

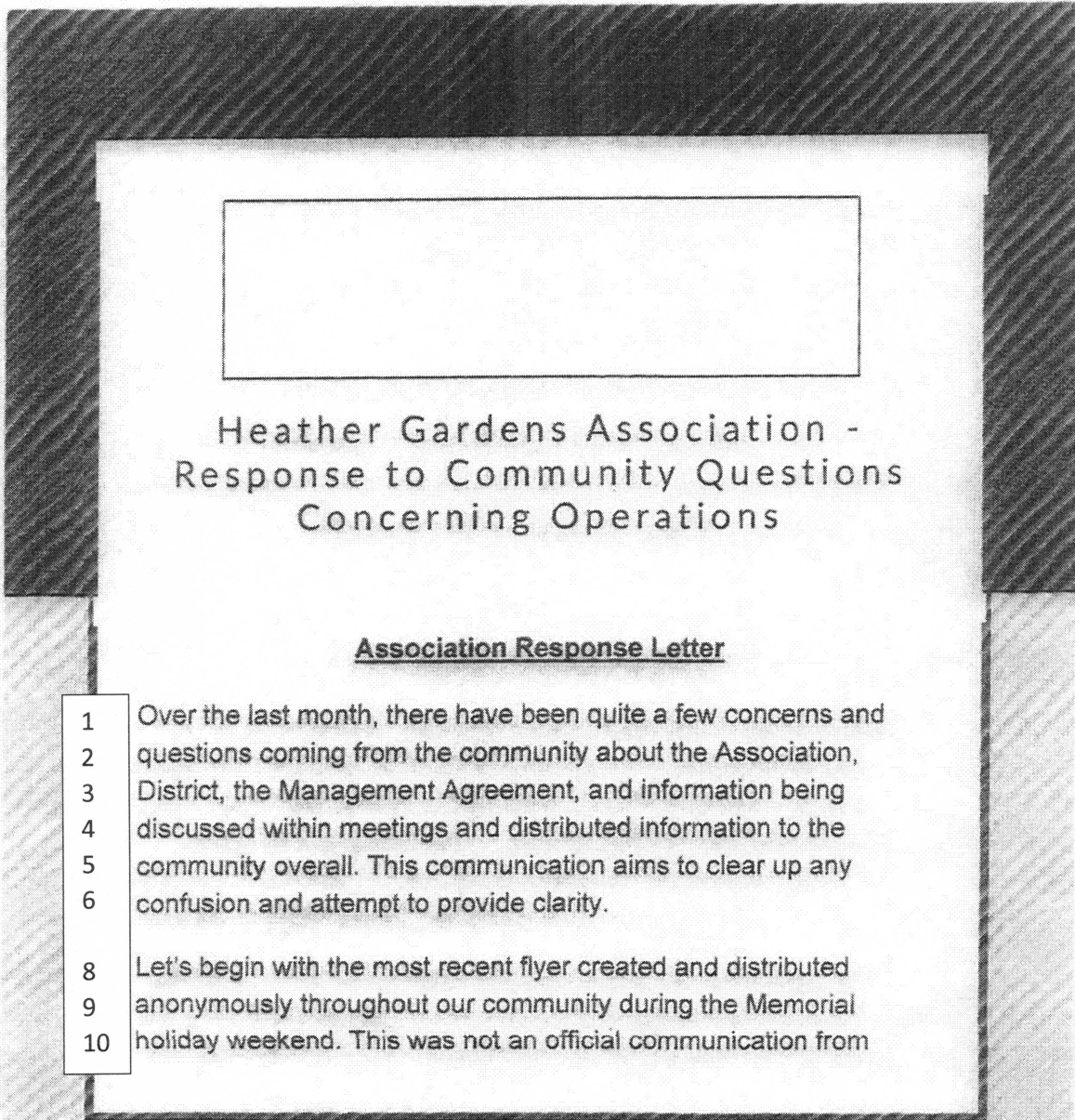
Rita Effler

From: Heather Gardens Association <noreply@pilera.com>

Sent: Wednesday, May 31, 2023 6:12 PM

To: ri\_effler@hotmail.com <ri\_effler@hotmail.com>

Subject: Heather Gardens Association - Response to Community Questions Concerning Operations



Heather Gardens Association -  
Response to Community Questions  
Concerning Operations

**Association Response Letter**

1 Over the last month, there have been quite a few concerns and  
2 questions coming from the community about the Association,  
3 District, the Management Agreement, and information being  
4 discussed within meetings and distributed information to the  
5 community overall. This communication aims to clear up any  
6 confusion and attempt to provide clarity.

8 Let's begin with the most recent flyer created and distributed  
9 anonymously throughout our community during the Memorial  
10 holiday weekend. This was not an official communication from

1 Management, the Association, or the District. Heather Gardens  
2 Association does not support or condone these actions within the  
3 community, and it goes against our Civility initiative. When alerted,  
4 our Security team took action to remove the signage from the  
5 property as quickly as possible and identify the person who  
6 circulated the flyer. Please note that all official communications will  
7 be distributed through Pitera, with approved posters and signage  
8 accompanied by official directives.

10 Regarding the Association, we have had many questions about  
11 employees, most notably, how they will be impacted by recent  
12 District elections. Employees report directly to the CEO of the  
13 Management Office and take directives from that position. The  
14 CEO Reports directly to the Association Board President and takes  
15 directives from that board. The Association and District Board  
16 Chairs know that they are not permitted to interact directly with  
17 employees and are advised to follow the chain of command through  
18 the Association Board President and CEO. The District, technically,  
19 does not have any staff, and all employees report to the  
20 Association. Chain of command is essential to the process to  
21 ensure that employees are not inundated with tasking, not ending  
22 up confused about the reporting structure, and the Management  
23 team can discuss the best approach for inquiries and potential  
24 implementations.

25 In addition to staffing questions, we have seen many inquiries and  
26 thoughts about the HGMD amenity subsidy and budget. It's been  
27 communicated that this is a million-dollar or more loss, and we will  
28 continue to lose these monies resulting in rising Recreation Fee  
29 dues. It's important to remember that historically the community has  
30 subsidized the Clubhouse, Golf, and Restaurant for decades. The  
31 subsidy is built into the Rec Fees collected so that it is technically  
32 not a loss. Management is currently following the precedence set  
33 many years ago by which the community subsidizes those  
34 amenities so that they may remain open and functioning. All the

1 amenities are currently operating within (and below) the expected  
2 budget. If the community would like to consider the amenities as  
3 profit centers, then management can certainly review options with  
4 the boards, committees, and the community. With that said, it has  
5 been and is currently being explored on how to turn at least one of  
6 these amenities into a profit center and/or to considerably minimize  
7 the subsidy.

8 There have also been many questions about what will happen if the  
9 management agreement is not renewed. A myriad of things could  
10 potentially happen if the agreement is discontinued. It's very  
11 important to understand the agreement and what it means. We  
12 won't go into much detail about the difficulties of moving away from  
13 the agreement except to say that it would essentially create two  
14 separate businesses at Heather Gardens. The Association would  
15 handle Association business, and the District would handle theirs.  
16 Both entities would require employees and infrastructure in some  
17 fashion to support the respective businesses. The Association  
18 would move forward with its Management Staff and Team, and the  
19 District would have to develop their own to support District  
20 operations and function. It seems easy on paper; however, when  
21 you really look at the finite details, this can be a very costly  
22 undertaking for everyone involved, the Association, the District, and  
23 the community.

24 The management staff cannot speak about the previous 47 years  
25 and the past of Heather Gardens. However, looking back over the  
26 last three years, it is abundantly clear that everyone, including the  
27 management staff, has moved the needle to improve the  
28 community in the best way possible with the best information  
29 available at the time. We are capitalizing on opportunity and making  
30 a positive impact. The current management staff, along with the  
31 Boards and Committees, have put a roofing plan in action to  
32 replace the foam roofs throughout the property, moved forward with  
33 a parking structure maintenance plan, reviewed capital reserves to

1 plan for the future, reorganized multiple departments to capitalize  
 2 on cost savings opportunities and efficiencies, changed the  
 3 workspace culture into a positive and optimistic atmosphere, and  
 4 much more.

5 The current management staff has had to be the bearer of bad  
 6 news about HOA Dues, Increases, Capital Reserve needs, etc., at  
 7 a time when the entire nation is seeing the cost of goods and  
 8 services rise. Management staff does not enjoy this position;  
 9 however, we wouldn't have it any other way, as our goal is to think  
 10 about today, tomorrow, and the future of Heather Gardens and stay  
 11 true to our fiduciary responsibility. We do our best to be transparent  
 12 about the successes but also advise on the concerns that the  
 13 community is facing currently or will face in the future.

14 ***As a friendly reminder, the Budget isn't solely a management***  
 15 ***team endeavor but a community-involved activity that passes***  
 16 ***through the Budget & Finance Committee along with both***  
 17 ***respective boards that are your community elected leaders***  
 18 ***(Association & District).***

20 The management team operates with honesty, and integrity, and  
 21 consistently strives to be good stewards of the community through  
 22 service and keeping the community informed. There isn't a single  
 23 manager, assistant manager, lead, or department employee that  
 24 doesn't come in daily to attempt to provide their best effort for the  
 25 community and to do the right thing.

26 Heather Gardens started in 1973, and we believe that 50 years is a  
 27 decent time and case study that the system works, the  
 28 management agreement works, and how things are trending ...  
 29 works.

if you have any further questions or concerns, please send them to  
[management@heathergardensmail.com](mailto:management@heathergardensmail.com).