



ASSOCIATION and METROPOLITAN DISTRICT

Budget & Finance Committee

Agenda

Friday, June 16, 2023

10:00 a.m.

Committee Members: Chair Terry Hostetler, Bill Archambault, Ray Nash, Craig Baldwin, Randy Lane, Richard Ferguson, John Recob, and Bev Havens

Staff: Jon Rea (CEO) and Jerry Counts (CFO)

1. Call meeting to order. Welcome guests. Chair's comments.
2. Changes or Additions to Budget & Finance Committee Report: May 15, 2023
3. **Monthly Operating Analysis Review** – May 2023
4. **Subcommittee and Other Reports:**
 - a. Audit Subcommittee (Bev Havens) – May 22, 2023, Report
 - b. Insurance Subcommittee (Randy Lane) – Update
 - c. Capital Program Subcommittee (John Recob) – Update
 - d. Investment (Terry Hostetler)
5. **Unfinished Business**
 - a. Discuss the Draft Budget Development Schedule for 2024
6. **New Business:**
 - a. Recommend Building 216 Water Heater Project (\$34,100)
 - b. Recommend the Atrium Waterproofing of the Underground Garage in Building 244 (\$26,151)
 - c. Recommend the Contract with 5280 Waste Solutions (\$15,146 Monthly)
 - d. Recommend the Revision for Joint Budget and Finance Procedure Memorandum JPM B-1
7. Members of the audience wishing to speak on non-agenda items. Time limit-3 minutes.
8. **Adjournment**

Members of the audience wishing to speak on agenda items will be recognized to tell when an agenda item is being addressed.

The next Budget and Finance Committee meeting will be Monday, July 17, 2023 at 10 a.m.

**HEATHER GARDENS BUDGET & FINANCE COMMITTEE
MAY 15, 2023, MEETING REPORT
COMMITTEE MET IN THE BOARD ROOM
MEETINGS ALSO AVAILABLE ON ZOOM**

TO: Members of the Heather Gardens Budget & Finance Committee, HGA Board of Directors, HGMD Board of Directors, Chief Executive Officer, and Chief Financial Officer.

FROM: Terry Hostetler, HGA Treasurer, and Bill Archambault, HGMD Treasurer

Committee: Terry Hostetler, Co-Chair, Bill Archambault, Co-Chair, Craig Baldwin, Harry Laubach, Ray Nash, Randy Lane, Richard Ferguson, John Recob, and Bev Havens.

Staff: Jon Rea, CEO; Jerry Counts, CFO.

Audience: Approximately 16 residents, including HGA Board Members and HGMD Board Members

Welcome and Chair Comments: The B&F Committee meeting was called to order at 10:00 AM. A quorum was established. Co-Chair Hostetler welcomed all members and guests.

The April meeting report was accepted as presented with two corrections.

Nick Picucci discussed interest rates and reinvesting maturing investments. See item 1 under new business.

Monthly Operating Analysis Review: Jerry Counts, CFO, reviewed the April 2023 financial statements for HGA and HGMD. All questions were answered.

Subcommittee and Other Reports:

Audit Subcommittee: Report was reviewed.

Insurance Subcommittee: No meeting was held. A meeting with the broker will be scheduled for next month.

Capital Projects Subcommittee: John Recob, the subcommittee chair, briefly reviewed the notes from the April 27th meeting. The next meeting is scheduled for June 22nd at 1:00 PM in the Board Room.

Investment Update:

Unfinished Business: Discussion regarding evaluating the audit process as per the JPM B-1, Section VIII (b)(5). Staff will prepare an evaluation to be discussed at the June 2023 committee meeting.

New Business:

- 1) Discussion of Interest rates and reinvestment of maturing investments. Nick Picucci of the Nice Group stated that the position of the Nice Group is that interest rates will flatten out towards the end of this year and then will trend downward. CDs currently are earning slightly more than US Treasuries. The 2 to 4 year investment ladder currently in effect has CD interest rates earning between 4.25% to 4.5% yield to maturity.
- 2) Budget Development Schedule of 2024 budget cycle. The date on the schedule presented should show Thursday, June 15, 2023, as the date that the budget schedule will be approved by the HGMD Board of Directors. After discussion, the committee decided that the wording dealing with the meetings scheduled for September 25th through September 28th needed to include statements to the effect that these are the key dates for residents to suggest budget changes. Members are to provide Terry Hostetler with suggested wording as soon as possible. The schedule will be on the June agenda for recommendation to the Boards.
- 3) Motion by Baldwin, seconded by Nash and approved unanimously that the Joint Budget and Finance Committee recommend that the HGA Board of Directors approve the wording on the attachment identified as "The Heather Gardens Association Ballot regarding the 2024 Budget" and that the wording be used as ballots are mailed to all unit owners. (see attachment to this document).
- 4) The Jetz contract was briefly discussed. Because committee members only received the contract earlier in the morning, no action was taken.

Members of the audience wishing to speak on non-agenda items: A resident asked if the insurance letter prepared by Susan Lambert about two years ago was still available. After a quick search, the letter is available on the HGA website.

The meeting was adjourned at 12:06 PM. The next meeting will be on Friday, June 16th at 10:00 AM in the Board Room and via Zoom.

HEATHER GARDENS ASSOCIATION

Budget Exceptions Report

Through: 5/31/2023

	YTD ACTUAL	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	% Variance from Budget	Annual Budget	% of Annual Budget Spent
OPERATIONS						
Assessment Income - 2023	\$ 4,846,930	\$ 4,845,789	\$ 1,141	0.02%	\$ 11,629,896	42%
Planned Deficit from Oper Reserve	\$ -	\$ 125,000	\$ (125,000)	-100.00%	\$ 300,000	0%
Assessment Surplus - 2021	\$ 13,410	\$ 13,410	\$ -	0.00%	\$ 32,184	42%
Misc Income	\$ 177,115	\$ 65,479	\$ 111,636	170.49%	\$ 147,936	120%
Total Income	\$ 5,037,455	\$ 5,049,678	\$ (12,223)	-0.24%	\$ 12,110,016	42%
Expenses:						
General	\$ 1,941,827	\$ 1,994,234	\$ 52,407	2.63%	\$ 5,142,805	38%
Custodial	\$ 201,316	\$ 217,924	\$ 16,608	7.62%	\$ 496,677	41%
Contracts	\$ 103,397	\$ 132,692	\$ 29,295	22.08%	\$ 319,377	32%
Maintenance	\$ 1,006,601	\$ 1,103,395	\$ 96,794	8.77%	\$ 2,600,509	39%
Administration	\$ 557,768	\$ 623,867	\$ 66,099	10.60%	\$ 1,360,507	41%
Paint	\$ 154,844	\$ 155,428	\$ 584	0.38%	\$ 366,217	42%
Roads & Grounds	\$ 527,677	\$ 535,784	\$ 8,107	1.51%	\$ 1,267,900	42%
Security	\$ 225,819	\$ 275,996	\$ 50,177	18.18%	\$ 656,025	34%
Interest Expense	\$ 191	\$ -	\$ (191)		\$ -	
Total Expenses	\$ 4,719,440	\$ 5,039,320	\$ 319,880	6.35%	\$ 12,210,017	39%
Net Operating Income/(Loss)	\$ 318,015	\$ 10,358	\$ 307,657		\$ (100,001)	
CAPITAL RESERVES						
Capital Reserve Income	\$ 1,770,121	\$ 1,770,289	\$ (168)	-0.01%	\$ 4,248,694	42%
Interest Income	\$ 92,479	\$ 27,611	\$ 64,868	234.94%	\$ 74,300	124%
Capital Expenditures	\$ 572,589	\$ 936,852	\$ 364,263	38.88%	\$ 5,382,929	11%
Less Insurance Fund Income/(Expense)	\$ -	\$ -	\$ -			
Net Capital Reserve Income	\$ 1,290,011	\$ 861,048	\$ 428,963	49.82%	\$ (1,059,935)	
GRAND TOTALS	\$ 1,608,026	\$ 871,406	\$ 736,620	84.53%	\$ (1,159,936)	

HEATHER GARDENS ASSOCIATION

Budget Exceptions Report

Through: **5/31/2023**

Executive Summary

<u>FHA - Key Requirements</u>	FHA - Req	HGA Actual
Percent of units that cannot be 60 days or more delinquent	15% (or 364 units)	1.32% (or 32 units)
Percent of operating revenue must be allocated to Capital Reserve	10%	24%
Percent owner-occupied units	50%	84.9%
Fidelity Bond equals 3 months of assessments plus capital reserve	\$ 15,786,173	\$ 15,000,000

<u>Capital Reserve Balance</u>	<u>5/31/2023</u>
Deferred Capital Reserve Liability (pg 9)	\$ 5,043,745
Capital Reserve Equity (pg 9)	5,047,448
Current Year Cap. Reserve Surplus (pg 13)	1,290,011
Total Capital Reserve Balance	\$ 11,381,204

	YTD ACTUAL	YTD BUDGET	VARIANCE	% Variance from Budget	Annual Budget	% of Annual Budget Spent
Income Summary	\$ 5,037,455	\$ 5,049,678	\$ (12,223)	-0.24%	\$ 12,110,016	42%

Expense Summary	\$ 4,719,440	\$ 5,039,320	\$ 319,880	6.35%	\$ 12,210,017	39%
Overall Expenses						

General	A411.0, Planned Deficit, in the revenue section, is for the 2023 budgeted use of \$300k from the Operating Reserve. Higher interest rates continue to bolster our investment earnings and increased our income tax expense as shown in accounts A404.2 and A626. Total utilities plus property insurance was under budget by \$9.1K. The YTD surplus in A652.1, Insurance Claims, is expected to be used for the water damage in CPs from the May weather event.
Custodial	May costs were below budget by \$3.7K. YTD costs are nearly \$17K below budget.
Contracts	The Resident Renovation Insurance Manager has not yet been hired resulting in May costs being below budget.
Maintenance	May costs were below budget by \$51.3K. We were down 3 FTEs plus we saw a \$3K reduction for the monthly PTO adjustment. Most OPX costs were lower resulting in nearly \$30K below budget. YTD cost are nearly \$97K below budget.
Administration	May costs were above budget by nearly \$3.5K. YTD costs are \$66K below budget.
Paint	May costs were above budget by \$4.1K mainly due to paint supplies exceeding budget by \$4.3K. YTD costs are on budget.
Roads & Grounds	May costs were slightly above budget by less than \$1K. Outside Contractors exceeded budget due to multiple stump removals and garage power washing. YTD costs are below budget by \$8.1K.
Security	May costs were below budget by \$1.8K. Security was fully staffed in May. YTD costs are below budget by \$50.1K.

HGA MONTHLY CAPITAL RESERVE REPORT FOR PERIOD ENDING:

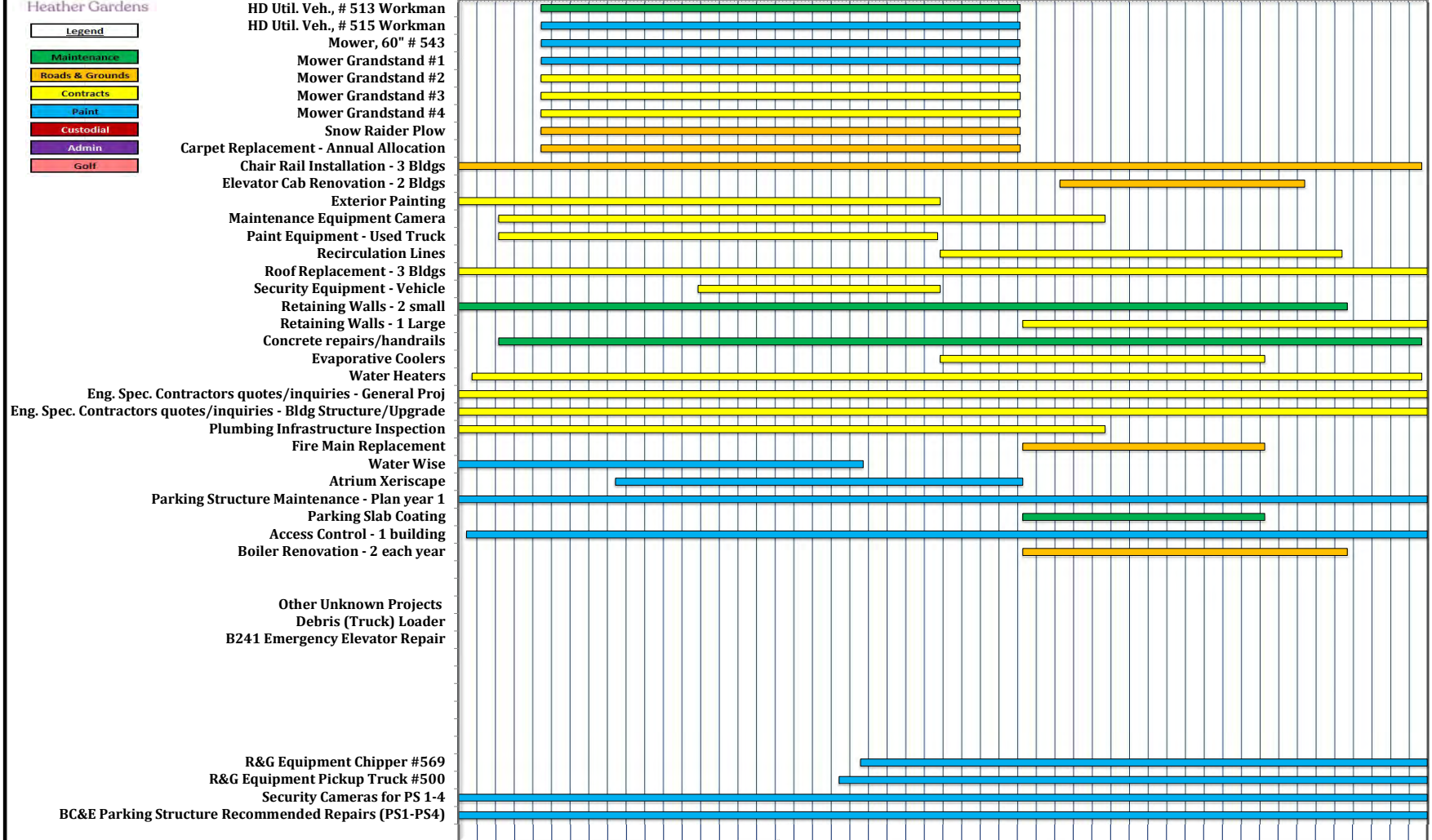
May 2023

STATUS	PROJECT OWNER	DEPT.	2023 APPROVED PROJECTS	ACCT	2023 APPROVED BUDGET AMOUNT	2023 SIGNED CONTRACT AMOUNT	% VAR	START DATE	FINISH DATE	#Days	2023 INVOICES PAID	UNDER/ (OVER) CONTRACT AMOUNT	% VAR FROM CONTRACT	UNDER / (OVER) BUDGET	PROJECT Notes / Comments
					A	B				D	B-C-D	A-C-D			
In Process	Matt	R&G	HD Util. Veh., # 513 Workman	F810	\$35,000		-100%	02/01/23	07/31/23	180		\$0	#DIV/0!	\$35,000	6/5/23 - Received 3 bids. Reviewing
In Process	Matt	R&G	HD Util. Veh., # 515 Workman	F811	\$35,000		-100%	02/01/23	07/31/23	180		\$0	#DIV/0!	\$35,000	6/5/23 - Received 3 bids. Reviewing
Completed	Matt	R&G	Mower, 60" # 543	F812	\$18,000	\$14,779	-18%	02/01/23	07/31/23	180	\$14,266	\$513	-3%	\$3,734	5/2/23 - Mower Received
Completed	Matt	R&G	Mower Grandstand #1	F813	\$12,000	\$8,373	-30%	02/01/23	07/31/23	180	\$10,766	(\$2,394)	29%	\$1,234	5/2/23 - Mower Received
Completed	Matt	R&G	Mower Grandstand #2	F814	\$12,000	\$8,373	-30%	02/01/23	07/31/23	180	\$9,028	(\$656)	8%	\$2,972	5/2/23 - Mower Received
Completed	Matt	R&G	Mower Grandstand #3	F815	\$12,000	\$9,315	-22%	02/01/23	07/31/23	180	\$9,711	(\$396)	4%	\$2,289	5/2/23 - Mower Received
Completed	Matt	R&G	Mower Grandstand #4	F816	\$12,000	\$9,315	-22%	02/01/23	07/31/23	180	\$9,711	(\$396)	4%	\$2,289	5/2/23 - Mower Received
In Process	Matt	R&G	Snow Raider Plow	F817	\$13,455		-100%	02/01/23	07/31/23	180		\$0	#DIV/0!	\$13,455	2/3/23 - Researching
In Process	Don	Contracts	Carpet Replacement - Annual Allocation	F818	\$198,720	\$183,958	-7%	02/01/23	07/31/23	180	\$91,979	\$91,979	-50%	\$106,741	6/5/23 - Carpet Contractor started their work. Replacement is scheduled to go through 7/12/23
In Process	Jon H	Contracts	Chair Rail Installation - 3 Bldgs	F819	\$86,940	\$82,593	-5%	01/01/23	12/29/23	362	\$24,386	\$58,207	-70%	\$62,554	6/5/23 - Building 221 is On-going and should be completed by mid July.
not-started	Jon H	Contracts	Elevator Cab Renovation - 2 Bldgs	F820	\$47,508		-100%	08/15/23	11/15/23	92		\$0	#DIV/0!	\$47,508	
In Process	Don	Contracts	Exterior Painting	F821	\$77,200	\$79,500	3%	01/01/23	07/01/23	181		\$79,500	-100%	\$77,200	6/5/23 - Contractor is about 75% completed. We did find some loose block. DCC is working on further investigation. We may need to get a mason involved to replace the block.
In Process	Manny	Maint.	Maintenance Equipment Camera	F822	\$11,432		-100%	01/16/23	09/01/23	228		\$0	#DIV/0!	\$11,432	6/5/23 - the type of camera has been determined, and we are now collecting pricing.
Completed	Manny	Paint	Paint Equipment - Used Truck	F823	\$37,013	\$29,116	-21%	01/16/23	06/30/23	165	\$29,455	(\$339)	1%	\$7,558	5/2/23 - Vehicle and added shelving has been installed. Project is Completed.
not-started	Jon H	Contracts	Recirculation Lines	F824	\$24,840		-100%	07/01/23	11/29/23	151		\$0	#DIV/0!	\$24,840	2/21/23 - Board approved in Feb.
In Process	Don	Contracts	Roof Replacement - 3 Bldgs	F825	\$1,707,750	\$1,723,602	1%	01/01/23	12/31/23	364	\$222,656	\$1,500,946	-87%	\$1,485,094	4/26/23 - Contractor to start on B215 on 5/8/23
In Process	TJ	Security	Security Equipment - Vehicle	F826	\$36,225		-100%	04/01/23	07/01/23	91		\$0	#DIV/0!	\$36,225	5/2/23 - Capital Expenditure was submitted to the SEC Committee for approval.
In Process	Matt	R&G	Retaining Walls - 2 small	F827	\$24,840		-100%	01/01/23	12/01/23	334		\$0	#DIV/0!	\$24,840	2/3/23 - Researching and Collecting Bids.
not-started	Jon H	Contracts	Retaining Walls - 1 Large	F828	\$103,500		-100%	08/01/23	12/31/23	152		\$0	#DIV/0!	\$103,500	
In Process	Jon H	Contracts	Concrete repairs/handrails	F829	\$238,050	\$238,050	0%	01/16/23	12/29/23	347	\$17,491	\$220,559	-93%	\$220,559	2/21/23 - Board approved in Feb.
not-started	Jon H	Contracts	Evaporative Coolers	F830	\$20,700		-100%	07/01/23	10/31/23	122		\$0	#DIV/0!	\$20,700	
In Process	Jon H	Contracts	Water Heaters	F831	\$82,800		-100%	01/06/23	12/29/23	357		\$0	#DIV/0!	\$82,800	6/5/23 - B216 Water Heater installation scheduled for 6/12/23
not-started	Don	Contracts	Eng. Spec. Contractors quotes/inquiries - General Proj	F832	\$25,875		-100%	01/01/23	12/31/23	364		\$0	#DIV/0!	\$25,875	2/3/23 - As needed
not-started	Don	Contracts	Eng. Spec. Contractors quotes/inquiries - Bldg Structure/Upgrade	F833	\$25,875		-100%	01/01/23	12/31/23	364		\$0	#DIV/0!	\$25,875	2/3/23 - As needed
In Process	Don	Contracts	Plumbing Infrastructure Inspection	F834	\$150,000		-100%	01/01/23	09/01/23	243		\$0	#DIV/0!	\$150,000	6/5/23 - Received 3 proposals. Bergeman Group appears to have the most experience with these types of projects. We are going to include the Cap Ex for Approval in the June 2023 Maintenance Meeting.
not-started	Jon H	Contracts	Fire Main Replacement	F835	\$36,225		-100%	08/01/23	10/31/23	91		\$0	#DIV/0!	\$36,225	5/2/23 - maybe lumped in with the plumbing infrastructure project.
Completed	Matt	Contracts	Water Wise	F836	\$51,750	\$24,990	-52%	05/01/22	06/02/23	397	\$22,492	\$2,498	-10%	\$29,258	5/2/23 - Contractor has 52 plants remaining to plant.
In Process	Don	Contracts	Atrium Xeriscape	F837	\$72,450		-100%	03/01/23	08/01/23	153		\$0	#DIV/0!	\$72,450	6/5/23 - Received proposals from Wes Janney and Building Envelope Consultants. We are currently discussing if this project is in need of being completed this year or is this something we want to hold off on.
In Process	Don	Contracts	Parking Structure Maintenance - Plan year 1	F838	\$1,004,392		-100%	01/01/23	12/31/23	364		\$0	#DIV/0!	\$1,004,392	5/24/23 - Pre Bid Meeting with Contractors interested in the project. Bids are due back to the engineer on 6/12/23.
not-started	Jon H	Contracts	Parking Slab Coating	F839	\$62,100		-100%	08/01/23	10/31/23	91		\$0	#DIV/0!	\$62,100	

HGA MONTHLY CAPITAL RESERVE REPORT FOR PERIOD ENDING:

May 2023

STATUS	PROJECT OWNER	DEPT.	2023 APPROVED PROJECTS	ACCT	2023 APPROVED BUDGET AMOUNT	2023 SIGNED CONTRACT AMOUNT	% VAR	START DATE	FINISH DATE	#Days	2023 INVOICES PAID	UNDER/ (OVER) CONTRACT AMOUNT	% VAR FROM CONTRACT	UNDER / (OVER) BUDGET	PROJECT Notes / Comments
					A	B				D	B-C-D	A-C-D			
In Process	Jon H	Contracts	Access Control - 1 building	F840	\$46,575		-100%	01/04/23	12/31/23	361		\$0	#DIV/0!	\$46,575	5/2/23 - Waiting on Secuitas, Dark Horse, ADP and J7 to submit pricing.
not-started	Jon H	Contracts	Boiler Renovation - 2 each year	F841	\$124,200		-100%	08/01/23	12/01/23	122		\$0	#DIV/0!	\$124,200	
TOTAL 2023 FUNDED PROJECTS					\$4,446,415	\$2,411,964	-46%				\$461,941	\$1,950,023	-81%	\$3,984,474	
2023 CONTINGENCY PROJECTS <small>Future event or circumstance which is possible, but cannot be predicted with certainty</small>															
Other Unknown Projects				F842.1 - F842.9	\$285,643								#DIV/0!	\$285,643	
Completed	Matt	R&G	Debris (Truck) Loader	F842.1	\$10,800	\$10,800	0%			0	\$ 10,881	(\$81)	1%	(\$81)	4/5/23 - Purchased and Delivered Project is Complete.
Completed	Jon H	Contracts	B241 Emergency Elevator Repair	F842.2	\$14,057	\$14,057	0%			0	\$ 14,057	\$0	0%	\$0	2/21/23 - Board approved in Feb.
TOTAL 2023 CONTINGENCY PROJECTS					\$310,500	\$24,857				0	\$24,938	(\$81)	\$0	\$285,562	
TOTAL 2023 CAPITAL RESERVE FUNDS					\$4,756,915	\$2,436,821					\$486,879	\$1,949,942	-80%	\$4,270,036	
2022 PROJECTS TO BE COMPLETED IN 2023															
In Process	Matt	R&G	R&G Equipment Chipper #569	F787	\$20,188		-100%	06/01/23	12/31/23	213		\$0	#DIV/0!	\$20,188	2/3/23 - Approx \$34k short from budget amount. Will allocate excess from Contingency.
In Process	Matt	R&G	R&G Equipment Pickup Truck #500	F788	\$51,330		-100%	05/24/23	12/31/23	221		\$0	#DIV/0!	\$51,330	4/5/23 - Dealership confirmed the truck is being built.
In Process	Don	Contracts	Security Cameras for PS 1-4	F807.8	\$54,496		-100%	01/01/23	12/31/23	364		\$0	#DIV/0!	\$54,496	5/2/23 - waiting on Secuitas, ADP, J7 and Dark Horse to provide pricing.
In Process	Don	Contracts	BC&E Parking Structure Recommended Repairs (PS1-PS4)	F801	\$500,000	\$392,237	-22%	01/01/23	12/31/23	364	\$85,711	\$306,526	-78%	\$414,289	5/12/23 - BC&E released bid documents to interested structural concrete contractors. Pre bid walk-through was held on 5/24/23. Contractors bids are due to the engineer by 6/12/23.
TOTAL PRIOR YEAR PROJECTS					\$626,014	\$392,237					\$85,711	\$306,526	-78%	\$540,303	
GRAND TOTAL PER BUDGET					\$5,382,929	\$2,829,058					\$572,589	\$2,256,469	-80%	\$4,810,340	
PROJECTS TARGETED FOR COMPLETION IN 2023 BUT NOT IN THE PUBLISHED BUDGET															
TOTAL PRIOR YEAR PROJECTS NOT BUDGETED IN 2023					\$0	\$0					\$0	\$0	#DIV/0!	\$0	
GRAND TOTAL					\$5,382,929	\$2,829,058					\$572,589	\$2,256,469	-80%	\$4,810,340	



Heather Gardens Association
Investments
05/31/23

Bank	Yield	Maturity	Principal	Fund	G/L Acct.
Raymond James - Cash/Interest Receivable/Investments - Operating Account	4.54%		\$ 284,387	Operating	A106/A106.05/A107.2/A115.1
KeyBanc Capital Mkts - Money Market - Federated Hermis Govt Oblig SS	4.68%		\$ 4,674,504	Operating	A108
Federal Home LN BKS 5.25%	5.15%		\$ 2,000,000	Operating	A108.01/A115.1
TOTAL - OPERATING ACCT - CASH/INVESTMENTS			\$ 6,958,890		
	0.555% -				
Raymond James - Cash/Interest Receivable/Investments - Capital Reserve	4.607%		\$ 5,446,285	Capital	A106.1/A106.11/A107.3/A107.4/A115.2/A115.3
Key Bank Capital Reserve Savings			\$ 4,227	Capital	A107
KeyBanc Capital Mkts - Money Market - Federated Hermis Govt Oblig SS	4.68%		\$ 3,839,422	Capital	A107.01
Federal Home LN BKS 5.25%	5.15%		\$ 2,026,250	Capital	A107.02/A115.2
TOTAL CAPITAL RESERVE INVESTMENTS - CASH/INVESTMENTS			\$ 11,316,184		
TOTAL INVESTMENTS			\$ 18,275,075		

HGA Detail of Investments

HGA INVESTMENTS - 5/31/2023				Accrued			= Short-Term/Current Assets		
		Face/Maturity	Amount	Interest	Premium	Maturity	Purchased	Accrued	
	YTM	Value	Invested	Purchased	Paid	Date	Date	Earnings	
CAPITAL RESERVE RJ ACCT C650									
Purchases									
CITIBANK NA SEMI-ANNUAL 3.3000 %	0.651%	200,000.00	218,843.59	2,549.59	16,294.00	8/24/2023	7/10/2020		
COMENITY CAPITAL BANK MONTHLY 3.3500 %	0.700%	100,000.00	108,730.92	-	8,730.92	10/17/2023	6/15/2020		
DISCOVER BK SEMI-ANNUAL 3.2000 %	0.590%	203,000.00	221,433.97	355.95	18,078.02	1/16/2024	7/31/2020		
GE MONEY BANK SEMI-ANNUAL 3.3000 %	0.837%	145,000.00	159,274.92	878.34	13,396.58	4/11/2024	6/15/2020		
GOLDMAN SACHS BANK USA SEMI-ANNUAL 2.8000 %	0.892%	140,000.00	150,676.64	579.95	10,096.69	4/24/2024	6/15/2020		
GOLDMAN SACHS BANK USA SEMI-ANNUAL 3.3000 %	0.846%	100,000.00	110,024.94	1,383.29	8,641.65	1/16/2024	6/15/2020		
MORGAN STANLEY BANK, NA SEMI-ANNUAL 3.4500 %	0.755%	100,000.00	109,409.25	444.25	8,965.00	11/1/2023	6/15/2020		
MORGAN STANLEY PRIVATE BANK NA SEMI-ANNUAL 3.1000 %	0.837%	158,000.00	172,618.87	1,945.78	12,673.09	1/24/2024	6/15/2020		
WELLS FARGO BANK NA MONTHLY 3.1000 %	0.740%	200,000.00	216,714.99	16.99	16,698.00	2/13/2024	7/10/2020		
CITY NB LOS ANGELES, CD SEMI-ANNUAL 4.5000 %	4.281%	245,000.00	246,418.22	422.88	995.34	1/13/2025	1/23/2023		
UBS BANK CD MONTHLY 4.5000 %	4.421%	245,000.00	245,548.73	181.23	367.50	1/21/2025	1/23/2023		
AMEX NATIONAL BANK SALT LAKE CITY, CD SEMI-ANNUAL 4.9000 %	4.150%	245,000.00	251,910.09	2,072.10	4,837.99	11/24/2025	1/23/2023		
STATE BANK & TRUST CD SEMI-ANNUAL 4.3000 %	4.405%	245,000.00	244,510.00	-	(490.00)	1/27/2025	1/24/2023		
MANUFACTURERS & TRADERS TC CD SEMI-ANNUAL 4.5000 %	4.606%	245,000.00	244,510.00	-	(490.00)	1/31/2025	1/25/2023		
AMERICAN NATIONAL BANK CD MONTHLY 4.4000 %	4.400%	245,000.00	245,206.74	206.74	(0.00)	1/23/2025	1/26/2023		
BMW BANK OF NORTH AMERICA CD 4.5% SEMI-MONTHLY	4.500%	245,000.00	245,151.03	151.03	-	4/14/2027	4/17/2023		
CAPITAL ONE BANK CD 4.95% SEMI-MONTHLY	4.298%	230,000.00	239,716.33	4,803.53	4,912.80	11/16/2026	4/17/2023		
MINNWEST BANK CD MV 4.5% MONTHLY	4.607%	115,000.00	114,726.87	70.89	(344.02)	5/18/2026	5/18/2023		
MORGAN STANLEY BANK, NA SALT LAKE CITY, CD SEMI-ANNUAL 4.2500 %	4.178%	100,000.00	100,269.86	69.86	200.00	2/2/2026	2/6/2023		
US TREASURY NOTES 2.125% 7/31/2024	3.224%	316,000.00	309,235.63	3,172.00		7/31/2024	7/20/2022		
US TREASURY NOTES 2.375% 8/15/2024	3.011%	245,000.00	241,913.77	2,587.90		8/15/2024	7/25/2022		
US TREASURY NOTES 2.375% 8/15/2024	3.188%	109,000.00	107,301.13	14.07		8/15/2024	8/16/2022		
US TREASURY NOTES 4.25% 9/30/2024	4.539%	100,000.00	99,464.84	233.52		9/30/2024	10/19/2022	30,007.85	All CDs and Bonds
Raymond James Bank Deposit Program		7,752.52							
Money Market - FIMM Treasury only	4.580%	50,537.49					10/26/2022	185.12	
Money Market - Goldman Sachs Financial Square Treasury Instruments		-					10/26/2022	-	
		4,334,290.01	4,403,611.33	22,139.89	123,563.56			30,192.97	A115.2
		A106.1/A106.11/A107.4							
HGA OPERATING RJ ACCT 8380									
Raymond James Bank Deposit Program - Savings		0.00							
US TREASURY NOTES 4.25% 9/30/2024	4.535%	235,000.00	233,760.74	548.76		9/30/2024	10/19/2022	1,664.58	A115.1
		A106/A106.05							
Total CD's and US Treasury ACCT C650 & 8380		4,569,290.01	4,637,372.07	22,688.65	123,563.56				

HGA Detail of Investments

CAPITAL RESERVE RJ ACCT 502 - ANNUITIES		Current Value	Previous Month Value	Current Month Earnings	Amount Invested	Year with 0% Penalty	Purchase Date		
FIDELITY & GUARANTY LEF INS CO F&G SECURE MYGA 3 YEAR (MVA)	3.350%	258,677.58	257,908.91	768.67	250,000.00	5/17/2025	5/17/2022		
FORETHOUGHT LIFE INSURANCE CO SECUREFORE V2	3.100%	258,267.93	257,556.05	711.88	250,000.00	5/6/2025	5/6/2022		
GREAT AMERICAN LIFE INSURANCE CO SECURE GAIN 3 MVA	2.900%	257,813.26	257,149.31	663.95	250,000.00	5/2/2025	5/2/2022		
MIDLAND NATIONAL LIFE INSURANCE CO MNL GUARANTEE PRO	2.250%	256,060.50	255,547.10	513.40	250,000.00	5/2/2025	5/2/2022		
Total Annuities		1,030,819.27	1,028,161.37	2,657.90	1,000,000.00				
		A106.1/A115.3							
CAPITAL RESERVE RJ ACCT 502									
Raymond James Bank Deposit Program - Savings		50,982.82	A107.3						
Total ACCT 502		1,081,802.09							
HGA OPERATING RJ ACCT 875									
Raymond James Bank Deposit Program - Savings		21,472.20	A107.2						
Total ACCT 875		21,472.20							
HGA OPERATING KEYBANC ACCT 3297									
Federal Home LN BKS 5.25%	5.150%	2,000,000.00	A108.01		1,920.00	3/1/2024		26,250.00	A115.1
KeyBanc Capital Mkts - Money Market - Federated Hermes Govt Oblig SS	4.680%	4,674,503.52	A108		A108.011				
Total ACCT 3297		6,674,503.52							
HGA CAPITAL RESERVE KEYBANC ACCT 4345									
Federal Home LN BKS 5.25%	5.150%	2,000,000.00	A107.02		1,920.00	3/1/2024		26,250.00	A115.2
KeyBanc Capital Mkts - Money Market - Federated Hermes Govt Oblig SS	4.680%	3,839,422.49	A107.01		A107.021				
Total ACCT 4345		5,839,422.49							
HGA CAPITAL RESERVE KEYBANC ACCT 5363									
KeyBank Savings Account		4,226.71	A107						
Total ACCT 5363		4,226.71							
Total of all Investments (Agrees to Investment Summary on Prior Page)		\$ 18,275,075							

	5/31/2023	4/30/2023	3/31/2023	12/31/2022
CURRENT ASSETS				
Operating Bank Account	74,284	39,888	153,700	5,136,327
Money Mkt - Key Bank Operating	6,675,944	6,297,528	6,031,537	0
Raymond James Operating Savings	21,472	21,465	16,643	16,802
Savings-Capital Reserve	4,227	4,439	28,210	4,713,310
Money Mkt - Key Bank Cap Res	5,840,862	5,726,012	5,432,908	0
Raymond James Cap Reserve Savings	50,983	38,864	25,349	8,597
Raymond James - Cap Reserve Investments	2,019,922	2,023,288	1,741,663	2,650,186
Assessment Receivables	53,007	63,389	59,601	70,275
Allow Doubtful Acct	(65,450)	(65,450)	(62,891)	(65,000)
A/R - Other	88,671	81,182	94,374	103,938
AR - Insurance Claim	0	0	0	17,218
Interest Receivable	84,358	69,623	45,103	31,022
Inventory	235,202	224,763	215,392	223,487
Prepaid Insurance	621,306	776,633	931,960	1,397,939
Prepaid Expenses	26,799	30,127	33,454	32,495
Due To/From Seville	3,448	555	2,712	425
Due To/From - HGMD	61,209	86,302	47,279	136,705
TOTAL CURRENT ASSETS	15,796,245	15,418,608	14,796,996	14,473,726
LONG-TERM INVESTMENTS (more than 12 mos)				
Raymond James - Operating Investments	234,152	234,098	239,040	233,889
Raymond James - Cap Reserve Investments	3,334,655	3,328,430	3,624,022	2,709,377
Int Rec RJ Cap Res Annuities	30,819	28,161	25,909	18,622
TOTAL LONG-TERM INVESTMENTS	3,599,626	3,590,689	3,888,970	2,961,888
BUILDING, LAND & EQUIPMENT				
FF&E (Equipment & Furniture)	1,580,522	1,580,522	1,611,234	1,611,234
ROU Asset	14,189	15,273	16,559	19,811
Accumulated Depreciation FF&E	(1,311,572)	(1,311,572)	(1,339,725)	(1,339,725)
TOTAL BUILDING, LAND & EQUIPMENT	283,138	284,222	288,068	291,320
TOTAL ASSETS	19,679,009	19,293,520	18,974,034	17,726,935
CURRENT LIABILITIES				
Accounts Payable Trade	65,605	53,817	44,648	91,495
ROU Liability	14,939	16,005	17,283	20,637
Accounts Pay Other/Taxes Payable	377,506	298,044	306,570	329,551
Prepaid Monthly Assessments	318,891	279,656	309,418	290,141
Deferred Capital Reserve Liability	5,043,745	5,043,745	5,043,745	5,043,745
Accrued Payroll	271,524	223,911	184,281	106,768
Accrued PTO	269,975	283,709	292,205	283,802
Excess Assessments 2021	18,776	21,458	24,140	32,186
Excess Assessments 2022	206,485	206,485	206,485	206,485
Deferred Revenue-Comcast	46,498	47,509	48,520	51,553
Six MO Impound Fund	5,348,560	5,314,204	5,263,012	5,184,401
Unearned Revenue	5,556	4,497	2,833	3,248
TOTAL CURRENT LIABILITIES	11,988,061	11,793,041	11,743,141	11,644,012
TOTAL CURRENT & LONG TERM LIABILITIES	11,988,061	11,793,041	11,743,141	11,644,012
FUND EQUITY				
Capital Improvement Reserve	5,047,448	5,047,448	5,047,448	4,992,092
Operating Fund	1,035,475	1,035,475	1,035,474	1,194,014
Net/Income (Loss)	1,608,026	1,417,556	1,147,970	(103,184)
Total Equity	7,690,949	7,500,479	7,230,892	6,082,923
TOTAL LIABILITIES AND EQUITY	19,679,009	19,293,520	18,974,034	17,726,935

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
Assessments	972,322	996,840	(24,518)	4,860,340	4,984,200	(123,860)	11,962,080
Interest Income	26,489	638	25,850	91,210	2,822	88,389	6,920
Late Charges to Residents	0	250	(250)	1,216	1,250	(34)	3,000
Interest from Residents	(33)	0	(33)	(90)	0	(90)	0
Laundry Comm	2,825	3,501	(676)	16,954	17,507	(553)	42,016
Misc Income	6,202	3,300	2,902	31,520	16,500	15,020	39,600
Comcast Revenue	15,557	11,000	4,557	33,651	25,000	8,651	52,000
Hea 'N Yon Profits	0	0	0	2,457	2,400	57	4,400
Vendor Disc Taken	40	0	40	199	0	199	0
Total Revenue	1,023,401	1,015,530	7,871	5,037,455	5,049,678	(12,223)	12,110,016
EXPENSES							
General	380,494	398,996	18,503	1,941,827	1,994,234	52,408	5,142,805
Custodial	39,732	43,423	3,691	201,316	217,924	16,608	496,677
Contracts	19,309	26,162	6,853	103,397	132,692	29,295	319,377
Maintenance	179,546	230,850	51,304	1,006,601	1,103,395	96,793	2,600,509
Administration	126,481	122,999	(3,483)	557,768	623,867	66,099	1,360,507
Paint	35,333	31,173	(4,160)	154,844	155,428	584	366,217
Roads & Grounds	118,738	118,240	(498)	527,677	535,784	8,106	1,267,900
Security	52,408	54,240	1,832	225,819	275,996	50,177	656,025
Interest Expense	33	0	(33)	191	0	(191)	0
Total Expenses	952,074	1,026,083	74,009	4,719,441	5,039,320	319,880	12,210,016
Surplus (Deficit)	71,327	(10,553)	81,880	318,015	10,358	307,657	(100,000)
INSURANCE CLAIMS							
Net Insurance	0	0	0	0	0	0	0
RESERVES							
Capital Rsv Revenue	379,073	360,872	18,201	1,862,600	1,797,900	64,700	4,322,994
Less Expenses	259,929	312,995	53,066	572,589	936,852	364,263	5,382,929
Net Surplus (Deficit)	119,143	47,877	71,266	1,290,011	861,048	428,963	(1,059,935)
Net Income/(Loss)	190,470	37,324	153,146	1,608,026	871,406	736,620	(1,159,935)

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
PAYROLL EXPENSES BY DEPT							
Custodial	31,989	35,030	3,042	169,656	182,749	13,093	424,723
Contracts	18,427	25,227	6,800	101,087	130,017	28,930	312,154
Maintenance	111,993	133,746	21,753	621,201	679,715	58,514	1,592,637
Administration	101,047	99,817	(1,230)	428,704	484,467	55,763	1,133,292
Paint	24,661	24,847	187	127,503	126,910	(593)	298,086
Roads & Grounds	79,130	80,155	1,026	397,025	404,069	7,044	975,268
Security	49,157	50,067	909	213,109	259,457	46,348	614,945
TOTAL PAYROLL EXPENSES	416,403	448,889	32,486	2,058,285	2,267,384	209,099	5,351,105
OPERATING EXPENSES BY DEPT							
General	380,494	398,996	18,503	1,941,827	1,994,234	52,408	5,142,805
Custodial	7,744	8,393	649	31,660	35,175	3,515	71,954
Contracts	882	935	53	2,310	2,675	365	7,223
Maintenance	67,554	97,104	29,550	385,400	423,680	38,279	1,007,872
Administration	25,434	23,181	(2,253)	129,064	139,400	10,336	227,215
Paint	10,672	6,326	(4,346)	27,341	28,519	1,178	68,131
Roads & Grounds	39,608	38,085	(1,523)	130,652	131,714	1,062	292,632
Security	3,250	4,173	923	12,710	16,540	3,829	41,079
TOTAL OPERATING EXPENSES	535,638	577,193	41,556	2,660,964	2,771,936	110,972	6,858,911
TOTAL PAYROLL & OPERATING	952,041	1,026,083	74,042	4,719,249	5,039,320	320,071	12,210,016

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET	
REVENUE SUMMARY								
A404.2	Investment Income Operati	26,649	638	26,010	92,042	3,192	88,851	7,660
A404.3	Premium Amortization	(160)	0	(160)	(480)	0	(480)	0
A404.4	RJ Advis. Fees Operating	0	0	0	(352)	(370)	18	(740)
A408	Insurance	150,283	150,233	50	751,102	751,165	(63)	1,802,796
A408.4	Insurance Adj 2021	10,724	10,724	0	53,620	53,620	0	128,688
A409	Water & Sewer	124,959	124,907	52	624,501	624,535	(34)	1,498,884
A409.4	Water & Sewer Adj 2021	(16,907)	(16,907)	0	(84,535)	(84,535)	0	(202,884)
A410	Gas & Electric	115,969	115,896	73	579,618	579,480	138	1,390,752
A410.4	Gas & Elec Adj 2021	(3,718)	(3,718)	0	(18,590)	(18,590)	0	(44,616)
A411	Maintenance	578,428	578,122	306	2,891,709	2,890,610	1,099	6,937,464
A411.0	Planned Deficit	0	25,000	(25,000)	0	125,000	(125,000)	300,000
A411.4	Maintenance Adj 2021	12,583	12,583	0	62,915	62,915	0	150,996
A414	Late Charges to Residents	0	250	(250)	1,216	1,250	(34)	3,000
A414.5	Interest from Residents	(33)	0	(33)	(90)	0	(90)	0
A415	Laundry Commissions	2,825	3,501	(676)	16,954	17,507	(553)	42,016
A416	Miscellaneous Income	6,202	3,300	2,902	31,520	16,500	15,020	39,600
A416.2	Comcast Revenue	15,557	11,000	4,557	33,651	25,000	8,651	52,000
A417	Heather 'N Yon Profits	0	0	0	2,457	2,400	57	4,400
A418	Vendor Discounts Taken	40	0	40	199	0	199	0
	TOTAL REVENUE	1,023,401	1,015,530	7,871	5,037,455	5,049,678	(12,223)	12,110,016
ASSOC GENERAL EXPENSES								
A622	Payment In Lieu Of Taxes	0	0	0	0	0	0	30,375
A624	Personal Property Tax	0	0	0	7,946	5,000	(2,946)	5,000
A626	Income Taxes	14,916	4,583	(10,333)	46,702	22,916	(23,786)	55,000
A628	Bad Debt Expense	0	0	0	0	0	0	7,500
A640	Electric - High Rises	30,979	29,433	(1,545)	150,134	143,965	(6,170)	370,435
A641	Electric - Parking	985	927	(58)	4,679	4,449	(230)	11,517
A642	Electric - Town Homes	1,013	733	(280)	4,918	3,934	(984)	12,028
A643	Gas - High Rises	54,546	53,010	(1,535)	406,994	400,120	(6,875)	952,159
A652	Insurance Coverages	156,289	155,139	(1,150)	778,719	775,695	(3,025)	1,931,479
A652.1	Insurance - Claims	5,056	25,000	19,944	74,021	138,000	63,979	313,000
A653	HRA Admin Costs/Misc	6,146	1,796	(4,350)	28,506	8,134	(20,372)	20,893
A660	Legal Fees	1,584	4,617	3,033	10,616	23,085	12,469	55,404
A671	Outside Services	0	600	600	788	1,750	962	3,300
A672	Communications Expense	1,412	1,924	512	7,054	9,547	2,493	23,015
A673	Annual Meeting/Election	0	0	0	90	0	(90)	20,000
A675	Incentive Program	459	500	41	3,163	3,000	(163)	35,700
A676	Loss or (Gain) on Dispos	0	0	0	(18,654)	0	18,654	0
A698	Water & Sewer	107,108	120,735	13,627	436,148	454,640	18,491	1,296,000
A700	Interest Expense	33	0	(33)	191	0	(191)	0
	TOTAL ASSOC GENERAL EXPEN	380,527	398,996	18,469	1,942,018	1,994,234	52,216	5,142,805

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
CAPITAL RESERVE FUND							
REVENUE SUMMARY							
F608 Capital Reserve	354,122	354,058	64	1,770,121	1,770,289	(168)	4,248,694
F611.1 Capital Reserve Investmen	40,860	9,600	31,260	162,833	48,000	114,833	115,200
F611.2 Premium Amortization	(3,526)	(2,786)	(740)	(18,077)	(15,989)	(2,088)	(32,100)
F611.3 Raymond James Advisory Fe	0	0	0	(6,379)	(4,400)	(1,979)	(8,800)
F611.4 Income Taxes	(12,384)	0	(12,384)	(45,898)	0	(45,898)	0
TOTAL REVENUE	379,073	360,872	18,201	1,862,600	1,797,900	64,700	4,322,994
EXPENSE SUMMARY							
F787 R&G Equipment Chipper #56	0	0	0	0	20,188	20,188	20,188
F788 R&G Equipment Pick-up #50	0	0	0	0	51,330	51,330	51,330
F801 BC&E PS Recommended Repai	14,052	44,100	30,049	85,711	191,400	105,689	500,000
F807.8 Parking Structure Securit	0	0	0	0	54,496	54,496	54,496
F810 HD Util. Veh., # 513 Work	0	0	0	0	35,000	35,000	35,000
F811 HD Util. Veh., # 515 Work	0	35,000	35,000	0	35,000	35,000	35,000
F812 Mower, 60" # 543	0	0	0	14,266	18,000	3,734	18,000
F813 Mower Grandstand #1	0	0	0	10,766	12,000	1,234	12,000
F814 Mower Grandstand #2	0	0	0	9,028	12,000	2,972	12,000
F815 Mower Grandstand #3	0	0	0	9,711	12,000	2,289	12,000
F816 Mower Grandstand #4	0	0	0	9,711	12,000	2,289	12,000
F817 Snow Raider Plow	0	0	0	0	13,455	13,455	13,455
F818 Carpet Replacement - Annu	0	33,120	33,120	91,979	132,480	40,501	198,720
F819 Chair Rail Installation -	4,056	9,660	5,604	24,386	19,320	(5,066)	86,940
F820 Elevator Cab Renovation -	0	23,754	23,754	0	23,754	23,754	47,508
F821 Exterior Painting	0	0	0	0	0	0	77,200
F822 Maintenance Equipment Cam	0	0	0	0	11,432	11,432	11,432
F823 Paint Equipment - Used Tr	0	0	0	29,455	37,013	7,558	37,013
F824 Recirculation Lines	0	0	0	0	0	0	24,840
F825 Roof Replacement - 3 Bldg	222,656	0	(222,656)	222,656	0	(222,656)	1,707,750
F826 Security Equipment - Vehi	0	0	0	0	0	0	36,225
F827 Retaining Walls - 2 small	0	12,420	12,420	0	12,420	12,420	24,840
F828 Retaining Walls - 1 Large	0	0	0	0	0	0	103,500
F829 Concrete repairs/handrail	16,666	22,192	5,526	17,491	82,703	65,212	238,050
F830 Evaporative Coolers	0	10,350	10,350	0	10,350	10,350	20,700
F831 Water Heaters	0	41,400	41,400	0	41,400	41,400	82,800
F832 Eng. Spec. Contractors -	0	12,000	12,000	0	12,000	12,000	25,875
F833 Eng. Spec. Contractors -	0	12,000	12,000	0	12,000	12,000	25,875
F834 Plumbing Infrastructure I	0	0	0	0	0	0	150,000
F835 Fire Main Replacement	0	5,175	5,175	0	5,175	5,175	36,225
F836 Water Wise	2,499	12,938	10,439	22,491	25,875	3,384	51,750
F837 Atrium Xeriscape	0	0	0	0	0	0	72,450
F838 Parking Structure Mainten	0	0	0	0	0	0	1,004,392
F839 Parking Slab Coating	0	8,871	8,871	0	8,871	8,871	62,100
F840 Access Control - 1 buildi	0	5,175	5,175	0	10,350	10,350	46,575
F841 Boiler Renovation - 2 eac	0	24,840	24,840	0	24,840	24,840	124,200
F842 Contingency Projects	0	0	0	0	0	0	310,500
F842.1 R&G Debris Holder	0	0	0	10,881	0	(10,881)	0
F842.2 B241 Emergency Elevator R	0	0	0	14,057	0	(14,057)	0
TOTAL EXPENSES	259,929	312,995	53,066	572,589	936,852	364,263	5,382,929
GROSS SURPLUS (DEFICIT)	119,143	47,877	71,266	1,290,011	861,048	428,963	(1,059,935)
BALANCE TO CASH (A107)							
A302 Cap Imprv Reserve	0	0	0	5,047,448	0	(5,047,448)	0
ADD: Cap Reserve Revenue	379,073	360,872	(18,201)	1,862,600	1,797,900	(64,700)	4,322,994
LESS: Cap Reserve Expens	(259,929)	(312,995)	(53,066)	(572,589)	(936,852)	(364,263)	(5,382,929)
Int Rec CDs & Annuities	7,505	0	(7,505)	87,262	0	(87,262)	0
TOTAL BALANCE TO CASH	126,649	47,877	(78,772)	6,424,722	861,048	(5,563,674)	(1,059,935)

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
INSURANCE PROCEEDS	_____	_____	_____	_____	_____	_____	_____
TOTAL INSURANCE PROCEEDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET INSURANCE CLAIM	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET	
CUSTODIAL SERVICES								
WAGES/BENEFITS								
J500	Salaries - FTP	29,289	29,499	210	152,770	150,788	(1,982)	355,155
J510	Salaries - Part Time	4,380	6,363	1,984	22,021	33,343	11,321	77,884
J520	Salaries - Overtime	707	410	(297)	2,495	3,164	669	8,072
J540	Taxes - Payroll	3,215	3,896	680	16,824	20,430	3,606	42,951
J550	Retirement Expense	90	200	109	451	1,022	571	2,418
J553	Insurance - Personnel	2,218	2,528	310	11,089	12,639	1,550	31,850
J574	Recruit / Train / Service	0	210	210	520	1,240	720	2,710
J580	PEO Administration	1,282	524	(759)	5,274	2,618	(2,657)	6,282
J588	Workers Comp Insurance	0	454	454	0	2,272	2,272	5,452
	TOTAL WAGES/BENEFITS	41,181	44,083	2,902	211,445	227,515	16,070	532,773
J675.2	Salary Charge Out - Opera	(11,259)	(11,089)	170	(51,852)	(54,683)	(2,831)	(132,022)
J675.2	Salary Charge from CH	2,066	2,036	(30)	10,063	9,917	(146)	23,971
	NET WAGES/BENEFITS	31,989	35,030	3,042	169,656	182,749	13,093	424,723
OPERATING EXPENSES								
J621	Fuel Expense	16	0	(16)	404	410	7	908
J621.1	Mileage Reimbursement	420	500	80	2,011	2,500	489	6,000
J639	Software & IT	65	60	(5)	317	300	(17)	720
J645	Uniforms	4,548	3,800	(748)	4,648	3,800	(848)	3,800
J680	Radio Communication	0	29	29	0	145	145	348
J683	Repairs - Equipment	705	254	(451)	2,568	1,270	(1,298)	3,048
J684	Supplies	1,989	3,750	1,761	13,973	18,750	4,777	45,000
J691	Licenses	0	0	0	0	0	0	130
J699	Window Cleaning	0	0	0	7,740	8,000	260	12,000
	TOTAL OPERATING EXPENSES	7,744	8,393	649	31,660	35,175	3,515	71,954
	TOTAL CUSTODIAL SERVICES	39,732	43,423	3,691	201,316	217,924	16,608	496,677

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET	
CONTRACTS								
WAGES/BENEFITS								
K500	Salaries - FT	15,105	20,613	5,508	83,289	105,390	22,101	253,532
K540	Taxes - Payroll	1,192	1,670	478	7,200	9,806	2,607	22,169
K550	Retirement Expense	712	886	174	3,526	4,532	1,006	10,653
K553	Insurance - Personne	1,056	1,844	788	5,277	9,219	3,942	23,232
K574	Recruiting, Training Serv	0	50	50	88	250	162	600
K580	PEO Administration	362	86	(276)	1,708	430	(1,278)	1,031
K588	Workers Comp Insurance	0	78	78	0	390	390	936
	TOTAL WAGES/BENEFITS	18,427	25,227	6,800	101,087	130,017	28,930	312,154
	NET WAGES/BENEFITS	18,427	25,227	6,800	101,087	130,017	28,930	312,154
OPERATING EXPENSES								
K621.1	Mileage Reimbursement	159	85	(74)	457	425	(32)	1,023
K639	Software & IT	243	225	(18)	1,010	1,125	115	2,700
K645	Uniforms	394	500	106	394	500	106	500
K662	Office Supplies	86	125	39	450	625	175	3,000
	TOTAL OPERATING EXPENSES	882	935	53	2,310	2,675	365	7,223
	TOTAL CONTRACTS EXPENSES	19,309	26,162	6,853	103,397	132,692	29,295	319,377

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
MAINTENANCE							
WAGES/BENEFITS							
M500 Salaries - FTP	97,145	112,730	15,586	540,513	575,896	35,383	1,357,506
M520 Salaries - Overtime	2,232	3,763	1,531	9,906	13,951	4,045	37,794
M540 Taxes - Payroll	8,356	9,750	1,395	49,354	56,245	6,890	124,290
M550 Retirement Expense	2,561	3,611	1,050	12,667	18,285	5,618	43,254
M553 Insurance - Personnel	8,163	13,158	4,995	45,266	65,788	20,523	165,786
M574 Recruit/Train/Services	875	1,424	549	3,846	7,119	3,273	17,086
M580 PEO Administration	3,074	1,069	(2,005)	13,747	5,343	(8,404)	12,823
M588 Workers Comp Insurance	0	904	904	0	4,520	4,520	10,847
TOTAL WAGES/BENEFITS	122,406	146,409	24,003	675,299	747,146	71,847	1,769,387
M675.2 Salary Charge Out - Opera	(4,824)	(6,240)	(1,416)	(28,732)	(35,317)	(6,585)	(99,675)
M675.3 Salary Charge Out-Residen	(5,589)	(6,423)	(834)	(25,366)	(32,115)	(6,748)	(77,075)
NET WAGES/BENEFITS	111,993	133,746	21,753	621,201	679,715	58,514	1,592,637
OPERATING EXPENSES							
M621 Fuel Expense	456	250	(206)	1,990	1,789	(200)	4,075
M621.1 Mileage Reimbursement	1,816	2,300	484	9,099	11,500	2,401	27,600
M639 Software & IT	2,657	3,200	543	13,410	16,000	2,590	38,400
M640 Electric	311	302	(9)	1,828	1,729	(99)	4,237
M643 Gas	10	81	71	1,135	982	(153)	2,066
M644 Elevator	10,674	15,000	4,326	76,227	75,000	(1,227)	180,000
M645 Uniforms	11,470	11,500	30	11,562	11,500	(62)	13,000
M646 Maintenance Shop Repairs	788	1,466	678	5,501	7,330	1,829	17,592
M654 Lamp Replacement	629	1,200	571	2,769	6,800	4,031	15,800
m662 Office Supplies	398	2,500	2,102	2,135	9,000	6,865	17,400
M665 Rent - Equipment	0	1,000	1,000	0	1,000	1,000	1,000
M671 Outside Contractors - Mis	0	2,200	2,200	0	7,825	7,825	18,625
M671.1 Glass Replacement	3,708	3,000	(708)	34,780	16,000	(18,780)	35,000
M671.3 Boiler/HVAC Repairs	1,177	1,200	23	1,177	1,200	23	7,200
M671.4 Roof Repairs	0	0	0	0	0	0	7,500
M671.5 Electrical	0	2,500	2,500	0	12,500	12,500	30,000
M671.6 Concrete Repairs	0	2,000	2,000	0	2,000	2,000	8,000
M671.7 Siding Repairs	0	0	0	0	0	0	3,000
M671.8 Sewer/Plumbing	820	8,000	7,180	19,470	42,000	22,530	100,000
M672 Door Repair	0	1,250	1,250	7,038	6,250	(788)	15,000
M680 Radio Communications	62	140	78	249	700	451	1,680
M683 Repairs - Equipment	1,274	330	(944)	3,367	1,650	(1,717)	4,000
M684 Supplies - Misc	3,926	2,160	(1,766)	17,174	10,800	(6,374)	26,000
M684.1 HVAC/Plumbing	11,234	16,800	5,566	72,027	83,500	11,473	155,100
M684.2 Electrical	1,188	2,300	1,112	10,662	11,700	1,038	28,000
M684.3 Hardware/Fasteners	0	750	750	940	1,950	1,010	4,200
M684.4 Safety Equipment	78	0	(78)	409	2,000	1,591	4,000
M684.5 Doors & Door Hardware	2,196	2,200	4	19,402	11,000	(8,402)	26,400
M684.6 Roof & Sealant Materials	134	100	(34)	521	600	79	10,000
M684.7 Chemicals	5,470	5,500	30	22,627	24,500	1,873	73,000
M684.8 Tools	0	900	900	2,580	4,500	1,920	10,800
M684.9 Billable Supplies	(3,579)	(3,825)	(246)	(16,963)	(19,126)	(2,163)	(45,902)
M685 TV Repairs	97	300	203	97	1,500	1,403	3,600
M690 ROU Equip Leases	226	0	(226)	1,132	0	(1,132)	0
M691 Licenses	174	1,000	826	7,237	10,500	3,263	47,500
M694 Trash Removal	10,160	9,500	(660)	55,818	47,500	(8,318)	114,000
TOTAL OPERATING EXPENSES	67,554	97,104	29,550	385,400	423,680	38,279	1,007,872
TOTAL MAINTENANCE EXPENSE	179,546	230,850	51,304	1,006,601	1,103,395	96,793	2,600,509

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET	
ADMINISTRATION								
WAGES/BENEFITS								
O500	Salaries - FTP	85,553	81,563	(3,990)	361,109	388,731	27,622	911,730
O520	Salaries - Overtime	233	650	417	1,238	3,250	2,012	7,800
O540	Taxes - Payroll	6,981	6,512	(469)	30,935	36,481	5,546	76,431
O550	Retirement Expense	2,458	2,864	406	12,263	14,635	2,373	34,417
O553	Insurance - Personnel	4,112	5,881	1,769	20,320	29,405	9,085	74,100
O574	Recruit/Train/Services	298	1,200	902	387	6,000	5,613	14,400
O580	PEO Administration	1,412	500	(912)	3,770	2,498	(1,272)	5,996
O588	Workers Comp Insurance	0	647	647	(1,383)	3,235	4,618	7,763
	TOTAL WAGES/BENEFITS	101,047	99,817	(1,230)	428,638	484,235	55,597	1,132,636
O675.2	Salary Charge Out	0	0	0	66	232	166	655
	NET WAGES/BENEFITS	101,047	99,817	(1,230)	428,704	484,467	55,763	1,133,292
OPERATING EXPENSES								
O639	Software and Internet Fee	1,797	1,038	(759)	12,870	13,477	607	27,244
O639.5	IT Services	3,837	3,300	(537)	13,925	16,500	2,575	39,600
O656	Professional Services	11,050	10,950	(100)	62,250	62,150	(100)	64,250
O659	Miscellaneous	0	215	215	0	1,075	1,075	2,580
O661	Administrative Expense	509	550	41	2,378	3,050	672	7,350
O662	Office Supplies & Postage	4,017	3,778	(239)	12,202	15,341	3,139	34,202
O663	Publications	0	0	0	5,032	7,000	1,968	7,000
O689	Telephone Expense	3,593	2,681	(912)	13,748	13,407	(342)	32,176
O690	ROU Equip Leases	631	669	38	3,359	4,075	716	9,488
O695	Marketing	0	0	0	3,300	3,325	25	3,325
	TOTAL OPERATING EXPENSES	25,434	23,181	(2,253)	129,064	139,400	10,336	227,215
	TOTAL ADMINISTRATIVE EXPE	126,481	122,999	(3,483)	557,768	623,867	66,099	1,360,507

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET
PAINTING							
WAGES/BENEFITS							
P500 Salaries - FTP	20,177	20,711	534	105,481	105,849	368	249,256
P520 Salaries - Overtime	37	100	63	97	100	3	600
P540 Taxes - Payroll	1,755	1,883	128	9,582	10,464	882	22,565
P550 Retirement Expense	365	323	(42)	1,891	1,642	(249)	3,873
P553 Insurance - Personnel	1,663	1,202	(461)	8,316	6,010	(2,306)	15,146
P574 Recruit/Train/Services	0	100	100	222	200	(22)	300
P580 PEO Administration	664	227	(436)	2,800	1,137	(1,663)	2,729
P588 Workers Comp Insurance	0	302	302	0	1,508	1,508	3,618
TOTAL WAGES/BENEFITS	24,661	24,847	187	128,389	126,910	(1,479)	298,086
P675.2 Salary Charge Out - Opera	0	0	0	(886)	0	886	0
NET WAGES/BENEFITS	24,661	24,847	187	127,503	126,910	(593)	298,086
OPERATING EXPENSES							
P621 Fuel Expense	112	178	66	637	1,074	437	2,300
P621.1 Mileage Reimbursement	0	38	38	0	190	190	456
P639 Software & IT	78	85	7	379	425	46	1,020
P645 Uniforms	1,292	1,300	8	1,682	1,800	118	3,600
P680 Radio Communications	0	0	0	0	0	0	800
P683 Repairs - Equipment	0	0	0	384	950	566	2,800
P684 Supplies	9,047	4,700	(4,347)	23,911	23,500	(411)	56,400
P689 Telephone Expense	0	25	25	0	125	125	300
P691 Licenses	143	0	(143)	348	455	107	455
TOTAL OPERATING EXPENSES	10,672	6,326	(4,346)	27,341	28,519	1,178	68,131
TOTAL PAINTING EXPENSES	35,333	31,173	(4,160)	154,844	155,428	584	366,217

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET	
ROADS & GROUNDS								
WAGES/BENEFITS								
R500	Salaries - FTP	67,021	62,075	(4,946)	326,347	317,147	(9,200)	748,509
R510	Salaries - Part Time	2,615	3,128	513	2,615	5,848	3,233	31,072
R520	Salaries - Overtime	495	300	(195)	2,503	6,813	4,311	17,370
R540	Taxes - Payroll	6,116	5,928	(188)	30,222	32,023	1,800	72,196
R550	Retirement Expense	967	1,376	408	4,622	6,926	2,304	16,736
R553	Insurance - Personnel	6,358	6,281	(77)	28,807	31,406	2,600	79,144
R574	Recruit/Train/Services	0	375	375	609	1,875	1,266	4,500
R575	Employee Incentive	0	0	0	70	0	(70)	0
R580	PEO Administration	2,182	676	(1,506)	8,604	3,381	(5,223)	8,114
R588	Workers Comp Insurance	0	531	531	0	2,657	2,657	6,376
	TOTAL WAGES/BENEFITS	85,755	80,670	(5,085)	404,400	408,076	3,676	984,017
R675.2	Salary Charge Out-Operati	(6,625)	(515)	6,111	(7,375)	(4,007)	3,368	(8,748)
	NET WAGES/BENEFITS	79,130	80,155	1,026	397,025	404,069	7,044	975,268
OPERATING EXPENSES								
R621	Fuel Expense	2,030	1,748	(283)	9,252	10,296	1,044	26,237
R635	Tree & Shrub Replacement	0	0	0	0	0	0	5,500
R639	Software & IT	353	264	(89)	1,659	2,036	377	3,926
R640	Electric	221	227	6	1,371	1,310	(61)	3,191
R643	Gas	7	61	53	852	737	(115)	1,549
R645	Uniforms	8,997	9,200	203	9,909	10,000	91	10,000
R647	Extermination	1,000	1,000	0	5,000	5,000	0	12,000
R665	Rent - Equipment	0	0	0	349	1,500	1,151	6,000
R670	Asphalt Repairs	0	0	0	0	0	0	4,200
R671	Outside - Contractors	15,800	11,877	(3,923)	18,264	19,282	1,018	38,385
R680	Radio Communications	0	0	0	0	400	400	800
R682	Snow Removal Supplies	0	0	0	21,622	20,855	(767)	33,355
R683	Repairs - Equipment	412	3,079	2,667	3,851	13,765	9,914	33,765
R684	Supplies	4,105	4,310	205	29,444	25,363	(4,081)	61,363
R684.1	Irrigation - Supplies	2,002	3,524	1,522	5,928	8,888	2,960	20,388
R689	Telephone Expense	89	70	(19)	522	350	(172)	840
R691	Licenses	776	822	46	1,127	3,844	2,717	4,544
R694	Trash Removal	3,816	1,904	(1,912)	21,502	8,089	(13,413)	26,589
	TOTAL OPERATING EXPENSES	39,608	38,085	(1,523)	130,652	131,714	1,062	292,632
	TOTAL ROADS & GROUNDS EXP	118,738	118,240	(498)	527,677	535,784	8,106	1,267,900

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	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE	ANNUAL BUDGET	
SECURITY								
WAGES/BENEFITS								
S500	Salaries - FTP	39,064	38,454	(610)	165,988	193,540	27,553	459,722
S520	Salaries - Overtime	803	206	(597)	4,068	3,681	(387)	7,168
S540	Taxes - Payroll	3,273	3,383	109	15,805	19,492	3,687	43,020
S550	Retirement Expense	470	926	456	2,588	4,678	2,090	11,084
S553	Insurance - Personnel	3,263	5,459	2,196	15,812	27,294	11,482	68,780
S560	Employee Incentive	1,175	850	(325)	4,454	4,250	(204)	10,200
S574	Recruit/Train/Services	0	167	167	268	3,408	3,141	7,500
S580	PEO Administration	1,109	365	(743)	4,126	1,827	(2,299)	4,385
S588	Workers Comp Insurance	0	257	257	0	1,286	1,286	3,087
	TOTAL WAGES/BENEFITS	49,157	50,067	909	213,109	259,457	46,348	614,945
OPERATING EXPENSES								
S621	Fuel Expense	645	528	(117)	2,991	3,465	473	8,389
S639	Software & IT	793	750	(43)	3,904	3,750	(154)	9,000
S645	Uniforms	1,499	1,750	251	3,207	3,600	393	7,500
S659	Miscellaneous	0	140	140	0	700	700	1,680
S680	Radio Communications	0	125	125	0	625	625	1,500
S683	Repairs - Equipment	0	300	300	800	1,500	700	3,600
S684	Supplies	43	300	257	461	1,500	1,039	4,850
S689	Telephone Expense	270	280	11	1,348	1,400	53	3,360
S691	Licenses	0	0	0	0	0	0	1,200
	TOTAL OPERATING EXPENSES	3,250	4,173	923	12,710	16,540	3,829	41,079
	TOTAL SECURITY EXPEN	52,408	54,240	1,832	225,819	275,996	50,177	656,025

HEATHER GARDENS METROPOLITAN DISTRICT

Budget Exceptions Report

Through: 5/31/2023

	YTD ACTUAL	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	% Variance from Budget	Annual Budget	% of Annual Budget Spent
Total Revenue	\$ 1,580,668	\$ 1,594,153	\$ (13,485)	-0.8%	\$ 3,705,026	43%
Cost of Goods Sold	\$ 79,626	\$ 91,058	\$ 11,432	12.6%	\$ 234,140	34%
Gross Profit	\$ 1,501,042	\$ 1,503,095	\$ (2,053)	-0.1%	\$ 3,470,886	
Operating Expenses	\$ 1,014,766	\$ 1,111,035	\$ 96,269	8.7%	\$ 3,009,041	34%
Net Operating Income/(Loss)	\$ 486,276	\$ 392,060	\$ 94,216		\$ 461,845	
Capital Improvements Exp	\$ 58,990	\$ 43,000	\$ (15,990)	-37.2%	\$ 822,414	7%
Non-Operating (Inc)/Exp	\$ -	\$ -	\$ -		\$ -	
Net Surplus/(Loss)	\$ 427,286	\$ 349,060	\$ 78,226		\$ (360,569)	

Executive Summary

Club House

Revenue	\$ 66,993	\$ 82,771	\$ (15,778)	-19.1%	\$ 196,479	34%
Expenses	\$ 317,790	\$ 362,722	\$ 44,930	12.4%	\$ 881,232	36%
Net Subsidy	\$ (250,797)	\$ (279,951)	\$ 29,152		\$ (684,753)	

Golf

Revenue	\$ 129,473	\$ 126,910	\$ 2,563	2.0%	\$ 504,624	26%
Expenses	\$ 253,881	\$ 282,552	\$ 28,670	10.1%	\$ 760,610	33%
Net Subsidy	\$ (124,408)	\$ (155,642)	\$ 31,233		\$ (255,986)	

Restaurant

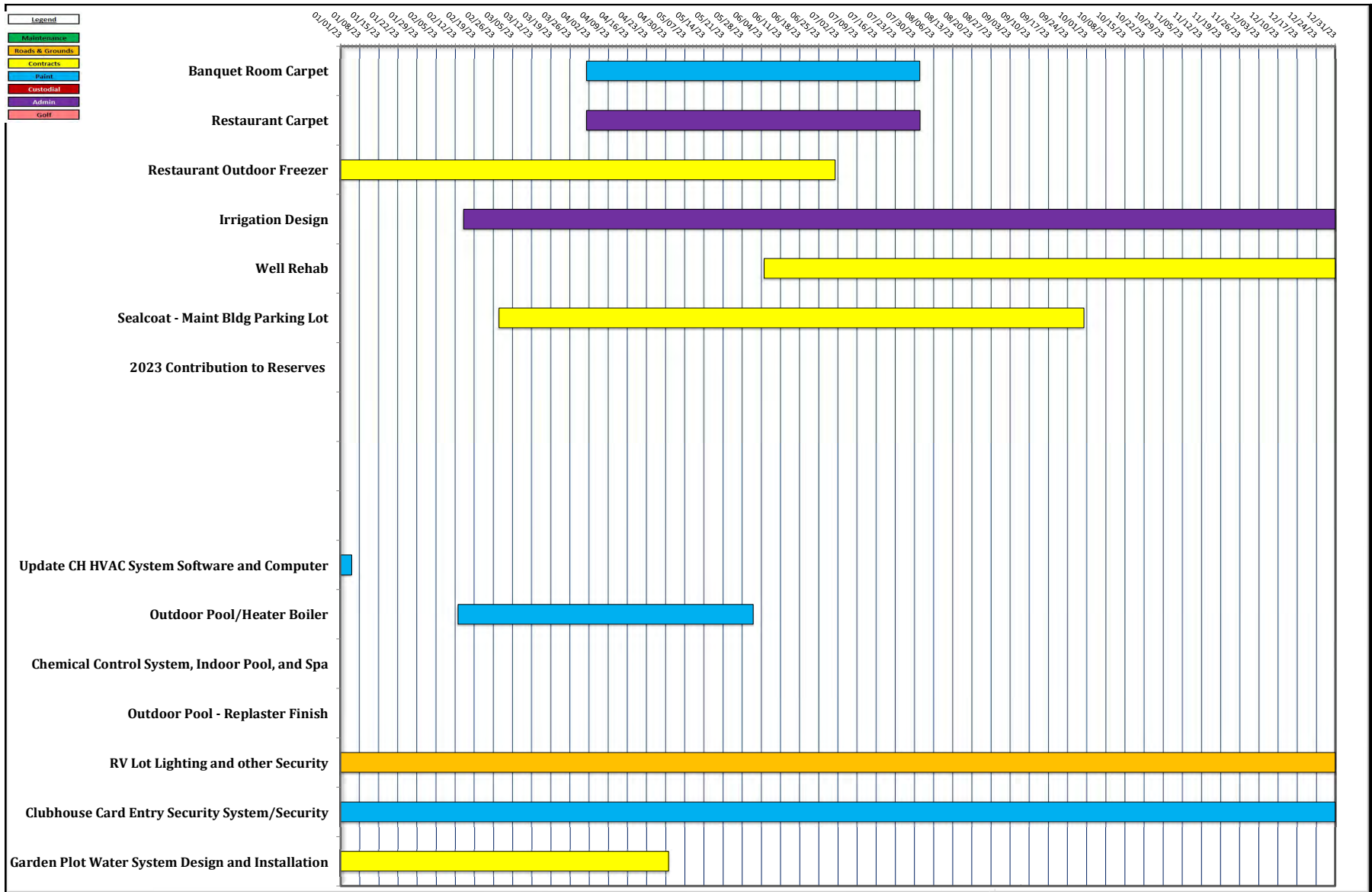
Revenue	\$ 228,517	\$ 266,583	\$ (38,066)	-14.3%	\$ 675,363	34%
Cost of Goods Sold	\$ 74,731	\$ 85,700	\$ 10,969	12.8%	\$ 216,506	35%
Gross Profit	\$ 153,786	\$ 180,883	\$ (27,097)	-15.0%	\$ 458,857	
Expenses	\$ 201,539	\$ 232,745	\$ 31,206	13.4%	\$ 562,957	36%
Net Subsidy	\$ (47,753)	\$ (51,862)	\$ 4,109		\$ (104,100)	

Restricted Funds	Total		Net	Cash Balance
	Total Revenue	Expenses	Surplus/(Loss)	
Conservation Trust Fund	\$ 6,784	\$ 6,656	\$ 128	\$ 149,863
Debt Service Fund	\$ 375,510	\$ 128,775	\$ 246,735	\$ 496,120
Foundation Fund	\$ 2,933	\$ 2,709	\$ 224	\$ 189,187

HGMD MONTHLY CAPITAL RESERVE REPORT FOR PERIOD ENDING:

May 2023

STATUS	PROJECT OWNER	DEPT.	2023 APPROVED PROJECTS	ACCT	2023	2023	% VAR	START DATE	FINISH DATE	#DAYS	2023 INVOICES PAID	+/-	%	TOTAL	PROJECT
					APPROVED BUDGET AMOUNT	SIGNED CONTRACT AMOUNT						SIGNED CONTRACT AMOUNT	VAR FROM CONTRACT	UNDER / (OVER) BUDGET	
					A	B					D	B-C-D	A-C-D		
In Process	Cormac	Restaurant	Banquet Room Carpet	D601	\$11,966		-100%	04/01/23	08/01/23	122		\$0	#DIV/0!	\$11,966	6/5/23 - Received pricing from Affordable Floors and Carpet Exchange. We are waiting on pricing from Carpet One.
In Process	Cormac	Restaurant	Restaurant Carpet	D601	\$11,194		-100%	04/01/23	08/01/23	122		\$0	#DIV/0!	\$11,194	6/5/23 - Received pricing from Affordable Floors and Carpet Exchange. We are waiting on pricing from Carpet One.
In Process	Cormac	Restaurant	Restaurant Outdoor Freezer	D601	\$30,000		-100%	01/01/23	07/01/23	181		\$0	#DIV/0!	\$30,000	5/24/23 - Sent completed HGMD Cap Ex and bids to Evelyn to determine approval process.
In Process	Brian/Greg	Golf	Irrigation Design	D601	\$13,031		-100%	02/15/23	12/31/23	319	\$5,000	(\$5,000)	#DIV/0!	\$8,031	2/3/23 - Researching
not-started	Brian/Greg	Golf	Well Rehab	D601	\$115,408		-100%	06/05/23	12/31/23	209		\$0	#DIV/0!	\$115,408	6/5/23 - L&G to discuss scope with Golf Pro
In Process	Don	Maint Bldg	Sealcoat - Maint Bldg Parking Lot	D601	\$35,000		-100%	02/28/23	09/30/23	214		\$0	#DIV/0!	\$35,000	5/24/23 - Sent completed HGMD Cap Ex and bids to Evelyn to determine approval process.
TOTAL 2023 FUNDED PROJECTS					\$216,599	\$0					\$5,000	(\$5,000)	#DIV/0!	\$211,599	
<i>2023 CONTINGENCY PROJECTS Future event or circumstance which is possible, but cannot be predicted with certainty</i>															
not-started	Management	Management	2023 Contribution to Reserves	D601	\$340,159					0		\$0	#DIV/0!	\$340,159	
										0		\$0	#DIV/0!	\$0	
					\$340,159	\$0					\$0	\$0	#DIV/0!	\$340,159	
TOTAL CAPITAL RESERVE FUNDS					\$556,758	\$0					\$5,000	(\$5,000)	#DIV/0!	\$551,758	
2022 PROJECTS TO BE COMPLETED IN 2023															
Completed	Jon H	Clubhouse	Update CH HVAC System Software and Computer	D601.2	\$5,395	\$5,395	0%	01/01/23	01/05/23	4	\$5,395	\$0	0%	\$ -	
Completed	Jon H	Clubhouse	Outdoor Pool/Heater Boiler	D601.2	\$22,880	\$22,880	0%	02/13/23	06/01/23	108	\$22,880	\$0	0%	\$ -	
not-started	Jon H	Clubhouse	Chemical Control System, Indoor Pool, and Spa	D601.2	\$17,361		-100%			0		\$0	#DIV/0!	\$ 17,361	
not-started	Jon H	Clubhouse	Outdoor Pool - Replaster Finish	D601.2	\$60,020		-100%			0		\$0	#DIV/0!	\$ 60,020	
In Process	Don	Admin.	RV Lot Lighting and other Security	D601.2	\$50,000		-100%	01/01/23	12/31/23	364		\$0	#DIV/0!	\$ 50,000	4/15/23 - Met with Securitas, ADP, Dark Horse and J7. We are waiting on pricing.
In Process	Don	Clubhouse	Clubhouse Card Entry Security System/Security	D601.2	\$80,000		-100%	01/01/23	12/31/23	364		\$0	#DIV/0!	\$ 80,000	4/15/23 - Waiting on pricing from Securitas, Dark Horse, ADP and J7.
In Process	Matt	Admin.	Garden Plot Water System Design and Installation	D601.2	\$30,000	\$28,258	-6%	01/01/23	05/01/23	120	\$25,715	\$2,543	-9%	\$4,285	5/2/23 - waiting on the contractor to complete the punchlist.
TOTAL PRIOR YEAR PROJECTS					\$265,656	\$56,533					\$53,990	\$2,543	-4%	\$211,666	
GRAND TOTAL PER BUDGET					\$822,414	\$56,533					\$58,990	(\$2,457)	4%	\$763,424	
PROJECTS TARGETED FOR COMPLETION IN 2023															
TOTAL PRIOR YEAR PROJECTS NOT BUDGETED IN 2023					\$0	\$0					\$0	\$0		\$0	
PROJECTS FUNDED BY THE CONSERVATION FUND															
In Process	Montrell	Pools	Pool Water Filter - (reimbursed through Conservation Fund)	D566	\$55,000		-100%	05/30/23	12/31/23	215		\$0	#DIV/0!	\$55,000	6/6/23 - collecting pricing
TOTAL PROJECTS FUNDED BY THE CONSERVATION FUND					\$55,000	\$0					\$0	\$0		\$55,000	
GRAND TOTAL					\$877,414	\$56,533					\$58,990	(\$2,457)		\$818,424	



**HEATHER GARDENS FOUNDATIONS
FOUNDATION DONATION SUMMARY
1/1/2023 - 5/31/2023**

Description	General	Roads & Grounds	Club House	Golf	Trees	Totals
Balance at beginning of January	170,246.99	324.50	425.70	40.00	15,217.59	186,254.78
Donations for Jan 2023	290.00					290.00
Jan Interest Income on US Treasury Bills and Notes	305.32					305.32
Donations for Feb 2023	50.00					50.00
Feb Interest Income on US Treasury Bills and Notes	341.21					341.21
Donations for Mar 2023	225.00					225.00
Mar Interest Income on US Treasury Bills and Notes	377.76					377.76
Donations for Apr 2023	600.00					600.00
Apr Interest Income on US Treasury Bills and Notes	365.57					365.57
Donations for May 2023	0.00					0.00
May Interest Income on US Treasury Bills and Notes	377.76					377.76
May Expenses - Soil and sod for Clubhouse and Yale Ave.	-2,709.29					-2,709.29
Balance at end of the month 5/31/2023	170,470.32	324.50	425.70	40.00	15,217.59	186,478.11

RECONCILIATION TO GL

D103.5 Foundation Checking Account - May 2023	\$ 38,610.64
Add Bond Discount Amortization	761.62
D106.1/D106.11 Foundation Investment Accounts - May 2023	\$ 149,815.14
D121 Owed to the Foundation from MD	
D121 Owed to MD from the Foundation	\$ (2,709.29)
	<u>\$ 186,478.11</u>

Heather Gardens Metropolitan District
Summary of Investments/Restricted Cash Accounts
05/31/23

Bank	Yield	Maturity	Interest Paid	Principal	Monthly Interest	Fund	Account
Foundation							
US Treasury Bills	4.577%	1/25/2024	Maturity	\$ 48,555	\$ 183.85	Foundation	D106.1/D106.11/D106.12
US Treasury Notes 0.125% Coupons	2.413%	6/30/2023	Semi Annual	\$ 99,815	\$ 102.79	Foundation	D106.1/D106.11/D106.12
Foundation - checking				\$ 38,611		Foundation	D103.5
				<u>\$ 186,981</u>	<u>\$ 286.65</u>		
Key Bank - Conservation Trust Fund/Lottery			Monthly	\$ 149,863	\$ 50.00	Conservation	D104
US Treasury Notes 2.125% Coupons	2.870%	7/31/2024	Semi Annual	\$ 246,396	\$ 592.86	Enterprise	D106
Fed Farm Credit Bank Bonds	3.375%	8/26/2024	Semi Annual	\$ 249,785	\$ 702.52	Enterprise	D106
US Treasury Notes 3.00% Coupons	3.00%	7/31/2024	Semi Annual	\$ 250,000	\$ 625.00	Enterprise	D106
Net Inc/(Decr) in FMV of Investments	(1)			<u>\$ (16,791)</u>			D106.01
				<u>\$ 729,390</u>	<u>\$ 1,920.38</u>		
Zion Bank - Cash Account for Bond P&I				\$ 497,965		Bond P&I	D108.2/D108.21
KeyBanc Capital Mkts - Money Market							
Federated Hermis Govt Oblig SS	4.68%	N/A	Monthly	\$ 1,462,148	\$ 4,297.15	Enterprise	D103
Total Investments/Restricted Cash Accounts				<u><u>\$ 3,026,347</u></u>	<u><u>\$ 2,257.02</u></u>		

(1) - The Enterprise investments are held to maturity. Because the investments are considered LT, we are required to report them at market value. The net increase or decrease in fair market value will be eliminated at maturity. Adjustment will be made at the end of the year.

2888 So Heather Gardens Way
Aurora CO 80014

	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
REVENUE							
D503 Conservation Trust (Lottery)	0	0	0	6,536	5,500	1,036	20,075
D504 Interest Income	7,276	130	7,146	26,461	650	25,811	1,560
D504.2 2010 Bond Restr Interest	1,845	28	1,817	5,045	140	4,905	336
D504.3 Interest Income Lottery	51	1	50	248	5	243	12
D505 Recreation Fee Income	144,986	144,948	38	724,671	724,740	(69)	1,739,378
Restaurant Income	49,663	62,460	(12,798)	228,516	266,583	(38,067)	675,363
D507 Golf Fees Daily	41,395	40,691	704	89,031	90,689	(1,658)	346,760
D507.1 Golf Simulator	60	30	30	2,120	970	1,150	1,393
D509.2 Golf Disc - 40 Play	2,741	1,060	1,682	6,011	2,754	3,256	19,735
D511 Golf Cart Rental Income	10,026	9,715	311	19,546	19,161	385	83,432
D511.1 Golf Merchandise	3,275	3,479	(204)	7,798	9,331	(1,533)	30,711
D511.2 Golf Lesson	455	1,001	(546)	2,815	2,651	164	8,893
D511.3 Golf Bag Storage	80	0	80	280	0	280	7,970
D511.4 Golf Pull Cart	832	638	194	1,872	1,353	519	5,730
D512 CH Building Rentals	2,633	1,428	1,205	10,985	11,399	(414)	25,185
D513 Events	1,789	2,639	(850)	10,856	13,195	(2,339)	31,668
D513.1 Trips Revenue	1,994	3,025	(1,031)	4,235	15,125	(10,890)	36,300
D514 RV Lot Income	0	0	0	15,953	16,000	(47)	32,000
D514.1 Garden Plot Income	35	0	35	2,710	2,450	260	2,450
D515 Classes	6,984	8,360	(1,376)	39,939	41,802	(1,863)	100,326
D515.1 Donation Revenue	0	0	0	1,165	0	1,165	0
D515.3 Interest Income - Foundation	378	0	378	1,768	0	1,768	0
D516 Miscellaneous Revenue	10	0	10	665	0	665	0
D516.1 Coffee Revenue	190	250	(60)	978	1,250	(272)	3,000
D517 Property Tax Revenue	113,613	113,421	192	357,195	356,319	876	503,745
D518 Specific Ownership Tax Revenue	2,595	2,417	178	13,270	12,085	1,185	29,004
TOTAL REVENUE	392,906	395,721	(2,815)	1,580,668	1,594,153	(13,485)	3,705,027
D590 Cost of Goods Sold	18,204	22,324	4,120	79,626	91,058	11,432	234,140
GROSS PROFIT	374,702	373,397	1,304	1,501,042	1,503,095	(2,053)	3,470,886
OPERATING EXPENSES							
D519 Zion Bank Payee Fee	0	0	0	900	1,000	100	1,000
D520 Debt Service Interest	24,683	24,683	0	123,417	123,415	(2)	295,230
D522 Services - Insurance	4,651	4,882	230	23,257	24,409	1,152	58,581
D523 Services - Audit	2,200	2,200	0	36,000	36,000	0	36,000
D524 Services - Professional	15,409	4,000	(11,409)	21,697	20,000	(1,697)	48,000
D525 County Collection Fee	1,704	1,911	207	5,358	5,649	291	7,855
D525.1 Election Expense	8,095	9,751	1,657	21,324	25,000	3,676	25,000
D526 Miscellaneous Expense	1,565	200	(1,365)	2,319	1,000	(1,319)	2,400
D526.1 SDA Membership Dues	0	0	0	1,238	1,250	13	1,250
D550 Club House Expenses	63,518	69,543	6,025	317,790	362,723	44,933	881,231
D555 Golf Course Expenses	59,724	74,407	14,683	248,986	277,194	28,208	742,978
D557 Restaurant Expenses	44,691	49,751	5,060	201,539	232,745	31,206	562,956
D560 RV Lot Expenses	89	105	16	1,576	525	(1,051)	1,260
D565 Garden Plot Expenses	0	25	25	0	125	125	300
D566 Conservation Expenses	0	0	0	6,656	0	(6,656)	55,000
D601 Capital Outlay	5,000	0	(5,000)	5,000	0	(5,000)	556,758
D601.2 2022 Cap Carry Foward Projects	5,720	0	(5,720)	53,990	43,000	(10,990)	265,656
D620 Foundation Expense	2,709	0	(2,709)	2,709	0	(2,709)	0
D700 Bond Principal Payment	0	0	0	0	0	0	290,000
TOTAL OPERATING EXPENSES	239,758	241,458	1,700	1,073,756	1,154,035	80,279	3,831,455
NET OPERATING REVENUE/EXPENSE	134,944	131,939	3,005	427,286	349,060	78,227	(360,569)
NET REVENUE EXPENSE	134,944	131,939	3,005	427,286	349,060	78,227	(360,569)

2888 So Heather Gardens Way
Aurora CO 80014

	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
ENTERPRISE FUND							
REVENUE							
D504 Bnk Intrst Rsv Acct	7,276	130	7,146	26,461	650	25,811	1,560
D505 Rec Fee Income	144,986	144,948	38	724,671	724,740	(69)	1,739,378
Restaurant Income	49,663	62,460	(12,798)	228,516	266,583	(38,067)	675,363
D507 Golf Fees Daily	41,395	40,691	704	89,031	90,689	(1,658)	346,760
D507.1 Golf Simulator	60	30	30	2,120	970	1,150	1,393
D509.2 Golf Disc - 40 Play	2,741	1,060	1,682	6,011	2,754	3,256	19,735
D511 Golf Cart Rental Income	10,026	9,715	311	19,546	19,161	385	83,432
D511.1 Golf Merchandise	3,275	3,479	(204)	7,798	9,331	(1,533)	30,711
D511.2 Golf Lesson	455	1,001	(546)	2,815	2,651	164	8,893
D511.3 Golf Bag Storage	80	0	80	280	0	280	7,970
D511.4 Golf Pull Cart	832	638	194	1,872	1,353	519	5,730
D512 CH Building Rentals	2,633	1,428	1,205	10,985	11,399	(414)	25,185
D513 Events	1,789	2,639	(850)	10,856	13,195	(2,339)	31,668
D513.1 Trips Revenue	1,994	3,025	(1,031)	4,235	15,125	(10,890)	36,300
D514 RV Lot Income	0	0	0	15,953	16,000	(47)	32,000
D514.1 Garden Plot Income	35	0	35	2,710	2,450	260	2,450
D515 Classes	6,984	8,360	(1,376)	39,939	41,802	(1,863)	100,326
D516 Miscellaneous Revenue	10	0	10	665	0	665	0
D516.1 Coffee Revenue	190	250	(60)	978	1,250	(272)	3,000
TOTAL ENTERPRISE REVENUE	274,424	279,854	(5,430)	1,195,442	1,220,104	(24,662)	3,151,855
D590 Cost of Goods Sold	18,204	22,324	4,120	79,626	91,058	11,432	234,140
GROSS PROFIT	256,220	257,530	(1,311)	1,115,816	1,129,046	(13,230)	2,917,714
OPERATING EXPENSES							
D550 Club House Expenses	63,518	69,543	6,025	317,790	362,723	44,933	881,231
D555 Golf Course Expenses	59,724	74,407	14,683	248,986	277,194	28,208	742,978
D557 Restaurant Expenses	44,691	49,751	5,060	201,539	232,745	31,206	562,956
D560 RV Lot Expenses	89	105	16	1,576	525	(1,051)	1,260
D522 Services - Insurance	4,651	4,882	230	23,257	24,409	1,152	58,581
D523 Services - Audit	2,200	2,200	0	36,000	36,000	0	36,000
D524 Services - Professional	15,409	4,000	(11,409)	21,697	20,000	(1,697)	48,000
D525.1 Election Expense	8,095	9,751	1,657	21,324	25,000	3,676	25,000
D526 Miscellaneous Expense	1,565	200	(1,365)	2,319	1,000	(1,319)	2,400
D526.1 SDA Membership Dues	0	0	0	1,238	1,250	13	1,250
D519 Zion Bank Payee Fee	0	0	0	900	1,000	100	1,000
D565 Garden Plot Expenses	0	25	25	0	125	125	300
D601 Capital Outlay	5,000	0	(5,000)	5,000	0	(5,000)	556,758
D601.2 2022 Cap Carry Foward Projects	5,720	0	(5,720)	53,990	43,000	(10,990)	265,656
TOTAL OPERATING EXPENSES	210,661	214,864	4,203	935,616	1,024,971	89,355	3,183,370
NET OPERATING REVENUE/EXPEN	45,558	42,666	2,892	180,200	104,075	76,125	(265,656)
NET ENTERPRISE FUND REVENUE/EX	45,558	42,666	2,892	180,200	104,075	76,125	(265,656)

2888 So Heather Gardens Way
Aurora CO 80014

	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
RESTRICTED FUNDS							
CONSERVATION TRUST FUND (Lottery)							
REVENUE							
D503 Conservation Trust (Lottery Ac	0	0	0	6,536	5,500	1,036	20,075
D504.3 Interest Inc Lottery	51	1	50	248	5	243	12
TOTAL LOTTERY REVENUE	51	1	50	6,784	5,505	1,279	20,087
EXPENSES							
D566 Conservation Expenses	0	0	0	6,656	0	(6,656)	55,000
TOTAL LOTTERY EXPENSES	0	0	0	6,656	0	(6,656)	55,000
REVENUE OVER(UNDER) EXPENSES	51	1	(50)	128	5,505	5,377	(34,913)
FOUNDATION FUND							
REVENUE							
D515.1 Donation Revenue	0	0	0	1,165	0	1,165	0
D515.3 Interest Inc - Found	378	0	378	1,768	0	1,768	0
TOTAL FOUNDATION REVENUE	378	0	378	2,933	0	2,933	0
EXPENSES							
D620 Foundation Expense	2,709	0	(2,709)	2,709	0	(2,709)	0
TOTAL FOUNDATION EXPENSES	2,709	0	(2,709)	2,709	0	(2,709)	0
REVENUE OVER(UNDER) EXPENSES	(2,332)	0	(2,332)	223	0	223	0
DEBT SERVICE FUND 2010 BOND ISSUE							
REVENUE							
D517 Property Tax Revenue	113,613	113,421	192	357,195	356,319	876	503,745
D518 Specific Ownership Tax	2,595	2,417	178	13,270	12,085	1,185	29,004
Bond Restricted Interest	1,845	28	1,817	5,045	140	4,905	336
TOTAL DEBT SERVICE REVENUE	118,053	115,866	2,187	375,510	368,544	6,966	533,085
EXPENSES							
D520 Debt Serv Interest	24,683	24,683	0	123,417	123,415	(2)	295,230
D525 Cnty Collection Fee	1,704	1,911	207	5,358	5,649	291	7,855
D700 Bond Principal Pymnt	0	0	0	0	0	0	290,000
TOTAL DEBT SERVICE EXPENSES	26,387	26,594	207	128,775	129,064	289	593,085
REVENUE OVER (UNDER) EXPENSES	91,666	89,272	2,394	246,735	239,480	7,255	(60,000)

	5/31/2023	4/30/2023	3/31/2023	12/31/2022
CURRENT ASSETS				
Cash - Operating	27,689	50,670	80,301	537,432
Money Market	1,462,148	1,386,708	1,256,886	0
Capital Projects - Savings	3,112	2,882	26,477	799,028
Conservation (Lottery) Bank Acct	149,863	150,578	150,778	149,823
Enterprise Investments	729,390	729,390	729,390	729,390
Investments - Foundation	148,371	147,993	147,627	148,872
Zion Debt Service	497,965	381,616	326,640	127,813
Foundation Account	38,611	38,011	37,786	40,018
Accrued Interest	6,526	4,691	2,940	8,257
Accounts Receivable Net of Allowance	5,065	8,738	5,953	7,376
Inventory	45,749	49,372	49,263	43,040
Prepaid Expenses	33,560	37,211	41,863	59,117
Prop Tax Receivable	503,744	503,744	503,744	503,744
TOTAL CURRENT ASSETS	3,651,792	3,491,603	3,359,646	3,153,910
BUILDING, LAND & EQUIPMENT (Net of Depr)				
CIP Asset	10,460	10,460	10,460	10,460
Restaurant Equipment	128,042	128,042	128,042	128,042
Equipment	226,011	226,011	226,011	226,011
Property	8,123,985	8,123,985	8,123,985	8,123,985
Land At Cost	1,725,000	1,725,000	1,725,000	1,725,000
Intangible Assets	133,190	133,190	133,190	133,190
TOTAL BUILDING, LAND & EQUIPMENT	10,346,688	10,346,688	10,346,688	10,346,688
TOTAL ASSETS	13,998,480	13,838,292	13,706,335	13,500,598
CURRENT LIABILITIES				
Accounts & Interest Payable	166,728	124,156	99,201	26,000
Due To/From HGA	61,209	86,302	47,279	136,705
Bonds Payable - Short Term	290,000	290,000	290,000	290,000
Unearned Revenue	72,596	70,617	74,706	74,869
Prepaid Rec Fees	34,932	30,518	33,916	29,706
Gift Cards	11,317	11,171	11,107	11,859
Sales Tax Payable	4,102	4,060	7,949	6,087
Server Tips Payable	4,972	3,788	3,806	0
Deferred Property Tax	503,744	503,744	503,744	503,744
Deferred Insurance Claims	22,964	22,964	22,964	22,964
Deferred Revenue - PARQ	7,204	7,204	7,204	7,204
TOTAL CURRENT LIABILITIES	1,179,770	1,154,525	1,101,876	1,109,139
LONG TERM DEBT				
Bond Issue	7,115,000	7,115,000	7,115,000	7,115,000
Deferred Loss Series 2017 Refunding Bond	(582,096)	(582,096)	(582,096)	(582,096)
Original Issue Premium 2017 Bonds	600,681	600,681	600,681	600,681
RV Lot Gate Opener Deposit	1,295	1,295	1,295	1,330
TOTAL CURRENT & LONG TERM LIABILITIES	8,314,650	8,289,405	8,236,756	8,244,054
FUND EQUITY				
Investment In Property	2,912,134	2,912,134	2,912,134	2,912,134
Debt Service Fund	127,813	127,813	127,813	127,813
Conservation Trust Fund (Lottery)	149,735	149,735	149,735	149,735
Heather Gardens Foundation	186,255	186,255	186,255	189,393
Unrestricted Net Assets	1,864,624	1,864,624	1,864,624	1,715,059
Tabor Reserve	15,984	15,984	15,984	15,984
Net Income/(Loss)	427,286	292,342	213,034	146,427
Total Equity	5,683,830	5,548,887	5,469,579	5,256,544
TOTAL LIABILITIES AND EQUITY	13,998,480	13,838,292	13,706,335	13,500,598

**Heather Gardens Metropolitan District
Club House P&L
5/31/2023**

6/8/2023
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	CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET	
REVENUE								
D512	CH Building Rentals	2,633	1,428	1,205	10,985	11,399	(414)	25,185
D515	Classes	6,984	8,360	(1,376)	39,939	41,802	(1,863)	100,326
D513	Events	1,789	2,639	(850)	10,856	13,195	(2,339)	31,668
D516.1	Coffee Revenue	190	250	(60)	978	1,250	(272)	3,000
D513.1	Trips Revenue	1,994	3,025	(1,031)	4,235	15,125	(10,890)	36,300
	TOTAL REVENUE	13,590	15,702	(2,112)	66,993	82,771	(15,778)	196,479
WAGES/BENEFITS								
C500	Salaries - FTP	10,774	10,903	129	55,528	55,753	225	133,363
C510	Salaries - Part Time	7,385	6,013	(1,372)	36,772	31,506	(5,266)	73,595
C520	Salaries - Overtime	0	0	0	157	0	(157)	0
C530	Salaries - Teachers	8,623	10,306	1,683	39,593	45,025	5,433	104,159
C540	Taxes - Payroll	2,607	2,812	205	12,462	14,790	2,328	33,084
C550	Retirement Expense	281	0	(281)	1,125	0	(1,125)	0
C553	Insurance - Personnel	1,093	1,190	96	5,467	5,948	481	14,989
C574	Recruit/Train/Services	0	30	30	355	152	(203)	365
C588	Workers Comp Insurance	0	207	207	0	1,033	1,033	2,479
	TOTAL WAGES/BENEFITS	30,763	31,461	697	151,459	154,207	2,749	362,034
OPERATING EXPENSES								
C675.2	Salaries-Charge Out	(2,066)	(2,036)	30	(10,063)	(9,917)	146	(23,971)
C673	Maintenance Hours	4,617	5,493	877	24,406	32,493	8,086	87,742
C676	Golf Hours	0	0	0	3,751	1,773	(1,978)	1,963
C677	R & G Hours	148	368	220	148	3,382	3,234	5,403
C678	Custodial Hours	9,278	9,681	403	42,077	48,405	6,328	116,173
	CHARGE-OUT SUBTOTALS	11,977	13,506	1,530	60,319	76,136	15,816	187,310
C621.1	Mileage Reimbursement	0	8	8	0	40	40	103
C627	Pool Care & Supplies	1,719	1,944	225	6,048	11,148	5,100	23,685
C639	Software & IT	356	340	(16)	1,594	1,700	106	4,080
C640	Electric	6,804	6,792	(12)	38,783	39,480	697	98,884
C643	Gas	1,826	1,673	(153)	8,700	9,044	344	24,305
C662	Office Supplies & Postage	298	636	338	2,097	3,180	1,083	7,632
C662.1	CC & ActiveNet	731	598	(133)	3,794	4,817	1,023	13,489
C671	Outside Contractors	441	1,305	864	5,327	6,525	1,198	20,355
C683	Repairs - Equipment	0	513	513	1,106	2,565	1,459	6,156
C684	Supplies	1,860	1,125	(735)	4,310	8,062	3,752	21,000
C684.1	Custodial Supplies	1,602	2,000	398	8,587	10,000	1,413	24,000
C684.2	Coffee Supplies	0	230	230	792	1,150	358	2,760
C686.1	Special Event Supplies	6	516	510	2,743	4,325	1,582	7,933
C686.2	Special Event Contractors	800	790	(10)	2,789	3,952	1,163	9,484
C687	Trips Expense	1,688	3,025	1,337	8,160	15,125	6,965	36,300
C688	Non Capital Equipment	0	350	350	593	1,750	1,157	4,200
C689	Phone & Internet	520	377	(143)	2,328	1,885	(443)	4,524
C690	ROU Equip Leases	226	0	(226)	1,132	0	(1,132)	0
C698	Water & Sewer	1,900	2,354	454	7,129	7,631	503	22,998
	TOTAL OPERATING EXPENSES	32,754	38,082	5,329	166,331	208,515	42,184	519,198
	NET REVENUE & EXPENSE	(49,927)	(53,841)	3,914	(250,797)	(279,951)	29,155	(684,753)

**Heather Gardens Metropolitan District
Golf P&L
5/31/2023**

6/8/2023

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		CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
REVENUE								
D507	Golf Fees Daily	41,395	40,691	704	89,031	90,689	(1,658)	346,760
D507.1	Golf Simulator	60	30	30	2,120	970	1,150	1,393
D509.2	Golf Disc - 40 Play	2,741	1,060	1,682	6,011	2,754	3,256	19,735
D511	Golf Cart Rental Income	10,026	9,715	311	19,546	19,161	385	83,432
D511.1	Golf Merchandise	3,275	3,479	(204)	7,798	9,331	(1,533)	30,711
D511.2	Golf Lesson	455	1,001	(546)	2,815	2,651	164	8,893
D511.3	Golf Bag Storage	80	0	80	280	0	280	7,970
D511.4	Golf Pull Cart	832	638	194	1,872	1,353	519	5,730
	TOTAL REVENUE	58,864	56,614	2,251	129,473	126,909	2,563	504,624
WAGES/BENEFITS								
G500	Salaries - FTP	20,135	28,537	8,402	129,515	144,160	14,645	340,950
G510	Salaries - Part Time	8,300	13,515	5,215	20,902	26,378	5,477	84,639
G520	Salaries - Overtime	253	1,150	897	529	2,132	1,603	5,522
G540	Taxes - Payroll	4,563	3,892	(671)	16,007	16,320	314	37,635
G550	Retirement Expense	1,855	1,339	(515)	6,242	5,353	(889)	13,364
G553	Insurance - Personnel	1,674	1,817	143	10,361	9,084	(1,277)	22,891
G574	Recruit / Train / Service	0	200	200	845	3,773	2,928	5,498
G588	Workers Comp Insurance	0	383	383	0	1,917	1,917	4,601
	TOTAL WAGES/BENEFITS	36,780	50,833	14,054	184,401	209,117	24,718	515,100
OPERATING EXPENSES								
G675.2	Salaries - Charged Out	0	0	0	(3,751)	(1,773)	1,978	(1,963)
G675.2	Salaries - Chg from R&G	4,618	0	(4,618)	4,618	0	(4,618)	0
G450	COGS - Merchandise	1,983	1,998	14	4,895	5,358	463	17,634
G621	Fuel Expense	862	689	(173)	2,183	2,378	195	11,862
G621.1	Mileage Reimbursement	0	42	42	132	168	36	325
G624	Contingency-Water	41	40	(1)	231	200	(31)	10,400
G639	Software & IT	386	258	(128)	1,696	1,290	(406)	3,096
G640	Electric	1,105	758	(348)	3,645	3,046	(598)	8,546
G640.1	Electric - Pump	5,493	5,895	402	10,116	11,272	1,156	51,114
G643	Gas	7	61	53	852	737	(115)	1,549
G645	Uniforms	1,252	1,362	110	1,252	1,610	358	2,044
G662	Office Supplies & Postage	0	0	0	60	100	40	200
G662.1	Credit Card Expense	2,091	2,246	155	4,616	5,157	541	22,156
G665	Rent - Equipment	0	0	0	0	0	0	2,500
G671	Outside Contractors	28	1,429	1,401	4,430	6,689	2,259	26,095
G676.1	Golf Shop Supplies	64	176	112	382	924	542	2,112
G680	Radio Communications	0	0	0	294	400	106	400
G683	Repairs - Equipment	1,254	2,450	1,196	14,664	8,250	(6,414)	21,400
G684	Supplies	5,194	7,450	2,256	16,287	24,047	7,760	52,440
G688	Non Capital Equipment	0	0	0	0	0	0	5,000
G689	Telephone	271	300	29	1,488	1,500	12	3,600
G697	Marketing	275	417	142	1,390	2,081	691	5,000
	TOTAL OPERATING EXPENSES	24,924	25,571	644	69,480	73,434	3,955	245,510
	NET REVENUE & EXPENSE	(2,840)	(19,790)	16,949	(124,408)	(155,642)	31,236	(255,986)

MAY 2023

HGMD Golf Usage Report

Revenue

Daily Rates

85+
Resident
Resident Everyday
Guest of Resident- weekday
Guest of Resident- weekend
Non-Resident Sr. - No Timeframe
Non-Resident Sr. - Weekday
Non-Resident Sr. - Weekend
Non-Resident - Weekday
Non-Resident - Weekend
Junior- weekday
Junior- weekend
Twilight
2 for 20 Special
2 for 26 Special
2 for 1
2 for 1 (free player)
League - Weekend
League - Weekday
40 Play Punches
Complimentary Round-Employee
Complimentary Round
Adjustment to Income
Golf Daily Fee

Current Year

Rate	MTD Tally	MTD Revenue	YTD Tally	YTD Revenue
\$ 10.00	59	\$ 590	105	\$ 1,050
\$ 9.95		\$ -		
\$ 11.00	717	\$ 7,885	1,473	\$ 16,198
\$ 14.00	82	\$ 1,148	210	\$ 2,940
\$ 18.00	74	\$ 1,332	158	\$ 2,765
\$ 17.00		\$ -		
\$ 15.00	412	\$ 6,180	757	\$ 11,377
\$ 18.97	267	\$ 5,065	591	\$ 11,232
\$ 18.09	188	\$ 3,400	467	\$ 8,452
\$ 23.07	349	\$ 8,052	731	\$ 16,822
\$ 10.00	6	\$ 60	129	\$ 1,290
\$ 12.85	27	\$ 347	44	\$ 569
\$ 14.00	4	\$ 56	4	\$ 56
\$ -		\$ -		
\$ 13.00	326	\$ 4,238	765	\$ 9,945
\$ 18.00		\$ -		
\$ -		\$ -		
\$ 18.00		\$ -		
\$ 15.00	320	\$ 4,800	857	\$ 12,855
\$ 8.98	317	\$ 2,847	691	\$ 6,206
\$ -		\$ -		
\$ -		\$ -		
\$ -		\$ (1,865)		\$ (6,715)
	3,148	\$ 44,136	6,982	\$ 95,042

Prior Year

Rate	MTD Tally	MTD Revenue	YTD Tally	YTD Revenue
\$ 9.00	53	\$ 477	110	\$ 990
\$ 9.95	0	\$ -	61	\$ 607
\$ 10.00	575	\$ 5,750	1,289	\$ 12,890
\$ 13.00	78	\$ 1,014	205	\$ 2,665
\$ 17.00	63	\$ 1,071	129	\$ 2,191
\$ 16.00	0	\$ -	(8)	\$ (132)
\$ 15.00	411	\$ 6,165	841	\$ 12,599
\$ 18.95	284	\$ 5,383	525	\$ 9,902
\$ 17.93	146	\$ 2,618	365	\$ 6,562
\$ 23.00	228	\$ 5,244	478	\$ 11,014
\$ 9.00	32	\$ 288	175	\$ 1,575
\$ 12.00	2	\$ 24	14	\$ 168
\$ 14.00	3	\$ 42	5	\$ 70
\$ -		\$ -		
\$ 12.00	415	\$ 4,980	946	\$ 11,361
\$ 18.00		\$ -		
\$ -		\$ -		
\$ 18.00	15	\$ 270	43	\$ 774
\$ 15.00	686	\$ 10,290	942	\$ 14,130
\$ 9.00	221	\$ 1,989	513	\$ 4,604
\$ -		\$ -		
\$ -		\$ -		
\$ -		\$ (8,103)		\$ (8,050)
\$ -	3,212	\$ 37,502	6,633	\$ 83,920

Other Golf Revenue

40 Play Card
Rider Carts
Pull Cart
Golf Simulator
Golf Merchandise D511.1
Golf Lessons
Golf Bag Storage
Golf Club Rentals

Rate	MTD Tally	MTD Revenue	YTD Tally	YTD Revenue
\$ 8.10		\$ -		
\$ 8.62	1,163	\$ 10,026	2,264	\$ 19,546
\$ 6.00	99	\$ 594	221	\$ 1,326
\$ 17.14	4	\$ 60	96	\$ 2,120
		\$ 3,275		\$ 7,798
\$ 113.75	4	\$ 455	25	\$ 2,815
\$ 80.00	1	\$ 80	3	\$ 280
\$ 14.00	17	\$ 238	39	\$ 546

Rate	MTD Tally	MTD Revenue	YTD Tally	YTD Revenue
\$ 8.10	56	\$ 454	127	\$ 1,029
\$ 8.66	1,020	\$ 8,832	2,014	\$ 17,419
\$ 6.00	71	\$ 426	163	\$ 978
\$ 13.50	2	\$ 27	45	\$ 882
		\$ 3,163		\$ 8,484
	8	\$ 910	21	\$ 2,410
\$ 120.00				
\$ 14.00	11	\$ 154	18	\$ 252

Total Revenue
Golf Course Expenses
Profit/(Loss)

	\$ 58,864	\$ 129,473	\$ 51,467	\$ 115,374
	\$ 61,704	\$ 253,881	\$ 61,385	\$ 231,501
	\$ (2,840)	\$ (124,408)	\$ (9,918)	\$ (116,127)

of Days Golf Course Closed

1	67	2	69
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**Heather Gardens Metropolitan District
Restaurant P&L
5/31/2023**

6/8/2023
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		CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET		
SUMMARY										
Sales		49,663	62,461	(12,797)	228,517	266,583	(38,067)	675,363		
Cost of Goods Sold		16,218	20,326	4,108	74,731	85,700	10,969	216,506		
Gross Profit		33,445	42,135	(8,690)	153,786	180,883	(27,097)	458,857		
Wages & Benefits		30,036	35,838	5,803	153,824	175,236	21,411	421,174		
Operating Expense		14,655	13,913	(743)	47,715	57,509	9,795	141,783		
Net Income/(Loss)		(11,246)	(7,616)	(3,630)	(47,753)	(51,862)	4,109	(104,100)		
SALES										
D506	Restaurant Food	40,940	53,680	(12,740)	188,827	221,126	(32,299)	559,959		
D506.1	Restaurant Beer	3,840	3,425	416	15,028	16,820	(1,792)	39,050		
D506.2	Restaurant Wine	2,436	2,678	(242)	12,847	15,297	(2,450)	38,235		
D506.3	Restaurant Liquor	2,447	2,678	(231)	11,815	13,340	(1,526)	38,119		
	TOTAL SALES	49,663	62,461	(12,797)	228,517	266,583	(38,067)	675,363		
COST OF GOODS SOLD										
H450	COGS - Food	14,302	18,520	4,218	65,968	76,290	10,322	193,187	COGS Percentages	
H455	COGS - Beer	859	853	(6)	3,362	4,188	826	9,723	Current	YTD
H455.1	COGS - Wine	658	645	(13)	3,472	3,687	215	9,213	34.9%	34.9%
H455.2	COGS - Liquor	399	308	(91)	1,929	1,535	(394)	4,383	22.4%	22.4%
	TOTAL COST OF GOODS	16,218	20,326	4,108	74,731	85,700	10,969	216,506	27.0%	27.0%
	GROSS PROFIT	33,445	42,135	(8,690)	153,786	180,883	(27,097)	458,857	16.3%	16.3%
		67%	67%		67%	68%			32.7%	32.7%
WAGES/BENEFITS										
H500	Salaries - Full Time	18,589	19,285	696	93,889	98,544	4,655	234,197		
H510	Salaries - Part Time	6,307	8,893	2,586	31,556	37,955	6,399	96,156		
H520	Salaries - Overtime	78	0	(78)	1,261	0	(1,261)	0		
H540	Taxes - Payroll	2,843	3,508	665	15,640	18,022	2,382	39,152		
H550	Retirement Expense	83	342	259	433	1,666	1,232	4,026		
H553	Insurance Emp Health	2,136	3,044	909	10,677	15,221	4,544	38,357		
H574	Recruiting/Training	0	451	451	368	2,255	1,887	5,511		
H588	Workers Com Insurance	0	315	315	0	1,573	1,573	3,775		
	TOTAL WAGES/BENEFITS	30,036	35,838	5,803	153,824	175,236	21,411	421,174		
OPERATING EXPENSES										
H673	Maintenance Hours	199	398	199	1,261	1,934	672	4,937		
H674	Custodial Hours	859	716	(143)	4,153	3,580	(573)	8,593		
	CHARGE-OUTS SUBTOTAL	1,058	1,114	56	5,414	5,514	99	13,530		

**Heather Gardens Metropolitan District
Restaurant P&L
5/31/2023**

6/8/2023
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		CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
H639	Software & IT	616	500	(116)	3,005	2,500	(505)	6,000
H640	Electric	1,701	1,698	(3)	9,696	9,870	174	24,721
H643	Gas	456	418	(38)	2,175	2,261	86	6,076
H644	Water	187	234	47	674	714	41	2,229
H645	Phone & TV	356	350	(6)	1,753	1,750	(3)	4,200
H646	Trash Removal	400	430	30	2,002	2,150	148	5,160
H651	Uniforms	1,575	1,000	(575)	1,575	1,200	(375)	1,200
H652	Discounts & Comps	888	500	(388)	289	2,500	2,211	6,000
H655	Linen Service	925	350	(575)	1,910	1,750	(160)	4,200
H662	Office Supplies	0	150	150	118	750	632	2,100
H671	Outside Contractors	896	500	(396)	2,591	2,500	(91)	6,000
H681	Credit Card Fees	1,479	1,844	364	6,117	7,675	1,559	23,717
H683	Repairs - Equipment	0	150	150	0	750	750	1,800
H684	China/Glass/Flatware	0	125	125	82	625	543	1,500
H684.1	Kitchen Supplies	1,367	1,000	(367)	4,698	5,000	302	12,000
H685	Cleaning Supplies	355	500	145	1,861	2,500	639	6,000
H688	Non Capital Equipment	0	500	500	0	2,500	2,500	6,000
H689	Marketing	275	500	225	1,220	2,500	1,280	6,000
H690	Licenses	2,121	2,050	(71)	2,535	2,500	(35)	3,350
	TOTAL OPERATING EXPENSES	14,655	13,913	(743)	47,715	57,509	9,795	141,783
	NET REVENUE & EXPENSE	(11,246)	(7,616)	(3,630)	(47,753)	(51,862)	4,109	(104,100)

Monthly Data from
SPOTON POS

May-23						
Sales per hour						
	Hour	Net Sales per hour	# Checks	# Guests	GCA	
	10:00 AM	\$2,991.53	1983	2967	\$16.39	
	11:00 AM	\$7,633.14				
	12:00 PM	\$9,698.08				
	1:00 PM	\$6,702.13				
	2:00 PM	\$2,737.50				
	3:00 PM	\$3,526.29				
	4:00 PM	\$5,521.25				
	5:00 PM	\$7,728.51				
	6:00 PM	\$1,031.95				
	7:00 PM	\$814.50				
	8:00 PM	\$192.75				
	9:00 PM	\$79.75				
	Grand Totals	\$48,657.38				
Top selling items						
	Sunday Brunch	326				
	mothers day	196				
	Lunch Special \$11.75	199				
	H. Gardens Cheeseburger	160				
	Fish"n Chips	103				
	Coconut Shrimp	124				
	Dinner Special	108				
	Chef Cobb Salad	81				
	Chicken Basket	87				
	Chicken Croissant Sand.	69				
	Steak Philly	57				
	Baja Style Fish Tacos	59				
	reuben	56				
	Bowl of Soup	134				
	Asian Chicken Salad	44				
	Turkey Club	45				
	BBQ Pulled Pork Sand.	45				
	House Salad	59				
	Black and Bleu Burger	36				
	Breaded Chicken Sand.	34				
	Brat & Chips with Kraut	48				

Monthly Data from
SPOTON POS

May-23							
	Chili Rellanos	46					
	Shrimp Louis	31					
	Cubano	32					
	Cup of Soup	94					
	Wrap Chicken	29					
	Greek Chicken Salad	28					
	cinco de mayo	26					
	Chicken Caesar Salad	22					
	BBQ Bacon Cheeseburger	25					
	Crispy Chicken Salad	20					
	French Fries	258					
	Warm Lattice Cherry Pie	39					
	Impossible Veg. Burger	16					
	Mozzarella Sticks	23					
	Sweet Potato Fries	114					
	Mac and chez bites	14					
	Ice Cream Sundae	18					
	BLT	7					
	Fries	24					
	Gluten Free Basket	5					
	Homemade Chips	360					
	Scoop Of Ice Cream	32					
	KIDS Brunch	5					
	Open Food	8					
	Kids- Mac and Cheese	4					
	Brownie Ala Mode	6					
	Chicken Salad Croissant	2					
	Coleslaw	25					
	Cottage Cheese	11					
	Chicken Quesadilla	2					
	Grilled Cheese	2					
	Bratwurst & Chips	2					
	Rueben	1					
	Kids- Chick StripN"FF	2					
	Kids- Quesadilla	2					
	Tortilla Chips	2					
	Kids- 2 Sliders w/ FF	1					
	1/2 Chic Salad	1					
	Dinner Roll	2					

Monthly Data from
SPOTON POS

Jan thru May 23

Jan thru May 23					
Sales per hour					
	Hour	Net Sales per hour	# Checks	# Guests	GCA
	Hour	Net Sales	8679	13824	\$16.25
	8:00 AM	\$0.00			
	9:00 AM	\$923.75			
	10:00 AM	\$12,885.58			
	11:00 AM	\$28,412.04			
	12:00 PM	\$44,266.11			
	1:00 PM	\$27,718.39			
	2:00 PM	\$17,942.75			
	3:00 PM	\$14,255.82			
	4:00 PM	\$26,724.25			
	5:00 PM	\$40,409.92			
	6:00 PM	\$6,779.65			
	7:00 PM	\$2,697.25			
	8:00 PM	\$915.50			
	9:00 PM	\$807.25			
	10:00 PM	\$38.00			
	Grand Totals	\$224,776.26			
	Sunday Brunch	2,121.00			
	mothers day	594			
	Fish"n Chips	568			
	Lunch Special \$11.75	809			
	H. Gardens Cheeseburger	658			
	Dinner Special	538			
	Coconut Shrimp	468			
	Open Food	168			
	Chicken Basket	402			
	Chicken Croissant Sand.	339			
	reuben	275			
	Chef Cobb Salad	260			
	Baja Style Fish Tacos	267			
	Steak Philly	222			
	Turkey Club	237			
	Bowl of Soup	523			
	Asian Chicken Salad	174			

Monthly Data from
SPOTON POS

Jan thru May 23					
	BBQ Pulled Pork Sand.	190			
	Black and Bleu Burger	158			
	House Salad	248			
	Cup of Soup	458			
	Shrimp Louis	138			
	Greek Chicken Salad	143			
	Cubano	138			
	Breaded Chicken Sand.	133			
	Wrap Chicken	128			
	BBQ Bacon Cheeseburger	131			
	Brat & Chips with Kraut	170			
	Chili Rellanos	168			
	cops lunch	152			
	Chicken Caesar Salad	94			
	Impossible Veg. Burger	91			
	Crispy Chicken Salad	76			
	French Fries	1,112.00			
	Warm Lattice Cherry Pie	152			
	Mozzarella Sticks	92			
	Sweet Potato Fries	466			
	Mac and chez bites	54			
	BLT	36			
	VD DAY	29			
	cinco de mayo	29			
	Jalapeno poppers	37			
	Gluten Free Basket	22			
	Rueben	18			
	Fries	85			
	Ice Cream Sundae	50			
	Brownie Ala Mode	49			
	Dinner special Steak	15			
	KIDS Brunch	23			
	Homemade Chips	1,687.00			
	Kids- Mac and Cheese	22			
	Scoop Of Ice Cream	99			
	Coleslaw	124			
	Rosemary Chicken	10			
	Grilled Cheese	8			
	Cottage Cheese	40			
	Kids- Hot DogN'FF	7			
	Kids- Chick StripN'FF	6			
	Chicken Salad Croissant	3			
	Kids- Grill ChezN'FF	5			

Monthly Data from
SPOTON POS

Jan thru May 23						
	Turkey Club Sandwich	2				
	Tortilla Chips	5				
	Dinner Roll	25				
	Bratwurst & Chips	3				
	Fruit	8				
	BLT with Chips	2				
	Chicken Quesadilla	2				
	Kids- 2 Sliders w/ FF	2				
	Kids- Quesadilla	2				
	Two Piece F&Chips	1				
	Boston Cream Pie	1				
	Caesar Salad	1				
	Green Beans	1				
	1/2 Chic Salad	1				
	Add Guacamole	1				
	Pepper cheese bites	5				
	1/2 Ham and cheese	7				
	Chicken Quesadilla	4				
	Fruit	8				
	Kids- Mac and Cheese	3				
	BLT with Chips	2				
	Dinner Roll	18				
	Mashed Potatoes	6				
	Kids- Grill ChezN'FF	2				
	Kids- Hot DogN'FF	2				
	Box Lunch #1	1				
	Salad Bar with Entree	2				
	Side Bacon	3				
	Kids- 2 Sliders w/ FF	1				
	Onion Rings	2				
	Cookies	3				
	Add Guacamole	1				

Budget and Finance Committee

Audit Sub-Committee

Monday, May 22, 2023

To: Terry Hostetler, HGA Treasurer

From: Bev Havens, Chair – Audit Sub-Committee

Committee Members: Karen Gold, Karen Kasprzak, Rita Lusk, Karen McClaury, Barbara Schneller, and Karyn Simon

The Audit Sub-Committee met on Monday, May 22, 2023 at 9:00 AM to review April 2023 paid invoices. That review was based on the nine steps outlined in the Joint Procedure JPM-B-3.

Total checked written and validated: 127. Total disbursements: \$611,243.18

Total ACH transfers validated: 26. Total ACH disbursements: \$111,686.95

Each page of the check register for April 2023 was initialed by the Chair, Bev Havens. All checks were accounted for. These copies will be retained by the CFO for the auditors.

Findings: All vendor payments were verified and properly authorized.

Questions: None

Our next meeting will be on Monday, June 26, 2023 at 9:00 AM to audit May 2023 payments.

Bev Havens, Chair

CC: Jon Rea, CEO

Jerry Counters, CFO

Evelyn Ybarra

HGA AND HGMD BUDGET DEVELOPMENT SCHEDULE FOR 2024 BUDGET YEAR

DATES:

Friday, June 16, 2023

B&F Committee Recommends 2024 Budget Development Schedule

Tuesday, June 20, 2023

2024 Budget Development Schedule approved by HGA Board

Thursday, June 15, 2023

2024 Budget Development Schedule approved by HGMD Board

Monday, July 17, 2023

Copy provided to Heather 'n Yon and ARs for posting and sent via PILERA, etc.

Thursday, August 17, 2023

Budget Schedule article provided to Heather 'n Yon for the September issue

Friday, September 8, 2023

Manager's Budget Draft and summary delivered to B&F Committee Members and the Board of Directors of both HGA and HGMD. The budget draft and summary are made available on the website.

Monday, September 25, 2023
through

B&F Committee conducts budget workshops beginning at **9 AM**.
Budget workshops continue starting at **9 AM** on extra days if needed.

Thursday, September 28, 2023

Directors of HGA and HGMD are strongly urged to attend.
B&F Committee recommends 2024 budgets to both Boards. During the budget workshops (**September 25 through September 28**), the Joint Budget and Finance Committee encourages and will take questions from owners/residents after each section of the budget is reviewed

Thursday, October 12, 2023

10 AM. At a **Special** HGMD Board Meeting, the District Board accepts the 2024 proposed budget and conducts a Public Hearing on the proposed 2024 budget. After hearing comments, the Board may modify the budget and adopts its 2024 budget. Owners/residents are encouraged to ask questions regarding the budget at the **October 12th Special HGMD Board** meeting. Colorado statutes provide that for governmental agencies, the Board of Directors (the Legislative body) sets the final budget. **ONCE APPROVED AND SENT TO THE STATE. THE FINAL BUDGET CANNOT BE CHANGED!**

Thursday, October 12, 2023

1 PM. At a **Special** HGA Board meeting, the Association Board hears comments and may make changes to the HGA 2024 Budget, approves the 2024 budget, and sets membership veto vote (between 15 and 50 days after notice). Owners/residents are encouraged to ask questions regarding the budget at the **October 12th Special HGA Board** meeting.

Wednesday, October 18, 2023

Association and District Budget summaries are available on the website and email to the membership. Ballots are mailed to the membership for mail-in voting. Full copies of the Association and District budgets available in the Administrative Office.

Auditorium

Monday, October 30, 2023

10 AM. Daytime Membership meeting to present and discuss the budget

Tuesday, October 31, 2023

6 PM. Evening time Membership meeting to present and discuss the budget

Wednesday, November 1, 2023

1 PM. Afternoon time Membership meeting to present and discuss the budget

Friday, November 17, 2023

Veto Ballots are due by close of business (Friday before Thanksgiving)
A special committee of volunteers will be assembled to count the ballots.
Majority of the membership is required to veto the Board approved budget.

Wednesday, November 22, 2023

Communicate Veto vote results to the community (Day before Thanksgiving)

Friday, December 15, 2023

District **MUST** have 2024 property tax mill levy to Arapahoe County by this date.

**Heather Gardens Association
Heather Gardens Metro District
2024 Budget Workshop Agenda**

				Tent. Start	Tent. End	Minutes	Pages	
General								
1A	Introduction and Background	Monday, September 25, 2023	9:00 AM			30	5	
1A	Summary 2024 HGA & HGMD Budgets	Monday, September 25, 2023				15	1	
1A	Personnel Head Count Summary	Monday, September 25, 2023		10:00 AM		15	1	
HGA								
1A	HGA Operating Budget Summary	Monday, September 25, 2023	10:00 AM			10	1	
1A	HGA Revenue Summary	Monday, September 25, 2023				10	1	
1A	General Expenses	Monday, September 25, 2023		11:00 AM		10	1	
Break								
1A	Security Department Expenses & Charge Outs	Monday, September 25, 2023	11:30 AM			15	3	
1A	Administration Department Expenses & Charge Outs	Monday, September 25, 2023		12:30 PM		15	4	
1P	Custodial Department Expenses & Charge Outs	Monday, September 25, 2023	1:30 PM			15	3	
1P	Maintenance Department Expenses & Charge Outs	Monday, September 25, 2023				20	4	
1P	Paint Department Expenses & Charge Outs	Monday, September 25, 2023				10	2	
1P	Roads & Grounds Department Expenses & Charge Out	Monday, September 25, 2023		3:00 PM		15	3	
1P	Contracts Department Expenses & Charge Outs	Monday, September 25, 2023	3:00 PM			10	2	
1P	Capital Reserves Summary	Monday, September 25, 2023		4:00 PM		40	2	
HGMD								
2A	HGMD Operating Budget Summary	Tuesday, September 26, 2023	9:00 AM			10	2	
2A	HGMD Department Budget Summaries	Tuesday, September 26, 2023				10	1	
2A	Clubhouse Expenses & Charge Outs	Tuesday, September 26, 2023				30	7	
2A	Golf Expenses & Charge Outs	Tuesday, September 26, 2023				20	5	
2A	Restaurant Expenses & Charge Outs	Tuesday, September 26, 2023		11:30 AM		20	4	
Break								
2P	Capital Reserves Summary	Tuesday, September 26, 2023	12:00 PM			15	2	
Summary								
2P	Summary of Proposed Dues by category & unit type	Tuesday, September 26, 2023				5	1	
2P	3 & 5 Year Outlooks	Tuesday, September 26, 2023				10	2	
2P	Next Steps - Summary of Changes	Tuesday, September 26, 2023		1:00 PM		15		
NOTES:						365	57	
	1	If we finish a section early, we all get a break, to take calls, answer emails, etc					6.083	
	2	Lunch 12:30 - 1:30 PM first day						
	3	Morning Break each day						
	4	Finish in less than two days						

Questions Insurance up ?

Heather Gardens Association Budget and Finance Committee
Date: June 16, 2023

Motion: Recommend Building 216 Water Heater Replacement Project

Project Cost: \$34,100

Based on the recommendation of the Maintenance Committee, I move that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve the contract with Long Mechanical to furnish and install one new 100-gallon Rheem Ruud Water Heater in Building 216 for the cost of \$31,000 plus a change order reserve of \$3,100, for a total cost of \$34,100.

Motion made by:	
Seconded by:	

Outcome of Vote:	
For:	
Against:	
Absent/Abstaining:	
Notes:	

Rationale/Notes: See attached RCE

HEATHER GARDENS ASSOCIATION REQUEST FOR CAPITAL EXPENDITURE

PROJECT: Building 216, Water Heater Replacement

DEPT: Maintenance

DATE: June 7, 2023

BUDGET	Budget Amount: \$ 82,800	Contract Amount: \$31,000	
Year: 2023	Expended YTD: \$ 0.00	Change Order Res.: \$3,100	
Tab:	Unexpended Balance: \$ 0.00	Total Project Cost: \$34,100	
Page:		Add. Funds Requested:	

DESCRIPTION: One of two water heaters in Building 216 has failed. This project is to remove and dispose of the failed water heater and replace it with a new 100 gallon, Rheem Ruud 399,000 BTU. The install will include all necessary connections and fittings to the new water heater. This project includes modifying the cold-water supply piping to accommodate the new water heater. The contractor will provide a 90-day craftsmanship warranty. The water heater comes with a limited 3-year tank and 1-year parts warranty.

JUSTIFICATION: (Attach backup material as required)

The failed water heater at Building 216 has a hole in the bottom, requiring us to isolate and drain it. The building has two water heaters for this reason. We were able to operate temporarily with one water heater to provide hot water to the buildings residents until a replacement is installed. The failed water heater was installed in 2005, making this water heater 18 years old. The average life expectancy of a water heater is 10 years. Due to HGA's continued preventive maintenance plan, including Leak Control Services this water heater provided HGA 8 additional years of service past the average life expectancy of commercial water heaters.

BID COMPARISON: (If required, summarize, or attach separate schedule.)

The Maintenance Department reached out to three different contractors but only received quotes from two.

Long Mechanical – quoted \$31,000.

Colorado Mechanical Systems, LLC: quoted \$34,530.

Rasmussen Mechanical Services – Unable to provide currently.

NOTE The cost of a 100-gallon water heater has gone down 10% from last water heater that was replaced in 2022.

RECOMMENDATION: The Maintenance Department recommends the Heather Gardens Board of Directors *ratify* the work that has been quoted and approved to furnish and install 1 new 100-gallon Rheem Ruud Water Heater in Building 216 for the cost of \$31,000 plus a 10% Change Order Reserve of \$3,100 for a total request of \$34,100. HGA has successfully contracted with Long Mechanical on previous projects, including the replacement of the Restaurants HVAC system and the outdoor pool boiler.

1. Dept. Head	2. CFO	3. CEO	4. Dept. Chair	5. B&F Committee	6. HGA President
<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-concur 	<input checked="" type="checkbox"/> Concur <input checked="" type="checkbox"/> Non-concur <input type="checkbox"/> Concur with Justification 	<input checked="" 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

Check: Concur, Non-concur or Concur with justification, then initial. Attach comment sheet if you like.

*Capital expenditures, except emergency replacements and weatherproofing performed by HGA labor, are approved/revised as follows:
All Items require Block 1, 2 (when needed), and 3 through 8 completed.

Project Agreement

Quote Number:	CMK23-00744	May 31, 2023	Page 1 of 5
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Customer:	Heather Gardens Metro District
Location:	Building 216 13691 East Marina Drive Aurora, Colorado 80014
Regarding:	Domestic Water Heater Replacement

Thank you for the opportunity to provide solutions to your HVAC needs. We are pleased to offer our proposal to replace the failed domestic water heater in building 216, State model SBD100390NEA and serial number ending in 9195, with new Rheem model of same specifications.

OUR PROPOSAL INCLUDES THE FOLLOWING:

1. Providing the following:

- ◆ One (1) new Rheem water heater
 - 100-gallon capacity – 390.9k BTU
 - Draft diverter and automatic flue damper
 - LED diagnostic system
 - 458 gal per hour recovery rate

2. Removal of existing water heater includes:

- ◆ Shutting down and isolation of power (Lock-Out/Tag-Out)
- ◆ Isolation of water and draining of tank
- ◆ Disconnecting electrical from water heater
- ◆ Disconnecting flue piping
- ◆ Isolating and disconnecting gas line
- ◆ Disconnecting water piping and drain
- ◆ Removal of water heater and haul away for proper disposal

Heather Gardens Added Requirements:

- 1.) Water Heater Needs to be ASME certified.
- 2.) City of Aurora Permit Required.
- 3.) If installation is not completed in one day, the building needs hot water before Long Mechanical leaves for the day with at least one water heater



Long live your building!

Quote Number:	CMK23-00744	May 31, 2023	Page 2 of 5
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3. Installation of new water heater includes:

- ◆ Hauling in and setting new water heater in place
- ◆ Connecting water piping and drain connections
- ◆ Removal of water isolation
- ◆ Filling water heater and checking for leaks
- ◆ Connecting gas line and removing isolation to check for leaks
- ◆ Connecting electrical lines and flue piping
- ◆ Removal of LO/TO and restoring power
- ◆ Startup and operational testing



Long live your building!

Quote Number:	CMK23-00744	May 31, 2023	Page 3 of 5
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OUR PROPOSAL EXCLUDES THE FOLLOWING:

1. Providing the labor and materials for work not detailed to be done in this project's scope of work, including:
 - ◆ Providing labor after our normal business hours 8:00 am to 4:30 pm Monday through Friday

Due to the uncertain labor and material requirements, this proposal is being offered as a Top-Limit investment. At the completion of the project, LONG will review the project costs. If the actual costs are less than the estimated costs, LONG will provide final billing for the reduced investment.

YOUR TOP-LIMIT INVESTMENT FOR THIS SCOPE OF WORK IS:

Thirty-One Thousand Dollars \$31,000.00

This price will be held firm for 30 days. Please review this proposal and let us know if you have any questions. If this proposal is acceptable, please sign below.

Thank you for selecting LONG Mechanical Solutions.

Your building technology partner

Mike Poole

Mike
Account Executive

Accepted by,

Jon Rea

Authorized Signature

Jon Rea

Printed Name

Date: *5/1/2023*

PO# _____



Long live your building!

Quote Number:	CMK23-00744	May 31, 2023	Page 4 of 5
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TERMS AND CONDITIONS OF SALE

- 1. OFFER AND ACCEPTANCE** – LONG Building Technologies, LONG Mechanical Solutions (LONG) offers to sell the equipment, materials and labor indicated in strict accordance with the terms and conditions stated herein. Submittal of a Purchase Order, contract or execution of this offer by Customer, or allowing LONG to commence work shall be deemed an acceptance of this offer, which offer and acceptance shall constitute a legally enforceable contract between Customer and LONG. Any additional or differing terms and conditions contained on Customer's Purchase Order or contract (whether or not such terms materially alter this offer) are hereby rejected by LONG and shall not become part of the contract between Customer and LONG unless expressly consented to in writing by LONG. This offer is subject to acceptance within 30 days after date proposed and is based on all work being performed during regular working hours unless stated differently in the offer.
- 2. TERMS** – Terms of Payment for goods shipped and/or services rendered hereunder shall be NET 30 days on receipt of invoice. Credit card processing fees are not included. Processing fees charged to LONG resulting from Customer payment by credit card will be added to customer's invoices. LONG reserves the right to add to any account outstanding more than thirty (30) days a charge of one and one-half (1½%) percent of the principal amount due at the end of each thirty (30) day period.
- 3. INVOICING** – LONG reserves the right to issue partial or complete invoices as material is furnished and as services are rendered.
- 4. PERFORMANCE** – LONG shall not be liable for delays in delivery of equipment or performance of services hereunder where such failure or delay is due to the disapproval of LONG's Credit Analysis, strikes, fires, accidents, national emergency, failure to secure materials from the usual sources of supply, or any other circumstances beyond the control of LONG, whether of the causes enumerated above or not, which shall prevent LONG from making deliveries or performing services in the usual course of business. In the event of the disapproval of Credit or the occurrence of any of the above, LONG may, at its sole option, cancel Customer's Purchase Order or contract without any liability on the part of LONG. Alternatively, LONG may extend the time for its performance by a period equal to the duration of the cause underlying LONG's failure or delay. Receipt of the equipment or services by Customer upon its delivery shall constitute a waiver of all claims for delay.
- 5. TAXES** – Prices quoted are exclusive of taxes unless specifically state differently in the scope of work proposal. The amount of any present or any future occupation, sales, use, service, excise or other similar tax which LONG shall be liable for either on its own behalf or on the behalf of the Customer, with respect to any orders for machinery or services, shall be in addition to the billing prices quoted and be paid by the Customer.
- 6. WARRANTY** – On equipment, LONG will extend the manufacturer's warranty to our customer (typically up to 1 year, starting the date sold to LONG). LONG warrants installation craftsmanship, parts and materials for 90 days and will repair or replace, at LONG's option to fulfill the term of the initial warranty period. This warranty does not include loss of refrigerant, fuses, subcontracted services (example, crane), damages caused by customer misuse of abuse, acts of God, site electrical or other problems or after-hours warranty service labor. The warranty and liability set forth above are in lieu of all other warranties and liabilities, express or implied, in law or in act. The warranties contained herein set forth customer's sole and exclusive remedy in the event of a defect in workmanship or materials.



Long live your building!

Quote Number:	CMK23-00744	May 31, 2023	Page 5 of 5
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7. **LIMITATION OF LIABILITY** – LONG will provide proof of liability insurance coverage per customer's request. LONG shall not be liable for any special, incidental or consequential damages. All claims, causes of action or legal proceedings against LONG arising from LONG's performance under this contract must be commenced by Customer within the express warranty period specified under Paragraph 6 hereof. Failure to commence any such claim, cause of action or legal proceeding within such period shall constitute a voluntary and knowing waiver thereof by Customer.
8. **CANCELLATION** – Should customer cancel the project, LONG reserves the right to collect cancellation charges (including, but not limited to, all costs and expenses incurred, plus reasonable overhead and profit against any cancelled order or contract).
9. **DISPUTES AND CHOICE OF LAW** – This contract shall be deemed to have entered into and shall be governed by the laws of the State of Colorado. All claims, disputes and controversies arising out of or relating to this contract, or the breach thereof, shall, in lieu of court action, be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and any judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The site of the arbitration shall be Littleton, Colorado unless another site is mutually agreed between the parties. The parties agree that any party to the arbitration shall be entitled to discovery of the other party as provided by the Federal Rules of Civil Procedure; provided, however, that any such discovery shall be completed within four (4) months from the date the Demand for Arbitration is filed with the American Arbitration Association.
10. **COSTS TO LONG** – In the event it becomes necessary for LONG to incur any costs or expenses in the collection of monies due to LONG from Customer, or to enforce any of its rights and privileges hereunder, Customer, upon demand, shall reimburse LONG for all such costs and expense (including, but not limited to, reasonable attorney's fees).
11. **NON-SOLICIATION** – Both parties agree that during the term of this agreement and for a period of one year after termination, not to discuss, solicit, hire or in any way cause any employee of the other to consider terminating their employment with one party in favor of starting their own company to provide services similar to those included in this agreement or for direct employment by the other party. Should this clause be violated it is agreed that the offended party will be significantly damaged. The offending party agrees to reimburse the offended party a minimum compensation equivalent to the last 3 years of wages, benefits and training paid and attributed to the solicited former employee. This clause can only be waived by the prior written agreement of executives of both parties to this agreement.
12. **ENTIRE AGREEMENT** - These terms and conditions, and the matter set forth on the face of LONG's offer to sell, constitute the entire agreement between LONG and Customer. No course of dealings or performances, or prior, concurrent or subsequent understandings, agreements or representations become part of this contract unless expressly agreed to in writing by an authorized representative of LONG.
13. **ASSIGNMENT** – Customer shall not assign this contract or any interest therein without the prior written consent of LONG. Any actual or attempted assignment without LONG's consent shall entitle LONG, at its sole option, to cancel this contract and, in such event, LONG shall be entitled to payment for all work performed and materials furnished to the date of cancellation, as well as reasonable compensation for lost overhead and profits.



Project Services Proposal Date: 5/30/2023

By and Between

Colorado Mechanical Systems
7094 S Revere Pkwy
Centennial, CO 80112
(hereinafter "CMS")

Heather Gardens Association
2888 S. Heather Gardens Way
Aurora, CO 80014
(hereinafter "Customer")

Project Information: Building 216
Project Location: 13691 E Marina Dr,

Project Services Description:
Replace 100 gallon water tank.

Our Project Proposal Includes:

- Existing Hot Water Tank is drained by Heather Gardens.
- Remove old Hot Water Tank and dispose of properly.
- Furnish and install (1) new Hot Water Tank.
(Rheem – Ruud, Model # G100-400A – ASME Certified) Please see specifications.
- Reconnect existing associated piping.
- Furnish and install new unions at boiler / water piping connections.
- Reconnect existing gas piping.
- Reconnect existing 120V electrical connection.
- Reconnect to existing flue at B vent wye section.
- Ensure shut down time to a minimum.
- Installation of Hot Water Tank must be performed in 1 full day.
- Perform factory authorized startup and test new equipment
- All tools, equipment, instrumentation and labor necessary to perform project
- Provide Colorado Mechanical Systems 1 year labor warranty
- Provide manufacturer's warranty on all parts
- This proposal is good for 30 days from the date provided to the customer

Project Exclusions:

- Providing equipment, materials and labor for work not detailed in this project's scope of work.
- Providing labor after or before our normal business hours of 7:00 AM to 5 PM Monday through Friday.
(unless noted otherwise in this project's scope of work).
- Design and/or engineering.
- Removal/repair/replacement of finished surfaces
- Controls, controls modifications, or upgrades

- Ⓒ Any GC work, drywall repair, carpentry, painting, fire alarm, fire suppression work, sprinkler work, insulation, or repair of pre-existing conditions unless noted otherwise in this project's scope of work.
- Ⓒ Upgrades to line voltage electrical

Other Considerations:

This proposal is subject to change based on unknown items that may occur as a result of public health disturbances, such as material
 CMS reserves the right to progress bill this project as costs are incurred. This includes a standard 15% invoice to cover mobilization costs at the time of material procurement.

Our price for the scope of work is.....\$34,530.00

Thank you for allowing us to provide you with this project proposal. Please sign and return to authorize the above work and we will schedule this work at the mutually agreed to date.

Colorado Mechanical Systems
Ricky DiFranco

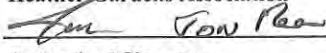
 Name

Sr. Account Executive


 Title

5/30/2023

 Date

Heather Gardens Association


 Authorized Signature



 Title

6/1/2023

 Date

Heather Gardens Association Budget and Finance Committee
Date: June 16, 2023

Motion: Recommend Atrium Waterproofing contract with Building Envelope Consultants for Building 244 underground garage

Project Cost: \$26,151

Based on the recommendation of the Maintenance Committee, I move that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve the contract with Building Envelope Consultants to provide consulting/design, as well as bid and construction management necessary to resolve the water penetration issues on the northwest side of Building 244's underground garage. The contract cost is \$22,740, with a change order amount of \$3,411 for a total cost of \$26,151.

Motion made by:	
Seconded by:	

Outcome of Vote:	
For:	
Against:	
Absent/Abstaining:	
Notes:	

Rationale/Notes: This is a budgeted line item of \$72,450 which is intended to cover not only the services under this contract but also potential contracting costs for making any identified repairs. See attached RCE for additional notes.

HEATHER GARDENS ASSOCIATION REQUEST FOR CAPITAL EXPENDITURE

PROJECT: Atrium Waterproofing – Building 244 West Wing of Underground Garage

DEPT: Contracts

DATE: 6/7/23

BUDGET	Budget Amount:	\$72,450	Contract Amount:	\$22,740
Year: 2023	Expended YTD:	\$ 0.00	Change Order Res.:	\$3,411
Tab:	Unexpended Balance:	\$ 0.00	Total Project Cost:	\$26,151
Page:			Add. Funds Requested:	

DESCRIPTION: This project is to contract with Building Envelope Consultants, LTD (BEC) to provide underground garage roof consulting/ design services, as well as bid and construction management necessary to resolve the water penetration issues on the eastside of Building 244's underground garage. During the design phase BEC will develop new/ updated plans for a roof replacement as well as a bid package for contractors to provide pricing to complete the work. BEC will provide bid management by soliciting contractors, reviewing bids and make recommendations during the bid management phase. During the construction phase BEC will provide inspections of on-going construction, reports based on inspections, review and approve contractor progress payments, manage project close-out, punchlist, and obtain warranties.

JUSTIFICATION: (Attach backup material as required)

Over the last several years there has been an increase in water intrusion in the Atrium Building Underground Garages. The purpose of this project is to investigate the areas we are experiencing water leaking and resolve the issues to preserve the life of the underground garage.

BID COMPARISON: (If required, summarize, or attach separate schedule.)

Building Envelope Consultants, LTD: \$22,740

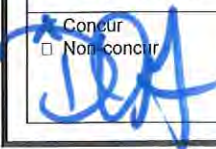
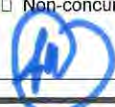
Wiss, Janney, Elstner Associates, Inc: \$19,800 *does not include a final put back plan.

Martin and Martin Engineers: Did not receive proposal.

Singing Hills Landscaping: Did not receive proposal.

RECOMMENDATION:

The recommendation is to contract with Building Envelope Consultants, LTD to provide roof consulting/ design services, as well as bid and construction management necessary to resolve the water penetration issues on the eastside of Building 244's underground garage. The cost to contract with BEC for their services is \$22,740 we have included a 15% change order reserve in the amount of \$3,411 to cover the cost of design and consulting of unforeseen issues. The design and construction management portion of the project is not to exceed \$26,151 without prior Heather Gardens Board approval.

1. Dept. Head	2. CFO	3. CEO	4. Dept. Chair	5. B&F Committee	6. HGA President
<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-concur 	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-concur <input type="checkbox"/> Concur with Justification 4/6/23/2023	<input checked="" 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

Check: Concur, Non-concur or Concur with justification, then initial. Attach comment sheet if you like.

*Capital expenditures, except emergency replacements and weatherproofing performed by HGA labor, are approved/revised as follows:
All Items require Block 1, 2 (when needed), and 3 through 8 completed.



Wiss, Janney, Elstner Associates, Inc.
3609 South Wadsworth Boulevard, Suite 400
Lakewood, Colorado 80235
303.914.4300 tel
www.wje.com

May 23, 2023

Mr. Don O’Gorman
Contracts Manager
Heather Gardens Association
2888 South Heather Gardens Way
Aurora, Colorado 80014

Heather Gardens – Limited Waterproofing Assessment_Rev1

WJE No. 2023.2883.0

Dear Mr. O’Gorman:

At your request, Wiss, Janney, Elstner Associates, Inc. (WJE) is pleased to submit this proposal to perform a limited condition assessment of the existing garage waterproofing for the residential building located within the Heather Gardens community, at 13901 East Marina Drive in Aurora, Colorado. This letter summarizes our proposed scope of services and the fees for those services. This proposal has been revised based on our correspondence with you on May 24, 2023, and supersedes our May 9, 2023 proposal.

BACKGROUND

13901 East Marina Drive, referred to as Building 244 on the original drawings, is a six-story multi-family condominium building, generally shaped like a cross. The building construction comprises 8-inch-thick post-tensioned concrete slabs, supported by cast-in-place columns over drilled piers. One level of below-grade parking is present, and extends beyond the footprint of the building to the north, east, and south. Where the garage footprint extends beyond the building, landscaping and/or paved parking is present at-grade. Based on construction drawings provided to WJE thus far, the building was constructed circa 1985.



Figure 1. Overall view of landscaped area at north corner of Building 244. Yellow lines denote approximate extent of foundation wall and parking garage, below.

We understand that isolated moisture intrusion has been observed within the past several years at the interior of the northern end of the garage. A review of the original architectural drawings notes the presence of a “waterproof membrane” above the garage slab/lid, below the landscaping, but its tie in and transition to any foundation waterproofing is unclear. Accordingly, on behalf of the homeowner’s association (HOA), you have asked us to provide this proposal to review the existing conditions, determine

the source(s) of the moisture intrusion, and design suitable waterproofing repairs. Based on this understanding, we have developed the following proposed scope of services.

SCOPE OF SERVICES

Based on our experience with similar projects, we propose that our services be provided and budgeted based on a phased approach. A detailed description of each phase, and the tasks proposed in each, is provided below.

Phase 01 - Limited Condition Assessment

1. Conduct a limited visual examination of the on-site conditions and collect initial information regarding the project's history of water infiltration issues and the areas of primary concern. WJE will utilize the information gathered as a basis to plan and coordinate the subsequent on-site intrusive investigation. Note: this task was completed on May 4, 2023.
2. Review relevant portions of available original construction documents, previous repair documents, engineering reports, and maintenance records for the garage which you are able to provide.
3. Conduct a site visit to document the existing conditions. We anticipate that our site activities will include:
 - a. With the assistance of a contractor (to be retained by you), perform isolated exploratory openings to expose and allow direct examination of the underlying waterproofing and drainage assemblies. Anticipated opening locations for review will likely include the garage slab-to-foundation wall interface, interfaces at the building face, and at the adjacent balconies. At this time, we generally anticipate performing 3 to 6 distinct openings within the grass and mulched landscaped areas.
 - i. Costs for a contractor to assist with the creation of the openings, as well as any required landscaping repairs, have not been included below.
 - b. We may perform a series of diagnostic water tests. Testing may include the use of a calibrated spray nozzle that is used with AAMA 501.2 testing to further isolate areas, components, and joints. For the testing, we will need access to a water source (garden hose bib) within reasonable proximity to the test areas. During the water testing, some water leakage will likely penetrate into the garage; however, we will make reasonable efforts to minimize the quantity of water that enters the garage prior to discontinuing the test.
4. Issue a brief report summarizing findings from our assessment and conceptual recommendations for repairs. The purpose of this letter is to allow the HOA to select the repairs that best fit your budgetary constraints and long-term goals for the property. At this stage, our recommendations will be schematic in nature, and will not be suitable for obtaining permits or performing construction work.
5. Following issuance of our report, WJE will be available to discuss our findings with you via video conference.

Phase 02 - Production of Construction Documents and Construction Period Services (Possible Future Scope)

Based on the recommendations and options contained within our assessment letter, and the repair approach that the HOA ultimately elect to undertake, WJE can develop construction documents for the selected repairs, and assist you with identifying one or more qualified repair contractors to provide competitive bids.

Phase 03 - Construction Period Services (Possible Future Scope)

During implementation of our designed repairs, we anticipate performing construction period services in an effort to evaluate the contractor's progress, to determine if the work is in general accordance with our repair documents, and to help address unforeseen conditions uncovered during the course of the work.

FEES, TERMS AND CONDITIONS

The scope of services for Phase 01 is well-defined at this time. We propose to perform these services for a lump sum fee of \$6,800, not inclusive of contractor costs to perform the exploratory openings.

Preparation of construction documents, and the fees associated with the Phase 02 services, are dependent on the extent and severity of the conditions observed as a part of our Phase 01 assessment, and the scope of work that you ultimately elect to undertake. However, based on our May 25, 2023 correspondence, we understand that you would like a preliminary budget for Phase 02 assuming the garage lid waterproofing is removed and replaced in its entirety. Based on the above assumption, and our experience with similar projects, we recommend you establish a budget of approximately \$5,000 to \$7,000 for production of waterproofing replacement drawings. Note that this budget does not include any structural analysis of the existing garage lid (i.e., to determine the structural capacity for purposes of modifying the loads of the landscaping, or adding in new planters etc.), and assumes that the lid of the garage does not exhibit distress which would require development of concrete repair details. However, if requested, a structural analysis or inclusion of concrete repair details could be added to our proposed Phase 02 scope.

Our Phase 03 will be highly dependent on the quality and pace of the contractor selected to perform the work, and may also require responding to unanticipated conditions that involve supplemental investigation and/or design work to be performed. The duration of the construction process can also change, and this may increase or decrease the number of meetings, site visits, or other services provided by WJE. Considering these variables, our experience with similar projects, and based on an assumed 3-week construction schedule, we recommend you establish a budget of approximately \$6,000. In addition, it may be prudent to establish a contingency within your budgeting to account for potential additional costs associated with the variables discussed above

All services will be provided in accordance with WJE's standard Terms and Conditions for Professional Services, which are part of this agreement and attached for your review. Any services requested beyond what is stated in the Scope of Services above will be billed on a time plus reimbursable expense basis. Time charges will accrue based on the rate schedule in effect at the time services are performed, which we can provide upon request if needed.



CLOSING

If you agree to the terms of this proposal, please sign below and return one copy as our authorization to proceed. Once we have received written authorization to proceed, we will work with you to schedule a time to perform the site work. We appreciate the opportunity to submit this proposal, and are available to discuss it in more detail should you wish to do so.

Sincerely,

WISS, JANNEY, ELSTNER ASSOCIATES, INC.

Adrienne Larson, PE
Senior Associate and Project Manager

Agreed and approved

WJE No. 2023.2883

Project Name: Heather Gardens – Limited Waterproofing Assessment

Name: _____ (please print)

Signature: _____

Title: _____

As Agent or Principal for: _____

Date: _____

Invoicing Instructions

Please select how you would like to receive invoices and name a preferred contact.

- Mail E-mail Other

Additional / Special Instructions:



Wiss, Janney, Elstner Associates, Inc. or WJE Engineers & Architects, P.C. (WJE) has been requested to perform certain professional and other services. The parties agree that these services shall be performed under the following Terms and Conditions, and that Client's acceptance of WJE's proposal or its direction for WJE to commence any services constitutes acceptance of these Terms.

1. Independent Contractor. WJE is an independent contractor, and all persons employed to furnish services hereunder are employees of WJE or its subcontractors/subconsultants and not of the Client. WJE and Client agree to be solely responsible for compliance with all federal, state, and local laws, rules and regulations, and ordinances that apply to their own respective employees.

2. Performance. The standard of care for all professional services performed or furnished by WJE will be the skill and care ordinarily used by members of WJE's professions performing similar services and practicing under similar circumstances at the same time and in the same locality. WJE makes no guarantees or warranties, express or implied, with regard to the performance of its services. WJE shall not have control over or be in charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures or for construction safety precautions and programs since these are the responsibilities of others. WJE agrees to perform its services in as timely a manner as is consistent with the professional standard of care and to comply with applicable laws, regulations, codes and standards that relate to WJE's services and that are in effect as of the date when the services are provided. Client agrees that no claim may be brought against any WJE employee individually for any claim involving performance of services.

3. Client Duties. In order for WJE to perform the services requested, the Client shall, at no expense to WJE, (1) provide all necessary information regarding Client's requirements as necessary for the orderly progress of the work; (2) designate a person to act as Client's representative for the services who shall have the authority to transmit instructions, receive instructions and information, and interpret and define Client's policies and requests for WJE's services; and (3) provide access to and make all provisions for WJE to enter, without cost, limitation, or burden to WJE, the specific property as required to perform the work, including the use of scaffolds or similar mechanical equipment. WJE is entitled to rely upon the information and services provided by the Client.

4. Safety. Field work will be performed only under conditions deemed safe by WJE personnel. Charges may be made for safety or security measures required by hazardous job conditions that WJE may encounter. Client understands that WJE is only responsible for the safety of its own employees and those of its subconsultants and is not responsible for the safety of other persons or property.

5. Compensation and Expenses. Client agrees to pay for WJE's requested services in accordance with WJE's standard hourly rate schedule or negotiated fee. Charges generally will be billed in monthly intervals with applicable taxes included. Travel, subsistence, and expenses incurred; communications; reproduction; and shipping charges will be billed at cost plus 5 percent and invoiced as an expense service fee. Use of vehicles will be billed at \$0.75 per mile. Expended materials for field and laboratory work, rental equipment, and any fees advanced on Client's behalf will be billed at cost plus 10 percent and invoiced as

an expense service fee. WJE equipment used in field or laboratory work is billed at WJE's equipment usage rate schedule in effect at the time the work is performed, subject to adjustment for minimum or extended usage. Portal-to-portal equipment usage rates are comparable to prevailing commercial rental rates (if available). Billing rates may be increased annually. Any subcontracted service will be billed at cost plus 10 percent providing the subcontract firm has in place adequate insurance coverage determined by WJE; otherwise, the cost will be marked up 20 percent and invoiced as an expense service fee. Client agrees to pay WJE's then-current time charges, attorneys' fees, and other expenses resulting from required attendance at depositions, administrative proceedings, or responding to subpoenas or court orders relating to the Project, but not for such expenses attributed to WJE's negligent performance of its services.

Payment for WJE's services is expected in full in US dollars upon receipt of the invoice. Invoices more than 30 days past due are subject to a 2% interest charge per month (but no more than the maximum extent allowed by law) compounded annually and any related attorneys' fees and collection expenses. WJE reserves the right to suspend its services if the Client fails to make payment when due. In such an event, WJE shall have no liability to the Client for delay or damage caused the Client because of such suspension.

6. Termination. Both the Client and WJE have the right to terminate WJE's services for convenience upon seven calendar days' written notice to the other party. In the event the Client terminates without cause, WJE shall be entitled to compensation for its services and expenses up to the time of such notification, including fees for any transition services, and shall have no liability for delay or damage to Client because of such termination.

7. Reports, Drawings, and Work Product. WJE retains ownership of reports, drawings, specifications, test data, techniques, photographs, letters, notes, and other work product, including those in electronic form, it has created. These documents or parts thereof may not be reproduced or used by the Client for any purpose other than the purpose for which they were prepared, including, but not limited to, use on other projects or future modifications to this Project, without the prior written consent of WJE. Upon request, WJE will provide Client with a copy of documentation for information and reference purposes and bill for such reproduction in accordance with Paragraph 5 above. Any unauthorized use of WJE's work product shall be at the Client's sole risk and Client shall indemnify WJE for any liability or legal exposure to WJE. To the extent WJE terminates its services due to non-payment of fees by Client, Client shall not be entitled to use the documents described herein for any purpose whatsoever.

8. Environmental Hazards. Client acknowledges that WJE's services do not include the detection, investigation, evaluation, or abatement of environmental conditions that WJE may encounter, such as mold, lead, asbestos, PCBs, hazardous substances, or toxic materials that may be present in buildings and structures involved in this Project. The Client agrees to defend, indemnify, and hold WJE harmless from any claims relating to the actual or alleged



existence or discharge of such materials through no fault of WJE's employees. WJE reserves the right to suspend its services, without liability for consequential or any other damages, if it has reason to believe that its employees may be exposed to hazardous materials and will notify the Client in such event.

9. Dispute Resolution. Prior to the initiation of any legal proceedings (except for WJE initiated claims for nonpayment for services), WJE and the Client agree to submit all claims, disputes, or controversies arising out of or in relation to the services provided by WJE to mediation. Such mediation shall be conducted under the auspices of the American Arbitration Association or such other mediation service or mediator upon which the parties agree. Client consents to suit for nonpayment in the state courts of Illinois.

10. Successors and Assigns. These Terms shall be binding upon Client and WJE and their respective successors, assigns and legal representatives. Neither party may assign, subcontract, or otherwise delegate its responsibilities without the prior consent of the other party, which consent shall not be unreasonably withheld. Additionally, in no instance shall this paragraph be interpreted to create any rights in any third party.

11. Insurance. WJE maintains commercial general liability, automobile, workers' compensation, and employers' liability and professional liability coverages under policies written by national insurance carriers rated by the A.M. Best Company, evidence of which will be provided upon request. Special endorsements are not allowed. No waiver of subrogation is allowed on WJE's professional liability policy. Upon written request, WJE agrees to name the Client as an additional insured to the commercial general liability and automobile coverages. Any request to add other parties as additional insureds must be made in writing and is subject to certain limitations. All policies are subject to annual renewal. Excess coverage is available for exposures over primary policy limits except for professional liability.

12. Indemnity. To the fullest extent permitted by law, Client and WJE each agree to indemnify and hold the other harmless, and their respective agents, officers and employees, from and against liability for all direct claims, losses, damages, and expenses, including reasonable attorneys' fees, to the extent such claims, losses, damages, or expenses are for bodily injury, sickness, disease, death, or property damage and to the extent they are caused by the negligent acts, errors, or omissions of the indemnifying party, and/or the indemnifying party's agents, officers, employees, independent contractors, or subcontractors of any tier. In the event such claims, losses, damages, or expenses are caused by the joint or concurrent negligence of Client and WJE, or their respective agents, officers, employees, independent contractors, or subcontractors of any tier, they shall be borne by each party in proportion to that negligence.

13. Agreed Remedy. To the fullest extent permitted by law, the total liability, in the aggregate, of WJE and WJE's officers, directors, employees, agents, and consultants to Client and anyone claiming by, through, or under Client, for any and all injuries, claims, losses, expenses, or damages, including, without limitation, attorneys' fees, arising out of or in any way related to WJE's services, the Project, or these Terms, from any cause or causes whatsoever,

including but not limited to, negligence, strict liability, indemnity or breach of contract shall not exceed an amount equal to the proceeds obligated to be paid under WJE's applicable insurance policy for such claims. If, for any reason, the applicable insurance policy does not provide coverage for any particular claim described herein, then the liability amount shall not exceed WJE's fees for the services performed hereunder.

In no event shall WJE be liable in contract, tort, strict liability, warranty or otherwise, for any special, incidental or consequential damages, such as, but not limited to, delay, disruption, loss of product, loss of anticipated profits or revenue, loss of use of equipment or system, non-operation or increased expense of operation of other equipment or systems, cost of capital, or cost of purchase or replacement equipment systems or power.

14. Third-Party Beneficiaries. Nothing contained in these Terms shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Client or WJE. WJE's services hereunder are being performed solely for the benefit of the Client, and no other entity shall have any claim against WJE because of these Terms or WJE's performance or non-performance of services hereunder.

15. Laboratory or Material Testing Services. Material samples not consumed in WJE's work will be discarded 60 days after completion of the project unless the Client requests other disposition in writing. WJE cannot be responsible for material after 60 days and Client shall inform WJE in writing how to dispose of the samples. WJE will exercise reasonable care in safeguarding materials, records, or equipment, but disclaims any liability for loss or damage. Rates for sample storage will vary by sample size but in no event will sample charges be less than \$270 per year accruing upon the 61st day of storage and annually thereafter. Failure to pay for underlying services or storage constitutes permission to dispose of all samples held by WJE.

Any testing done on materials or products shall not prevent WJE from any services involving Client's materials or products in the built world. WJE shall have no liability to third parties for any products or materials developed from WJE's services. WJE's reports, trademarks or other property shall not be used to indicate endorsement of any material or product.

16. Entire Agreement. These Terms together with any written proposal shall constitute the entire understanding of the parties concerning the Project and supersede all prior negotiations and written agreements between them, and any amendment or modification to either WJE's proposal or these Terms may be made only by a written instrument expressly stated to be an amendment and signed by WJE.

17. Severability. If any provisions of these Terms, or portions thereof, are determined to be unenforceable, the remainder shall not be affected thereby and each remaining provision or portion thereof shall continue to be valid and effective and shall be enforceable to the fullest extent permitted by law.



Building Envelope Consultants, Ltd.

Architects • Engineers • Roof Consultants

Detroit, MI
Chicago, IL
Denver, CO
St. Louis, MO
Indianapolis, IN
Minneapolis, MN
Kansas City, MO
HQ: Waukesha, WI

May 11, 2023

Don O'Gorman
Contracts Manager
Heather Gardens Association
2888 S. Heather Gardens Way
Aurora, CO 80014
720-974-9606
Don.ogorman@heathergardensmail.com



RE: BEC Proposal # 2305-CORAM-v1.0-DB
Roof Consulting Services for;

- *Roof Design Plans & Specs*
- 13901 E. Marina Drive, Aurora, CO 80014

Mr. O'Gorman;

Please accept this document as our proposal to provide professional services for the above referenced project.

After you have reviewed this proposal, please call so that we may discuss. Building Envelope Consultants, Ltd. (BEC) appreciates the opportunity to work with you. We look forward to serving your building envelope needs.

Sincerely,

Nick Lovato

Nick Lovato
Sr. Consultant

PROPOSAL

Prepared For: Don O’Gorman
Heather Gardens Association

Location: 13901 E. Marina Drive
Aurora, CO 80014

1) ROOF CONSULTING SERVICES – Design Phase

A. PREDESIGN

- a. Preliminary site visit and progress site visits necessary to develop plans and specifications for roof replacement of designated roof areas.
- b. Evaluate roof to determine architectural detail list.
- c. Perform core-cuts and other forensic analysis as necessary.
- d. Review historical documents (Plans, Specs) as necessary.

B. DESIGN PHASE

- a. Develop new/updated plans (plans and details), technical specifications and bid form for roof replacement using existing plans provided by OWNER and/or in collaboration with OWNER in compliance with building codes.
- b. Attend 60% design, pre-construction phase meetings as necessary (Virtual).
- c. Develop complete bid package with documents provided by or in collaboration with OWNER.

DESIGN PHASE FEE.....\$12,300.00

2) ROOF CONSULTING SERVICES – Bid Management Phase

A. BID MANAGEMENT

- a. Manage Project Bid Procedure according to OWNER requirements.
- b. Solicit contractor bids according to OWNER requirements.
- c. Attend pre-bid contractor meeting at site to answer contractor questions.
- d. Accept and open bids with representatives of OWNER (virtual)
- e. *Provide contractor recommendation to OWNER based on bids received.

***Contracts with Contractors will be by OWNER**

BID MANAGEMENT FEE..... \$4,260.00

3) ROOF CONSULTING SERVICES – Construction Phase

A. CONSTRUCTION SERVICES

- a. Attend one pre-construction site meeting to schedule construction activities.
- b. Visit site during process of re-roofing to observe construction practice (two full-time observations first week of production followed by one mid-inspection and one final inspection for a total of
- c. Provide site visit reports to OWNER within 24 hours of site visit.
- d. Provide close-out site visit to develop "Punch List" at contractor reported 100% completion.
- e. Approve contractor progress payments.
- f. Obtain required warranties from manufacturer and contractor.
- g. Present close-out report to OWNER including all progress photos, observation reports, copy of plan and specification, warranty documents, etc. – Report delivered electronically.

CONSTRUCTION PHASE FEE.....\$6,180.00

*** Daily observation rate flat fee \$1,250.00 + per diem and travel costs**

PROJECT SCHEDULE:

The project schedule will be "As-soon-as-possible" weather permitting, with anticipated start date of TBD.

ANTICIPATED PROJECT TEAM: (Subject to availability)

Project Manager: Nick Lovato
Project Supervisor: David Balistreri, RRC, BECxP, CIT-III
Team Members: Tom Laufenberg, PE; David Groblewski, PE*, SE*; Walter Evans, PE*, and others depending on demand
Secretarial Lindsey Fredricksen, AS

DELIVERABLES:

Written plans, specifications in PDF format delivered electronically within ten (30) business days of acceptance of this proposal.

TERMS & EXCLUSIONS:

BEC, Ltd., is a professional firm and is knowledgeable and experienced in providing the type of services as contemplated in this agreement. The Services shall be performed in the manner consistent with the standards of care, diligence and skill ordinarily exercised by other professional contractors under similar circumstances in accordance with customarily accepted professional practices and procedures. BEC, Ltd., represents and warrants that it is and/or will be familiar with the laws, rules, regulations, and ordinances affecting the site upon which the services will be performed specific to the type of services being performed.

Any change in the scope of this proposal will be made by written change order only. Our fee for this project assumes OWNER will provide us with complete access to areas necessary for our staff to properly perform the work.

This proposal does not include;

- any item not specifically expressed in this proposal.
- destructive testing of any kind.
- opinions or commentaries regarding energy use of any kind.
- Architecture services
- Mechanical design services including but not limited to plumbing, electrical and fire protection.
- Site protection and public safety protocols/procedures during construction.

Any work product generated as part of this proposal is in no way a guarantee or warranty, expressed or implied, as to the future performance or outcome of the facility at which the work is completed. BEC is not responsible for work by others.

OWNER agrees to indemnify, hold harmless, protect and defend BEC, Ltd, and any affiliated or related entities, and their respective employees, officers, directors, shareholders, agents and representatives, from and against any and all claims, losses, liabilities, damages, costs and expenses, including reasonable attorneys' fees, that occurred or are alleged to have occurred in connection with the Work and/or affiliated Services or are alleged to have occurred in whole or in part as a result of or due to the negligence or fault of BEC, Ltd, its agents, employees or representatives, regardless of whether or not such claim, loss, liability, damage, costs or expense is caused in part by a party indemnified hereunder.

All documents produced by BEC Ltd. for this project are owned by BEC Ltd. and protected under the copyright laws of the United States of America. The owner/client may reproduce BEC Ltd.'s documents related to this project only. BEC Ltd. documents for other purposes not listed herein may not be reproduced without written authorization from BEC Ltd.

Valid for 14 days from proposal date

Roof Consulting Services:

Location: 13901 E. Marina Drive
Aurora, CO 80014

- 1. DESIGN PHASE FEE..... \$12,300.00
- 2. BID MANAGEMENT PHASE FEE.....\$4,260.00
- 3. CONSTRUCTION PHASE FEE.....\$6,180.00

TERMS: **Lump Sum**
Full payment due prior to project start
Net 20 per project phase invoice.
1.5% per annum for late payments.
Credit Card Payments add: 3.5%

Please Remit To: Building Envelope Consultants Ltd.
 PO Box 1307
 Waukesha, WI 53187

Building Envelope Consultants Ltd. Federal ID #: 20-2559944

All fees and expenses are the responsibility of Client regardless of Client's relationship with an adverse party, third-parties, contingency arrangements, subrogation, or similar agreement. Payment of all fees and expenses are not contingent upon collection or reimbursement between Client and any other party.

Accepted by (Signature)

Date

Printed Name

PO Number

Title

Heather Gardens Association Budget and Finance Committee
Date: June 16, 2023

Motion: Recommend Trash and Recycling contract with 5280 Waste Solutions

Project Cost: \$15,146 monthly (Annual cost of the contract is \$181,752)

Based on the recommendation of the Maintenance Committee, I move that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve the contract with 5280 Waste Solutions for a monthly cost of \$13,606 with a monthly change order of \$1,540 for a total monthly cost of \$15,146. This contract covers the trash and recycling removal and disposal from the HG Clubhouse, Rendezvous Restaurant, Maintenance Building, Country Places 1-6, as well as the multi-story condominium buildings.

Motion made by:	
Seconded by:	

Outcome of Vote:	
For:	
Against:	
Absent/Abstaining:	
Notes:	

Rationale/Notes: See attached request form for more details.

HEATHER GARDENS ASSOCIATION OPERATIONAL EXPENDITURES OVER \$10,000

PROJECT: 2023 – 2025 Trash and Recycling Contract

DEPT: Contracts

DATE: 6/7/2023

BUDGET:	Budget Amt: _____	Contract Amount: \$ <u>13,606</u>
Year: <u>2023</u>	Expended YTD: \$ _____	Change Order Res.: \$ <u>1,540</u>
Tab: _____	Unexp. Balance: \$ _____	Total Project Cost: \$ _____
Pg: _____		Add. Funds Request: \$ _____

DESCRIPTION: Approve a contract with 5280 Waste Solutions for the 2023 - 2025 Trash and Recycling Contract. This contract includes trash and recycling removal and disposal from the Heather Gardens Clubhouse, Rendezvous Restaurant, Maintenance Building, Country Places 1-6, the 3-story omega building as well as all 4 and 6-story condominium buildings. There will be no changes to the Trash and Recycling pickup schedule. In addition to trash and recycling removal 5280 Waste Solution will provide 5 port-o-lets, 3 around the perimeter of the property and 2 on the golf course. Port-o-lets are scheduled to be services once a week.

JUSTIFICATION: (Attach backup material as required)

It is imperative to maintain and control trash and recycling removal to ensure a clean, healthy and safe living and working enviroment for all Heather Gardens residents and staff.

BID COMPARISON: (If required, summarize or attach separate schedule)

Waste Management: \$20,943.83 per month with 7.5% yearly increase.
 Summit Waste Solutions: \$19,816 per month with 3% yearly increase.
 5280 Waste Solutions: \$13,606 per month with an 8% yearly increase.
 Republic Services: Did not receive a bid.

RECOMMENDATION:

Due to Waste Management’s continuous short comings, including poor communication, missed pick-ups without rescheduling, overcharges and general inconsistency Heather Gardens Contracts Department recommends moving forward with 5280 Waste Solutions to take on the 2023-2025 Trash and Recycling Contract. Transitioning from Waste Management to 5280 Waste Solutions will be a challenging task. 5280 will need to modify 132 dumpsters to accommodate the hitching needs to meet HG's Taylor Dunn Trucks used to pull the dumpsters from the multi-story building garages. 5280 Waste Solutions has requested 90 days from the day of award to modify the dumpsters to meet our needs. During this time Waste Management will continue to provide trash and recycling pickup services on a month-to-month basis. At the end of 90 days 5280 Waste Solutions will be ready to release their modified dumpsters. At 30 days into the 90 days we give Waste Management notice, to remove their dumpsters at the end of 60 days per the current contract. The monthly cost for this contract is \$13,606 with a charge of \$385 per pull for the 30-yard dumpster located in the Maitenance Parking Lot. The monthly cost will fluctuate depending on how many times the 30-yard dumpster located in the Maintenance Parking Lot needs to be emptied in a given month as well as any charges inquired for dumpsters being too full. I have included a change order reserve in the amount of \$1,530 per month to allow for the 30-yard dumpster to be emptied 4 times a month. The estimated cost for 2023 is \$181,752.00

1. Department Head M.D. <input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	2. Contracts Manager <input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	3. Controller 26/6/8/23 <input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	4. General Manager <input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	5. Dept. Comm Chair <input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	6. B&F Committee <input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur	7. HGA President <input type="checkbox"/> Concur <input type="checkbox"/> Non-Concur
------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------

Check concur or non-concur, then initial. Attach comment sheet if you like

*Operational expenditures are approved/revised as follows: All items require Block 1, 2 (when needed) and 3 through 7 completed)

Attachment A - Bid Form

Heather Gardens Trash/Recycling - Company Name: 5280 Waste Solutions

Account Name	Container Count	Size	Material	Weekly P/U Frequency	Week Day Pick Ups	Location	July 2023 - June 2024 Monthly Cost	July 2024 - June 2025 Monthly Cost
Heather Gardens Assoc-Mstr Act	46	3 yard	Trash	1x	Mon	6 story	\$1,104	\$1,192
	23	3 yard	Trash	3x	Wed, Thur, Fri	6 story	\$552	\$596
Heather Gardens Assoc	24	2 yard	Trash	1x	Mon	4 story	\$576	\$622
	12	2 yard	Trash	2x	Wed, Fri	4 story	\$288	\$311
	23	2 yard	Recycle	2x	Tue, Fri	6 story	\$1,357	\$1,466
	4	3 yard	Recycle	2x	Tue, Fri	Parking Structure	\$236	\$255
Heather Gardens Main Shed	1	3 yard	Recycle	2x	Tue, Fri	Maintenance Shed	\$59	\$64
Heather Gardens Main Shed	1	30 yard RC	Trash	on call	On Call	Maintenance Shed	\$385	\$416
Heathr Gardens District	2	3 yard	Trash	5x	Mon, Wed, Thur, Fri, Sat	Clubhouse	\$48	\$52
	1	6 yard	Recycle	2x	Tue, Fri	Clubhouse	\$59	\$64
Heather Gardens Metro Dist POL	5	NA	Port O Let	1x	Mon	NA	\$1,080	\$1,167
Heather Gardens Toters	8	96 Gal	Trash	1x	Wed	NA	\$128	\$138
	11	96 Gal	Recycle	1x	Wed	NA	\$176	\$190
Heather Gardens, Master (residential toters)	632	96 Gal	Trash & Recycle	1x	Wed	Various	\$5,056	\$5,461
(Residential tote purchase) 5280 Waste Solutions will replace damaged Totes during the duration of the contract at no additional cost.	632	96 Gal					\$2,502	\$2,502
					Monthly Total	* Monthly cost will fluctuate with how many units & weekly frequency call on dumpster & supplies	\$13,606	\$14,496

Please Enter Percent Yearly Increase 2023-2025: 8% or Denver CPI

Attachment A - Bid Form

CONTRACT
Trash Removal
2023-2025

This agreement between Heather Gardens Association, hereinafter called the "Association" or "Owner", and 5280 Waste Solutions (contractor), hereinafter called the "Contractor", provides trash removal service for the Heather Gardens Association for (2) two years in accordance with the contract documents provided.

The contract documents, which comprise the entire agreement and contract between the Owner and the Contractor, shall consist of this Contract Agreement, the Terms, Conditions and Specification of Contract (including all attachments thereto); the Contractor's bid and any modifications, change orders or other such revisions properly authorized after execution of this contract. To the extent that any of the above-described contract documents conflict with the other, this Contract Agreement and the Conditions and Terms of Contract shall supersede the Contractor's bid and any other terms or conditions submitted by Contractor.

The monthly cost of this Contract for July 2023 – June 2024 shall be: \$ 13,606

Maximum allowable annual increase shall be limited to 8 %

Entered into this _____ day of _____, 2023.

For: Heather Gardens Association, Owner

Authorized Representative

For: 5280 Waste Solutions, Contractor

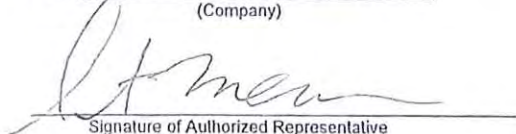
[Signature]
Authorized Representative

**Bid Form
for
Trash Removal
2023 - 2025**

The undersigned bidder, having familiarized themselves with the work required by the contract documents, the site where the work is to be performed, and all laws, regulations, and other factors affecting the performance of the work, and having satisfied themselves of the expense and difficulties attending the performance of the work hereby proposes to complete all work specified in accordance with the contract documents for July 1st 2023 – June 30th 2025 for the monthly rate of: \$ 13,606 + \$ 14,496

Please fill out Attachment A – Bid Form with your company's monthly pricing and yearly maximum percent increase. Please submit the completed Attachment A – Bid Form along with this page signed by an authorized company representative by noon on June 2nd, 2023.

For: 5280 Waste Solutions
(Company)


Signature of Authorized Representative

5280 Waste Solutions

Welcome to 5280 Waste Solutions. As Colorado's only locally-owned operated waste hauler, we pride ourselves on being an industry leader, and a company Colorado's communities can depend on.

Recently, we've moved beyond roll-off rentals to better serve our community—we recognized that reliable, sustainable, affordable waste removal, and outstanding customer service were hallmarks of our business that should be available to everyone.

The value of our work lies in focusing on the community we serve because Colorado isn't just where we work, it's the place we call home.

"I first used 5280 in 2018 for a 30 yd when doing a basement demo; again this past week doing a garage/exterior overhaul - 5280 has by far the best customer service and most competitive prices in the Denver area. They make the process smooth and easy - in 2018, when I needed to extend the rental time, it was just a phone call and the cost was incredibly reasonable. Drivers are courteous and professional. Highly recommend 5280 for all of your dumpster needs!"

- Katie Barry

"These guys know waste management! From small, local projects to full scale disposal support, 5280 has got you covered. Knowledgeable, friendly staff and prompt, professional replies make this company a go-to! Call them today~you won't be disappointed!"

-Bonnie Hottinger

5280 Waste Solutions gets the job done in a timely manner, responds to their customers with solutions and is reasonably priced for the excellent value you get!

-Jennifer Henderick Castro



TERPSTRA ROOFING
5671 EMPORIA STREET
Denver, CO 80238
303.921.1800

To whom it may concern,

I am writing this letter to highly recommend 5280 Waste Solutions for the trash and recycling services that they provide. I have worked closely with 5280 Waste for the past three years, I can confidently attest to their professionalism, expertise, and outstanding on-time performance. 5280 Waste's team of professionals has consistently demonstrated a customer first approach. 5280 Waste's professional truck drivers have been particularly impressive including calling or texting when they are on their way, placing dumpsters where we need them and having a clean fleet. They have consistently exhibited a strong work ethic and a genuine desire to achieve the best possible outcomes.

Please feel free to reach out to me directly at erik@terpstraroofing.com or 303.921.1800 if you require any further information or if you would like to discuss our experience working with 5280 Waste Solutions in more detail. I would be more than happy to provide additional insights or answer any questions you may have.

Thank you for considering 5280 Waste Solutions for your association's needs. I am confident that you will find their services to be of the highest caliber. Should you choose to engage with them, I trust that you will enjoy a successful partnership.

Sincerely,

Erik Terpstra, Owner
Terpstra Roofing, LLC
erik@terpstraroofing.com
303.921.1800

Matthew 20:28

We greatly appreciate your business and your support. We are thankful to have you as our customer and look forward to serving you again.



VILLAGE CLUB

Over the years I have rented from 5280 Waste Solutions for The Village Club, and it has always been an easy experience. I am always able to talk to a representative when I call. 5280 customer service reps have had dumpsters delivered and picked up on the same day as I have asked. The drivers are also very professional when they call or text on their way, and when they arrive, they make sure our dumpsters are set in the right place and that they don't damage our overhead lines, driveways or landscaping.

Thank You,

Luke Walker

303-587-8717

Once again, we sincerely thank you for considering 5280 Waste Solutions for this most important service. We look forward to the possibility of working with Heather Gardens Association. We anticipate a favorable response and the opportunity to showcase our capabilities in person through a formal presentation to the board if available.

Yours sincerely,



John Meier
Director of Sales
5280 Waste Solutions



Heather Gardens Trash/Recycling - Company Name: Summit Waste and Recycling

Account Name	Container Count	Size	Material	Weekly P/U Frequency	Week Day Pick Ups	Location	July 2023 - June 2024 Monthly Cost	July 2024 - June 2025 Monthly Cost
Heather Gardens Assoc-Mstr Act	46	3 yard	Trash	1x	Mon	6 story	\$2,271.00	\$2,339
	23	3 yard	Trash	3x	Wed, Thur, Fri	6 story	\$3,406.00	\$3,508
Heather Gardens Assoc	24	2 yard	Trash	1x	Mon	4 story	\$790.00	\$814
	12	2 yard	Trash	2x	Wed, Fri	4 story	\$790.00	\$814
	23	2 yard	Recycle	2x	Tue, Fri	6 story	\$1,136.00	\$1,170
	4	3 yard	Recycle	2x	Tue, Fri	Parking Structure	\$297.00	\$306
Heather Gardens Main Shed	1	3 yard	Recycle	2x	Tue, Fri	Maintenance Shed	\$121.00	\$125
Heather Gardens Main Shed	1	30 yard RO	Trash	on call	On Call	Maintenance Shed	\$470.00	\$484
Heatehr Gardens District	2	3 yard	Trash	5x	Mon, Wed, Thur, Fri, Sat	Clubhouse	\$508.00	\$523
	1	6 yard	Recycle	2x	Tue, Fri	Clubhouse	\$148.00	\$152
Heather Gardens Metro Dist POL	3	NA	Port O Let	1x	Mon	NA	\$495.00	\$510
Heather Gardens Toters	8	96 Gal	Trash	1x	Wed	NA	\$132.00	\$136
	11	96 Gal	Recycle	1x	Wed	NA	\$88.00	\$91
Heather Gardens, Master (residential toters)	632	96 Gal	Trash & Recycle	1x	Wed	Various	\$9,164.00	\$9,439
Monthly Total *monthly cost will fluctuate with how many times a month the 30yd roll off dumpster is emptied.							\$19,816.00	\$20,410

*Includes Purchas of Residential Trash and Recycle 96 gal Tote Purchase

Please Enter Percent Yearly Increase 2023-2025: _____ 3%

Attachment A - Bid Form

Heather Gardens Trash/Recycling - Company Name: Waste Management

Account Name	Container Count	Size	Material	Weekly P/U Frequency	Week Day Pick Ups	Location	July 2023 - June 2024 Monthly Cost	July 2024 - June 2025 Monthly Cost
Heather Gardens Assoc-Mistr Act	46	3 yard	Trash	1x	Mon	6 story	\$2,286.05	\$2,457.50
	23	3 yard	Trash	3x	Wed, Thur, Fri	6 story	\$3,143.20	\$3,378.94
Heather Gardens Assoc	24	2 yard	Trash	1x	Mon	4 story	\$1,070.66	\$1,150.95
	12	2 yard	Trash	2x	Wed, Fri	4 story	\$1,010.74	\$1,086.54
	23	2 yard	Recycle	2x	Tue, Fri	6 story	\$1,118.15	\$1,202.01
	4	3 yard	Recycle	2x	Tue, Fri	Parking Structure	\$282.60	\$303.80
Heather Gardens Main Shed	1	3 yard	Recycle	2x	Tue, Fri	Maintenance Shed	\$144.36	\$155.19
Heather Gardens Main Shed	1	30 yard RO	Trash	on call	On Call	Maintenance Shed	\$306.66	\$329.66
Heather Gardens District	2	3 yard	Trash	5x	Mon, Wed, Thur, Fri, Sat	Clubhouse	\$640.16	\$688.17
	1	6 yard	Recycle	2x	Tue, Fri	Clubhouse	\$147.23	\$158.27
Heather Gardens Metro Dist POL	5	NA	Port O Let	1x	Mon	NA	\$497.95	\$535.30
Heather Gardens Toters	8	96 Gal	Trash	1x	Wed	NA	\$64.20	\$69.02
	11	96 Gal	Recycle	1x	Wed	NA	\$88.27	\$94.89
Heather Gardens, Master (residential toters)	632	96 Gal	Trash & Recycle	1x	Wed	Various	\$10,143.60	\$10,904.37
Monthly Total *monthly cost will fluctuate with how many times a month the 30yd roll off dumpster is emptied.							\$20,943.83	\$22,514.61

Please Enter Percent Yearly Increase 2023-2025: _____ 7.50%

Thank you for the opportunity to earn your business with Waste Management!

We truly value serving you and your community with trash and recycling services. We take our jobs very seriously each day at WM. Our drivers place an emphasis on safety with every trip to your property. Their goal is to ensure the safety of your community, while keeping your property free of trash and recycling. Our drivers have made a commitment to us as well as to serving you.

As your Account Manager, I also take my role with your community very seriously. I do my very best to address any concerns you may have and to get resolution for any issues. Since I began serving Heather Gardens a little over a year ago, I have worked hard to learn and understand how to best support my team and your team as well. It is critical to understand the intricacies of representing Heather Gardens while also representing WM that is critical for fostering a great relationship. I believe that building relationships is what makes both myself and WM uniquely qualified to serving Heather Gardens.

We have put together a bid for service at Heather Gardens that we believe is fair for both of us. The best part of continuing our relationship is there will not be a community shakeup with switching service. You have our service already in place in the HG Community. We already know how to serve you and your community. We are all familiar with each other and how to best serve each other. There will be no learning curve. There will be no growing pains. We will continue to work together to best support each other moving forward.

The reason you chose WM for your service a long time ago was because we are known as the best service in the industry. You wanted the best for your community back then. I feel strongly that your community deserves the best now too.

I appreciate your time and attention. I look forward to serving you for years to come.

Thank you

Patrick Mahoney
Sr. Account Executive
pmahone1@wm.com
C:303-229-2912



Access WM 24/7
with [My WM](#)



**Heather Gardens Association
Trash Removal
July 1st 2023 – June 30th 2025**

Trash Removal July 1st 2023 – June 30th 2025

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Attachments

A.	Bid Form - Attachment
B.	Residential Route Map.
C.	Commercial Route Map.
D.	Sanitation Station Location Map.
E.	Lien Release.
F.	Notification of Asbestos.
G.	Work Permit for Potential Disturbance of Asbestos-Containing Materials.
H.	Building to Address / Address to Building.
I.	Tow Bar Detail.
J.	Contract Agreement.

Instructions to Bidders

**Instructions to Bidders
for
Trash Removal
July 1st 2023 – June 30th 2025**

- A. It is recommended that prospective bidders visit the project site to familiarize themselves with the existing conditions and to verify dimensions, etc. Not visiting the site does not relieve the bidder of any responsibility because of unusual conditions. Bidders may schedule visits to the project site by contacting the Contracts Management Office by calling 720-974-6906.
- B. Questions as to the Scope of Work and/or the intent of any statement contained in the General Conditions should be directed to the Contracts Management Office.
- C. Bids for the completion of this work as described in the General Conditions and Scope of Work shall be sealed and may be mailed, emailed or delivered in person.
1. Mail bids to:

Heather Gardens Association
Attention: Contracts Manager
2888 S. Heather Gardens Way
Aurora, CO 80014-3665
 2. Place the sealed bid in the mailing envelope and mark it, or mark the mailing envelope, "Sealed bid for project (Name of Project)".
 3. Hand deliver sealed bids to the Heather Gardens Receptionist located in the Heather Gardens Management Office at 2888 S. Heather Gardens Way or to the Contracts Management Office located in the Maintenance Facility located at 2887 S. Heather Gardens Way.
 4. E-mail Bids: before 12 o'clock, noon on Friday, June 2nd, 2023.
- D. Bids shall be submitted in the format indicated on the Bid Sheet(s).
- E. Bids must be received no later than 12 o'clock, noon, on Friday, June 2nd, 2023.
- F. Bids must be signed by an officer of the company.
- G. Copies of letters of recommendation, letters acknowledging outstanding performance, etc. will also be accepted at this time.
- H. Upon request, bidders will furnish a list of creditors for credit history verification and trade references of similar work performed with points of contact, telephone and fax numbers, and the periods of performance.
- I. **Bidders may be requested to submit evidence of financial capability to perform this contract.** Evidence requested may be confidential financial statements of sufficient credit to support the purchase of supplies and equipment with the payment schedule defined in Section III., General Conditions, of the Conditions of Contract.
- J. Recommendations for the award of this contract will be made to the Heather Gardens Association Board of Directors at their June 2023 Board of Directors meeting scheduled to be held on Tuesday, June 20th, 2023, at 1 o'clock P.M. No information concerning the award of this contract will be available until after this date.

- K. The Association reserves the right to reject any and all bids, waive any formalities, or to accept bids on less than all work as specified in the Scope of Work and/or itemized on the Bid Sheet.
- L. The Association also reserves the right to award this contract based on bids and other considerations as it deems in the best interest of the Association.

Bid Form

**Bid Form
for
Trash Removal
2023 - 2025**

The undersigned bidder, having familiarized themselves with the work required by the contract documents, the site where the work is to be performed, and all laws, regulations, and other factors affecting the performance of the work, and having satisfied themselves of the expense and difficulties attending the performance of the work hereby proposes to complete all work specified in accordance with the contract documents for July 1st 2023 – June 30th 2025 for the monthly rate of: \$_____.

Please fill out Attachment A – Bid Form with your company’s monthly pricing and yearly maximum percent increase. Please submit the completed Attachment A – Bid Form along with this page signed by an authorized company representative by noon on June 2nd, 2023.

For: _____
(Company)

Signature of Authorized Representative

Attachment A - Bid Form

Heather Gardens Trash/Recycling - Company Name:

Account Name	Container Count	Size	Material	Weekly P/U Frequency	Week Day Pick Ups	Location	July 2023 - June 2024 Monthly Cost	July 2024 - June 2025 Monthly Cost
Heather Gardens Assoc-Mstr Act	46	3 yard	Trash	1x	Mon	6 story		
	23	3 yard	Trash	3x	Wed, Thur, Fri	6 story		
Heather Gardens Assoc	24	2 yard	Trash	1x	Mon	4 story		
	12	2 yard	Trash	2x	Wed, Fri	4 story		
	23	2 yard	Recycle	2x	Tue, Fri	6 story		
	4	3 yard	Recycle	2x	Tue, Fri	Parking Structure		
Heather Gardens Main Shed	1	3 yard	Recycle	2x	Tue, Fri	Maintenance Shed		
Heather Gardens Main Shed	1	30 yard RO	Trash	on call	On Call	Maintenance Shed		
Heatehr Gardens District	2	3 yard	Trash	5x	Mon, Wed, Thur, Fri, Sat	Clubhouse		
	1	6 yard	Recycle	2x	Tue, Fri	Clubhouse		
Heather Gardens Metro Dist POL	3	NA	Port O Let	1x	Mon	NA		
Heather Gardens Toters	8	96 Gal	Trash	1x	Wed	NA		
	11	96 Gal	Recycle	1x	Wed	NA		
Heather Gardens, Master (residential toters)	800	96 Gal	Trash & Recycle	1x	Wed	Various		
Monthly Total							* monthly cost will fluctuate with how many times a month the 30yd roll off dumpster is emptied.	

Please Enter Percent Yearly Increase 2023-2025: _____

Attachment A - Bid Form

Conditions of Contract

I. Statement of Work

This contract consisting of pages 1 through 23 plus attachments A-J provides for the trash removal services for the Heather Gardens Association and Heather Gardens Metropolitan District in accordance with these specifications.

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II. General Conditions

A. Legality of Contract

The Contract consists of the following documents: (a) Contract for Trash Removal, ~~July 1st 2023 - June 30th 2025~~, these Terms, Conditions and Specification of Contract (including all attachments hereto), Contractor's bid and any modifications, change orders or other such revisions properly authorized after the execution of the this contract , all of which are collectively hereafter referred to as the "Contract" If any part, term, or provision of the Contract is held by any Court of competent jurisdiction to be illegal or to be in conflict with the laws of the State of Colorado, the validity of the remaining portions and provisions of the Contract shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular part, term, or provision held to be invalid.

*TBD AFTER
90 Days
OF AWARD
Allow 5280
Time to Modify
Dumpsters.*

B. Default by Contractor; Breach of Contract

Time is of the essence in Contractor's performance of the Contract. Should Contractor fail to perform any of it's obligations under the Contract as or when required. Contractor shall be in default, and if such default is not satisfactory corrected by Contractor within two (2) days following written or e-mail notice from Association, then Association, without prejudice to any right or remedies, shall have the right to terminate the Contract upon an additional ten (10) days' notice to Contractor, and take whatever steps it deems necessary to correct deficiencies and charge the cost thereof to Contractor, who shall be liable for such payment, including reasonable overhead, profit and attorneys' fees. In the event of any litigation, by the Association arising out of or for the enforcement of any of the terms and conditions to the Contract, the Association shall be entitled to recover as part of the judgement all reasonable attorney's fees and cost incurred by the Association in connection with such action.

C. Contractor Supplied Items

1. For the fees and charges specified. The Contractor shall furnish all labor, supervision, transportation, materials, equipment, and supplies and shall pay the cost of all applicable fees, sales taxes, use taxes, occupation taxes, transportation cost, fuel charges, surcharges, disposal fees and all other costs and expenses necessary to perform the work described in these contract specifications.
2. The Contractor shall also obtain and pay for all permits, licenses, certificates, and inspections, except as noted in paragraph X.2. and other fees necessary to do the work described in these contract specifications.
3. The Contractor shall provide the Association with a copy of all permits required for the completion of work for this contract.

D. Insurance

1. The Contractor shall, at their expense, maintain for the term of this contract worker's compensation, general liability and property damage insurance, auto liability and property damage insurance, and all other insurance coverage as may be required by the State of Colorado and other applicable governmental agencies.
2. The Association shall be named as an additional insured on such policies.
3. Policies shall be for the following minimum amounts:

- a. General Liability and Property Damage

Bodily Injury	\$1,000,000 each person
	\$1,000,000 each occurrence
Property Damage	\$1,000,000 each occurrence
 - b. Auto Liability and Property Damage Insurance

Bodily Injury	\$250,000 each person
	\$500,000 each occurrence
Property Damage	\$100,000 each occurrence or \$300,000 combined single limits
 - c. Workers Compensation Certificate
4. Certificates of Insurance
- a. Certificates of Insurance evidencing the specified coverage shall be provided to the Contracts Department before commencing work.
 - b. If such Certificates of Insurance are not tendered to the Contracts Department before the date the Contractor submits their first request for payment, the Association shall be entitled to withhold all sums due the Contractor or the estimated premium cost for all coverages to be maintained by the Contractor, whichever is greater.
 - c. Any amount withheld by the Association shall be refunded to the Contractor upon receipt of the Certificates of Insurance, providing the Certificates of Insurance show evidence of insurance coverage from the date the Contractor commenced work and the date the Certificates were delivered.
5. The Contractor hereby waives any and all rights which it may have against the Association for damages for work, materials, equipment, and/or tools furnished by the Contractor caused by fire or other insured perils, other than any rights which the Contractor may have to the proceeds of any fire and extended coverage insurance, maintained by the Association in regard to the contract.

E. Indemnification

To the fullest extent permitted by law, the Contractor shall indemnify, defend and hold harmless the Association, its officers, agents, and employees from and against all claims, damages, losses, and expenses, including but not limited to, attorney's fees arising out of or resulting from Contractor's obligations under this Contract, including, but not limited to, the quality and performance of work.

F. Bonds/Lien Waivers

Unless specifically provided for in Section IV. Scope of Work, no bond is required for this contract. However, the Contractor shall protect the Association from all liens and damages arising from or caused by the performance of this work by providing lien waivers from the suppliers of any major materials, equipment, etc., and from all subcontractors, as applicable. (Reference Attachment E., Lien Waiver)

G. Contract Change Orders

1. The awarded contract amount as set forth in the "Contract" and the successful bidder's bid sheet is all-inclusive for all work. No additional costs will be considered for additional labor, materials, or equipment costs on items bid.
2. Any work items not covered by this contract that the Association desires to have accomplished will be subject to separate negotiations. The Contractor will not proceed with such work until expressly authorized in writing, with the dollar amount, by the Association's General Manager, Board President, or the Board of Directors, as applicable.

H. After Hours Contact and Required Meetings

1. The Contractor shall furnish the Association's Contracts Department with the name and phone number of an after hours contact to be called in case of an emergency. Emergency shall be defined as, but not limited to, work area or trash receptacles left unsecured or in an unsafe condition that could cause injury to a person or persons or cause damage to Association property, debris not properly secured, and/or debris being scattered by wind or other causes.
2. The Contractor's on-site representative shall visit the Contracts Management Office to meet with the Contracts Manager and/or Maintenance Facilities Engineer on the first day prior to beginning any work on the contract and periodically upon request of the Association's Contracts Manager, and upon completion of the contract for a joint inspection of the completed work.

I. Performance Period

1. Unless specifically provided for in these specifications, the performance period of this contract shall be determined from the start date and completion dates as shown on the bid sheet.
2. The performance period shall begin upon notification of award of this contract and shall include material delivery lead-time.
3. Except for agreed upon delay's for specified holidays, and except for delays caused by extraordinary weather events, Contractor shall perform the specified trash removal on the schedule specified for the duration of the contract.

J. Schedule

1. The Contractor shall provide the Contracts Management Department a schedule of work indicating the proposed progression of work within the time limits for this contract. The Contracts Department must approve the schedule. The schedule and expected performance of the work shall follow the routes specified and agreed to between Contractor and Association's Contracts Management Department.
2. Normal work hours for contract work is 7:30 A.M. to 4:30 P.M., Monday through Friday. Requests to work hours other than those noted above and/or on Saturdays will be considered. No work shall be performed on Sundays or holidays, except in emergencies.
3. Allowance for delays due to weather and delays beyond the control of the Contractor shall be granted if requested in writing by the Contractor and agreed upon by the Association.

K. Subcontracting/Transferring of Contract

1. This contract shall not be subcontracted or assigned without the written permission of the Association, which permission Association may withhold in its sole and absolute discretion
2. If subcontracting is agreed to by Association, the Contractor shall notify the Association of their intent to use subcontractors and shall provide the Contracts Department with the name, address, and phone number of each subcontractor.
3. Subcontractors used in the completion of this contract must comply with the General Conditions of this contract as applicable.

L. Laws and Regulations

1. General
 - a. The Contractor shall comply with all laws, ordinances, codes, rules, and regulations bearing on the conduct of the work of all federal, state, city, and local agencies having jurisdiction over the area in which Heather Gardens is located.
2. OSHA
 - a. The Contractor shall comply with the Occupational Safety and Health Administration Hazard Communication Standards.
 - b. Material Safety Data Sheets (MSDS)
 - 1) The Contractor shall provide the Contracts Department with one copy of all applicable Material Safety Data Sheets for all materials used on the job site prior to the start of any work on this contract.
 - 2) The Contractor shall also maintain one copy of all MSDS on the job site for the duration of this contract.
 - c. Asbestos Hazard
 - 1) As required by OSHA 29 CFR 1926.1101, the Association hereby notifies all contractors that some of the facilities within the Heather Gardens complex, the Community Center building and Buildings 201 through 215, contain non-friable asbestos-containing materials (ACM).
 - 2) The identified ACM has been inspected and found to be intact, in good condition, and does not pose a health hazard when not disturbed.
 - 3) Prior to beginning any work at Heather Gardens, the Contractor shall ascertain if the facilities affected by this contract have been identified to have ACM and determine if the work involved will affect the ACM.
 - a) Read, comply with, and sign Heather Gardens Association's document titled "**Outside Contractor Notification of Asbestos O&M Plan**". (Attachment F)
 - b) Complete the Heather Gardens Association form "**Work Permit Form for Potential Disturbance of Asbestos-Containing Materials**". (Attachment G)

- 4) The Association prefers, but does not require, that all contractor personnel working at Heather Gardens have attended a two-hour Class IV Asbestos Awareness Training Course as identified in the OSHA Asbestos Construction Standard.

3. Association Policy

The Contractor shall comply with the following policies established for Association employees.

- a. Smoking is not permitted in any part of the common areas, any building in the Heather Gardens complex at any time.
- b. Contractor's employees must present a clean, neat appearance at the beginning of each workday. Shirts are to be worn at all times. If shorts are worn, the bottom edges must be hemmed. Cut-offs, tank tops and other similar forms of clothing are not acceptable.
- c. The playing of radios while working inside of a building is not permitted. Playing radios when working outside is allowed, but the volume must be kept low so as to not disturb the residents.

M. Safety

1. All work shall be conducted to provide the least interference to Heather Gardens' residents.

N. Building Security

1. All Heather Gardens condominium buildings are secure buildings and all doors are to remain locked at all times.
2. When access to a building is required, the Contracts Management Office shall sign out the necessary key(s) to the Contractor. Keys are to be returned at the end of each workday.
3. In the event that the Contractor works beyond normal work hours and cannot return the keys to the Contracts Management Office, the key(s) shall be placed in the drop box located to the right of the entry door to the Heather Gardens Management Office or left with the Heather Gardens Security Officer on duty. Contractor personnel will not keep the keys overnight.
4. Entry/exit doors will not be "blocked" open at any time unless attended by a contractor employee to prevent unauthorized personnel from entering the building.

O. Office Space/On-site Storage

1. Unless specifically noted in Section III, there are no provisions in this contract for an on-site office or for storage of materials, parts, and/or equipment.
2. If permission is granted to store materials and equipment on site, the Association will not be responsible for theft and/or damage to any contractor materials and/or equipment left on site.

P. Personnel/Supervision

1. All personnel employed by the Contractor shall be properly trained, competent, and possess any licenses necessary to perform the required services. Employees shall be clearly identified during the performance of the work in a manner agreeable with the Association.
2. The Contractor's supervisor and workmen will not take directions from or perform any work requested by resident. If a worker does follow the directions of a resident and/or performs additional work, the Association will not be responsible for any cost incurred by the Contractor for any additional work. All requests for additional work or changes must be directed to the Contracts Management Office.
3. The Contractor shall notify the Contracts Management Office of any change in the designated on-site supervisor and/or lead-worker during the contract.

Q. Installation/Workmanship

1. All work performed under this agreement shall be performed in a good, workmanlike manner to the reasonable satisfaction of the Association.
2. The appearance of the finished product shall be of equal importance to its proper functioning. Lack of quality workmanship and appearance shall be considered sufficient reason for rejection of the work.

R. Sanitation Facilities

1. There are no public toilet facilities in the Heather Gardens community. Public facilities are available in the Heather Gardens Maintenance Building and in the Community Center facility. It is preferred that Contractor's employees use the Maintenance Building facility.
2. Sanitation stations with toilets for public use are available for use at three locations on the perimeter of the Association and two locations on the Golf Course.

S. Equipment

1. No equipment in excess of 6,000 pounds shall be driven or placed on the concrete parking decks of the Somerset or Seville buildings or in the "court yard" areas of the Atrium buildings.

T. Cleanup

1. The Contractor shall keep the Heather Gardens community free from blowing and scattered trash and debris as a result of Contractor's services.

U. Damages

1. The Contractor shall take adequate steps to prevent damages to the Association's property, including pavement, curbs, gutters, parking areas, drive surfaces and landscaping.
2. The Contractor shall notify the Contracts Management Office immediately if any damage should occur.
3. The Contractor shall be responsible for repairing all damages, or the cost of repairs, caused by Contractor's personnel.

V. Liquidated Damages

1. Liquidated Damages, if any, are stated in Section III, Special Conditions.
2. The Association shall withhold from payments due to the Contractor for all Liquid Damages imposed.

W. Inspections and Acceptance of Work

1. Pre-Work Inspections
 - a. Before beginning work on this contract, the Contractor and a representative of the Contracts Management Office shall conduct a joint inspection of the general project area. Any existing damage to the grounds and facilities shall be noted.
 - b. Exterior inspections shall include, but not be limited to, the conditions of the grounds and landscaping, including sidewalks and concrete drainage pans, trees, shrubs, flower beds, and the grounds in general.

X. Payments

1. The Contractor may bill the Association for work completed once a month or upon completion of the contract, whichever occurs first.
2. Invoices are to be submitted to the Contracts Management Office on or before the 15th of the month for approval. Payment of approved invoices will be paid on the last workday of the month.

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III. Special Conditions

A. Term of Contract:

1. The initial period of this contract is two years, commencing on **July 1st 2023**, and continuing through **June 30th, 2025**, providing the specified services are provided. The initial bid is for the cost of the first year's service.
2. Annual cost increases will be limited to the Denver Consumer Price index for the preceding year or the annual percent increase indicated on the bid sheet, whichever is less.
3. Fuel adjustment and other charges added to the monthly invoices, other than for special services such as large item pick-ups, will not be considered.

B. Contract Extensions, years 3, 4, 5, and 6:

Providing the specified services are satisfactorily provided, and there is no un-cured default by Contractor, this contract may be extended upon mutual agreement of the parties for a successive three-year period with annual increases limited to the conditions in paragraph III.A.2 above.

C. Termination of Contract

Either party may terminate this Agreement without cause by giving the other party a written notice of termination by prepaid U.S. first class mail not less than 60 days before the effective date of termination.

D. Definitions:

For the purposes of this contract, trash removal service is referred to as "Commercial" , "Residential", and "Recycling"

1. Commercial Service:

- a. Trash removal service is to be provided for 35 condominium buildings, the Community Center facility, and the Maintenance facility. 13 of the 35 condominium buildings at Heather Gardens have two two-yard trash containers, and 22 buildings have two three-yard trash containers. All of these containers are rear load type containers. Due to the size restrictions of the trash rooms in the condominium buildings, containers with dimensions larger than those specified in Section III. Paragraph F., below, are not acceptable.
- b. In addition to the trash containers in the condominium buildings; there are two rear loaded three-yard containers and one front loaded six-yard recycle container located in the fenced area on the North side of the Community Center building. These containers are shared for trash disposal by the Community Center, restaurant, and Management Office.

2. Residential Service:

- a. Trash removal (curbside) service is to be provided for 316 duplex (Country Place) and Townhome units and four Parking Structures. There are 126 duplexes, 252 units, and 14 townhome buildings, -(64 units).
- b. In addition to the Country Place and Townhome units there are 8 Contractor provided 96-gallon trash totes, 2 per Parking Structure, that are considered Residential Service.

- c. There are 8 Contractor provided 96-gallon recycling totes. 2 per Parking Structure, that are considered Residential Service.

3. Recycling Service

- a. Twice a week recycling service for the condominium buildings and once every-other week service for the Country Place, Townhomes and Parking Structures is to be included as part of this contract. If this service is provided without an additional charge, the Contractor shall note on the bid sheet.
- b. The Association currently has "Single Stream" recycling service. If the service bid **IS NOT** "Single Stream" the Contractor shall so note on the bid sheet and state any restrictions on products and product separation/co-mingling, etc.
- c. Unless noted otherwise, only standard "residential" recycling items will be included in this program. This includes glass bottles and jars, plastics containers with a #1 (PETE) or #2 (HDPE) imprinted on them, aluminum cans, tin cans, and newspapers, magazines, and other paper products.

E. Commercial Pick-Up Time Requirement and Route of Pick-Up

1. Commercial containers for the condominium buildings are located in trash rooms inside of the buildings. A Heather Garden's employee places the containers at an outside location on pick-up days and then replaces them before the end of the pick-up day. For this reason, Commercial containers must be serviced during a specified window of time and a specific route of pick-up must be followed.
2. The Heather Gardens employee begins putting containers out at 7:30 A.M. and completes this task between the hours of 11:30 A.M. and 12:30 P.M. After lunch, between 12:00 P.M. to 1:00 P.M., the employee begins putting the trash containers back in the buildings completing this task between 4:00 P.M. to 4:30 P.M. Experience has shown that the Trash Contractor **MUST BEGIN TRASH PICK-UP BETWEEN, BUT NOT BEFORE, THE HOURS OF 10:00 A.M. AND 12 O'CLOCK, Noon. To ensure that all containers are out for pickup, the last container should be picked up not earlier than 12:30 P.M.**
3. The established route for trash pick-up begins with Building 217 and proceeds in a clockwise direction to 218, 219, etc. On Mondays, Wednesdays, and Fridays, the last pickup will be Building 250. On Tuesdays and Thursdays, the last pickup will be Building 213. Attachment C. shows the pick-up route.

F. Contractor Provided Equipment

1. Trash Containers (Dumpsters), Condominium Buildings
 - a. The Contractor shall furnish 2 rear load type containers without lids for each condominium building in accordance with paragraph 1.b. below, two 3-yard containers at the Community Center with lids for use by the Community Center and restaurant facility, one 30-yard roll-off container for non-hazardous solid waste generated by day to day operations of general maintenance of the buildings and grounds at Heather Gardens to be located at the south end of the maintenance yard behind the Maintenance Facility. In addition, Contractor shall provide (2) 2-yard and 3-yard containers without lids to be used as replacement containers should a building

container be damaged and require replacement. Spare containers will be "stored" in the Heather Gardens maintenance yard.

- b. Containers for the condominium buildings shall have no lids, two stationary wheels and two rotating wheels with a tow bar. The size of the containers is restricted due to the size of the trash rooms in the condominium buildings. This in turn restricts the type of service to rear load equipment.

1) Four-story buildings.

- a) (2) 2-yard containers are required for each of the 12 four-story buildings (a total of (24) 2-yard containers): Building numbered 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, and 212.

- b) Due to the Trash Room and Hallway size the maximum width of the 2-yard containers are restricted to no greater than 33", outside to outside width, 63" depth, and height of 51" floor to the top of container, depicted as follows:



2) Six-story buildings and (1) 3-story building.

- a) (2) 3-yard containers at each of the 22 six-story buildings and one 3-story building are required, (a total of (46) 3-yard containers): Buildings numbered, 213 through 224, 231 through 236 and 241 through 244 and 250.

- b) The size of the 3-yard containers can vary but will be restricted due to the size of the trash rooms. Currently, most of the 3-yard containers measure ± 49 " wide, ± 53 " long and 54" from floor to the top of the container, depicted as follows:



3.) Recycling Containers (Commercial Service)

- a. The Contractor shall furnish (1) rear loaded 3-yard container for each of the (22) six-story buildings and the (1) three-story condominium building. These containers are required to have lids, front wheels that swivel and fixed rear wheels. These containers are to be equipped with a front tow bar located on the same side as the swivel wheels. The contractor will be required to provide (2) additional spare containers to be stored in the Heather Gardens maintenance yard as back-up.
- a. The (4) Alpha building area recycling stations are located by the Parking Structures and are fenced. The Contractor must pull these containers. Locations and size requirements are as follows:
 - 1.) **Parking Structure #1** - There are (2) containers located in the fenced area under Parking Structure #1 approximately mid-way along the south side of the structure and across from Building 202 (13606 E. Bates Ave) These containers must be at least 3-yard containers equipped with lids and wheels.
 - 2.) **Parking Structure #2** - There are (2) recycling stations located approximately mid-way along the south wall of Parking Structure #2 across from Building 206 (13500 E. Cornell Ave). These containers must be at least 3-yard containers equipped with lids and wheels.
 - 3.) **Parking Structure #3** - There are (2) containers located across from the west end of Building 210 (3144 S. Wheeling Way) These containers must be at least 3-yard containers equipped with lids and wheels.
 - 4.) **Parking Structure #4** - There are (2) containers located at the South-east corner across from the North end of Building 212 (3184 S. Heather Gardens Way). These containers must be at least 3-yard containers equipped with lids and wheels.

4.) Tow bars

- a. Each building container, including the spare containers, shall have a "hinged" tow bar attached on the end of the container with the rotating wheels. The tow bar shall be of $\frac{3}{4}$ " rolled steel; triangular shaped approximately 20" long with a 10" base. A complete circle, approximately $2\frac{3}{4}$ " in diameter, shall be formed at the apex of the tow bar so that a pentile hook can be connected for towing. The tow bar "hinge" shall be a 3" X 2" X $\frac{3}{16}$ " angle iron 12" long bolted to the container. Reference Attachment I.

- b. Existing containers currently have tow bars attached. These tow bars conform to the above specifications and are the property of the Association. Contractor may, at their discretion, use these tow bars. The Contractor shall be responsible for removing the tow bars from the old containers and affixing them to the new containers. However, the tow bars cannot be removed from the existing containers until the effective date of this contract, when the containers are exchanged.

4. Recycling Containers (Residential Service)

- 1) It is estimated that 50 to 70% of the Country Place and Townhome residents participate in the HG recycling program. Contractor will provide upon, resident request (if required), at the fee specified, special baskets or bins suitable for recycling bin use.
- 2) Many residents have baskets or bins purchased from the existing Contractor. Residents will be allowed to continue to use their current baskets and/or bins for recycling.

4. Repair/Maintenance of Containers

Maintaining the containers in an acceptable condition, including cleanliness, is the responsibility of the Contractor. Should the Association find a container not in acceptable condition because of damage or an offensive odor, the Contractor shall exchange the container with an acceptable container when requested by the Association.

The Contractor has (10) working days following notice from the Association to replace the container. After the 10th working day has passed without repairs having been completed by Contractor, Association has the right to hire a third-party company to either repair, replace or clean the containers. This cost will be passed on to Contractor for full credit to the next monthly service invoice. Credit must be noted on Contractors' invoice with the third party's invoice number.

5. Exchanging Damaged Containers

Heather Gardens personnel will, in most instances, exchange the damaged container at the building with the appropriately sized spare container and the damaged container will be taken to the Heather Gardens maintenance yard at 2877 S. Heather Gardens Way. The Contractor will, be responsible for exchanging a new container for the damaged container at the maintenance yard location.

6. Replacement of wheels.

- a. Heather Gardens personnel must move the containers on a daily basis from the trash room in the buildings to the pickup location outside of the buildings, the container wheels must be maintained in good condition. Heather Gardens Maintenance Department personnel will replace damaged wheels and/or wheel assemblies as necessary with Contractor supplied materials, providing the time spent on replacing wheels does not become excessive. "Excessive" for the purposes of this contract is defined as more than (1) hour per week over a 4-week period. Costs of replacement in excess of the "excessive" allowance shall be borne by Contractor, and Association will offset any such costs against the next month's invoice due to Contractor.
- b. The Contractor will provide Heather Gardens Maintenance Department with an initial supply of (24) wheels and (4) wheel assemblies. Thereafter, the Contractor shall

provide replacement wheels and wheel assemblies when requested at no additional cost to the Association.

7. **Trash Containers, Residential Service**

- a. Heather Gardens residents will provide their own trash containers. Bidders will provide a list of acceptable trash containers and their restrictions, if any, as to the amount of trash, number of containers, etc. allowed per unit.
- b. The Contractor shall provide (2) totes per Parking Structure. Heather Gardens' personnel will place the containers inside of the faculties for use by the residents for "residential" trash generated from cleaning of vehicles, etc. Heather Gardens' personnel will be responsible for placing the containers at "curbside" for pick up on the scheduled pickup day for Residential Service.
- c. The Contractor shall provide (2) recycle totes per Parking Structure. Heather Gardens' personnel will place the containers inside of the faculties for use by the residents for "recycling" Heather Gardens' personnel will be responsible for placing the containers at "curbside" for pick up on the scheduled pickup day for Residential Recycle Service.

G. Sanitation (Portable Toilet) Service

1. In addition to non-hazardous solid waste trash disposal service, the Contractor shall provide sanitation service (portable toilets) at (3) locations throughout Heather Gardens. The (3) sanitation stations are located around the perimeter of Heather Gardens. (See Attachment D, Porta John Locations.)
2. The Contractor shall be responsible for providing and servicing hand sanitizers per unit as set forth in the Contract.

H. Billing

Contractor shall establish one "Master" account with sub-accounts, showing charges for each sub-account, as follows:

1. Commercial Service (35 Condominium Buildings)
2. Residential Service (Curb-side pick-up for 316 units)
3. Residential Service (Curb-side pick-up for (4) parking structures in totes)
4. Commercial Service for Community Center, and Maintenance Shop (Community Center; (1)- 6-yard front loaded recycle, and (2) – 3-yard trash containers with lids and wheels. Maintenance Shop: (1) – 3-yard recycle with lids and wheels and (1) - 30-yard roll-off)
5. Roads and Ground Portable Toilet service. (For the (3) "perimeter" portable toilets.)
6. Roll-Off container (By number of pulls)

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IV. Scope of Work

A. Statement of Work

The Contractor shall provide non-hazardous solid waste, transportation, disposal, and recycling services for the total Heather Gardens condominium complex consisting of (35) condominium buildings, (316) units of duplexes and townhomes, a Community Center building including a restaurant, Management Office, and a Maintenance facility. In addition to non-hazardous solid waste, the Contractor shall provide and service (3) sanitation stations with toilets to be positioned at specified locations throughout Heather Gardens.

B. Trash Removal Service

1. Commercial Service

- a For the purposes of this contract, commercial service consists of trash removal services for (35) condominium buildings, the Community Center/Restaurant facility, and the Maintenance Facility. Types of trash generated, except for the restaurant, is standard household and office trash. All trash will be contained in the Contractor provided rear load type containers. Large items such as furniture and appliances which require special pick-ups are not included in the standard service fee.

b. Condominium Buildings

- 1) There are (35) condominium buildings that are to receive trash disposal service by this contract: (1) 3-story buildings, (12) 4-story buildings, and (22) 6-story buildings. The 3 and 4-story buildings are to be serviced (3) times a week and the 6-story buildings are serviced (5) times a week. (See attachment H for a cross reference from building number to address and address to building number)
- 2) (3) days per week service is required for the following (13), buildings: Bldgs 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, and 250. (3) buildings are to be serviced on Mondays, Wednesday, and Fridays. (12) buildings have (2) 2-yard containers. Building 250 has (2) 3-yard containers.
- 3) (5) days per week service is required for the following (22) buildings, Bldgs 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 231, 232, 233, 234, 235, 236, 241, 242, 243, & 244. These buildings are to be serviced on Mondays, Tuesdays, Wednesdays, Thursdays, and Fridays. These buildings each have (2) 3-yard containers.
- 4) Heather Gardens personnel will remove the containers from the buildings and place them at a predetermined location for pick-up. After the containers are emptied, Heather Gardens' personnel return the containers to the building trash rooms.
- 5) Except for Mondays, (1) container per building is put out for trash pick-up on each day that pick-up service is scheduled. On Mondays, both containers of all buildings, (70) containers total, are put out for trash pick-up.

d. Community Center/Restaurant

- 1) (2) 3-yard containers are located in a fenced area on the south side of the Community Center building.

- 2) These containers will contain standard day to day trash generated by the Management Office, Community Center, and restaurant operations.
- 3) (5) days per week service is required, Mondays, Wednesdays, Thursdays, Fridays, and Saturdays for each container. The Contractor is responsible for pulling these containers and returning them to the fenced area after they have been emptied.

e. Maintenance Facility

- 1) There is (1) 30-yard roll off container containing all types of trash generated from grounds and building maintenance operations. Residents, as a matter of policy, are not allowed to drop off furniture and appliances; however, these items may from time to time be left without the permission of Heather Gardens Management personnel. These items will be taken without additional charge to the Association.
- 2) Service is on a per call basis
- 3) Next day service is required, Mondays through Fridays, providing Heather Gardens' personnel call for service before noon the day before service is requested. Pick-ups will be made on Mondays for calls made on Fridays.

2. Residential Service

- a. For the purposes of this contract, residential service consists of "curb-side" trash removal services for (316) duplex and/or townhome units and (4) parking structures.
 - 1) The (316) duplex and/or townhome units are identified as eight specific areas designated as Country Place #'s 1, 2, 3, 4, 5 & 6 and the North and South Townhomes. Country Place areas are all duplexes. The number of residences in each area is: Country Place #1 - 44, Country Place #2 - 48, Country Place #3 - 52, Country Place #4 - 42, Country Place #5 - 34, Country Place #6 - 32, North Townhomes - 30, and South Townhomes - 34.
 - 2) There are parking structures located in the 4-story condominium buildings area with Contractors provided (96) gallon totes in each parking structure. These totes are for resident use when cleaning their vehicles, etc. and are to be included with the residential service.
- b. Trash pick-up will be (1) time per week, any day of the week, Monday through Friday as selected by Association. All areas will be serviced the same day. Different pick-up days for different areas are NOT acceptable. Saturday pick-ups are NOT acceptable except when a holiday schedule is in effect.
- c. Types of trash generated is standard household types of trash. All trash will be in containers acceptable to the Contractor's curb-side service requirements or plastic trash bags.
- d. Pick up and disposal of hazardous waste such as paint, batteries, etc. is not included.
- e. Large items such as furniture and appliances which require special pick-ups are not included in the standard fee.

3. Recycling

a. Condominium Buildings

- 1) All (35) condominium buildings participate in the recycling program. (23) 6-story buildings and (1) 3-story Omega building, have a container for recycling and there are (4) "recycling stations located in the Alpha building (4-story buildings) area with (2) containers each. The Association currently has "Single Stream Recycling". Acceptable recycled products consist of aluminum and tin cans, glass, plastics, newspapers, and other paper products.
- 2) The 6-story and 3-story buildings totes are located in the building parking garages. Heather Gardens' personnel remove the totes on the scheduled pick-ups days, place them in a predetermined location for emptying, and return them at the end of the day. These containers must be picked up in accordance with the schedule noted in Paragraph III E 2 above.
- 3) All recycling stations located in the 4-story building area are located next to parking structures. All the stations are "hidden" by privacy chain link fencing. The Contractor is responsible for removing the containers from the fenced recycling stations and replacing them after they have been emptied.
 - a) Station #1 is located under the deck of Parking Structure #1 and across from Building 202 (13606 E. Bates Avenue) approximately mid-way along the south side of the structure.
 - b) Station #2 is located approximately mid-way along the south side of Parking Structure #2 and across from Building 206 (13500 E. Cornell Avenue).
 - c) Station #3 is located along the east wall of Parking Structure #3 and across from Building 210 (3144 S. Wheeling Way).
 - d) Station #4 is located on the south end and at the south-east corner of Parking Structure #4 across from the north end of Building 212.

b. Residential, Curbside, Service

- 1) Recycling for the residential areas is currently restricted to aluminum and tin cans, glass, plastics, and newspapers.
- 2) The Contactor shall indicate the type of containers to be used for recyclable materials. If specific types of containers are used, the Contractor shall supply residents participating in the recycling program with the required recycling containers. Fees for the containers shall be as specified in the Contract.
- 3) Contractor shall permit residents to use existing containers for their recycling purposes.

4. Holiday Schedule

a. Commercial Service

- 1) Holidays are as designated on Contractor's bid.
- 2) Because no pick-ups are made on weekends, all containers are put out on Mondays. Therefore, Monday and Friday pick-ups cannot be missed, and pick-ups

must be made if a holiday falls on a Monday or Friday unless an earlier pick-up can be arranged.

- 3) As an alternative to IV.B.4.a.2) above, Contractor may provide pick-up service on Saturdays at no additional cost upon prior notification from Contractor to Association. All conditions pertaining to time etc. will apply.
- 4) If a Holiday falls on Tuesday through Thursday and a scheduled pick-up is missed, the pick-up will be made the following day. The Heather Gardens employee charged with the responsibility for pulling the building containers will determine if one or two containers are to be put out for pick-up. Missed pick-ups for the Alpha buildings scheduled for Wednesdays will be made the next day.

b. Residential Service

- 1) The bidder shall indicate the number of holidays and identify the specific days that they recognize on the Contract
- 2) If the scheduled pick-up day falls on a holiday or after, the pick-up day will move to the next day.

5. Special Pick-ups

Large household items such as appliances and furniture are not included as standard household trash. These items will be picked up by Contractor by special arrangement. Charges, if any, for special pick-up items will be included as an attachment to the Contract.

C. Sanitation Station Service

1. There are (3) sanitation stations located at various locations throughout the Heather Gardens complex with one portable toilet each. These stations are hidden by fences or special structures.
 - a. The (3) sanitation stations located around the perimeter of Heather Gardens are the responsibility of the Heather Gardens Roads and Grounds Department. Each of these stations is to be serviced once a week, (52) weeks a year.
 - b. The first station is located on E. Dartmouth along the north side of Parking Structure #4 and at the north east corner of the structure. The second station is located at the north east corner of the parking lot off E. Marina Drive across from Building 216 (13691 E. Marina Drive). The third sanitation station is located on the east side of E. Marina Drive across from the entrance into Country Place 6. Each of these stations is to be serviced once a week, (52) weeks a year.
2. When serviced, the sanitation station will be emptied, all surfaces chemically cleaned, sanitized, deodorized, and restocked with sufficient toilet tissue. Contractor's service person will sign a posted service sheet as proof that the unit was serviced should a question arise as to whether the unit was serviced. Failure to sign the posted document will be an indication that service was not provided. Payment will not be made for services not provided.
3. The sanitation station, doors, locks, etc. shall be maintained by Contractor in good condition. Any toilets deemed by Association to not be in good condition shall be replaced by Contractor at no additional charge to Association upon request by the Association.

D. Point of Contact - Trouble Shooting/Problem Solving

The Contractor shall provide the Association with the name and telephone number(s) of a specific individual and an alternate as a point of contact to report all problems to concerning this Contract for immediate resolution, including, without limitation, concerns with trash disposal services, condition of the containers, and billing. The assigned individual must have authority to resolve all concerns.

E. Missed Trash Pick-Up

1. Condominium Buildings

- a. It is imperative that trash be picked up as scheduled. An Association representative will call the assigned "Point of Contact" as early as possible when it is determined that trash has not been or is not being picked-up as scheduled. The Contractor shall make all efforts to determine when the trash will be picked-up so that the Association can make alternative arrangements to have the containers put-up at the end of the day.
- b. Missed pick-ups often result in additional expense for the Association in labor and building maintenance cost.

- 1) It is the Association's policy that no trash containers are left out overnight. Therefore, the Association's Sanitation worker and/or the Maintenance Department's zone workers must put the containers up before they leave work for the day, even if the containers have not been serviced. The Association will wait as long as possible before ordering that the containers be put-up with out trash being emptied. Then the containers must be put out again the next day. This often results in overtime work.
- 2) In addition to the possible additional expense for overtime labor cost, there can be additional costs for building maintenance as the trash chutes in the buildings can be damaged because both containers must be put out the "second" day. Heather Gardens Maintenance personnel will close and lock the trash chute door. Residents can not be made aware in a timely manner that they are not to drop trash down the chutes on such a short notice that the trash chute door is closed and that they are not to use the chute. Dropping trash down the chute with a closed door can cause damage to the chute and the door operating mechanism causing an unnecessary expense for the repair of the chute or door operating system.
- 3) Costs and expenses incurred by the Association due to Contractor's missed pickups will be offset against the next invoice due to Contractor in the amounts of:

Commercial Containers: \$400 /day missed.

Residential Toters: \$233/ day missed.

If a single container is missed a credit will be provided in the following amount: Divide \$400 for Commercial Containers OR \$233 for Residential Containers by the amount of containers scheduled for the day's pickup. This dollar amount will then be multiplied by the number of missed containers on the days route. The total number will be tallied at the end of the pay-cycle and credited the following month.

In the event a route or single container(s) is missed services will be rendered within 24 hours of missed route or container(s).

2. Residential/Curb-Side Service

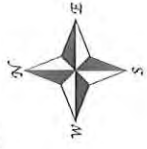
- a. An Association representative will call the assigned Point of Contact as early as possible when it is determined that the trash for a unit or area has not or is not being picked up as scheduled.
- b. The Contractor shall make all efforts to pick-up a missed unit's trash as a call-back on the scheduled day when notified. Should a unit's trash not be picked up on the scheduled day and the Contractor was notified on the scheduled day, the trash will be pick-up the next day before 12 o'clock, noon.
- c. Normally, the Association's representative will be notified by a resident the morning of the day following a missed trash pick-up. The Contractor's Point of Contract, when notified before noon, shall take the necessary steps to insure that the trash is picked up before 3:00 P.M.

Attachments

Residential Route

Townhomes and duplexes, plus parking structures totos
Trash and recycling in same locations

**Parking Structures
6 pick-up points**



COUNTRY PLACES, TOWNHOMES & ETC.

CP-I	Country Place I	2800-2844	South Heather Gardens Way
CP-II	Country Place II	13701-13747	East Marina Drive
CP-III	Country Place III	13749-13799	East Marina Drive
CP-IV	Country Place IV	13850-13992	East Linvale Place
CP-V	Country Place V	14201-14243	East Marina Drive
		14261-14263	East Marina Drive
		14269-14291	East Marina Drive
		14249-14259	East Marina Drive
		14265-14267	East Marina Drive
		14301-14393	East Marina Drive
			CP-VI
			Country Place VI
			NTH
			North Townhomes
			STH
			South Townhomes
			Heather Gardens Clubhouse & Office
			2888
			South Heather Gardens Way

BUILDING NO.	ADDRESS
AA 201	13635 East Bates Avenue
AA 202	13606 East Bates Avenue
AA 203	13626 East Bates Avenue
AA 204	13618 East Bethany Place
AA 205	13609 East Cornell Avenue
AA 206	13500 East Cornell Avenue
AA 207	3022 South Wheeling Way
AA 208	3082 South Wheeling Way
AA 209	3124 South Wheeling Way
AA 210	3144 South Wheeling Way
AA 211	3164 South Wheeling Way
AA 212	3184 South Wheeling Way
ST 213	13601 East Marina Drive
ST 214	13631 East Marina Drive
ST 215	13661 East Marina Drive
ST 216	13691 East Marina Drive
ST 217	14000 East Linvale Place
ST 218	14050 East Linvale Place

BUILDING NO.	ADDRESS
ST 219	14102 East Linvale Place
ST 220	14152 East Linvale Place
ST 221	14390 East Marina Drive
ST 222	14300 East Marina Drive
ST 223	14081 East Marina Drive
ST 224	14001 East Marina Drive
SE 231	15992 East Marina Drive
SE 232	15952 East Marina Drive
SE 233	15902 East Marina Drive
SE 234	13890 East Marina Drive
SE 235	13850 East Marina Drive
SE 236	13800 East Marina Drive
AM 241	13991 East Marina Drive
AM 242	13961 East Marina Drive
AM 243	13931 East Marina Drive
AM 244	13901 East Marina Drive
OA 250	2868 South Heather Gardens Way

BUILDING TYPES

AA	ALPHA
AM	ATRIUM
SE	SEVILLE
ST	SOMERSET
OA	OMEGA

Heather Gardens



South Townhomes

RTD ILLIFF LIGHT RAIL STATION

YALE AVENUE

North Townhomes

EAST LINVALE PLACE

EAST MARINA DRIVE

CP6

CP5

CP4

CP3

CP2

CP1

CP1

CP2

CP3

CP4

CP5

CP6

CP6

CP6

CP6

CP6

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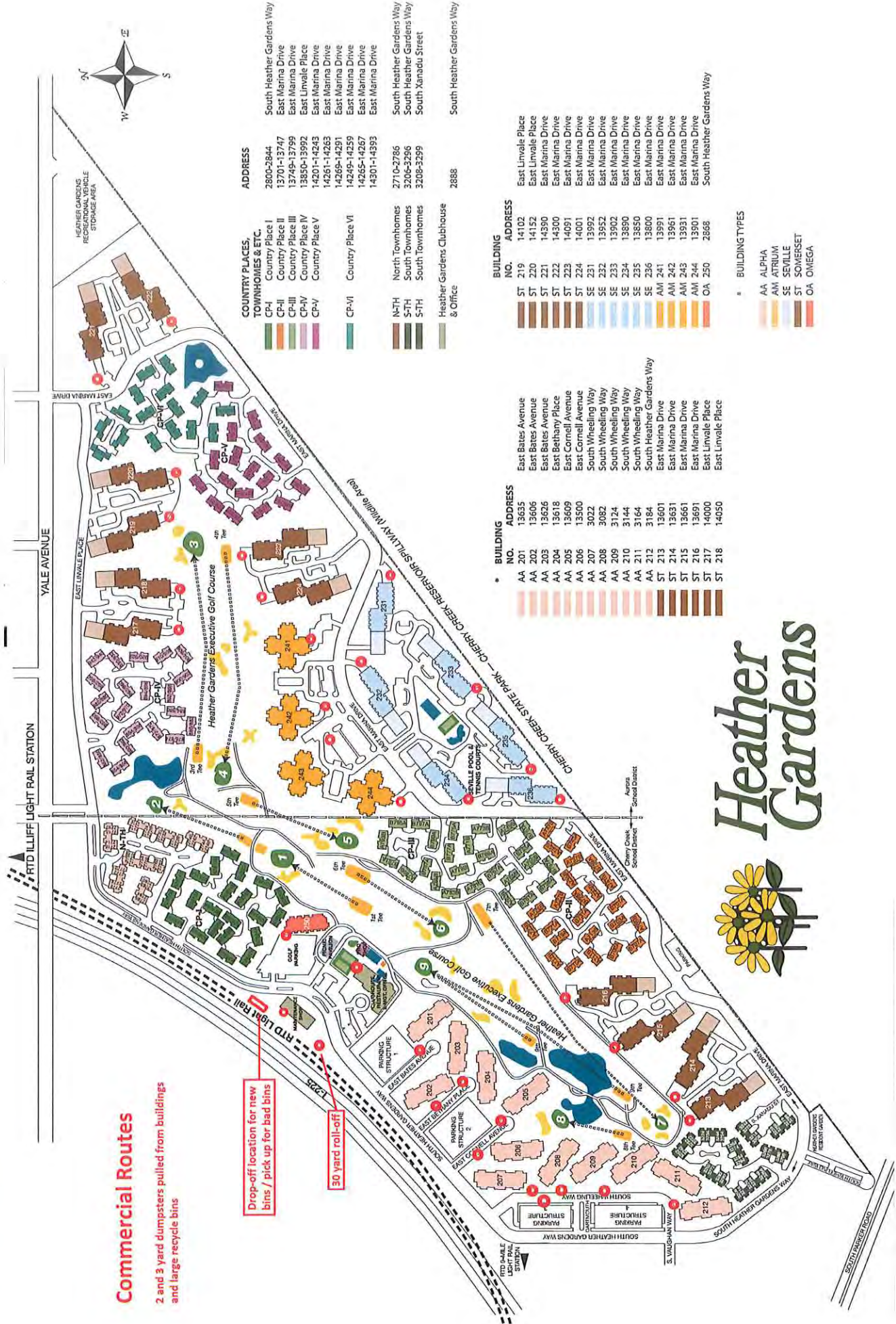
CP6

Commercial Routes

2 and 3 yard dumpsters pulled from buildings and large recycle bins

Drop-off location for new bins / pick up for bad bins

30 yard roll-off



ADDRESS

- 2800-2844 South Heather Gardens Way
- 1370-13747 East Marina Drive
- 13749-13799 East Marina Drive
- 13850-13992 East Linnvale Place
- 1420-14243 East Marina Drive
- 14261-14263 East Marina Drive
- 14269-14291 East Marina Drive
- 14299-14359 East Marina Drive
- 14265-14267 East Marina Drive
- 14301-14393 East Marina Drive
- 2710-2786 South Heather Gardens Way
- 3206-3296 South Heather Gardens Way
- 3208-3299 South Manadu Street
- 2888 South Heather Gardens Way

COUNTRY PLACES, TOWNHOMES & ETC.

- CP-I Country Place I
- CP-II Country Place II
- CP-III Country Place III
- CP-IV Country Place IV
- CP-V Country Place V
- CP-VI Country Place VI
- N-TH North Townhomes
- S-TH South Townhomes
- Heather Gardens Clubhouse & Office

BUILDING NO.	ADDRESS
ST 219	14102 East Linnvale Place
ST 220	14152 East Linnvale Place
ST 221	14380 East Marina Drive
ST 222	14300 East Marina Drive
ST 223	14091 East Marina Drive
ST 224	14001 East Marina Drive
SE 231	13992 East Marina Drive
SE 232	13952 East Marina Drive
SE 233	13902 East Marina Drive
SE 234	13890 East Marina Drive
SE 235	13850 East Marina Drive
SE 236	13800 East Marina Drive
AM 241	13991 East Marina Drive
AM 242	13961 East Marina Drive
AM 243	13931 East Marina Drive
AM 244	13901 East Marina Drive
OA 250	2868 South Heather Gardens Way

BUILDING NO.	ADDRESS
AA 201	13635 East Bates Avenue
AA 202	13606 East Bates Avenue
AA 203	13626 East Bates Avenue
AA 204	13618 East Bathory Place
AA 205	13609 East Cornell Avenue
AA 206	13500 East Cornell Avenue
AA 207	3022 South Wheeling Way
AA 208	3082 South Wheeling Way
AA 209	3124 South Wheeling Way
AA 210	3144 South Wheeling Way
AA 211	3164 South Wheeling Way
AA 212	3184 South Wheeling Way
ST 213	13601 South Heather Gardens Way
ST 214	13631 East Marina Drive
ST 215	13661 East Marina Drive
ST 216	13691 East Marina Drive
ST 217	14000 East Linnvale Place
ST 218	14050 East Linnvale Place

- BUILDING TYPES**
- AA ALPHA
 - AM ATRIUM
 - SE SEVILLE
 - ST SOMERSET
 - OA OMEGA



Heather Gardens

LIEN RELEASE

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the undersigned "Releasor" also known as _____, does hereby state that it has been paid in full for all labor,

(Name of Supplier/Contractor)

services, materials and the like furnished to or on behalf of Heather Gardens Association, hereinafter referred to as "Releasee". Such labor, services, and/or materials were supplied by Releasor for a project identified as _____ the Project located on the properties of Releasee. In connection with such payment for the Project, Releasor hereby waives and releases all claims, liens, and/or bond liens against the Releasee and Releasee's surety.

The Releasor warrants and represents that the Releasee has fully paid for all labor, equipment, tools, materials, supplies, services, required taxes or the like used and/or incorporated by the Releasor on the Project and the Releasor agrees to indemnify and hold the Releasee harmless from and against any claims that may be made against Releasee or it's sureties by any person, firm, corporation, or other legal entity on account of or claiming to have provided labor, services, tools, materials, supplies, or the like to the Releasee for the Project. The Releasor agrees to pay or otherwise satisfy any judgment or award which may be rendered against the Releasee on account of any such claims and to pay all expenses of investigation and litigation of such claims, including reasonable attorney fees, incurred by or on behalf of Releasee on account of such claims.

The undersigned whose signature appears below on behalf of the Releasor warrants and represents that he/she has full power and authority to execute this instrument on behalf of the Releasor and to bind the Releasor to the terms and provisions of the Release. The Releasor acknowledges the Releasee's intent to rely on the representations contained herein.

This Release shall inure to the benefit of and be binding upon the Releasee and their sureties and the Releasor and their heirs, personal representatives, successors and assigns forever.

EXECUTED and delivered on the date set forth below:

(Company) (Signature)

(Date) (Printed Name)

(Title)

State of Colorado)
)ss:
County of Arapahoe)

On this ____ day of _____, 200__, before me, a Notary Public in and for said County and State, came the above named _____, who is personally known to me to be the identical person whose name is affixed to the above instrument as _____ of said _____ (Company) and he acknowledged that he executed the above instrument as his free and voluntary act and deed for himself and as the free and voluntary act and deed of the _____ for the uses and purposes therein set forth.

Witness my hand and official seal on the day and year last above written.

My Commission Expires:

Notary Public

Address

NOTE: If the space for describing the Project is too small, write in "See Attached" and describe on a separate sheet.



Heather Gardens ASSOCIATION

OUTSIDE CONTRACTOR

NOTIFICATION OF ASBESTOS O & M PLAN

Retain Copy in Asbestos Operations and Maintenance Plan

Company Name: _____

Company Officer: _____ Title: _____

Type of Business: _____

I have read and understand the Asbestos Operations and Maintenance Plan for this facility. My company will perform our work in accordance with the Plan or, if unable to do so, will inform the Heather Gardens Association's Maintenance Supervisor or Contracts Manger. If not able to comply with the existing Plan, the Association's representative will provide instructions prior to any asbestos associated work.

For: _____, Contractor

(Company Name)

(Authorized Representative)

(Date)

For: Heather Gardens Association, Owner

(Maintenance Supervisor or Contracts Manager)

(Date)

2888 S. Heather Gardens Way • Aurora, CO 80014 • (303) 755-0652 (Office) • (303) 745-5233 (Fax)
www.heathergardens.org



Heather Gardens

ASSOCIATION

Work Permit Form For
Potential Disturbance of
Asbestos-Containing Materials
(Retain a copy in Asbestos Operations and Maintenance Plan)

Date: _____ Vendor: _____

Contact: _____ Phone: _____

Floor/Area: _____

Description of the work to be done: _____

Is Worker trained in Asbestos Abatement Procedures? _____

Type of training: _____

Work Started: _____ Work Finished: _____

<i>Heather Gardens Use Only</i>	Yes	No
ACM within work area	_____	_____
Disturbance Probable:	_____	_____
Work Requires Controlled Conditions:	_____	_____
Comments: _____		

Work Approved By:		
_____		_____
(Maintenance Supervisor/Contracts Manger)		(Date)
Completed Action Approved By: _____		
(Maintenance Supervisor/Contracts Manger)		(Date)

Building to Address

Bldg.	Address	Bldg.	Address
201	13635 E. Bates Ave.	202	13606 E. Bates Ave.
203	13626 E. Bates Ave.	204	13618 E. Bethany Pl.
205	13609 E. Cornell Ave.	206	13500 E. Cornell Ave.
207	3022 S. Wheeling Way	208	3082 S. Wheeling Way
209	3124 S. Wheeling Way	210	3144 S. Wheeling Way
211	3164 S. Wheeling Way	212	3184 S. Heather Gardens Way
213	13601 E. Marina Drive	214	13631 E. Marina Drive
215	13661 E. Marina Drive	216	13691 E. Marina Drive
217	14000 E. Linvale Place	218	14050 E. Linvale Place
219	14102 E. Linvale Place	220	14152 E. Linvale Place
221	14390 E. Marina Drive	222	14300 E. Marina Drive
223	14091 E. Marina Drive	224	14001 E. Marina Drive
231	13992 E. Marina Drive	232	13952 E. Marina Drive
233	13902 E. Marina Drive	234	13890 E. Marina Drive
235	13850 E. Marina Drive	236	13800 E. Marina Drive
241	13991 E. Marina Drive	242	13961 E. Marina Drive
243	13931 E. Marina Drive	244	13901 E. Marina Drive
250	2868 S. Heather Gardens Way		
	Community Center		2888 S. Heather Gardens Way
	Maintenance Facility		2877 S. Heather Gardens Way

Address to Building

Address	Bldg	Address	Bldg
2877 S. Heather Gardens Way	Maintenance Facility		
2888 S. Heather Gardens Way	Community Center / Restaurant		
2868 S. Heather Gardens Way	250	3184 S. Heather Gardens Way	212
3022 S. Wheeling Way	207	3082 S. Wheeling Way	208
3124 S. Wheeling Way	209	3144 S. Wheeling Way	210
3164 S. Wheeling Way	211	13500 E. Cornell Ave.	206
13601 E. Marina Drive	213	13606 E. Bates Ave.	202
13609 E. Cornell Ave.	205	13618 E. Bethany Pl.	204
13626 E. Bates Ave.	203	13631 E. Marina Drive	214
13635 E. Bates Ave	201	13661 E. Marina Drive	215
13691 E. Marina Drive	216	13800 E. Marina Drive	236
13850 E. Marina Drive	235	13890 E. Marina Drive	234
13901 E. Marina Drive	244	13902 E. Marina Drive	233
13931 E. Marina Drive	243	13952 E. Marina Drive	232
13961 E. Marina Drive	242	13991 E. Marina Drive	241
13992 E. Marina Drive	231	14000 E. Linvale Place	217
14001 E. Marina Drive	224	14050 E. Linvale Place	218
14091 E. Marina Drive	223	14102 E. Linvale Place	219
14152 E. Linvale Place	220	14300 E. Marina Drive	222
14390 E. Marina Drive	221		

- a. Containers for the condominium buildings shall have no lids, two stationary wheels and two rotating wheels with **(b1)** one tow bar on the same side as the rotating wheels, and one pintle hitch **(b2)** mounted on the same side as the stationary wheels and installed 13" from the ground. The size of the containers is restricted due to the size of the trash rooms in the condominium buildings. This in turn restricts the type of service to rear load equipment.



(b1)



(b2)

CONTRACT
Trash Removal
2023-2025

This agreement between Heather Gardens Association, hereinafter called the "Association" or "Owner", and _____ (contractor), hereinafter called the "Contractor", provides trash removal service for the Heather Gardens Association for (2) two years in accordance with the contract documents provided.

The contract documents, which comprise the entire agreement and contract between the Owner and the Contractor, shall consist of this Contract Agreement, the Terms, Conditions and Specification of Contract (including all attachments thereto); the Contractor's bid and any modifications, change orders or other such revisions properly authorized after execution of this contract. To the extent that any of the above-described contract documents conflict with the other, this Contract Agreement and the Conditions and Terms of Contract shall supersede the Contractor's bid and any other terms or conditions submitted by Contractor.

The monthly cost of this Contract for July 2023 – June 2024 shall be: \$ _____

Maximum allowable annual increase shall be limited to _____%

Entered into this _____ day of _____, 2023.

For: Heather Gardens Association, Owner

Authorized Representative

For: _____, Contractor

Authorized Representative

Heather Gardens Budget & Finance Committee

Date: June 16, 2023

Motion: Move to recommend revisions to the Joint Budget and Finance Procedure Memorandum JPM B-1

Project Cost: N/A

I move that the Budget and Finance Committee recommends that the Heather Gardens Association Board of Directors approve the revisions to Joint Budget and Finance Procedure Memorandum JPM B-1.

Motion made by:	
Seconded by:	

Outcome of Vote:	
For:	
Against:	
Absent/Abstaining:	
Notes:	

Rationale/Notes:

HEATHER GARDENS BUDGET and FINANCE

~~Joint~~ Procedure Memorandum JPM B-1

This Heather Gardens Budget and Finance (B&F) ~~Joint~~ Procedure Memorandum B-1 is updated effective ~~April~~ June 20, 2023.

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I. BACKGROUND

~~A. Management Agreement~~

~~Heather Gardens Association (Association) and the Heather Gardens Metropolitan District (District) signed an interagency agreement, known as the Management Agreement, whereby the Association serves as the agent for the District in carrying out District programs, such as managing the District finances and operating the golf program, restaurant, clubhouse, and other activities following District Board of Directors policies. The Management Agreement provides for shared advisory committees. As such, the Association and the District agree to have the Budget and Finance (B&F) Committee serve as a shared committee as defined in this Procedure Memorandum to provide advice to each Board, as appropriate, on budgeting and financial functions. The Management Agreement puts forth the authority of both the Association and District relative to the ongoing operations, including the Joint Budget and Finance Committee. It also includes an explanation of the reason for the establishment of the Management Agreement.~~

B. Common Words

This Procedure Memorandum (PM) contains a list of common words and terms used in accounting and finance. The definition of these words and terms are located in Article XI of this PM.

C. Management

Management is the Chief Executive Officer (CEO) or whomever the CEO designates for a given responsibility.

D. Scope

A single Budget and Finance Committee exists to serve in an advisory role to ~~both~~ the Association ~~and the District~~ with the following key functions:

1. Review and revise the Management recommended operating and capital reserve budgets, for submission to the Association ~~and District~~ Boards;
2. Recommend the Association's homeowners association dues which include a Recreation Fee for the District to finance the respective budgets;
3. Review monthly operating analysis prepared by Management. Consider operational changes that might be advisable and make recommendations as appropriate to the Boards;

4. Exercise various responsibilities related to the investment of Association funds which are discussed further in Article VI Investment Procedures and Article VII Banking Procedures. Meet regularly with investment advisors and review Management prepared cash flow expectations. Recommend investment strategies to the Boards that comply with the Association's ~~and District~~ policies and which are expected to deliver the desired results;
5. Analyze and recommend the Association and District business insurance programs. Taking care to consider the significance of the HG's insurance program noting the significant risks being insured against and costs to the Association, ~~District~~ and our residents;
6. Prepare, update and recommend the Association's ~~and District~~ capital projects financing plans;
7. Review and make recommendations regarding all unbudgeted capital projects over \$5,000 and budgeted capital projects over \$20,000 as well as operating expenditures over \$20,000 with respect to budget expenditures and other possible funding options;
8. Review the internal audits reports of checks paid, ACH payments, petty cash, inventory, and internal controls;
9. In collaboration with the Association management, oversee the conduct of the annual external audits of the Association ~~and District~~ financial records for each fiscal year and recommend acceptance or rejection of the audit reports to the Association and District Boards of Directors; and
10. Conduct other duties as assigned by the Association Board ~~and the District Board~~.

II. BUDGET and FINANCE COMMITTEE STRUCTURE and PURPOSE

A. Membership

The Budget and Finance (B&F) Committee membership is intended to consist of the Association Treasurer, ~~the District Treasurer~~, and four to seven other resident members/resident electors. The Association Chief Executive Officer, Chief Financial Officer, and other staff assist and advise the B&F Committee membership.

B. Treasurers' Roles

~~The Association Treasurer and District Treasurer serve as co-chairs. When Association issues are discussed, the Association Treasurer chairs the committee, and the District Treasurer does not vote. The Association Treasurer carries Association recommendations directly to the Association Board of Directors. When District issues are discussed, the District Treasurer chairs the committee, and the Association Treasurer does not vote. The District Treasurer carries District recommendations~~

~~directly to the District Board of Directors. Both Treasurers, as members of the committee, are encouraged to provide input on issues before the committee. The Association Board has delegated to the Association Treasurer the responsibility of executing approved investment transactions. In the absence of the Association Treasurer, it is expected that the Association Board President or Vice President or other members of the Board or the Budget and Finance Committee, as approved by the Board, will complete the duties of the Association Treasurer, See Section VI.~~

The Association Board has delegated to the Association Treasurer the responsibility of executing approved investment transactions. In the absence of the Association Treasurer, it is expected that the Association Board President or Vice President or other members of the Board or the Budget and Finance Committee, as approved by the Board, will complete the duties of the Association Treasurer, See Section VI.

C. Subcommittees

Three permanent subcommittees have been created to aid in the B&F Committee's responsibilities. The Capital Program Subcommittee carries out the capital financing program functions as defined below and detailed in B&F Joint Procedure Memorandum B-2. The Internal Audit Subcommittee carries out the internal audit functions as defined below and detailed in B&F Joint Procedure Memorandum B-3. The Insurance Subcommittee carries out the business insurance functions as defined below and detailed in B&F Joint Procedure Memorandum B-4.

D. Ad Hoc Committees

The B&F Committee may create Ad Hoc Committees, as needed and with the approval of the Board(s), to perform its duties and advise the Association ~~and the District~~ Boards of Directors. When an Ad Hoc Committee is created, it will be given a task, membership, and short-term duration to complete its task and report back to the B&F Committee. The Board(s) can disband the Ad Hoc Committee at any time.

III. BUDGET PREPARATION PROCEDURES

A. Budget Initiation

Budget preparation begins with input from the Association ~~and District~~ Standing Committees, Department Managers, and Chief Executive Officer. Such committees and managers should take care to include the desires of our residents and unit owners relative to programs and operations. They should also reflect Management's plans for

increased operational efficiencies. The impacts of inflation should be carefully analyzed. Management is responsible for the preparation of the budget.

B. Budget Schedule

The first action will be the preparation by Management of a Budget Schedule, such as the one shown in Attachment 5. Such schedule shall comply with Colorado requirements for homeowners associations that apply to the Association ~~and Colorado laws that apply to the District~~. Further, such schedule shall meet the requirements of the Bylaws of ~~both the Association and District~~.

C. Management's Budgets

1. Based on input from the Association ~~and District~~ Standing Committees and department managers, Management prepares the Association's ~~and District~~ budgets-drafts for Operations and Capital Projects and contributions to capital reserves. The budgets will contain three separate years. The first year will contain the full details for the proposed year and prior years.
2. Materiality is paramount in the budget process. This means that the items of greatest materiality and those items which change the most from previous levels should receive the most attention.
3. Unless the B&F Committee agrees otherwise, Management's Budget(s) for ~~both~~ the Association ~~and District~~ will start with a concise Executive Summary containing information of most significance in the current budget. This summary will then be followed by sections covering the various activities. Management's Association Budget will have the following sections for:
 - a. Budget Preparation Assumptions
 - b. General Revenue
 - c. General Expenses
 - d. Custodial Department
 - e. Contracts Department
 - f. Maintenance Department
 - g. Administrative Department
 - h. Paint Department
 - i. Roads & Grounds Department
 - j. Security Department
 - k. Capital Program Projects
 - l. Capital Program Deposits
 - m. Owners Dues including Gas and Electricity
 - n. Owners Dues excluding Gas and Electricity
 - o. Summary (if the executive summary suffices, this summary may be omitted)

~~4. Management's District Budget will start with an Executive Summary and have sections for:~~

- ~~a. Budget Preparation Assumptions~~
- ~~b. Enterprise Revenue (including the Recreation Fee)~~
- ~~c. Enterprise Expenses~~
- ~~d. Restricted Funds~~
 - ~~1. Conservation Trust Fund~~
 - ~~2. Debt Service Fund~~
 - ~~3. Foundation Fund~~
- ~~e. Enterprise Programs~~
 - ~~1. Golf Course~~
 - ~~2. Restaurant~~
 - ~~3. Clubhouse~~
- ~~f. Summary (if the Executive Summary suffices, this summary may be omitted)~~

5. Management's Association ~~and District Budgets~~ will be presented by Cost Center accounting codes. Each Cost Center will have an Expense Summary as well as separate summary for Wages/Benefits and Operating Expenses. Also, see prior budget submissions for further guidance as to expenditure codes needing additional detail.

6. Staffing levels and personnel costs are to be carefully analyzed for all areas. In doing such analysis, care should be taken to maintain the confidential nature of individuals' compensation and other personal information of all employees. As a part of the budget package, Management shall provide additional information regarding employment numbers. Additional information, as needed, is to be provided for all years shown including the following:

- a. Number of FTE for full time staffing positions
- b. Number of hours for part-time staffing positions
- c. Number of overtime hours
- d. Number of hours for teachers

7. Management's budgets will contain written justification for changes in staffing and descriptions of the key changes from the previous budgets. This should cover not only increases in staffing but also possible reductions in staffing resulting from technology and changes in internal procedures which permit such reductions. Proposed staffing changes should be accompanied by a revised organization chart.

8. Management's budget will include the status of current year capital project completion with details on potential carryover projects and why they are not expected to be completed in the current year.

D. B&F Committee Recommended Budgets

1. B&F Committee

The B&F Committee reviews in detail the draft of Management's budgets and addresses all questions raised. For this review, the B&F Committee invites the members of the Association and ~~District Boards and~~ the Association membership ~~and District~~ voters to these work sessions. Be sure that all communications make it clear to our members that their input is desired, and that the budget will be changed if appropriate. The review dates are identified in the Association ~~/District~~ approved annual Budget Schedule.

2. To the greatest extent possible, agendas should be prepared and disseminated for each budget review meeting. This will enable members to determine which portion of the meetings they would most like to attend.

3. Submission

Management will prepare the Committee recommended Association ~~and District~~ budgets incorporating all changes recommended by the B&F Committee. The Committee budgets will be distributed according to the approved annual Budget Schedule.

E. Boards Review

1. The Association Board review date is identified in the approved annual Budget Schedule unless the Association President directs otherwise. The Association Board will review the B&F Committee budgets for the Association ~~and the District and will make a recommendation to the District Board concerning its budget~~. This meeting serves as a public review meeting for the Association Board to receive comments from the Association Membership before Association budget approval.
- ~~2. The District review date is identified in the approved annual Budget Schedule unless the District President directs otherwise. This meeting will serve as a public hearing for the Board to receive comments.~~
3. The Association ~~and District~~ Boards ~~are is~~ scheduled to approve their respective budgets at their special meetings as reflected in the Budget Schedule.

F. Publication of Budgets and Dues Schedules

1. Prepare Association ~~and District~~ budget summaries and mail them to the Association membership ~~and the District voters~~ prior to the Association budget membership meeting based on the approved annual budget schedule.

2. Prepare the approved budget and mail Association Dues schedules and payment coupons to Owners in December. Letters with Association Dues information will be mailed to Owners who have authorized the Association to automatically withdraw their monthly Dues.
3. Upload copies of the Association ~~and District~~ Budget to the Association website.
4. Provide notices on PILERA (Heather Gardens Communication) and through the ARO as well as means deemed appropriate based on the approved annual Budget Schedule. Such notices shall announce the publication of the Association ~~and District~~ budgets and describing how to obtain access to the budgets online or obtain a copy.

IV. BUDGET ADMINISTRATIVE PROCEDURES

A. Overall Prudence.

Inclusion of an expense in the approved budget does not mean the expense must be made.

B. Monitoring. The B&F Committee monitors a broad range of budget-related information at its monthly meetings. The Committee and Management may suggest more abbreviated reviews for areas of lesser materiality or of little variance from the budget.

- a. For these meetings, Management shall provide the following reports unless the B&F Committee agrees otherwise:
 - 1) Association Balance Sheet
 - 2) Association Revenue Expense Statement
 - 3) Association Monthly Operating Analysis
 - 4) Association Budget Exception Report
 - 5) Association Capital Program Report
 - 6) Association Investment Listing
 - 7) Association department expenses
 - ~~8) District Balance Sheet~~
 - ~~9) District Profit and Loss Statement~~
 - ~~10) District Capital Assigned Fund Report~~
 - ~~11) District Profit and Loss—Restricted Fund~~
 - ~~12) District Profit and Loss—Enterprise Fund~~
 - ~~13) District Budget Exceptions Report~~
 - ~~14) District Investment Listing~~
 - ~~15) District Golf Profit and Loss Report~~

- ~~16) District Restaurant Profit and Loss Report~~
 - ~~17) District Clubhouse Profit and Loss Report~~
 - ~~18) District Golf Usage Report~~
 - ~~19) District Conservation Trust Report~~
 - ~~20) District Foundation Fund Report~~
 - 21) Any special reports requested by the B&F
- b. For the April, July, October, and January meetings, Management shall provide a Quarterly Staffing and Work Completion Status Report.
 - c. The reports will be distributed to the Association ~~and District~~ Presidents, Board members, and all B&F members, for their review six days, if possible, prior to the B&F meeting
 - d. Management reviews with the B&F Committee the contents of these reports and explains significant variances. Management answers committee member's questions.
 - e. The Association Treasurer presents pertinent budget information to the Association Board.
 - ~~f. The District Treasurer presents pertinent budget information to the District Board.~~
 - g. PM B-3 describes monitoring procedures carried out by the B&F Committee's Audit Subcommittee.

C. Operations Expense Approval

- a. Non budgeted operating expenditures under \$20,000 are administered by the Chief Executive Officer based upon the staff spending authority schedule approved by the Association Board.
- b. Certain recurring operating expenses will be paid automatically through the bank (ACH Payment). An ACH authorization form is required prior to the initial setup with the bank (see Attachment 1). Listed below are some examples of ACH payments:
 - 1) **Payroll:** Payroll is processed every two (2) weeks to pay the employees, taxes, garnishments, fees, and 401K.
 - 2) **Tax Payments:** Quarterly estimated corporate income taxes are provided by tax accountants. These taxes are paid to the IRS and Colorado Department of Revenue.

- 3) **Employee mileage and other employee reimbursements:** A monthly mileage reimbursement is paid to employees. Employee who has purchased supplies or paid for work-related travel expenses will be reimbursed upon submission of required support.
 - 4) **Lease:** Leases include (but are not limited to) copier/printer, postage equipment, and fitness equipment.
 - 5) **Utilities:** Examples include trash, internet, telephone, electricity, natural gas, and water.
 - 6) **Reimbursements:** Any person entitled to a reimbursement and who has Direct Debit may be paid by an ACH.
- c. All non-budgeted operating expenditures over \$20,000 must be initiated using the Request for Expenditure (RE) Attachment 3. All such expenditures will be subject to the RFP, bid and approval procedures, as outlined in Section V below.
 - d. Recurring Expenses. Management is authorized to approve certain recurring expenses that exceed the Chief Executive Officer's \$20,000 spending authority, such as, but not limited to, gas, electricity, water and sewer charges, the refilling of gasoline storage tanks and payroll and income taxes.
 - e. New or renegotiated contracts shall be reviewed by the B&F Committee and Boards within timeframes available for the specific item being considered. Management shall provide advanced notice of the required timeframes as much in advance as possible to allow for meaningful reviews by the Committees and Boards. Example of these items include contracts for 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 work sessions to be called.

V. CAPITAL EXPENDITURES

A. Responsibilities

1. Management

- a. Plan and implement actions necessary to originate a project, obtain fund expenditure authorization, and follow the project to successful completion.

-
- b. Develops contract specifications and requirements, including General Conditions, Scope of Work, and Technical Specifications.
 - c. Develops Request for Proposals (RFP).
 - d. Solicit contractors for bids on proposals.
 - e. Prepare Request for Expenditure (RE) form providing the project justification for projects requiring an RE as outlined below. The project justification should include, but not be limited to:

(1) Title: Something not too long, in most cases one full line or less

(2) Description of the project or issue that needs action

- a. Background and what has already been tried
- b. Related Issues — both positive and negative — to cover the merits and faults
- c. Conclusions

(3) Justification

- a. Why action needed:
 - i. Budget project amount is not sufficient.
 - ii. New information on health and safety concerns, compliance with laws and regulations, and essential replacement.
 - iii. Desirable service or improvement in efficiency with reasonable payback.
 - iv. Clear improvement in standards of living or community amenity.
- b. Supporting documentation
- c. Cost Estimate with appropriate detail
- d. Funding options

(4) Proposal

- a. Statement of the requested action
- b. Define who will do what (department, consultant, etc.)
- c. Cost summary and source of funds requested [such as budgeted project, unanticipated item, insurance, other (to be defined)]
- d. Schedule with the completion date
- e. If this takes Association ~~or District~~ Board action, add a proposal summary in motion form for review and action by related committees and the Board.

f. REs for projects are to be submitted for approval if any of the following apply:

- a. The project is not budgeted.
- b. The project is projected to be over budget.
- c. The scope of the project has materially changed since the budgeting process, or there have been material changes to the project.
- d. The Board(s) has/have requested that an RE for a specific project be submitted for review.
- e. Management has chosen to submit a project for review and approval even though it may not be required.

All other projects will be submitted to the appropriate committees and board(s) on an advisory basis using a Reserve Expenditure Advisory Form (Attachment 4).

- g. Enter all capital property into appropriate replacement and depreciation schedules. Inventory is to be valued at acquisition cost.
- h. Report to the respective Board and the Budget and Finance Committee at their monthly meetings on the progress of scheduled capital projects.

2. Standing Committees (except B&F)

Review the projects submitted by Management including the purpose and scope, the bids submitted, the justification and any ancillary materials included with the RE. Such review should assess if the project, bids and vendors have been adequately vetted by Management. Funding is not a factor to be considered at the Standing Committee level. Concurrence or non-concurrence with a proposed project should be acknowledged by the committee chair on the RE and forwarded to the B&F Committee.

3. Budget and Finance Committee

- a. Review RCs received from Standing Committee chairs since the last meeting. Review the requests with respect to funding to include budgeted amounts and if needed other possible funding sources (eg. reserves or reallocation of funds).
- b. Forward to the appropriate Board all REs received since the last monthly meeting, indicating the Committee's concurrence or non-concurrence.

4. Board(s) are to review the recommendations of the standing committees as well as the B&F Committee and the compatibility of the project with other Association ~~and District~~ objectives. After review, the Board(s) shall take appropriate action.

B. Contracting Procedures

1. When applicable, Management will develop and distribute written Request for Proposal (RFP) to contractors/vendors for a single project that is budgeted to cost more than \$20,000. The RFP may cover more than one year.
2. All RFPs will include general conditions, specifications, scope of work, technical Specifications, and bid requirements. Development of RFPs may make use of outside resources such as experienced vendors and consultants.
3. Bid Requirements:
 - a. For projects less than \$20,000, when possible, two bids are required, and can be received via mail or email.
 - b. For projects of \$20,000 or more, when possible, a minimum of three bids are required, and can be received via mail or email.
 - c. In the event that the minimum bid numbers are not met, Management will provide an explanation for the cause of the lower number.
 - d. The Board(s) may waive the minimum bid requirement for certain projects either prior to the bidding process or after the process has taken place.
 - e. When possible all bids shall be comparable with the same type and capability of equipment, same quantities, similar accessories, similar configurations, similar specifications etc.
 - f. If bids do not meet general comparability standards Management shall provide an explanation of the reason for the differences.
 - g. It is generally accepted that in reviewing bids, many times much more than just "costs" should be considered. Some of the other factors that may come into consideration when reviewing bids and vendors are, but not limited to:
 - 1) Outside references and reviews
 - 2) HG experience with the vendor (positive and negative)
 - 3) Professional certification
 - 4) Management's general assessment of the vendor

~~4. Special requirements for the procurement of goods, projects, or services for the District:~~

~~When goods, projects or services for HGMD are reasonably expected to cost \$60,000 or more the following requirements should be met:~~

- ~~a. Advertise in a local newspaper with wide distribution an invitation to prospective bidders that the District will be obtaining bids on for goods, projects or services described as (include a brief description). Interested bidders should contact (name, address, phone number) for additional information by (date).~~

- ~~b. When actual bids for the goods or services are sought an advertisement must be placed in a local newspaper showing a description of the goods, projects or services, the date and time bids are due, to whom the bids should be sent, the date and time of public opening of the bids.~~
- ~~c. Construction project requirements are numerous, and the District attorney should be contracted for specifics.~~
5. All REs under-\$20,000 for items included in the approved budget shall be routed to the Chief Executive Officer for approval.
6. All other REs, except those made for emergencies (see section below), and those not required to be submitted for approval will be submitted for review and approval in the following sequence:
- a. Department Managers
 - b. Contract Manager, if necessary
 - c. Chief Financial Officer
 - d. Chief Executive Officer
 - e. Standing Committee Chair
 - f. B&F Committee Chair
 - g. Association President ~~or District President, whichever is applicable~~
7. If emergencies occur:
- a. Management takes the initial action required to determine the nature and extent of the problem and the means of correcting it.
 - b. In accordance with the normal emergency purchasing procedures, Management obtains a Purchase Order (PO) from the security officer on duty, completes it and:
 - (1) Uses the PO to acquire item or items necessary to effect emergency repair or replacement of facility or equipment.
 - (2) If the amount of purchase is \$7,500 or more, obtain verbal approval of either the Chief Executive Officer, or if not available, the Chief Financial Officer, or the appropriate Board President.
 - (3) Clearly defines the nature of the emergency, as well as actions taken to correct the problem, either on a PO or as an attachment.
 - c. On the next workday, Management takes action necessary to obtain approvals appropriate to the emergency.
8. Change orders may be approved by Management if:

- a. Amount of change order is within Management's approval authority and
- b. Total of project cost, including the change order, does not exceed the previously approved budget amount and
- c. Identification of the change order amount, justification, and description of the scope are included in the next report to the B&F Committee, and the status of the project is reported to the Board.
- d. Change orders which do not fit the above three criteria must be approved by the appropriate reviewing authorities using an RC.

C. Capital Projects Carry Forward to the Next Year

Generally, capital projects are expected to be completed during the fiscal year in which funds were appropriated for the project(s).

When a project is not anticipated to be completed by the end of the fiscal year, Management will immediately, but no later than the January meeting of the Budget and Finance Committee, identify in writing, the project including the dollar amount needed to complete the project, and provide a written explanation of the circumstances that caused the project to be incomplete.

The B&F Committee will recommend appropriate action on such Capital projects.

VI. INVESTMENT PROCEDURES

The process for making investments on behalf of the Association 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 Association is summarized as follows:

- Assess the Association's expected future cash flows to determine what funds are expected to be needed at what points in time.
- Working with a qualified investment advisor or advisors, develop an investment strategy that complies with the Association's adopted investment policy.
- Determine appropriate investment vehicles that are consistent with the investment strategy.

- Follow appropriate safekeeping, record-keeping, and reporting procedures.

The Association investment policy places basic responsibility for developing the investment strategy, selecting appropriate investment vehicles, and monitoring the success of the program with the Budget and Finance Committee (“Committee”). The Committee will develop and make recommendations to the Association Board of Directors (“Board”) for final approval. The following summarizes the responsibilities of the Committee and other key participants in the process.

A. Budget and Finance Committee:

1. Define investment advisor candidate evaluation criteria.
2. Prepare Request for Proposal, including the scope of services requested and send a list of prospective candidates.
3. Review and evaluate proposals and select candidates for interviews.
4. Conduct interviews with candidates; review with them the adopted investment policy as well as qualifications and desired compensation of the candidates
5. Recommend investment advisory candidate(s) to the Board.
6. In consultation with the Association’s legal counsel, review and recommend a contract with the selected financial advisor(s) for execution by the Board.
7. Working with a financial advisor and with a comprehensive cash flow projection for each fund source, develop and recommend the investment strategy to the Board.
8. Working with the financial advisor, recommend specific investment vehicles consistent with the approved investment strategy.
9. Monitor chosen investment vehicles and modify the investment strategy and or vehicles in accordance with performance and changes in economic climate.

B. Investment Advisor:

1. Research and develop suggestions, conforming with policy, for a draft investment strategy for review and discussion with the Committee.

2. Based on cash flow projections provided by Association management, recommend specific investment vehicles that will help accomplish the objectives of diversity and laddering set forth in the policy.
3. Monitor investment performance and provide regular reports to the Committee.

C. Association Management:

1. Prepare an annual cash flow projection for the Association for each fund source using current balances and expected inflows/outflows and present to the financial advisor and Committee.
2. Arrange movement of funds to the appropriate location/account for timely closings of investment transactions.
3. Reconcile investment records received from the custodian to accounting records and record income as realized, including amortization and/or accretion entries for any discounts or premiums.
4. Consult with the auditor to determine the most appropriate means of completing the compliance review of the Association's investing activities with its policy.

D. Association Treasurer:

1. Present reports, recommendations, and other matters related to investing to the Board.
2. With the assistance of the advisor and management, execute Association Board-approved purchases and/or sales of investments for the Association. Keep accurate records of all completed transactions, Report such information to Management in settling the transactions.

E. Association Board of Directors:

1. Based on the recommendation of the Budget and Finance Committee, approve the selection of a financial advisor and contract.
2. Review and approve the Association's investment strategy as recommended by the Committee, and the investments suggested to meet the strategic objectives.

VII. BANKING PROCEDURES

The volume of transactions conducted by the Association ~~and the District~~ in most months requires bank balances that may exceed the protection offered by the FDIC. Therefore, the following procedures apply.

A. The Association's ~~and the District~~ funds will be deposited only in banks that are large enough and strong enough to have satisfactory ratings from all three major rating services. Standard & Poor, Moody, and Fitch. However, Certificates of Deposits in amounts equal to or less than the FDIC insurance maximum may be placed in any bank that offers FDIC insurance or in U. S. Government notes, bills or bonds.

~~B. All District accounts must follow the requirements of the Public Deposit Protections Act (PDPA).~~

C. Decisions as to changes in the Association's ~~and the District's~~ banking arrangements and selection of banks are the responsibility of the Boards of Directors, based upon recommendations of the B&F Committee.

D. The B&F Committee will make banking recommendations to the Boards of Directors based upon information that contains, but is not limited to, the following criteria:

1. Strength of the bank as shown by its rating as set forth by the various bank rating services.
2. Service charges for such items as:
 - a. ACH Fees
 - b. Internet availability of monthly bank statements and related items
 - c. Deposits and electronic checks
 - d. General Account Maintenance
 - e. Online Banking
 - f. Investment Services
3. Account earnings allowance rate.

E. Management shall report any problems in dealings with the banks to the B&F Committee and the Boards.

- F. The Board Treasurers and Internal Audit Subcommittee Chair with Management will review the banking reconciliation statements.
- G. Refer to the Association Policy Manual (Finance – 1 Banking Policies) for information on banking authority assigned to Management and Board members. At least annually a resolution shall be presented to the Board(s) for approval naming all authorized signers on all bank accounts.

VIII. ANNUAL EXTERNAL AUDIT and TAX RETURN PREPARATION

1. Work with the contracted Audit Firm to establish the process and schedule for each annual audit and for the preparation of the annual tax returns;
2. Provide appropriate workspace for the Audit Firm's staff to do their on-site work on the audit;
3. In a timely manner, provide copies of all requested documents and respond to all questions;
4. Review the initial draft of the audit reports 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 Chief Financial Officer, Chief Executive Officer, and the appropriate Treasurer;
5. Make all adjusting entries and other final entries to the year-end financials as requested by the Auditor; and
6. Facilitate the posting of the completed Audit reports on the Heather Gardens website and make paper copies of the Audit report(s) for interested parties as requested.
7. In a timely manner, file the accepted Audit reports with the relevant State organizations and the completed tax returns with the taxing authorities.

B. Budget and Finance Committee

In collaboration with Association management, oversee the conduct of the annual external Audits of Association's ~~and District~~ financial statements for each fiscal year and recommend acceptance of the audit reports to the Association ~~and District~~ Boards of Directors, including the following:

1. Monitor the status of the conduct of the Association ~~and District~~ Audits;
2. Receive and review the draft audit reports 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 not be presented to the Budget and Finance Committee, but will instead be presented by the Auditor in Executive Session to the appropriate Board of Directors.); and

4. Make a recommendation to each Board as to acceptance of the annual audit reports.
5. An important responsibility of the B&F Committee is to evaluate the external auditor's performance. This is done in order to recommend to the Boards, the appointment, re-appointment, and if required, the replacement or removal of the auditor. The B&F should solicit the input of management in performing this evaluation. The assessment should cover the professional competencies in conducting the audit and completing the tax returns, value added recommendations made by the auditor, and client service issues. This process should be formalized by the B&F Committee and conducted annually.

C. Association ~~and District~~ Boards of Directors

1. Receive copies of the two completed Audit reports by the selected Audit Firm;
2. Based on recommendations from the Budget and Finance Committee, accepts the final Audit reports;
3. Receive copies of the Management Letter and act as appropriate on recommendations made by the Budget and Finance Committee and the Auditor; and
4. Assure that the accepted audit reports are filed with the relevant State organizations and posted on the Heather Gardens website for review by interested parties. A paper copy of one or both audit reports will be made available to interested parties upon request.
5. To provide the external auditor the opportunity to communicate privately and candidly with the Boards and members of the B&F Committee and similarly, to provide the Boards and B&F Committee with the opportunity for candid questioning of and private discussions with the external auditor. A portion of the exit interview will be held in an Executive session, including both Boards and the B&F Committee with the Audit Firm. The CEO and CFO should not be a part of this session.

D. Consideration for switching Auditors

Circumstances may arise that indicate a need for switching Auditing Firms. Switching auditors is not a simple and routine matter without consequences and should only be considered if a careful review of the facts indicates a need to do so. Rotating auditors just because other institutions do it or because the auditors give you professional advice you did not like does not necessarily raise to the level of constituting a need to engage different auditors.

Consequences of changing Audit Firms. The following article sets forth what to expect if a change is made.

[What are the Consequences of Audit Firm Rotation?](#)

With Audit Firm rotation, disruption with a capital “D” occurs and affects everything, often to the detriment of the nonprofit. A study of auditor tenure conducted by professors at the University of Richmond and Texas A&M international University concluded:

The results do not support the arguments of those who propose mandatory auditor rotation and suggest that contrary to the concerns of the SEC, there is an inverse relationship between auditor tenure and auditor reporting failures.

The AICPA opposes mandatory Audit Firm rotation, citing the often costly and unintended consequences that may result. Instead the AICPA recommends the strengthening of audit committees and encourages them to be more proactive in their interactions with and supervision of the auditors.

How Do You Determine What’s Best for Your Organization?

- Ensure independence and objectivity: Ask yourself whether your current firm adheres to and performs in accordance with auditing standards. In addition, all firms are subject to a peer review process every three years to ensure the process of independence and objectivity are followed. Ask your firm for its most recent report.
- Look for participation: Is your auditing firm anxious to meet with your audit committee to discuss procedures, help them understand objectivity and discuss any matters that have come to the auditor’s attention? Passionate auditors are valuable to the success of your organization.
- Consider technology and communication preferences: Be sure to consider the technology tools and methods of communication your team is most comfortable with. Some nonprofits will continue to operate cautiously and conduct business digitally. Make sure your Audit Firm can perform audits remotely using innovative technology.

The arguments for rotation include:

- Audit objectivity: While there is not a standard for mandatory Audit Firm rotation, some believe it is necessary for audit independence.
- A “fresh look”: Depending on organizational and environmental conditions, your audit may profit from a new perspective.
 - The antidote for this argument is to ask your Audit Firm to rotate the engagement team-partner and/or staff. This allows you to retain the expertise, industry knowledge, and service you’re receiving from the incumbent firm while adding the “fresh look” component you might be seeking.

The arguments against rotation include:

- Increased costs: More costs may be incurred by the organization and its staff in the procurement process and initiation of a new firm. There may also be an increase in audit costs due to additional time spent in the first years of an audit relationship. Of note: The Government Accountability Office surveyed hundreds of companies and auditors about Audit Firm rotation and reached the general conclusion that rotation increases costs and has very little, if any, on the quality of audits.
- Decreased service levels: Some organizations notice the level of service they receive from their audit team declines as the relationships come to a close. This should not be the case, but it does happen occasionally and thus should be considered.
- Loss of existing organizational knowledge and relationships: Your Audit Firm likely has a good handle on your industry and your organization. Starting from scratch when it comes to building relationships and bringing a new firm up to speed can feel daunting.

Consider Level and Quality of Service

If you are not receiving the level and quality of service you expect, discuss the issues with your auditors. If they are no longer able to meet your standards, a change may be in order. But it's important to remember that change does not come without cost.

Here are six signs you may need a new Audit Firm:

- Your current firm is not keeping up with new regulations and standards.
- You are not being treated like a partner.
- You are worried your firm may be missing something important.
- Your Audit Firm is not quick to respond to your questions or concerns.
- Your auditors seem to lack experience.
- Your firm hits you with surprise bills.

IX. IMPOUND FUND

A. Background

1. Authority for the Impound Fund maintained by Heather Gardens Association (Association) was established in the original Declaration of Condominium and was retained in Article 6.7a of the current Amended and Restated Declaration of Condominium described in part as follows: "...collect from each owner at the time each owner purchases or acquires a unit a sum equal to six times the current estimated monthly common element expenses for the unit. Said sum may

be used by the Association as working capital, or to apply against a delinquent account of an owner, and shall be refunded to the owner upon the sale or transfer of the unit less any amounts then due by said owner to the Association.”

2. The funds received are deposited in and disbursed from the Association’s Operating bank account. In the aggregate, the impound funds serve as an important element of working capital for the Association’s operations.
3. Funds in the Impound Fund will be invested in accordance with the terms of the Investment Policy. See VI Investment Procedures.

X. BUDGET and FINANCE SUBCOMMITTEES

A. Capital Programs and Funding

Conducted by the Capital Program Subcommittee with details in JPM B-2 which include:

1. Monitoring the status of the Association ~~and District~~ capital programs and project status.
2. Guiding the preparation and annual updates of the Association ~~and District~~ Capital Project Financing Plans.
3. Recommending annual capital deposits into the Association ~~and District~~ capital program funds.

B. Internal Audit Program

Conducted by Audit Subcommittee with details in JPM B-3 which includes:

1. Overseeing the inventory of Association ~~and District~~ consumable and fixed assets.
2. Reviewing the previous month’s paid invoices.
3. Randomly auditing petty cash and procedures in all departments.

C. Business Insurance Program

Conducted by the Insurance Subcommittee with details in JPM B-4 which includes:

1. Reviewing exposures to loss and all existing business insurance coverage.
2. Recommending whether to seek the services of a new broker as needed.
3. Recommending Association ~~and District~~ business insurance packages.

XI. BUDGETING and ACCOUNTING TERMS

Positions on the Association ~~and District~~ Board of Directors and associated committees are filled by volunteers. It is noted that Board members are elected from among those who volunteer. Committee members are appointed volunteers. Most of these volunteers have at least two characteristics in common:

- a. Individually and/or collectively they are technically qualified for the positions they hold because of their extensive experience in industry, business, and/or government at federal, state, or local levels.
- b. They have some familiarity with and recognize the importance of budgeting and accounting systems. Their knowledge level and experience may be with systems of several different types, and they may use terms and procedures, which, in some cases, vary significantly in application.

The purpose of this Section XI is to provide a glossary of terms and definitions as a means of enhancing understanding of the matters deliberated by the B&F Committee and minimizing misunderstanding in Heather Gardens' management activities.

When individuals participate in committee meetings and deliberations, they should strive to conform their comments to the definitions in this Section XI.

A. Accrual Basis of Accounting. Accrual accounting is a financial accounting method that allows an enterprise to record revenue before receiving payment for goods or services sold and record expenses as they are incurred regardless of when money exchanges hands.

1. Record revenue as it is earned, not as it is received.
2. Recognize and record purchases and expenses when the title or benefit and obligation of ownership changes hands from seller to buyer.
3. The percentage of completion method is a revenue recognition accounting concept that evaluates how to realize revenue periodically over a long-term project or contract. Revenue, expenses and gross profit are recognized for each period based on the percentage of work completed or costs incurred.
4. During the year, major expenses are accrued monthly. At year-end, all expenses for the year are accrued.

B. Depreciation and Accumulated Depreciation. Accumulated depreciation is the total amount of depreciation of a company's assets, while depreciation expense is the amount that has been depreciated for a single accounting period. Depreciation is an accounting entry that represents the reduction of an asset's cost over its useful

life. In other words, depreciation spreads out the cost of an asset over the years, allocating how much of the asset that has been used up in a year, until the asset is obsolete or no longer in use. Without depreciation, a company would incur the entire cost of an asset in the year of purchase, which would negatively impact profitability. Put another way accumulated depreciation is the total amount of an assets' cost that has been allocated as depreciation expense since the asset was put into use.

- C. **Audit.** The process of examining an organization's financial records to determine if they are accurate and in accordance with any applicable rules (including accepted accounting standards), regulations, and laws. External auditors (CPA firms) come from outside the organization to examine accounting and financial records and provide an independent opinion of these records.
- D. **Balance Sheet.** A financial statement that shows the financial position by summarizing the assets, liabilities, and equity at a specific date is prepared monthly by Management for the Association ~~and the District~~. The annual reports are prepared annually by Management and published in the audited financial statements.
- E. **Capital Property.** Capital Property is that which has a useful life of more than one year and a cost in excess of \$5,000.
- F. **Capital Project.** Capital Project is a contracted project, usually a construction or major repair of a capital property item.
- G. **Capital Projects Financing Plan.** Thirty-year plan (updated annually) of major expenditures for facilities and equipment. The Plan should list all capital components for its entity, estimated life, and 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.
- H. **Capital Program Expenditures.** A cost incurred to acquire a long-lived asset. (See Capital Property and Capital Project above)
1. A reconditioning or major overhaul that will extend the useful life of an item beyond the original estimate is considered a capital reserve expenditure.
 2. Obsolescence can be a factor limiting the useful life of the item.
- I. **Capital Reserve Fund / Assigned Fund.** Association ~~and District~~ use this fund to account for financial resources to be used for the acquisition of facilities and equipment, construction, and/or significant maintenance of major capital facilities.

- J. **Carry Forward Appropriation / Expenditure.** Moneys not spent in the prior accounting period and carried forward to the next accounting period. This is usually in reference to capital program expenditures.
- K. **Impound Fund.** All Heather Gardens owners must contribute an amount equal to 6 months of the Current Common Expense Assessment when a unit is purchased. Association, as stated in the Declaration, may use these funds for working capital. Upon the owner selling a unit to another buyer, the Association will refund the original amount of impound back to the owner, assuming that there is no balance due on the owner's account. This is important for two reasons. First, it provides a cushion to the Association against the possibility that the owner fails to meet its obligations. Second, in the aggregate, the impound funds serve as an important element of capitalizing the Association's operations and capital projects purchases.
- ~~L. **Conservation Trust Fund.** District uses this fund to account for financial resources to be used for park and/or recreational improvements as a result of money obtained from the Colorado State Lottery.~~
- M. **Cost Principal.** Association's ~~and District's~~ policy of accounting for assets at their acquisition cost.
- ~~N. **Debt Service Fund.** District uses this fund to account for the accumulation of resources for and the payment of long-term debts, principal, interest, and related costs as authorized by the District electors.~~
- ~~O. **Enterprise Fund.** The operating fund of HMGD. It is used to account for all financial resources except those required to be accounted for in another fund.
— See Debt Service Fund, Assigned Fund Balance, Conservation Trust Fund, and Foundation Fund definitions.~~
- ~~P. **Heather Gardens Foundation Fund.** District uses this fund to account for donations received by the District and how the donations are used.~~
- Q. **Inventory.** Supplies and goods on hand and available for use and sale by Association.
- S. **Monthly Operating Analysis (MOA).** A variance analysis of actual revenue and expense compared to the budget for the Association ~~and District.~~
- T. **Operations Budget.** A plan or forecast for a future period expressed in quantitative terms. Intends to establish objectives, determine needed dues form members and aid in achieving these objectives with the resources available. Applies only to the day-to-day operations of the organization.
- ~~U. **Pooled Cash and Interest.** Association and District each follow the practice of pooling cash and investments to maximize interest earnings. Association 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. See VI Investment Procedures for additional information.~~

V. **Full-Time Equivalent (FTE).** One position filled continuously for one year. FTE does not mean full-time employee.

XII. PREVIOUS JPMs

- A. PM B-1 Budget Preparation, Administration and Banking, dated September 9, 2014.
- B. PM B-2 Capital Expenditures dated April 11, 2017
- C. PM B-4 Budgeting and Accounting Terms unused in Heather Gardens dated September 9, 2014.

Jill Bacon, Association President

~~David Funk, District President~~

ATTACHMENT 1

<p>HEATHER GARDENS ASSOCIATION ACH PAYMENT AUTHORIZATION FORM</p>

DATE: _____

VENDOR: _____

AMOUNT: _____ ACCOUNT CODE: _____
(Amount can be an estimate. If estimate, enter the highest amount.)

PAYMENT START DATE: _____ PAYMENT END DATE: _____
(If no end date, enter Perpetual.)

PAYMENT FREQUENCY: WEEKLY BI-WEEKLY MONTHLY QUARTERLY ANNUALLY

OTHER: _____

DESCRIPTION:

CHIEF FINANCIAL OFFICER

Date

CHIEF EXECUTIVE OFFICER

Date

CHECK SIGNING BOARD MEMBER

Date

ATTACHMENT 2

**HEATHER GARDENS ASSOCIATION & DISTRICT
REQUEST FOR CAPITAL EXPENDITURE**

PROJECT: _____
 DEPT: _____ DATE: _____

BUDGET	Budget Amount:	\$	Contract Amount:	\$
Year:	Expended YTD:	\$ 0.00	Change Order Res.:	\$
Tab:	Unexpended Balance:	\$ 0.00	Total Project Cost:	\$
Page:			Add. Funds Requested:	

DESCRIPTION:

JUSTIFICATION: (Attach backup material as required)

BID COMPARISON: (If required, summarize, or attach separate schedule.)

RECOMMENDATION:

1. Dept. Head	2. CFO	3. CEO	4. Dept. Chair	5. B&F Committee	6.HGA or HGMD President
<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur <input type="checkbox"/> Concur with Justification	<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

ATTACHMENT 3

**HEATHER GARDENS ASSOCIATION & DISTRICT
CAPITAL RESERVE
EXPENDITURE ADVISORY**

PROJECT: _____

DEPT: _____ DATE: _____

BUDGET Year: _____ Tab: _____ Pg: _____	Budget Amount: \$ _____ Expended YTD: \$ _____ Unexp. Balance: \$ _____	Contract Amount: \$ _____ Change Order Res.: \$ _____ Total Project Cost: \$ _____ Add. Funds Request: \$ _____
--------------------------------------------------	-------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------

BUDGET & FINANCE REVIEW:

- Project has been evaluated by recommending Committee.
- Project/Expenditure is planned & part of the Approved Capital Reserve Budget?
- Three (3) Bids were evaluated & part of the due diligence of project.
 - If No, Is this Explained & Reasoning Provided within bid comparison section?
- Project Meets or is Below the Approved Expenditure Budget?
- Will additional monies be required to complete the project?
 - If Yes, will the project still meet or be below budget.
- Has the Expenditure taken place?
 - If no, when will the expense occur?
- Have all Required Signatures for Approval been obtained at the time of review?

JUSTIFICATION: (Attach backup material as required)

BID COMPARISON: (If required, summarize or attach separate schedule.)

- 1.
- 2.
- 3.

ADDITIONAL INFORMATION: (Attach backup material as required)

1. Department Head	2. CFO	3. CEO	4. Department Comm. Chair	5. Budget & Fin. Committee	6. HGA President	7. HGMD President
<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur <input type="checkbox"/> Concur with Justification	<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	<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur

Check concur, non-concur or concur with justification, then initial. Attach comment sheet if you like.

*Capital expenditures, except emergency replacements and weatherproofing performed by HGA labor, are approved/revised as follows: All Items require Block 1, 2 (when needed), and 3 through 8 completed.

ATTACHMENT 4

In addition to the provisions of this PM, the following governing documents must be considered in all budget and finance matters.

1. Colorado Common Interest Ownership Act (CCIOA)
2. Amended and Restated Condominium Declaration for Heather Gardens
3. Bylaws of the Heather Gardens Association
- ~~4. Bylaws of the Heather Gardens Metropolitan District~~
- ~~5. Colorado Special District Act~~

ATTACHMENT 5 (EXAMPLE)

HGA AND HGMD BUDGET DEVELOPMENT SCHEDULE FOR 2023 BUDGET YEAR

DATES:

Monday, June 20, 2022	B&F Committee Recommends 2023 Budget Development Schedule
Tuesday, June 21, 2022	2023 Budget Development Schedule approved by HGA Board
Thursday, June 23, 2022	2023 Budget Development Schedule approved by HGMD Board
Monday, July 18, 2022	Copy provided to Heather 'n Yon and ARs for posting and sent via PILERA, etc.
Thursday, August 18, 2022	Budget Schedule article provided to Heather 'n Yon for September issue

Friday, September 9, 2022	Manager's Budget Draft and summary delivered to B&F Committee Members and the Board of Directors of both HGA and HGMD. The budget draft and summary are made available on the website.
Monday, September 26, 2022 through Thursday, September 29, 2022	B&F Committee conducts budget workshops beginning at 9 AM. Budget workshops continue starting at 9 AM on extra days if needed. Directors of HGA and HGMD are strongly urged to attend. B&F Committee recommends 2023 budgets to both Boards. During the budget workshops (September 26 through September 29), the Joint Budget and Finance Committee encourages and will take questions from owners/residents after each section of the budget is reviewed.
Thursday, October 13, 2022	10 AM. At a Special HGMD Board Meeting, the District Board accepts the 2023 proposed budget and conducts a Public Hearing on the proposed 2023 budget. After hearing comments, the Board may modify the budget and adopts its 2023 budget. Owners/residents are encouraged to ask questions regarding the budget at the October 13th Special HGMD Board meeting. Colorado statutes provide that for governmental agencies, the Board of Directors (the Legislative body) sets the final budget.
Thursday, October 13, 2022	1 PM. At a Special HGA Board meeting, the Association Board hears comments and may make changes to the HGA 2023 Budget, approves the 2023 budget, and sets membership veto vote (between 15 and 50 days after notice). Owners/residents are encouraged to ask questions regarding the budget at the October 13th Special HGA Board meeting.
Wednesday, October 19, 2022	Association and District Budget summaries are available on the website and email to the membership. Ballots are mailed to the membership for mail-in voting. Full copies of the Association and District budgets available in the Administrative Office.
Tuesday, November 1, 2022	Auditorium 6:30 PM. Evening Membership meeting to present and discuss the budget
Wednesday, November 2, 2022	10 AM. Daytime Membership meeting to present and discuss the budget
Thursday, November 3, 2022	1 PM. Afternoon time Membership meeting to present and discuss the budget
Friday, November 18, 2022	Veto Ballots are due by close of business (Friday before Thanksgiving) A special committee of volunteers will be assembled to count the ballots. Majority of the membership is required to veto the Board approved budget.
Wednesday, November 23, 2022	Communicate Veto vote results to the community (Day before Thanksgiving)
Thursday, December 15, 2022	District MUST have 2023 property tax mill levy to Arapahoe County by this date.