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

Tuesday, April 22, 2014

The regularly scheduled monthly meeting of the Board of Directors for April was held on Tuesday, April 22, 2014. The meeting was called to order at 7:05 p.m. by Michael Johnson at the Cameron Club located at 200 Cameron Station Blvd., Alexandria, VA 22304

Board Attendance: Michael Johnson-President; Alvin Boone-Vice President; Nick Giannotti-Treasurer; Jon Dellaria-Secretary; Donna Kenley- Director, and Paul Rocchio- Director

Members Absent: Igor Dubinsky-Director

Others Attending: Colleen Hairston, Community Manager, CMC and Kevin Taylor, Assistant Community Manager, CMC

Move To: Approve the April 22, 2014 Meeting Agenda as amended. Item XI, g., was deleted and h., was moved to m.

Moved by: Nick Giannotti
Seconded: Paul Rocchio
For: All
Against: None

MOTION PASSED

GUEST SPEAKER:
Deputy Chief Blaine Corle, Alexandria Police Department, informed the Board of just one incident of car vandalism the community. He also indicated a CS resident had passed away in their home and that other residents may have observed the standard police response (EMS and a number of officers reported to the home).

HEARING:
A Homeowner appealed the ARC’s decision to uphold the DMS and deny his keeping a storm door with a cross bar in-place. The Board will review the appeal in Executive Session.

RESIDENTS’ OPEN FORUM:
None.

APPROVAL OF MINUTES:

Move To: Approve the minutes from the March 25, 2014 Board of Director’s meeting.

Moved by: Donna Kenley
Seconded: Nick Giannotti
For: All
Against: None

MOTION PASSED
FINANCIAL REPORT FOR MARCH 2014
On 3/31/14 the Association had operating and investment funds totaling $1,653,019.71. The Pacific Premier Bank (PPB) operating account had a balance of $252,568.40. The PPB Google Ads account had a balance of $1,765.98. The PPB money market had a balance of $65,873.70 and the Morgan Stanley Smith Barney (MSSB) money market account had a balance of $286,149.17. There was $1,041,000.00 invested with MSSB laddered CDs and investment funds. Finally, there was $1,000.00 in the petty cash account.

Balance Sheet:
The Residential Assessments Receivable balance as of 3/31/14 was $31,721.64. This reflects a delinquency rate of approximately 1.41%, which is below the industry standard of 5%.

Accrued Reserves totaled $950,767.05 and were fully supported by cash and investments.

Owner's Equity*, had a balance of $469,595.13 and was supported by cash and investments. As part of the FY14 budget, the Board of Directors opted to use $23,650.00 of prior year equity to help offset the increase in assessments for FY14. As of 3/31/14, $5,912.50 had been accrued over two months (see 3025-Use of Prior Year Equity). Owner's Equity was 20.88% of the Association's annual assessments. 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 totaled $2,371.58.

Income Statement Report:
The Income Statement Report reflected year-to-date income of $590,455.36, which was $4,411.86 over the budget of $586,043.50. Income items that had a variance of more than $1,500.00 of their YTD budget follow.

- Newsletter Advertising, #4245, was $2,930.00 over its budget. This account is spread @ $2,000.00 in the months of February, April, June, October and December.

Year-to-date expenses totaled $594,248.22, which was $28,613.52 over the budget of $565,634.70. Expense items that had a variance of more than $1,500.00 of their YTD budget follow.

- Parking Enforcement, #5070, was $2,733.00 under its YTD budget. Management anticipates this variance will level out during the upcoming months.

- Water Service, #6025, was $2,051.45 under its YTD budget. This account appears to be spread inaccurately, including an allowance in the spring for filling the pool. However, management anticipates this account ending the year reasonably close to its budget. If the spread proves inaccurate, it will be adjusted during the FY2015 budget process.
- **Flower Rotation**, #6150, was $8,100.00 under its YTD budget, due to the spread showing the spring flower installation in March, rather than April. This will be adjusted during the FY2015 budget process.

- **Turf Treatment**, #6155, was $1,875.00 under its YTD budget, also due to a spread issue that will be adjusted during the FY2015 budget process.

- **Tree & Shrub Maintenance**, #6160, was $3,210.00 under its YTD budget, also due to a spread issue that will be adjusted during the FY2015 budget process.

- **Snow Removal Services**, #6442, was $76,105.25 over its YTD budget due to the high number of snowfalls this winter. This account is spread @ $14,000.00 for the months of January, February, March, November and December and will be further over budget in April 2014.

- **Lighting Supplies/Repair & Maint.**, #6640 was $4,617.10 under its YTD budget due to the timing of repairs and/or invoices. This account is spread @ $5,000.00 for the months of January, March, May, July, September and November.

- **Pet Stations**, #6690, was $1,897.06 under its YTD budget. This account is spread equally over 12 months and was under budget due to the timing of purchases and/or invoices.

- **Community Center Improvement**, #6525 was $2,177.00 under its YTD budget. This account includes funds for five additional fire extinguishers @ $437.50 and for an automated external defibrillator (AED) @ $1,739.00 for the Fitness Center as per the CCFC’s request. The spread has all of the funds expensed as of 2/28/14. Management will work on procuring these items.

- **Income Tax**, #9000, was $2,550.00 under its YTD budget. This account is spread @ $2,550.00 for the months of March, June, September and December and was under budget due to the timing of payment of an estimated deposit.

As of 3/31/14, there was an overall negative variance between YTD income and expenses in the amount of $24,201.66, which was $3,792.86 over the budget amount for Net Income/Loss of $20,408.80. 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. Please let me know if you have any questions regarding this information.

**WTS REPORT FOR MARCH 2014:**
Kevin Horner, Fitness Director, updated the Board on the March WTS Report and indicated WTS will provide resident orientations regarding use of the new machines.

**OFFICERS'/COMMITTEE REPORTS:**
The Board reviewed Committee reports on activities and recommendations to the Board.
Common Area Committee- No one from the Committee was present. Donna Kenley, Board Liaison indicated that the committee tabled discussion of the snow and trash removal policies to its next meeting.

Cameron Club Facilities Committee- Martin Menez, Committee Vice Chair, briefly discussed the audio visual system proposed for The Great Room.

Financial Advisory Committee- Jeff Gathers asked if the Board knew why Board Meetings are set for the 4th Tuesday of the month, rather than the last Tuesday of the month. He indicated that this since the FAC meets the Thursday before the Board meeting, this timeframe can leave very little time for review of the financials provided by CMC on or about the 15th of each month. Mr. Gather indicated his committee would review the current schedule for possible revision.

OLD BUSINESS
MATTERS FOR BOARD DECISION:

Move To: Ratify the selection of Nationwide Insurance coverage made by unanimous electronic vote on Monday, 4/14/14.
Moved by: Jon Dellaria
Seconded: Paul Rocchio
For: All
Against: None
MOTION PASSED

Move To: Approve the City of Alexandria Police Department off Duty LEAA Employment Agreement valid through 2/28/2015 for visitor parking enforcement.
Moved by: Nick Giannotti
Seconded: Jon Dellaria
For: All
Against: None
MOTION PASSED

Move To: Approve a transfer of $26,282 from Owners’ Equity #3000 to Capital Reserves #3015 to cover the related irrigation expenses approved at the 1/28/14 Board Meeting.
Moved by: Nick Giannotti
Seconded: Donna Kenley
For: All
Against: None
MOTION PASSED

Move To: Approve the purchase of 50 “no pet” signs from Signs By Tomorrow, at a cost of $2,175.00 plus taxes @ $131.00 paid from Capital Reserves #3364. I also move to approve purchase of 50 - 3” x 3” green aluminum posts, at a cost of $2,475 plus taxes @ $149.00 paid from Capital Reserves #3364. I further move to approve a transfer of $4,930.00 from Owners’ Equity #3000 to Capital Reserves #3015 to cover the expense.
Moved by: Nick Giannotti
Seconded: Donna Kenley  
For: All  
Against: None  
MOTION PASSED  

Move To: Approve Lancaster’s Brawner Pocket Park Design Proposal #23880 in the amount of $2,374.00 paid from Capital Reserves #3364.  
Moved by: Nick Giannotti  
Seconded: Donna Kenley  
For: All  
Against: None  
MOTION PASSED  

Move To: Approve Audio Architects Estimate #1668 for the installation of audio visual equipment in the Great Room in the amount of $10,463.10, plus an additional $2,500 for ancillary electrical and drywall costs, paid from Capital Reserves #3364. I further move to approve a transfer of $12,963.10 from Owners’ Equity #3000 to Capital Reserves #3015 to cover the expense.  
Moved by: Nick Giannotti  
Seconded: Alvin Boone  
For: All  
Against: None  
MOTION PASSED  

Move To: Approve Trademaster Service Corp’s proposal for installation of a pool sub-meter in the amount of $3,200.00 to be paid from Capital Reserves #3364. I further move to approve a transfer of $3,200.00 from Owners’ Equity #3000 to Capital Reserves #3015 to cover the expense.  
Moved by: Alvin Boone  
Seconded: Donna Kenley  
For: All  
Against: None  
MOTION PASSED  

Move To: Approve I move to approve Dolan Contracting’s Contract #4837 for power washing the Community’s brick wall along Duke Street in the amount of $3,290.00 to be paid from Reserves #3280.  
Moved by: Nick Giannotti  
Seconded: Donna Kenley  
For: All  
Against: None  
MOTION PASSED  

Move To: Approve the appointment of either Megan Brock or Mindy Lyle, by secret ballot, to the Board of Directors effective on the date of the upcoming resignation of current Member Nick Giannotti. She will fill the position until the next Board Member election in 11/2014.  
Moved by: Donna Kenley  
Seconded: Alvin Boone
For Brock: Five
For Lyle: One
MOTION PASSED

Move To: I move to create an ad hoc committee of the Association for calendar year 2014 for the purpose of soliciting proposals for management services, conducting an initial review of such proposals, and making recommendations to the Board of Directors on no less than three management companies to interview to provide the Association with management services. I further move to appoint Mindy Lyle, Don Bush, Jeff Gathers and Martin Mendez to serve on the committee. I further move to provide the President of the Association with the right to appoint additional individuals to serve on such ad hoc committee in his sole discretion.

Moved by: Jon Dellaria
Seconded: Alvin Boone
For: All
Against: None
MOTION PASSED

AMBIT ENERGY:
A presentation was provided regarding the natural gas program offered by Ambit. Jeff Gathers, FAC Chairman volunteered to research the programs offered by additional alternate natural gas providers and report back to the Board.

COMMUNITY MANAGER’S REPORT:
Sign Poles:
The resident of 440 Ferdinand Day Drive (FDD), requested management pursue replacement of the two green u-channel posts at the intersection of Harold Secord and FDD with decorative black posts found throughout the Community. Management noted that there is a third green u-channel post at Harold Secord and Brawner. Management was unsure why these three posts are not already the decorative posts and contacted Mindy Lyle, longtime resident on Tancreti for input. She indicated the developer installed the green u-channel posts, likely intending to replace them with the decorative posts and then failed to do so. A quote from R. E. Lee Electric Co., Inc., for a replacement post is attached. Management intended to put this issue before the Board for a vote, but Mike Johnson asked that it be forwarded to the CAC for input. If approved, this item will be a Capital Expense.

Reserve Study:
The draft Reserve Study by Reserve Advisors was received on 10/1/13.

A Budget Meeting attended by members of the Board and FAC was held on 10/9/13 to review the Reserve Study as it related to the draft FY14 Operating Budget that required approval at the Board Meeting on 10/22/13. At the meeting on 10/9, the FY14 reserve funding level recommended in the draft Reserve Study of $305,000 was discussed at length. The members in attendance concluded to recommend funding at $265,000 and that the FAC would work with Reserve Advisors to finalize the Reserve Study.

The final Reserve Study was received from Reserve Advisors on 1/15/2014. It is important to know that the final Reserve Study requires a 5% increase in reserve funding for FY’s 2015 through 2019 and...
then a 3% increase in each subsequent year. Management and the FAC plan to work together closely on the FY14 update to the Reserve Study, which requires quite a bit of “tweaking.”

Please see the attached related information. If anyone would like a copy of the full Reserve Study, please let me know.

**DMS:**
Based on input from the Communications Committee and the ARC, Management contacted Todd Sinkins regarding electronic issuance – rather than hard copy - of the revised DMS. Management proposed posting the revised DMS on the CSCA Website and distribution of a letter to all Owners announcing the revised DMS and its availability on the website. That letter would also indicate that hard copies are available at the FC for pick-up by those interested. The availability of the DMS on the website would also be announced in weekly email Blasts and in The Compass. Copies would continue to be included in the New Resident Orientation package. Todd indicated this method of distribution will comply with the Association’s governing documents. Management intends to complete the DMS posting and mailing next week. This method of distribution will save the Association approximately $4000.00 (printing and mailing costs).

**CMC Correspondence:**
Please find the following communications from CMC attached:

1) 3/20/14 letter regarding CMC’s President and CEO
2) 4/7/14 email regarding placement of Kevin Taylor as CSCA’s Assistant Manager
3) 4/11/14 email regarding CMC leadership

**OPEN DISCUSSION:**
None

**Move To: Enter Executive Session at 9:35pm**
Moved by: Donna Kenley
Seconded: Alvin Boone
For: All
Against: None
**MOTION PASSED**

**Move To: Exit Executive Session at 9:50 pm**
Moved by: Alvin Boone
Seconded: Jon Dellaria
For: All
Against: None
**MOTION PASSED**

**Move To: Deny the homeowner’s (account #00314-1199) request to keep a storm door with a cross bar in-place.**
Moved by: Alvin Boone
Seconded: Paul Rocchio
For: Alvin Boone, Nick Giannotti, Mike Johnson, Donna Kenley and Paul Rocchio
Abstention: Jon Dellaria
MOTION PASSED

Move To: Adjourn at 10:16 pm
Moved by: Alvin Boone
Seconded: Jon Dellaria
For: All
Against: None
MOTION PASSED

Minutes prepared by: C. Hairston, Community Manager, CMC