

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF  
HEATHER RIDGE METROPOLITAN DISTRICT NO. 1**

Held January 17, 2013, at 4:00 p.m. at 13521 East Iliff Ave., Aurora, Colorado.

Director Attendance	<p>A meeting of the Heather Ridge Metropolitan District No. 1 (the “District”) was held as shown above and in accordance with the applicable statutes of the State of Colorado. A public audience was in attendance. The following directors, having confirmed their qualification to serve on the board, were in attendance:</p> <p style="text-align:center">Errol Rowland            James Bruce            Mary Lou Braun Vincent Roith Melissa Miller Van Lewis Joan Beldock</p> <p>Also present for the District: Sean Allen, Esq., White, Bear &amp; Ankele Professional Corporation, general counsel (by phone).</p>
Call to Order & Quorum / Qualifications	<p>Director Rowland noted a quorum was present that all directors present were qualified to serve. Director Rowland recited the District’s mission statement.</p>
Conflict Disclosure	<p>The agenda for the meeting was reviewed and nothing appeared on the agenda for which disclosure certificates had not been filed.</p>
Approval of Agenda	<p>The agenda was deemed acceptable by the board.</p>
Minutes	<p>The minutes from the October 18, 2012 meeting were discussed. Motion made and seconded to approve the minutes. Motion passed unanimously.</p>
UAHR, Inc. and HRCA Community Reports	<p>UAHR, Inc., gave a short update on its board representation concerns and quorum difficulties.</p> <p>HRCA reported on the recent HOA representative dinner that it hosted.</p>
Foundation/Donations	<p>Heather Ridge Open Space Foundation reported that its purpose has been clarified as solely for the promotion and benefit of the District’s open space/golf course. Motion and second, unanimously approved by the board to assist the foundation with its 501(c)(3) application process so that the foundation can begin to benefit the District.</p>
Financial	<p>Director Roith reported that the golf course was profitable in 2012 and the board thanked Mr. Ransford and GCAT. The December 2012 financial statements, current cash flow analysis, and invoices/claims payable were reviewed. After consideration of the financial statements and the current and interim invoices, and upon motion and second, the statements and invoices were unanimously approved with Director Rowland and Roith abstaining as to invoice approval relative and pertaining to their previously disclosed conflict of interest.</p>
Golf Course Operation Report	<p>Larry Ransford summarized the 2012 operations, costs, revenues and profit achievements.</p>

Asset Manager Report

Director Roith reported on parking lot paving and repairs and efforts toward ADA compliance within the financial constraints of the District.

Director Roith noted that Noonan's operation continues to go well.

Boundary Line  
Encroachment and Golf  
Course Inclusion

Discussion relative to Burgundy's acknowledgement of areas of encroachment into the District's golf course property. Mr. Allen indicated that the District may want to include its golf course property into the District boundary. After further discussion the board instructed Mr. Allen to process the inclusion for board consideration at the April meeting.

Adjourn

Motion made and seconded to adjourn. Meeting adjourned.

The foregoing minutes were approved by the Board of Directors on April 18, 2013, and constitute a true and correct copy of the minutes of the above-referenced meeting.

---

Secretary for the Meeting