



Heather Gardens Metropolitan District

HEATHER GARDENS METROPOLITAN DISTRICT REGULAR BOARD MEETING Friday, August 31, 2017

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 Friday, August 31, 2017.

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.

CALL TO ORDER: Acting Chair, Baldwin called the meeting to order at 1:00 p.m. on Friday, August 31, 2017. A quorum was present.

MEMBERS PRESENT: Directors Craig Baldwin, Bill Archambault, Gary Hizer, Bonnie McMullen, and Sandra Rosenberg.

MEMBERS ABSENT: None

STAFF PRESENT: General Manager Calvin White, Controller Brian Herrera, and Executive Assistant Stephanie Wyche

GUESTS PRESENT: Jennifer Ivey with Icenogle Seaver Pougé

ELECTION OF OFFICERS:

President: Motion made by Director Archambault, seconded by Director Rosenberg and passed unanimously that the Heather Gardens Metropolitan District Board of Directors appoint Craig Baldwin as President.

Treasurer: Motion made by Director Hizer, seconded by Director McMullen and passed unanimously that the Heather Gardens Metropolitan District Board of Directors appoint Bill Archambault as Treasurer.

Secretary: Motion made by Director Rosenberg, seconded by Director McMullen and passed unanimously that the Heather Gardens Metropolitan District Board of Directors appoint Gary Hizer as Treasurer.

COMMITTEE ASSIGNMENTS: Motion made by Director McMullen, seconded by Director Hizer and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the Committee Assignments assigned by President Baldwin



Heather Gardens Metropolitan District

Gary Hizer: Golf Committee

Sandra Rosenberg: Clubhouse/Restaurant Committee

Bonnie McMullen: Foundation Committee

APPROVAL OF MINUTES:

Minutes of the Special HGMD Meeting on August 25, 2017 approved as written.

Minutes of the Regular HGMD Meeting on August 31, 2017 approved as written.

GENERAL MANAGER'S REPORT: A written report of staff accomplishments is on file with in the Business Office for residents to read as well as on the website.

TRASURERS REPORT (Bill Archambault):

Enterprise Fund: Through July, year to date Enterprise Fund Revenue has been \$1,319,800 which is about \$36,000 more than anticipated. Year to date expenditures, including the Cost of Goods Sold, is \$1,495,500 which is \$98,900 more than anticipated. Overall, year to date expenditures exceed year to date revenue by \$62,900. Areas where expenditures are significantly more than anticipated are: 1) cost of recall election, 2) attorney fees related to the recall and Board issues, and 3) golf course expenses related to the need to use City of Aurora water.

Clubhouse revenue through July is about \$5,000 more than anticipated and Clubhouse expenses are \$13,400 less than anticipated. The Clubhouse subsidy is about \$18,400 less than anticipated through July. Through 58.3% of the year, the Clubhouse has earned slightly more than 58.6% of the annual budgeted revenue and has used 57.8% of the annual budgeted expenses.

Golf Course revenue through July is approximately \$4,300 less than anticipated and expenses are about \$38,300 more than anticipated. The main areas where expenses are more than anticipated is in the use of Aurora water and necessary repairs of equipment. Through July, the Golf Course subsidy is about \$42,600 more than budgeted. Through 58.3% of the year, the Golf Course has earned 58.4% of the annual budgeted revenue and has used 66.1% of the annual budgeted expenses.

Restaurant revenue through July is approximately \$30,200 more than anticipated and expenses, including the cost of goods sold, is about \$650 more than anticipated. The Restaurant subsidy is approximately \$29,600 less than anticipated through July.

Restricted Funds: The Conservation Trust Fund (Lottery) has received \$7,628 from the Colorado Lottery through July. Revenue is received quarterly from the Lottery. There have been no expenditures of Lottery funds so far this year. At July 31st the Lottery bank account balance was \$85,949.



Heather Gardens Metropolitan District

The Foundation Fund has received \$1,438 in donations through July and the Foundation has paid \$7,155 for District projects. At July 31st, the Foundation Bank account balance was \$190,217.

The Debt Service Fund has received \$559,248 in property taxes, specific ownership taxes and interest income through July. At July 31st the Debt Service Fund bank account balance was \$680,536. The next interest and principal payment due on the bonds will be made on December 1st at which time there will be a principal payment due of \$210,000 and an interest payment due of \$213,983.

REPORTS:

Clubhouse/Restaurant Committee: Report Distributed.

Foundation Committee: Report Distributed.

Golf Committee: Report Distributed.

Residents Wishing to Address the Board on Agenda Items: None

UNFINISHED BUSINESS:

1. **Motion to Rescind Bylaw changes made on January 12, 2017 and March 10, 2017 regarding Attorney/Client Communications:** Motion made by Director Hizer, seconded by Director Archambault and passed unanimously that the Heather Gardens Metropolitan District Board of Directors rescind the motions that were made at the January 12, 2017 and the March 10, 2017 HGMD Board meeting regarding communications with the HGMD attorney
2. **Motion to Rescind Removal of Senior Golf Rate:** Motion made by Director McMullen, seconded by Director Hizer and passed unanimously that the Heather Gardens Metropolitan District Board of Directors rescind the motion made on January 12, 2017, to removal the Non-Resident 62+ Guest Rate.
3. **Motion to Rescind Notification to Terminate the HGA/HGMD Management Agreement:** Motion made by Director Archambault, seconded by Director McMullen and passed unanimously that the Heather Gardens Metropolitan District Board of Directors rescind the motion made on March 10, 2017, to give notification to terminate the HGA/HGMD Management Agreement.
4. **Motion to Approve Red Cross Facility Usage Agreement:** Motion made by Director Rosenberg, seconded by Director Hizer and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the American Red Cross "Facility Use Agreement".



Heather Gardens Metropolitan District

5. **Clubhouse Carpet Replacement – Lobby & Reception (\$10,842.82):** Motion made by Director Hizer, seconded by McMullen and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the replacement of the reception and lobby carpet in the Clubhouse. The total project cost is \$10,842.82. This project is \$336.82 over budget. The Board will be provided a diagram with square footage of the areas of the carpet that will be replaced.
6. **Accept Rubin Brown, LLP Audit Report for HGMD – 2016:** Motion made by Director McMullen, seconded by Director Archambault and passed unanimously that the Heather Gardens Metropolitan District Board of Directors accept the auditors (Rubin Brown, LLP Certified Public Accountants & Business Consultants) 2016 HGMD Financial Audit Report.

NEW BUSINESS:

1. **Budget Amendment:** Motion made by Director Baldwin, seconded by Director Rosenberg and passed unanimously that the Heather Gardens Metropolitan District set a public hearing for September 28, 2017 to Amend the 2017 Budget.

Motion made by Hizer, seconded by Director McMullen and passed unanimously that the Heather Gardens Metropolitan District Board of Directors rescind the motion to set the Public Hearing for September 28, 2017, and reschedule the budget amendment hearing at the Regular HGMD Meeting on October 19, 2017.

2. **Discussion – Moving Regular HGMD Meeting to the Thursday after HGA Board:** Motion made by Director Baldwin, seconded by Director Archambault and passed unanimously that the Heather Gardens Metropolitan District Board of Directors move the Regular Board Meeting to the Thursday following the 3rd Tuesday.
3. **Authorize Jennifer Ivey to contact SDA for Board Member training session:** Motion made by Director Rosenberg, seconded by Director Archambault and passed unanimously that the Heather Gardens Metropolitan District Board of Directors authorize legal counsel, Jennifer Ivey to contact SDA to arrange training for the members of the Board.

RESIDENTS WISHING TO ADDRESS THE BOARD:

1. A resident asked the Board a question regarding the Audit Report and what golf numbers were used.
2. A resident made a comment regarding revising the Committee section of the Bylaws.
3. Another resident commented on the Bylaws.
4. A resident asked how the new directors Oath of Office paperwork will be handled.
5. A resident asked about the Golf Course well cable and pump project.

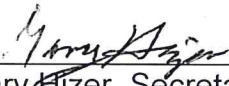


Heather Gardens Metropolitan District

MEETING ADJOURNED: 1:53 p.m.

Attachments:

- HGMD Budget Exception Report for July 2017



Gary Hizer, Secretary