SUNCHASE CONDOMINIUM ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
FEBRUARY 17, 2011

MINUTES

BOARD MEMBERS PRESENT
Jim Babbitt
Norman McFadden
Caroline Stinson

OTHERS PRESENT
Linda Babbitt, K-3
Ray Etheridge, Property Manager
Duane Fair

CALL TO ORDER & NOMINATION OF OFFICERS
Jim Babbitt, president, called the meeting to order at 5:05 p.m.

Jim nominated Duane Fair to the Board of Directors. This nomination was seconded by Norman McFadden and passed unanimously. Duane was thanked by all the Board members for his interest and willingness to serve on the Board of Directors. Ray was asked to send the Board an updated owners list.

A motion was made and seconded to approve the minutes of the January 17, 2011 meeting.

FINANCIALS
Ray Etheridge reviewed the financial statements for January 2011. The income for the month was $2268.00 over budget. Expenses were reviewed. The reserve transfer was made on schedule. However, it was $100.00 short. This $100.00 will be added to the reserve transfer in February. It was noticed that the insurance payment in the amount of $501.00 was for a new insurance appraisal and a utility bond. An expense in license and fees should have been fees to division in the amount of $368.00 and this will be corrected. General maintenance for the month was over budget by $1575.00. This was attributed to (2) large invoices for wood rot repairs carried over from 2010. The board was also informed that a transfer to the insurance account in the amount of $13,287.00 was a shortfall from last year and we have not made the insurance transfer for January 2011. It was also discussed that the Association has paid for the painting of our balconies, decks, steps and handrails in the amount of $15,450.00 and this amount was taken from the reserve account. Cash in the bank accounts were reviewed by the Board. The accounts receivable was discussed in some detail. Many of the units, which owed at the end of January, paid in February. This amount totaled $3,300.00. There are two units, however, that are seriously in arrears and both have been turned over to the attorney for collection. One of the units is owner occupied; the other is vacant. The Board was also informed that we have collected approximately $1,200.00 from unit B-1 who had been in the foreclosure process. The unit has now been foreclosed and as stated $1,200.00 was collected in back assessments. However, $4,800.00 will have to be written off as bad debt to the Association. The unit owner has filed for bankruptcy and the attorney has listed this amount as owed to the Association and it is hoped that we may get some of these funds through the bankruptcy process.

PROPERTY UPDATE
The need to paint doors was discussed at the January 17, 2011 Board meeting. Jim Babbitt and Ray Etheridge have reviewed the doors and made a list of fifty-five (55) doors that need to be painted. A proposal has been submitted to the Board from Etheridge Property Management to paint these (55) doors in the amount of $2,325.00. Jim and Ray had also found six (6) additional stairways and landings that need repairs. A proposal was presented to the Board to make these repairs in the amount of $1,980.00. On a couple of these stairs, the rotted wood which needs replacing will require that this section of the stairway be torn down, rotted wood replaced and then the steps replaced. After brief discussion of the two proposals, Duane Fair made a motion to approve both the painting of the doors and the repairs. Norman McFadden seconded and the motion passed unanimously.

It was also presented to the Board a proposal from Cordova Lock & Safe to install a new lock on the pool gate to prohibit unwanted visitors from using the pool. This will require a new lock and pickets added to the existing gate so that no one could put their hands through the pickets and open the gate. A key would be required and the gate would lock automatically upon closure. The gate can be opened from inside

using a knob. This proposal was in the amount $888.78, which included repairs and (100) keys. Norman McFadden made a motion to approve this proposal from Cordova Lock & Safe, Caroline Stinson seconded and the motion passed unanimously.

Ray informed the Board that there is a roof problem at building "L". Both ends are sagging and two roofers have looked at this building for repairs. One of the estimates is in the amount of $13,000.00, the other is in the amount of $3,000.00 and one of these is obviously is way out of line. An additional proposal is being sought from the roofing company who installed the new roof after hurricane Ivan. The Board will discuss at their next Board meeting after these additional estimates are obtained. A fourth estimate is being solicited.

The bulletin board is in poor condition and needs a new door and back board. An estimate was on hand to make these needed repairs and this was discussed. The estimate is in the amount of $157.00 for plexiglas or $215.00 for lexann glass. It was decided by the Board that the plexiglas had lasted for five to six years and would likely last that long again and they chose to approve the plexiglas estimate in the amount of $157.00. It was also discussed rather than to have one large door to have two smaller ones and a possibly to have a flange to go over the area where these two doors would meet. The doors would swing from the top as the existing door does. If these can be drilled and secured with small screws, the flange will be installed. If not we will go with the two doors and make the small crack where they meet as small as possible.

Insurance renewal in March was discussed. Ray had received an invoice from Citizens Wind with a substantial increase. Citizens had increased the coverage in this new billing by 7%. Citizens has also increased their premium somewhat. A new insurance appraisal was obtained and it has come in lower than the older one. This will reduce our premium and Ken Jenson has estimated that we will net approximately a $4,000.00 savings from 2010 Wind Insurance. Ken has stated he would like to come to the next meeting, which is scheduled for the second Monday in March at the library.

Ray was asked to send letters to two (2) units, which are parking in a vacant units parking space and also to send a letter to a resident who is running a golf cart around the property on grass and not only is a nuisance but this could be a dangerous situation.

It was noted that the boat that was left adjacent to Sunchase property is still there. Several agencies have been called to no avail. Ray was asked to call the Santa Rosa Sheriff's Department regarding this and see if they could help.

The condition of our pilings on the property was also discussed briefly. Some are beginning to deteriate. Ray will call a marine company and see if they know of anyone that could make repairs or install new pilings were needed.

ADJOURNMENT

There was no further business and the meeting adjourned at 6:00 p.m.

Respectfully Submitted,

Ray O. Etheridge