

# Hammocks Community Association Inc.

## Minutes of the Finance Committee Meeting October 18<sup>th</sup>, 2023 – 7:00PM

### 1. Call to Order

The meeting of the Finance Committee was called to order by Kristen at 7:05pm.

### 2. Determination of a quorum

Present: Receiver Judge Gersten is present therefore Quorum is established.

Advisory Board Members Present:

Kristen Gurucharri

Frank Perez

Chris Recicar

Evelio Aleman

Jesmany Jomarron, Association Counsel; Jackie D. Greenberg, Association CPA; Zoe Azpeitia, Anthony Serrone, Melissa Vazquez; FirstService Residential.

Resident sign in sheet attached, and approximately residents attending via zoom.

Judge Gersten formally appoints Anthony Serrone, with FirstService Residential, as Secretary for the purpose of taking minutes.

### 3. Proof of Notice of Meeting

Anthony Serrone advised that Management posted notice for the meeting on all the bulletin boards throughout the community and on the association website on Monday October 16, 2023.

### 4. Old Business

- **Judge Gersten** – we just settled another case for \$500,000. That is going into the treasury from the case against the attorneys. It was for the full amount of the insurance policy. The settlement was done by the attorneys at a very low cost. There is about 3 million dollars that has been collected. Here to listen to the concerns of the homeowners.
- **Kristen Gurucharri** – The questions were all answered and posted on the website from the previous meeting. They answered a lot of the questions from the last meeting regarding the review of the proposed budget.
- **Jesmany Jomarron** – The Budget Q&A was posted on the website and had answers from FSR and from the attorneys. It has different tabs with the neighborhoods and contracts. We have been getting more questions in and answering them for the past couple of days. All the questions we get today will be answered and posted on the website.

### 5. New Business

- Jesmany Jomarron – The draft budget was annotated and put online so that everyone could know what the budget was for. This was because people wanted to know what the budget line items were intended for.
- Kristen – After reviewing the minutes from the last meeting. Chicky Ardisson and I have an issue with the meeting minutes that were presented. Do not align with the last meeting.

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MOTION

**To not approve the meeting minutes as presented.**

Motion Made By: Kristen Gurucharri

Seconded by: Chris Recicar

- **Kristen Gurucharri – Committee Recommendations**
  - There is 2 million dollars that was collected through a settlement and was set aside for reserves to put towards capital improvements for the neighborhood and community Including clubhouse, trees, fencing, potholes. We are trying to decide what to put that money towards.
  - Jesmany Jomarron- A reserve is for a certain item where you would estimate the life expectancy and you would make a reserve budget line to collect over months or years. I would suggest a reserve study and allocate for the reserve study items.
  - Melissa Vazquez – That’s something we can put together as a recommendation for a list of projects that can take priority.
  - Kristen Gurucharri – We are interested in reserve items that owners think should be saved for. Please let us know what your opinions are.
  
- **Marco Antonio Real -**
  - For the next Q&A I want to know how much money we are behind?
- **Ray Gurucharri –**
  - Suggestion for security – we currently have 2 security guards. I think we should meet with the Hammocks Police Department for their call logs that describe hot areas and stats to help FirstService Residential get a better picture of what is going on.
  - Size of Hammocks – We pay a lot of taxes vs what is spent on the Hammocks which should be kept in mind when speaking to the Police Department. This may be able to shift things around in our favor.
  - If homeowners join the CAC a lot of information can be given to them to bring back to the community
- **Maria Lopez Peralta – Oakwood Estates**
  - I looked at the spreadsheets for electricity for the months of January, February, March, April and there are late fees. In addition, the amount on the spreadsheet is \$804 but that is not what was consumed. The past due amount was added to the current amount due so it does not accurately reflect the amount that should have been paid.
  - Melissa Vazquez – Thanks for bringing that to our attention. We are aware of late fees towards the beginning of year because Judge Gersten put together a program to investigate the meters and FPL accounts. There were over 45 FPL meters. We needed to verify that the money coming from The Hammocks was paying for the right accounts and meters. We were unable to pay the bills and they accrued late fees because we were not sure if we should be paying for that meter.
  - Maria Lopez Peralta – Can you instruct the staff to reach out to FPL to understand the calculations that don’t make sense.
  - Melissa Vazquez – The staff will be reaching out to FPL to understand the calculations and we will be adjusting the numbers in the budget.
  
- **Jamie Staton –** I am questioning how much of the 2 million dollars will be left over for individual neighborhoods after saving for clubhouse and common elements etc. The maintenance budget in my neighborhood is zero when it needs a lot of work.
  - Melissa Vazquez – As a clarification there is not zero allocated for R&M there were two separate lines that were combined. So, you will see \$0 in one line to show that we are not

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attributing money to it anymore and that money is transferred to the line that we will be using.

- Jaime Staton – We want to see where the money spent goes. We want to see the money that you budgeted is being put to work. The curbs are all a disaster and have been for 15 years.
- Melissa Vazquez – We can document that as a recommendation for the judge, but we need to make sure who's responsibility it is to take care of as far as Master association, the neighborhoods, and Miami-Dade.
- Jaime Staton – Just wanted to bring it up because there is a lot of things that need to be fixed.
- **Janine Manzano** – I sent email to FirstService Residential, and I didn't find answers satisfying. There is no line for reserves, there is no explanation on why the contingency was decreased, the telephone costs \$2,000 a month for the clubhouse, I would like to see invoice. As for the 23% on the FirstService Residential is that what we pay and then FirstService Residential pays the rest?
  - Melissa Vazquez – The 23% encompasses employee benefits and taxes.
  - Janine Manzano – So we pay for the employees salary? Also, will the beaches not be maintained in 2024?
  - Melissa Vazquez – That project is done and then the maintenance of the beaches will fall under general repairs and maintenance going forward.
  - Janine Manzano – There is no contract for pest control. Does this mean that there will be no fumigation for mosquito season?
  - Melissa Vazquez – There is no contract for pest control currently so there it was not budgeted for. If the board does decide to get a contract for that we can adjust the budget for that contract.
- **Rodrigo Rivera** – Have a tree that is growing towards the house that the roots are going towards the house.
  - Anthony Serrone – if you give me your information, we can have someone come to your house and look at the roots and decide how to move forward.
- **Jamie Staton** – The fountains need fixing in the lake.
- **Damarys Flagiello** - Why are you not approving the minutes from the previous meeting? Minutes are for dictating how the meeting went. How do we provide contracts to the board?
  - Melissa Vazquez – If there is a specific contract that the Advisory Board of Directors would like to get, they let us know and we get 3 competing bids. We have a wide network of contractors from all over the country. We get bids and give them to the Advisory Board. The Board would vote and approve which contract they would like to pick. Hammocks is different because receiver makes final choice with input from Advisory Board.
  - Damarys Flagiello – Why is there a lawyer at the Finance Committee meeting?
  - Kristen Gurucharri – So that if we have statutes and bylaws that we need to follow he is here to direct us to do so. Those laws aren't burned into my memory.
  - Damarys Flagiello – Were there ever lawyers present before?
  - Kristen Gurucharri – I am not sure, but we are doing the best we can now and being transparent with the community. It was at my request to have him here.
  - Damarys Flagiello – I have never seen the pool that is closest to my house up and running.
  - Kristen Gurucharri - Most neglected and it takes more finances and work to be completed.
  - Damarys Flagiello - Can we see the 2018 Audit?
  - Jesmany Jomarron – I have no idea where it is at. And we will put it on the list for the judge.
  - Damarys Flagiello – How do we access financial statements?
  - Melissa Vazquez – You can access them in the document section of the FirstService Residential Resident. It is separate from Hammock's website. You can speak with office if you need access.

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- **Laura Chevel** – Regarding the contract for the beach we want to see the cost and the scope of work and if we do not keep those clean it was a waste of money. Why on 2023 financial budget the actual column is only until the month of June when we have financial statements until August?
  - Melissa Vazquez – Regarding budget and annualized information, We start budgeting in July so we only have 6 months of data at that time, it annualizes the rest of the year gives us a baseline of data. The budget could change as time moves forward.
  - Laura Chevel – I suggest not having an election in 2024 to reduce ours cost and lowering cost of our management company.
- **Juan Ordonez** – We keep paying funds and we don't see anything being done. How are the funds allocated? How do we tell you what to do and what we want to see. If we don't ask for it will be used somewhere else.
  - Melissa Vazquez – Neighborhood committee is a great place to voice your opinion. The funds allocated to specific neighborhoods are segregated in the financial package. There are different Balance sheets and financial statements. The funds will not be moved around or used for separate items. The profit or loss for that neighborhood will stay with that neighborhood.
  - Juan Ordonez – I don't know how the money is being spent. The budget is there, and I will send emails and push to get what we want to see in the neighborhoods.
  - Melissa Vazquez- Neighborhoods committee is structured so that they can give recommendations to the Receiver and the Advisory Board of Directors. The funds are set aside per neighborhood, if funds are not spent, they sit in that neighborhood. Each neighborhood has an independent balance sheet and financial statement.
  - Juan Ordonez – So, if we don't use 2023 budget will it show for 2024?
  - Melissa Vazquez – Yes, it will show in the net profit loss section of the financial statements.
- **Liliana Gordon** – Information always goes from committee to committee and nothing every gets done. Everything has been the same for 15 years. Regarding the 2 million dollars – I am hoping that some of money will come back to us from being stolen. Regarding the allocation, we would not like to see fireworks, parties, Halloween, etc. as we do not have the money to do so. In favor of fences, shrubs, root removal, and overall improvement and gym.
  - Kristen Gurucharri – I know how frustrating it is that things are moving slow. We are planning on staffing the community so that we have enough people to make sure that improvements happen.
  - Liliana G – I suggest removing the private posts that were installed and to have FPL install their posts so that they must maintain it. Therefore, we can take it out of the budget for a line item that we don't need. At the top of the budget it says at the top that we have five million dollars.
  - Melissa Vazquez – That has nothing to do with money that we have in the bank. That is only for projection of expenses for the future. The expenses offset the revenue at the bottom to make the net profit zero. Rental income line represents the rental communities because it is brought in a different way. It is expenses minus other sources of revenue which equals owner assessments.
- **Jamie Staton** – I saw in spreadsheet, is Hammocks getting revenue because we are getting profit from the businesses?
  - Melissa Vazquez – No business within hammocks that owes the hammocks money. There are no revenue sharing agreements in terms of vendor agreements.
  - Jesmany Jomarron – Commercial business within the Hammocks are charged such as the good year down the street.
  - Jaime Staton – Is this a fixed fee?

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- Jesmany Jomarron – the commercial unit needs to pay just as everyone else in the Hammocks. The portion that they pay are all based on a certain criterion.
- **George Torres** – I have a recommendation for the funds - remove all curbs in chantarelle. They are all broken and a liability. What is being done with bricks that were on 112<sup>th</sup> and 147<sup>th</sup> Ave that were stacked on top of each other.
- **Ariana Garcia** reiterated George Torres' sentiment.
- **Anonymous ZOOM attendee** – why is security cost over \$800k and \$300k budgeted for maintenance workers?
  - Jesmany Jomarron – Security contract and proposals have been posted online and can be viewed.
  - Melissa Vazquez – The expenses that are included in the budget does not mean that those are expenses that will be spent for that year. The budget is built based off the contract to project for the expense. The security budget was based off of a quote for a need to increase security in The Hammocks
- **Frank Perez** – The line item for insurance, the amount proposed for 2024 is the 6 month annualized amount.
  - Melissa Vazquez – No insurance has been renewed so the number that is in the budget are the actual figures for the year.
  - Frank Perez – Where are the savings of insurance announced?
  - Melissa Vazquez – There were savings but the other lines increased so the savings offset the increase in the insurance.
  - Jesmany Jomarron - Supplemental information for insurance was posted online, for viewing, as well.
- **MarcoAntonio Real** – Please provide us with the bids for the companies that were not chosen to do the beaches, as well as the ones for lake doctor, and turf. How did we get to the point of delinquency 1.7 million?
  - Melissa Vazquez – We have been working to ensure accuracy of ledgers. Also, there are multiple units in different collection agencies. We are sending more to collection agencies to reduce delinquencies.
  - Marcoantonio Real - How many collection agencies do we have doing the job?
  - Melissa Vazquez – One. The only ones at Hammocks are the units that were under contract with the collection agencies that was there when the receiver stepped in.
- Kristen Gurucharri adjourns 8:47pm