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

Tuesday, October 23, 2012

The regularly scheduled monthly meeting of the Board of Directors for October meeting was held on Tuesday, October 23, 2012. The meeting was called to order at 6:35 p.m. by Nick Giannotti at the Passport MINI of Alexandria, 5990 Duke Street, Alexandria, Virginia.

Board Attendance: Nick Giannotti- President; Tom Mcclimon- Secretary; Alvin Boone- Director; Michael Johnson- Director

Members Absent: Mindy Lyle- Vice President; Robert Duncan- Treasurer; Philip Ludvigson- Director

Others Attending: Airielle Hansford, Community Manager, CMC; Mary Flynn, Assistant Community Manager, CMC; Jan Ward, Division Director, CMC

Move To: Approve the October 23, 2012 meeting Agenda.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Guest Speaker
Deputy Chief Blaine Corle, Alexandria Police Department, updated the Board on recent crime incidents in the area. He also informed the Board that Alexandria City Police would assign extra patrol to the Cameron Station Community in Halloween night.

RESIDENTS’ OPEN FORUM
Ray Celeste, spoke on behalf of another resident who had concerns regarding Visitor Parking spaces and shuttle bus drivers checking for Cameron Station Facilities Passes for persons riding the shuttle bus.

Move To: Approve the minutes from the September 25, 2012 Board of Director’s meeting.
Moved by: Tom Mcclimon
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

FINANCIAL REPORT
On September 30, 2012 the Association had operating and investment funds totaling $2,379,355.37. The First Association Bank* operating account had a balance of $338,214.90. The First Association Bank Google Ads account had a balance of $1,196.36. Based upon this statement, the Morgan Stanley Smith Barney Money Market account had a balance of $368,490.05 and the First Association Bank Money Market had a balance of $200,118.92. There is $1,462,000.00 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 September 30, 2012 was $28,331.02. This reflects a delinquency rate of approximately 1.334%, which is below the industry standard of 5%. Accrued Reserves total $1,677,586.80 and are fully supported by cash and investments. Owner's Equity**, which has a balance of $327,205.67, is also supported by cash. Owner's Equity is currently 15.4% of the Association's annual assessments. 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 $1,671,976.59, which is $3,516.41 **below** the budgeted amount of $1,675,493.00.

The year-to-date expenses total $1,575,700.05, which is $101,862.95 **below** the budgeted amount of $1,677,563.00. 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.

- **Club Phone/Cable/Internet**, line item #5003, was $1,600.13 below the year-to-date budgeted amount, as costs have been less than anticipated.
- **Postage**, line item #5010, was $3,172.62 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.
- **Architectural Comprehensives**, line item #5079, was $1,577.85 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 scheduled is being followed.
- **Temp Desk Coverage**, line item #5421, exceeds the year-to-date budgeted amount by $10,494.00. The front desk was manned by a temp employee while Management searched for a new Administrative Assistant. This position is now filled.
- **Board/Committee Expenses**, line item #5801, exceeds the year-to-date budgeted amount by $1,729.78.
- **Engineer Consultation**, line item #5130, was $2,667.00 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 $4,594.54 below the year-to-date budgeted amount due to the vacant Administrative position. This position is now filled.
- **Federal/State Income Taxes**, line item #5202, was $5,250.00 below the year-to-date budgeted amount. There is $18,000.00 budget in this line item; however, the Association’s Auditors sent a letter in March 2012 recommending that Cameron Station pay $9,300.00 for the 2012 Estimated Income Tax Payments. It is expected that this line item will end the year significantly under budget.

- **Newsletter**, line item #5701, was $3,317.37 below the year-to-date budgeted amount. This is due to lower than anticipated costs. The Communication Committee ran a “mini” July/August edition of the newsletter. While the Committee did not originally plan on a summer edition, this publication should help to level out this line item. Additionally, the costs for the September/October newsletter will be reflected on the October 2012 Financials.

- **Other Communications**, line item #5820, was $3,304.78 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 $4,545.60 below the year-to-date budgeted amount, due to lower than anticipated costs. This line item was decreased from $8,000.00 to $4,000.00 in the FY2013 budget.

- **Community Activities**, line item #5601, was $6,555.66 below the year-to-date budgeted amount. The Activities and Events Planning Committee is very vigilant about their budget. We anticipate that we will end the year on budget.

- **Irrigation System Contract**, line item #6002, was $1,869.25 below the year-to-date budgeted amount. Management anticipates that this line item will level out.

- **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 $8,394.12 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, exceeds the year-to-date budgeted amount by $2,500.50. There is $25,500.00 budgeted in this line item for this year.

- **Turf Treatment & Enhancement**, line item #6105, was $4,063.18 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 $2,001.95 below the year-to-date budgeted amount. This line item was decreased from $10,000.00 to $7,500.00 in the FY2013 budget.

- **Common Area Consulting**, line item #6640, was $3,750.00 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 $2,137.55 below the year-to-date budgeted amount, as the monthly costs have been less than anticipated.

- **Pool Management Contract**, line item #6018, was $6,298.30 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. This line item was decreased from $60,000.00 to $50,000.00 in the FY2013 budget.

- **Special Cleanings**, line item #6026, was $3,500.00 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.

- **Operating Contingency**, line item #5301, was $3,750.00 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 $96,276.54 through September 30, 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 September 2012
Kevin Horner, Fitness Director, presented the WTS Report to the Board. Kevin informed the Board that him and Chris Neuberg, Maintenance Technician installed all of the new flat screen televisions in the Fitness Center and that the new Fitness Equipment is out for delivery. Kevin also confirmed that issues with the new flooring in the Fitness Center caused the delay of the reopening.

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 motions made at the most recent meeting of the Cameron Club Facilities Meeting.

Activities & Events Planning Committee- Michael Johnson, Board Liaison, reported that the Committee would be holding a Halloween Parade in lieu of the regular Halloween Party this year.

OLD BUSINESS
None

NEW BUSINESS
None

Move To: Accept ARM Transportation’s proposal for shuttle bus service beginning December 1, 2012 on the condition that they lower their three-year annual price from $228,000.00 to $210,000.00, include a fourth year at no price increase, and implement the EX Texting Software as part of their services.
Moved by: Michael Johnson
Seconded: Tom McClimon
For: All
Against: None
MOTION PASSED

Move To: Approve the Cameron Club Facilities Committee’s recommendation to permanently adopt the Fitness Center’s earlier opening time of 4:45am Monday-Friday.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Should the Pedestrian Access Pathway be approved by the Board, the Board favors Option 3 on the site plan for the location of the pathway as recommended by the Ad-Hoc Pedestrian Pathway Committee.
Moved by: Tom McClimon  
Seconded: Michael Johnson  
For: All  
Against: None  
MOTION PASSED

MATTERS FOR BOARD REVIEW AND INFORMATION

COMMUNITY MANAGER’S REPORT

Annual Meeting Information
Please be reminded that the Annual Meeting of the Membership on Monday, November 5, 2012 at 7:30 p.m. in the cafeteria at the Samuel Tucker Elementary School.

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Next Board of Directors Meeting
The next Board of Directors meeting is scheduled for Tuesday, December 11, 2012 at Passport Mini.

Renovation Status Update
Construction is well underway. The fitness center is closed for construction work. Please know that due to a delay in construction, it has been determined that the Fitness Center will not reopen until Monday, October 29, 2012 at 4:45am. Work in the lobby and Great Room is progressing on schedule. The furniture is on order and is scheduled to arrive in mid-December.

Fitness First Issue
Please know that on Wednesday, October 17th Management sent out the following information in an email blast.

“Important Information regarding Fitness First Passes
The Cameron Station Management Team would like to make residents aware of changes regarding the Fitness First Passes. Please know that going forward, Fitness First will no longer be offering the two week pass to Cameron Station residents, however they will still honor any two week passes previously purchased. This change comes as a result of mistreatment of the Fitness First Staff by some Cameron Station residents.
WTS and the Cameron Club Facilities Committee made arrangements with Fitness First to allow Cameron Station residents to utilize their facility at a discounted rate while our Fitness Center was closed for construction. This agreement included allowing residents to purchase a two-week pass for $20 at Fitness First and/or they could collect 1 (one) free one-day pass from the Cameron Club Fitness Center on a first come first served basis. Please know that the Association did not pay Fitness First for this discounted rate, but rather, it was offered by Fitness First as a goodwill gesture to the Cameron Station community.
On Thursday, October 4th, Management and WTS sent out an Email Blast advising residents of this agreement, however, the initial email that WTS and Management sent out contained an error, stating,
that the number of free one-day passes were limited to (6) per resident. We immediately followed up with a correction email on the same date, stating that Fitness First was only providing 1 (one) free one-day pass per resident for the two week duration of the Fitness Center closure. Correct information was also sent out by Management in an Email Blast on October 9th.

While we understand that there may have been some confusion from WTS’s and Management’s original Email Blast, it has come to our attention that the Fitness First Staff has been subjected to verbal abuse and mistreatment. The Fitness First Staff deserves professional and courteous treatment by the Cameron Station residents. We understand that this change will cause some inconvenience, but we ask for resident’s understanding in this matter.”

**Airielle Hansford– Leave of Absence**

Please know that Airielle Hansford will be on maternity leave beginning around November 9, 2012 and will be out for twelve weeks.

**Landscape and Irrigation Contracts**

On October 16th, the CAC held a special meeting to interview six landscaping companies who presented proposals for the Landscaping and Irrigation contracts. After meeting with all six companies, the CAC selected three finalists to go through the next phase of the interview process. The CAC selected Lancaster Landscapes (the current contractor), Lasting Impressions, and McFall & Berry. These three companies have been invited to attend the November 7, 2012 CAC Meeting. The CAC has asked that each of the selected companies provide additional information regarding the following items as an addendum to their original landscaping and/or irrigation proposal. These items include:

- Detailed information on warranties and/or guarantees of materials/work including plant materials.
- Detailed breakdown of the number of meetings that the contractor will attend with the Board, the Committee, and the Management team as well as any additional costs (if any) are involved. Please refer to Section F of the Landscaping Maintenance RFP.
- Examples of instances where labor and/or materials may not be inclusive of the proposed contract price.
- A description of the company’s procedure for responding to emergency situations in the community outside of business hours. What is the expected response time and what additional costs (if any) are involved.
- A brief detailed plan on how your company would address tree maintenance in the community as it ages and the trees mature.
- An example/sample of how the company proposed to implement a tracking system to organize proposal requests and projects. This tracking system would be accessible to the Committee and the Management Team to reference the status of proposal requests and progress of projects (estimated start/end dates).
- A mock proposal with a creative idea to improve the Cameron Station Circle/Gazebo area. The proposal should be complete with written descriptions, drawings, sketches, and/or computer-aided design, and breakdown of costs.

Management will provide the proposals to the Board, along with the CAC’s recommendation, at the December 11, 2012 meeting.
Move To: Approve Rebecca & Jon Johnson and Robert Burns as the recipients of the Mark Pillow Community Spirit Award.
Moved by: Alvin Boone
Seconded: Michael Johnson
For: All
Against: None

Move To: Enter Executive Session at 9:00 p.m.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Exit Executive Session at 9:05 p.m.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Remove all violation charges and attorney's fees from Account # 00251-0747
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Adjourn at 9:08 p.m.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

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