



# Stapleton *Master* Community ASSOCIATION

## STAPLETON MASTER COMMUNITY ASSOCIATION

### EXECUTIVE BOARD MEETING

Forest City Office 7351 E 29<sup>th</sup> Avenue

Denver, CO 80238

Thursday May 30, 2006

12:00 p.m.

#### **ATTENDANCE**

Denise Gammon (President)

John Lehigh (Vice President)

Keven Burnett (MCA Executive Director)

Brian Beckler (District 3 Delegate)

Tom Keyse (District 2 Delegate)

Jenifer Graham (FC Staff)

#### **ABSENT**

Jim Chrisman (Director)

#### **CALL TO ORDER**

Agenda communication- everyone received and no changes were made. A motion was made to appoint Mr. Brian Fennelly to the Stapleton MCA Executive Board as outlined in the Association bylaws section 6.1 (b) granting the Declarant the power to appoint and remove directors at its sole discretion. In order to maintain the prescribed number of directors Mr. Fennelly must be a replacement of a current director and not be named as an additional director.

❖ M/S/C~ (Lehigh/ Gammon) unanimous

Motion to Approve: To replace Jim Chrisman with Brian Fennelly as a director of the Executive Board of the Stapleton Master Community Association to be effective immediately.

#### **I. APPROVAL OF MINUTES**

November 15, 2005 & November 21, 2006 draft meeting minutes were attached.

Clarification of November 21<sup>st</sup> minutes stating "first meeting of delegates, no prior

meeting minutes exist”. Reason there was no official meeting “of delegates” until second delegate district was added. Executive Director will correct typo on November 15, 2005 minutes and repost minutes to the web.

❖ **M/S/C~ (Gammon/Lehigh) unanimous**

**Motion to Approve:** To accept the minutes after the correction of typo appearing on page 1 paragraph 1 meeting minutes.

## **II. FINANCIAL REPORT**

The Executive Director presented the current financial status of the MCA as of April 30, 2006. Concerns were raised about the methods of accounting used by the current managing agent. Mr. Burnett discussed the need to sustain an accrual basis of accounting as opposed to a “modified” accrual based system that had a tendency to cause some confusion as to the actual activity that was attributed to the previous month’s expenses and revenues.

The financials were presented as follows:

### Summary of current Balance sheet

- Assets Cash & Cash Equivalents total is \$317,700
- Account Receivable total \$158,225
- Liabilities; Accounts payable \$0
- Prepaid Assessments \$53,390
- Equity \$422,534 for a total of \$475,924.

### Summary of Statement of Activity

- Actual expense \$440,385, Net activity (inc-exp) \$64,338 Y.T.D.
- Budgeted expense \$533,277, Net activity (inc-exp) \$27,290 Y.T.D.
- Y.T.D. budget is ahead by 58%

Executive Director will look in to utilizing Forest City accounting department as a resource to come up with recommendations for current and future accounting. Eventually the accounting aspect will be brought in house to Stapleton Master Community Association instead of thru Management Specialist Inc (MSI). Redefine MSI role and narrowing it down to assessment collections.

### Assessments, Delinquencies & Foreclosure

Policy about collection, foreclosure process and options for future was discussed. Legal Counsel is recommending foreclosure on two delinquent accounts; one commercial account in the amount of \$55,000 and one single family resident in the amount of \$2,100. Executive director will confirm payment status of commercial account and report back to the Board.

❖ **M/S/C~ (Gammon/Lehigh) unanimous**

**Motion to Approve:** To accept the financial report as submitted.

**III. MANAGEMENT REPORTS**

The Executive Director reported on the current status of operations throughout the community. Pools and swim programs started on time over Memorial Day weekend. Mr. Burnett reported on some issues that arose due to residents needing to receive and renew pool ID's which surpassed the pool management company ability to produce the number of ID's needed. Opening weekend modifications to the pool procedures were initiated to compensate for any issues that residents might have encountered trying to receive pool ID's in a timely manner. Mr. Burnett discussed some modifications to the preseason procedure that will help alleviate these issues in the future which include the ability to issue pool ID's at the MCA office during all times of the day as well as using extended Saturday hours in the weeks leading up to the opening of the pool facilities

Other Operational issues that were discussed by Mr. Burnett were

- Pre-cast concrete planters (more cost effective) should be installed the first week of June 2006.
- Colorado Total Maintenance (CTM) has annual contract, Executive Director will verify if contracts are 1 year or 2 year. Will renegotiate contracts again in fall 2006 if necessary.
- Issues Filing 2 watering & irrigation is still connected to the Park Creek Metro District (south side of 29<sup>th</sup> to Central Park Blvd and Primrose area). At this time it appears that the Park Creek Metro District is still liable for the operation of those irrigation systems as well as the water that is delivered.

**IV. OLD BUSINESS**

2002 & 2003 Draft audit

The Executive Director submitted the draft version of the 2003 audit, which is currently the only such audit that the association has completed. Issues that remained included tracking down any minutes of meetings that occurred during 2003. The current managing agent, MSI has been unable to produce any meeting minutes from that year.

Following the successful completion of the 2003 audit the Executive Director will proceed with 04-05 audits to bring the association up to date in their auditing responsibilities.

**VI NEW BUSINESS**

MCA Organization Structure

The Executive Director presented a plan for the reorganization of the management structure of the Stapleton MCA. The plan presented was based on a standard organizational structure of a Board of Directors and Executive Director organizational model.

- Executive Director is an employee of the Stapleton Master Community Association
- Board established banking authority to the Executive Director to establish bank accounts on site with tax id number (with double signing authority)
- Executive Director will set up an accounting system with in the office and set up a policy

❖ **M/S/C (Gammon/Lehigh) unanimous**

**Motion to Approve:** The Stapleton MCA Executive Board hereby authorizes a comprehensive reorganization of the association management structure whereby the Executive Director shall be the principle employee of the Stapleton Master Community Association. The MCA Board President shall negotiate an annual employment contract with the Executive Director. The Executive Director shall be paid and compensated directly from Stapleton MCA funds and shall report directly to the Stapleton MCA President and Executive Board. The Executive Director shall be responsible for the daily operations of the Stapleton Master Community Association, will be responsible to manage all association contracts and staff, and will present major modifications to association operational plans to the MCA board for approval.

❖ **M/S/C (Gammon/Lehigh) unanimous**

**Motion to Approve:** The Stapleton MCA Executive Board hereby authorizes the Stapleton MCA Executive Director to have bank account and signature authorization on behalf of the MCA Executive Board as follows:

**Bank Account Authorization:** The Board acknowledged the need to establish bank accounts for the Association controlled directly by the association. The Board authorized the establishment a minimum of two bank accounts, one for Operating Funds and one for Reserve Funds (others may be established in the future depending on need). The Executive Director will be authorized to open and manage these accounts immediately. The anticipated date for opening accounts is June 2006. A double signature of the Executive Director along with one additional Board Member will be required for all purchases and expenses except as outlined by the Executive Board in future decisions.

#### MSI Management contract

The Executive Director distributed the latest signed version of the MSI contract signed by Denise Gammon valid July thru December 2005. Given the desires of the Executive Board to modify the current management structure of the MCA it appears that the MSI

contract will need to be renegotiated under the 30-day “change of service” clause within the contract to streamline services down to the essentials needed. Mr. Burnett highlighted the current lines items that he felt were critical to maintaining and would work with MCA legal counsel and MSI to renew a consolidated scope of services contract. The following items were identified as critical to maintain:

- Receipt of assessments
- Accounts receivable follow-up (6.5)
- Lien notice and lien releases (6.6)
- Non-sufficient funds check (6.7)
- Assessment envelopes/coupon books (11.5)
- Mail (11.6)
- Notices/mass mailings/newsletters (15.0\*)
- Notification to new members (16.0)
- Transfer of title (17.0)

❖ **M/S/C (Gammon/Lehigh) unanimous**

**Motion to Approve:** The Stapleton MCA Board hereby authorizes the Executive Director to negotiate a new contract with the former managing agent to modify such contract to account for the association’s current and future needs.


**VII. OPEN FORUM**


Tom Keyse initiated a discussion in regards to creating a community wide Eco pass program, which was brought up to him by a group of concerned residents. The discussion revolved around the possibility to have the MCA dues fund eco passes for the entire community. This is a significant issue, since it would involve increasing assessments community wide to support such a program. The board instructed the Executive Director to set up a initial meeting with TMA director Angie Malpiede for further discussion and to determine if and where MCA participation in such a program is warranted. Mr. Burnett was instructed to brief the board and delegates on possible next steps for the MCA.

**VIII. MEETING SCHEDULE**

Next meeting the second or third week in September, Executive Director will follow up with e-mail to determine and appropriate date for the Executive Board and the Delegates.

Date: June 13, 2006

Submitted By:   
Keven Burnett, Executive Director

Approved By:   
Denise Gammon, President