



**HEATHER GARDENS METROPOLITAN DISTRICT  
REGULAR MEETING  
Thursday, November 18, 2021**

The regular meeting of the Board of Directors of the Heather Gardens Metropolitan District ("HGMD") was held via Zoom/Telephone in the office of the District, 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, November 18, 2021 at 1:00 P.M.

**CALL TO ORDER:** President Funk called the meeting to order at approximately 1:00 P.M. on Thursday, November 18, 2021. A quorum was present.

**BOARD MEMBERS PRESENT:** President David Funk, Vice President Michael George, Treasurer/Secretary William Archambault, and Directors Eloise Laubach and Maria Mines.

**BOARD MEMBERS ABSENT:** None.

**STAFF PRESENT:** Chief Executive Officer (CEO) Jon Rea, Chief Operations Officer (COO) Jason Altshuler, Chief Financial Officer (CFO) Jerry Counts and Board Assistant Evelyn Ybarra.

**GUESTS PRESENT:** Three members of the Heather Gardens Association Board, Lynn Donaldson with Heather 'n Yon, and approximately 17 members of the public were present.

**PRESIDENT REMARKS:** President Funk explained the new device (the Owl) in the board room will help improve the sound system and hyperdrive the meetings. The device will capture and follow the speaker during the meeting. The screen can hold up to three speakers in high definition. This modern technology will make a significant difference for the those joining via Zoom.

**APPROVAL OF MINUTES:** Motion made by Vice President George and seconded by Treasurer/Secretary Archambault and passed unanimously to approve the minutes of the October 14, 2021 Special Meeting as written.

**REPORTS OF DIRECTORS, COMMITTEES, AND PROFESSIONAL CONSULTANTS:**

**Chief Executive Officer (CEO) Report:** The Board received a copy of the CEO's Statement of Work. The CEO stated the newly hired Clubhouse Assistant Manager Julie Racich will start tomorrow. There were no questions or comments.

**Clubhouse/Restaurant Committee:** The Board received a copy of the Clubhouse/Restaurant Report. Director Mines reported that the committee was happy to meet Clubhouse Manager Montrell Anthony. There has been discussion on organizing a

volunteers marketing program. President Funk stated there is a new and updated website for the Restaurant and Golf. There were no questions or comments.

**Foundation Committee:** The Board received a copy of the Foundation Report. Director Laubach reported that there has been misunderstanding about the tree fund donation. She received calls that stated people donated to the tree fund but have not seen any trees planted. She clarified that the Foundation does not need to know where or what type of trees are being planted; but they are asking management to provide a general idea of the number of trees to budget for the upcoming year. She also received a suggestion that management could also request tree donations from the National Wildlife or Arbor Day Foundation. Aleta Antoinette, who chaired the Mask Warriors and helped subsidize the bench project, has authored a book and is hosting a book signing in the banquet room of the Rendezvous Wednesday, December 8 from 5:30 – 7:30 p.m. She will be donating 15% of the proceeds to the Foundation. President Funk and COO Altshuler explained there is a tree plan that provides a list of the trees that were planted and/or replaced and is tracked by the Roads & Grounds Manager. There were no further questions or comments.

**Golf Committee:** The Board received a copy of the Golf Report. Vice President George stated there are two motions that will be discussed later in the meeting. There will be no meetings from December 2021 through February 2022. There were no questions or comments.

**Property Policy Committee:** No Meeting.

**Joint Long Range Planning Committee:** No Meeting.

**Treasurer's Report:** The Board received a copy of the Treasurer's Report. There were no questions or comments.

**Joint Budget and Finance Committee:** The Board received a copy of the Joint Budget and Finance Report. Treasurer/Secretary Archambault reported that Raymond James, the Association's financial advisors, attended the meeting and discussed interest rates. In their opinion, the interest rate will remain stable (low) through late 2022 into early 2023. As far as investments, they discussed the equity market having a return of 1.75% on a 3-year investment though there is a higher risk. There was also discussion of inflation from 1914 until 2021 that showed the average has been 3.24%, a peak in 1983 of 15% and record low of -15.8% in 1921. There was no meeting for the Insurance Subcommittee, however, CFO Counts reported on the progress of obtaining insurance for the District for 2022 which will need to be approved by the Committee and Board in December. The District's insurance renewal is effective January 1. There will be a request for a change order of \$4,500 for the RV Lot for additional repair on the asphalt.

**Monthly Operating Analysis (MOA):** The Board received a copy of the August 2021 MOAs. Treasurer/Secretary Archambault pointed out that 94% of subsidy for the



Restaurant has been used as of July. Given the trend by the end of the year, this may exceed the allowed subsidy. Golf has used 84% of the allowed subsidy and although there might be a slight improvement the Golf Course may also exceed the allowed subsidy by the end of the year. The HGMD Board should have more input on what to do if the subsidies are in excess. There were no further questions or comments.

**UNFINISHED BUSINESS:** None.

**NEW BUSINESS:**

**a.) Motion Consider Ratifying Clubhouse Replacement of Two Hot Water**

**Storage Tanks:** Motion made by President Funk and seconded by Treasurer/Secretary Archambault and passed unanimously.

Text of Motion: Based upon the recommendation of the Maintenance Department, I move that the Heather Gardens Metropolitan District Board of Directors ratify the expenditure for the work that has been performed by Colorado Mechanical to furnish and install 2 new 200-gallon Lochinvar Water Storage Tanks in the Clubhouse's equipment room for the cost of \$32,904. This is an unbudgeted emergency replacement for which allocated and available. Capital funds were utilized.

**b.) Motion Consider using Conservation Trust Fund (Lottery) to Purchase a Replacement South Lake Fountain with Lights and Purchase Lights for the**

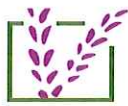
**North Lake Fountain:** Motion made by Vice President George and seconded by Treasurer/Secretary Archambault and passed unanimously.

Text of Motion: Based upon the recommendation of the Golf Committee, I move that the Heather Gardens Metropolitan District Board of Directors waive the three bid requirement and approve the purchase of an Otterbine Lake Fountain with lights for the south lake from L.L. Johnson for \$8,399.94 and lights for the north lake fountain for \$2,325 using Conservation Trust Funds (Lottery) for a total of \$11,798.15 (includes a 10% change order). This is an unbudgeted item.

Explanatory Comment: This expenditure was reviewed by Joint Budget and Finance Committee where the addition of the north lake lights was added to the original south lake project.

**c.) Motion Consider Using Lottery Funds to Repair Golf Bridge:** Motion made by Vice President George and seconded by Treasurer/Secretary Archambault and passed unanimously.

Text of Motion: Based on the recommendation of the Golf Committee, I move that Heather Gardens Metropolitan District Board of Directors waive the three bid requirement and approve the repair of the golf bridge for \$10,885 (includes 10%



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change order) using funds available from the Conservation Trust Fund (Lottery). This is an unbudgeted item.

Explanatory Comment: This has been reviewed by the Joint Budget and Finance Committee.

- d.) **Motion: Consider Accepting the Revisions to the Heather Gardens Foundation Procedure Memorandum:** Motion made by Director Laubach and seconded by Treasurer/Secretary Archambault and passed unanimously.

Text of Motion: Based on the recommendations of the Foundation Committee, I move that the Heather Gardens Metropolitan District Board of Directors accept the revisions to the Heather Gardens Foundation Procedure Memorandum as presented (Tentative consideration for approval December 23, 2021).

- e.) **Motion: Consider Accepting the Revisions to the Heather Gardens Joint Budget and Finance Procedure Memorandum:** Motion made by Treasurer/Secretary Archambault and seconded by Director Mines and passed unanimously.

Text of Motion: Based on the recommendations of the Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors accept the revisions to the Heather Gardens Joint Budget and Finance Procedure Memorandum as attached (Tentative consideration for approval December 23, 2021).

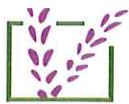
Explanatory Comment: Explanation: All the departments are taking inventory of non-capital items (chairs, tables, desks, bookcases, etc.), which are expensed when incurred and not added to our fixed asset schedule. We are expending significant labor time documenting items that cannot be verified against a General Ledger account.

The items that should be inventory are fixed asset items which has a schedule that is prepared for the auditors, and maintenance parts inventory, restaurant food, liquor, and beer, and retail items in the Golf Shop. All these inventories have General Ledger accounts that need to be supported.

- f.) **Motion: Consider Using Foundation Funds to Purchase a Christmas Tree for the Clubhouse:** Motion made by Director Laubach and seconded by Treasurer/Secretary Archambault and passed unanimously.

Text of Motion: Based on the recommendations of the Foundation Committee, I move that the Heather Gardens Metropolitan District Board of Directors authorize





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the use of the \$1,000 in Foundation Funds for the purchase of a Christmas Tree for the Heather Gardens Clubhouse.

Explanatory Comment: The Clubhouse is requesting Foundation funding for a Christmas Tree to replace the old one that has been used for many years. They are hoping to purchase the tree before the Christmas season this year.

**g.) Motion: Consider Using Foundation Funds for Roads and Grounds Project:**  
Motion made by Director Laubach and seconded by Director Mines and passed unanimously.

Text of Motion: Based on the recommendations of the Foundation Committee, I move that the Heather Gardens Metropolitan District Board of Directors authorize the use of \$3,762 in Foundation Funds for the purchase of materials for a retaining wall and bench pad project to be located at approximately 13879 E Marina Dr near the common sidewalk area.

Explanatory Comment: The total funding request of \$3,762 is for materials only as Roads and Grounds Heather Gardens Association staff will do the labor work.

### **OPEN FORUM:**

A resident asked the status of Comcast/Sefnco. COO Altshuler commented that he and CEO had a conference call with Comcast in the morning. They made a formal request for Comcast to schedule a time this month to address the orange cable conduit that are known as the "spaghetti noodles" throughout the property. Comcast has agreed to schedule time in mid-December. CEO is also working on an addendum to re-engage Comcast to start back up in spring of 2022 and holding them to a performance matrix with start and end dates and to approve third-party Sefnco to assist with the work.

Vice President George asked the status on the barbeque grills located on the Pavilion. COO Altshuler commented that new parts were purchased to fix the grills.

President Funk commented the regular meeting on December 16 has been canceled but a special meeting will be held on December 23.

**ADJOURNMENT:** The meeting adjourned at 1:42 P.M.

  
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William Archambault, Treasurer/Secretary