

GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS

MINUTES OF GENERAL MEETING
August 11, 2015

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

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Mike Richardson	President	Present
Renee Rabbitt	VP	Present
Warren Smith	Sec/Treasurer	Present
David Campbell	Member	Present
Marlin Clifton	Member	Absent, Proxy to Mike Richardson
John Sewell	Member	Present
Melissa Friel	Member	Present
Dorothy Strong	Member	Present
Geoff Riehl	Member	Present

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

3. **APPROVAL OF MINUTES OF JULY 14th CSA GENERAL MEETING.** Mr. Smith motioned to accept the minutes of the July 14th General Meeting as written. Mr. Sewell seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

4. **COMMITTEE REPORTS**

General Manager's Report. Collection Office Report, Accounting Summary, July 2015 Profit and Loss Report, and July 31st Balance Sheet are provided.

Balances. As of July 31, 2015, CSA checking (operational account) totaled \$147,019.47. The total of CSA reserves (Vanguard Account, First Chatham, South State Bank, United Community Bank, Ameris Bank, Carver State Bank, Queensborough, and Colony Bank accounts) is 1,259,803.51. The total of CSA funds, including checking, reserves, petty cash, undeposited funds, and pre-payments is 1,407,755.42. We made a deposit of \$11,901.75 into CSA reserves for July in accordance with the approved budget. All parcels also made their required reserve deposits for July. The total of all GCSA accounts is \$1,847,482.91. Aggregate deposits at each financial institution/program include:

AMERIS BANK

CSA Checking	\$147,019.47
CSA Reserve MM	\$ 15,405.76
Parcel Checking	\$ 61,858.67
Parcel MM	<u>\$ 42,546.91</u>
	\$235,215.25 (\$50K was moved to Vanguard 2/25/15)
	(\$40K was moved to Vanguard 1/14/15)
	(\$93K transfer to new Colony Acct 5/12/15)

FIRST CHATHAM BANK

CSA Reserve MM	\$246,042.82
CSA Reserve Checking	<u>\$ 100.00</u>
	\$246,142.82

SOUTH STATE BANK

CSA Reserve MM	\$241,024.13
CSA Reserve Checking	<u>\$ 105.00</u>
	\$241,129.13

UNITED COMMUNITY BANK

CSA Reserve MM	\$197,005.41
GTP Reserves MM	<u>\$ 45,061.95</u>
	\$242,067.36

VANGUARD

CSA Reserve MM	\$247,226.86
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CARVER STATE BANK

CSA Reserve MM	\$249,510.27
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COLONY BANK

CSA Reserve MM	\$ 46,907.68
AP Reserve MM	\$ 1,574.35
HG Reserve MM	\$ 1,371.92
LL Reserve MM	\$ 1,687.12
GTP Reserve MM	\$ 19,989.81
TH Reserve MM	<u>\$ 35,001.72</u>
	\$106,532.60

QUEENSBOROUGH BANK

CSA Reserve MM	\$ 16,475.58
AP Reserve MM	\$ 5,536.54
HG Reserve MM	\$ 5,405.71
LL Reserve MM	\$ 25,723.66
GTP Reserve MM	\$105,348.60
TH Reserve MM	<u>\$ 88,620.53</u>
	\$247,110.62

Total CSA Reserves	\$1,259,803.51	(AB, FCB, SSB, UCB, VG, CSB, QB, COL)
CSA Checking	\$147,019.47	
CSA Petty Cash Fund	\$ 300.00	
Undeposited funds	<u>\$ 632.44</u>	
Total CSA Funds:	\$1,407,755.42	(incl: cking, res, p/c, undep funds, & pre-pays)

Total GCSA Funds: \$1,847,482.91 (incl: tot CSA, parcel ck & mm res)

Income and Expenses. Total income for July was \$81,438.87 which was \$1,484.50 lower (worse) than budget. This was due to lower than expected late fees and miscellaneous income. Expenses for the month were \$74,001.23 which were \$3,669.82 lower (better) than budget. This was mostly due to the Bad Debt expense being significantly below budget (\$4,518). Suit and Lien expense was also below budget, while pool security, legal, vehicle, postage, and SS water were above budget for the month. Net Income was \$7,437.64 which was \$2,185.32 higher (better) than budget. Year-to-date net income is \$12,023.00 better than budget.

Capital Budget Execution thru 7/31/15:

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	\$ 515.13	-\$ 984.87
	22007	NS Front Doors	\$8,000		
		Reserve Study Update	\$2,500	\$2,400.00	-\$ 100.00
2220 Furniture					
	26004	NS Furniture	\$ 800	\$ 800.24	+\$.24
	21	Pool Furniture	\$1,485	\$1,344.13	-\$ 140.87
2230 Land					
		No planned expenditures for 2015			
2240 Land Improvements					
	17001	Tree Work	\$2,000	\$1,850.00	-\$ 150.00
	31002	KG Ent Lighting	\$1,075	\$ 849.94	-\$ 225.06
	31006	KB Ent Lighting	\$1,075	\$ 849.94	-\$ 225.06
		Replacement light		+\$ 424.93	+\$ 424.93
	31007	EL Cor Lighting	\$1,075	\$ 849.94	-\$ 225.06
	31008	EL Junco Lighting	\$1,075	\$ 849.94	-\$ 225.06
	32014	St. Ives A Lagoon	\$5,000		
	32016	Wexford 1 Lagoon	\$5,000		
	32017	Wexford II Lagoon	\$5,000		
	32018	Grove Point Lagoon	\$5,000		
	Not Listed	Lagoon/Amenity Signs	\$1,600	\$,1599.76	+\$1,599.76*
		*BOD approved addition 7/14/15			
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	\$3,000.00	0
	15004	Tennis Court Nets	\$1,420	Defer to 2016?	
	18001	Playground Swings	\$1,900	\$ 729.62	-\$1,170.38
	26001	NS Sec Alarm System	\$1,775	\$ 177.75	IP
	26002	NS Security Cams 16	\$2,500	\$ 2,111.36	-\$ 388.64
	19012	Rolling Blower	\$ 425	\$ 403.56	-\$ 21.44
	19016	Wet/dry Vac	\$ 150	Defer to 2016?	
	23005	NS Water Heater	\$ 1,600	Defer to 2016?	
	10000	Gate Guard Bldg A/C	\$ 1,375	\$ 1,367.00	-\$ 8.00
	400	Lawn Tractor overhaul	\$ 400	\$ 475.35	+\$ 75.35
		Lawn Tractor purchase	\$ 0	\$ 3,422.93	+\$3,422.93**
		Mini-Split A/C for Gym	\$ 3,937	\$ 3,937.00	\$ 0
		Additional treadmill	\$ 2,300	\$ 2,300.00	\$ 0
		** current mower developed broken rods (internal); now beyond economical repair. \$3K funding from FY16 capital budget brought forward as offset			
2260 Vehicle					
	19001	Ford Ranger	<u>\$17,500</u>		
		Total	\$89,946	\$30,258.52	+\$1,658.77

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	\$ 83,312.25	OK
(+) Depreciation	\$132,000	\$ 77,000.00	OK
(+) Interest	\$ 1,380	\$ 901.04	+\$96.04
(-) Expenditures:	<u>\$ 88,346</u>	\$ 30,308.52	+1,708.77
Projected Ending Balance 12/31/15:	<u>\$1,225,092</u>		

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

Parcel Capital Budget Execution thru 7/31/15:

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	\$ 436.03	-\$163.97
LL:	2240	Line 1006	Tree Work	\$ 500		
GTP:	2240	Line 1006	Tree Work	\$ 600	\$625	+\$ 25.00
	2240	Line 1011	Entrance Sign	\$ 900	\$ 436.02	-\$163.98
	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		recommend deferral
	2240	Line 2008	Tree Work	\$ 700		
Total of Parcel Capital Budgets				\$57,075		

Past Due Accounts. The number of past due accounts decreased in July from 448 to 406, and the dollar amount dropped from \$261,682.30 to \$255,479.98. The number of accounts 31-60 days went down slightly 225 to 224, and the dollar amount decreased from \$13,538.99 to \$12,879.96. The number of accounts 61-90 days past due decreased from 162 to 143, and the dollar value declined from \$12,109.97 to \$6,636.71. The number of accounts over 90 days in arrears rose from 145 to 166, but the dollar value dropped from \$236,033.34 to \$235,963.31. The total number of accounts past due (406) represents 21% of all properties which is a 2 percentage drop from June. The July 31st past due amount represents a 1.27% decrease compared to July of 2014. In July, we issued 62 first and second letters (combined), and processed 22 new or updated liens, and 3 suits/judgments. We received 45 payments (of \$200 or more) for past due amounts totaling \$18,139.28. 15 of our accounts are in bankruptcy, with \$17,939.27 owed pre-bankruptcy, and \$8,170.57 in post-bankruptcy owed. The total amount in bankruptcy is \$26,109.84 and that amounts to a \$1,854.77 increase from last month. The attached report summarizes the status of accounts that the Board approved special payments.

Other repairs/projects. Today, we received the lagoon and parcel area signage that was approved by the Board at the last meeting. We will be installing the signs over the next week.

Secretary/Treasurer Report: No report

ARB Report: Provided by Mr. Sili. Copy is attached.

Parcel Rep Report: No report

5. **UNFINISHED BUSINESS.** None.

6. **NEW BUSINESS.**

a. **Request for Write-off Approval.** Mr. Smith motioned to approve the General Manager's recommendation to write off as uncollectible two accounts totaling \$1,357.34. These foreclosed properties are located at: 107 Stockbridge Drive and 13 St. Ives Drive. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

b. **Policy for Flying Flag at Half-Staff.** Mr. Richardson briefed the Board on a proposal to enact a policy dictating when the 2 Association-owned flag poles would fly the United States Flag at half-staff. Mr. Smith motioned to approve Policy Resolution 2015-2 (attached) that specifies the days or circumstances the Association will fly the U.S. Flag at half-staff. Mrs. Rabbitt seconded the motion. During discussion, Mr. Sewell asked where the Association flag poles were located and wanted confirmation that the new policy would only apply to the Association flags and not individual residents. Mr. Richardson responded that the flag poles were located in the front yard of the main clubhouse and at Georgetown Place. He added that the policy would only apply to the Association. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

c. **Contract Award for Replacement of Northside Commercial Front Doors.** Mr. Richardson briefed the Board on the recent solicitation and the subsequent refusal of the proposed contract by the low bidder, Jack Ricks Glass. He recommended that the Association approve a contract award to the next (and only other) bidder, Coastal Constructive Innovations. Mr. Richardson noted that their bid was \$1,067.75 over budget, but that there was no other choice at this point. He added that the overage could be off-set by deferring to 2016 up to 3 items currently in the capital budget: (tennis court nets, Northside water heater, and wet-dry vac. At the end of the brief, Mr. Smith motioned to: award the contract to Coastal Constructive Innovations; authorize expenditure of GCSA reserves not to exceed \$9,068; and to amend the 2015 and 2016 capital budgets to reflect deferred replacement of the tennis court nets, Northside water heater, and wet-dry vacuum. Mr. Sewell seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

d. **Contract Award for 2016 Landscaping.** Mr. Richardson briefed the Board on the results of the recent contract solicitation and recommended approval of award to the low bidder, Rivers Landscape and Grounds Maintenance. Mr. Smith motioned to approve contract award to Rivers Landscape and Grounds Maintenance. Ms. Strong seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

e. **Contract Award for 2016 Copier Lease.** Mr. Richardson briefed the Board on the results of the recent contract solicitation and recommended approval of award to the low bidder, Ashley's Business Systems. Mr. Smith motioned to approve contract award to Ashley's Business Solutions. Mr. Campbell seconded the motion. During discussion, Mrs. Friel asked how the Ashley's bid could be lower if the cost per page for black and white was higher than the others. Mr. Smith responded that

the lease price was separate from the cost per page, and Mr. Odom added that the cost differential, based on our average number of copies per month, would amount to less than five dollars...still leaving Ashley with the lowest overall cost per month. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

f. **Contract Award for 2016 Pest Control.** Mr. Richardson briefed the Board on the results of the recent contract solicitation and recommended award to the low bidder, Economic Exterminating. Mr. Smith motioned to approve contract award to Economic Exterminating. Mr. Campbell seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

g. **Contract Award for 2016 Parcel Trash Service.** Mr. Richardson briefed the Board on the results of the recent contract solicitation and recommended award to the low bidder, Atlantic Waste Services. Mr. Smith motioned to approve contract award to Atlantic Waste Services. Mrs. Rabbitt seconded the motion. During discussion, Mr. Sewell asked why we only ask for one-year agreements. Mr. Odom responded that companies, such as Waste Management, want a three-year commitment and other contract terms that tended to tie our hands. Mr. Richardson said that we could consider longer terms in future solicitations. Mr. Sewell then asked if we had been with Atlantic Waste for a few years. Mr. Odom responded that we had. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

h. **Contract Award for 2016 CSA Dumpster Service.** Mr. Richardson briefed the Board on the results of the recent contract solicitation and recommended award to the low bidder, Atlantic Waste Services. Mr. Smith motioned to approve contract award to Atlantic Waste Services. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

i. **Contract Extension for Professional Services.** Mr. Richardson briefed the Board on a proposal to extend current agreements for legal services, accounting, audit services, and the reserve study engineer. Mr. Smith motioned to approve the General Manager's recommendation to extend the current services agreements/contracts with the following entities and reviewing the agreements every August for potential follow-on extensions: (1) James Gerard, attorney; (2) Neville Stein, CPA, accountant; (3) Shannon Brett, CPA, (Holland, Henry & Bromley, LLP) auditor; and (4) Tim Rohrsmoser, PE, DMA Richmond, Reserve Study Specialist. Mr. Sewell seconded the motion. During discussion, a member of the audience asked how long Mr. Gerard had been the Association's attorney. Mr. Gerard responded that he started in 1990. Mr. Kenny asked how the attorney fees were charged. Mr. Odom responded that attorneys receive a retainer and a price per hour. Mr. Graves asked how much these amounts were. Mr. Odom replied that we pay a \$250 retainer and \$200 per hour. There was no further discussion and the Board voted 8-0-1 to approve the motion. Mrs. Friel abstained.

j. **Proposed Parking Restrictions for Lion's Gate Road.** Mr. Richardson briefed the Board regarding proposed street parking restrictions at the following locations: (a) Lion's Gate Road between Gas Light Lane and Gray Brick Lane; (b) Lion's Gate Road between (and including) house numbers 146-152; and (c) Sugar Mill Drive between (and including) house numbers 213 and 225. He stated that the Association has received requests from residents to eliminate street parking at those locations for safety reasons. He noted that none of the residents (from increment (a) above), who were queried came to the ARB meeting to provide their feedback. A member of the audience asked how the Association could make this happen if they did not own the roads. Mr. Richardson responded that the

Association could only petition the County government to implement the proposed changes to keep the people safe. Mr. Smith stated that he lives near the two areas in Lion's Gate and knows that road to be a race track between King George Boulevard and Wild Heron Road. He went on to say that speed has a lot to do with this issue. A member of the audience asked how we communicated this issue to the homeowners. Mr. Richardson replied that we sent letters to the homeowners. He then asked the General Manager how many had responded and Mr. Odom replied that only one had provided feedback from the first increment, Gas Light Lane to Gray Brick Lane, and that it was in favor of the proposal. Mr. Smith added that the residents along here did not bother to respond. He went on to say that it was obvious they don't have a problem with the current situation and they park in front of their houses. At the end of the brief, Mr. Smith motioned that the Association not move forward with this proposal. Mr. Sewell seconded the motion. During additional discussion, Mrs. Rabbitt said that she had driven the areas and knows them to be unsafe. She asked if we really needed to wait for other residents to respond before the Board acted. Mr. Sewell stated that the main issue here is speeding. Mr. Sili stated that if you go the speed limit, it's OK, but if you go 30-31 MPH or more, it's a problem. There was no further discussion and the Board voted 6-3 to approve the motion. Mrs. Rabbitt, Mr. Riehl, and Mrs. Friel voted in opposition.

8. OPEN DISCUSSION.

a. Mrs. Benau asked how many votes were needed and what was the date that Village Green can vote itself out of the Association. Mr. Gerard responded that it takes 75% vote of the homeowners. Mr. Odom added that there were multiple phases in Village Green and that each one would have a different date. He agreed to provide Mrs. Benau with the dates.

b. Mr. Graves asked why the Association had not provided him the information he requested on contractors. He admitted he received a list of recurring service contractors but that he wanted all, to include what the Association considers "ad hoc" service requirements. Mr. Gerard asked if the Association had provided Mr. Graves the statute covering the release of corporate documents. Mr. Odom stated that he believed that he provided it. He added that he would check and ensure he received a copy.

c. Mrs. Dale asked the Board to explain what the "million dollars in reserves" was for. Mr. Odom explained that funds in our reserve accounts are earmarked for future repairs and replacements set forth in the Reserve Study. He went on to explain how the Reserve Study is developed and maintained. Mrs. Dale asked why the reserves could not be used for such things as a new park or a gym. Mr. Odom responded that those dollars are specifically held for future repairs and replacements, and that if additional amenities were desired by homeowners, they could make recommendations at the annual budget hearing and that he would find out how much they would cost. He went on to say that it would likely affect the amenities she would pay.

9. ADJOURNMENT OF GENERAL MEETING. At 9:20 p.m., Mr. Smith motioned to adjourn the meeting. Mr. Sewell seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.