



Heather Gardens Metropolitan District

HEATHER GARDENS METROPOLITAN DISTRICT
June 16, 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, June 16, 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 Larry Francone called the meeting to order at 1:00 PM. All board members were present. Also in attendance were approximately 20 observers, General Manager Calvin Eddy-White, and Controller Su Chae.

Minutes of the Regular meeting on May 12, 2016 were approved as written.

Changes to Agenda: Added under New Business: Out-of-Service Organ Disposal; Attorney for Auditorium Organ; Move to Executive Session.

DIRECTORS' COMMENTS AND COMMITTEE REPORTS

President Francone thanked the members of the HGMD Board of Directors and committee members for their service to Heather Gardens.

Treasurer's Report (Twyla Gaugenmaier, Treasurer): May 2016 Report

Enterprise Fund:

May Enterprise Fund Revenue was \$195,852, and expenditures, including the cost of goods sold, were \$168,288. Revenue exceeded expenses by \$27,564. Year to date revenue has exceeded expenditures by \$57,684. At the end of May, approximately 40% of the annual budgeted revenue has been realized, and approximately 37.4% of budgeted expenditures have been incurred.

Comparing year-to-date actuals to budget, revenue is approximately \$23,000 more than budgeted, and expenditures are approximately \$81,900 less than budgeted.

Restricted Funds:

Conservation Trust Fund (Lottery): There was no activity during May in the Lottery Fund. At May 31st, there was \$64,808 in the Lottery Bank Account. There have been no expenditures of lottery funds this year.

Foundation Fund: Donations to the Foundation Fund have been \$968 for the year, and expenditures have been \$3,343. At May 31st, there was \$295,878 in the Foundation Bank Account, including \$250,000 in certificates of deposit.

Debt Service Fund: The Debt Service Fund received \$62,005 in property taxes and \$3,573 in specific ownership taxes during May. Year-to-date revenue has been \$325,652. As of May 31st, property tax receipts are approximately \$83,800 less than anticipated. It is believed that this shortfall is due simply to timing of property tax payments and is not a matter for concern.

At May 31st, the Zion Bank held \$718,604 in the debt service bank account. On June 1st, the Zion Bank, as part of its Trustee duties, paid an interest payment in the amount of \$213,983 that was due to bond holders.

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

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

COMMITTEE REPORTS:

Clubhouse/Restaurant (Baldwin): Report distributed.

Foundation Committee (Kurtz): Report distributed.

Golf (Velasquez): Report distributed.

Ad Hoc Committee on Yale Frontage (Gaugenmaier): Report distributed.

Residents wishing to address the Board on Agenda Items:

UNFINISHED BUSINESS:

1. **Waterfall and Desk Renovation:** Ed Kurtz reviewed the concept of waterfall and clubhouse desk renovation as unfinished business but nothing was discussed due to waiting on staff follow-up.

NEW BUSINESS:

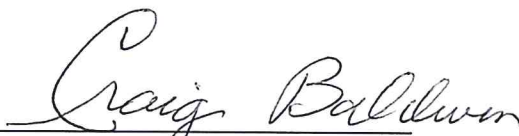
1. **Prepaid Golf Punch Card:** Motion made by Velasquez, seconded by Gaugenmaier, and passed unanimously.
2. **Concept of Emergency Response Plan:** Motion made by Craig Baldwin for the creation of an emergency response team that will operate out of the clubhouse in the hours following an emergency event. Motion seconded by Vincent Velasquez. Michael Lickteig, Chairman of the Emergency Response Committee presented the concept to the Board of Directors. After deliberation, the motion failed, with two in favor and two opposed.

3. **Out-of-Service Organ Disposal:** Motion made by Craig Baldwin to dispose of an old, broken organ and seconded by Vincent Velasquez. Motion passed unanimously.
4. **Attorney for Auditorium Organ:** Motion made by Craig Baldwin to authorize Calvin Eddy-White to talk to attorney about contract on responsible parties for auditorium organ's maintenance and care. Motion seconded by Twyla Gaugenmaier. Motion withdrawn by Baldwin and revised to the following: instead of contacting attorney, Eddy-White and Edward Kurtz will create a document to be agreed upon between the church groups using the organ and the MD Board of Directors. Motion passed unanimously.
5. **Move to Executive Session:** Motion made by President Larry Francone that the Heather Gardens Metropolitan District (HGMD) Board of Directors move to Executive Session to discuss issues relating to contracts, in accordance with the Colorado Open Meetings Law (COML), and in view of the likely circumstance that strategy for negotiations will be discussed, as allowed by Colorado Revised Statutes (§24-6-402(4)(e)). Motion seconded by Craig Baldwin and passed unanimously by the Board.

Residents wishing to address the Board: None.

There being no further business, the meeting was adjourned at 1:34 p.m.

The next regular meeting is Thursday, July 14, 2016 at 1:00 p.m.



Craig Baldwin
Secretary