

**STAPLETON MASTER COMMUNITY ASSOCIATION
EXECUTIVE BOARD MEETING**

Thursday, May 20, 2010 ~12:00– 1:30 pm.
Stapleton Community Room
2823 Roslyn Street
Denver, CO 80238

ATTENDANCE

Denise Gammon (absent)
Heidi Majerik (Vice President)
Brian Fennelly
Keven Burnett (SMCA Executive Director)
Jenifer Graham (Office Manager)
Paula Deorio (Aquatics Director)
Diane Deeter (Program & Events Director)
Justin Silverstein (district 2)
Dana Elkind (district 3 delegate)
Bethany Smith (district 4 delegate)
Tim Wilson (district 5 delegate)
Katie Garces (district 6- absent)
Michael Kearns (resident Board member)
Amanda Allshouse (district -absent)

I. CALL TO ORDER

Heidi Majerik

II. APPROVAL OF MINUTES

Feb 18th 2010 - meeting minutes were attached.

❖ **M/S/C~ (Majerik, Fennelly, Kearns)~**
Motion to approve: minutes as presented.

III. FINANCIAL REPORT:

1) The Executive Director presented statement of activity and balance sheet

Statement of Activity (January through March 2010)

• Income (4000 series)	\$704,904.14	Budget	\$727,889.73
• Expense (5000 series)	\$529,874.74	Budget	\$609,912.48
• Net ordinary Income	\$175,029.40	Budget	\$117,977.25
• Other Income	\$70,553.82	Budget	\$70,176.00
• Net Income	\$205,850.85	Budget	\$113,153.25

(Income budget- assessments are down due to lack of sales, Expense budget is \$10k under budgeted due to coupon books posting in January 2009 and December 2009)



Balance Sheet (As of March 31st , 2010)

• Current Assets	\$1,602,113.06
• Accounts Receivable	\$405,854.72
• Total Assets	\$1,754,341.55
• Total Liabilities	\$266,542.54
• Total Equity	\$1,487,799.01
• Total Liabilities & Equity	\$1,754,341.55

2) Delinquent Accounts

\$35k is owed to the MCA of the \$14k is assessments the rest is legal fees.
Delinquent accounts have risen 44 to 54 from 2009

- ❖ **M/S/C ~ (Kearns, Fennelly, Majerik)~**
- ❖ **Motion to approve:** Financials for January through March 2010 as submitted.

IV. GOVERNANCE

1) Draft Investment Policy

Capital Investment Counsel, Inc presented information about the company and the purpose for the investment of the MCA's reserve funds. **~Executive Director will make updates with CIC and send out completed Reserve Policy to the Board ~**

2) Appointment of Officers

2010 Board Members are as follows:
President Denise Gammon
Vice-President Heidi Majerik
Treasurer Brian Fennelly
Secretary Michael Kearns

3) Draft 2009 Audit Report

Audit report was just received; Board will review at the Q3 2010 meeting and request motion then.

- ❖ **M/S/C ~ (Fennelly, Kearns, Majerik)~**
- ❖ **Motion to approve:** CIC draft investment policy after changes are made and Appointment of 2010 of Officers

V. MANAGEMENT REPORT

1) Administration

- MCA work truck- Board recommends a "use policy" for those using the vehicle.
- Seasonal Staff Hiring- 38 returning staff and 18 new hires for a total of 56 pool employees

2) Events



- Program & Events Director presented the summer 2010 calendar
- June 26th is the 1st Stapleton Beer festival-\$20 online/\$25 in person (includes 3oz plastic commemorative cup) for the event for anyone sampling the beers. Farmers Market will have pancake breakfast at both the 1st and last market.

3) Aquatics

- 2010 Aquatics Programs-960 participants have enrolled in the 2010 aquatic program, 16 Junior guards
- 2009 programming income was \$31k to date the 2010 income is \$63k, exact costs are hard to narrow down. The goal would be \$1 in and \$1 out.

4) Facilities

- Filing 19 pool is planned to open Memorial Day of 2011
- Aviator coping stones are in and 2 lily pads removed (pictures were posted)
- Backstroke flag anchors were installed which will allow them to be installed and removed easier. This also gives the option for large pool accessories/toys to be used in future.
- West Crescent fountains are up and running with the new chemical feed systems

VI. COMMUNITY IMPROVEMENT PROJECTS

- Filing 18 pocket parks planters will be updated will cost approve (\$4.5)
- Additional picnic/gathering table are needed at the pools and a couple at the pocket parks (\$12k)
- Arc park (temporary) sand box will be installed this summer

VII. MEETING SCHEDULE

- 1) Q3 Executive Board: September 16th 2010~ Noon-2:00pm



**RESOLUTION
OF THE
MASTER COMMUNITY ASSOCIATION, INC.
REGARDING INVESTMENT OF RESERVE POLICY**

SUBJECT: Adoption of an Investment Policy for reserves of the Association.

PURPOSES: To adopt a policy for the investment of reserve funds.

AUTHORITY: The Declaration, Articles of Incorporation, and Bylaws of the Association and Colorado law.

EFFECTIVE

DATE: June 30, 2010

RESOLUTION: The Association hereby adopts a Policy as follows:

1. Scope. Board members have a fiduciary responsibility to the association. They may not delegate their legal obligation to protect the association's assets to anyone else. The Board must therefore invest association reserve funds responsibly and in a way that provides first safety, then liquidity and finally yield.
2. Goals & Objectives. The Association's reserve assets shall be invested to achieve the following objectives:
 1. Promote and ensure the preservation of the reserve fund's principal.
 2. Structure maturities to ensure the availability of assets.
 3. Minimal costs. Investment costs should be minimized.
 4. Funds should be invested with professional managers who have good reputations and sound credentials.
 5. Achieve long term investment performance based on lowest risk at highest return.
3. Investment Strategy. Use the most recent reserve study to match the effective maturities to the dates of the expenses. The following are considered suitable investment instruments for reserves:
 1. 100% of the fixed-income securities held in the portfolio shall have a Moody's, Standard & Poor's and/or Fitch's credit quality rating of no less than "BBB".
 2. 40% of the portfolio shall not be rated less than AA. If the Manager should hold BBB rated securities they must be US companies only. U.S. Treasury securities and U.S. government agency securities, which are unrated securities, are qualified for inclusion in the portfolio.

3. The exposure of the portfolio to any one issuer, other than securities of the U.S. government or U.S. agencies, shall not exceed 15% of the market value of the fixed income portfolio.
4. To the extent possible, holdings of individual issues shall be large enough for easy liquidation
5. The manager shall have the discretion to invest a portion of the assets in cash reserves when they deem appropriate.

(a) An issue by issue review will be conducted for each security that has its credit rating lowered after purchase and for each security presently in the portfolio that falls below these criteria's. A decision will be made to either hold and monitor or liquidate.

4. Selection Criteria. Securities will be selected with an emphasis on these characteristics:

1. Preservation of capital
2. Quality
3. Effective maturity
4. Net after-tax return

5. Investment Options. Securities will be selected with an emphasis on these characteristics:

1. Preservation of capital
2. Quality
3. Effective maturity
4. Net after-tax return

An issue by issue review will be conducted for each security that has its credit rating lowered after purchase and for each security presently in the portfolio that falls below these criteria's. A decision will be made to either hold and monitor or liquidate.

6. Review and Control. The Executive Director and /or the Treasurer shall work closely with the Manager and the Broker to ensure that the policy outlined is adhered to. The Board of Directors will review the investments and make any necessary corrections, changes, additions or deletions.

7. Reserve Study. In order to determine funding of the Reserve Account, the Board of Directors shall determine, with the assistance and advice of professionals, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas (hereinafter referred to as a "Reserve Study").

8. Review of Reserve Study. The Board of Directors shall cause the Reserve Study, if any and reserve funding to be reviewed and updated periodically, at least once every

three years to adjust and make changes in costs, inflation, interest yield on invested funds plus modification, addition or deletion of components.

9. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

10. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.

11. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

12. Amendment. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on this 15 day of June, 2010 and in witness thereof, the undersigned has subscribed his/her name.

Master Community Association, Inc.

By: 
President