

Minutes
SWRA Board of Directors Meeting
January 6, 2015

Call to order – President Dave Heinzen called the meeting to order at 9:20 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, Andy Milwid and Patti Richardson were present. Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of December 16, 2014 meeting as distributed.

GM Report

Alabama Power Property Line Easement - They are trimming the mature trees along the edge of the easement. Kevin has talked to several different people at APCO locally and in Birmingham requesting they not overcut these trees but he has not been able to change their procedure. He also requested they leave the growth hiding the fences along the edge of the easement or remove the fences but was not able to obtain a commitment on either request.

Annual Dues Invoices - All invoices were mailed before December 31st. Payments are arriving.

Condo Management - SWRA started management of Villas on The Harbor and Harbor Pointe Condos this past Friday, January 2nd.

Christmas Decorations - These have been taken down and stored with the exception of some of the light pole bows, which may need replacing.

Deed For Debt - Donald Ayers who owns a lot off of Turtle Lane is deeding his lot to SWRA in lieu of payment of his dues. The SWRA attorney is preparing the paperwork and Mr. Ayers is paying for the deed preparation.

Pineview Pool Repair - The fill valve stuck open allowing water to continuously fill the pool and then flow out the over flow drains. It has been repaired but a higher than normal water bill for the pool is expected.

Poplar Point Units - The owners of twelve units or three buildings at Poplar Point have jointly hired a painting company to clean and re-stain their twelve units. The ARC approved the work and it is starting this week.

Vandalism - Someone removed a twenty-mile an hour speed limit sign from the roadway and put it in the park bathrooms. They pulled the post out of the ground. Someone also kicked a dent into the men and women's bathroom doors. The doors still operate but do not look as good. Someone removed a top rail from the split rail fence at the park. All damage

has been repaired. This was done the night of December 30th. Unfortunately, this costs all homeowners money for repairs.

Deposits and closings since last meeting

Deposits	\$9,057.79
Closings	5

TREASURER'S REPORT

Financial Statements

Mike reported that he had reviewed the financial statements for 2014 but we still have several adjustments that need to be made, including depreciation and reclassifying the ad valorem taxes to the various cost centers.

Transactions for the month of December were in line with the budget and the actual unrestricted cash balance at year-end, before reserve adjustments, is \$103,058.35.

Reserve Recommendations for 12/31/2014

He attached an analysis of reserve recommendations including before and after balances. Note that if the recommended reserve additions are approved, our unrestricted cash balance at year-end is \$53,058.35.

A motion to approve the above recommendation from Treasurer Mike Dollar to add a total of \$50,000 to the reserve accounts as allocated in the reviewed handout carried unanimously.

2015 Budget

After minor adjustments, Mike sent the budget files that we reviewed at the previous board meeting to the Finance Committee and he has heard from both Gary Crumpton and Debbie Nigh. Neither had any suggested changes.

Highlights

All of the financial statements are prepared on an accrual basis. The statement of cash flows reflects the summary of what to expect on a cash basis, including net income and capital expenditures.

Our revenues exceed \$1 million. Our assumption of management of the numerous condo complexes has increased our revenue. Management fees are estimated to be \$131,460 in 2015 with \$53,400 coming from Harbor Pointe and Villas on the Harbor.

Net income is projected to be \$56,657.84. Condo management is projected to generate income of \$70,714, which means this added source of income enables us to generate more

cash to use in other areas, most notably Roads, or to put aside for future use in our reserves. The Roads budget for 2015 is \$215,000 for paving and drainage.

Our expected consolidated cash flow is \$38,437. This represents the combined total including reserves with our unrestricted cash decreasing \$6,563, after providing reserves of \$45,000. Our cash flow is affected by non-income items; including our projected mortgage principal payments (\$13,049), non-collection of billed fees and capital expenditures (\$4,300). Our non-collection rate is budgeted at 9% for 2015, which is close to what it was in 2014.

- *Total of \$45,000 provided in 2015 including \$20,000 for SWRA Centre, \$3,000 for Gates, \$2,000 for Tennis Courts, \$5,000 for Moonbrook Park, \$10,000 for Pineview Pool, and \$5,000 for Fountain.*

If the Board would rather shift budgeted amounts between Roads and Reserves that can be done, as these are the two balancing factors of the 2015 budget.

Our unrestricted cash balance is projected to be \$46,495 at the end of 2015, which is within our targeted range.

The Board unanimously approved a motion to accept the proposed budget as presented.

OPEN AGENDA

Nominating Committee Report - Chairman Tom Dyne sent a letter to the Board after the committee had held interviews with each of the candidates under consideration for nomination to serve. The Committee recommended the following candidates: Mike Dollar, Jerry Grace, David Hargrove, Tom Nicholson and Bill Vargo.

A motion to accept the Nominating Committee's recommendation was approved. Mike and Jerry abstained from voting.

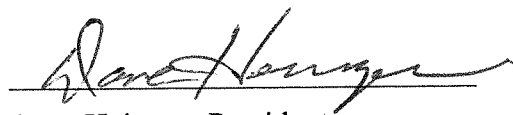
NEW AGENDA

D&O Insurance Renewal - Cincinnati Insurance has agreed to renew our Directors & Officers policy for the coming year.

The Board approved a motion to adjourn at 11:35 a.m. to move into Executive Session in order to discuss current legal issues.



Penny Alexander, Secretary



Dave Heinzen, President

Date approved: *Jan. 20, 2015*

Minutes
SWRA Board of Directors Meeting
January 20, 2015

Call to order – President Dave Heinzen called the meeting to order at 9:30 a.m. Board members Penny Alexander, Andy Milwid and Patti Richardson were present. Mike Dollar and Jerry Grace were excused. Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of January 6, 2015 meeting as distributed.

GM Report

Alabama Power Scheduled Outage - Line repairs were scheduled for January 14th in the Sunset Point and Lakeview Ridge. We sent an eflash with this information to inform property owners. Most of them received a notice in the mail from APCO.

Dog Complaints - Kevin has received regular complaints about a two dogs on Pineview Lane. A person leasing a house on Pineview Lane owns a pit bull and a boxer. Kevin has talked with the owner of the dogs who claims they keep getting out of their pen because he cannot build a chain link fence to keep them in. The owners of the property have the opinion the dogs are the problem of their lessee. The owner of the dogs stated he will “do what he can” to keep the dogs from getting lose and roaming the area. Written complaints have been filed with the association and Kevin will follow the approved SWRA Policy for dealing with Nuisance Animals.

Freezing Weather - SWRA did not experience any major damage from the subfreezing temperatures. We had a minor freezing issue with the entrance fountain that was not discovered until Sunday when the ice thawed. We were able to repair the issue in about ten minutes. You may recall last year we had some major cost associated with the fountain freezing. This year we followed the guidelines suggested by Rob Corum to prepare the fountain for the subfreezing temperatures.

Gate 34 Issues - The exit barrier arm at the 34 gates is operating but is confusing some drivers. The new barrier arm operating board we installed has a built in signal receiver. So what is happening when you pull up to the entrance gate and press your transmitter button to open the gate both the entrance and exit gates open. We have had a couple of cars enter through the exit side when they see it open which has caused a couple of close calls with cars leaving through the exit gate. A replacement board has been ordered. The gate operating board model numbers are almost identical except for a T at the end of the number. We were just sent the wrong board. It is not a problem except when people are trying to hurry through the gates.

Investment For Seniors Seminar - This was originally scheduled for January and was moved to February so more people could register. However only one person contacted the office about attending, therefore it has been cancelled.

Lighting Issues - We had to replace several photocells and light ballast over the past week. There have been several power surges that damaged both. This past weekend power was out in StillWaters due a failed transformer that was replaced. Kevin attributes this to the colder than normal weather causing a strain on the electrical grid.

Moonbrook Park Vandalism - The Park was "rolled" with toilet paper last Wednesday night. The persons that did the rolling did not use the toilet paper out of the park restrooms, they brought their own. It was a better grade of paper.

Right of way Clearing - Millers Landscape has started the clearing. This is a budgeted cost.

Sunset Point Cottages - The second Cottage in the six house Sunset Point Cottages development was approved by the ARC at the last meeting. The builder started work laying the foundation. The boat docks, retaining walls and sidewalks have also been started.

SWRA Annual Dues Payments - As of January 15th, receipt of payment for the SWRA annual dues is ahead of last year. Payments are just under \$70,000 ahead based on payments received as of January 15th last year. We have exceeded the number of items allowed per month for the Regions Bank checking account and are now depositing all funds into APCO Credit Union. This causes a slight delay in deposits since we do not have an on-site capture terminal with APCO Credit Union.

SWRA Election - No property owner has come forward to run for the BOD by petition. An eflash was sent last week reminding owners they could run by petition and the eflash listed the names presented by the Nominating Committee.

Deposits and closings since last meeting

Deposits	\$341,117.92
Closings	6

TREASURER'S REPORT

Mike is out of town therefore there was no report.

OPEN AGENDA

SWRA Owned Power Line Properties - As per previous discussions of reducing costs through the sale of this land, the board discussed details of a "Sales Agreement" for each parcel to be sold. Attorney Russell Balch suggested if you make the property part of an existing lot then no additional fees will be owed; however, should a non-adjacent land owner wish to purchase a portion of the power line land, then that will become a lot that will be

subject to separate association fees. SWRA can restrict all the land to current use or limited as to how it can be used. Russell stated via email that all that is left to start selling the power line land is clarification of how the property would be divided to be sold. The Board agreed that we would have Attorney Balch draft the agreements with each owner to include explanation of the Alabama Power Guidelines under current use for consistency. The sale would illuminate SWRA costs of paying property taxes, liability insurance and maintenance expenses. Kevin will work on the details of usage and restrictions in order to protect surrounding properties. Some items discussed were:

- ❖ No parking of trailers/boats/recreational vehicles's - motorized or un-motorized, etc.
- ❖ Landscaping would be allowed as per the Alabama Power restrictions however no farming or vegetable gardens would be allowed
- ❖ Include details of Al Power spelled out in each document to illuminate any future discrepancies should their policy change.
- ❖ Allow septic field lines and driveways as are already allowed by some easements.
- ❖ No paved parking, however access driveways could be with approval from the ARC.
- ❖ Maintenance requirements held to at least the current standards of mowing 3 to 4 times per year.
- ❖ No buildings, tree houses, storage units or large structures. Benches or other such could be approved by the ARC should a group of owners wish to landscape or allow a walking path.
- ❖ Protect the drainage - changes to be approved by ARC and Roads Committee based on SWRA consultant's approval if necessary.
- ❖ 1987 Covenant standards apply to all of this land.
- ❖ Resurvey lot by lot would be required to add these extensions to the existing lot.
- ❖ Plan of Action - Hold a homeowners meeting of the adjacent properties with a draft of property line extensions. Adjacent owners would have first right of refusal.

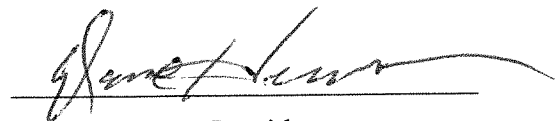
Bylaws Rules & Regulations - A draft from Attorney Russell Balch had been forwarded to all Board members. Russell has advised that there is not a need to change the bylaws; the Board of Directors only needs to adopt the "Rules and Regulations". The Board worked on refining the draft, which will be sent back to Russell for finalization.

Update on Condo Management - The property management part is going smoothly on all associations. We have had a few hiccups with the accounting management part of managing the new condo complexes. The hiccups have mostly been caused by trying to convert the old management company information into our QuickBooks software. They are not compatible which has caused some problems. All issues should be ironed out soon. We have almost completed changeover due to software communication conflicts.

The Board approved a motion to adjourn at 11:24 a.m. to move into Executive Session in order to discuss current legal issues.



Penny Alexander, Secretary



Dave Heinzen, President

Date approved: February 3, 2015

Mr. Hays

332

at SSPZ, Sec Bldg

Minutes
SWRA Board of Directors Meeting
February 3, 2015

Call to order – President Dave Heinzen called the meeting to order at 9:30 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, Andy Milwid and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of January 20, 2015 meeting as distributed.

GM Report

Auction Deeds Lot Sale - Kevin was informed that there might be a serious buyer for the Russell property off Stagecoach, who is considering building a boat storage facility. Kevin contacted the real estate broker, Virginia Pettus, and provided her with a copy of the recorded court settlement agreement concerning this property. He wanted to be sure that the realtor and potential buyer had a clear understanding of what could be done with the property and how it could be accessed. The information provided to them is public record.

Debris Dumping - Someone has dumped a good deal of debris in the cul-de-sac of Doe Skin Court. There is no evidence as to who did the dumping. It is more than we can remove in a pickup truck, we may have to hire a front-end loader or other type of equipment to remove the debris.

Drainage Repair - SWRA personnel were able to dig out and re-grade a drainage ditch and culvert on Knollwood. SWRA personnel installed riprap without having to hire an outside company.

Power Line Property - Kevin spoke with Josh Abercrombie from APCO transmission line division concerning the sale of SWRA property that is subject to the APCO easement. Josh forwarded him a brochure put out by APCO. Kevin forwarded the information to Attorney Russell Balch so he can incorporate it into the sale agreements for power line property.

Sunset Point II Timeshares Meeting - Their annual meeting was held January 24th and Kevin attended both the board meeting and owners' meeting. They stated they were pleased with the service they had received from the management of the SSPII Timeshares by SWRA over the past year.

Right of Way Clearings - Millers Landscape completed the semi-annual clearing of the road right of ways last week, where a lawn mower cannot reach. This work is performed about every other year to keep the edge of the roads from becoming over grown with saplings, brush, etc...

Vandalism - We are still having issues with someone visiting the park at night and causing minor vandalism. This past weekend someone unrolled all the dog poop bags and turned all the signs around. No real damage but took time for us to clean up the bags and correct the signs. The condo associations and golf course have also reported vandalism.

Water Leak - Walnut Hill Water has discovered a leak in a valve in the middle of Beach Island Trace just past 309 Beach Island Trace. Kevin requested they wait as long as they could before digging up the road because the location is on a hill and will be difficult to keep from washing until it is patched. They cannot wait and will dig it up as soon as their schedule permits or it becomes a much larger leak.

Deposits and closings since last meeting.

Deposits	\$207,525
Closings	2

TREASURER'S REPORT - Mike Dollar

Financial Statements

Mike reported that we would be turning the financial data for 2014 over to Warren, Sasser & Associates within the next week for finalization and statement preparation.

Mike has reviewed the financial statements for January 2015. The first month of a new year always has issues to deal with and this year is no exception. There are possibly some issues with 2014 cutoff for items that should be accrued at the end of 2014. Also, the first month generally has a disproportionate number of misclassified items that need to be sorted through some of which involve our assumption of management at Harbor Pointe and Villas on the Harbor.

There are a couple of items of concern that he noticed for the first month. First, our electricity charges seem to be abnormally high, especially at Moonbrook Park where the month's bill was three times higher than budgeted. Of more concern is a notice from our workers' compensation carrier indicating our monthly premium is considerably higher than what was billed in January. Kevin will be investigating this to resolve.

Otherwise, expenses were in line with budget considering that some items, such as Right-Of-Way clearing were incurred earlier than budgeted, and are merely out-of-period and will even out over the coming months.

OPEN AGENDA

SWRA Owned Power Line Properties Sales Agreement - Attorney Balch asked if the Board wants details written into the agreement or to just refer to the covenants since most items are addressed there. The Board agreed that putting the details into a sales agreement would benefit everyone by being very clear about the parameters for use rather than having owners have to research the 1987 covenants. The goal is to be as clear and concise as

possible in order to avoid any future misunderstandings or conflicts. Kevin will follow up with Attorney Balch.

Bulk Sale of Lots - Andy reported his findings concerning the sale of SWRA owned lots in groups or bulk. He stated that Realtors want to put it on MLS, which requires a listing price. The Board agreed to fall back to its original plan of evaluating and rating the existing inventory, releasing them in small, balanced blocks first offering lots to adjacent owners then putting them up for sale in a more energetic manner. This will allow us to identify the real saleable lots.

A realtor contacted Kevin who was showing someone lots we had for sale and wanted a copy of the map of the lots. They are interested in buying a bulk package. The goal for SWRA is to sale the lots in order to return them to income producing parcels due to annual fees and assessments.

Bylaws Rules & Regulations - Kevin forwarded the Board's refined draft to Attorney Balch for finalization. We must have it at the next board meeting in order to have time to adjust and then publish in the March newsletter. It will also be presented at the SWRA Annual Meeting on March 7th.

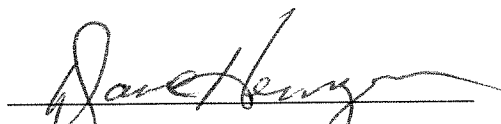
NEW BUSINESS

SWRA Centre - A property owner had approached Kevin requesting a waiver of Facility Use Fees for an ongoing special event. Kevin responded that he was not authorized to do this. The Board agreed that Kevin had responded properly by following the written current usage policy.

The Board approved a motion to adjourn at 10:50 a.m. to move into Executive Session in order to discuss current legal issues.



Penny Alexander, Secretary



Dave Heinzen, President

Date approved: Feb. 17 2015

Minutes
SWRA Board of Directors Meeting
February 17, 2015

Call to order – President Dave Heinzen called the meeting to order at 9:30 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, Andy Milwid and Patti Richardson were present. General Manager Kevin Eason was present to report. Board Candidates David Hargrove and Tom Nicholson attended the meeting as guests.

Approval of Prior Minutes

Board reviewed and approved the minutes of February 3, 2015 meeting as distributed.

GM Report

Beach Island Trace Water Leak - This had to be repaired. Luckily the actual leak was more toward the top of the hill and not half way down the hill where the water was reaching the surface. There is a large five foot by twelve foot cut on Beach Island but it does not have to be patched right now it can wait until the regular paving schedule.

Fountain Update - The o-ring seal on the filter at the fountain failed causing water to enter the underground vault. There was no damage because the pumps pumped out the water and the o-ring was replaced.

Gate Repairs - One of the exit barrier arms at the main gate has split and needs replacing. Vehicles damaged the entrance barrier arm at the back gate. We have two new barrier arms in inventory but they do not match the existing barrier arms, so Kevin suggested putting both at the back gate and take the exit barrier arm from the back gate to replace the barrier arm at the main gate. This way they all match.

Landscape Report - Swift Pine Straw started installing the annual pine straw today. They parked their trailer in the SWRA Centre parking lot but it will be removed by Wednesday when they finish. The crew leader suggested that next time they install straw for SWRA they will also install it for local homeowners for the same price they charge SWRA.

The purple loropetalum that are to be planted around the new deck were received this week. SWRA personnel will plant them. They were ordered from a plant nursery in Shorter to save on the cost.

Neighborhood Council Coffee - Over 60 people attended the Neighborhood Councils Coffee on Saturday February 7th for Medal of Honor recipient Bennie Adkins. Kevin reported that Mr. Adkins was a very interesting speaker.

Power Line Limb Cutting - The contractor cutting limbs that had grown into the power lines damaged the road right of way. According to the contractor they did not do the damage but in Kevin's opinion they did. SWRA personnel were able to make the repairs. RDA was

the company and Kevin has reported the truck number along with dates and times. They have agreed to look into it incident.

SWRA Board Election - The ballots for the SWRA Board election have been mailed.

Tree Removal at Eagle Peak - Kevin looked at several trees with Floyds Tree Service that needs to be removed. He will ask permission from the ARC at the next ARC meeting to remove a few trees that are over six inches in diameter. The roots from these trees are damaging the curbs and asphalt at the entrance gate and at Eagle Peak. This is a budgeted item.

Vandalism - Someone removed dozens of golf balls from the golf course driving range and spread them out along Moonbrook Drive and Stillwaters Drive. We worked with one of the employees of the golf course to get all the balls picked up and returned to the golf course.

Deposits and closings since last meeting

Deposits	\$177,881.34
Closings	3

TREASURER'S REPORT - Mike Dollar

Due to the new condo management, Susan and Mike are working on getting the new employees payroll worked out to get all expenses in the correct accounts. Kevin has worked to enhance SWRA income by the addition of management of the condo associations, which also brings more consistency throughout Stillwaters. SWRA now manages portions of six of the condo Associations. We do cleaning of rental units and outside facilities, manage maintenance of Harbor Point Condos and Villas on the Harbor. Budgeted net income of \$75,000 additional income this year from this management. The bookkeeping part of Harbor Pointe Condos had been added this year and so SWRA has hired a part-time person to handle this.

Our financial Statements are with Warren, Sasser for review and finalization. Once finished they will forward to SWRA.

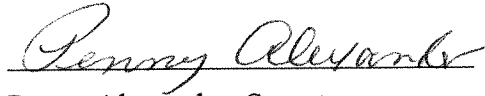
OPEN AGENDA

Rules and Regulations - Discussion of the draft of these brought about a few changes which will be finalized by Penny and Kevin to be reviewed one more time by Balch & Bingham before being sent back to the Board for final approval. These will be published in the newsletter so that property owners may review these before the Annual Meeting once approved. (Copy Attached).

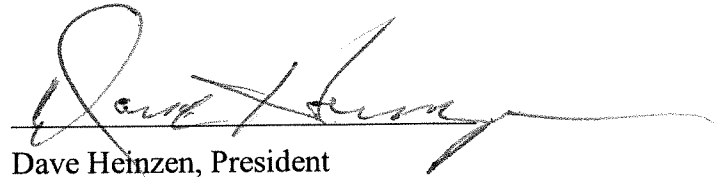
NEW BUSINESS

Annual Association Meeting - After discussion, it was agreed that the format would be the same this year as last. Kevin will publish the agenda as well as the "Guidelines for Speaking at the Meeting" in the March newsletter. Mike will forward the slides of his report to Kevin to be included in the Power Point presentation.

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



Penny Alexander, Secretary



Dave Heinzen, President

Date approved: *March 3, 2015*

Minutes
SWRA Board of Directors Meeting
March 3, 2015

Call to order – President Dave Heinzen called the meeting to order at 9:30 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, Andy Milwid and Patti Richardson were present. General Manager Kevin Eason was present to report.

Board Candidate David Hargrove attended the meeting as a guest.

Approval of Prior Minutes

Board reviewed and approved the minutes of February 17, 2015 meeting as distributed.

GM Report

Common Area Lighting - Kevin informed that Board that he is slowly switching our common area lights to LED lighting as they burn out or break. Some of the sign lights and flag lights have already been changed to LED.

Road Right-of-Way Repairs - We repaired several road right of ways this past week. Last week there was a number of vehicles that ran off the road for one reason or another. Kevin could not determine who did the damage. The wet weather has caused the ground to remain soft and it is easier to damage the shoulders.

Gate Attendant Changes - One of the gate attendants informed Kevin that he could not continue working at the gate due to health issues. Unless the Board does not agree, instead of hiring someone Kevin stated that he is going to try Twin City Security (TWC) to man all three shifts on Sunday. The cost is the same once you factor in taxes, unemployment, etc... SWRA will still man two shifts Monday – Saturday. Twin City currently man's the third shift all week. TWC understands this will just be on a trial bases. The Board approved Kevin's proposal.

Deposits and closings since last meeting

Deposits	\$21,671
Closings	2

TREASURER'S REPORT - Mike Dollar

Financial Statements

Mike has reviewed the financial statements for the first two months of 2015. He had mentioned last month, that when you begin a new year there are always issues to deal with. He stated that he believes we have all of the employees, including the new ones, assigned to

the right locations (accounts), but Mike advised that we not go back to January and reclassify some of the payroll costs for new employees and employees that were moved around. They should be okay for February onward.

The biggest budget issues that he is still trying to resolve are our Harleysville insurance premiums and worker's compensation. The worker's compensation audit was higher than expected. The unusually high electricity bill for Moonbrook that he mentioned last month, continued for the February bill. Hopefully, this will moderate and even out over the course of the year. Otherwise, Mike reported that is had not found anything else of significance yet.

OPEN AGENDA

Rules and Regulations - The revised draft was published in the March newsletter for property owners to review prior to the Annual Meeting. Jerry Grace recommended that after further investigation the felt we should strike the one sentence under item 2, "*Proof of insurance must be provided at annual registration naming SWRA as a further insured.*" After discussion, the Board agreed and the **Board adopted the Rules & Regulations as amended unanimously.**

Annual Association Meeting - Mike Dollar reviewed his slides to be used during his presentation on the 2014 financial reports as well as the 2015 budget at the annual meeting. Mike sent the slides to Kevin so that he can incorporate them into the Power Point presentation. Prior to our meeting, Mike had emailed these to Board members and asked that they let him know if they were okay with them and if they thought any issues might arise from the information presented.

Mike plans to emphasize the additional spending on roads in 2015. As we stand now, we will be spending approximately \$50,000 more this year than last. The Roads Committee will be meeting soon to review and develop preliminary plans for this year. He will also mention our legal fees and the impact the timber-cutting lawsuit could have in 2015.

Kevin and the Board reviewed his revised slides for the presentation at the meeting. Board members discussed several topics and made a few revisions.

NEW BUSINESS

Election Committee - Members will meet today at 1:00 p.m. to count the votes and compile their report. Bill Turner, Thelma Pitts, Sally Gantt, Silvia Thatcher and Harry Otto have agreed to serve.

Moonbrook Park Bathroom Repairs - Kevin reported that the doors at the park restroom are to the point they need to be replaced. Both doors are metal and have metal frames.

Kevin is getting estimates now but he estimates that the Board should expect the cost to be around \$3,500 for materials and labor.

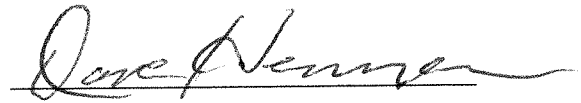
Facebook Page - SWRA has a Facebook page that has not been used in several years. Kevin felt that it would be a good idea to utilize Facebook as a place for owners to post things like missing pets, fundraisers, parties, etc... We get several calls a week requesting us to send an email about a lost pet, etc... Our promise to property owners who have given us their emails for the *SWRA....eflash* notifications has been that it would be used sparingly, not for advertising and for items that would be of interest or information for all owners.

Our new employee can keep our Facebook page current as part of her daily routine. If the Facebook page becomes a negative posting site, then we can take it down. After discussion the Board agreed that it would be useful to property owners as an informational and communication tool. Other organizations publish guidelines for proper etiquette emphasizing that it is not an editorial site. Kevin will research other groups and present usage guidelines to the Board.

The Board approved a motion to adjourn at 10:35 a.m. to move into Executive Session in order to discuss current legal issues.



Penny Alexander, Secretary



Dave Heinzen, President

Date approved:

Minutes SWRA Annual Meeting March 7, 2015

Call to order - Dave Heinzen, President, called the Annual Meeting of the StillWaters Residential Association to order at 10:03 a.m. Board members Penny Alexander, Mike Dollar, Andy Milwid and Patti Richardson were present. Board Member Jerry Grace was out of town. General Manager Kevin Eason and Community Administrator Susan Thames were present.

Approximately 52 people, including staff and board members, were present at the meeting. A sign-in sheet for attendees, a committee sign-up sheet and email sign-up sheet were at the entranceway table. In addition, handouts for the 2015 budget, March newsletters, residential phone books and the SWVF&R Annual Meeting Executive Overview reports were available at the registration table.

Dave Heinzen introduced our new District 5 Tallapoosa County Commissioner George Carlton who spoke briefly. He stated to the group that he would be glad to be of service if needed and encouraged people to contact him.

Dave welcomed all, thanked property owners for attending and turned the meeting over to General Manager Kevin Eason. Kevin welcomed everyone and asked that they hold questions and comments until the end of the meeting at the appropriate time on the agenda. He introduced the Board members.

GENERAL MANAGER PRESENTATIONS

Kevin reviewed a Power Point presentation of slides as follows:

Capital Improvements Completed in 2014 - Kevin explained on each item.

- Paving, patching, and drainage - This is an annual expense in an effort to update and maintain the 23 miles of roads owned by the Association. The Roads committee works year round and will start soon for this year's program. They coordinate and meet with Hagan Wagoner, civil engineering consultant, of ProgreCiv Group Inc, to evaluate projects.
- Road sign and shoulder work - We are systematically replacing worn out road signs, as well as stolen or damaged ones each year and maintaining and improving our right-of-way.
- Add deck to SWRA Centre - Nice addition; it fits well with the design of the building and we have had a lot of positive responses. People who have used it have been very pleased with the additional space.

Planned Capital Improvements for 2015

SWRA has repaired a lot of our infrastructure and buildings and facilities in the past several years. Major renovations of Pineview Pool, Moonbrook Park, the tennis courts, resurfacing of many roads and the addition of the deck at the SWRA Centre have been completed in the last few years. Therefore, the focus for 2015 will be the roads and drainage.

- To improve and repair roads - This is a never ending project and a large part of the SWRA annual budget.
- Drainage Work - This list in ongoing and improvements are required each year.

The Covenants

Each year we have a few more owners subject their properties to the 1987 covenants. We continue to gain ground in becoming a united community. Kevin and the SWRA Board encourage property owners to move to the 1987 covenants for continuity of the community. All members are entitled to vote; however, the 1987 owners own the amenities. SWRA's goal is to move toward unified and fair treatment of all property owners.

The current breakdown is:	<u>Number of Properties</u>	
1987 Covenants (SWRA)	1423	+15
1974 Amendments	335	- 13
1971 Covenants	47	- 2
Waters Edge	<u>8</u>	

Total Property Owners 1813

Enforcement of the Covenants

Kevin reviewed the graph comparison of covenant violations for 2012, 2013 and 2014. He appealed to members to read their covenants and to follow the rules to keep our community a consistent and beautiful one. The covenants allow for conformity. Kevin pointed out that if you start building without approval, it is more costly. All exterior changes require ARC approval. We have an agreement with Alabama Power who will not approve a permit without having prior approval from SWRA. The goal is to keep property values up.

<u>Violation</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Trailer/Vehicle violations	328	199	369
Garbage can violations	105	106	169
Building permit violations	88	73	61
Fence violations	31	9	23
Other assorted violations	48	44	56
Owners damaging gates	12	11	23

SWRA Staff

Kevin reviewed the list of staff and recognized those who were present. SWRA is fortunate to have such dependable and qualified people. Due to the quality and number of additional employees, we have been able to reduce our repair costs because we are able to complete a lot of work with our staff rather than hiring services out to a sub-contractor. This includes painting of signage, spreading mulch, cleaning the fountain and part of the pool cleaning. We are pleased with this benefit. Kevin stated that he and the Board are proud of them, they do a great job, are very dedicated. We currently have 15 employees, including Kevin, plus Twin City Security, which provides attendants for some of the shifts at Gate 49 entrance.

- General Manager: Kevin Eason
- Community Administrator: Susan Thames
- —SWRA Office: Brandy Price, Brittney Harris
- —Cleaning: Evelyn Mann, Robbin Carr
- —Maintenance: Alan Price, Crayton Vickers, Ed Williams, Drew Heederick
- —Gate Attendants: Brandy Price, Crayton Vickers, Hugh Mason, Clyde Ware
Jonathan Nash and Twin City Security Employees

Approval of Minutes of the March 1, 2014 SWRA Annual Meeting - President Heinzen stated that the chair would make a motion to waive the reading of the minutes of the March 2014 annual meeting. They have been published on the SWRA website for almost a year. **A motion to waive the reading and to accept the minutes as written and published was made, seconded and carried.**

TREASURER'S REPORT

Kevin introduced Treasurer Mike Dollar to review the financials and budget for 2015. We had a very good year last year and are hoping for an equally good 2015. Mike stated that Kevin has done a good job of expense management both with our staff handling issues but also in reducing costs with some contracts. Mike explained that "Unrestricted cash" is what we are allowed to spend on special projects, funds not taken up by regularly budgeted items. He pointed out, as one example, that Susan Thames was able to find reductions in our AT&T rates at the gates and office for a \$2,500 savings annually. The Landscape contract changed last year and the results have been favorable. Contracted services such as landscape, pool maintenance, technological services contract, accountants, etc., make up much of the SWRA annual budget.

SWRA - Actual Vs Budget 2014

	Actual	Budget
Revenue	\$1,032,584	\$1,027,435
Expenses:		
Roads	187,035	160,975
Reserves	50,000	50,000
All Other	723,595	722,049
Net Income	\$ 69,314	\$ 94,411

Mike opened with a short review of 2014 financial results. Revenues were ½ percent over budget. Spent more in expenses than budgeted in 2014 on roads, however this did not have an impact on our projected cash. In 2014 SWRA did not pay down an additional \$30K in principal on the building that was in the budget, due to needs in Roads and Drainage. The Board voted to move those funds to the road repairs. SWRA made normal monthly mortgage payments, just not any additional payments.

SWRA Operating Budget 2015 Revenue

Property Owner Fees/Assessments	\$804,224
Gate Fees and Devices	64,160
Boat Storage	16,250
Transfer Fees	32,700
Garbage Service	5,400
Interest	6,192
Condo Management Fees	131,460
Other (advertising, rent, permits)	<u>24,500</u>
Total	\$ 1,084,886

SWRA's revenue was over \$1 million again this year; last year was the first time that the \$1 million dollar level was reached. Built into the covenants is the cost of living adjustment so we saw a 1.7 % increase in the annual maintenance fee for 2015. The Board also approved a \$100 assessment for 2014 as has been done in most of the years since the property owners took over the homeowner's association after the auction.

Subjections of property to the 1987 Covenants generally have a positive impact on our maintenance fees, but our annual revenue has been negatively affected by the assumption ownership of properties by the Association through the Deed for Debt program and the acquisition of tax sale properties in which we have to pay back taxes in order to keep them from going to the state. SWRA now owns 61 properties - almost double where we were this time last year.

Activity-related fees, which include property transfer fees and construction related fees through building permits and impact fees are budgeted to be flat in 2015 as they have been for the last couple of years.

Kevin has been a big part of adding revenue the past two years through the addition of condo management contracts. They will represent 12% of our total revenue this year. SWRA handled portions of the condo association management for Stoneview Summit, The Pointe at Sunset Point, Sunset Point I and Sunset Point II all of 2014 through his efforts. Late last year he was also able to add portions of the management for Harbor Pointe and Villas on the Harbor effective January 1, 2015. This adds to our revenue and contributes to our bottom line to help with infrastructure like the roads, which is beneficial to all property owners.

SWRA Operating Budget 2015 - Expenses

Administration	\$264,426
Gates	178,905
Roads/Drainage	230,392
Landscape/Grounds	181,680
Common Areas	47,780
SWRA Centre	28,527
Condo Management	60,746
Legal Expenses	24,000
Reserves	<u>45,000</u>

Total	\$ 1,061,456
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We have three main categories of expenses: fixed, semi-fixed and discretionary. Fixed expenses include our contracts such as those for landscaping, pool maintenance accounting and computer support. Fixed also includes our administrative salaries, insurance, property taxes and depreciation. Our accounting is on an accrual basis so we have to include depreciation expense for the recognition of the cost of major assets over the lives of those assets.

Semi-fixed expenses include utilities and the wages for gates and maintenance employees. Utilities are going up this year and have to be built into our budget.

Discretionary items are primarily the roads and drainage, which will be the largest single item of our spending in 2015 at 22%. Last year was the first time we budgeted for legal fees Prior to that SWRA had a legal fee assessment that was depleted by the end of 2013.

Seven items represent nearly 80% of our overall budget. These are our landscape contract, roads/drainage, and the cost of our gate attendants, administrative employees, utilities, depreciation and reserves.

The Board manages all monies and focuses on how to use our unrestricted cash.

SWRA Operating Budget 2015 - Unrestricted Cash

Total Revenue	\$1,084,886 - (billed not collected)
Expenses	(1,061,456)
Non-payment of Fees	(66,872) (Averages 8 or 9% per year)
Capital Expenditures	(4,300)
Depreciation	66,000
Mortgage Principal Payments	<u>(13,049)</u>
Change in Unrestricted Cash	\$ 5,209

Collections are very good at over 90% in collection of annual fees and assessments. There are a few multi lot owners who make up most of our past due fees. We have a good policy in place; we do allow payment plans for those who need it and are happy to work with property owners where we can. When past due accounts are turned over to the collections company or taken to court, the property owner has to pay those additional fees as per the covenants.

Revenue shown is what was billed, not all of which is collected. Expenses, which include some items that don't affect cash, are deducted. The billed revenues that aren't collected are deducted. Capital expenses also come out of our cash. We add back depreciation which is a programmatic recognition of the expense of capital items. Mortgage principal payments are deducted since only the interest portion is recognized as expense.

There are not as many capital expenditures planned for 2015. Capital Expenditures affect cash as well as Reserve accounts. Don't expect them to be as much this year. There is a small increase in Unrestricted Cash projected for 2015.

SWRA Operating Budget - RESERVES

	<u>Budgeted</u>	<u>At 12/31/15</u>
SWRA Centre	\$20,000	\$85,000
Fountain	5,000	35,000
Pineview Pool	10,000	70,000
Vehicle/Major Equipment	-	8,500
Gate Equipment	3,000	21,031
Tennis Courts	2,000	13,200
Moonbrook Park	5,000	20,967
Contingency	-	<u>100,000</u>
Total	\$45,000	\$353,698

Mike stated that Reserves are a way of programmatically putting aside money in an effort to prepare for the future to replace and maintain our assets. \$50,000 was budgeted to Reserves for 2014. It was a financially good year so SWRA was able to fulfill this goal. We hope to be able to add the above amounts to the Reserve Areas at year-end 2015 with projected balances shown in the second column.

For example, a few years ago SWRA spent close to \$90 K on Pineview pool in order to get it up to meeting Federal standards for community swimming pools. Reserves help us plan ahead for the future by helping control and manage the community. For example, SWRA bought a used truck this year pulling \$6,500 from Vehicle reserve account.

Mike concluded his report and turned the meeting over to Dave Heinzen.

President's Report - At this time President Dave Heinzen stated that Mike Dollar is an outstanding Treasurer for the association. The time he puts in on a weekly basis is unbelievable especially for someone in a volunteer capacity. He does an excellent job and has been a valuable asset to SWRA.

Dave also stated that as Secretary, Penny Alexander puts in incredible amount of work on behalf of the association that she is often here at the office. She has served as a very productive and professional board member who contributes to the StillWaters community.

Dave reported that the Board's management style is to not micromanage Kevin. He comes up with a lot of things on his own; he is ahead of us and often has already done the groundwork. As far as employees go, Kevin is a self-starter and SWRA is fortunate to have found him. Kevin has received a string of excellent performance appraisals from the Board. Our community is as good as we are because of Kevin and his hard work. Dave then turned the meeting back over to Kevin.

Kevin thanked Dave and the Board and responded that he loves what he does and is happy working for SWRA as the community's general manager.

Legal Issues - The largest legal case that SWRA faced this year was filing an injunction to stop a property owner from clear-cutting a large amount of timber. This property owner countersued SWRA. It is what we now refer to as the "Trees and Covenants Case" due to the fact that it led to the discovery of actual voting ballots involved in an attempt to amend the 1987 covenants with the Tradition Covenants. It is SWRA's position that the Tradition Covenants were not approved and are not valid since the amendment was voted down. The case is ongoing; our injunction to stop the tree cutting is still in place. Over a year and a half, we tried mediation however no agreement was reached. We are now in the process of taking depositions and moving forward with the case. All StillWaters' properties are under the 1971, 1974 amendment and 1987 Covenants as determined by documents and is governed by SWRA. The community cannot have two different groups trying to govern.

Some Covenant Violations go to court, but the majority of these are settled before court.

Get Involved in StillWaters - Join a Committee

Kevin pointed out that he always likes to encourage people to sign up to get involved. We did not put out a sign up sheet this morning because Kevin would like anyone interested to call or come by the office to discuss and find a good fit for them. He reviewed briefly the tasks and responsibilities of each committee. He encouraged everybody if you have a little extra time, want to volunteer, please step up, and offer their time and expertise. Standing committees of SWRA include Architectural Review, Christmas, Communications, Facilities Maintenance, Finance/Budget, Landscape, Long Range Planning, Nuisance Animal and Roads/Drainage.

Stay Connected - Stay informed by signing up to receive newsletters, announcements, and community concerns via email through our *SWRA.....eflash!*

Board meetings are open to property owners to attend. They are regularly scheduled on the first and third Tuesdays of each month.

Kevin announced that SWRA would be reactivating our Facebook Page. We have one established in 2012 but have not used it. Eflash is for SWRA news and is saved for or limited to information for the all property owners. It was not designed for the numerous missing pets, trade of personal property, fundraising events and such. The Facebook page will provide a vehicle where residents can communicate with one another. SWRA is currently developing Policy Guidelines for use, which will be published. We will notify residents by *SWRA.....eflash* when ready. The intent is for it to be a positive for the community not editorial comments. SWRA will monitor and handle accordingly to be positive, informative and helpful.

2014 SWRA Board

- Penny Alexander Secretary
- Mike Dollar Treasurer
- Jerry Grace Vice President (replaced Mack Yeargan as VP)
- Dave Heinzen President
- Patti Richardson
- Andy Milwid
- Mack Yeargan Vice President until he resigned at end of 2014

Mack Yeargan had served as Vice President of the Board until the later part of 2014 when he resigned due to personal responsibilities. Mack was an active and contributing member for several years and appreciated for his time and experience that he contributed to SWRA. The Board did not fill Mack's Board position due to upcoming elections.

Election Report

Kevin thanked the members who served on the Nominating Committee for their commitment and time. He then also thanked the members of the Election Committee for their careful and sincere service in assuring that the validation and counting of the ballots was handled as per the SWRA guidelines.

Nominating Committee

Penny Alexander
Tom Dyne
Sally Gant
Dick Merrifield
Andy Milwid

Election Committee

Sally Gant
Harry Otto
Thelma Pitts
Silvia Thatcher
Bill Turner

There were 303 ballots cast for a total of 863 votes. Five ballots were disqualified, 3 of those due to non-payment and 2 voted for too many people.

David Hargrove was elected and Mike Dollar and Jerry Grace were reelected, all to serve three-year terms.

2015 SWRA Board

- Penny Alexander
- Mike Dollar
- Jerry Grace
- David Hargrove
- Dave Heinzen
- Andy Milwid
- Patti Richardson.

They will elect officers immediately following this meeting.

SWVF&R Report - It was announced that the SWVF&R had presented its Executive Report at their annual meeting earlier this month from the audit review conducted by Machen, McChesney and Chastain, LLC, and copies were at the back for those interested.

QUESTIONS & COMMENTS

The floor was opened for questions and comments. All were asked to come to the microphone and state their name and covenants so that questions could be answered to the best of General Manager and Board members' abilities and so they could be properly identified for the record.

Vivian Autrey ('87 covenants) asked what had happened since the survey taken by the Long Range Planning Committee (LRPC). She understood that there was a very low response to the survey. She was particularly interested in a boat ramp because she stated she put her boats in the water a couple of times per year and had to drive to a long way to the boat ramp on Hwy 34 or Hwy 50 because she did not want to pay the marina \$125 per year to do so.

Andy Milwid - Board Liaison responded to her question. Discussion brought up three locations. The property behind the tennis courts does not allow room for a turn around area, which would be necessary and the water is very shallow so it is not feasible.

Harbor Point is a commercial business and is not interested in offering their services for free. Kevin has talked with them; they are a business and must cover costs and manage their property to take care of their customers.

A third alternative for the future may be a piece of property on deep water that could possibly be leased, however there is no parking available. The building and maintenance costs and management issues are a deterrent.

Andy stated that 17 items came in from survey that came to LRPC and that most had been looked at in the past. He stated that the LRPC had discussed and reviewed suggestions but found that other groups either committees and/or the SWRA Board had addressed the questions on several occasions.

Animals and noise control were the two issues mentioned most. SWRA has a policy to retrieve animals, take back to owners; however laws bind our hands in many ways. SWRA also has a "quiet hours" policy in place; however the sheriff must be called to handle many complaints if owners do not comply with SWRA requests.

Multiple uses at Moonbrook Park with more activities were recommended by a few. Other properties like the old conference center (Windjammer) are privately owned commercial properties. Most suggestions are just not financially possible.

A suggestion that SWRA purchase the golf courses was made but that is not financially possible. Individuals could purchase it and form an LLC. That may be a possibility as an interested person is currently negotiating on the purchase. The LRPC will be holding an open meeting in the next 60-90 days.

There being no more questions or comments, President Dave Heinzen thanked all for coming and participating today. He announced that the Board meets the 1st and 3rd Tuesday of every month and that meetings are open to all property owners. He invited all to attend a meeting and asked that if they had an item for discussion to please contact Kevin so that he could add it to the agenda.

A motion to adjourn was approved and the meeting was adjourned at 11:00 a.m.


Penny Alexander, Secretary


Dave Heinzen, President

Date approved: March 31, 2015

Special Session Minutes
SWRA Board of Directors Meeting
March 7, 2015

Call To Order - President Dave Heinzen called the special meeting to order at 11:15a.m., immediately following the Annual Meeting at the SWRA Centre. Board members Penny Alexander, Mike Dollar, Patti Richardson, Andy Milwid and David Hargrove were present. Jerry Grace was excused. The purpose of the meeting was to elect officers.

Board Member Election Results - Mike Dollar, Jerry Grace and David Hargrove were elected to three-year terms on the Board. All welcomed David to the Board and shared that they looked forward to working with him. David stated that he was honored to have been elected, would work hard to do a good job and looked forward to serving.

Election of Officers - Dave opened the floor for officer nominations. Patti made a motion to nominate officers as follows:

President - Andy Milwid
Vice President - Jerry Grace

Secretary - Penny Alexander
Treasurer - Mike Dollar

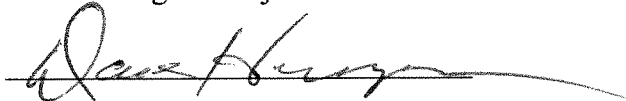
David seconded the motion. After each agreed to accept the nomination, the motion was approved unanimously.

Appreciation of Service - Board members expressed thanks to Dave for his leadership as Board President. He has been dedicated and professional.

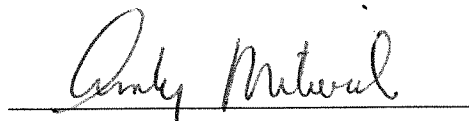
Cancellation of Upcoming Meeting - The Board decided to cancel the regular meeting of March 17th since the Board will need to attend the two days of depositions that week. The next meeting will be Tuesday, April 7th at 9:00 a.m.

Legal Depositions Update - Kevin joined the meeting at this point and informed the Board that Attorney Russell Balch had notified him that expert witnesses Linda Robinson and Keith Maxwell were not going to be available for depositions on March 18th and 19th. Russell had sent an email to Attorney Thomas Radney notifying him that he would like to use those days to depose the corporate representatives of Riverwoods Properties, Riverwoods Holdings and SW Golf and Country Club, per the notices Russell had filed with the court. Board members will attend and Kevin will let us know where they will be held. Russell had requested the location to be the SWRA Centre.

The meeting was adjourned at 11:30 a.m.



Dave Heinzen, President



Andy Milwid, Elected President



Penny Alexander, Secretary

Date Approved:

Minutes
SWRA Board of Directors Meeting
March 31, 2015

Call to order – President Andy Milwid called the meeting to order at 9:05 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of March 3, 2015 meeting as distributed.

Board reviewed and approved the minutes of the Special Meeting of March 7, 2015 as distributed.

Board reviewed and approved the minutes of the Annual Meeting of March 7, 2015 as distributed.

GM Report

Chilwaters Case Lots - Last week our attorney received the final signed court documents for the Chilwaters case and can now pursue gaining ownership of those lots owned by Chilwaters. Judicial foreclosure on lot 46 lots, Attorney Balch is moving forward on foreclosure on the lots now.

Kevin and Andy are working on evaluating and structuring price on the lots.

Deed For Debt - SWRA received a couple more deeds in lieu of association dues, which brings the total properties up to 62.

Deposition Schedule - On March 9th Kevin reported via email “as of this date no depositions were scheduled for March 18th and 19th as previously set. We do not know why the expert witnesses are unable to attend an “unforeseen conflict” was the reason given and the other party claimed that they could not change their schedule on such short notice to be deposed on the 18 and 19. We are working to come up with a date to depose the corporate officers of Riverwoods, etc.”

However after the 18th Kevin reported to the Board that there had been a miscommunication and that Attorney Balch’s office had not notified SWRA. The deposition of Riverwoods Inc, SW Properties LLC and StillWaters Golf Club LLC, represented by officers, Philip Zettler, Kendall Zettler, Jill Hubbard had been held. No one from SWRA attended except Attorney Balch. The Board will receive a copy of the depositions once they are ready and Attorney Balch apologized for the confusion.

Directional Sign Lighting Issues - Kevin had to replace two directional sign lights at the intersection of Moonbrook and Lakeview Ridge. They were replaced with LED lights. Each fixture cost \$150 but no bulbs to change. The previous lights had a fluorescent bulb and ballast. Over the past two years we had replaced two ballast, at a cost of \$75 each and several bulbs.

Entrance Lights - One of the LED lights at the main entrance gate that shines up into a tree, has stopped working. It appears either a power surge or lightning damaged the light based on the burned areas on the light fixture. The light had a five-year warranty and it is only three year old but the warranty is only for if the LED's burn out. Because it is LED a replacement light is \$900.

Gate Cameras - Kevin has been working with a video surveillance company, AVX, out of Homewood to improve our security camera system at both gates. Our current video company has reduced the size of his business down to the point that it is difficult to get good service. We have a couple of old cameras that will need replacing soon and now would be the time to consider changing providers. **A motion was made and approved for Kevin to seek a new source for this service.**

Landscape Update - Each year we have 100 yellow lantana installed around StillWaters. We usually purchase 100 plants and in the past the landscape company has charged \$10 per plant including installation. Debbie Nigh found a source where we could purchase the plants for \$3.20 per plant and SWRA employees can install them. Kevin checked with a couple of nurseries one in Shorter and one in Opelika and both quoted me a price in the \$5 range. Our current landscape company could install the plants for \$8 per plant. Kevin purchased the plants for \$3.20 and had SWRA employees install the lantana. This will be a savings over previous years.

New Construction Issue - The amenities construction for The Cottages on Sunset Point has caused mud, gravel, etc... to be in the road. The developer has assured Kevin they will clean up the roads after the work is completed. The developer cleaned up the roads at the beginning of construction but as soon as it rained the trucks tracked mud back onto the road. Kevin agreed to allow him to clean up the road when construction is completed. The road is not being damaged these are mostly the workers' pickup trucks.

Pineview Pool Upkeep - We are working on cleaning the pool fence and deck. There is money in the budget to paint the pool fence this year and it will be painted in the next couple of weeks. Kevin is gathering bids now.

The pool furniture has been returned to the pool. Spring Break for schools starts in mid-March and we always have owners wanting to use the pool for grandchildren. The pool heater will be turned on a couple of weeks around the end of April, as we have done in the past.

Power Line Trimming - RDA a tree-trimming contractor for Alabama Power is back in StillWaters cutting limbs and trees away from the power lines. They also plan to start back

cutting the trees along the power lines easement in the next couple of weeks. We have had some issues with them starting before 7 a.m., which Kevin had stopped and also with damages to the right-of-ways due to the ground being so wet.

Resident's Bingo Group - The group having the bingo night had their first bingo night Saturday, March 21st. They are renting the community room just like the bridge ladies, etc... SWRA is not promoting this and it is totally their event. They had 16 people attend the first event and profits will go to SWVF&R.

Right-of-Ways Clean up - Floyds Tree Service removed dead trees from common areas and picked up fallen trees along the road right of way. Kevin reported that he went \$500 over the budgeted amount because he decided that the stumps where the trees were removed around the entrance gate and pool needed to be removed. The stump grinder was the additional cost.

Right-Of-Way Vandalism - Someone drove off the road on several areas along Stagecoach and StillWaters drive. It appears that while the shoulder was soft from the rain someone enjoyed spinning their wheels damaging the grass this happened over the past weekend. SWRA personnel repaired the road shoulders.

Tallapoosa County Commission Meeting - Kevin attended the county commissioners meeting March 9th. None of the county business discussed had a negative impact on StillWaters.

Deposits and closings since last Board meeting

Deposits	\$48,915.63
Closings	10

TREASURER'S REPORT - Mike Dollar

Today is last day of the first quarter and Mike will be looking at our numbers. Harbor Point has been set up as a clean beginning on accounts. Mike will report at our next meeting.

OPEN AGENDA

Annual Association Meeting Review - Kevin has received a few positive comments about the annual meeting. All that have commented were pleased and positive with the meeting. The attendance was lower than in past years. There has been no controversy lately so this may have contributed to the low turnout. This year Kevin had set up a 2nd television screen in addition to the wall projection. Publishing the guidelines has helped and is accepted behavior by the members.

Golf Colony Condominiums - They held their annual meeting this month and 16 people were in attendance. They reinstated the same officers as last year. Structural engineer (Hagan Wagoner) had preformed a review on levels of risk and damage on the structures due to drainage issues and estimated \$119,000 to repair. There is nothing wrong with buildings themselves as a whole; some of the steps are a problem due to being built with insufficient support. They have replaced a few and are working on others. Hagan reported that the main drain appears clogged and said SWRA would look into.

Golf Colony has removed a number of their long-term inexpensive rentals but still allow short-term rentals.

SWRA did \$40,000 in drainage work, replacing the large pipe under the road from the north end of Living Waters church parking lot a few years ago. Much of the water run off comes from the golf course. "Dream a Lake" is a catch basin at the low point off Lakeview Ridge Road on golf course property. In a heavy rain that catch basin fills up and runs across Lakeview Ridge Road. Hagan has recommended a flume to stop this from happening as it is damaging the road. This will be taken to the Roads Committee for review and analysis.

Moonbrook Park Bathroom Repairs - Kevin reported that the doors at the park restroom are to the point they need to be replaced. Both doors are metal and have metal frames. Kevin obtained three bids to replace the bathroom doors. The lowest bid was from DWK for \$3,050. There are a few issues why we just cannot replace the doors. One we have not been able to match the hinge location, two the doorknobs are at different heights and three the frame for the men's bathroom door is damaged. The doors and frames cost \$1,900, paint and labor is the other \$1,200. **The Board approved this expenditure via email prior to today's meeting.** The special ordered doors for the park restrooms are scheduled to be delivered the end of this week. It has taken longer by ordering replacement doors but the cost is lower than replacing them with a standard size. The building was built in 1999. They will match hinge pattern, size and doorknob height.

Facebook Page Guidelines - Kevin is working on policy guidelines or community standards for use of the page and setting the parameters for the page. Once completed and approved by the Board these usage guidelines will be publicized.

Update on Family Festival at Moonbrook Park - Memorial Day or 4th of July Saturday had been discussed. Kevin reported that inflatable toys are already booked for Memorial Day weekend but are available for July 4th. Insurance does not require an event policy as long as we do not have alcohol. Neighborhood Council members are available to assist on 4th.

NEW BUSINESS

Power Line Property Document - Attorney Balch has sent a draft real estate sale contract. The Board discussed options on how to price the property. Kevin will check the per acre value with the county records. Potential use was discussed. It was pointed out that this land under the power lines is property that owners cannot build anything on as opposed to the

residential lots that SWRA owns and will be restructuring prices on soon. The SWRA owned lots will generate fees once sold.

Long Range Planning Committee (LRPC) Report - Rich Hickey resigned as chairman due to personal commitments. Cal Johnson volunteered to serve as Chairman. Tom Nicholson and Vivian Autrey have been added to the committee. The committee has decided to call a community meeting of property owners schedule for Saturday, April 4th at 10:00 a.m. The plan is to cover 5 of the top items that came from the survey that was sent out via the newsletter several months ago. SWRA must keep at arm's length from the purchase of the golf courses. We can facilitate but not promote. It was agreed that after the Long Range Planning Committee adjourns then it would be announced that Keith Hiatt will be making a short presentation and that anyone interested should stay.

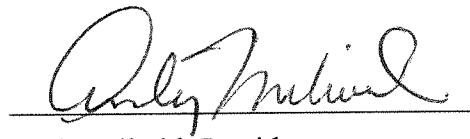
SWRA Committee Assignments and Schedule Meetings - Due to time this was postponed until a future meeting.

Annual Gate Attendant Training Session - Kevin held this on March 7th and it was well attended. He reviewed safety standards and general policy guidelines.

The Board approved a motion to adjourn at 11:07 a.m. to move into Executive Session in order to discuss current legal issues.



Penny Alexander, Secretary



Andy Milwid, President

Date approved: *April 21, 2015*

Minutes
SWRA Board of Directors Meeting
April 4, 2015

Call to order – President Andy Milwid called the meeting to order at 11:15 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen, Patti Richardson were present. General Manager Kevin Eason was present to report.

This meeting immediately followed an open Membership Meeting for property owners for the Long Range Planning Committee to present its report on a survey asking owners for input on future wants/needs for StillWaters. The Committee reported on the top five requests. Restaurant (22% or 13 responses), Fitness Center (15% or 9 responses), Improved Golf Situations (15% or 9 responses), Walking trails (14% or 8 responses) and Boat Launch (14% or 8 responses). There were 13 other requests or responses on varying topics on the survey.

Following the close of the LRPC meeting attendees were asked to stay if interested and the podium was turned over to Keith Hiatt owner of Premium Turf LLC. He is a prospective buyer of the StillWaters golf courses and facilities.

Next Scheduled Board Meeting - The Board agreed to cancel the upcoming Tuesday, April 7th meeting since they met last Tuesday at a called meeting. The Board will meet at its regularly scheduled meeting on Tuesday, April 21, 2015.

GM Report

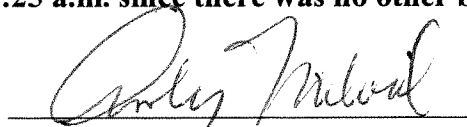
Kevin presented a form from East Alabama Medical Center Human Resources department that is required due to the Affordable Health Care Act. Kevin requested that the board review and sign the form, which states that as his employer, SWRA does not offer to cover 50% of the total premium for health insurance coverage for Kevin.

The General Manager's compensation package includes several benefits one of which is that SWRA will pay up to \$500 annually towards his health insurance. This dollar amount is less than 50% of the annual cost. **A motion to approve the signature on the Human Resources form due to the current executive pay package that limits the amount of benefit paid to \$500 for health insurance because of other benefits offered. The motion carried unanimously. President Milwid signed the form on behalf of the association.**

The Board approved a motion to adjourn at 11:25 a.m. since there was no other business.



Penny Alexander, Secretary



Andy Milwid, President

Date approved: *April 21, 2014*

Minutes
SWRA Board of Directors Meeting
April 21, 2015

Call to order – President Andy Milwid called the meeting to order at 9:08 a.m. Board members Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. Penny Alexander was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of March 31, 2015 meeting as distributed.

Board reviewed and approved the minutes of the April 4, 2015 meeting as distributed.

GM Report

Ant Hill Problem – Kevin has gotten several inquiries about the increase number of anthills on the roadside. These have been caused by the wet weather. Our landscape contractor treats them on a regular basis, but they cannot be eradicated. The only hope is to make the ants mad enough to hopefully into the woods.

Architectural Review Committee - Two members of the ARC have decided not to continue on the ARC. Al Spiers and Mike Autry do not have the time to devote to the ARC and both have asked not to be reappointed to the committee. Kevin requested that the Board make suggestions as to who might be a good fit for the ARC. The discussion of individuals who might be suitable replacements was moved to the Executive session.

Collections - SWRA has filed liens on the past due accounts as per collection policy.

Cottages at Sunset Point - The builder of the Cottages has applied for a building permit to construct the third house. The boat slips, beach, storage units, and walkways are almost complete.

Facebook Page – The new Facebook page is ready. It is restricted so that everything that gets posted must first be approved by SWRA. Kevin decided that it was best to screen everything so he has established the policy that SWRA screens and approves all posting. The Board agrees with that policy. He will place an announcement in the next newsletter that the Facebook page is available. Our old Facebook page will be removed within ten days, according to Facebook.

Gate Issue Report - Sunday morning around 5a.m. a person driving a car left what appeared to be an intoxicated person at the front gate. He just pushed the guy out of the car and left him on the road. The man was in very bad shape and 911 was called. The man was taken away by ambulance.

Landscape Report - SWRA employees have installed 100 lantana.

Park Restrooms – the issues encountered in replacing the doors have frustrated Kevin. The process should have been simple but they are still not correct. All issues should be resolved as soon as the matching handles arrived which should complete the process.

Property Conversions to 1987 Covenants - Two properties under the '74 amendments converted to the '87 covenants. One was an Eagle Peak Villa and one SWRA converted when received under the Deed for Debt program. We have received three Deeds for Debt lots this month.

Real Estate in StillWaters - The real estate market in StillWaters has been strong the first part of this year. SWRA has received 34 transfer fees for a total of \$10,200 and there are 8 pending sales in StillWaters. Kevin reported that this is first year since he has been here that we have had a large number of people also looking for rental property in StillWaters but all the rental properties that he is aware of are currently rented.

Road Sinkhole - A sink hole opened up on Chinquapin Court in the middle of the road. The engineer looked at the hole and it appears water has washed the roadbed, which caused the sinkhole. The engineer will add it to the Roads Committee scope of work. We have placed an orange cone in the sinkhole did not fill it in because it will have to be cleaned out to be repaired as per the suggestion of the engineer.

Roadside Trash - The amount of trash along the roads has increased and Kevin reported that he has no idea as to why it has increased. It could be attributed to the increased number of construction workers but he has followed two SW residents to their house after they threw trash out of the window.

StillWaters Shirts and Caps – A volunteer group led by Mrs. Lawson has requested permission to advertise shirts and hats for sale with the StillWaters SWRA logo on them. SWRA will not be involved and we only need to decide if they can use our logo.

SWRA Boat Storage - This area is currently full and we have started a waiting list.

Deposits and Closings

Deposits	\$119,256.34
Closings	29

TREASURER'S REPORT - Mike Dollar

Mike has reviewed the financial statements for the First Quarter 2015. From a revenue perspective, we are doing well in those areas that depend on activity throughout the year. Our annual fee billings came in very close (slightly better) to budget. On the expense side, we have a small number of areas, primarily insurance, wages and electricity, where we could have overruns, but we will continue to monitor those closely. Two categories of our operating expenses, general operating and maintenance, fluctuate through the year based on timing of planned activities. Overall, for these areas, there are no apparent issues and any current under runs or overruns should even out by the end of the year.

Here are some specifics:

- Susan and Mike have tried to insure that we have made all adjustments to accrue all 2014 expenses and remove them from this year's results. Warren Sasser is in the process of reviewing 2014 statements before turning over to McDaniel & Associates for their annual financial review. Mike will follow up with Warren Sasser to make sure we don't repeat last year's issue with the statements being issued so late in the year.
- As Kevin mentioned in one of his recent weekly updates, we have seen a healthy increase in sales activity this year. For the first three months, our transfer fees were more than 50% over budget and we billed twelve more property transfers than we budgeted. The trend has continued into April. We also have had higher construction activity, and, as a result, our building permit and impact fees have exceeded budget. All three of these areas looking promising for the year if the higher sales and construction activity continues.
- Earlier this year, Mike had mentioned that our premiums had gone up substantially for both workers' compensation and property & casualty. Kevin followed up with our workers' compensation carrier and pointed out that our projected payroll was less than what they used as the basis for our coverage. Also, we began deducting premiums for uncovered contractors in 2014. As a result, our carrier, Sheffield, has reduced the premium close to what was budgeted. In addition, we recently received a dividend from Sheffield of \$1,173, which will effectively reduce the cost of workers' compensation insurance. We have not yet had our annual audit by Sheffield, which could result in additional expense, but we have \$1,500 budgeted in May which should cover it, if any.
- Regarding our property & casualty coverage, we have seen steady increases in premiums from Harleysville for the past two years. The premium was increased again early in 2015 at a higher rate than included in the operating budget. The total premium was \$1,000 higher for the First Quarter, which will likely project to a

\$4,000 overrun for the year. Kevin has contacted Dark Insurance, the agency that SWRA used for many years, to see if they could find coverage at a lower rate. After an evaluation, which included a visit by Dark, the agency told us they were not prepared to offer coverage at this time.

- As the Board approved in February, we began using Twin City Security in lieu of using SWRA employees on Sundays. This is slightly more expensive but easier to provide coverage given recent turnover and having one employee on maternity leave. We are also incurring more overtime recently because of staffing adjustments to cover for the employee on maternity leave. The overtime should dissipate when the employee returns in May.
- In general, our utilities are running close to budget; however, one area, Moonbrook Park, our electricity bills have been substantially over budget due to running the lights extended hours. Most of this has been due to trying to eliminate vandalism at the park. The overage should moderate over the remainder of the year.
- We now have employees in all the proper areas for condo management. We had some issues ensuring that all employees were being charged to the areas where they were performing maintenance or cleaning. Susan and I reclassified them for the first three months and ADP should now have the information to properly reflect their time, which will ensure the integrity of the condo profit and loss statements. In general, the profitability of the condo management is running slightly ahead of budget. We also should be improving profitability for the remainder of the year with the replacement of one of our employees that cleans one of the condo complexes.

OPEN AGENDA

Facebook Page Guidelines – The Board approved Kevin's recommendation that he screen and review all comments before they are posted.

Power Line Property Document - A revised draft from Kim White of Balch & Bingham was presented following last meeting and the Board's response to simplify where possible for use on the sale of the power line properties. The contract is now two pages. A more detailed contract can be used for the sale of lots. Approximately 12 adjacent owners have expressed interest. A meeting date will be set to gauge the degree of interest from the potential buyers.

SWRA Committee Board Liaison Assignments – Kevin discussed the various committees and their functions. After a discussion of interest by the Board members, the liaison assignments approved by the Board are as follows:

ARC – David Heinzen
Christmas – Penny Alexander
Maintenance/Landscape – Patti Richardson
Roads – David Hargrove
Finance – Mike Dollar
Long Range Planning – Jerry Grace

The Board also approved the combination of the Maintenance and Landscape Committees into one committee.

NEW BUSINESS

SWRA Apparel – As mentioned in Kevin's report, Mrs. Lawson has requested permission to use the SWRA logo on shirts and caps to be sold. The pricing will be such that there should be no profits from the sales. Lee Apparel will prepare the items and SWRA will not be involved in the sales or collection. Kevin will probably include an item in the newsletter mentioning the sale. The Board discussed and agreed that it should benefit the association by promoting StillWaters. The Board then approved the motion to allow the use on the mentioned items.

Appointment of Two Members to the ARC – The Board agreed to move discussion of this item to the Executive Session since it involves discussion of potential candidates.

The Board approved a motion to adjourn at 10:22 a.m. to move into Executive Session in order to discuss current legal issues.



Mike Dollar, Acting Secretary



Andy Milwid, President

Date approved:

Minutes
SWRA Board of Directors Meeting
May 5, 2015

Call to order – President Andy Milwid called the meeting to order at 9:00 a.m. Board members Penny Alexander, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. Mike Dollar was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of April 21, 2015 meeting as distributed.

GUESTS:

Mike Terrell, Stoneview Summit (SVS) BOD President
Ron Benoit, Stoneview Summit (SVS) BOD Treasurer

Kevin left the meeting at 9:02 a.m.

Mike opened, introduced himself and Ron both long time board members for SVS and stated he wanted to state their position about billings that they feel are incorrect. He thanked the board for allowing them to voice their concerns. There are five points in this written presentation.

2009 bankruptcy changed SVS ownership from Lake Martin Partners to Lake Martin Development (several banks). The banks agreed to complete the two shell buildings, 2 and 4. When the second and third buildings were completed, they came to the first development and asked that new be included in same homeowners' declaration.

Andy Milwid thanked Mike and Ron for their time and presentation, invited them to stay for the remainder of the meeting and told them that the board would discuss, research and respond back to them.

Kevin returned to the meeting at 9:35 a.m.

GM Report

Gate 34 Painting Repairs - We removed the dead ivy from the "goal post" at 34 Gate that was killed by the cold weather. Last year we had the same issue and the ivy grew back about half way up the post. This year it was damaged more severely but should grow back, while it is growing back the bare post are exposed and not very attractive. Kevin suggested that we repaint the concrete posts and keep the ivy off the post.

Gate 34 Repairs - The entrance side barrier arm motor at Gate 34 stopped working. We replaced it with our back up motor, which was an old motor we had rebuilt and it did not work. So the entrance barrier arm at Gate 34 was in the open position until we the motor was repaired. The big metal gates continued to work.

Gate 49 Repairs - SWRA employees replaced a failed exit barrier arm at the 49 gates. The board that was replaced appeared to be one of the original boards that were installed when the gate was installed. It was so old the model number had changed.

Gate Security Cameras - The security camera system at 34 Gate is not working properly. We lost the exit side license plate camera and Kevin moved the DVR system from the 49 Gate because the one at 34 Gate was not working properly. Kevin is obtaining bids to replace the camera system at 34 Gate. The basic system has been in use for six years. We have had to replace items but instead of replacing the current non-working items it is time to upgrade. The cameras help us identify vehicles that might accidentally damage the gates. To replace one of the large black aluminum gate is \$12,000. To upgrade the camera system will be around \$10,000 that can come from the gate reserve account.

Golf Course Ownership - Keith Hiatt is now planning a lease purchase agreement with the current golf course owners. There have been several rumors but during my last conversation with Keith is he hopes the lease agreement can be completed by mid-May but there are still a few issues to iron out. Keith purchased an ad in the May newsletter updating everyone on his progress to gain control of the golf course.

Pest Control - Kevin had the office, pool, tennis courts and park sprayed for mosquitoes and other bugs by a company out of Opelika. The cost was \$275 for all locations and no contract was required. It will help reduce the flying bugs. Kevin reported that the improvement is very noticeable.

Sunset Point Cottages - The contractor building the cottage style house on Sunset Point has started two more houses. The first two sold quickly and he thinks he has a third on sold. He believes that all six houses will be completed by the end of summer.

Tallapoosa County Tax Sale - The tax sale for properties in Tallapoosa County will be Wednesday, May 6th. As in previous years, Kevin will attend and purchase any lots that are not purchased to keep them from going to the state. There is approximately a \$1000 exposure with 4 lots under consideration.

The law changed last year. If SWRA buys a lot at the County tax sale then the owner can redeem it but they have to pay the taxes plus the back SWRA fees. They have three years to redeem the properties.

Deposits and closings since last meeting

Deposits	\$24,253
Closings	7

TREASURER'S REPORT

Kevin reported that the total outstanding past due Association Fees are \$450,000. \$244,000 of this is ChilWaters (Mike Lewis) properties, which SWRA was awarded a judgment against. \$60,000 of the total is owed by Riverwoods, Chad Pitts owes \$30,000 and \$23,000 is owed by Mary Dillard. Less than \$100,000 due from other varied individual owners.

OPEN AGENDA

Appointment of Two Members to the ARC – Kevin and Andy met with Lee Eastman and Tom Nicholson for discussion of responsibilities and duties. The Board approved appointment of both Tom and Lee to serve on the ARC.

Association Insurance - Insurance costs have continued to increase. There is an insurance pool through the Community Association Institute of which SWRA is a member. Kevin also talked with several agencies and is waiting on a JS Lanier quote.

NEW BUSINESS

Roads Committee Bids - Prior to today's meeting Kevin had emailed the board to let us know that the bids from the paving companies were in and had been forwarded to the Roads Committee members for review. It is as usual, a little above the budgeted amount but Kevin believes that the Roads Committee can recommend some changes that will easily bring the project into the budgeted amount. Consultant Hagan Waggoner had a few suggestions also.

2015 Paving And Drainage Bids - Consultant Hagan Waggoner has gathered estimated bids and sent to Kevin last night. The list of work is greater than our 2015 budget amount. Kevin and Hagan reviewed the entirety of requested work and in order to meet budget they had to make some reductions. Hagan has the authority to make changes to meet the bottom line number during the paving project in order to stay within budget as new items always surface once the work begins or new issues develop in StillWaters. If an item is pulled off this year's list it is automatically added to next year's list for the committee to manage.

SWRA received two bids, one from D&J Enterprises and one from Ingram Paving. State and County are ramping up projects at Memorial Day. Hagan has said that the paving companies can put us in their schedule to avoid delays if we can go ahead and commit to the company. **The Board approved a motion to accept the Ingram bid which was the lower bid, as presented with the modifications made by Hagan Waggoner and to notify Ingram and other vendor of our intent.**

Gate 34 Cameras - Kevin gathered estimates from three companies. During discussion it was suggested that he get prices on leasing the camera equipment. Kevin will do some further research and report back to the board.

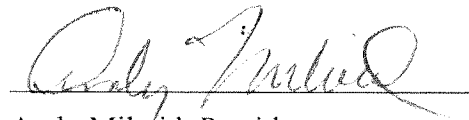
Gate 34 Lighting - Three of the four lights attached to the “goal post” need the ballast replaced. Kevin would like to replace the lights with LED that claim to last 8-10 years and use less electricity. The ballast cost \$225 each to replace, to replace the current fixtures with LED lights will cost \$390 each but we will reduce future maintenance and electrical cost. **After discussion the Board approved a motion to follow Kevin’s recommendation and move to LED lighting.**

Plat Change Request in Chinquapin Cove Subdivision - Two neighbors approached the Board and ARC requesting the re-subdivision of Lot 21, 22 and 23 that they own. They want to redraw the adjoining lot line to sell a small strip of the property centerline in order to allow one owner to increase dock size. Both agree. **The Board will recommend approval of this to the ARC.**

The Board approved a motion to adjourn at 10:35 a.m. to move into Executive Session in order to discuss current legal issues.



Penny Alexander, Secretary



Andy Milwid, President

Date approved: May 19, 2015

Minutes
SWRA Board of Directors Meeting
May 19, 2015

Call to order – President Andy Milwid called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, David Hargrove, Dave Heinzen and Patti Richardson were present. Jerry Grace was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of May 5, 2015 meeting as distributed.

GM Report

County Tax Sale - SWRA purchased four properties at the Tallapoosa County tax sale. The total cost was \$742.82. SWRA received deeds for eight properties this past week that were purchased at the tax sale three years ago.

Covenant Conversions -Two current 1974 property owners converted to 1987 covenants.

Damaged Trees - A large pine tree at Red Bud villas located on SWRA common area split and was leaning over a villa. It was a very large pine tree and it could fall on the villa. Kevin had the tree removed at the same time Floyds came out to remove the vines from the “goal post” at gate 34.

Gate 34 Damage - It appears a large vehicle hit and broke the card reader at gate 34 or somebody could have gotten mad and beat it with a bat. The camera that views this area is one that is not working. The plastic housing is damaged beyond repair but the electronics still work. This is the grey square plastic thing people waive their card in front of to open the gate. The problem is that it is an old original reader that we have had for years that is no longer manufactured. To replace it would mean we also have to replace the main call box. Kevin’s plans are to use super glue and silicone to try and put it back together so that it might last through the year end and put the \$6,500 cost to place it in 2016 budget.

Golf Course Open House - The ARC has approved temporary signage for Keith Hiatt to use at the entrance gates advertising the open house he is planning for Friday, May 22nd. His plans are to install the signs on Wednesday and take them down on Sunday. He requested approval to leave them up a day after the open house so that they might generate interest from someone who comes into StillWaters over the weekend. He has started cutting the old Legend golf course this week.

Landscape Irrigation - The sprinkler system at the front gate and at the park was turned on temporarily due to the dry weather over the last couple of weeks. We will keep watering to a minimum to help keep water usage cost down.

Paving Update - Hagan is working on finalizing the dates for the paving project. He informed Ingram Paving they had won the bid but that it was contingent on them doing the work within a set number of days and not dragging the project out for a long period time. Ingram is trying to schedule StillWaters during mid-June and it should take about two weeks to complete.

Truck Repair - The tires on the stick shift truck had to be replaced. The cost was just over Kevin's limit at \$630.24 but needed to be done. One went flat and the others were a safety hazard.

Deposits and closings since last meeting

Deposits	\$14,117.90
Closings	9

TREASURER'S REPORT

Financial Statements

Warren, Sasser has issued final drafts for the 1st Quarter 2015 financial statements. They cannot release the final version, however, until McDaniel & Associates issues our annual financial reports. McDaniel should be close to completion, and, hopefully, we will have the final statements for both 2014 and 1st Quarter 2015 by the next Board meeting. Mike reviewed the draft of the 1st Quarter statements and noted no changes of significance to what he has previously reviewed with the Board.

Purchase of Building at Front Entrance

The Board has approved the purchase and the refinancing of our current mortgage note with Regions. Kevin will present his recommendation for the terms of the refinancing at this morning's meeting.

This transaction could have a significant impact on the 2015 budgeted income and cash. As a result, Mike proposed that we revise this year's budget to project the impact of the financing costs, the potential rental income and the additional operating and maintenance expenses. Also, Mike would like to revise the budget for other issues that we have already experienced, such as higher insurance and an employee for Harbor Pointe that he did not budget. He has set up the budget files to reflect these changes and to project the profitability for the new building as a separate profit center. We will also highlight the new building in our QuickBooks financial statements on an ongoing basis the same way that we currently address condo management.

OPEN AGENDA

Update on Camera System for 34 Gate - Kevin looked into leasing new video equipment for the gates but leasing companies are not interested in leasing video equipment. Kevin has been working with another video company that can take the few good parts from gate 34 and use them at gate 49 to reduce cost and they have a suggestion to reduce the cost for a new video system at gate 34.

July 4th Family Fun Festival - Saturday from 11:00 a.m. until 6:00 p.m. Plans are underway for the day at Moonbrook park. The plans include two bands Hwy 280 (3:00-6:00) and Route 66 (12:00-3:00) p.m. to play, four bouncy houses and a water activity. Neighborhood Council is going to sell refreshments. SWRA will have to purchase event insurance. Kevin reported that they hope to have a few carnival games for children. He will also contact the SWVF&R to see if they would be available to set up a first aid station. They might be able to bring the fire truck, which children always love.

NEW BUSINESS

Modular Building and Land at Gate 49 Entrance - The Board had approved a motion for Andy Milwid to negotiate on the purchase of this property from the current owners, the Zettler's. It is estimated that the modular building will need \$15,000 to \$20,000 in repairs in order to be rented out as several small office spaces. Ownership of the property will give control of the entrance to the homeowners' association. The Board had agreed to the purchase and since our last meeting an offer to purchase was made and accepted.

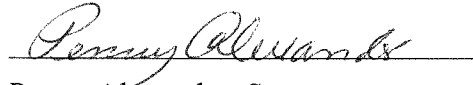
Regions Bank has approved the SWRA loan request to purchase the land and sales center at gate 49. Kevin and Mike had explored and discussed options as to how to best finance the purchase and they are recommending that the best option be for SWRA to refinance the current mortgage adding \$100,000 to the note. It will be at a 10-year fixed rate, 4.4% interest rate and the adjusted payment will be \$2321.00 per month. Total closing costs should be under \$1,000. This would require no title work and no appraisal since it would be added to the existing mortgage therefore saving money over dealing with a different lender. SWRA currently has a 4.5% interest rate and the payment has been \$1559 monthly on the SWRA Centre. The new note will be \$225,000 total.

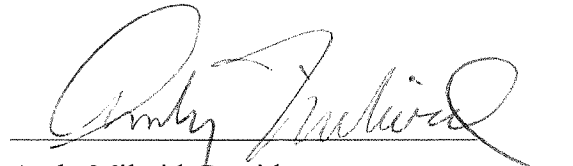
The SWRA Board approved the corporate resolution to refinance the mortgage as recommended giving authority to Mike Dollar and Kevin Eason to act on our behalf to negotiate the loan.

Lake Martin Realty - LMR has made a request to hold an event on Saturday, June 6th to showcase of their listings of StillWaters property as they did a couple of years ago. They will rent the SW Centre meeting room for \$500 and use this as check-in and checkout station. The signage used will be as approved by the ARC. The open house will be on Saturday from 1:00 - 4:00 p.m. **A motion to approve the event carried.**

Memorial Weekend Preparation - Kevin reported that we are preparing for the increased traffic. Once again, flyers will be passed out at gate highlighting the SWRA "no fireworks" policy and the trailer parking policy. Kevin will have extra gate help part of the weekend to expedite entry.

The Board approved a motion to adjourn at 10:25 a.m. to move into Executive Session in order to discuss current legal issues.


Penny Alexander, Secretary


Andy Milwid, President

Date approved: *June 2, 2015*

Minutes
SWRA Board of Directors Meeting
June 2, 2015

Call to order – President Andy Milwid called the meeting to order at 9:35 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of May 19, 2015 meeting as distributed.

GM Report

Employee Loss of Mother - Crayton Vicker's mother passed away last week. Crayton is one of our maintenance men and works some at the gate. As per SWRA policy, flowers were sent. Crayton conveyed his appreciation to the Board and community for the flowers and the three-day bereavement leave.

Gate 34 Cable Installation - Troy Sims our IT person, put Kevin in touch with someone from Charter that was a little higher up than the technician that had previously looked at the installation. Kevin was told then that we would need to install a conduit for the cable or have the cable go overhead. Now Charter has agreed to bore under the road, install the cable themselves, and repair any damage to the road for an installation charge of \$99. This is much less than the cost of \$750 to cut the asphalt and install a conduit. They are scheduled to install the cable June 19th. Also Kevin will try to get them to bring Charter to the Gate 49 gatehouse; it currently stops at the old sales center.

Memorial Day Weekend - It was very busy, there seemed to be more people in StillWaters this year than in the past several years. The only major issue was the burst water main.

Paving Program - Ingram Paving started paving on Monday, May 26th. They only completed a few patches before the rain started. The patching crew will come in first then after all the patches are completed the paving crew will come in. We always receive several questions from concerned property owners about how bad the patches look. In most places a wearing surface of asphalt will be applied over the patches. They are about half way through the patching stage of the road repairs but wet weather has put them behind. They plan on completing the patching work this week and then start paving the following week. Alex City Grading is now behind about two weeks due to the weather.

Paving Repairs - Walnut Hill Water had a major leak in their main line that runs down StillWaters Drive. Several houses were without water for a few hours. The asphalt was not

cut on StillWaters Drive but recently there were two other small leaks where the asphalt was cut and will be repaired while Ingram is working.

Sale of Power Line Property - Kevin reported that his opinion was that SWRA is not ready to move forward with the sale of power line property to adjacent owners as had been approved by the Board. The Board and Attorney Russell Balch have approved the sales Agreement.

SWRA Owned Lots - SWRA now owns 68 lots. We just received another on through the "deed for debt" program.

Deposits and closings

Deposits \$2,557.68 *

Closings 0

*Deposits are low because of the timing of this meeting. Usually by the first meeting of the month we have received the monthly condo management fees. We should start receiving condo management fee payments middle of this week.

TREASURER'S REPORT

Mike distributed a copy of his report along with an Adjusted Budget Worksheet as of May 2015 (attached) for the Board's review and discussion.

Financial Statements

Susan and Mike made a few adjustments to the March 31 financial statements after Mike noticed some unusual items in April and May. These were passed on to Warren, Sasser and will be reflected in the First Quarter financial statements.

2015 Budget Revisions

After getting the Board's ok in the last meeting, Mike made several revisions to the original budget, the primary driver being the purchase of the old sales center (Main gate building). He has reserved the right to make adjustments after he reviews more thoroughly, but here is a current summary of the reforecast versus the original budget:

	<u>Original</u>	<u>Revised</u>
Revenue	\$1,084,886	\$1,103,086
Expenses (including Legal & Income Taxes)	1,016,362	1,055,174
Net Income	68,524	47,911
Cash Flow – Consolidated	50,303	16,664
Unrestricted Cash – Year End	58,361	39,722

This is a summary of the adjustments made in the process of preparing the reforecast:

- Adjusted for the impact of purchasing the old sales center (Main gate building). This included refinancing the note to provide \$100,000, adding the expenses to repair and refurbish the building and site, adding estimated rental income and transferring \$10,000 from the Contingency Reserve. Mike also added estimated operating expenses for the remainder of the year, including utilities, maintenance, and insurance, et al. The net reduction in income for the year related to the purchase will be approximately \$11,400.
- Revised the Transfer Fees to reflect anticipated higher property sales activity for the remainder of the year.
- Increased insurance premiums to reflect the higher Harleysville rates we have experienced in 2015.
- Revised gate attendant fees to reflect increased utilization on weekends.
- Moved the expenses for the Spring Festival originally budgeted for March to July for the Independence Day festival.
- Adjusted payroll for condo management to reflect additional personnel and where employees have actually been charging their time during the first five months. This included the impact of replacement of a high cost former high cost employee in Sunset Point II. The net increase to expense for the remainder of the year was \$16,000 after making these adjustments. Mike also added \$2,200 to reflect the estimated tax payment we recently made related to the earnings from condo management.
- Reduced the estimated transfer to reserves at year-end by \$5,000 to \$40,000. The \$5,000 adjustment was to SWRA Centre reserves. In addition, \$10,000 was transferred from Contingency Reserves to reflect the additional cash cost of the building purchase not covered by the Regions note refinancing. The net change to reserves in the revised forecast is an increase of \$30,000.

OPEN AGENDA

July 4th Family Fun Festival - Saturday from 11:00 a.m. until 6:00 p.m. Plans include two bands, Hwy 280 (3:00-6:00) and Route 66 (12:00-3:00) p.m., several bouncy houses, one water slide. The Neighborhood Council is going to sell refreshments. We would like to have a few carnival games and art activities for kids. There may be a shaved ice vendor. The Stillwaters Volunteer fire department is going to give fire truck rides and set up an EMT station. The Board discussed asking realtors and local banks to sponsor an art activity or game and prizes.

Regions Bank Loan Update- Kevin updated the board on the loan approval which may require an appraisal. The process is moving along at a reasonable pace.

Golf Course Open House - The open house on Friday, May 22nd at the golf clubhouse was extremely well attended. It was a wonderful evening with good food and fellowship. Membership sign up is now under way and Keith Hiatt had said that more publicity would be coming out soon.

Main Gate/Welcome Centre at Gate 49 - The purchase of the old sales center and property next to the 49 gates was completed on May 26, 2015. The sellers agreed to the deed approved by SWRA Attorney Russell Balch. Clean up was started immediately. Smith Electric checked out the electrical systems and required repairs were made. The corner lights will be replaced and a lamppost left over from the park will be installed. Miller's Landscape has started cleaning up the grounds. Then it will be pressure washed, rotten wood repaired, and painted. Final new landscape material will be installed. The schedule is to be completed by the end of June but weather could cause delays. Micki Joell is helping with the paint color scheme and landscape so the Welcome Centre coordinates with the gatehouse and other SWRA owned buildings. Several people have already contacted the SWRA office showing interest in leasing offices. SWRA will purchase a few pieces of furniture for the reception area; renters will provide their own office furniture and equipment.

Update on Camera System for 34 Gate - Kevin reported that Furlongs Security presented a lower estimate to replace/repair the gate camera system. They are about a third of the other two estimates that Kevin received from AVX and Abernathy. The Furlongs' technician told Kevin that we do not need IP cameras with cable since we have underground access; a regular analog camera is fine, as long as we use a different type dvr that is now available. It is a cost savings overall. The total is \$3800 for updating the system. There is a one-year warranty on all parts and labor.

After discussion a motion to approve the Furlongs Security proposal taking the funds from gate reserves passed.

NEW BUSINESS

Lake Martin Realty (LMR) - ARC approved the signage for the showcase of StillWaters properties to be held Saturday, June 6th. LMR will rent the SWRA community room for the afternoon.

Stoneview Summit (SVS) Condo Association Billing (From Executive Session Minutes) - Mike Terrell and Ron Benoit of the SVS Association Board had attended the May 5, 2015 SWRA Board meeting to make a presentation concerning the SWRA annual billing of four properties owned by the SVS Condo Association. They were disputing the 2015 fees on these parcels. Kevin and the SWRA Board members had spent a good deal of time researching and reviewing Mike and Ron's presentation materials, as well as other documents, maps and 2003 auction documents for additional discussion of the billing policies. The SVS property parcels were re-platted in 2005. The previous owners of SVS properties paid the fees as billed in the past. The ownership of several parcels changed when the developer sold them to the SVS Condo Association in 2014.

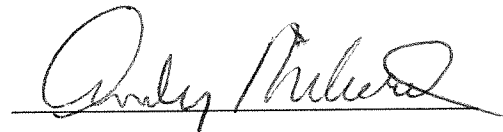
All SWRA Board members were present for the discussion and review of documents this morning. Individual board members have given this issue serious consideration and have compared it to similar properties and other condo associations. During the discussion it was determined that SWRA had billed for four parcels and that the corner of SVS Building 4 crosses over one of the parcel lot lines slightly so that the building actually sits on two parcels. Originally these parcels were intended for additional condo unit buildings. In reality SVS Condo Association could sell these parcels in the future even though it would take a vote of their membership.

A motion was made that in accordance with SWRA policy and the 1987 covenants that SWRA bill annual association fees and assessments for the three parcels that do not have residential units on the property. The motion was seconded and carried with six votes in favor and with Patti Richardson abstaining from voting. To be clear in the Board's interpretation, if a parcel is converted to have residential units on it then SWRA does not bill for the parcel but instead for each individual residential unit. Amenities such as pools, parking lots, walkways, lighting, playgrounds, picnic areas, amphitheaters or any other structures do not qualify to remove SWRA Association fees from the parcel. This is consistent with SWRA precedent and policy for all property owners.

Kevin and Penny will draft a letter of response from the board and send to board members for approval prior to sending.

The Board approved a motion to adjourn at 10:25 a.m.


Penny Alexander, Secretary


Andy Milwid, President

Date approved: *June 16, 2015*

Minutes
SWRA Board of Directors Meeting
June 16, 2015

Call to order – President Andy Milwid called the meeting to order at 9:00 a.m. Board members Penny Alexander, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. Mike Dollar was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of June 2, 2015 meeting as distributed.

GM Report

Gate 34 Entrance - SWRA employees painted the “goal post”. The concrete poles look much better even though the finish is a little rough.

Gate 49 Repair - The exit barrier arm at 49 gate is still not functioning. Kevin has had trouble having the motor rebuilt. He just received info that it is in too bad a shape to rebuild and a new one has been ordered.

Lake Martin Realty (LMR) - The open house event showcasing StillWaters properties for Lake Martin Realty seemed to be well attended. They rented the SWRA community room as their central event location.

Power Line Cuttings - Alabama Power has resumed cutting the trees under the power lines. They informed Kevin that the Crepe myrtles, Bradford pears, and other trees at the intersection of Moonbrook and Dogwood Trail would be cut down. Kevin spent most of the day on the telephone trying to talk with someone who could get this changed. He finally spoke with Drew Jackson, the supervisor over power line property. This is a new regulation from APCO and the Federal Government. Plans are to have the stumps removed and grass replaced in some areas and low growing shrubs in other areas. Kevin has talked with Keith at the golf course and we will work together to make the area presentable again.

Deposits and closing since last meeting

Deposits	\$22,060.22
Closings	10

TREASURER'S REPORT

Regions Bank Loan Update - There has been a delay in the closing of the loan. Sy McLain did not release the old mortgage on the SWRA Centre. Regions found it when

they updated the title, it did not show last year when we first refinanced the building. Susan Thames talked with Charlotte McLain and explained the situation, after that our Attorney took it from there. The release has been sent to Mrs. McLain for her to sign as the executrix of the estate.

OPEN AGENDA

Camera System for 34 Gate Update - Kevin reported that the new camera system and replacement lights for gate 34 are scheduled to be installed this week. Spectrum (Charter Cable) has installed the conduit for the cable and they are scheduled to install the Internet modem and cable this week. Total installation cost \$99.

Fourth of July Family Festival Update- Kevin reported that the July 4th festival is set. We have the following scheduled-two dry bouncy houses, two wet inflatable slides, fire truck rides, two bands, face painting, first aid station, and a couple of food vendors. Kevin is working on a parking diagram.

Paving Program - The access road off of Lunker Lane that leads to two houses was scheduled to be paved but was taken off the list. One of the home owners contacted Kevin and explained that he had planned to have his concrete driveway replaced before paving but would not be able to get his job completed. They discussed that heavy concrete trucks on new asphalt would damage the asphalt. At the homeowner's request the access road paving was put off until next year's paving.

Sale of Power Line Property - The Board discussed a plan to pursue offering these properties to adjacent property owners. The sales document is complete and has been approved. Kevin and David will develop a proposed map showing general property lines. They will research tax records and current values for the board to discuss prior to scheduling a meeting with adjacent property owners.

Stoneview Summit (SVS) Condo Association Billing - Kevin sent a letter of response (copy attached) to the Stoneview Summit Board of Directors and will send an invoice with detailed information identifying the parcels to be billed.

SWRA Main Gate/Welcome Centre at Gate 49 Update - Work on the Gate 49 building is progressing. Architectural Designer Micki Joell has provided some good suggestions that will update the look of the modular building and move toward matching the other SWRA buildings without going over budget. Plumbing repairs are finished, water heater works, electrical repairs are complete and Ray Miller is to replace rotten wood and paint the inside and outside banding around the bottom that will replace the old latticework. We will patch the roof and repair an area of the interior floor. Just leaving the outside lights on at night have prompted several people to call about the building.

NEW AGENDA

SWRA Owned Lots - David Hargrove distributed information to discuss a process or approach to better market and sell the 68 lots owned by SWRA, which would be beneficial once they can be turned into fee producing lots. David and Kevin had graded the lots to start a "report card" or list to update in order to track the lots and to try to put these lots in front of the right people. David's real estate license is inactive in Auburn and he is activating it here at the lake to be affiliated with Fuller Realty. David's proposed that he would list the properties in MLS, as well as print & distribute flyers to market the properties, a few at the time. All SWRA contracts with real estate agents have expired. David requested a 10% commission when a lot sells. David offered to continue his work to refine and price the list of SWRA properties.

After discussion, the Board agreed that Kevin would mail a letter to all adjacent property owners with pricing as a first offer of availability. A list of the properties would be posted on the information board at the SWRA office and in the newsletter.

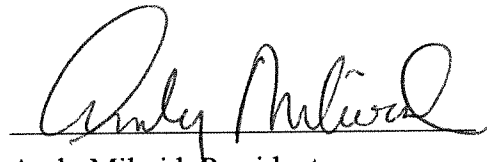
Sale of Lots - SWRA has accepted a purchase contract on Lot 8 Turkey Roost on Myrtle that is scheduled to close on July 10, 2015. The Board also accepted a contract on #27 Turkey Roost.

Management of New Cottage Style homes on Sunset Point - Keel & Teel, developers of the six new cottage style homes and common area on Sunset Point Drive spoke with Kevin concerning management of this association. SWRA would handle the Cottage association accounting, as well as inspections and site maintenance of the common area. The Board agreed that Kevin should pursue a management agreement with the Cottage association.

The Board approved a motion to adjourn at 10:25 a.m.



Penny Alexander, Secretary



Andy Milwid, President

Date approved: *July 7, 2015*

Minutes
SWRA Board of Directors Meeting
July 7, 2015

Call to order – Vice President Jerry Grace called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, David Hargrove, Dave Heinzen and Patti Richardson were present. Andy Milwid was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of June 16, 2015 meeting as distributed.

GM Report

Alabama Power Company (APCO) Trimming - APCO did not cut down the Crepe Myrtles on the power line property as they had originally planned. Drew Jackson, the APCO person responsible for the power line cutting, came to StillWaters to inspect the Crepe Myrtles and agreed they would not touch the power lines. He had his crew cut them to the height he preferred and Kevin agreed to make sure our landscape contractor kept them trimmed at that level, about 12-15 feet high. Kevin thanked him for taking time to come look at the situation.

There is another APCO residential power line contractor in StillWaters cutting tree limbs out of the residential power lines. We have had some issues with the contractor dumping the cut limbs into vacant lots. Josh Smally, the supervisor for the residential lines area has assured Kevin that the contractor will remove all limbs that were dumped into vacant lots. A StillWaters resident has been calling Josh on a daily basis and has been a big help in getting the limbs properly removed.

Drainage Repairs - Alex City Grading has started on the drainage/grading portion of the 2015 roads project. They expect it to take them a couple of weeks to complete.

Fountain Equipment - The pool vacuum used to clean the fountain had to be replaced at a cost of \$825. It was originally purchased four years ago. It is used two to three times a week depending on the amount of debris in the fountain.

Gate Communication Update - All components allowing the gate attendants at the 49 Gate to view the 34 Gate is almost in place. Troy Simms is working with Charter Spectrum and Furlongs Security to complete the process. We should be able to view the 34 Gate cameras at the office or on a smart phone by the end of the week and then at 49 Gate as soon as Charter completes installation of the cable at the 49 Gate. The gate attendants will be able to talk to people at gate 34 entry from the gatehouse at the 49 entrance.

Gate 34 Camera - The new camera system is currently being installed. We will be able to see gate 34 over the Internet and we will have better recognition of people entering and exiting at gate 34.

Gate 34 Auto Damage - A resident destroyed the entrance side slide metal gate at 34 Gate. It will have to be completely replaced and according to the gate vendor it will take several weeks to order all the replacement equipment. The new cameras captured the vehicle that did the damage.

The resident did not self-report the incident and Kevin contacted the Sheriff's Department. Once contacted by the sheriff, the person confessed to the damage. The person that did the damage told the Sheriff's Department that she had planned to contact the SWRA office but had not had time. As of this meeting she has not contacted the SWRA office. The investigator suggested giving her a couple of days and if she does not contact Kevin then SWRA should file criminal charges for leaving the scene and criminal vandalism. SWRA filed a claim with our insurance company and provided the name and address of the person who did the damage. Everything including the support post will have to be replaced. The rough estimate from the gate company is \$20,000.

SWRA has to pay 50% down in order to order the aluminum gate which will be reimbursed by the at fault driver's insurance. \$1000 deductible will be subrogated and refunded to us from other insurance company.

Gate 49 Repairs - The barrier arm motor for the exit side of 49 Gate could not be repaired. Kevin had to purchase a new motor and SWRA employees installed the motor. Cost of the new motor was just under \$400. This gate is now operating properly.

Holiday Weekend - We did not have any major issues over the July 4th holiday weekend. There seemed to be more people in StillWaters than the last couple of years but all went well.

Lighting Damage - June 24th lightning hit the entry lights to the front gate. The electrician was able to repair all the lighting by replacing the circuit breakers, except the two double lampposts just past the fountain as you enter StillWaters. The lightning burned the ballast, the bulbs, and fused the wiring together. The light poles have been converted to a non-ballast socket with an LED bulb. We are currently testing different bulbs to determine the best replacement for the old bulbs.

Lighting Plan - The lamppost in front of the welcome centre, has an LED light bulb. According to the manufacture the average annual cost to operate the bulb is \$4.56 per year for an average of six hours per day. Kevin suggested that if this test light works well, we replace the park bulbs with the new LED bulb in order to save on electricity.

Pineview Pool Upkeep - The Pineview Pool fence and floor around the pool house have been painted. This was a budgeted item. It was scheduled to be completed a couple of months ago, it took the painter (DWK) longer to get to it than expected.

Power Line Pole Replacement - Alabama Power (APCO) is working on replacing several of the large power line poles on the power line easement. APCO informed Kevin that they would be performing the work over the next few weeks. They will have the helicopter stringing the new power line cable, like last year, after the new poles are installed.

SW Golf Event - Keith Hiatt was very pleased with the large turnout at the Low Country Boil on July 2nd. He was also able to sign up several new members and has stated that his membership drive is going as planned. It was noted that Keith's uncle, Paul Conner, helped build the first golf course in StillWaters.

Deposits and closings since last meeting.

Deposits	\$18,195.04
Closings	15

TREASURER'S REPORT

Financial Statements

SWRA has received both the 2014 annual financial statements from McDaniel & Associates and the 1st Quarter 2015 financial statements from Warren, Sasser & Associates. They are available for review.

June Financial Results

Mike has reviewed June's financial statements and reported that he does not see any major concerns. Our cash is short of projected balances (in revised forecast) at this point due to the timing of two large expenditures that will resolve themselves in the next month or two. We temporarily reduced our cash by \$100,000 for the purchase of the Welcome Centre until our financing is in place, which will occur in July and replenish those funds. We also are completing the paving projects earlier than originally projected with \$175,000 spent in June. We planned these expenditures in July and August.

After weakening a bit in May, transfer fees were very strong in June which brought the year-to-date total back to 36% over budget. Rental of SWRA Centre Community Room continued well over plan in June and is more than double what was in the plan through June.

Regions Bank Loan Update

The closing on the loan continues to be delayed. Sy McLain did not release the old mortgage on the SWRA Centre. Regions should have discovered this at the closing of the original loan a few years ago. They found it when they recently updated the title, it did not show last year when we first refinanced the building. Susan Thames talked with Charlotte McLain and explained the situation, after that our Attorney took it from there. The release had been sent to Mrs. McLain for her to sign as the executrix of the estate. However they have been trying to get her to sign the release document for three weeks, but she had

several problems, stating that she could not find a notary and that she wasn't feeling well. Attorney Kim White has a reciprocal agreement with a Georgia attorney who will go to Charlotte McLain's house in Georgia for her to sign the document in order to complete the loan documents and closing.

OPEN AGENDA

Fourth of July Family Festival Report- The July 4th festival was very successful. The weather cleared up for a nice day and many people attended. The SWRA Staff did a great job as did the Neighborhood Council and the SWVF&R department. The fire truck rides were a huge hit. The bouncy houses turned out to be very popular and the bands were terrific. The Board agreed that Secretary Alexander would send thank you notes to those involved.

The Board discussed ways to add to and improve on the event as well as future events. Board agreed that Kevin should pursue a fall event with a different theme, maybe a barbeque or chili cook-off. Kevin would like to have the event sponsored by one company and to limit vendors to those that are fun or family-friendly types.

Paving Program - Ingram Paving has completed the paving work but still has to perform the cleanup. Unfortunately, we had two water leaks the last couple of days and Walnut Hill Water Authority has made three large cuts in the pavement on Greensview, Vista Wood and Holly Ridge. Ingram will repair these areas before they pull out of StillWaters. The access road off of Lunker Lane that leads to two houses was added back to the schedule at the request of the original owner who had asked that it be removed until he could have his driveway replaced. We have spent \$175,000 thus far on paving. We did not do any crack seal repairs this year. Alexander Paving out of Montgomery looked at areas that had been sprayed previously with seal coat but stated that it had a two-three years life left in it. There are still expenses to come for grading cuts and drainage.

SWRA Main Gate/Welcome Centre at Gate 49 Renovations - Work is behind schedule due to the contractor being delayed on another project but hopes to start on the Welcome Center the week after July 4th. The heating and cooling units are in good shape and work properly; they only need some ductwork repair. Several entities have expressed interest in renting offices from SWRA.

The lease written by Attorney Russell Balch includes a lockout clause, which states that if they are 10 days late on the payment that SWRA can lock them out and keep all contents of the office.

SWRA Owned Lots - Kevin and David had evaluated the SWRA owned lots. In their final proposal they raised the prices on a few on some of the lower ones but lowered the pricing on most. The lots had been previously listed at the county tax assessed value amount.

It was agreed that a letter would be sent to adjacent owners pointing out that these lots have previously been offered for sale at higher prices, are now being offered at a reduced price that is below county tax assessed values in order to reduce our inventory and

that SWRA is offering it to them first before a sale notice goes out to the public. A thirty-day response time period was suggested.

An SWRA eflash will be sent out notifying the community of the Board's decision to sell several lots in the SW community at less than county tax assessed values and that there is a list of lots with pricing at the SWRA office. If interested contact Kevin Eason.

A motion to approve the price list as presented for the sale of SWRA lot inventory was approved unanimously.

SWRA Power Line Property - David and Kevin had worked on pricing for the list of these properties using guidelines and information as previously discussed. The plan involves dividing the parcels along adjacent property lines. Discussion on how to insure proper maintenance of these areas followed. It was agreed that if the first adjacent property owner declines to purchase the area, a signed disclaimer acknowledging that they had first offer and declined would be placed in the property files. Neighborhood meetings will be held soon to explain and discuss with adjacent property owners the proposed plan.

After reviewing the document a motion to accept the recommended price list was made and seconded. The motion carried with five voting to approve and one, Penny Alexander abstaining from voting.

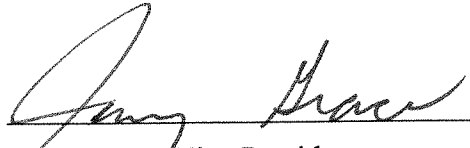
NEW AGENDA

Committee Meetings - The Board discussed committees and meeting times. Patti will coordinate a Facilities Maintenance and Landscape Committee meeting in the next two weeks. The Roads committee has completed its plans for use of the 2015 funds. The Communication Committee will be called upon as needed.

The Board approved a motion to adjourn at 11:10 a.m.



Penny Alexander, Secretary



Jerry Grace, Vice President

Date approved: *July 21, 2015*

Minutes
SWRA Board of Directors Meeting
July 21, 2015

Call to order – President Andy Milwid called the meeting to order at 9:03 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of July 7, 2015 meeting as distributed.

GM Report

Alabama Power Company Subcontractor - The APCO contractor cutting the branches out of the residential power lines has not removed debris created by the cutting. APCO has assured Kevin that if the sub-contractor does not remove the debris by the end of his contract then APCO will have it removed. The sub-contractor has until the end of his contract to complete the disposal of the debris.

Closing on Sale of SWRA Lot - The documents to sell one of the two pending SWRA lots under contract have been signed. The attorney sent the closing documents to the buyer and we should have the funds by end of this week.

Collections on Past Due Accounts - SWRA received payment on several past due accounts recently totaling over \$6,000. One was over \$3,200 and no fees had been paid in five years on Redbud #7 that is owned by a bank.

Deed For Debt Program - SWRA received two deeds under the Deed for Debt program, lots 39042 corner of Crestview Lane & Vistawood in Chinquapin Cove subdivision and 11016 Deer Run Subdivision, on Vistawood also. These lots are already under the 1987 covenants. SWRA now has 69 lots of which 57 are available to sell.

Damages to SWRA Properties

1. **Moonbrook Park Vandalism** - Saturday, July 11th late night occurrence.
 - **Bathrooms** - The restroom doors at the park were once again damaged. These are the doors that SWRA replaced a couple of months ago. The restroom doors are locked from 10pm to 6am each night due to vandalism in the past. It appears someone kept kicking the door trying to get it open, it did not open but the door was dented and the door casing was damaged. Whoever it was decided to leave a present when they could not open the door. This is not only disgusting; it is costly to all property owners.

- **Split Rail Fence** - Someone damaged the split rail fence around the playground area. They either kicked or jumped on the rails until they broke. The problem with replacing the rails is that the posts are held in place by concrete and cannot be easily moved. We have temporarily repaired the fence until we can repair it correctly. The damage was probably related to the bathroom door damage. Kevin has decided to leave the lights on at the park a little longer to attempt to deter future damage.
- 2. **Pineview Pool Gate Damage** - A resident explained that one of her children had opened the gate and ran through it quickly allowing it to slam shut, which broke a cosmetic piece off the gate closure mechanism. Normally when someone allows the gate to slam shut the magnetic lock will catch the gate and there is no damage. This time it was so quick the lock did not have time to engage. Kevin reported that it does not affect the operation of the gate just the aesthetics.
- 3. **Stop Sign** - A vehicle destroyed a stop sign and post at the intersection of Moonbrook and Lakeview Ridge. Based on the amount of car parts left around the sign, there was considerable damage to the car that hit the sign. No one has reported the accident.

Gate 34 Replacement - The replacement rail gate for 34 Gate has been ordered with a 4-6 week ship date. Alabama Ornamental has stated the ship date to them from the manufacturer is July 31. Kevin will follow up with Harleysville Insurance to make sure that they do not show this event on our SWRA policy claims history since we will be reimbursed by the at fault driver's insurance.

SWRA Centre Refinance Loan - The Regions Bank loan to refinance the SWRA Centre closed. The proceeds of the new loan were \$104,143.45 and are reflected in the deposit figure below.

Welcome Centre Renovations - Ray Miller completed the interior painting and will start on the outside as soon as possible. The contractor has estimated that the scheduled work will take about two weeks to complete. Once the landscape company finishes the landscape work, SWRA will proceed with renting the office spaces with a target date of August 1st if work can be completed.

Deposits and closings since last meeting

Deposits	\$129,709.04 *
Closings	9

*\$104,413.45 was loan proceeds from the Region Bank refinance of the SWRA Centre to replenish cash used to purchase the Welcome Centre and land at the 49 Gate entrance.

TREASURER'S REPORT

No report this meeting.

OPEN AGENDA

SWRA Centre - Rental contracts have been prepared by the attorney. **After discussion, the Board approved a motion for the rent of each office space at a minimum of \$350 per month.** Kevin reported that several businesses are interested in renting and that some offices are larger than others which he will adjust rental rates accordingly. SWRA will use the center reception space to as a Welcome Centre to handle timeshare rentals that are managed by SWRA. The SWRA Welcome Centre employee will process check-ins and check-outs as well as rentals for the time shares. The SWRA employee will not be provided to the office renters as part of the monthly rental fee.

NEW AGENDA

Long Range Planning Committee - Board liaison Jerry Grace will set a meeting of this group.

Moonbrook Park Security - The Board discussed the problems of continued property damage, which occurs after midnight. Discussion included many ideas including increased lighting, motion sensor lights and motion sensor cameras tied into a smart phone. It can be done with or without monitoring by leasing or purchasing cameras. Andy and Kevin had recently discussed these issues with Furlong Security. Monthly monitoring fees are required for some systems. There is a wide range of cameras, of costs involved and features such as live feed monitoring or still feed. Some low-tech cameras are able to capture good quality images to catch the culprit after the fact and provide evidence for prosecution for the damages. Kevin will gather pricing for a few options for the next board meeting.

Road Repairs - At the last meeting Kevin reported that we were not doing any seal coating in this year's paving budget. Since then Hagan Wagoner of ProgreCiv Group has located a company that can perform a slurry seal process that the Roads Committee had suggested for Overlook Court at a greatly reduced price. It had been put off until next year due to the cost but this company will be in the area in about two weeks and the cost will be \$985. The original estimate was \$2,800. Moonlight Lane will remain on the list for seal coating next year.

The Board approved a motion for Kevin to contact Hagan Wagoner and if the cost is less than \$1000 and he confirms that the materials used are acceptable then he should proceed.

Another water leak caused Walnut Hill Water to dig up the road again. We now have four asphalt cuts since the paving for this year was completed. Ingram Paving will come back at the end of summer when they finish their current project. They stated that

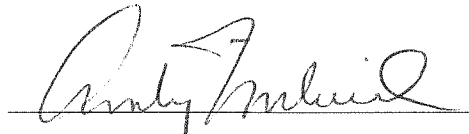
they would not charge SWRA another mobilization fee. Kevin does not have a total estimate at this time to repair the cuts.

Credit Card Processing - During the loan closing meeting the Region's bank representative presented a new proposal for SWRA to accept credit cards. The Board has investigated accepting credit cards in the past and has decided not to do so due to the liability and the annual fees associated with having to be PCI compliant in order to address computer security issues. The Regions representative recommended that SWRA set up a bank portal on the Regions Bank website linked to the SWRA website and charge a convenience fee to the property owner. There would be no costs to SWRA for this service and no PCI compliance costs for SWRA would be involved. Payments would only be accepted online, no walk in payments at the office. **A motion to authorize Kevin to set up the portal on the Region's website as a pathway for payment as long as there will be no additional costs involved other than transaction fees was approved.**

The Board approved a motion to adjourn at 10:49 a.m.



Penny Alexander, Secretary



Andy Milwid, President

Date approved: Aug 8, 2015

Minutes
SWRA Board of Directors Meeting
August 4, 2015

Call to order – President Andy Milwid called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of July 21, 2015 meeting as distributed.

GUEST: SWVF&R Board President George Brady

George attended the meeting to inform SWRA Board members on an important issue for the community. The StillWaters fire department conducted a study looking forward for a 10-year period concerning projected income and costs. The last increase in fees for the SWVF&R was in 2003. At that time lots with buildings went from \$50 to \$100. Lots were increased from \$10 to \$20 annually. The SWVF&R Board looked at \$50, \$75 and \$100 increases. They decided to move forward on \$75 with a cost of living increase based on social security. George has a meeting scheduled with Probate Judge Leon Archer in order to turn in a petition with at least 100 signatures supporting that the matter of increase be put before the voters. Plans are that a Community meeting to explain and discuss the proposed increase will be held on Saturday, Sept. 19th from 9am - 11am at Red Ridge United Methodist Church (RRUMC). The vote will be held Tues., Sept 29th vote to be held at RRUMC.

The State continues to change the requirements for ambulance personnel. Driver's training hours have been increased to require 48 hours of training and classes. It is increasingly difficult to get volunteer drivers. The state is moving in the direction of having all EMS personnel to be paid rather than volunteer. Most of the proposed increase in annual fees will go to the EMS part of the budget. The SWVF&R strives to keep 2 years of operating funds in savings/investments. The investment lot that they purchased at the 2003 auction has been listed for sale at \$60,000. Several builders/developers are looking at the parcel. Its original use was intended as multi-family units as an additional phase of Moonbrook Villas. SWVF&R had purchased the lot at the 2003 Auction as a potential fire station site. The Auction Deeds agreement with SWRA expired last September.

The ambulance is 20 years old. The fire department Board has been working on federal grants for the past 2 years. This year the federal agency handling the request is basing payout on number of service calls, which means that heavier populated areas are at an advantage. The SWVF&R Board is looking at all options on the purchase of a replacement ambulance if the grant does not materialize. There is \$38,000 in ambulance reserve. A new custom equipped ambulance would cost \$135,000. There are standard "cookie cutter" designs that are available for \$85,000. They have investigated diesel and unleaded engines. Gasoline powered engines less expensive to maintain than diesel due to the maintenance regulations and requirements.

GM Report

Cable Installation - Charter/Spectrum has installed the cable at the SWRA Welcome Centre. Their installation team had an issue installing the cable at the Gate 49 gatehouse. They did not want to bore under the road to get to the gatehouse at 49 due to too many cables wired underneath and they did not want to accept liability. Kevin is waiting for their installation engineer to come back and look at the situation; it may be a couple of weeks before he gets a definite answer on the installation.

Gate 34 Replacement - SWRA received payment in full less our deductible from our insurance company for the damaged aluminum gate at Gate 34. The gate has to be custom made and delivery to Alabama Ornamental is August 14th. Hopefully it will be installed the next week. As soon as the "at fault" driver's insurance pays the claim, SWRA will be reimbursed the \$1000 deductible.

Moonbrook Park Irrigation - The irrigation control box at Moonbrook Park has failed. We cannot get it to operate either by programming it or manually operating it. The landscape company should have a new control box installed this week. The grass and trees at the park are suffering from the dry conditions.

Moonbrook Park Vandalism - Cameras for Moonbrook Park have been ordered and should be in this week. Kevin decided to order three cameras based on their range of vision. This should provide adequate coverage of the area.

Deposits and closings since last meeting

Deposits	\$25,045.67
Closings	6

TREASURER'S REPORT

Mike reported that July completed 7 months of the year and the SWRA cash balance is ahead of projected amounts. Property closings are still a few ahead of those projected in the revised annual budget. We are only 5 closings short of the original budget for the year on transfer fees. There is \$35,864 net income on condo management at this point in 2015.

OPEN AGENDA

SWRA Lots - A notice was put in the August newsletter highlighting the reduced pricing and explaining that there is a map and list of lots with pricing at the office for review. The sale of any lot will be beneficial to the association, as it will generate fees on a yearly basis.

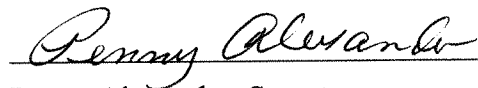
SWRA Owned Power Line Property - There are 28 properties bordering on SWRA owned power line property. A few are not subjected to the 1987 covenants. Kevin is sending letters out this week to explain the offer for sale to adjacent property owners. The letter details the parameters of requirements and contract and pricing. The contract limits the use of the property and requires that properties all be subjected to the 1987 covenants. Responses are directed to David Hargrove who is handling property for SWRA.

NEW AGENDA

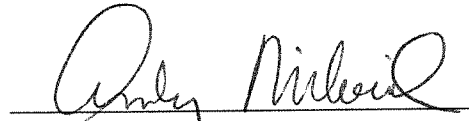
Fidelity Insurance - Kevin reported that he had discussed the SWRA insurance coverage amounts for employee theft with our insurance agent. The policy presently covers all employees. Jerry recommended that SWRA carry a million dollars coverage on certain employees rather than all. The additional cost will be approximately \$600 per year for SWRA. After discussion, **the Board approved a motion that coverage should be limited to coverage on administrative staff and increase the limit to one million dollars.** Kevin will contact the agent to change the coverage.

Stop Sign Damage - Kevin confirmed that the car that destroyed the stop sign at Sunset Point was a Kia according to the car parts that were left behind. No one has reported yet that they were involved in the accident.

The Board approved a motion to adjourn at 10:46 a.m.



Penny Alexander, Secretary



Andy Milwid, President

Date approved: *August 18, 2015*

Minutes
SWRA Board of Directors Meeting
August 18, 2015

Call to order – President Andy Milwid called the meeting to order at 9:10 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove and Dave Heinzen were present. Patti Richardson was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of August 4, 2015 meeting as distributed.

GM Report

Access Control Measure - Kevin recommended the installation of 6X6 wood post to close off the end of Laurel Ridge. The road dead ends into the inactive golf course and has become a short cut for people going and coming from Golf Colony and Lakeview Ridge. Kevin has received complaints from the property owners in the Laurel Ridge area. Several posts across the end of the road should take care of the problem. The space between the barrier posts will be wide enough for a golf cart to navigate.

Cable Installation - A wireless bridge from Welcome Centre to the gatehouse can be installed in order to have Internet in the gatehouse, which will eliminate the problem of boring under the road with the extensive number of lines located there.

Gate Cards for Pineview Pool and Tennis Courts - Kevin had previously reported that the pool and tennis gates were reaching the maximum number of gate cards the system could hold and SWRA would need to replace those gates in 2016. However, Alabama Ornamental explained how to reprogram the system and the memory on both gates was expanded by 200 cards at no cost. SWRA purchased 200 additional cards and that was less expensive than changing the whole system. We should be able to go another two or three years with our current gate system at the pool and tennis courts.

Gate 34 Entrance Sliding Gate - The replacement gate has been delayed. The company constructing the gate is running behind schedule. Kevin has had several calls from concerned property owners asking when the gate will be repaired.

Moonbrook Park Irrigation Control Box - Kevin reported last week that the irrigation control box for Moonbrook Park had failed. Millers Landscape replaced it at no extra cost to SWRA because they had an extra one that someone had ordered and not used. The irrigation at the park is working again.

Real Estate Closings - The number of real estate closings is remaining at a steady pace. As of August 17, 2015, Susan has prepared 79 Welcome Packages. In 2014 she prepared 70 all year. This number does not equate to the number of properties sold because a percentage of the new buyers do not request a Welcome Package. We have billed 111 transfer fees as of August 17, 2015 and in 2014 we had 113 for the whole year. There seems to also be a high demand for long term rentals based on the inquiries we receive at the office.

SWRA Welcome Centre - The wood replacement has been completed with treated lumber so it will have to dry for a few weeks before it can be painted. This means a delay in renting the office spaces. The carpet will be completed next week.

Temporary Employee - Kevin reported that he might go through a temporary employment service to temporarily replace a staff member who is out on maternity leave.

Deposits and closings since last meeting

Deposits \$29,227.92 *

Closings 6

*Higher deposit is from first of month condo management payments

TREASURER'S REPORT

Mike reported that he has an issue with allocating the purchase price of the land at the Welcome Centre due to the high valuation of the land at \$35,000 by Tallapoosa County. Mike would prefer it to be lower so that more value could be assigned to the building, which would increase our tax depreciation deduction.

Mike and Kevin met with a Harbor Pointe Condo Association board member to address accounting procedures and reports.

OPEN AGENDA

SWRA Sale of Lots Update - Mr. Kim, a current property owner has agreed to purchase two lots owned by SWRA that are adjacent to his property on Knollwood. These are lots from the list published and advertised in the SWRA newsletter. The lot prices are not negotiable as they are already priced below market value. There have been a number of interested people in the list of lots. David reported that Susan Thames did find that our original list had a few lot numbers incorrectly listed which she is correcting. The SWRA lot numbers are different than the lot numbers on Tallapoosa County documents which creates confusion at times.

SWRA Owned Power Line Property Update - There has been a good response to the letter and rough map that SWRA mailed out to adjacent property owners. There have been a few questions and special requests from some. There are 28 properties bordering on SWRA owned power line property. A few are not subjected to the 1987 covenants. Several members responded immediately that they wanted their whole parcel. Some stated that they wanted to purchase additional abutting parcels. One asked if they could pay annual fees on the parcel if they did not want to subject their residential property to the 1987 covenants. Russell Balch was contacted and his opinion was that they could. It has also generated a few to subjections to 1987 covenants. This has produced interest in a few residential lots by one buyer. Existing easements will remain on the property. The letter designated that those interested in purchasing should contact David Hargrove on or before September 1, 2015 if you are interested in purchasing a whole parcel, a half parcel, or multiple parcels. After September 1, 2015 parcels may be offered For Sale to other property owners.

NEW AGENDA

Stoneview Summit Condo Management Contract - The SVS Board has agreed to the renewal of another year at the same terms beginning September 10, 2015. **After discussion, a motion was made and unanimously approved to extend the contract with SVS for another year as currently written**

Vacation Request - Kevin is planning to take his vacation for a week in October, which means that he will miss one board meeting while away. Kevin will send his regularly reports to the Board prior to his vacation. **The Board approved Kevin's request for vacation the first week of October.**

The Board approved a motion to adjourn at 10:24 a.m.



Penny Alexander, Secretary



Andy Milwid, President

Date approved: *Sept 1, 2015*

Minutes
SWRA Board of Directors Meeting
September 1, 2015

Call to order – President Andy Milwid called the meeting to order at 8:55 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

Board reviewed and approved the minutes of August 18, 2015 meeting as distributed.

Guests: Property Owners John & Mary Ann Durr attended. John addressed the board. He stated that in his opinion the landscaping company was doing a great job and that the grounds look very nice.

John addressed a letter that they received several weeks ago concerning the sale of SWRA owned land that is under the power lines. The Durr's home is across the street from the Lakeview Ridge Circle power line parcel and they received a letter, as they would have an option to purchase a half parcel in the circle. John stated that his wife also owned Lot 31 on Lakeview Ridge Drive. The Durrs have had several conversations with Kevin and a few of the individual board members in the last couple of weeks. John went through his understanding of rough draft map that was mailed with the letter. On this map, Lot 31 was not shown in the drawing as having an option to purchase a power line parcel. Lot 54, which is across the street from Lot 31, was shown on the draft map as having the option to purchase a power line plot adjacent to it and across the street from Lot 31. Lot 54 has a home on it and that owner's driveway runs across the power line property to Lakeview Ridge Drive. John stated that he at first thought that Lot 54 ran up the slough some but after speaking with Kevin and getting a copy of the plat of the area he now understands that it actually does not. The Durrs are requesting that the map be changed so that an additional parcel be platted in order to allow their property line to cross the road in order to give their lot 31 access to the waterfront. He requested fifty feet of waterfront.

Board member David Hargrove is handling the sale of the SWRA power line property for the Board so he responded with an explanation. He responded to John's questions that as per his response in mid August via email to the Durrs that this request did not fall within the guidelines established by the Board. The map was hand drawn and was sent out with the letter as a rough draft in order to see if adjacent property owners would be interested in purchasing the land under the power lines and paying for the survey required to change their lots. He stated that in hindsight maybe the Board should have first paid for a survey to show exact property lines but that they had not in order to save on costs of the project. The Board did not see the need to spend significant funds on the project until they were sure that adjacent property owners were seriously interested in purchasing the adjoining land. There have been multiple requests for easements or purchase of SWRA owned power line properties from multiple adjoining property owners over the last several years for various reasons.

The guidelines are that property would be offered first to the adjacent lot owners whose property touches the power line property. The only place that crosses a roadway is the area of Lakeview Ridge Circle because no property touches that; it is all across a street. The intent is that general lines are to be drawn from pin to pin or along existing property lines when the actual survey is done. The two property owners that actually touch the property that the Durrs are discussing both have already committed to purchase their parcels and they are opposed to the redrawing of lines or shaving off parts of their parcels.

After discussion, John stated that he realized that this is a board decision on how to divide the parcels and to sell the property owned by SWRA. He thanked the Board for listening to their concerns and comments.

President Andy Milwid responded that the Board understood the Durrs' request and position and that the Board would take it under advisement along with comments received from the other adjacent property owners. The Board will respond in writing after further discussion. He thanked John and Mary Ann for coming to the meeting to make their request for changes to the program.

GM Report

Covenant Enforcement - The yard was cut on Lake Vista Ct in the Marina Point area. SWRA will invoice the owners for the cost. They were notified of the covenant violation per the SWRA approved process.

Gate 34 Rail Gate - The replacement gate for Gate 34 is still on back order. The actual gate is complete but the mechanism that operates the gate is on backorder.

Gate 49 Entrance - In an effort to prevent an accident when two cars are entering Gate 49 we placed traffic cones between the two entrance gates. This was very successful so Kevin installed permanent lane dividers where the traffic cones were located.

Gate Fees - Non-owner gate card invoices were mailed. These are for companies that regularly work in StillWaters, people who are leasing, etc... The charge is \$100 annually for a non-owner gate card. Payments are coming in nicely.

Gate Personnel Parking - Starting September 1st, gate personnel will begin parking in the Welcome Center parking lot. The renovation work should be completed by then and parking will not interfere with workers.

Landscape Concerns - Kevin has had several calls from people wanting to know why the grass has not been cut in the areas where we had drainage work completed. He has explained that we were letting it grow until it seeded to help spread the grass. It has just been cut.

Neighborhood Council Social - They had a very successful social this past Friday night. Approximately 53 people attended including several new owners.

Roads Report - Ingram Paving had originally scheduled the utility cut repairs for the end of August. They are behind schedule and plan to make the repairs during the same time they are working on County Road 34. The work on County Road 34 will cause delays for people who use Gate 34. Kevin will send an eflash and put information in the newsletter about the County Road 34 repair work. Not sure when they are coming, will not charge us a mobilization charge to fill in the curb cuts.

SWRA Centre Repainting- Ray Miller, painter, will be painting the Welcome Centre this week and will be available to do some work at the SWRA Centre. The SWRA Centre needs several areas repainted just due to wear and tear and the walkway bridge into the front door needs repainting. It has been five years since the building was painted. Kevin requested that the Board approve these repairs at a cost of \$1,400. **A motion to approved Kevin's recommendation to have Ray Miller repaint areas of SWRA Centre at a cost not to exceed \$1400 carried.**

Vandalism - Someone damaged the light that shines on the restroom sign this past weekend. It appears they hit it with something and broke the support rod that holds it up. We have two cameras set up but the cameras do not cover the light. Kevin stated that he did not think there was anything that could be damaged on the front of the building or concrete stairs. He will purchase more cameras to cover the whole park.

Deposits and closings since the August 18th meeting

Deposits	\$8,867.76
Closings	7

TREASURER'S REPORT

Mike reported that our cash position is on target at this point in time. We have not yet spent the balance on the paving because the pave cuts have not yet been repaired. There is \$230,000 in the roads budget. Hagan Wagoner of ProgreCiv Group had contacted SWRA concerning a June invoice for his services in the amount of \$7,500. We will still be within budget once this is paid.

Mike stated that the SWRA Welcome Centre repairs have gone over our original budgeted amounts. The Board will need to readdress this once all the figures are in. We had budgeted \$15,700 for clearing, landscape, flooring, painting, replacement of the railings, decking and checking electrical, plumbing and heating/cooling. Kevin hopes to have tenants in October because they have not finished the flooring yet. We had to replace the carpet because the old carpet was rotted and came apart when they were cleaning it. A commercial grade carpet was installed. At this point in time, there are three committed to rent space from SWRA. Others have expressed interest however no other commitments have been made. Our rates are within the range of other space in our area.

OPEN AGENDA

SWRA Owned Power Line Property Update - David suggested that the Board determine the timetable for the survey of the property and closings on the parcels. Once that is completed then the Board can address any unsold parcels. David reported that fourteen properties have been purchased. Andy agreed with David that this would be a good process. The contracts written are subject to the legal description and each purchaser will pay for their own survey costs. The Board agreed that a letter should be sent requesting a \$500 deposit on each parcel so that we may move ahead with having the survey completed as quickly as possible.

Stillwaters Yacht Club (SWYC) - Search Committee members had approached Kevin requesting a commitment that they use the SWRA Centre meeting room every Friday night for a social event limited to yacht club members. They have been given notice from the marina owners on the building they are currently renting. The Board briefly discussed the revenue stream versus the concerns/issues. We will conduct a risk/reward assessment. The Board was given a copy of the current rental fees and guidelines for use of the SWRA Centre. Each member will review this for further discussion.

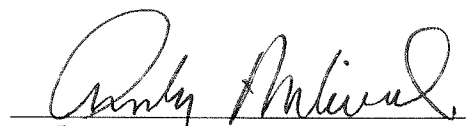
NEW AGENDA

Sale of SWRA Lot - Lot 42 Chinquapin Cove Area II closing documents were signed.

SWRA Timber Injunction Case - The Board had received a copy of the condensed version of the deposition of Patti Richardson, which was held on June 19, 2015 at the SWRA Centre. The video deposition has yet to be sent to Attorney Balch. The Board thanked Patti for the great job that she did under a stressful situation. Patti responded that she appreciated everybody's support and agreed that though it was stressful that it went better than she had anticipated. She thanked the Board members for coming to the deposition and stated that she wished that they could have attended. However she realized that the opposing counsel had objected and did not allow them to attend.

The Board approved a motion to adjourn at 10:00 a.m.


Penny Alexander, Secretary


Andy Milwid, President

Date approved: *Sept. 15 2015*

Minutes
SWRA Board of Directors Meeting
September 15, 2015

Call to order

President Andy Milwid called the meeting to order at 9:10 a.m. Board members Penny Alexander, Mike Dollar, David Hargrove, Dave Heinzen and Patti Richardson were present. Jerry Grace was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

The Board reviewed and approved the minutes of September 1, 2015 meeting as distributed.

GM Report

Condo Association Annual Meetings - Villas on The Harbor Condominium Association and Harbor Pointe Condominium Association held their annual meetings over the Labor Day weekend. Both were held at the SWRA community room. There were several positive comments concerning both complexes since SWRA took over management January of this year. There were also some suggestions that will help SWRA improve service to these associations.

Drainage Issue /Laurel Ridge Drive - The contractor digging the holes for the road closure post at the end of Laurel Ridge Drive hit a natural gas line. The contractor did not contact the utility locator company because he thought there would not be any utilities in that area. The gas line was repaired by Dadeville gas without incident.

The barricade posts have been installed where Laurel Ridge Drive dead-ends into the inactive Legends golf course. This area had become a short cut for vehicles traveling to Golf Colony and to Lakeview Ridge. People were driving through the road dead end and across the Legends course instead of following the roads. Several property owners in the Laurel Ridge S/D have complained about the problem and requested SWRA stop the vehicles from using the area as a short cut.

Gate 34 Exit Gate - The roller wheels sliding gate on the exit side wore out after six years use. Kevin stated he is going to wait until the repair company brings the new entrance gate to have the exit gate repaired so there will be one service call for both gates. It will save SWRA a service call of \$500. We are still waiting on one part before the entrance side gate can be installed.

Gate 49 Repair - The right hand side exit barrier arm at Gate 49 broke. We discovered a stress fracture several months ago and the arm final broke. We replaced the arm with one of the new arms we had in inventory but because it is new it does not match the other three

barrier arms. It will be painted with the safety yellow and the other three arms will be repainted so all four will match.

Labor Day Weekend Report - It was a relatively quiet Labor Day holiday weekend. There was no evidence of damage to the park or other common areas of StillWaters. We had one incident at the front gate on Sunday; two motorcycles dangerously exited through the entrance side and weaved between vehicles entering into StillWaters. They were to racing style bikes, one yellow and one metal flake blue, the drivers appeared to be young adult males. The Sherriff was contacted but nothing could be done without the tag number. Kevin just happened to be at Gate 49 when the incident occurred.

SWRA Centre Rental/SWYC Update - Kevin reported on his response to the StillWaters Yacht Club request to rent the SWRA community room. He talked with representatives of the SW Yacht Club and explained they can rent the facility based on our regular rates just like anybody else. He was also able to work out an agreement with them to rent the Sunset Point One clubhouse for their regular Friday socials.

SWRA Welcome Centre - Even though the Welcome Centre is not complete, two companies have gone ahead and paid for their first month rent that will start October 1st. So right now we have \$800 per month coming in as rent for the Welcome Centre. Kevin anticipates having at least two other offices rented starting October 1st.

Tallapoosa County Commission - At the County Commission meeting today, the probate judge discussed the upcoming vote for the SWVF&R to increase the annual dues. He reported that the fire dept had met all legal requirements for a vote and the SWVF&R is paying for the election. The county attorney stated the every effort needed to be made to make people aware of the special election.

Deposits and closings since last meeting

Deposits \$18,231.78

Closings 7

TREASURER'S REPORT

SWRA Properties

Mike reported that SWRA currently holds title to 57 deeded properties and we have acquired another 12 properties through tax sales for which we have not yet received clear title. Our total cost basis in the deeded properties is \$124,147 and the totaled assessed value for county ad valorem taxes is \$510,000, which is obviously well beyond their current market value. We have put most of these for sale to residents at values in the \$1,000 - \$2,500 range. Our cost basis for several of these is well over the amounts that they have been offered for sale to SWRA residents or is well in excess of their current market value. For instance, we have a cost basis of \$27,286 in the Beach Island property

we acquired from Mr. Campbell in a settlement some five years ago. We have three other deeded properties for which our basis exceeds \$5,000 each. For all but the Campbell property, our cost basis consists primarily of uncollected fees. Of the twelve tax sale properties, three have a cost basis exceeding \$5,000, but two of those might have market values fairly close to our basis since those two are on Marina Point Drive.

The issue could be recognizing losses as we sell the properties at less than our basis. It **will not** negatively affect our cash but we could have some losses we have to recognize in our financial statements. This is a problem with the properties we currently hold, but the issue could really balloon if and when we acquire deeded properties in settlement of very large past due receivables currently in collection or being litigated. For instance, one of our collections that has been in litigation for a few years involves 45 properties with an outstanding receivable balance of approximately \$180,000, close to \$4,000 each. Those properties probably have a value of less than half the amount we are owed.

OPEN AGENDA

SWRA Centre Use Guidelines - Rental rates charged by other neighboring facilities were reviewed. Andy suggested that a usage cost analysis would require that a minimum of \$100 be charged. Any rate increases would go into effective Jan. 1, 2016. Kevin will work on a draft of changes to bring back to Board. This will be an ongoing project for review and discussion.

SWRA Owned Power Line Property Update - The letters to order the surveys for the power line property have been mailed to the potential buyers. A copy of the letter requesting a \$400 deposit in order to move forward with the survey was provided for the board members. Kevin talked with David and Attorney Russell Balch before sending the letter. Russell suggested getting the survey before sending the sales contract so that there will be no question as to what property is being purchased. These checks are already coming in and Kevin has contacted survey company - Mitch Downing. The program has been successful with only one issue and actually initiated interest in some of the SWRA owned lots.

NEW AGENDA

Holly Ridge Information - Kevin shared a situation concerning two adjacent lots in Holly Ridge. Under the time period of a former Developer in StillWaters, the two lot owners requested lot line changes from the Architectural Review Committee (ARC) in order to make both lots into waterfront lots. One had waterfront access and the other did not. The ARC was asked to approve the changes at the time. The ARC told owners that the Developer should approve it. The owners say that The Baptist Foundation approved, however they cannot find any paperwork documenting this. The lots set vacant for years, and were recently put up for sale and one sold. The new owners had it surveyed and discovered that their lot comes into the neighbor's yards. Those involved came to Kevin at

the SWRA office. He has researched records at the office and has discussed this with Attorney Balch for clarification.

According to Attorney Balch SWRA is not involved except that the SWRA Architectural Review Committee is not bound to honor a 5 ft set back agreement that was signed between two previous lot owners. He has stated that since the ownership has changed, that agreement is no longer valid.

Continuing Education - Kevin will be out of town to attend the on September 24th. The Board agreed that the time spent on continuing education is a good investment and assists in keeping us up to date on changes in general property management topics.

The Board approved a motion to adjourn at 10:50 a.m.


Penny Alexander, Secretary


Andy Milwid, President

Date approved: *October 6, 2015*

Minutes
SWRA Board of Directors Meeting
October 6, 2015

Call to order

President Andy Milwid called the meeting to order at 9:05 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was out of town.

Approval of Prior Minutes

The Board reviewed and approved the minutes of September 15, 2015 meeting as distributed.

GM Report

Beaver Pond - Keith Hiatt has informed Kevin that he plans to allow members of the golf club to put a kayak or other non-motorized boat in Beaver pond. He is not sure when this will start but will let Kevin know. In the past no boats of any kind were allowed in Beaver pond. This will be a golf club member benefit.

Credit Card Services - Kevin contacted the Regions Bank credit card merchant services department to set up taking credit cards through our web site. The representative is scheduled to come to the Board meeting on October 20th to explain their card service program. The Board is interested in the pricing and how the program works.

Drainage Repair - SWRA employees corrected a drainage problem on Laurel View Road. This was similar to the problem we corrected on Knollwood and Pebble Beach a few months ago.

Gate 34 Gate Repair - The sliding gates have been repaired and both sides now work. The property owner who hit the gate has been sent an invoice for the deductible charged by the SWRA insurance company. The SWRA insurance company may be able to collect the deductible from that person's insurance company and if that happens we can refund the deductible we collected, if we collect it.

Power Line Issue - This past Saturday a power line broke and caused a fireworks show at the intersection of StillWaters Drive and Moonbrook. Alabama Power had to turn the power off to most of StillWaters while the line was replaced. You can see the burnt grass caused by the power line at the intersection.

SWRA Community Room Rental - The SWRA community room was rented for a wedding reception on Friday, October 2nd. When Kevin informed the Friday Bridge group of this a couple of ladies claimed they knew nothing about their agreement with SWRA to

be “bumped” from the room when it was needed. Two ladies claimed they knew a board member and would contact a board member. The Board agreed that Kevin followed SWRA Policy and handled the situation correctly.

SWRA Centre Upkeep - The painter completed the inside touch up work this past week at the SWRA Centre and will paint the walkway bridge as soon as the weather is acceptable.

SWVF&R informational meeting - Kevin attended the SWVF&R informational meeting on September 19th. Although the meeting had several that did not agree with the rate increase, the meeting was not as negative as he had anticipated.

Walnut Hill Water (WHWA) Complaints - Several residents have contacted Kevin concerning the excessive air in the water lines, the taste and smell of the water. Kevin advised them to contact Walnut Hill Water. He has talked to WHWA and they say that there is algae in the system and it will take a couple of weeks for it to work its way out. This is the same problem with Alex City. The excessive air bubbles were caused by two major leaks on Dogwood Trail and will also clear up over time.

Waste Disposal - StillWaters has a new representative for Advanced Disposal. Kevin has discussed with him that it would be better for StillWaters if they moved the trash pick-up date back to Monday, which was the previous pick-up date before they changed it to Wednesday about two years ago.

Yard Signs - Over the past few days the staff has received several calls and visits from StillWaters property owners on both sides of the fire dues increase. Several yard signs both for and against the vote have been installed in people’s yards. The ARC did not approve those yard signs. Kevin instructed employees to remove all signs within the SWRA right of way. Several property owners have brought both signs to the SWRA office and complained that the signs were allowed in StillWaters. Kevin explained SWRA did not approve the signs and that in keeping with the covenants he was taking them down.

Deposits and closings since last meeting

Deposits	\$15,971.10
Closings	9

TREASURER’S REPORT

Workers’ Comp Audit

We have just paid a \$2,511 assessment from The Sheffield Fund for workers’ compensation insurance on uncovered independent contractors. Since we began the practice of withholding 10% from payments to uninsured contract workers last year, we had adequate reserves to cover the assessment. The assessment was unusually large due to the uninsured workers that built the SWRA Centre deck in 2014.

SWRA Welcome Centre

We have spent \$28,000 through September 30 to repair and renovate the SWRA Welcome

Centre. Our original estimate, included in the revised budget prepared in early June, was \$14,000. In August, Mike had adjusted the estimate to \$20,000 after we had found other issues with the building that had to be addressed. We have installed skirting around bottom of the building, replaced rotten wood, added deck railings, replaced carpet, added interior trim and painted areas inside and out. The landscaping has been redone and electrical wiring, plumbing and HVAC repaired.

We also anticipated that the facility would be ready for occupancy and generating rent in July. We now expect that we will not be renting until November 1, which will reduce our projected rent by \$7,000. The reduction in anticipated rent and the additional expenditures has had a negative impact on being able to achieve our projected year-end cash balance.

Cash

Our current combined cash balance is approximately \$531,000. Despite the negative impact of the Welcome Centre, the current balance is only approximately \$2,500 short of what was projected in the revised budget. Two items, in particular Roads expenditures and Transfer Fees income, have offset most of the shortfall caused by the Welcome Centre. The year-to-date spending for Roads is \$19,000 less than in the budget. Mike stated that he thought that all expenses, including fees to ProgreCiv Group, have been paid so that variance should be permanent for the year. In addition, we have continued to exceed the projections for Transfer Fees, although that favorable variance has shrunk over the past couple of months.

OPEN AGENDA

Power Line Property Sale Update - The surveyor has been delayed due to weather. He will put in temporary stakes then he will contact Kevin and the prospective buyers who have sent in checks. They will go together to physically inspect and review so everyone is clear on what they are purchasing.

SWRA Centre Use Guidelines - Kevin was not present to report on the cost analysis of rental fees. This will be an ongoing project for review and discussion.

Welcome Centre Video Kiosk - The Board discussed vending machines or video machines. There is concern to keep the outside of the structure to a high standard in keeping with the covenants. Kevin had contacted the RED BOX DVD kiosk company about installing a DVD vending machine at the new Welcome Centre. Our community does not meet minimum number of residents within a one-mile radius. A purchase a DVD kiosk would not be cost effective.

NEW AGENDA

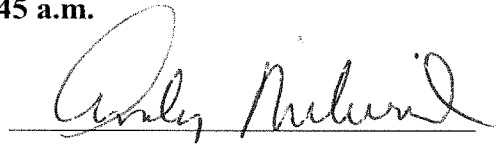
Roadside Trash and Debris Pick-up - Two residents concerning disposal of yard debris contacted Andy. SWRA offers debris removal for a fee of \$50 per pick-up load. Andy also put the residents in contact with a yardman.

Covenant Enforcements - Board members discussed covenant violations in upkeep of properties. This time of year we always see an increase in boats and trailers as people are transitioning them to storage. Some properties on side streets have accumulated items in the front and side yards. We either need to increase the time employees spend on inspecting for violations or reiterate the standards expected in order to improve this situation and the appearance of neighborhoods.

The Board approved a motion to adjourn at 9:45 a.m.



Penny Alexander, Secretary



Andy Milwid, President

Date approved:

Minutes
SWRA Board of Directors Meeting
November 3, 2015

Call to order

President Andy Milwid called the meeting to order at 9:00 a.m. Board members Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. Penny Alexander was excused. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

The Board reviewed and approved the minutes of October 6, 2015 meeting as distributed.

GM Report

Boat Storage - Invoices have been mailed. Normally a few people cancel storage agreements but this year we have had 20 so far. We have filled ten so we have ten vacant spots. If all boat storage were rented within the next month it would generate \$17,000 in gross revenue.

Covenant Enforcement - SWRA towed a PWC trailer that was parked in the common area of Poplar Point. The proper procedure to tag and give them time to move the trailer was followed. Kevin personally checked the location of the trailer and the date the notice of the illegally parked trailer for a whole week before it was towed. The trailer was towed on October 16th. The owner contacted Kevin later that day. He charged the owner \$50 for towing the trailer as per SWRA Policy. The owner of Poplar Point 7 was very upset and has stated she will contact every board member.

Covenant Violations - There has been an increase in trailer/boat covenant violations. This seems to happen every year at this time but this year there seems to be more than in previous years. Kevin is working on contacting violators with phone calls and letters. He is finding out that a large number of the violators are renting the property and the owner of the property is reluctant to contact the renter.

Depositions on Zettler Timber Cutting Case - We still do not have a firm date for the depositions that were originally set for September 29th. Currently it has been narrowed down to two dates, either November 20th or 23rd. That is about as far out a date as the opposing attorney can push it.

Garbage Can Service - Invoices have been mailed. If all garbage can roll out service is renewed it will generate \$6,500 in gross revenue. The garbage service payments are coming in and we have added a couple more to the service in the last few days.

Gate Attendant Parking - Gate attendants will park in the Welcome Centre parking lot instead of behind the gatehouse.

Gate Camera Replacement - The last remaining old camera at Gate 49 has failed. It was the only camera not replaced a couple of months ago. A new camera is scheduled to be installed the cost is less than \$500.

Gate 34 Damaged - A vehicle hit the exit side of the back gate last week. SWRA employees were able to repair the damage. The cost to repair was minimal but Kevin will look through the video record to see if he can determine who hit the gate.

Gate 49 Fountain - The main photocell failed at the waterfall. Smith Electric replaced the commercial grade photocell with contactors, which is more than just a household type photocell. Parts and Labor were under \$500.

Leaf Removal - Kevin reported that the landscape contractor would start blowing to remove leaves from the roads.

Moonbrook Park Lights - One of the post light ballast failed at the park. Instead of replacing the ballast at a cost of \$225, the light has been converted to accept an LED bulb. The cost to convert and the bulb was \$230 a little more than the cost to replace the ballast but the savings in electrical cost will be significant and the bulb is suppose too last a lot longer. The plan is to convert the park lights when their current ballasts fail. The LED bulb is slightly dimmer than the existing metal halide but not enough to cause any concern.

Painting Repairs/Updates - The painting of the SWRA Centre walkway and inside touch up painting has been completed. Kevin also had the painters touch up the gatehouse at 49. The sliding glass door on the entrance side of the gatehouse is broken and needs replacing. A replacement door has been ordered. Cost of the door is \$850 plus installation. The existing door cannot be repaired the metal track the door slides on is broken. This is normal wear and tear because that door gets continued use.

Property Closings Report - SWRA ended 2014 with 113 real estate closings. As of October 19th there have already been 135 real estate closings in StillWaters.

Regions Bank/ Credit Card Proposal -A representative from Regions Bank was scheduled to attend the last board meeting to outline their credit card merchant services program but he had to cancel. He has offered to reschedule. Kevin has the information available for the board to read.

Kevin reported that Steve Bushery, who manages the SWRA web site, is working with the Regions Bank vendor to set up a portal to accept credit cards on the SWRA web site.

Road Clearings - A tree fell across Knollwood Sunday evening blocking the road. A resident, Curtis Sample, helped Kevin remove enough of the tree to allow vehicles to pass. We also had one fall on Hickory Way but it was small.

Welcome Centre Sign - The new sign is not complete. It is made of pressure treated lumber and it needs to dry a little before it is painted. The new sign is designed so that there are two spaces where a business that rents space in the Welcome Centre can place their sign for a fee.

Eagle Peak - We are having issues with the parking lot due to an owner recording a survey for two of the spaces and painting them with his unit number. This lot is owned by SWRA and the spaces are open to all owners. Kevin will likely have to get Russell Balch involved with voiding the recording.

Deposits and closings since October 6th meeting

Deposits	\$30,755.36
Closings	14

Guests: Reg and Bonnie Smith, Stoneview Summit (SVS) owners, had requested permission to attend the Board meeting to talk about setting policy for new residents moving in to homes. At 10:30 a.m. the Board welcome Mr. Reg Smith. Mrs. Smith was unable to attend. Mr. Smith expressed his displeasure with the reception that he and his wife received the day of their move into to the neighborhood in June of this year. They had already experienced many difficulties during their move and were facing a tight deadline to complete the move before having to return to Florida the next day for a medical procedure for Mrs. Smith. The day of the move, Reg was distressed by what he perceived as harassment during Kevin's exchanges with the moving van driver. He also expressed displeasure with receiving a bill for \$1,700 from the Stoneview Summit office for damages to the elevator used during the moving process. In addition, he had several other complaints, including the issues of poor construction for his unit and having his condo association dues raised for next year.

The Board expressed concern for the Smiths and thanked him for attending the meeting, but pointed out that almost all of his issues, including the fee hike and the charges for damages, were under the authority of the condo association management. The Board welcomed him to StillWaters and wished him well. He closed by saying that he and his wife loved the area and were looking forward to their retirement here.

TREASURER'S REPORT

Maintenance Fees

As Kevin reported in his weekly report last week, the published COLA for 2016 did not increase. As a result, our maintenance fees will not increase and will remain at \$378 for 2016 for the property owners under the 1987 and the 1974 Covenants.

Cash

Our current combined cash balance, including reserves, is approximately \$468,000. Based on our current projected net spending for the last two months of the year, we will fall about \$10,000 short of the consolidated cash that we had projected when the budget was revised in June. As a result, we may have to reduce the amounts that we had estimated to be transferred to reserves. We had already agreed that we would move \$10,000 from the Contingency Reserve, but we still had projected to move \$40,000 to other reserves resulting in a net \$30,000 transfer from unrestricted funds. Currently, reserves constitute \$308,700 of the \$468,000 combined balance. We are projecting net expenses of close to \$100,000 for the last two months of 2015.

2016 Budget

Mike has begun the budgeting process for next year and will be projecting much of the revenue and expense based on an analysis of this year's billing and spending. In addition, he needs the Board's and Kevin's input on anticipated major projects for next year and on projected staffing. Kevin and Mike have already discussed some of these issues but we need to discuss over the next two or three meetings what types of projects we would like to see addressed in 2016. As always, spending on special projects will be adjusted to availability of funds after our day-to-day operations are addressed.

OPEN AGENDA

SWRA Executive Centre Use Guidelines - The Board discussed changes in SWRA community room usage and fees. Kevin recommended that no change be made to the fees currently charged to Game Day and bridge groups. The only change he suggested is that non-profit boards, such as HOBOS, who currently use the event room at no charge, be moved the Welcome Centre meeting room and charged a nominal fee of \$50. If these groups needed a larger space for general meetings, they would use the event center room at normal rates. Andy Milwid requested that further discussion of this proposed change be deferred to the next meeting on November 17.

NEW AGENDA

Annual \$100 Assessment - Based on anticipated and projected budget needs for 2015, 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 2015 year to be billed with the 2016 annual dues to be effective at the close of business on December 1, 2015, carried.** This was done according to Article 7.5 of the 1987 Covenants.

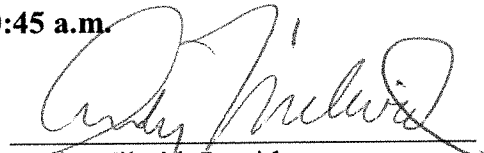
General Manager Report on Continuing Education – Kevin reported on the session he attended recently in Destin, Florida that was sponsored by the Community Association Institute. The primary subject was holding and conducting meetings. Kevin indicated that most community association boards do not record minutes for executive sessions due to the discoverability of those documents in the event of legal actions. Instead, individual board members are encouraged to take notes for their own reference. The only items that are required to be recorded are motions that are made and voted upon by the board. Even then, only an indication that the motion passed or failed should be recorded.

Long Range Planning Committee – Andy indicated that Vivian Autry had called him concerning the lack of meetings by the committee. After discussion, Andy will respond to Vivian by indicating that the Board feels that there is no purpose for such a meeting at present.

Access to Back Gate – Andy mentioned that he had talked to Keith Hiatt about access to the back gate by non-residents if the social memberships in StillWaters Golf are opened to outsiders. Kevin indicated that we have a practice of selling cards at a price of \$20 and annual fees of \$100 for access without having to go to the main gate for marina and golf customers.

The Board approved a motion to adjourn at 10:45 a.m.


Mike Dollar, Acting Secretary for
Penny Alexander, Secretary


Andy Milwid, President

Date approved: *November 17, 2015*

Minutes
SWRA Board of Directors Meeting
November 17, 2015

Call to order

President Andy Milwid called the meeting to order at 9:00 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

The Board reviewed and approved the minutes of November 3, 2015 meeting as distributed.

A motion to move into Executive Session at 9:05 a.m. was approved unanimously.

The Board moved back into General session from Executive Session at 11:15 a.m.

GM Report

Auto Accident - There was a fender bender at the intersection of StillWaters Drive and Vista Wood this past weekend. The person that caused the accident was upset that a stop sign had been installed at this intersection. Kevin explained the stop sign had now been in place for over three years. She was not happy and requested Board members contact information.

Christmas Decorating - The staff will install the Christmas decorations next week but will not turn them on until after Thanksgiving. The SWRA office is normally closed the week of Thanksgiving and that gives us time to install the decorations.

Lake Magazine - There is an article in the latest edition of Lake Magazine highlighting Copper's Grill. Kevin reported that he felt that the opening paragraph that had a negative tone toward StillWaters due to misinformation. He contacted Betsy Iler, the editor, and she has agreed to try and feature StillWaters in at least two editions over the coming year.

Pineview Pool Pump - The pool pump has sprung a leak. The part that is leaking can be replaced and is on order. The pool drained about a foot before the leak was discovered. After the pump is repaired we will refill the pool. The water bill for next month may be higher than normal because of having to refill the pool.

Resident's Phone Directory - We are working on the 2016 telephone directory. We plan to use a four-picture cover like the past couple of years. The notice for owners to add or make changes to the directory was put in the November newsletter and will be put in the December newsletter. We will also follow up with an eflash notice.

Sunset Point Development - Kevin met with potential developers of a cottage subdivision to be located on the five estate size lots in Sunset Point. It is his understanding that an agreement was reached between the developer and property owner. The developer is working on a proposal to present to the ARC. It will be similar to 'The Enclave' that was present in 2010 and approved. The developer hopes to be able to construct around 30 cottages on the property.

SVS Condo Association Annual Meeting - The annual meeting for Stoneview Summit Condo Association was this past weekend. Patti Richardson and Kevin attended the meeting. The group stated that they are very satisfied with Patti for taking care of their financial side of the association and SWRA for the management side of the association. One change that was made was that the SVS Association voted to start charging a \$300 transfer fee at Stoneview as of January 1, 2016.

Deposits and closings since last meeting

Deposits	\$28,123.18
Closings	3

TREASURER'S REPORT

There are a few expense items Kevin presented for discussion concerning the 2016 Budget:

1. On the tennis courts, he had originally estimated that the cost would be around \$12,000 to resurface. However he received the bid and just the resurfacing cost is \$15,600. That does not include any other items such as new tension wires for the nets, new wind screen, etc. Kevin now estimates the cost to redo the tennis courts will be around \$18,000. The Board asked Kevin to obtain additional bids. This item may be postponed until next year.
2. Kevin requested additional funds for cutting dangerous trees on SWRA property and road right of way. We usually spend around \$7,500 per year but based on what needs to be addressed we will need at least twice that amount in 2016.
3. Additional funds for landscape work. New bark around the signs, more lantana plants, additional pine straw, and other work at the entrance gates at least \$15,000. A few months ago Kevin looked at the landscape with a long time committee member and they discussed several areas that need attention.

After discussion on these and other items the Board agreed that additional details on some items would be helpful and that the discussion would continue as work on the budget progresses. Mike will continue analyzing his projections based on current year to develop the 2016 proposed budget.

OPEN AGENDA

Depositions on Timber Clear Cutting/Zettler and Tradition Covenant Case - All Board members intend to attend the depositions of Keith Maxwell and Linda Robinson set for November 23rd. However it is expected that as in past depositions, Attorney Radney will insist on imposing the rule to only allow one representative from SWRA to attend with SWRA Attorney Russell Balch and that this date may likely be postponed once again.

A Response to Motion to Require Joinder and an Opposition to the Motion to Quash have been filed in response to motions filed by Attorney Radney on the Zettler's behalf and Judge Perryman has set a hearing for Wednesday, November 18th at the Dadeville Courthouse at 10:00 a.m. General Manager Kevin Eason and board members will attend.

Gate Communications Upgrade - Due to recent provider expanded service areas, SWRA now has the capability to have a system at the front gate that will allow gate attendants to monitor the back gate, real time live, 24/7. The test to confirm that Gate 49 can view activity at Gate 34 in real time, open the 34 gates, and speak to a person at gate 34 was successful. To finalize the connecting of the two gates will require equipment costing just under \$2,500. The main cost is the wireless bridge from the Welcome Centre to Gate 49. Charter/Spectrum have confirmed they will not tunnel under the road to install cable for the Gate 49 gatehouse. This has been a project that many boards have set as a goal. **After discussion, a motion to approve the expense in order to set up communication between the gates was approved.**

Welcome Centre and Community Room Rental - Due to time restraints, this will be carried over to a future meeting.

NEW AGENDA

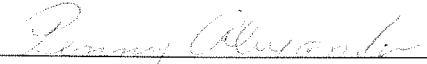
QuickBooks upgrade QuickBooks Update - SWRA has reached the limits on certain aspects of the QuickBooks program. The size of our file causes the software to shut down. We currently use QuickBooks Pro. Kevin spoke with our IT person and to Intuit about what SWRA can do to correct the problems we are having. Mike has discussed with our accounting firm also. SWRA is to the point that it needs to upgrade to the commercial product of QuickBooks called Enterprise. The cost to upgrade is \$200 per month. SWRA currently has a three-user system and the Enterprise "Silver" edition comes with four-user licenses that will be helpful. Kevin had forwarded the Board an email from Intuit concerning the upgrade prior to our meeting. SWRA does not need the merchant services option they had highlighted or the virtual server option. **After discussion, a motion to approve the upgrade to Enterprise in order to maintain our database and accounting program was approved.**

Nominating Committee - The Board reviewed the SWRA documents concerning the appointment of the Nominating Committee to select Board candidates for the 2016 board elections. Property owners were suggested and a list of candidates proposed. Secretary

Alexander will contact the candidates in order to find three property owners who are available and willing to serve. Board members Jerry Grace and David Hargrove agreed to serve. The Board appointed Tom Dyne, Sally Gantt and Jim Martin. Two positions are up for election, those held currently by Patti Richardson and Dave Heinzen. The board agreed to ask the committee to search for the best board candidates that they will recommend with a nomination of one person per open position.

Tour of Homes - Bill Ponder with the Historical Society has requested that the SWRA Board consider allowing them to have another "tour of homes" in StillWaters as a fundraiser. The last one in StillWaters was December 2013 and they did not have one in 2014 or 2015. Mr. Ponder said they had not had one because they only had interest in StillWaters. It will be a spring tour and they would like to have it April 9, 2016. **A motion to approve this request carried unanimously.**

The Board approved a motion to adjourn at 11:50 a.m.


Penny Alexander, Secretary


Andy Milwid, President

Date approved: 11/17/2015

Minutes
SWRA Board of Directors Meeting
December 1, 2015

Call to order

President Andy Milwid called the meeting to order at 9:05 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

The Board reviewed and approved the minutes of November 17, 2015 meeting as distributed.

GM Report

Christmas Lights & Decorating - The Christmas lights have been installed and we have an issue with two of the lighted trees at the 49-gate entrance. We are trying to repair them but they may have to be replaced or removed. The lights were not turned on until after Thanksgiving.

Covenant Violations - We are continuing to have several covenant violations concerning trailers and work being performed on houses without a permit. This is more than usual and Kevin thinks it is because of the increased number of new property owners in StillWaters.

Employee Accident - Ed Williams, one of our maintenance personnel, had a wreck on Moonbrook Drive Saturday night trying to avoid a deer. He swerved to avoid the deer and lost control hitting a tree. Ed was driving his personal vehicle. He will be out of work recovering from his injuries for the next few weeks. His doctor will have to release him to come back to work because he suffered a head injury.

Fallen Tree - A rotten tree fell across Turkey Trot. It is too large for our equipment to handle. We pushed it to the roadside and it will be removed in a few months when we perform our annual tree removal. Kevin stated that it would be fine lying in the ditch until it can be hauled away.

Lake Martin Magazine Article - Kevin met with Lake/Lake Martin Living Magazine editor. She is doing an article on The Cottages at Sunset in StillWaters. These are the size new cottages being constructed on Sunset Point. This is one of her make up article for the negative article that was in Lake Magazine about StillWaters last month.

SSPI Timeshare Pump - A Timeshare guest contacted the Tallapoosa County Health Department concerning grey water overflowing a containment tank at the SSPI timeshares.

The guest was concerned that it posed a health risk. The sewer pump had failed and was being replaced when the lady from the Health Department arrived. She was satisfied the pump was being replaced and brought up to current code.

SWRA Truck Repair - The automatic SWRA truck, the one with the lights on it, broke down and had to be towed to the shop. It appears to be the fuel pump and it will need to be replaced. Cost including labor was \$550.

Thanksgiving Week - The SWRA Admin office was closed last week but maintenance and gate personnel worked the whole week. There were no major problems reported in StillWaters.

Welcome Centre Heating Repairs - The Welcome Centre heating system did not appear to be working properly and our electricity bill seemed high. Kevin had a heating/ac company check the system, which is working correctly but it is an air conditioner with electric heat, it is not a heat pump. The system puts out very little heat. Kevin will obtain bids to install a single heat pump and remove the two AC/heating units.

Deposits and closings since last meeting

Deposits \$3,619

Closings 1

TREASURER'S REPORT

Mike reported briefly on cash projections for the year. Unrestricted cash of approximately \$40,000 is what was projected for year-end and we should be on target for this amount.

OPEN AGENDA

QuickBooks Upgrade-This is on hold until the server is repaired which should be a few weeks.

Nominating Committee - The following Members have agreed to serve on the Committee to select Board candidates for the 2016 board elections: Jerry Grace, David Hargrove, Tom Dyne, Sally Gantt and Jim Martin. Two positions are up for election, those held currently by Patti Richardson and Dave Heinzen. The board agreed to ask the committee to search for the best board candidates that they will recommend with a nomination of one person per open position.

Tennis Courts - Kevin reported back to the board on the current condition of the surface of the courts. After discussion, the Board agreed that the resurfacing would be included in the 2016 budget.

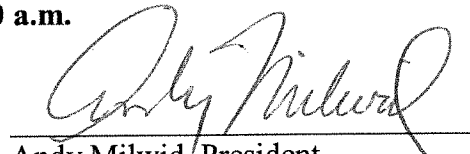
NEW AGENDA

Office Server Driver Repair - One of the server drives failed over the weekend. We are operating on the back-up drive. Both drives were replaced and upgraded about 18 months ago so they are not under warranty. A replacement drive has been ordered.

SWRA Office Schedule for Christmas - Administrative Office is closed to the public the week of Christmas. Maintenance staff will continue their regular schedule.

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


Penny Alexander, Secretary


Andy Milwid, President

Date approved: Dec. 15, 2015

Minutes
SWRA Board of Directors Meeting
December 15, 2015

Call to order

President Andy Milwid called the meeting to order at 9:05 a.m. Board members Penny Alexander, Mike Dollar, Jerry Grace, David Hargrove, Dave Heinzen and Patti Richardson were present. General Manager Kevin Eason was present to report.

Approval of Prior Minutes

The Board reviewed and approved the minutes of December 1, 2015 meeting as distributed.

GM Report

Computer System Server - The server drive was replaced but we are still having problems with the server. After discussing the issue with our IT person, we will wait about making any changes to the server software until after the December 31st.

Deed for Debt - SWRA received a Bent Hickory lot under the “deed for debt” program. The owner passed away last year and the family has just settled the estate and deeded the lot back to SWRA to avoid paying the past due fees for one year.

Employee Update - Ed Williams is coming back to work on a limited basis this week. His doctor has released him to light duty work for a few hours per day.

Gate 34 Camera - The new face camera at the back gate is now installed and you can identify the person using the gate. However it is still not ready to start opening the gate remotely because now we are experiencing significant lag time between the gates. According to Charter they are working on their signal and the speed will be restored soon. Charter/Spectrum claim they have improved their signal strength affecting our camera system at gate 34. At night there is no lag time, during the day the lag time can be 2-3 minutes. They have stated that there is nothing more they can do.

Harbor Pointe Condo Management Contract - The Harbor Pointe Board met and agreed to have the management contract with SWRA automatically renew for one year pending approval from the SWRA Board as per the automatic renewal clause. The contract will not change for 2016 and still includes a cancellation clause stating either party can cancel with a 30-day written notice.

Insurance - Kevin is accepting bids our association General Liability Coverage insurance package. SWRA has been with the current insurance company now for three years however

we received significant increases over the past three years. We are not seeking bids for the D&O insurance at this time.

Leaf Removal Issue - The landscape companies tractor mounted leaf blower broke, it has now been repaired but this has caused them to run behind schedule clearing leaves from the roads.

Paving Update - Ingram Paving was going to come into StillWaters and patch five utility cuts that happened right after they completed their work this past summer. They contacted Kevin and wanted to come right after the first of the year. Kevin did not approve their request and explained, based on the information from our engineer, the temperature is below what it should be to install asphalt so we will wait until our regular paving project the end of spring.

Pineview Pool Pump - The pump burned up and will have to be replaced. The invoice will be paid out of Pool Reserves.

SWRA Sale of Lots - SWRA has an agreement with a current property owner to purchase two SWRA owned lots adjacent to his current house on Knollwood. He is paying the asking price there was no negotiation. SWRA will own 66 lots once the sales close.

Deposits and closings since last meeting

Deposits \$14,451

Closings 4

TREASURER'S REPORT

Mike reported that he had planned to give the Board the budget notes this morning, however he had computer issues and has lost the last three weeks of input. He has not been able to recover his data therefore he is re-building the proposed 2016 budget.

Mike received the Third quarter financial report this morning from Warren, Sasser LLC.

OPEN AGENDA

Welcome Centre - Signage has been ordered to match and coordinate with the SWRA sign.

QuickBooks Upgrade-Due to the possibility of lost data we will wait until after the first of the year once the server is updated.

Rental of Community Room - Clarity of guidelines was discussed. The wording will be updated to change Community Administrator to General Manager. The intent of the original committee was that the Community Administrator and Board have discretion to alter and manage conditions and fees. A deposit to cover damages or cleaning if necessary is appropriate. The Board agreed that the General Manager should have the authority to manage this and Kevin will communicate with the Board if needed.

SWRA Office Schedule for Christmas - Administrative Office is closed to the public the week of Christmas. Maintenance staff will continue their regular schedule.

NEW AGENDA

Christmas Bonuses - Kevin shared with the Board that all our SWRA employees were extremely happy with their Christmas bonuses and they have sent their thanks and appreciation.

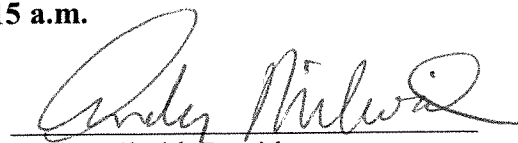
Nominating Committee Report - David reported that they have met twice thus far and the three none board members have identified 5 possible candidates. Board member Dave Heinzen withdrew his name from consideration for another term when asked by the committee to run for reelection. The Committee will start the interview process January 7th and plan to finalize their recommendations on January 13th. The members had some concerns on the instructions from the Board of nominating the best possible two candidates, one for each open position. Discussion followed and Roberts Rules of Order was again discussed. Patti Richardson did not participate in the discussion, as she is one of the five possible candidates. The Board agrees that by definition the Nominating Committee's responsibility is to find the best nominees as is done in most organizations where there is a secondary path to be put up for nomination as there is with the SWRA organizational documents.

After discussion, The Board hereby directs the Nominating Committee to select a single nominee for each open slot for the 2016 ballot.

Sunset Pointe Proposed Development - The large cleared parcels (13 acres) are being sold to a developer out of Montgomery. He is talking to contractors and is proposing a community; similar to one proposed several years ago, a cottage type development to maximize use of the property with different tiered pricing based on view and location. The entrance will be off Sunset Point not Lakeview Drive. They will name it Water Color at Lake Martin. Kevin has advised the owner/developer that per the covenants, SWRA fees begin as soon as the lots are platted.

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


Penny Alexander, Secretary


Andy Milwid, President

Date approved: Jan. 5, 2016

