

**HEATHER GARDENS METROPOLITAN DISTRICT
SPECIAL MEETING
Thursday, July 22, 2021**

The special meeting of the Board of Directors of the Heather Gardens Metropolitan District was held via Zoom/Telephone in the office of the District, 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, July 22, 2021 at 1:00 P.M.

CALL TO ORDER: President Funk called the meeting to order at approximately 1:03 P.M. on Thursday, July 22, 2021. A quorum was present.

BOARD MEMBERS PRESENT: President David Funk, Vice President Michael George, Treasurer and Secretary William Archambault, and Directors Eloise Laubach and Maria Mines.

BOARD MEMBERS ABSENT: None

STAFF PRESENT: General Manager Jon Rea and Controller Jerry Counts

GUESTS PRESENT: Jennifer Ivey, Icenogle Seaver Pogue, P.C., three members of the Heather Gardens Association Board, Lynn Donaldson with Heather 'n Yon, and approximately 25 members of the public were present.

APPROVAL OF MINUTES: Motion made by Vice President George and seconded by Director Laubach and passed unanimously to approve the minutes of the June 17, 2021 Regular Meeting as written.

REPORTS OF DIRECTORS, COMMITTEES, AND PROFESSIONAL CONSULTANTS:

President Report: No report.

General Manager's Report: The Board received a copy of the General Manager's (GM) Statement of Work (SOW) along with the second Quarterly report in the packet. General Manager Rea introduced the newly hired Operations Manager Jason Altshuler. Operations Manager Altshuler commented he is excited to be part of the team. GM Rea also announced Mike Martinez's internal promotion as the new Chief of Security. Treasurer and Secretary Archambault commented he was unaware of the restaurant's new point of sale (POS) system and questioned what were the results of all the work done as it showed 100% complete on the SOW. GM Rea commented that Restaurant Manager Cormac selected the new POS system after extensive research. The POS system was not a capital expense request and was approved by the GM. The new company will be more reliable when it comes to customer service and efficiency for credit card processing features that comply with industry standards. There were no further questions or comments.



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Clubhouse/Restaurant Committee: The Board received a copy of the Clubhouse/Restaurant Report. Director Mines commented at the meeting there were several questions regarding the clubhouse and restaurant hours that were answered by managers. There were no questions or comments.

Foundation Committee: No Meeting.

Golf Committee: The Board received a copy of the Golf Report. Vice President George reported the committee voted on golf fees for next year that will be discussed later in the meeting. There were no questions or comments.

Property Policy Committee: No Meeting.

Treasurer's Report: The Board received a copy of the Treasurer's Report. There were no questions or comments.

Monthly Operating Analysis (MOA): The Board received a copy of the June 2021 MOAs. Treasurer and Secretary Archambault pointed out through June the restaurant has used \$60,900 (which is about 90%) of the annual subsidy. At the Budget and Finance meeting, management was asked to revise the projections for this year to review in the August meeting. The restaurant may exceed the annual budget deficit of \$66,000.

UNFINISHED BUSINESS:

- a.) **Motion to Consider Approval of the Revisions to the Heather Gardens Property Policy Procedure Memorandum and the RV Lot Agreement:**
Motion made by President Funk and seconded by Treasurer and Secretary Archambault and passed unanimously.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors approve the revisions to the Heather Gardens Property Policy Procedure Memorandum and the RV Lot Agreement.

NEW BUSINESS:

- a.) **Motion to Consider to Approve the 2020 Audit of the Metropolitan District and request that the Controller file Audit with the State of Colorado by the due date:** Motion made by Treasurer and Secretary Archambault and seconded by Director Laubafch and passed unanimously.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors approve the 2020 Audit of the Metropolitan District and request that the Controller files the Audit with the State of Colorado by the due date.



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Explanation: Per State law, the District is required to file a copy of the audit with the State Auditor by July 31, 2021.

Note: RubinBrown presented the audit at the Budget and Finance Committee meeting and answered all questions that were asked. The opinion which is the most important of the audit is the financial statements presented fairly in all material aspects, the financial position of the business-type activities of the District as of December 31, 2020. This is what is known as a clean opinion that is the best opinion to have.

b.) Motion to Consider to Approve the Contract with Asphalt Coatings to complete the RV Parking Lot Asphalt and Re-Striping Project (\$26,006):

Motion made by President Funk and seconded by Director Mines and passed unanimously.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors approve the contract with Asphalt Coatings to complete the RV Parking Lot Asphalt and Re-Striping Project. The cost of the asphalt project is \$22,960 with a change order of \$3,046 totaling \$26,006. The project is not to exceed \$26,006 without prior Board approval. This is a budgeted capital expense for 2021.

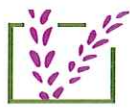
Explanation: The RV Lot asphalt seal coat, crack fill, infrared patch, and re-stripe were last completed in 2010. Asphalt Sealcoat and repairs are recommended every 6-8 years. The Property Policy Committee has been working on the RV Parking Lot re-design to better suit the needs of the users. This project offers a re-design of the striping and includes repairing damaged asphalt to complete the project.

c.) Motion to Consider to Approve the Golf Course Rates for 2022:

Motion made by Vice President George and seconded by Director Laubach and passed unanimously.

Text of Motion: Based on the recommendations of the Golf Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the Golf Course Rates for 2022.

Explanation: Annually, the Golf Committee reviews the current year rates and makes recommendations for the following year rates to be charged for Heather Gardens Golf Course. The attached listing shows the golf course rates for 2019, 2020, 2021, and the recommendation for 2022.



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d.) Motion: Consider approval to Reinvest the Maturing CD in July 2021:

Motion made by Treasurer and Secretary Archambault and seconded by Director Vice President George and passed unanimously as amended.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors authorize the Controller to Reinvest the CD Maturing in July 2021 at the best possible CD Rate as of the date of Maturity.

- HGMD Enterprise Fund CD Maturing July 30, 2021 Principal Amount \$250,000. Reinvest for One Year.

OPEN FORUM:

A resident asked when the RV Lot will be paved because he will be out of the country from October 12 through November 2. President Funk commented he hopes to have it done before that but is unable to provide a date at this time. The resident same asked if there was a recent break-in in the RV Lot. President Funk commented there was an incident but did not have all the details.

A resident asked if the financials for the RV Lot 6-month revenue of \$9,738 was accurate assuming 80 spaces were rented. Controller Counts commented he will need to do an audit which is a manual process that does not run through the Jenark system. President Funk commented he and Controller Counts will get together to review this. Controller Counts also commented that it has come to his attention that payments are not being made because invoices are not being sent. The rental agreement states the Lessee is responsible for paying on an annual or quarterly basis and does not indicate an invoice needs to be sent. With that being said, he asked Lessees who are holding off on an invoice to submit their payments as per the agreement and this also applies to the Garden Plots. Controller Counts is working on getting this manual process automated to be able to send a courtesy invoice in the near future.

A resident asked for an update on the RV Lot surveillance camera planning. GM Rea commented that they are looking into getting bids from different vendors and working with Mike Martinez the new Chief of Security to partner with the Contracts Department. President Funk commented there will be future discussions in the Property Policy and SEC committee meetings as this is a collaboration of both committees.

A resident asked for an update on the Clubhouse hours being extended and family swimming days. GM Rea commented the Clubhouse hours are from 7 am to 8 pm and the family swimming was changed from three to four days (Tuesday, Thursday, Friday, and Sunday).



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ADJOURNMENT: Upon motion by Vice President George and seconded by Treasurer and Secretary Archambault, and passed unanimously, the meeting adjourned at 1:54 P.M.

William Archambault, Treasurer and Secretary