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

Tuesday, August 28, 2012

The regularly scheduled monthly meeting of the Board of Directors for August was held on Tuesday, August 28, 2012. The meeting was called to order at 6:32 p.m. by Nick Giannotti at the Passport MINI of Alexandria, 5990 Duke Street, Alexandria, Virginia.

Board Attendance: Nick Giannotti- President; Mindy Lyle-Vice President; Alvin Boone-Director; Michael Johnson-Director

Members Absent: Tom McClimon-Secretary; Robert Duncan-Treasurer; Phil Ludvigson-Director

Others Attending:
Airielle Hansford, Community Manager, CMC; Mary Flynn, Assistant Community Manager, CMC; Todd Sinkins Esq., Rees Broome

Move To: Approve the August 28, 2012 meeting Agenda.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

RESIDENTS’ OPEN FORUM
No residents in attendance

Move To: Approve the minutes from the July 24, 2012 Board of Director’s meeting.
Moved by: Mindy Lyle
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

FINANCIAL REPORT

On July 31, 2012 the Association had operating and investment funds totaling $2,535,342.46. The First Association Bank* operating account had a balance of $501,523.36. The First Association Bank Google Ads account had a balance of $1,065.34. Based upon this statement, the Smith Barney Money Market account had a balance of $308,182.03. There is $1,512,000.00 invested in laddered CDs and investment funds. Additionally, there is $1,000.00 in the petty cash account.

At the July meeting, Management advised that Board that a Midfirst Bank CS totaling $70,000 was scheduled to mature on July 30, 2012. As CDs mature they are deposited into the Morgan Stanley Smith Barney (MSSB) money market fund, which has a balance of $ 436,516.00. SIPC limits insurance coverage for funds in the MSSB money market fund to $500,000. The Board of Directors voted to open a First Association Bank money market fund account with an opening deposit of $200,000.00 from the MSSB money market fund, to ensure
that as part of the funding plan for the upcoming Cameron Club renovation the funds from upcoming maturing CDs will remain accessible to the Association without penalty of interest.

*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 July 31, 2012 was $42,351.13. This reflects a delinquency rate of approximately 1.995%, which is below the industry standard of 5%. Please keep in mind, the assessments are paid on a quarterly basis and July represents the first month of the third quarter.

Accrued Reserves total $1,673,263.96 and are fully supported by cash and investments. Owner's Equity**, which has a balance of $327,205.67, is also supported by cash. This signifies that the Association is in a healthy financial position.

The Capital Reserves account totals $31,667.47 and there is the same amount in approved Capital Improvements projects to be funded from this account.

**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 $1,307,445.28, which is $1,431.28 above the budgeted amount of $1,306,014.00.

The year-to-date expenses total $1,211,780.02, which is $92,957.48 below the budgeted amount of $1,304,737.50. Below are a few line items that I would like to bring to your attention, as they have a variance of more than $1,500.00 of the year-to-date budgeted amount.

- **Architectural Comprehensives**, line item #5079, was $2,189.86 below the year-to-date budgeted amount. During the preparation of the 2012 budget the Board approved the following schedule for comprehensive inspections: one 4-hour day in January and February to assist with follow-up inspections only and 18 hours each month for inspections or three 6-hour days March through December. Management will work with the CMC Architectural Department to ensure that this schedule is being followed.

- **Temp Desk Coverage**, line item #5421, exceeds the year-to-date budgeted amount by $4,906.00. The front desk is currently manned by a temp employee while Management is searching for a new Administrative Assistant.

- **Legal Fees – General Counsel**, line item #5101, exceeds the year-to-date budgeted amount by $2,096.80. This is due to recent court costs incurred by the Association.

- **Engineer Consultation**, line item #5130, was $2,000.00 below the year-to-date budgeted amount, as the Association has not yet had a need for this service.
- **Administrative Payroll**, line item #5402, was $3,294.84 below the year-to-date budgeted amount due to the vacant Administrative position.
- **Federal/State Income Taxes**, line item #5202, was $3,500.00 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **Liability/Property Insurance**, line item #5221, exceeds the year-to-date budgeted amount by $1,582.01. This is due to an insurance expenditure adjustment per the FY2011 audit totaling $1,563.72.
- **Other Communications**, line item #5820, was $1,888.34 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 $3,952.60 below the year-to-date budgeted amount, due to lower than anticipated costs.
- **Common Area Water/Sewer**, line item #5901, was $5,873.93 below the year-to-date budgeted amount. Management anticipates that this line item will level out as the Virginia American Water invoices for the summer months are received.
- **Snow Removal**, line item #6003, was $41,761.41 below the year-to-date budgeted amount due to the lack of snow received in January, February, and March.
- **Common Area Lighting Maint.**, line item #6102, was $7,081.08 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **Tree & Shrub Maintenance**, line item #6104, was $5,281.50 below the year-to-date budgeted amount. The Board approved 20 tree trimming days at a cost of $24,000.00. This work will be completed throughout the spring and summer.
- **Turf Treatment & Enhancement**, line item #6105, was $4,743.87 below the year-to-date budgeted amount. Management anticipates that this line item will level out over the next few months.
- **General Maintenance Supplies**, line item #6361, was $2,337.29 below the year-to-date budgeted amount.
- **Common Area Consulting**, line item #6640, was $2,500.00 below the year-to-date budgeted amount as there has not yet been a need for such service.
- **Trash Removal Contract**, line item #6012, was $1,601.45 below the year-to-date budgeted amount, as the monthly costs have been less than anticipated.
- **Pool Management Contract**, line item #6018, was $3,457.08 below the year-to-date budgeted amount. It is anticipated that this line item will end the year under budget due to the new contract with High Sierra Pools.
- **Special Cleanings**, line item #6026, was $2,375.00 below the year-to-date budgeted amount, due to fewer meeting room rentals than anticipated. It is expected that this line item will end the year significantly under budget due to the impending renovation.
- **Pool Equipment Repair/Maint.**, line item #7202, exceeds the year-to-date budgeted amount by $2,302.50. This due to higher than anticipated expenses.
- **Operating Contingency**, line item #5301, was $2,917.00 below the year-to-date budgeted amount. 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 $95,665.26 through July 31, 2012. 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.
WTS REPORT for August 2012
Kevin Horner, Fitness Director, presented the WTS Report to the Board. Kevin informed the Board that the new ellipticals had arrived and he also presented WTS’s recommendations for new equipment for the additional space in the Fitness Center after the Cameron Club renovation is complete.

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

Cameron Club Facilities Committee- Ray Celeste, Committee Chair, updated the Board on the committee’s recommendations from their last meeting to include updating language in the Cameron Club Operating Rules & Procedures regarding caretaker’s and access to the Cameron Club and additional fitness equipment to fill the new space in the Fitness Center post-renovation. Ray also informed the Board that the Facilities Committee is continuing to research cost efficient options for floor coverings for the gym.

Move To: Allow up to $5,000.00 for a floor covering solution for the gym floor.
Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Activities & Events Planning Committee- Michael Johnson, Board Liaison, reported that the recent Snow Cone Social went well and that the committee is now preparing for the next Adult Happy Hour and upcoming Fall Yard Sale. Michael also informed that the Annual Halloween Party will possibly be held at Samuel Tucker Elementary School this year.

Common Area Committee, Mindy Lyle, Board Liaison, gave a brief update on the upcoming proposals that Lancaster will be providing to the committee at their next meeting.

Ad-Hoc Pedestrian Access Committee – Michael Johnson, Board Liaison, stated that the Ad-Hoc Committee had their first meeting and submitted their recommendations for the committee officers to the Board.

Move To: Approve the appointment of Chip Nash as the Ad-Hoc Pedestrian Access Committee Chair.
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

Move To: Approve the appointment of Sunny Pietrafesa as the Ad-Hoc Pedestrian Access Committee Vice Chair.
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

OLD BUSINESS
Update on Club Renovation Project—Alvin Boone presented an update on the status of the Cameron Club renovation.

NEW BUSINESS
None

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, 2012.
Moved by: Mindy Lyle
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

Move To: Approve the High Sierra proposal for installation of a new Main Drain and Skimmer lines from the baby pool to the pump room, including a new skimmer and a new VGB compliant dual main drain system, totaling $5,075.00 as well as the proposal for the replacement of the filter cartridge for the baby pool with a new Pentair TR60 Sand Filter totaling $1,667.00.
Moved by: Mindy Lyle
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

Move To: Approve the Cameron Club Facilities Committee’s recommendation to modify the Cameron Club Operating Rules & Procedures Policy to allow “caregivers” a temporary Cameron Club Facilities Pass for the duration of the time they live with a Cameron Station resident and to add clarification to the policy that defines someone residing in Cameron Station for 30 days or more a resident, which would allow them to obtain a Cameron Club Facilities Pass.
Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Approve the Cameron Club Facilities Committee’s recommendation to purchase all items of new fitness equipment at the estimated cost of $19,434.11 as presented by WTS for the additional space that will be added to the Fitness Center as part of the Cameron Club renovation.
Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

MATTERS FOR BOARD REVIEW AND INFORMATION

COMMUNITY MANAGER’S REPORT
Airielle Hansford, Community Manager, gave her latest report to the Board.
Annual Meeting Information
Management reserved the cafeteria at Samuel Tucker Elementary School on Monday November 5, 2012 for the 2012 Annual Meeting of the Membership. Please know that Tucker Administration will not allow access to the cafeteria until 6:30pm due to the afterschool care program, therefore registration will not begin until approximately 7:00pm. Management is currently working on the Notice of Annual Meeting, Call for Candidates and Meeting Agenda which will be mailed out to the community no later than September 14, 2012.

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<thead>
<tr>
<th>Director</th>
<th>Elected</th>
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<td>Alvin Boone</td>
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<td>Tom McClimon</td>
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Construction Kick-off Meeting
The construction kick-off meeting with Rust|Orling and R.W. Murray will be held on Wednesday, August 29th at 6:30pm in the Henderson Room.

Labor Day Holiday
The Management office will be closed on Monday, September 3rd in observance of Labor Day.

Board Budget Meeting
The Board of Directors, FAC, Committee Chairs and Management will meet on Tuesday, September 11, 2012 at 7:00pm to review the draft FY2013 Budget.

Move To: Enter Executive Session at 8:26 p.m.
Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Exit Executive Session at 8:52 p.m.
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

Move To: Deny the homeowner’s request for a waiver of $230.00 in covenants fines and $5.75 in administrative charges associated with a violation of the Design & Maintenance Standards regarding color loss and peeling paint on the front bay window. Account # 00282-6826.
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED
Move To: Deny the homeowner’s request for a waiver of $237.00 in legal fees that was incurred on the account as a result of $322.74 in unpaid 2nd quarter assessments, $25.00 in late fees, and $100.00 in administrative charges. Account #00205-5697.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Approve the payment plan proposal of $150.00 a month towards the account balance of $4,075.18. Account #00313-1141.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Adjourn at 8:53 p.m.
Moved by: Mindy Lyle
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

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