CAMERON STATION COMMUNITY ASSOCIATION, INC.
BOARD OF DIRECTORS MEETING MINUTES

Tuesday, July 26, 2011

The regularly scheduled monthly meeting of the Board of Directors for July was held on Tuesday, July 26, 2011. The meeting was called to order at 7:00 p.m. by Mindy Lyle at the Cameron Club, Alexandria, Virginia 22304.

Board Attendance:  Mindy Lyle – President, Tom Mcclimon – Vice-President, Don Buch – Treasurer, Nick Giannotti – Director, Philip Ludvigson – Director.

Others Attending:  Airielle Hansford, Community Manager, CMC, Jan Ward, Division Director, CMC, Elynn Cangro, Recording Secretary

Members Absent:  Michael Kidwell – Secretary and Alvine Boone - Director

Move To:  Approve the July 26, 2011 meeting Agenda.
Moved by:  Don Buch
Seconded:  Nick Giannotti
For:  All
Against:  None
MOTION PASSED

GUEST SPEAKERS
Deputy Chief, Blaine Corle, Alexandria City Police Department, updated the Board on the latest crime reports in the Community. He stated there is nothing major to report in the City. He also updated the Board on the latest news regarding BRAC. He also stated that the new police headquarters will be opening behind the McDonald’s on Duke Street starting in August and completed by October.

RESIDENTS’ OPEN FORUM
Several residents spoke about the care and maintenance of the Helmuth Lane pocket park going forward. They also talked about the vast improvements made over recent years and the positive effects and benefits to the community these improvements have made.

Several residents spoke in support for Bright Start using the rear lot behind the pool for morning water play. Representatives of Bright Start addressed the concerns and reported all they have done to mitigate any possible safety issues.

Move To:  Approve allowing Bright Start to continue using the gazebo as long as it also remains open to the rest of the community and allowing them to continue to have splash days as long as they are not blocking the ambulance entranceway during pool hours.
Moved by:  Philip Ludvigson
Seconded:  Don Buch
For:  All
Against:  None
MOTION PASSED
Move To: Approve the minutes from the June 28, 2011 Board of Director’s meeting.
Moved by: Nick Giannotti
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED

APPEAL HEARING (for residents in attendance)
One Cameron Station homeowner was present to appeal the Common Area Committee’s denial of the Common Area Application to maintain the Helmuth/California Pocket Park and presented information packet for the Board’s review.

The Board will have the Common Area Committee review the materials and provide a recommendation to the Board for the possible creation of a sub-committee on the maintenance of pocket parks by residents.

One Cameron Station homeowner (#00313-1141) was present to request that the Board table any decision regarding a payment plan proposal until the next meeting.

FINANCIAL REPORT
Management provided a copy of the June 2011 Financial Report to the Board in the packet materials. Don Buch presented the Financial Report which had been prepared by CMC.

Investments:
On June 30, 2011 the Association had operating and investment funds totaling $2,251,433.27. The First Association Bank operating account had a balance of $227,368.85. The First Association Bank Google Ads account had a balance of $818.15. Based upon this statement, the Smith Barney Money Market account had a balance of $76,725.10. There is $1,878,000.00 invested in laddered CDs and investment funds. Additionally, there is $1,000.00 in the petty cash account.

Please note that there are two Certificates of Deposit totaling $145,000.00 maturing in late July. Management has reached out to Ted Hart and asked him to provide his recommendations for reinvestment to the Board of Directors.

The following information is from the First Association Bank’s website: Notices of Changes in Temporary FDIC Insurance Coverage for Transaction Accounts

All funds in a "noninterest-bearing transaction account" are insured in full by the Federal Deposit Insurance Corporation from December 31, 2010, through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least $250,000 available to depositors under the FDIC's general deposit insurance rules.

The term "noninterest-bearing transaction account" includes a traditional checking account or demand deposit account on which the insured depository institution pays no interest. It also includes Interest on Lawyers Trust Accounts ("IOLTAs"). It does not include other accounts, such as traditional checking or demand deposit accounts that may earn interest, NOW accounts and money-market deposit accounts.

Balance Sheet:
The Accounts Receivable Residential Assessments account as of June 30, 2011 was $27,450.69. This reflects a delinquency rate of approximately 1.3156%, which is below the industry standard of 5%.
Accrued Reserves total $1,491,206.40 and are fully supported by cash and investments. Owner's Equity*, which has a balance of $415,640.09, is also supported by cash. This signifies that the Association is in a healthy financial position.

The Capital Reserves account totals $69,756.41. There is $44,345.09 in approved Capital Improvements projects to be funded from this account and $25,411.32 in unappropriated funds.

*The Association's Unappropriated Prior Year Owner's Equity is the cumulative amount of net income or losses since the inception of the Association. Each year the net income (or loss) is added (or subtracted) to/from this amount. Auditors recommend that it is healthy for Associations to have between 10-20% of the Association's annual assessments in this line item.

**Income Statement Report:**

The Income Statement Report reflects a year-to-date income of $1,098,459.39, which is $5,426.61 below the budgeted amount of $1,103,886.00.

The year-to-date expenses total $1,065,034.70, which is $76,580.80 below the budgeted amount of $1,141,615.50. Below are the line items that have a variance of more than $1,500.00 from the year-to-date budgeted amount.

- **Postage**, line item #5010, was $2,963.30 below the year-to-date budgeted amount. This line item should level out towards the end of the year as the larger mailings are sent out.
- **Cost of Collections**, line item #5074, was $1,739.00 below the year-to-date budgeted amount, as the association has not had many delinquencies in 2011. This line item covers costs related to the collection of delinquent assessments.
- **Decals & Parking Passes**, line item #5075, was $4,500.00 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year. This was a new line item and management may adjust the budget spread for FY 2012.
- **Acct Setup/DD/Coupons**, line item #5106, was $3,039.00 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year. The budget spread for this line item will be adjusted for FY2012 to project more expenses in last quarter.
- **Temp Desk Coverage**, line item #5421, exceeds the year-to-date budgeted amount by $16,597.90. The front desk was manned by a temp employee for several months while Management searched for a new Administrative Assistant. Please note that this vacancy has had an impact on the Administrative Payroll and Payroll/Taxes/Benefits/Costs line items.
- **Board/Committee Expenses**, line item #5801, exceeds the year-to-date budgeted amount by $6,734.20. This is due to an invoice totaling $7,697.10 for pool party expenses that was miscoded. This item will be reclassified to line item #5601 – Community Activities on the July financials.
- **Legal Fees–General Counsel**, line item #5101, was $1,784.76 below the year-to-date budgeted amount.
- **Legal Fees–Collections**, line item #5105, was $4,013.42 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **Administrative Payroll**, line item #5402, was $17,713.86 below the year-to-date budgeted amount due to the vacant Administrative Assistant position.
- **Payroll Taxes/Benefits/Costs**, line item #5501 was $5,240.16 below the year-to-date budgeted amount due to the vacant Administrative Assistant position.
- **Federal/State Income Taxes**, line item #5202, was $1,750.00 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **Newsletter**, line item #5701, was $1,711.73 below the year-to-date budgeted amount.
- **Other Communication**, line item #5820, was $5,045.59 below the year-to-date budgeted amount. This line item should level out towards the end of the year as the larger mailings are sent out.
- **Website**, line item #5830, was $5,152.37 below the year-to-date budgeted amount. There is $18,920.00 budgeted in this line item for FY 2011. Management will be recommending a reduction in funding for FY 2012.
- **Landscape Maintenance**, line item #6001 was $3,351.19 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **Snow Removal Contract**, line item #6003, exceeds the year-to-date budgeted amount by $15,589.28. The bills for snow removal totaled $44,922.28, which is $922.28 above the annual budgeted amount of $44,000.00. This overage is mainly due to the costs to spread ice melt on the private streets on the priority treatment list in place of sand, at the request of the Board.
- **Special Cleanings**, line item #6026, was $3,000.00 below the year-to-date budgeted amount. This was due to a turnover in the billing department at National Service Contractors (NSC), which was filled in late June. NSC did not send the Association the invoices totaling $2,025.00 from May and June until July, despite multiple requests.
- **Common Area Lighting Maint.**, line item #6102, was $3,518.40 below the year-to-date budgeted amount.
- **Turf Treatment & Enhancement**, line item #6105, was $3,765.02 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **General Maintenance Supplies**, line item #6361, was $3,346.07 below the year-to-date budgeted amount.
- **Common Area Consulting**, line item #6640, was $5,000.00 below the year-to-date budgeted amount. These funds will be used to cover the contract for Rust Orling to complete the Club renovation plans.
- **Trash Removal Contract**, line item #6012, was $3,020.75 below the year-to-date budgeted amount. The monthly trash bills total $22,045.00 not including additional fees for special pickups, new/replacement recycling bins, etc.
- **Community Activities**, line item #5601, was $9,408.28, below the year-to-date budgeted amount. There was an invoice totaling $7,697.10 for pool party expenses that was miscoded to 5801-Board/Committee Expenses. This item will be reclassified on the July financials.
- **Pool Management Contract**, line item #6018, was $10,296.80 below the year-to-date budgeted amount. The budget spread for this line item will be adjusted in FY2012 projecting the billings to start one month later.
- **Exercise Equipment Repair & Maintenance**, line item #7245, was $2,601.65 below the year-to-date budgeted amount.

Overall there is a positive variance between year-to-date income and expenses in the amount of $33,424.69 through June 30, 2011, which is $71,154.19 above the budgeted amount for Net Income/Loss for June 2011. As always, Management will continue to closely monitor the monthly expenses for the Association and will advise the Board of any specific issues that may have an impact to the budget. Please let me know if you have any questions regarding this information.

The Board decided to hold off the reinvestment of the $145,000 until the impact of the current federal budget impasse is known. The Board will also consider investing some of the funds in the Smith Barney MMF in Treasury Notes or CDs.)
WTS REPORT
Kevin Horner, WTS Fitness Director, presented the WTS report. Kevin advised of an issue with the new front desk staffer, which was dealt with, and he will continue to closely monitor the situation. He reported on follow up to the suggestion made to install motion sensors in the fitness room.

COMMITTEE REPORTS
The Board reviewed committee reports on activities and recommendations to the Board since the last Board meeting.

Facilities Committee: Ray Celeste, Committee Chair, reported there were two new committee member applications received after the July meeting, which was voted on electronically. He advised that the Committee is interested in having the trash enclosure replaced with a brick building.

Move To: Approve the appointment of Sue Mandry and Teri Ryan to the Cameron Club Facilities Committee for two-year terms.
Moved by: Tom Mcclimon
Seconded: Don Buch
For: All
Against: None
MOTION PASSED

Common Area Committee: Robert Burns, Committee Chair, stated concern about the cracks on public roads, specifically on Cameron Station Blvd. Airielle informed the Board that the City Inspector will be out in the next few weeks for an inspection. Robert also stated there were some drainage issues and requested the Board approve an inspection by a drainage engineer. Robert Burns presented the Committee’s concerns regarding the homeowner’s request for a waiver of the committee’s denial of the Common Area Application. The Board requested that the Common Area Committee reconsider the decision not to meet in August.

Move To: Approve obtaining proposals from drainage engineers regarding the drainage issues.
Moved by: Nick Giannotti
Seconded: Don Buch
For: All
Against: None
MOTION PASSED

Activities and Events Planning Committee: Michael Johnson, Committee Chair, reported that the June pool party was successful. The numbers were in line with the expectations and they raised money for charity. The next event will be the ice cream social on August 14, 2011. The committee is working on a casino night, which has not been done before.

DRAFT FY2010 AUDIT REVIEW
Anne Sheehan, CPA, Goldklang Group, answered questions and addressed concerns of the Board.

Move To: Approve the FY2010 Audit as amended.
Moved by: Don Buch
Seconded: Nick Giannotti
For: All
Against: None
MOTION PASSED
OLD BUSINESS
City of Alexandria/Bond Out Update – Airielle Hansford reported that on Duke Street the City’s contractor tore up the irrigation system and Management is working on getting payment to the Association for repairs. Airielle also stated that the irrigation contractor came out today to mark all of the main shutoffs.

NEW BUSINESS
None

Move To: Ratify the Board’s decision to overturn the ARC’s denial of Exterior Modification Application #11-032 and to approve the existing landscaping wall at 132 Martin Lane.
Moved by: Don Buch
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED

Moved by: Nick Giannotti
Seconded: Don Buch
For: All
Against: None
MOTION PASSED

Move To: Approve the National Fitness Consultant’s contract renewal totaling $425.00 per quarter ($1,700.00 annually) to provide preventative maintenance and warranty repairs to the exercise equipment at the Cameron Station fitness center effective September 1, 2011.
Moved by: Nick Giannotti
Seconded: Don Buch
For: All
Against: None
MOTION PASSED

Move To: Approve the Lancaster Landscapes proposal totaling $1,917.00 for landscaping improvements in the John Ticer Pocket Park.
Moved by: Nick Giannotti
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED

COMMUNITY MANAGER’S REPORT
Airielle Hansford, Community Manager, gave her latest report to the Board.

• Shuttle Bus Schedule Expansion
At the June Board of Directors meeting, the Board asked Management to develop a small survey to gage the interest of the Association in expanding the shuttle bus schedule to include Federal Holidays. This
survey was sent to the Board for review. The final survey will be sent out to the Community beginning Friday, July 22, 2011.

- **Meeting with Mark Orling**
  On July 11, 2011, Mark Orling of Rust|Orling held a work session with the Board of Directors. Mark asked to meet again with the Board to discuss his ideas on Thursday, August 4th.

- **Website Status**
  Airielle reported that 411 residents have registered for the new Cameron Station website. There are also 259 residents signed up for the Email Blast. Management continues to receive multiple requests each day. Reminders about the new site will be included in the next edition of the Compass.

- **CMC Employee Summer Event**
  The Management office will be closed on Thursday, September 15, 2011 so that the site employees can participate in the CMC’s corporate summer event. WTS staff will cover the desk on that day.

- **Maintenance Related Items**
  **Pedestrian Crosswalks on City Streets:** Chris Neuberg, Maintenance Tech, has been working with Bob Garbcacz of the City of Alexandria Maintenance Division to identify the pedestrian crosswalks and directional lines that are fading from weather/traffic on the City streets. Mr. Garbcacz will be sending out an inspector to look at the areas identified by Chris.

- **Miscellaneous**
  The updated Action Item List will be provided to the Board electronically prior to the Board meeting.

**Move To:** Enter Executive Session at 10:04 p.m.
Moved by: Don Buch  
Seconded: Tom McClinton  
For: All  
Against: None  
**MOTION PASSED**

**Move To:** Exit Executive Session at 10:17 p.m.
Moved by: Don Buch  
Seconded: Nick Giannotti  
For: All  
Against: None  
**MOTION PASSED**

**Move To:** Table decision on Item #1 – Request for Payment Plan for #00313-1141.
Moved by: Nick Giannotti  
Seconded: Don Buch  
For: All  
Against: None  
**MOTION PASSED**

**Move To:** Deny the homeowner’s request for a waiver of $225.00 in legal fees incurred on the account for account #00328-6601.
Moved by: Don Buch  
Seconded: Nick Giannotti
For: All
Against: None
MOTION PASSED

Move To: Table decision in Item #3 – Request for Waiver of CAC Decision.
Moved by: Nick Giannotti
Seconded: Don Buch
For: All
Against: None
MOTION PASSED

Move To: Adjourn at 10:20 p.m.
Moved by: Don Buch
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED

Submitted by Elynn Cangro, Recording Secretary.