

**HEATHER GARDENS BUDGET & FINANCE COMMITTEE
NOVEMBER 14, 2022, MEETING REPORT
COMMITTEE MET IN BOARD ROOM
MEETING ALSO AVAILABLE ON ZOOM**

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, Richard Ferguson, and John Recob.

Staff: Jon Rae, CEO; Jerry Counts, CFO.

Audience: Approximately 14 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 AM. A quorum was established. Co-Chair Hostetler welcomed all members and residents present.

The October 17, 2022, B&F Committee meeting report was accepted as presented.

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

Subcommittee and Other Reports:

Audit Subcommittee: Report was reviewed.

Insurance Subcommittee: HGMD insurance information has been submitted to the Special Districts Pool. Waiting for quotes for 2023 coverage.

Capital Projects Subcommittee: Several individuals will meet tomorrow to discuss the component listing and how to proceed with updating the listing.

Investment Update: No meeting was held.

Unfinished Business: None

New Business:

- 1) Information was presented regarding a two-year natural gas contract with Constellation to be effective November 1, 2023. No action was required nor taken by the Committee as the HGA Board will ratify the contract at the HGA Board meeting on November 15, 2022.
- 2) Information was presented regarding a Professional Employer Organization Contract with ADP. No action was required nor taken by the Committee as the contract will be ratified by the HG Board and the board meeting on November 15, 2022.
- 3) Motion by Lane, seconded by Baldwin and passed unanimously that the Budget and Finance Committee recommend that the HGA Board of Directors and the HGMD Board of Directors approve a contract with A Perfect Landscape to replace the existing landscaping at the Yale entrance to Heather Gardens. The landscaping needs to meet the "Water Wise" design developed in conjunction with the City of Aurora. The cost of the project is \$24,990 with a change order amount of \$2,500 for a total cost of \$27,490. Both Boards need to approve the project as the funding is in the HGA 2022 budget and the property with the project will take place is owned by the HGMD. Both Boards acknowledge the the work will not be started until 2023. The funds available (\$27,490) shall be carried forward to HGA's 2023 capital expenditure budget.
- 4) Motion by Baldwin, seconded by Laubach and passed unanimously that the Budget and Finance Committee recommend that the Heather Gardens Metropolitan District Board of Directors approve the use of Lottery Funds to purchase from Carl's Place a new enclosure and impact screen for the golf course simulator at a cost not to exceed \$2,000.
- 5) Motion by Laubach, seconded by Recob and passed unanimously that the Budget and Finance Committee recommend that the Heather Gardens Association Board of Directors approve the BC&E 2023 Repair Design project for Parking Structures 1 and 3 at a cost of \$31,000 with a 10% change order allowance of \$3,100 for a total project cost not to exceed \$34,100.

Members of the audience wishing to speak on non-agenda items:

- 1) Jerry Counts relayed information regarding the possibility of investing cash funds into 3-to-6-month Treasuries at then current rates of interest. Treasuries rate of interest is about 4% at the present time. There is approximately \$5,000,000 that could be invested in short term investments. At the December B&F meeting a representative of Key Bank will present additional information regarding short term investments. At that time, B&F committee could recommend to both Boards if excess funds should be placed in a short-term investment. The CFO would monitor immediate cash needs and draw down from the short-term investments as needed and if needed.

The meeting was adjourned at 11:05 AM. The next meeting will be on December 19, 2022, at 10 AM in the Board Room and vial Zoom.