

**HEATHER GARDENS BUDGET & FINANCE COMMITTEE  
MAY 16, 2022, MEETING REPORT  
ZOOM MEETING**

**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, Linda Serio, and Richard Ferguson

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

**Audience:** Approximately 24 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 a.m. A quorum was established. Co-Chair Hostetler welcomed all members and residents present.

The April 18, 2022, B&F Committee meeting report was accepted as presented.

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

**Subcommittee and Other Reports:**

**Audit Subcommittee:** Report was reviewed.

**Insurance Subcommittee:** The committee will meet on May 23<sup>rd</sup> to review HGA's insurance broker's answers to the subcommittee's questions. They will meet again on June 9th to meet with McGriff Insurance, HGA's insurance broker, to determine what coverage will be required and what they estimate the total insurance premiums will be for 2023.

**Capital Projects Subcommittee:** No meeting. CEO Rea mentioned that in the next few weeks he will be meeting with the department heads, to determine what capital projects they see as being critical, that will be considered for inclusion in the 2023 budget.

**Investment Update:** The first annuity contract for \$250,000 was just delivered with the other three contracts anticipated to be received within the next few weeks.

**Unfinished Business:** None.

**New Business:**

- a.) **Discuss the 2023 Budget Development Schedule.** After discussion regarding the schedule presented for approval, it was decided that both Co-Chairs meet, and update

the schedule, to include language that clearly states when the residents will have the opportunity to speak to the Board about the proposed budget.

- b.) **Review Authority List** - The updated list was discussed at the request of Craig Baldwin Chair of the Audit Committee, which uses it for the committee's monthly audits. It was agreed that the list should be part of the appropriate PM (Procedure Memorandum), which needs updating.
- c.) **Recommend the Country Place 4 Asphalt Project** Motion by Laubach, seconded by Baldwin and approved unanimously that the Joint Budget and Finance Committee recommends that the Heather Gardens Association Board of Directors approves the Country Place 4 Asphalt Project, at a cost of \$23,459.
- d.) **Recommend the Seville Asphalt Drainage Project** No action was taken. It was discussed that the bids obtained for this \$36,999 project were not consistent, since it appeared that the low bidder had bid on the project based on a different scope of work. The committee needed additional information, but there were no staff members or members of the Maintenance committee available to discuss the circumstances.
- e.) **Recommend the Building 220 Hot Water Recirculation Project** Lane moved, seconded by Laubach, and approved unanimously that the Joint Budget and Finance Committee recommends that the Heather Gardens Association Board of Directors approves the Building 220 Hot Water Recirculation Project, at a cost of \$39,000.
- f.) **Recommend that the Paint Exterior for the Clubhouse, Rendezvous Restaurant and Golf Clubhouse** Baldwin moved, seconded by Lane unanimously approved that the Joint Budget and Finance Committee recommends that the Heather Gardens Metropolitan District approves the exterior painting contract at a cost of \$44,275.
- g.) **Recommend the Maintenance Building Asphalt/Concrete Project** at a Cost of \$38,015. The committee discussed the difference in the bids, indicating that some of the bids submitted were showing 2 inches of asphalt, whereas other bids showed 4 inches and 6 inches. No action was taken, due to the concern that it appeared that the companies bidding on this project were not properly advised of the requirements of the project.

**Members of the audience wishing to speak on non-agenda items:** None

The meeting was adjourned at 11:16 AM.

**The next regular meeting will be on June 20, 2022, at 10:00 a.m.**