

**BEACH WALKER VILLAS ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING
OCTOBER 8, 2010**

A Board of Directors Meeting of the Beach Walker Villas Association, Inc. was held this date in the Amelia Island Management Conference Room, 5440 First Coast Highway, Amelia Island, Florida.

BOARD MEMBERS PRESENT

Taylor Merrill, President
Bradford (Brad) Burnette, Vice President
Wayne Middleton, Secretary/Treasurer
James (Jim) Thompson, Director
David Montgomery, Director

OWNERS PRESENT

Carol Thompson

AMELIA ISLAND MANAGEMENT (AIM)

Scott Muir, Director of AIM
Jeff Chapman, Senior Community Assn. Mgr.
Steve Mehas, Community Association Manager
Shirlene Reeves, Senior CAM Villa Accountant
Joan Sheets, Administrative Assistant

GUEST PRESENT

Jason Hambrecht, Construction Solutions, Inc.

CALL TO ORDER

Notice of the meeting was emailed to the Board on October 4, 2010 and posted on property, which is in accordance with the Documents of the Association. There were five Board members present, which represented a quorum. President Taylor Merrill called the meeting to order at 9:00 a.m.

APPROVAL OF MINUTES

Jim Thompson moved to approve the August 13, 2010 Board of Directors Meeting Minutes, as written. Wayne Middleton seconded, and the vote was unanimous.

FINANCIAL REPORT

CD Movement Update

Wayne Middleton reported funds had been deposited in CDs at EverBank at an interest rate of 1.2%. Shirlene Reeves reported she has received a confirmation of the transaction, but has not received the first statement.

2011 Proposed Budget Review

The Board discussed more detailed break down on the items with a significant variance to budget. Shirlene Reeves stated she could attach a General Ledger Report to the monthly financials.

There was a lengthy discussion on the 2011 proposed budget and capital reserves. The Board directed Jason Hambrecht, Steve Mehas and Shirlene Reeves to work together to update the capital reserve useful life and costs on the line items. Wayne Middleton will meet with Ms. Reeves to go over the numbers and categories. Mr. Middleton stated, using the pooled capital reserve method, you could move the major maintenance budget into the capital reserve fund under exterior building. Shirlene Reeves will add line items under that category for plumbing and building repairs, and change the name of the Board Fund to the Board Contingency Fund.

Wayne Middleton moved to (1) change from the Straight Line Capital Reserve accounting method to the Pooled Capital Reserve method, and (2) recommend to the owners to NOT fully fund the new Pooled Capital Reserve account, effective January 1, 2011. Jim Thompson seconded, and the motion carried unanimously.

The Board directed Shirlene Reeves to do the following:

- Immediately expense MarKel costs out of the Major Maintenance Fund.
- Immediately move \$15,000 from the Board Fund to the Major Maintenance Fund.
- For the proposed 2011 budget, change the Major Maintenance account name to “Pooled Capital Reserve” in the same dollar amount.

- In January 2011, move \$40,000 from the excess Insurance Fund to the Pooled Capital Reserve.

Wayne Middleton moved to send the approved proposed budget for 2011 to the membership. Jim Thompson seconded, and the motion carried unanimously.

AMELIA ISLAND MANAGEMENT REPORT

General Report

Shirlene Reeves reported all units monthly assessments have been paid except for 1115, 1125 and 1134. Units 1115 and 1125 are one month in arrears. Unit 1134 will be receiving a notice of lien. Unit 1169, which was taken over by the bank, payments are current.

Steve Mehas reviewed the Community Association Manager's Report (copy attached) and the following items were highlighted:

- When the replacement of the linen room doors is complete, Steve Mehas will send a letter regarding usage fees.
- A quote will be obtained to replace the pool decking at the common area by the restrooms.
- There will be no increases in the following contracts: trash, pool, janitorial, landscape and pest control.
- Distributing a newsletter regarding window and door issues, air conditioner maintenance and other owner related issues was discussed. This will be done by Taylor Merrill after the Annual Meeting agenda is mailed to the owners.

The Board reviewed samples of and discussed installing a different style of balcony railings on the east side for approximately \$83,000. Jason Hambrecht will get alternatives and bids before the Annual Meeting. Wayne Middleton requested separate bids for the east and west sides of the buildings.

OLD BUSINESS

Elevator Consultant Report

Jason Hambrecht reported the following:

- The suspension ropes were replaced under the existing Otis contract.

- The elevator variance application was sent to Tallahassee the week of October 4th and if there is no response in 90 days, it is approved. The Association will then have until July 31, 2013 to correct the code compliance items.
- Specifications for the work required to become compliant need to be drawn up and bid out.

Discussion ensued on whether to fix what is required or totally upgrade the elevators. The Board directed Jason Hambrecht to contact Vertical Assessment Associates to provide specifications and obtain preliminary bids to fix our deficiencies.

NEW BUSINESS

EIFS Leaks

The problem in Building D was identified and fixed.

Cast Iron Pipe Maintenance

David Montgomery moved to replace the exposed cast iron pipes in the parking areas of Buildings C & D this year. Jim Thompson seconded, and the motion carried unanimously. The Board directed Shirlene Reeves to charge the estimated \$38,000 for this project to the major maintenance expense.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:25 a.m.

Respectively submitted,

*Taylor Merrill*_{/js}

Taylor Merrill, President

TM/js

Attachment