Meeting of the Executive Board

Stapleton Community Room ● 2823 Roslyn St. ● Denver, 80238
Wednesday February 16, 2011 ~ Noon - 2:00 pm.

AGENDA

I. CALL TO ORDER • Additions to the Agenda	**H. Majerik**	Verbal
II. APPROVAL OF MINUTES • Minutes of Nov 18, 2010	**H. Majerik**	Attached
III. FINANCIAL REPORT • Statement of Activity Jan - Dec 2010 • MCA Balance Sheet December 31, 2010 • Investment Funds December 31, 2010 • Past Due Accounts (Residential) • Collection Considerations	**K. Burnett**	Attached
IV. GOVERNANCE • Appointment of Officers • Compensation Committee • Adopted 2011 Budget	**H. Majerik**	Attached
V. MANAGEMENT REPORT • **ADMINISTRATION** - Community Room / Office Improvements - Community Handbook - Filing 32 water service • **FACILITIES** - Jet Stream Pool (Filing 19) - Filing 15 Shade Structure - Update - The Green Improvements - Update • **AQUATICS** - 2011 Aquatics Guide • **EVENTS** - 2011 Summer Schedule	**K. Burnett**	Attached
VI. COMMUNITY IMPROVEMENT REQUESTS	**K. Burnett**	Verbal
VII. OPEN MEMBER FORUM	**M. Kearns**	Verbal

VIII. NEXT MEETING • Mar 16th (Delegate) • Apr 20th (Delegate) • May 18th (Executive Board)	**H. Majerik**	Verbal
VI. ADJOURN	**H. Majerik**	Verbal

STAPLETON MASTER COMMUNITY ASSOCIATION
EXECUTIVE BOARD MEETING
Thursday November 18, 2010 ~12:00 – 2:00 pm.
Stapleton Community Room
2823 Roslyn Street
Denver, CO 80238

ATTENDANCE

Board Members
Denise Gammon (President)
Heidi Majerik (Vice President)
Brian Fennelly (Treasurer-absent)
Michael Kearns (Secretary)

Delegates
Amanda Allshouse (district 1-absent)
Justin Silverstein (district 2 -absent)
Dana Elkind (district 3)
Bethany Smith (district 4 -absent)
Tim Wilson (district 5 -absent)
Katie Garces (district 6 – absent)

Staff
Keven Burnett (SMCA Executive Director)
Jenifer Graham (Office Manager)
Diane Deeter (Program & Events Director)
Paula Deorio (Aquatics Director)
Alec Hill (Facilities Manager)

I. CALL TO ORDER
Denise Gammon

II. APPROVAL OF MINUTES
September 16th 2010 meeting minutes were attached.

- **M/S/C~ (Gammon/Majerik/Kearns) unanimous**
  Motion to approve: minutes as presented.

III. ADDITIONS TO AGENDA
None

IV. GOVERNANCE
2011-13 Executive Board Seat Nominations and Elections
Not enough delegates present for a quorum, Executive Director will send out nominations for Board Seat via e-mail.
(11.23.10- Hearing electronically from the Delegates Michael Kearns has retained the seat as resident Board member)

- Commercial Assessments increase; at an equal percentage.
- Commercial Development will not increase in 2011

Operations

- MCA will staff operations with 5 fulltime employees
- MCA will hire and train a seasonal staff of approximately 85-90 employees to operate pools from Memorial Day to labor Day
- MCA will operate 4 pools with an estimated usage of 120,000 visits
- MCA will continue to charge an annual renewal fee for all Pool membership cards to offset pool operating costs.

Contracts

- MCA will oversee contracts for the maintenance and operation of approx 90 acres of Park, Medians, ROW and open space (60/30)
- MCA will oversee accounting contract with MSI to bill and collect from residential and commercial tenants (3900/80)

Pool Fees

- Pool card renewals will increase to $10 per year
- New pool cards will be issued for $20 per card
- Non-Resident fees will increase to $7 per entry
- Resident Guests will increase to $5 per entry

January through December 2011 Budget

- Total Income 2010 $3,164,517.33 vs. 2011 Budgeted $3,470,041.00
- Total Expense 2010 $3,162,757.84 vs. 2011 Budgeted $3,470,041.00
- Net Income 2010 $1,759.49 vs. 2011 Budgeted -

❖ **M/S/C ~ (Majerik/Kearns/Gammon) ~ Unanimous**

Motion to approve: 2010 Ratified Budget

2011 Ratified Operating Budget & Assessment Schedule Delegates approved and ratified the amount collected for the 2011 budget. There are no underlying issues with how the budget is spent.

VIII. 2011 Budget Assumptions –

Reserve Fund Budget Assumptions **$80-$145k**
- Alley replacement identified =$25-$35k
- Park and Drainage Projects =$20k
- Pool and Pool Facility =$90k

Improvement Fund Assumptions **$36-$48k**
- The Green Improvements =$15-$30k
- MCA Office Improvements =$18-$22k
  (enclose offices and community/storage modifications)

IX. Meeting Schedule:

1) Q1 Executive Board: Feb 16th Noon-2:00pm

V. FINANCIAL REPORT

1) The Executive Director presented budget.

Balance Sheet (As of October 31, 2010)

- Current Assets $1,066,709.96
- Accounts Receivable $315,451.13
- Total Assets $1,399,659.36
- Total Liabilities $260,524.71
- Total Equity $1,279,890.00
- Total Liabilities & Equity $1,540,414.71

Statement of Activity Budget vs. Actual ~ January through October 2010

- Total Income Y.T.D. $2,697,075.75 vs. Budgeted $2,655,212.47
- Total Expense Y.T.D. $2,762,399.80 vs. Budgeted $2,762,789.00
- Net Income Y.T.D. $84,515.13 vs. Budgeted -$34,156.53

VI. Management Report

Delegate Election

NOMINEE	VOTES
District 1 (Filings 16, 20, 21, A2) **George Pavlik**	9
District 2 (Filings 2,4) **Gregg Looker**	17
District 3 (Filing 3,5,9) **Dana Elkind**	20
District 4 (Filing 6,8,10,17,22,24,30) **Bethany Smith**	11
District 5 (Filing 11,15) **Tim Wilson**	9
District 6 (Filing 12,18,19) **Thomas Atwood**	12
District 7 (Filing 7,13 & all other Filings not listed) **Denise Gammon**	0

VII. Proposed Budget

2011 Budget Assumptions

- Residential Assessments increase $2 ($38 per month) for 2011 and Commercial Assessments will increase $1 per month
- Estimated units as of Jan 1, 2011 is 4000
- We will continue to see 20-25 new sales per month.
- Residential Development will continue in filings 19,22,24,27 and 32
- Inventory of properties that the builders & developer hold lag for most of 2011

Stapleton MCA
Statement of Activity
January through December 2010

	Jan - Dec 10	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4010 · Assessments	2,004,869.27	2,048,099.15	-43,229.88	97.9%
4020 · PCMD	717,697.92	737,595.00	-19,897.08	97.3%
4030 · Working Capital	61,256.00	48,000.00	13,256.00	127.6%
4040 · Collections	41,912.27	42,600.00	-687.73	98.4%
4060 · Pool Income	269,316.05	195,750.00	73,566.05	137.6%
4070 · Event Income	65,232.75	53,500.00	11,732.75	121.9%
4080 · Other Income	22,403.45			
Total Income	3,182,687.71	3,125,544.15	57,143.56	101.8%
Gross Profit	3,182,687.71	3,125,544.15	57,143.56	101.8%
Expense				
5010 · Administration & Payroll	566,536.83	587,912.00	-21,375.17	96.4%
5020 · Office & Community Room	86,318.44	89,184.00	-2,865.56	96.8%
5030 · Assessment Management	129,562.19	137,780.00	-8,217.81	94.0%
5040 · Professional Services	34,991.89	41,600.00	-6,608.11	84.1%
5060 · Insurance	97,265.82	91,125.00	6,140.82	106.7%
5100 · Programming & Events	240,533.96	207,199.00	33,334.96	116.1%
5210 · SMCA Grounds Maint.	366,753.18	372,200.00	-5,446.82	98.5%
5220 · SMCA Utilities	120,367.57	103,000.00	17,367.57	116.9%
5300 · PCMD Grounds Maint.	519,239.20	582,145.00	-62,905.80	89.2%
5320 · PCMD Utilities	180,620.42	137,450.00	43,170.42	131.4%
5400 · Pool Operations	579,638.77	513,425.00	66,213.77	112.9%
5500 · Other Expenses	2,165.50	4,020.15	-1,854.65	53.9%
5900 · Fund Transfers	258,504.00	258,504.00	0.00	100.0%
Total Expense	3,182,497.77	3,125,544.15	56,953.62	101.8%
Net Ordinary Income	189.94	0.00	189.94	100.0%
Other Income/Expense				
Other Income				
6010 · Reserve Funds	228,746.39	232,704.00	-3,957.61	98.3%
6020 · Improvement Fund	33,000.00	33,000.00	0.00	100.0%
6050 · Community Fund	16,405.40	12,000.00	4,405.40	136.7%
Total Other Income	278,151.79	277,704.00	447.79	100.2%
Other Expense				
7010 · Reserve Repairs & Replacements	53,234.09	125,000.00	-71,765.91	42.6%
7020 · Improvement Projects	32,361.55	36,000.00	-3,638.45	89.9%
7050 · Community Fund Projects	2,000.00	1,500.00	500.00	133.3%
Total Other Expense	87,595.64	162,500.00	-74,904.36	53.9%
Net Other Income	190,556.15	115,204.00	75,352.15	165.4%
Net Income	**190,746.09**	**115,204.00**	**75,542.09**	**165.6%**

3:30 PM
02/11/11
Accrual Basis

Stapleton MCA
Balance Sheet
As of December 31, 2010

	Dec 31, 10
ASSETS	
Current Assets	
Checking/Savings	
1010 · MSI Assessment Acct	189,440.43
1015 · MCA Operating Acct	91,257.25
1020 · MCA Operating Reserve	20,023.88
1030 · MCA Community Reserve	146,301.25
1070 · MCA Community Fee Fund	26,971.16
1080 · MCA Investment - Schwab	750,000.00
Total Checking/Savings	1,223,993.97
Accounts Receivable	
1110 · Accounts receivable	316,500.73
1115 · Doubtful accounts allowance	-40,000.00
Total Accounts Receivable	276,500.73
Other Current Assets	
1410 · Inventories for sale	1,301.24
1420 · Inventories for use	10,506.44
1530 · Petty Cash - MSI	1,200.00
1535 · Cash Banks - MCA	600.00
1550 · Training Equipment - Aquatics	3,890.59
Total Other Current Assets	17,498.27
Total Current Assets	1,517,992.97
Fixed Assets	
1620 · Pool Faciltiy - operating	16,146.35
1630 · Leasehold improvements	92,999.95
1640 · Furniture, fixtures, & equip	41,639.02
1650 · Vehicles	24,831.98
1745 · Accum deprec	-33,878.00
Total Fixed Assets	141,739.30
TOTAL ASSETS	**1,659,732.27**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts payable	171,527.69
Total Accounts Payable	171,527.69
Credit Cards	
2050 · Credit card	-6,420.66
Total Credit Cards	-6,420.66
Other Current Liabilities	
2100 · Payroll Liabilities	3,410.22
2200 · Prepaid Assessments	104,392.54
2250 · Swim Team Fund	1,048.98
2410 · Refundable advances	-347.46
Total Other Current Liabilities	108,504.28
Total Current Liabilities	273,611.31
Total Liabilities	273,611.31
Equity	
3001 · Opening Bal Equity	148,920.30
3010 · Unrestrict (retained earnings)	300,765.77
3300 · Working Capital Equity	745,688.80
Net Income	190,746.09
Total Equity	1,386,120.96
TOTAL LIABILITIES & EQUITY	**1,659,732.27**

PORTFOLIO APPRAISAL

Stapleton Master Community Association (staple1)

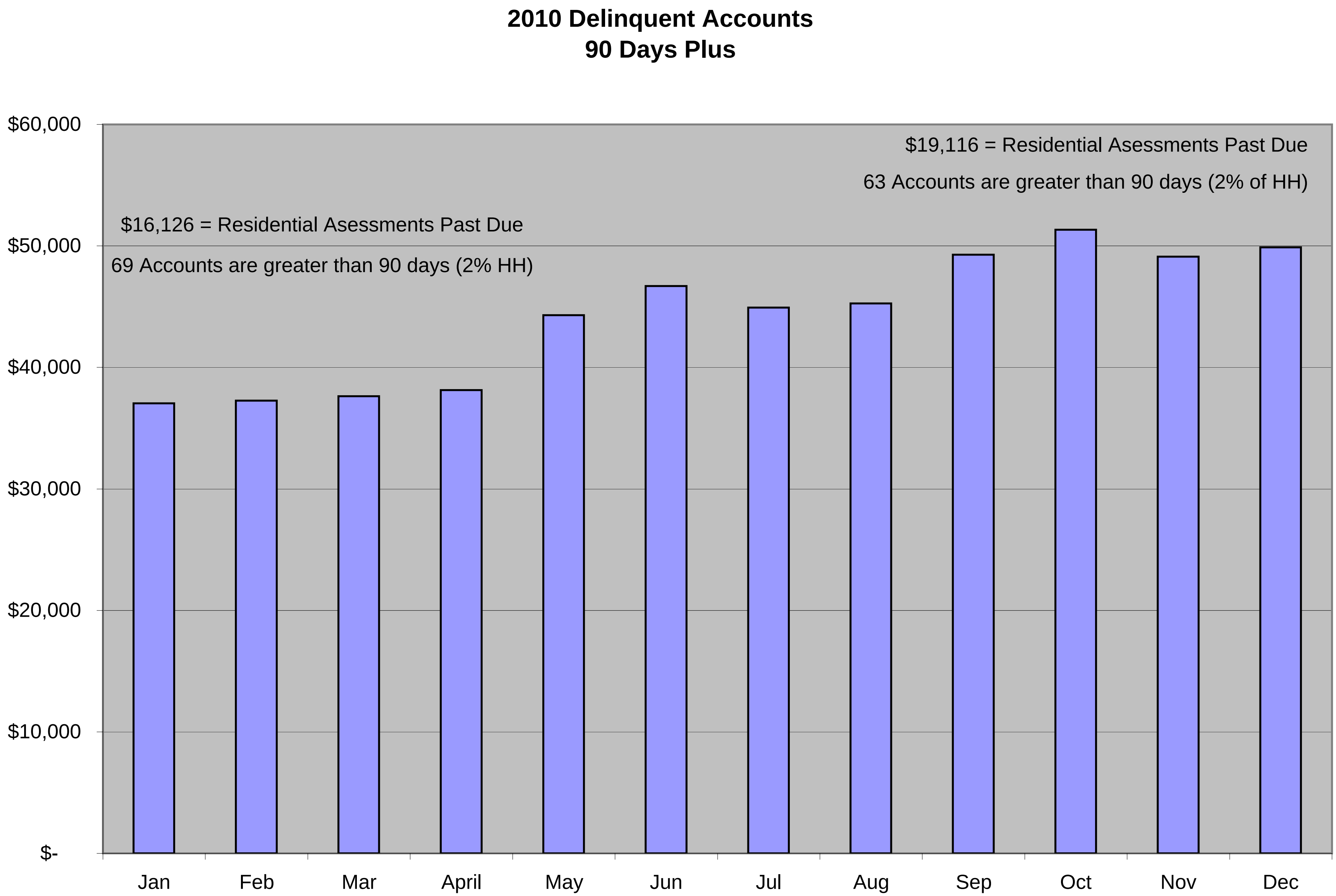
Keven Burnett

30646061

December 31, 2010

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Cash and Cash Equivalents									
Money Market									
	Schwab Money Market		99,865		99,865	13.5	0.010	10	0.0
			99,865		99,865	13.5		10	0.0
	Cash and Cash Equivale Total		99,865		99,865	13.5		10	0.0
Federal National Mortgage Association									
50,000	FNMA 2.375% Due 07-28-15	101.23	50,614	101.34	50,670	6.9	2.375	1,187	2.3
			50,614		50,670	6.9		1,187	2.3
FNMA - Mortgage Backed Security									
75,000.000	FNMA Pl #AD1968F 4.000% Due 02-01-25	105.20	66,115	103.14	64,817	8.8	4.000	2,514	3.9
			66,115		64,817	8.8		2,514	3.9
FHLMC - Mortgage Backed Security									
93,000.000	FHLMC Pl #G1-3575 4.000% Due 05-01-24	103.64	69,928	102.89	69,420	9.4	4.000	2,699	3.9
90,000.000	FHLMC Pl #G1-8308 4.000% Due 05-01-24	104.42	70,003	102.89	68,975	9.4	4.000	2,682	3.9
75,000.000	FHLMC Pl #G1-8317 4.500% Due 07-01-24	105.53	57,890	104.60	57,379	7.8	4.500	2,468	4.3
75,000.000	FHLMC Pl #G1-8327 4.500% Due 10-01-24	105.62	57,261	104.60	56,705	7.7	4.500	2,440	4.3
75,000.000	FHLMC Pl #G1-3832 4.000% Due 01-01-25	104.84	66,262	102.89	65,026	8.8	4.000	2,528	3.9
75,000.000	FHLMC Pl #G1-3836 4.000% Due 06-01-25	104.72	68,845	102.82	67,600	9.2	4.000	2,630	3.9
			390,189		385,104	52.2		15,446	4.0
Corporate Bonds									
25,000	General Elec Cap Corp 5.000% Due 01-08-16	109.69	27,422	107.12	26,781	3.6	5.000	1,250	4.7
25,000	Verizon Communications Inc 5.500% Due 04-01-17	113.91	28,478	111.02	27,754	3.8	5.500	1,375	5.0
25,000	Hewlett Packard Co 5.500% Due 03-01-18	113.72	28,431	112.51	28,128	3.8	5.500	1,375	4.9
25,000	Dell Inc 5.650% Due 04-15-18	113.27	28,317	108.76	27,191	3.7	5.650	1,412	5.2
25,000	Berkshire Hathaway Fin Glbl Co. 5.400% Due 05-15-18	114.32	28,580	109.40	27,350	3.7	5.400	1,350	4.9
			141,229		137,203	18.6		6,762	4.9
TOTAL PORTFOLIO			**748,012**		**737,659**	**100.0**		**25,920**	**3.5**

Please compare this Appraisal to your Custodian statement.


2010 Delinquent Accounts
90 Days Plus
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$-
$19,116 = Residential Asessments Past Due
63 Accounts are greater than 90 days (2% of HH)
$16,126 = Residential Asessments Past Due
69 Accounts are greater than 90 days (2% HH)
Jan
Feb
Mar
April
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec

(v) Exercise for the Community Association all powers, duties, rights and obligations in or delegated to the Community Association and not reserved to the membership by other provisions of these Bylaws, Articles, the Community Declaration or the Act; and

(w) Exercise any other powers conferred by the Community Declaration or Bylaws.

Section 8.2 Limits on Delegation, Requirements for Community Association Funds and Financial Statements. Pursuant to the Colorado Common Interest Ownership Act, if the Community Association delegates powers of the Executive Board or Officers relating to collection, deposit, transfer, or disbursement of Community Association funds to other persons or to a manager or managing agent, the Community Association requires the following:

(a) That the other persons or managing agent maintain fidelity insurance coverage or a bond in an amount not less than fifty thousand dollars ($50,000) or such higher amount as the Executive Board may require;

(b) The other persons or managing agent maintain all funds and accounts of the Community Association separate from the funds and accounts of other associations managed by the other persons or managing agent and maintain all reserve accounts of each association so managed separate from operational accounts of the Community Association;

(c) That an annual accounting for Community Association funds and a financial statement be prepared and presented to the Community Association by the managing agent, a public accountant, or a certified public accountant.

ARTICLE 9 -- OFFICERS AND THEIR DUTIES

Section 9.1 Enumeration of Offices. The officers of this Community Association shall be a President, Vice-President, Secretary and Treasurer, and such other Officers as the Executive Board may from time to time create by resolution. The offices of Secretary and Treasurer may be held by the same person.

Section 9.2 Appointment of Officers. The officers shall be appointed by the Executive Board at the Annual Meeting of each new Executive Board. The Officers shall hold office at the pleasure of the Executive Board.

Section 9.3 Special Appointments. The Executive Board may appoint or elect such other officers as the affairs of the Community Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Executive Board may, from time to time, determine.

Section 9.4 Resignation and Removal. Any Officer may resign at any time by giving written notice to the Executive Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. Acceptance of such resignation shall not be necessary to make it effective. Any Officer may be removed from office with or without cause by a majority of the Executive Board.

Section 9.5 Vacancies. A vacancy in any office may be filled by appointment by the Executive Board by majority vote of the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 9.6 Duties. The Duties of the Officers are as follows:

(a) President. The president shall have all of the general powers and duties which are incident to the office of president of a Colorado nonprofit corporation. The president may cause to be prepared and may execute amendments, attested by the secretary, to the Community Declaration and these Bylaws on behalf of the Community Association, following authorization or approval of the particular amendment as applicable.

(b) Vice President. The vice president shall take the place of the president and perform the president's duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive Board shall appoint some other Director to act in the place of the president on an interim basis. The vice president shall also perform other duties imposed by the Executive Board or by the president.

(c) Secretary. The secretary, shall have charge or shall keep the minutes of all meetings of the Owners and proceedings of the Executive board. The secretary shall have charge of the Community Association's books and papers and shall perform all the duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Colorado. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Community Declaration and the Bylaws on behalf of the Community Association, following authorization or approval of the particular amendment as applicable.

(d) Treasurer. The treasurer shall be responsible for Community Association funds and for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. This officer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Executive Board and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Colorado.

Section 9.7 Delegation. The duties of any officer may be delegated to the manager or another Executive Board member; *provided, however*, the officer shall not be relieved of any responsibility under these Bylaws or under Colorado law.

Section 9.8 Agreements, Contracts, Deeds, Checks, Etc. Except as provided in these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Community Association shall be executed by any officer of the Community Association or by any other person or persons designated by the Executive Board.

Section 9.9 Statements of Unpaid Assessments. The treasurer, assistant treasurer, a manager employed by the Community Association, if any, or, in their absence, any officer having access to the books and records of the Community Association may prepare, certify, and execute statements of unpaid assessments in accordance with Section 316 of the Act.

The Community Association may charge a reasonable fee for preparing statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Executive Board. Any unpaid fees may be assessed as a Common Expense against the Unit for which the certificate or statement is furnished.

Section 9.10 Compensation. Compensation of officers shall be subject to the same limitations as imposed in these Bylaws on compensation of directors.

ARTICLE 10 – COMMITTEES

Section 10.1 Designated Committees. The Community Association may appoint committees as deemed appropriate in carrying out its purposes, subject to the Community Declaration. Committees shall have authority to act only to the extent designated in the Governing Documents or delegated by the Executive Board.

ARTICLE 11 – ENFORCEMENT

Section 11.1 Abatement and Enjoinment of Violations. The violation of any provision of the Governing Documents shall give the Executive Board the right, except in case of an emergency, in addition to any other rights set forth in these Bylaws to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

Section 11.2 Fines for Violation. By action of the Executive Board, following notice and hearing, the Executive Board may levy reasonable fines for a violation of the Governing Documents which persist after notice and hearing, but in no event shall this amount exceed the amount necessary to insure compliance with the rule or order of the Executive Board.

MCA Compensation Committee

Established February 16, 2011

Purpose

Establish Executive Director and Senior Staff compensation

Develop the compensation philosophy

Assist with and review the Compensation Discussion and Analysis

Complete a Compensation Committee report

Retain outside experts if necessary.

Board Members

MCA President

MCA Treasurer

Resident Board Member

Staff: Executive Director

Meetings

Compensation Committee will meet at least once annually prior to the Q3 Budget Development Meeting.