



Heather Gardens Metropolitan District

HEATHER GARDENS METROPOLITAN DISTRICT

April 14, 2016

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 Thursday, April 14, 2016.

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.

President Ed Kurtz called the meeting to order at 1:00 PM. All board members were present. Also in attendance were approximately 19 observers, 3 member of the HGA Board, Mary Hafka of Heather 'n Yon, General Manager Calvin Eddy-White and Controller Su Chae.

Russ White with Rubin Brown presented the HGMD 2016 Audit report to the Heather Gardens Metropolitan District Board.

Minutes of the Regular meeting on March 15, 2016 were approved as written.

Changes to Agenda: Under New Business added Item L. Budget Amendment Public Hearing and Item M. Approve Concept for Communications Network.

DIRECTORS' COMMENTS AND COMMITTEE REPORTS

HGMD President, Ed Kurtz: TOD Project Update: President Kurtz announced that the City of Aurora met with the two boards. The City has approved some traffic calming measures for the community the cost of which will range between \$200,000-\$250,000. The money that will be used for the calming traffic measures will not impact the \$78,000 that the District received as part of the settlement from the developer. The intersection improvements on Yale and Abilene are already underway. The traffic board study on Yale and Marina has been approved and funded for the Spring of 2016; however, this may be delayed until after school starts so we can get a better idea of what the worst case traffic scenario might be.

HGA President, Winnie Jennings: President Jennings announced that the next HGA Board meeting is Tuesday, May 10, 2016

Treasurer's Report (Bill Archambault, Treasurer): March 2015 Report

Enterprise Fund: During March Enterprise Fund Revenue was \$190,853 and expenditures, including the cost of goods sold, were \$252,476. Expenditures exceeded

revenue by \$61,623. Year to date expenditures have exceeded revenue by \$1,889. After 25% of the fiscal year, approximately 22 1/2% of the annual budgeted revenue has been realized and also approximately 22 1/2% of budgeted expenditures have been incurred.

Comparing year to date actuals to budget, through March revenue is approximately \$11,500 more than budgeted and year to date expenditures are approximately \$19,600 less than budgeted.

Restricted Funds: Conservation Trust Fund (Lottery): During March the District received at quarterly distribution from the Colorado Lottery. This quarter the distribution was \$3,830. At March 31st, there was \$64,808 in the Lottery Bank Account. There have been no expenditures of lottery funds this year.

Debt Service Fund: The Debt Service Fund received \$3,264 in specific ownership taxes and \$177,186 in property taxes during March. Year to date revenue for the Debt Service Fund has been \$193,331. To date, \$108,529 has been accrued for Debt Service Interest. At March 31st, the Zion Bank held \$588,159 in the debt service bank account. On June 1st and interest payment of \$213,983 will be due to bond holders. The Zion Bank, as part of its Trustee duties, will remit that amount to bond holders on the due date.

Foundation Fund: Donations to the Foundation Fund have been \$715 for the year and there has been no expenditures. At March 31st, there was \$298,603 in the Foundation Bank Account.

General Manager: A written report of staff accomplishments is on file with in the Business Office for residents to read as well as on the website.

Controller Reports: A written report of staff accomplishments is on file with in the Business Office for residents to read as well as on the website.

COMMITTEE REPORTS:

Clubhouse/Restaurant (Archambault): Report Distributed.

Foundation Committee (Hizer): Report Distributed.

Golf (Francone): Report Distributed.

Ad Hoc Committee on Yale Frontage (Gaugenmaier): March meeting cancelled.

ARO President (Clarendon): President Kurtz announced that the next ARO Meeting is Thursday, April 14, 2016 at 7:00 p.m. in the Auditorium.

Residents wishing to address the Board on Agenda Items:

UNFINISHED BUSINESS:

1. **Purchase Golf Course Software:** Motion made by Francone, seconded by Archambault and tabled indefinitely that the Heather Gardens Metropolitan District Board of Directors enter into a contract with EZ Links LLC for the purchase of hardware in the amount of \$3,000 and software based on the terms of the attached contract, providing sufficient review of the terms by the HGMD Attorney. **(Original Motion that was tabled at the February 2016 Board Meeting).**
2. **Purchase Golf Course Software:** Motion made by Francone, seconded by Gaugenmaier that the Heather Gardens Metropolitan District Board of Directors approve entering into a contract with TeeSnap to furnish hardware, software and support for a new POS system that would include online tee time ability with Option 1.
3. **Free Rounds of Golf:** Motion made by Francone, seconded by Hizer and tabled that the Heather Gardens Metropolitan District approve a policy allowing two free green fees per month for resident golfers 90 years of age and older in honor of Don Meyer. **(This is the original Motion that was tabled at the March 2016 meeting).**

Motion amended by Francone to add a one-year trial period. – **Motion Passed**

Motion amended by Archambault to substitute one month instead of one year – **Motion Failed**

Motion amended by Hizer to substitute one season. – **Motion Failed.**

NEW BUSINESS:

1. **Accept 2015 HGMD Audit Report:** Motion made by Archambault, seconded by Gaugenmaier and passed unanimously that the Heather Gardens Metropolitan District Board of Directors accept the Audit of the 2015 Heather Gardens Metropolitan District Financial Statements as presented by Rubin Brown, LLP, Certified Public Accountants & Business Consultants.
2. **Change (PM) C/R-1, Clubhouse Restaurant Committee, Functions and Policy Manual, Attachment 4, Rendezvous Banquet Rental Contract:** Motion made by Archambault, seconded by Gaugenmaier and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve for use by the Rendezvous Restaurant the attached Banquet Contract which includes attachment (PM) C-1 (also identified as Attachment 1 – Enclosure 1).
3. **Change to (PM) C/R-1, Clubhouse/Restaurant Committee, Functions and Policy Manual, Section V, Definition of Clubs:** Motion made by Archambault, seconded by Francone and passed unanimously that the Heather Gardens

Metropolitan District Board of Directors amend PM C/R – 1, section V by adding the following after the sentence ending with the words “and conduct activities and events”. A Heather Gardens recognized club is defined as organizations headquartered at Heather Gardens having at least 75% of its total membership as residents of Heather Gardens.

4. **Amend (PM) C/R-1, Clubhouse/Restaurant Committee, Functions and Policy Manual, Attachment 3, Clarification:** Motion made by Archambault, seconded by Hizer and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve amending (PM) C/R-1, Attachment C/R-3 by adding the words Per Class to the “drop in fee” column of the attachment.
5. **Waterfall Renovation Project (\$65,865):** Motion made by Archambault, seconded by Francone and tabled until the May meeting until additional information can be obtained.
6. **Fire Pit with Seating for Patio (\$5,000):** Motion made by Hizer, seconded by Francone and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the purchase of a fire pit with six chairs for the Rendezvous Restaurant patio for a total price not to exceed \$5,000 these funds will come from the Foundation Bank Account.
7. **RV Lot Fence Repair (\$3,000):** Motion made by Gaugenmaier, seconded by Archambault and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve replacing the wooden fence with a chain link fence at a cost not to exceed \$3,000.
8. **Approve Budget Amendment:** Motion made by Archambault, seconded by Gaugenmaier and passed unanimously that the Heather Gardens Metropolitan District Board of Directors accept the budget amendment for presentation to the public for comment for the following 3 items:
 - a. Increase the Capital Outlay by \$92,395 for Well Rehab and Pump Replacement. These funds will come from an unused capital project from previous year.
 - b. Increase the Capital Outlay by \$7,079 and decrease Election Expense by \$7,079 to purchase Irrigation Software for the Golf course.
 - c. Use \$65,000 of excess funds held in the Debt Service account to meet the debt obligations for 2016.These changes will not change the recreation fee to the homeowners for 2016
9. **Budget Amendment Public Hearing:** Motion made by Archambault, seconded by Gaugenmaier and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve holding a Public Hearing on


Thursday, May 5, 2016 at 1:00 p.m. to listen to public comments regarding the 2016 budget amendment and, based upon public comments, approve, modify or reject the budget amendment. The public hearing will be in the Board room of the HGMD Clubhouse.

10. **Approve Proposed changes to HGMD Bylaws:** Motion made by Gaugenmaier, seconded by Francone and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the proposed changes to the Heather Gardens Metropolitan District Bylaws dated June 17, 2010.
11. **Golf Course Statues:** Motion died for lack of second.
12. **Golf Course Rates:** Motion died for lack of second.
13. **Clubhouse Desk Renovations:** Motion made by Archambault, seconded by Francone and tabled until the May 2016 meeting for additional bids and information.

Residents wishing to address the Board:

1. A resident spoke to the Board about TOD Development and safety issues.
2. A resident asked for a copy of the Audit report as soon as it is available.

There being no further business the meeting was adjourned at 1:50 p.m. The next Regular meeting is Thursday, May 12, 2016 at 1:00 p.m.


Twyla Gaugenmaier
Secretary