

**HEATHER GARDENS METROPOLITAN DISTRICT
SPECIAL MEETING
Thursday, December 23, 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, December 23, 2021, at 1:00 P.M.

CALL TO ORDER: President Funk called the meeting to order at approximately 1:00 P.M. on Thursday, December 23, 2021. A quorum was present.

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

BOARD MEMBERS ABSENT: None

STAFF PRESENT: Chief Executive Officer (CEO) Jon Rea, Chief Operations Officer (COO) Jason Altshuler, Chief Financial Officer, and (CFO) Jerry Counts.

GUESTS PRESENT: Three members of the Heather Gardens Association Board, Lynn Donaldson with Heather 'n Yon, and approximately 18 members of the public were present.

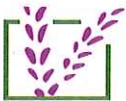
CHANGES TO AGENDA: President Funk tabled item (a) Custodial Agreement with Zion Bank in new business until the next meeting. The attorneys have not reached an agreement on the terms of the legal language. Secretary/Treasurer Archambault said he will contact Zion Bank after the meeting to inform them of the postponement of the agreement.

APPROVAL OF MINUTES: Motion made by Vice President George and seconded by Director Laubach and passed unanimously to approve the minutes of the November 18, 2021, Regular Meeting as written.

REPORTS OF DIRECTORS, COMMITTEES, AND PROFESSIONAL CONSULTANTS:

President Report: No report.

Chief Executive Officer (CEO) Report: The Board received a copy of the CEO's Statement of Work Report. CEO explained that he and the COO have been working with each department manager to solidify their goals and adding dates. Each department goals will be compiled into what he calls "our big goals board" which will be posted in each department to reference and to review progress. The weather has been genuinely nice this month which has helped the Golf Course exceed their sales goals this month. The Clubhouse hours has reverted to its normal hours that was communicated to the



Heather Gardens

METROPOLITAN DISTRICT

community. Secretary/Treasurer Archambault asked after the goals are finalized if the goals could be shared with the Board. CEO answered the goals will be shared with the Board after they are solidified. CEO also mentioned that in the January Heather n' Yon there will be an article that will outline the goals. There were no further questions or comments.

Clubhouse/Restaurant Committee: The Board received a copy of the Report. Director Mines reported the Committee asked CEO to help set up a workshop with the CFO to go over the monthly financials. The CEO has agreed and will be working with CFO on setting up a date and time for the workshop.

Foundation Committee: No Meeting.

Golf Committee: No Meeting.

Property Policy Committee: No Meeting.

Joint Long Range Planning Committee: No Meeting.

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

Joint Budget and Finance Committee: The Board received a copy of the Joint Budget and Finance Report. Secretary/Treasurer Archambault reported that the Investment Subcommittee will be holding a meeting shortly to discuss other investments that may have a better return on the investments. The committee recommends that the Board approve the insurance premium for next year that will be discussed later in the meeting. There were a couple of items discussed on cost overruns on the parking structures and elevator jacks' replacement in buildings 235 and 242. Secretary/Treasurer Archambault commented it was a relevantly short meeting. There were no questions or comments.

UNFINISHED BUSINESS: None.

NEW BUSINESS:

- a.) **Motion to approve the Authorization for Board Treasurer to direct investment of Debt Service Funds held by Zions Bancorporation, National Association:** Motion made by Secretary/Treasurer Archambault and seconded by Vice President George and passed unanimously.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors approve to authorize the Board Treasurer to direct the investment of HGMD Debt Service Funds held by Zions Bancorporation, National Association and that the money be invested in funds that have a rating of AAA-mf (Moody's rating) or equivalent ratings from other rating agencies.

Explanatory Comment: The AAA-mf rating means that the fund has a very strong ability to meet the dual objectives of providing liquidity and preserving capital.

- b.) Motion to approve the Revisions to the Heather Gardens Joint Budget and Finance Procedure Memorandum JPM B-3:** Motion made by Treasurer/Secretary Archambault and seconded by Director Laubach and passed unanimously.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors approve the revisions to the Heather Gardens Joint Budget and Finance Memorandum JPM B-3.

Explanatory Comment: At the November 18, 2021, Board meeting the Board accepted the changes as presented and asked for public comments regarding the changes. There have been no comments regarding the changes. The Heather Gardens Association has already approved the changes to the Joint Budget and Finance Committee Procedure Memorandum.

- c.) Motion to approve the 2022 insurance coverage for Heather Gardens Metropolitan District:** Motion made by Secretary/Treasurer Archambault and seconded by Vice President George and passed unanimously.

Text of Motion: Based on the recommendation of the Joint Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the payment of the annual insurance premium of \$50,935 to the Colorado Special District Property and Liability Pool for the District's property and liability insurance coverage that will be effective January 1, 2022.

Explanatory Comment: This approves the insurance coverage for 2022 as presented by the Colorado Special District Pool.

- d.) Motion to approve the Revisions to the Heather Gardens Foundation Procedure Memorandum:** Motion made by Director Laubach and seconded by Secretary/Treasurer 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 Foundation Procedure Memorandum.

- e.) Motion to approve of the RV Lot Fee Schedule for 2022:** Motion made by President Funk and seconded by Director Mines and passed unanimously.



Heather Gardens

METROPOLITAN DISTRICT

Text of Motion: Based on the recommendation of the Property Policy Committee, I move that Heather Gardens Metropolitan District Board of Directors approve the RV Lot Fee Schedule for 2022 as presented.

Space Length	Space Width	Space sq. footage	# Spaces available (74 total)	Rent per quarter (Rounded up) @ 30 cents per sq. ft. resident 90 cents per sq. ft. non-resident
38'	12'	456	3	\$137/\$411
36'	11'	396	12	\$119/\$357
34'	11'	374	15	\$112/\$336
30'	11'	330	21	\$99/\$297
25'	11'	275	6	\$83/\$249
20'	11'	220	17	\$66/\$198

Explanatory Comment: Explanation: Due to the new sizing of spaces. Currently there are only three categories of Rental Rates, for residents \$90, \$100, and \$110 per quarter. For non-residents \$300, \$330, and \$340 per quarter. Taking \$100 for a 30' x 11' space as the middle figure, its cost per square foot is \$.3030. Therefore, the rental rate is based on 30 cents per square foot. The current non-resident rate is approximately three times the resident rate. So, the new calculation is simply three times the resident rate for simplicity. Assuming that all spaces are rented by residents, the potential rental income per quarter would be \$7,218 or \$28,872 per year. If all spaces were to be rented by non-residents the potential income would simply be three times the resident income or \$86,616. Over time, a mix of non-resident and resident rentals will provide an estimated income of around \$32,000 per year. That would be on par with income from several years ago.

- f.) **Motion to Sanction Heather Gardens Emergency Action Plan and Life Safety Procedures:** Motion made by President Funk and seconded by Director Laubach and passed unanimously.



Heather Gardens

METROPOLITAN DISTRICT

Text of Motion: I move that Heather Gardens Metropolitan District Board of Directors sanction the implementation of Heather Gardens Emergency Action Plan and Life Safety Procedures as presented.

OPEN FORUM:

A resident asked if the Clubhouse/Restaurant's work session will be held via Zoom and open to the public. President Funk commented work sessions are primary open meetings, can be held via Zoom, and depending on the meeting, audience may not participate.

ADJOURNMENT: Upon motion by Vice President George and seconded by Secretary/Treasurer Archambault and passed unanimously the meeting adjourned at 1:32 P.M.



William Archambault, Treasurer and Secretary