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

MINUTES

BOARD MEMBERS PRESENT
Jim Babbitt
Norman McFadden
Caroline Stinson

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

CALL TO ORDER & NOMINATION OF OFFICERS
Jim Babbitt, president, called the meeting to order at 5:45 p.m.

Caroline Stinson made a motion to approve the minutes of the October 11, 2010 and the November 11, 2010 Board meeting minutes. Norman McFadden seconded this motion, which passed unanimously.

FINANCIALS
Ray Etheridge reviewed the financial statements for December 2010. The Association closed the year 1 & 1/2 months of insurance transfers not being made. Those transfers have been made in January. Collections for the month of December were $7,667.00 under budget, which greatly contributed to these funds not being transferred. Interest was collected during the month of December of $601.00. The reserve transfers are on schedule for the year. Expenses were reviewed and we are over budget by $1,040.00 on pool maintenance and chemicals for the year. There has been a couple of problems with the pool. General Maintenance was also over budget by $12,000.00. This overage in the maintenance was generally due to wood rot repairs and the support of the balconies that was required in 2010. The Board reviewed the accounts receivable in detail. We have collected $1,276.00 from Unit B-1, but the Association will have to write off $4,854.00 from this unit. Notice of Intent to Lien are being sent to three (3) additional units that now owe three (3) months including December. The Board has asked Ray to send Notice of Intent to Lien to anyone owing two (2) months. In addition, two (2) units were approved to be turned over to the attorney for collection. Attorney Robert McDaniel was discussed and this is the attorney that will be used for collection on these two (2) units and any others that may be turned over to attorneys for collection in the future. The Association already has liens on both of these units. It was also pointed out that much of the collection loss in December was attributed to owners who had credit on the November receivable. It was also discussed that the Association can now demand rents from units who are in arrears, which are rented, and this will be looked into and every effort made to collect rent where possible.

PROPERTY UPDATE
Ray informed the Board that the painting wood rot repairs have been completed at Sunchase. There were two (2) calls made that Ray has made additional work on that owners were not satisfied with. Anyone having any problem please call the Etheridge office. Also, the Board was asked that if they saw anything that did not look well to please call Ray or Bob and it would be taken care of. The total of these amounts were $15,450.00, which was $900.00 more than the lowest price we had obtained from contractors for painting only. The Board approved that this amount be taken from reserve and charged to painting.

The Board briefly discussed the letter that was sent to Santa Rosa Yacht Club regarding the dredge spoil. The Association has declined to have this dredge spoil from the Santa Rosa Yacht Club placed on Sunchase property.

Ray had an estimate on hand to change the entrance method into the pool area to make it less accessible to unwanted visitors to the pool. This estimate was in the amount of $1,250.00. The Board asked Ray to look at other alternatives for the pool and Mr. Babbitt suggested that Stone Manufacturing be called and asked them to take a look at our gate and situation and make recommendations and a price. This will be brought to our next Board of Directors meeting in March.

The Board discussed that the property at Sunchase is leased and if the property appraiser is charging the owners tax on this property in with the value of their unit. It was decided that the unit owners are probably being charged and the property owner as well. Ray was asked to call the Santa Rosa County Property Appraiser and discuss this situation with him.

A boat that has been moored on Sunchase property was discussed. The owner of this boat has been called; the Marine Patrol has been called, as well as the Coast Guard. It seems no one wants to come and move this boat. The Marine Patrol stated that it was a civil matter. The Board thought that maybe the Department of Environmental Protection may be able to help in this situation. Ray was asked to call them.

The Board also discussed the need for additional Board members. Currently we have only three (3). Duane Fair, an owner who was on the Board in the past, name came up and Ray was asked to call Duane and ask for his participation on the Board. Current Board members will also look for additional members.

Norman McFadden stated that some of our concrete landings were badly in need of paint. This will be a different paint than was put on the wood decks and steps at Sunchase. It was decided that Ray, Norman and Jim would walk the property next week, probably Wednesday or Thursday and get the number of concrete landings that need to be painted. Also, doors were discussed. Doors will be inspected, as well, and decisions made on doors that need painting.

ADJOURNMENT

There was no further business and the meeting adjourned at 6:40 p.m.

Respectfully Submitted,

Ray O. Etheridge