



Heather Gardens Metropolitan District

HEATHER GARDENS METROPOLITAN DISTRICT

December 17, 2015

The regular monthly meeting of the Board of Directors of the Heather Gardens Metropolitan District was held in the office of the District, 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, December 17, 2015.

The Secretary certified that all Directors have been duly notified and at least three notices of the meeting were posted in public places within the limits of the District, all in accordance with C.R.S. 32-903 (1973) as amended; that at least three copies of the agenda for the meeting were duly posted in designated places within the limits of the District, in accordance with C.R.S. 24-7-402(c); that a quorum was present; and that the meeting hence was duly constituted and could lawfully transact business as contemplated.

President Ed Kurtz called the meeting to order at 1:00 PM. All board members were present. Also in attendance were four members of the HGA Board, approximately twenty-five observers, Mary Hafka and Lynn Donaldson of Heather 'n Yon, General Manager Calvin Eddy-White and Controller Su Chae.

Minutes of the Regular meeting on November 12, 2015 were approved as written.
Minutes of the Special meeting on November 23, 2015 were approved as written.

Item #4 under New Business has been deleted from the agenda.

DIRECTORS' COMMENTS AND COMMITTEE REPORTS

HGMD President, Ed Kurtz: President Kurtz reported that the HGMD Board has engaged a specialized attorney to represent the Districts interest relative with the TOD Project. Particulars and legal strategies will not be discussed outside of Executive Session. As of right now there is no progress to report. President Kurtz encouraged all residents to show up at the upcoming City Council meetings. The project has been tentatively approved at the administrative level.

HGA President, Forrest McClure: President McClure announced that the HGA meeting on December 14th was cancelled due to inclement weather. The meeting has been rescheduled to Monday, December 21, 2015 at 1:00 p.m. in the Board Room.

Treasurer's Report (Bill Archambault, Treasurer):

Enterprise Fund:

During November Enterprise Fund revenue was \$144,843 and expenditures, including cost of goods sold were \$140,562. Revenue exceeded expenditures by \$4,281. Year to date revenue - \$2,019,647 - has exceeded year to date expenditures - \$1,810,161 (including the cost of goods sold) - by \$209,486.

Year to date revenue is approximately \$34,777 more than budgeted and year to date expenditures, including the cost of goods sold, are approximately \$175,696 less than

budgeted. The clubhouse, golf course and the restaurant all have earned more revenue than budgeted through November. Expenditures are less than anticipated for the clubhouse, golf course, restaurant and capital expenditures. Legal fees are approximately \$13,000 more than budgeted.

Restricted Funds: Conservation Trust Fund (Lottery): During November the District received a quarterly distribution of \$3,584 from the Colorado lottery. This distribution normally would have been received in September but was delayed by the State. Year to date revenue has been \$11,220 and there have been no expenditures. The District will receive another quarterly distribution late in December. At November 30th, there was \$57,860 in the Lottery bank account.

Debt Service Fund: Year to date property tax receipts have been \$608,012 and specific ownership tax receipts have been \$44,197. Specific ownership taxes are about \$13,600 more than expected at this time. Year to date expenses for the Fund are \$411,643 which is as expected. At November 30th, the Zion Bank held \$810,798 in the Debt Service Fund account. On December 1st, the Zion Bank made a principal and interest payment to bond holders of \$419,558.

Foundation Fund: Year to date donations to the Foundation have been \$22,927 and the Foundation has expended \$21,798 on projects for the District. At November 30th, there was \$297,641 in the Foundation Bank account.

General Manager:

- Met with District Attorneys
- Attended Board and Committee Meetings
- Continued working hail damage settlement and District at this point is fully settled from 2013 and 2014 storms.
- Clubhouse de-fined goals for Committees/ Advisory Teams; Events, Classes, Dance.
- Implemented new programs for Jewish heritage: Great Rabbi, Great Insights, Chanukah.
- Decorated the Clubhouse for the holidays.
- Restaurant Held a 70th Birthday Party and a Quinceanera for 80 people.
- Hosted the Thanksgiving buffet.
- Finished booking Holiday parties.
- Winterized patio.
- Applied fungicides to greens and applied winter fertilizer to fairways.
- Began winterization of irrigation system and golf course equipment.
- Continued removal of dead trees.
- Wrapped trunks and watered new trees
- Completed snow removal at the Clubhouse and on the cart path.
- Continued leaf mulching and sweeping.
- Received bids for roof replacement for the Clubhouse.
- Held Safety Committee Meeting on Winter Safety.

Controller Reports:

- Hired Melissa Pacheco for Accounting Clerk Position.
- Set up Online Filing for monthly Sales Tax return w/ City of Aurora & State of Colorado.
- Work on Military Year Book for printing.
- Held Insurance Meeting for HGMD renewal.
- Set up Garden Plot accounting and contracts.
- Completed necessary paperwork for HGMD Public Hearing for 2016 budget approval.
- Held the Annual Inventory and Equipment Count.
- Met with our Auditor regarding our upcoming audit.

COMMITTEE REPORTS:

Clubhouse (Archambault): Report Distributed.

Foundation Committee (Hizer): Report Distributed.

Golf (Francone): Report Distributed.

Restaurant Committee (Archambault): Report Distributed.

ARO President (Clarendon): President Clarendon reported that the next ARO meeting is Thursday, January 14, 2016 at 7:00 p.m. in the Clubhouse Auditorium.

Residents wishing to address the Board on Agenda Items:

1. A resident spoke regarding the Restaurant.

UNFINISHED BUSINESS:

1. **Exception to Policy Regarding Golf Cart Use:** Motion made by Francone, seconded by Archambault and passed unanimously to withdraw the motion.

NEW BUSINESS:

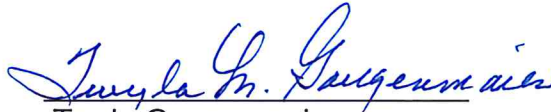
1. **Approve Tree Authorization Expenditures from Foundation for 2016:** Motion made by Hizer, seconded by Francone and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the amount of \$10,000 of Heather Garden Foundation Funds for the replacement of trees in 2016.
2. **Combine Clubhouse and Restaurant Committees:** Motion made by Archambault, seconded by Hizer and passed unanimously that based on discuss with members of the Clubhouse Committee and members of the Restaurant Committee that the committees be combined into one committee effective January 1, 2016. The committee will be known as the Clubhouse/Restaurant Committee.

3. **Discuss and Approve Guidelines for Formation of the Ad Hoc Committee on Yale Ave Frontage Road:** Motion made by Hizer, seconded by Archambault and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the guidelines for the formation of the Ad Hoc Committee on Yale Road Frontage.
4. **Approve proposed changes to (PM) G-1, Golf Committee, Standards and Procedures:** Motion made by Francone, seconded by Gaugenmaier and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the proposed changes to (PM) G-1, Golf Committee, Standards and Procedures.
5. **Military Yearbook:** Motion made by Archambault, seconded by Francone and passed that the Heather Gardens Metropolitan District Board of Directors authorize the use of District Funds to be used for the production of the Military Yearbook in an amount not to exceed \$2,500. These funds will be reimbursed to the District based on sales of the Yearbook.
6. **Clubhouse Roof Replacement (\$115,694):** Motion made by Francone, seconded by Archambault and passed unanimously that the Heather Gardens Metropolitan District Board of Directors award a contract to Horn Brother Roofing in the amount of \$110,694, and approve a change order reserve in the amount of \$5,000 for replacing roof decking and vents as needed. Total project amount is \$115,694. The base contract amount would be \$18,318.02 below insurance allocation.

Residents wishing to address the Board:

1. A resident spoke regarding the TOD Project.
2. A resident spoke regarding the Garden Plot.

There being no further business the meeting was adjourned at 1:53 p.m. The next Regular meeting is Thursday, January 14, 2016 at 1:00 p.m.


Twyla Gaugenmaier
Secretary