Cameron Station Community Association
Financial Advisory Committee Meeting
Thursday, June 23, 2016 at 7:00 PM
Henderson Room

MINUTES

I. Call to Order
   A. The meeting was called to order at 7:04 p.m. by the Chairman, Jeff Gathers.
   B. Members Present: Chairman Jeff Gathers, Ted Pickett, Brian Schneider, Aldo D’Ottavio and Tim McLaughlin.
   C. Board Representative Present: Meagan Brock
   D. Members Absent: Kyle Bateman and Mahl Avila.

II. Approval of Agenda
    A motion was made and seconded to approve the FAC meeting agenda. The motion was unanimously passed.

III. Approval of Minutes
     The committee reviewed the May 26, 2016 meeting minutes. A motion was made and seconded and the minutes were approved.

IV. Resident Open Forum
    No other residents were present.

V. Review of Financial Reports

May 31, 2016 Financials
Month end and YTD financials were reviewed. Financial progress for the month and YTD versus the budget was discussed. A favorable $173,976 variance in budgeted net income through May 31, 2016 was noted. The favorable variance was largely due to settlement proceeds received from a lawsuit of approximately $200,000. These proceeds are subject to about $40,000 in taxes that will be accrued in future financial statements. Certain expense variances were also discussed but raised no significant concerns.

Compared to prior month end, the May 31, 2016 Balance Sheet reflected a $190,423 decrease in assets largely driven by a lower balance in the Association’s Operating account, assessments receivables and Other Prepaid Expenses. Liabilities also declined $184,190 in May due essentially to Future Months Assessments, which were $197,942 lower than April. This pattern is normal because of the quarterly cycle of assessment income collections. Owner's Equity increased $26,071 in May, and remains strong at 76.4% of assets.
VI. Old Business

A detailed discussion ensued on the relationship between the Repair & Replacement Reserve/Capital Improvement (equity) accounts and the Investment (asset) accounts on the Association’s balance sheet. Chairman Gathers clarified the purpose for, and background on, the two Reserve accounts. Potential uses of the net proceeds from the settlement – and how they would affect the balance sheet – were also discussed. The FAC supports allocation of $100,000 (or more) of the proceeds from Owners’ Equity to the Repair & Replacement Reserve, with a corresponding transfer of cash into the Investment Fund with Morgan Stanley. The Board plans to make a final decision on this question by the end of the third quarter. Next steps were discussed.

The committee reviewed an update from CMC Management on the status of the six Condominiums, Reserves for maintaining the community’s streets and sidewalks. Chairman Gathers will follow-up with CMC to clarify the options presented to date by CMC to resolve equitably the allocation of these major long-term expenses between the condominium associations and Cameron Station.

VII. New Business
Chairman Gathers distributed the 2017 budget schedule for the community.

The next FAC meeting is on Thursday, July 21st at 7:00 p.m.

VIII. Adjournment
After a motion was made and seconded, the meeting was adjourned at 9:04 p.m.