

Hammocks Community Association Inc.

Minutes of the Finance Committee Meeting May 6th, 2024 – Clubhouse and ZOOM

1. Call to Order

The meeting of the Finance Committee was called to order by Pete Cabrera at 7:00pm.

2. Determination of a quorum

Present: Pete Cabrera
Evelio Aleman (ZOOM)
Katherine Johnson
Frank Morrison

Anthony Serrone, Melissa Vazquez; FirstService Residential.

3. Proof of Notice of the Meeting

Anthony Serrone confirmed that the Notice of the Meeting was posted on the Association website and on the bulletin board throughout the community on Wednesday, May 1st, 2024.

4. Approval of the Previous Meetings Minutes

MOTION

To approve the meeting minutes for April 17th, 2024, meeting of the Finance Committee.

Motioned by: Frank Morrison

Seconded By: Pete Cabrera

Motion Carries Unanimously

5. New Business

a. Review Financial Statement for March

- Melissa Vazquez reviewed the financial statements for the month of March with the Finance Committee. Financial statements attached.
 - Income
 - Monthly Expenses
 - Settlement Funds Received
 - Delinquencies
 - Estimated Special Project Expenses.

b. Review Reserve Statute

- The Committee Reviewed the statute for Reserve items as it relates to the budget and the need to save money for capital improvement projects that will have a significant cost associated. The committee members discussed different alternatives to saving this money including a reserve schedule, doing a reserve study, pooled and straight-line reserves, and a "Limited Voluntary Deferred Expenditure Account". Discussed the budget that was constructed in 2014 and how the neighborhoods each had their own reserves.

MOTION

To recommend to the Advisory Board of Directors and The Receiver to hire a Reserve Study specialist to put together a reserve study for The Hammock Community Association budget.

Motioned by: Katherine Johnson

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Seconded By: Frank Morrison

Discussion –

- Evelio Aleman stated that he agreed with getting a reserve study if the price was reasonable or looking to see if there was a previous budget that had a “healthy reserve” that we could use as a model and strive to put that amount of money away. Frank Morrison said that there used to be around 3.5 million dollars in an account with a schedule of the reserve components. It was discussed by the Association attorney (Jesmany Jomarron) that if there was a reserve study done that the money would have to be used for whatever components that they are scheduled for, which limits the Association as to what they can use the funds for. Jesmany suggested implementing a “Limited Voluntary Expense Account” to save money that would be able to be used for a variety of purposes. It was discussed that FirstService Residential could put together the calculations for this fund. Concerns were raised about FirstService’s ability to complete the task.

Vote –

Katherine Johnson, Frank Morrison – In Favor of the Motion

Evelio and Pete Cabrera – Against the Motion

Motion does not Carry

MOTION

To recommend to the Advisory Board of Directors to advise FirstService Residential to add a limited voluntary deferred expense account and calculations for the master and neighborhoods when constructing the next budget.

Motioned By: Pete Cabrera

Seconded By: Evelio Aleman

Discussion:

Pete Cabrera discussed the fact that the Finance Committee is all in agreement that there is money that needs to be saved. If the Committee is not happy with what FirstService Residential produces, there are other options that can be explored.

Motion Carries Unanimously

c. Review 2014 Neighborhood Budget for possible adaptation

- Discussed in previous section.

d. Role of The Finance Committee

- Frank provided the original charter for the Finance Committee. Katherine provided more suggestions. Attached to the minutes.
- Evelio had to leave the ZOOM due to work.

MOTION

To give the proposed list of roles and responsibilities from the Finance Committee to the Advisory Board of Directors to approve or deny.

Motioned By: Pete Cabrera

Seconded By: Katherine Johnson

Motion Carries unanimously

6. Old Business

a. Review suggestions for Time and Date of Finance Committee Meeting

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- The Committee discussed switching the dates of the Finance Committee so that the Finance Committee could be earlier in the month.

MOTION

To advise the Advisory Board of Directors that the Finance Committee Meeting be on the first Tuesday of each month.

Motioned By: Pete Cabrera

Seconded By: Katherine Johnson

Katherine Johnson, Frank Morrison, and Pete Cabrera in Favor. Evelio Aleman left the meeting.

MOTION

To recommend to the Advisory Board of Directors that the Finance Committee Meeting be held at 6pm instead of 7 pm.

Motioned By: Pete Cabrera

Seconded By: Katherine Johnson

All in Favor.

7. Owner Comments on Agenda Items

- **Maria Peralta – Oakwood Estates** – Can we see the 2014 template?
- **Frank Morrison** – I can send it to you.
- **Laura Chevel – Cedar Landing** – Finding company to do an audit.
 - **Jesmany Jomarron – Audit and annual meeting** – Audit will be given at the Annual member meeting. The Last Audited financial statements were from 2018. Judge Butchko waived the audit for 2019-2022.
 - **Laura Chevel** – Have the expenses from 2023 been paid?
 - **Melissa Vazquez** – Yes
 - **Laura Chevel** – Can you explain the legal fees
 - **Melissa Vazquez** – The fees are Divided by The Receiver, association fees, and the person who does the collections and money set aside for lawsuits that the association could have.

8. Adjournment

Motioned By: Pete Cabrera

Seconded By: Katherine Johnson

Meeting adjourned at 9:58pm

Motion Carries Unanimously