

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

**MINUTES OF GENERAL MEETING
November 10, 2015**

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

:

Mike Richardson	President	Present
Renee Rabbitt	VP	Present
Warren Smith	Sec/Treasurer	Present
David Campbell	Member	Present
John Sewell	Member	Present
Melissa Friel	Member	Present
Dorothy Strong	Member	Present
Geoff Riehl	Member	Absent, Proxy to Mr. Richardson
Vacancy		

2. **APPROVAL OF AGENDA.** Mr. Smith motioned to approve the agenda as written. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

3. **APPROVAL OF MINUTES.** Mr. Smith motioned to approve as written the minutes of the CSA Budget Hearing and the General Meeting held on October 13th. Mr. Sewell seconded the motion. There was no additional discussion and the Board voted unanimously to approve the motion.

4. **COMMITTEE REPORTS**

- a. **GM Report.** Collection Office Report, Accounting Summary, October 2015 Profit and Loss Report, and October 31st Balance Sheet are provided.

Balances. As of October 31, 2015, CSA checking (operational account) totaled \$123,118.40. The total of CSA reserves (Vanguard Account, First Chatham, South State Bank, United Community Bank, Ameris Bank, Carver State Bank, Queensborough, and Colony Bank accounts) is \$1,312,946.80. The total of CSA funds, including checking, reserves, petty cash, undeposited funds, and pre-payments is \$1,436,570.50. We made a deposit of \$11,901.75 into CSA reserves for October in accordance with the approved budget. All parcels also made their required reserve deposits for October. The total of all GCSA accounts is \$1,914,292.39. Aggregate deposits at each financial institution/program include:

AMERIS BANK

CSA Checking	\$123,118.40	
CSA Reserve MM	\$ 6,437.64	
Parcel Checking	\$ 67,428.19	
Parcel MM	<u>\$ 73,157.91</u>	
	\$270,142.14	(\$50K was moved to Vanguard 2/25/15)
		(\$40K was moved to Vanguard 1/14/15)
		(\$93K transfer to new Colony Acct 5/12/15)
		(\$15K transfer to Colony MM 8/31/15)
		(\$20K transfer to Colony Bank 10/7/15)
		(\$35K transfer to Colony Bank scheduled 11/4/15)

FIRST CHATHAM BANK

CSA Reserve MM	\$237,035.68
CSA Reserve Checking	<u>\$ 100.00</u>
	\$237,135.68

SOUTH STATE BANK

CSA Reserve MM	\$241,096.24
CSA Reserve Checking	<u>\$ 105.00</u>
	\$241,201.24

UNITED COMMUNITY BANK

CSA Reserve MM	\$197,100.37
GTP Reserves MM	<u>\$ 45,078.06</u>
	\$242,178.43

VANGUARD

CSA Reserve MM	\$247,266.51
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CARVER STATE BANK

CSA Reserve MM	\$249,634.70
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COLONY BANK

CSA Reserve MM	\$117,688.85
AP Reserve MM	\$ 1,575.32
HG Reserve MM	\$ 1,372.77
LL Reserve MM	\$ 1,688.18
GTP Reserve MM	\$ 21,621.67
TH Reserve MM	<u>\$ 35,027.90</u>
	\$178,974.69

QUEENSBOROUGH BANK

CSA Reserve MM	\$ 16,481.81
AP Reserve MM	\$ 5,537.94
HG Reserve MM	\$ 5,407.07
LL Reserve MM	\$ 25,733.39
GTP Reserve MM	\$105,428.28
TH Reserve MM	<u>\$ 88,665.21</u>
	\$247,253.70

Total CSA Reserves	\$1,312,946.80	(AB, FCB, SSB, UCB, VG, CSB, QB, COL)
CSA Checking	\$123,118.40	
CSA Petty Cash Fund	\$ 300.00	
Undeposited funds	<u>\$ 205.30</u>	
Total CSA Funds:	\$1,436,570.50	(incl: cking, res, p/c, undep funds, & pre-pays)
Total GCSA Funds:	\$1,914,292.39	(incl: tot CSA, parcel ck & mm res)

Income and Expenses. Total income for October was \$82,983.98 which was \$610.61 higher (better) than budget. Expenses for the month were \$55,353.64 which was \$7,647.02 lower (better) than budget. This was mostly due to much lower than expected write-offs of bad debt. We also had lower expenses in payroll, electricity, and legal expense. Net Income was \$27,630.34 which was \$7,647.02 higher (better) than budget. Year-to-date net income is \$25,487.83 better than budget.

Capital Budget Execution thru 10/31/15:

BAL SHEET	RS LINE	ITEM	BUDGET	ACTUAL	DIFF
2210 Buildings					
	1006	SS Interior Painting	\$2,950		
	6003	BH Exterior Painting	\$1,000		
	6005	BH Interior Painting	\$1,500	\$ 515.13	-\$ 984.87
	22007	NS Front Doors	\$8,000	\$9,067.75	+\$1,067.75
		Reserve Study Update	\$2,500	\$2,400.00	-\$ 100.00
2220 Furniture					
	26004	NS Furniture	\$ 800	\$ 800.24	+\$.24
	21	Pool Furniture	\$1,485	\$1,344.13	-\$ 140.87
2230 Land No planned expenditures for 2015					
2240 Land Improvements					
	17001	Tree Work	\$2,000	\$1,850.00	-\$ 150.00
	31002	KG Ent Lighting	\$1,075	\$ 849.94	-\$ 225.06
	31006	KB Ent Lighting	\$1,075	\$ 849.94	-\$ 225.06
		Replacement light		+\$ 424.93	+\$ 424.93
	31007	EL Cor Lighting	\$1,075	\$ 849.94	-\$ 225.06
	31008	EL Junco Lighting	\$1,075	\$ 849.94	-\$ 225.06
	32014	St. Ives A Lagoon	\$5,000	Defer to 2016	
	32016	Wexford I Lagoon	\$5,000	Defer to 2016	
	32017/18	Wexford II & GP Lagoons	\$30,000	In process	**
	Not Listed	Lagoon/Amenity Signs	\$1,600	\$ 1599.76	+\$1,599.76*
		*BOD approved addition 7/14/15			
2250 Machinery and Equipment					
	5	SS Computers (3)	\$3,000	\$2,545.47	-\$ 454.53
	5003	SS Sec Alarm System	\$2,529	\$1,387.43	-\$1,141.57
	11.01	SS Sec Cam & DVRs	\$3,000	\$3,000.00	0
	15004	Tennis Court Nets	\$1,420	Defer to 2016	
	18001	Playground Swings	\$1,900	\$ 729.62	-\$1,170.38
	26001	NS Sec Alarm System	\$1,775	\$ 1,775.00	0
	26002	NS Security Cams 16	\$2,500	\$ 2,111.36	-\$ 388.64
	19012	Rolling Blower	\$ 425	\$ 403.56	-\$ 21.44
	19016	Wet/dry Vac	\$ 150	Defer to 2016	
	23005	NS Water Heater	\$ 1,600	Defer to 2016	
	10000	Gate Guard Bldg A/C	\$ 1,375	\$ 1,367.00	-\$ 8.00
	400	Lawn Tractor overhaul	\$ 400	\$ 475.35	+\$ 75.35
		Lawn Tractor purchase	\$ 0	\$ 3,422.93+\$3,422.93***	
		Mini-Split A/C for Gym	\$ 3,937	\$ 3,937.00	\$ 0
		Additional treadmill	\$ 2,300	\$ 2,300.00	\$ 0
2260 Vehicle					
	19001	Ford Ranger	\$17,500	Defer to 2016	
		Subtotal	\$109,946		
		Less approved deferrals -	\$ 30,670		
		Total	\$ 79,276	\$44,856.42	+\$1,130.42

* BOD approved addition 7/14/15

** BOD approved increase 10/13/15

*** BOD approved addition 8/11/15

CSA Capital Budget and Reserves Summary	Annual Budget	Actual Results Year-to-date	
Beginning CSA Reserve Balance 1/1/15:	\$1,037,237		
(+) Allotments/Deposits:	\$142,821	\$ 107,115.75	OK
(+) Depreciation	\$132,000	\$ 110,000.00	OK
(+) Interest	\$ 1,380	\$ 1,382.30	+\$232.30
(-) Expenditures:	\$ 89,946	\$ 44,856.42	+\$1,130.42
Projected Ending Balance 12/31/15:	\$1,225,092		

***Not including income from payments on prior-year accounts receivable, and misc income that is over budget.**

Parcel Capital Budget Execution thru 10/31/15:

PARCEL	BAL SHEET	RS LINE	ITEM	BUDGET	ACTUAL	DIFF
AP:	No planned capital expenditures for 2015					
HG:	2240	Line 1007	Tree Work	\$ 500		
	2250	Line 1009	Mail Box	\$ 1,710	Defer to 2016	
	2240	Line 1011	Sign Repair	\$ 600	\$ 436.03	-\$163.97
LL:	2240	Line 1006	Tree Work	\$ 500		
GTP:	2240	Line 1006	Tree Work	\$ 600	\$625.00	+\$ 25.00
	2240	Line 1011	Entrance Sign	\$ 900	\$ 436.02	-\$163.98
	2240	Line 1014	Irrigation Repair	\$3,000	In process	
	2250	Line 1015	Irrigation Timer	\$ 500	In process	
TH:	2250	Line 1002	Mail Boxes	\$4,465	Defer to 2016	
	2240	Line 2003	Replace Curbing	\$31,000	\$23,261	-\$7,739.00
	2240	Line 2005	Sidewalk Overlay	\$12,600	Defer to 2016	
	2240	Line 2008	Tree Work	\$ 700		
Total of Parcel Capital Budgets				\$57,075		

Past Due Accounts. The number of past due accounts decreased in October from 460 to 397, but the dollar amount increased slightly from \$234,809.80 to \$235,906.18. The number of accounts 31-60 days dropped from 234 to 218, but the dollar amount increased from \$9,353.09 to \$10,498.90. The number of accounts 61-90 days past due declined from 158 to 145, and the dollar value rose slightly from \$5,168.25 to \$5,902.93. The number of accounts over 90 days in arrears dropped from 171 to 168, and the dollar value dropped from \$220,287.56 to \$219,504.35. The total number of accounts past due (397) represents 20% of all properties which is a 3 percentage drop from September. The October 31st past due amount represents a 1.17% decrease compared to October 2014, and a 16% drop over the past 12 months. In October, we issued 109 first and second letters (combined), and processed 20 new or updated liens, and 18 suits/judgments. We received 16 payments (of \$200 or more) for past due amounts totaling \$5,650.04. 18 of our accounts are in bankruptcy, with \$22,917.90 owed pre-bankruptcy, and \$9,716.65 in post-bankruptcy owed. The total amount in bankruptcy is \$32,634.655 and that amounts to a \$5,862.26 increase from last month. The attached report summarizes the status of accounts that the Board approved special payments.

Projects and Other Topics.

- We had approximately 175 people attending the Fallfest/Halloween Party, and everyone appeared to have a good time.
- Breakfast with Santa is scheduled for Saturday, December 12th between 9:00-11:00 a.m.
- The Wexford lagoon project is underway and is expected to be completed this week.
- Painting of the Bath House exterior and the Southside Clubhouse interior will be conducted before the end of the year.

b. SECRETARY/TREASURER. Nothing to add.

c. PARCEL REPRESENTATIVE. No report

d. ARB REPORT was provided by Mr. Sili and a copy is attached.

5. UNFINISHED BUSINESS. None.

6. NEW BUSINESS

a. Consideration of Board Candidates. Mr. Richardson stated that the Board would be considering three individuals who had self-nominated since the Board opening was advertised on October 14th. The ultimate selectee would be filling the unexpired term of Mr. Marlin Clifton who resigned last month. The three candidates included: Mrs. Amber Ealy of 170 Lion’s Gate Road; Mr. Robert Fitch of 4 Bristlecone Drive; and Mr. Dave Mueller of 6 Factors Place. Mr. Richardson offered each an opportunity to address the Board. Once each had taken this opportunity, the Board voted to select Mrs. Amber Ealy, and she was immediately seated as a member of the Board.

b. Approval of Audubon Park’s 2016 Maintenance Budget. Mr. Odom provided a written summary to the Board regarding the proposed Audubon Park budget that was previously briefed during the parcel budget hearing on September 8th. The budget assumes no increase in the maintenance assessments, which remain at \$159.41/month or \$1,912.92/year. The proposed budget, shown below, increases the reserve allocation by \$1,048 to \$8,275 for the year.

Budgeted Annual Income:	\$15,315.36
Budgeted Annual Expenses:	\$ 7,035.44
Budgeted Net Income:	\$ 8,279.92
Allotment for future repairs	\$ 8,275.00
Residual Net Income:	\$ 4.92

Mr. Smith motioned to: (1) approve the proposed maintenance budget for 2016; (2) approve raising the assessment by 5% but deferring implementation to some future date; and to (3) approve the GM’s recommendation of \$600/.00 in capital expenditures for 2016. Mrs. Rabbitt seconded the motion. During discussion, Mr. Sewell asked if there should be a cap to the amount of approved, but deferred, increases. Mr. Smith responded that it is hard to know what emergency requirements there may be in future years. He went on to say that Board members back in the 1970’s failed to vote for increases and that left us with no alternative than to borrow money to fix the pools back in 2007. He added that if the increases have not been previously approved, the only option is to request a special assessment... which is virtually impossible to get approved. There was no further discussion and the Board voted 8-1 to approve the motion. Mrs. Friel voted in opposition.

d. Approval of Hunter’s Green 2016 Maintenance Budget. Mr. Odom provided a written summary to the Board regarding the proposed Hunter’s Green budget that was previously briefed

during the parcel budget hearing on September 8th. The budget assumes no increase in maintenance assessments, which remain at \$86.76/month or \$1,041.12/year. The proposed budget, shown below, reflects a \$959 increase in the reserve allocation for a new total of \$5,757 for the year.

Budgeted Annual Income:	\$18,752.16
Budgeted Annual Expenses:	\$10,852.41
Budgeted Net Income:	\$ 7,899.75
Allotment for future repairs	\$ 5,757.00
Budgeted Residual Net Income:	\$ 2,142.75 (covers 2 non-payers/mo)

Mr. Smith motioned to: (1) approve the proposed budget for 2016; (2) approve a 5% increase for 2016 but defer implementation to some future date; (3) continue deferring previously-approved increases from 2012-2015; and (4) approve proposed capital expenditures (tree work \$2,300 and mailbox replacement \$2,500). Mrs. Rabbitt seconded the motion. During discussion, Mrs. Rabbitt stated that the Board should consider, at some later point, whether we need to cap the approved but deferred increases. Mr. Odom pointed out that, during those discussions, the Board should factor in the number of members in the group under consideration. Parcels like Audubon Park and Hunters Green have few homeowners, so the amount of cash that can be raised—even at larger percent increases—is relatively small and may not be enough to handle the emergency at hand. Mr. Gerard added that the .5% increase included in the covenants was mostly to cover CPI (consumer price index...i.e., inflation). There was no further discussion and the Board voted 6-3 to approve the motion. Mr. Sewell, Mrs. Friel, and Mrs. Ealy voted in opposition.

e. Approval of Lott’s Landing 2016 Maintenance Budget. Mr. Odom provided a written summary to the Board regarding the proposed Lott’s Landing budget that was previously briefed during the parcel budget hearings on September 8th. The budget assumes no increase in maintenance assessments, which remain at \$77.74 or \$932.88/year. The proposed budget, shown below, maintains the \$8,580 reserve allotment from 2015.

Budgeted Annual Income:	\$29,864.88
Budgeted Annual Expenses:	\$18,227.82
Budgeted Net Income:	\$11,637.06
Allotment for future repairs	\$ 8,580.00
Budgeted Residual Net Income:	\$ 3,057.06 (covers 3.3 non-payers/mo)

Mr. Smith motioned to: (1) approve the proposed budget for 2016; (2) approve a 5% increase for 2015 but defer implementation to some future date; (3) continue deferring previously approved increases from 2012-2015; and (4) approve proposed 2016 capital expenditure of \$600 for tree work. Mrs. Rabbitt seconded the motion. There was no additional discussion and the Board voted 7-2 to approve the motion. Mr. Sewell and Mrs. Friel voted in opposition.

f. Approval of the Georgetown Place 2016 Maintenance Budget. Mr. Odom provided a written summary to the Board regarding the proposed Georgetown Place budget that was previously briefed during the parcel budget hearing on September 8th. The budget assumes no increase in maintenance assessments, which remain at \$126.13 (\$109.39 maintenance fee plus \$16.74 reserve contribution). The proposed budget, shown below, increases the reserve allotment by \$451 to \$30,527.

Budgeted Annual Income:	\$100,350.96
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Budgeted Annual Expenses:	\$ 60,993.00
Budgeted Net Income:	\$ 39,357.96
Allotment for Future Repairs:	\$ 30,527.00
Budgeted Residual Net Income:	\$ 8,830.96

Mr. Smith motioned to: (1) approve the proposed Georgetown Place budget for 2016; (2) approve a 5% increase in assessments for 2016 but defer implementation to some future date; (3) continue deferring previously approved increases from 2011-2015; and (4) approve the proposed capital expenditure of \$2,200 for tree work. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted 7-2 to approve the motion. Mr. Sewell and Mrs. Friel voted in opposition.

g. Approval of Georgetown Townhomes 2016 Maintenance Budget. Mr. Odom provided a written summary to the Board regarding the proposed Townhome budget that was previously briefed during the parcel budget hearing on September 8th. The budget assumes a 5% increase in maintenance assessments to \$143.51/month or \$1,722.12 per year. The proposed budget, shown below, increases the reserve allotment from \$43,937 to \$54,724.

Budgeted Annual Income:	\$ 81,179.64
Budgeted Annual Expenses:	\$ 26,437.04
Budgeted Net Income:	\$ 54,742.60
Allotment for Future Repairs:	\$ 54,724.00
Budgeted Residual Net Income:	\$ 18.60

Mr. Smith motioned to: (1) approve the proposed 2016 Townhome budget; (2) implement the 5% previously approved in 2012; (3) approve raising the assessment by 5% but deferring implementation until some future date; (4) continue deferring previously approved increases for 2013-2015; and (5) approve proposed capital expenditures (\$4,465 for mailbox replacement and \$600 for tree work). Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted 7-2 to approve the motion. Mr. Sewell and Mrs. Friel voted in opposition.

h. Approval of Georgetown CSA 2016 Operational Budget. Mr. Odom provided a written summary to the Board regarding the proposed GCSA Operational (amenities) Budget that was previously briefed at the October 13th budget hearing. The budget assumes no increase in the general (amenities) assessment, which remain at \$38.92/month or \$467.04/year for the eighth straight year. The proposed budget decreases the reserve allotment by \$5361 to \$137,460. It also increases expenses relating to payroll, employee health insurance, depreciation, and insurance. Offsets were achieved in bad debt expense, suit/lien expense, and reserve allotments. The proposed budget, shown below, also maintains the basic pool season programmed in 2015.

Budgeted Income:	\$978,338.44
Budgeted Expense:	\$840,825.12
Budgeted Net Income:	\$137,513.32
Reserve Allotment:	\$137,460.00
Residual Net Income:	\$ 53.32

Mr. Odom's summary also listed the following recommended administrative fees and current/projected court fees for 2016 (the latter being subject to potential mid-year increases beyond the Association's control):

- **Admin fees** are as follows: Lawn maintenance (\$20); Lien Fee (\$30); Certified Mail Fee (\$3.94); NSF checks (\$35); Suit Filing (\$30); FIFA Fee (\$10); FIFA Cancellation (\$5.00); Interrogatories Fee (\$25); Garnishment Fee (\$10); Lien Cancellation (\$5.00); Default Hearing (filing) (\$5.00); Court Hearing Attendance (\$15); and Show Cause Hearing (filing) (\$5.00).
- **Court fees** are as follows, but are subject to change mid-year: Liens (\$5 to file, \$7 to remove); FIFA Fee (\$9 to record + \$7 to remove); Interrogatory Fee (\$10); Garnishment Fee (\$105). Suit filing (\$99); Suit service (\$50);

Mr. Smith motioned to: (1) approve the proposed operational budget for 2016; (2) approve a 5% increase in assessments for 2016 but defer implementation to a future date; (3) approve continuing to defer previously approved increases from 2009-2015; (4) approve implementation of the recommended admin fees and court fees cited above; (5) approve allowing equal monthly payments of the annual general assessment due in advance at the first of each month; (6) approve maintaining the current interest rate charge of .5% on unpaid members' accounts over 30 days old; and (7) approve maintaining current facility rental rates and rules. Mr. Campbell seconded the motion. There was no further discussion and the Board voted 7-2 to approve the motion. Mr. Sewell and Mrs. Friel voted in opposition.

i. **Approval of Georgetown CSA 2016 Capital Budget.** Mr. Odom provided a written summary to the Board regarding the 2016 Capital Budget that was previously briefed at the Budget Hearing on October 13th. The attached proposed budget totals \$191,436.00 and includes \$25,000 to replace the work truck; \$8,400 in repairs to buildings; \$1,485 in furnishings; \$121,615 in land improvements (lagoon repairs and parking lot repairs/resurfacing; and \$34,936 in machinery and equipment. Mr. Smith motioned to approve the proposed \$191,436 CSA capital budget and the \$13,265 in parcel capital expenditures. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

j. **Appeal of Lien by K. Morris, 126 Junco Way.** The President noted that Mr. Morris was not in the audience, so consideration of the appeal would include the currently available information provided by the staff. This documentation included: a copy of Mr. Morris' request; a copy of a past due notice dated February 12, 2015; a copy of a past due/lien warning notice dated October 8, 2015; and a statement covering the period January 1, 2015 to November 3rd. According to this documentation, Mr. Morris' account was past due for a second time this year on October 8th. Per Administrative Resolution 2014-2, and as reflected on the Notice of October 8th, "when an account becomes 60 past due, or more than 30 days past due for the second time in a calendar year, the remainder of the year's assessments shall be added to the account and that a Lien Warning Notice shall be sent to the owner stating a lien shall be placed on the property if the balance is not paid within 10 days...and that the owner would be responsible for pay the lien filing fee, the admin fee, and (once the balance is paid) a lien removal fee." Mr. Smith motioned to deny the waiver, but to allow Mr. Morris until noon on Monday, November 16th, to pay the balance in full before the Association would file the lien. Mrs. Rabbitt seconded the motion. There was no further discussion and the Board voted unanimously to approve the motion.

7. **OPEN DISCUSSION.** No topics or questions were set forth by the Board members or by those in the audience.

8. **ADJOURNMENT OF GENERAL MEETING.** At 8: 40 p.m., Mr. Smith motioned to adjourn the General Meeting. Mrs. Rabbitt seconded the motion and the Board voted unanimously to approve it.