

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

**MINUTES OF SPECIAL MEETING
GEORGETOWN CSA BUDGET OPEN HEARING
OCTOBER 8, 2013**

1. **CALL TO ORDER.** The President called the meeting to order at 7:00 p.m.. The Secretary/Treasurer called roll with the following results:

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

Let the record reflect that there were three residents present in the audience at the start of this hearing.

2. **NEW BUSINESS.** At the request of the President, Mr. Odom provided the attached briefing which discussed: (1) the status of 2013 finances and budget execution; (2) the proposed Capital Budget for 2014; and (3) the proposed CSA Operational Budget for 2014.

a. **Status of 2013 Finances.** Mr. Odom began by saying that the Association had received very positive results from a financial audit last May. He went on to provide current status of financial accounts which totaled \$806,531 at the end of September. Mr. Odom reported that the 2013 Capital Budget was operating in the black with no programmed expenditures over budget. As for the 2013 Operational Budget, Mr. Odom stated that Net Income was \$66.9K behind projections due to the mid-year decision by the Board to significantly increase Provisions for Doubtful Debt.

b. **2014 Proposed CSA Capital Budget.** Mr. Odom proposed an \$87,210 Capital Budget covering 24 major repairs or replacements cited in the current Reserve Study and recently verified by the Mr. Odom and the Reserve Study Engineer. The proposed budget was broken down into five categories: (1) Electrical system and equipment, \$28,400; (2) Recreational facilities, \$30,350; (3) Pool Equipment, \$5,085; (4) Shop & Landscaping Equipment; and (5) Land Improvements, \$20,000. Some of the larger and more notable proposed expenditures included: electrical panel upgrades for the Southside Clubhouse, repairing and resurfacing the tennis courts, conducting comprehensive tree work, overhauling the gym equipment, repairing/replacing the playground borders, and doing drainage repairs at both the Wexford II lagoon and the Grove Point Road lagoon.

2014 Proposed Parcel Projects. Mr. Odom' briefing provided update Reserve Study line numbers for tree work proposed for each parcel next year. No previously proposed budget amounts were changed.

There were no questions or comments regarding the CSA Capital Budget.

c. **2014 Proposed Operational Budget.** Mr. Odom provided the Board with three options: Version A, Version B, and Version C. He stated that each version included all known price increases as well as savings/efficiencies from at least 26 budget lines. He said that Version A assumed no increase in assessment, but did include small increases in office staffing and wages to help do a better job with collections. It also included increased depreciation expense and it retained the recently elevated level of bad debt expense. This budget resulted in a projected deficit of \$56,459.60. Mr. Odom stated that Version B assumed no increase in assessment, and made sufficient cuts in program/expenses to provide a positive bottom line. This option included no staffing/payroll increases and made sharp reductions in bad debt expense, legal support, facility and equipment maintenance, and five other budget lines. According to Mr. Odom, Version C was the result of taking Version A and resolving the deficit by increasing the assessment from \$38.92 to \$41.50/month. The resulting residual net income of this version was projected to be \$4,160.19. At the end of the briefing, Mr. Smith stated that he preferred Version A. He stated that he wanted to ensure that the budget included sufficient funding to allow the staff to process all known collections and ARB actions. There was no other discussion at this time, but the President stated that more discussion time may be available during the Open Discussion portion of the General Meeting.

3. **ADJOURNMENT.** At 7:45 Mr. Warren Smith motioned to adjourn the Hearing. Mr. Richardson seconded the motion and the Board voted unanimously, including the proxy, to approve the motion.