

From Rita Effler, Heather Gardens Metropolitan District

December 6, 2023

NOTICE-DANGER-ACTION REQUIRED

Legal Fees: \$74,054 includes \$25,514 for election costs incurred because there was a true election. HGMD fees include atrocious attorney costs because HGA insisted on non-public meetings with attorneys present, meetings at which nothing was accomplished and only two board members could participate at a time. These meetings occurred over a period of six months. Two members from HGA could only find 3 times to meet in that six months.

Agenda item "F" Terminate the Management Agreement. This is the most poorly written "contract" I have ever been associated with. There are no remedies written into it. There is nothing for specific performance. It is truly a bad contract that has not " been functioning very well for the community. "

HGA purged their website of mandated Metro District archives, contrary to management agreement obligations. HGMD had to reconstruct years of documents for the new website. I have never seen a reconciliation of money, never seen a monthly list of expenses with check numbers and totals, never seen an invoice for staff salaries, wages and benefits. This is required for the Treasurer to see, and you should know the expenses the District pays have been substantiated.

Both entities should hire their own staff. HGA was incorporated as a management company for condominiums, consisting almost totally of maintenance, not for managing a metropolitan recreation district with three functioning businesses. Many facets of HGMD property have been neglected. Maintenance of the facilities suffers. The woodshop has been neglected for 5 years. Revenue production is sidelined. Most importantly, more can be done to utilize the facilities to provide recreation, classes, opportunities, and involvement of the residents. The staff is mostly in place.

HGMD is already charged for maintenance, custodial, roads and grounds. HGA can invoice HGMD as a "contractor" if they want to remain employed by HGMD. HGA already pays a PEO company, including an administration fee for HGMD staff that HGA ABSORBS. Those should "wash". I cannot think of a duplication in staff. HGMD would pay by invoice for shared staff, i.e. accounting or clerical if we utilize them. I have a simple solution for paying HGMD invoices using HGMD funds, reconciled as we go. HGA will pay fair market rental for maintenance building, office space, storage space, break room, etc. HGMD will pay fair market value for services provided, spelled out in an enforceable CONTRACT. HGA will pay fair market value spelled out in an enforceable contract.

I want to express my Thank you to those of you who have called me and asked questions. I have given you true and correct answers to the best of my knowledge. This letter is my opinion only, not that of the entire Metro board. HGMD must have public meetings to discuss this.

I feel that it is in the best interest of the community to make this split. Now that all three businesses are included in the agreement, it is too much for the HGA Board and their staff to manage. Too much falls through the cracks.

Now we need to negotiate what HGA is willing to do for us and what we want to employ them to do for us.

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