

**GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS**

**MINUTES OF GENERAL MEETING
February 10, 2015**

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

:

Mike Richardson	President	Present
Renee Rabbitt	VP	Present
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Absent, but arrived 8:05
David Campbell	Member	Absent
Raymond Sili	Member	Present
Marlin Clifton	Member	Present
John Sewell	Member	Present
Melissa Friel	Member	Present

2. **APPROVAL OF AGENDA.** Mr. Smith motioned to approve the agenda as written. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

3. **APPROVAL OF MINUTES.** Mr. Smith motioned to approve as written the minutes of the CSA General Meeting held on January 13th. Mrs. Rabbitt seconded the motion. There was no additional discussion and the Board voted unanimously to approve the motion.

4. **COMMITTEE REPORTS**

a. **GENERAL MANAGER.** Mr. Odom called the attention of the Board to the general reports provided for January 31, 2015, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the Balance Sheet. Highlights of the reports are shown below.

Balances. As of January 31, 2015, CSA checking (operational account) totaled \$137,507.75. The total of CSA reserves (Vanguard Account, First Chatham, South State Bank, United Community Bank, Ameris Bank, Carver State Bank, and Queensborough accounts) is \$1,089,265.42. The total of CSA funds, including checking, reserves, petty cash, undeposited funds, and pre-payments is \$1,227,073.17. We made a deposit of \$11,901.75 into CSA reserves for January in accordance with the approved budget. All parcels also made their required reserve deposits for January. The total of all GCSA accounts is \$1,622,460.43. Aggregate deposits at each financial institution/program include:

AMERIS BANK (took over Coastal Bank 7/1/14)

CSA Checking	\$137,507.75
CSA Reserve MM	\$ 38,373.93
Parcel Checking	\$ 53,665.21
Parcel MM	<u>\$ 66,321.75</u>
	\$295,868.64 (\$50K to be moved to Vanguard 2/11/15)

FIRST CHATHAM BANK

CSA Reserve MM	\$248,264.88
CSA Reserve Checking	<u>\$ 100.00</u>

	\$248,364.88	
SOUTH STATE BANK		
CSA Reserve MM	\$248,361.65	
CSA Reserve Checking	<u>\$ 100.00</u>	
	\$248,461.65	
UNITED COMMUNITY BANK		
CSA Reserve MM	\$196,835.15	
GTP Reserves MM	<u>\$ 45,034.23</u>	
	\$241,869.38	
VANGUARD		
CSA Reserve MM	\$103,406.38	
CARVER STATE BANK		
CSA Reserve MM	\$237,360.10	
QUEENSBOROUGH BANK		
CSA Reserve MM	\$ 16,463.33	
AP Reserve MM	\$ 5,533.81	
HG Reserve MM	\$ 5,403.04	
LL Reserve MM	\$ 25,704.52	
GTP Reserve MM	\$105,192.01	
TH Reserve MM	<u>\$ 88,532.69</u>	
	\$246,829.40	
Total CSA Reserves	\$1,089,265.42	(AB, FCB, SSB, UCB, VG, CSB, QB)
CSA Petty Cash Fund	\$ 300.00	
Undeposited funds	<u>\$.00</u>	
Total CSA Funds:	\$1,227,073.17	(incl: cking, res, p/c, undep funds, & pre-pays)
Total GCSA Funds:	\$1,622,460.43	(incl: tot CSA, parcel ck & mm res)

Income and Expenses. Total income for January was \$81,469.15 which was \$54.22 lower (worse) than budget (due to lower than expected late payment fees). Expenses for the month were \$57,882.20 which were \$14,174.04 lower (better) than budget. We saved \$3950 in ARB inspection services, and we under-executed the legal plan by \$2359. \$4290.92 in programmed flood insurance premiums were moved to February to merge with our other insurance premiums. Net Income was \$23,586.95 which was \$14,119.82 better than budget.

Capital Budget Execution thru 1/31:

BAL SHEET	RS LINE	ITEM	BUDGET	ACTUAL	DIFF
2210 Buildings					
	1006	SS Interior Painting	\$2,950		
	6003	BH Exterior Painting	\$1,000		
	6005	BH Interior Painting	\$1,500		
	22007	SS Front Doors	\$8,000		
		Reserve Study Update	\$2,500		
2220 Furniture					
	26004	NS Furniture	\$ 800		
	21	Pool Furniture	\$1,485		
2230 Land		No planned expenditures for 2015			
2240 Land Improvements					
	17001	Tree Work	\$2,000		

31002	KG Ent Lighting	\$1,075
31006	KB Ent Lighting	\$1,075
31007	EL Cor Lighting	\$1,075
31008	EL Junco Lighting	\$1,075
32014	St. Ives A Lagoon	\$5,000
32016	Wexford I Lagoon	\$5,000
32017	Wexford II Lagoon	\$5,000
32018	Grove Point Lagoon	\$5,000

2250 Machinery and Equipment

5	SS Computers (3)	\$3,000		
5003	SS Sec Alarm System	\$2,529		
11.01	SS Sec Cam & DVRs	\$3,000		
15004	Tennis Court Nets	\$1,420		
18001	Playground Swings	\$1,900		
26001	NS Sec Alarm System	\$1,775		
26002	NS Security Cams 16	\$2,500		
19012	Rolling Blower	\$ 425		
19016	Wet/dry Vac	\$ 150		
23005	NS Water Heater	\$ 1,600		
10000	Gate Guard Bldg A/C	\$ 1,375		
400	Lawn Tractor overhaul	\$ 400		
	Mini-Split A/C for Gym	\$ 3,937		
	Additional treadmill	\$ 2,300	\$2300	0

2260 Vehicle

19001	Ford Ranger	<u>\$17,500</u>
	Total	\$88,346

CSA Capital Budget and Reserves Summary

Annual Budget

**Actual Results
Year-to-date**

Beginning CSA Reserve Balance 1/1/15:	\$1,037,237	
(+) Allotments/Deposits:	\$142,821	\$ 11,901.75 OK
(+) Depreciation	\$132,000	\$ 11,000.00 OK
(+) Interest	\$ 1,380	\$ 126.49 (+\$11)
(-) Expenditures:	<u>\$ 88,346</u>	\$ 2,300.00 (0)
Projected Ending Balance 12/31/15:	\$1,225,092	

*Not including income from payments on prior-year accounts receivable, and misc income that is over budget.

Parcel Capital Budget Execution thru 1/31:

PARCEL	BAL SHEET	RS LINE	ITEM	BUDGET	ACTUAL	DIFF
AP:	No planned capital expenditures for 2015					
HG:	2240	Line 1007	Tree Work	\$ 500		
	2250	Line 1009	Mail Box	\$ 1,710		
	2240	Line 1011	Sign Repair	\$ 600		
LL:	2240	Line 1006	Tree Work	\$ 500		

GTP:	2240	Line 1006	Tree Work	\$ 600
	2240	Line 1011	Entrance Sign	\$ 900
	2240	Line 1014	Irrigation Repair	\$3,000
	2250	Line 1015	Irrigation Timer	\$ 500_
TH:	2250	Line 1002	Mail Boxes	\$4,465
	2240	Line 2003	Replace Curbing	\$31,000
	2240	Line 2005	Sidewalk Overlay	\$12,600
	2240	Line 2008	Tree Work	\$ 700

Total of Parcel Capital Budgets \$57,075

Past Due Accounts. The number of past due accounts increased in January from 416 to 509, but the dollar amount decreased from \$258,162.19 to \$232,967.42. The number of accounts 31-60 days fell from 213 to 162, and the dollar amount dropped from \$5,317.03 to \$2,412.00. The number of accounts 61-90 days past due went down from 174 to 161, and the dollar value increased slightly from \$4,518.97 to \$4,633.79. The number of accounts over 90 days in arrears declined from 173 to 156, and the dollar value decreased from \$248,326.19 to \$225,921.63. The total number of accounts past due (509) represents 26% of all properties which is a 5 percentage increase from December. The January 31st past due amount represents a 1.32% decrease compared to January 2014. In January, we issued 55 first and second letters (combined), and processed 15 new or updated liens, and 2 suits/judgments. We received 21 payments (of \$200 or more) for past due amounts totaling \$8,595.28. 14 of our accounts are in bankruptcy (up 2 from December), with \$18,053.93 owed pre-bankruptcy, and \$10,311.01 in post-bankruptcy owed. The total amount in bankruptcy is \$28,364.94 and that amounts to a \$5,565.45 decrease from the previous month. The attached report summarizes the status of accounts that the Board approved special payments.

Scheduled Projects and Other Repairs/Replacements:

- **Wexford Lagoon Repairs.** The GM met with the Director of Chatham County Public Works, Robert Drewry, regarding our proposed partnering arrangement for repairing drainage pipes and dredging portions of the 2 lagoons. Mr. Drewry and his staff reported that the drain at the end of Mallory's Way is one of three in a network—and all have leaks that need to be repaired. Public Works plans to plug the drains, then vacuum out the water. Afterwards, they will use mobile cameras to locate the exact locations. This process, and the subsequent repairs, are notionally scheduled for later in the spring. The GM pointed out that we need to be part of the planning because we need to minimize the amount of time we have to have excavators and dump trucks working our project. While we pushed to have the County agree to clear the pipe from the street to the lagoon, and the pipe connecting the 2 lagoons, Mr. Drewry stopped short of agreeing to it. The County feels that the second pipe is on Association property, so they are not responsible for cleaning it. Mr. Drewry also indicated that the type of drain outfall going into the lagoon ("equalizer" type) was probably incorrect. He agreed to have his staff do more research and to have us be a part of any upcoming site visits.

- **Northside Clubhouse Exterior Restrooms.** While working to replace a couple of broken floor tiles, our staff uncovered some mold and some seriously deteriorated sub-flooring under and around the showers in the men's room. We were looking to replace the floor tile anyway because the current/original tile was slick when wet. We had a contractor inspect the mold and we have successfully treated it. Demolition is still in process, but it appears as if we will have to replace 2 layers of sub-flooring, a layer of cement board, and the top level of flooring (currently considering vinyl). There does appear to be a leak from the line going to the toilet, but we think that we will probably be able to repair that and replace the flooring with in-house labor.

Other Items:

- **Auction for Retrograde Tennis Lights.** Mr. Thomas Moody of 121 Cambridge Drive won the auction for the used/retrograde tennis lights. He bid \$100. The auction was announced and discussed on our web site for 3 weeks. Prior to that, we attempted to sell the units on Craig's List with no takers.

- The new pedestrian bridge across the culvert on King George Blvd (near Hunter's Green) was hit by a car on February 9th. County Public Works has been notified.

- b. **SECRETARY/TREASURER.** Nothing additional to report.
- c. **PARCEL REPRESENTATIVE.** No report
- d. **ARB REPORT** was provided by Mr. Odom. A copy is attached.

5. UNFINISHED BUSINESS.

a. **Strategic Plan 2015-2019.** At the request of the President, Mr. Odom briefed the Board on the Strategic Plan update. Mr. Odom called the Board's attention to the draft document provided in the briefing book. He noted that the Board voted at the last meeting to consider expanding the Fitness Center and adding a free weight station. No other proposals besides these have been received since the last meeting. At that time, Mr. Clifton motioned to add an initiative to the Business Operations section to consider adding 2 more maintenance employees and one more office employee. Mr. Clifton stated that the additional maintenance staff may be able to take over the contracted landscaping function and possibly save money. He went on to say that the additional office staff might be able to phone residents regarding issues instead of relying on letters. Mr. Sewell seconded the motion. There was no further discussion and the Board voted unanimously to approve it. Mrs. Rabbitt motioned to add an initiative to look into the potential enclosure of the Northside Pool. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously to approve it. Mr. Smith motioned to approve the proposed 2015-2019 Strategic Plan as written along with the approved additions regarding Fitness Center expansion, additional staff, and Northside pool enclosure. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

6. NEW BUSINESS

a. **Request for Write-off Approval.** Mr. Smith motioned to approve the General Manager's recommendation to write off as uncollectible one account totaling \$3,629.23. This property has been foreclosed and is located at 2 Sunset Way. Mr. Sili seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

b. **Replacement of ARB Inspector.** Mr. Richardson briefed the Board on the results of both the contract solicitation and the personnel recruitment action. He stated that we had one contractor respond by the cut-off, and that he and the GM interviewed seven potential candidates and had reached a consensus on the top two applicants. Mr. Richardson recommended the Board accept the bid from GWM LLC owned by Mr. Ray Sili. Mr. Smith requested that Mr. Gerard comment on whether there would be a conflict of interest if Mr. Sili was awarded the contract and stayed on the Board of Directors. Mr. Gerard responded that it is a conflict, but that it can be resolved by Mr. Sili announcing when a conflict exists and recusing himself from those discussions and votes. Mr. Gerard added that, while there is a legal way to do this, it may make it more difficult to criticize or critique this contractor's performance if he is still on the Board. Mr. Smith stated that whether the function is handled by contract or in-house, the issue is cost. He noted that the budget for a new vehicle was significantly understated by at least \$5K-\$7K. Mr. Richardson added that leasing was also considered, but given the mileage and potential dings expected of a work vehicle, this option would still be expensive. Mr. Sewell stated that he had reviewed the resumes and contractor submissions and that he felt comfortable with awarding the contract to Mr. Sili—but only if Mr. Sili resigned his position on the Board. Mr. Gerard added that it might not look right having a Board select one of its own for the contract, but allowing that person to remain on the Board. Mr. Smith stated that Mr. Sili lives in the neighborhood and was duly elected/appointed to the Board. He went on to say that Mr. Sili has earned the right to stay on the Board, and that it was not part of the solicitation requirements that a sitting Board member would have to give up his/her seat to qualify. Mr. Smith motioned to accept the GM's recommendation to award the contract to GWM LLC. Mr. Clifton seconded the motion. There was no further discussion and the motion failed with only two affirmative votes (Smith and Clifton). Mr. Sili submitted his resignation to the Board of Directors. Mr. Sewell motioned to accept his

resignation and award the contract to GWM LLC. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously to approve it.

7. OPEN DISCUSSION.

a. Mr. Kenny asked if the Association ever used high school volunteers who needed community service for school. He went on to say that those volunteers might be able to assist homeowners in doing their yards when the homeowner cannot afford other options. Mr. Odom responded that the Association used to solicit volunteers to assist with our quarterly social events, but that the Boy Scouts have taken over that function in appreciation for be able to use the facility for meetings. Mr. Odom added that there are potential liability issues regarding volunteer work for construction or maintenance work...for instance, the Association may be liable if a teenager cut his/her foot off while mowing someone's yard at the Association's request or referral. Mr. Richardson added that there is a stringent supervisory requirement for these volunteers.

8. ADJOURNMENT OF GENERAL MEETING. At 8:45 p.m., Mr. Smith motioned to adjourn the General Meeting. Mr. Sili seconded the motion and the Board voted unanimously to approve it.