

GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS

MINUTES OF GENERAL MEETING
March 13, 2012

1. **CALL TO ORDER.** Mr. Lindsey called the General Meeting to order at 7:45. Mr. Warren Smith called roll with the following results:

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

2. **APPROVAL OF AGENDA.** Mrs. Renee Rabbitt motioned to approve the proposed agenda. Ms. Barbara Rubin 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 February 14, 2012. Mr. Braddy 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 February, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the February 29th. Balance Sheet. Highlights of the reports are shown below.

Balances. As of February 29, 2012, CSA checking (operational account) totaled \$112,820.19. A new money market account and business checking account was established at The Savannah Bank as directed by the Board. \$80,000 in excess checking at The Coastal Bank plus \$45,000 from the CSA money market account at First Chatham Bank was deposited in the new Savannah Bank accounts. The total of CSA reserves (Vanguard Account, First Chatham, and Savannah Bank accounts) is \$374,233.08. We have made a deposit of \$11,000 into reserves for February in accordance with the approved budget. Budgeted deposits into parcel reserves have been made as well. The grand total of CSA funds (CSA reserves plus operational checking) is \$487,053.27. The total of all GCSA accounts (including CDs) is \$707,239.76. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$ 112,820.19	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 16,627.62	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$ 85,696.86	
Coastal CD's	\$ 116,574.96	
1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)

1 st Chatham CSA MM	\$ 234,086.07
The Savannah Bank MM	\$ 124,905.03
The Savannah Bank Check	\$ 100.00
Vanguard	\$ 15,041.98
Undeposited funds	<u>\$ 1,287.05</u>
Total:	\$ 707,239.76

Income and Expenses. Total income for February was \$80,139.38 which was \$2,663.99 below budget due mostly to lower than expected suit/lien fees. Expenses for the month were \$82,518.54 which were \$13,384.92 higher than budget due to the decision to pay the annual insurance bill in February vice monthly increments (as voted last meeting). Net Income was -\$2379.16 and that was \$16,048.91 lower 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)

* Cost will decrease by \$100 upon receipt of project bond refund

Capital Budget Execution Summary	Annual Budget	Current Execution
Beginning Balance 1/1/12:	\$291,019	
(+) Planned Allotments/Deposits:	\$126,000	\$ 22,000
(-) Planned Capital Expenditures:	\$ 89,342	\$ 22,590
Projected Reserve Balance 12/31/12:	\$327,677	

Past Due Accounts. The number of past due accounts went down in February from 240 to 229, but the dollar amount increased from \$268,062.94 to \$297,737.62. The number of accounts 31-60 days old rose from 23 to 33, and the dollar amount increased from \$4,571.00 to \$38,497.75. The amounts 61-90 days past due declined from 35 to 26, but the dollar value increased from \$7,420.04 to \$8,564.24. Accounts over 90 days in arrears fell from 182 to 170, and from \$256,071.90 to \$250,675.63, respectively. In February, we issued 93 first and second letters (combined), 13 new or updated liens, and 10 law suits. We received 43 payments (of \$200 or more) for past due amounts totaling \$18,289.86. 25 of our accounts are in bankruptcy, with \$19,626.98 owed pre-bankruptcy, and \$24,593.12 in post-bankruptcy owed. The total amount in bankruptcy is \$44,220.10 which is a \$718.69 increase over February's total. The attached report summarizes the status of accounts that the Board approved special payments.

Repairs and Scheduled Projects:

a. **Maintenance Building Water Project:** Project was completed in February on time, within specification, and under budget.

ARB Appeal by Sophia Davis: As decided last meeting, a consent order has been drafted and signed which gives Ms. Davis 90 days to re-paint her house.

GA Power Easement Work: Tidewater Landscaping is still working on addressing the list of remaining issues. A final walk-through is expected by the end of this week. Final 50% payment is being withheld until issues are resolved. Once this payment has been made, the Association will be receiving about \$3K from escrow to save or spend as the Board sees fit, along with funding for 12 months of plant maintenance.

Social Network Meeting: The social was held on Friday, March 2nd at 9:30 a.m. Unfortunately, only a couple of people showed up. Next meeting is on April 6th at 9:30.

Status of Petition to Change GTP Covenants regarding Loss Assessment Insurance: To date, we have received 15 of 66 potential responses (23%). For the change to be enacted, 75% of owners (50 total) must respond in the affirmative. There is no specific due date on this initiative.

Audubon Park Tree Removal: On March 7th, an oak tree in the rear of Audubon Park fell over and damaged the fencing along Red Fox Drive. We removed the tree at a cost of \$300 and replaced damaged fence slats for approximately \$50.

b. **SECRETARY/TREASURER.** Mr. Smith had nothing to add.

c. **ARB.** The ARB Inspector, Mr. Yardman, reported on the results of the Architectural Review Board meeting of February 21st and March 6th. During those meetings, the ARB approved 5 tree removals, 3 color changes, and 1 patio construction. They also heard a request from a resident on Cormorant that the Association construct a fence on the southern boundary of Eagle’s Landing. Additionally, the Board considered the implications of the Postal Distribution Center closure on yard violation processing—no changes were recommended. He also provided the following inspection statistics for the month of February:

Total new violations	254	YTD	478
Total violations repaired	255	YTD	509
Hang Tags issued	57	YTD	121
Letters mailed	225	YTD	432
Issues referred to GM or attorney	64	YTD	124

d. **PARCEL REPRESENTATIVE.** No report

5. UNFINISHED BUSINESS.

a. **2011 Reserve Study.** At the request of the President, Mr. Odom updated the Board regarding the recently completed Reserve Study. He provided a summary of the changes in programmed savings and spending for CSA and the five parcel communities. At the end of the brief,

Mr. Warren Smith motioned to approve and implement the proposed changes in the new Study. Mrs. Rabbitt seconded the motion. The Board voted unanimously, including proxies, to approve the motion.

Mr. Warren Smith motioned to amend the agenda to add a discussion of the safety implications surrounding the current condition of the Basketball Court. Mrs. Rabbitt seconded the motion and the Board voted unanimously, including proxies, to approve the motion.

6. NEW BUSINESS

a. Request for Write-off Approval. The General Manager requested authority to write off as uncollectible three accounts totaling \$5,681.49. These properties are located at: 101 Baron's Way, 37 Barrington Circle, and 1 E. White Hawthorne. Mr. Odom stated that as of February 29th, we had \$24,532.05 set aside in Balance Sheet line 1260, Provision for Doubtful Debt, to cover write-offs such as this. So far this year, monthly budget allotments to this line total \$6,000. Total write-offs this year, including those recommended above, total \$5,681.49. Mr. Warren Smith 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. Requested Amendment to the 2012 Georgetown Place Budget. At the request of the President, Mr. Odom briefed the Board on a proposal to amend the Georgetown Place operational budget. He stated that during the February 14th General Meeting, the Board voted to terminate the Georgetown Place New Infrastructure Account, divide the current proceeds among the present owners (via account credit), and to redirect the future budgeted allotments of \$1500/month to the Georgetown Place Reserves Account. He went on to say that these actions have been taken. Now the 2012 GTP operational budget needs to be amended to reflect the termination of the New Infrastructure Allotment and the corresponding increase in the monthly reserve allotment. He recommended that the attached revised budget be approved. The following is a summary of that budget.

Total Income:	\$100,472.61
Total Expenses:	\$ 64,516.88
Total Net Income:	\$ 35,955.73

Allotment for future repairs	\$ 25,761.96
New Infrastructure (Jan/Feb)	\$ 3,000.00
Residual Net Income	\$ 7,193.77

At the end of the briefing, Mr. Smith motioned to approve the revised GTP budget as proposed by the General Manager. Mr. Braddy seconded the motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

c. Requested Amendment to the 2012 Georgetown Townhome Budget. At the request of the President, the Mr. Odom briefed the Board on a request to amend the 2012 Georgetown Townhome operational budget to correct an error in the "parcel admin fee" line (8018). He explained that the previous budget did not reflect the 2012 recalculated parcel admin fee of \$160.42. He added that the Townhome account has been reimbursed for the overpayment in January and February. He closed by recommending that the attached revised budget be approved. The following is a summary of that budget.

Total Income:	\$ 70,119.08
Total Expenses:	\$ 31,526.78
Total Net Income:	\$ 38,592.30

Allotment for future repairs	\$ 35,600.00
Residual Net Income	\$ 2,992.30

At the end of the briefing, Mr. Smith motioned to approve the revised Townhome budget as proposed by the General Manager. Mrs. Byers seconded the motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

d. Group Policy for Employee Health Care. At the request of the President, Mr. Odom briefed the Board on a proposal to approve a group insurance policy for full-time employees. He provided a spreadsheet summarizing various plan proposals resulting from a solicitation of health care insurers. Mr. Odom recommended a plan provided by Blue Cross Blue Shield of Georgia that included a \$2,000 deductible and a 25% employee premium contribution. At the end of the briefing, Mr. Smith motioned to approve the plan proposed by the General Manager. Mrs. Rabbitt seconded the motion. During discussion, Mrs. Byers asked if the cost proposals were based on actual medical data (underwriting). Mr. Odom replied that they were. Mrs. Rabbitt stated that she paid 50% of the health care premium where she worked. Mrs. Byers added that she felt a 33% contribution might be appropriate. Mr. Smith stated that he felt the General Manager's proposal was fair and reasonable given the current market and the investment we have in our employees. Mr. Odom added that the insurance broker stated that our proposed plan and the contribution level was the most common for our area and company size. At the end of discussion, the Board voted 6-1 to approve the motion, with Mrs. Byers voting in opposition and abstaining with her proxy vote for Robert Smith.

e. Requested Amendment to the 2012 CSA Operational Budget. At the request of the President, Mr. Odom briefed the Board on a proposal to amend the 2012 CSA operation budget to reflect the previously approved up-front payment of annual liability, casualty, and auto insurance; and to reflect the increase to line 7064 (Health Insurance) based upon the newly approved Group Plan. He closed by recommending that the attached revised budget be approved. The following is a summary of that budget.

Total Income:	\$980,420.44
Total Expense:	\$840,046.70
Net Income:	\$140,373.74

Reserve Study Allotment:	\$126,000.00
Residual Net Income:	\$ 14,373.74

At the end of the briefing, Mr. Smith motioned to approve the revised Townhome budget as proposed by the General Manager. Mr. Braddy seconded the motion. There was no further discussion and the Board voted unanimously, including proxies, to approve the motion.

f. Basketball Court Repair. At the request of the President, Mr. Warren Smith addressed the Board. He stated that after seeing the pictures taken today of the Court, it is apparent that we have a safety issue that needs to be immediately addressed. Mr. Lindsey stated that the Board needed to be proactive on this to head of potential liability issues. He added that the condition of the Court has obviously gotten worse since the last time we saw it. Mr. Smith motioned that the Court be closed and locked up; that signs be posted saying that the facility will be closed approximately 60 days for repairs and construction of a new playing surface; and that the rims be removed. Mrs. Rabbitt seconded the motion. During discussion, Mr. Braddy stated that with "March Madness" occurring in the basketball world, kids are going to be more excited about playing basketball and it may create near-term problems if we close it now for repairs. Mr. Smith stated that he appreciated those concerns, but added that the safety and liability issues were very important and needed to be addressed right away. At the end of discussion, the Board voted unanimously, including proxies, to approve the motion.

7. OPEN DISCUSSION.

a. A late-arriving member of the audience asked potential Board action on his request for additional perimeter fencing (by the Association) on the southern boarder of Eagle's Landing. Mr.

Lindsey stated that the Board would be discussing the issue at the next meeting. Mr. Odom added that we needed to get measurements and bids for the Board to consider.

b. Mr. Lindsey asked Mr. Yardman about the status of volunteers for the Architectural Review Board. Mr. Yardman replied that we have had a few people express interest and we are waiting for them to attend 3 meetings as required.

8. ADJOURNMENT OF GENERAL MEETING. At 8:50 p.m., Mrs. Rabbitt motioned to adjourn the General Meeting. Ms. Rubin seconded the motion and the Board voted unanimously, including proxies, to approve it.