoneview Summit annual HOA meeting on Saturday. They are very pleased with the management service from SWRA.

Gate 34 Limited Hours - The closing of gate 34 between the hours of 11:30pm and 5:30am has been completely implemented. Kevin spoke with Chief McMichael at the Sherriff's department, he will notify 911 dispatch, his departments dispatch, patrol officers, etc... We discussed that gate cards assigned to emergency personnel will continue to work 24/7 and should a non-local emergency vehicle need to enter the back gate, it can use its siren to open the gate with the whelp system. He thought it was a good idea to close the gate during these times. Kevin has also contacted the golf course and marina. The exit gate will always open for people to leave.

Miscellaneous Items:

- Kevin attended the Tallapoosa County Commissioners' meeting and there was nothing brought up concerning StillWaters.
- The road right-of-way cutting has been completed.
- An electrician was hired to repair two entrance lights at gate 49.
- Several "For Sale" info boxes and signs set up without obtaining a permit or the signs did not comply with our sign guidelines were removed and the offenders were notified.

GM Report on December 17, 2012

1987 Covenant Subjections - Two Poplar Point property owners have subjected their property to the 87 covenants. Both were under the 74 covenants. One owner had been paying the same association dues as the 87 for several years and the other was a new owner that just purchased and wanted to be an equal part of SWRA.

Employee Christmas Gifts - All employees received their Christmas bonus in their paychecks this past week. All expressed their gratitude and asked Kevin to make sure all the Board members knew how much they appreciated the Christmas bonuses.

Security Cameras - The security computer at gate 34 was not working and it was decided to attempt to have it repaired instead of purchasing a new one. The pool security camera was moved to gate 34 during the repair period. The computer was repaired at a cost of $415. We also had a vehicle recognition camera on the entrance side of gate 34 fail. It was replaced at a cost of $275. All security systems at both gates and the pool are now working properly.

Gate Staffing - Our new gate attendant will be leaving the end of December after only working with SWRA for two months in order to go back to college full time. Clyde Ware is now semi-retired and will be working during the week instead of weekends. We will now have three regular scheduled attendants during the week. The plan is not to hire anyone at this time for the weekends but to change the daily weekend shifts from three 8-hour shifts to two 12-hour shifts. This should work during the winter and early spring.

Kevin will take his time hiring a weekend person that hopefully will stay with SWRA, preferably someone who lives in StillWaters.

Miscellaneous Items:

- The rain and wind over the past week caused several trees to fall across StillWaters roads. SWRA personnel removed the trees.
- Someone damaged the tennis rack/garbage can unit at the tennis courts. A new one has been ordered.
- An elderly gentleman hit the entrance arm at gate 34 but the safety release worked. The arm was replaced by SWRA personnel and was not damaged.

Deposits and closings since last Board meeting

Deposits	$2,678.40
Closings	3

Term Limits – There was a brief discussion of term limits. Kevin stated that though it seems like a good suggestion on the surface, he is concerned that the background and history of StillWaters needs to be preserved. There is so much undocumented history of the community. A balance of background experience and talents is important for a well functioning board. The Board agreed. There was a suggestion that a position could be developed as an appointment to the board as a non-voting member. The Board tabled this issue for discussion at a future meeting.

Treasurer's Report – Mike Dollar

Susan has transferred $30,000 from Alabama Power Credit Union in order to make a prepayment on the mortgage note held by Regions. There are 2 years and 8 months left on the note. The principal balance is $180,325 with a 5.35% commercial mortgage rate

Mike is working on reconfiguring the budgeted income statement and cash flow report formats This will be sent to budget committee for review.

OLD AGENDA ITEMS

Election Calendar – The following calendar was presented, reviewed and approved.

- November 6, 2012 - Nominating Committee appointed by Board
- January 22, 2013– Nominating Committee Report due to the Board.
- February Newsletter and eflash announcement of Nominees.
- February 6, 2013 – Nominations by Petition due into SWRA office.
- February 11, 2013 – Mail ballots and candidates' resumes to 1987 Members.
- March 1, 2013– Ballots due to SWRA office by 5:00 p.m. or postmarked as such.
- March 9th – 10:00 a.m. Annual Meeting at SWRA Centre.

Election Committee – Board members were asked to consider nominations for the committee, which will be appointed at the next meeting.

Next board meeting is January 8th.

The Board approved a motion to adjourn at 12:10 p.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Jan. 8, 2013

Minutes
SWRA Board of Directors Meeting
December 4, 2012

Call to order –President Dave Heinzen called the meeting to order at 9:20 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace and Eb Spink were present. John Mann and Mack Yeargan were excused. Kevin Eason was present to report.

Approval of Prior Minutes:

Board reviewed and approved minutes of November 20, 2012 meeting.

GM Report

SWRA Office Server - Troy Sims plans on installing our server upgrade towards the end of December. It will take him a full weekend to upgrade the server software. SWRA is still operating on 2003 software, which is no longer supported.

Gate 49 Well/Adjacent Property - Final word from the owner of the property next to gate 49 is that he will not sell SWRA a small plot of land for a well pump. He will sell the large tract adjacent to the gate but does not want to cut out a small section.

Christmas Decorations – These are completed. A new tree for the SWRA community room was purchased and a few other small items but the Christmas committee used existing decorations with very little cost. Kevin has received several positive comments about the decorations at the gate 49 entrance.

Gate 34 Access Programming - The exit side of gate 34 has been repaired. While Alabama Ornamental was at SW, they looked at the gate programming to change the entrance times on gate 34. We had correctly reprogrammed the system but the reason it would not work was a misunderstanding with Door King in California. When DK looks on their system it appears we have two operating systems but we have one system with two gates, the two gates operate with two separate internet addresses so it appears to be two separate systems. (This is because we have only cable access at Gate 49 and only DSL access at Gate 34). Door King was answering questions based on two separate operating systems. In order to deactivate electronic cards at gate 34 for a few hours late at night, gate 49 will also have to be deactivated unless we purchase another operating system. **The Board agreed on the solution of having the gate attendants open the electronic card entrance gate manually during the few hours the cards are deactivated.**

Road Right-Of-Way Trimming - The company cutting the road right-of-ways will be finished this week. While they are in StillWaters with their equipment, they are cleaning out several drainage ditches at a cost of $500. There are several drainage ditches that

Consultant Hagan Wagoner has pointed out that need saplings and underbrush removed to help with water drainage. Their machine grinds the saplings, underbrush, etc… to small chips that are easily removed with a shovel.

Committee Volunteers – Kevin has had very few responses to the request for committee volunteers. Most of the responses have been from current committee members who are willing to serve on their committee again in 2013. An eflash will be sent again this week asking for committee volunteers.

Gate Damages - Currently, SWRA charges $300 (administrative and labor) plus the cost of parts to anyone that damages any part on one of the gates, this includes hitting a barrier arm. Kevin recommended changing this to the following: Anyone damaging a barrier arm is charged $300 plus the cost of parts. Anyone damaging any other gate equipment is charged $500 plus the cost of parts. This change will be in the next newsletter. **A motion to accept the recommended policy change carried.**

Deposits and closing since last meeting
Deposits $2,187.85
Closings 2

Treasurer's Report – Mike Dollar
Copies of the following reports were distributed: Calculation of Projected Excess Unrestricted Cash and Cash Requirements Projected for December 2012 showing a total of $58,275. Mike stated that there is nothing unusual in the month of November other than slower closings than projected. **Mike stated that Penny has $38,606.37 to spend before year-end as per his calculations.**
Mike recommended that we pay $30,000 - $35,000 on the mortgage balloon note. There are 2 years and 8 months left on the note. The principal balance is $180,325 with a 5.35% commercial mortgage rate. **A motion to make a payment from the unrestricted cash to bring the note balance down to $150,000 at year-end carried unanimously.**

Mike recommended the following Reserve Schedule:

SWRA Centre	**$15,000**
Gates	**3,000**
Tennis Court	**2,000**
Moonbrook Park	**5,000**
Pool	**15,000**
Fountain	**0**
Legal	**20,000**

Mike stated that these amounts are subject to change based on final year-end numbers. The Board will discuss these and adding more or less to the contingency reserve at year-end at our next meeting.

OLD AGENDA ITEMS

Election Calendar – The following calendar was presented, reviewed and approved.

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- February 11, 2013 – Mail ballots and candidates' resumes to 1987 Members.
- March 1, 2013– Ballots due to SWRA office by 5:00 p.m. or postmarked as such.
- March 9th – 10:00 a.m. Annual Meeting at SWRA Centre.

NEW AGENDA ITEMS

Long Range Planning Committee – Patti Richardson, Cal Johnson and Debbie Nigh joined the meeting to report at 10:10 a.m. They stated that the goal is for every property owner to be a member of the Association, for everyone to be treated the same, receive the same benefits and contribute equally. The committee explained their recommendations and discussion followed.

Effective 1/1/2013 - Members of SWRA may be granted access to SWRA controlled amenities (including but not limited to boat storage, gate card access, pool, tennis courts and all other common areas now and in future) for a fee established by the Board of SWRA, which should vary according to the property covenants (tiered).

The committee requested that the Board ask Attorney Balch's opinion on a couple of issues. Discussion followed. Kevin will relay their thoughts to him so he may have a little time to consider before he meets with the Board and LRPC on December 18, 2012. **The Board approved the recommendations of the Committee and invited to attend the session with Attorney Balch.**

The Board again discussed a tiered approach for item fees based on owners being a "member" of the Association (under 1987 Covenants) or a "member" (1971 and 1974 and Water's Edge covenants). This approach will work towards meeting the goal of all property owners contributing equally and benefitting equally.

Gate Access fees for 2013 were discussed as follows.

	1987	1974	1971 & Waters Edge
1 gate card	$25	$75	$100
2 gate card	$25	$75	$100
Each add. Card	$35	$100	$125

The upcoming annual invoices will reflect these prices. Those 1971, 1974 and Waters Edge property owners who voluntarily pay the same association fees and the $100 assessment will pay the same gate card access rates as the 1987 members.

Vendor/Renter/Marina/Golf Patron Entry rates will be increased accordingly to $100, after two devices each additional device entry is $150 each effective Dec. 4, 2012. These are billed in July each year.

Discussion followed. A motion to approve the above rates for the easy access gate entry per device to be effective December 4, 2012 carried unanimously. Fee schedules for other amenities (pool/tennis courts/boat storage) will be determined at a future meeting.
The LRPC members left the meeting at this time.

Budget Planning - Landscape & Recreation/Maintenance Committee Budget Suggestions for 2013 were reviewed and discussed by the Board. Mike will incorporate these items into the budget.

Tour of Homes – Tallapoosa Historical Society is sponsoring this to be held in StillWaters December 4, 2012. Kevin stated that tickets would be sold at the SWRA Centre with refreshments being served by the Historical Society.

SWRA Socials – The group that organizes these once a month is not interested in continuing organizing these. Jerry will look into this issue.

Election Committee – Board members were asked to consider nominations for the committee, which will be appointed at the next meeting.

Worker's Compensation Insurance – Sheffield is the current insurance carrier. Kevin recommended changing agents to move our policy to Colonial Insurance who handles most of the SWRA insurance. **A motion to make the change carried.**

SWRA Owned Lots – Realtor Betty Litsey suggested that we discuss reducing the price on SWRA lots in an effort to increase sales. The lots are listed at appraised property value or below. After discussion, the issue was tabled.

The Board approved a motion to adjourn to Executive Session at 12:10 p.m. in order to discuss legal issues.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Dec. 18, 2013

Minutes
SWRA Board of Directors Meeting
November 20, 2012

Call to order – Vice President Mack Yeargan called the meeting to order at 9:10 a.m. Board members Penny Alexander, Mike Dollar and Eb Spink were present. Jerry Grace, John Mann and Kevin Eason were excused. Dave Heinzen arrived at 9:30 a.m.

Approval of Prior Minutes:

Board reviewed and approved minutes of November 6, 2012 meeting.

GM report November 12, 2012

1971 Covenant Owners' Meeting - The "Town Hall" meeting for the 1971 covenant properties was successful. Most thought that the purpose of the meeting was to encourage them to join the 1987 covenants as soon as possible. After they understood that the meeting was to gain ideas, knowledge, etc… they were more open and gave some very good suggestions. There appeared to be a few property owners that may never convert to any other covenants. The meeting for the 1974 covenant properties is scheduled for Saturday, November 17th at 10am.

Pineview Pool - The pump motor on the pool filter system is failing. According to Eric Rudd of Backyard Experience, the pool maintenance company, either the bearings are failing in the motor or the motor is just wearing out. Kevin also checked with Rob Corum of Atlantic Pools. Rob confirmed what Eric has said. When the motor runs 24/7 it will need replacing about every three years. Both suggested replacing with the same type pump motor and accept it will need to be replaced in about three more years. Cost is less than $500.

Gate 34 Parts - The replacement parts for the barrier arm motor on the exit side of gate 34 are still on back order.
Deer Control Program - The Urban Deer Control Program was in StillWaters this past weekend. At this point five deer have been harvested. There are a few residents who continue to follow the bow hunters and make noise to scare away the deer.
Boat Storage - We have received several payments from property owners paying their annual boat storage. There are only two spaces available in the boat storage lot.
Lighting at Gate 34 - Several lights are out at gate 34 but because of the high cost of the bulbs and plans to renovate this lighting when funds are available, we are not replacing the light bulbs.
Car Decals and Directories - The 2013 directory has been finalized. Green 2013 window decals for property owners have been ordered.
Road Right-of-way Cutting - The cutting of the road right-of-ways has started, so far the company performing the work is doing a good job.

GM report 11/12-11/16/2012

Patching & Paving Repairs - The patching/paving work was completed this week. There was a small cut in the pavement on Bell Lane where a water leak had been recently repaired. It was not in the original patching estimate. Bell Lane is off of Holly Ridge were most of the patchwork was performed. The additional cost estimate was $400. After the paving work was completed on Myrtle Dr, someone drove over the asphalt before it was completely set causing a line from the tires in the asphalt. It should not affect the strength and is only cosmetic. Kevin inspected the work by the paving company after it had been completed and all areas were satisfactory. Because it was late in the day when the paving was completed, the paving company placed orange cones in front of the repaired area on Myrtle Dr to keep vehicles off the asphalt but someone drove around the cones. Kevin worked with the Paving companies schedule and SWRA received a discount. Even after adding an additional small repair, our final bill ended up at $7,661.60, almost $3,000 under the estimate.

Gate 34 Computer - The security computer for gate 34 has been repaired. A new hard drive and power source was installed. It is now working properly. The barrier arm gearbox is still on back order. Alabama Ornamental Co. reports that they have several gearboxes on back order from the manufacturer.

Office Closed Week of Thanksgiving - SWRA personnel have been scheduled to make sure daily required work is completed during the week of Thanksgiving while the administration office is closed. Alan will be covering any maintenance issues that may arise from 11/17-21 and Kevin 11/21-11/26. Vendors have been notified of the office closing, a sign will be placed on the door, an eflash will be sent on 11/16 and a telephone message has been recorded.

Tallapoosa County Commission Meeting – Kevin attended for SWRA and nothing concerning StillWaters was on the docket.

Deposits and Closings since last meeting

Deposits	$9,345.64 (primarily boat storage fees)
Closings	2

President Heinzen arrived at 9:30 a.m. and Vice President Yeargan turned the chairing of the meeting over to him.

Treasurer's Report - Mike Dollar

Budget preparation is underway. Committees are to report requests to Mike in the next couple of weeks. He should have a draft ready for the next Board Meeting on December 4th.

OLD AGENDA ITEMS

1974 Covenants Owners' Meeting – This was held at the SWRA Centre on Saturday, November 17th. Four board members, 37 property owners representing 27 families attended the meeting. Dave Heinzen chaired the meeting with Penny Alexander, Eb Spink and John Mann assisting. Patti Richardson of the Long Range Planning Committee also attended. The association is striving to get to a point where 1971 and 1974 owners want to be a member of 1987 covenants and thus the Homeowner's Association so that all carry the same load and are treated equally. Dave stated that SWRA and LRPC are working on amending the 1987 covenants and that we are encouraging all property owners to bring forth their ideas and to be involved. We want to remove "the developer" language and update and further define sections.

There are currently 361 properties under the 1974 covenants. There are 168 homes and 193 lots. Approximately 77 homes are full time residences and 91 are second homes. Some '74 owners also own property under the 1987 covenants. Those at the meeting were adamant that their association fees and assessments not go up. Some pointed out that they owned multiple properties under different covenants and that they were already voting members so had no desire to subject their properties to the 1987 covenants due to the possible $100 annual assessment. There was discussion about expenses for roads, the cost of gate attendants, freezing fees for lot owners, basing fees on property values and whether or not the State Homeowner's Laws would allow for different fees based on property values.

At the end of the town hall meeting, the group thanked the Board for trying to solve problems and to make the community better. Some agreed that we should all invest in the future of StillWaters. The major differences between the 1974 and 1987 is that those under 1974 do not have to pay the up to $100 annual assessment that can be approved by the Board and those under 1974 do not get to vote since they are not members of the association.

In today's meeting the Board discussed options, future fee structures and the path forward. It was agreed that there are many property owners who will not vote for change and many of the 1971 and 1974 owners who will not move to the 1987 covenants. It was agreed that it is time to reevaluate and that a separate planning session with Attorney Russell Balch would be valuable to discuss whether or not a covenant re-write is desirable and if so, the best means to accomplish the goals. It is agreed that the effort and monies spent would be worth it if SWRA's end product can be a good set of documents that will carry the association into the future. It may not be worth it to pursue the project if the end product is not a quality one. The desire is to move the community forward with positive outcome where all property owners function under the same set of guidelines.

The 1987 Covenants meeting that had been scheduled for December 1st will be cancelled at this time.

Election Calendar – The following calendar was presented, reviewed and approved.

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- March 9th – 10:00 a.m. Annual Meeting at SWRA Centre.

NEW AGENDA ITEMS

Long Range Planning Committee – Tom Handley resigned from the committee. The committee is continuing work on the covenants. They are reviewing other community covenants and comparing those to the 1987 covenants.

Nominating Committee – This is a five-member committee made up of two board members, Penny Alexander and Mike Dollar and three property owners Bob Bradshaw, Betty Litsey and Eldon Johnson. Eldon is chairing the committee. They met and have begun phoning nominees to discuss their interest in serving on the SWRA Board.

The Board approved a motion to adjourn to Executive Session at 10:30 a.m. in order to discuss legal issues.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Dec. 4, 2012

Minutes
SWRA Board of Directors Meeting
November 6, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, Eb Spink, John Mann and Mack Yeargan were present. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of October 16, 2012 meeting.

GM weekly update October 22, 2012

Deer Control Program - The deer thinning started last week. The hunting team has expressed concern that we would not be satisfied with the number of deer removed this year because the limited hunting space may cause fewer deer to be harvested. The insurance premium for the year was $525.

State Biologist/Deer Issues - Kevin spoke to Ray Metzilers office, the state biologist that attended the deer town hall meeting, one of his assistant biologist, Adam, returned Kevin's calls and explained that after reviewing the situation in StillWaters the best advice they could give us was to refer us to a couple of companies that specialize in deer management. These companies charge a fee to determine how many deer need to be removed, management of herd, etc… The issue, according to Adam, is that we have a number of individuals feeding the deer, which attracts them to the area. Adam confirmed what Ray had previously told us that under normal circumstances the deer herd would increase 30-35% per year so you need to remove at least 35% of the herd each year.

Gate Repairs - The back gate entrance arm bracket broke and was replaced. The vehicle detector, loop switch, on the entrance side of gate 49 failed and was replaced. We had both items in stock but will now have to replenish our inventory. Cost of the loop detector is $675 and the arm bracket is $300.

Covenants Town Hall Meeting - The Long Range Planning Committee "Town Hall" meeting was this past Saturday. Property owners from the 71, 74, 87 and Traditions covenants attended. They had some good ideas and were very open about their suggestions and concerns. Plans are to have additional "Town Hall" meetings to get views, opinions and input from property owners on one set of covenants that is fair and equitable for all property owners.

Redbud Villa Repairs - Work on the middle building at Redbud Villas is continuing. One villa owner has completed their work and painted it the color that was agreed upon. An issue concerning the cost of the one villa that SWRA was to paint to correct a covenant violation has delayed the painting and will need to be discussed. As for the

other two villa owners one is almost complete and the other plans on starting work soon. Also in Redbud, in another building, one of the owners painted their villa a different color than the adjoining villas. Kevin has discussed this with the villa owner and they have agreed to change the color back. They did not realize it was a covenant violation to change the color. The owner explained they needed a couple of weeks to correct the covenant violation; they have 30 days to make the correction. **A motion to paint the Redbud unit passed unanimously. A lien will be placed on the property by SWRA.**

GM weekly report October 29, 2012

Gate Repairs - The gearbox that lifts the gate barrier arm on the exit side of the back gate has failed and will have to be replaced. SWRA does not have the correct tools or knowledge to replace this item. Alabama Ornamental will schedule the repair as soon as the new gearbox is received. It will take several days for the gearbox to be shipped. The barrier arm has been removed until the gearbox can be replaced. The large iron gates will still operate at night.

Cutting of Right-of-Ways - Millers Landscaping Company will cut the road right-of-ways. They have bid the same price as the company that originally won the bid. The cost is $7,500, which is already in the budget. They have the equipment and experience to complete the job. Kevin is waiting on their insurance agent to send him a copy of their insurance coverage and their references have already been checked. If the insurance checks out, they will begin work this week. As a reminder, only the major roads and areas that are well traveled, or road safety areas are getting cut, some side roads and less populated areas will not be cut.

Gate 34 Gate Signs - These indicating the new hours of operation for the back gate have been installed. Gate attendants have been instructed as how to answer questions concerning the signs, gate operating hours and the date the new hours take effect.

Directional Sign Landscape - The bushes and plants around the directional sign at the intersection of Moonbrook and StillWaters Dr. have been removed at suggestion of the landscape committee to highlight the stacked rock bases and reduce maintenance costs. The plants were also blocking the light that illuminates the sign. The bushes will also be removed from around the base of the directional sign at the intersection of Moonbrook and Lakeview Ridge.

Donation for US Flags - Bob Buice donated $100 to SWRA for the purchase of new United States flags. SWRA purchased 3 outdoor quality flags for a total cost of $98. The Board expressed its appreciation for the donation.

Pool House Vents – Kevin has obtained a lower bid to install the vents at the pool house, $250, which is half of the original amount. The vents have been installed for better ventilation.

Boat Storage Fees - The increase in the funds deposited over the last couple of weeks is attributed to the payments received from the annual billing of the boat storage and garbage can service. We now have two spaces available in the boat storage lot but they are expected to rent quickly.

GM weekly update November 5, 2012

Gate 34 - The back gate security system computer has failed. It was installed January 25, 2011 and had a one-year warranty. A replacement will cost $2,400 but Kevin is hoping we can just replace the hard drive, which will cost less than $500. This is the same problem we have with the pool security computer. The warranty has just expired on the pool computer but they have agreed to repair it for just under $500. Also concerning the back gate, we are still waiting on the repair parts to arrive for the exit barrier arm. When Alabama Ornamental comes to repair the gearbox on the exit barrier arm, they are going to instruct Kevin on how to re-program the computer for the back gate. Kevin will swap out 49-gate computer with 34-gate computer while he sends back the 34 computer to have the hard drive repaired.

Architectural Review Committee - ARC had seven permit requests that were approved, most were for repairs the rest were a couple of small projects.

Fountain - The fountain is cleaner since the purchase of the fountain vacuum and the fountain-cleaning contract will not be renewed when it expires in December.

Storage Unit - Kevin is getting bids on one to be placed on SWRA property behind the tennis courts.

Paving Project Completion - Alexander Paving will finish the patching on November 12th.They were scheduled to start by November 1st but they have re-scheduled us in conjunction with a project in Alexander City which will save SWRA $800. They will have less fuel cost and travel time, which is our savings

Deposits and Closings since last Board meeting

Deposits	$12,117.04 (primarily Boat Storage Fees)
Closings	8

Treasurer's Report - Mike Dollar

Financial Statements - The following is a commentary on the P&L activity in November.

- **Revenue** – Boat Storage rental is shown in the current income statement as being below budget; however, we recognize the revenue as we collect it. We have actually billed slightly more than the $13,000 budgeted.
  Recent strong activity in Transfer Fees continued in October with twelve property closings versus seven budgeted. The year-to-date favorable variance is now thirteen.
- **Stoneview Summit Management Fee** – We collected our first full month's fee for the management services being performed for Stoneview Summit. In addition, Kevin has negotiated an additional amount ($500) to provide cleaning services, for which we will use our current cleaning person. We have established an account to track expenses related to Stoneview Summit. This account should never have more than a nominal amount since Stoneview Summit owners are reimbursing us for expenses.

Depreciation – Depreciation expense is well over budget after our accountants (Warren, Sasser) recorded the entry for the third quarter as part of their post-closing adjustments. They had capitalized expenditures during 2012 for Moonbrook Park, the fountain and roads that they deemed to be capital improvements that extended the life of these assets. Mike stated that he understands and agrees with the capitalization of park and fountain improvements, but he has sent them an e-mail about the roads portion. Depreciation expense is higher since they began depreciating the capitalized amounts in the third quarter. Accountant increased capitalized cost by $78,290.70

- **Fountain Repair & Maintenance** – As mentioned previously, our accounting firm capitalized most of the cost incurred in repairing the lighting system. The amount capitalized was $5,745. We paid approximately $1,100 for additional work in October, which is reflected in expenses. Warren, Sasser will likely capitalize that amount also.
- **Roads** – As mentioned, our accountants capitalized $51,685.62 that had previously been expensed. Our expenditures for seal coating and patching were $14,772 in October reflected in expenses. We also expended slightly more than $1,000 for the new stop signs and other road-related items.
- **Moonbrook Park** – As discussed, our accountants capitalized $20,860.08 that had been expensed through September.

Our unrestricted cash flow through October 31 is $67,126.75 higher than budgeted with most of the favorable variance due to the timing of our expenses, primarily those for roads and drainage, and the capitalization of expenses. Expenditures for the roads should catch up to budget before the end of 2012.

The Board thanked Mike for his dedication, time spent and attention to detail in the excellent job that he does as the SWRA treasurer.

OLD AGENDA ITEMS

Special Meeting Minutes – The October 30, 2012 Special Meeting minutes were approved as written. The meeting was to discuss the direction of the Long Range Planning Committee (LRPC) concerning a rewrite of the 1987 covenants. A few revisions were made to the SWRA Board Guidelines for Amended Covenants Rewrite. These were originally sent to the LRPC in April of 2011. The Guidelines and minutes of the meeting will be emailed to the LRPC members.

Christmas Committee – There are mixed reactions from members to the donated wooden elves. Board members suggested they perhaps they could be used at Moonbrook Park.

NEW AGENDA ITEMS

Dog Committee – There was discussion on another incident in StillWaters. A woman was walking her dog on a leash along the road last week. As she passed a house, two large dogs ran from their yard from behind her and attacked her dog. The woman tried to pick up her dog when a larger dog grabbed her smaller dog and shook it. In the process, the woman suffered cuts to her face. It is not clear whether from bites or scratches. The owner of the dog came up and offered to clean her wounds. The vet bill is $551.70. The lady has not contacted the owner of the large dogs. The Board agreed that Kevin would contact both owners to discuss the circumstances to see what resolution can be found. One board member pointed out that the insurance carrier of the owner is liable for the two dogs.

Election Calendar – The following calendar was presented, reviewed and approved.

- November 6, 2012 - Nominating Committee appointed by Board
- January 22, 2013– Nominating Committee Report due to the Board.
- February Newsletter and eflash announcement of Nominees.
- February 6, 2013 – Nominations by Petition due into SWRA office.
- February 11, 2013 – Mail ballots and candidates' resumes to 1987 Members.
- March 1, 2013– Ballots due to SWRA office by 5:00 p.m. or postmarked as such.
- March 9th – 10:00 a.m. Annual Meeting at SWRA Centre.

Nominating Committee – This is a five-member committee made up of two board members and three property owners. President Dave Heinzen appointed Mike Dollar and Penny Alexander to serve as the Board representatives on the committee. The Board

discussed possible candidates then listed by secret ballot their choices for appointment. Dave will call suggested nominees in order until three agree to serve and one alternate.

1971 Covenant Property Owners – A meeting will be held this Saturday, November 10, 2012 at the SWRA Centre. The meeting will be to listen to concerns and suggestions about new covenants. A letter of invitation from the Board has been mailed to these property owners. (Copy Attached). The purpose of this meeting is to listen to these property owners.

Fountain Improvements – At two different meetings repairs by Atlantic Pools to the fountain lighting and wiring had been approved. The total project went over the original projections due to cleaning up the wiring system and replacing some parts that previously were not known. The overage was $2,550. The repairs were legitimate and necessary. **A motion to approve the additional expenditure carried.**

The Board approved a motion to adjourn to Executive Session at 11:05 a.m. in order to discuss legal issues.

The Board moved back into Regular Session at 11:35 a.m.

Board Meeting Schedule – The Nov. – Jan. schedule was reviewed. The next meeting is November 20th. December meetings are the 4th and 18th. The January meetings were moved from the 1st and 3rd to 2nd and 4th Tuesdays.

Annual $100 2012 Assessment - Based on anticipated and projected budget needs for 2013, in order to maintain the current service level for property owners and to maintain and preserve SWRA assets, **a motion to approve an annual assessment of $100 for the 2012 year to be billed with the 2013 annual dues to be effective at the close of business on Tuesday, November 6, 2012, carried unanimously.**

The Board approved a motion to adjourn at 12:00 p.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Nov. 20, 2012

Minutes
SWRA Board of Directors Meeting
October 16, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Eb Spink and John Mann were present. Jerry Grace and Mack Yeargan were absent. Kevin Eason was present to report.

Guest: Tom Handley, Chairman of the Long Range Planning Committee and Patti Richardson of LRPC attended.

Approval of Prior Minutes:
Board reviewed and approved minutes of October 2, 2012 meeting.

GM weekly update October 8, 2012

Fountain Project - Rob Corum from Atlantic Pools has completed the re-wiring and installation of the new lights at the entrance fountain. The lighting is a big improvement to the fountain and the wiring is now safe. Kevin has received several positive comments. Rob trained Kevin and Alan to service/clean the fountain. Based on the procedure to clean twice per week, chemicals, etc… outlined by Rob, SWRA can easily maintain the fountain without any additional cost. This will eliminate the need for a cleaning contract with an outside contractor for the fountain.

StillWater's Drive Stop Signs – SWRA has received several "Thank You's" for installing the stop signs on StillWaters Dr. A few negative comments and a few other general comments have also been received. Several residents have commented on how it appears traffic is slower and less of it on StillWaters Dr. (the off season also affects the amount of traffic). We will wait on the installation of the four-way stop at Deer Run Rd and StillWaters Dr until further evaluation.

Miscellaneous items

- LRPC has a meeting set for Tuesday, October 9th.
- Server - The new backup software and information storage safe has been installed on the server.
- SWRA Centre – Five banquet tables and six card tables have been purchased for the community room in order to make it more functional.
- Kevin is having a difficult time finding someone to cut the road right-a-ways but will continue searching.

GM weekly update October 15, 2012

Pineview Pool house - Air vents for circulation in the pool house need to be installed. The fumes from the pool chemicals and moisture are causing items stored in the pool house to deteriorate. Estimates are less than $500 for four vents, two in each room.

The pool furniture has been stored for the off-season. A few pieces of furniture have been left out for the property owners that like to sit around the pool on sunny days. We also do not have room to store all the pool furniture during the off-season.

The pool heater has been turned off. It ran for almost two weeks, which is long enough to keep all the parts in working order.

The bathroom will be left open until the temperatures drop low enough that we have to winterize it.

The auto fill valve at the pool will have to be replaced again. It was just replaced a couple of months ago and Kevin has asked the pool company to replace it under warranty.

Dog Issue - This past week there was another instance with two dogs chasing a property owner. The property owner signed a complaint form and Kevin contacted the owner of the dogs. The owner of the dogs was very apologetic. The dog owner had just purchased an invisible fence but she accidentally let the dogs out of the house without the shock collars attached. The issue seems to be settled.

Gate 34 - An update of the gate operating software is being sent to us. Since we use the DoorKing website to operate the gates we needed this update before we can change our current operating times for the back gate. There is no cost involved. Kevin cannot download the update because it has to be loaded to our server. He is waiting on the signs to be made for the back gate. There will be a delay in reprogramming the gate computer to close the back gate. As of right now each gate card has to be re-entered to keep them from opening the gate during the closed hours. DoorKing is trying to find an easier solution

SWRA Storage Building – Kevin expressed a need to purchase a storage building to be located behind the tennis courts on SWRA property. It would be hidden from view by the pine trees and is within covenant guidelines. The pool house is full.

Deposits and closings since last Board meeting

Deposits	$6,782.45
Closings	4

Long Range Planning Session – Chairman Tom Handley introduced the discussion on the multiple complex sets of covenants. He is advocating the combining of covenants or "unity plan". Patti Richardson was in attendance also.

The Board had tasked the LRPC to come up with a set of covenants or a product if you will to promote to property owners that would better address areas of concerns/conflict to include more details. The committee has spent time studying "The Traditions" covenants as well as other sets of community covenants. Demographics have been reviewed. There are more lot owners than home/condo owners in StillWaters. What do you do to modify the 1987 covenants?

A full-scale campaign to combine the 1971 and 1974 into the 1987 covenants was discussed. Section 7.4 and 7.5 of the 1987 covenants were reviewed and discussed. Currently the SWRA Board governs all of these sets.

It was agreed that discussion for the Town Hall meeting would be relative to covenants only. Asking those attending what concerns or ideas they have concerning a re-write of the 1987 covenants.

Discussion followed as to having separate meetings with those under the 1971 covenants and those under the 1974 covenants. Letters would be mailed to invite them for discussion to listen to their ideas and reasons for not converting to the 1987 covenants. The information gathered will be beneficial in approaching the rewrite of the covenants.

Chairman Heinzen thanked Tom and Patti for attending the meeting and for their time and service to the community.

Treasurer's Report

The official cost-of-living adjustment (COLA) calculated annually from the Consumer Price Index determined by the Department of Labor was released during October. The COLA for 2013 will be 1.7%. Accordingly, as **required** by the covenants, annual association fees will increase by 1.7 % to $364.00.

Mike will print out the detail reports by account for budget planning for committees.

OLD BUSINESS

Town Hall Meeting for LRPC – Set for October 20th at 10:00 a.m.

NEW BUSINESS

No new business.

The Board approved a motion to adjourn to Executive Session at 11:05 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Nov. 6, 2012

Minutes
SWRA Board of Directors
Special Called Meeting
October 30, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, Eb Spink and John Mann were present. Mack Yeargan was absent. Kevin Eason was present to report.

President Heinzen explained that the meeting was to discuss the direction of the Long Range Planning Committee (LRPC) and the re-write of the 1987 covenants and requests from the LRPC for clarification on a proposed plan of action. With the change up in committee members of the last few months there has been some confusion.

Kevin presented copies of the property owners broken down by covenants as follows:

1987 Covenants
Resident Homes & Condos – 282
Non-Resident 2nd Home & Condos – 522
Lots -586
Total - 1390

1974 Covenants
Resident Homes – 77
Non-Resident 2nd Home – 91
Lots - 193
Total – 361

1971 Covenants
Resident Homes – 10
Non-Resident 2nd Home – 17
Lots - 23
Total – 50

Six of the 1971 property owners voluntarily paid the full annual association fee in 2012. The 1974 properties pay the same annual association fee as the 1987 owners. 153 or 37% of the 1971 and 1974 (411 total) property owners voluntarily paid the $100 assessment in 2012.

The Board reviewed the "SWRA Board Guidelines for New Covenant Rewrite" document that was sent to the committee April 12, 2011, several emails from committee members, discussions with committee members, the recent Covenants Town Hall meeting, LRPC newsletter articles and a set of covenants from another homeowner's association that the LRPC had been reviewing. Kevin had highlighted areas of comparison between these covenants and the SWRA Guidelines from above. These will be shared with the LRPC.

Several committee members had stressed that our efforts need to be positive in nature if we have any hope of being successful in approving a new amended set of covenants. The finished product (amended covenants) should work to move our community forward. We need to remove old divisions between 1971, 1974, 1987 property owners. Most property owners feel that ALL should pay their fair share because all benefit equally from the

association and the community. One of the goals of amended covenants is to come up with one set that would make it easier to maintain and to enforce covenants. We want to remove the developer language that is confusing and better define some areas of the covenants as far as detail and means of enforcement or actions to remedy. Also, to provide language to address changes in the future for the homeowners.

Different fee structures or charges for items such as annual gate fees, pool and tennis court or other amenity usage were discussed. A member could pay a lesser rate than a non-member property owner and another rate for vendors or non-property owners could be instituted.

The unification program of 1971 and 1974 properties to the 1987 covenants as presented at the last Board meeting by Tom Handley was discussed. Some LRPC members have stated that they felt that this would stir up many negative feelings and only serve to divide the community rather than encouraging all to move forward to a new amended version of governing covenants. After debate, the Board agreed with that assessment and determined that a finished "product" to show/discuss and sell to members would be the best approach.

After further discussion the Board unanimously approved the following plan of action:

1. Hold three separate meetings to listen to property owners, not tell them what we are going to do or what changes we see as important but rather to just listen to what has held them back from subjecting to the 1987 covenants and what they would like to see in new amended covenants.
    a. The first to be set for November 10, 2012, inviting 1971 property owners by written letter.
    b. The second held on November 17, 2012 inviting 1974 owners by letter.
    c. A third to be held December 1, 2012 for any 1971, 1974 who could not attend their specific meeting and 1987 property owners.

The letter would be issued by the Board and LRPC stating that "we would like to invite them to attend a meeting important to them as a ## Covenant property owner to listen to your concerns and ideas on possible amendments to the covenants governing your property. SWRA is working on making changes to the covenants that govern us all and we want you to be a part of the process in moving our community forward in a positive way."

The letter would ask for their current phone number, email address and best means to contact them. Also ask for a RSVP and letting them know that if we do not hear from them via email response or by return phone call then we will be calling them. Kevin will handle this phone script and make the calls, if needed he will ask for assistance in calling. All will strictly follow the script.

2. The Board will send Revised document of guidelines to the LRPC. Their immediate focus will be on amendments to the 1987 covenants in order to develop a "product" for marketing to membership and property owners.
3. The Board will wait on discussing fee structure for future revenues.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Nov. 6, 2012

Minutes
SWRA Board of Directors Meeting
October 2, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Eb Spink and John Mann were present. Jerry Grace and Mack Yeargan were absent. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of September 18, 2012 meeting.

GM Weekly update September 24, 2012

Fountain Update -As with all renovations, other issues have been uncovered. The electrician working on the new fountain lighting has discovered that the underwater lights have deteriorated to the point that they are dangerous. When the lights come on they send an electrical current into the water. We have been lucky that no one touching the water has been shocked. The lights are 15 years old and have been underwater, so they were good lights.

Rob Corum, Atlantic Pools estimated the cost to replace the lights at $2,000 plus there is another $1,500 in wiring at the fountain that needs to be repaired. It will be more cost effective to replace/repair everything at the fountain that needs it while Rob is here. Our current contract with Rob is for $6,000. Replacing the underwater lights and wiring will bring the amount to $9,500. The new lighting and electrical work should last for the next 15 years. This past Friday Kevin informed the Landscape Committee about the underwater lights and they suggested the lights be replaced.

ARC New Home Approved - Construction for the Haynes new house on Whisperwood is scheduled to start this week. The ARC approved the plans and a building permit was issued. The Haynes property is under the '87 covenants. They paid the building permit fee, impact fee and construction deposit. They plan on retiring to StillWaters after the house is built.

Tax Sale Property - ABA Acquisitions Inc. redeemed their property that SWRA purchased in the tax sale this past May. We received a very small amount of interest. They did not pay their past due association fees but we now know where they are located. The account has been assigned to our attorney for collection.

GM weekly update October 1, 2012

Fountain Update - Rob Corum of Atlantic Pools is continuing to work on the fountain lights and wiring. The underwater replacement lights arrived today. This will complete the job.

Stop Signs on StillWaters Drive - Staff has started installing the stop signs. It will be a three-week process so that drivers can get accustomed to the signs.

House Fire in StillWaters - SWRA is cooperating with the Sheriffs Department concerning the recent house fire in StillWaters. We are providing them with gate security video and gate log

sheets. Kevin has spent several hours on this, there are some incompatibility issues between the gate computer type CD's and the one that the Sheriff's department wanted to use.

Gate Attendant - Kevin hired Joshua Sands as a part-time gate attendant. He is grew up in Dadeville, is ex-military and lives less than ten minutes from StillWaters. He is willing to work any shift, so Kevin has decided not to hire an additional gate attendant at this time. He has already started working and seems to be a good people person.

Moonbrook Park Usage - Our insurance company determined that the birthday party held a Moonbrook Park that was approved by the Board did not require any additional insurance coverage. (The equipment rental company had coverage.) After reviewing the Moonbrook Park usage form, the insurance company determined our regular umbrella policy covered the planned activity.

Miscellaneous items

- The small fridge in the SWRA office had to be replaced $93.
- A new gas powered blower (est. cost $400) is needed.
- The leaf vacuum for the fountain that was previously approved by the Board will be purchased.
- Annual invoices for boat storage and garbage rollback service will be sent this week, there is a waiting list for the boat storage.

Deposits and closings since last Board meeting

Deposits	$6,002.93
Closings	2

Treasurer's Report

Financial Statements

The following comments on variances in our P&L are based on Mike's review of the September 30, 2012 financial statements. Focus is on the current month of September since we have already covered earlier issues. Warren, Sasser & Associates, LLC, will modify these financial statements when they perform their post-closing review and adjustments during the next couple of weeks.

- **Revenue** – SWRA continued our recent trend of exceeding budget for transfer fees in September. We recorded 13 transfer fees for the month versus 7 in plan and now exceed the year-to-date budget by 8 closings. We also received $1,600 for impact fees and building permits in September. This is the first income from new construction in several months.
- **Depreciation** – Warren, Sasser records our depreciation expense quarterly as part of their post-closing adjustments.

- **Truck Expense** – The expenses related to our truck are distorted for September due to there being none reflected in the month. As Kevin has mentioned, Regions is assuming the role of card processor replacing the previous third party processor. As a result, our billing cycle has changed and expenditures of approximately $2,400, more than half of which is related to the operation of our truck, will fall in October.
- **Fountain Repair & Maintenance** – The expenditures of $5,945 in September were related to the lights repair project approved the Board in our last meeting. There will be additional expenditures in October related to this project.
- **Roads** – As pointed out previously, major repaving and drainage repairs were budgeted to be completed by the end of July. We spent $6,749 in September and have $45,000 left in the Roads budget.
- **Water** - Due to a change in billing cycle, none of the expenses related to our water usage is reflected in any operating area for the month. We have received the bills, however, and all are at or well below what was budgeted. The bill for operating the fountain was only $210, but could be considerably higher in the next billing due to the refilling that will have to occur after repairs are completed. Moonbrook Park water was only $72.80 in the current unpaid billing.

Our unrestricted cash flow through September 30 is $84,319 higher than budgeted with most of the favorable variance due to the timing of our expenses, primarily those for roads and drainage. Most of these expenditures will catch up to plan by the end of the year. For example, the favorable variance through August was reduced for the most part by the expenditures for Roads in September.

OLD BUSINESS

Paving Update – Alexander Paving and Alexander Seal Coating are the contractors that we have dealt with this year. The owners are the same but two different companies. They state that they normally put on a second coat of seal coating. They have sent Hagan Wagoner of ProgreCiv Group a final bill for the last part of the original work for $14,772.00. This represents a $1,500 deduction for not putting another second coat on Overlook Circle. They say they did this on their first work but Kevin felt that it was not up to standard as it was thinner than most. They have stated that they would charge $2,500 for another second coat on Overlook Circle.

Alexander Paving's estimate of $10,500 to do work on Holly Ridge, Myrtle Lane, Greensview and Poplar Point has been received. Kevin and Hagan spoke with Ingram Paving again and their bid is higher, one other local company did work a few years ago and it was not quality work. Discussion as to whether this work can wait to be included in the 2013 project because the mobilization charges are so high when spread over these small projects. **A motion that Kevin would pay the $14,772.00 still outstanding from the original project and engage Alexander Paving to complete the work on Holly Ridge, Myrtle Lane, Greensview and Poplar Point as long as they can complete the work in October as promised carried.**

Deer Thinning Insurance - Kevin has contacted several companies to find us a lower policy rate. Due to new underwriting policies for this type insurance the costs have increased drastically since last year. Discussion followed as to insuring only common property, which would be around $480. A few selected wooded properties can be added to the list with the first 12 owners at no additional charge and for $3 per property owner, with the permission of the owners. The Board agreed that the total cost of insurance could not exceed $600. Several have offered their properties for this purpose. This will control costs for the project while still accomplishing the goal in our effort to improve the health of the herd. **It was agreed that Kevin would proceed under these parameters.**

NEW BUSINESS

Long Range Planning Committee (LRPC)– Patti Richardson has agreed to serve on the committee. Kevin will contact Chairman Tom Handley in order to set up a joint meeting between the committee and the Board. Dave sent an email expressing the board's appreciation to Herb Starzer who resigned from the committee. Kevin will contact Tom to set up a meeting of the LRPC and one with the Board to discuss options and develop a plan to move forward.

Town Hall Meeting for LRPC – Set for October 20th at 10:00 a.m.

Committee Meetings – Landscape Committee and Recreation Maintenance Committee need to meet in order to give a list of projections for the 2013 budget dollars to Mike and the Budget Committee. Penny and Kevin will work to set meetings with the committee chairman.

Christmas Committee Report – They met to discuss decorating plans for 2012. They plan to purchase a few more netting lights, some ribbon, an additional wreath for gate 34 and some new ornaments for the tree downstairs. Committee members are exploring options for additional items for future years though the consensus was that the scope of the decorations are large enough and there is no need to add much more. SWRA has 12 elves that were donated by the Dadeville Chamber of Commerce. These were from the Dadeville Christmas parades. Committee members have cleaned up the elves and some are working on a plan to use these at Moonbrook Park. The committee requested that the Board approve up to $1000 for this year's decorations. **The Board approved this request.**

The Board approved a motion to adjourn to Executive Session at 10:40 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: October 16, 2012

Minutes
SWRA Board of Directors Meeting
September 18, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Jerry Grace, Penny Alexander, Mike Dollar, Eb Spink, Mack Yeargan and John Mann were present. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of September 4, 2012 meeting.

GM weekly updated September 10, 2012

Tallapoosa County Commissioner's Meeting – Kevin attended but they did not discuss any items that would have a significant impact on StillWaters.

Fountain at Gate 49 - Rob Corum is working on the lighting and wiring upgrades at the entrance fountain. He should be finished with his work in two weeks.

Town Hall Meeting on Deer Program - There was a good turnout approximately 47 people (which included Board members and staff). SWRA received a few emails Monday morning from a few property owners requesting that the hunters stay off their lot. There have been emails or comments from property owners stating opposition as well as support for the program. Kevin will write an article for the newsletter with some factual information from the state biologist.

Advanced Disposal – The company has started to enforce the collection of past due accounts by picking-up garbage cans of accounts over thirty days past due. In the past, they have been very lenient on customers who did not pay their bills by not picking up the cans but due to rising cost they have changed their policy. SWRA is not picking up the garbage cans. An article of explanation will be in the newsletter.

Ervin Cable Construction - This contractor for Charter Cable will be installing new cable around Poplar Point and a small portion of Lakeview Ridge in the next couple of weeks. According to their home office they will bore under the pavement and no pavement will be damaged. Kevin has spoken with the project manager and informed him of the right-of-way repair requirements. They expect it to take them 2-3 weeks to complete the project.

Deposits and closings this last week

Deposits	$2,611
Closings	2

GM weekly update September 17, 2012

Fountain Well Property Easement - Kevin spoke with Sonny Rozelle concerning property for water well at the gate 49 entrance. Mr. Rozelle is considering a price and size. He suggested an

easement or a long-term lease for the pump house location but Kevin suggested that it would be preferable to have a warranty deed in SWRA name for the parcel of land where the pump house would be located. Mr. Rozelle wants some time to discuss it with his partners and will get back with Kevin in a few weeks.

Vision Landscape – They are back on schedule with the cutting. As agreed, Vision has provided Kevin with a landscaping schedule for the month of September and will provide a schedule before the beginning of each month. With the schedule, Kevin can verify when the work is completed and follow up with them.

Road Right-of-Ways - Kevin is obtaining bids for the cutting of the road right-of-way. The original person SWRA had contracted with passed away in June and his son is not continuing the business.

Pineview Pool - We have had a few requests to turn on the pool heater. We are monitoring the water temperature and once the temperature falls below 72 degrees the heater will be turned on for a few weeks. The recent cooler nights have brought the water temp down to 76 degrees in the mornings but by mid afternoon the water has warmed back up. Last year we left the pool area open year round because we had a few residents that liked to socialize and layout in the sun but not get in the water. The only additional cost is minimal for the bathroom cleaning. We will remove most of the pool furniture but leave out a few chairs.

Insurance for Deer Removal Program - American Hunting Lease Association (AHLA) is the organization we obtained our hunting insurance from last year. This year their underwriting policy has changed and they need a list of all property owners, which is not a problem. The problem is that after 12 property owners they charge $3 per additional property owner. Our base charge of $480 plus the additional property owners would make our premium almost $6,000. Kevin has discussed this issue with our regular insurance company agent and in his opinion we need the additional coverage. Our agent is trying to find a company that can provide the coverage at a reasonable price.

New Stop Signs – Materials to install stop signs at two intersections on StillWaters Drive in order to slow down traffic have been ordered. Vistawood Drive will be the first location.

Gate Attendants – Kevin is interviewing for two new part time gate attendants.

Deposits and closings since September 4th report

Deposits	$6,524.41
Closings	6 this month

Treasurer's Report - No report this meeting.

OLD BUSINESS

Paving Update – Kevin is gathering bids to repair Holly Ridge, Myrtle Lane and a couple of other small areas. Kevin is exploring some options and will report back to the board.

Management of SVS Condominium Complex – SWRA has received the first prorated payment.

NEW BUSINESS

Long Range Planning Committee (LRPC)– Herb Starzer sent a letter of resignation from the Committee, which was accepted by the Board. President Heinzen will send him a note of appreciation for his long years of service to the StillWaters community. Kevin will contact Tom Handley Chairman to set a meeting of the committee. The Board agreed to ask Patti Richardson to serve to replace the position opened by Herb's resignation.

Town Hall Meeting for LRPC – Kevin will contact Tom Handley to set a meeting in October.

Moonbrook Park Rental Request – A property owner, Teresa Hudson has requested use of the park for a birthday party September 22nd and wants to rent an inflatable bounce house. The plan is a 2-3 hour event with approximately 20 kids. The property owner will have to cover the costs of insurance for use of the park and understand they would be responsible for any damages. **The Board approved this.**

The Board approved a motion to adjourn to Executive Session at 10:15 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved:

Minutes
SWRA Board of Directors Meeting
September 4, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:05 a.m. Board members Jerry Grace, Penny Alexander, Mike Dollar, Eb Spink, and John Mann were present. Kevin Eason was present to report. Mack Yeargan was excused.

Approval of Prior Minutes:
Board reviewed and approved minutes of August 7, 2012 meeting.

GM weekly updated August 13, 2012

- **Visa Credit Card** - Regions Bank has changed their third party credit card provider for our SWRA VISA card. The interest rate will remain the same but we lost the cash rewards option. We received a check for $325 from the previous credit card provider, this represents the cash rewards we accumulated this year and will be the final rewards check we receive.
- **Deed for Debt Lot** - We received the deed and title for Lot 10, Fern Brook from the ECO Credit Union and we subjected the lot to the 1987 covenants. It was under the 1974 covenants.
- **Tallapoosa County Commission August Meeting** - Kevin attended and it was uneventful.
- **Stolen Signs** - Missing 4-way and 3-way stop signs that were stolen a couple of weeks ago have been replaced. Another street sign, Buck View, was stolen.
- **Roaming Dog Complaint** - Ron Gray from Harbor Pointe Condos complained about roaming dogs around the condos. Kevin gave him the animal removal company SWRA is using. He claimed his condo association would have the dogs picked-up because they were on private property.
- **Roadway Reflectors** - SWRA personnel installed road reflectors around both gates and replaced missing reflectors on Stage Coach Rd.

Deposits and closings since last meeting

Deposits	$2,570.95	($1,124.90 was from a two year old past due account)
Closings	1	

GM weekly update August 21, 2012

Vision Landscape - We are having issues with Vision Landscape not completing the work as scheduled in our contract. Kevin met with Brandon Smith, supervisor. Kevin suggested a checklist that must be initialed by a crew supervisor when each scheduled item is completed. One of Visions' untrained herbicide application people, sprayed grass herbicide on several areas along the roadways killing grass that helps hold the hillsides and prevent erosion. This person also got spray happy around signs killing more grass than normal. Kevin discussed with Jessica Wright, Eric Sapp and Brandon Smith, they are all sorry and that it was not intentional. We agreed to watch these areas and see if the grass comes back before the end of the season. A determination will be made at that time.

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Deposits and closing since 8/13/12 report

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Closings	1

GM weekly report August 27, 2012

Gate Code Issue - The Gate 34 entrance logs indicate that the Walnut Hill Water Authority (WHWA) gate code has been used during the evening and late night hours. Kevin met with Robin East, manager of WHWA, and he assured Kevin that his workers should not be using the WHWA gate code after 4pm unless they were on call for an emergency. This code is being used to enter gate 34 as often as the SWV Fire Dept gate code. We agreed to stop using a gate code and have a SWRA issued gate card specific to each WHWA service vehicle; they have six service vehicles. Eliminating the WHWA and SWVF&R gate codes will help reduce the number of undocumented vehicles entering Gate 34.

Vision Landscape - Kevin met with Brandon Smith from Vision Landscape last week. He agreed to repair the grass areas damaged by spraying herbicide on the grass. We also agreed that Vision would furnish Kevin with a weekly schedule outlining what days they will be in SW and what work will be performed during the week. Vision will also provide a checklist at the end of each week outlining the work that was performed during the week. Kevin will monitor the work to our contract.

Entrance 49 Well Property - Kevin contacted the property owner of the property adjacent to gate 49 to discuss the possibility of an easement or obtaining a small parcel of land to locate a well and pump house. The property owner has requested a letter from the Board giving Kevin the Board's permission to discuss this with him. **The Board issued a letter giving Kevin authority to negotiate with the owner with final approval of a contract to be approved by the SWRA Board.** Kevin stated that the property owner is open to the idea.

Severe Weather Preparation - We are prepared for any severe weather from hurricane Isaac. Kevin will monitor the location and strength of the storm. It appears at this time, our main concern will be water drainage from heavy rains and a few limbs or trees falling from the wind.

Labor Day Weekend Trailers - We will be on the lookout for trailers and other issues during the Labor Day weekend. Kevin will contact the Sheriff and request a couple of extra patrols through StillWaters during the weekend. The gate attendants have already been refreshed on their responsibilities and Kevin will be available all weekend if needed.

Deposits and closing since 8/21/12 report

Deposits	$2,975.67
Closings	7

GM weekly report September 3, 2012

Illegal Dog Pen at Eagle Peak- A person leasing a villa at Eagle Peak erected a dog pen. The owner has been contacted and sent a letter informing him that the dog pen must be removed within 10 days of the date of the letter. Kevin has also spoken with the tenant and explained the covenants. The tenant does not want to remove the dog pen and the owner does not want to confront the tenant. The owner told Kevin that after the 10 days (August 30th) have expired to remove the dog pen and that he would not object to its removal. SWRA employees removed the illegal dog pen. The correct procedure was followed and the required notice was given to the property owner and the tenant. The tenant had removed its dog from the pen.

Deer Control Meeting - Barry Estes from the Urban Deer Control Program was able secure a state wildlife biologist for the Town Hall meeting on Saturday, Sept 8th. As of right now, Barry and his group, the biologist and the game warden are scheduled to attend. The game warden can only stay for a short time because it is the same day as a statewide youth dove hunt.

Speed Bump Input - The results from the speed bump article in the August newsletter was roughly 50/50. 24 people responded to the speed bump article. There were ten emails; ten phone calls and four individuals who came by the office to discuss speed tables. 18 people committed either yes (9) or no (9) and six people said they did not care what the Board decided but that something needed to be done. Several suggestions concerning ways to combat speeding were received. The number one suggestion was get the sheriff to set up a speed trap and the next most suggested was close the back gate at Highway 34.

After discussion, a motion to install two to three stop signs on StillWaters Drive in an effort to slow traffic in response to the speeding problems was approved. Locations

were discussed. It was agreed that Kevin would drive the area and send suggested locations to the Board for their approval.

A motion to close the entrance gate (only) at Highway 34 between the hours of midnight and 5:00 a.m. carried. The computers will be programmed to allow emergency vehicles to enter 24/7 and Exit gate will operate 24/7.

Labor Day Weekend - The weekend was relatively uneventful.

- Friday a lady hit the entrance barrier arm at gate 34, no damage to the arm but put a pretty good dent just above her windshield. She is a resident that was trying to tailgate through the gate.
- Sunday morning around 10 a.m. Kevin had to stop contractors working on a house on Whisperwood. They were running a masonry saw and laying rock. They also gave our gate attendant a fake address where they were supposedly just delivering rock. At first they had trouble understanding English but they learned quickly when the word Sheriff was mentioned.
- Sunday we had a child use the emergency phone at the pool. The parent that was with the child claims she did realize it really worked.
- Sunday night Kevin received a report of fireworks and he explained the procedure to the caller.

Deposits and Closing for the week

Deposits	$2,726.93	
Closings	5	(2 were transfers of deed not a sale)

Deposits and Closings for August 2012

Deposits	$11,007.07	
Closings	13	transfer fees with 11 closings

Treasurer's Report - Mike Dollar

Financial Statements

The following comments on variances in our P&L are based on Mike's review of the August 31, 2102 financial statements. Mike focused on the current month since he had previously explained earlier issues.

- **Revenue** – As Kevin indicated in his weekly report, we have continued the upward trend in closings to the point that we now are over budget for the eight-month period for transfer fees. Through April, we were 13 behind the pace budgeted but we now have had five more deed transfers than budgeted.
- **Insurance** – Although all of the operating areas are over what was budgeted, it is all related to timing of premium payments. Under our previous coverage, which was the basis of this year's budget, our premiums were paid to Dark (Cincinnati Insurance) in the third month of each quarter (March, June, etc.), whereas, under our new coverage

through Colonial (Harleysville), our premiums are paid in the first month of each quarter. In other words, we have paid three quarterly versus two in the budget through August. Overall, our property and casualty premiums should end up the year approximately $3,800 under budget.

- **Gates/Maintenance** – We have run well below budget this year. We continued this trend in August when we incurred no maintenance expense, even though there was $1,000 budgeted. SWRA personnel have handled many issues, which has saved money.
- **Landscape & Grounds/Water**– Although our year-to-date totals appear to be close to budget, it is very misleading. We were well under budget through July, but our water bill last month was $1,258. Nothing was budgeted in August for water, since the budget anticipated a well and pump would be installed by that date. We will continue to overrun for the remainder of the year. The projected cost for this project was $20,000, which was to come from the Fountain Reserve.
- **Roads** – Major repaving and drainage repair were budgeted to be completed by the end of July. Although we spent close to $20,000 in August, we still have $56,000 left in the Roads budget.
- **Pineview Pool /Operating Expense**– We incurred $800 in August for new pool gate cards, which represents one-half the total of $1,600. The other half was charged to the tennis courts operating expenses. These expenses were not budgeted since we did not anticipate we would run out of cards. To this point, we had run well behind budget for the year since some other projects were not undertaken or were under what was budgeted.
- **Tennis Courts/Operating Expense** – $800 incurred for the new gate cards as explained above.
- **Moonbrook Park/Water** –We had been running at about one-half of the level budgeted; however, in August our water bill was $1,048, much higher than it had been up to that point. Our budget also anticipated the bill would be higher due to summer watering, but was at $900, which was not significantly lower than the actual cost.
- **Other Common Areas** – As discussed previously, this is where we charged the costs for the beaver eradication program and we also had water issues at common area we maintain at Sunset Point. In August, we paid for the repairs to the guardrail as Kevin discussed in previous meetings.

The Cash Flow Statement for August 31 shows that our unrestricted cash is $90,187 higher than projected. Most of the difference is due to the timing of our expenses, primarily those for roads and drainage. Most of these will catch up to plan by the end of the year. Also, our billing collections through August have run ahead of what was projected in the budget. Moving cash reserves offset the impact of purchasing the tax sale and deeded properties that was not budgeted, was offset by moving cash reserves which was budgeted but has not yet occurred.

2013 Operating Budget
We should start discussing and compiling a list of projects that we would like to include in budget for the coming year. Mike will begin work on next year's budget in October. Committees should meet prior to that in order to project requests for next year's budget.

OLD BUSINESS
Long Range Planning Committee – There is no meeting set at this time. Penny has forwarded editable copies of the 1987 covenants to the committee.

September 8th Meeting on Deer Control – Set for 10 a.m. The Game Warden, Jeff Brown and a state biologist will attend. As recommended we have made the decision to continue with this program this year, this meeting is to inform residents and answer questions.

Management of Condominium Complex – Kevin presented a revised proposal from Stoneview Summit Condominium Association. A few changes had been made since the last proposal. The agreement is for one year with a 30-day termination clause. **A motion to approve the proposed agreement with one clarification (SVS having routine maintenance person) carried.**

NEW BUSINESS
Light Globes at Villas – SWRA can send a covenant violation letter when these need replacing. As a courtesy, we can order lights for them at their expense.

Computer Upgrade – A motion to approve the recommendation from General Manager's report carried.

Agent of Association - A motion to authorize the General Manager to execute and sign property liens on behalf of the Board of Directors for SWRA carried.

Entrance Fountain Work Proposal – This work was recommended by the Recreation Committee in the spring. Lighting and wiring would be reworked to address some safety issues as well as extend the life of the bulbs. Rob Corum of Atlantic Pools will be doing the work. **The bid of $5,745 for this project was approved.**

Gate 34 Lighting - A lighting project for Gate 34 was tabled until a later date. The Committee recommended removal of the four outdated lights in this area to be replaced with two taller poles that will match those at Gate 49 entrance and Moonbrook Park and put out more light. We currently have $151,810 in reserves, which could be reduced if we proceed with the well and pump project.

Sheriff Patrol in StillWaters – There is an agreement with Sheriff to set up the automated speed sign to make people aware of their speeds.

The Board approved a motion to adjourn to Executive Session at 11:05 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Sept. 18, 2012

Minutes
SWRA Board of Directors Meeting
September 4, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:05 a.m. Board members Jerry Grace, Penny Alexander, Mike Dollar, Eb Spink, and John Mann were present. Kevin Eason was present to report. Mack Yeargan was excused.

Approval of Prior Minutes:
Board reviewed and approved minutes of August 7, 2012 meeting.

GM weekly updated August 13, 2012

- **Visa Credit Card** - Regions Bank has changed their third party credit card provider for our SWRA VISA card. The interest rate will remain the same but we lost the cash rewards option. We received a check for $325 from the previous credit card provider, this represents the cash rewards we accumulated this year and will be the final rewards check we receive.
- **Deed for Debt Lot** - We received the deed and title for Lot 10, Fern Brook from the ECO Credit Union and we subjected the lot to the 1987 covenants. It was under the 1974 covenants.
- **Tallapoosa County Commission August Meeting** - Kevin attended and it was uneventful.
- **Stolen Signs** - Missing 4-way and 3-way stop signs that were stolen a couple of weeks ago have been replaced. Another street sign, Buck View, was stolen.
- **Roaming Dog Complaint** - Ron Gray from Harbor Pointe Condos complained about roaming dogs around the condos. Kevin gave him the animal removal company SWRA is using. He claimed his condo association would have the dogs picked-up because they were on private property.
- **Roadway Reflectors** - SWRA personnel installed road reflectors around both gates and replaced missing reflectors on Stage Coach Rd.

Deposits and closings since last meeting

Deposits	$2,570.95	($1,124.90 was from a two year old past due account)
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The Board approved a motion to adjourn to Executive Session at 11:05 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: September 18, 2012

Minutes
SWRA Board of Directors Meeting
August 7, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Jerry Grace, Penny Alexander, Mike Dollar, Eb Spink, Mack Yeargan and John Mann were present. Kevin Eason was present to report.

Guest: Sue Mason, resident attended the meeting. She had no particular agenda item, just interested in the process of the Board.

Approval of Prior Minutes:
Board reviewed and approved minutes of July 24, 2012 meeting.

GM weekly update July 30 2012
Waters Edge Property - We had a Waters Edge property convert to the '87 Covenants. The Skippers sold their house to the Fuquas and the new owner converted. We now have nine properties under the Waters Edge covenants. This does not include the two that claim not to be under any covenants.

Meeting – Bowhunters of Alabama – Alabama Urban Deer Control Program
A community meeting will be held on Saturday, September 8th at 10am. The game warden will attend. Kevin will try to schedule someone from Auburn University. Bow hunting season does not start until October 15th.

Drainage Report - The planned drainage work for 2012 has been completed. Kevin does not have the final invoices yet. The fire department has been very helpful cleaning out drain culverts. After the culverts are cleaned, SWRA personnel are placing rock around the entrance to the culverts to help keep silt from closing them back up, as instructed by Hagan Wagoner of ProgreCiv Group.

Paving Report - The paving has still not been completed for one reason or another. The paving quality from Alexander Paving has been good but Kevin is not pleased with their scheduling and timing. In comparison to last year's paving company, they are a small company and may have more projects this summer than they can handle in a timely manner. Kevin reported that we saved approximately $300 by using SWRA personnel and stored gravel in inventory on the work on Myrtle Lane.

Miscellaneous items:

- The auto fill valve at the fountain has been repaired.
- A transformer went out on one of the entrance light poles at gate 49. When the transformer went out, it blew both the bulbs so they also had to be replaced. At night the replacement bulbs do not look exactly the same as the existing bulbs although they

are the same model and color. Over time they should get closer to matching the existing bulbs according to the electrician.

- The guardrail has been repaired. It will take a few months for the color to change.
- The back of a dumpster located on Whisperwood that is being used during the construction of a new house somehow opened and a great deal of trash was spread around the area. The construction company is in the process of cleaning up the area.

GM Weekly update August 6, 2012

Gate 34 Entrance Report - Kevin investigated the number of times the entrance side of Gate 34 is used between the hours of 9pm and 7am. Using a year's worth of data, gave an unrealistic number because averaging the number of people per time frames for a whole year gives a lower skewed number for high traffic periods. Kevin used two thirty-day periods, one period in the winter when gate usage is at a minimum and one period at the peak of the summer when gate usage is at its highest.

January 15-February 14

Time	Average usage
9-10pm	6
10-11pm	4
11-12pm	2
12pm-1am	2
1am-2am	1
2am-3am	0
3am-4am	0
4am-5am	0
5am-6am	1
6am-7am	7

June 15-July 15

Time	Average usage
9-10pm	18
10-11pm	11
11-12pm	4
12pm-1am	8
1am-2am	5
2am-3am	2
3am-4am	2
4am-5am	3
5am-6am	5
6am-7am	13

Landscape Report - Vision Landscape is running behind schedule for right-of-way cutting. According to Eric, cutting crew supervisor, several of their employees quit the grass cutting crew. He has assured Kevin that grass cutting will be back on schedule this week. Eric has hired replacement employees. Kevin has discussed deficiencies with the grass cutting that he attributes to lack of employees.

Condo Management Proposal - About a month ago Kevin informed the Board that he had been approached by some of the condos to see if SWRA was interested in providing management services. Mike Terrell from Stoneview Summit contacted him recently concerning this subject. Patti Richardson had suggested to him SWRA might be interested in partnering with SVS. SVS is looking for a limited type management. SVS will continue to handle payables, receivables, monthly invoicing and collections of all money. They need help overseeing the service providers, obtaining competitive bids for services, overseeing of maintenance, etc… This may be an opportunity for incremental income.

Fence - Another illegal fence on Buckview Lane has been installed without ARC approval. The property owner claims it is a landscape fence. The owner did not obtain a permit before it

was installed, but applied for permit after the fact, which was declined by the ARC. Kevin has tried to work with the owner to no avail. The property owner is very aware of the covenants; he has built at least four houses in StillWaters and obtained ARC approval on all four houses. The appropriate letters have been sent to remove the fence.

Miscellaneous items:

- The safety swim ring at the pool had to be replaced due to age.
- A boat trailer was towed from the roadside on Sunset Point right-of-way, owners were VERY unhappy.
- We had a large tree fall across Lakeview Ridge. SWRA personnel were able to move it off the road but Floyds will remove the tree.
- This past Wednesday night we had three street signs stolen, on Saturday night we had two street signs stolen and four 4-way stop signs stolen. Kevin looked at the security video but it did not help identify anyone. New signs have been ordered. An article will be put in the newsletter.
- We have received several responses from the speed bump article in the newsletter. We will allow a couple of more weeks for people to respond before reporting to the board, currently about 50/50 in favor or against the speed bumps.

Deposits and closings since last meeting

Deposits	$ 7,029.20
Closings	2

TREASURER'S REPORT – Mike Dollar

Financial Statements

Mike has reviewed the financial statements for July. He commented more on the individual areas, as opposed to individual accounts.

- **Revenue** – As we've discussed for the past few months, sales activity has picked up substantially. We had eight closings in July; one more than in budget, and our deficit for the year for transfer fees has now narrowed to $1,500 or five properties.
- **Administration** – Expenses are $4,735 below plan for the year to date. The favorable variance is due to lower insurance (the new Harleysville policy) and lower computer supplies and software. We budgeted for a server upgrade and a new office computer, neither of which have occurred.
- **Gates** – Expenses are $3,000 below plan. The budget anticipated purchases of attendant uniforms, which are not likely to occur now. Also, purchases of gate computer equipment have not been as high as budgeted.
- **Landscape & Grounds** – Expenditures are $9,725 below budget for the year. In July, we had $7,500 budgeted for clearing right-of-way that has not yet been incurred. In addition, water continues to run well below plan; however, when the budget was prepared, we expected to have a well and pump installed (from reserved funds) by the

end of July to provide water for the entrance and fountain. From August forward, we have no funds budgeted for water in the landscaping budget.

- **Roads** – We are running behind the budgeted schedule for road paving and repair and drainage. As we've discussed in previous meetings, actual expenditures for the year should come in at or just below what was included in the budget.
- **Pineview Pool** – Expenses are $6,000 below budget through July. About half of the variance is due to an electronic gate upgrade that was budgeted that we have decided not to do at this point. Also other projects, such as fence painting, tile work and furniture all came in under budget. Lower water utility bills have also contributed to the variance.
- **Moonbrook Park** – Expenditures are reflected in the income statement as being over plan by $16,791. This is due to the budget reflecting the park improvement expenditures as coming from the reserved funds for the park. Other expenses for Moonbrook Park are actually below budget for the year, including costs for water. Water is running at approximately one-half of the level budgeted, although the recent lack of rain will likely reduce that variance in coming months.
- **Boat Storage** – Expenses are $843 over plan for the year through July as the cost of gravel and grading of the lot were higher than anticipated.
- **Other Common Areas** – Expenses for the year are $2,458 higher than budget due to the beaver eradication program earlier this year and the water issues we had at Sunset Point.
- **SWRA Centre** – Overall expenses are $2,055 over plan, most of which is due to the repair and repainting of the rails at the building entrance.

The Cash Flow Statement shows that our unrestricted cash is $108,039 higher than projected. Most of the difference is due to the timing of our expenses, primarily those for roads and drainage. Most of these will catch up to plan by the end of the year. Also, our billing collections through July have run ahead of what was projected in the budget.

The Board commended Mike Dollar on his excellent work and diligence in his duties as Treasurer.

OLD AGENDA ITEMS

Long Range Planning Committee –They had a meeting for Monday, July 16th at 9 a.m.

Paving Update – Kevin had a few invoices that he presented for approval to pay for work completed to satisfaction. **The Board approved payment of these and one to come from ProgreCiv Group, Inc.** Invoices total $29,595.37 for work done. Kevin is holding back on

some seal coating work that was not done to proper standards. Kevin's recommendation is to pay them $15,573.37 which does not include work a Holly Ridge and Myrtle Lane.

Drainage Work Update – Kevin reviewed a list of work that has been completed. Many small area projects were handled by SWRA personnel, which saved us a good bit of money.

Dog on Vista Wood – The Sheriff's department has been contacted again but there is no enforcement at their level because there are no county leash laws. Unless the dog damages property or bites someone, then the complaining party may file a complaint with the sheriff. The attorney has informed us that we can have the dog picked up if it is off its property and not under control of its owner, SWRA cannot go onto the property. Kevin has received approximately 10 emails testifying on how good and gentle this dog is. The board discussed its frustration over the dog issue and the lack of enforcement options. It was suggested that the new rewrite of the covenants include stricter and more detailed guidelines for the issue and should include a clause dealing specifically "vicious breeds".

Promoting StillWaters – John reported that he had spoken with a videographer who suggested that a 3-minute video would be too difficult to include all that John suggested. He suggested still photos might work better. Discussion followed. John will do more research to include production costs and advertising costs.

Covenant Input Request - There have been No responses concerning covenants from the article in newsletter asking for input.

NEW AGENDA ITEMS

Property Management SVS – SWRA has been approached by Stoneview Summit (SVS) concerning property management. Kevin presented a written draft proposal that he had developed. He stated that SVS has someone who handles their bookkeeping and property repairs. Kevin will discuss with the SVS representatives and report back to the board.

Waterfront Inspection Issues
Kevin reported that he reviewed StillWaters property from the lakeside. Several Real Estate signs were removed from water front side. He saw several building projects that have not been permitted by the ARC. Kevin will follow up on each of these situations.

The Board approved a motion to adjourn to Executive Session at 10:40 a.m.

Penny Alexander

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: Sept. 4, 2012

Minutes
SWRA Board of Directors Meeting
July 24, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:08 a.m. Board members Jerry Grace, Penny Alexander, Mike Dollar, Mack Yeargan and John Mann were present. Kevin Eason was present to report. Eb Spink was excused.

Approval of Prior Minutes:
Board reviewed and approved minutes of July 10, 2012 meeting.

GM weekly update July 16, 2012
Moonbrook Park Water Fountain - The water fountain at Moonbrook Park could not be repaired and the cost to purchase a new one, installation, etc… was higher than expected. It would be $1,500 to purchase and install a new one.The plumber removed the existing water fountain and he will be returning in a few days to seal off the plumbing. After seeing the area where the old fountain was located, Kevin determined that it is not unsightly as previously thought.

Gate 49 Gate Computer Claim - Harleysville Insurance has settled our lightning damage claim for the gate computer and motherboard at gate 49. The cost to replace both totaled $2,570. We received a check from Harleysville for $1,570. We have a $1,000 deductable per claim. The transmitter, keypad, receiver and power transformer at gate 34 was not included in this claim. The transmitter, keypad, receiver and power transformer are all one unit and it failed because the power transformer just wore out.

Guardrail Damage on StillWaters Drive - Kevin has been working with car Insurance concerning the damage to the StillWaters Drive guardrail along Beaver Lake caused by a vehicle accident on June 27th. The estimate to repair the guardrail is $600. State Farm paid Alabama Safety for the damage. The guardrail is "distressed" guardrail; this is why it has the brown rusty color. A couple of years ago we had a section of the guardrail at Oakwood lake repaired but it was repaired with a section of regular galvanized guardrail which stands out like a sore thumb. We can have the section that does not match replaced for $400 if we have it done at the same time the Beaver lake guardrail is repaired. The section at Oakwood will be replaced the same time Beaver is repaired so that it will all match.

Roads Committee - The Roads Committee has agreed that the asphalt damage to Holly Ridge caused by repair work on the water lines needs to be repaired. There are three areas on Holly Ridge that were damaged in the last few weeks; the largest section is 8' by 40'. Kevin originally reported to the Board that it would cost approximately $2,000 due to an "off the cuff" estimate by the Alex City Paving supervisor that was in SW at the time. The actual estimate is $5,500 for the repairs. Kevin met with Hagan Wagoner of ProgreCiv Group and Alex City Paving will be able to reduce this charge some due to additional work in the area, which will eliminate the mobilization charge.

Dog Issue - Kevin visited the house on Vista Wood where the owner removed the pit bull dog. Both times he went by the house and knocked on the door. He did not hear a dog or see evidence of a dog. Both times he visited the house no one appeared to be home. On Sunday the dog owner was walking the dog on a leash and stated that he was dog sitting for the weekend as the current keeper of the dog was out of town.

GM weekly update July 23, 2012

Attorney Meeting - Dave Heinzen and Kevin meet with Attorneys Russell Balch and Kim White on Thursday July 19th.

1. They were informed that a hearing for the RV case before Judge Martin has been scheduled for September 11th.
2. Based on a recommendation from Balch, we agreed to file an injunction against the Autry's to remove their illegal fence. Balch seemed to think this action would be the quickest way to have the fence removed. The Autry's are scheduled to meet with the Board at the August 7th Board meeting. Balch affirmed the Board position that only the Autry's may attend the Board meeting but their attorney should not. Any questions the Autry's attorney may have should be submitted in writing.
3. They also discussed ways for a workable solution to entice all property owners to subject to the 1987 covenants to achieve cohesiveness.
4. The status of the collection accounts was updated.

Covenant Violation - Kevin Burns, the owner of the Poplar Point villa that was re-painted because of a covenant violation, has agreed to begin making payments August 1st, toward the balance owed to SWRA for correcting his covenant violation. His villa is for sale and if he sells it the unpaid balance will be paid from the proceeds of the sale.

Landscape Damage Entry Highway 49 - On Monday, July 16th between 5pm and 6pm someone did considerable damage to the bushes in the median at the gate 49 left side exit. Visions estimated the cost to repair the damage and replace the bushes would be $600. Other solutions to repairing the damage will be explored.

Tallapoosa County Commissioners on Zettler Request - The property owner that had requested the County Commissioners to vacate the ten lots in the Blue Creek Point Subdivision has withdrawn his request. He may at a later date make the request again. Kevin will be attending the Commissioners' regular monthly meetings to stay informed on items that might affect StillWaters.

Speed Tables - Kevin gathered quotes for installing a speed table on StillWaters Dr. A speed table is lower and longer than a speed bump requiring the vehicle to slow down to 15mph instead of 5mph for a speed bump. Both quotes are around $9,800 including installation. One company sales representative suggested that you use them sparingly but where the highest rate of speed is and in a location where drivers cannot go around it. Hagon Wagoner, ProgreCiv Group, suggested that instead of purchasing a speed table that we have a paving company form one from asphalt, which should cost less. However, the asphalt one would be more expensive to remove. Discussion followed about publicizing the speeding issue in the

newsletter and the fact that the Board has struggled with a reasonable solution to this issue for years.

Deposits and Closings since last Board meeting

Deposits	$7,181.33
Closings	3

TREASURER'S REPORT

Mike has reviewed the June 30, 2012 quarterly report from Warren, Sasser & Associates. The only adjustments made to the statements he reviewed in the previous board meeting were those normally recorded by Warren, Sasser & Associates: depreciation and APCO interest. This is the earliest that Mike can recall that our accountants have issued quarterly statements. It took them only three weeks after the end of the quarter.

OLD AGENDA ITEMS

Well at Fountain - There was discussion of the location and costs for a well and pump house. Kevin is gathering information and recommendations for the best solution. Mike pointed out that the 2012 budget does not have any costs for water beginning in August since it was anticipated that a well and pump would be installed by that date.

Long Range Planning Committee –They had a meeting for Monday, July 16th at 9 a.m. Herb Starzer had been called out of town. Cal Johnson, Dave Heinzen, Debbie Nigh, Tom Handley and Kevin Eason met informally to discuss the unification of the covenants. Tom raised the idea of asking the property owners for input on what they'd like to see in the new unified covenants. Owners, especially absentee owners, need ownership and an incentive to vote. It was agreed that owners would want to know what are the benefits of having a rewrite of the covenants. It was suggested that we hold some town hall style meetings for input from property owners. We have no significant income sources other than association fees on each property as has been true in the past with developers who have put additional monies into the maintenance of StillWaters. One goal is making Stillwaters more attractive and valuable to all due to future real estate sales. Another goal is maintaining the infrastructure of the community. Having all owners under one set of guidelines and rules for ease and improvement of management is important. There is a lot of work to be done in order to unify the community but the Board must lead the way in this effort in order to not miss the 2015 window of opportunity.

Paving /Drainage on Myrtle Lane – This area had been removed from the list of work at the recommendation of the Roads Committee due to trash trucks damaging the road. Discussion had been to save this work until 2013 and to further investigate ways to handle the repair of this drainage and investigate stopping large trucks from driving on this street. This area was $2,400 pipe replacement $4,410 stone base $4,463 for asphalt binder for the road, not regrading ditches and sidewalls; there is one spot that will have to be patched. $11,273.00 is the total estimated cost.

It was agreed that large trucks would be prohibited from driving past a certain point on this road. Advanced Disposal will agree to stay off any list of roads we request. A motion to stop the large trucks from driving on this section of Myrtle Lane and approve correction of drainage and paving of this section since it was in the recommendation from the Roads Committee in their May report and approved as far as the budget is concerned was made and approved.

NEW AGENDA ITEMS

ECO Credit Union Lot –They foreclosed on this lot in 1996 and have paid fees since then. They have had it for sale for years and their board has decided to discontinue paying fees. They would like to avoid legal fees and would like to donate the lot to SWRA with a title policy showing it is free of all liens and they pay any costs associated with the donation of the lot. **The Board agreed to accept the donation.**

Alabama Urban Deer Control Program – Kevin will set up a Community Meeting to explain this program and receive input from property owners.

Promotion of StillWaters – John Mann had sent an email outlining details of an advertising program using a simple video (approximately 3 minute) to promote the community of StillWaters including the golf course, marina and fire department. John will gather information on costs involved with the production of the video and the advertising costs involved in order to publicize in nearby metro areas, such as Birmingham, Atlanta and Montgomery. He believes he can get the costs underwritten with businesses in the area. John will report back to the Board on this project.

The Board approved a motion to adjourn to Executive Session at 11:07 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: August 7, 2012

Minutes
SWRA Board of Directors Meeting
July 10, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:05 a.m. Board members Jerry Grace, Eb Spink, Penny Alexander, Mack Yeargan and John Mann were present. Kevin Eason was present to report. Mike Dollar was excused.

Guest: Ted Caudill, Resident StillWaters Dr.
Dave welcomed Ted to the meeting. His concern is the severity of speeding on StillWaters Drive. He presented the board with a one-page letter expressing his concerns. Late night weekends seem to be the biggest problem. An accident occurred this past weekend, thankfully no one was injured but the speed was excessive. Ted related details of a couple of other accidents. Ted stated that Advanced Disposal trucks are one of the worst speeders in the daytime hours. Discussion followed that SWRA has no legal enforcement authority on speeding. The Board agreed with Ted that the speeding is a dangerous issue that is always with us and over the years the Board has continue to discuss and try to find a resolution.

Approval of Prior Minutes:
Board reviewed and approved minutes of June 26, 2012 as amended.

GM weekly update - July 2, 2012

Holiday Weekend - With the 4th of July falling mid-week, both the weekend before the 4th and after the 4th have had increased activity. This past weekend was relatively mild compared to last year. SWRA tagged a few illegally parked boat trailers, all were moved. The GM had a few phone calls concerning fireworks and the GM was able to speak with one of the offenders and point out the danger of fireworks with our dry conditions and that they are not allowed in SW. No major incidents at the pool, gates or roadways.

Accident on StillWaters Drive - On Thursday, June 28th just after 10pm we had a two-vehicle accident on StillWaters Drive. No one was seriously injured but both vehicles were damaged and one was totaled. State and County law enforcement responded. The State Trooper that responded estimated that one of the vehicles was traveling at a high rate of speed based on the length of the skip marks.

Speeding on StillWaters Dr. - We have had several instances of vehicles drag racing down StillWaters Drive. We have checked security cameras and gate card usage around the times the drag racing has been reported and there are no suspicious vehicles or activity. It appears to be young adults that are here for the summer or live in StillWaters. The Sheriff's department will have extra patrols during the July 4th holiday week and the will send an extra patrol into StillWaters after 10pm to help reduced the racing incidents.

Moonbrook Park - The door on the men's restroom at Moonbrook Park is broken. It may be a few days before it is completely repaired. It is a metal frame door set in concrete. The door has been repaired so that it will close but it will not lock. It should be completely repaired soon.

Gate 49 Fountain - The auto fill valve on the fountain broke. It has been slowly leaking for several months but finally broke and ran wide open for a couple of days. The water to the fountain is now turned off. Mr. Freeman has ordered the parts and should have it repaired as soon as the parts are received.

Pineview Pool - The water usage is up due to evaporation and the increased number of people using the pool. We have checked for leaks and none were found.

Removal of Cart paths on Old Golf Course - The SWRA office has received several phone calls and visits from property owners concerned about the cart paths on the closed golf course. Unfortunately, the cart path on the old course is not under the covenants, it is not owned by SWRA and property owners should contact the old course owner.

Deposits and closings since last update

Deposits	$2,913.35
Closings	0

GM weekly update 07/09/2012

Tallapoosa County Commission Meeting - The owner of the Lots 1-10 in the Blue Creek Subdivision and adjacent Hotel Site was on the agenda to request vacating the lots. As everyone is aware the County Commission rescheduled the issue concerning the vacating of the ten lots in the Blue Creek Point subdivision until the August 13th meeting. I did attend the Commissioner's meeting and it was discussed that the issue had been rescheduled.

Gate Cards - We are having difficulty obtaining more electronic gate entrance cards. We ordered a new supply of cards on June 21st. It normally takes about a week to receive the cards but the wholesaler has not received a shipment from the factory. Because of the July 4th holiday, we sold a larger number of cards than we do on a normal basis. We may run out of gate cards before the new shipment arrives.

Gate Staffing - Tom Weidle, a gate attendant, has notified me that his last day will be July 18th. I do not plan on replacing him at this time. I have scheduled other part-times employees to cover the days Tom worked.

Holiday Report - July 4th holiday was relatively un-eventful. We had several calls concerning fireworks on the night of July 4th. The sheriff's department was contacted concerning people using fireworks in StillWaters. The Sheriff sent extra patrols through StillWaters during the July 4th holiday week. The pool was very busy but no problems were reported.

Moonbrook Park Water Fountain - Mr. Freeman, Freeman Plumbing, thinks he can connect the water fountain at Moonbrook Park without having major re-route of the plumbing. The water fountain has been just setting at the park for several years and has not worked. He has ordered a replacement automatic fill valve for the entrance fountain and should have it installed as soon as it arrives.

Moonbrook Park Well Pump House - I have emailed Kathy and Ralph Hutson requesting a recommendation about a well pump house at gate 49. I have started working on a final budget for installing a well at gate 49 so that the annual water cost can be compared to the total cost of installing a well. Water usage is up this year from last year due to the drought.

Tax Sale Properties - Two properties we purchased at the tax sale have been redeemed by the owners. Both properties were under the 87 covenants. We received a small amount of interest, less than ten dollars, on the money we spent to purchase the two properties.

Common Property Maintenance - Letters to Poplar Point owners concerning items on SWRA common property as was done with Moonbrook Villas, Redbud Villas and Eagle Peak.

Tallapoosa County Commission – Kevin attended the Monday July 9th meeting and it was discussed that the issue had been rescheduled. This was due to Mr. Zettler requesting a postponement of the topic of vacating the lots 1-10 of Blue Creek Subdivision. This will be rescheduled to be on the agenda for the August 13th. Kevin will request a spot on the agenda for SWRA to respond to Mr. Zettler's request.

Deposits and closings for the week

Deposits	$9,043.02
Closings	2

Total Deposits and Closing since the last Board Meeting.

Deposit	$11,956.37
Closings	2

TREASURER'S REPORT

Mike Dollar was absent from the meeting but submitted a written report. Kevin reviewed the report with the Board.

Financial Statements

We have finished half the year and I have added a few comments to update you on how we stand. I'll try to avoid repeating what I've already said in past monthly reports and just highlight June.

- As I mentioned for May, our fees related to sales activity have picked up recently. We had 11 closings in June (versus 7 in budget), which helped us narrow the gap again. Our Transfer Fee income is now only $1,800 short for the year to date. Building Permit fees, however, are still only half of what was budgeted and we only had $25 in the month of June contrasted with $500/month budgeted.
- A few updates on expenses in June:

- Electricity continued to run above budget for the June bill and is still almost twice what was budgeted for the year. Kevin has had the lights timer reset and we should notice a reduction in next month's billing. Otherwise, electricity bills remain close to budget in all other areas.
- Water expenses are still well below budgeted levels for the year-to-date period, except for the Common Area account, which is due to a leak in the Sunset Point irrigation system. That was repaired in June, which should reduce next month's billing. As Kevin noted in his weekly report, the pool water meter has indicated that we have used substantially more water recently due to heat evaporation and heavy usage. At this point (before the billing), however, we are less than 25% of budget. Also, since we have had no rain for several weeks, our water usage at Moonbrook Park and the main entrance will go up substantially. Our budget reflects anticipated higher usage for the summer, although I did not budget for water at the main entrance beginning in August due to the anticipated well installation to come from the Fountain Reserve.
- Depreciation expense is only one-half of the budgeted amount on this statement since Warren Sasser has not yet recorded the 2nd quarter amount during their review.
- Maintenance expenditures at the Gates cost center for June included $1,144 to replace and repair the keypad/ transmitter system at Gate 34. We are still well under budget for the year-to-date period. We budgeted $1,000/month to cover such issues.
- We incurred $550 for fence additions at the pool in June that was not budgeted; however, the fence-painting project came in below budget earlier this year and we are not likely to perform the gate security upgrade that was budgeted earlier in 2012.
- Moonbrook Park expenditures in June include $7,300 to complete landscaping and improvements to the playground. The cash spent on this project will be taken from the Moonbrook Park reserve.

- We still have $4,500 due from the property owner in Poplar Point for the cost of stripping and repainting his unit. The amount has been removed from expenses and included in accounts receivable. The owner has listed the unit for sale and has indicated that we will not be reimbursed until it is sold.
- The attached Cash Flow Statement shows that our unrestricted cash is $71,116 greater than plan. Most of the difference is due to the timing of our expenses in the budget. Roads, for instance, are almost $62,000 below budget at this point with most of the difference being made up in the next two months.

OLD AGENDA ITEMS

Long Range Planning Committee –They have set a meeting for Monday, July 16th at 9a.m. If John cannot attend then he will ask Dave to attend for the Board.

John Mann left the meeting at this point.

Paving Report – They are paving around Lakeview Ridge today to finish up. We have not paid for seal coating and will not until it is corrected. There have been three water breaks on Holly Ridge one being almost 40 feet long that will need to be repaired. Kevin has asked Hagan Wagoner about it and he will contact Roads Chairman Patti Richardson to discuss and review. It appears to be several thousand dollars of work needed.

Drainage Report – The Alex City Grading Inc. drainage invoice of $15,325 has been submitted. ProgreCiv LLC did some of the basic work in order to save SWRA some money. The current invoice is $6,894, which includes $2,494 labor. These amounts are in the approved budget.

NEW AGENDA ITEMS

Board Meetings Schedule – Mack suggested that we change SWRA Board Meetings to 1st and 3rd Tuesday of each month. After discussion, a motion to do so was approved by the Board.

Regions Bank Signature card – Kevin distributed updated forms for the Board to sign.

Mike & Sue Mason – Dog Issue continued – The Mason's were not pleased with the Board's response concerning a dogfight between their golden retriever, Gumdrop and their neighbor's pit bull, Sybil. As requested by the Board, Kevin mailed a letter to Mrs. Mason. The letter stated that the neighbor had agreed to pay half of the vet bill for her dog and that the owner had been removed the pit bull from StillWaters. She called Kevin on July 2nd highly upset over the letter. The Mason's then addressed this issue on the Lake Martin Forum and is disgruntled. Dave invited her to attend a board meeting the date of which are published in the newsletter that are available by email, paper copies at the gates and permanent copies on the SWRA website.

Board Meeting Schedule - Mack suggested that we change SWRA Board Meetings to 1st and 3rd meeting. **After discussion, a motion to change to the first and third Tuesday for scheduled meetings was approved.**

The Board approved a motion to adjourn to Executive Session at 11:30 a.m.

Penny Alexander

Penny Alexander, Secretary

Dave Heinzen

Dave Heinzen, President

Date approved: July 24, 2012

Minutes
SWRA Board of Directors Meeting
June 26, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:05 a.m. Board members Mike Dollar, Jerry Grace, Eb Spink, Penny Alexander, Mack Yeargan and John Mann were present. Kevin Eason was present to report.

GUEST: Patti Richardson, Roads Committee Chairman
President Dave Heinzen welcomed Patti to the meeting and thanked her for her time and effort to improve StillWaters. Patti stated that she was presenting the Roads Committee recommendations for the Board's approval of the drainage project for 2012. A handout was distributed and reviewed. The Committee decreased the scope of the work in order to stay within budget, which is possible due to the dry weather. Some items can be delayed until next year in order to leave a reserve for emergencies that may come up during the remainder of the year. The Committee is investigating sealing cracks versus new asphalt as many cities such as Auburn are using. They are requesting that the Board carry forward any unused funds from 2012 for paving and added to the paving and drainage areas in the 2013 budget. **A motion to accept the Roads Committee recommendations for drainage projects for 2012 carried.** The requested carry forward of unused funds to 2013 will be discussed by the Board when the 2013 budget is prepared.

Approval of Prior Minutes:
Board reviewed and approved minutes of June 12, 2012.

GM Report -
Paving Update - The paving project should end this week. The seal coating was good in most areas but it appears they were running low on coating and applied a thin coat on the last couple of areas. Kevin has already contacted the company and they will correct the mistake. They apologized and claim they want SWRA to be satisfied with their work. Hagan Wagoner of ProgreCiv Group, Inc. also inspected the seal coating and agreed that it was thin in a couple of areas. Five villa owners complained that their parking lots were seal coated and not paved with asphalt. The letter sent before the work was performed requesting them to have their vehicles removed on the date of the work clearly states the parking lots will be seal coated. Kevin explained to them the difference between seal coating and asphalt, they seemed satisfied.

Tallapoosa County Commission – As requested, Kevin has contacted the Tallapoosa County Commission about being put on their agenda for their July 9th meeting. He was told that they would allow two people to speak concerning SWRA's request. After discussion and review of legal responses, the Board agreed on a plan of action to include soliciting as many people as possible to attend the commissioners' meeting.

Dog Issue - The owner of the golden retriever that was injured by another dog was not happy when Kevin contacted said owner concerning the decision that the incident between the owners golden retriever and another dog was a mutual dogfight. Neither dog was on a leash. The owner of the golden retriever has requested a written letter explaining the Board decisions

as to why the other dog was not removed. The Board had instructed Kevin to send a letter, which he stated he will do but he felt it was better that he first contact both dog owners by phone. The owner of the dog that injured the golden retriever informed Kevin that his dog has been removed from StillWaters and the dog would not be returning. Kevin visited the house of the dog to verify the dog was gone and it is. The dog was given to a relative in Opelika that has plenty of land. This one problem is solved.

Plumbing Issues that have been corrected.

- The workings of the toilet at gate 49 were replaced.
- A frost proof faucet was replaced at the park.
- The plumber determined that we did not have a leak at the Sunset Point landscape island under the road. There was a small leak at the valve adjacent to the road that was repaired. The plumber thinks some of the excess water is from the sprinkler system that is programmed to water the ground more times than the area can absorb and some of the excess water came from the leaking valve. The timing on the sprinklers was changed.

John needed to leave the meeting at this point (9:50 a.m.) and asked to move away from the agenda. He wanted to note and thank Kevin and the SW team for cleaning up Gate 34 area, which looks good. He also stated that he wanted to get realtors, marina owners, golf course owners and Kevin together to work on ways to promote SW as the place to be. The Board agreed that this was a good idea and pointed out that several such committees had been tried in the last few years. Several local realtors were very interested. John will follow up on this.

John Mann was excused from the meeting at 9:50 a.m.

Underground Power Line Work - Alabama Power has informed Kevin that they will be working on underground power lines along Fairview Ridge. They may have to cut the road to work on the lines but they state they will repair any asphalt damage. Drainage work was scheduled for the same area on Fairview Ridge so that has been put on hold.

Alexander Sealcoating and Striping, Inc. Invoice – They have requested another payment for patching/paving work that has been completed. All payments to Alexander Paving are being held until the seal coating is corrected and they have completed all the remaining patching/paving. The road striping started Monday morning and should be completed by Tuesday.

Gatehouse 49

- The time clock at gate 49 has quit working and a new one has been ordered.
- The insurance company is working on the claim where lighting damaged the gate 49 computer and gate arm motherboard. SWRA should recover approximately $1800 from the claim.

Old Golf Course - The Zettler family has started removing parts of the walking trail from the closed golf course. They are removing the asphalt in some areas and putting it across the cart paths in other areas. Kevin has attempted to call Jill Hubbard and Kendall Zettler at the golf course office but has had no response.

Deposits and closings - Since Last Board Meeting

Deposits	$4,772.78
Closings	5

TREASURER'S REPORT

Collections – Mike Dollar reported that SWRA received $1300 from one owner who was 3 years behind. Mike will not be at the next meeting but will prepare a summary for the first half of the year to present to be distributed before the next meeting.

OLD AGENDA ITEMS

Long Range Planning Committee – Herb Starzer, Cal Johnson and Kevin Eason met briefly on Monday. They asked Kevin to present a request for a $5,000 budget for clerical help and mailings for the committee. The Board asked that the committee come up with a written proposal of how monies would be spent and what budget they felt would be needed. The Board discussed that the existing SWRA staff and volunteers could handle typing and set up of documents and that SWRA fully expected to cover costs for copying and mailing or other forms of promotion. The Board wants the Committee to focus on the rewrite of the covenants and to be assured that the Board will support the publicity and publication of information to promote a positive outcome.

The Board discussed how to approach the Unity Project, which is vital to the community in order to move every property to be under the same rules and regulations. Town hall meetings will be held to listen to owners and discuss options. The Board agreed to hold a special meeting to brainstorm on this one topic. The staff will pull lists of properties under each property, whether it is a house or a lot, and whether the current owner pays additional fees and assessment voluntarily or not. Also to compare the lists to see how many of the 1971 and 1974 properties are owned by people who also own another property under the 1987 covenants. The discussion moved to the future of StillWaters and the difficulties and consequences of having properties under different rules as well as the consequences of the aging infrastructure and the inability to raise fees.

NEW AGENDA ITEMS

Garbage/Waste Services – Kevin contacted waste disposal companies to investigate costs of waste pickup and roadside debris removal as well as other services and options. He spoke with representatives of Advanced Waste Co. and Waste Management Co. SWRA can designate pickup locations in order to save road and drainage damage on small roads where SWRA determined that the heavy trucks would damage the roads. The Board agreed that Kevin should continue to explore our options.

The Board approved a motion to adjourn to Executive Session at 10:30 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: July 10, 2012

Minutes
SWRA Board of Directors Meeting
June 12, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Mike Dollar, Jerry Grace, Eb Spink, Penny Alexander and John Mann were present. Kevin Eason was present to report. Board member Mack Yeargan was excused.

Approval of Prior Minutes:
Board reviewed and approved minutes of May 1, 2012.

GM Report - Combination of 4 weeks reports

Computer – The General Manager's computer has been repaired and data recovered.

Fox Concerns- Kevin spoke to Sarah Orjonowski at Auburn University in the wild animal department at the vet school concerning the fox in StillWaters. Apparently the Game Warden Jeff Brown may have been incorrect about the fox needing to be removed. According to Sarah because of the early hot weather, fox may shed all of their fur quickly and replace it with a warm weather coat of fur. A good way to tell the difference is mange will have spotted hair loss and shedding will be all over including the tail. So, our fox are ok and do not have mange.

Boat Storage Repairs - The repairs/improvements to the boat storage yard have been completed. Please take a look at the storage yard, it looks much better and is now level. It took nine 15-yard tri axle dump trucks of ½ inch aggregate and one 10-yard dump truck of crusher run. James Carlisle switched from his 5-yard single axle dump truck to the larger truck to save money. We had budgeted $6,000 for the repairs/improvements; the final bill was $6,750. Originally James had estimated that we would need eight truckloads but we needed one more truckload to complete the repairs.

Road Report - Preliminary patching and paving work has started. Hagan is working with the paving company to make sure we stay within budget; however, we have three more utility patches (one is larger than normal) that will need to be repaired that were not on the original estimate. The work performed by Alexander Paving Co. has been satisfactory but a couple of issues have put them behind schedule. Hopefully, all work should be completed before the end of June if the weather cooperates.

Memorial Day Weekend - It was busy but no major issues.

- Nine trailers that were illegally parked were tagged and all were moved within 24 hours. Three of the nine trailers were at Stoneview Summit, two parked on the side

of the road at Power Point and Restful Cove, two at Sunset Point, one at Poplar Point and one on the side of the road on Palmer.

- Gate Damaged - One person hit the entrance barrier arm at gate 34 and the gate was inoperable for a short time but was repaired, there was no damage only a broken bolt.
- There were a couple of loud noise complaints.
- There was a minor incident at the pool with someone blocking the circle at the gate that is the fire lane with his or her car and refusing to move the car.
- It was discovered that a couple of houses were rented as short term/vacation rentals.
- A vehicle jumped the curb on the exit side of gate 49 damaging the grass.
- The Sheriff's department was very helpful during the Memorial Day weekend, they ran a couple of extra patrols through StillWaters and they were very visible during the long weekend.

Gate 49 Camera Computer - Kevin originally reported that the gate 49-camera computer replacement would cost $2,400 plus shipping; however, the final cost was $2,051 due to SWRA personnel installing the computer.

Gate 34 Landscape Issue - There is a large tree located at the exit side of gate 34 on SWRA property that is infested with beetles, is dying and has started to split. Should the tree fall, it will block the exit side of the gate and could hit the gates and cameras. Because of its location and size, SWRA personnel are unable to remove the tree. Floyds estimate is $500 to remove the tree and $50 to grind the stump. Another vendor quoted the same price for the tree removal. Kevin left a message with another tree service but they never returned his call. Debbie Nigh Landscape Committee Chairman also agrees with the tree removal. The Board agreed to have Floyds remove it this week.

Irrigation Leak - During our normal water meter monitoring, it was discovered that we have a leak at the Sunset Point meter on our side of the meter. The leak appears to be under the road. The meter is on the side of the road and the pipe runs under the road to the sprinkler system. The water has been turned off until the leak is repaired. It will be repaired while the paving crew is still in StillWaters.

Moonbrook Park Renovations – These are complete. The two-year project included replacement of lamp posts, restroom work, split rail fence replacement, landscape work, new playground equipment, additional playground area, pet waste station, hand rails on steps, concrete sidewalk work, new bench, electrical wiring improvements and seal coating the parking lot. Total cost over the two year period $38,734.88. We currently have $10,482 in the park reserves, after reclassifying accumulated expenditures earlier this year, and we have budgeted another $5,000 in 2012 for a total of $15,482, most of this was earmarked to complete the park renovations. Due to some minor changes, using SWRA personnel, returning unused rock and not replacing the fence at the old playground, we will still have $7,462 left in the park reserves after we add the budgeted $5,000.

Moonbrook Park Usage - The StillWaters Yacht Club moved their party from Moonbrook Park to another location due to the weather. Although they did not use the park, the insurance policy for the event had already been purchased so SWRA was unable to refund SWYC the $100 they paid for the use of Moonbrook Park. The security deposit of $300 was refunded. SWYC was provided with a copy of the insurance policy for their records.

Moonbrook Park Event Insurance - The procedure to issue event insurance for Moonbrook Park has changed. The premium to purchase the insurance for each event is no longer a flat $100. The price may vary from a minimum price of $65 and up, depending on the type of event and the activities at the event. Anyone in the future requesting the use of Moonbrook Park will have to pay the insurance premium based on what the event encompasses.

Resident's Requests – Kevin presented two issues.

1. **Roving Patrol** – A couple of residents have requested that Kevin address the Board about SWRA having a roving patrol during weekends to help control loud noise after quite hours and boats/trailers that are illegally parked. The Board discussed the needs and the costs involved. Currently during holiday weekends SWRA personnel patrol common areas for illegally parked trailers and trash pickup. In the past the roving patrol was not successful in reducing vandalism and SWRA Roving Patrol person had no authority on issues of conflict between neighbors such as noise. The Condo Boards also have the tags and the authority to patrol and tow from their own parking lots. The SWRA Employees are not security or law enforcement and have no legal enforcement authority on issues such as noise. The Board agreed that it would not be wise to put an employee in a confrontational or dangerous situation. In the past, Kevin has received phone calls concerning loud neighbors after 10pm and some residents have complained about illegally parked boats/trailers. One resident recently called him after midnight. The Board felt that this was abusive and not proper. Kevin is not expected to answer the phone at unreasonable hours as the General Manager. These type problems are best handled by the Sheriff's office, which is the proper authority for true disturbances or emergencies. It was agreed that many times neighbors could handle situations by just communicating directly with the other neighbor. Kevin reported that due to cutbacks the Sheriff's office no longer sends someone out after midnight on noise complaints, they would send someone in an emergency. **The Board suggested that Kevin contact the Condo Association Boards to ask for a contact person responsible for handling issues at their properties. Due to the above concerns and costs involved the Board agreed that the Roving Patrol was not a solution.**

2. **Pineview Pool Water Safety Lessons** – A resident requested that the Board allow her to teach water safety lessons at Pineview Pool. She would like to advertise this and charge a fee. **The Board reaffirmed the SWRA policy that does not allow lessons to be taught at Pineview Pool due to liability issues with our insurance and inconvenience of use of other residents.**

Closing and Deposits since last Board meeting

Deposits	$11,929
Closings	6 since the May 15, 2012 meeting

TREASURER'S REPORT

Collections – SWRA has received $3,556 in payments on a few delinquent property accounts that were assigned to Akridge & Balch for collection. Two past due accounts have agreed payoff their debt on a short-term payment plan to the collection company. A&B has also discovered a couple of lots were sold and SWRA was not notified of the sale, so we have added our transfer fee to these accounts. Kevin reported that the collection results as this point with Akridge & Balch Collections division are about the same as we experienced with Holloway Collections in the same time frame on delinquent accounts.

Financial Statements - Mike has reviewed the May 31 financial statements, which were distributed. The following comments are from his review:

- Although activity fee income (transfer fees, building permits, impact fees) remains well below budget, there was a noticeable increase in sales activity in May, which helped reduce the gap for the year. Our transfer fees for the month totaled $3,000 (10 closings) versus $2,100 (7 closings) budgeted. Building permits were also slightly over budget for the month. The total of these three sources of income is still approximately $3,800 under plan for the year to date.
- Most expense items are generally in line with budget with a few exceptions:
    - Electricity is very close to budget in all areas except at Moonbrook Park where it is running close to double the budget. This is likely due to the construction activity and to the timer for the lights being set to stay on too late. Kevin has reset the timer.
    - Water is well below budgeted levels for the year-to-date period, especially at the fountain and the pool; however, as we discussed at the last meeting, the fountain water bill last month was substantially higher due to refilling the fountain.
    - Year-to-date insurance expense in each of the operating areas (pool, gates, Moonbrook Park, et al) is currently twice that budgeted due to timing. Quarterly premiums for Harleysville Insurance coverage are paid a month earlier than under the previous Cincinnati Insurance coverage.
    - We budgeted for a server upgrade of $2,000 in April and a computer purchase of $1,000 in May, neither of which has occurred to this point.
    - $4,000 in Miscellaneous Administration Expense represents the amount incurred for the exterior refinishing in Poplar Point that is being billed to the owner of the unit.
    - Employee benefits expense for gate attendants is half of budget since we budgeted for two employees to be participating in our group insurance plan. Only one employee is participating this year.

- Although we purchased the new camera equipment and new shirts for the gate personnel in May, operating expense for the Gates is still below budget primarily due to the shirts costing less than anticipated.
- Our purchases of pine straw and landscape plants at the Gates have been ahead of the projected schedule in the budget. We need to monitor future landscape material expenditures to stay within budget.
- We had significant pool expenditures for fence painting ($2,700) and furniture ($980) in May, but we are still running behind the budgeted schedule for other major projects. The two expenditures mentioned came in below budget and reductions in other planned projects might help us stay below budget for the year.
- Moonbrook Park expenditures include the payment for new playground equipment. The budget anticipated that these purchases would be completed in 2011. The money for the purchases has been reimbursed to Unrestricted Cash from the Moonbrook Park reserve. The budget also anticipated the purchase ($5,000) of additional equipment for a new playground. This expenditure will not likely occur in 2012. Some lesser amount may be spent in 2012 for other improvements.
- Boat Storage improvements have now been completed and are approximately $800 more than we had in the budget. The budget also anticipated the project would be paid in June.
- Repairs and Maintenance for Common Areas ($2,013) was for the beaver eradication program, which was not budgeted.

- The attached Cash Flow Statement shows that our unrestricted cash is $73,329.80 greater than plan. About 85% of the favorable variance resulted from lower expenses with the remainder due primarily to reserves.
- Warren, Sasser & Associates have issued our financial statements for the First Quarter 2012. Mike has reviewed them and the changes to the financial statements generated from Quick Books (which the Board has reviewed) were minor.

OLD AGENDA ITEMS

Long Range Planning Committee – Herb Starzer, Debbie Nigh, Tom Handley, Cal Johnson, Dave Heinzen and John Mann attended the committee meeting. It was a very good debate and informational meeting. A lot of emails have gone back and forth to further the discussion and debate. The Committee discussed a two-prong approach. A rewrite of the 1987 covenants to a new 2015 set and a Unity Program to convince 1971 and 1974 covenants owners to join SWRA by moving to the 1987 covenants with the rest of the community. The $100 assessment is not for the right to use facilities; it is for the general budget for needs of the community such as roads, gates and other upkeep. Several options were discussed for the Unity Project, which would make it easier to manage and govern

StillWaters under one set of covenants. It is the right thing to do. The committee would like for the Board to take this on and try to move it forward in a positive way. The infrastructure of StillWaters is aging and we are on a curve that is exponential for future expenses, therefore this is an important issue. **The Board agreed that the LRPC should pursue the covenant rewrite while the Board will investigate options on the Unity project to be handled by the Board.** The committee will publish monthly articles on the covenant rewrite in each month's newsletter.

John Mann left the meeting at this point.

Roads Report - In the Alexander Paving contract SWRA agreed to pay as work is completed. An invoice has been received that is for more than the work completed. Kevin inspected the work and shows that $49,411.07 of the work has been completed. Some other areas have been started however the rain has delayed completion. **The Board approved payment of this amount as calculated by Kevin.**

The invoice of $ 6957.50 from ProgreCiv Group has been submitted. It was agreed that Hagan Wagoner of ProgreCiv is very professional and thorough and actually assists SWRA in saving money on many paving, sealing and drainage projects. **The Board approved payment of this invoice.**

NEW AGENDA ITEMS

Properties Purchased at the Property Tax Sale – After review of the lots purchased by SWRA, the Board agreed to subject any lots not already under the 1987 covenants to those covenants.

Sunset Point II Timeshares– The timeshare board has contacted Kevin to investigate if SWRA would be interested in managing the 8 time-share units as property manager. No money would exchange hands as it is handled through RCI. It might be an improvement, as SWRA could make sure they are cleaned up, be available to issue keys at check-in and handle maintenance issues. Not sure if it would be worth it or not, Kevin asked to investigate. The upside would be that it may provide extra income and SWRA would gain some control over the properties as they do affect the reputation of StillWaters. **The Board agreed that Kevin should look into this.**

Board of Equalization – The Governor appointed Kevin Eason to the Tallapoosa Board of Equalization and he was elected chairman.

The Board approved a motion to adjourn to Executive Session at 11:45 a.m.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: June 26, 2012

Minutes
SWRA Board of Directors Meeting
May 15, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Mike Dollar, Jerry Grace, Eb Spink and Mack Yeargan were present. Kevin Eason was present to report. Board members Penny Alexander and John Mann were excused.

Approval of Prior Minutes:
Board reviewed and approved minutes of May 1, 2012.

GM Report – May 8, 2012
Tax Sale – SWRA purchased 15 StillWaters properties at the Tallapoosa County tax sale for a total of $2,024.23. This amount represents the taxes that were due on the properties. SWRA purchased these properties to keep them from going to the State. In past years, SWRA paid the past due taxes on most properties to keep them in title. This year we purchased the properties instead of merely paying the taxes. Title to these properties, if not redeemed by the current titleholder, will revert to SWRA after three years. One property on the list to be purchased was removed after the owner paid the delinquent taxes before the sale. Another bidder at the sale purchased another property on our original list.

Moonbrook Park – Both sides of the playground at Moonbrook Park are open. A park bench has yet to be installed at the new playground but everything else is finished unless the committee makes a change.

Gate 34 Entrance – Kevin had reported that the entrance side of gate 34 was still not working. Alabama Ornamental (AO) worked on it for a couple of hours this past Friday and determined that several components had failed. They theorized that the main power converter on the motherboard failed causing the other components to receive a large shock of electricity. The good news is that the power converter may still be under warranty since it was less than a year old and AO has requested the manufacture to replace the power converter and the other damaged components. Replacement parts are on back order and the estimated ship date is June 4th.

Dump Truck Incident – A dump truck loaded with gravel lost a large portion of its load when it tried to turn around at gate 34 on Monday, May 7th. The company that owned the truck did a very good job of cleaning up the accident but several residents were upset because they had to be rerouted to gate 49.

New Portable Sign – Kevin has ordered a portable sign that can be used to notify motorist that the gate is closed and to use the other gate. This sign can be easily placed in the middle of a road so that motorist can turn onto another road before they drive up to the closed gate and have to make a difficult turn around. The cost of the sign is less than $100. This will make gate repair a little safer.

Noise Issue – Kevin has talked to the Autrys on Whisperwood concerning the loud pump on their seawall. They indicated that they would try and reduce the noise. A few days later he spoke with one of their neighbors and nothing had been done to reduce the noise. Since then, Mike Autry has agreed to hire someone to move his pump and insulate it to reduce the noise.

Pineview Pool Security – Kevin received a complaint from a woman about the two new security corners installed at the pool fence to keep people from climbing over. She indicated that she could no longer climb over the fence when she forgets her gate card and wanted to know whose bright idea it was to install the security corners. This was an actual complaint.

GM Report - May 14, 2012

Boat Storage – The work on the boat storage yard is scheduled to start on Wednesday, May 23rd. Originally Kevin had planned to reduce cost by renting a front-end loader and using SWRA personnel to spread the gravel. There is some drainage work that needs to be completed before the gravel is spread, and, after discussing this with James Carlisle, he agreed to deliver the gravel, spread the gravel and repair the drainage ditch for the amount that was budgeted ($6,000) if SWRA would help move the trailers. James performed the last work on the boat storage yard and he gave the lowest bid for the new gravel.

Moonbrook Park Request – The StillWaters Yacht Club has requested the use of Moonbrook Park on June 9th from 6-10:00 p.m. for their monthly party/social. They have paid the $300 security deposit and the $100 fee to cover the cost of the insurance for use of the park. Eb Spink, as an '87 Covenants property owner, has signed the request form for use of the park and will be responsible for any damage. Originally, David Winsor had signed the request, but Dave Heinzen had pointed out that Mr. Winsor was not a StillWaters property owner. **Motion to approve the request was granted.**

Fountain Repair – At last Board meeting, Kevin reported that Eric Rudd with Backyard Experience was going to submit a bid for work on the fountain that Rob Corum at Atlantic Pools and the landscape committee had suggested. Rob had presented a bid to complete the fountain work, and, after talking with Eric, Eric had indicated he was interested in submitting a bid. Eric has since told Kevin that he does not have the expertise to complete the work requested without engaging subcontractors and that he cannot compete on price. Further discussion on this item has been tabled to the next meeting.

Redbud Villas – Owners of Redbud Villas 34, 35, and 36 have all agreed to paint and repair their villas. It was approved by the Board at the April 17th Board meeting to repair and paint the building that houses Redbud Villas 33, 34, 35 and 36. The owner of villa 33 will not respond to request from SWRA to paint and repair the villa. The required notification has been delivered to the owner of villa 33. As outlined in the covenants, SWRA will paint and repair Redbud Villa 33 at the same time the owners of villa 34, 35 and 36 perform the work

so that all villas in the building will conform to the covenants. The owner will be billed for the cost.

General Information

- Vision Landscape will start installing lantana and loropetalum this week. Debbie Nigh, Landscape Committee Chairman will help them with placement of the plants.
- There was a gas leak at Stoneview Summit that worried a few residents, but the gas company has repaired it.
- We have removed one fox that had lost all its hair due to mange but we still have several more that need to be removed.
- There are nine pending real estate closings in StillWaters; hopefully, all will close.

Deposits and Closing since last Board Meeting

Deposits: $3,419.24
RE Closings: 1

TREASURER'S REPORT

There has nothing of significance to the financial statements that has occurred since our last meeting, except that SWRA procured an additional 15 properties at the Tallapoosa County tax sale last week. These properties added $27,623 to our property balances, including the $2,024 that was paid to cover delinquent taxes as Kevin mentioned in this weekly report. The majority of the total added to property was a transfer of the related delinquent amounts receivable from the titleholders of these properties.

The 2011 financial statements issued by McDaniel & Associates are available for review by any '87 Covenants property owner. Quarterly statements for the First Quarter, as reviewed and issued by Warren, Sasser, & Associates, LLC should be available in the next few days.

Mike received an e-mail late on Monday from a title specialist at Sirote & Permutt, a law firm in Birmingham. The person sending the e-mail indicated that her firm was representing a client who had foreclosed on a StillWaters property. She requested a detailed accounting of all charges outstanding on the property and pointed out that according to Alabama law the client was only responsible for charges billed from six months prior to the foreclosure forward. The lien that she attached actually was filed by Golf Colony, but the owner also has amounts outstanding to StillWaters that are delinquent. Kevin indicated that we have had some success collecting amounts billed more than six months prior to foreclosure on other properties. The person sending the information request, however, is correct in making this assertion.

OLD AGENDA ITEMS

Long Range Planning Committee – Nothing to report at this time.

Nuisance Animal Removal – Although John Mann was not present at the meeting; Kevin updated the Board on the current situation concerning the outstanding complaint. Apparently, the dog (whippet) in question has not come with the owners for the past two weekends since there have been no further complaints. After receiving a third signed complaint, Kevin had sent the dog's owner a letter indicating that the dog would be picked up if caught on properties other than the owner's. The owner had not responded to several calls from Kevin.

Kevin informed the Board that the cost of retrieving a dog has increased to $325 (from $250).

NEW AGENDA ITEMS

Roads Committee – Dave Heinzen asked Kevin about repair work scheduled on the roads. Kevin indicated that he and Hagan Wagoner of ProgreCiv Group, Inc. have discussed the schedule and work will likely being the Tuesday after Memorial Day.

Board of Equalization – Kevin has been nominated for Tallapoosa Board of Equalization by the Board of Education. He thinks that his nomination could be challenged because of his position at StillWaters.

The Board approved a motion to adjourn to Executive Session at 9:50 a.m.

Mike Dollar, Acting Secretary

Dave Heinzen, President

Date approved:

Minutes
SWRA Board of Directors Meeting
May 1, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, John Mann, Eb Spink and Mack Yeargan were present. Kevin Eason was present to report.

Guest: Patti Richardson, Roads Committee Chairman

Approval of Prior Minutes:
Board reviewed and approved minutes of April 17, 2012.

Roads Committee Report – Patti Richardson, chairman of the Roads and Drainage Committee was present to report. The Board originally budgeted $165,00 for roads and drainage for 2012. The items to be patched, paved, seal coated or repaired are explained on the bid sheet from Alexander Paving. All utility damaged areas will be patched.
The total estimate for paving is $96,096.24. The striping recommendations were to stripe Stagecoach Dr., the main leg of Lakeview Ridge and Marina Point Road. The estimate of $3,000 to stripe StillWaters Drive was discussed. **A motion to add the $3,000 for striping StillWaters Drive to the estimated $96,096.24 for paving and patching passed.**

Patti explained that the Committee takes a map and divide it up into 4 quadrants. One member surveys and lists the drainage. Four members survey and list a quadrant for road patching and paving. The entire committee reviews the lists to prioritize. Hagan Wagoner of ProgreCiv Group, Inc. is consulted and he assists in prioritizing and gathering bids. Hagan has estimated approximately $40,000 in needed drainage work, however the actual bids are not yet in. The committee was not able to include work at Poplar Point and Big Buck Lane, both of which go to the top of list for next year. List of streets that have work to be done will be listed on the bulletin board in the office.

The Board thanked Patti for her time and expertise and asked that she convey our appreciation to all the committee members.

GM Report - April 23, 2012

Entrance at Gate 49 – Four small lights behind the cypress trees and StillWaters sign at the fountain have been reconnected. This has improved the lighting here

New Construction in Water's Edge - The Lee's at 690 Tanglewood Ct. have started construction of their house. This lot is under the Waters Edge covenants and the owner has stated he will join the 1987 covenants upon completion of construction. Kevin has already talked with the builder and required the builder to move his vehicles from the road and right-of-way. The owner of the property paid the ARC impact fees.

Pineview Pool Heater - Eric of Backyard experience suggested that the pool heater be turned on for a short time. It is not good to let it sit for long periods of time without using it. He thought one week would be sufficient use of all the moving parts.

Tree Cuttings on Lots - Kent Hanby on Dogwood Trail and Ed Williams at the corner of Dogwood Trail and Lakeview Ridge cut several large trees without ARC approval. Kevin talked with both property owners. Kent stated that all the trees he took down were dying or were about to fall on the power lines. Ed stated that all the trees he took down might have fallen on his house. Both have agreed to clean up the cut trees and limbs so that it looks natural. Kevin will follow up with them.

GM Report - 05/01/2012

Gate 34 Maintenance - The license plate camera at Gate 34 has been replaced. The control board on the entrance side of gate 34 has failed. It was replaced last year when it was damaged by lightning. The warranty was 90 day. The control board has been ordered and the gate should be repaired by the end of the week by Alabama Ornamental.

Vision Landscape - Kevin and Jessica Wright, the area supervisor have been working together to adjust the starting cutting schedule due to the grass growing sooner this year. The power lines are normally scheduled to be cut in April, however they will be cut in May.

Fountain / Entrance at Highway 49 - Eric at Backyard Experience will provide SWRA with a bid based on the specs provided by Atlantic Pools (Rob Corum) as recommended by the Landscape Committee. Rob Corum has already submitted a bid for the project.

Rob Corum has suggested SWRA purchase a cleaning vacuum for the fountain the cost including shipping is $1,100. Currently the fountain is vacuumed/cleaned every Monday. In Rob's and Eric's opinions, it needs to be cleaned twice a week from spring to fall. Increasing the cleaning to twice a week will increase our fountain maintenance contract by $150 per month for six months. SWRA using this cleaning machine once a week will not eliminate the weekly Monday cleaning but it will reduce the need for a second weekly cleaning and prevent the need to drain the fountain once a year for a dry cleaning. Refilling the fountain last month resulted in a water bill of $800 and it has been running in the $100 range. **Motion to purchase the cleaning equipment passed unanimously.**

Collection Cases - All unassigned delinquent property accounts have been assigned to Akridge & Balch. This includes the accounts assigned to Holloway Collections last April 2011. These accounts total $71,975. Attorney Don Harrison's office is continuing to work delinquent accounts that were assigned to him through last April 2011. The collection dept at A&B will attempt to collect the debts for 60 days. If the debt is not resolved, then it will be assigned to one of the attorneys in the firm to begin the legal process. This new collection process should help SWRA resolve delinquent accounts in a timelier manner than leaving the account with Holloway Collections for a year and then assigning it to an attorney. A&B will also prepare and record the liens, which will reduce the workload of SWRA staff. The cost of filing the liens will remain the same as if SWRA filed them. The gate cards associated with these accounts were deactivated several days before the accounts were assigned to A&B, in hopes that this would help collect some of the accounts.

Tallapoosa County Tax Sale May 8th. 2012 - In the past SWRA has paid the outstanding taxes on any StillWaters property that is not purchased in order to keep it from going to the State or has purchased the property at the tax sale. If purchased and the taxes are paid for three years and not redeemed by the owner then the property is owned by SWRA. The tax assessors' office now only accepts cash and will not allow anyone to write a check. The amounts due SWRA for these accounts total $71,975. **The Board approved a motion for Kevin to cash a check for $2,600 to cover the purchases before the sale and any unused funds will be re-deposited after the sale.**

General Information

- Ray Miller has completed his painting of gate 34 and the handrails at the SWRA Centre.
- The security corners have been added to the pool fence and have received one coat of paint Ray Miller will apply another coat.
- The golf cart paths on the old course holes number 14 and 15 just off Dogwood Trail have been blocked with a pile of dirt and rocks. Kevin has tried to call the golf course but they have not returned by call.
- The existing playground at Moonbrook Park is ready for play.
- Poplar Point Villa #44 is being stripped and repainted.

Deposits and Closing since last Board Meeting

Deposits: $5,215,99
RE Closings: 1

TREASURER'S REPORT

SWRA Centre Mortgage - Mike pointed out that $186,500 is our current balance on our mortgage that is a five-year note amortized over 15 years. It is at a favorable commercial rate. We have not paid any additional amounts on the principal since inception.

Financial Statements

Copies of the Balance Sheet, Profit & Loss Budget, and Cash Flow were distributed. Mike presented the following comments on the review of the financial statements:

- Fee income related to construction and sales activity still continues at less than budgeted levels, although during April we collected impact fees related to new construction that was not budgeted.
- Non-payment and lien fees are not budgeted and we have billed $14,705 through April. Although we eventually collect at least half of these, we eventually might not collect a substantial portion if we aren't successful in pursuing the accounts in collection. Also, a substantial part of this amount is merely a pass-through of lien fees that we have already paid.
- Actual expenses are generally in line with what was budgeted. Here are some exceptions:

- Electricity is very close to budget, except at Moonbrook Park where it is running almost twice what was budgeted, some of which is probably due to the high level of construction activity in 2012. In April, the unfavorable gap shrunk.
- Water is well below budgeted levels, especially at the fountain and the pool. As Kevin mentioned in his report, the water bill is substantially higher for the coming month due to the fountain having to be refilled after cleaning.
- Employee benefits expense for gate attendants is half of budget since we budgeted for two employees to be participating in our group insurance plan. Only one employee is participating this year.
- Operating expense for the Gates is well below budget due to the budget including $3,000 each for uniforms and gate computer equipment. These expenses will likely be incurred in future months.
- As discussed in previous meetings, landscaping materials show over budget due to timing for pine straw.
- Also, as previously discussed, Pineview Pool operating and repair and maintenance expenses are well below budget due to the timing of major projects, including gate security camera upgrade, fence repainting and purchase of pool furniture.
- Moonbrook Park expenditures include the payment for new playground equipment. The budget anticipated that these purchases would be completed in 2011. The money for the purchases has been reimbursed to Unrestricted Cash from the Moonbrook Park reserve. The budget also anticipated the purchase ($5,000) of additional equipment for a new playground. This expenditure will not likely occur in 2012. Some lesser amount may be spent in 2012 for other improvements.
- Repairs and Maintenance for Common Areas is for the beaver eradication program, which was not budgeted.

- The attached Cash Flow Statement shows that our unrestricted cash is $63,555 ahead of plan. About 75% of the favorable variance resulted from lower expenses with the remainder due primarily to reserves. We moved about $12,000 from Moonbrook Park reserve in April to unrestricted cash for the playground equipment. We also budgeted $5,000 to be added to the Fountain Reserve, which has not yet been recorded. This early addition to reserves was in anticipation of beginning work earlier on the well and pump to be installed.
- Mike has reviewed the final draft of the financial statements in our Annual Review conducted by McDaniel & Associates. He has signed the letter of representation. The statements should be issued within two weeks.

OLD AGENDA ITEMS

Long Range Planning Committee – Nothing to report at this time.

NEW AGENDA ITEMS

Dog Committee – John presented a proposed letter for newsletter. There is a problem dog with the owner being non responsive to efforts for a reasonable resolution from contacts from the neighbor, the General Manager has contacted them in person and has sent a letter. Intent of the letter is to raise awareness of a dangerous issue of an aggressive animal. The Board agreed that it is unacceptable that the dog owner will not control their pet and that we have a resident who is begging for help and a reasonable resolution. After discussion, **a motion to have the dog picked up was approved.** After discussion, it was agreed that the letter would not be published in the newsletter.

Jerry Grace was excused from the meeting at this point.

Condo Board-SWRA Board Joint Meeting –This was held Sat. April 21st at the SWRA Centre. Dave Heinzen, Penny Alexander and Kevin Eason attended as representatives for SWRA. This group meets annually to share information and explore ways that we can work together to improve StillWaters and to keep communication open. Topics of discussion were communication, the SWRA website, golf cart and fireworks safety policies, sharing of vendors and other resources, illegal boat/ trailer parking and towing, use of the SWRA Centre, use of private pools and use of private dumpsters. Suggestions were made to add the destination address to a gate pass. **At their expense, the condo members requested that their particular window decals have the SW info but an additional line showing the condo name on their decals. The Board approved this request.**

Event held at the Church of the Living Waters - The Middle Tallapoosa Clean Water Partnership, Auburn University Dept of Agronomy and Soils, Tallapoosa Extension Service, Lake Martin HOBO, Lake Watch of Lake Martin, Lake Martin Resource Association, StillWaters Residential Association and the City of Alexander City offered a Smart Yards Lawn Care and Landscape Management Workshop, free of charge on Thursday April 26, 2012 at the Church of the Living Waters in StillWaters. Positive comments were received about the venue and about StillWaters.

Pineview Pool Monitors – There have been some issues of misuse reported and some SWRA members have volunteered to serve as pool monitors. This will be put in the newsletter this month to recruit additional volunteers. A list of guidelines and a sign in sheet will be developed. Kevin will be sure that all volunteers are briefed.

The Board approved a motion to adjourn to Executive Session at 10:55 a.m. to discuss legal issues.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: May 15, 2012

Minutes
SWRA Board of Directors Meeting
April 17, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, John Mann and Eb Spink were present. Mack Yeargan was excused. Kevin Eason was present to report.

Guest: Debbie Nigh, Landscape Committee Chairman
Pete Levins, Recreation Maintenance Committee Chairman

Approval of Prior Minutes:
Board reviewed and approved minutes of April 3, 2012.

Recreation Maintenance Committee – Chairman Pete Levins reported on the Committee's meeting (Report attached). The tennis courts, Gate 34, Pineview Pool, Boat Storage area and Moonbrook Park were toured by the committee and recommendations made. Maintenance trimming of the right-of-ways was discussed. Kevin was asked to gather estimated costs for the different proposals of the committee. (Copy attached). The Board thanked Pete for his report and his contribution to StillWaters.

Landscape Committee – Chairman Debbie Nigh reported. The committee met on April 10th with Rob Corum of Atlantic Pools. When the fountain was refurbished a few years ago the budget did not allow for completing the electrical plan. Rob was the contractor who did the work at the fountain. In the fall of 2011, SWRA replaced the filter pump because it had leaked into the vault and the sump pump breaker had shorted out, thus allowing water. The Committee discussed safety, durability and the long-range lighting plan for the entrance area by the fountain. The group agreed that a long-term, low maintenance solution was the best approach and that it was important to correct the problems so that we do not waste money and do not have to revisit this issue. (Copy attached). The Committee had asked Rob Corum and Ralph & Kathy Hutson to study the lighting and to come up with a recommendation to fit the above criteria. Rob submitted a detailed proposal broken into several sections for implementation, as funds are available. He also submitted a bid specification sheet so that SWRA can put the project out for bid. (Copy attached). The Board thanked Debbie for her report and her hard work for StillWaters.

BOARD INFORMATIONAL UPDATES
GM weekly update - April 9, 2012

Property Closings - We have received four pre-closing request forms from closing agents. This is an improvement over the zero closings in March. Two of the properties are normal sales and two are foreclosure sales.

Laurel Ridge Parcel 31 Closed – The sale of this lot by SWRA (SWRA had purchased this from the Anglican Church and then subjected it to the 1987 covenants in order to protect the surrounding properties) to Peter & Sharon Van Parys has closed. The buyer paid the transfer fee and SWRA paid a greatly reduced realtor fee.

Eagle Peak Villa Covenant Violation – The Board had agreed to repair a deck at an Eagle Peak Villa and place a lien against the property if the owner did not reimburse SWRA for the repair. This action was to continue to enforce our covenants. A few days ago the owner repaired the deck. He did not obtain a permit from the ARC before starting on the work but by the time Kevin discovered him working on the deck, he was almost finished. The deck now meets the covenants and SWRA did not incur any cost.

Vision Landscape Update – They have completed their semi-annual foliage spraying of the boat/trailer storage area. Kevin had discussed with Jess at Visions the concerns that they are already behind in cutting the roads. She explained that the rain and warm weather has caused grass to grow sooner and quicker than normal, not just at StillWaters but all over. Visions had not hired their additional seasonal help yet. They are now almost at full staff and will catch up and be back on schedule. We will have the same cutting crew as last year.

Directional Signs - Smith Electrical has replaced two light fixtures at directional signs at a cost of $100 per light. The bulbs will be less expensive and can be replaced by SWRA personnel.

GM Report - 04/17/2012

Gate 49 Camera - David Albright has replaced the damaged camera at gate 49.

Gate 34 Camera - David Albright was unable to repair the license plate camera at gate 34, the whole camera must be replaced. He did not charge SWRA for trying to repair the old camera by replacing a control chip. The replacement camera is $2,800 installed. This camera needs to be replaced. It records the license plates of every vehicle that enters gate 34. It has paid for itself in the past by recording license plates of vehicle that have damaged the gate equipment at gate 34. **Funds will be taken out of the regular operating budget if possible. The cameras could be replaced out of the gate reserve fund, however the board agreed to wait to see if it can be managed out of the regular funds.**

Road Paving Bids - ProgreCiv Group, Inc. is still working on the final bids. The project was sent for bid over three weeks ago with a three week bid deadline but the paving companies that received the bid sheets have not returned their bids.

Injured Fox - Over the last several months the SWRA office has received reports from residents about a fox that appears to be sick or injured. The situation has been discussed with Jeff Brown, the Alabama Game Warden, who told us we could remove the animal. He will come remove the animal but the problem is by the time he can arrive in StillWaters the animal is gone.

Computer Service Contract - Sims Data will take over our computer maintenance Tuesday night, April 17th as approved by the Board via email last week. It is slightly less than our former contract and Troy is familiar with our systems. Troy will reconfigure our server and off site back up will be included in the monthly fee. It is a one -year contract for $350/month.

Moonbrook Park Younger play area should be ready next week so children can play on the equipment. This area will be completed with edging and fencing when the new play area is put in during phase two.

Boat Storage Boat Lock – This was cut over the weekend and the Sheriff's office was called to come out to file a report. So far nothing has been determined to be missing and the chain and lock have been repaired.

Golf Course/Harbor Pointe Marina sign at entry on Highway 49 is back on.

Deposits and Closing since last Board Meeting
Deposits: $11,459 in deposits – $3,900 of that was the Laurel Ridge lot purchase.
RE Closings: One since last meeting

TREASURER'S REPORT

Collections – Since the last meeting several past due accounts for a total of $6,000 have been cleared up. Susan Thames has pulled all cases from Holloway and is preparing the files, which should be turned over to Akridge & Balch in Auburn shortly. This will reduce the time between the collection agency and accounts moving to legal collections. The fees are the same and are paid by the past due property owner. At this time some legal collection cases are being left with Attorney Harrison if he has already started action.

OLD AGENDA ITEMS

Long Range Planning Committee – Nothing to report at this time.

Landscape Update - The bushes have been removed from gate 34 and other areas completed as per the Landscape Committee suggestions. The new plant material has been ordered and according to Visions will be installed the last of April. Many residents have commented on the beauty of the rock wall at the entrance at gate 34, it is a nice architectural detail and looks great now that it can be seen. The Japanese maple at the gatehouse stands out now that it is not blocked.

NEW AGENDA ITEMS

Landscape Committee – As reported by Chairman Debbie Nigh above, the committee met on Tuesday, April 10th. The recommended changes and bid from Atlantic Pools were reviewed. The bid was separated into several sections as the improvements could be made in stages.

Kevin reported that Rob, Alan and he were looking at the vault at the fountain a few weeks ago. Rob did not like the way the lighting was done. Kevin reported that last year Shane of Smith Electric showed Kevin where things were located in the vault. He agreed that it doesn't look good and that there are wires/transformers that are not in use and need to be removed to clean it up. The flooding we had last fall was a seal leak form the cleaning pump that damaged the pump, sump pump breaker had flipped off. Kevin stated that he had sat down in vault when it was raining hard to see if it was flooding. Some water came up from the bottom where the sump pump is. Rob has shown Kevin that the trap in the sump pump needed to be cleaned out and how to do this.

Kevin stated that Rob had told him to have the area around the outside of the vault dug down and to remove the rocks in order to keep water from coming over the top into the vault. Kevin said that he did not do it at the time because he did not see where it was an issue. However after last week's meeting, Mack Yeargan called Kevin to request that the rocks be removed. Kevin had Alan dig out and then put some rock but not all rock back to prevent washing. Kevin agrees that the area needs more lighting.

At this time there are no specified funds in the budget for this proposal, however the board asked Kevin to use the bid specification sheet that Rob Corum supplied in order to get another bid if possible. This work could be done later in the year, if funds are available due to below-budget expenses in other areas, or added to next year's budget.

Committee Discussion –

The Board discussed that the General Manager does not have to be in every committee meeting but should serve as a resource for the committees. The committees can do ground work, and then relay this information to the General Manager. If needed, the General Manager will send information or estimates back to the committees for discussion. The committees report to the GM and the GM reports to the Board. However, the GM will encourage committee chairs or their members to make their presentations during Board meetings. All committee members should be welcome to attend the board meeting when these reports and/or recommendations are presented. It was agreed that committees are respected and valued as a vital part of the SWRA process and the depth of experience and expertise available in our community is outstanding. The Board reaffirmed the necessity of the committees to keep the General Manager in the information loop and for the General Manager to keep the committee members in the loop. Teamwork makes a stronger community.

Recreation Maintenance Committee – They met Saturday, March 24th at 10:00 a.m. and the estimates of the recommended work were reviewed by area as per Chairman Pete Levins' report above. Kevin had reviewed the suggested changes and compared them to the available budgeted funds.

1. **Moonbrook Park** – Total recommended is estimated to be $13,800, which is less than we thought at the beginning of the year, because the Committee reduced the amount of equipment for the older kids play area. For several years they have discussed taking out the old metal edging and replace with a sandstone paver edging. At this time there is $15,432 available so this suggested work could be done under budget.
2. **Boat Storage Area** – The estimate includes up to 11 truckloads of gravel with $1,000 to rent a tractor for spreading. Kevin assured the Board that this could be done with proper grading by SWRA personnel. The plan is to have any extra clean out asphalt put at the end of the current driveway when paving is done this year. This was put in the 2012 budget for a maximum of $6,000.
3. **Pineview Pool** – In an effort to keep people from climbing over the fence at the entrance a wrought iron fan style fence with the fabrication to be done by Wendell Paterson at an estimated cost of $700 is under the budgeted amount.
4. **Right-of-way Cleanup Cutting** – Work to be done end of summer by Martin Ayers cutting the overgrowth and saplings on the main, secondary and some residential roads. The Board budgeted $7,000 for this project in 2012.
5. **Gate 34 Entrance** –
   A. The concrete planter at street side needs to be professionally cleaned and painted in order to have the paint last. The painting bid included sanding and painting of camera poles and a few other posts. Bid is $1,250 and will be covered by the maintenance budget for the gates.
   B. The light poles are near the end of their life cycle. The Committee recommended the installation of two 14-foot poles with 2.5-foot fixtures plus concrete for a total of 17 feet tall and to match the style of poles and fixtures at Moonbrook Park. There will be more light with fewer poles. One of the lights is not working now in front of the fire department; these two poles will be removed. The total for the replacement of the lights is $5,500, which is not specified in the 2012 budget but could possibly be covered by the Gate Equipment Reserve.

After discussion, the Board agreed to accept the Committees report and to move forward on all budgeted items listed. The replacement of the two light poles will be considered later in the year if funds become available. If not, it will be added to next year's budget.

The Board approved a motion to adjourn to Executive Session at 11:00 a.m. to discuss legal issues.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: May 1, 2012

Recreation/Maintenance Committee suggestions for 2012

Moonbrook Park

Work to be performed by Vision Landscape- remove sod and 4" topsoil for new playground area*, remove existing metal edging from existing play area and install it along wash area at steps, purchase/install 260 linear feet of sandstone paver edging in existing and new play area**, purchase/install landscape fabric, purchase/install pea gravel 15 tons, replace sod along steps, relocate irrigation head and plumbing.

$ 10,350

Concrete work to be performed by Keith Moon- add sidewalk linking two play areas.

$ 600

Electrical work to be performed by Smith Electric-reduce size of junction box and bury.

$ 750

Fence work performed by SWRA personnel- replace split rail fence in existing play area and install new fence in new play areas.

$ 1,425

Installation of other items by SWRA personnel- one park bench at new play area, one dog waste station, complete installation of new playground equipment. $ 675

Total to complete park with sandstone paver edging	$ 13,800
**Total to complete park with metal edging	$ 10,850

Amount available in 2012 budget and reserves *$ 15,000*

Gate 34

Work to be performed by Ray Miller and SWRA personnel-painting of concrete planter, sanding/painting of metal camera poles, painting of post/gate arms.

$ 1,250

Work to be performed by Smith Electric-removal of old street lights and purchase/install new lighting.

$ 3,350

Concrete pole base work to be performed by Keith Moon-install concrete bases for new lights.

$ 900

Total for changes to gate 34	$ 5,500

Amount available in 2012 budget --

Boat storage area

Work to be performed by SWRA personnel-spread gravel where needed, purchase of 11 truck loads tons of gravel. $ 5,500

Amount available in 2012 budget *$ 6,000*

Pineview Pool

Work to be performed by Wendell Paterson-fabricate and install corners on pool fence to keep people from climbing over fence. $ 700

Amount available in 2012 budget *$ 1,000*

Cutting of road right away

Work to be performed by Martin Ayers- cutting of over growth and saplings on road right away of main, secondary and some residential roads. $ 7,000

Amount available in 2012 budget *$ 7,000*

The amount I have listed as the "available" amount I had projected would be spent during 2012 for the listed project and it was allocated in the budget. All projects had funds allocated expect for the changes to gate 34; however, there are funds available in the 2012 budget to complete the changes to gate 34. These funds may come from the reserves or other accounts. Of course final decision on all projects requires Board approval.

*I already have a location for the topsoil and sod that will be removed from the park. It will be used to replace topsoil that has eroded along the road sides and other areas.

Tennis Courts

Kevin informed the committee that last summer the bulbs for the lights at the tennis courts were replaced. The fixtures that hold the bulbs are very old and have deteriorated to the point that they need replacing.

Smith Electric was the company that replaced the bulbs and several of the light fixtures had to be patched together to hold the bulbs in place. Gene Smith told Kevin that he would not be able to replace the bulbs when the burn out and suggested the top light fixtures be replaced. The light poles are still in good shape and can be used with new top light fixtures.

The committee discussed replacing the poles and lights with a more modern design that directs the light only onto the tennis court and does not allow the light to interfere with the neighbors. The committee discussed if there was a method SWRA could use to determine the usage of the tennis court lights. Kevin will monitor the electrical usage at the tennis courts to try and determine how often and when the lights are used and if there is enough usage to warrant the purchase of new more modern lighting.

The committee also discussed replacing the garbage cans and tennis racket holders. Kevin informed the committee that these would be replaced under normal maintenance.

In May of 2011, the tennis courts were resurfaced by Lowery Brothers out of Birmingham. On June 22nd, the area had over 5 inches of rain in a two hour period and Beaver Lake overflowed its banks and flooded the tennis courts. Lowery Brothers inspected the damage and determined that the flowing water managed to separate the new surface from the base layer. This severally shortened the life of the new surface. Lowery Brothers estimated the surface will need replacing in a two to three years instead of the normal seven to eight.

Recreation Maintenance Committee Report
April 2012

The Committee met Saturday, March 24th at the SWRA Centre, then toured the pool, tennis courts, gate 34 and Moonbrook Park.

Those attending were Jerry Grace, Penny Alexander, Dave Heinzen, Jo Bauer, Kevin Eason, John Durr, Don & Rosalie Sorensen, Debbie Nigh, Kathy Hutson and Pete Levins.

The playground addition/equipment and lighting at Gate 34 were reviewed and discussed at the office. The Boat Storage area will need some gravel or crusher run installed this year. Kevin stated that SWRA employees would do handle the labor. Some on the committee suggested that they hire a professional. James Carlisle has done work in the past and has the proper equipment to handle the job.

The pool deck and pool were inspected along with discussion of the planters in the brick walls. The fence had recently been painted and looked good. The small tree at the entrance to the pool will be cut down as the small leaves are a problem in keeping the pool clean. Some new furniture has been ordered to replace damaged and broken pieces.

The tennis courts have been resealed and nets tightened. Trash cans and racket holders need to be replaced. Lighting issues were discussed. The lights are old and need replacing. The committee discussed replacing just the tops as well as lower tennis style lights. The night use of the courts was questioned as to the amount and to the inconvenience for surrounding neighbors. Kevin will gather pricing on different styles of lights as well as monitor the use of the lights to report back to the committee. (See notes from Kevin Eason)

Gate 34 lights are outdated and need replacing. The committee agreed to match the single pole lights at the park for one on either side of the gatehouse. The two pole lights in front of the fire station will be removed but not replaced. It was agreed to paint the camera poles and other posts except for the safety ones a dark brown like the concrete columns. The planter in front of the gatehouse should also be painted brown. Ralph and Kathy Hutson will advise on the height of the light poles in scale to the building.

The new playground equipment has not yet been installed due to the amount of rain. The committee discussed the location of phase two and felt that it should be adjoining the existing small children's area rather than on the circle side of the pavilion. It was decided that swings, a seesaw and a bench would be enough for this area. A few pine trees will need to be removed and an electrical junction box will need to be moved. A small amount of concrete work and fencing will be required for the new area. The fence around the existing playground will also be replaced as it was not done with the other fencing in anticipation of the playground equipment changes. Kathy Hutson agreed to draw up a layout and design for the new area.

Kevin Eason will list the suggested work and get estimates on the cost for the committee.

Regards,

Pete Levins, Chairman

Sims Data

4476 Sandhill Road Auburn, AL 36830

Computer Service Contract

Terms and Conditions of Computer Service Agreements
Sims Data (hereunder referred to as the Company.) agrees to maintain the computer(s) in normal working order in accordance with the conditions applying to the type of agreement with:

Client Information:

Name: Kevin Eason – Stillwaters Residential Association
Address: 1816-B Stillwaters Dr., Dadeville AL 36853
Phone: 256-825-2990

Customer Type:

_____: In Area
__X__: Out of Area

1. **Contract Term:** Contract term shall cover a period of 1 year from contract start date
2. **Contract Renewal:** Computer Service Contract will automatically renew at the effective rate unless either party notifies the other party in writing that they wish to cancel the contract at the end of the effective contract end date.
3. **Maintenance:** Maintaining the computers for the purposes of this agreement means maintaining the hardware and software in normal working order. The Company is not responsible in any way for any loss of data or productivity due to equipment failure.
4. **Computer Service:** The Company will provide the maintenance at the customer's site as agreed by on the terms of the agreement. If the computer equipment is relocated to a new site, the customer shall inform the company of the new location. A total of 4 hours per month will be allocated for maintenance. The contracted monthly hours does not roll over to the next month if said hours are not used.
5. **Additional Service:** If services are required beyond 4 hours per month, additional hours are billed at $75 per hour. If customer is an Out Of Area client and onsite assistance is needed, travel time will be billed at ½ rate of $37.50 per hour.
6. **Time of Service:** The Company will carry out service 1 hour every 1 weeks at an agreed day of the week and only during hours that are reasonably practical. The Company does not carry out service on weekends or Public Holidays. The Company will respond to outside agreement service within 2 business days. Major/Critical outages will be responded to within 2 hours. Minor/Non-critical outages shall be responded to within 1 business day.
7. **Misuse of Neglect:** Damage to the device, due to misuse, electrical surges, theft, neglect, accident, fire, flood, earthquake, or other similar cause is in no circumstance covered by this agreement.
8. **Availability of Components:** The Company does not accept responsibility for any repair or any delay in carrying out repairs caused by "difficult to source parts" but will always try to respond promptly and effectively.
9. **Unauthorized Service:** The Company shall be entitled to cancel this agreement forthwith should any adjustment or service attention be carried out, except by an engineer employed or approved by the Company.
10. **Resulting Damage:** The Company will attempt to respond promptly and effectively to calls for service. It will be under no liability for the loss or damage of any description (computer data included) resulting on the Company's negligence or failure to act promptly.
11. **Loss of Data:** The client represents that it has established and regularly follows backup procedures of the Client's Data. The client agrees that Company shall not be responsible for the integrity of any data on the client's network and will hold harmless Company for the corruption or loss of any data.
12. **Termination of Service Agreement:** The agreement will terminate at the end of the day noted on the agreement form. If the agreed agreement is being paid monthly by the customer and for some reason the payments stop, the agreement will terminate.
13. **Modification or Transfer of Agreement:** The terms and conditions of this agreement cannot be altered except by written agreement with the Company. Nor is the agreement transferable except with the written consent of the Company.
14. **Contract Rate:** The contract rate will be $350 per month that includes 4 hours of monthly service time. If any service is needed outside of 4 hours during the course of the month, the billable rate will be at $75 per hour.
15. **Billing:** The monthly cycle starts on the first day of each month. Invoices will be sent out on the 1st of each month and is due by the 15th of each month. There will be no prorated invoice so that first payment due will be on the 15th after the 1st month of service. If the contract ends at the termination date, an invoice will be due to cover the previous month's service.

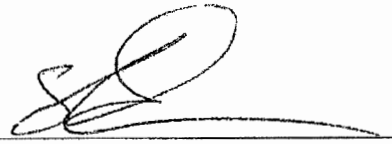
Initials: KES

Contract Date: 4/3/12

Contract Rate: $350 per month – Includes 4 hours of service per month of which will be remote access. Onsite service will be done on an as needed basis.

Payable Date: Amount Due by the 15th of each month

Expiration Date: 1 Year of Acceptance Date



Authorized Signature

Date 4/3/2012

Kevin Esser, General Manager

Landscape Committee Report

Tuesday, April 10, 2012

Members: Ralph and Kathy Hutson, Mack Yeargan, Penny Alexander, John Durr and Debbie Nigh attended.

Guests: Rob Corum and Dave Heinzen were also there.

The purpose of this meeting was to discuss the lighting and wiring/electrical at the Fountain and Entry at Gate 49. Rob Corum, Atlantic Pools, had met with Ralph and Kathy Hutson to assess the lighting and electrical needs and presented a general report.

Note: When the fountain and pools at Gate 49 were replaced, funds were limited so it was decided to use the original lighting fixtures and use existing wiring where able.

A major concern was the electrical components in the vault and the problem of past flooding. Safety as well as protection of the equipment is of utmost concern. The last flooding event was in the fall resulting in the replacement of a pump. Also, a problem exists with the sump pump and the breaker tripping that keeps the pump from coming on in the event of water in the vault. A major flooding could cause damage and costly repairs not covered by insurance. At the meeting it was agreed that Ralph and Rob would investigate a solution and report back to committee. In the interim, Mack will ask Kevin to remove some rocks around the vault to help with drainage. It was suggested that Hagan Wagoner could be consulted on this issue concerning the drainage.

The committee requested Rob to submit a proposal of the issues discussed at the meeting. The consensus of the committee was to recommend that a long-term, low maintenance solution be followed and that is was important to fix the problems correctly so we do not have to revisit this issue.

The proposal, as well as a bid request, is attached.

Submitted by,

Debbie Nigh, Chairman

Atlantic Pools

PROPOSAL

ENTRANCE FOUNTAIN LIGHTING

Submit To: Stillwater Residential Association
1816 Stillwaters Drive
Dadeville, Alabama 36853

Phone: (256) 825-2990
Fax: (256) 825-2991

Date: April 16, 2012
Attention: HOA
Regarding: Fountain and Entrance Lighting
Landscape and Underwater Lights

We submit the following specifications and materials for the process of commercial pool repairing, renovation and/or construction as per industry standards and manufactures guidelines for parts, materials and equipment used as follows:

SCOPE OF WORK

Equipment Room, Vault

24 Hour Control Timers-

1. Install 3 each Intermatic 24 hour 110volt outdoor timers placed side by side and located in an area of the vault wall that is easy to identify and access. Existing Intermatic timer to be situated in series.
2. Permanently labeled each timer as to its exact function.
3. Relocate all primary wiring for light systems from one source panel.
4. Color code all primary wiring from its source breaker for quick identification.
5. Mark each breaker as to its function and connection to timers.
6. Install 4 each, 120 volt relays to activate the individual lighting systems.
7. Install photo cells to be wired to relays and used to control system "on" times.
8. Eliminate unused wiring and timers in power panels.

New & existing timers & breakers to control:

a. Underwater Fountain Lights, 4 lower and 4 upper pool, (all are on same circuit).
b. In-Fountain Pillar Lights, 4 (existing), 75watt flood lights.
c. Landscape Lights, existing 6 junction boxes, with two up-lights, and four directional lights.
d. New Lower Pool Perimeter Lights, 14 each "Dock Style"

Materials, Parts and Labor $ 845.00

In-Fountain Post Lights

1. Cut and remove simulated rock covers, remove and replace 2 each (3) gang water resistant junction boxes on stone pillars.
2. Connect new J-boxes to existing circuits with water resistance connections.
3. Remove the existing standard "flood" type fixtures and change out to Atlas Lighting Products Model # ATLFLM43LED, (2) each LED, 60,000 hour commercial light fixtures.
4. Install fabricated rock covers from Lowes Stores to cover new light fixtures on pillars.
5. Attach rock covers to existing rock post, and color rock as needed.

Materials, Parts and Labor $1,600.00

Landscape Lights, Upper Plateau

1. Modify existing transformers by removing all low voltage components and re-wire to the proper configuration to be used as junction boxes for ground based lighting features.
2. Install (2) LED, 60,000 hour light fixtures, up-lights to illuminate trees behind signage.
3. Install four, 75 watt directional lights to be used to illuminate landscaping.
4. Existing transformer boxes to be used for light fixture connections.

Materials, Parts and Labor $1,500.00

Lower Pool Lighting

1. Install low wattage perimeter light system to illuminate and outline the lower pool.
2. To be used, a "dock" style down light placed at 15ft intervals.
3. Estimated 12 individual 360 degree lights on 18 inch post.
4. Post to be 2 inch or smaller in diameter, fabricated or production, light and post to be approved by HOA.

Atlantic Pools

Materials, Parts and Labor $1,800.00

Products Specified

Intermatic Timers, Inc.
Spring Grove, IL 60081

1. T100 Series Electromechanical Time Switch
2. Intermatic K4223C - Photo Control

Lowes Stores

1. Sea Gull Lighting 7" 110-Volt
   Incandescent Landscape Walk Lighting
2. Dekorra 27" x 21" 25" Rock Enclosure

Granger Inc.

1. Dayton Model #5X847 Relay, SPDT,120VAC

Atlas Lighting Products
1406 S. Mebane Street
Burlington, NC 27215

1. Atlas 43Watt LED Outdoor Model # ATLFLM43LED

Job Duration
Estimated time to complete the job would be 5 to 7 working days with weather permitting and availability of materials, etc...

Warranty Summary
Atlantic Pools is an authorized installer for all equipment proposed. Manufactures warranties are in full effect against defects in material composition and quality for the specified time from the date of installation. Atlantic Pools warrants defects in and workmanship and application for a period of one year from the date of completion. All warranties contingent on materials warranty requirements, including, necessary care and maintenance, etc.

Payment Conditions
Commencement payment of 50% of contract due to initiate work, final 50% due upon completion. Any alteration or deviation from the above *Specifications* and/or *Scope of Work* involving extra cost will be executed only by verbal or written order from a responsible agent and become an extra charge over and above the proposal amount. Total Contract Amount due at completion $ .00 ~ *dollars and 00/100.*

Terms/Contract Terms
All material shall be applied by skilled, experienced mechanics under competent supervision. All work shall be done in a professional manner of top quality standards of the industry. Adjacent areas shall be protected during the progress of work. Work areas shall be kept clean and free of debris. Waste materials to be removed from the job site daily. All agreements contingent upon strikes, accidents, adverse weather, acts of nature or delays beyond our control including availability of parts or materials. All warranties contingent on materials and equipment manufacturers warranty requirements, including proper water chemistry, etc. It is expressly understood and agreed that under the "Retained Title Provision" all goods and merchandise is received by ATLANTIC POOLS LLC. shall remain the property of ATLANTIC POOLS LLC until such time as payment in full for such goods and merchandise is received by ATLANTIC POOLS LLC. at which time shall pass to the Customer. In the event of default in payment by the Customer, it is expressly understood and agreed that the Customer agrees that ATLANTIC POOLS LLC. shall have the right to retake possession by entering upon the premises of the Customer or through replevin or other action provided by law for the recovery of possessions of all goods and merchandise for which payment has not been received by ATLANTIC POOLS LLC. All past due accounts are subject to monthly late charges plus all cost of collection and reasonable attorney fees.

Acceptance of Proposal

The prices, specifications and conditions herein are satisfactory and are hereby accepted. You are authorized to do the work as specified.

Signature of Owner or Representative & Date

ATLANTIC POOLS LLC

Post Office Box 1843 • Longwood, Florida 32752 • Phone 407-865-7000

ENTRANCE FOUNTAIN LIGHTING

REQUEST FOR BID

Submit To: Stillwater Residential Association
1816 Stillwaters Drive
Dadeville, Alabama 36853

Phone: (256) 825-2990
Fax: (256) 825-2991

Date:
Attention: HOA
Regarding: Fountain and Entrance Lighting
Landscape and Underwater Lights

SCOPE OF WORK

Equipment Room, Vault

24 Hour Control Timers-

1. Install 3 each Intermatic 24 hour 110volt outdoor timers placed side by side and located in an area of the vault wall that is easy to identify and access. Existing Intermatic timer to be situated in series.
2. Permanently labeled each timer as to its exact function.
3. Relocate all primary wiring for light systems from one source panel.
4. Color code all primary wiring from its source breaker for quick identification.
5. Mark each breaker as to its function and connection to timers.
6. Install 4 each, 120 volt relays to activate the individual lighting systems.
7. Install photo cells to be wired to relays and used to control system "on" times.
8. Eliminate unused wiring and timers in power panels.

New & existing timers & breakers to control:

a. Underwater Fountain Lights, 4 lower and 4 upper pool, (all are on same circuit).
b. In-Fountain Pillar Lights, 4 (existing), 75watt flood lights.
c. Landscape Lights, existing 6 junction boxes, with two up-lights, and four directional lights.
d. New Lower Pool Perimeter Lights, 14 each "Dock Style"

Materials, Parts and Labor $

In-Fountain Post Lights

1. Cut and remove simulated rock covers, remove and replace 2 each (3) gang water resistant junction boxes on stone pillars.
2. Connect new J-boxes to existing circuits with water resistance connections.
3. Remove the existing standard "flood" type fixtures and change out to Atlas Lighting Products Model # ATLFLM43LED, (2) each LED, 60,000 hour commercial light fixtures.
4. Install fabricated rock covers from Lowes Stores to cover new light fixtures on pillars.
5. Attach rock covers to existing rock post, and color rock as needed.

Materials, Parts and Labor $

Landscape Lights, Upper Plateau

1. Modify existing transformers by removing all low voltage components and re-wire to the proper configuration to be used as junction boxes for ground based lighting features.
2. Install (2) LED, 60,000 hour light fixtures, up-lights to illuminate trees behind signage.
3. Install four, 75 watt directional lights to be used to illuminate landscaping.
4. Existing transformer boxes to be used for light fixture connections.

Materials, Parts and Labor $

Lower Pool Lighting

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3. Estimated 12 individual 360 degree lights on 18 inch post.
4. Post to be 2 inch or smaller in diameter, fabricated or production, light and post to be approved by HOA.

Materials, Parts and Labor $

Products Specified

Intermatic Timers, Inc.
Spring Grove, IL 60081

1. T100 Series Electromechanical Time Switch
2. Intermatic K4223C - Photo Control

Lowes Stores

1. Sea Gull Lighting 7" 110-Volt
   Incandescent Landscape Walk Lighting
2. Dekorra 27" x 21" 25" Rock Enclosure

Granger Inc.

1. Dayton Model #5X847 Relay, SPDT,120VAC

Atlas Lighting Products
1406 S. Mebane Street
Burlington, NC 27215

1. Atlas 43Watt LED Outdoor Model # ATLFLM43LED

Minutes
SWRA Board of Directors Meeting
April 3, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, John Mann and Mack Yeargan were present. Eb Spink was excused. Kevin Eason was present to report.

Guest: Janet Johnson was on the agenda, however she cancelled last night.

Approval of Prior Minutes:
Board reviewed and approved minutes of March 20, 2012.

GM Report:

Pineview Pool - Rob Corum, Atlantic Pools, has completed the pool work sealing the pavers and the pool is open, water is 72-73 degrees. There is no need to turn on the heater, as 72 degrees is the maximum heater setting to optimize our gas cost.

Fountain at Hwy 49 - While Rob Corum of Atlantic Pools was in StillWaters he inspected the fountain and made several maintenance suggestions. The gate 49 fountain has been drained, cleaned and refilled. Rob stated that the dirt, algae and slime would stain the finish on the fountain and needed to be removed. Rob suggested we clean the fountain every two years.

We have been having problems keeping the light bulbs replaced at the fountain. They only last a couple of months due to the light fixtures being old (they were not replaced when the fountain was reworked a few years ago since they were working at that time). They are allowing moisture to enter the fixture and shorten the life of the bulbs. Rob provided Kevin with an estimate of $3,000 to replace the light fixtures. The high cost was due to the fact that he would have to remove the existing faux rock columns that house the light fixtures and fabricate new rock columns. We can change a lot of light bulbs for $3,000. **The Board agreed to Kevin's suggestion to continue to replace the bulbs.**

Gate Cameras - Kevin had previously sent an email concerning the repair of the cameras at gate 34 and 49 and purchasing a back-up computer. David Albright cannot use the video cards that were on the old back-up computer, so Kevin decided not to purchase a back-up computer for inventory at this time. David had thought that only the computer was damaged and we could re-use the video cards with the new computer but all four video cards are damaged. It is not normal that usually lightning or a power surge will damage the computer but will not continue on through the computer to the video cards. Each video card is $425 and we have four cameras. We would be spending $2,200 for a back-up gate computer to just sit in the box. David told Kevin that if one of our gate computers were damaged he could overnight a replacement. One or two days without cameras is more practical than spending the money on an extra computer for inventory. We use some of the best surge

protectors but for some reason lightning and power surges get through them. Each surge protector cost almost $100, so they are not some box store special.

Landscape Tool - An expandable pole saw to remove/cut tree branches that hang over the road and for areas we cannot reach with a normal chain saw has been purchased. Kevin had received a verbal estimate from Dusty Floyd of $600 to trim the branches on six trees. The pole saw cost $570 and we have already trimmed the branches of the six trees plus a couple more. We have already used the larger/longer saw at heights the less expensive saw could not reach.

Computer Maintenance Contract - Our contract with Computer Paramedics ends April 11th; the service has been poor since Matt Spain sold Computer Paramedics. Troy Sims has worked on our system during the building remodeling and is familiar with our server and system. Troy has inspected our system and was concerned that our server is running a 2003 program that is no longer supported by Microsoft. Computer Paramedics suggested we upgrade our server this year and money was put in the budget to cover the cost. Troy indicated that $3,000 might not be enough to completely update the system. Troy is working on a proposal for SWRA that will cover our computer maintenance and support for one year and another update to the server. **Kevin will bring a recommendation to the Board.**

Roads Committee - Hagan Wagoner of ProgreCiv has completed his list of paving and drainage recommendations after reviewing the list from the Committee. He has sent the paving recommendations out for bid and will have the bids within the next couple of weeks. Originally he had suggested the drainage work before the paving work but now suggest we complete paving first because of the rising cost. These recommendations have been sent out to the Roads Committee members.

Recreation Maintenance Committee - Kevin is compiling estimates for the suggestions from the committee meeting. Most of the estimates deal with the completion of Moonbrook Park and suggested changes to gate 34.

Architectural Review Permit Issues - Recently, we have had several instances where property owners are beginning construction work without obtaining ARC approval or a permit. Most of the infractions have been by new or part-time property owners. Kevin has been able to talk with the property owners and they seem surprised that approval is required and few have complained about the permit but the work is already started. Several of the infractions have been on waterfront work. He has been working with APCO to stop residents from working on waterfront projects without a permit from SWRA or APCO. Our agreement with APCO is that they will not issue a permit in StillWaters without first receiving an approval letter and copy of a SWRA building permit. Kevin has also had to stop work by contractors who are working on Sundays. The gate attendants are aware of the problem but most of the contractors enter through the rear gate.

General Information:

- The "W" in the StillWaters sign at the fountain will have to be removed so that it can be taken to a welding shop to be repaired. This is to ensure the "W" will be straight when the repairs are completed.
- 100 bales of pine straw will be installed by SWRA personnel in areas suggested by the Landscape committee.
- The sale of parcel 31 in Laurel Ridge should take place this week. Mark Allen Treadwell is preparing the deed.

Deposits and Closing since last Board Meeting

Deposits: $13,057.54
RE Closings: none

TREASURER'S REPORT – Mike Dollar

Financial Statements

Mike made a few comments on the March 31st statements. The statements were distributed at the meeting for the Board's review.

- Fees related to real estate and construction activity (Transfer Fees, Building Permits) were less than one-half what was budgeted for the First Quarter.
- Actual expenses are generally in line with what was budgeted. There are a few exceptions:
    - Warren, Sasser & Associates, LLC have not yet recorded depreciation. There should be little variance, if any, since they supplied the number that Mike budgeted.
    - Although our new policy will ultimately result in lower premiums, insurance premiums are actually over budget primarily due to timing of premium payments under the new policy.
    - Operating expense for the Gates is well below budget due to the budget including $3,000 each for uniforms and gate computer equipment. These expenses will likely be incurred in future months.
    - Landscaping materials are over budget due to timing. We purchased pine straw in February to take advantage of lower pricing. This is in the budget for April through July.
    - Pineview Pool expenses are well below budget (app. $12,500) due to the timing of major projects, including gate security camera upgrade, fence repainting and purchase of pool furniture. Also, pine straw was budgeted but a portion used for the pool was purchased in the general landscape purchase in February. There will be more pine straw added to the pool during the second quarter.
    - Moonbrook Park expenditures include the payment for new playground equipment. The budget anticipated that these purchases would be completed in 2011. The money for the purchases has been reimbursed to Unrestricted Cash from the Moonbrook Park reserve. The budget also anticipated the

purchase ($5,000) of additional equipment for a new playground. This expenditure will not likely occur in 2012. Some lesser amount may be spent in 2012 for other improvements.
    - Repairs and Maintenance for Common Areas is for the beaver eradication program, which was not budgeted.
- Mike had prepared a Cash Flow Statement, which shows that our cash is approximately $32,000 ahead of plan. About half is due to our favorable net income position resulting from overall lower expenses. The rest is due primarily to reserves. As mentioned earlier, we moved about $12,000 from Moonbrook Park Reserve to Unrestricted Cash for the playground equipment. We also budgeted $5,000 for the Fountain Reserve, which has not yet been recorded. This early addition to reserves was in anticipation of beginning work earlier on the well and pump to be installed.

OLD AGENDA ITEMS

Long Range Planning Committee - Dave and John will set up a meeting with the new committee soon. Herb Starzer, Debbie Nigh, Cal Johnson, Tom Handley have agreed to serve on the committee.

Nuisance Animal Removal – Kevin met with the property owners of the animal and shared the complaints without sharing the names of those who had filed the complaints. The owners understand the issue and they have agreed to be more diligent in controlling their dog. They have assured Kevin that the dog will not leave their property. Tru-tech will pick up the animal if neighbors notify the office that the dog is roaming again and the animal is not on its owners' property at the time of attempted pick-up.

NEW AGENDA ITEMS

Landscape Committee Report – The Committee met March 20th and toured the grounds. The landscape committee is requesting the Board to approve the following changes to the common areas of SWRA. The estimated cost of these changes should not exceed $2,300.

1. Order 12 purple pixie loropetalum to be installed at gate 49 fountain-estimated cost $420
2. Order 4 purple pixie loropetalum to replace the ones that died at the SWRA office-estimated cost $140
3. Order 100 yellow lantana to be installed at various additional areas in StillWaters - estimated cost $1,200 (this is the same amount that was installed last year, the cost last year was $1,000). This includes the labor.
4. Replace pine straw around edge of pavers at the pool with bark-estimated cost to purchase supplies $50; work to be performed by SWRA personnel. (After discussion and input from both of the pool experts the board agreed that pine straw was still the best solution. Small rocks or bark are thrown into the pool by children.)

5. Purchase 100 bales of pine straw to be installed in various areas-estimated cost to purchase supplies $375. Work to be performed by SWRA personnel.
6. Paint areas around gate 34 and gate 49 to match dark brown color scheme-estimated cost to purchase supplies $75, work to be performed by SWRA personnel.
7. The landscape committee has made several other suggestions such as removing a small tree; trimming a few limbs, remove old plants& bushes from gate 34 that are beyond their life cycle since they have not responded to a renewal pruning. Clean the rock wall to show it off as it is great looking. A couple of other minor jobs; all can be performed over a scheduled time frame by SWRA personnel.

After discussion, the Board accepted the Landscape Committee's recommendations with the substitution of pine straw at the pool rather than bark.

Recreation Maintenance Committee – They met Saturday, March 24th at 10:00 a.m. and that report will be made at the next meeting once estimates are gathered.

The Board approved a motion to adjourn to Executive Session at 10:15 a.m. to discuss legal issues.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: April 17, 2012

Minutes
SWRA Board of Directors Meeting
March 20, 2012

Call to order – President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, John Mann, Eb Spink, and Mack Yeargan were present. Kevin Eason was present to report.

Dave welcomed Jerry Grace to the Board as its newest member.

Approval of Prior Minutes:
Board reviewed and approved minutes of March 6, 2012.
Board reviewed and approved minutes of March 10, 2012.

GM Report
Board Informational Updates
Real Estate Signs - Kevin reported having issues with Hudson & Marshall online auctions. He has removed several of their signs. This is not a true auction. If this was an auction ordered by a bankruptcy trustee or a court, then we would have to allow the auction signs but this is a sales gimmick. They keep replacing the signs. He has contacted their main office and was told that they would remove the signs but they keep putting them up a couple of days after we take them down.

Gate Operation - You may remember we switched from a modem-based program to an Internet program to operate the gates. The new software that DoorKing sent us to operate the gates had a time change flaw. The large black metal gates, which are set to close at 7pm and open at 6:45am, are one hour off. DoorKing has sent an email to all its users that the program problem will be repaired by 5pm, Tuesday, March 13th. Kevin checked the gates at 7:15pm on March 12th and they appear to be working properly so the problem may already be corrected.

Fountain - Atlantic Pools (Rob Corum) has also inspected the fountain. The fill valve is broken and will need replacing. The rock lights that shine on the SW sign need replacing. While inspecting the lights we discovered a loose wire and were able to get the in the water lights working. The rock column light fixtures are old and will have to be replaced. He also recommended the fountain be cleaned soon to keep the surface from becoming stained.

Lights at Gate 34 - John Mann is concerned about the lighting at Gate 34 and feels it is hard to find the entrance on Hwy 34. Kevin explained that he had looked into this last year (see x minutes) The Alabama Power Pole is across highway 34 so we cannot put a light on that pole. There is no power across the entry roads, only in the center section where the gatehouse is located.

Past due Invoices - These have been mailed for the 2012 billing period. Kevin included a letter with all unpaid 2012 invoices explaining that SWRA has a payment plan available and

that a payment plan will keep one's account in good standing with SWRA. The letter also explains that if payment is not received by the end of March or a payment plan is not in place then the account will be assigned to a third party for collection. Kevin called several past due accounts in an effort to collect their balance. He has not deactivated the gate cards associated with the past due accounts. He decided to wait until the end of March before deactivating the gate cards. A copy of the letter that was sent with the invoices was distributed to the Board.

SWRA Committees - Kevin stated he would be contacting all previous committee members to make sure they want to remain on the same committee they were on last year. A few property owners signed up at the annual meeting to be on different committees. We need to discuss the couple of committees that are appointed by the Board. Kevin stated that it was his understanding that committee members must be under the '87 covenants and we have committee members that are not under the '87 covenants. The Bylaws were reviewed. Committees are either appointed or approved by the Board. Members are not required to be members of the 1987 covenants.

Nuisance Dog Reported - SWRA has received three written complaints on a particular dog. To remove this dog it needs to be deemed a nuisance animal. Kevin has contacted the owners in the past and they indicated they would do a better job of controlling the dog but they have not. The cost to remove the dog is $250 and the owner of the dog will have to pay this fee to reclaim the dog. If the dog is not reclaimed the cost will be paid by SWRA. **After discussion the board reconfirmed its commitment to enforce the SWRA Nuisance Animal Policy. Kevin will meet with the owner and hand deliver a letter to notify the owner of the three complaints and the SWRA policy to remove the dog if the dog is found out of the control of the owner or off his property.**

SWRA Centre Internet - The Dadeville Chamber of Commerce held its quarterly business luncheon in the SWRA community room. The program was a presentation for computer products. Computer Paramedics set up a wireless hot spot at the SWRA office that allowed access to the Internet while at the SWRA building. Kevin suggested we keep this available for SWRA property owners. It does not interfere with the existing Internet access used by the office and the only cost is the purchase of the wireless unit, which is $120. The cost is not the issue, the issue would be if we want the SWRA office to have a wireless Internet connection for someone to use. Since it is a separate device from our server, SWRA records and information are protected from anyone being able to access them. **After discussion the Board did not approve this suggestion.**

Gate Attendant Training – Kevin reported that the gate attendant meeting was successful. All gate attendants understand the importance of acknowledging anyone who comes through the gate and paying attention to who is leaving through the 49 gate. Kevin instituted an incentive program for the gate attendants, similar to an employee of the month program. He stated that he has a few "secret gate shoppers" that are evaluating how they are greeted and treated when they come through gate 49. The gate attendant with the best score each month will receive a $50 gift card. Kevin stated he was going to run the program for the next three months. The gate attendants were very positive. They also had some good suggestions for

gate operations. Kevin is changing our procedure for the construction code. A construction company must now give their name, where the work is being performed, and contact info before they are given the construction entrance code for the 34 gate. The Board discussed that they did not know where the communication broke down, however this procedure was supposed to be in place already as it was planned when we began the weekly construction codes. The gate attendants will be completing these forms before giving out the codes.

Pineview Pool Repairs

- Ray Miller Painting has pressure washed the fence around the pool and plans on completing painting the pool fence and the rails at the SWRA office within the week. The fence at the pool will be finished by tomorrow.
- Atlantic Pools is still working on sealing the pavers-they have cleaned and repaired the pavers and will seal them in a couple of days.
- The replacement furniture for the pool has been ordered but it takes 6-8 weeks to be shipped.

General Information

- The "W" in the StillWaters sign at the fountain is continuing to deteriorate. Kevin is obtaining estimates at this time to have it repaired but the cost should be under $500.
- Kevin has plans to assemble the playground equipment starting March 21st. The ground at the park is dry enough, even if we have another rain. Vision Landscape will take care of making sure that the park is in good shape after we assemble the equipment.
- The safety stickers on the 34 gate barrier arms have deteriorated to the point that they are almost un-noticeable. The 34 gate barrier arms will be painted bright yellow, just like the 49 gate arms. The quickest and safest way is to close the gate for approximately thirty minutes. This will be done on a day when we have the least amount of traffic using the 34 gate.

Deposits and Closing since last Board Meeting

Deposits: $16,454.64
RE Closings: none

TREASURER'S REPORT

Mike reported that our collections are at a little above 86% at this point, which is ahead of where we normally are at this time of year. Several owners who are past due for previous years have actually paid this year's fees.

OLD AGENDA ITEMS

Annual Meeting Minutes - The Board reviewed and approved minutes of March 10, 2012.

Evaluation Of the Annual Meeting - There have been positive responses from many people concerning the meeting. The format and presentation were well received.

Election Committee – The signed letter certified the election results. Mike Dollar, Mack Yeargan and Jerry Grace were elected to the Board for three-year terms.

Candidate forums were a waste of time this year as the attendance was almost non-existent. The format was a good one and these forums have been better attended in the past. The Board agreed it is something that needs to be offered.

The Election Committee sent a suggestion to the Board that it needed to set up a policy of how to handle a tie vote. The Board agreed that in the case of a tie then there be a vote held at the Annual Meeting. This information will be included in the cover letter that is mailed out in the ballot letter to property owners.

Nominating Committee – This committee suggested that in the future, the Board give the Committee specific qualities/guidelines to match the nominated person with the skill set needed for areas of experience or qualifications needed.

NEW AGENDA ITEMS

Long Range Planning Committee –Kevin has spoken with a couple of residents about serving on the committee in addition to Herb Starzer. Tom Handley and Debbie Nigh are willing to serve and have a very knowledgeable background on the covenants due to their years of service on the Board. Dave will follow up with these members.

Appointment of Board Advisors to Committees
ARC – Eb Spink
Budget & Finance – Mike Dollar
Christmas – Penny Alexander
Communications - Penny Alexander
Landscape – Mack Yeargan
Long Range Planning Committee – John Mann
Recreation Maintenance – Jerry Grace
Roads & Drainage – Dave Heinzen

Kevin shared the names of people who signed up for committees at the annual meeting.

Special Committees – A suggestion was made in response to comments at the Annual meeting concerning litter. Kathy Adamson, would be a good chairman for this committee. Mike Dollar will be the Advisor to the Litter Control Committee; he will coordinate with Kathy.

Ecological Committee – Resident, Janet Johnson, proposed this as a special committee. Her idea is that we would be protecting wild habitat for animals such as birds, maintaining and

reporting any kind of water quality issue, allowing no disposal of toxic chemicals used such as disposal of paint. It was discussed that the Board, the Landscape Committee, and the Recreation Maintenance Committee already handle many of these topics. At the suggestion from Ms. Johnson the request for volunteers for such a committee has been published in the StillWaters newsletters with no response. It was suggested that Ms. Johnson submit information articles for the newsletter for such concepts as disposal of old paint cans, etc.

Landscape Committee – Meeting today at 2:00 p.m. at SWRA Centre. Current members are chairperson Debbie Nigh, John Durr, Kathy Hutson and Penny Alexander. Kevin and Mack will also attend.

Recreation Maintenance Committee – Saturday, March 24th at 10:00 a.m.

SWRA Board Meeting Schedule - The suggested dates for 2012 had been emailed to each member. These were reviewed and agreed to.

The Board approved a motion to adjourn to Executive Session at 11:00 a.m. to discuss legal issues.

Penny Alexander, Secretary

Dave Heinzen, President

Date approved: April 3, 2012

Minutes
SWRA Board of Directors Meeting
March 10, 2012

Call to order – The meeting was called to order at 11:35 a.m. by President Eb Spink. Board members Mike Dollar, Jerry Grace, Dave Heinzen, John Mann and Mack Yeargan were present. Penny Alexander was excused.

Purpose of meeting – Eb stated that the purpose of the meeting was to elect new officers for the coming year. After a short discussion, **the following nominations were made and approved unanimously:**

President: Dave Heinzen
Vice President: Mack Yeargan
Secretary: Penny Alexander
Treasurer: Mike Dollar

The meeting adjourned at 11:40 a.m.

Mike Dollar, Acting Secretary

Robert Eb Spink, President

Date approved: 3-20-2012

Minutes
SWRA Annual Meeting
March 10, 2012

Call to order

Eb Spink, President, called the annual meeting to order at 10:00 a.m. Board members Mike Dollar, Dave Heinzen, John Mann, Eb Spink, and Mac Yeargan were present. Board member Penny Alexander was excused. Approximately 75, including staff and board members, were present at the meeting. A sign-in sheet for attendees and a committee sign-up sheet were at the entranceway table. In addition, handouts for the 2012 budget and residents accounts past due or pending legal action were available at the table.

After a brief welcome, Eb turned the meeting over to Kevin Eason, General Manager.

Capital improvements 2011

Kevin covered the capital improvements the Association made last year. Those included paving Moonbrook Drive, renovating the building at Gate 49, resurfacing the tennis courts, improving drainage in several areas and beginning the updating of Moonbrook Park. He used slides to illustrate each of these projects as he discussed them. He pointed out that the renovations to Moonbrook Park had been carried forward to 2012.

Goals for 2012

Kevin discussed several major projects planned for 2012. In addition to paving and drainage, which are annually a major project, he discussed the addition of road safety markers in several areas, including Dogwood Trail, and maintain and improving common areas. He discussed the potential of installing a water well at the Gate 49 entrance to better manage our expenses for water used in the fountain and for irrigation. This will be done if we can cost justify it as we monitor expenses for the next several months. He also discussed the current situation at Moonbrook Park as we await the ground to dry out before completing the installation of new playground equipment. He also discussed the addition playground site to be installed at the park, including slides of some of the new equipment.

Covenants

Kevin displayed and discussed the current status of properties and their covenants. He indicated that we had added six properties to the 1987 Covenants in the past year. Four of these were conversions from 1974 Covenants, one was converted from Waters Edge Covenants and one was converted that was not previously under any covenants. He discussed the advantages of converting to the 1987 Covenants, primarily the privilege of voting. He also pointed out that those who were paying the voluntary assessment under the 1974 Covenants were essentially functioning under the 1987 Covenants without having voting rights.

Enforcement of the Covenants

Kevin presented a summary of covenant violations during 2011 (through December 31). The list of violations included trailer/vehicle, which represented the largest number, garbage can,

building permits and fences. He discussed how he and Alan Price identify and manage the violations. He also pointed out the problem the Association has with damages to the gates at both entrances, including the tremendous cost of repairing. He mentioned that most are caused by residents and that the guilty party's insurance normally covers the cost. He also pointed out that our camera system at Gate 34 does an excellent job of identifying the tag number of the vehicle involved in the gate damage.

Past Due Association Dues

Kevin then introduced the subject of who is not paying their association dues. He presented a slide indicating that a total of $187,640 was past due at December 31, 2011. This total does not include amounts that are past due where the property owners have payment arrangements nor does it include those who have not paid the current year's assessments. He pointed out that there was a handout available at the entrance indicating who those property owners were that were either past due or where the association had initiated legal action.

SWRA Staff

Kevin acknowledged the staff and their contributions. He introduced Susan Thames, Community Administrator, and Alan Price, Maintenance. He mentioned that Alan had been an employee since September 2011. He also showed the list of full and part-time gate attendants.

Kevin then turned the meeting over to Mike Dollar, Treasurer, for the financial report.

2012 Operating Budget

Mike outlined the budgeting process including when it begins each year and how the information is determined. Past history, current trends, projected major changes, contracts and renewals are all part of the process in estimating for the coming year.

Income – Projected maintenance revenues are fairly constant from year to year since there is little change in the covenants composition. Fee increases are limited to the U. S. government published COLA released in October of each year. This year, for the first time in three years, we were able to increase our maintenance fees by 3.6%.

Activity-related fees, including building permits, title transfer fees and impact fees are projected to remain flat to 2011. Last year these fees dropped substantially due to a decline in building and real estate activity and were well below what we had budgeted. We have gotten off to a slow start this year with these activity-related items and are already below budget.

Kevin initiated a garbage service in September last year and it should add a small amount to revenue in 2012.

Operating expenses – Our budgeted expenses are generally in line with 2011. Our contract with Vision Landscaping expired in late 2011 after several years at the same rate. Kevin put it out for bid with very detailed specs and was assisted by the Landscape Committee in the analysis of bids. Together they selected Vision for another three-year contract, which represents a 4.7% increase in the rate.

Much of our expense is fixed, including contracts (landscape, pool and fountain maintenance), accounting and computer support fees, property tax and depreciation. Another significant portion is semi-fixed, such as salaries and insurance. Although utilities (telephone, electricity and water) are fairly constant, Kevin and Alan have done a good job monitoring and managing water usage so that we were able to reduce that cost substantially in 2011. If we proceed with the installation of a well at the main entrance, that should further reduce our water cost.

The most significant discretionary expense item we have are the costs associated with roads and drainage work. We manage our major paving and drainage projects on the basis of availability of money.

Our large items, which constitute the majority of our budget are the Vision contract, roads and drainage, employee salaries, utilities, depreciation and cash reserved for major projects. Reserves will be covered later.

Cash Flow – Since SWRA funds its operations from unrestricted cash, that is cash not set aside for major maintenance and capital improvements, the Board focuses on managing cash primarily through managing expenses and collecting fees.

We began the year with an unrestricted cash balance of $33,135. We add the budgeted fees and revenues as presented, but here we deduct the estimated amount of fees that we project we won't collect from this year's billings. We also deduct the budgeted expenses as presented and we add back depreciation, which does not affect cash. We then deduct the amount of mortgage principal that is paid down in 2012. This is not part of our expense.

We are projecting to end the year at close to $44,000, which is within our targeted range of $40,000 - $50,000 for unrestricted cash. We like to end the year with this kind of cushion to carry us into the new year.

Reserves – The purpose of our reserves is to set aside funds to cover major expenditures in future years for major renovation or replacement. Examples of renovations are those that occurred with SWRA Centre in 2010, the pool in 2009 and the gate houses and tennis courts in 2011. While we set these aside based on our best estimates, we hope to establish a formal process through our Long Range Planning Committee. One of the Board's major goals in 2012 is to jump start this committee and get it back on track.

We have budgeted $65,000 to add to reserves this year and we anticipate the balance at the end of the year to be $166,231. We anticipate the fountain reserve to be a zero by year-end due to the well project. We also anticipate Moonbrook Park reserve will be lower due to the purchase of the playground equipment discussed earlier.

Mike then turned the meeting back over to Kevin Eason.

Nuisance Animal Control

Kevin presented a list of the animals that the Association is currently monitoring. The list included dogs, which are being managed through the Dog Committee. We have had written complaints about dogs roaming the community. Although there are no specific restrictions in the covenants, all owners are urged to keep their pets on a leash or on their property.

Wild animals included deer, beaver, coyote, raccoons, armadillos and snakes. SWRA, through the Alabama Bow Hunters Association, conducted a deer management program that began late in 2011 that ended in January 2012. The Board weighed the options of publicizing versus non-disclosure, and, with the assistance of the bow hunters group, decided not to publicize. The program resulted in the removal of 24 deer and one coyote.

Also the Board, upon learning that beaver were causing tree damage and flooding at Oakwood Lake, implemented a beaver eradication program at that location. After input from several in the community about the lack of publicizing the deer control effort, the Board decided to publicize the program. Consequently, there were many curiosity seekers around the site which resulted in no beaver being trapped. Eventually, there were two large beavers trapped and killed. In addition, someone else has been at the site and set off all of the traps, apparently to prevent further trapping of the beavers.

Involvement in StillWaters

Kevin pointed out that sign-up sheets were at the back table for the various committees of SWRA. He urged participation by all and pointed out that the committees were comprised of volunteers. The Architectural Review Committee is the only committee slightly different from the others. It is appointed based on qualification. The Long Range Planning Committee is especially critical at this time due to the timeline. He discussed the importance of the year 2015 to addressing changes to the covenants.

Kevin also pointed out that there was a sign-up sheet for helping with the community socials, which are generally held every other month.

2011 SWRA Board

Kevin introduced the board members from 2011 that were in attendance. He indicated that Penny Alexander was absent for personal reasons.

2012 Election process

Nominating Committee – Kevin discussed the process for nominating candidates for the three open Board positions for 2012. The Committee started with 60 names and, through conversations with each of those individuals, narrowed the list down to six, which represented two for each open slot. Subsequently, one of the nominated individuals removed his name due to personal commitments. In addition, two others ran by petition.

The individuals serving on the Committee were George Brady, Patti Richardson and Carolyn Strother. Dave Heinzen and John Mann represented the SWRA Board in this process.

Election Committee – Kevin listed the volunteers serving on the Election Committee. They were George Brady, Patti Richardson, Bob Bradshaw, Debbie Nigh and Thelma Pitts. The Committee validated and counted all ballots. There were nine ballots that were not counted either improper voting or not being current with association dues, which is a requirement of the by-laws.

Kevin then turned the meeting back over the Eb Spink, President, to announce the results of the voting.

Election results

Eb discussed the three positions that were voted on. Three members' terms had expired, but Cal Johnson had chosen not to seek reelection. Eb recognized Cal's contribution to the Board during his multiple terms of service.

Eb announced that the winners were Mike Dollar and Mack Yeargan, who were currently on the Board, and Jerry Grace.

The meeting was then adjourned at 11:00 a.m. for a Q&A session. Everyone who wanted to ask a question or make a comment was requested to come to the microphone provided and state his/her name and under which covenants their property was covered.

Ree Yeargan ('87) – Do the unpaid accounts go to credit agencies?

Response: No, at this time they do not. At some point, the Association might consider that option.

John Durr ('87) – Why are the gates darker than previously?

Response: At the main gate, it is darker due to the Golf Course turning off its lights. In addition, some lights need replacement. There are two issues at Gate 34: cost and aesthetics. We have looked at various alternatives but are still looking for a solution.

Mr. Durr then mentioned that it would be nice to have bright stripes on Dogwood Trail to help navigate. Kevin indicated that, in addition to the road markers, several roads are planned to be striped.

Debbie Nigh ('87) – Can we install exit sensors at Gate 34 to improve safety? Devices would be limited to residents. Commercial vehicles would have to use the main entrance.

Response: Ted Caudill indicated that sensors would have to be coordinated with StillWaters Volunteer Fire and Rescue since emergency vehicles required easy access and exit. Kevin pointed out that all such vehicles have transmitters provided by SWRA. He also indicated that he would evaluate the suggestion.

Butch Meyers ('87) – Does SWRA have any control over the large tracts of undeveloped property in the community?
Response: No. Those are owned by Riverwoods LLC developer of the Traditions, which also owns the golf course. They are covered by those covenants.

Kathy Adamson ('87) – Do we have a safe place inside StillWaters?

Response: No. We only have the siren for warning of storms and tornado activity.

Kathy Adamson ('87) – Do we have fines for littering?

Response: No. We have a serious problem with littering in the community and many of you pick up litter as a service. Kevin and Alan also pick up litter daily. We will look at the need for a committee to better address the issue.

With no further questions, the meeting was adjourned at 11:30 a.m.

Mike Dollar, Acting Secretary

Robert Eb Spink, President

Date approved: March 20, 2012

Minutes
SWRA Board of Directors Meeting
March 6, 2012

Call to order –President Eb Spink called the meeting to order at 9:05 a.m. Board members Penny Alexander, Mike Dollar, Dave Heinzen, John Mann and Mack Yeargan were present. Cal Johnson was excused. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of February 21, 2012.

GM Report 03/06/2012
Board Informational Updates

1. After careful review of our collection process concerning delinquent property accounts, Kevin suggested that we change our current collection procedure. Currently SWRA forwards all current year delinquent property accounts to Holloway Collection Agency in Montgomery after the end of March of the current invoiced period. Holloway attempts to collect these accounts for one year, after one year we remove any uncollected accounts from Holloway and assign the accounts to local attorneys for further collection efforts, Don Harrison's office receives the majority of these accounts. This cycle is repeated each year. Kevin stated that in was his experience, that if a delinquent account is not collected within the first 60-90 days your ability to collect that account diminishes quickly. The law firm of Akridge & Balch (A&B) located in Auburn has an in-house collection department that can perform the same service as Holloway at the same cost. A&B also offers a tiered percentage, which would lower cost on routine collections but increase cost on difficult collections. A&B currently handles collections for several HOA's located in Auburn and some medical practices. The collection process with A&B would be that after they have worked the account for 60-90 days it is then transferred to one of their attorneys for further collection action. This should shorten the length of time it takes to complete collection work on an account. The account will not be sitting untouched for several months before we assign it to an attorney. Discussion followed. This would also save a good deal of time and effort for Susan Thames as she would only have to collect and send the information to one agency that would then forward it to its legal department. **A motion to approve Kevin's recommendation to change the collection process over the A&B Collections passed unanimously.**

2. Kevin would like to re-name the truck reserve account to vehicle/major equipment account. He suggested the amount of funds earmarked for the account be changed but would like to have the Board to have the versatility to use the account to provide funding for any major equipment purchase SWRA may need, such as a tractor or trailer to help with maintenance or a small utility vehicle. **The Board agreed.**

3. Hagan Wagoner with ProgreCiv Group, Inc. has completed his preliminary site inspection. Hagan and Kevin inspected the sites suggested by the Roads Committee for the

2012 drainage and paving project. They performed this inspection on Friday, February 24th during the two inches of rainfall. This gave them a very good prospective of the areas that need drainage work. After the rain stopped, they inspected the suggested areas to be paved. Hagan will finalize his suggestions and cost estimates within the next couple of weeks. Hagan suggested we perform drainage work toward the end of April and paving work as soon as the drainage work is completed. He is concerned about the rising cost of oil and expects paving cost to increase through the summer months.

4. Hagan Wagoner and Kevin discussed the condition of our roads and what could be done to extend their useful life. Two major concerns he noticed during his visit was the amount of debris and standing water on the edge of the roadway. The debris holds moisture that damages the edge and low areas of the asphalt. A tractor with a sweeper broom or a commercial debris vacuum could remove the debris and extend the life of the asphalt. The Board suggested rental of a vehicle if needed.

5. General Info-
   - Our maintenance man has been working on cleaning out culverts and drainage ditches.
   - The personal items located on SWRA common areas have been removed at Eagle Peak and Redbud Villas with the exception of a stone table that is extremely heavy.
   - There were no personal items located on SWRA common areas at Moonbrook Villas.
   - Kevin is working on common areas of Poplar Point with one of the full-time residents of Poplar Point.
   - We are still waiting for drier weather to complete the playground equipment at Moonbrook Park.
   - Preparations for the annual meeting are almost complete, final details will be completed before the meeting Saturday.
   - Kevin has scheduled a gate employee-training meeting after the annual meeting on March 10th. The Board members reiterated the need for the gate attendants to welcome people, look up and acknowledge people as they enter and exit the gates.

Deposits and Closing since last Board Meeting

Deposits:	$ 16,286.61	since our last meeting
RE Closings:	3	(all were foreclosures)

TREASURER'S REPORT

Financial Statements

Mike distributed a copy of the February 29, 2012 financial statements, which he reviewed.

A few comments:

- Our unrestricted cash position is slightly higher ($16,000) than projected in the budget for 2/29/12. We will need to continue to monitor closely to ensure we can maintain a favorable position.
- Our transfer fees continue to lag behind budget. We had nine closings through February, although he budgeted seven per month. Last year's average monthly closing rate was just over six, but was well behind the pace in 2010. Maybe the pace will pick up in the spring.
- From the expense side, insurance premiums are over plan due to the timing of our property and casualty premiums paid to Colonial. These were normally paid in the last month of each quarter to Dark. Ultimately, as we discussed earlier, our premiums will be lower on an annual basis.
- Office Expense is over budget since we had to purchase a new office telephone system when the old system died.
- Under Landscape & Grounds, we spent $5,500 for pine straw in February. This was not anticipated in the budget until spring.
- As we discussed for January, our pool repair work (tiles and sealant) was delayed until warmer weather. It was in the budget for January.
- The large expenditures under operating expense for Moonbrook Park are for the new playground equipment. This money will be coming out of the Moonbrook Park reserves, as budgeted. That accounts for the entire variance.
- The expense for beaver removal has been charged to the Common Area. We normally have nominal expenses for this area.
- Our utilities seem to be on track for the first two months. Warm and dry weather will be the test for our expenditures for water/irrigation. Kevin has turned off the automatic fill on the fountain and is monitoring it manually.

Warren, Sasser & Associates, LLC distributed a draft of the McDaniel & Associates financial statements last week. Mike has reviewed and sent them comments and suggested changes. Hopefully, we will receive the final statements within the next few weeks.

OLD AGENDA ITEMS

Long Range Planning Committee –Penny forwarded the guidelines (see April 12, 2011) written by the Board and sent to Herb Starzer for the committee last year. The Board discussed the urgency for progress to be made with this project and in getting the entire committee to meet in order to begin plans to move forward.

Oakwood Lake Beaver Traps - These were checked last week and someone has purposively triggered all the traps. They have been reset and will be checked.

NEW AGENDA ITEMS

Annual Meeting Plans - March 10th at 10:00 a.m. is the Annual Meeting at SWRA Centre. Kevin reviewed the list of past due accounts as of 12/21/2011 that will be posted at the annual meeting. These accounts are for 2011 and prior fees and are not on a payment plan. These fees represent $187,640 of SWRA's accounts receivable.

Election Committee – George Brady, Bob Bradshaw, Thelma Pitts, Debbie Nigh and Patti Richardson have been appointed to serve on the Election Committee for 2012. They meet today to count the vote on three Board positions.

Speed Limit Signs –These have to meet county specifications for limits. Kevin has met with County Engineer, David Moore and spoken to Sheriff Abbot about the issue. There is an issue with people speeding in StillWaters especially on StillWaters Drive. It was suggested that we rent a temporary sign that shows speed of vehicles to see if this would be successful at slowing things down.

The Board approved a motion to adjourn to Executive Session at 10:10 a.m. to discuss legal issues.

Penny Alexander

Penny Alexander, Secretary

Robert Eb Spink, President

Date approved: March 20, 2012

Minutes
SWRA Board of Directors Meeting
February 21, 2012

Call to order –President Eb Spink called the meeting to order at 9:05 a.m. Board members Penny Alexander, Dave Heinzen, Cal Johnson, John Mann and Mack Yeargan were present. Mike Dollar was excused. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of February 7, 2012.

GM Report
Board Informational Updates

1. Tru-tech recently removed two beavers from Oakwood Lake. The beavers are just now starting to move around. Tru-tech will continue trapping for two more weeks then stop for a couple of months and come back. They were originally going to trap for only two weeks but because they did not catch anything for the first two weeks due to people investigating the area and scaring away the beavers, they agreed to trap longer than originally planned at no extra cost.

2. Kevin reported at the last Board meeting that he had decided to wait about removing the old playground equipment and installing the new equipment at Moonbrook Park until the ground had a chance to dry. The person removing the old equipment decided it was dry enough and removed the equipment without his knowledge. There was a misunderstanding about waiting until the park was dry from the recent rains. It looked "dry enough" to him. Kevin will wait for the area to dry out in order to keep from damaging the grass/landscape.

3. The Roads Committee met last week to discuss suggestions about paving and drainage projects. Kevin has contacted ProgreCiv Group and he and Dave Heinzen will meet with Hagan Wagoner to inspect these areas to determine which areas can be repaired within our budget.

4. The election ballots were mailed to all the 1987 covenant property owners. There is a ballot box located in the office and the ballot box is secured each night.

5. General Information
   - One of the pump seals at the pool failed and a new one has been ordered. The pool pump is working at this time and will be replaced in a few days.
   - The annual pine straw has been installed. By doing it early we received a discount.
   - Kevin has scheduled a gate employee-training meeting after the annual meeting on March 10th. The Board members reiterated the need for the gate attendants to welcome people, look up and acknowledge people as they enter and exit the gates. The attendants should be paying attention to see who and what is coming and going. They do not need to have their heads buried in a book or eyes glued to the TV. If

they do not improve, there is no need for actual attendants at the gate. Kevin understands the importance of this and will work to improve the situation.

Deposits and Closing since last Board Meeting

Deposits: $53,000 since our last meeting
RE Closings: 2

OLD AGENDA ITEMS

Long Range Planning Committee – Cal and Penny will meet after today's meeting to locate the guidelines written by the Board and sent to Herb Starzer for the committee last year. Cal and Herb are not quite ready to call the full committee together.

NEW AGENDA ITEMS

Annual Meeting Plans - March 10th at 10:00 a.m. is the Annual Meeting at SWRA Centre. The Power Point presentation was reviewed and discussed. A few changes were suggested.

Board Elections

- March 2, 2012– Ballots due to SWRA office by 5:00 p.m. or postmarked as such.
- March 5, 2012 – Election Committee will meet to count the ballots. George Brady, Bob Bradshaw, Thelma Pitts, Debbie Nigh and Patti Richardson have been appointed to serve on the Election Committee for 2012.

Candidates Forum – Meetings were held at SWRA Centre Tuesday, February 7 at 7 p.m. and on Saturday, February 11th at 10:00 a.m. with an informal setting. They were not well attended but the Board felt it is important to offer the opportunity.

The Board approved a motion to adjourn to Executive Session at 10:20 a.m. to discuss legal issues.

Penny Alexander

Penny Alexander, Secretary

Robert Eb Spink, President

Date approved: March 6, 2012

Minutes
SWRA Board of Directors Meeting
February 7, 2012

Call to order –Vice President Dave Heinzen called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Cal Johnson, John Mann and Mack Yeargan were present. Eb Spink was excused. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of January 24, 2012.

GM Report
Board Informational Updates

1. Kevin contacted the State of Alabama Insurance Commissioner's Office concerning Colonial Insurance and Harleysville Insurance. The only information he received was that there were no past sanctions or license suspension. He spoke to ALFA about a commercial property. They write through one of their in-house companies and received an estimate of $15,000-16,000-this was not a quote. Kevin did not follow through with the quote because we already had two quotes that were a lot less. John Nigh has worked with Harleysville in the past and gave them a good reference. (Kevin received this info via an email from Debbie Nigh.) The agents from Colonial Insurance will be guests at the Board meeting to answer any questions and will provide a list of references and info about their company.

GUESTS:
Agents Steve Mullis and David Peel of Colonial Insurance in Montgomery, AL attended the meeting to make a presentation on Harleysville Insurance. Colonial has had access to Harleysville for 3.5 years. It is Colonial's 5th largest carrier at this time; customer service is outstanding and Harleysville has been in business since 1915. According to A.M. Best Company, the industry's leading analyst, Harleysville is ranked as one of the top 60 property/casualty insurance companies. Moody's rates their financial strength as "A3" (Stable), A.M. Best rates is as "A" (Excellent) ad Standard & Poor's rate it "A-" (Positive). Harleysville has assets of $4.0 billion with a premium to surplus ratio of 0.9 to 1 and operates in 32 eastern and midwestern states.

Steve has received SWRA's claim history from Cincinnati Insurance and toured our facilities and properties. They will also write special events policy for $100 naming SWRA as additional insured.

Colonial Insurance is an independent insurance company founded in 1956. It is locally owned by Mark Pierce and they book $25 million, which makes them a medium size insurance company. They have access to a good variety of products. They sent SWRA's needs out to the marketplace for multiple quotes and Harleysville came back as the best coverage at the best price. Both Harleysville and Colonial Insurance have experience with homeowners and condo associations. Steve and David reported that their adjuster and claims

experience has been excellent with Harleysville. They recommended that we stay with our current D&O Insurance because they were not able to beat the coverage and price that we have now through Dark Insurance Co.

The guests left the meeting at 9:30 a.m.

GM Report continued
Board Informational Updates

2. Beaver trapping has started. The animal trapping company, Tru-Tech, has not trapped a single beaver. The problem is that since notifying the property owners about the trapping, there have been several curiosity seekers walking around Oakwood Lake and Tru-Tech seems to think this has caused the beavers to go into hiding. None of the bait has been eaten and the beavers have not repaired the damage to the dam created by Tru-tech. Tru-tech said the beavers should come back in a few days and hopes to trap them when they return.

3. Floyds Tree Service has completed the tree removal and stump grinding that was budgeted for 2012. Most of the trees were removed from the Eagle Peak and Poplar Point area. This was the second phase of the three-year plan to remove trees that are in danger of falling on common area property and roadways. Limbs overhanging the SWRA parking lot were trimmed. As a reminder, last year Kevin contacted Floyds Tree Service, Trees-R-Us and Ponders Tree Service to obtain bids on removing dangerous trees. Floyds gave us a price based on the number of days he would have to work to remove the trees. The other two gave a price per tree that was more than double Floyds. Because the cost was larger than our budget would allow, Floyds agreed to mark all the trees to be removed and remove those trees over the next three years at the same price he quoted in 2011. The total estimate is $15,000 to remove the trees and stump grinding to be done as needed.

4. Per John Mann's request Kevin contacted Mr. Carlisle concerning a third bid to paint the handrails at the SWRA building. Mr. Carlisle stated that he did not have the correct equipment to paint the walkway rails at the SWRA building and did not give him a bid. Kevin recommended we contract with Ray Miller since he had the lowest bid and have him refinish the walkway rails the same time he paints the pool fence. Ray Miller estimated $1,200 to sand rusted areas, re-prime and re-paint, unless all the primer has to be removed. **The Board agreed to move forward having Ray Miller handle this repair.**

5. **General Info**
   - Heavy rains during the last week of January caused a section of the road shoulder on Moonbrook to wash away. Fill dirt has been delivered to the site and will be spread as weather permits. SWRA personnel will plant grass and cover after dirt is spread. The cost should be less than $500 to repair.
   - On advice from Jessica at Vision Landscape, Kevin has delayed the installation of the new playground equipment at the park. The ground is saturated at this time and needs to dry or costly damage could be done to the turf at the park.
   - Kevin has received three bids for pine straw this year. Carlos McDaniel was the lowest at $5 per bale installed, if it is installed in February. Last year Carlos McDaniel charged $5.25 per bale. The two other bids were Landscape Cover Solutions at $5.25 and Immaculawn at $7.50 per bale installed. The pine straw will

be installed in February to take advantage of the lower price and better quality pine straw.

- Heaters at Moonbrook Park bathrooms have been repaired for less than $500.

Deposits and Closing since last Board Meeting

Deposits: $211,313.41
RE Closings: 3

Treasurer's Report – Mike Dollar

Financial Statements - A copy of the January 31, 2012 financial statements were distributed and reviewed. A couple of highlights:

- We are well ahead of where Mike forecast us to be in terms of collections. He had estimated approximately 60% collection of current billings by the end of January. Instead, Susan Thames has estimated that we are at more than 70%. That means that our collections are also far ahead of last year's rate, which is what was the basis for his budget projections. It doesn't mean, however, that we will eventually collect more of current billings than we did last year.
- In the first month's income statement, most lines were near budget. A couple of exceptions due to timing: our D&O and Employment Practices insurance premiums (in Administration) have not yet been billed and paid (in contrast to previous years) and the pool tile sealant and repairs projected for January have been postponed for warmer weather.
- The large expenditures under operating expense for Moonbrook Park are for the new playground equipment. This money is coming out of the Moonbrook Park reserves, as budgeted.

The Profit and Loss Budget vs. Actual Consolidated and the Unadjusted Balance Sheet as of January 31st were distributed and reviewed. Voluntary assessments are at $24,000 so far as compared to only $16,000 last year; a 50% increase. Mike stated that Susan does a good job of managing our accounts and quickly moving deposited monies into the Alabama Power Credit Union account where we are earning 1.51% interest. SWRA earned $400 interest in January. At this point, marketing income is on target to meet or exceed last year's income. Gate fees are currently at $54,265.00. This is more than $5,000 increase in gate fee income in 2011. Utility expenses are on target with budget.

OLD AGENDA ITEMS

Long Range Planning Committee – Cal reported that they need assistance from Penny on some data. They are not quite ready to call the full committee together.

NEW AGENDA ITEMS

SWRA Insurance Policy - A motion to change all insurance to Colonial Insurance except the D&O coverage and the Employment Practices insurance, which are currently with Dark Agency, and the Worker's Compensation with Sheffield Insurance passed unanimously. The quote from Colonial Insurance for property and casualty insurance (Harleysville) is $8,943 annually as compared to the Dark Insurance Agency (Cincinnati) quote of $12,648 for a savings of $3,705 for the same coverage.

Roads Committee Meeting - Chairman Patti Richardson has set a meeting for Thursday afternoon to start the reviews of needs. If any board members are interested in attending you are invited. Kevin has a printout of each subdivision and how many properties are in each and what covenants the properties are under. A list of utility damages and drainage issues has been maintained for the committee's review. Consultant Hagan Wagoner of ProgreCiv Group will not be needed yet at this point in the process.

Election Committee - George Brady, Bob Bradshaw, Thelma Pitts, Debbie Nigh and Patti Richardson have been appointed to serve on the Election Committee for 2012.
Letter to all 1987 property owners was reviewed for changes before the mailing.

Dates for Nominating/Election Process

- January 24, 2012– Nominating Committee Report due to the Board.
- February Newsletter and eflash announcement of Nominees
- February 7, 2012 – Nominations by Petition due into SWRA office.
- February 8-10, 2012 – Mail ballots and candidates' resumes to 1987 Members.
- March 2, 2012– Ballots due to SWRA office by 5:00 p.m. or postmarked as such.
- March 10th – 10:00 a.m. Annual Meeting at SWRA Centre.

Candidates Forum - Meeting will be held at SWRA Centre tonight at 7 p.m. with an informal setting. Candidates have been notified and all have responded; all but one can attend. They will be asked to introduce themselves and explain why they would like to serve on the Board. Questions will then be taken for candidates from the floor. A second forum will be held this coming Saturday, February 11th at 10 a.m. at the SWRA Centre.

The Board approved a motion to adjourn to Executive Session at 10:20 a.m. to discuss legal issues.

Penny Alexander, Secretary

Dave Heinzen, Vice President

Date approved: Feb. 21, 2012

Minutes
SWRA Board of Directors Meeting
January 24, 2012

Call to order –President Eb Spink called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Dave Heinzen, Cal Johnson, John Mann and Mack Yeargan were present. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of January 10, 2012.

GM Report
Board Informational Updates

1. The contract with Warren, Sasser & Associates, LLC for SWRA accounting work is up for renewal. The monthly fee paid to WS&A will remain the same as previous years, $850 per month. SWRA had had a three-year contract but the peer review group for WS&A now requires that they issue only one-year contracts. **A motion to approve the annual contract as presented carried unanimously.**

2. In an effort to reduce our insurance cost, Kevin obtained a competitive quote from Colonial Insurance for our property, liability and umbrella insurance policy. Kevin requested our current insurance agent, Dark Insurance Agency, to look into ways of lowering our premium without reducing our benefits and they were unable to reduce the premium. Our current annual premium is $12,648. Colonial Insurance has offered SWRA the same coverage for $8,943. We would be changing from Cincinnati Insurance to Harleysville Insurance, both are A+ rated insurance companies. Dark was a local insurance company but has closed its office in Dadeville. Colonial is located in Montgomery. Kevin is also obtaining competitive quotes on our D&O insurance but Dark/Cincinnati offered the lowest premium, actually $30 under last year's premium. Discussion followed. Cincinnati has been great on their handling of claims and SWRA has had quite a number of claims over the last couple of years. There are some concerns on our insurability and continuance of coverage. **Kevin will do some additional research on Harleysville Insurance Co. and claim payment statistics as well as obtain additional quotes on our coverage to bring back to the Board.**

3. The purchasers for parcel 31, Laurel Ridge S/D have signed a contract and paid $500 earnest money. They will pay the $300 transfer fee and want to close April 15th at a sales price of $3,557.50. Costs are $75 to prepare the deed and $167.50 Realtor fees. It was negotiated with the purchasers based on what the Board approved at the 01/10/2012 meeting but we cannot agree on the proration of the annual fees. **A motion to accept the contract with the closing statement clearly showing that the Seller is paying the 2012 Association Maintenance Fees and the 2011 Assessment with the closing in April carried unanimously.**

4. Kevin obtained estimates ranging from $1,200-$1,500 to repaint the handrails at the SWRA Centre. The handrails need to be sanded, primed and painted. It has been determined that they were improperly painted before installation in 2010; therefore they already have rust on them. John recommended Carlisle Paint and Collision Center for an additional estimate on the job. **Kevin will follow up.**

5. There is a large beaver dam where a creek empties into Oakwood Lake. The dam is causing the creek to back up flooding the surrounding area. In heavy rains this is causing some drainage issues. The beaver are also destroying the trees on residents' property around Oakwood Lake. Kevin has talked with the game warden and he suggested killing the beaver soon because once a colony gets established it will spread quickly. Now is the time to take care of this as it is just before breeding season. There are already two dens and based on the size of the dens he estimated we have 10 to 15 beavers living in Oakwood Lake. Kevin has obtained estimates to kill the beaver and break the dam. $1870 and $1878 were the bids. **A motion to hire Trutech Pest, Wildlife and Animal Removal Inc to break up the dam and resolve this problem carried. Cal Johnson abstained due to a conflict of interest.** A safety warning will be sent out via eflash, in the next newsletter and signs to stay away will be posted. Kevin has checked and our general liability insurance covers this, no additional insurance is required.

6. A letter was sent to all Eagle Peak and Red Bud villa owners requesting them to remove all personal items from common area property. Kevin will be sending a letter to Poplar Point and Moonbrook villas this week. During a recent inspection, it was discovered that there are several personal items on SWRA common property at Eagle Peak and Poplar Point that need to be removed. The Board reviewed a copy of the letter.

7. General Info-
   - ❖ There has been a slight delay in completing the playground equipment installation; we are waiting on the old equipment to be removed. This will be done when the weather improves.
   - ❖ LAKE magazine will be running an article about StillWaters Residential Association and the renovations we have made to the SWRA Centre and other amenities. It will be in either the February or March issue. It should be prove to be positive publicity.
   - ❖ Recent repairs to the lights at Gate 34 and at SWRA Centre that illuminate the American Flag were made. The original estimate was $700 but the electrician was able to install existing light fixtures, which will reduce the final bill.
   - ❖ Electrical strikes have blown out water lines in 5 locations.

Deposits and Closing since last Board Meeting

Deposits: $166,395.34
RE Closings: none since last meeting

Treasurer's Report – Mike Dollar
2012 Budget and Financial Statements

- Susan has loaded the budget into QuickBooks for comparative reporting throughout the year. The first comparison will be against January's results, which Mike will discuss at the next Board meeting.
- Susan noted a couple of questionable items as she loaded the file. As a result, Mike made two minor changes to what was presented at the previous meeting. Trash can program fees were listed as quarterly, however it should have been annual.
- As of Monday, we have collected approximately 55% of the amount billed. Mike has budgeted collections of 60% (of total billings) for the entire month. With one full week left in January, hopefully we will exceed the rate budgeted. We have also collected 20% more than we had at the same point in 2011.

OLD AGENDA ITEMS
Long Range Planning Committee – No report.

NEW AGENDA ITEMS
Nominating Committee – The Committee recommendation for nominations was presented. Those nominated are:

Mike Dollar	John Durr
Jerry Grace	Don Herring
Silvia Thatcher	Mack Yeargan

A motion to accept the Nominating Committee Report as presented carried.

Dates for Nominating/Election Process

- January 24, 2012– Nominating Committee Report due to the Board.
- February Newsletter and eflash announcement of Nominees
- February 7, 2012 – Nominations by Petition due into SWRA office.
- February 9-10, 2012 – Mail ballots and candidates' resumes to 1987 Members.
- March 2, 2012– Ballots due to SWRA office by 5:00 p.m. or postmarked as such.
- March 10th – 10:00 a.m. Annual Meeting at SWRA Centre.

The Board approved a motion to adjourn to Executive Session at 10:15 a.m. to discuss legal issues.

Penny Alexander, Secretary

Robert Eb Spink, President

Date approved: Feb 7, 2012

Minutes
SWRA Board of Directors Meeting
January 10, 2012

Call to order –President Eb Spink called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Dave Heinzen, Cal Johnson, John Mann and Mack Yeargan were present. Kevin Eason was present to report.

Approval of Prior Minutes:
Board reviewed and approved minutes of December 20, 2011.

GM Report
Board Informational Updates

1. Michael Lee owns lot 3 in the Waters Edge subdivision. This lot is not under our covenants. He has plans to build a house on lot 3 and is considering becoming part of SWRA. During our conversation he stated that when he originally purchased the lot, before it was part of StillWaters, the agreement was that when a house was constructed the owner was required to join the HOA. He is considering subjecting his lot and joining SWRA before submitting his plans to the ARC for approval. He is also a Board Member of Arrowhead Estates in Montgomery.

2. Kevin reported that he had discussed the two major concerns about SWRA accepting credit cards as a form of payment with our rep, Ryan Key, at Regions Bank. Ryan explained that the new PCI act requires anyone taking a credit card to be PCI Compliant. The purpose of the act is to protect the consumer from someone fraudulently using credit card information obtained from the cardholder during a purchase. Ryan explained that for SWRA to become PCI compliant, once a year anyone who receives any information from a consumer using a credit card must take an online survey and answer a few questions. He stated that Regions provides its merchants with the necessary info and the web site to complete this process. PCI compliant basically states that anyone accepting credit cards must destroy any info about a card or its owner after that info is used for payment. Ryan also stated that a company that does not accept credit cards as a regular form of payment could charge a convenience fee; however, he stated that Regions did not allow him to send me an email approving of the convenience fee. The following web site is helpful to understand the difference between a surcharge and a convenience fee.
http://www.merchantcouncil.org/merchant-account/operation/convenience-fee.php
As of 01/05/12 we have had nine property owners requesting to pay their annual fee with a credit card. One of the owners was Stock Loan Services, which owns five parcels. A Board member would be required to sign a personal guarantee on the credit card account each year. Discussion followed on the need for such a program, the costs involved versus the benefit to the Association and the risk or liability. **A motion that SWRA not set up a credit card program due to the risks carried unanimously.**

3. All Christmas decorations have been removed and stored. The lighted trees and presents were not as durable as we had hoped. They are labeled commercial grade but we may only get one more year of use. The lights, garland and wreaths are in very good shape and we should get several years of service from them. There was some discussion of painting the faded items. The Christmas Committee will meet in late January to discuss and evaluate the 2011 decorations in order to make plans for 2012.

4. General Info

- SWRA personnel successfully installed 38 centerline reflectors on Dogwood Trail. This will be a big savings for road maintenance if they stay in place as well as those installed by a paving company.

- Kevin will have the carpet in the community room cleaned in the next couple of weeks and other needed maintenance items completed at the SWRA building.

- The playground equipment has arrived. There are a couple of volunteers that have agreed to help install the playground equipment. Installation will begin as soon as the old equipment is removed.

- Power surges have caused several gate parts to be damaged.

- Community Room – Kevin requested that SWRA allow the Chamber of Commerce to use the room downstairs on a Tuesday for Microsoft Training, which will be open to the public. **A motion to approve this request carried.**

Deposits and Closing since last Board Meeting

Deposits: 263,863.52
RE Closings: None since the last meeting

Treasurer's Report – Mike Dollar

2012 Budget

- Mike reported that he had made several minor changes to the budget since the Board reviewed it on December 20, the most significant of which were for additional fire dues for the several deeded and common properties and for pool tile repair and sealant. This increased expense by $760 and $2,700, respectively.
- Both Debbie Nigh and Gary Crumpton from the Finance Committee have reviewed the budget with no changes. Gary is also reviewing the preliminary 2011 P&L (actual vs. budget) and could still possibly have some suggestions.
- Mike recommended the Board go ahead and approve the budget as presented. **A motion to approved the proposed budget as presented carried unanimously.**

Mike distributed copies of the P&L and Statement of Cash Flows, which the Board reviewed and discussed.

2011 Financial Statements

- At this point, the financial statements are very preliminary and have not been reviewed by Warren, Sasser & Associates, LLC and they have yet to record accruals and depreciation for the Fourth Quarter. We also could potentially increase the reserve for uncollectible accounts as well as record other adjustments.
- Balance Sheet
    - Unrestricted cash was $33,656 at 12/31/2011. The balance includes 2012 fees and assessments pre-paid by residents.
    - Accounts Receivable was $183,329 at year-end. One property owner accounted for approximately 40% of the balance.
- Income Statement
    - We have previously discussed most of the significant variances throughout the year. These included lower property transfer fees, lower administrative payroll (no admin. assistant as budgeted) and lower utility costs. Water was noticeably less than budgeted due to effective management of water usage especially at the fountain, for landscaping and at the pool.
    - Actual expenses for Roads were $108,000 over budget. As we discussed previously, most of this was due to Warren, Sasser & Associates, LLC recording the amount that we spent from the 2009 reserve ($78,000) against income as opposed to recording it directly against the reserve. This had the impact of artificially distorting the comparison against budget. Thus the Roads account was actually $30,000 over budget due the poor road base on Moonbrook Drive and work on a couple of sinkholes that appeared during 2011.

OLD AGENDA ITEMS

Long Range Planning Committee – Cal reported that Herb Starzer is working on the draft of a cut and paste from 1987 covenants. Cal has not spoken to him since the last meeting.

NEW AGENDA ITEMS

Nominating Committee – The Committee recommendation for nominations was reviewed. **A motion to move into Executive Session for discussion of the nominees carried.** The Board moved back into Regular Session and **a motion requesting that the Committee look for a sixth candidate since there are three positions up for election and there is**

still plenty of time before the deadlines carried. Dave Heinzen and John Mann will meet with the rest of the Nominating Committee to accomplish this task and report back to the Board at its next meeting.

Dates for Nominating/Election Process

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- February 9-10, 2012 – Mail ballots and candidates' resumes to 1987 Members.
- March 2, 2012– Ballots due to SWRA office by 5:00 p.m. or postmarked as such.
- March 10th – 10:00 a.m. Annual Meeting at SWRA Centre.

D&O Insurance - Directors and Officers liability insurance is up for renewal. The coverage is the same as the previous contract. **A motion to accept the new D&O Insurance contract was approved.**

The Board approved a motion to adjourn to Executive Session at 10:40 a.m. to discuss legal issues.

Penny Alexander, Secretary

Robert Eb Spink, President

Date approved: Jan. 24, 2012