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

Tuesday, September 24, 2013

The regularly scheduled monthly meeting of the Board of Directors for September was held on Tuesday, September 24, 2013. The meeting was called to order at 7:03 p.m. by Mindy Lyle at the Cameron Club located at 200 Cameron Station Blvd., Alexandria, VA 22304

Board Attendance: Nick Giannotti-President (arrived at 9:23pm); Mindy Lyle-Vice President; Robert Duncan-Treasurer; Michael Johnson-Secretary (arrived at 7:47pm); Alvin Boone-Director; Jon Dellaria-Director

Members Absent: Tom McClimon- Director

Others Attending: Colleen Hairston, Community Manager, CMC; Mary Flynn, Assistant Community Manager, CMC; Jan Ward, Vice President, CMC

Move To: Approve the September 24, 2013 meeting Agenda as amended.
Moved by: Robert Duncan
Seconded: Jon Dellaria
For: All
Against: None
MOTION PASSED

Guest Speaker
Deputy Chief Blaine Corle, Alexandria Police Department, addressed concerns regarding crosswalk signage on City streets. He also relayed information regarding the bank robbery earlier this month. Finally, advised that he would assign extra patrols to Cameron Station for Halloween night.

RESIDENTS’ OPEN FORUM
No residents were present for Residents Open Forum

Move To: Approve the minutes from the August 27, 2013 Board of Director’s meeting as amended.
Moved by: Robert Duncan
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

FINANCIAL REPORT FOR AUGUST 2013

Investments:
On August 31, 2013 the Association had operating and investment funds totaling $1,810,245.55. The First Association Bank operating account had a balance of $54,449.13. The First Association Bank Google Ads account had a balance of $1,558.94. Based upon this statement, the Morgan Stanley Smith Barney Money Market account had a balance of $323,940.95 and the First Association Bank Money Market had a balance of $125,708.04. There is $1,241,000.00 invested in laddered CDs and investment funds. Additionally, there is $1,000.00 in the petty cash account.
Cameron Station had a $55,000.00 CD that matured on August 6, 2013, increasing the Morgan Stanley Smith Barney money market, along with interest of $5,854.20 to $323,940.95. At the July Board meeting, it was decided that Robert Duncan would watch rates for one more month before matured CDs are reinvested. Note: The July 2013 Financial Statement Summary erroneously indicated: “Additionally, there are two CDs totaling $105,000.00 maturing in August 2013.”

Balance Sheet:
The Accounts Receivable Residential Assessments account as of August 31, 2013 was $29,987.03. This reflects a delinquency rate of approximately 1.395%, which is below the industry standard of 5%. Please keep in mind, the assessments are paid on a quarterly basis and August represents the second month of the third quarter. Accrued Reserves total $979,413.29 and are fully supported by cash and investments. On October 25, 2011, the Cameron Station Board of Directors approved the renovation of the Cameron Club, at a cost not to exceed $900,000.00, to be funded through the Repair and Replacement Reserves. As of July 15, 2013, the Association has paid $811,535.24 in renovation related costs.

Owner's Equity*, which has a balance of $401,505.99, is also supported by cash and investments. As part of the FY2013 budget, the Board of Directors opted to use $23,650.00 of prior year equity to help offset the increase in assessments for FY13. As of August 31st, $13,796.00 has been accrued over eight months (see 3025-Use of Prior Year Equity). Owner's Equity is currently 18.68% of the Association's annual assessments and 18.22% assuming that the $23,650.00 will be used. This signifies that the Association is in a healthy financial position.

*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.

The Capital Reserves account totals $50,396.23; in March 2013, the Board of Directors approved $40,000.00 in Capital improvement requests from the Common Area Committee and the transfer of $40,000.00 from the Prior Year Owner’s Equity to the Capital Reserves to fund these requests. There were no Capital Reserves expenses in August 2013.

Income Statement Report:
The Income Statement Report reflects year-to-date income of $1,501,636.01, which is $6,920.49 below the budgeted amount of $1,508,556.50. Below are a few income 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.

- Newsletter Advertising, line item #4245, was $6,100.00 above the year-to-date budgeted amount. There is $9,500.00 budgeted in FY2013 for income in this line item and there are still two more editions of the newsletter remaining this year. Please know that the Compass Staff and Communication Committee reviewed the Newsletter Advertisement Policy and discontinued half-page advertisements.
- Resale Processing Fees, line item #4260, was $3,433.00 above the year-to-date budgeted amount. This is due to more home sales than anticipated.
- Room Rental Fees, line item #4400, was $1,867.00.00 below the year-to-date budgeted amount. There were no room rentals through May due to the renovation, and it is expected that this line item will end the year significantly under budget.
- Club Cleaning Fees, line item #4405, was $3,325.00 below the year-to-date budgeted amount. This is also the result of the lack of room rentals through May.
• Legal Reimbursements, line item #4720, was $4,540.50 below the year-to-date budgeted amount. Management will continue to keep an eye on this line item.

• Compliance Fees, line item #4805, was $5,640.00 below the year-to-date budgeted amount. This is partially due to the waiver of violation fees on three accounts. Management will continue to keep an eye on this line item.

• Prior Yr Income/Deficit, line item #4815, was $1,970.50 below the year-to-date budgeted amount. This variance is due to an accrual that did not occur in August. An adjustment will be reflected on the September financial statements.

• The year-to-date expenses total $1,425,148.44, which is below the budgeted amount of $1,492,647.00. The expense line items below have a variance of more than $1,500.00 of the year-to-date budgeted amount.

• Board Support, line item #5020, was $1,961.80 below the year-to-date budgeted amount. Management anticipates that this line item will level out towards the end of the year.

• Acct Setup/DD/Coupons, line item #5030, was $1,565.52 above the year-to-date budgeted amount. This expense account relates to income account Resale Processing Fees, line item #4260, which was $3,433.00 above the year-to-date budgeted amount. This is due to more home sales than anticipated.

• Parking Enforcement, line item #5070, was $3,330.00 below the year-to-date budgeted amount. There was very little parking enforcement from February through April as the enforcement officers were participating in police training. We have created a schedule that will use the funds budgeted and this line item should level out towards the end of the year.

• Printing & Copying, line item #5210, was $2,264.84 above the year-to-date budgeted amount. This was partially due to the community map project totaling $733.00. Additionally, Management had to order welcome packet folders in July totaling $700.00. Management has recommended an increase in funding to $5,000.00 for FY14 to adequately cover expenses.

• Postage, line item #5215, was $4,109.43 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.

• Events & Awards, line item #5200, was $4,973.66 below the year-to-date budgeted amount. The Activities & Events Planning Committee was not been able to hold any events in the Club in the first half of this year due to the renovation. It is likely that this line item will end the year under budget. (Expenses incurred in 8/13 for the annual pool party brought this item down from $12,951.13 below budget.)

• Other Communications, line item #5316, was $2,805.26 below the year-to-date budgeted amount. This line item should level out towards the end of the year as the larger mailings and DMS update are sent out.

• Administrative Salaries, line item #5302, was $7,214.29 above the year-to-date budgeted amount. This is mostly due to overtime being put in by the administrative staff as part of the access system conversion.

• Payroll Taxes/Benefits/Costs, line item #5340, was $4,496.92 above the year-to-date budgeted amount. This is partially due to additional time being put in by the administrative staff as part of the access system conversion.

• Trash and Recycling Services, line item #6035, was $3,135.36 above the year-to-date budgeted amount. Management anticipates that this line item will level out over the next few months.

• Grounds & Landscaping – Contract, line item #6100, was $4,345.00 below the year-to-date budgeted amount. This line item will end the year under budget as the Lancaster contract, which was negotiated after the creation of the FY13 budget, is less than the budgeted amount.

• Flower Rotations & Landscaping Enhancements, line item #6150, was $1,982.45 below the year-to-date budgeted amount. The next large planting will take place in the fall.
• Turf Treatment & Enhancements, line item #6155, was $3,959.66 below the year-to-date budgeted amount. Management anticipates that this line item will level out over the next few months.
• TMP Expenses, line item #6305, was $9,683.28 above the year-to-date budgeted amount. In October 2012, the Board approved the ARM Transportation shuttle bus contract totaling $215,000.00. There is $201,690.00 budgeted in this line item for FY2013, so the association will end the year $13,310.00 over budget in this line item.
• Snow Removal Services, line item #6442, was $35,887.25 below the year-to-date budgeted amount due to the small amount of snow received this year.
• General Repair & Maintenance, line item #6600, was $3,884.25 above the year-to-date budgeted amount. This is partially due to unanticipated expenses that came up during the renovation. There is $3,000.00 budgeted in this line item for FY2013 and expenses have already exceeded the annual budgeted amount. Management has recommended an increase of $500.00 in this line item for FY2014.
• Lighting Supplies/ Repair & Maintenance, line item #6640, was $3,125.93 below the year-to-date budgeted amount. We anticipate that this line item will level out by the end of the year.
• Pet Stations, line item #6690, was $2,131.15 above the year-to-date budgeted amount. This account will end FY13 above its $6,000.00 budget. The draft FY14 budget provides funding for this item at $7,830.00.
• Reserve Studies, line item #5105, was $1,500.00 below the year-to-date budgeted. In May 2013, the Board of Directors approved a proposal from Reserve Advisors for the reserve study update at a cost of $4,950.00. The initial payment of $2,500.00 was made in June and the remaining costs will be due at the completion of the project.
• Legal Service – Collections, line item #7025, was $2,889.90 above the year-to-date budgeted amount. This account is spread evenly and may come in above budget for FY13.
• Legal Service – General Counsel, line item #7030, was $7,623.31 below the year-to-date budgeted amount, as Rees Broome’s invoices are being sent out a week after the end of the month.
• Special Cleanings, line item #6436, was $3,100.00 below the year-to-date budgeted amount. There were no room rentals through May due to the renovation and it is expected that this line item will end the year significantly under budget.
• Pool Management Contract, line item #6438, was $6,917.38 below the year-to-date budgeted amount. The budget spread for this line item may be adjusted in FY14 projecting payments to start two months later. We anticipate that we will end the year on budget.
• Access System Supplies, line item #6590, was $2,635.81 below the year-to-date budgeted amount. In February 2013, the Board approved the replacement access system proposal, which included all of the necessary startup supplies.
• Pool Supplies, line item #6710, was $1,832.97 below the year-to-date budgeted amount.

Overall there is a positive variance between year-to-date income and expenses in the amount of $76,487.57 through August 31, 2013, which is $60,578.07 above the budgeted amount for Net Income/Loss for August 2013. 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 2013**
Kevin Horner, Fitness Director, presented the latest WTS Report. Kevin reported that the new abductor/adductor machine will be delivered this week and the order for the new elliptical will be placed this week.
WAIVER HEARING
Residents in attendance for a waiver hearing presented their case to the Board.

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

Cameron Club Facilities Committee- Ray Celeste, Committee Chair, reviewed the High Sierra Pool proposals which the committee voted to recommend approval to the Board.

Architectural Review Committee- Brian Sundin, Committee Chair, explained the ARC’s review process for Exterior Modification Applications to the Board. He also mentioned that the committee’s suggested DMS revisions still needed to be reviewed by the Board.

Financial Advisory Committee- Jeff Gathers, Committee Chair, gave the latest update from the August 14th budget meeting and also advised that the committee was still waiting on the completed reserve study report from Reserve Advisors.

Move To: Move to approve the appointment of Ken Jonmaire as to the Common Area Committee for a two-year term.
Moved by: Alvin Boone
Seconded: Jon Dellaria
For: All
Against: None
MOTION PASSED

OLD BUSINESS
Update on Cameron Club Renovation
Alvin Boone, Board Director, reported that the final walk through was completed with RW Murray. The remaining punch list items include the shelves in the kitchen and ceiling in the Great Room. The ceiling will be fixed sometime between December and January. The project was completed at a total cost of $888,118.00 which is $16,882.00 under the approved $900,000.00 project cost.

Move To: Approve Lancaster Landscape’s proposal totaling $16,867.50 for mowing and mulch bed care in Linear Park beginning April 2014.
Moved by: Michael Johnson
Seconded: Jon Dellaria
For: All
Against: None
MOTION PASSED

Move To: Approve Lancaster Landscape’s proposal totaling $16,867.50 for 2014 maintenance of the fountain at the Donovan pocket park for $48.00 per hour.
Moved by: Michael Johnson
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED
Move To: Approve Lancaster Landscape’s proposal totaling $11,715.00 for bed creation and plant material installation at the Cameron Station Circle.
Moved by: Michael Johnson
Seconded: Jon Dellaria
For: Michael Johnson, Jon Dellaria, Mindy Lyle
Against: Alvin Boone, Robert Duncan
MOTION PASSED

Move To: Approve the R.E. Lee Electric Co., Inc. contract to provide snow removal services for the 2013-2014 winter seasons on the private streets and walkways within the community.
Moved by: Robert Duncan
Seconded: Alvin Boone
For: Alvin Boone, Mindy Lyle
Against: Michael Johnson
MOTION PASSED

Move To: Approve the CCFC’s recommendation to approve 4 proposals from High Sierra Pools for various repairs to the Cameron Club pool. The cost for proposal # 47-153 shall not exceed more than $736.00 as only the materials will be ordered and CSCA’s Maintenance Technician will perform the labor.
Moved by: Alvin Boone
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

Move To: Approve the revision of the Cameron Club Facilities Usage Agreement to allow one adult resident to sign on behalf of their entire household, as opposed to each adult being required to sign an individual agreement.
Moved by: Robert Duncan
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Approve the proposed Requests for Examination and Copying of the Association’s Records Policy provided by Todd Sinkins, Esq., Rees Broome, PC.
Moved by: Jon Dellaria
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

MATTERS FOR BOARD REVIEW AND INFORMATION

COMMUNITY MANAGER’S REPORT
FY2014 Budget Meeting
The next budget meeting is scheduled for Thursday, 10/3/13 at 7pm in the Henderson Room. Both members from the FAC and Board will attend to discuss the FAC’s recommendations following the first budget meeting with the Committee Chairs. Please know that all of the draft FY14 budget materials have been posted on the Private Board of Directors page on the CSCA Website.
**Annual Meeting Information**

Management has reserved the cafeteria at Samuel Tucker Elementary School for Monday, 11/4/13 for the 2013 Annual Meeting. Please know that Tucker Administration will not allow access to the cafeteria until 6:30 pm due to the afterschool care program, therefore registration will not begin until approximately 7 pm. The Notice of Annual Meeting and Call for Candidates was mailed to all Owners on Friday, 9/13/13. The Meeting the Candidates event is scheduled for Sunday, 10/20/13 at 5 pm. All available Board members are encouraged to attend.

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**Server Failure**

On Monday, 9/16/13 the management office server experienced a drive failure. Repairs were completed late Wednesday, 9/18 and copier scan features were restored on Thursday, 9/17. The drive failure created delays in the issuance of the August 2013 Financial Statement Summary to the FAC and in preparation of the August 2013 Board Package.

**DMS Special Meeting**

Management was asked to find a couple dates to hold a special meeting for discussion of the ARC’s edits to the Design and Maintenance Standards. Two emails were sent to the Board asking for the Board’s availability on various dates in August; however, not more than four Directors were able to make any of the dates. Management will send a follow up email to try to establish a meeting for October.

**Repair and Replacement Reserve Update**

As of this writing, Reserve Advisors is scheduled to submit spreadsheet information via email today. That information will be posted to the FAC private site. The complete study is expected the week of 9/23/13.

**Auditor Bids**

Goldklang has submitted an Engagement Letter for the years ending 12/31/13 and 2014. At the request of the FAC, competitive proposals will be obtained and the issue will be presented at the October Board Meeting.

**Referrals for Landscape Engineers**

At the August Board Meeting, the Board expressed interest in meeting with an Engineering firm to discuss the significant drainage issues that are occurring throughout the aging community. Management received several references for landscape engineers from Todd Sinkins, Esq., Rees Broome. Management will send an email to the Board to establish a meeting date for October and then contact the engineers.

**Move To: Enter Executive Session at 9:46pm**

Moved by: Robert Duncan  
Seconded: Michael Johnson  
For: All  
Against: None  
MOTION PASSED
Move To: Exit Executive Session at 10:15pm
Moved by: Alvin Boone
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

Move To: Approve the homeowner’s request for a waiver regarding the Architectural Review Committee’s denial of an Exterior Modification Application.
Moved by: Alvin Boone
Seconded: Jon Dellaria
For: All
Against: None
MOTION PASSED

Move To: Waive half of the legal fees on the homeowner’s account with the stipulation that payment is made by October 24, 2013.
Moved by: Michael Johnson
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Adjourn at 10:17pm
Moved by: Alvin Boone
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

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