

Q4 Executive Board Meeting

Wednesday, November 16, 2022 | 12:00 – 1:30 pm.

MCA - Zoom Webinar Hybrid

8351 E Northfield Blvd. | Denver, CO 80238

ATTENDANCE

Executive Board

Shalise Hudley-Harris – President (District 10)

Dana Elkind – Secretary/Treasurer (District 3)

Hope Miller – Director (District 9)

Amanda Dorotik – Director

Brooke Lee – Director

Community Delegates

Krista Brown (District 1)

Heather Vasquez (District 2)

Elizabeth Cohen (District 4)

Andrew Bartlett (District 5)

Rebekah Henderson (District 6)

Sarah Stabio (District 8)

John Holt (District 11)

MCA Staff

Keven Burnett (Executive Director)

Jenifer Graham (Business Director)

Diane Deeter (Community Director)

Paula Deorio (Aquatics Director)

I. CALL TO ORDER

Shalise Hudley-Harris (President) called the meeting to order

II. APPROVAL OF MINUTES

August 17, 2022 meeting minutes were attached.

○ M/S/C (Hudley-Harris/Elkind) Motion passes.

Motion to approve: Minutes as presented.

III. FINANCIAL REPORT

The Executive Director presented January-September 2022 Statement

Statement of Activity January through September 2022

• Income (4000 series)	\$7,219,720	vs.	Budget \$7,226,564	-\$6,844
• Expense (5000 series)	\$7,902,397	vs.	Budget \$7,520,924	\$381,473
• Net Ordinary Income	-\$682,677	vs.	Budget -\$294,360	-\$388,317
• Reserve/Improvement	\$531,761	vs.	Budget \$531,000	\$761

Balance Sheet (as of September 30, 2022)

• Current Assets	\$ 2,491,527.09	vs.	\$ 2,845,153.06	-\$ 353,625.97
○ Operating Funds	\$ 157,286.79	vs.	\$ 190,443.03	-\$33,156.24
○ Reserve Funds	\$ 886,752.21	vs.	\$912,410.10	-\$ 25,657.89
○ Community Fee Fund	\$ 216,241.43	vs.	\$ 366,842.31	-\$150,600.88
• Accounts Receivable	\$ 671,402.10	vs.	\$ 909,903.82	-\$ 238,501.72
• Accounts Payable	\$ 970,907.82	vs.	\$ 567,233.71	\$403,674.11
• Total Assets	\$ 3,393,498.79	vs.	\$ 4,693,524.78	-27.7%
• Total Liabilities	\$ 1,256,623.89	vs.	\$ 822,072.65	+52.9%
• Total Equity	\$ 2,136,847.90	vs.	\$ 3,871,452.13	-44.8%
• Total L&E	\$ 3,393,498.79	vs.	\$4,693,524.78	-27.7%

Summary of Discussion

- We are reaching the maximum on our budgeted expense lines.
- The inflationary pressures we've been experiencing have affected many of the supplies we need to operate. This includes gas, fertilizers, irrigation parts, chemicals for the pool, etc.
- It is primarily for this reason that we need to increase assessments in 2023.
- We predicted negative results for 2022, which isn't surprising. Despite this, we still have enough cash on hand to pay our regular bills.

○ M/S/C ~ (Hudley-Harris/Stabio) - Motion passes.

Motion to approve: Financial statement (January-September 2022).

IV. COMMUNITY UPDATE

Attorney's Report:

Presented by David Firmin, Shareholder in Charge of Finance, Altitude Community Law, dfirmin@altitude.law

- Earlier this year, the legislature passed a law requiring associations to conduct a reserve study.
 - A strict interpretation of the bill would have mandated full funding of reserve studies. According to this definition, adequate reserves are those necessary to meet your anticipated needs without borrowing through special assessments.
 - It addresses some of the disparity between low assessments and deteriorating communities (in response to the tragedy in Florida, with the building collapse).
 - The governor vetoed the bill because it would have had a catastrophic effect on 90% of the state's communities, raising their assessments by at least double.
 - This bill will likely be brought back next legislative session in some form.

V. GOVERNANCE

Annual Members' Meeting:

- The Annual Member's Meeting mailing has been sent to the printers.
 - We send mailings to approximately 10,500 addresses.
- We have candidates running in every district, except District 7.
 - There may be some interest in District 7 from the construction of apartments coming in by RTD and Sprouts.

Executive Board Seat:

- Elisabeth (Lis) Cohen was nominated for the open Executive Board Seat, for a three-year term.

○ M/S/C ~ (Hudley-Harris/Bartlett) - *Motion passes.*

Motion to approve: Nomination of Elisabeth Cohen to Executive Board.

2023 Assessment Schedule:

- 2023 Assessment Schedule which will include an assessment increase for for-sale regular residential which would move from \$43 to \$46 per month.
- There would be no change in the affordable rate, which would remain at \$25 per month.
- Rentals in the residential market will increase by \$1 to \$27.
- Residential affordable apartments/multifamily will remain at \$12 per month.

○ M/S/C ~ (Elkind/Hudley-Harris) - *Motion passes.*

Motion to approve: 2023 Assessment Schedule.

2023 Budget:

- 2023 budget shows us collecting 9.8 million through assessments, work with Park Creek Metro District, as well as earned revenue through aquatics and programming. The expense side is just shy of 9.8 million at 9.770 million to cover expenses in 2023.

○ M/S/C ~ (Hudley-Harris/Stabio) - *Motion passes.*

Motion to approve: 2023 Budget.

2023 Reserve Study:

- A comprehensive study of everything we are responsible for. Currently underfunded but moving to a fully funded position by the end of 2024.

VI. UPCOMING MEETING SCHEDULE

- December 14, 2022 | Annual Members' Meeting & Delegate Election | 6:30 pm | The Cube