

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

**MINUTES OF GENERAL MEETING
January 11, 2011**

1. **CALL TO ORDER.** The President called the meeting to order at 7:45. He asked the Secretary/Treasurer to call roll, which he did with the following results:

Richard Lindsey	President	Present
Warren Smith	VP	Present
William Campolongo	Sec/Treasurer	Present
Robert Smith	Member	Present
Jim Shea	Member	Present
Robin Byers	Member	Present
Kenneth Corder	Member	Present
Butch Braddy	Member	Present
Renee Rabbitt	Member	Present

2. **APPROVAL OF MINUTES.** Mr. Warren Smith motioned to approve, as written, the minutes of the General Meeting of December 14, 2010. Mr. Corder seconded the motion. There was no additional discussion and the Board voted unanimously to approve the motion.

3. **COMMITTEE REPORTS.**

a. **GENERAL MANAGER.** Mr. Odom noted that the members had been provided copies of the Collection Office Report, Bank Balances Report, Accounting Summary, and December 2010 Profit and Loss Report. He, then, provided the following information regarding financials, project, and other events.

Balances. As of January 6, 2011, CSA checking (operational account) totals \$108,831.50 (before \$10,000 reserve allotment was deducted). The total of CSA reserves (Vanguard Account plus First Chatham Accounts) is \$124,209.54. This amount is \$13,620.01 in excess of the minimum opening balance of \$110,589.44 set forth in the Reserve Study. January's reserve allotment of \$10,000 is being posted this week. The grand total of CSA funds (CSA reserves plus operational checking) is \$233,141.04. In December, we made deposits totaling \$18,580 into the reserve accounts at First Chatham Bank per the budget previously approved by the Board. Summary of bank deposits and specific reserve accounts balances are shown below. The total of all GCSA accounts (including CDs and CDARS) is \$433,398.73. Aggregate deposits on hand at each financial institution/program include:

Coastal	\$183,029.77	
CD's	\$126,059.42	(at Coastal Bank)
First Chatham	\$109,275.25	
Vanguard	<u>\$ 15,034.29</u>	
Total:	\$ 433,398.73	

Income and Expenses. Total income for December was \$79,051.79 which was \$975.59 better than budget. Total expenses were \$56,883.68 which was \$653.29 better than budget. Net income was \$1,628.88. Southside water usage (line 8284) for December was \$1300 over budget due to a leak in the pool plus some malfunctioning toilets...all of which we believe have been fixed. For the year, income, expenses, and net income were all better than budget.

Past Due Accounts. The number of past due accounts increased in December from 263 to 270, but the dollar amount decreased from \$241,461.61 to \$236,250.41. The number and value of accounts 31-60 days went down from 59 to 43, and \$26,211.09 to \$18,031.06, respectively. The amounts 61-90 days past due went up from 21 to 49, and the dollar value went down up \$13,854.47 to \$18,709.50. Accounts over 90 days in arrears went down from 183 to 178, and from \$201,396.05 to \$199,509.85, respectively. In December, we issued 25 first and second letters (combined), 2 new or updated liens, 0 FiFas, and 1 new law suit. We received 19 payments (of \$200 or more) for past due amounts totaling \$9,263.68. 27 of our accounts are in bankruptcy, with \$21,709.45 owed pre-bankruptcy, and \$10,646.92 in post-bankruptcy owed. The total amount in bankruptcy is \$32,356.37.

Repairs and Scheduled Projects:

a. **Southside Clubhouse:** The Fitness Center has been completed, including the installation of the electronic access system. As of January 6th, 326 individual passes have been issued covering 153 member families.

b. **Lion's Gate Entrance:** New landscaping has been installed and the front of the walls have been painted. The back sides of the walls will be cleaned and painted later in the spring. We have a quote of \$750 to repair the masonry on the north end of the right-side wall that was damaged some years ago. The repair made at that time is not holding up well, but can probably make it until late 2011 when we may want to use sweep-up funds (if available) to fix it.

Annual Tool Inventory has been completed and all equipment was properly accounted for with the exception of 2 hammers totaling approximately \$20.

Community Advisory Committee (quarterly meeting with Police) is currently scheduled for February 15th at 7:00 p.m. The location is the Police Annex, just off of Chatham Parkway. This ties into the issue of improving security in the neighborhoods that was discussed at the last meeting.

Sidewalk and Concrete Repair Contract approved by the Board last meeting has been signed by all parties and work is scheduled to begin in the latter part of February.

b. **SECRETARY/TREASURER.** Mr. Campolongo stated that he signed all the checks and found everything to be in order.

c. **ARB.** Mr. Yardman reported on the results of the ARB meetings held on December 21st and January 4th. Afterward, he provided the following December data:

Total new violations: 327
Total violation repaired this period: 270
Hang Tags issued: 91
Letters mailed: 318

Issues forward to GM or attorney: 100
Total current violations: 250

At the end of Mr. Yardman's report, Mr. Shea asked about taking down Christmas decorations. Mr. Yardman replied that he sends out a notice in late January to those who still have decorations up.

d. **PARCEL REPRESENTATIVE.** No report.

4. UNFINISHED BUSINESS.

a. **Future of Basketball Court and Potential Skateboard Park.** Mr. Warren Smith motioned to table the issue and consider repair of the basketball court slab in next year's budget. Pastor Smith seconded the motion.

5. NEW BUSINESS.

a. **Write-off of uncollectible Accounts.** Mr. Warren Smith motioned to approve writing off one uncollectible account totaling \$395.42. Pastor Smith seconded the motion. There was no further discussion, and the Board voted unanimously to approve the motion.

b. **Flood Insurance Update.** At the request of the President, Mr. Odom briefed the Board on his recommendation to increase flood insurance coverage. He stated that FEMA had recently redrawn the flood lines and that the Association had made significant investments in our buildings since the last flood insurance deliberations back in 2006. While the Southside Clubhouse has been insured to the maximum level, it is prudent to consider adding flood insurance to the Northside Clubhouse and both the Southside Maintenance Building and Bath House. Mr. Odom explained that new FEMA rules require us to get Elevation Certificates from a surveyor in order to get flood insurance quotes and coverage. Therefore, Chatham Surveying was hired to do the work (\$750) and the following quotes were received: Northside Clubhouse (\$4,467), Bath House (\$759), and Maintenance Building (\$567)...for a total of \$5793. Mr. Odom recommended paying for it by moving \$6000 from the Rec/Non-Labor budget line (earmarked for new tables and chairs), to line 8220 (Insurance) and to approve the attached revised budget reflecting that change. Mr. Warren Smith motioned to approve the proposed flood insurance purchase and the proposed budget change to pay for it. Pastor Smith seconded the motion. During discussion, Mr. Campolongo asked whether the table and chair purchase was being sacrificed to pay for the insurance. Mr. Odom replied that the Board would have an opportunity to address alternate funding for the tables and chairs during discussion of the next agenda item. Mrs. Byers asked if the change in flood lines had changed the status of our properties. Mr. Odom replied that none of our properties were previously required to have insurance and that, based on the current 4-tier categories, our Northside Clubhouse is in the "recommended" but not required group. The Bath House and Maintenance Building are in a lower category where flood insurance is available but not required. Mr. Warren Smith added that we have been self-insuring these three properties since 2006 and we need to move quickly on this purchase and reduce our financial exposure. At the end of discussion, the Board voted unanimously to approve the motion.

c. **New Tables and Chairs for the Southside Clubhouse.** At the request of the President, Mr. Odom briefed the Board on his proposal to spend up to \$5,702.12 on the purchase new tables,

chairs and associated transport/storage carts. He recommended that the 2011 Capital Budget be amended to include this purchase, given that this purchase had been originally programmed for the operational budget which was just amended to cover the new flood insurance purchase. He stated that we had carried forward from 2010 \$124,209.54 in reserves which was \$13,620.01 more than was previously planned or required by the Reserve Study. He added that after executing the 2011 operational budget and depositing the required \$120,000 into reserves (as required by the Reserve Study), that we would have \$41,400 in residual retained earnings at the end of the year. At the end of the brief, Mr. Warren Smith challenged the calculations and stated that it appeared that we would be at least \$3,000 worse off by the end of the year than originally planned. Mrs. Byers asked if the pricing would change if the quantities of tables and chairs were reduced. Mr. Odom responded that the unit pricing would stay the same. Mr. Campolongo stated that the tables and chairs need to be replaced and the \$5700 was a small price to pay. Mr. Shea indicated disagreement and stated that he did not think we needed 144 chairs. Mr. Campolongo responded that the current chairs are totally inadequate. Mr. Corder stated that we need these tables and chairs for banquets and receptions. Mrs. Rabbitt added that, now that we have invested in these renovations, we need to invest in the equipment. Mr. Shea stated that this is a lot of money and that each month we end up writing off a certain number of uncollectible accounts. Mr. Lindsey recommended the Board consider a motion to purchase all of the equipment proposed by Mr. Odom, and that if that failed to pass, an alternate motion could be tendered to purchase a reduced amount. Mrs. Rabbitt motioned to spend up to \$5702.12 on 18 tables, 144 stacking chairs, 3 table dollies, and 2 chair dollies and to amend the capital budget to pay for the purchase. Mr. Campolongo seconded the motion. The vote was 5-4 in favor of the purchase. Mr. Warren Smith, Pastor Bob, Mr. Shea, and Mrs. Byers voted in opposition.

d. Appeal of Yard Maintenance Assessment. Ms. Antoinette Scaringi of 13 Cobblestone Court addressed the Board to appeal an \$85.00 yard maintenance assessment. She stated that she had hired someone to come do the work and that the Association's hired contractor showed up just prior to their arrival and did the work. Mr. Shea asked her if she received a letter saying what the requirements were and what the timeline was. She said she did and that she made the necessary preparations to respond. Mr. Lindsey stated that she should have called the General Manager if she had made other arrangements to get the work done. Ms. Scaringi replied that a friend was asked to make the call and did so (and left a message). Mr. Gerard asked if Ms. Scaringi had a record of that phone call. She replied that it was a cell phone call. Mr. Gerard replied that even cellular calls reflect a record of calls made. Mr. Warren Smith stated that records reflect that she went through this same type of situation around this time last year and asked her to confirm this. Ms. Scaringi replied, "yes, but these are two separate events." Mr. Shea asked again if she was given a deadline. Mr. Gerard told Ms. Scaringi that she was given a deadline and that a phone call to the Association would have solved the issue. At the end of discussion, Mr. Warren Smith motioned to approve Ms. Scaringi's appeal. Mr. Braddy seconded the motion. Mr. Campolongo requested a secret ballot. The motion failed by a vote of 3 in favor and 5 opposed.

6. OPEN DISCUSSION.

a. Mr. Vacciana mentioned that there had been a recent break-in within the Sugar Mill neighborhood. Mrs. Rabbitt added that there had been a break-in in the Knightsbridge area. Mr. Corder recommended that the Sugar Mill residents start up a neighborhood watch group.

b. Mr. Braddy mentioned that he had a friend who apparently has asked the Association to review a recent lawn maintenance assessment. This friend indicates that he had a contractor do the

work the same day as our Association contractor did the work...and both got paid. Mr. Odom replied that he was aware of the review request and that he was investigating it.

7. **ADJOURNMENT.** At 9:20 p.m., Mr. Warren Smith motioned to adjourn the meeting. Mr. Shea seconded the motion. There was no further discussion and the Board voted unanimously to adjourn.