

Breach of Management Agreement

(1) Provide the District with the information necessary to determine if the District has been charged excessive amounts for Association employees performing services on behalf of the District = **Job Titles? Wages: Salary and Hourly rates? How many full or part time employees in each District cost center? How many employees are enrolled in the health care insurance policy? 401K matching?**

(2) **Agreeing to contracts involving the upgrade and/or rehabilitation of property belonging to the District,** including agreeing to a contract involving the installation of fiber optic cable for property belonging to the District. **No secrets!**

(3) **Maintain funds belonging to the District in a separate account** containing only funds of other governmental entities as required by Colorado law.

(4) Provide substantiation that bills incurred with respect to the management and operation of the District's property has been timely paid. HGMD requests **a monthly reconciliation showing amounts collected and approved expenses paid on behalf of the HGMD.**

(5) **Seek competitive bids** for work to be performed on behalf of the District

(6) **District's consent is required before demolishing certain property belonging to the District** and agreeing to a contract to replace such property with the **District's consent and with competitive bidding**

(7) Provide sufficient information concerning **a checking account into which District funds have been deposited** to confirm that District funds are only being used for the uses permitted by the Management Agreement and that amounts being remitted to the District from that account are correct

(8) Provide the **administrative services** required by the District to perform its functions, including preparation and posting of timely notices of District Board meetings, timely Board packets, and timely minutes of District Board meetings and **access to copier and printer** for **District Committees and the District Board.**

(9) Acknowledge and honor the provisions of the Management Agreement stating that all **operational and management decisions made by the Association in carrying out its duties thereunder would be subject to the policies, budgeting, finances, and oversight of the District.**

(10) Acknowledge and honor the provisions of the Management Agreement stating that the **final responsibility and authority for all District funds and assets was vested in the District.**

From the Original Complaint filed on December 22, 2023

READER'S DIGEST EDITION

1. Labor Accounted For:

- Job Titles
- Job Descriptions
- Department
- Salary or Hourly Wage (ranges do not work)
- Full or Part-time
- Benefits - including health and 401K

2. Restore Administrative Services -

- HGMD Board Meetings: Timely notices, agendas, Zoom Information, Zoom Operation, Board Packets
- Access to Copier, Printer, Stapler, Hole Punch for Directors and District Committee Meetings
- Creation and Posting of Meeting Minutes

3. District Properties: Contracts and Changes

- Reviewed by and approved by an HGMD Director
- 3 Competitive bids
- No multi-year Contracts
- Protections for the District: Warranties, guarantees, deadline, quality assurances for performance and materials used, etc.
- No renovations, repairs, demolitions may be completed without the written consent and approval of the District Board of Directors.
- Complete transparency at the beginning of the decision making process

4. Accounting for District Finances

- Maintain funds belonging to the District in a separate account
- A monthly reconciliation showing amounts collected and approved expenses paid on behalf of the HGMD
- Checking account for HGMD only funds

5. Governance

- **Operations and Management** - the HGA Management, in carrying out its duties thereunder, would be subject to HGMD policies, budgeting, finances, and oversight
- **Acknowledgement** - HGA must state and agree that HGMD has the **final responsibility** and **authority** for all District funds and assets.
- **Litigation:** If HGA Management comes under litigation for any reason, the HGMD Board of Directors must be notified immediately to assure that the interests and assets of the District are protected.