MASTER COMMUNITY ASSOCIATION, INC.
Annual Meeting of the Executive Board

Tuesday December 18th, 2007 ~ Noon - 2:00 pm.
Stapleton Community Room
2823 Roslyn St. ● Denver, 80238

AGENDA

I. CALL TO ORDER	**D. Gammon**	Verbal
II. APPROVAL OF MINUTES: OCT 11, 2007	**D. Gammon**	Attached
II. ADDITIONS TO AGENDA	**D. Gammon**	Verbal
III. 2007 FINANCIAL REPORT (YTD)	**K. Burnett**	Attached
III. 2008 RATIFIED OPERATING BUDGET & ASESSMENT SCHEDULE	**K. Burnett**	Attached
IV. MANAGEMENT REPORT 1) 2008 Contracts 2) Alley Repair & Replace 3) Friends of Stapleton Parks and Open Space	**K. Burnett**	Attached
IV. OPEN DELEGATE FORUM 1) 2008 DELEGATES & DIRECTOR ELECTION	**D. Gammon**	Verbal
V. OPEN MEMBER FORUM	**D. Gammon**	Verbal
VI. 2008 MEETINGSCHEDULE: (2nd Wed) 1) Q1 Executive Board: Feb 13 Noon-2pm 2) Q2 Executive Board: May 14 Noon-2pm	**D. Gammon**	
VI. ADJOURN	**D. Gammon**	Verbal

STAPLETON MASTER COMMUNITY ASSOCIATION
EXECUTIVE BOARD MEETING
Wednesday October 11, 2007 ~12:00 – 2:00 pm.
Forest City Office 7351 E. 29th Avenue
Denver, CO 80238

ATTENDANCE
Brian Fennley (FC Accounting)
Keven Burnett (SMCA Executive Director)
Jenifer Graham (SMCA Office Manager)
Jason Dembeck (district 5 delegate)
Michael Kearns (district 6 delegate)
Michael Johnson (district 4 delegate)
Heidi Majerik (FC Employee)
Denise Gammon (absent)
John Lehigh (absent)

I. CALL TO ORDER
Brian Fennley

II. BOARD APPOINTEE
Consistent with the Declarants authority to remove and appoint directors during the Developers control period as stated in the Associations governing documents, John Lehigh will be removed from the board of directors and Heidi Majerik will be appointed effective immediately.

III. APPROVAL OF MINUTES
June 13, 2007 meeting minutes were attached.

- ❖ **M/S/C~ (Majerik/Fennely) unanimous**
  Motion to approve minutes as presented.

IV. ADDITIONS TO AGENDA
None

V. FINANCIAL REPORT

1) The Executive Director presented the current financial report as of August 31, 2007.

Balance Sheet (As of August 31, 2007)

- Current Assets $969,024.30
- Accounts Receivable $285,635.50
- Total Assets $1,004,783.30
- Total Liabilities $340,185.17
- Total Equity $664,598.13
- Total Liabilities & Equity $1,004,783.30

Executive Director will look in to converting the reserve and community fee accounts to cd program for 6 month term. Currently all Reserve funds are held in high interest liquid asset accounts currently earning 4.8%. Homeowner receivables are consistent; Park Creek Metropolitan District is a month behind. The MCA Executive Board had authorized the Executive Director to use the funds currently held in the reserve fund to pay for Tenant Improvements for the MCA Office and Community Room. Currently, Forest City has contributed 60% of the funds; MCA is responsible for the remaining 40%. Current Reserve fund transfers were used yielding an increase in the Accounts receivable. The receivable is budgeted to be paid back over the next four (4) years out of the operating budget

Statement of Activity Budget vs. Actual ~ January through August 2007

- Total Income Y.T.D. $1,289,213.03 vs. Budgeted $1,343,063.05
- Total Expense Y.T.D. $1,318,429.28 vs. Budgeted $1,483,715.76
- Net Income Y.T.D. $94,565.49 vs. Budgeted $83,071.29

  - Item #4010- Assessments – Is off by $90,084.87, $45 was over budgeted. The remaining $45 is behind due to the slow down of homes constructed and closed.
  - Item#4030-Working Capital- Is due to amount of closings coming in.
  - Item #4040- Legal-Is over budget by $9,151.29 ,previously MSI had netted the figure, when we have greater expenses and income.
  - Item # 4070 – Was not budgeted this year to partnership with Forest City.
  - Item #5010 & #5025 – Is down because we have not moved in to the office.
  - Item # 5060 – Insurance costs go up every year and renewed in the middle of year. Item# 5400 – Pool cost is up due to trying to keep staff longer and pools open longer.

Reserve study results were related to the alley replacement at $10 a sq ft to replace. MCA, FC and District Engineers are currently working on a protocol to maintain the alleys.

❖ **M/S/C ~ (Majerik/Fennely)~ Unanimous**

Motion to approve: Financial Statement for January through August 2007 as submitted.

2) 2006 Audit Report- Is still in draft form, due to company needing to rewrite the letter stating no one is trying to sue the Stapleton MCA. Audit is completed back to 2001. This audit will be completed on a yearly basis. Auditors do not classify working capital as income, they classify is as equity.

❖ **M/S/C ~ (Majerick/Fennely) ~ Unanimous**

Motion to approve: 2006 Audit report as drafted.

VI. MANAGEMENT REPORT

Administration

1) MCA Offices & Community Room – MCA office will move in to the new space end of October and we will have the Annual meeting in November in the Community room. We will then start taking reservations for the Community Room in December. Forest City - Diane Deeter will sublet space from us in the new office.
2) Currently working on going through official process to be a 501C4 community organization, allows us to not have to pay corporate income tax.

Community Pools

- 2007 Regular Season visits = 86 days, 2007 Extended season (aviator only) =15 days
- Total visits =59,440
- Stapleton Residents =92.45% vs. General Public = 3.72%
- Guest Passes utilized =2,117

Executive Director will look in to pool hours and days of operation for the "Extended Season" next year, since the use was mainly on the weekends and a few during the weekdays. Lack of lifeguards will continue be an issue in 2008, due to our reliance on high school and college students and that they are now returning to school no later than mid August. The lifeguard shortage is not unique to Stapleton pools, it is also felt by Denver City pools as well as private facilities like Crestmore. Staff has begun a program to recruit and train lifeguards that live within the community. However during 2007 there was little interest from the community. Aquatics staff has been instructed to continue this program in 2008. Significant increase in seniors' usage by those living outside of Stapleton will require us to revisit seniors' age guidelines for 2008 year. Currently all swimmers 55 and older are allowed in for Free. It is recommended that we increase senior age to 65 and set a $3 fee for all seniors. This is consistent with the children entry fee. This fee does not apply to Stapleton residents, only non-residents.

Community Events

1) Community events and movies have been well attended, with the exception of the Fourth of July-which we will reorganize or get rid of all together.

Grounds Operation

1) Ending 2 year contract with Colorado Total Maintenance CTM and currently have out bid for future. Heidi Majerik would like to look over bids once they are submitted.

- **M/S/C ~ (Majerik/Fennely)~ Unanimous**

Motion to accept manager's report

VII. OLD BUSINESS

1) MCA Office and Community Room- Discussed
2) Alley Maintenance Program-Currently working on

VIII. NEW BUSINESS

2008 Budget & Assessments

1) Total Income $2,492,634.00—Jan-Dec 2008

Assessments	$1,738,984.00
Park Creek Metro District	$573,950.00
Working Capital	$72,000.00
Legal Income	$18,900.00
Community Fee	$28,000.00
Pool Income	$21,000.00
Event Income	$35,000.00
Other Income	$4,800.00

2) Total Expenses $2,492,634.00

Administration	$291,879.00
Community Room	$38,652.00
Assessment Management	$91,887.00
Professional Services	$26,800.00
Insurance	$52,480.00
Community Events	$170,900.00
SMCA Operations	$413,720.00
PCMD Operations	$555,900.00
Pool Operations	$554,054.00
Other Expenses	$18,000.00

Fund Transfers $278,362.00

3) Net Other Income $295,762.00
Reserve Funds $239,904.00
Capital Improvement $24,858.00
Community Fee Fund $31,000.00

- **M/S/C ~ (Fennely/Majerik)~ Unanimous**

Motion to open Capital Improvement fund account
Professional services line item has gone up a little because of the need for mapping. Insurance continues to grow yearly based upon how many units the community has. Community events planned for 2008 will consist of spring, Fall Festival, movies and concerts.

Michael Johnson (D4) suggested that the MCA board consider termination of community events and use the budget for additional recreation programming (i.e. Tennis, Soccer etc)and community transportation (i.e. bus system within the community), Michael Kearns (D6), Justin Silverstein (D2) and Jason Dembeck (D5) all opposed to this suggestion to completely eliminate the community events and lighting programs, stating the "voting with your feet" concept is working. Events that are well attended still exist and those that are not are removed from the calendar. It was noted that the primary mission of the Stapleton MCA remains to "create a sense of community through compressive programming, events and facilities maintenance.

Executive Director will get a break down of the community fee line item and the attendance of the event/movies to show that the Stapleton MCA is responding to the likes of the community.

Increase of assessments is requested due to the budget being behind from the slow down of new homes and will continue to 2008, in addition to the 3rd pool coming on line in 2008.
This will consist of 14% increase for Regular Residential, 3% for Sale Affordable Residential & Rent Residential and 30% increase for Commercial, Office and other.

Type of Unit	Description	2008 Assessment
For Sale Regular Residential	Individually owned dwelling units sold at market rate prices	$36.00/ Month
For Sale Affordable Residential	Individually owned dwelling units subject to restrictions under the Workforce Housing Program.	$20.40/ Month
For Rent Residential – Affordable and Market Rate	Apartments/multi-family rental units.	$20.40/Month
Commercial, Offices, Other	Units used for commercial, retail, light industrial, offices, or public or private recreation use.	$12.00 2,000 sq ft/Month

Executive Director will look in to creating a grant program for people that can not pay for community dues.

2) Board of Directors Election – Delegates will elect a member to the Board for a 3 year term starting in January 2008.

IX. 2007 Meeting Schedule:

1) Friday, November 9, 2007- Annual Members Meeting
2) Tuesday, November 13, 2007-Annual Meeting of District Delegates
3) Thursday, November 15, 2007-Annual Meeting of Executive Board

STAPLETON
MASTER COMMUNITY ASSOCIATION

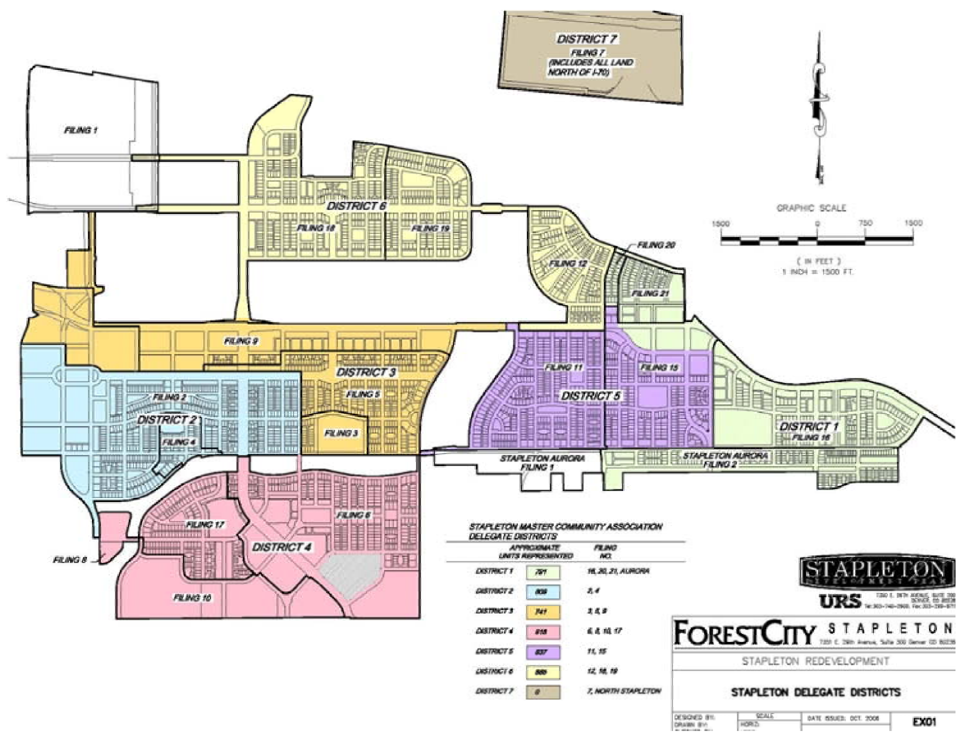
STAPLETON MASTER COMMUNITY ASSOCIATION
ANNUAL DELEGATE MEETING
Tuesday November 13, 2007 ~ 6:30 – 8:00 pm.
Stapleton Community Room 2823 Roslyn Street
Denver, CO 80238

ATTENDANCE
Keven Burnett (Executive Director)
Jenifer Graham (Office Manager)
Brian Fennelly (District 3/FC)
Jason Dembeck (District 5)
Michael Kearns (District 6)
Denise Gammon (District 1/FC) - Absent
Justin Silverstein (District 2 Delegate)-Absent
Michael Johnson (District 4 Delegate) - Absent
Dana Elkind (Resident running for District 3)
Melinda Elkind (Resident)
Jim Vanderhye (Resident)

I. **CALL TO ORDER**
- Introductions

II. **ADDITIONS TO AGENDA**
- None

III. ANNUAL ELECTION OF DELEGATES (2nd Meeting)



District	Filings	Delegate	Total Votes	Current Votes	Received Votes
1	16, 20, 21, A2	Denise Gammon	791	8	0
2	2, 4	Justin Silverstein	925	916	25
3	3, 5, 9	Brian Fennelly Dana Elkind (08)	741	561	22
4	6, 8, 10, 17	Michael Johnson	818	613	12
5	11,15	Jason Dembeck	837	727	27
6	12, 18, 19	Michael Kearns	885	190	13
7	N. Stapleton	John Lehigh	0	0	0
	Total		4997	3015	99

Dana Elkind was nominated as a resident delegate for District 3. Brian Fennelly, who represented the developer for district 3 has agreed to step down in his delegate responsibilities to make room for Mr. Elkind beginning January 1, 2008.

New Delegates for the Districts are as follows, term January 1, 2008– December 31, 2008

IV. 2008 PROPOSED OPERATING BUDGET & ASESSMENT SCHEDULE

2008 Proposed Operating Budget

1) The Executive Director presented the proposed financial reports, which is based on raising the 2008 assessments (properties).

- Total Income $2,492,584.00
- Estimated Expenditures $2,492,584.00
- Transfer to Reserve Funds $239,904.00
- Transfer to Community Fund $31,000.00

2) Assessment Schedule

	2008	2007	$ Difference	%
For Sale Regular Residential	$36.00/mo $432/yr	$31.65/ mo $379.80/ yr	$4.35/ mo $52.20/ yr	14%
For Sale Affordable Residential	$20.40/mo $244.80/yr	$17.89/ mo $214.68/ yr	$2.51/ mo $30.12/ yr	14%
For Rent Residential – Affordable and Market	$20.40/mo $244.80/yr	$17.89/ mo $214.68/ yr	$2.51/ mo $30.12/ yr	14%
Commercial, Office, Other (D2 only)	$12.00/mo $144/yr	$8.81/ mo $105.72 yr	$3.19/ mo $38.28/ yr	36%

(Every 2000sq ft equals one commercial unit)

- Increase is due to additional properties coming on line in 2008; specifically Filing 15 pool, Filing 11 & 12 parks. The MCA park responsibility is more than doubling next year going from 8 acres to 18 acres.
- Northfield and Quebec Square are not included in the assessments. There are no services rendered by the MCA. Both filings (1 & 14) were both written out of the community declarations by the Declarant upon creation of each filing.
- The Delegates would like to the Executive Board to look at how the programming & event funds are being used, specifically the Farmers' Market.

❖ **M/S/C~ (Kearns/Fennelly) unanimous**

Motion to Ratify 2008 Budget and Assessment schedule as submitted.

V. OPEN FORUM

VI. MEETING SCHEDULE:

1) Annual Meeting of the Executive Board: November 15th Noon-2pm ~ Stapleton Community Room

VII. ADJOURN

11:32 AM
12/13/07
Accrual Basis

Stapleton Master Community Association
Balance Sheet
As of November 30, 2007

		Nov 30, 07
ASSETS		
Current Assets		
Checking/Savings		
1010 · MSI Assessment Acct		111,378.66
1015 · MCA Operating Acct		32,058.46
1020 · MCA Operating Reserve		22,909.03
1030 · MCA Community Reserve		347,006.31
1070 · MCA Community Fee Fund		67,839.03
Total Checking/Savings		581,191.49
Accounts Receivable		
1110 · Accounts receivable		
1110-01 · AR-Homeowners	29,115.97	
1110-02 · AR-Commercial	4,629.43	
1110-04 · AR-Builders	41,074.54	
1110-05 · AR-PCMD	138,575.41	
1110-06 · AR-For Rent	10,769.78	
1110 · Accounts receivable - Other	80,868.82	
Total 1110 · Accounts receivable		305,033.95
Total Accounts Receivable		305,033.95
Other Current Assets		
1450 · Prepaid expenses		49.56
1530 · Petty Cash - MSI		1,200.00
Total Other Current Assets		1,249.56
Total Current Assets		887,475.00
Fixed Assets		
1630 · Leasehold improvements		75,515.00
1640 · Furniture, fixtures, & equip		1,240.93
Total Fixed Assets		76,755.93
TOTAL ASSETS		**964,230.93**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2010 · Accounts payable		195,140.02
Total Accounts Payable		195,140.02
Credit Cards		
2050 · Credit card		221.47
Total Credit Cards		221.47
Other Current Liabilities		
2100 · Payroll Liabilities		564.22
2200 · Prepaid Assessments		55,229.69
Total Other Current Liabilities		55,793.91
Total Current Liabilities		251,155.40
Total Liabilities		251,155.40
Equity		
3001 · Opening Bal Equity		148,920.30
3010 · Unrestrict (retained earnings)		421,112.34
Net Income		143,042.89
Total Equity		713,075.53
TOTAL LIABILITIES & EQUITY		**964,230.93**

Stapleton Master Community Association
Statement of Activity
November 2007

	Nov 07	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4010 · Assessments	108,568.92	111,024.64	-2,455.72	97.8%
4020 · Park Creek Metro District	50,755.44	6,595.00	44,160.44	769.6%
4030 · Working Capital	6,400.00	9,500.00	-3,100.00	67.4%
4040 · Legal Income	600.00	600.00	0.00	100.0%
4050 · Community Fee	0.00	1,917.00	-1,917.00	0.0%
4070 · Event Income	60.00			
4080 · Other Income	42.26	100.00	-57.74	42.3%
Total Income	166,426.62	129,736.64	36,689.98	128.3%
Expense				
5010 · Administration	21,933.51	23,647.00	-1,713.49	92.8%
5025 · Community Room	430.32	1,921.00	-1,490.68	22.4%
5030 · Assessment Management	7,265.45	4,750.00	2,515.45	153.0%
5040 · Professional Services	5,203.78	1,250.00	3,953.78	416.3%
5060 · Insurance	8,280.82	3,844.00	4,436.82	215.4%
5100 · Programming & Events	34,523.08	52,070.00	-17,546.92	66.3%
5210 · SMCA Operations	29,735.10	8,690.00	21,045.10	342.2%
5300 · PCMD Operations	49,255.44	5,095.00	44,160.44	966.7%
5400 · Pool Operations	588.53	813.12	-224.59	72.4%
5500 · Other Expenses	72.00	5,600.00	-5,528.00	1.3%
5900 · Fund Transfers	12,529.00	27,865.50	-15,336.50	45.0%
Total Expense	169,817.03	135,545.62	34,271.41	125.3%
Net Ordinary Income	-3,390.41	-5,808.98	2,418.57	58.4%
Other Income/Expense				
Other Income				
6010 · Reserve Funds	13,696.32	25,133.00	-11,436.68	54.5%
6050 · Community Fee Fund	233.93	2,832.50	-2,598.57	8.3%
Total Other Income	13,930.25	27,965.50	-14,035.25	49.8%
Other Expense				
7000 · Reserve Fund Projects	19,600.00			
Total Other Expense	19,600.00			
Net Other Income	-5,669.75	27,965.50	-33,635.25	-20.3%
Net Income	**-9,060.16**	**22,156.52**	**-31,216.68**	**-40.9%**

Stapleton Master Community Association
Statement of Activity
January through November 2007

	Jan - Nov 07	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4010 · Assessments	1,234,812.75	1,363,181.67	-128,368.92	90.6%
4020 · Park Creek Metro District	443,466.62	340,235.16	103,231.46	130.3%
4030 · Working Capital	77,600.00	104,500.00	-26,900.00	74.3%
4040 · Legal Income	18,584.99	6,600.00	11,984.99	281.6%
4050 · Community Fee	12,509.54	21,087.00	-8,577.46	59.3%
4060 · Pool Income	17,938.52	12,000.00	5,938.52	149.5%
4070 · Event Income	36,660.00			
4080 · Other Income	3,329.06	1,100.00	2,229.06	302.6%
Total Income	1,844,901.48	1,848,703.83	-3,802.35	99.8%
Expense				
5010 · Administration	222,757.29	260,117.00	-37,359.71	85.6%
5025 · Community Room	1,873.13	21,131.00	-19,257.87	8.9%
5030 · Assessment Management	71,648.06	52,250.00	19,398.06	137.1%
5040 · Professional Services	33,943.12	17,750.00	16,193.12	191.2%
5060 · Insurance	56,098.51	42,284.00	13,814.51	132.7%
5100 · Programming & Events	204,611.77	228,590.00	-23,978.23	89.5%
5150 · Community Projects	14,710.64	97,500.00	-82,789.36	15.1%
5210 · SMCA Operations	269,419.20	222,967.00	46,452.20	120.8%
5300 · PCMD Operations	428,101.57	323,735.16	104,366.41	132.2%
5400 · Pool Operations	374,290.87	331,275.27	43,015.60	113.0%
5500 · Other Expenses	31,663.52	61,600.00	-29,936.48	51.4%
5900 · Fund Transfers	137,819.00	306,520.50	-168,701.50	45.0%
Total Expense	1,846,936.68	1,965,719.93	-118,783.25	94.0%
Net Ordinary Income	-2,035.20	-117,016.10	114,980.90	1.7%
Other Income/Expense				
Other Income				
6010 · Reserve Funds	149,832.66	276,463.00	-126,630.34	54.2%
6050 · Community Fee Fund	14,845.43	31,157.50	-16,312.07	47.6%
Total Other Income	164,678.09	307,620.50	-142,942.41	53.5%
Other Expense				
7000 · Reserve Fund Projects	19,600.00			
Total Other Expense	19,600.00			
Net Other Income	145,078.09	307,620.50	-162,542.41	47.2%
Net Income	**143,042.89**	**190,604.40**	**-47,561.51**	**75.0%**

2008 MCA Budget Summary

The 2008 Stapleton MCA budget was ratified by the District Delegates at their Annual meeting held on November 13th, 2007. The Delegates ratified the collection and corresponding associated expenses of the Stapleton MCA totaling $2,492,584. Of which $2,209,672 will be spent for annual operations and $282,912 will be transferred to the community funds for future expenses. For a full copy of the 2008 Budget please log onto www.StapletonCommunity.com.

Income forecast

Although 2007 has proved to be a strong year in the development of new units to the market, we have still seen a slowdown in the number of units that are closing each month. We had budgeted 50 new closing per month throughout 2007, as of the end of the 3rd quarter we were down to an average of 36 new closings per month which translates into a 28% drop in anticipated revenue. Budget forecasts for 2008 have been scaled back another 16% and are estimated at 30 new closings per month. This issue is further exacerbated by the builders not taking down as many new lots based upon anticipated inventories for the coming year (2008-2009). In other words the slow down has impacted the income side of the budget for both residential and builder assessments well into the foreseeable future. It is anticipated that this condition will correct itself as development picks up as housing supply is absorbed and new starts begin to increase once again.

Expense forecast

The Stapleton MCA budget can be best evaluated when all PCMD expenses are removed from the budget presentation. Under the "Non-District" scenario, the MCA budget consists of 5 major items; administration and overhead, fixed costs such as insurance, grounds maintenance, programming and events, and pool operations.

Both administration and fixed costs are showing modest increases. Administrative costs are not exceeding 3% of 2007 numbers. In large part this is due to MCA offices being in the new location for the entire year as opposed to partial year. Although assessment management shows a 38% increase over 2007, a portion of this increase reflects a change in account allocations from administration to assessment collection (attributed to the MSI contract). The 29% increase in professional services is also offset by a corresponding 62% increase in "Legal Income"

Grounds maintenance show a 39% increase in expense mainly from the transfer of new parks. 2008 MCA will go from 8 acres to 18 acres of community maintained parks. This is 130% increase of park maintenance.

The largest piece of the MCA budget is allocated to Pool operations. The addition of the Filing 15 pool will add approximately $180,000 in expense. The public nature of the pools and the daily dictates the amount of staff that are required at all time and is a major driver of the pool operation expenses (58%).

Programming and events continue to be a major part of the ongoing mission of the MCA. 2008 presents a drop of 16% in the expenses attributed to programs and events. This drop is due to a focus on events that are both economical to produce and popular with the community. Resources will be reallocated out of festivals and into movies and concerts. As the events continue to draw more participants we anticipate being able to generate additional sponsorship dollars, offsetting more of the production costs. Seasonal lighting throughout the 29th Ave town center continue to be scaled back but still adding much needed lighting during the dark winter months.

Reserve Funding

In 2007 the MCA commissioned a new reserve study to reflect current assets. The results of the reserve study, which can be obtained online, concluded that the MCA was 98% funded and the current funding structure was consistent with future repair and replacement costs. The board will be reviewing the results and determining if there should be any significant changes in the funding structure of the reserve funds. At the 3rd quarter meeting of the board of directors a motion was made and passed for the creation of a “Capital Improvement” fund which the organization could use to set aside any excess revenues each year and restrict their usage to qualified capital improvement projects that added value to the community. Currently our reserve funds do not allow for these types of expenditures.

Assessment Schedule

The 2008 assessment schedule was ratified by the District Delegates at their annual meeting and will increase to $36 per month beginning January 1, 2008. This is up 14% from 2007. Income qualified units will increase proportionally to 20.40 per month. Assessments have remained relatively flat since 2002. A $1 increase was introduced in the 2006 budget cycle to accommodate the additional pool operations (Filing 6 Puddle Jumper). Although, the growth rate in the community has been able to absorb most of the costs associated with additional community assets, it has not been fully sufficient. In 2007 the MCA was restructured as a self operating organization which resulted in reduced administration costs of over $100,000 annually.

Sincerely,

Keven A. Burnett
Executive Director

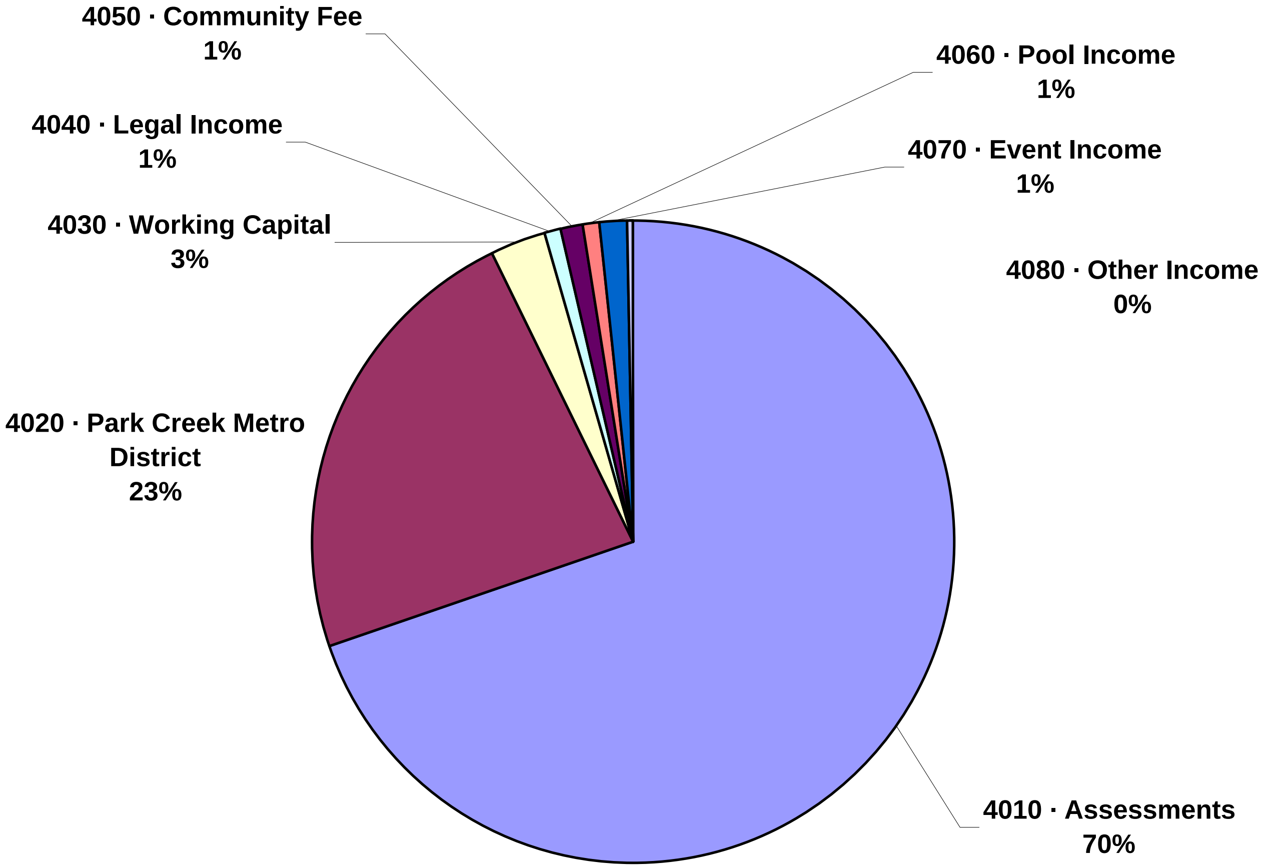
Stapleton Master Community Association
2008 Budget Overview
January through December 2008

	Jan - Dec 08
Ordinary Income/Expense	
Income	
4010 · Assessments	1,738,984.00
4020 · Park Creek Metro District	573,900.00
4030 · Working Capital	72,000.00
4040 · Legal Income	18,900.00
4050 · Community Fee	28,000.00
4060 · Pool Income	21,000.00
4070 · Event Income	35,000.00
4080 · Other Income	4,800.00
Total Income	2,492,584.00
Expense	
5010 · Administration	291,879.00
5025 · Community Room	38,652.00
5030 · Assessment Management	91,887.00
5040 · Professional Services	26,800.00
5060 · Insurance	52,480.00
5100 · Programming & Events	199,300.00
5210 · SMCA Operations	380,720.00
5300 · PCMD Operations	555,900.00
5400 · Pool Operations	554,054.00
5500 · Other Expenses	18,000.00
5900 · Fund Transfers	282,912.00
Total Expense	2,492,584.00
Net Ordinary Income	0.00
Other Income/Expense	
Other Income	
6010 · Reserve Funds	239,904.00
6020 · Capital Improvement Projects	24,858.00
6050 · Community Fee Fund	31,000.00
Total Other Income	295,762.00
Net Other Income	295,762.00
Net Income	**295,762.00**

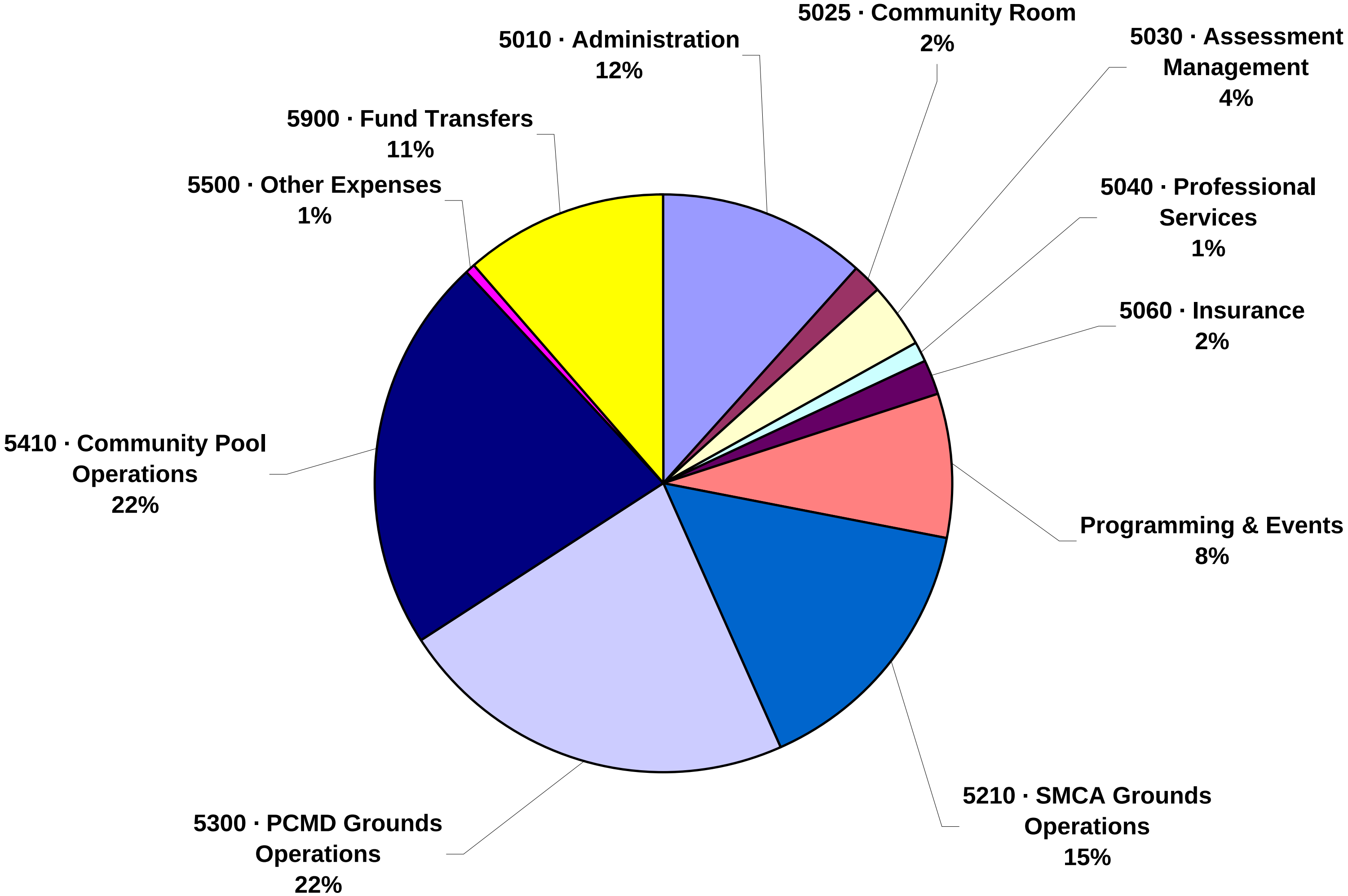
Stapleton Master Community Association
2007 / 2008 Budget Overview
January through December

07/08 Budget Comps	Jan - Dec 07	Jan - Dec 08	Diff	%
Ordinary Income/Expense				
Income				
4010 · Assessments	1,545,531.39	1,738,984.00	193,452.61	11%
4020 · Park Creek Metro District	347,780.16	573,900.00	226,119.84	39%
4030 · Working Capital	114,000.00	72,000.00	(42,000.00)	-58%
4040 · Legal Income	7,200.00	18,900.00	11,700.00	62%
4050 · Community Fee	23,004.00	28,000.00	4,996.00	18%
4060 · Pool Income	12,000.00	21,000.00	9,000.00	43%
4070 · Event Income	4,000.00	35,000.00	31,000.00	89%
4080 · Other Income	1,200.00	4,800.00	3,600.00	75%
Total Income	2,054,715.55	2,492,584.00	437,868.45	18%
Expense				
5010 · Administration	283,764.00	291,879.00	8,115.00	3%
5025 · Community Room	23,052.00	38,652.00	15,600.00	40%
5030 · Assessment Management	57,000.00	91,887.00	34,887.00	38%
5040 · Professional Services	19,000.00	26,800.00	7,800.00	29%
5060 · Insurance	46,128.00	52,480.00	6,352.00	12%
5100 · Programming & Events	230,660.00	199,300.00	(31,360.00)	-16%
5150 · Community Projects	100,000.00		(100,000.00)	
5210 · SMCA Operations	231,657.00	380,720.00	149,063.00	39%
5300 · PCMD Operations	329,780.16	555,900.00	226,119.84	41%
5400 · Pool Operations	332,088.39	554,054.00	221,965.61	40%
5500 · Other Expenses	67,200.00	18,000.00	(49,200.00)	-273%
5900 · Fund Transfers	334,386.00	282,912.00	(51,474.00)	-18%
Total Expense	2,054,715.55	2,492,584.00	437,868.45	18%
Net Ordinary Income	0.00	0.00		

2008 Stapleton MCA Revenue
$2,492,584



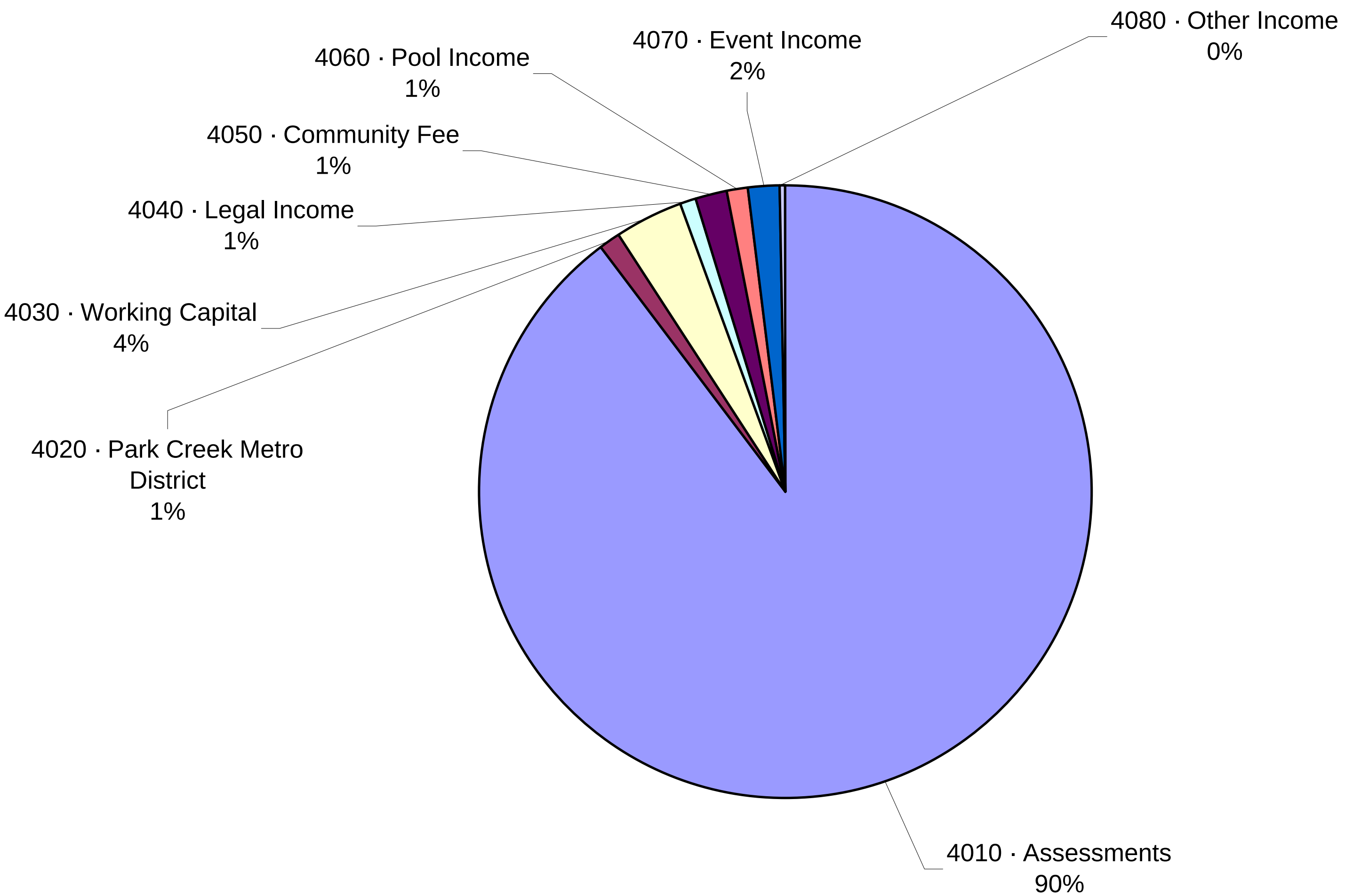
2008 Stapleton MCA Expense
$2,492,584



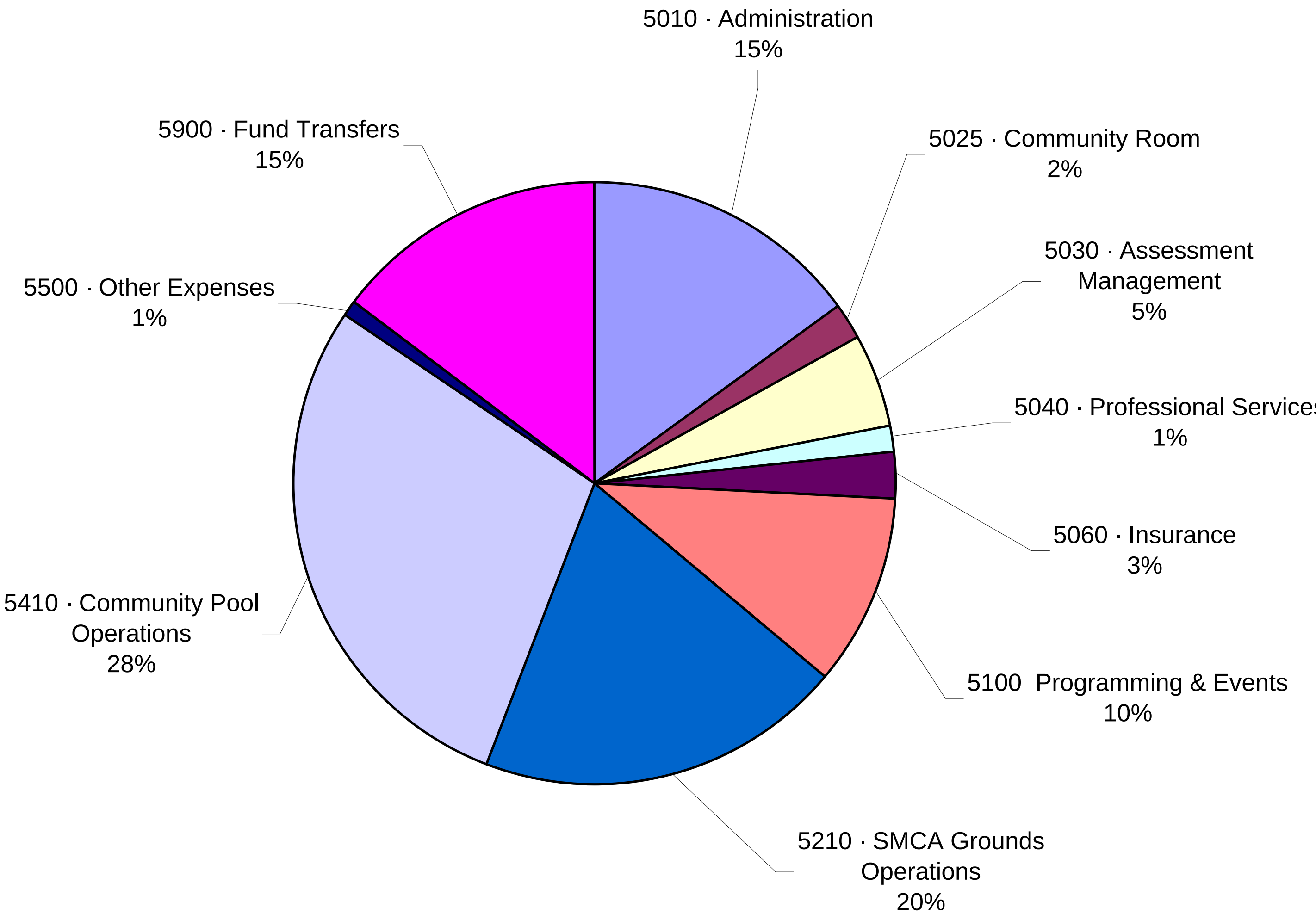
Stapleton Master Community Association
2007 / 2008 Budget Overview (Non-District Funds)
January through December

07/08 Budget Comps	Jan - Dec 07	Jan - Dec 08	Diff	%
Ordinary Income/Expense				
Income				
4010 · Assessments	1,545,531.39	1,738,984.00	193,452.61	11%
4020 · Park Creek Metro District	18,000.00	18,000.00	-	0%
4030 · Working Capital	114,000.00	72,000.00	(42,000.00)	-58%
4040 · Legal Income	7,200.00	18,900.00	11,700.00	62%
4050 · Community Fee	23,004.00	28,000.00	4,996.00	18%
4060 · Pool Income	12,000.00	21,000.00	9,000.00	43%
4070 · Event Income	4,000.00	35,000.00	31,000.00	89%
4080 · Other Income	1,200.00	4,800.00	3,600.00	75%
Total Income	1,724,935.39	1,936,684.00	211,748.61	11%
Expense				
5010 · Administration	283,764.00	291,879.00	8,115.00	3%
5025 · Community Room	23,052.00	38,652.00	15,600.00	40%
5030 · Assessment Management	57,000.00	91,887.00	34,887.00	38%
5040 · Professional Services	19,000.00	26,800.00	7,800.00	29%
5060 · Insurance	46,128.00	52,480.00	6,352.00	12%
5100 · Programming & Events	230,660.00	199,300.00	(31,360.00)	-16%
5150 · Community Projects	100,000.00		(100,000.00)	
5210 · SMCA Operations	231,657.00	380,720.00	149,063.00	39%
5300 · PCMD Operations	0.00	0.00	-	
5400 · Pool Operations	332,088.39	554,054.00	221,965.61	40%
5500 · Other Expenses	67,200.00	18,000.00	(49,200.00)	-273%
5900 · Fund Transfers	334,386.00	282,912.00	(51,474.00)	-18%
Total Expense	1,724,935.39	1,936,684.00	211,748.61	11%
Net Ordinary Income	0.00	0.00		

2008 Stapleton MCA Income (Non-District)
$1,936,684



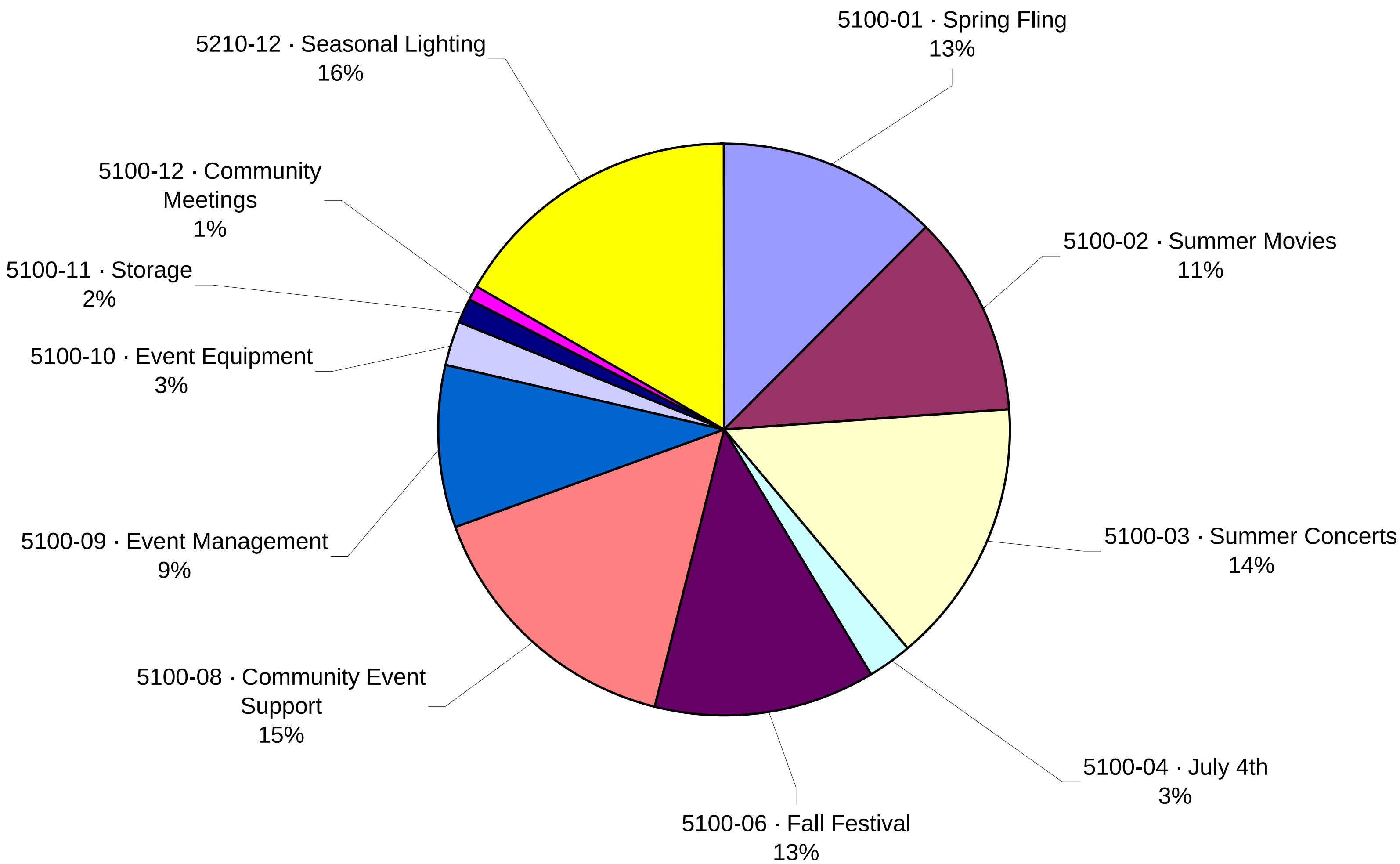
2008 Stapleton MCA Expense (Non-District)
$1,936,684



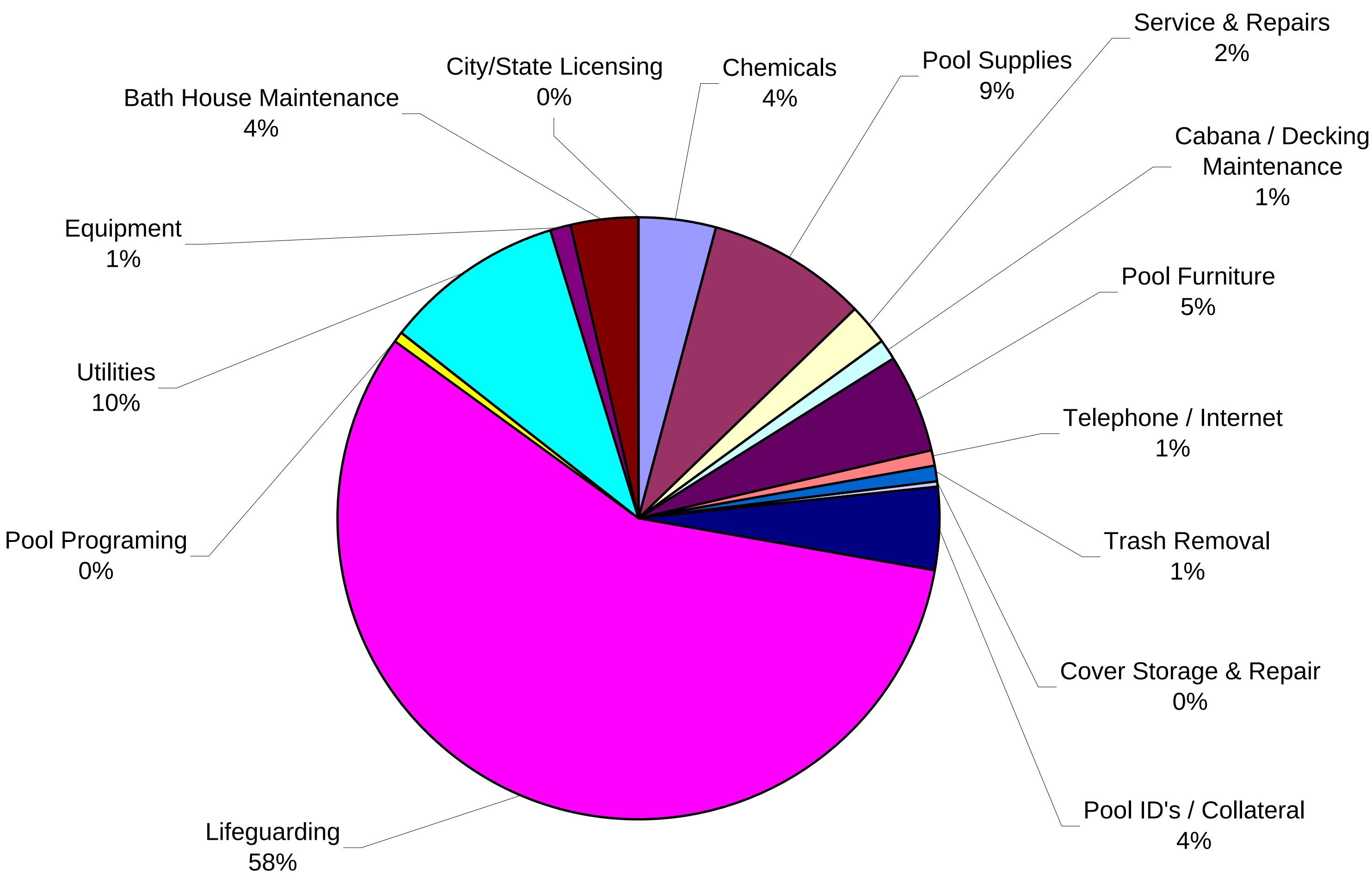
Stapleton Master Community Association
Community Programming & Events
January through December 2008

	Budget
Ordinary Income/Expense	
Income	
4070 · Event Income	35,000.00
Total Income	35,000.00
Expense	
5100 · Programming & Events	
5100-01 · Spring Fling	25,000.00
5100-02 · Summer Movies	22,500.00
5100-03 · Summer Concerts	30,000.00
5100-04 · July 4th	5,000.00
5100-06 · Fall Festival	25,000.00
5100-08 · Community Event Support	31,000.00
5100-09 · Event Management	18,000.00
5100-10 · Event Equipment	5,000.00
5100-11 · Storage	3,000.00
5100-12 · Community Meetings	1,800.00
5210-12 · Seasonal Lighting	33,000.00
Total 5100 · Programming & Events	199,300.00
Total Expense	199,300.00
Net Ordinary Income	-164,300.00
Net Income	**-164,300.00**

2008 Stapleton MCA Programming & Events
Net Expense = $ 164,300



Stapleton Community Pools
$553,854



2008 Master Community
Ratified Assessment Schedule

2008 Assessment are as follows: Effective January 1, 2008		
TYPE OF UNIT	**DESCRIPTION**	**2008 ASSESSMENT**
For Sale Regular Residential	**Individually owned dwelling units sold at market rate prices.**	**$36.00 / Month**
For Sale Affordable Residential	**Individually owned dwelling units subject to restrictions under the Workforce Housing Program.**	**$20.40 / Month**
For Rent Residential - Affordable and Market Rate	**Apartments/multi-family rental units.**	**$20.40 / Month**
District 2 Commercial, Office, Other	**Units used for commercial, retail, light industrial, office, or public or private recreation use.**	**$12.00 2,000 s.f./ Month**
All other Commercial, Office, Other	**Units used for commercial, retail, light industrial, office, or public or private recreation use.**	**$8.81 2,000 s.f./ Month**

*Following your closing and recordation of title, you will receive payment information from the Master Community Association, through Management Specialists, on specific amounts due and methods of payment. All assessments are a personal obligation of each owner and are secured by a lien established by Colorado law and the Community Declaration. This lien is for the benefit of the Master Community Association and may be foreclosed upon by the Master Community Association. After an assessment is delinquent, the Master Community Association may charge a late charge and interest will accrue on the unpaid amounts.

STAPLETON

MASTER COMMUNITY ASSOCIATION

Assessment types are defined as follows:

ASSESSMENT TYPE	DESCRIPTION	ALLOCATION	2008 AMOUNT
Community Wide Service Assessment (CWSA)	This portion of the assessment allocation is for services that benefit the entire community. Services consist of overall operation and management of the community, event programming, and operation of the Town Centers (Including the West Crescent fountain area and Founders Green)	For Sale Regular Residential: One assessment unit for each unit.	$12 / Month
		For Sale Affordable Residential: One assessment unit for every five units.	$2.40 / Month
		For Rent Residential - Affordable and Market Rate: One assessment unit for every five units.	$2.40/ Month
		Commercial, Office, Other: One assessment unit for every 2,000 square-feet of space.	$8.81 / Month
Residential Recreation Assessment (RRA)	This portion of the assessment allocation is for services involving maintenance, operation and reserve funding of all community pool and playground facilities.	This assessment only applies to: For Sale Regular Affordable Residential units. For Rent Residential Units. The assessment is equal for each home or apartment	$18.00 / Month
Neighborhood Services Assessment (NSA)	This portion of the assessment is allocation is for the operation, maintenance and reserve funding of community parks, pathways and alleys. This portion pays utility costs such as annual storm drain fees paid to the City & County of Denver as well as services and reserve funding for major maintenance or repair of parks, alleys and pedestrian pathways. This fee does not provide for routine winter snow removal with in the alleys. (Snow is only removed when 12"" or more accumulate in a single snow event)	This assessment is paid equally by all of the For Sale Residential Market Rate Units.	$6.00 / Month
Commercial Services Assessment (CSA)	This assessment is for services exclusively beneficial to commercial enterprises.	When assessed, all units will pay equally.	District 2 3.19 / Unit/ Month
Special Residential Services Assessment (SRSA)	This assessment is for services exclusively benefiting certain residential of services to that neighborhood.	When assessed, all units receiving these services will pay equally.	$0.00

2008 Contract Awards

Contract	Value	Term	Comp	Awarded
Grounds Maintenance SMCA + PCMD	$250,000 - $330,000 + projects, repairs, Installs & Snow	3 years / 2 year ext	Yes	
TC Waterscapes	37,500	1 year	No	
Pool Operations	$300,000 - $350,000	1 Year	Yes	
Community Events	$21,600	1 year	No	
Lighting Maintenance	$12,000	1 year	No	
Facilities Maintenance	$23,700	1 year	No	

Stapleton Alley Repair Policy

Introduction

This policy statement is designed to outline the specific role that the Stapleton MCA will play in the repair of concrete alley's located within the community. The Stapleton MCA is the entity responsible for the major repair or replacement of all Park Creek Metropolitan District Alleys located within Stapleton. All alleys are under "Construction Warranty" for the first two years after substantial completion. Once an alley comes out of the 2 year Construction Warranty period it will be officially transferred to the SMCA for long-term oversight. Upon acceptance of each alley by the SMCA it will then be placed into the annual alley inspection program. It is important to note that most if not all concrete alley surfaces will crack and show signs of wear during the course of it's usable lifespan

Frequency of Inspection

Inspection of the alleys under the maintenance of the SMCA will be done every 12 months. This inspection process will be occur each spring to allow for all of the freeze-thaw action to finish from the previous winter. From this inspection, a comprehensive list of all necessary repairs will be generated. The list will include location of failure, type of failure, size of failure, etc… From this list, the work will be delegated to SMCA crews for repair based upon the total alley repair budget for the current year.

Priority of Repairs

The priority of repairs that must be made are detailed below:

Priority Level 1 – Replacing Concrete Panels that have crumbled the full depth of the concrete.
Priority Level 2 – Replacing Heaved Concrete Panels that create a safety hazard.
Priority Level 3 – Replacing Sunken Concrete Panels where excessive standing water accumulates (approx 3"- 4" depth over 10' – 15' of surface area)

Routine Maintenance

Routine maintenance of alley surfaces is still the responsibility of the adjacent property owner. Routine maintenance is defined as sweeping dirt, sand or standing water as well as normal snow removal.

Reporting a Problem

Resident can report an existing alley problem, by emailing the Stapleton MCA at alleys@stapletoncommunity.com or contact us by phone at 303-388-0724. For a complete list of current alley conditions please log on to www.stapletoncommunity.com.

Friends of Stapleton Parks and Open Space

Summary

The overall plan for Stapleton's Park and open space upon completion Stapleton will consist of 1,116 acres of Regional Park that will be operated under the oversight of Denver's Parks and Recreation department. Included in this inventory of parks and open space is some of Denver's largest and most sophisticated parks and recreational facilities. As a means to help Denver operate all of Stapleton's regional parks the Stapleton MCA would propose the creation of the Friends of Stapleton Parks and Open Space Foundation. This 501(c) 3 non profit organization would be housed under the Stapleton MCA umbrella and would focus on raising and distributing funds specifically for the up keep of Stapleton Area Regional Parks. The program would include a regional fund raising emphasis to build an endowment that would support the ongoing improvements and maintenance to these great Stapleton assets.

Mission

The mission of the Friends of Stapleton Parks & Open Space is to ensure the ongoing maintenance and improvements of the Stapleton Area Regional Park System as clean, safe and vibrant park and recreation facilities to be enjoyed by all the current and future generations of Denver and Colorado alike.

Timeline

Foundation would be created in 2008 and would become active upon the successful transfer of Central Park from the Park Creek Metropolitan District to The City and County of Denver

Structure

Foundation shall be set up as a 501(c) 3 nonprofit organization and shall be administered by an appointed board of directors representing a cross section of the community and the partners.

Partners

Stapleton Master Community Association, Denver Parks & Rec, Park Creek Metropolitan District.

Funding

It is proposed that initial funding could come from the Community Fee (transfer fess) that the Stapleton MCA receives from all sales of property with in Stapleton. Community fee funds are restricted but can be used for Parks and Open Space. Additional funding shall be generated through ongoing community funding drives and donations.

STAPLETON

MASTER COMMUNITY ASSOCIATION

SMCA BOARD CONTROL					
APPROX.	2001	2008	2013	2018	2021
PROPERTIES CONVEYED	0	3,000	6,000	9,000	12,000
PERCENT OF TOTAL PROPERTY CONVEYED	0%	25%	50%	75%	100% OR 20 YEARS
DIRECTORS APPOINTED BY DEVELOPER	3	3	3	2	1
DIRECTORS ELECTED BY OWNERS	0	1	2	3	4
TOTAL DIRECTORS	3	4	5	5	5

UPDATED: DECEMBER 2007