

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

**MINUTES OF GENERAL MEETING
December 11, 2012**

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
Kenneth Corder	VP	Present
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Present
Butch Braddy	Member	Absent...arrived 7:55
Renee Rabbitt	Member	Absent, proxy to Kenneth Corder
Barbara Rubin	Member	Present
John Thompson	Member	Present
Carmen Ward	Member	Present

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

3. **APPROVAL OF MINUTES.** Mr. Corder motioned to approve the minutes of the General Meeting held on November 13th. Mr. Thompson 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 November, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the November 30th Balance Sheet. Highlights of the reports are shown below.

Balances. As of November 30, 2012, CSA checking (operational account) totaled \$127,568.98. The total of CSA reserves (Vanguard Account, First Chatham, and Savannah Bank accounts) is \$501,590.13, which includes \$67,000 of previously deposited excess checking. We have made a deposit of \$18,000 into CSA reserves for November in accordance with the approved budget. Parcel reserve deposits have been made for November; however, Audubon Park still owes \$625 for both June and July. As previously reported, we have continued to defer the July pressure washing of the Townhomes (\$3150) due to low cash flow. The grand total of CSA funds (CSA reserves plus operational checking) is \$629,159.11. The total of all GCSA accounts and undeposited funds is \$886,291.03. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$127,568.98	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 15,169.30	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$120,530.01	
Coastal CD's	\$116,574.96	
1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
1 st Chatham CSA MM	\$252,065.49	

The Savannah Bank MM	\$234,278.50
The Savannah Bank Check	\$ 100.00 (does not count against FDIC coverage limit)
Vanguard	\$ 15,046.53
Undeposited funds	<u>\$ 4,857.26</u>
Total:	\$886,291.03

Income and Expenses. Total income for November was \$81,998.08 which was \$1,399.71 better than budget. Expenses for the month were \$58,792.68 which were \$730.00 lower than budget. Net Income was \$23,205.40 and that was \$2,129.71 better than budget.

Capital Budget Execution:		Budget	Actual Cost	Difference
January:	Pool Equip Replacements	\$7,462	\$7,460	(-\$2)
February:	Maint Bldg Water Project	\$15,600	\$15,130	(-\$470)
March:	Survey of Cormorant Lagoon	\$875	\$ 875	0
	Refund of Water Project bond		(\$100)	(-\$100)
	Lagoon Survey & Eng (survey)	\$3,345	\$ 3,345	0
April:	Basketball Court Replacement	\$12,650	\$12,305	(-\$345)
May:	Lagoon Survey & Eng (2 of 3)	\$10,034	\$10,034	0
	Northside Carpet Replacement	\$7,368	\$7,368	0
	Northside A/C Replacement	\$9,377	\$9,377	0
	Northside Appliances	\$3,135	\$3,135	0
	Northside Countertops	<u>\$1,200</u>	<u>\$1,180</u>	<u>(-\$20)</u>
	Totals to date:	\$71,046	\$70,109	(-\$937)

Capital Budget Execution (cont):		Budget	Actual Cost	Difference
June:	Tennis Court Nets	\$1,420	\$1,400	(-\$20)
	Marquis repair (50%)	\$1,665	\$1,585	(-\$80)
July:	None			
August:	Marquis repair (final 50%)	\$1,665	\$1,584	(-\$81)
September:	None			
October:	None			
November:	Encroachment Permit for Dredging	0	55	(+\$55)
December:	Lagoon Dredging (postponed until January)			
	Tennis Court Light Timers	\$1,800*	\$1,560	<u>(-\$240)</u>
	* Approved by BOD 11/13/12			<u>(-\$1,303)</u>

Remaining 2012 Planned Expenditures/Recapitalizations

Item/Requirement	Amount
Gate Guard a/c	\$ 850 (July) Deferred to 2013

Lagoon Survey & Eng (3of3)	\$4,621 (TBD)	Deferred to 2013
Lagoon Dredging	\$22,800 (TBD)	Modified & deferred to 2013

Capital Budget Execution Summary Annual Budget

Beginning Balance 1/1/12:	\$291,019	
(+) Budgeted Allotments/Deposits:	\$126,000	Currently on track
(-) Budgeted Expenditures:	<u>\$105,867</u>	Increased by BOD 11/13/12
Original projected ending balance:	\$311,152	
(+) Projected R/E, Int, savings, deferments:	<u>\$200,561</u>	
Projected Cash on Hand	\$511,713	
(-) Projected Pre-paid adjustment acct	<u>- 52,000</u>	
Projected Reserve Bal. 12/31/12:	\$459,713	

Past Due Accounts. The number of past due accounts went down in November from 195 to 182, and the dollar amount decreased from \$291,663.32 to \$289,801.65. The number of accounts 31-60 days old went down from 14 to 11, and the dollar amount declined from \$5,097.67 to \$4,987.62. The amounts 61-90 days past due went down from 21 to 13, and the dollar value decreased from \$9,321.68 to \$5,996.88. Accounts over 90 days in arrears decreased slightly from 160 to 158, but the amount increased slightly from \$277,243.97 to \$278,817.15 respectively. In November, we issued 174 first and second letters (combined), and processed 60 new or updated liens, filed 3 FiFas, and 17 suits/judgments. We received 31 payments (of \$200 or more) for past due amounts totaling \$15,301.23. 17 of our accounts are in bankruptcy, with \$16,486.59 owed pre-bankruptcy, and \$19,767.27 in post-bankruptcy owed. The total amount in bankruptcy is \$36,253.86 and that is a decrease of 10,521.05 from October’s total...mostly due to recent write-offs. The attached report summarizes the status of accounts that the Board approved special payments.

2. Repairs and Scheduled Projects:

a. **Lagoon Survey/Engineering:** Due to the upcoming holidays and availability of major equipment, the project that was approved in November will begin in the first week of January vice December. Residents living in the vicinity of the project are receiving correspondence regarding project status.

b. **Tennis Court Light Timers:** System has been ordered and should be installed within 10 days.

3. **Breakfast with Santa:** December 15th, 9:00-11:00 a.m. at the Southside Clubhouse.

4. Agreement has been signed with Ms. Harley and funds to repair roof have been put into escrow as discussed at the last Board meeting.

b. **SECRETARY/TREASURER.** Nothing to add to what the General Manager has reported.

c. **ARB.** Mr. Yardman reported on the results of the Architectural Review Board meetings of November 20th and December 4th. During those meetings, the ARB approved 2 color

changes and one utility shed construction. Mr. Yardman also provided the following inspection statistics for the month of November:

Total new violations	335	YTD	4158
Total violations repaired	285	YTD	3944
Hang Tags issued	97	YTD	1002
Letters mailed	316	YTD	3687
Issues referred to GM/atty	78	YTD	920

Total current violations at the end of November: 495

- d. **PARCEL REPRESENTATIVE.** No report

5. UNFINISHED BUSINESS

a. **Clubhouse Rental Contract Revision.** At the request of the President, Mr. Odom briefed the Board on a proposed revision to the facility rental agreement which expanded the closing hours from 10:00 p.m. to midnight on Fridays and Saturdays and included tighter rules on noise and additional guidelines for off-duty police security. Mr. Smith motioned to approve the attached new rental agreement and the associated Administrative Resolution 2012-5 that implements it. Ms. Rubin seconded the motion. There was no further discussion

6. NEW BUSINESS

a. **Request for Write-off Approval.** The General Manager requested authority to write off as uncollectible four accounts totaling \$18,634.77. Mr. Odom explained that these write-offs involve foreclosures and/or Chapter 7 bankruptcies at 142 St. Ives Drive, 1401 King George Blvd Unit 6 (Hunter's Green), 777 King George Blvd Unit 23 (Georgetown Place), and 117 St. Ives Drive. He stated that as of November 30th there was \$20,102.48 set aside in Balance Sheet line 1260, Provision for Doubtful Debt, to cover write-offs such as this. Total write-offs this year, including those recommended above, total \$54,799.89. Mr. Smith motioned to approve the requested write-offs. Mr. Corder seconded the motion. There was no further discussion and the Board voted 6-1 to approve the motion with Mrs. Ward voting in opposition.

b. **Amendment to the 2013 CSA Capital Budget.** At the request of the President, Mr. Odom briefed the Board on a proposal to amend the 2013 Capital Budget to reflect the rescheduling of lagoon dredging from December 2012 to January 2013. The rescheduling would necessitate the shifting of \$75,621 (\$71,000 dredging and \$4621 engineering/surveying) from the 2012 budget to the 2013 budget. The originally approved 2013 Capital Budget was \$13,585; therefore, the amended total is \$89,206.

Wind screens	\$5,500	
Logo banners	\$1,800	
Pool Furniture	\$4,450	
Replace DVR	\$ 785	
Replace pool gate a/c	\$1,050	
Lagoon Eng/survey (pt 3of 3)	\$4,621	shifted from 2012 budget
Lagoon dredging	<u>\$71,000</u>	shifted from 2012 budget
Total	\$89,206	

Projected Cash Flow

Current reserves 11/30	\$503,027 (plus int)
(-) Tennis Court light switch	- 1,800
(+) December allotment	+ 10,000
Projected reserves 12/31/12	\$511,227 (plus int & RNI)
(+) 2013 Planned deposits	+\$132,300
(--) 2013 Planned outlays	- \$89,206
Projected balance 12/31/13	\$ 554,321

Mr. Corder motioned to approve the proposed amendment to the 2013 CSA Capital Budget. Mr. Thompson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

c. **Proposed Security Patrols for the Holidays.** At the request of the President, Mr. Odom briefed the Board on a proposal for hiring armed roving security for the neighborhoods during the Christmas holiday season. According to Mr. Odom, this proposal was submitted by Ms. Melanie Jones of 169 Cormorant Way. Mr. Odom stated that he had met several times with the Crime Suppression Unit (CSU) of the Savannah Metro Police Department. The CSU provided crime statistics for the past 30 days as well as for the period December 1-31, 2011. CSU highlighted that crime has been low in our area and that both sets of statistics reflected one break-in and two more minor thefts of property. CSU added that the Police have already increased the patrols in our area for the holiday period. CSU concluded that the low current crime rate and the already increased police presence might make additional security patrols non-cost-effective. Mr. Odom told the Board that the cost of one officer for two shifts per day from Dec 19th to January 5th would cost \$11,920. The price for 3 shifts per day for that time period would be \$17,880. He added that these costs would not be covered by our current operational budget, but that there were available undesignated reserves available. He ultimately sided with the CSU in recommending that the extra patrols not be procured. At the end of the briefing, Mr. Corder motioned to not hire additional security for the Holiday period. Ms. Rubin seconded the motion. During discussion, Mr. Smith stated that he understands the costs, but is someone's home is broken into, that is one home too many. He went on to say that we have the money to cover it. He added that he has noticed that the Police have really ramped up patrols in our area...possibly in reaction to our questions. Mr. Lindsey stated that he attends the routine meetings with the Police where crime stats are provided. He went on to say that Georgetown's crime statistics are very similar to other communities that hire additional off-duty police security. Mr. Lindsey said that he had been the victim of a burglary before, so he understands the feelings and concerns; however, he does not feel that we have a big problem here. Mr. Corder asked why we need to pay for additional security when the Police are providing additional security at their expense. Mr. Smith added that crime tends to increase when colleges let out for the Holidays, and that's due within the next week or so. Mr. Thompson stated that adding one more security officer would not guarantee that we will get a benefit, and that he does not see spending the money. At the end of discussion, the Board voted 5-2 to approve the motion. Mr. Smith and Mrs. Byers voted in opposition.

d. **Proposed extension of Professional Services Agreements.** Mr. Odom proposed that the Association extend annual service agreements through year 2013 with: (1) Jim Gerard, Esq., Oliver Maner LLP; (2) Mike Yardman, Professional Management Inspections; (3) Neville Stein CPA, Hancock Askew & Company; (4) Cooper Glenn CPA, Glenn Accounting CPA; and (5) Jackson

Sherrill, Sherrill & Company. Mr. Corder motioned to approve the proposal. Mr. Thompson seconded the motion. During discussion, Mr. Smith recommended that next year we have each presented individually so they can be separately vetted. Mrs. Byers concurred and added that we need to be able to periodically compare prices and services. She added that it is sometimes a good strategic move to bring in new blood. At the end of discussion, the Board voted unanimously to approve the motion.

e. **Proposed extension of Operational Services Agreements.** Mr. Odom proposed that the Association extend annual service agreements through year 2013 with the following: (1) Rivers Landscape & Grounds Maintenance; (2) Curbie Sanitation; (3) Atlantic Waste; (4) Burroughs Heating and Air; (5) Chatham Technology Group; (6) Laufersweiler Minuteman Press; (7) Savannah Brush and Chemical; (8) DSI Security; (9) Economic Exterminators; (10) Terminix; and (11) Yates Astro. He added that, per the comments on the last topic, these would be re-bid for year 2014. Mr. Smith motioned to approve the proposal. Mr. Corder seconded the motion. The Board voted unanimously, including the proxy, to approve the motion.

f. **Proposed Change in Telephone/Internet Service Provider.** Mr. Odom stated that the current agreement with AT&T expires in February. He proposed that he be allowed to deny renewal of the current service agreement and negotiate between AT&T and COMCAST for the best overall plan, which may include considerations other than price. Mr. Warren Smith motioned to approve the proposal. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

g. **Appeal of Yard Maintenance Assessment by C. Tucker.** At the request of the President, Mr. Odom briefed the Board on an appeal of a \$60 lawn maintenance fee by Ms. Chantel Tucker. Mr. Odom provided copies of notice documentation as well as pictures taken of the property both before and after the contractor did the work in question. The President noted that Ms. Tucker was not in the audience to answer any questions. After review of the documentation, Mr. Corder motioned to deny the appeal. Mr. Thompson seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

h. **Proposed 2013-2017 Strategic Plan.** At the request of the President, Mr. Odom briefed the Board on a draft Strategic Plan update covering years 2013-2017. He stated that the framework continues to be in the Balanced Scorecard format which reflects proposed initiatives within four broad categories: (1) Financials; (2) Business Processes; (3) Customers; and (4) Employees. He requested the Board review the proposed plan and provide inputs for changes and/or additions.

7. OPEN DISCUSSION.

a. A resident of Cobblestone Court stated that a neighbor apparently has about 21 cats that come do their business in her yard. Mr. Odom recommended she contact Animal Control.

8. ADJOURNMENT OF GENERAL MEETING. At 9:10 p.m., Mr. Corder motioned to adjourn the General Meeting. Mr. Smith seconded the motion and the Board voted unanimously to approve it.