

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

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

1. **CALL TO ORDER.** Mr. Lindsey called the General Meeting to order at 7:50. Mr. Warren 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	Present
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. Warren Smith seconded the motion and the Board voted unanimously, including the proxy, to approve the motion.

3. **APPROVAL OF MINUTES.** Mr. Corder motioned to approve as written the minutes of the General Meeting of August 14, 2012. Mrs. Rabbitt seconded the motion. There was no additional discussion and the Board voted unanimously to approve the motion.

4. **COMMITTEE REPORTS**

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

**Balances.** As of August 31, 2012, CSA checking (operational account) totaled \$113,609.82. The total of CSA reserves (Vanguard Account, First Chatham, and Savannah Bank accounts) is \$455,670.01, which includes \$67,000 of previously deposited excess checking. We have made a deposit of \$3,700 into CSA reserves for August in accordance with the approved budget. Parcel reserve deposits have been made except for Audubon Park who owes \$625 for both June and July, and \$400 for August. As previously reported, we had to defer the July pressure washing of the Townhomes (\$3150) due to low cash flow. We have also had to use \$850 of those funds to taken care of emergent tree removals. The grand total of CSA funds (CSA reserves plus operational checking) is \$569,279.83. The total of all GCSA accounts and undeposited funds is \$811,714.16. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$ 113,609.82	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 13,406.28	(does not count against FDIC coverage limit)
Coastal Parcel MM	\$ 104,915.26	
Coastal CD's	\$ 116,574.96	

1st Chatham Checking	\$ 100.00	(does not count against FDIC coverage limit)
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1 <sup>st</sup> Chatham CSA MM	\$ 206,236.73	
The Savannah Bank MM	\$ 234,188.09	
The Savannah Bank Check	\$ 100.00	(does not count against FDIC coverage limit)
Vanguard	\$ 15,045.19	
Undeposited funds	<u>\$ 7,537.83</u>	
Total:	\$ 811,714.16	

**Income and Expenses.** Total income for August was \$82,515.44 which was \$1,012.07 better than budget. Expenses for the month were \$72,521.22 which were \$3,495.41 lower than budget. Net Income was \$9,994.22 and that was \$4,507.48 better than budget. The positive expense results were attributed mostly to lower than expected payroll and legal costs and a one-time accounting adjustment to the group health line. Parcel accounts did not fare as well. Audubon Park had a net income deficit of \$756.92 due to a credit posting and 3 of 8 members not paying their assessments. Similar cash flow issues were felt in the other parcel accounts. Georgetown Place was also affected by a one-time adjustment of income relating to the closing of the New Infrastructure Account, as well as unbudgeted expenses in tree removals and construction involved in pest control (rat infestation). The Townhomes also had several dead or fallen trees which had to be removed.

<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	\$1,200	\$1,180	(-\$20)
<b>June:</b>	Tennis Court Nets	\$1,420	\$1,400	(-\$20)
	Marquis repair (50%)	\$1,665	\$1,585	(-\$80)
<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)

#### **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

<b>Capital Budget Execution Summary</b>	<b>Annual Budget</b>	
<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 August</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 August from 184 to 191, and the dollar amount increased from \$278,981.02 to \$291,627.99. The number of accounts 31-60 days old increased from 15 to 17, and the dollar amount rose from \$8,727.95 to \$10,296.62. The amounts 61-90 days past due went down from 11 to 22, and the dollar value increased from \$427.65 to \$12,149.86. Accounts over 90 days in arrears declined slightly from 158 to 152, and from \$269,825.42 to \$269,181.51 respectively. In August, we issued 122 first and second letters (combined), and processed 25 new or updated liens, 7 FiFas, 26 suits/judgments, and 3 garnishment interrogatories. We received 39 payments (of \$200 or more) for past due amounts totaling \$19,362.83. 21 of our accounts are in bankruptcy, with \$18,870.66 owed pre-bankruptcy, and \$27,128.43 in post-bankruptcy owed. The total amount in bankruptcy is \$45,999.09 and that is an increase of \$465.44 from July's total. The attached report summarizes the status of accounts that the Board approved special payments. The newly approved Collections process will take effect on September 1<sup>st</sup>.

**Repairs and Scheduled Projects:**

- **Lagoon Survey/Engineering:** We are still awaiting results of the Army Corps of Engineer's review of the project. If they do not require any additional permits, we will proceed with soliciting for pricing on the dredging project. We will provide the subsequent proposals to the Board for consideration. Once the Board approves the project, we will have to pay Chatham County \$55 for an encroachment permit.

- **Marquis Repair/Replacement:** The Northside marquis has been reinstalled and the Southside marquis should be completed this week. Total cost was \$160 below budget.

- **Tree Removals** (3) were removed from the smaller Dovetail lagoon at a cost of \$250.

- **Lighting fixtures were replaced at the Lott's Landing Mail Center**, and the Center was pressure washed.

- **Broken fencing was repaired at the Sugar Mill Playground.**

- **Inoperative outdoor lighting** fixtures in the Southside Playground, parking lot, and on the east side of the clubhouse have been repaired.

Notices regarding parking rules were distributed to Town Home residents on August 23<sup>rd</sup> as requested at the last meeting.

Both sets of pools passed surprise inspections by the Health Department in August.

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 August 21<sup>st</sup> and September 4<sup>th</sup>. During those meetings, the ARB approved 2 fence constructions, 2 tree removal requests (for a total of 7 trees), and 1 color change. The ARB disapproved one tree removal at the meeting on August 21<sup>st</sup>. Mr. Yardman also provided the following inspection statistics for the month of August:

Total new violations	396	YTD	2879
Total violations repaired	328	YTD	2752
Hang Tags issued	79	YTD	611
Letters mailed	347	YTD	2506
Issues referred to GM/atty	66	YTD	612

Total current violations at the end of August: 294

Mr. Lindsey asked how we are doing in recruiting new ARB members. Mr. Yardman responded that there are 2 people who will be qualified by the next ARB meeting.

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 six accounts totaling \$3,476.82. Mr. Odom explained that these write-offs involve foreclosures at 8 Bristlecone Court, 9 Brown Thrasher Way, 52 King James Court, 18 Chowning Drive, 53 Beaver Run Drive, and 159 Stockbridge Drive. He stated that as of August 31<sup>st</sup>, we had \$28,883.71 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 \$22,512.60. 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 to approve the motion.

b. **Copier Contract Award.** Mr. Odom provided the Board with a summary of bids for replacement of the multi-function business machine in the office when the lease expires in October. Mr. Warren Smith motioned to approve the GM's recommendation to accept the Ashley's quote for a 36-month lease on a Canon C5051. Mr. Corder seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

c. **Digital Archiving and Shredding of Corporate Files.** At the request of the President, Mr. Odom briefed the Board on his request to shred current and future paper records that have been digitized and backed up by Carbonite, portable hard drive, and on a flash drive. Destruction will follow the process outlined in the Association's Standard Operating Procedure for Records Retention and Disposal. At the end of the brief, Mr. Warren Smith motioned to approve the GM's proposal. Mr. Braddy seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

d. **Appeal of Yard Maintenance Assessment by Mr. Wang.** At the request of the President, Mr. Odom briefed the Board on an appeal by Mr. Wang of 128 Cormorant Way of a \$60 lawn maintenance assessment. In Mr. Wang's undated letter received September 4<sup>th</sup>, he claimed that he had mowed and edged his property upon receiving an ARB notice on August 2<sup>nd</sup>. He goes on to say that the Association's contractors came on August 7<sup>th</sup> and did the edging again...albeit poorly. Mr. Odom provided the Board with pictures taken of the property on August 6<sup>th</sup> at the end of the notice expiration. He also provided before and after pictures taken by the Association's landscaping contractor on the 7<sup>th</sup>...as well as a picture he had taken during inspections of contractor work on the 8<sup>th</sup>. At the end of

the briefing and after reviewing the evidence, Mr. Warren Smith motioned to deny Mr. Wang's appeal. Mr. Corder seconded the motion. There was no further discussion and the Board voted 7-1 to approve the motion. Mrs. Ward voted in opposition.

**e. Appeal of Lien and Court Fees by M. Hossain.** At the request of the President, Mr. Odom briefed the Board on an appeal by Mr. Muhammed Hossain of 10 Brown Thrasher Way. In his letter dated September 1<sup>st</sup>, Mr. Hossain requests that a lien fee of \$38.40 and court fees of \$129 be removed from his account. He based the request on a contention that GCSA made an administrative error regarding his mailing address so that he was unaware that his balance was increasing. Mr. Odom stated that we appeared to have his correct mailing address in New York in our system through some time in May. Around that time, something happened to cause us to change his address back to his address here in Georgetown. Mr. Odom speculated that it was the result of a notice of undeliverable mail resulting from our Elections mailing. He admitted that we would normally retain the documentation and/or make a note in the electronic record (QuickBooks) regarding the address change...but that such documentation is missing in this case. He added that no payments were received from January through March during which time we were using the correct address. As a result, the remainder of the year's assessments was added to the account. A lien notice was sent out in May, but was not received and a suit was filed in July. Mr. Odom recommended reversing the life and court fees contingent on Mr. Hossain paying all other amounts due. Mr. Warren Smith motioned to accept the GM's recommendation along with a time limit of 60 days. Mr. Thompson seconded the motion. Mrs. Byers stated that the assessments and the payment process has been the same now for years and owners should know the amount that is due and have the responsibility of pay on time. At the end of discussion, the Board voted unanimously to approve the motion.

**f. Amount Charged for Lawn Maintenance Assessments.** At the request of the President, Mr. Odom briefed the Board on the lawn maintenance inspection and enforcement process. He stated that the current assessment is made up of two parts: (1) the flat rate fee charged by our contractor, and (2) a \$15 admin fee. He went on to say that the flat fee from the contractor will change if we ask them to do something other than mow the front and sides of the yard plus edging and blowing. He also stated that the admin fee covers: additional inspections by the ARB and the GM, photographic documentation, correspondence processing, and postage. He concluded by recommending the Board consider raising the admin fee to \$25 in 2013. Mr. Warren Smith motioned to increase the admin fee to \$45. Mr. Corder seconded the motion. During discussion, Mr. Smith stated that the average fee for doing a yard in the Savannah area is about \$75. He went on to say that the low fees we charge put the Association in the position of being landscapers—which is not our core business. Mr. Gerard stated that our Covenants do not allow us to fine owners and that the \$45 admin fee may appear to be punitive. Mr. Greg Ward stated that the Association should not be putting a larger financial burden on the homeowners. Mr. Don Golden stated that the \$60 fee is a joke and is excessive for just cutting the front yard. Mr. Warren Smith responded that the current landscaper's fee of \$45 was a good rate for both cutting and edging the front and sides of the property. Mrs. Byers asked how many yards we do each week. Mr. Odom answered that the average was about 25. Mr. Gerard recommended that the Association take repeat offenders to court. Mrs. Byers asked what costs do we really have invested? Mr. Warren Smith motioned to withdraw his motion and to table the issue pending receipt from the GM of all costs associated with this process. Mr. Corder seconded the motion. The Board voted unanimously to approve the motion.

**7. OPEN DISCUSSION.** No topics were tendered.

**8. ADJOURNMENT OF GENERAL MEETING.** At 8:50 p.m., Mr. Warren Smith motioned to adjourn the General Meeting. Mr. Corder seconded the motion and the Board voted unanimously to approve it.