

GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS

MINUTES OF GENERAL MEETING
August 14, 2012

1. **CALL TO ORDER.** Mr. Lindsey called the General Meeting to order at 7:45. Mr. Warren Smith took roll with the following results:

Richard Lindsey	President	Present
Kenneth Corder	VP	Present
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Present
Butch Braddy	Member	Present
Renee Rabbitt	Member	Present
Barbara Rubin	Member	Present
John Thompson	Member	Absent, proxy to Mrs. Rabbitt
Carmen Ward	Member	Present

2. **APPROVAL OF AGENDA.** Mr. Corder motioned to approve the proposed agenda. Mr. Warren Smith seconded the motion and the Board voted unanimously, including the proxy, to approve the motion.

3. **APPROVAL OF MINUTES.** Mr. Corder motioned to approve as written the minutes of the General Meeting of July 10, 2012. Mr. Braddy seconded the motion. There was no additional discussion and the Board voted unanimously, including the proxy, to approve the motion.

4. **COMMITTEE REPORTS**

a. **GENERAL MANAGER.** Mr. Odom called the attention of the Board to the general reports provided for July, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the July 31st Balance Sheet. Highlights of the reports are shown below.

Balances. As of July 31, 2012, CSA checking (operational account) totaled \$116,328.42. The total of CSA reserves (Vanguard Account, First Chatham, and Savannah Bank accounts) is \$413,436.56. We deposited \$40,000 of excess checking into reserves, adding to the \$27,000 of the previously deposited excess checking in April (for a current total of \$67,000). We have made a deposit of \$7,100 into CSA reserves for July in accordance with the approved budget. Parcel reserve deposits have been made except for Audubon Park who owes \$625 for June and \$625 for July. We also had to defer the pressure washing of the Townhomes (\$3150) due to low cash flow. The grand total of CSA funds (CSA reserves plus operational checking) is \$529,764.98. The total of all GCSA accounts and undeposited funds is \$771,916.78. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$ 116,328.42	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 11,266.17	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$ 106,406.52	
Coastal CD's	\$ 116,574.96	
1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
1 st Chatham CSA MM	\$ 204,052.03	

The Savannah Bank MM	\$ 194,139.94
The Savannah Bank Check	\$ 100.00 (does not count against FDIC coverage limit)
Vanguard	\$ 15,044.59
Undeposited funds	<u>\$ 7,904.15</u>
Total:	\$ 771,916.78

Income and Expenses. Total income for July was \$82,547.62 which was \$104.25 better than budget. Expenses for the month were \$73,270.02 which were \$957.93 lower than budget. Legal expenses were \$1,649 higher than budget and were offset by lower expenses for payroll and utilities. Net Income was \$9277.60 and that was \$1062.18 better than budget.

Capital Budget Execution:		Budget	Actual Cost	Difference
January:	Pool Equip Replacements	\$7,462	\$7,460	(-\$2)
February:	Maint Bldg Water Project	\$15,600	\$15,130	(-\$470)
March:	Survey of Cormorant Lagoon	\$875	\$ 875	0
	Refund of Water Project bond		(\$100)	(-\$100)
	Lagoon Survey & Eng (survey)	\$3,345	\$ 3,345	0
April:	Basketball Court Replacement	\$12,650	\$12,305	(-\$345)
May:	Lagoon Survey & Eng (2 of 3)	\$10,034	\$10,034	0
	Northside Carpet Replacement	\$7,368	\$7,368	0
	Northside A/C Replacement	\$9,377	\$9,377	0
	Northside Appliances	\$3,135	\$3,135	0
	Northside Countertops	\$1,200	\$1,180	(-\$20)
June:	Tennis Court Nets	\$1,420	\$1,400	(-\$20)
	Marquis repair (50%)	<u>\$1,665</u>	<u>\$1,585</u>	<u>(-\$80)</u>
	Totals to date:	\$74,131	\$73,094	(-\$1,037)
July:	None			

Remaining 2012 Planned Expenditures/Recapitalizations

Item/Requirement	Amount
Gate Guard a/c	\$ 850 (July) May defer to 2013
Marquis replacement (remaining)	\$1,584 (Aug)
Lagoon Survey & Eng (3of3)	\$4,621 (TBD)
Lagoon Dredging	<u>\$22,800</u> (TBD)
Total	\$29,855

Capital Budget Execution Summary**Annual Budget**

Beginning Balance 1/1/12:	\$291,019	
(+) Budgeted Allotments/Deposits:	\$126,000	Currently on track
(-) Budgeted Expenditures:	\$104,067	
(+/-) Current Net Cost/Savings:	+ \$1,037	Through July
Projected Reserve Balance 12/31/12:	\$313,989	

Past Due Accounts. The number of past due accounts went down in July from 198 to 194, and the dollar amount decreased from \$282,519.39 to \$278,981.02. The number of accounts 31-60 days old declined from 23 to 15, and the dollar amount dipped from \$16,339.34 to \$8,727.95. The amounts 61-90 days past due went down from 24 to 11, and the dollar value decreased from \$7,931.85 to \$427.65. Accounts over 90 days in arrears rose from 151 to 158, and from \$258,248.20 to \$269,825.42, respectively. In July, we issued 241 first and second letters (combined), 22 new or updated liens, and 11 new law suits. We received 56 payments (of \$200 or more) for past due amounts totaling \$20,299.78. 21 of our accounts are in bankruptcy, with \$18,983.01 owed pre-bankruptcy, and \$26,640.64 in post-bankruptcy owed. The total amount in bankruptcy is \$45,533.65 and that is an increase of \$1,386.64 from June's total. The attached report summarizes the status of accounts that the Board approved special payments.

Repairs and Scheduled Projects:

Lagoon Survey/Engineering: We are still awaiting results of the Army Corps of Engineer's review of the project. If they do not require any additional permits, we will proceed with soliciting for pricing on the dredging project. We will provide the subsequent proposals to the Board for consideration. Once the Board approves the project, we will have to pay Chatham County \$55 for an encroachment permit.

Marquis Repair/Replacement is scheduled to begin later this week. We have paid a \$1585 required down payment. Total cost will be approximately \$160 below budget.

Tree Removals (3) will be taking place around the smaller Dovetail lagoon. These trees have fallen over into the water. Cost of removal is \$250. We also had to spend \$650 of Townhome funds to remove two trees which fell on Thursday, August 2nd.

Pool water valve replacement. We had to spend \$515.25 for initial repairs on a broken water valve that feeds the Southside pool. This is another case where having pavers saved money (since we did not have to saw-cut, remove, and replace a section of concrete slab).

Handicap parking access at 48 King Henry Court. As requested at the last Board meeting, the staff met with the owners of 48 King Henry Court regarding their request for improved handicap access at their parking space. After seeing the extent of the potential impact of the nearby common area, the owners were advised to submit a Property Change Application to the ARB and provide a statement that they agree to pay for the modifications and restore the property to its original condition if/when they moved away.

2013 Initial Draft Budgets are attached for review prior to the upcoming Parcel Budget Hearings in September and CSA Budget Hearing in October.

b. **SECRETARY/TREASURER.** Nothing to add to what the General Manager has reported.

c. **ARB.** Mr. Yardman reported on the results of the Architectural Review Board meetings of Jul 17th and August 7th. During those meetings, the ARB approved 1 Roof Vent installation, 1 color change, 2 tree removals, and 1 parking pad construction. He also provided the following inspection statistics for the month of July:

Total new violations	385	YTD	2483
Total violations repaired	417	YTD	2424
Hang Tags issued	62	YTD	532
Letters mailed	355	YTD	2159
Issues referred to GM/atty	96	YTD	546

Total current violations at the end of July: 306

d. **PARCEL REPRESENTATIVE.** No report

5. **UNFINISHED BUSINESS.** None

6. **NEW BUSINESS**

a. **Request for Write-off Approval.** The General Manager requested authority to write off as uncollectible four accounts totaling \$3,522.50. Mr. Odom explained that these write-offs involve foreclosures at 12 Red Fox Drive, 173 Junco Way, 103 Wimbledon Drive, and 9 E. White Hawthorne Drive. He stated that as of July 31st, we had \$29,672.05 set aside in Balance Sheet line 1260, Provision for Doubtful Debt, to cover write-offs such as this. Total write-offs this year, including those recommended above, total \$19,035.78. Mr. Corder motioned to approve the requested write-offs. Mr. Braddy seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

b. **Admin Resolution on Collections Procedures.** At the request of the President, Mr. Odom requested that the Board approve the attached Resolution 2012-3 (Procedures for Collections). He stated that this resolution was a modified version of Resolution 2012-1 that was passed by the Board at the last meeting. He explained that after the Board voted on 2012-1, our attorney notified us that the requirements of the Fair Debt Collection Practices Act that were referenced in Resolution 2012-1 did not apply to us since we do our own collecting. The revised resolution takes out references and requirements of that act. At the end of the briefing, Mr. Corder motioned to approve Resolution 2012-3 as written. Ms. Rubin seconded the motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

c. **Revised Pool Season for Northside Clubhouse.** At the request of the President, Mr. Odom briefed the Board on a proposal to extend the pool season at the Northside Clubhouse through September as originally proposed by Ms. Rubin at the May General Meeting. Mr. Odom noted that the cost to keep the pool open through September would be approximately \$2,656. At the end of the briefing, Mr. Corder motioned to approve the proposal and Ms. Rubin seconded the motion. During discussion, Mrs. Byers asked how many people are expected to use the facility during that period. Mr. Odom responded that it was unclear, but that the highest daily usage in the past 30 days has been 47—which amounts to approximately 4.7 per hour. Ms. Rubin requested that the motion be modified to read that the pool would be open during September on a test case basis and that we would note the usage during that period and decide later if the change would be permanent. Mr. Corder agreed to

change the motion as requested and Ms. Rubin seconded the revised motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

d. Proposed Changes to ARB Guidelines regarding Satellite Dishes and Lawn Maintenance.

(1) Satellite Dishes. Mr. Odom recommended the following replacement language for Article III-C-9 of the Architectural Guidelines based on Federal Communications Commission regulations and rulings provided by Counsel. He added that the revised language had been approved by the ARB.

“9. Satellite dishes may be installed in approved locations on a member’s property. Approved locations include: back yards; roof sections or fascia boards on the rear of the home (i.e., the side of the home directly opposite of the street); or on a chimney on the rear of the home. If no adequate signal can be obtained at one of spots, the list of approved locations may be expanded to include roof sections, fascia, or posts located on either of the home’s side yards. Due to the negative visual impact of satellite dishes, property owners installing them in locations other than the back of the house as listed above, must conceal the satellite dishes in a fenced area keeping with the harmony of the main structure.”

(2) Lawn Maintenance. Mr. Odom recommended the following replacement language for Article III-E of the Architectural Guidelines that were approved by the ARB. He stated that the changes were driven by discussions at the last Board meeting regarding the need for more precise language regarding lawn maintenance notices.

“1. All property in Georgetown shall be kept in good order and repair and free of debris including, but not limited to: seeding, watering, trimming, edging and mowing of all lawns; pruning and cutting trees and shrubbery; painting and other appropriate external care of all buildings and other improvements; concealing trash cans and other items for disposal except for within 24 hours of scheduled pick up...all in a manner and with such frequency as is consistent with good property management.

2. No property owner shall allow any weeds and/or rank vegetation to exist on is/her property which endangers the public health or welfare of the other property owners of the Association. The words “weeds and/or rank vegetation” as used herein shall specifically include, but not limited to; weeds and grasses causing hay fever; those plants which serve as breeding places for mosquito's or as a refuge for snakes, rats, or other vermin, or as a hiding place for filth; and any growth that creates a fire or traffic hazard or an annoyance due to unsightliness.

3. Whenever a violation exists of specifications set forth in items III-E-1 or III E-2 above, the Association shall notify the owner and provide a specific date by which the violation shall be corrected. If the owner or occupant receiving notice fails to have the violation corrected by the specified date, the Association shall have the specified work accomplished and assess the owner or occupant with the expense to correct the violation, including labor, equipment, and administrative costs. Such assessments are due immediately after such work is completed and the Association shall file and have recorded a lien in the office of the Clerk of the Superior Court of Chatham County, Georgia, against the property in question which may be foreclosed upon for the collection thereof.”

Mr. Odom also stated that a test of the mailing system for notices had been conducted and that both the regular and certified mail reached five addresses in five different subdivisions the day after they were mailed.

Mr. Odom also recommended that the ARB Inspector contract be modified to require the use of the attached revised violation notification letter format that provides a specific day and time that the owner must either contact the Inspector or correct the violation.

At the end of the briefing, Mr. Warren Smith motioned to approve the proposed changes to the ARB Guidelines regarding satellite dishes and lawn maintenance; approve modifying the ARB contract to require the use of the proposed revised notification letter; and reconfirm the current weekly ARB inspection, notification, and resolution cycle. Mr. Corder seconded the motion. During discussion, member John Graves, stated that the resolution time frame cited in the ARB Guidelines had been reduced over time and are not too burdensome. Mr. Yardman responded that the ARB used to give out hang tags and, when they found that not to work well, they revised the process to provide a notice letter and 2 weeks to correct the violation. He went on to say that 2 weeks was also too long a period given how fast grass and weeds grown during the season. The current weekly cycle has been in place for approximately the past four years. At the end of discussion, the Board voted unanimously to approve Mr. Smith's motions.

e. **Appeal of Fees and Yard Maintenance Assessment by Ms. Zorc.** At the request of the President, Mr. Odom briefed the Board on an appeal by Ms. Zorc to waive fees and a \$60 lawn maintenance assessment, and to allow her tenant to use the amenities while the account balance was being paid off. Mr. Odom stated that the account balance at the time of Ms. Zorc's request was \$1,243.78. He went on to quote Article VIII Section 2 of the By-laws that states: "It shall be the duty of the Board of Directors to suspend the right to use the recreational facilities of any member during any period in which such member shall be in default for more than 30 days." He added that the Zorc account had been in arrears for several years and that liens and a suit has been filed. Mr. Odom also provided before and after pictures supporting the Association's lawn maintenance assessment being appealed. At the end of the briefing, Mr. Warren Smith motioned to deny Ms. Zorc's appeal. Mr. Corder seconded the motion. During discussion, Mrs. Byers asked if we were pursuing collections, and Mr. Odom responded that we were. There was no further discussion and Board voted unanimously, including proxies, to approve the motion.

f. **Appeal of Fees by Mrs. Benau.** At the request of the President, Mr. Odom briefed the Board on an appeal by Mrs. Linda Benau of 104 Wimbledon Drive to waive fees posted to her account. Mr. Odom explained that Mrs. Benau was not specific in which fees she was referring to, and that Mrs. Benau was not present to explain. Mr. Odom went on to say that the Association has filed a series of liens dating back to 2003, along with 2 law suits, a garnishment action, and a consent order. The current balance is \$818.49. Since January of 2011, \$436.30 in finance charges, court fees, and admin fees had been posted to her account. Mr. Odom concluded by saying the fees are valid and are consistently applied to all members in similar situations. At the end of the briefing, Mr. Corder motioned to deny Mrs. Benau's appeal. Mr. Warren Smith seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

g. **Admin Resolution 2012-4 Code of Conduct and Code of Ethics.** At the request of the President, Mr. Odom briefed the Board on a proposed resolution that requires Board members to sign the attached Code of Conduct and Code of Ethics agreement. Mr. Odom stated that much of what is cited on the form is covered verbally during our new-Director orientation; however, a more complete set of Codes would facilitate better understanding of how to operate a Board with integrity and avoid even an appearance of malfeasance or conflict of interest. At the end of the Briefing, Mr. Warren Smith motioned to disapprove the proposed resolution. Ms. Rubin seconded the motion. During discussion, Mr. Smith stated that he did not feel the resolution was necessary. Mr. Lindsey recommended that the resolution be approved. Mrs. Rabbitt, Mr. Corder, and Mr. Brady voiced support for the resolution. Mrs. Byers stated that some things in the Codes were clear and some remained a little vague. At the end of discussion, the motion failed on a vote of 2-approve, 6-oppose (including the proxy). Mr. Lindsey asked for a motion to approve Resolution 2012-4. Mr. Corder motioned to approve Resolution 2012-4 as written. Ms. Rabbitt seconded the motion. There was no further discussion and the Board voted 6-2, including the proxy, to approve the motion.

7. OPEN DISCUSSION.

a. Mr. Ed Herman stated that the ARB Guidelines say we have 7 days from receipt of the Notice to get the grass cut, but the current process does not allow for a full 7 days. He stated that he received a recent notice and was not given the full seven days to get it done. Mrs. Rabbitt responded that he admitted that he had received the letter and had time to call the ARB Inspector. Mr. Warren Smith asked why he simply did not cut the grass. Mr. Herman responded that he did not think the yard needed it at that time and felt he had a few more days to get it done. Mr. Smith motioned to credit Mr. Herman's account for the \$60 fee. Mrs. Byers seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

b. Katherine Culver stated that the sidewalks at the Townhomes were buckling and a portion had sagged and was collecting rain water that would not drain off. Mr. Odom responded that sidewalk repairs were, indeed, needed and that he was looking for funding in 2013 to make some repairs. He recommended that Mrs. Culver come to the budget hearing on September 11th to review and discuss the options.

8. ADJOURNMENT OF GENERAL MEETING. At 9:05 p.m., Mr. Warren Smith motioned to adjourn the General Meeting. Mr. Corder seconded the motion and the Board voted unanimously, including proxies, to approve it.