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

Tuesday, January 24, 2012

The regularly scheduled monthly meeting of the Board of Directors for January was held on Tuesday, January 24, 2012. The meeting was called to order at 7:00 p.m. by Nick Giannotti at the Cameron Club, Alexandria, Virginia 22304.

Board Attendance: Nick Giannotti- President; Mindy Lyle-Vice-President; Tom McClimon-Secretary; Robert Duncan-Treasurer; Alvin Boone-Director; Michael Johnson-Director

Others Attending: Airielle Hansford, Community Manager, CMC; John Halfhill, HOA Portfolio Manager, CMC; Mary Flynn, Assistant Community Manager, CMC

Members Absent
Philip Ludvigson-Director

Move To: Approve the January 24, 2012 meeting Agenda as amended.
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

RESIDENTS’ OPEN FORUM
A resident discussed concerns with the language in the Snow Removal Policy with the Board. Another resident asked that the Board support the Common Areas Capital Improvements funding requests.

Move To: Approve the minutes from the November 29, 2011 Board of Director’s meeting and January 3, 2012 Special Board Meeting.
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

APPEAL HEARING (for residents in attendance)
Account # 00372-9728

FINANCIAL REPORT

Investments:
On November 30, 2011 the Association had operating and investment funds totaling $2,369,878.21. The First Association Bank* operating account had a balance of $372,486.05. The First Association Bank Google Ads account had a balance of $951.65. Based upon this statement, the Smith Barney Money Market account had a balance of $152,445.18. There is $1,828,000.00 invested in laddered CDs and investment funds. Additionally, there is $1,000.00 in the petty cash account.
*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 November 30, 2011 was $29,454.48. This reflects a delinquency rate of approximately 1.41%, which is below the industry standard of 5%.

Accrued Reserves total $1,575,269.65 and are fully supported by cash and investments. Owner's Equity**, which has a balance of $414,979.97, is also supported by cash. This signifies that the Association is in a healthy financial position.

The Capital Reserves account totals $53,121.10. There is $27,709.78 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 $2,021,665.62, which is $1,774.88 below the budgeted amount of $2,023,440.50.

The year-to-date expenses total $1,951,556.03, which is $83,888.47 below the budgeted amount of $2,035,444.50. Below are a few line items that have a variance of more than $1,500.00 of the year-to-date budgeted amount.

- **Postage**, line item #5010, was $2,141.82 below the year-to-date budgeted amount. This line item was decreased by $1,500.00 in FY2012 to $15,000.00.
- **Cost of Collections**, line item #5074, was $2,294.00 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.
- **Act Setup/DD/Coupons**, line item #5106, was $4,786.60 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year when the 2012 Assessment coupons are sent out. The budget spread for this line item has been adjusted for FY2012 to project more expenses in last quarter.
- **Temp Desk Coverage**, line item #5421, exceeds the year-to-date budgeted amount by $16,971.90. 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.
- **Legal Fees – Collections**, line item #5105, was $2,828.07 below the year-to-date budgeted amount. This line item was decreased by $2,000.00 in FY2012 to $19,000.00.
- **Engineer Consultation**, line item #5130, was $3,158.00 below the year-to-date budgeted amount. These funds will be used to cover the contract for Rust Orling to compete the Club renovation plans.
- **Administrative Payroll**, line item #5402, was $16,106.85 below the year-to-date budgeted amount due to the vacant Administrative Assistant position in early 2011.
- **Payroll Taxes/Benefits/Costs**, line item #5501, was $4,835.38 below the year-to-date budgeted amount due to the vacant Administrative Assistant position. Additionally, two of the Management employees do not participate in the CMC benefit package.
- **Federal/State Income Taxes**, line item #5202, was $3,225.00 below the year-to-date budgeted amount. The fourth quarter estimated tax payments totaling $4,425.00 will be made at the end of the quarter.
- **Liability/Property Insurance**, line item #5221, exceeds the year-to-date budgeted amount by $2,313.52. This is due to an insurance expenditure adjustment per the FY2010 audit totaling $1,864.24.
- **Newsletter**, line item #5701, was $2,888.11 below the year-to-date budgeted amount. This is due to the Communication Committee’s decision not to have a July/August edition of the newsletter. This line item was decreased by $3,000.00 in FY2012 to $17,000.00.
- **Website**, line item #5830, was $11,985.37 below the year-to-date budgeted amount, due to lower than anticipated costs. This line item was decreased from $18,920.00 to $8,000.00 in FY2012.
- **Community Activities**, line item #5601, was $4,787.97 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **Common Area Water/Sewer**, line item #5901, exceeds the year-to-date budgeted amount by $12,558.52. This line item has been increased by $10,000.00 for FY2012. It is also anticipated that several more areas of the common area will be irrigated in 2012.
- **Landscape Maintenance**, line item #6001, exceeds the year-to-date budgeted amount by $2,073.65. Management anticipates that this line item will level out towards the end of the year.
- **Irrigation System Contract**, line item #6002, was $5,084.83 below the year-to-date budgeted amount. This line item was decreased by $5,000.00 in FY2012 to $10,000.00, as there is $5,000.00 for irrigation systems allowance each year in the reserve study to cover costs of repairs.
- **Snow Removal Contract**, line item #6003, exceeds the year-to-date budgeted amount by $8,255.28. 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.
- **Common Area Lighting Maint.**, line item #6102, was $11,748.90 below the year-to-date budgeted amount. Significant lighting repairs were completed in August; however this work was coded to the Repair & Replacement Reserves. Additionally, there have been fewer expenses than anticipated for the year.
- **Tree & Shrub Maintenance**, line item #6104, was $1,995.44 below the year-to-date budgeted amount. Management anticipates ending the year on budget.
- **Turf Treatment & Enhancement**, line item #6105, was $9,435.82 below the year-to-date budgeted amount. Management anticipates that this line item will level out in the fall when the aeration and over seeding are completed.
- **General Maintenance Supplies**, line item #6361, was $4,387.58 below the year-to-date budgeted amount. This is a new line item for FY2011 and Management will continue to monitor expenses.
- **Trash Removal Contract**, line item #6012, was $6,591.17 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.
- **Miscellaneous**, line item #5065, was $1,589.50 below the year-to-date budgeted amount, as expenses have been less than anticipated.
- **Health Club Management/Staff**, line item #5420, was $2,375.33 below the year-to-date budgeted amount. Monthly expenses have been roughly $250.00 less than anticipated.
- **Special Cleanings**, line item #6026, was $2,183.00 below the year-to-date budgeted amount.
- **Sprinkler System**, line item #7307, was $2,078.17 above the year-to-date budgeted amount. This is due to the payment of the 2011-2012 contract amounts, which should be spread over 12 months. This will be reflected on the December 2011 financial report.
- **Building Repair/Maintenance**, line item #7320, was $1,862.84 below the year-to-date budgeted amount, as expenses have been less than anticipated.
- **Operating Contingency**, line item #5301, was $4,583.00 below the year-to-date budgeted amount. This line was previously known as Operating Reserves, which was not a very accurate description. After consulting with the Board Treasurer, CMC renamed this line item and moved it to under the Other Expenses category. The Operating Contingency is intended to cover unexpected unbudgeted expenses and "known unknowns", such as an insurance deductible or an unexpectedly large snowfall which exceeds the budgeted snow removal amount. Ideally, funds for this line item will not be used and will help to build the Association's Unappropriated Prior Year Owner's Equity.

Overall there is a *positive* variance between year-to-date income and expenses in the amount of $70,109.59 through November 30, 2011.

**WTS REPORT**
Kevin Horner, WTS Fitness Director, presented the WTS Report. Kevin reported that the last of replacement pads were installed on fitness machines. Kevin also advised that the Comcast Music Choice feature has been restored and that the broken mirror in the gym will be replaced soon.

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

**Architectural Review Committee**- Craig Wiesen, Committee Chair, updated the Board on the status of several Exterior Modification Applications and advised that the ARC is in the process of creating a color chart for composite deck materials.

**Move To: Approve the appointment of Craig Wiesen as the Architectural Review Committee Chair for a one year term.**
Moved by: Tom McClimon
Seconded: Robert Duncan
For: All
Against: None
**MOTION PASSED**

**Move To: Approve the appointment of Brian Sundin as the Architectural Review Committee Vice Chair for a one year term.**
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None
**MOTION PASSED**
**Cameron Club Facilities Committee**- Martin Menez, Vice Chair, discussed having the fitness center open a half hour earlier on weekdays for a trial period to determine if there is enough interest among residents. Management suggested creating a survey to determine the community’s interest in opening the fitness facility before 5:00 am on weekdays, and the Board agreed.

**Common Area Committee**- Robert Burns, Committee Chair, discussed possible changes to the Common Area Usage Policy and updated the Board on a recent Common Area Improvement Application. Robert also spoke on behalf of the entire CAC of their support for the approval of the Capital Improvements request that is on the Agenda.

**Activities & Events Planning Committee**, Nick Giannotti, Board President, presented a draft outline of upcoming events for 2012. It was noted that the draft calendar did not include the Chanukah/Menorah lighting event. The Board agreed that it should be included on the calendar and include funding of $250 to $300. Airielle Hansford will reach out to Rabbi Mordechai Newman to determine if he would be willing to return to Cameron Station to preside over the lighting of the Menorah.

**Move To** : Approve the appointment of Stephanie Zvonkovich as the Activities & Events Planning Committee Chair a one year term.  
Moved by: Mindy Lyle  
Seconded: Robert Duncan  
For: All  
Against: None  
**MOTION PASSED**

**OLD BUSINESS**
Retailers Update- Café Pizziaolo is now open

**NEW BUSINESS**
Bright Start Splash Day – The Board asked Management to write a letter to Bright Start to find out their plan for Splash Day for 2012.

**Move to** : Approve the Office of Elections request to use the Cameron Club for the November 6, 2012 Presidential Election.  
Moved by: Robert Duncan  
Seconded: Tom McClimon  
For: All  
Against: None  
**MOTION PASSED**

**Move to** : Approve the Office of Elections request to close the Cameron Club for the November 6, 2012 Presidential Election.  
Moved by: Mindy Lyle  
Seconded: Michael Johnson  
For: None  
**MOTION DID NOT CARRY**

**Move To** : Approve the $86,376.89 in Capital Improvement requests and transfer $60,965.57 from the Prior Year Owner’s Equity to the Capital Reserves.  
Moved by: Mindy Lyle  
Seconded: Robert Duncan  
For: All  
Against: None  
**MOTION PASSED**
Move To: Approve Lancaster Landscapes proposal for maintenance of the fountain at the Donovan pocket park for $45.00 per hour.
Moved by: Mindy Lyle
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED

Move To: Approve the Lancaster Landscapes proposal for irrigation services for 2012.
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

Move To: Approve the RE Lee Electric Co. proposal to purchase and store six (6) complete replacement light poles totaling $14,847.00.
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

Move To: Approve the Cropp-Metcalfe proposal for the replacement of the gas/electric rooftop HVAC unit serving the gym totaling $15,251.00.
Moved by: Mindy Lyle
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED

Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

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

Board Training
Nick Giannotti has authorized a comprehensive Board training session with Nick Mazzarella, Executive Vice President of CMC to be completed in February. This meeting will run approximately 1.5 hours. Nick Mazzarella (and a meeting room) is available on Thursday, February 2nd or Monday, February 13th. Management should be able to provide the Board the date for this training at the January Board meeting.

Special Board Meeting
Nick Giannotti has called a Special Board Meeting on Wednesday, February 22, 2012 at 7:00pm so that the Board can meet with each of the General Contractors, discuss the renovation, and ask questions without the time
limitation of a normal meeting. This will allow the Board to have all the information necessary to select a General Contractors at the February Board of Directors meeting.

Town Hall Meeting
There is a Town Hall meeting scheduled for Sunday, February 12, 2012 from 2:00pm to 4:00pm in the Great Room. All Board Members are encouraged to attend if available.

President’s Day Schedule
Community Management Corporation and the on-site Management office will be closed on Monday, February 20, 2012 in observance of President’s Day. The Fitness Center will have regular operating hours.

Cameron Station Common Area Usage Policy
Cameron Station’s current Common Area Usage Policy was adopted in January 2002. Management believes that this policy needs to be updated. Additionally, the Common Area Committee is recommending that a size restriction on moon bounces and similar equipment. Management will provide the Board with recommendations by early March. Please find included with this report, a copy of Policy Resolution No. 9071701 – Common Area Usage.

Lancaster Landscapes
Joel Owens, Lancaster Landscapes President, will be attending the March Common Area Committee to discuss spring planting and general landscape maintenance. Management has also invited Mr. Owens to attend the February Board meeting so that the Board can hear an update on landscaping plans for 2012 and ask questions.

Martin Menez presented the Facilities Committee’s ideas for a new security access system for the Cameron Club.

Move To: Direct CMC to research basic capabilities of security access systems to determine appropriate security measures to implement in to the Cameron Club.
Moved by: Alvin Boone
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

Alvin Boone updated the Board on the upcoming Cameron Club renovation plans.

Move To: Enter Executive Session at 9:47 p.m.
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

Move To: Exit Executive Session at 10:06 p.m.
Moved by: Mindy Lyle
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED
Move To: Approve the request for waiver of legal fees and administrative costs. Account # 00372-9728
Moved by: Mindy Lyle
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

Move To: Approve the request for waiver of legal fees and administrative costs totaling $137.50 contingent upon receiving payment of the 2011 fourth quarter and 2012 first quarter assessments totaling $640.06 by February 1, 2012. Account # 00372-9728
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

Move To: Approve the suspension of privileges for five (5) Cameron Station accounts for failure to pay assessments and/or violation fees.
Accounts: 00205-3770, 00305-6420, 00313-1141, 00205-2454, and 00362-9161
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

Move To: Ratify the Board’s decision to suspend the Association privileges of account # 00284-9065 due to continued violation of the Cameron Station Community Association Trash Policy.
Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Adjourn at 10:08 p.m.
Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Minutes prepared by: Mary Flynn, Assistant Community Manager, CMC