

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

**MINUTES OF GENERAL MEETING**  
**November 13, 2012**

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

Richard Lindsey	President	Present
Kenneth Corder	VP	Present
Warren Smith	Sec/Treasurer	Absent...arrived at 7:48
Robin Byers	Member	Absent
Butch Braddy	Member	Present
Renee Rabbitt	Member	Absent, proxy to John Thompson
Barbara Rubin	Member	Present
John Thompson	Member	Present
Carmen Ward	Member	Present

2. **APPROVAL OF AGENDA.** Mr. Corder motioned to approve the proposed agenda. Mr. Thompson 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 CSA Budget Hearing and the minutes of the General Meeting held on October 9<sup>th</sup>. Ms. Rubin 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 October, specifically: the Collection Office Report, Accounting Summary, Profit and Loss Report, and the October 31<sup>st</sup> Balance Sheet. Highlights of the reports are shown below.

**Balances.** As of October 31, 2012, CSA checking (operational account) totaled \$141,275.34. The total of CSA reserves (Vanguard Account, First Chatham, and Savannah Bank accounts) is \$485,082.73, which includes \$67,000 of previously deposited excess checking. We have made a deposit of \$13,700 into CSA reserves for October in accordance with the approved budget. Parcel reserve deposits have been made for September; however, Audubon Park still owes \$625 for both June and July. Audubon Park paid \$5540.00 for fence construction per the Board-approved contract. 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 \$626,358.07. The total of all GCSA accounts and undeposited funds is \$876,216.66. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$141,275.34	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 10,787.25	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$118,777.39	
Coastal CD's	\$116,574.96	

1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
1 <sup>st</sup> Chatham CSA MM	\$235,586.97	
The Savannah Bank MM	\$234,249.62	
The Savannah Bank Check	\$ 100.00	(does not count against FDIC coverage limit)
Vanguard	\$ 15,046.14	
Undeposited funds	<u>\$ 3,718.99</u>	
Total:	\$876,216.66	

**Income and Expenses.** Total income for October was \$82,845.58 which was \$1,402.21 better than budget. Expenses for the month were \$64,531.41 which were \$2,557.36 lower than budget. Net Income was \$18,314.17 and that was \$3,959.57 better than budget. Georgetown Place received a revised water bill which provided some credit for the recent irrigation system leak, but they still had to pay \$727.09.

<b>Capital Budget Execution:</b>		<b>Budget</b>	<b>Actual Cost</b>	<b>Difference</b>
<b>January:</b>	Pool Equip Replacements	\$7,462	\$7,460	(-\$2)
<b>February:</b>	Maint Bldg Water Project	\$15,600	\$15,130	(-\$470)
<b>March:</b>	Survey of Cormorant Lagoon	\$875	\$ 875	0
	Refund of Water Project bond		(\$100)	(-\$100)
	Lagoon Survey & Eng (survey)	\$3,345	\$ 3,345	0
<b>April:</b>	Basketball Court Replacement	\$12,650	\$12,305	(-\$345)
<b>May:</b>	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)
<b>June:</b>	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)
<b>July:</b>	None			
<b>August:</b>	Marquis repair (final 50%)	<u>\$1,665</u>	<u>\$1,584</u>	<u>(-\$81)</u>
	Totals to date:	\$75,796	\$74,678	(-\$1,118)
<b>September:</b>	None			
<b>October:</b>	None			

**Remaining 2012 Planned Expenditures/Recapitalizations**

<b>Item/Requirement</b>	<b>Amount</b>
Gate Guard a/c	\$ 850 (July) May defer to 2013
Lagoon Survey & Eng (3of3)	\$4,621 (TBD)
Lagoon Dredging	<u>\$22,800</u> (TBD)
Total	\$28,271

**Capital Budget Execution Summary**

**Annual Budget**

<b>Beginning Balance 1/1/12:</b>	<b>\$291,019</b>	
<b>(+) Budgeted Allotments/Deposits:</b>	<b>\$126,000</b>	<b>Currently on track</b>
<b>(-) Budgeted Expenditures:</b>	<b>\$104,067</b>	
<b>(+/-) Current Net Cost/Savings:</b>	<b>+ \$1,118</b>	<b>Through September</b>
<b>Projected Reserve Balance 12/31/12:</b>	<b>\$314,070</b>	<b>Does not include net income</b>

**Past Due Accounts.** The number of past due accounts went up in October from 167 to 195, and the dollar amount increased from \$280,761.57 to \$291,663.32. The number of accounts 31-60 days old went up from 3 to 14, and the dollar amount rose from \$2,955.60 to \$5,097.67. The amounts 61-90 days past due went up from 6 to 21, and the dollar value increased from \$797.54 to \$9,321.68. Accounts over 90 days in arrears increased slightly from 158 to 160, and from \$277,008.43 to \$277,243.97 respectively. In October, we issued 213 first and second letters (combined), and processed 14 new or updated liens, filed 3 FiFas, 12 suits/judgments, and 5 garnishment interrogatories. We received 53 payments (of \$200 or more) for past due amounts totaling \$18,176.01. 21 of our accounts are in bankruptcy, with \$18,016.14 owed pre-bankruptcy, and \$28,758.77 in post-bankruptcy owed. The total amount in bankruptcy is \$46,774.91 and that is an increase of \$427.83 from September's total. The attached report summarizes the status of accounts that the Board approved special payments.

**Repairs and Scheduled Projects:**

- **Lagoon Survey/Engineering:** We only received one bid on this project. Cost and pricing data was requested and received and will be briefed later in this meeting.

- **Audubon Park Fence Replacement:** Project was completed on time and on budget (\$5540.00).

**Fallfest/Halloween Party** was held here on Friday, October 29<sup>th</sup>. We had approximately 300 attendees.

- 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 October 16<sup>th</sup> and November 6<sup>th</sup>. During those meetings, the ARB approved 1 siding color change, 1 roof color change, 1 tree removal, and 2 front door changes. Mr. Yardman also provided the following inspection statistics for the month of October:

Total new violations	453	YTD	3823
Total violations repaired	410	YTD	3659
Hang Tags issued	190	YTD	905
Letters mailed	400	YTD	3371
Issues referred to GM/atty	97	YTD	842

Total current violations at the end of October: 440

d. **PARCEL REPRESENTATIVE.** No report

## 5. UNFINISHED BUSINESS

a. **Lagoon Dredging Project.** Mr. Odom provided the Board with cost and pricing information received from the sole bidder, Coastal Constructive Innovations (CCI). The owner of CCI, James Kerby, was in the audience and answered technical questions regarding the bid and the proposed dredging process. Mr. Odom stated that, in his opinion, the cost and pricing data reflected a reasonable bid amount given the work and risk involved. He went on to say that the County is now requiring developers to plan for routine lagoon maintenance that includes dredging. He added that the dredging would allow for a larger volume of rainwater run-off. Mr. Lindsey recommended that the Board proceed with the project. Mr. Thompson asked if bundling this lagoon with others that need maintenance would bring down the cost. Mr. Kerby responded that the cost saving would likely be minimal. At the end of discussion, the Board voted unanimously, including the proxy, to approve the contract award to CCI and to approve project expenditures from CSA reserves not to exceed \$71,000.

b. **Tennis Court Light Timer.** Mr. Odom proposed spending up to \$1,600 to upgrade the timers for the tennis court lights. This funding would allow the installation of new timers and switches that would allow players to activate the lights during the normal prescribed period. It would save money by not automatically lighting the courts during the same prescribed period when no one is playing. Mr. Corder motioned to approve the proposal. Mr. Warren Smith seconded the motion. The Board voted 7-1, including the proxy, to approve the motion.

c. **ARB Inspector Position.** At the request of the President, Mr. Odom briefed the Board on the results of an analysis of the ARB Inspector position. He provided a detailed break-down of job requirements, time commitments, and costs for the various job functions. He stated that it would likely cost the organization \$53,720 in direct labor costs and \$21,341 in up-front construction and equipment cost to perform this function in house. At the end of the briefing, Mr. Warren Smith motioned to maintain our current contractor at the present contract. Mr. Corder seconded the motion. During discussion, Mr. Smith stated that our current ARB Inspection contract is very cost effective. Mr. Lindsey stated that we could not use just anybody off the street to do this function, and that we are fortunate to have a professional who knows this element of our business. At the end of discussion, the Board voted unanimously, including the proxy, to approve the motion.

## 6. NEW BUSINESS

a. **Request for Write-off Approval.** The General Manager requested authority to write off as uncollectible four accounts totaling \$9,300.03. Mr. Odom explained that these write-offs involve foreclosures at 2 Goldfinch Court West, 15 Brandy Lane, 101 Lions Gate Road, and 29 Cutler Drive. He stated that as of October 31<sup>st</sup> there was \$26,482.44 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 \$36,165.12. Mr. Warren Smith motioned to approve the requested write-offs. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

b. **Approval of 2013 Audubon Park Maintenance Budget.** At the request of the President, Mr Odom briefed the Board on the attached proposed budget for Audubon Park summarized below. He stated that the budget incorporates a 5% rise in the Maintenance Assessment that equates to an increase of \$7.23/month/member for a new monthly assessment of \$151.82 or \$1,821.84/year. He said that the reserve requirements cited in the current Reserve Study would not be met without the 5% increase. He added that Audubon Park still owes \$625 reserve allotments for June and July of this year.

Budgeted Annual Income:	\$14,586.72
Budgeted Annual Expenses:	\$ 8,262.36
Budgeted Net Income:	\$ 6,324.36
Reserve Allotment	\$ 5,610.00
Residual Net Income	\$ 714.36

At the end of the briefing, Mr. Warren Smith motioned to approve the proposed 2013 budget for Audubon Park. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

c. **Approval of 2013 Hunter's Green Maintenance Budget.** At the request of the President, Mr Odom briefed the Board on the attached proposed budget for Hunter's Green summarized below. He recommended that the Board approve a 5% increase but defer implementation. Owners will continue to pay \$86.76 in monthly maintenance assessments. The budget includes \$1500 for tree trimming. The separate capital budget provides funding for parking lot sealing and striping.

Budgeted Annual Income:	\$18,752.16
Budgeted Annual Expenses:	\$11,180.85
Budgeted Net Income:	\$ 7,571.31
Reserve Allotment	\$ 4,798.08
Residual Net Income	\$ 2,773.23

At the end of the briefing, Mr. Warren Smith motioned to approve the proposed 2013 budget for Hunter's Green. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

d. **Approval of 2013 Lott's Landing Maintenance Budget.** At the request of the President, Mr. Odom briefed the Board on the attached proposed budget for Lott's Landing summarized below. He recommended that the Board approve a 5% increase but defer implementation. Owners will continue to pay \$74.04 in monthly maintenance assessments. The separate capital budget provides funding for parking lot cleaning and striping.

Budgeted Annual Income:	\$28,515.36
Budgeted Annual Expenses:	\$18,292.70
Budgeted Net Income:	\$10,222.66

Reserve Allotment	\$ 7,781.80
Residual Net Income	\$ 2,440.86

At the end of the briefing, Mr. Corder motioned to approve the proposed 2013 budget for Lott's Landing. Mr. Thompson seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

e. **Approval of 2013 Georgetown Place Maintenance Budget.** At the request of the President, Mr. Odom briefed the Board on the attached proposed budget for Georgetown Place summarized below. He recommended that the Board approve a 5% increase but defer implementation. Owners will continue to pay \$109.39 in monthly maintenance assessments and \$16.74 in monthly reserve assessments. The separate capital budget provides funding for parking lot sealing and striping.

Budgeted Annual Income:	\$100,472.61
Budgeted Annual Expenses:	\$ 66,901.88
Budgeted Net Income:	\$ 33,570.73
Reserve Allotment	\$ 29,193.94
Residual Net Income	\$ 4,376.79

At the end of the briefing, Mr. Corder motioned to approve the proposed 2013 budget for Georgetown Place. Mr. Warren Smith seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

f. **Approval of 2013 Georgetown Townhomes Maintenance Budget.** At the request of the President, Mr. Odom briefed the Board on the attached proposed budget for the Georgetown Townhomes summarized below. He recommended the Board approve a 5% increase to help pay for drainage and sidewalk repairs. It will also contribute toward future repairs to curbing and provide necessary improvement in cash flow.

Budgeted Annual Income:	\$73,615.88
Budgeted Annual Expenses:	\$30,565.78
Budgeted Net Income:	\$42,959.10
Reserve Allotment	\$38,448.00
Residual Net Income	\$ 4,511.10

At the end of the briefing, Mr. Warren Smith motioned to approve the proposed 2013 budget for Georgetown Townhomes. Mr. Corder seconded the motion. There was no further discussion and the Board voted 7-1, including the proxy, to approve the motion.

g. **Approval of 2013 GCSA Capital Budget.** At the request of the President, Mr. Odom briefed the Board on the attached proposed Capital Budget for 2013. Mr. Odom stated that the requirements are significantly smaller than in previous years because we have implemented all the previously backlogged repair projects and, with the exception of lagoon dredging, are into cyclical maintenance and replacements. The proposed \$13,585 CSA Capital Budget includes funding for new wind screens and logo banners for the courts, additional pool furniture, and potential replacement of some security video equipment and an air conditioning unit for the Southside Pool Gate Guard Building. The proposed \$45,627 Parcel Capital Budget includes parking lot cleaning, sealing, and striping for Hunter's Green, Lott's Landing, Georgetown Place and the Georgetown Townhomes. It also includes repairs to drainage and sidewalks at the Townhomes. At the end of the brief, Mr. Warren Smith motioned to approve the 2013 GCSA Capital Budget that includes \$13,585 for CSA projects and \$45,627 for specified parcel projects. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

h. **Approval of 2013 CSA Operational Budget and Fee Structure.** At the request of the President, Mr. Odom briefed the Board on the attached proposed CSA Operational Budget and fee structure for 2013. Mr. Odom stated that the proposed budget, summarized below, reflects a .7% (\$6,960) reduction in income and a .05% (\$442) decrease in expenses. The proposed budget assumes no increase in the general assessment (amenities), so owners will continue to pay \$38.92/month as they have since 2008.

Budgeted Annual Income:	\$973,460.44
Budgeted Annual Expenses:	\$839,604.12
Budgeted Net Income:	\$133,856.32
Reserve Allotment	\$132,300.00
Residual Net Income	\$ 1,556.32

At the end of the briefing, Mr. Warren Smith made the following motion:

1. Approve the proposed operational budget for 2013.
2. Approve raising the maximum annual general assessment by 5% but defer implementation, thus making the 2013 assessment \$467.04 or \$38.92/month.
3. Approve allowing equal monthly payments of the annual general assessment due in advance on the first of each month.
4. Approve maintaining the current interest rate charge of .5% on unpaid member's accounts over 30 days old.
5. Approve assessment of court fees and administrative fees as follows:

GCSA ADMIN FEE	COURT FEES (subject to change during the year)
\$20 Lawn Maintenance	\$5 Lien Filing Fee (\$7 to remove)
\$30 Lien Fee	\$99 Suit Fee
\$3.40 Certified Mail Fee	\$9 FIFA Fee (\$7 to remove)
\$30 Filing Suits	\$105 Garnishment Fee
\$10 FIFA Fee	\$35 Interrogatory Fee (\$10 filing +\$25 Serving Fee)
\$25 Interrogatories	
\$10 Garnishments	

6. Approve maintaining facility rental rates for members at \$150/day (\$100 for half day); maintaining rental rates for non-members at \$500/day; maintaining the \$25/weekday rate, except for Boy Scouts and Girl Scouts which are granted a payment and security guard requirement waiver; requiring two armed security guards for weekend events that meet any of the following conditions: (1) serve alcoholic beverages; (2) have more than 25 total participants; or (3) have rentals that go past 6:00 p.m.

Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

i. **Request for ARB Violation Time Extension by C. Harley.** The Board considered a written request from Ms. Christina Harley to allow her an extension until March 31, 2013 to fix her roof. Mr. Warren Smith motioned to approve her request on the condition that she immediately puts the proceeds from her roof insurance reimbursement (\$1800) in escrow with the Association's attorney, and that this money in escrow will be released upon Ms. Harley's proof of available residual funding for the roof repair and production of a valid contract for roof repair by March 31, 2013. The agreement shall also be that if Ms. Harley cannot come up with the remainder of the roof-repair funds by March 31<sup>st</sup>, the Association will ask the judge to implement the contempt order. Mr. Thompson seconded the motion. There was no further discussion and the Board voted 7-0, to include the proxy, to approve the motion. Ms. Rubin abstained.

## 7. OPEN DISCUSSION.

a. Mr. Jim Shea requested permission from the Board to harvest naturally fallen trees in the Association's green space located at the end of Bristlecone Drive. Mr. Warren Smith motioned to grant the requested permission with the provision that the ARB marks the trees in question and that Mr. Shea sign a hold harmless agreement and produce evidence of liability insurance. Mr. Corder seconded the motion. Several Board members stated that it may set a bad precedent and would hard to control. At the end of discussion, the Board voted unanimously, to include the proxy, to deny the motion.

b. Mrs. Ellington requested status of her proposal at the last meeting that hours of facility rentals should be expanded from 10:00 p.m. to midnight. Mr. Warren Smith motioned to table the issue until the next meeting so that proposed changes could be made to the rental contract and to the duties/responsibilities of the security guards. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously, including the proxy, to approve the motion.

**8. ADJOURNMENT OF GENERAL MEETING.** At 10:15 p.m., Mr. Corder motioned to adjourn the General Meeting. Mr. Braddy seconded the motion and the Board voted unanimously to approve it.