

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

**MINUTES OF GENERAL MEETING
July 8, 2014**

1. **CALL TO ORDER.** Mr. Warren Smith called the General Meeting to order at 8:50 after the Annual Meeting concluded. He took roll with the following results:

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Richard Lindsey	President	Absent
Mike Richardson	VP	Absent, proxy to Warren Smith
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Present
Renee Rabbitt	Member	Present
David Campbell	Member	Present
Raymond Sili	Member	Present
Marlin Clifton	Member	Present
John Sewell	Member	Present
Melissa Friel	Member	Absent

2. **APPROVAL OF AGENDA.** Mrs. Rabbitt motioned to modify the proposed agenda to include: (1) executive session to elect officers; (2) consideration of a request by the General Manager to install solar-powered lighting at the Heron's Crest entrance; (3) consideration of an ARB appeal by Mr. John Thompson; and (4) appointment of ARB and Election Committee members. Mrs. Byers seconded the motion and the Board voted unanimously, including the proxy, to approve the motion.

3. **APPROVAL OF MINUTES.** Mrs. Rabbitt motioned to approve as written the minutes of the CSA General Meeting held on June 10th. Mr. Sewell seconded the motion. There was no additional discussion and the Board voted unanimously, including the proxy, to approve the motion.

4. **EXECUTIVE SESSION TO ELECT OFFICERS.** Mrs. Rabbitt motioned to pause the General Meeting and open an executive session to elect officers. Mr. Sili seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion. During the executive session, the Board selected Mike Richardson as President, Renee Rabbitt as Vice President, and Warren Smith as Secretary/Treasurer. Mrs. Rabbitt motioned to adjourn the executive session and restart the General Meeting. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion. Mrs. Rabbitt, the Vice President began chairing the meeting in the absence of Mr. Richardson.

5. **COMMITTEE REPORTS**

a. **GENERAL MANAGER.** Mr. Odom called the attention of the Board to the general reports provided for June 30, 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 June 30th, 2014, CSA checking (operational account) totaled \$101,553.58. Year-to-date (March & May) we have moved a total of \$125K in excess checking to reserves. Based on the audit findings of May 2014, we had funds in both Coastal Bank and United Community Banks that exceeded the \$250K FDIC coverage (the exemption of non-interest bearing accounts apparently

expired in 2013). The first corrective step taken was to liquidate the parcel CDs at Coastal Bank and transfer those funds to the respective money market reserve accounts at that bank. The next step was to move \$215,000 from Coastal Bank to new money market reserve accounts at Queensborough State Bank...approved by Resolution 2014-1. Following that, we moved \$55,000 from United Community Bank (\$40,000 CSA to Carver State Bank, and \$15,000 GTP to Queensborough). As of June 30th, the total of CSA reserves (Vanguard Account, First Chatham, Savannah Bank, United Community Bank, Ameris Bank, Carver State Bank, and Queensborough accounts) is \$929,236.35. The total of CSA funds, including checking, reserves, petty cash, undeposited funds, and pre-payments is \$1,032,046.49. We made a deposit of \$11,455 into CSA reserves for June in accordance with the approved budget. All parcels made their required reserve deposits for June. The total of all GCSA accounts is \$1,366,512.52. Aggregate deposits at each financial institution/program include:

THE COASTAL BANK (Merging with Ameris 7/1/14)

CSA Checking	\$101,553.58
Parcel Checking	\$ 36,687.73
Parcel MM	\$ 27,730.22
Parcel CD's	\$ <u>0.00</u> (liquidated)
	\$165,971.53 (\$177,936.18 w/Ameris balance added)

FIRST CHATHAM BANK

CSA Reserve MM	\$236,664.90
CSA Reserve Checking	\$ <u>100.00</u>
	\$236,664.90

SOUTH STATE BANK (Formerly THE SAVANNAH BANK)

CSA Reserve MM	\$236,718.94
CSA Reserve Checking	\$ <u>100.00</u>
	\$236,818.94

UNITED COMMUNITY BANK

CSA Reserve MM	\$196,657.40
GTP Reserves MM	\$ <u>45,034.65</u>
	\$241,692.05

AMERIS BANK

CSA Reserve MM	\$ 11,964.65
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VANGUARD

CSA Reserve MM	\$ 5,048.34
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CARVER STATE BANK

CSA Reserve MM	\$237,081.96
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QUEENSBOROUGH BANK

CSA Reserve MM	\$ 5,000.16
AP Reserve MM	\$ 5,000.16
HG Reserve MM	\$ 5,000.16
LL Reserve MM	\$ 25,001.23
GTP Reserve MM	\$105,006.29
TH Reserve MM	\$ <u>85,005.59</u>

\$230,013.59

Total CSA Reserves	\$929,236.35 (FCB, SSB, UCB, AB, VG, QB)
CSA Petty Cash Fund	\$ 300.00
Undeposited funds	<u>\$ 956.56</u>
Total CSA Funds:	\$1,032,046.49 (incl: cking, res, p/c, undep funds, & pre-pays)
Total GCSA Funds:	\$1,366,512.52

Income and Expenses. Total income for June was \$84,459.26 which was \$1,480.89 better than budget. Expenses for the month were \$73,048.29 which were \$2,696.97 higher than budget. Net Income was \$11,410.97 and that was \$1,216.08 below budget. Bad debt expense was \$1510 over budget. Also, after the accountant did his review and created his reports, we discovered that the normal journal entry to clear the mowing expense line (after billing customers) was posted on July 1st rather than June 30th. As a result, we show \$1390 in mowing expense for June and we will show a \$1390 credit in that line for July. Obviously, if the posting had occurred on the correct date, monthly expenses would have been \$173.92 better than budget. As it stands, year-to-date net income is \$6,689.33 above budget.

Capital Budget Execution thru 6/30:	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
Resurface Tennis Courts	\$14,800	\$15,800.00	+\$1,000.00
Wet/Dry Vac	\$ 150		
NS Water Heater Replacement	\$ 1,500		
Wexford II Lagoon Repairs	\$ 5,000		
Grove Point Lagoon Repairs	<u>\$ 5,000</u>		
	\$83,465	\$67,735.94	-\$ 4,079.06

The tennis court repairs were completed in June, on time and on budget.

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	\$ 68,730 OK
(+) Depreciation	\$132,000	\$ 66,000 OK
(+) Interest	\$ 960	\$ 722 (+\$241)
(-) Expenditures:	<u>\$ 84,915</u>	<u>\$ 67,736</u> (-\$4079)
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 6/30:		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		

Negotiations with CCI for Driveway repair at Lott's Landing are still in process. Sidewalk repair for Hunters Green and parking space modification (unbudgeted) for Georgetown Place will be deferred and discussed during the parcel budget hearings in September.

Past Due Accounts. The number of past due accounts went down in June from 607 to 564, and the dollar amount decreased from \$339,320.72 to \$335,328.05. The number of accounts 31-60 days old went down from 325 to 300, and the dollar amount decreased slightly from \$17,979.02 to \$17,668.73. The number of accounts 61-90 days past due rose from 200 to 226, and the dollar value increased from \$10,673.63 to \$14,344.31. The number of accounts over 90 days in arrears declined from 216 to 208, and the dollar value went down from \$310,668.07 to \$303,315.01. The total number of account past due (564) represents 29% of all properties which is a 2 percentage point drop from May. The June 30th past due amount represents a 1.00% increase since June of 2013. In June, we issued 185 first and second letters (combined), and processed 32 new or updated liens, 4 FiFas, and 9 suits/judgments. We received 40 payments (of \$200 or more) for past due amounts totaling \$12,267.93. 23 of our accounts are in bankruptcy (down 1 from May), with \$26,673.07 owed pre-bankruptcy, and \$20,869.91 in post-bankruptcy owed. The total amount in bankruptcy is \$47,542.98 and that amounts to a \$1,043.99

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:

- Tennis court repairs were completed on time and on budget..
- We have completed pressure-washing all neighborhood entrance signs/monuments, and we recently re-painted the monuments at St. Ives and Wexford.

Services Contractors who have agreed to maintain current pricing and service levels for 2015:

- Atlantic Waste (CSA dumpster and Parcel garbage pick-up)
- Downs Heating and Air
- DSI security guard services
- Economic Exterminators (CSA and Parcel pest control. Termite bonds with Terminix and Yates Astro are in force and not being re-bid due to cost of mandatory treatments and risk of higher pricing).
- Hancock Askew (N. Stein, Accountant)
- Holland, Henry and Bromley (Auditors)
- Lake Doctors
- Oliver Maner (J. Gerard, Attorney)
- PMI (M. Yardman, ARB Inspector)
- Rivers Landscape and Grounds Maintenance

City of Savannah Water Supply and Treatment Department sent out reports of testing done in 2013 showing that levels of Chlorine, Fluoride, Copper, Lead, and Trihalomethanes are within safe/standard ranges.

Village Green Lighting. Chatham County Engineer, Michael Blakely, called on June 26th to advise that Georgia Power had finished their assessment of the street lighting in Village Green. According to Georgia Power, the current lighting in Village Green meets County specification. The issue is the tree canopies blocking the lights. According to Mr. Blakely, Georgia Power will begin upgrading current lighting to LED versions at the beginning of 2015. This will not, by itself, remedy the perceived lack of lighting because the lumens put out by the LEDs will be roughly the same as the existing fixtures.

Heron's Crest Entrance Light. On June 27th, Georgia Power called to say that their "smart meter" supporting the Heron's Crest entrance light was showing a malfunction. When they came to inspect it, they found the light not working and suspected a short in the system. We called an electrician who came out and confirmed that there is a short in the line running underneath the road (from the box to the median). A repair estimate totaled \$2353, which included cutting a trench in the asphalt, installing conduit, wire, and new fixture, and reconnected the service at the box. Given the cost of repair, a proposal to install solar-powered lighting is being submitted for Board consideration.

b. SECRETARY/TREASURER. Nothing to add regarding financials. Noting the emergent arrival of outgoing Board member, Butch Braddy, Mr. Smith took the opportunity to recognize Mr. Braddy for his support and contributions to the community during his tenure on the Board. Mr. Smith presented Mr. Braddy with a certificate of appreciation.

c. ARB. Mr. Yardman reported on the results of the Architectural Review Board meetings of June 17th and July 1st. During those meetings, the ARB approved 2 tree removals and 1 siding change.. Mr. Yardman also provided the following inspection statistics for the month of June:

Total new violations	292	YTD	1888
Total violations repaired	262	YTD	2015
Hang Tags issued	33	YTD	291
Letters mailed	253	YTD	1586
Issues referred to GM/atty	3/54	YTD	399

Total current violations at the end of June: 303

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

d. **PARCEL REPRESENTATIVE.** No report

6. **UNFINISHED BUSINESS.** None

7. **NEW BUSINESS**

a. **Request for Write-off Approval.** Mr. Sili motioned to approve the General Manager’s request to write-off as uncollectible two accounts totaling \$6,488.55. These two foreclosures are located at: 63 Red Fox Drive and 112 Chalice Way. If approved, the year-to-date total of write-offs is \$37,276.23 against a year-to-date budget of \$28,000. Mrs. Rabbitt seconded Mr. Sili’s motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

b. **Customer Survey.** At the request of the President, Mr. Odom briefed the Board on the attached draft customer survey. Mr. Odom stated that the survey was called for in the Strategic Plan and had been mentioned at the last meeting. He went on to say that if the survey is sent out this month, results could be received in time to adjust the draft 2015 budget going into the budget hearings in September. He noted that the cost to produce and mail the survey would be between \$1200 and \$1300. Mrs. Rabbitt suggested that the survey be sent out with the mailed statements in September to save postage. Mr. Smith and Mr. Clifton expressed concurrence with Mrs. Rabbitt’s suggestion. Mrs. Byers suggested that the survey add the following question: “What current amenities and/or social programs would you be willing to eliminate to maintain amenity fees at the current level or to possibly reduce current amenity fees?” Mrs. Rabbitt motioned to approve the draft survey, including Mrs. Byers’ proposed additional question, and to mail the survey in September with the financial statements. Mr. Sili seconded the motion. There was no further discussion and the Board voted 6-1, including the proxy, to approve the motion. Mr. Sewell voted in opposition.

c. **Request for Car washing Reimbursement by J. Geathers.** Mr. Odom provided a briefing paper to the Board detailing the June 20th request by Mr. Geathers and providing pictures and other documents relating to the request. According to the documents, Mr. Geathers was requesting \$129.00 in reimbursement for car washing he felt was necessitated by Association landscapers doing his yard. Mrs. Rabbitt asked if Mr. Geathers was present in the audience and determined that he was not. After reviewing the documents Mrs. Rabbitt motioned to deny Mr. Geathers request. Mr. Clifton seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

d. **Proposal for Solar Lighting Prototype at Heron’s Crest Entrance Sign.** Mr. Odom briefed the Board on a proposal to install solar-powered lighting at the entrance to Heron’s Crest. He stated that there was a short in the wiring running under the road which would cost over \$2300 to fix. Mr. Odom proposed spending \$330 on a solar panel and light using Strategic Plan/Contingency funds

which were currently \$429 under budget year-to-date. Mr. Sili motioned to approve the General Manager's proposal. Mr. Sewell seconded the motion. During discussion, Mr. Smith commented that it was a good idea and could potentially save money. Mr. Sili stated that he would like the GM to report the results of the prototype effort in the fall so that the Board could better determine if this was a viable strategy to use elsewhere. At the end of discussion, the Board voted unanimously, including the proxy, to approve the motion.

e. **Appeal of ARB decision by J. Thompson.** Mrs. Rabbitt recognized Mr. Thompson and asked him to state his case for the Board. Mr. Thompson stated that he was requesting to replace his current concrete sidewalk with pavers. According to Mrs. Thompson, the sidewalk was damaged and there was a drainage problem caused by the concrete sidewalk that resulted in water coming into his garage after a reasonably hard rain. He discussed the steps the contractor would take in installing the pavers. At the end of his presentation, Mrs. Rabbitt motioned to approve the variance. Mr. Sewell seconded the motion. During discussion, Mr. Smith commented that the ARB, which he is a member of, was not aware of the drainage issue, but made the initial ruling against Mr. Thompson's request based on the ARB Guidelines that state: "Driveways, sidewalks, and parking pad extensions shall be paved with unpainted concrete only." Mr. Gerard advised that when considering variances, the Board should determine what is unique about this property or situation, and whether this unique feature or situation is creating an undue hardship. He added that the Board should be able to state why they are approving a variance for this situation as opposed to others. Mr. Sili asked Mr. Thompson about the width of the proposed paver sidewalk. Mr. Thompson responded that it's about double the width of the current sidewalk. He added that the additional width would help the drainage issue, according to his contractor. Mr. Clifton stated that he did not believe this was a unique situation and that there are different ways to resolve the drainage issue. Mr. Gerard added that if the situation is not unique, the ARB and Board of Directors could always consider changing the Guidelines to allow pavers. Mr. Imler, from the audience, commented that the drainage issue was not unique and, considering the increase in size of the walkway, the ARB should review it. At the end of discussion, the Board vote was 3 for approval, 3 in opposition, and one abstention. As a result, the motion did not pass.

f. **Appointment of ARB and Election Committee Members.** Mr. Sili motioned to appoint the following individuals to the Architectural Review Board: Robert Smith, Warren Smith, Renee Rabbit, Raymond Sili, Matthew Delano, Mike Richardson, and Robin Byers...with Raymond Sili as the liaison to the Board of Directors. Mr. Smith seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion. Mr. Smith motioned to appoint Mr. Mike Yardman as chairman of the Election Committee and Mrs. Annette Robles as an Election Committee member. Mr. Sili seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

7. OPEN DISCUSSION.

a. Ms. Shalotta Holmes of 3 Sugar Cane Drive asked if the Board would consider adjusting her assessments based on her paralyzed condition. Mrs. Rabbitt responded that she needs to provide a letter to the General Manager stating her case, and that the situation would be considered at the next General Meeting of the Board.

b. Mrs. Rabbitt asked the General Manager to contact the County to see if they are going to address the big gap at the end of the new foot bridge over the King George Boulevard culvert. She said it was a safety problem. The GM agreed.

c. Mrs. Rabbitt asked Mr. Yardman to comment on the commercial vehicle at 138 Junco and the mattress in the front yard on 14 East White Hawthorne which were issues brought up in the Annual

Meeting. Mr. Yardman responded that citations have been issued in both of those cases and that he has spoken to the owners as well.

8. ADJOURNMENT OF GENERAL MEETING. At 9:20 p.m., Mr. Smith motioned to adjourn the General Meeting. Mr. Sewell seconded the motion and the Board voted unanimously to approve it.