



Heather Gardens Metropolitan District

HEATHER GARDENS METROPOLITAN DISTRICT
August 11, 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, August 11, 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 22 observers, 3 member of the HGA Board, Mary Hafka of Heather 'n Yon, General Manager Calvin Eddy-White and Controller Su Chae.

Changes to Agenda: Under Unfinished Business item b. Lighting for front desk area was deleted. Added under New Business:

Minutes of the Regular meeting on July 14, 2016 were approved as written.
Minutes of the Executive Session on July 14, 2016 were approved as written.

DIRECTORS' COMMENTS AND COMMITTEE REPORTS

HGMD President, Larry Francone: President Francone reported that good things are happening in the restaurant. The revenue is increasing and expense are lowering. Expenses are 9% lower than this time last year and income is more than \$23,000 than anticipated. Total sales for July 2016 are \$68,000.

HGA President, Winnie Jennings: President Jennings announced that the next HGA Board meeting is Tuesday, September 13, 2016

Treasurer's Report (Twyla Gaugenmaier):

Enterprise Fund: July Enterprise Fund Revenue was \$222,175 and expenditures, including the cost of goods sold, were \$173,448. Revenue exceeded expenditures by \$48,727. Year to date revenue has exceeded expenditures by \$55,824. At the end of July approximately 64.3% of the annual budgeted revenue has been realized and approximately 59.3% of budgeted expenditures have been incurred.

Comparing year to date actuals to budget, revenue is approximately \$147,500 more than budgeted and expenditures are approximately \$77,790 less than budgeted.

Debt Service Fund: The Debt Service Fund received \$86,940 in property taxes and \$3,815 in specific ownership taxes during July. Year to date revenue has been \$533,868. As of July 31, property tax receipts are approximately \$2,800 more than anticipated.

Conservation Fund (Lottery): As of July 31 there is \$70,613 in the Lottery Bank Account. There have been no expenditures of lottery funds this year.

Foundation Fund: Donations to the Foundation Fund have been \$1,873 for the year and expenditures have been \$3,343. At July 31, there was \$296,683 in the Foundation Bank Account, including \$250,000 in certificates of deposit.

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 (Baldwin): Report Distributed.

Foundation Committee (Kurtz): Report Distributed.

Golf (Velasquez): Report Distributed.

Ad Hoc Committee on Yale Frontage (Gaugenmaier): Report Distributed

ARO President (Clarendon): President Clarendon announced that the ARO Picnic will be held on Wednesday, August 17th at 5:00 p.m. in the Rendezvous Banquet Room.

Residents wishing to address the Board on Agenda Items:

UNFINISHED BUSINESS:

1. **Approve Motion to accept Professional Ponds LLC's contract for reconstructing the water fall near the #9 tee box:** Motion made by Kurtz, seconded by Baldwin and passed unanimously that the Heather Gardens Metropolitan District Board of Directors accept the quote from Professional Ponds LLC to reconstruct the water falls near #9 tee box.

NEW BUSINESS:

1. **Reallocate Foundation Funds:** Motion made by Kurtz, seconded by Baldwin and passed unanimously that the Heather Gardens Metropolitan District Board of Directors reallocate \$100,00 of Foundation Funds currently invested in a CD to the HGMD Enterprise Fund. Any interest accrued in the CD prior to the

reallocation will remain with the Foundation Funds. Any interest accrued after the reallocation on the CD will be split proportionately between the HGMD Enterprise Fund and the Foundation Fund.

2. **E&O Insurance**: Motion made by Gaugenmaier, seconded by Baldwin and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the purchase of E&O Insurance in the amount of \$9,920.
3. **Procedure Manual for HGMD Board**: The Procedure Manual for HGMD Board was presented. Revisions were made during review. Finalization of the Procedure Manual is forthcoming.

Residents wishing to address the Board:

1. A resident discussed her concern regarding the tennis club members not paying usage fees. The club is utilizing the tennis courts and the clubhouse auditorium. The Board will look into these matters and come up with a solution that is feasible for everyone.

There being no further business the meeting was adjourned at 1:45 p.m. The next Regular meeting is Thursday, September 15, 2016 at 1:00 p.m.


Craig Baldwin
Secretary