



Heather Gardens Metropolitan District

HEATHER GARDENS METROPOLITAN DISTRICT REGULAR BOARD MEETING Thursday, December 21, 2017

The regular 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, December 21, 2017.

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 1:00 p.m. on Thursday, December 21, 2017. A quorum was present.

MEMBERS PRESENT: Directors Craig Baldwin, Bill Archambault, Gary Hizer, Bonnie McMullen, and Sandra Rosenberg.

MEMBERS ABSENT:

STAFF PRESENT: General Manager Calvin White, Controller and Executive Assistant Stephanie Wyche.

GUESTS PRESENT: Jennifer L. Ivey with Icenogle Seaver and Pogue.

CHANGES OR ADDITIONS TO THE AGENDA:

APPROVAL OF MINUTES:

Motion made by Director McMullen, seconded by Director Hizer and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the minute from the Regular meeting on November 16, 2017.

Motion made by Director Hizer, seconded by Director McMullen and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the minutes of the Special Meeting on December 7, 2017 – Public Budget Hearing.

GENERAL MANAGER'S REPORT: A written report of staff accomplishments is on file with in the Business Office for residents to read as well as on the website.

- Brian met with USI review 2017 insurance renewals.
- Repainted the TV room in the Clubhouse and purchased new furniture.
- Held Book sale – Sold 680 books all donations went to the Foundation.



Heather Gardens Metropolitan District

- Staff and Volunteers decorated for the Holidays.
- Worked with Optimist and Salvation Army on Giving Tree.
- Stump grinding and pruning on the Golf Course
- Repaired Goosinator.
- Security held safety meeting on Winter Driving Tips.

REPORTS:

Treasurers Report (Bill Archambault):

Through November, year to date Enterprise Fund Revenue has been \$2,071,400 which is about \$54,500 more than anticipated. Year to date expenditures, including the Cost of Goods Sold, is \$2,206,800 which is approximately \$180,800 more than anticipated. Overall, year to date expenditures exceed year to date revenue by about \$135,400. The amount that expenditures exceed revenue is substantially less than reported in October as the District received in excess of \$112,000 as an insurance settlement for golf course water. Areas where expenditures are significantly more than anticipated are: 1) Election expenses 2) Professional Services (attorney costs) 3) audit costs 4) Capital Outlay and 5) insurance claim deductible. The District will present a 2017 budget amendment to increase spending authority for the areas listed. These funds will come from District reserves.

Clubhouse revenue through November is about \$14,300 more than anticipated and Clubhouse expenditures are \$3,500 less than anticipated. The Clubhouse subsidy is about \$17,800 less than anticipated through November.

Golf Course revenue through November is approximately \$18,500 less than anticipated and expenses are about \$6,600 more than anticipated. The District received slightly more than \$112,000 insurance proceeds from the claim filed for golf course water usage. Due to a peculiarity in the Jenark accounting system, the insurance settlement is included in the overall Enterprise Fund activity, but the system does not allow for the insurance settlement to be reflected on the Golf Course P & L Statement. The Golf Course P & L statement (page 10 of the packet) shows a Y-T-D loss of \$247,300. The actual loss is \$135,300.

Restaurant revenue through November is approximately \$53,800 more than anticipated and expenses, including the cost of goods sold, is about \$10,500 more than anticipated. The Restaurant subsidy through November of \$42,000 is approximately \$43,200 less than anticipated. The anticipated subsidy through November was \$85,200.

Restricted Funds: The Conservation Trust Fund (Lottery) has received \$11,542 from the Colorado Lottery through November. Revenue is received quarterly from the



Heather Gardens Metropolitan District

Lottery. There have been no expenditures of Lottery funds so far this year. At November 30th, the Lottery bank account balance was \$89,863.

The Foundation Fund has received \$4,241 in donations through November and the Foundation has paid \$7,155 for District projects. At November 30th, the Foundation Bank account balance was \$193,803.

The Debt Service Fund has received \$591,508 in property taxes, specific ownership taxes and interest income through November. At November 30th, the Debt Service Fund bank account balance was \$712,578. An interest and principal payment due on the bonds was made on December 1st. A principal payment of \$210,000 and an interest payment of \$213,983 was made to bond holders.

Clubhouse/Restaurant Committee (Rosenberg): Director Rosenberg reported that the Restaurant hosted 15 parties in November, 365 guests for the Thanksgiving Brunch, and December Holiday parties totaled 37. Director Rosenberg announced that the Restaurant will be closed from December 25th through the December 28th. It will reopen at 4:00 p.m. on December 29th. The Clubhouse is currently taking registrations for classes that begin January 2nd. The indoor pool has been closed since December 4th through December 20th for the annual cleaning. The cleaning was moved up two weeks so residents could bring guests to the swimming pool during the Holidays.

Foundation Committee (McMullen): Report Distributed. The December meeting was cancelled.

Golf Committee (Hizer): Report Distributed. The December meeting was cancelled. The Committee will start working on the Golf Course Marketing.

Golf Staffing Adhoc Committee (Rosenberg): Report Distributed. Director Rosenberg reported that the Committee had their seconded meeting on December 2nd. At that meeting the Committee had a special guest. Doug McNeil is a PGA Certified Manager with the City of Aurora. He provided a lot of valuable information on how the City staffs their facility.

UNFINISHED BUSINESS:

- 1. Consider Approving Foundation (PM) F-1, Foundation Committee Standards and Procedures:** Motion made by Director McMullen, seconded by Director Rosenberg and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the proposed changes to Procedure Memorandum (PM) F-1, Foundation Committee Standards and Procedures.
- 2. Increase Board Size:** Motion made by Director Hizer, seconded by Director Archambault that the Heather Gardens Metropolitan District Board of Directors



Heather Gardens Metropolitan District

approve the Resolution "Increasing from a five- member Board of Directors to a seven-member Board of Directors". Motion withdrawn by Director Hizer.

Motion made by Director McMullen, seconded by Director Rosenberg and passed that the Heather Gardens Metropolitan District table the motion to increase the Board size.

3. **Rules Related to Facilities Policies and Rules:** Motion made by Director Rosenberg, seconded by Director Hizer and passed unanimously that the Heather Gardens Metropolitan District Board of Directors accept the "Rules and Regulations of Heather Gardens Metropolitan District pertaining to Appeals and Enforcement of District Polies and Rules" and refer it to the January meeting.
4. **Rules Related to Appeals and Enforcement of District Policies and Rules:** Motion made by Director Archambault, seconded by Rosenberg and passed unanimously that the Heather Gardens Metropolitan District Board of Directors accept the Rules pertaining to the District Facilities as described above, and refer the Policies and Rules for final passage at the January meeting.

The Heather Gardens Metropolitan District has established some General Rules for residents, guest and other persons at or using the District Facilities. The rules apply equally to all person, including residents, owners, guest, worker, or general public.

The Rules once adopted will pertain to all property and facilities owned and/or operated by the District, including, but not limited to the Rendezvous restaurant, golf course and pro shop, maintenance facilities, Linvale Place, clubhouse, recreational vehicle parking lot, and the community garden (collectively the "District Facilities") to ensure maximum enjoyment and usage of the District Facilities by its residents and the public in general and to establish a basis for conduct of persons using the District Facilities.

NEW BUSINESS:

1. **Public Hearing on Amendment to 2017 Budget:** President Baldwin formally opened the Public Hearing for the Amendment to 2017 Budget. With no comments from the audience, President Baldwin closed the Public Hearing.
2. **Approve 2017 Budget Amendment/Appropriation of Funds:** Motion made by Director Archambault, seconded by Director Rosenberg and passed unanimously that the Heather Gardens Metropolitan District Board of Directors approve the 2017 Budget Amendment as presented.

Enterprise Fund Revenue:	\$2,197,093
Enterprise Fund Revenue:	\$2,415,593



Heather Gardens Metropolitan District

The Conservation Trust Fund and Debt Service Fund budgets have no change from the original budget.

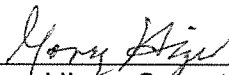
RESIDENTS WISHING TO ADDRESS THE BOARD:

1. A resident commented on increasing the Board size. They do not think it is a good idea.
2. Two other residents agreed that the Board should not increase the Board size.
3. A resident asked where residents could view the new policies that the Board is considering.
4. A resident spoke regarding the new Property Committee.

MEETING ADJOURNED: 2:17 p.m. The Next Regular HGMD Meeting is Thursday, January 18, 2018 at 1:00 p.m.

Attachments:

- HGMD Budget Exception Report for November 2017



Gary Hizer, Secretary