

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

**MINUTES OF GENERAL MEETING
June 12, 2012**

1. **CALL TO ORDER.** Mr. Lindsey called the General Meeting to order at 7:15 after the determination had been made that a quorum did not exist for the Annual Meeting of Members. Mr. Warren Smith took roll with the following results:

Richard Lindsey	President	Present
Kenneth Corder	VP	Present
Warren Smith	Sec/Treasurer	Present
Robert Smith	Member	Absent, proxy to Mrs. Byers
Robin Byers	Member	Present
Butch Braddy	Member	Absent, proxy to Mr. W. Smith
Renee Rabbitt	Member	Absent, proxy to Mr. Corder
Barbara Rubin	Member	Present
John Thompson	Member	Present

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

3. **APPROVAL OF MINUTES.** Mr. Warren Smith motioned to approve as written the minutes of the General Meeting of May 8, 2012. Mr. Corder seconded the motion. There was no additional discussion and the Board voted unanimously, including proxies, to approve the motion.

4. **COMMITTEE REPORTS**

a. **GENERAL MANAGER.** Mr. Odom called the attention of the Board to the general reports provided for May, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the May 31st Balance Sheet. Highlights of the reports are shown below.

Balances. As of May 31, 2012, CSA checking (operational account) totaled \$74,576.44. The total of CSA reserves (Vanguard Account, First Chatham, and Savannah Bank accounts) is \$455,548.54 (includes \$67,000 in excess checking deposited in April). We have made a deposit of \$900 into reserves for May in accordance with the approved budget. Budgeted deposits into parcel reserves have been made as well, although we had to use \$625 in Audubon Park reserves and \$543.33 in Hunter's Green reserves to pay routine parcel bills due to cash flow shortages. We are tracking these expenditures and are working to pay back the reserve accounts over the next few months. The grand total of CSA funds (CSA reserves plus operational checking) is \$530,124.98. The total of all GCSA accounts and undeposited funds is \$781,890.75. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$ 74,576.44	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 4,821.57	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$ 96,190.88	
Coastal CD's	\$ 116,574.96	
1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
1 st Chatham CSA MM	\$ 196,184.32	
The Savannah Bank MM	\$ 244,120.70	
The Savannah Bank Check	\$ 100.00	(does not count against FDIC coverage limit)
Vanguard	\$ 15,043.52	
Undeposited funds	<u>\$ 2,117.39</u>	
Total:	\$ 749,829.78	

Income and Expenses. Total income for May was \$82,551.13 which was \$1,007.76 better than budget. Expenses for the month were \$75,687.11 which were \$4,744.21 lower than budget. Net Income was \$6,864.02 and that was \$5,781.97 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)

*** BOD-approved additions**

Remaining 2012 Planned Expenditures/Recapitalizations

Item/Requirement	Amount
Tennis Court nets	\$1,420 (June)
Gate Guard a/c	\$ 850 (June)
Marquis replacement	\$3,330 (July)
Lagoon Survey & Eng (3of3)	\$4,621 (TBD)
Lagoon Dredging	<u>\$22,800</u> (TBD)
Total	\$33,021

Capital Budget Execution Summary	Annual Budget	
Beginning Balance 1/1/12:	\$291,019	
(+) Budgeted Allotments/Deposits:	\$126,000	Currently on track
(-) Budgeted Expenditures:	\$104,067	Updated by BOD in May
(+/-) Current Net Cost/Savings:	62	
Projected Reserve Balance 12/31/12:	\$313,014	

Past Due Accounts. The number of past due accounts went down in May from 211 to 209, but the dollar amount increased from \$277,818.78 to \$288,673.92. The number of accounts 31-60 days old increased from 23 to 29, and the dollar amount rose from \$13,319.19 to \$24,462.69. The amounts 61-90 days past due increased from 14 to 21, and the dollar value rose from \$1,281.96 to \$5,290.06. Accounts over 90 days in arrears decreased from 174 to 159, and from \$263,217.63 to \$258,921.17, respectively. In May, we issued 105 first and second letters (combined), 42 new or updated liens, and 9 new law suits. We received 41 payments (of \$200 or more) for past due amounts totaling \$16,128.83. 21 of our accounts are in bankruptcy, with \$19,294.92 owed pre-bankruptcy, and \$24,751.70 in post-bankruptcy owed. The total amount in bankruptcy is \$44,046.62 and that is an increase of \$330.61 from April's total. The attached report summarizes the status of accounts that the Board approved special payments.

Repairs and Scheduled Projects:

1. **Basketball Court Repairs:** A new playing surface has been applied along with new striping. Wind screens have been re-hung and new nets installed. The court has been re-opened for use.
2. **Northside Clubhouse Repairs:** All work has been completed, including: replacement of the carpet and bathroom/kitchen tile, appliances, countertops, and air conditioning system. Our staff reconditioned the cabinets. We received a \$642 credit from the BB court re-surfacing work which we applied to the purchase of 6 round banquet tables for the NS Clubhouse.
3. **Cormorant Lagoon Fencing:** Project has been completed.
4. **Lagoon Survey/Engineering:** We received the operational plans from Thomas & Reel Engineering, and we submitted the plans to Chatham County Engineers for preliminary review. An answer is expected later this week. Once we find out what permits are needed, we will create and distribute a solicitation for the dredging project. We will provide the subsequent proposals to the Board for consideration.

Northside Pools opened on June 1st and all pools are opened through August 31st from 10:00 a.m. to 8:00 p.m. In answer to a question posed last meeting by Ms. Rubin, it will cost approximately \$1928 to keep the Northside Pools open during the month of September (\$1485 payroll, \$143 payroll taxes, and \$300 pool chemicals, water, and restroom/cleaning supplies). The budget for September projects \$2,074 in residual net income, so it's technically affordable.

GTP Proposed Covenant Change: As of May 31st, we have received 20 of 66 potential affirmative votes for changing the GTP Covenants to reduce the requirement for loss assessment insurance coverage from \$50,000 down to \$1,000. A total of 50 affirmative votes are required for the change to be put in effect.

Summerfest: We had approximately 300 attendees and distributed over 300 hamburgers and 300 hot dogs. Every appeared to be having a great time.

Proposed Cancellation of Monthly Socials. We did not have anyone show up the last monthly social, and only 1-2 people showed up for the one prior to that. Unless otherwise directly by the Board, I plan to cancel further socials—at least until the fall.

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

c. **ARB.** The ARB Inspector, Mr. Yardman, reported on the results of the Architectural Review Board meeting of May 15th and June 5th. During those meetings, the ARB approved 2 tree removals, 1 variance for window a/c, 2 color changes, 2 home additions, 1 landscape change, 1 roof color change, and 1 window replacement. He also provided the following inspection statistics for the month of May:

Total new violations	393	YTD	1691
Total violations repaired	367	YTD	1606
Hang Tags issued	121	YTD	398
Letters mailed	296	YTD	1423
Issues referred to GM/atty	81	YTD	364

At the end of Mr. Yardman’s briefing, Mr. Thompson asked whether election signs in yards were allowed. Mr. Yardman responded that on “For Sale” or “For Rent” signs are allowed. Mr. Thompson then asked if the shrubs at the entrance to Knightsbridge can be pruned to make it safer to make turns. Mr. Yardman said he would get with the General Manager on this.

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 one account totaling \$1,423.87. Mr. Odom explained that this write-off involves a Chapter 7 bankruptcy by the owner of 142 St. Ives Drive. He stated that as of May 31st, we had \$25,394.10 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 \$13,815.89. Mr. Corder motioned to approve the requested write-offs. Mrs. Byers seconded the motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

b. **Admin Resolution on Collections Procedures.** At the request of the President, Mr. Odom briefed the Board on a proposal to update the Association’s Standard Operating Proceed regarding collections and to formalize the updated process in the form of a resolution. According to Mr. Odom, the revised procedure implements relevant requirements of the Fair Debt Collection Practices Act. It also increases communications with members regarding collections, while decreasing the collection cycle time by 30 days. At the end of the brief, Mr. Thompson motioned to: tentatively approve the attached administrative resolution 2012-1; provide members a copy of the proposed resolution in the June mailing; and to schedule a final vote on the resolution at the July Board meeting. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

c. **Admin Resolution on Incorporating Reserve Study into Budget Process.** At the request of the President, Mr. Odom briefed the Board on a proposal to integrate the Reserve Study into the annual budget process and to formalize that revised budget process in the form of the attached administrative resolution 2012-2. Mr. Odom stated that this change was prompted by a recommendation in the recently completed annual audit. At the end of the brief, Mr. Corder motioned to: tentatively approve the attached administrative resolution 2012-2; provide members a copy of the proposed resolution in the June mailing; and to schedule a final vote on the resolution at the July Board meeting. Mr. Thompson seconded the motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

d. **Georgetown Townhome Drainage Issues.** At the request of the President, Mr. Odom briefed the Board on the existence of drainage problems at two locations within the Georgetown Townhome complex. He provided pictures and personal accounts by residents living nearby. Mr. Odom stated that it would cost \$4650 to correct both problems. Mr. Odom discussed the potential funding options, including a special assessment or implementing previously approved but deferred annual increases. In the end, he recommended to do the work now and raise the maintenance assessment by 10% on January 1st which would fund the project as well as provide for more reasonable cash flow. Mr. Corder motioned to approve the General Manager's proposal. Ms. Rubin seconded the motion. During discussion, both Mrs. Byers and Mr. Lindsey recommended that the members have an opportunity to weigh in on the proposal before it is approved by the Board. Mr. Odom responded that he could notify the Townhome members of the proposal and then bring the issue back to the Board at a later meeting. At the end of discussion, the Board voted unanimously, including proxies, to disapprove the original motion.

7. OPEN DISCUSSION.

a. Andrea Stevens shared her concerns about 4th of July fireworks being set off in large volumes each year at the end of Sugar Mill Drive. Mr. Smith asked if she had called the Police and Ms. Stevens responded that she had. Mr. Smith responded that she should continue calling, but could also make a video of what she is seeing and provide that to the Police. Mr. Thompson recommended that she consider assisting with establishing a neighborhood watch. Mrs. Byers asked how many people/cars were involved and Ms. Stevens replied that about 20-25 cars are usually there. Mr. Corder asked if the cars were blocking the street, and Ms. Stevens responded that it makes it difficult to drive through. Mr. Smith added that she could call the Fire Department. Mr. Odom stated that he would ask the Police to do a special drive-through of that area on the 4th of July.

b. Sabrita Brush of 122 Lion's Gate Road complained to the Board about not getting enough time to respond to a lawn maintenance requirement notice. Mr. Smith responded that, while he was sorry it hit her hard, the Association had tried other time frames and felt the need 3 years ago to implement the one-week inspection cycle. Mr. Lindsey noted that the notice letter states, "Please communicate with me, Mike Yardman at 912-961-1544, or correct this situation within 7 days of the date of this letter." Mr. Yardman added that if people call and request an extension, he almost always allows it.

8. **ADJOURNMENT OF GENERAL MEETING.** At 8:15 p.m., Mr. Warren Smith motioned to adjourn the General Meeting. Mr. Corder seconded the motion and the Board voted unanimously, including proxies, to approve it.