

**HEATHER GARDENS METROPOLITAN DISTRICT  
REGULAR MEETING  
Thursday, April 20, 2023**

The regular meeting of the Board of Directors of the Heather Gardens Metropolitan District was held via Zoom/Telephone and in the Heather Gardens Clubhouse at 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, April 20, 2023, at 1:00 P.M.

**CALL TO ORDER:** President Funk called the meeting to order at approximately 1:00 P.M. on Thursday, April 20, 2023. A quorum was present.

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

**BOARD MEMBERS ABSENT:** None.

**STAFF PRESENT:** Chief Executive Officer (CEO) Jon Rea, Chief Financial Officer (CFO) Jerry Counts, and Administration Manager Evelyn Ybarra.

**GUESTS PRESENT:** Jennifer L. Ivey, Icenogle Seaver Pogue, P.C., 5 members of the Heather Gardens Association Board, Lynn Donaldson with Heather 'n Yon, and approximately 20 members of the public were present.

**PRESIDENT REMARKS:** President Funk asked everyone to take a moment of silence for those lost at Columbine High School on April 20, 1999.

**APPROVAL OF MINUTES:** Motion made by Secretary/Treasurer Archambault and seconded by Vice President Laubach and passed unanimously to approve the minutes of March 23, 2023, Special Meeting, as written.

Motion made by Secretary/Treasurer Archambault and seconded by Vice President Laubach and passed unanimously to approve the minutes of April 11, 2023, 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 (SOW) and first-end of Quarter Report. CEO Rea explained that the quarterly report provides the managers and their departments a recap summarizing their quarterly accomplishments, future goals for the next quarter, and any budget considerations or concerns. There were no questions or comments.

**Enterprise Advisory Group (EAG):** Director Mines reported that the Committee met

and discussed a possible proposal for a dog park on Heather Gardens property. There were very interesting discussions and positive feedback, but there was nothing to move forward on. The Committee revised a copy of the revised Procedure Memorandum EAG-1 to review at next month's meeting. There were no questions or comments.

**Foundation Committee:** The Board received a copy of the Foundation Report. Vice President Laubach reported that the Committee met on April 12, 2023 and worked on revising the Foundation's donation form to remove the 501(c)(3) status and replace it with a taxable deduction as the District is a government entity. The donation form revisions were completed at the meeting. Vice President Laubach stated that Management would update the donation form accordingly. The bench delivered in November of last year will be installed on May 9, 2023 at 11:30 a.m., but it is unknown where it will be installed. There were no questions or comments.

**Joint Long Range Planning Committee (JLRPC):** President Funk reported that the Committee met and continued to work on the filter tool. The filter tool will help prioritize the work that the Committee will be looking at in the next few months and work on the anticipation of a written annual report that will be initiated in the early summer months and will coincide with the beginning of the next budget cycle. There were no questions or comments.

**Treasurer's Report:** The Board received a copy of the Treasurer's Report. Secretary/Treasurer Archambault reported on the statistical information on the Restaurant, noting that the number of guests had increased dramatically in the three months this year versus the three months from last year, estimating 1,800 guests, which he said was very good. There were no questions or comments.

**Joint Budget and Finance Committee:** The Board received a copy of the Joint Budget and Finance Report. Secretary/Treasurer Archambault reported that the Committee reviewed both the Association and the District Audit report for 2022; and that there will be a motion to approve the HGMD Audit later in the meeting. The Committee has revised the Joint Budget and Finance Procedure Memorandum JPM B-1, and there will be a discussion later in the meeting and a motion to extend members' terms for another year in the Audit Subcommittee. There were no questions or comments.

**UNFINISHED BUSINESS:** None.

**NEW BUSINESS:**

- a) **Acceptance and Approval of the 2022 Heather Gardens Metropolitan District Audit Report:** Motion made by Secretary/Treasurer Archambault and seconded by Vice President Laubach and passed unanimously.

Text of Motion: Based on the recommendation of the Joint Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors accept and approve the 2022 Audit, pending completion of the open items on the lead page of the December 31, 2022, financial statements.

Explanatory Comment: After review of the 2022 Audit and discussion with the Audit staff, the Joint Budget and Finance Committee recommends that the Heather Gardens Metropolitan District Board of Directors accept and approve the 2022 Heather Gardens Metropolitan District Audit. In the opinion of the Audit staff, the audit presented fairly, in all material respects, the results of its operations and its cash flow for the year and ended in accordance with Accounting Principles generally accepted in the United States of America.

Note: Secretary/Treasurer Archambault reported that the auditors issued a “clean” or “unmodified” opinion, which is the best opinion provided.

CFO Counts highlighted that the \$5 increase per unit per month made during the budget process brought the District from a deficient position and will get the District to the spot where it needs to be in the Capital Reserve. CFO Counts thanked the Budget and Finance Committee and Capital Program Subcommittee and the decision made by the Board to make sure this community can maintain the Clubhouse, Restaurant, and Golf Course, which shows a strong balance sheet.

Note: Secretary/Treasurer Archambault explained that the Auditors each year write a communication to the Board, which was discussed at the B&F Committee meeting. The Auditors were extremely complimentary with CFO Counts and his work. Secretary/Treasurer Archambault thanked CFO Counts and Management as this is a highly complimentary report and requested it be published on the website with the 2022 Audit Report.

CFO Counts confirmed that he would be filing the 2022 Audit in the same matter as last year, as directed by the Board.

- b) Approval of the Budget and Finance Joint Procedure Memorandum (JPM B-1)**: Motion made by Secretary/Treasurer Archambault and seconded by Vice President Laubach and passed unanimously.

Text of Motion: Based on the recommendation of the Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the Budget and Finance Joint Procedure Memorandum (JPM B-1) revisions as presented.

Note: Secretary/Treasurer wanted to especially thank the members that helped revise the JPM B-1, Terry Hostetler, Treasurer of HGA Board, Mike Pula, Director

of HGA Board, John Recob, Bev Havens and Ray Nash, members of the Budget and Finance Committee.

Ms. Ivey informed the Board that after reviewing the JPM B-1, she provided some comments and typographical changes to consider and potentially incorporate in a future revisions of JPM B-1. One example of a proposed change is that the bidding statute for special districts will be changing after this legislative session. She reported that her office would provide a memorandum summarizing the legislative changes to the Board after the legislative session.

- c) **Approval to Extend the Audit Subcommittee Membership Term until April 2024:** Motion made by Secretary/Treasurer Archambault and seconded by Vice President Laubach and passed unanimously.

Text of Motion: Based on the recommendation of the Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve extending the term for the following members of the Internal Audit Subcommittee: Karen Kasprzak, Karen McClaury, Barbara Schneller, and Rita Lusk for another year until April 2024.

- d) **Recognition of National Volunteer Week April 16- 22:** President Funk wished everyone a happy National Volunteer Day and read the recognition comments as follows:

Volunteers strengthen the fabric of our community. Volunteers are the thread connection that weaves us together. Ultimately, the volunteers make the ordinary extraordinary. There are many reasons to volunteer, to help a cause that lights you up, to meet new people, to develop new skills, and to expand your horizons which connect to your community. Being a volunteer can connect you to others and build lasting friendships. It can improve your mental health and, through your activity, improve your physical health as well. Volunteering can expose you to new experiences providing a sense of fulfillment. There are many characteristics that define volunteers, and among them are flexibility, creativity, energy, integrity, and selflessness. These characteristics inspire us by bringing us together with the people we serve and inspiring those we serve with enabling positivity and gratitude. Here at Heather Gardens, we are truly blessed to have volunteers serving in many different ways. We have volunteers at the Clubhouse, Restaurant, and Golf Course, and we have volunteers throughout the community that serve in mere ways, like the Green Team, the Mask Warriors, and many others that make our community a better place to live through their contributions. Members of every committee, advisory group, subcommittee, ad hoc group, and board of directors of both the Association and Metropolitan District are volunteers. Each of the leaders in our community are volunteers bringing their individual talents, knowledge, skills, abilities, and, perhaps most importantly, their time in the efforts of the betterment of Heather Gardens. Thank you to all these extraordinary people whose selfless

giving makes this community wonderful. And now, with the deepest gratitude, this Board and truly this community recognize Bill Archambault for his dedicated and devoted service to Heather Gardens. This will be Bill's last meeting as a member of the Board of Directors. Bill Archambault, thank you for over 18 years of faithful and committed service to the Heather Gardens community.

Secretary/Treasurer Archambault thanked President Funk and noted that he appreciated the comments.

President Funk then thanked all volunteers again and invited everyone who was able to step forward and be a participant in service.

**OPEN FORUM:**

A resident echoed what President Funk said about Secretary/Treasurer Archambault, as she has been at Heather Gardens for 11 years, and it has been her pleasure to watch him conduct business and care for this community with the utmost integrity. She noted that he will be missed.

A resident also echoed what was said about Secretary/Treasurer Archambault and was thankful that he decided to stay on as a Budget and Finance Committee member. He also pointed out that, by his count, there are about 150 people throughout the community that volunteer on the boards and the board's committees, which shows it takes a lot of volunteers to run the Heather Gardens community. He commented that he did not attend the March meeting but noted that there was an explanation of the reasoning behind the special meeting to be able to align with the Budget and Finance meeting. He noted that he agreed with the rescheduling but requested that the special meeting be published ahead of time. President Funk responded that on the monthly agendas, the following meeting dates are posted, which is at least 30 days in advance.

A resident had the same request regarding the special meetings and commented that she submitted a request to have the Zoom audio recording for "Meet the Candidates" to be posted. She also thanked everyone for volunteering. Ms. Ybarra commented that she would post the audio recording after she reviews it, as there were several technical issues during the recording.

CFO Counts expressed that he was sad to hear Secretary/Treasurer Archambault will be leaving the Board as a Director but is excited that he will remain with the Budget and Finance Committee as a member. CFO Counts commented that he considered himself blessed to have had the opportunity to work with Secretary/Treasurer Archambault for a little over two years and was able to tap into his experience and knowledge throughout the District. He commented that this community truly has a gem in having Secretary/Treasurer Archambault, and he looks forward to continuing to work with him on the Budget

and Finance Committee. Secretary/Treasurer Archambault thanked CFO Counts and noted that he appreciated the comments.

A resident asked about the status of the duplicate ballots that were sent, as the community has yet to receive communication regarding this issue. Ms. Ivey commented that an email blast was sent yesterday to the community that should provide all the clarity needed. She summarized that due to the different names appearing in different formats in the voter lists provided by the county, when the lists were combined and sorted, there were a total of 34 individuals that received multi-ballots. Those have been identified and tracked and flagged by the election specialists that the Board had hired. There is a statutory procedure so that no duplicate ballots will be counted. The election specialist contacted the individuals to walk them through the process and the procedures. She explained that it was unfortunate that this happened, however, safeguards are in place for a situation like this. The resident wanted assurance that this election would be accurate. Ms. Ivey commented that it would be accurate. A resident who received a duplicate in his household has not received a phone call but understands the process. Ms. Ivey stated that she would inform the election specialist.

A resident commented that she was concerned and believed there were more than 34 duplicates, as she knew five who got it. President Funk and other Board members commented that the Board has no control over the election.

**ADJOURNMENT:** Upon motion by Vice President Laubach and seconded by Secretary/Treasurer Archambault, and passed unanimously, the meeting adjourned at 1:46 P.M.



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Eloise Laubach, Vice President