

GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS

MINUTES OF GENERAL MEETING
October 8, 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
Mike Richardson	VP	Present
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Present
Butch Braddy	Member	Present
Renee Rabbitt	Member	Absent, proxy to Ms. Rubin
Barbara Rubin	Member	Present
John Thompson	Member	Present
David Campbell	Member	Present

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

3. **APPROVAL OF MINUTES.** Mr. Smith motioned to approve as written the minutes of September 10th budget hearings for Audubon Park, Hunter's Green, Lott's Landing, Georgetown Place, and the Georgetown Townhomes, as well as the minutes of the September 10th General Meeting. Mr. Richardson seconded the motion. There was no additional discussion and the Board voted unanimously, including the proxy, to approve the motion.

4. **COMMITTEE REPORTS**

a. **GENERAL MANAGER.** Mr. Odom called the attention of the Board to the general reports provided for September, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the September 30th Balance Sheet. Highlights of the reports are shown below.

Balances. As of September 30, 2013, CSA checking (operational account) totaled \$92,161.96. The total of CSA reserves (Vanguard Account, First Chatham, Savannah Bank, United Community Bank, and Ameris Bank accounts) is \$702,741.27. The total of CSA funds, including checking, reserves, petty cash, and undeposited funds is \$806,531.45. We made a deposit of \$12,000 into CSA reserves for September in accordance with the approved budget. All parcels except Audubon Park made their required reserve deposits for September. Audubon Park still owes \$411.50 for February, \$467.50 for May, \$467.50 for June, \$467.50 for August, and \$467.50 for September. Lott's Landing needs to repay their reserves for the following unplanned expenses in June and July: \$795 termite bond and two \$650 tree removals. They also owe \$648.48 for the August reserve allotment. The Townhomes still owe \$1904 for March. Georgetown Place owes \$1,926.21 in reserve allotments for August. The total of all GCSA accounts is \$1,069,284.90. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$ 92,161.96	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 18,187.95	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$ 127,692.90	
Coastal Parcel CD's	\$ 116,872.61	(\$244,565.51 against \$250K FDIC coverage)
CSA RESERVES		
1 st Chatham CSA MM	\$ 219,611.75	
1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
The Savannah Bank MM	\$ 236,453.55	
The Savannah Bank Check	\$ 100.00	(does not count against FDIC coverage limit)
United Community Bank	\$ 100,039.06	(includes \$60,000 in excess checking from Apr)
Ameris Bank	\$ 141,388.93	
Vanguard	\$ 5,047.98	
Total CSA Reserves	\$ 702,741.27	
CSA Petty Cash Fund	\$ 300.00	
Undeposited funds	\$ 11,328.22	
Total CSA Funds:	\$ 806,531.45	(includes checking, reserves, petty cash & undeposited funds)
Total GCSA Funds:	\$ 1,069,284.90	

Income and Expenses. Total income for September was \$83,931.76 which was \$2,168.39 better than budget. Expenses for the month were \$68,262.62 which were \$1,273.62 lower than budget. Net Income was \$15,669.14 and that was \$3,442.01 better than budget.

Capital Budget Execution:	Budget	Actual Cost	Difference
January: Lagoon Dredging (down payment)	\$13,487.78	\$13,487.78	0
Lagoon Dredging (1st phase pmt)	\$20,231.66	\$20,231.66	0
TH Sidewalk & Drainage	\$15,020.00	\$15,020.00	0
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 (1st 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
August:	Logo Banners	\$1,800.00	\$1,288.28	-\$ 511.72
	DVR replacement	\$ 785.00	\$ 736.97	-\$ 48.03
Sept:	Reserve Study Update Pt 3	\$1,200.00	\$1,200.00	0

CSA Capital Budget and Reserves Summary	Annual Budget	Actual Results Jan-Sep
Beginning CSA Reserve Balance 1/1/13:	\$556,711	\$ 556,711
(+) Allotments/Deposits:	\$132,300	\$ 77,200 OK *
(+) Depreciation	\$120,060	\$ 90,045 OK
(+) Interest	\$ 1,380	\$ 787.10(-248 YTD)
(-) Planned Expenditures (orig):	<u>\$ 13,585</u>	<u>\$128,022.06</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	
Replace Gate Guard a/c	<u>\$1,050</u>		
Total	\$ 5,964		

Past Due Accounts. The number of past due accounts went up in September from 735 to 791, but the dollar amount decreased from \$339,213.92 to \$316,436.36. The number of accounts 31-60 days old went up from 439 to 528, and the dollar amount rose from \$11,926.84 to \$19,037.88. The number of accounts 61-90 days past due dropped from 463 to 322, and the dollar value declined from \$23,749.63 to \$10,077.97. The number of accounts over 90 days in arrears dropped from 321 to 317, and the dollar value decreased from \$303,537.46 to \$287,320.51. The total number of account past due (791) represents 40% of all properties (up 2.5 percentage points from August). In September we issued 68 first and second letters (combined), and processed 20 new or updated liens, 0 FiFas, and 30

suits/judgments. We received 46 payments (of \$200 or more) for past due amounts totaling \$16,601.66. 16 of our accounts are in bankruptcy, with \$25,551.57 owed pre-bankruptcy, and \$7,229.08 in post-bankruptcy owed. The total amount in bankruptcy is \$32,780.65 and that amounts to a \$13,187.41 increase over the previous month. The attached report summarizes the status of accounts that the Board approved special payments.

Scheduled Projects and Other Repairs:

- At 3:38 a.m. on Saturday, September 28th, a motorist lost control of his/her vehicle and smashed it through the right side Lion’s Gate entrance wall. The car was totaled but the driver fled the scene. The police are still investigating and will be providing us with ownership and insurance information so that we can file a claim. Meanwhile, Coastal Constructive Innovations has been hired to clear the debris and provide a repair estimate. Once given the go-ahead, CCI can begin work within 3 business days.

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

c. **ARB.** Mr. Yardman reported on the results of the Architectural Review Board meetings of September 17th and October 1st. During these meetings, the ARB approved: 1 roof vent installation, 2 color changes, 1 landscape change, and 1 fence construction.

Total new violations	278	YTD	2950
Total violations repaired	340	YTD	3271
Hang Tags issued	52	YTD	607
Letters mailed	280	YTD	2908
Issues referred to GM/atty	94	YTD	592
Total current violations at the end of Sept:			373

d. **PARCEL REPRESENTATIVE.** No report

5. **UNFINISHED BUSINESS:** None

6. **NEW BUSINESS**

a. **Request for Write-off Approval.** Mr. Odom requested authority to write off as uncollectible 37 accounts totaling \$5,484.78. Mr. Warren Smith motioned to approve the General Manager’s request to write off \$5,484.78. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

b. **Contract Award for 2014 HVAC Service.** At the request of the President, Mr. Odom provided the results of a solicitation for semi-annual heating and air conditioning system maintenance. There were three qualified bidders. Mr. Smith motioned to accept the proposal from Downs Heating and Air for \$1020. Mr. Richardson seconded the motion. During discussion, Mr. Smith stated that he was aware of service issues involving the lowest bidder and, given the relatively small price difference and the fact that Downs was currently providing us good service, it would justify the selection. At the end of discussion, the Board voted 7-0-1 including the proxy, to approve the motion. Mrs. Byers abstained.

c. **Contract Award for 2014 Tree Work.** At the request of the President, Mr. Odom briefed the Board on a proposal to perform comprehensive tree pruning and 18 tree extractions at the 2 clubhouse properties and the 5 townhome/duplex communities. According to Mr. Odom, the solicitation was based on recommendations from a registered arborist and was sent to six local tree

firms. Two bids were received. At the end of the presentation, Mr. Smith motioned to accept the low bid of \$12,100 submitted by Grassroots Landscape Management. Mr. Thompson seconded the motion. There was no further discussion, and the Board voted unanimously, including the proxy, to approve the motion.

d. Contract Award for Repair of Lion's Gate Entrance Wall. At the request of the President, Mr. Odom briefed the Board on a September 28th traffic accident that resulted in three sections of the Lion's Gate entrance wall being demolished along with a significant amount of adjacent landscaping. Mr. Odom stated that he had received the name of the driver and insurance information from the Police. A claim has been filed and the Association has provided pictures and repair estimates to the driver's insurance company. An adjuster is expected to be on site within the week. Mr. Odom went on to say that he had hired a general contractor, Coastal Constructive Innovations, to assist with the heavy debris removal and that CCI had provided a repair estimate of \$13,835. At the end of the briefing, Mr. Smith motioned to authorize the General Manager to award the repair work to CCI for that price under the stipulations that the driver's insurance company agrees to pay us that amount. He further motioned that the General Manager be authorized to provide CCI with payment for demolition and debris removal services rendered so far. Mr. Richardson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

7. OPEN DISCUSSION.

a. Mr. Smith stated that he wanted to ensure that the operational budget for next year includes sufficient funds to handle all legal processing requirements regarding collections and ARB violations. He went on to say that Operational Budget Option A, briefed during the earlier budget hearing, was the option he would recommend. Mr. Smith added that he was not in favor of raising the assessment. He asked the General Manger to check with our accountant and auditor to see if we could use a portion of 2013 depreciation and/or retained earnings to offset the deficit projected by Option A.

8. ADJOURNMENT OF GENERAL MEETING. At 8:40 p.m., Mr. Smith motioned to adjourn the General Meeting. Mr. Richardson seconded the motion and the Board voted unanimously, including the proxy, to approve it.