



**HEATHER GARDENS METROPOLITAN DISTRICT
SPECIAL MEETING, THURSDAY, October 12, 2023**

Minutes

The special meeting of the Board of Directors of the Heather Gardens Metropolitan District ("HGMD") was held in the Heather Gardens Clubhouse Boardroom at 2888 S. Heather Gardens Way, Aurora, Colorado 80014 on October 12, 2023 at 10:00 am.

CALL TO ORDER: President Daniel Taylor called the meeting to order on October 12, 2023 at 10:00 am. A quorum was present.

BOARD MEMBERS PRESENT: President Daniel Taylor, Vice President Eloise Laubach, Secretary Robin O'Meara, Treasurer Rita Effler and Director Craig Baldwin.

GUESTS PRESENT: Approximately 8 attended in person and approximately 44 attended via Zoom.

APPROVAL OF THE AGENDA: There were no changes to the agenda.

NEW BUSINESS: 2024 BUDGET ADOPTION

PRESIDENT'S REPORT ON 2024 BUDGET:

- Reduced HGMD Budget
- HGA Budget reflects the changes in inflation
- HGMD Board scrutinized every line of the budget - looking for cost savings
- The number of employees, job titles and salary range were not provided as requested by HGMD
- We accept the budget today and trust that the numbers of employees, wages and benefits, based upon the number of hours needed to operate, are accurately represented.
- We will control the spending on wages and benefits on our side by having the HGMD Treasurer monitor and control the spending.

Restaurant Options Were:

1. Close it
2. Lease It
3. Fully fund it

The Board decided to:

1. Fully fund the restaurant for one year to give Cormac and his staff the opportunity to run the restaurant to meet the needs of the HG residents
2. Making a commitment to fund the restaurant for a year



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3. Roll out changes in phases
4. Cost is \$6.24 a month per unit to fund the restaurant - which is the price of a Happy Meal a Month

TREASURER'S REPORT ON 2024 BUDGET:

- Overview of the budget
- Giving what residents said what we want and desire
- Biggest change is the restaurant
- Cost centers have been neglected - thus funding needed to improve the physical structure of these amenities
- Salaries - 3% raise - hourly employees only?

Clubhouse:

- Manager - full time
- Activities Director - assigned to assistant manager's job
- Salaries are included in the budget for those positions

Golf

- Capital Expenditures - rough mower
- 5 Full time employees
- \$60,000

DIRECTOR COMMENTS ON 2024 BUDGET:

Robin O'Meara Comment Regarding the Restaurant Funding

- Three Year Plan is moving forward
- Committee has members who are experienced and knowledgeable about restaurant design, operation and marketing
- Even if we wanted to lease it out, the District needs to replace the current kitchen equipment to implement the menu
- Currently seeking contractors and designers to guide us

MOTION BY CRAIG BALDWIN: To close discussion by directors and open discussion for public comments. Seconded by rita Effler. Motion passed unanimously.

PUBLIC COMMENT:

- **Vicki Spillane** - Tacos for \$5 - Enjoyed that special - Everything is going up everywhere



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- **Beulah Gould:** Swimming Pool - too cold after break, 2 degrees too cold. Budget for restaurant increase from \$13 vs \$6.24 - doesn't add up. Worried about fixed income. Capital reserves cannot be pushed into our backs.
- **Jill Ross - Resident, Building 205**
 - Restaurant Business plan - informs the budget - where is it?
 - Million dollar profit - not possible.
 - Response from board: if we don't meet the sales - we won't have the expenses

John Recob - Agrees with the budget that is submitted, wants to make the restaurant successful, in my opinion - Daniel is completely incorrect - take restaurant out of this, HGMD is 110%, budget was going down, capital improvement changes - but details not clear...capital programs increases the reserves will be negative in 4 years...concerned that the programs are not funded for the future. - Addressed this in the budget - what we were given - 12 line items - capital reserve plan not even included in the budget - we have been "pay as you go".

- Response from board: HGA stopped conducting annual inventories after 2019 although it is required by law for the District. Without an accurate component list, HGA's capital reserve plan is useless. The District will not be in the negative in 4 years.

Bernie Radicovich - Building 205 Are folks considering the residents and the cost to them and how it is affecting them?

Craig response - no control over the cost of gas, insurance, and food

Rita's response - Why these exorbitant raises now? - Biggest increase is in capital reserves - if we do not put any money into capital reserves you will have nothing to sell. Your property value will decrease

Daniel's - 40-45% of the HGMD budget is wages and benefits. We have no detailed information concerning who is paid what. We are going to try to control that spending as much as possible.

Resident: Positive about the budget - highest priority projects 1st.

Jill Ross - Building 205 - I know how this budget was done. Daniel owes her an apology for saying she is speaking as an employee, not a resident.

Motion to close public comment by Craig Baldwin, seconded by Rita Effler. Passed unanimously.

Motion to approve the resolution to adopt the 2024 budget by Daniel Taylor, seconded by Rita Effler. Passed unanimously.



EXECUTIVE SESSION: Pursuant to section 24-6-402(4)(b), C.R.S. for the purpose of receiving legal advice on specific legal questions regarding HGA security request.

Motion for executive session by Director Craig Baldwin, seconded by Eloise Laubach. Executive session was adjourned at 11:42 am. The board returned to open session.

The Board directed attorney Jennifer Ivey to file a notice of suspension from District property for 1 year for to Mr. Jensen for a security violation.

Motion by Rita Effler, seconded by Craig Baldwin for HGA to provide additional security at the clubhouse entrance.

PUBLIC COMMENT: Sue Johnson requested posting no firearms in the clubhouse signs.

ADJOURNMENT: Motion to adjourn by Director Craig Baldwin, seconded by Director Eloise Laubach. The meeting adjourned at 11:50 am.

Approved by the Heather gardens Board of Directors on December 2, 2024.

A handwritten signature in black ink that reads "Robin O'Meara". The signature is written in a cursive style with a large initial 'R' and 'O'.

Robin O'Meara, Secretary
Heather Gardens Metropolitan District
Board of Directors