

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

**MINUTES OF GENERAL MEETING**  
**August 13, 2013**

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

Richard Lindsey	President	Present
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Present
Butch Braddy	Member	Present
Renee Rabbitt	Member	Present
Barbara Rubin	Member	Absent, proxy to Mr. Lindsey
John Thompson	Member	Present
David Campbell	Member	Present
Mike Richardson	Member	Present

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

3. **EXECUTIVE SESSION.** Mr. Smith motioned to have the Board go into executive session to select Board officers and appoint committee members. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to go into executive session. After the completion of selections, Mr. Smith motioned to end the executive session and resume the General Meeting. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including proxies to approve the motion. At the request of the President, Mr. Smith reported the results of the selection process: specifically, Mr. Lindsey was selected as Board President, Mr. Thompson was selected as Vice President, and Mr. Smith was selected as Secretary Treasurer. Mr. Smith went on to report that the Board had reappointed to the ARB the following members: Pastor Bob Smith, Warren Smith, Ray Sili, Mike Richardson, Robin Byers, Renee Rabbitt, Matthew Delano, and Mike Yardman (Coordinator). He also reported that the Board reappointed Mike Yardman (Chairman) and Laura Paige Schuman to the Elections Committee.

4. **APPROVAL OF MINUTES.** Mrs. Rabbitt motioned to approve as written the minutes of the General Meeting held on July 9, 2013. Mr. Smith seconded the motion. There was no additional discussion and the Board voted unanimously, including the proxy, to approve the motion.

5. **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 31<sup>st</sup> Balance Sheet. Highlights of the reports are shown below.

**Balances.** As of July 31, 2013, CSA checking (operational account) totaled \$116,936.17. The total of CSA reserves (Vanguard Account, First Chatham, Savannah Bank, United Community Bank, and Ameris Bank accounts) is \$680,225.52. The total of CSA funds, including checking, reserves, petty

cash, and undeposited funds is \$799,646.02. We made a deposit of \$3,700 into CSA reserves for July in accordance with the approved budget. We also temporarily transferred \$50,000 in excess checking to reserves. Parcel reserve deposits have been made for July. Audubon Park still owes \$411.50 for February, \$467.50 for May, and \$467.50. Also, Lott's Landing needs to repay their reserves for the following unplanned expenses in June and July: \$795 termite bond and town \$650 tree removals. The Townhomes still owe \$1904 for March. The total of all GCSA accounts is \$1,044,574.90. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$ 116,936.17	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 11,052.46	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$ 117,003.89	
Coastal Parcel CD's	\$ 116,872.61	(\$233,876.50 against \$250K FDIC coverage)
<b>CSA RESERVES</b>		
1 <sup>st</sup> Chatham CSA MM	\$ 219,575.05	
1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
The Savannah Bank MM	\$ 236,986.77	
The Savannah Bank Check	\$ 100.00	(does not count against FDIC coverage limit)
United Community Bank	\$ 100,013.99	(includes \$60,000 in excess checking from Apr)
Ameris Bank	\$ 118,402.25	
Vanguard	\$ 5,047.46	
Total CSA Reserves	\$ 680,225.52	
CSA Petty Cash Fund	\$ 300.00	
Undeposited funds	\$ 2,184.33	
Total CSA Funds:	\$ 799,646.02	(includes checking, reserves, petty cash & undeposited funds)
Total GCSA Funds:	\$ 1,044,574.90	

**Income and Expenses.** Total income for July was \$84,080.20 which was \$2,216.33 better than budget. Expenses for the month were \$80,205.28 which were \$1,479.23 higher than budget...mostly due to a spike in postage and \$2,435.59 in excess write-off expense. Net Income was \$3,874.92 and that was \$737.60 better than budget. Georgetown Place had an unplanned expenditure of \$2400 to repair a common area drainage problem that was resulting in continual flooding of an owner's garage.

<b>Capital Budget Execution:</b>	<b>Budget</b>	<b>Actual Cost</b>	<b>Difference</b>
<b>January: Lagoon Dredging (down payment)</b>	<b>\$13,487.78</b>	<b>\$13,487.78</b>	<b>0</b>
<b>Lagoon Dredging (1<sup>st</sup> phase pmt)</b>	<b>\$20,231.66</b>	<b>\$20,231.66</b>	<b>0</b>
<b>TH Sidewalk &amp; Drainage</b>	<b>\$15,020.00</b>	<b>\$15,020.00</b>	<b>0</b>

February: Lagoon Dredging (final payment)	\$33,719.44	\$33,719.51	0
Lagoon Eng & Surveying (final)	\$ 3,344.51	\$ 3,344.51	0
March: No activity			
April: No activity			
May: Pool Furniture	\$4,450.00	\$1,447.64	-\$3002.36
June: Wind Screens (1 <sup>st</sup> increment-obl)	\$5,500.00	\$585.96	-\$4,914.04
HG Parking lot (obligated)	\$4,600.00	\$4,600.00	0 *
LL Parking lot (obligated)	\$7,100.00	\$7,100.00	0 *
GTP Parking lot (obligated)	\$6,900.00	\$6,900.00	0 *
TH Parking lot (obligated)	\$12,000.00	\$12,000.00	0 *
Reserve Study Update Pt 1	\$800.00	\$800.00	0

\*Board voted in June to amend the budget to recognize actual cost of contract.

July: King's Grant Entrance Sidewalk	\$4,500.00	\$4,500.00	0
Reserve Study Update Pt 2	\$500.00	\$500.00	0

CSA Capital Budget and Reserves Summary	Annual Budget	Actual Results Jan-July
Beginning CSA Reserve Balance 1/1/13:	\$556,711	\$ 556,711
(+) Allotments/Deposits:	\$132,300	\$ 54,300 OK *
(+) Depreciation	\$120,060	\$ 70,035 OK
(+) Interest	\$ 1,380	\$ 579 (-226 YTD)
(-) Planned Expenditures (orig):	<u>\$ 13,585</u>	<u>\$ 78,617</u>
Projected Ending Balance 12/31/13:	\$796,866	

\* Does not include \$60,000 and \$50,000 in excess checking deposited in April and July, respectively, nor interest earned.

#### REMAINING APPROVED 2013 PLANNED EXPENDITURES/RECAPITALIZATIONS

CSA		PARCELS	
Item/Requirement	Amount	Item/Requirement	Amount
Wind Screens	\$4,914	None	
Logo Banners	\$1,800		
Replace DVR	\$ 785		
Replace Gate Guard a/c	<u>\$1,050</u>		
Total	\$ 8,549		

**Past Due Accounts.** The number of past due accounts went down in July from 621 to 542, and the dollar amount decreased from \$342,078.29 to \$295,962.73. The number of accounts 31-60 days old went up from 299 to 305, but the dollar amount decreased from \$28,375.06 to \$19,515.37. The number of accounts 61-90 days past due decreased from 316 to 270, and the dollar value fell from

\$24,350.55 to \$15,033.28. The number of accounts over 90 days in arrears increased from 269 to 281, but the dollar value decreased from \$289,352.68 to \$276,447.36. The total number of account past due (542) represents 27% of all properties (down 4% points from June). In July we issued 53 first and second letters (combined), and processed 29 new or updated liens, 8 FiFas, and 10 suits/judgments. We received 74 payments (of \$200 or more) for past due amounts totaling \$26,551.02. 12 of our accounts are in bankruptcy, with \$12,443.88 owed pre-bankruptcy, and \$6,221.94 in post-bankruptcy owed. The total amount in bankruptcy is \$18,665.82 and that amounts to a \$765.06 increase over the previous month. The attached report summarizes the status of accounts that the Board approved special payments.

**Scheduled Projects and Other Repairs:**

- The staff is using existing budget to systematically replace pine straw mulch with red hardwood mulch at the clubhouses and most entrances. The red mulch looks more professional, lasts longer, and leaves and debris are easier to remove from it.
- A blower motor and related circuit board for one of our four Southside Clubhouse furnace/HVAC units failed and cost \$750 to replace. There is one additional part that subsequently had to be replaced and were are awaiting pricing for it.
- As of Friday, August 9<sup>th</sup>, the staff and contracted plumber are working to fix a water leak on the Association’s side of the main water meter on Barksdale. Final cost will be provided once known.

b. **SECRETARY/TREASURER.** Nothing to add.

c. **ARB.** Mr. Yardman reported on the results of the Architectural Review Board meetings of July 16<sup>th</sup> and August 6<sup>th</sup>. During these meetings, the ARB approved: 2 tree removals, 3 color changes, and 1 storm door installation.

Total new violations	342	YTD	2355
Total violations repaired	343	YTD	2659
Hang Tags issued	49	YTD	479
Letters mailed	292	YTD	2321
Issues referred to GM/atty	60	YTD	433
Total current violations at the end of July:			355

d. **PARCEL REPRESENTATIVE.** No report

**6. UNFINISHED BUSINESS:** None

**7. NEW BUSINESS**

a. **Request for Write-off Approval.** Mr. Odom requested authority to write off as uncollectible four accounts totaling \$1,755.60. These write-off requests were due to foreclosures. The properties involved included: 6 Snowy Egret Court; 16 Avocet Way; 11 Rivermarsh Court; and 131 Cormorant Way. Mr. Warren Smith motioned to approve the General Manager’s request to write off \$1,755.60 and to expense that amount in the month of August. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion

b. **Proposed Awards of Services Contracts.** At the request of the President, Mr. Odom briefed the Board on the results of solicitations for 2014 services contracts as shown below.

**Accounting:** Mr. Smith motioned to select the lowest of five bidders, Hancock Askew (Neville Stein). Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**ARB Inspection Services:** Mr. Richardson motioned to select Professional Management Inspections (Mike Yardman)...the only bid received, although the Board also considered the cost of a staff hire as an alternative. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy to approve the motion.

**Attorney:** Mr. Richardson motioned to select Oliver Maner LLP (Jim Gerard) as the Association's attorney. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**Auditing:** Mr. Richardson motioned to select Holland, Henry, & Bromley LLP as the lowest of three bidders. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**Computer Service:** Mr. Richardson motioned to select Chatham Technology (Roy Schrum) of three equivalent bids. Mr. Braddy seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**Dumpster Service:** Mr. Smith motioned to select Atlantic Waste as the lowest of two bidders. Mr. Richardson seconded the motion. There was no further discussion, and the Board voted unanimously to approve the motion.

**Parcel Garbage Pick-up:** Mr. Richardson motioned to select Atlantic Waste as the lowest of three bidders. Mr. Braddy seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**Landscaping:** Mr. Smith motioned to select Rivers Landscaping as the lowest of eight bidders. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**Pest Control.** Mr. Smith motioned to select Economic Exterminators (Ted DeRouen) over two other lower bidders. Mr. Richardson seconded the motion. During discussion, Mr. Smith noted that Mr. DeRouen has been providing this service for over 10 years and provides additional services that are over and above the contract minimums. He also pointed out that Mr. DeRouen has earned the faith and trust of the residents to provide us keys to their homes for the purposes of pest control service. Mr. Smith stated that the specifications for the bidding next year should include the added services provided by Mr. DeRouen and see how the pricing racks out. Mr. Lindsey stated that trust was an important factor in this situation. Mr. Thompson stated that he might have supported the motion if Economic Exterminators was the second lowest bidder, but not as third. The Board voted 4-3 with one abstention to approve the motion.

**Printing:** Mr. Richardson motioned to select Pace Printing as the lowest of three bidders. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**Security:** Mr. Smith motioned to select DSI Security as the lowest of two bidders. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**Summerfest DJ:** Mr. Smith motioned to select Sounds Great! Entertainment as the lowest of two bidders. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

Mr. Odom stated that, unless otherwise directed, that Stanford Connections would be retained as the warranty service provider for the installed phone system and that Moonbounces and More would be retained as the amusements provider for Summerfest because they were the only available company in the region who had the equipment and insurance required. Mr. Odom went on to say that insurance brokers, Sherrill & Company and Hardeman and Company would be retained for casualty/liability and employee benefits insurance, respectively. He stated that these brokers solicit all major companies for our policy requirements each year so that we get the best price/value. Mr. Odom closed by saying that he is still working on solicitations for HVAC service and lagoon water management were still pending.

c. **Appeal of Assessments by R. McIntosh 117 Westminster Drive.** At the request of the President, Mr. Odom briefed the Board on an appeal by Mr. McIntosh regarding multiple lawn maintenance fees dating back to July 2012. Mr. Lindsey offered Mr. McIntosh an opportunity to address the Board. Mr. McIntosh stated that he purchased the house on foreclosure in late 2010 and it was owned for a short time by another person in the interim. Mr. McIntosh claimed that he did not know that the property was part of an association, and that he did not receive any collections and ARB notices because they were being sent to the address of the short-term buyer. He went on to say that he only found out about the Association when his tenants were precluded from using the pool in June. At that time, he went to the office and paid his account up to date. Mr. McIntosh requested that the Association credit his account for admin fees and late charges. At the end of his remarks, Mr. Smith motioned to refund admin fees and interest (finance charges). Mr. Richardson seconded the motion. During discussion, Mr. Thompson asked Mr. McIntosh if he notified the Association of his address. Mr. McIntosh said, "No...he bought it as a foreclosure, so it did not go through the regular closing using an attorney." At the end of discussion, the Board voted 7-1 to approve the motion with Ms. Rubin's proxy voting in opposition.

d. **Appeal of Assessments by A. Stephens 7 Whittington Court.** At the request of the President, Mr. Odom briefed the Board on an appeal by Mr. Stephens regarding lawn maintenance fees for edging in June of this year. Mr. Odom provided the Board with a copy of Mr. Stephens appeal dated July 5, 2013, as well as file documentation regarding the issue. This documentation included the original ARB notice letter, a copy of postmarked envelopes, USPS delivery confirmation, ARB Inspector pictures taken at the end of the notice period, "before" and "after" pictures taken by the landscaping contractor, and a picture taken by the General Manager during post-work inspections. Mr. Odom stated that the evidence confirms that the staff followed established procedures and that the work was both valid and properly accomplished by the GCSA landscaping contractor. He concluded by recommending that the appeal be denied. At the end of the brief, Mr. Lindsey noted that Mr. Stephens was not present to provide any additional information; therefore, the Board would have to make a decision based on the available evidence. Mr. Thompson motioned to deny the appeal. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

8. **OPEN DISCUSSION.** No topics proffered

9. **ADJOURNMENT OF GENERAL MEETING.** At 9:15 p.m., Mr. Smith motioned to adjourn the General Meeting. Mr. Braddy seconded the motion and the Board voted unanimously, including the proxy, to approve it.