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

Tuesday, October 22, 2013

The regularly scheduled monthly meeting of the Board of Directors for October was held on Tuesday, September 24, 2013. The meeting was called to order at 7:00 p.m. by Nick Giannotti at the Cameron Club located at 200 Cameron Station Blvd., Alexandria, VA 22304

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

Members Absent: N/A

Others Attending: Colleen Hairston, Community Manager, CMC; Mary Flynn, Assistant Community Manager, CMC

Move To: Approve the October 22, 2013 meeting Agenda as amended.
Moved by: Michael Johnson
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

Guest Speaker
Deputy Chief Blaine Corle, Alexandria Police Department, addressed resident concerns regarding traffic and pedestrian issues. Mindy Lyle advised that additional crosswalk signage will be placed in throughout the community. Deputy Chief also advised that extra patrols would be present in the neighborhood on Halloween night.

RESIDENTS’ OPEN FORUM
The Board discussed a resident concern that was provided via email to Management before the Board meeting.

Move To: Approve the minutes from the September 24, 2013 Board of Director’s meeting as amended.
Moved by: Mindy Lyle
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

FINANCIAL REPORT FOR September 2013

Investments:
On September 30, 2013 the Association had operating and investment funds totaling $1,761,838.88. The Pacific Premier Bank (PPB) operating account had a balance of $44,436.99. The PPB Google Ads account had a balance of $1,662.57. The Morgan Stanley Smith Barney (MSSB) Money Market account had a balance of $375,493.24 and the PPB Money Market had a balance of $125,744.20. There was $1,191,000.00 invested with MSSB laddered CDs and investment funds. Additionally, there was $1,000.00 in the petty cash account.
Cameron Station had a $50,000.00 CD that matured on September 3, 2013, increasing the Morgan Stanley Smith Barney money market, along with interest, to $375,493.24.

**Balance Sheet:**

The Accounts Receivable Residential Assessments account as of September 30, 2013 was $27,873.24. This reflects a delinquency rate of approximately 1.296%, which is below the industry standard of 5%. Please keep in mind, the assessments are paid on a quarterly basis and September represents the third month of the third quarter.

Accrued Reserves total $984,763.84 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 15th, the Association has paid $811,535.24 in renovation related costs.

Owner's Equity*, which has a balance of $397,564.49, 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 FY2013. As of September 30th, $17,737.50 has been accrued over nine months (see 3025-Use of Prior Year Equity). Owner's Equity is currently 18.499% 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 $40,456.23. 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 Capital Reserves expenses in September 2013 of $9,940 ($6,175 bollards on Kilburn and $3,765 Donovan PP clean-up).

**Income Statement Report:**

The Income Statement Report reflects year-to-date income of $1,691,866.66, which is $2,292.84 below the budgeted amount of $1,694,159.50. Below are income items that have a variance of more than $1,500.00 of the year-to-date budgeted amount.

- **Newsletter Advertising**, item #4245, remained $6,100 above the YTD budget amount. There is $9,500 budgeted for this item and there is one more edition 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**, item #4260, was $4,600 above the YTD budget amount. This is due to more home sales than anticipated.
- **Room Rental Fees**, item #4400, was $2,000 below the YTD budget 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. The Club passed the Occupancy Inspection in May and the meeting rooms are now being rented out.
- **Club Cleaning Fees**, item #4405, was $3,450 below the YTD budget amount. This is also the result of the lack of room rentals through May.
- **Legal Reimbursements**, item #4720, was $4,092 below the YTD budget amount. Management will continue to keep an eye on this line item.
- **Compliance Fees**, item #4805, was $5,505 below the YTD budget 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.

Year-to-date expenses total $1,603,398.13, which is $86,584.87 below the budget amount of $1,689,983.00. Below are expense items that have a variance of more than $1,500.00 of the year-to-date budgeted amount.

- **Board Support**, item #5020, was $1,698.69 below the YTD budget amount. Management anticipates that this line item will level out towards the end of the year.
- **Acct Setup/DD/Coupons**, item #5030, was $1,705.52 above the YTD budget amount. This expense account relates to income account Resale Processing Fees, item, #4260, which was $4,600 above the YTD budgeted amount. This is due to more home sales that anticipated.
- **Parking Enforcement**, item #5070, was $2,398 below the YTD budget 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**, item #5210, was $4,541.24 above the YTD budget amount. This was partially due to the community map project totaling $733. Additionally, Management ordered welcome packet folders in July totaling $700. Finally, there was a billing error in 9/13 and the Association will receive a refund of $2,440 in 10/13. Management has recommended an increase in funding to $5,000 for FY14.
- **Postage**, item #5215, was $5,959.87 below the YTD budget amount. This line item should level out towards the end of the year as the larger mailings are sent then.
- **Events & Awards**, item #5200, was $7,588.66 below the YTD budget 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.
- **Other Communications**, item #5316, was $4,549.80 below the YTD budget amount. This line item should level out towards the end of the year as the larger mailings and DMS update are sent then.
- **Administrative Salaries**, item #5302, was $5,943.82 above the YTD budget 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**, item #5340, was $5,753.16 above the YTD budget 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**, item #6035, was $2,882.93 below the YTD budget amount. Management anticipates that this line item will level out over the next few months.
- **Water Service**, item #6025, was $10,898.09 below the YTD budget amount. Management anticipates that this line item will level out over by year end.
- **Grounds & Landscaping – Contract**, item #6100, was $4,980 below the YTD budget amount. This 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**, item #6150, was $2,425.45 below the YTD budget amount. The next large planting will take place in October.
- **Turf Treatment & Enhancements**, item #6155, was $5,834.66 below the YTD budget amount. Management anticipates that this line item will level out over the next few months.
Tree & Shrub Maintenance, item #6160, was $6,888 above the YTD budget amount. The Board approved 20 tree trimming days at a cost of $24,000. This work was performed throughout the spring and summer and is finishing up in October.

TMP Expenses, item #6305, was $10,589.94 above the YTD budget amount. In October 2012, the Board approved the ARM Transportation shuttle bus contract totaling $215,000. There is $201,690 budgeted in this line item for FY2013, so the association will end the year $13,310 over budget in this line item.

Snow Removal Services, item #6442, was $35,887.25 below the YTD budget amount due to the small amount of snow received this year.

General Repair & Maintenance, item #6600, was $3,934.25 above the YTD budget amount. This is partially due to unanticipated expenses that came up during the renovation. There is $3,000 budgeted for this item for FY13 and expenses had already exceeded the budget in 7/13. Management has recommended an increase of $500 in this item for FY14.

Lighting Supplies/ Repair & Maintenance, item #6640, was $6,925.93 below the YTD budgeted amount. We anticipate that this item will level out by the end of the year.

Pet Stations, item #6690, was $1,623.15 above the YTD budget amount. This account will end FY13 above its $6,100 budget. The draft FY14 budget provides funding at $7,830.

Reserve Studies, item #5105, was $1,500 below the YTD budget amount. In May 2013, the Board of Directors approved a proposal from Reserve Advisors for the reserve study update at a cost of $4,950. The initial payment of $2,500 was made in June and the remaining cost is due in 10/13.

Legal Services – Collections, item #7025, was $3,746 above the YTD budget amount. This account is spread equally and may come in above budget for FY13.

Legal Service – General Counsel, item #7030, was $7,971.31 below the YTD budget amount. This account is spread equally and may come in below budget for FY13.

Special Cleanings, item #6436, was $3,100 below the YTD budget 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. The Club passed the Occupancy Inspection in May and the meeting rooms are now being rented out.

Pool Management Contract, item #6438, was $3,620.04 below the YTD budget 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 FY14 on budget.

Access System Supplies, item #6590, was $2,635.81 below the YTD budget amount. In February 2013, the Board approved the replacement access system proposal, which included all of the necessary startup supplies.

Pool Supplies, item #6710, was $1,957.97 below the YTD budget amount.

Overall there is a positive variance between YTD income and expenses in the amount of $88,468.53 through September 30, 2013, which is $84,292.03 above the budgeted amount for Net Income/Loss for September 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 September 2013
Kevin Horner, Fitness Director, presented the latest WTS Report. Kevin reported that the gym was much busier than normal during the furlough. Kevin advised that the new basketball backboard was installed as well as a new threshold going in to the basketball court. He also reported that several new fitness clubs had started and
were going well. A Board member inquired about adding a sign reminding residents not to use excessive noise while working out.

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 a proposal from FA Design Build to replace the countertops, sinks, and mirrors in the locker rooms and upstairs restroom, which the committee voted to recommend approval to the Board.

Communications Committee, Jon Dellaria, Board Liaison, reported that the committee is working with the website developer on redesigning the website.

Events & Activities Committee, Michael Johnson, Board Liaison, reported that the Halloween Party will be this Sunday.

Financial Advisory Committee- Jeff Gathers, Committee Chair, reviewed the proposed draft budget with the Board.

Move To: Move to approve the appointment of Josef Chesney to the Financial Advisory Committee for a two-year term.
Moved by: Robert Duncan
Seconded: Mindy Lyle
For: All
Against: None
MOTION PASSED

OLD BUSINESS

City of Alexandria, Mindy Lyle, Board Vice President, reported that if the SUP is approved, the Delaney development will be changed from rental properties to 100 percent owner occupancy.

Move To: Approve Goldklang Group CPA P.C.’s proposal for the preparation of the 2013 and 2014 audits and tax returns at the cost of $6,150.00.
Moved by: Robert Duncan
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

Move To: Approve Lancaster Landscape’s proposal totaling $8,397.00 for the fall flower installation.
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED
Move To: Approve Victor Stanley’s proposal totaling $1,664.24 for a new contoured maple composite bench to replace the wooden contoured bench in front of the Cameron Club.
Moved by: Alvin Boone
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

Move To: Approve the installation of “No Trespassing” signs purchased by the Association in conspicuous locations at each main entrance of the community (3-Duke Street and CSB, Pickett and CSB and Somerville and Brenman Park Drive).
Moved by: Mindy Lyle
Seconded: Michael Johnson
For: All
Against: None
MOTION PASSED

Move To: Approve that the Board Secretary cast any undesignated and uninstructed proxies for quorum purposes only.
Moved by: Mindy Lyle
Seconded: Robert Duncan
For: Mindy Lyle, Robert Duncan, Alvin Boone, Tom McClimon, and Jon Dellaria
Against: None
Abstained: Michael Johnson
MOTION PASSED

Move To: Approve Agreement 2 between the City of Alexandria and Cameron Station Community Association, Inc. and to obtain adequate insurance coverage.
Moved by: Michael Johnson
Seconded: Robert Duncan
For: All
Against: None
MOTION PASSED

Move To: Approve FY2014 Draft 2 that reflects a 3.03% increase in Assessment Income, after reducing Other Income account #4815 Prior Year Income from $58,650 to $23,650. Assessment Income will increase accordingly.
Moved by: Alvin Boone
Seconded: Robert Duncan
For: Alvin Boone, Robert Duncan, Mindy Lyle, Tom McClimon, Jon Dellaria
Against: Michael Johnson
MOTION PASSED

MATTERS FOR BOARD REVIEW AND INFORMATION
FY2014 Budget Meeting
The last budget meeting was held on 10/9/13. Members from the FAC (4) and Board (2) attended to discuss the FAC’s recommendations following the first budget meeting on 8/14 with members of the FAC, Board and 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. There was a lengthy discussion regarding the Reserve Study submitted by Reserve Advisors on 10/1/13 and the assessment increase for FY14 that would be acceptable to homeowners.

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 4 pm. All available Board members are encouraged to attend. Management has confirmed attendance by Steve Bannister, Michael McQuire and Colleen Willger, Urban Planner with the City. They will be available during the registration period to provide information regarding the nearby development projects and to answer questions. Mr. Bannister and Mr. McQuire have been advised that if residents continue to have questions after the registration period, the Board President will make an announcement those questions should be submitted to CSCA management via its website. The questions will be compiled and forwarded to them for response. The responses will then be posted on the CSCA website. (Of course, it is possible that answers to some questions may not be available [at this time].)

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<th>Director</th>
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<td>Nick Giannotti</td>
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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.

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 November and then contact the engineers.

Move To: Enter Executive Session at 10:10pm
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: Award the 2013 Mark Pillow Award for Community Spirit to Mindy Lyle.**
Moved by: Alvin Boone
Seconded: Michael Johnson
For: All
Against: None
Abstained: Mindy Lyle
**MOTION PASSED**

**Move To: Adjourn at 10:18pm**
Moved by: Alvin Boone
Seconded: Michael Johnson
For: All
Against: None
**MOTION PASSED**

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