



HEATHER GARDENS METROPOLITAN DISTRICT
SUPPLEMENTED BOARD PACKET

APRIL 18, 2024



HEATHER GARDENS METROPOLITAN DISTRICT
FEBRUARY 15, 2024

MINUTES

PLEDGE OF ALLEGIANCE

QUORUM PRESENT: All Directors present: Craig Baldwin, Rita Effler, Elouise Laubach, Robin O'Meara, Daniel Taylor

CALL MEETING TO ORDER

APPROVE THE MINUTES JANUARY 4, 2024

- Motion made by Director Craig Baldwin
- Second by Director Elouise Laubach
- VOTE
- The motion has a majority, motion passes - minutes approved

PRESIDENT'S REPORT - Daniel Taylor

TREASURER'S REPORT - Rita Effler

- Grant for the pool - safety and security - Received \$4,500 reimbursement
- Every two weeks - Alternate Wednesday - Rita looks over the invoices to see what has been paid - Daniel will do so, Robin will take notes
- Need a volunteer from the Board to do so why Rita is out of town
- Budget and Finance Committee- 2 people to reconcile the monthly expenses
- Still do not have the December Financials for the Enterprises

MANAGEMENT REPORTS - None

COMMITTEE REPORTS

Audit and Finance Committee - Rita Effler shared her update

Clubs and Activities Committee Report - Nancy L. Chair - see board packet

- **Frolics**
 - Replacement of the flooring of the auditorium floor in two years, stage floor is not tap dance friendly, planned rear projection system, sound system,
 - Procedure Memorandum presented today
- **Garden Club** - No meeting
- **Wood Shop** - Report in Board Packet

COMMITTEE REPORTS (cont.)

Clubs and Activities Committee Report (cont.)

- **Pickle Ball Club** - update regarding plans will take up their list next month

- **Clubhouse Committee Report** - Rita Effler, Chair
 - List of items to be attended to sent to General Manager
 - Lary Herkl, General Manager - Received yesterday - send them to me - maintenance
 - Kilns - replace, not repair - get a refund on the payment of the classes - need to follow up with Julie Racich, Acting Clubhouse Manager
- **Foundation Committee Report** - Eloise Laubach, Chair
 - Matt Martella - has projects in mind - perhaps an electronic marquis to advertise the events happening at HG - placed on Yale - will landscape
 - Follow up and include all District amenities - Clubhouse, Golf Course and Restaurant
- **Golf Committee Report** - No meeting
- **Restaurant Report- Robin O'Meara, Chair**
 - Completing kitchen projects/update - all equipment in place
 - Freezer contract - we have bids and proposals for completing the project
 - Chef Search - again - hopefully will find an individual to fill this vacancy which is key to restaurant success
- **RV Lot Committee - Report in Board Packet**

UNFINISHED BUSINESS

- Assessment of Handicap Accessibility for District Facilities
- Replacement of Handicap Signs for Spaces by Tennis Courts
- Proposal for Additional Clubhouse Parking Signs
- Repair of Pool Table Felt
- Provide List of Activities/Dances/Events Costs and Revenue
- Removal of Equipment from Golf Course

NEW BUSINESS

MOTIONS

1. **Motion 1-2-15-2024: Form Contracts Committee** - Discussion included that there would be too many people in a "Contracts Committee", would rather have one person as a liaison with the HGA Management Contract Department. Motion was amended to appoint Director Craig Baldwin as the Special Contract Liaison. Motion made by Craig Baldwin. Second made by Daniel Taylor. Vote: unanimous - Motion has the majority and passes
2. **Motion 2-2-15-2024 Treat Stage Floor** Motion made by Director Baldwin. Second the motion by Rita Effler. VOTE: Unanimous, motion has the majority and motion passes.

NEW BUSINESS - MOTIONS (Cont.)

3. **Motion 3-2-15-2024 Resurface Auditorium Floor - Tabled** - Discussion - what is most cost effective? Resurface the current floor or replace with luxury vinyl tile

4. **Motion 4-2-15-2024 Adopt Clubs/Activities PM-1** - Motion to adopt PM passes
5. **Motion 5-2-15-2024 Adopt Legal Fee Addendum** - Motion made by Robin O'Meara, Second by Daniel Taylor. Vote: Craig Baldwin and Eloise Laubach - Nay - Rita Effler, Robin O'Meara, and Daniel Taylor - AYE. Motion has a majority, motion passes
6. **Motion 6-2-25-2024 Nominate Craig Baldwin as Clubhouse Committee Chair** - Motion has the majority and passes

PUBLIC COMMENT

Participants commented on motions regarding the Contracts Committee, resurfacing the auditorium floor, and allowing committees and clubs to inform the Capital Expenditures list of projects.

EXECUTIVE SESSION

Executive session pursuant to Sections 24-6-402(4)(b), C.R.S. for the purpose of receiving legal advice on specific legal questions relative to litigation with HGA for breach of the Management Agreement.

Motion to move to executive session by Daniel Taylor Seconded by Craig Baldwin. VOTE Motion passes unanimously. Meeting adjourned to go into Executive Session at 2:45 PM

RETURN FROM EXECUTIVE SESSION at 5:00PM

MEETING ADJOURNED

The next HGMD regular Board meeting will be held on Thursday, March 21, 2024, at 1:00 P.M. in the Clubhouse Boardroom



HEATHER GARDENS METROPOLITAN DISTRICT
SPECIAL MEETING MARCH 7, 2024

MINUTES

PLEDGE OF ALLEGIANCE

QUORUM PRESENT Craig Baldwin, Daniel Taylor, Robin O'Meara - in person. Rita Effler and Eloise Laubach on Zoom

IN ATTENDANCE: Board Room: 11 people Zoom: 44 people

CALL MEETING TO ORDER

PRESIDENT'S REPORT President Daniel Taylor addressed March edition of *Heather n You* Articles: The Circulator of the Recall Petitions and the Law,

Public comments were made by HGA Board Members Larry Davila, Sue McBeth and Linda Hileman.

TREASURER'S REPORT - No report - no financial report for this year 2024, end of the year report - waiting for the, auditors will take care of the end of year report

MANAGEMENT REPORTS - None

UNFINISHED BUSINESS - None

NEW BUSINESS

1. **Motion 2024-3-7-1** Freezer Purchase - passed unanimously
2. **Motion 2024-3-7-2** Engage Architect - passed unanimously
3. **Motion 2024-3-7-2** Grand Parent and Kids Park Grant - passed unanimously

PUBLIC COMMENTS : **Sue McBeth** - HGA Board Member - Response to the President's Report

EXECUTIVE SESSION Pursuant to 24-6-402(4)(e), C.R.S. for the purpose of determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators regarding the Management Agreement.

Motion to move to executive session by Robin O'Meara. Seconded by Daniel Taylor VOTE: Motion has a majority. Motion approved **Adjourned to Executive Session** at 1:59 PM

RETURN FROM EXECUTIVE SESSION at 3:00 PM

Motion to Adjourn made by Director Craig Baldwin Second made by Director Robin O'Meara VOTE: Motion passed unanimously. **ADJOURNMENT** at 3:08 PM

To: HGMD Board

Audit/Finance Committee

April 13, 2024

From: Rita Effler, Treasurer

Heather Gardens Metropolitan District

I have attached a rudimentary summary of available funds.

As of the end of March we had cash assets of \$413,470. Please see the breakdown attached. Of course, \$200,000 is in restricted accounts. I have not pulled the Investment accounts, hoping that management would get caught up and get us complete information.

I am concerned that Revenue is falling. Golf, of course, is expected, but we have no way of knowing what the restaurant is doing or how much the clubhouse is bringing in. March revenue was pathetic. Wasn't class registration in March? Expenses were up, but some of that could have been capital expenses that came out of the Operating Account because we really do not fund the Capital Account.

Key Bank Accounts 12		1-Jan-24	1-Feb-24	1-Mar-24	31-Mar-24					
					(1 Apr 24)					
Operating	Balance	\$ 195,624.00	\$ 199,719.00	\$ 257,937.00	\$ 210,245.00					
Income		\$ 126,378.00	\$ 162,785.00	\$ 100,271.00		Primarily Enterprise Revenue				
Expenses		\$ (122,279.00)	\$ (104,566.00)	\$ (143,161.00)		Primarily Un-detailed transfer to HGA operating				
Lottery		\$ 151,844.00	\$ 151,896.00	\$ 151,944.00	\$ 151,996.00					
Interest		\$ 52.00	\$ 48.00	\$ 52.00						
Foundation		\$ 36,140.00	\$ 45,062.00	\$ 48,718.00	\$ 48,718.00					
Income			* \$ 3,706.00			*Do not know what these entries entail				
Exp			* \$ (50.00)							
Capital Account		\$ 2,509.00	\$ 2,509.00	\$ 2,510.00	\$ 2,511.00					
Interest			\$ 1.00	\$ 1.00						
Total Key Bank Cash Accounts March 31, 2024				\$413,470						

Heather Gardens Metropolitan District
Report of the Clubs and Activities Committee (CAC) April 2024
Nancy Linsenbigler, Committee Chair

April 5, 2024 CAC meeting was called to order at 1:05 PM by Nancy Linsenbigler, Chair.
Members present: Linda Hilman, Pete VonVett, Connie Burns, Craig Baldwin, Jerry Brewster. It was determined there was a quorum.

Additions to the agenda: Add Motion to recommend approval of cable run from sound booth to stage.

Reports of Clubs/Committees:

Garden Plot Report given by Pete VonVett-Many of the plots in the garden have been renumbered, and the numbers are all over the place, not in easy-to-find order. The garden club would like to renumber all plots in a logical sequence. It was determined that a whole garden layout plot map needs to be developed showing the location of all plots. Both the renumbering and new layout will be presented next month for CAC discussion/approval. The renumbering and plot plan will be done after gardening end this fall. The final date for annual lease also should be adjusted, to allow time for a new gardener to get into the garden before the planting season begins.

Wood Shop Report given by Pete VonVett in place of Bill Patterson-Trying to find a meeting time most beneficial for most members to participate. Process of hiring a maintenance person to maintain the equipment. Two people applied and will be interviewed. This process is taking a long time. Discussion—Craig will attempt to speed up interview process. Notices assigning lockers for rent sent out. Working with Clubhouse Access Committee to decide how to maintain access to Workshop and especially for non-residents, Perhaps a fee for non-residents. Clubhouse IT working to provide Wi-Fi within the shop for use in viewing online videos of woodworking. 4 member committee working on 2025 budget. Club has no dues.

Frolics Report: Given by Arlene Krell-The show this year will be Friday, Saturday and Sunday, May 3, 4 and 5. Premium seating \$15 and regular seating \$10. Also presenting entertainment one Wednesday a month at The Rendezvous Restaurant, free of charge.

Pickle Ball Club Report: Presented by Ron Hileman and Jan Belt- The approved storage chest will be ordered. The Club states the need for a chain link fence instead of netting at the end of the court. Players need the protection which the netting does not provide. Will investigate the cost of placing a fence. Also the noise created by the players is LOUD. Possibility having a non-resident fee for use of the courts--The Clubhouse would determine this.

Cable for Zoom—Motion: Committee action to recommend approval of cable run from sound booth to stage, to facilitate Zoom transmissions. Motion by Craig, seconded, passed.

Unfinished Business:

Auditorium Floor Update: Arlene Krell has received some bids for LVP and brought samples. Craig and Rita Effler reported that bids are also being solicited for LVP that includes an inner layer of ceramic, for added strength and life.

Treating the Stage Floor Update: Arlene reported that the materials have been ordered but have not yet been received, so the work cannot begin until the materials are here.

Auditorium Sound System Update: Nancy reported that a technician from High Country will be here on April 17 to evaluate the Auditorium Sound. Rudy Morris will work with the technician.

Special Entertainment Committee: Cindy Crocket, chair reporting. This special committee goal is to help find, schedule and assist with coordinating activities that the residents recommend, and that do not conflict with other community wide events (avoid two dances on the same night or back to back nights). Committee starting with assessing current activities, will recommend others, and develop a community-wide schedule. Committee is willing to coordinate some special events, with the goal of the Clubhouse/Activities Director taking over the coordination down the road. Has been consulting with Clubhouse and other groups.

New Business:

Pickleball Noise Issues, Building 250: Karen Buss and Linda Worthey from Building 250 reported on the loud noise of pickleball affecting building 250, which is the residential building closest to the pickleball courts. Also information from Roger Peterson, B250 reported, regarding some solutions that have worked at other locations and offer to help with sound proofing. Ron Hileman and Jan Belt provided many suggestions as to what can be done, such as having loudest players use the farthest courts from Building 250, possibly limiting time when the courts are open, like not before 9 am or after 5 pm, and investigating sound barrier materials and sound muffling paddles. Pickleball officers will communicate and work directly with Building 250 on these various possibilities and report back. Pickleball officers will obtain price quotes for materials and report back.

Membership Fees and IRS/State Reporting Guidelines: Glenn Riggs from the Men's Golf Club would like to have some advice or information from various clubs regarding the need to report membership dues to the IRS/State, and apply for a non-profit status. Glenn will attend May CAC meeting with more information and requests.

Adjourn motion made, seconded and approved.

Respectfully submitted, Nancy Linsenbigler

CLUBHOUSE COMMITTEE MEETING
REPORT OF APRIL 2, 2024

The meeting was called to order at 1 PM. Members present: Linda Worthey, Carol Anne Mayne, Connie Burns, Glenn Riggs, Bob Bankirer, Tom Merges, and via Zoom Sandy McCurdy. Absent were Carol Reed and Debbie Parker.

Non-voting members present were GM Lary Herkal and acting clubhouse manager Julie Racich.

The chair's report covered the following topics. The introduction of the following special committees: The Clubhouse Amenities Special Committee chaired by Linda Worthey, and The Special Property Advisory Committee chaired by Bob Bankirer. Other members with special assignments are; Connie Burns with the billiard room, and Sandy McCurdy with the clubhouse ID system. Chair Baldwin listed other areas needing individual leaders and members are; classes cost and fees, procedure memorandums rewrite, and the 2025 budget preparation.

Acting clubhouse manager Julie Racich gave a review of the previous month's activities and a preview of the coming month's plans. The entertainer 'Elvis' will make a return engagement after a recent successful performance. Julie gave a brief report on the chairs that need replacing.

Linda Worthey, chair of the Clubhouse Amenities Special Committee introduced the committee members; Debbie Parker and Carol Reed. Linda thanked GM Lary Herkal for the quick action taken on the repairs needed in the ladies locker room. This followed the effort by Linda and Carol Anne Mayne's taking photos of the affected areas. Linda brought up the need for deep cleaning around the clubhouse and suggested this may be scheduled more often. Signage, especially in the locker rooms and the pool areas was discussed. Signage replacement will be coordinated with Lary and Julie. Linda reported the difficulty she had in attempting to place work orders for various needs. She found at present work orders only pertain to individual needs and residential building concerns. Lary promised to look into the matter. Linda's committee is looking into other clubhouse matters. They include use of computers, and pool hours. Linda noted that her committee is committed to taking on more projects as needed.

Bob Bankirer, chair of The Special Property Advisory Committee introduce the committee members; Tom Merges, Glenn Riggs, and Gwen Alexander. The members were provided with a map of the HGMD property and took a tour of the same. During that tour they concentrated on the following; the lot at 13692 EMD, the area of the bat houses, the suggested locations for a proposed Marquee sign, a location for a Grandparents park from a report by Gina Abegg. Gina was given the authorization by the District Board of Directors to apply for a grant for the project from the City of Aurora.

Other projects being considered for Bob's committee are; increased clubhouse parking, a marquee purchase and installation, the installation of a Grandparents Park, and working with architect Marc James Shen of Maliakai Architectural Design on the various projects to come before their committee. Mr. Shen is ADA certified and will conduct a survey of the clubhouse for ADA compliance.

Sandy McCurdy noted she will begin working on introducing an ID system similar to the one used by Windsor Gardens. Sandy is asking for anyone interested to help with this project.

Connie Burns announce she will provide a written statement on needs in the billiard room to the committee before the next group's meeting in May. Connie mentioned one concern is a chair rail and chairs dedicated to the billiard room.

Nancy Linsenbigler, chair of the standing committee, Clubs and Activities, explained their cooperation with the clubhouse committee. The CAC is handling projects related to persons and clubs. The clubhouse committee is handling needs of the building proper, policies, setting procedure of classes, trips, etc.

Nancy introduced the special committees begun under her watch. They are a special events group lead by Cindy Crocket, an auditorium sound advisory group lead by Wayne Wharton and Rudy Morris with advisor Charlie Herleman, head of HGA's technical service company. Nancy announced High Country Low Voltage has been hired to perform the following tasks on the sound system.

- 1) Assess and analyze the present system,
- 2) Troubleshoot the following items:
 - a. Speakers
 - b. Audio input and output,
 - c. Video to determine its replacement, and
- 3) Advise the sound committee on equipment replacement where needed.

One item to be installed is a cable needed to improve the Zoom performance.

The CAC's next meeting is Friday, April 5, 2024

Note: Our special committees are looking for interested residents to join their group.

Meeting adjourned at 2:10 PM

The next C.H. committee meeting is May 7, 2024 at 1 PM.

Craig Baldwin, Chair
Clubhouse Committee

RV Storage Lot Committee Report for April 8, 2024
in the HG Clubhouse Board Room

- I. Meeting called to order at 1:00 p.m. Attending: Forrest McClure (chair), members, Roy Ferguson, Tom Sandquist, John Guise, Len Robinson, Lynn Nicholson, and Lee Nicholson. Guests attending in person, Craig Balwin (HGMD Director). Guests attending via Zoom, Mike Pula, and others.
- II. Chair's Opening Remarks
 - A. An approval from the US Army Corps of Engineers has been received regarding their fence on the southwest side of the lot (see attached letter). The USACE stipulations were discussed at length.
 - B. Resident Service Coordinator Ashlei Finney has provided an updated RV Lot renters list. She requests that the list remain confidential for the time being.
- III. Unfinished business
 - A. Dump Station City Codes and Industry Standards: Len Robinson contacted the city and confirmed that there are no city or county codes specifically regarding the installation of dump stations. Len conferred with Jon Howell, HGA Maintenance Facilities Engineer, and confirmed that there is only one water source of supply to the faucets.
 - B. Space Assignments: Motion to recommend to the HGMD board by Len Robinson and seconded by Tom Sandquist to amend the HGMD RV Lot Space Rental Agreement by adding item number "20. Lessee agrees to move to another Space at the request of management for the purpose of matching the size of the RV to the appropriate size of the Space to be rented. Such adjustments will only be made quarterly." 5 members voted to approve and 1 member voted to disapprove. Motion approved and attached to this report.
- IV. New business
 - A. From Craig Baldwin, Contracts Coordinator, "We are recommending the RV gate be raised and a new concrete/asphalt drive be installed in order for the gate to be above ground. The pitch of the new drive is recommended to be 1 inch to each foot. This would keep any size R.V. from scraping when entering and exiting. A bid has been requested of AJI for the cost of raising the gate." After discussion no motion was made to adopt this recommendation. Alternatively, the idea of turning the gate around to open in the opposite direction was discussed. This spurred a discussion about adding additional fencing in that area to accommodate the gate opening in that direction. However, Chair and member Tom Sandquist examined the gate the following day and the cantilever design of the gate will not allow this. In conclusion we recommend that no changes to the gate or amendments to AJI's fence proposal be made.
- V. Announcements
 - A. Member Roy Ferguson stated he will be gone from June 9th to July 8th and had concerns about his RV needing to be moved when AJI replaces the fence next to where he is parked. At this time we do not have a timeline from AJI to advise Roy or anyone in a similar situation.
- VI. There were no public comments on non-agenda items.
- VII. Adjourned at 2:35 p.m.

RV Storage Lot Committee Report for April 8, 2024
in the HG Clubhouse Board Room

RV Storage Lot Committee Motion

- A. Motion to amend the HGMD RV Lot Space Rental Agreement by Len Robinson:
- B. I move to recommend to the HGMD Board that they add to the [HGMD RV Lot Space] Rental Agreement item number "20. Lessee agrees to move to another Space at the request of management for the purpose of matching the size of the RV to the appropriate size of the Space to be rented. Should this result in a decrease of rent an adjustment or partial refund will be made, but in no event will rent be increased for the remainder of the quarter."

Seconded by Tom Sandquist.

Lynn Nicholson moved to amend the motion by replacing the last sentence with, "Such adjustments will only be made quarterly." Robinson agreed to the change.

- C. 5 members voted to approve, and 1 member voted to disapprove.
- D. Motion approved.

Rationale: The purpose of this addition to the Rental Agreement is to provide a means of fitting an RV into an appropriately sized Space. Currently there are very small RVs in the larger spaces and large RV's in too small a space. Management has no other guidelines or rule to follow to rectify those situations.

Chair's signature: *Forrest McClure*

Dated: April 8, 2024



DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, OMAHA DISTRICT
TRI-LAKES PROJECT
9307 S. WADSWORTH BLVD
LITTLETON, CO 80128

04 APR 2024

Forrest McClure
RV Storage Lot Committee Chair
Heather Gardens Metropolitan District
Aurora, CO 80014

Thank you for your proposed project materials submitted for security fencing improvements at the HGMD RV lot on East Yale Avenue. That property abuts U.S. Army Corps of Engineers property on the Cherry Creek State Park spillway.

We have reviewed the submitted proposal plans, researched the USACE boundary files, visited the site and discussed the project with you and the leasee for the spillway, the City of Aurora Open Space program.

Since the proposed project is entirely on private property abutting USACE land, it is approved with the following guidance:

- The proposed fence can be installed entirely on the private land that abuts USACE land, as delineated by the existing chain link fence.
- The proposed fence can replace the existing chain link fence as long as the new fence is offset onto private property so that no portion of the fence footprint or overhang occupies USACE land.
- A 1' offset off USACE land (the existing chain link fence) is recommended to avoid the potential for this action to encroach on USACE land.
- The optional proposed security cameras, solar powered lights, all fencing not abutting USACE land (along the southwest boundary of the RV lot) are not subject to USACE approval and can be installed as determined by HGMD, subject to the above guidance.

Please contact this office if the scale or intent of the plans change. Also, please provide "as built" or final plans to this office for our files upon completion of work.

Joseph R Maxwell
Joseph R Maxwell,
Operations Project Manager
Tri-Lakes Project Office

HEATHER GARDENS METROPOLITAN DISTRICT

2024 CAPITAL EXPENDITURE PLAN

Department	Description	Cost	To Date	Project Chair	Start Date	Finish Date	Status
Clubhouse	Stage Floor Treatment	\$ 2,382		Craig Baldwin	ASAP		Contracted
	Auditorium Flooring Replacement	\$ 13,310		Craig Baldwin			Req. Bids
	Indoor Pool Chemical Control	\$ 17,361		Craig Baldwin			Req. Bids
	Indoor Pool Filter	\$ 49,193		Craig Baldwin			Contracted
	Auditorium Sound System Eval	\$ 510		Craig Baldwin			In Progress
	Kiln Replacement	\$ 28,212		Craig Baldwin			Repaired 3/18/24
	Outdoor Pool Replaster	\$ 60,000		Craig Baldwin			
	Signage for Parking			Craig Baldwin			Bids Req 12/23
	Handicap Accessible Upgrades			Craig Baldwin			
	Woman's Locker Room			Craig Baldwin			
	Restaurant Restroom - Women's			Craig Baldwin			
Golf	Field Controls	\$ 62,100		Craig/Beulah			
	Storage Cabinets Scoring Room			Craig/Beulah			
RV Lot	Fencing	\$ 125,000	\$ 112,105	Craig/Forrest			On Order
	Lighting & Cameras	\$ 22,982	\$ 22,982	Craig/Forrest			In Progress
	Gate Redesign			Craig/Forrest			
Restaurant	Phase 1 Redesign	\$ 210,350	\$ 107,037	Robin O'Meara			
	Banquet Room Carpet	\$ 11,966		Robin O'Meara			
	Restaurant Carpet	\$ 11,194		Robin O'Meara			
	Exterior Freezer	\$ 30,000	\$ 29,549	Robin O'Meara			On Order
Roads/Parking	13692 E Marina Lot Sealcoat	\$ 37,956					Needs additional work
Maintenance Bldg	Parking Lot Pothole Repair	\$ 200					Approved but not done
	Total	\$ 682,716	\$ 271,673				



**HEATHER GARDENS METROPOLITAN DISTRICT
BOARD ACTION**

DATE: APRIL 18, 2024

MOTION NUMBER: 2024-4-18-1

AMEND THE R.V. LOT SPACE RENTAL AGREEMENT

MOTION: Based on the recommendation of the RV Lot Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the addition to the R.V. Lot Rental agreement as follows. 20. Lessee agrees to move to another space at the request of management to match the size of the RV to the appropriate size of the space to be rented. Such adjustments will be made quarterly.

Motion by: Craig Baldwin

Second by: _____

Rationale: The purpose of this addition to the rental agreement is to provide a means of fitting an RV into an appropriately sized space. Currently, there are very small RVs in the larger spaces and large RVs in too small a space. Management has no other guidelines or rules to follow to rectify these situations.

Debate: _____

Secondary Motion to : _____

Secondary Motion by: _____ Second by: _____

VOTE:

	Yes	No		Yes	No
Craig Baldwin					
Rita Effler					
Eloise Laubach					
Robin O'Meara					
Daniel Taylor					
Total					

The secondary motion does/does not have a majority and passes/fails.
The main motion does/does not have a majority and passes/fails.

Daniel J. Taylor, President
HGMD Board of Directors

Robin O'Meara, Secretary
HGMD Board of Directors



**HEATHER GARDENS METROPOLITAN DISTRICT
BOARD ACTION**

DATE: APRIL 18, 2024

MOTION NUMBER: 2024-4-18-2

USE OF LOT AT 13692 E. MARINA DRIVE

MOTION: HGMD approved the temporary parking of two storage containers on the parking lot at 13692 E. Marina Dr. No other use for landscaping waste or dirt or gravel use was approved. Base on the recommendation of the Special Property Advisory Committee (SPAC), I move that the Heather Gardens Metropolitan District Board of Directors require the HGA to remove the dirt and landscape debris, including the broken asphalt caused by the use of front loaders.

ECONOMIC COST TO THE DISTRICT: NONE

Appropriated by: N.A.

Motion by: Craig Baldwin

Second by: _____

Rationale: This action is in response to complaints from residents in B215 and B216 who use the lot for overflow parking, and to lessen the unsightly conditions of the area.

Debate: _____

Secondary Motion to : _____

Secondary Motion by: _____ Second by: _____

VOTE:

	Yes	No		Yes	No
Craig Baldwin					
Rita Effler					
Eloise Laubach					
Robin O'Meara					
Daniel Taylor					
Total					

The secondary motion does/does not have a majority and passes/fails.
The main motion does/does not have a majority and passes/fails.

Daniel J. Taylor, President
HGMD Board of Directors

Robin O'Meara, Secretary
HGMD Board of Directors



**HEATHER GARDENS METROPOLITAN DISTRICT
BOARD ACTION**

DATE: APRIL 18, 2024

MOTION NUMBER: 2024-4-18-3

USE OF OFFICE SPACE AND HIRING OF CONTRACT LABOR

MOTION: I move that the HGMD Board of Directors direct that HGA vacate the office behind the front reception desk in the clubhouse lobby currently used by the assistant clubhouse manager on or before April 30, 2024. HGMD will use this office space as of May 1, 2024, as 2888 S. Heather Gardens Way, Suite A. Office equipment will be purchased at a cost not to exceed \$5,000 without additional authorization.

In addition, I move that the HGMD Board of Directors approve hiring an administrative assistant and an activities coordinator, each at \$23 per hour, through the end of the year.

Economic Cost to the District: \$35,000 budgeted as clubhouse wages
Appropriated by: N.A.

Motion by: _____ Second by: _____

Rationale: HGMD is transferring two HGA employees as the first step in splitting employees between the two entities.

Debate: _____

Secondary Motion to : _____
Secondary Motion by: _____ Second by: _____

VOTE:

	Yes	No		Yes	No
Craig Baldwin					
Rita Effler					
Eloise Laubach					
Robin O'Meara					
Daniel Taylor					
Total					

The secondary motion does/does not have a majority and passes/fails.
The main motion does/does not have a majority and passes/fails.

Daniel J. Taylor, President
HGMD Board of Directors

Robin O'Meara, Secretary
HGMD Board of Directors



**HEATHER GARDENS METROPOLITAN DISTRICT
BOARD ACTION**

DATE: APRIL 18, 2024

MOTION NUMBER: 2024-4-18-4

JOINT LONG RANGE PLANNING COMMITTEE PM

MOTION: HGA has forwarded a revised Joint Long Range Planning Committee PM and asked that the District Board approve their revision. The first sentence of the PM states that HGA serves as the agent for the District in conducting District programs and managing District property. HGA has been in breach of its duties as an agent for many months, and has failed to provide essential services. Therefore, I move that the HGMD Board of Directors table this motion indefinitely.

Economic Cost to the District: None.

Appropriated by: N.A.

Motion by: _____ Second by: _____

Rationale: HGMD is transferring two HGA employees as the first step in splitting employees between the two entities.

Debate: _____

Secondary Motion to : _____

Secondary Motion by: _____ Second by: _____

VOTE:

	Yes	No
Craig Baldwin		
Rita Effler		
Eloise Laubach		
Robin O'Meara		
Daniel Taylor		
Total		

	Yes	No

The secondary motion does/does not have a majority and passes/fails.
The main motion does/does not have a majority and passes/fails.

Daniel J. Taylor, President
HGMD Board of Directors

Robin O'Meara, Secretary
HGMD Board of Directors

JOINT LONG RANGE PLANNING COMMITTEE

Joint Procedure Memorandum JLRP - 1

This Joint Long Range Planning Procedure Memorandum replaces the dated May 18, 2021 procedure memorandum, which should be removed from your file and destroyed.

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I. BACKGROUND

The Heather Gardens Association (Association) and the Heather Gardens Metropolitan District (District) signed an interagency agreement pursuant to which the Association serves as the agent for the District in conducting District programs and managing District property (the "Management Agreement"). Both the Association and the District need to identify issues likely to increase costs, impact governance, and residents' quality of life so those items may be prudently planned for and managed. The Joint Long Range Planning Committee (JLRPC) will provide advice to each Board, as appropriate, on issues pertaining to long range planning for the Heather Gardens community.

- A. **AUTHORITY:** The Management Agreement provides for joint committees. This Joint Procedure Memorandum, JLRP-1, incorporates the intent of both Boards to identify and develop plans for dealing with long-term issues that are expected to impact the Heather Gardens community.
- B. **COMPOSITION:** The JLRPC is co-chaired by an Association Board member and a District Board member and consists of a minimum of five (5) and a maximum of nine (9) members. The co-chairs appoint the members and the representatives of other Association or District committees serving on the JLRPC as ex officio (non-voting) members.
- C. **CONCERNS:** The Heather Gardens community includes both residential areas under Association management and certain real property, including without limitation, recreational facilities, open spaces, grounds, roads and walkways, a golf course, a clubhouse, a restaurant, a recreational vehicle parking lot, a community garden, storage units and other real estate, structures, improvements, and certain personal property subject to District authority and policy. As such, cooperation between the Association and the District is highly desirable. As an Active Senior Community with aging facilities, planning becomes increasingly important.
- D. **SCOPE:** While most other committees focus on immediate issues (one year or less), the JLRPC will focus on issues that are likely to impact the community over the course of the next two years and beyond the current operational planning horizon. The JLRPC will advise the Association and District on matters related to:
 - 1. Residential property values, e.g., issues that will maintain community competitiveness in the real estate marketplace.

2. The quality of life for residents through services and amenities.
3. Identifying major long-term infrastructure issues such as maintenance, repair and replacement, ground maintenance including landscaping, and road and street maintenance.
4. Any other issues the JLRPC determines are relevant to the long-term planning concerns of the Association and District.

II. RESPONSIBILITIES

- A. **ASSOCIATION PRESIDENT:** Appoints with Board approval, no later than the Association board meeting in January of each year, a Co-Chair of the JLRPC.
- B. **DISTRICT PRESIDENT:** Appoints, no later than the District board meeting in June of each year, a Co-Chair of the JLRPC.
- C. **CO-CHAIRS, JOINT LONG RANGE PLANNING COMMITTEE:** Conduct meetings of the JLRPC and initiate actions needed to meet the responsibilities of the JLRPC. Inform the Association and District Boards of JLRPC activities, provide reports to the Association and District Boards as appropriate, and coordinate with other committees and management.
- D. **MEMBERS, JOINT LONG RANGE PLANNING COMMITTEE:** Participate in meetings of the JLRPC, identify and propose an evaluation of issues needing long-term planning and analysis, and accept and carry out assignments.

III. PROCEDURES

- A. **MEETINGS:** The JLRPC will typically meet twice each month but at least once each month in the Heather Gardens Board Room at a date and time determined by the co-chairs. The JLRPC may conduct additional meetings or work sessions as needed.
- B. **FUNCTIONS AND AUTHORITY:** The JLRPC is expected to display initiative in identifying long-term issues that are likely to impact property values, governance, and quality of life in Heather Gardens. When such issues are identified, the JLRPC will be receptive to input from residents. It will communicate and cooperate with

other Association and District committees and staff having responsibility for the issue in order to define and understand the issue.

- C. **REPORTS AND RECOMMENDATIONS:** When the JLRPC determines that the JLRPC and staff resources are adequate to develop a clear description of the issue, along with recommended options, the JLRPC will investigate the issue and prepare a report with recommendations for the Association and District Boards.

- D. **METHODS:** The JLRPC will develop and use a methodology for seeking resident input, evaluating issues considered long-term in nature, and prioritizing issues to be recommended to the Boards. Specifically:
 - 1. The JLRPC will seek resident input through direct solicitation via Heather Gardens publications, residential meetings, and electronic requests for input. All meetings will be open to all residents.

 - 2. The JLRPC will use the pre-screening tool developed by the JLRPC to determine if an issue is consistent with the JLRPC's scope of work. Items not found to be consistent with the JLRPC charge will be referred to a standing committee for consideration.

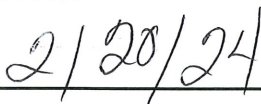
 - 3. The JLRPC will use the Analysis Filters developed by the committee to review appropriate issues and rate them for the purpose of prioritization. Those items with the highest ratings will be evaluated for the purpose of developing a recommendation to the Boards. The Analysis Filters are focused on (1) Governance/Best Practice, (2) Physical Plant, and (3) Programming.

- E. **REPORTING:** The JLRPC will prepare an annual summary report for the Association and District Boards that provides an overview of issues that have been identified, issues that have been addressed, and those that are currently being addressed by the JLRPC. The report shall include trends in property values in similar communities in the area, long-term maintenance issues, trends in utilization of District amenities, and other information relevant to the long-term planning concerns of the Association and District.



Heather Gardens Association
President

Date



HGA – February 20, 2024

Heather Gardens Metropolitan District
President

Date

HGMD – March 21, 2024

JLRP-1



HEATHER GARDENS METROPOLITAN DISTRICT

BOARD ACTION

DATE: APRIL 18, 2024

MOTION NUMBER: 2024-4-18-5

ADOPT REVISED AUDIT/FINANCE PM-1

MOTION: I move that the Heather Gardens Metropolitan District Board of Directors adopt the revised Audit/Finance Committee PM-1.

Motion by: _____ Second by: _____

Rationale: The PM has been revised to reflect the policy changes passed in September 2023, and as been posted for 30 days.

Debate: _____

Secondary Motion to : _____

Secondary Motion by: _____ Second by: _____

VOTE:

	Yes	No
Craig Baldwin		
Rita Effler		
Eloise Laubach		
Robin O'Meara		
Daniel Taylor		
Total		

	Yes	No

The secondary motion does/does not have a majority and passes/fails.
 The main motion does/does not have a majority and passes/fails.

 Daniel J. Taylor, President
 HGMD Board of Directors

 Robin O'Meara, Secretary
 HGMD Board of Directors



**HEATHER GARDENS METROPOLITAN DISTRICT
AUDIT/FINANCE COMMITTEE
PROCEDURE MEMORANDUM 1**

**ADOPTED AND EFFECTIVE SEPTEMBER 21, 2023
REVISED APRIL 18, 2024**

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Attachment 3 – Capital Expenditure Advisory

**AUDIT/FINANCE COMMITTEE
PROCEDURE MEMORANDUM 1**

Revised on April 18, 2024.

Adopted by HGMD Board on September 21, 2023.

This Procedure Memorandum shall supersede all previous versions of the Procedure Memorandum and Functions and Policy Manuals for Board Administration, as well as all previous resolutions, actions and informal practices and policies of the District or portions thereof which may be in conflict with the provisions hereof.

ARTICLE I - PURPOSE

The purpose of the Audit/Finance Committee is to ensure the propriety and reasonableness of all public expenditures on behalf of the Heather Gardens Metropolitan District (District).

ARTICLE II - COMPOSITION

The Audit/Finance Committee shall be composed of the District Treasurer, the District's Manager (without vote), the Chief Financial Officer of the District's Manager, and a minimum of (4) four and a maximum of (9) nine eligible electors of the District. The Audit/Finance Committee Chair shall appoint the committee members consistent with the Bylaws, Article VII, Section 4.

1. Committee Chairperson. The District Treasurer serves as chair and makes recommendations directly to the District Board of Directors.

A. The District Board has delegated to the District Treasurer the responsibility of executing approved expenditures on behalf of the District pursuant to Articles IX and X, herein.

B. In the absence of the District Treasurer, it is expected that the District President or Vice President or other members of the Board or the Audit/Finance Committee, as approved by the Board, will complete the duties of the District Treasurer.

C. The chair conducts all meetings of the Audit/Finance Committee and appoints all Audit/Finance Committee members from eligible electors of the District who have applied for membership. The chair also consults with residents and interested parties regarding the District's finances. The chair reports to the Board.

2. Committee Duties and Responsibilities.

- A.** Annually reviews rules, regulations, policies, and procedures applicable to the Audit/Finance and recommends changes to the Board.
- B.** Annually reviews the Manager's Operating and Capital Reserve Budgets including fees and rate increases recommended by the appropriate committee and recommends changes to the Board.
- C.** Assist committees as requested in the preparation of their annual budgets with the assistance and coordination with the District's Manager and staff.
- D.** Reviews the monthly profit & loss statements and monitors, and reports listed in Article VIII – Reports, in cooperation with the District's Manager.
- E.** Recommends to the District's Manager a Recreation Fee to be paid by HGA for the use of the District's properties which will balance the annual budget.
- F.** Reviews the monthly operating analysis prepared by the District's Manager, and proposes operational changes to the Board to improve the efficiency of the District while maintaining or improving the quantity and quality of services provided to the residents of Heather Gardens and its electors.
- G.** Analyze and make recommendations as appropriate to the Board regarding the District's business insurance programs, taking care to consider the significance of the District's insurance program noting the significant risks being insured against and costs to the District and our electors.
- H.** Prepare, update, and recommend the District's capital projects financing plans, including the review and recommendation of all unbudgeted capital projects over \$2,500, and budgeted capital projects over \$20,000. Capital projects under these amounts may be recommended to the Board by the Capital Project Chair.
- I.** Review the financial terms for new or renegotiated contracts within the timeframes available for the specific contract being considered. The District's Manager shall provide advanced notice of the required periods as much in advance as possible to allow for meaningful reviews by the Committee. The contract will be sent to the Compliance Committee for further review, and then submission to the Board. Examples of these contracts include a Professional Employee Organization (PEO), trash service, gas pricing and insurance. Given the nature and complexity of some of these contracts it may be necessary for either special meetings or study sessions to be called.
- J.** Conduct a monthly internal audit of all checks paid, ACH payments, EFT payments, petty cash, and internal controls, and prepare a report and send it to Management and the District Board.

- K.** Reviews the quarterly inventory reports for consistency with the capital projects and reports losses or retirement of assets to the District Board.
- L.** Oversees the annual external audits of the District's financial statements as required by law and recommends the acceptance or rejection of the audit report to the District Board.
- M.** Reviews proposed donations using the following guidelines:
- 1) Reviews non-cash donations, with a value of \$500 or more, including, but not limited to, machinery, electronic equipment and large appliances and determines if they are suitable and appropriately intended for the benefit of the District and its Residents and Owners and makes recommendations to the Board regarding acceptance of donations.
 - 2) Persons wishing to donate as described in paragraph (1) above must complete a donation form available at the Clubhouse reception desk.

Items under \$500 in value may be accepted or rejected at the discretion of the District's Manager, or appropriate department manager based on the need, condition or alignment of the facility functions or decor.
 - 3) The Audit/Finance Committee, the District, or the District's Manager may require an inspection and approval by the HGA Maintenance Department, or another qualified professional, prior to accepting the donation.
 - 4) The District will not accept donations with any restrictions or conditions, and all items donated become the property of the District.
 - 5) The donating party agrees to pay the cost incurred for moving and delivery of the item to be donated.
 - 6) The District reserves the right to refuse any item at any time during the donation process.
 - 7) The District, in its sole discretion, has the prerogative of using the donated item immediately or may reserve it for the future.
- N.** Conduct other duties as requested by the District Board.

3. Ad Hoc Committees. The Audit/Finance Committee may create Ad Hoc Committees, as needed and with the approval of the Board, to perform its duties and advise the Committee and the District Board. When an Ad Hoc Committee is created, a chair will be named by the District Board. The chair shall determine the membership

and duration of the Ad Hoc Committee. The Board can disband the Ad Hoc Committee at any time.

4. Special Committees. The Audit/Finance Committee may create a Special Committee to do internal audits of District transactions or to concentrate on a specific area requiring specialized focus. The chair shall be appointed from applicants and may be a Director or non-Director. The chair shall determine the membership and duration of the Special Committee, although the Special Committee may be perpetual. The Special Committee shall consist of the Chair and 4 to 6 other eligible electors, who can be members of the Audit/Finance Committee.

ARTICLE III - RULES AND REGULATIONS

Article VI of the District's General Rules and Regulations regarding Enforcement, Violations, and Penalties is applicable to non-compliance with these Rules and Regulations. In addition, the District's General Rules and Regulations are applicable to all Residents, Owners, and Users of District Facilities and these Rules and Regulations are supplemental thereto.

ARTICLE IV - BUDGET PREPARATION PROCEDURES

1. Budget Initiation. Budget preparation begins with input from the Standing Committees, Department Managers, and District Manager. Committees and Department Managers should take care to include the desires of our residents and unit owners relative to programs and operations. They should also reflect the Board's and Management's plans for increased operational efficiencies, and the impacts of inflation. Management is responsible for the preparation of the budget.

2. Budget Schedule. Each HGMD committee shall determine proposed changes to the upcoming annual budget for the area of their concern in July of each year and submit their proposed changes to the Board by the end of July. The District Board shall meet with the District's Manager and the District Manager's Chief financial Officer in August of each year to review and request any changes to the Manager's Budget prior to the publishing of the Manger's Budget. These meetings shall be scheduled in coordination with the District Manager. Such schedule shall comply with Colorado laws that apply to the District.

3. Manager's Budget. Based on input from the District Standing Committees and Department Managers, the District's Manager prepares the District budget draft for Operations and Capital Projects and contributions to Capital Reserves.

A. The Manager's Budget shall contain revenues, expenditures, and asset accounts for the District's operation, maintenance, capital accounts, capital improvements, and capital reserves, only.

- B.** The Budget Summary shall contain sections for budget preparation assumptions, staff increases or decreases and the rationale, anticipated revenue increases or decreases and the rationale, and significant changes in user fees.
- C.** Each fund shall be accounted for separately, and restricted funds identified.
- D.** Each cost center should be separately accounted for including the clubhouse, garden plots, golf course, restaurant, and RV lot.
- E.** Each cost center will have an Expense Summary as well as a separate summary for Wages/Benefits and Operating Expenses. Also, see prior budget submissions for further guidance as to expenditure codes needing additional detail.
- F.** Wages/Benefits for each cost center shall contain the number of employees by job title and the budgeted salary range or hourly rate per job title. The information provided must allow the District Board to analyze staffing levels, including:
- 1) Number of full-time staffing positions
 - 2) Number of hours for part-time staffing positions
 - 3) Number of part-time staffing positions
 - 4) Number of overtime hours
 - 5) Number of hours for teachers and the amount paid.
- G.** The budget will contain three separate years. The first column will contain the full details for the proposed year. The second column will contain the details for the current year as budgeted. The third column will contain the details for the percentage of change. The fourth column will contain the details for the current actual as forecasted. The fifth and sixth columns will contain the details of the percentage of change between the current year budget and forecast, and the percentage of change from the current year forecast and the proposed year budget. The final column will contain the details for the prior year audited, actual amounts.
- H.** The Manager's Budget will contain written justification for changes in cost center staffing including a current organization chart and descriptions of the key changes from the current year. This should cover not only increases in staffing but also possible reductions in staffing resulting from technology or changes in internal procedures which permit such reductions. Proposed staffing changes should be accompanied by a revised organization chart.

- I. The Manager's Budget will include the status of the current year capital project completion with details on potential carryover projects and why they are not expected to be completed in the current year.

ARTICLE V - BUDGET REVIEW

1. Upon receipt of the Manager's Budget, the District will immediately publish the budget on the District's website. The Audit/Finance Committee will schedule meetings for public comment and review and will endeavor to complete such meetings within 2 weeks subsequent to receipt and publication of the Manager's Budget.
2. At the completion of the public comment and review meetings, the Audit/Finance Committee shall submit its proposed budget to the District Board for adoption.
3. Any elector of the District may object to the proposed budget at any time prior to adoption of the budget. But in no case will the public comment period be less than 30 days prior to adoption of the budget.

ARTICLE VI - BUDGET ADOPTION

1. The District Board shall vote on the adoption of the proposed budget at a special meeting for that purpose noticed with at least 30 days prior notice.

ARTICLE VII - USER FEES & OTHER COSTS

1. The Audit/Finance Committee shall maintain a current list of all District user fees, rental rates, and other costs (User Fees) relevant to the District properties. Each committee chair shall be responsible to submit a list of User Fees for its area of authority any time such fees are revised.

ARTICLE VIII - REPORTS

1. The Audit/Finance Committee monitors a broad range of budget-related information at its monthly meetings. The Committee and the District's Manager may suggest more abbreviated reviews for areas of less materiality or of little variance from the budget.
2. All reports shall conform to the statutory requirements of C.R.S. §29-1-114, accounting for the amount budgeted, the current amount spent, the year-to-date expenditures, any additional authorized expenditures, any transfers from one account to another, so that at all times the report shall show the unexpended balances.
3. The District's Manager shall provide the following monthly reports to the Audit/Finance Committee on or before the 10th day of the following month, unless agreed otherwise:
 - A. District Profit and Loss Statement
 - B. District Balance Sheet

- C.** District Capital Assigned Fund Report
- D.** District Profit and Loss - Restricted Fund
- E.** District Profit and Loss - Enterprise Fund
- F.** District Budget Exceptions Report
- G.** District Investment Listing
- H.** District Clubhouse Profit and Loss Report
 - 1) District Class and Events Profit & Loss, including the revenue generated for each class or event, the amounts paid to teachers, speakers or performers, and other expenses attributable to the class or event.
- I.** District Restaurant Profit and Loss Report
- J.** District Golf Profit and Loss Report
- K.** District Golf Usage Report
- L.** District Conservation Trust Report
- M.** District Foundation Fund Report
- N.** District RV Lot Profit and Loss Report
- O.** District Garden Plots Profit and Loss Report
- P.** Any special reports requested by the committee.
- Q.** District Related Staffing Status Report, including each employee providing services to the District by identifying number, whether salaried or hourly, the amount of salary budgeted, or the hourly rate budgeted, the amount paid, and the year to date percent of budget.
- R.** Quarterly Work Completion Status Report

4. All reports shall be sent to the District Board, the Audit/Finance Committee members at least 6 days in advance of the Audit/Finance Committee's monthly meetings, if

possible.

ARTICLE IX - OPERATING EXPENSES & REIMBURSEMENTS

1. Operating Expenses Definition. Operating expenses are noncapital expenses incurred on behalf of and for the benefit of the District.

2. Budgeted Operating Expenses. The Treasurer has the following authority:

A. The Treasurer may initiate investment transactions approved by the Board; and

B. The Treasurer may initiate payment of budgeted expenditures with the appropriate substantiation, including a detailed accounting of the amount to be expended, the purpose of the expenditure, a contract, if any, invoice or proposal and with reference to the budget account number; and

C. The Treasurer may initiate payment of unbudgeted expenditures under the amount of \$2,500, with the appropriate substantiation, including the motion approving the expenditure, the contract, and the invoice, proposal or estimate; and

D. The Treasurer may initiate payment of unbudgeted expenditures of \$2,500 or more with the approval of the District Board, with the appropriate substantiation, including the motion approving the expenditure, the contract, and the invoice, proposal or estimate; and

E. The Treasurer may initiate reimbursement for expenditures made on behalf of the District with the appropriate substantiation, including a Reimbursement Request Form, including a detailed accounting of the amount expended, the purpose of the expenditure, a receipt, invoice or other documentation of the amount expended as may be approved by both the Treasurer and the District President. If either the Treasurer or District President is unavailable, the reimbursement may be approved by the District Secretary so that two officers of the District approve the reimbursement.

F. The Treasurer may approve the payment of certain reoccurring expenditures, but shall designate such approval not to exceed a certain amount, including:

1) **Payroll:** Payroll is processed every two (2) weeks to pay the employees, benefits, taxes, garnishments, fees.

2) **Tax Payments:** Use taxes and sales tax collected may be paid to the Colorado Department of Revenue as appropriate.

3) **Leases:** Leases include (but are not limited to) the copier/printer, postage equipment, restaurant equipment, and fitness equipment.

4) **Utilities:** Examples include trash, internet, telephone, electricity, natural gas, and water.

3. Reimbursements: Any person entitled to a reimbursement and who has Direct Deposit may be paid by an ACH.

4. Monthly Audits. The Treasurer, with the assistance of the Audit/Finance Committee, shall conduct a monthly internal audit of all checks paid, ACH payments, EFT payments, petty cash, and internal controls, and prepare a report which shall be sent to the District Board and the District's Manager.

5. District Manager's Spending Authority. The District Manager may incur expenses under the amount of \$2,500, for budgeted or unbudgeted expenditures, with the appropriate substantiation, including a detailed accounting of the amount to be expended, the purpose of the expenditure, a contract, if any, invoice or proposal and with reference to the budget account number, if any.

6. Contracts. Any contract that binds or obligates the District or requires the expenditure of District funds must be signed by the District President and the District Secretary.

7.

ARTICLE X - CAPITAL EXPENDITURES

1. Capital Expenditure Request Review. Capital Expenditure Requests will be reviewed by the Audit/Finance Committee to ensure that the expenditure has been budgeted or if unbudgeted, a review of the proposed reallocation of a budgeted capital project.

2. Uncompleted Capital Projects. Capital projects that are not expected to be completed during the year may be carried forward to the subsequent year.

3. Capital Project Initiation. Most capital expenditure requests will begin as a project in a committee or club responsible for the subject area. The project will be submitted to the District President who shall assign a contact person responsible for the project, (Project Chair), normally a committee chair, and will assign the Director responsible for the project.

4. Responsibilities of the Project Chair:

A. The Project Chair shall coordinate the development of a complete description of the project and the project's goal.

B. This description should be specific enough to develop project specifications for a Request for Proposal (RFP), obtain funding requirements, and include any further research the Project Chair wishes the committee or club to consider.

C. Upon approval of the project by the committee or club with a recommendation to submit the proposal to the District Board, the proposal shall be forwarded to the Director responsible for the project.

5. Responsibilities of the Responsible Director:

A. Upon receipt of the committee or club approved capital project request, the Director responsible for the project shall review the information submitted.

B. If the capital project is relatively straight forward and the request contains all of the information necessary to submit the request to the Board for approval, the Responsible Director shall ask the Audit/Finance Committee or the District Treasurer to complete the Capital Expenditure Advisory Form, and submit that form with the Capital Expenditure Request Form, and motion for approval to the Board President for inclusion on the agenda as a motion for approval for the next meeting of the District Board.

C. The motion for approval shall contain the following information:

- 1) Capital Expenditure Request Form
- 2) Request for Proposals, if completed
- 3) All proposals received
- 4) Capital Expenditure Advisory Form from the Audit/Finance Committee or the District Treasurer
- 5) HGMD Standard Contract

D. The Responsible Director shall make the motion for approval of the capital project at the Board Meeting.

E. If the capital project request is complex or the request is not complete, the project shall be submitted to the District President with a request for assistance from the District's Manager.

6. Responsibilities of the District President:

A. The District President shall review the proposed capital project request for completeness. If the request is sufficient to bring before the Board, the request shall be placed on the agenda for the next Board meeting as a motion for approval.

B. If additional work is needed, the District President shall submit the capital project request to the District's Manager with a request for assistance to complete the project pursuant to the procedures outlined below.

7. Responsibilities of the District's Manager:

A. If the capital expenditure request is less than \$90,000:

- 1) Review or prepare an RFP with appropriate specifications for the complexity or expenditure amount of the project.
- 2) Obtain at least 3 proposals for the project. If less than 3 proposals are obtained, include an explanation.
- 3) Prepare the Capital Expenditure Request Form providing the justification for the project, copies of all proposals received, an HGMD Standard Contract, and a Capital Expenditure Advisory Form from the Audit/Finance Committee or the District Treasurer stating whether the project was budgeted or unbudgeted and the funding options.

B. If the capital expenditure request is more than \$90,000:

- 1) Review or prepare a specific RFP including a detailed scope of work, general conditions, technical specifications, and bid requirements for the project.
- 2) Obtain at least 3 proposals for the project. If less than 3 proposals are obtained, include an explanation. All proposals shall be comparable with the same type and capability of equipment, same quantities, similar accessories, similar configurations, similar specifications, etc. If proposals do not meet general comparability standards, provide an explanation for the reason for the differences.
- 3) Prepare specific specifications for the project including a detailed scope of work, general conditions, technical specifications, issues to be considered, a project timeline with specific milestones, and probable or potential contingencies.
- 4) The project timeline shall include all requirements to complete the project as stated in the scope of work, including site preparation, waste removal, complete installation including all contractor and subcontractor tasks, city permits, if required, technical implementation including software, personnel training, or ongoing support or maintenance costs.
- 5) All contractor, subcontractor, or product limitations shall be specifically stated.

- 6) The project timeline shall state who is responsible for oversight of specific tasks. The Project Chair shall oversee the project on behalf of the District with the assistance of the District President, if required.
- 7) The District's Manager shall notify the District President if it assigns staff to work directly with the Project Chair to oversee and monitor the capital project.
- 8) The longevity of the project shall be stated so that the capital project may be placed on the capital program spreadsheet for depreciation and replacement planning.
- 9) HGMD Extended Contract shall be reviewed by the District's Attorney.

C. If the capital expenditure request is more than \$120,000: When goods, projects, or services for HGMD are expected to cost \$120,000 or more the following additional requirements should be met:

- 1) Advertise in a local newspaper with wide distribution an invitation to prospective bidders that the District will be obtaining bids for goods, projects or services including a brief description. Interested bidders should be told who to contact for additional information, including the contact's name, address, and phone number on or before a specified date.
- 2) The advertisement shall include the date and time of the public opening of the bids.
- 3) The District's Attorney shall draft the required advertisement.

D. Emergency Expenditures: If the District's Manager determines that an emergency exists, it should determine the nature and extent of the emergency and the necessary repairs that must be made. Verbal approval for an emergency expenditure for a repair should be obtained from the District's President or Treasurer.

- 1) The District's Manager or delegated employee must complete the Capital Expenditure Request Form with a copy of the expenditure receipts to the District Board President.
- 2) The District President may schedule an emergency Board meeting to approve the expenditure or place the approval on the agenda for the next Board meeting.
- 3) The Capital Expenditure Request shall state the nature of the emergency as well as all steps taken to mitigate any damage and to repair or correct the problem.

ARTICLE XI - INVESTMENT PROCEDURES

1. The process for making investments on behalf of the District involves several participants and steps. The following provides a brief summary of the process and is followed by more detailed descriptions of the responsibilities of those involved in the process. The investment procedure for the District is summarized as follows:
2. Assess the District's expected future cash flows to determine what funds are expected to be needed at what points in time.
3. The District may invest public funds in an authorized investment vehicle. C.R.S 24-75-601, et seq., subject to rating categories and maturity dates.
4. Determine appropriate investment vehicles that are consistent with the investment strategy, including:
 - A. United States Treasury obligations.
 - B. Certain United States Agency obligations.
 - C. Repurchase agreements collateralized by appropriate United States Treasury or Agency obligations.
 - D. Colorado Local Government investment pools; and,
5. Follow appropriate safekeeping, record-keeping, and reporting procedures.
6. Pursuant to C.R.S. §24-75-702 Local governments – authority to pool surplus funds, the District may invest money, which is not immediately required to be disbursed, but may only pool such funds in a local government investment pool trust.
- 7. Audit and Finance Committee Responsibilities:**
 - A. Research and develop suggestions, conforming with policy, for a draft investment strategy for review and discussion with the Committee.
 - B. Based on cash flow projections provided by the District's Manager, recommend specific investment vehicles that will help accomplish the objectives.
 - C. Monitor investment performance and provide regular reports to the Committee.
- 8. District's Manager's Responsibilities:**
 - A. Prepare an annual cash flow projection for the District for each fund source using current balances and expected inflows/outflows and present to the Committee.

- B. Arrange movement of funds to the appropriate location/account for timely closings of investment transactions.
- C. Reconcile investment records received to accounting records and record income as realized, including amortization and/or accretion entries for any discounts or premiums.
- D. Consult with the auditor to determine the most appropriate means of completing the compliance review of the District investing activities with its policy.

9. District Treasurer Responsibilities:

- A. Present reports, recommendations, and other matters related to investing to the Board.
- B. With the assistance of the District's Manager, execute Board-approved purchases and/or sales of investments for the District. Keep accurate records of all completed transactions, Report such information to Management in settling the transactions.

10. District Board of Directors' Responsibilities:

- A. Review and approve the District's investment strategy as recommended by the Committee, and the investments suggested to meet the strategic objectives.

ARTICLE XII - BANKING PROCEDURES

The volume of transactions conducted for the District in most months requires bank balances that may exceed the protection offered by the FDIC.

- 1. All District accounts must follow the requirements of the Public Deposit Protections Act (PDPA). Pursuant to C.R.S. §11-10.5-111 Public funds to be deposited only in eligible public depositories, the District's Manager shall transfer any funds it collects on behalf of the District into the District's Operating Account at least monthly.
- 2. Decisions as to changes in the District's banking arrangements and selection of banks are the responsibility of the Board of Directors, based upon recommendations of the Audit/Finance Committee.
- 3. The Audit/Finance Committee will make banking recommendations to the Board of Directors based upon information that contains, but is not limited to, the following criteria:
 - A. Strength of the bank as shown by its rating as set forth by the various bank rating services.
 - B. Service charges for such items as:

- 1) ACH Fees.
- 2) Internet availability of monthly bank statements and related items.
- 3) Deposits and electronic checks.
- 4) General Account Maintenance.
- 5) Online Banking.
- 6) Investment Services.

C. Account earnings allowance rate.

4. Management shall report any problems in dealings with the banks to the Audit/Finance Committee and the Board.
5. The Treasurer and Audit/Finance Committee will review the banking reconciliation statements.
6. Refer to District rules and regulations, policies, and procedure memorandum. At least annually a resolution shall be presented to the Board for approval naming all authorized signers on all bank accounts.

ARTICLE XIII - ANNUAL EXTERNAL AUDIT PREPARATION

1. Management Responsibilities:

- A.** Work with the contracted Audit Firm to establish the process and schedule for each annual audit.
- B.** Provide an appropriate workspace for the Audit Firm's staff to do their on-site work on the audit.
- C.** In a timely manner, provide copies of all requested documents and respond to all questions.
- D.** Review the initial draft of the audit report in concert with the Audit Partner and Senior Manager to assure that all issues have been properly addressed and that changes requested by the Audit Firm make sense from the viewpoint of the District Manager's Chief Financial Officer, the District's Manager, and the District Treasurer.
- E.** Make all adjusting entries and other final entries to the year-end financials as requested by the Auditor; and
- F.** Facilitate the posting of the completed Audit report on the District website and make paper copies of the Audit report(s) for interested parties as requested.

G. In a timely manner, file the accepted Audit reports with the relevant State organizations.

2. Audit/Finance Committee Responsibilities:

A. In collaboration with District’s Manager, oversee the conduct of the annual external Audit of the District financial statements for each fiscal year and recommend acceptance of the audit reports to the District Board of Directors, including the following:

- 1) Monitor the status of the conduct of the District Audits.
- 2) Receive and review the draft audit report and provide feedback to the auditors.
- 3) Receive and review the parts of the Report on Governance, Internal Controls, Material Weaknesses Audit Management Letter that relate to financial policies and procedures and make appropriate recommendations for change to management and the Board (Note: Parts of the Management Letter that may result in a personnel action will be presented by the Auditor in Executive Session to the Board.); and
- 4) Make a recommendation to the Board as to acceptance of the annual audit reports.

B. An important responsibility of the Audit/Finance Committee is to evaluate the external auditor’s performance. This is done to recommend to the Board the appointment, re-appointment, and if required, the replacement or removal of the auditor. The Audit/Finance committee should solicit the input of the District’s Manager in performing this evaluation. The assessment should cover the professional competencies in conducting the audit and value-added recommendations made by the auditor and client service issues. This process should be formalized by the Audit/Finance Committee and conducted annually.

3. District Board of Directors Responsibilities:

- A.** Receive copies of the Audit report from the selected Audit Firm.
- B.** Based on recommendations from the Audit/Finance Committee, accepts the final Audit reports.
- C.** Receive copies of the Management Letter and act as appropriate on recommendations made by the Audit/Finance Committee and the Auditor; and
- D.** Assure that the accepted audit report is filed with the relevant State organizations and posted on the Heather Gardens Metropolitan District website for review by interested parties. A paper copy of the audit report will be made available to interested parties upon request.

- E. To provide the external auditor with the opportunity to communicate candidly with the Board and members of the Audit/Finance Committee.

ARTICLE XIV - BUDGETING & ACCOUNTING TERMS

The purpose of this article is to provide a glossary of terms and definitions as a means of enhancing understanding of the matters deliberated by the Audit/Finance Committee and minimizing misunderstanding in District's management activities. Some terms are specific to accounting for the District as a quasi-governmental entity which has requirements different from that of a private company or a homeowners' association.

The following terms have specific definitions when discussing District budgeting and accounting:

- 1. Accrual Basis of Accounting.** Accrual accounting is a financial accounting method that allows an enterprise to record revenue when earned rather than when received, and record expenses as they are incurred regardless of when they are paid.
- 2. Percentage of Completion.** The percentage of completion method is used for long-term projects or contracts. Revenue, expenses and gross profit are recognized for each period based on the percentage of work completed or costs incurred.
- 3. Accrual Timing.** During the year, major expenses are accrued monthly. At year-end, all expenses for the year are accrued.
- 4. Depreciation and Accumulated Depreciation.** Many assets purchased by the District will be used for many years. Depreciation is a method of deducting the cost of an asset over the period of years that it will be used. Accumulated depreciation is the total amount of cost that has been deducted for an asset over its life.
- 5. Audit.** When used relative to the District, the annual external audit refers to the process of examining the District's financial statements (Profit and Loss Statement and the Balance Sheet) to determine if they are accurate and in accordance with any applicable rules (including accepted accounting standards), regulations, and laws. This audit is conducted by a certified public accounting firm hired by the District, and is filed with the state.
- 6. Balance Sheet.** A financial statement that summarizes the District's assets, liabilities, and equity at a specific date. The balance sheet is prepared monthly and

annually by the District's Manager. The annual reports are published in the audited financial statements.

7. Capital Property. Capital property is property that has a useful life of more than one year and a cost in excess of \$2,500.

8. Capital Project. A capital project is a major repair, improvement or construction of capital property.

9. Capital Projects Financing Plan. The capital projects financing plan is a thirty-year plan that is updated annually to project and plan for the costs of capital projects. The Plan should list all capital property for the District, the estimated life, and the cost of replacement. The Capital Projects Financing Plan will be based on these estimated needs and adjusted annually to provide sufficient funds for current needs and to accumulate funds for future estimated needs while maintaining a stable annual assessment rate.

10. Capital Project Expenditure. A cost incurred to acquire capital property. (See Capital Property and Capital Project above) or a reconditioning or major overhaul that will extend the useful life of an item beyond the original estimated life is considered a capital project expenditure or capital reserve expenditure. Obsolescence can be a factor limiting the useful life of the item.

11. Capital Reserve Fund. The District uses this fund to accumulate money to be used for the acquisition of capital property through purchase, construction, or significant maintenance or improvement of capital property.

12. Carry Forward Appropriation. Money that is not spent in the prior accounting period is carried forward to the next accounting period. This is usually in reference to capital project expenditures.

13. Conservation Trust Fund. The District uses this fund to account for money obtained from the Colorado State Lottery to be used for park and/or recreational improvements.

14. Cost Principal. The District's policy of accounting for assets at their acquisition cost.

15. Debt Service Fund. The District uses this fund to account for funds that come from a property tax mill levy and used for the payment of bonds, long-term debts, principal, interest, and related costs as authorized by the District electors.

16. Enterprise Fund. An enterprise is a business run by a government entity providing goods or services to the general public. Examples for the District are the restaurant, golf course, clubhouse, RV lot and garden plots. For HGMD, the enterprise fund is the

general operating fund. Other money must be kept separate. See the Debt Service Fund, Conservation Trust Fund, and Foundation Fund definitions.

17. Heather Gardens Foundation Fund. The District uses this fund to account for the receipt and expenditure of donations from individuals and/or trusts for the improvement of Heather Gardens landscaping and outdoor enjoyment.

18. Inventory. Supplies and goods on hand and available for use and sale by the District. Inventory also refers to all personal property owned by the District, furniture, equipment, appliances, tools, etc.

19. Monthly Operating Analysis (MOA). A analysis of the variance between actual revenue and expenses compared to the budgeted revenue and expenses for the District.

20. Operating Budget. An annual plan for revenue and expenditures for the District operation. The operating budget is adopted by the District Board each fall for the upcoming year. The operating budget determines the anticipated Recreation Fee that will be required for the upcoming year. This budget applies to the day-to-day operations of the organization and the purchase of non-capital property.

21. Pooled Cash and Interest. Management and District each follow the practice of pooling cash and investments to maximize interest earnings. District funds, as well as all capital program funds, are recorded separately. All District cash, except when required by a trust or other agreements, is deposited to, and disbursed from a single bank account.

Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. By District Board action, all interest earned from the Debt Service Fund reduces the mill levy.

Adopted the _____ day of _____, 2024, by the Board of Directors of the Heather Gardens Metropolitan District.

Daniel Taylor, President

Robin O'Meara, Secretary

**HEATHER GARDENS METROPOLITAN DISTRICT
ACH PAYMENT AUTHORIZATION FORM**

Date: _____

Vendor: _____

Amount: _____

Account Code: _____

Payment Start Date: _____ Payment End Date: _____

Payment Frequency: _____

Other Conditions: _____

Description of Goods or Service: _____

HGMD Approval:

HGMD Treasurer Approval: _____ Date: _____

HGMD President Approval: _____ Date: _____

**HEATHER GARDENS METROPOLITAN DISTRICT
DISBURSEMENT AUTHORIZATION & REQUEST FORM**

Date: _____

Payee: _____

Amount: _____

Due Date: _____

Purpose/Account: _____

Description of Goods or Service: _____

HGMD Approval:

HGMD Treasurer Approval: _____

Date: _____

HGMD President Approval: _____

Date: _____

Date Paid: _____

Check No. _____

By: _____

Date Paid: _____

ACH: _____

By: _____

**HEATHER GARDENS METROPOLITAN DISTRICT
CAPITAL EXPENDITURE REQUEST FORM**

Project: _____

Cost Center: _____ Date: _____

Budget	Budget Amount: _____	Contract Amount: _____
Year: _____		Change Order Reserve: _____
Tab: _____	Expended YTD: _____	Total Project Cost: _____
Pg: _____	Unexp. Balance: _____	Add. Funds Request: _____

DESCRIPTION:

JUSTIFICATION:

BID COMPARISON:

RECOMMENDATION:

PROJECT MANAGER: _____

PROJECT TIMELINE: Please list the components of the project and the start and finish dates:

- | | | | |
|----|-------|--------------|---------------|
| 1. | _____ | Start: _____ | Finish: _____ |
| 2. | _____ | Start: _____ | Finish: _____ |
| 3. | _____ | Start: _____ | Finish: _____ |
| 4. | _____ | Start: _____ | Finish: _____ |

PROJECT MANAGER: _____

PROJECT TIMELINE: Please list the components of the project and the start and finish dates:

- | | | |
|----------|--------------|---------------|
| 1. _____ | Start: _____ | Finish: _____ |
| 2. _____ | Start: _____ | Finish: _____ |
| 3. _____ | Start: _____ | Finish: _____ |
| 4. _____ | Start: _____ | Finish: _____ |

PROJECT MANAGER: _____

PROJECT TIMELINE: Please list the components of the project and the start and finish dates:

- | | | |
|----------|--------------|---------------|
| 1. _____ | Start: _____ | Finish: _____ |
| 2. _____ | Start: _____ | Finish: _____ |
| 3. _____ | Start: _____ | Finish: _____ |
| 4. _____ | Start: _____ | Finish: _____ |

PROJECT MANAGER: _____

PROJECT TIMELINE: Please list the components of the project and the start and finish dates:

- | | | |
|----------|--------------|---------------|
| 1. _____ | Start: _____ | Finish: _____ |
| 2. _____ | Start: _____ | Finish: _____ |
| 3. _____ | Start: _____ | Finish: _____ |
| 4. _____ | Start: _____ | Finish: _____ |

Notes:

Manager or Dept Head	Committee Chair	HGMD Treasurer	HGMD President	HGMD Board Approval
<input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	Date: Motion #:

**HEATHER GARDENS METROPOLITAN DISTRICT
CAPITAL EXPENDITURE ADVISORY**

Project: _____

Cost Center: _____ Date: _____

Budget	Budget Amount: _____	Contract Amount: _____	
Year: _____		Change Order Reserve: _____	
Tab: _____	Expended YTD: _____	Total Project Cost: _____	
Pg: _____	Unexp. Balance: _____	Add. Funds Request: _____	

AUDIT/FINANCE REVIEW:

- This expenditure has been recommended by the _____ Committee.
- This expenditure was planned and budgeted in the Capital Projects Financing Plan. If not, explain why the project is being taken at this time. _____

-
- Three bids were evaluated, and the attached proposal is recommended as the most beneficial to the District. If not, explain why. _____
 - This project is at or below the budgeted amount.
 - No additional money will be required to complete the project. If yes, explain why. _____
 - All required signatures have been obtained. If not, explain. _____

NOTES/EXPLANATION:

Date

Audit/Finance Committee Chair



HEATHER GARDENS METROPOLITAN DISTRICT

BOARD ACTION

DATE: APRIL 18, 2024

MOTION NUMBER: 2024-4-18-6

APPROVAL OF AUDITORIUM CABLE RUN

MOTION: Based on the recommendation of the Clubs and Activities Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the installation of Single cat6 cable from the auditorium’s sound room to the stage by Impact Fire in the amount of \$1,495.00 with a change order of \$305.00 for a total price of \$1,800.00. This is a budgeted item.

Motion by: Craig Baldwin

Second by: _____

Economic Cost to the District: \$1,800

Appropriated From: Capital Expenditure appropriated from the HGMD Operating Acct.

RATIONALE: The installation of this cable is recommended by members of the Auditorium Sound Special Committee of the CAC to bring better reception during Zoom transmissions.

Debate: _____

Secondary Motion to : _____

Secondary Motion by: _____ Second by: _____

VOTE:

	_____		_____	
	Yes	No	Yes	No
Craig Baldwin				
Rita Effler				
Eloise Laubach				
Robin O'Meara				
Daniel Taylor				
Total				

The secondary motion does/does not have a majority and passes/fails.
 The main motion does/does not have a majority and passes/fails.

 Robin O'Meara, Secretary
 HGMD Board of Directors

 Daniel J. Taylor, President
 HGMD Board of Directors

Proposal #112088 - Auditorium Drop



Impact Fire Services - Denver
1445 W Tufts Ave Englewood CO 80110
P: (303) 789-0016
Proposal Date: 04/03/2024

Prepared By Hannah Coghlan (Shager) hshager@impactfireservices.com	Prepared For Heather Gardens 13661 E Marina Dr AURORA CO 80014 Charlie Herleman cherleman@sosoncall.com --
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Summary

Provide and install single cat 6 cable

Scope Of Work

- Provide and install Single cat6 cable from sound room in auditorium, up to IT room. Cable to be ran down to stage

Description	Quantity	Unit Price	Total
Cat6 Plenum Cable	1.0	\$215.00	\$215.00
Install single drop from sound room to IT	8.0	\$160.00	\$1,280.00
Total amount			\$1,495.00

Exclusions

- Conduit, J boxes, pull string excluded
- Switches excluded
- Ceiling tile repair excluded
- Dry Wall Repair excluded .
- Lift Excluded
- Cable Management excluded
- Patch cables excluded
- Shelving excluded
- Price shown on proposal is valid for thirty days.
- Proposals are subject to change post approval as equipment and material cost fluctuate.