



Heather Gardens Metropolitan District

HEATHER GARDENS METROPOLITAN DISTRICT SPECIAL MEETING

Thursday, November 8, 2018

The special 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, November 8, 2018 at 10:00 A.M.

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 Section 32-1-903, C.R.S. as amended; that a copy of the agenda with specific agenda items where possible for the meeting was duly posted in designated place within the limits of the District, in accordance with Section 24-6-402(2)(c), C.R.S.; that a quorum was present; and that the meeting hence was duly constituted and could lawfully transact business as contemplated.

CALL TO ORDER: President Baldwin called the meeting to order at approximately 10:00 a.m. on Thursday, November 8, 2018. A quorum was present.

BOARD MEMBERS PRESENT: Directors Craig Baldwin, Bill Archambault (*via telephone*), Bonnie McMullen, Gary Hizer, and Sandra Rosenberg.

BOARD MEMBERS ABSENT: None.

STAFF PRESENT: General Manager Calvin White, Executive Assistant Alicia Murray, and Controller Brian Herrera.

GUESTS PRESENT: Jennifer Ivey, Icenogle Seaver Pogue, P.C., and members of the public were present throughout the meeting.

APPROVAL OF MINUTES: Director Baldwin noted that minutes of the August 23, 2018 meeting were not available and therefore this item would be tabled to the next meeting of the Board. After review and discussion, and upon motion by Director Rosenberg, second by Director Hizer and unanimous vote, the Board approved the minutes of the October 25, 2018 special study session. After review and discussion, and upon motion by Director Rosenberg, second by Director Hizer and unanimous vote, the Board approved the minutes of the October 25, 2018 special meeting.

2018 BUDGET AMENDMENT – PUBLIC HEARING: Director Baldwin reviewed with the Board a proposed amendment to the 2018 Budget. Upon motion by Director Baldwin, second by Director Rosenberg and unanimous vote, the Board opened a public hearing on the proposed 2018 Budget Amendment. The following comments were received from members of the public: None. There being no further members of the public wishing to speak regarding the proposed 2018 Budget Amendment, upon motion by Director Baldwin, second by Director Rosenberg and unanimous vote, the Board closed the public hearing on the proposed 2018 Budget Amendment. After discussion and review, upon



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motion by Director Rosenberg, second by Director Hizer and unanimous vote; the Board approved the resolution adopting the 2018 Budget Amendment and appropriating funds in accordance therewith.

2019 BUDGET – PUBLIC HEARING: Director Baldwin reviewed with the Board a proposed 2019 Budget. Upon motion by Director Baldwin, second by Director Hizer and unanimous vote, the Board opened a public hearing on the proposed 2019 Budget. The following comments were received from members of the public: Ms. Smith noted that expenses for each of the Clubhouse, Restaurant, and Golf are being increased by approximately \$100,000. Director Baldwin and Mr. White noted that these changes are related to increased payroll expenses and some accounting reporting changes to attribute costs to the specific cost centers. Ms. Queen inquired if the increase in salaries will bring salaries up to levels commensurate with the area. Mr. White reported that increases were capped at 15% and therefore some salaries will still be below the area average and the remaining increases will be realized next year. Ms. Smith inquired whether after the increases are completed if the fees could remain at the same level and go to capital reserves. Mr. White noted that fees would still be needed in future years to account for cost of living increases but that the Board is taking other action related to capital planning. There being no further members of the public wishing to speak regarding the proposed 2019 Budget, upon motion by Director Baldwin, second by Director Hizer and unanimous vote, the Board closed the public hearing on the proposed 2019 Budget. After discussion and review, upon motion by Director Baldwin, second by Director McMullen and unanimous vote, the Board approved the resolution approving the 2019 Budget, approving appropriation of funds to the approved budget and certifying the mill levy, subject to any final adjustments required based on the final assessed valuation from Arapahoe County which will be received in early December.

GENERAL MANAGER'S REPORT: Mr. White reported that there is no new report for this meeting due to the close proximity to the end of the month.

REPORTS OF DIRECTORS COMMITTEES AND PROFESSIONAL CONSULTANTS:

- a. Treasurer's Report: No report.
- b. Clubhouse/Restaurant Committee: Director Rosenberg reported that the next Clubhouse/Restaurant Committee meeting would be Thursday, November 15, 2018 at 1:00 p.m., the status of planning for upcoming holiday parties, and that the sound issues have been corrected. There were no comments or questions on the Clubhouse/Restaurant Committee Reports.
- c. Golf Committee: Director Hizer reported that there was no Golf Committee meeting in October and provided some information about the new golf pro. Director Hizer reported that the next Golf Committee meeting will be held on November 19, 2018. There were no comments or questions on the Golf Committee Report.



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- d. Foundation Committee: Director McMullen reported that there was no Foundation Committee meeting in October. Director McMullen reported that the next Foundation Committee meeting will be held on November 14, 2018. There were no comments or questions on the Foundation Committee Report.
- e. Subcommittee on Reserves: Director Rosenberg reported that the Subcommittee on Reserves has not met in several months due to lack of agenda items.
- f. President's Report: Director Baldwin reported that he has been working with representatives related to the emergency agreement with the Red Cross.

UNFINISHED BUSINESS: None

NEW BUSINESS:

- a. Next Meeting: After review and discussion, the Board cancelled the December 20, 2018 regular meeting. The next regular meeting of the Board will be held on January 17, 2019.

OTHER BUSINESS: None.

OPEN FORUM: No members of the public addressed the Board.

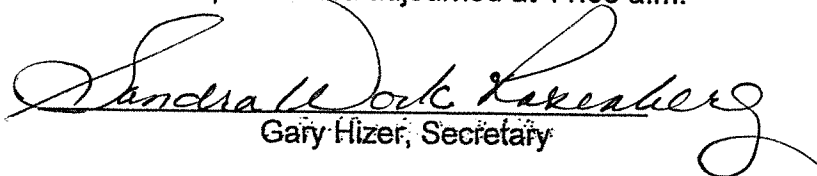
EXECUTIVE SESSION: Upon motion by Director Baldwin, second by Director Hizer and unanimous vote, the Board convened into an executive session pursuant to Section 24-6-402(4)(b), C.R.S. for purposes of conferencing with an attorney to receive legal advice on specific legal questions regarding the Olson Claim at 10:41 a.m.

All members of the public exited the meeting. The following individuals were in attendance at the executive session: Directors Baldwin, Archambault, Hizer, McMullen and Rosenberg, Mr. White, Ms. Ivey, and Ms. Murray.

Upon motion by Director Hizer, second by Director Rosenberg and unanimous vote, the Board closed the executive session and reconvened the open meeting at 11:02 a.m.

The Board did not engage in any substantial discussion of any matter not related to the purpose of the executive session. The Board did not adopt any proposed policy, position, resolution, rule, regulation, or formal action.

ADJOURNMENT: Upon motion by Director McMullen, second by Director Hizer and unanimous vote, the Board adjourned at 11:03 a.m.


Gary Hizer, Secretary