

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

**MINUTES OF GENERAL MEETING
June 10, 2014**

1. **CALL TO ORDER.** Mr. Lindsey called the General Meeting to order at 7:15 after it was determined that a quorum did not exist for the Annual Meeting. Mr. Smith took roll with the following results:

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Richard Lindsey	President	Present
Mike Richardson	VP	Present
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Present
Butch Braddy	Member	Present
Renee Rabbitt	Member	Present
John Thompson	Member	Present
David Campbell	Member	Present
Vacancy		

2. **APPROVAL OF AGENDA.** Mr. Smith motioned to approve the proposed agenda with the addition of the Annual Audit Brief as item 4 after the approval of last month's minutes. Mr. Richardson seconded the motion and the Board voted unanimously to approve the motion.

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

4. **ANNUAL AUDIT REPORT.** Ms. Shannon Brett, CPA/CFE of Holland, Henry & Bromley LLP accounting firm briefed the Board on the results of the annual audit completed on May 30th. She made the following points:

- a. The Auditor's Opinion dated May 30, 2014 relates to the financial statements as of and for the year ended December 31, 2013;
- b. The audit was conducted in accordance with the U.S. Generally Accepted Auditing Standards;
- c. The goal of the audit was to obtain reasonable assurance that financial statements are free of material misstatement;
- d. Georgetown CSA's financial statements present fairly, in all material respects, the financial position of organization; and
- e. Very positive experience with GCSA management.

At the end of the briefing, Mr. Smith motioned to approve the draft audit report. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

5. **COMMITTEE REPORTS**

a. **GENERAL MANAGER.** Mr. Odom called the attention of the Board to the general reports provided for May 31, 2014, 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 May 31st, 2014, CSA checking (operational account) totaled \$103,579.64. On May 7th we moved \$55,000 of excess checking into reserves, adding to the \$70K we deposited in March. As of May 31st, the total of CSA reserves (Vanguard Account, First Chatham, Savannah Bank, United Community Bank, Ameris Bank, and Carver State Bank accounts) is \$917,762.18. The total of CSA funds, including checking, reserves, petty cash, undeposited funds, and pre-payments is \$1,022,032.58. We made a deposit of \$11,455 into CSA reserves for May in accordance with the approved budget. All parcels made their required reserve deposits for May. The total of all GCSA accounts is \$1,347,946.03. Aggregate deposits at each financial institution/program include:

THE COASTAL BANK

CSA Checking	\$103,579.64
Parcel Checking	\$ 35,909.86
Parcel MM	\$112,858.48
Parcel CD's	\$117,115.52 (\$369,463.50 against \$250K FDIC coverage) *

FIRST CHATHAM BANK

CSA Reserve MM	\$225,190.33
CSA Reserve Checking	\$ 100.00 (\$225,290.33 against \$250K FDIC coverage)

THE SAVANNAH BANK

CSA Reserve MM	\$236,688.79
CSA Reserve Checking	\$ 100.00 (\$236,788.79 against \$250K FDIC coverage)

UNITED COMMUNITY BANK

CSA Reserve MM	\$236,627.42
GTP Reserves MM	\$ 60,029.59 (\$296,657.01 against \$250K FDIC coverage) *

AMERIS BANK

CSA Reserve MM	\$ 16,959.73
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VANGUARD

CSA Reserve MM	\$ 5,048.30
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CARVER STATE BANK

CSA Reserve MM	\$197,047.61
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Total CSA Reserves \$917,762.18

CSA Petty Cash Fund \$ 300.00

Undeposited funds \$ 372.76

Total CSA Funds: \$1,022,032.58 (incl: cking, res, p/c, undep funds, & pre-pays)

Total GCSA Funds: \$1,347,946.03

* Actions underway in June to move sufficient funds so balances fall within FDIC coverage.

Income and Expenses. Total income for May was \$84,039.23 which was \$1,660.86 above budget. Expenses for the month were \$71,161.88 which were \$4,719.44 lower than budget. Net Income was \$12,877.35 and that was \$6,380.30 below budget. Year-to-date, net income is 7,905.41 above budget.

Capital Budget Execution thru 5/31:	Budget	Actual Cost To Date	Difference To Date
CSA			
7.5 HP Pump Motor	\$ 2,150	\$1,150.25	-\$ 999.75
2 HP Pump Motor	\$ 1,000	\$ 368.08	-\$ 631.92
1/.75 HP Pump Motors	\$ 450	\$ 470.80	+\$ 20.80
Shredder/Vac	\$ 1,650	\$ 533.93	-\$1,116.07
Generator	\$ 390	\$ 384.13	-\$ 5.87
Pressure Washer	\$ 390	\$ 373.43	-\$ 16.57
Backpack Blower	\$ 375	\$ 341.33	-\$ 33.67
Tree Work	\$10,000	\$9,775.75	-\$ 224.25
Fitness Equip Overhaul & Mats	\$ 7,250	\$7,044.20	-\$ 205.80
NS Dehumidifier Replacement	\$ 3,125	\$3,125.00	\$ 0
Electrical Repairs/Upgrades	\$25,796.25	\$25,796.25	\$ 0
Playground Boarders	\$ 2,953.75	\$1,227.67	-\$1,726.08
Pool Furniture	\$ 1,485	\$1,345.12	-\$ 139.88
NS Water Heater Replacement	\$ 1,500		
Resurface Tennis Courts	\$14,800		
Wet/Dry Vac	\$ 150		
Wexford II Lagoon Repairs	\$ 5,000		
Grove Point Lagoon Repairs	\$ 5,000		
	<u>\$84,915</u>	<u>\$51,935.94</u>	<u>-\$ 5,079.06</u>

CSA Capital Budget and Reserves Summary	Annual Budget	Actual Results Year-to-date
Beginning CSA Reserve Balance 1/1/14:	\$758,168	
(+) Allotments/Deposits:	\$137,460	\$ 57,275 OK
(+) Depreciation	\$132,000	\$ 55,000 OK
(+) Interest	\$ 960	\$ 603 (+\$203)
(-) Expenditures:	<u>\$ 84,915</u>	<u>\$ 51,936</u> (-\$5079)
Projected Ending Balance 12/31/14:	\$943,673 *	

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

Parcel Capital Budget Execution thru 5/31:		Budget	Actual Cost	Difference
PARCEL				
Audubon Park:	Entrance Sign Repair	\$600	\$573.99	-\$26.01
	Tree Work	\$2,050	\$2,050	0
Hunter's Green:	Sidewalk Repair	\$1,248		
	Bench	\$250		
	Tree Work	\$1,600	\$1,600	0
Lott's Landing:	Driveway Repair	\$6,600		
	Tree Work	\$2,200	\$2,200	0
	Entrance Sign Repair	\$ 600	\$573.99	-\$26.01
Georgetown Place:	Tree Work	\$1,600	\$1,600	0
Townhomes	Entrance Sign Repair (2)	\$1,200	\$1,147.98	-\$52.02
	Tree Work	\$3,750	\$3,750	0
		\$21,698		

Past Due Accounts. The number of past due accounts went up in May from 568 to 607, but the dollar amount decreased from \$342,400.59 to \$339,320.72. The number of accounts 31-60 days old went up from 298 to 325, but the dollar amount decreased \$26,153.36 to \$17,979.02. The number of accounts 61-90 days past due declined from 222 to 200, and the dollar value went down from \$22,189.82 to \$10,673.63. The number of accounts over 90 days in arrears rose from 196 to 216, and the dollar value increased from \$294,057.41 to \$310,668.07. The total number of account past due (607) represents 31% of all properties which is a 2 percentage point increase from April. The May 31st past due amount represents a 1.05% increase since May of 2013. In May, we issued 179 first and second letters (combined), and processed 14 new or updated liens, 2 FiFas, and 15 suits/judgments. We received 48 payments (of \$200 or more) for past due amounts totaling \$22,494.44. 24 of our accounts are in bankruptcy (up 2 from April), with \$27,417.870 owed pre-bankruptcy, and \$21,169.10 in post-bankruptcy owed. The total amount in bankruptcy is \$48,586.97 and that amounts to a \$3,097.79 increase over the previous month. The attached report summarizes the status of accounts that the Board approved special payments.

Scheduled Projects and Other Repairs/Replacements:

- Tennis court repairs are underway and should be completed by June 24th given decent weather.
- The solicitation for concrete repairs at Lott's Landing, Hunter's Green, and Georgetown Place resulted in only one bid, and the amounts exceeded available budget. Because it was a solicitation for proposals rather than bids on firm specifications, the projects lend themselves to some amount of modification. Unless otherwise directed, I plan to negotiate a revised set of specifications with the current bidder, Coastal Constructive Innovations that will satisfy as many as the requirements as possible while staying on (or under) budget.
- Neighborhood entrance signs/monuments are in the process of being pressure-washed. All should be completed this week.

Street Lighting in Village Green. At an earlier Board meeting, a resident made a request to have improved street lighting in Village Green. The Association contacted Georgia Power who sent a lighting specialist out to speak with the General Manager. The Georgia Power agent, Mr. Rose, stated that he would like to help us, but that we needed to go through the County and have them request the assessment...since the County is currently paying for the street lights. I called the County's lighting POC, Michael Blakely, and found that he was out of town until the week of June 9th. I will continue to pursue the issue and keep the Board advised on progress.

Pool Operations: Pools opened on Memorial Day as planned and are running smoothly.

b. SECRETARY/TREASURER. Nothing to add.

c. ARB. Mr. Yardman reported on the results of the Architectural Review Board meetings of May 20th and June 3rd. During those meetings, the ARB approved 1 tree removal, 1 fence construction, 1 utility shed, 1 window replacement, 3 color changes, and 1 window and garage door change. Mr. Yardman also provided the following inspection statistics for the month of May:

Total new violations	373	YTD	1596
Total violations repaired	497	YTD	1753
Hang Tags issued	68	YTD	258
Letters mailed	359	YTD	1333
Issues referred to GM/atty 20/84		YTD	342

Total current violations at the end of May: 331

Largest number of single home violations: Siding Repair
Largest number of parcel violations: Trashcans not enclosed

d. PARCEL REPRESENTATIVE. No report

6. UNFINISHED BUSINESS.

a. Appointment for BOD Vacancy. Mr. Smith motioned to appoint Mr. Ray Sili to the Board of Directors to fulfill the unexpired term of Barbara Rubin who recently passed away. Mr. Richardson seconded the motion. There was no further discussion and the Board voted 6-1 to approve the motion, with Mrs. Byers voting in opposition.

b. 2014-2018 Strategic Plan Update. Mr. Richardson motioned to approve 2014-2018 Strategic Plan as written. Mr. Smith 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. Richardson motioned to approve the General Manager's request to write-off as uncollectible three accounts totaling \$5,510.26. These three foreclosures are located at: 105 Chalice Way, 208 Westminister Road, and 162 Dovetail Crossing. If approved, the year-to-date total of write-offs is \$30,787.68 against a year-to-date budget of \$24,000. Mr. Smith seconded Mr. Richardson's motion. There was no further discussion and the Board voted unanimously to approve the motion.

b. Extension of Services Contracts for Year 2015. Mr. Odom requested that, with the exception of printing services, service contracts being extended through year 2015 where the current

vendors agree to maintain current service levels at current or lower pricing...and to rebid services where the vendors propose an increase in price or changes to service specifications. He stated that the printing agreement needed to be re-worked because of postage price increases. Mr. Richardson motioned to approve the GM's request to extend service contracts for vendors who agree to retain current service level and pricing. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

c. **Proposal from Mrs. S. Ard-Kelly Regarding Pool Operations.** At the request of the President, Mr. Odom briefed the Board on a letter submitted by Mrs. Ard-Kelly which proposed changes to pool operations, including: (1) extended pool hours; (2) the use of swipe-card technology to replace gate guards, and (3) transition to salt-system disinfecting vice chlorine injection. At the end of the briefing, Mr. Smith motioned to consider these proposals when developing the upcoming customer survey, Reserve Study Update, and the 2015 Capital Budget. Mrs. Rabbitt seconded the motion. During discussion, Mr. Smith noted that there are time-shares in the area that require credential checks in addition to swipe card use. He added that the Association has very nice facilities and there are a lot of non-Association residents in the area that would try to use the pool if we were not controlling access effectively. As a result, he could not support an access system that did not include gate guards. At the end of discussion, the Board voted unanimously to approve Mr. Smith's motion.

7. OPEN DISCUSSION.

a. Mr. Lewis Brown on 131 Red Fox appealed to the Board regarding a \$65 lawn maintenance fee for work conducted on their property by the Association on June 3rd. Mr. Smith motioned to amend the agenda to allow for full discussion of this appeal. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion. Mr. Lindsey gave the floor to Mr. Brown to state his case. Mr. Brown stated that he was working with his own landscaper on his yard and did not feel that the Association had the right to enter his property and do this work. The Association's Counsel, Mr. Gerard, responded that the covenants allow for the Association to come on properties to correct covenant and ARB violations that the owners have been notified about. Mr. Brown added that his landscaper had trimmed some bushes in the front but could not get to all of them because his electrical cord was not long enough. He also had told his landscaper not to do the bush on the corner because it had not yet flowered this season. Mr. Smith stated that the ARB had listened to Mr. Brown's concerns but had to defer action because the Board did not have all the evidence at that time. Mr. Smith said that the BOD now had the information, to include the before and after pictures taken by the GCSA landscaping contractor and the Post Office tracking records for the certified notification letter. Mr. Smith went on to say the pictures indicated that the edging had not been done and that the bushes on the side of the house were significantly overgrown...and that the GCSA contractor did significant work on the bushes before told to leave the premises by Mr. Brown's tenant. He added that the Postal Service records show that two attempted deliveries of the notice letter had been made and had been "refused" by the addressee...and that the notice sent by regular mail had not been returned as undeliverable so the Association assumes it was delivered. Mr. Richardson asked Mr. Brown why he did not read the notice letter. Mr. Brown did not respond. Mrs. Rabbitt told Mr. Brown that the Association does not know that work is in process unless you call, as requested in the notice letter. Mr. Smith motioned to deny Mr. Brown's appeal. Mr. Richardson seconded the motion. During discussion, Mr. Campbell noted that he could possibly see Mr. Brown's point if the work was actually in process. Mr. Richardson asked Mr. Brown when the work by his yardman was started...that day?...the day before? Mr. Brown responded that it was neither of those and did not say exactly when. At the end of discussion, the Board voted 6-1 to deny Mr. Brown's appeal. Mr. Campbell voted in opposition.

Mr. Lindsey asked for and received no other proposed topics for open discussion.

8. ADJOURNMENT OF GENERAL MEETING. At 8:10 p.m., Mr. Richardson motioned to adjourn the General Meeting. Mr. Smith seconded the motion and the Board voted unanimously to approve it.