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

Tuesday, December 11, 2012

The regularly scheduled monthly meeting of the Board of Directors for December meeting was held on Tuesday, December 11, 2012. The meeting was called to order at 6:30 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; Tom Mcclimon- Secretary; Robert Duncan-Treasurer; Alvin Boone-Director; Michael Johnson-Director

Members Absent: None

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

Move To: Approve the December 11, 2012 meeting Agenda.
Moved by:  Mindy Lyle
Seconded: Michael Johnson
For:  All
Against:  None
MOTION PASSED

ELECTION OF OFFICERS OF THE BOARD OF DIRECTORS

Move To: Appoint Nicholas Giannotti as President, Mindy Lyle as Vice President, Michael Johnson as Secretary, and Robert Duncan as Treasurer of the Board of Directors.
Moved by:  Tom Mcclimon
Seconded: Michael Johnson
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 and also reported that he had not received any reports at this time regarding package thefts.

Faisal Kahn, Director, ARM Transportation Services, updated the Board on the success of their first two weeks as the new shuttle service contractor for Cameron Station.

RESIDENTS’ OPEN FORUM
Judith Henderson and Jeane Lynch, both spoke on behalf of the Carlton Place Condo Sub-Association regarding concerns with the proposed Pedestrian Access Pathway. They also inquired in to the possibility of the Master Association retaining office space at the Cameron Club for their Association Manager post-renovation.

Move To: Approve the minutes from the October 23, 2012 Board of Director’s meeting.
Moved by:  Tom Mcclimon
Seconded: Alvin Boone
For:  All
FINANCIAL REPORT

On October 31, 2012 the Association had operating and investment funds totaling $2,379,355.37. The First Association Bank* operating account had a balance of $432,501.64. 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 $470,653.01 and the First Association Bank Money Market had a balance of $200,178.40. 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 October 31, 2012 was $99,727.19. This reflects a delinquency rate of approximately 4.698%, which is below the industry standard of 5%. Accrued Reserves total $1,619,278.69 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 $1,857,968.91, which is $5,610.09 below the budgeted amount of $1,863,579.00.

The year-to-date expenses total $1,751,683.40, which is $105,163.60 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 $1,743.50 below the year-to-date budgeted amount, as costs have been less than anticipated.
- **Postage**, line item #5010, was $1,698.74 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 $1,574.47 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 $10,426.00. The front desk was manned by a temp employee while Management searched for a new Administrative Assistant. This position is now filled.
- **Engineer Consultation**, line item #5130, was $3,333.00 below the year-to-date budgeted amount, as the Association has not yet had a need for this service.
- **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.
- **Other Communications**, line item #5820, was $3,146.81 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 $5,104.72 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 $6,942.21 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 $2,640.25 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 $4,480.06 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.
- **Turf Treatment & Enhancement**, line item #6105, was $5,938.18 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 $2,293.92 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.
- **Pool Management Contract**, line item #6018, was $9,598.30 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 $3,625.00 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 $2,144.00, due to higher than anticipated expenses. This line item was increased from $1,000.00 to $2,000.00 in the FY2013 budget.
- **Operating Contingency**, line item #5301, was $4,167.00 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 $106,285.51 through October 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 October 2012
Kevin Horner, Fitness Director, presented the WTS Report to the Board. Kevin reported that usage was down in October due to the closure of the Fitness Center for the renovation. Kevin also reported that a treadmill that is under warranty needs repair, new seminars regarding instruction of new fitness equipment will begin in January, and music will be back on once the cable hook-up 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, reported that the committee will be presenting Audio Visual recommendations for the Cameron Club next month. A Board member noted that the multi-purpose court floor was slippery with construction dust and needed to be cleaned. Management will schedule this work immediately.

Common Area Committee- Robert Burns, Committee Chair, reported that they recommended that Lancaster Landscapes be awarded the 2013 contract for Landscaping Maintenance and Irrigation. Robert also reported that the committee had voted to recommend that Lancaster redo the drainage work at Bessley Place.

Activities & Events Committee- Michael Johnson, Board Liaison, reported that the committee would be purchasing items this year for the Grand Opening Party that will be held in February. Michael also reported that the Holiday Happy Hour at Café Pizzaiolo had good attendance and went well. The committee will begin working on preparations for the Grand Opening Party as well as a City Council/Cameron Station Civic Association Meet & Greet for 2013.

OLD BUSINESS
Update on Cameron Club Renovation
Alvin Boone, Board Director, reported that there is a delay regarding the light fixtures in the meeting rooms, but should be resolved by the end of December. The furniture delivery is scheduled for mid-late January. Alvin followed up on an inquiry regarding replacing light fixtures and counter tops in the locker rooms as part of the renovations and reported that it would be cost prohibitive at this point.

NEW BUSINESS
None

Move To: Appoint the following Board Directors as liaisons to the respective committees:
Michael Johnson to the Activities & Events Committee, Tom McClinton to the Architectural Review Committee, Mindy Lyle to the Common Area Committee, Alvin Boone to the Cameron Club Facilities Committee, Jon Dellaria to the Communications Committee, and Robert Duncan to the Financial Advisory Committee.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Move To: Ratify the approval of ARM Transportation Inc.’s proposal for the shuttle bus service contract beginning on December 1, 2012 totaling $215,000.00 for three years with an additional fourth year at no increase and to implement EZ Texting service in to the contract.
Moved by: Alvin Boone
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

Move To: Approve the Common Area Committee’s recommendation to renew Lancaster Landscape’s contract for a three year period starting in 2013. Lancaster’s proposal for full service landscaping and irrigation management for 2013 totals $154,544.00 plus $16,700.00 for Linear Park maintenance.
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

Move To: Approve the Common Area Committee’s recommendation to approve Lancaster Landscape’s proposal totaling $4,705.00 to redo the drainage work originally done by Shenandoah Landscape Services in the common area behind Bessley Drive.
Moved by: Tom McClinton
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

Move To: Approve one-year of free ¼ page advertisements in The Compass for the Main Street Retailer’s beginning January 1, 2013.
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None

MATTERS FOR BOARD REVIEW AND INFORMATION

COMMUNITY MANAGER’S REPORT

CMC Holiday Party
Each December CMC holds a Holiday Party on a Friday. The date for this year’s event is Friday, December 14, 2012. The Management Office will be closed on this day to allow the staff to attend.

Holiday Schedule
Christmas Holiday:
The on-site Management office will be closed on Monday, December 24, 2012 and Tuesday, December 25, 2012 for the Christmas Holiday.
The Fitness Center and Cameron Club will be closed on Monday, December 24 and Tuesday, December 25, 2012 for the Christmas Holiday.

New Year’s Holiday:
The on-site Management office will be closed Tuesday, January 1, 2013 for New Year’s Day.
The Fitness Center and Cameron Club will close at 6:00pm on Monday, December 31, 2012 and be closed on Tuesday, January 1, 2013.

Next Board of Directors Meeting
As of now, the next Board of Directors meeting is scheduled for Tuesday, January 22, 2013 at Passport Mini.

Renovation Status Update
There are still some smaller items to be accomplished in the fitness center and some painting to be done on that side of the building, but the main work is going on in the Great Room and Office Areas. Framing is almost complete and the electrical and air conditioning work is on-going. The general contractor and the architect are resolving some issues that came up when unforeseen conditions were encountered in the new kitchen area.

Move To: Adjourn at 8:46 p.m.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

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