

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

Held October 18, 2018, at 4:00 p.m. at 13521 East Iliff Avenue, Aurora, Colorado

Director Attendance/ Qualifications	<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>Errol Rowland Patt Dodd Bette Secord Jane Klein - excused Van Lewis Joan Beldock Kay Griffiths</p> <p>Also present for the District: Sean Allen, Esq., White, Bear Ankele Tanaka & Waldron, general counsel (by phone); Diane Wheeler, Simmons & Wheeler, P.C., District accountant (by phone); Larry Ransford, Barry McConnell., Ray Griffiths, and other members of the public.</p>
Call to Order/Quorum	Director Rowland noted a quorum was present and each Director present confirmed they were qualified to serve. Director Rowland referenced the District’s mission statement.
Conflict Disclosure	Mr. Allen advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Allen inquired whether members of the Board had any disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. All Board members confirmed there are no conflicts of interest.
Approval of Agenda	The agenda was accepted by the Board.
Minutes	The minutes from the May 17, 2018, meeting was discussed. Following discussion, upon motion made and seconded, the Board unanimously approved the minutes.
Community Reports	
Presidents Council	Director Lewis gave the Board a general ongoing community update report.
HRCA	Director Lewis gave an update on Metropolitan District Matters and articles of community interest.
Heather Ridge Open Space Foundation/Metro Matters – Barry McConnell	Mr. McConnell reported there are small contributions coming in for the Open Space Foundation.
HomewoRx, LLC 2019 Metropolitan Matters Publication Agreement	The Board discussed a contract price increase for 2019. Upon motion and second, the Board unanimously approved the 2019 contract price for the HomewoRx, LLC’s Metro Matters publication agreement.
Financial	
Financial Statements/Payment of	Ms. Wheeler provided a summary of the financial statements dated September 30, 2018 and claims payable. After consideration of the financial statements and the

Claims	current and interim invoices, and upon motion and second, the financial statements dated September 30, 2018 and claims were unanimously accepted and approved.
Debit Card Policy; Resolution and Use Agreement	Mr. Allen reviewed the debit card policy and presented the resolution and use agreement to the Board. Following discussion, upon motion duly made and seconded, the Board unanimously passed the debt card resolution and approved the use agreement.
2019 Budget Hearing	Mr. Allen reported that notice of the public hearing was published for the 2019 Budget Hearing in accordance with Colorado law. The hearing was opened. There being no public comment, the hearing was closed.
Consider Adoption of 2019 Budget Resolution	Ms. Wheeler presented the proposed 2019 budget. The Board considered the adoption of the 2019 Budget and Budget Resolution. Following discussion, upon motion duly made and seconded, the Board unanimously adopted the 2019 budget resolution.
Budget Amendment Hearing	Mr. Allen reported that notice of the public hearing was published for the 2018 Budget Amendment Hearing in accordance with Colorado law. The hearing was opened. There being no public comment, the hearing was closed.
Consider Adoption of Resolution Amending 2018 Budget; Ratify Corrected Resolution Amending 2017 Budget	Ms. Wheeler presented the proposed 2018 budget. The Board considered the adoption of the amended 2018 Budget and Resolution relative to the enterprise fund. Following discussion, upon motion duly made and seconded, the Board unanimously adopted the Resolution Amending the 2018 budget. The Board reviewed the corrected version of the Resolution Amending the 2017 Budget. Following discussion, upon motion duly made and seconded, the Board unanimously ratified the corrected Resolution Amending the 2017 budget.
Authorized Director Signers on Bank Account	The Board engaged in general discussion about adding additional authorized signers on the checking account. Following discussion, upon motion duly made and seconded, the Board authorized Director Secord, Director Griffiths, and Director Dodd as authorized Director signers.
Golf Course Operation Report	The general operations report was presented by Mr. Ransford. Mr. Griffiths presented a concept proposal by Cobblestone to stop errant tee shots from hitting houses and residents. Following discussion, upon motion duly made and seconded, the Board accepted the concept in principal and to further explore the safety netting and cost sharing aspects leading to formal submittal to the Board of plans, designs, costs.
District Asset Management Report	
Clubhouse Capital Project/Expenditure & Agreements Report	Mr. McConnell discussed with the Board the various areas and items that are in need of repair.
Restaurant Operations	Mr. McConnell gave a general update on the restaurant operations.
Security Contractor Services (APD Consent, Contractor Bids/Selection, Engagement Agreement)	Director Lewis provided an update on proposals for private security services. The Board reviewed the one proposal received for private security services. After discussion, upon motion and second, the Board unanimously approved the agreement for private security patrol services.

Miscellaneous

Consider Approval of
Property and Liability
Schedule and Limits

Mr. Allen presented Property and Liability Schedule and Limits to the Board. Following discussion, the Board accepted the renewal.

Consider Approval of
Updated Agreement with
White Bear Ankele Tanaka
& Waldron for Legal
Services

Mr. Allen presented Updated Agreement with White Bear Ankele Tanaka & Waldron for Legal Services. The Board engaged in general discussion. Following discussion, upon motion duly made and seconded, the Board approved engagement.

Consider Approval of
Updated Agreement with
Simmons & Wheeler, P.C.
for Accounting Services

Ms. Wheeler presented Updated Agreement with Simmons & Wheeler, P.C. for Accounting Services. The Board engaged in general discussion. Following discussion, upon motion duly made and seconded, the Board approved engagement.

2019 District Website
Administration Service Cost

Mr. Rowland confirmed his conflict of interest and abstained. The Board discussed a price increase for 2019 for the website administration services provided by Errol Rowland, and upon motion and second approved the 2019 price increase.

LR Golf, Inc. Financial
Management Agreement

The Board discussed a price increase for 2019 for the financial services provided by LR Golf, Inc. Upon motion and second, the Board approved a 2019 contract price increase.

Next Regular
Meeting/Adjourn

Meeting adjourned.

The foregoing minutes were approved by the Board of Directors on April 18, 2019, and constitute a true and correct copy of the minutes of the above-referenced meeting.

Secretary for the Meeting