

**MASTER COMMUNITY ASSOCIATION, INC.**  
**BOARD OF DIRECTORS MEETING MINUTES**

**DECEMBER 3, 2004**

**CALL TO ORDER**

The meeting was called to order at 10:05 a.m. Board members in attendance were John Lehigh, Jim Chrisman and Denise Gammon. Forest City Representatives in attendance were Mark Loeb and Diane Deeter. District 2, Delegate in attendance was Tom Keyse. In attendance from Management Specialists, Inc. was Debra Troppman.

**OPEN FORUM**

No items or attendees.

**MANAGER'S REPORT**

Financials – Debra reviewed the most current financials for the period ending November 30, 2004. Beginning Cash Balance was \$48,288.32, Total Cash Received and Inflow for the month of November was \$52,965.11, Total Cash Disbursed was \$64,614.84, leaving an ending balance of \$36,638.59. Debra informed the Board that the insurance claim settlement check had been received in the amount of \$5,884.32. Deductibles were applied against specific line items as follows:

- \$1,250.00 – credited to pool chemicals
- \$1,250.00 – credited to water/sewer for a water permit
- \$3,384.32 – credited to pool supplies for pool furniture and umbrellas damaged

Debra provided a report from St. Paul Travelers itemizing the total loss expense. This scheduled depreciation and deductible applied to the claim.

Delinquencies – Debra reported on current delinquencies.

Executive Session – Executive Session was called at 10:30 a.m. to review legal matters.

The Executive Session adjourned at 10:35 a.m.

Grounds Update – Debra and Diane reported that holiday decorations have been installed throughout the community and the town green floral pots have been replanted with fall and winter plantings.

## **OLD BUSINESS**

Commercial Assessment Collection – Debra reported Commercial Assessment Collection process has begun. Debra is working with Mike Tamblyn locally in Denver and Lynn Boudon and Lisa Johnson with Forest City in Cleveland, Ohio to assist in getting this process initiated.

Board Policy and Procedure/Resolutions – The Association’s attorney has provided a draft for a resolution, the subject being the authority of managing agents and governance model. This will be resolution 12/03/04-1. The resolution is adopted as written with the following changes:

- Under Item 3A, replace “The Board of Directors will establish appropriate policies, which answers the question, what results for which people at what cost?” To be replaced with “Action taken at what location and at what cost?”
- Under Item 3C, the managing agents shall not have the authority to bind the Association to any contract or obligation in excess of \$500.00 without having first obtained written authorization from the Board of Directors.

Grounds Maintenance Bids – The Board discussed the installation of a central control system for irrigation throughout the community. The Board requested Debra obtain bids in conjunction with new grounds maintenance bids, including the Park Creek Metro District grounds.

Park Creek Metro District Management Agreement – Mark provided a brief update and a draft of the agreement, which will replace the pre-existing agreement. Primary changes will be a formal maintenance agreement for streetscapes, maintained by District, to be maintained by the Master Community Association. This process allows an economy of scale, which includes more consistent service and billing. The Master Community Association will oversee and manage the contractors providing service and the Metro District will reimburse the Association for related expenditures.

Delegate Update – Tom Keyse reported the following items and issues were of concern:

- Traffic
- Pool operation, specifically the rolling over of pool passes from year to year and specific channel and lily pad concerns at the pool.
- Vacant area maintenance around Roslyn and Syracuse

Fountain Area/West Crescent Signage – Diane reported the signage is scheduled to be installed in the first quarter of 2005.

Ratification of Previous Non-Meeting Board Action – Diane contracted with Initial for holiday lighting and decorations throughout the community.

## **NEW BUSINESS**

Park Use Policy Revisited – Debra and Diane informed the Board that during the recent political campaigning, requests had been made for park use. The Board discussed this issue and there will be no change to the existing no policy, policy and the parks are on a first come, first serve basis for residents of the community.

2005 Budget – Debra provided the Board and Delegate with the fifth draft dated November 18, 2004 of the proposed budget. The budget was approved as written with the following changes:

- Under Legal Fees, the allowance is to be \$18,000.00 changed from \$11,000.00.
- Under Grounds Improvements, the allowance is changed from \$58,000.00 to \$48,000.00.
- Under Snow Removal for Common Area Sidewalks, the Board requested Debra insert an explanation specifically describing common areas.
- Under Seasonal Decorations, the allowance is based on a yearly allowance of \$50,000 not a quarterly allowance.

The overall total assessment level remains at \$30.60 per unit, per month. The overall total affordable assessment level increases from \$12.67 to \$17.59 per unit, per month. The overall commercial unit assessment level, decreases from \$14.10 to \$7.95 per unit, per month. The Community Wide Service Assessment market rate assessment level decreases from \$14.10 to 47.95 per unit per month. The Community Wide Service Assessment affordable rate assessment level decreases from \$2.82 to \$1.59 per unit, per month. The Neighborhood Services Assessment level remains the same at \$6.65 per unit, per month and the Residential Recreation Assessment level increases from \$9.85 to \$16.00 per unit, per month.

The Board inquired about the adequacy of the current reserve plans specifically relating to the alley and concrete maintenance. The Board was concerned that enough was not being saved for replacement of major concrete. Debra explained within the three reserve plans, one for the Community Wide Service Assessment, one for the Residential Recreation Assessment and one for the Neighborhood Services Assessment. Major concrete repairs were anticipated and planned for with a five year frequency as follows:

- Under the Community Wide Service Assessment Plan - \$18,615.00 in 2007
- Under the Residential Recreation Assessment Plan - \$37,230.00 in 2007
- Under the Neighborhood Services Assessment Plan - \$17,899.00 in 2006

Grounds Maintenance Supervisor Position – Debra provided a job description and salary remuneration for this position for Board review. The Board motioned that this position would be an employee of Management Specialists, Inc. and the Master Community Association would pay for all related expenditures directly to Management Specialists, Inc. Management Specialists, Inc. will invoice the Association on a monthly basis. Debra stated the following timeframe would occur:

- Advertising and interviewing for the position in late December, early January
- The decision and hiring process by February and the training process to take place by March 1<sup>st</sup>

The motion carried. Debra will proceed in running an ad in the newspaper and/or recruiting to fill this position.

“Other Contingency” Expenditures for 2005 – Debra informed the Board that \$1,639.00 is available from the three reserve plans for discretionary expenditures. The Board motioned and approved that no expenditures will take place by year-end and these items would roll over into the next year.

Monthly Manager’s Report – Debra provided a draft of the Monthly Manager’s Report that will be utilized by Debra and Diane beginning January 2005. This report will be used to summarize monthly decisions and expenditures made by Diane in the capacity of an additional managing agent. The purpose of this report is to update the Board in between Quarterly Board meetings.

Audit Response Letter From Orten & Hindman – Legal counsel for the Master Community Association provided James Moore and Associates, the Master Community Association’s auditor, with correspondence regarding the audit to be conducted. The letter stated there is no pending litigation involving the Master Community Association at this time. There are no attorney fees owed to Orten & Hindman at this time. The letter was signed by Denise Gammon and approved.

The 2003 State and Federal Tax Returns – The documents were signed by Denise Gammon and will be processed by Management Specialists, Inc.

PD Active Intranet Provider – PD Active is currently providing intranet-hosting service to the Master Community Association. Debra stated that the contract presented by PD Active is not in the best interest of the Association. The contract was reviewed by the Association’s legal counsel with comments provided. The contract provides no proof of insurance in place for the service provider and requires payment for services in advance of service. This item was tabled for further discussion.

Annual/Delegate Election Meeting – Debra stated the Annual Meeting and Delegate Election are scheduled for February 27, 2005.

#### **NEXT MEETING DATE/TIME/LOCATION**

The next Board meeting will be scheduled sometime in March 2005.

#### **ADJOURNMENT**

With no further business to conduct, the meeting was adjourned at 12:00 p.m.

DT/ras/MCA