

GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS

MINUTES OF GENERAL MEETING
January 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
Kenneth Corder	VP	Present
Warren Smith	Sec/Treasurer	Present
Robin Byers	Member	Present
Butch Braddy	Member	Present
Renee Rabbitt	Member	Absent
Barbara Rubin	Member	Absent, proxy to Mr. Lindsey
John Thompson	Member	Present
Carmen Ward	Member	Absent

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. Smith motioned to approve the minutes of the General Meeting held on December 11, 2012. 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 December, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the December 31st Balance Sheet. Highlights of the reports are shown below.

Balances. As of December 31, 2012, CSA checking (operational account) totaled \$119,821.71. The total of CSA reserves (Vanguard Account, First Chatham, and Savannah Bank accounts) is \$556,711.51, which includes \$112,000 of previously deposited excess checking. We have made a deposit of \$13,000 into CSA reserves for December in accordance with the approved budget. Parcel reserve deposits have been made for December, except for the Townhomes who had inadequate cash available. 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 \$676,553.22. The total of all GCSA accounts and undeposited funds is \$934,936.41. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$119,821.71	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 17,554.04	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$125,357.12	
Coastal CD's	\$116,574.96	
1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
1 st Chatham CSA MM	\$249,156.01	

The Savannah Bank MM	\$247,308.61	
The Savannah Bank Check	\$ 100.00	(does not count against FDIC coverage limit)
Vanguard	\$ 60,046.89	
Undeposited funds	\$ <u>0</u>	
Total:	\$936,019.34	

Income and Expenses. Total income for December was \$81,996.33 which was \$2,052.96 better than budget. Expenses for the month were \$55,242.34 which were \$2,210.49 lower than budget. Net Income was \$26,753.99 and that was \$4,263.45 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)
June:	Tennis Court Nets	\$1,420	\$1,400	(-\$20)
	Marquis repair (50%)	<u>\$1,665</u>	<u>\$1,585</u>	<u>(-\$80)</u>
	Totals to date:	\$74,131	\$73,094	(-\$1,037)
July:	None			
August:	Marquis repair (final 50%)	<u>\$1,665</u>	<u>\$1,584</u>	<u>(-\$81)</u>
	Totals to date:	\$75,796	\$74,678	(-\$1,118)
September:	None			
October:	None			
November:	Encroachment Permit for Dredging	0	55	(+\$55)
				(-\$1,063)
December:	Lagoon Dredging (postponed until January)			
	Tennis Court Light Timers	<u>\$1,800*</u>	\$1,560	<u>(-\$240)</u>
	* Approved by BOD 11/13/12	\$77,596		(-\$1,303)

Capital Budget and Reserves Summary	Annual Budget	Actual Results
Beginning Balance 1/1/12:	\$291,019	\$291,019
(+) Allotments/Deposits:	\$126,000	\$126,000
(-) Expenditures:	<u>\$105,867</u>	<u>\$ 77,596</u>
Ending balance:	<u>\$311,152</u>	<u>\$339,423</u>
(+) R/E, Int, savings, deferments & deprec.	<u>\$200,561</u>	<u>\$217,286</u>
Reserve Cash on Hand	<u>\$511,713</u>	<u>\$556,712</u>
(-) Pre-paid adjustment acct	<u>- 52,000</u>	<u>\$ 52,743</u>
Reserve Balance 12/31/12:	<u>\$459,713</u>	<u>\$503,969</u>

Past Due Accounts. The number of past due accounts went up in December from 182 to 186, and the dollar amount increased from \$289,801.65 to \$294,744.45. The number of accounts 31-60 days old went up from 11 to 18, and the dollar amount increased from \$4,987.62 to \$9,620.47. The amounts 61-90 days past due went down from 13 to 5, and the dollar value decreased from \$5,996.88 to \$2,745.62. Accounts over 90 days in arrears increased from 158 to 163, and the amount increased from \$278,817.15 to \$282,378.36, respectively. In December, we issued 200 first and second letters (combined), and processed 57 new or updated liens, filed 2 FiFas, and 19 suits/judgments. We received 39 payments (of \$200 or more) for past due amounts totaling \$15,164.40. 17 of our accounts are in bankruptcy, with \$17,236.51 owed pre-bankruptcy, and \$18,841.40 in post-bankruptcy owed. The total amount in bankruptcy is \$36,077.91 and that is a decrease of \$175.95 from November's total. The attached report summarizes the status of accounts that the Board approved special payments.

Repairs and Scheduled Projects:

Lagoon Survey/Engineering: The County put a temporary hold on the project pending further information regarding the proposed pumping volume/rate and the purchase by the contractor of a particular measurement equipment, but has subsequently approved the encroachment permit. CCI has installed the silt fence and is posting required signage. Actual digging will commence within a week. Given decent weather, the project should be completed by the end of the month.

Tennis Court Light Timers: System has been installed.

Town Home Sidewalk and Drainage Projects: Contracts should be signed within the next 7 days and work should commence within 14 days. Both projects are expected to be completed within 30 days.

Town Home Tree Work scheduled for 2013 has been divided into 3 increments, with the first increment taking place later this month. Contract should be signed within the next week.

Breakfast with Santa went well and we had approximately 200 residents in attendance.

Lease vs. Purchase of Chlorine Injection Systems: According to Savannah Brush and Chemical Company, the purchase price of the two chemical controller and liquid chlorine feed systems is \$6,014.00. Additionally, they recommend that if we purchase the equipment that we have \$1,952.14 in specified parts on hand to respond to emergent repair requirements. This would be a total investment, with tax (\$557.62) of \$8,523.76. We current lease the two systems for a total of \$150/month. We would have to own the equipment (and spend nothing else on repairs) for at least 57 months to break even. We would also not receive new equipment every 3 years as is the current projection.

COMCAST contract has been signed by the President and the phone/internet service is scheduled to transition from AT&T on February 18th.

The Community Advisory Committee/Town Hall Meeting with the Police Department will be held tomorrow night, January 9th, at 7 p.m. at the Police Annex off of Chatham Parkway.

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

c. **ARB.** Mr. Yardman reported on the results of the Architectural Review Board meeting of December 18, 2012. During that meeting, the ARB approved 1 color change and disapproved 2 tree removals. Mr. Yardman also provided the following inspection statistics for the month of December:

Total new violations	457	YTD	4615
Total violations repaired	470	YTD	4414
Hang Tags issued	103	YTD	1105
Letters mailed	457	YTD	4144
Issues referred to GM/atty	127	YTD	1047

Total current violations at the end of December: 502

d. **PARCEL REPRESENTATIVE.** No report

5. **UNFINISHED BUSINESS:** None

6. NEW BUSINESS

a. **Request for Write-off Approval.** The General Manager requested authority to write off as uncollectible four accounts totaling \$8,808.00. Mr. Odom explained that these write-offs involve foreclosures and/or Chapter 7 bankruptcies at 45 King Henry Court; 122 Cormorant Way; 117 St. Ives Way; and 32 King Henry Court. He stated that as of December 31st there was \$9,301.56 set aside in Balance Sheet line 1260, Provision for Doubtful Debt, to cover write-offs such as this. Total deposits to this account this year are \$3,000. Total write-offs this year, including those recommended above, total \$8,808.00. Mr. Corder motioned to approve the requested write-offs. Mr. Thompson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

b. **2013 Schedule of Events.** At the request of the President, Mr. Odom briefed the Board on the proposed annual schedule of events depicted on the attached document. After the briefing, Mr. Corder motioned to approve the schedule. Mrs. Byers seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

c. **New CSA Reserve Account.** At the request of the President, Mr. Odom briefed the Board on a proposal to establish a new reserve money market account. He stated that the other two local accounts were at or nearing the FDIC coverage limit. Signatories would be the same as on other accounts, specifically: President, Vice President, Secretary/Treasurer, and General Manager. Based on recommendations of the Secretary/Treasurer, United Community Bank and Ameris Bank were offered as viable options. At the end of the briefing, Mr. Corder motioned to establish a reserve money market account at both Unity Community Bank and Ameris Bank and authorize those signatories. Mrs. Byers seconded the motion. During discussion, Mr. Thompson asked why larger banks were not being considered. Mr. Smith replied by giving a bank-by-bank analysis of financial strength and target markets. Mr. Gerard added that the large, non-local, banks do not understand the special needs of

homeowner's associations and are, therefore, less likely to assist with business loans when needed. At the end of the discussion, the Board voted unanimously to approve the motion.

7. OPEN DISCUSSION. None

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