

RECEIVER'S NOTICE OF REMOVAL AS TO CARLOS VILLALOBOS

December 13, 2023

To: Carlos Villalobos

Subject: Removal of Carlos Villalobos as Chair of the Governing Documents Committee Due to Repeated Violations

Dear Mr. Villalobos:

This communication serves as a final action following the series of violations and subsequent warnings issued to you as the Chair of the Governing Documents Committee for Hammocks Community Association Incorporated.

Despite the previous notice of violation sent to you on September 28, 2023, which explicitly stated the consequences of repeated infractions, you have persistently disregarded fundamental rules and directives governing the functioning of the Governing Documents Committee. Your actions, detailed below, constitute grave breaches of the established regulations.

Timeline of Events

- Friday 12/1/23 at 12:14 p.m.

Dear Anthony,

We have not received yet the minutes for our meeting of **30th October**.

Will these be eventually produced?

I'm afraid we will have to cancel next Monday's proposed meeting and find a new date.

More than 30 days for the production of minutes is far from ideal.

Grateful for an update,

Kind regards,

Carlos

- Friday 12/1/23 at 12:23 p.m.

Anthony,

Carlos is correct. Can you get these out today so that we can proceed with the scheduled meeting?

Thanks

Receiver Judge David M. Gersten (ret.)

- Friday 12/1/23 at 12:49 p.m.

Good afternoon,

Of course, I am trying to get all of the outstanding minutes completed. I will confer with Zoe as I know she was dealing directly with the minute taker and I will check on the progress and get you an ETA of when you can expect them.

Sincerely,

Anthony Serrone

- Friday 12/1/23 at 1:04 p.m.

Thanks Anthony,

Please find the agenda attached, provided that it is approved by Jesmany and Judge Gersten.

The zoom address needs to be confirmed or changed; the notice needs to be posted today in the different bulletin boards and on the Hammocks website.

Best,

Carlos

- Friday 12/1/23

FSR confirmed posting the Notice to Owners of the Meeting of the Governing Documents Committee with the following agenda items:

1. Call to Order
2. Determination of a quorum
3. Proof of notice of meeting
4. Approval of meeting minutes from meeting on October 3[sic], 2023.
5. New Business

- a. Finalize discussion on the Committee's recommendations on the Hammocks Electoral Process.
 - b. Open discussion on Hammocks' Financial Safeguards.
6. Owner comments on agenda items
 7. Adjournment

- Monday 12/4/23 at 2:28 p.m.

Dear Judge Gersten,

Regrettably, it's 2 PM on the date of the meeting and we haven't received the minutes yet.

I have been asking those who were willing to attend and the decision is to postpone it, possibly for next Monday or within 2 weeks.

I hope you will understand us. It's been 40 days since our last meeting and there was time enough to deliver the job.

As you can understand, this is affecting the morale of the team.

Sincerely,

Carlos

- Monday 12/4/23 at 4:06 p.m.

Carlos,

You will be receiving an email from Jesmany very soon. It will explain that the meeting should proceed as scheduled.

Thanks

Receiver Judge David M. Gersten (ret.)

- Monday 12/4/23 at 4:09 p.m.

Dear Carlos:

Thank you for your email and for sharing your concerns regarding the pending minutes of the Governing Document Committee meeting on October 30, 2023.

I discussed your request to postpone the Governing Documents Committee meeting with the Receiver, Judge Gersten. Judge Gersten completely understands the importance of having minutes to document the discussions of the open meetings of the Governing Documents Committee. However, Judge Gersten would like to clarify that, while minutes serve as valuable records of our open meetings, they are not a prerequisite for holding a committee meeting.

The purpose of the Governing Documents Committee meetings is to deliberate on important matters and make progress on our agenda items. While the approval of minutes is indeed a standard procedure, we do not need to have them in hand to conduct the scheduled meetings. For example, had you been conducting weekly meetings, rather than monthly, there would have been no opportunity to secure the minutes before every subsequent meeting.

Notwithstanding, FSR confirmed you will have a draft of the minutes before the meeting today. If you do not have enough time to review and approve the minutes, we can address the approval of the minutes at the subsequent meeting.

Therefore, today's meeting should proceed with or without the minutes.

Jesmany Jomarrón

- Monday 12/4/23 at 4:22 p.m.

Thank you Jesmany.

I may also be attending the meeting if time allows. Therefore, I would appreciate a zoom link.

Receiver Judge David M. Gersten (ret.)

- Monday 12/4/23 at 5:36 p.m.

Good afternoon Carlos,

I am sending you the most updated version that I have [of the minutes]. This is the draft that Jesmany was speaking about earlier. We are going to try to fill the gaps that are in the document but I wanted to know if you wanted me to print these minutes for tonight's meeting.

Anthony Serrone

- Monday 12/4/23 at 5:48 pm

Please see attachment.

[Enclosure: Minutes of the October 30, 2023, meeting of the Governing Documents Committee.]

Anthony Serrone

- Monday 12/4/23 at 6:36 pm

Dear Judge Gersten, Mr. Jomarron,

I appreciate the efforts to have the minutes ASAP and the clarifications about it. We are, however, not ready without them and the committee approved to postpone the meeting.

We will probably be proposing another date tomorrow [sic] once we can all agree on a time, most likely next Monday.

Thank you again,

Carlos

- Monday 12/4/23 at 7:00 p.m.

The meeting should have started promptly at 7:00 p.m. FSR had prepared the Clubhouse for the meeting of the Governing Documents Committee. This included members of the team working late to run the Zoom and take minutes. The Receiver Judge David M. Gersten (ret.), Association Counsel Jesmany Jomarrón, Esq., Receiver's Counsel Eric Thompson, Esq., and several owners attended the meeting. The Receiver had to explain that the meeting was unilaterally canceled without proper notice by Carlos Villalobos, who disregarded the Receiver's contrary instruction.

Breaches of Established Regulations

1. **Unilateral Cancellation of a Regularly Scheduled Meeting:** On December 4, 2023, you unilaterally canceled the duly noticed meeting of the Governing Documents Committee scheduled for that same day at 7:00 pm. You indicated the committee met on their own and decided to cancel the meeting because the minutes of the prior meeting were not available. Timely notice was not provided to the owners or the Receiver—i.e., 48 hours' notice. At the scheduled time, several owners and the Receiver appeared in person and via Zoom. Moreover, FirstService employees worked late that evening to prepare the Clubhouse for the in-person meeting and to configure the Zoom access. Additionally, Association Counsel, Jesmany Jomarrón, Esq, and Receiver's Counsel, Eric Thompson, Esq., both appeared via telephone awaiting additional instructions from the Receiver.
2. **Disregard for Receiver's Instructions:** You stated as a basis for the cancellation of the meeting that the minutes of the prior meeting were not ready for review and approval. The Receiver received your request and denied the cancellation of the meeting for that reason. If the Receiver believed that it was appropriate to cancel that meeting due to the lack of minutes for the prior meeting, and to provide sufficient notice to the homeowners of any such cancellation, the Receiver would have authorized the cancellation of that meeting prior to the close of business on December 1, 2023. The Receiver did not do so, nor did you request, on December 1, 2023, that the Receiver authorize the cancellation of that meeting due to your failure to receive the minutes by the close of business that day. You blatantly disregarded the Receiver's direct instruction to proceed with the meeting despite the minutes of the prior meeting not being ready on time. You admitted to holding a meeting outside the presence of the owners where you decided to postpone the meeting despite the Receiver's contrary instructions and the additional business to be considered by the Committee, as reflected on the agenda for that meeting.
3. **Failure to Maintain Transparency and Avoid the Appearance of Impropriety:** According to your emails, you reached out to members of the Governing Documents Committee, and they voted to unilaterally cancel the meeting scheduled for the same day. This vote was done in a closed meeting outside the presence of the owners, FSR, the Receiver, and the Association's counsel. Notably, during the meeting of the Advisory Board of Directors on December 12, 2023, one (1) of the members of the Governing Documents Committee, Guillermo Roldan, appeared to contradict your statement and said he did not recall being consulted by you about canceling the meeting.

Your persistent defiance of the Oath of Office, Official Rules of the Board of Directors, and Receiver's Written Instructions despite being cautioned previously has necessitated immediate action. Therefore, for repeated offenses after due warning in the Notice of Violation, you are hereby removed as the Chair of the Governing Documents Committee effective immediately. Don Kearns will serve as the new Chair of the Governing Documents Committee temporarily until a new Chair is appointed.

Your continuous disregard for the established regulations and directives severely undermines the core values of transparency, fairness, and integrity that govern the operations of Hammocks Community Association Incorporated. Please refrain from holding yourself out as the Chair of the Governing Documents Committee or organizing any further proceedings of the Governing Documents Committee.

Should you have any inquiries or require further information regarding this decision, please contact the Receiver's attorney, Melanie Damian, at Mdamian@dvlip.com.

Thank you for your understanding.

Sincerely,
Receiver Judge David M. Gersten (ret.)

RECEIVER’S CHARGING INFORMATION

1. According to the Receivership Order, Judge David M. Gersten (ret.) is deemed the Board of Directors of the Hammocks during the Receivership while the Advisory Board of Directors sits in an advisory capacity to the Receiver.

2. Article V, Section 5, of the Restated By Laws of Hammocks Community Association Incorporated (the “Bylaws”) provides that the Board of Directors establishes and names the committees of the Hammocks. The Bylaws further provide that the committees “shall keep regular minutes of their proceedings and shall report the same to the Board as required.” Art. V, § 5, Bylaws.

3. Section 720.303(2)(c)(1), Florida Statutes, provides in relevant part:

Notices of all board meetings must specifically identify agenda items for the meetings and must be posted in a conspicuous place in the community at least 48 hours in advance of a meeting, except in an emergency.

4. The Official Rules of the Board of Directors provides in relevant part:

Meetings

Notices of all Board and Committee meetings must specifically identify Agenda items for the meetings and must be posted in all community bulletin boards as well as on the Hammocks website <https://www.hammockscommunityassociation.info/> at least 48 hours in advance of a meeting, except in an emergency.

. . . .
Committees

Meetings of Committees are open to all members. Committees will transact business in the same manner as the Board of Directors.

5. The Receiver established and named the Governing Documents Committee upon the recommendation of the Advisory Board of Directors.

6. The Receiver appointed the Hammocks property manager, FirstService Residential (FSR), to attend all meetings of the Governing Documents Committee and take minutes to be reported to the Receiver and published to the owners.

7. The Receiver required the Association's Counsel to attend all meetings of the Governing Documents Committee.

8. The Receiver appointed Carlos Villalobos to serve as the Chair of the Governing Documents Committee.

9. During the meeting of the Advisory Board of Directors on September 19, 2023, Carlos Villalobos admitted to the owners, directors, and Receiver that, despite being required to have open meetings with FSR and the Association's counsel present, he conducted "regular internal virtual gatherings" that were closed to the owners, FSR, Association counsel, and the Receiver.

10. As a result of these secret meetings, the Receiver issued a Notice of Violation on September 28, 2023, against Mr. Villalobos for violating the Oath of Office to avoid the appearance of impropriety, the Official Rules requiring open committee meetings, and the Receiver's written instructions requiring FSR and the Association's counsel to be present at all meetings of the Governing Documents Committee. A true and correct copy of the September 28, 2023, Notice of Violation against Mr. Villalobos is attached as Exhibit A.

11. The Notice of Violation cautioned that:

The holding of secret meetings was a tactic employed by the prior board of directors, and it is imperative to emphasize that such practices will not be tolerated under any circumstances at the Hammocks.

12. The Notice of Violation warned Mr. Villalobos that:

[A]ny repeated infraction will result in your removal as an Advisory Director and as Chair of the Governing Documents Committee.

13. On Friday, December 1, 2023, Mr. Villalobos submitted a proposed notice for the meeting of the Governing Documents Committee to take place on Monday, December 4, 2023, at 7:00 p.m., which included agenda items to finalize recommendations for the upcoming Election and an open discussion regarding Hammocks' financial safeguards.

14. Mr. Villalobos instructed FSR to post the notice on all community bulletin boards and the Hammocks website after approval by the Receiver.

15. The Receiver approved the proposed notice, and FSR posted the notice as instructed by Mr. Villalobos.

16. The posting of the notice on December 1, 2023, allowed more than 48 hours of advance notice to the owners in compliance with the Official Rules of the Board of Directors and applicable Florida Statutes.

17. Although both Mr. Villalobos and the Receiver expressed concern over FirstService's failure to provide the minutes of the October 30, 2023, meeting, it was decided by both Mr. Villalobos and the Receiver to proceed with the meeting and post the required 48-hour notice on December 1, 2023.

18. Notably, at no time on December 1, 2023, did Mr. Villalobos request that the Receiver authorize a timely cancellation of the December 4, 2023, meeting due to his failure to receive the October 30, 2023, meeting minutes by the close of business that day.

19. On Monday, December 4, 2023, at 2:28 p.m., Mr. Villalobos emailed the Receiver stating, “I have been asking those who were willing to attend and the decision is to postpone it”

20. Mr. Villalobos stated the decision to postpone the meeting was made by the committee because they did not have a copy of the minutes from the prior meeting.

21. On Monday, December 4, 2023, at 4:09 p.m., the Association’s counsel and the Receiver emailed Mr. Villalobos to confirm their attendance and advise that the meeting would not be canceled because the minutes could be approved in a subsequent meeting—i.e., “Therefore, today’s meeting should proceed with or without the minutes.”

22. Notwithstanding, FSR delivered the minutes to Mr. Villalobos at 5:48 p.m.

23. At 6:36 p.m., less than half an hour before the commencement of the meeting for the Governing Documents Committee at 7:00 p.m., Mr. Villalobos emailed the Receiver unilaterally canceling the meeting without proper (48-hour) notice to the owners.

24. The following is the entire communication from Mr. Villalobos unilaterally canceling the meeting claiming that he met with the committee to approve the postponement of the meeting (emphasis added):

Dear Judge Gersten, Mr. Jomarron,

I appreciate the efforts to have the minutes ASAP and the clarifications about it. We are, however, not ready without them and ***the committee approved to postpone the meeting.***

We will probably be proposing another date tomorrow [sic] once we can all agree on a time, most likely next Monday.

Thank you again,

Carlos

25. Mr. Villalobos' meeting with the committee to approve the postponement of the meeting was done in secret because it was outside the presence of the owners, FSR, and the Association's counsel.

26. Mr. Villalobos was not authorized to meet with the committee in secret to vote on the postponement of the meeting.

27. Mr. Villalobos was not authorized to disregard the Receiver's instruction to proceed with the meeting despite the late-delivered minutes.

28. FSR, the Receiver, the Receiver's legal team, and multiple owners all attended the meeting either in person or via Zoom.

29. The Receiver addressed those in attendance to explain the meeting had been duly noticed at the direction of the Receiver after approval by Mr. Villalobos on Friday, December 1, 2023.

30. The meeting could not be canceled on the same day of the meeting because that would be less than 48 hours' notice to the owners.

31. There is no rule requiring minutes to be provided to a committee as a precondition to a regularly scheduled meeting of the Governing Documents Committee.

32. Notably, there were two (2) other agenda items noticed for the December 4, 2023, meeting:

- a. Finalize discussion on the Committee's recommendations on the Hammocks Electoral Process.
- b. Open discussion on Hammocks' Financial Safeguards.

33. Mr. Villalobos again violated the rule against no secret meetings by meeting with the committee and voting to postpone the meeting outside the presence of the owners, FSR, and the Association's counsel.

34. Mr. Villalobos violated this rule despite a prior Notice of Violation and warning that a repeated violation would “result in your removal as an Advisory Director and as Chair of the Governing Documents Committee.”

35. Mr. Villalobos again violated the Oath of Office by allowing the appearance of impropriety by unilaterally canceling a meeting without authority, disregarding the Receiver’s written instructions, and meeting in secret with the committee.

36. While Mr. Villalobos claimed, “the committee approved to postpone the meeting,” in his December 4th email, a member of the Governing Documents Committee, Guillermo Roldan, contradicted Mr. Villalobos’ statement.

37. During the meeting of the Advisory Board of Directors on December 12, 2023, Mr. Roldan stated that he did not recall Mr. Villalobos contacting him to vote on the postponement of the December 4, 2023, meeting.

38. These conflicting statements create a further appearance of impropriety.

39. Mr. Villalobos’ persistent defiance of the Oath of Office, Official Rules of the Board of Directors, and the Receiver’s Written Instructions despite being cautioned previously has necessitated immediate action.

40. Therefore, pursuant to the Notice of Violation for repeated offenses after due warning, CARLOS VILLALOBOS is hereby removed as the Chair of the Governing Documents Committee effective immediately.

41. Donald Kearns is appointed the Chair of the Governing Documents Committee temporarily until a new Chair is appointed.

42. Mr. Villalobos’ continuous disregard for the established regulations and directives of the Association severely undermines the core values of transparency,

fairness, and integrity that govern the operations of Hammocks Community Association Incorporated.

43. This serves as a final warning that any repeated infraction will result in the removal of Mr. Villalobos as an Advisory Director.

Sincerely,
Receiver Judge David M. Gersten (ret.)

**RECEIVER’S NOTICE TO OWNERS OF
NOTICE OF VIOLATION ISSUED TO CARLOS VILLALOBOS**

Dear Owners:

We hope this message finds you in good health and spirits. We are writing to inform you of a recent development regarding one of our Advisory Directors, Carlos Villalobos.

Following a thorough investigation, the Receiver has issued a formal Notice of Violation to Mr. Villalobos. This notice is in response to repeated violations of the rules that govern the Hammocks.

Specifically, the violations include:

1. **Oath of Office:** Mr. Villalobos failed to uphold the Oath of Office, which mandates that all Advisory Directors “avoid the appearance of impropriety.”
2. **Official Rules of the Board of Directors:** Mr. Villalobos violated the Official Rules, which mandate that “Meetings of Committees are open to all members.”
3. **Receiver’s Written Instructions:** The Receiver explicitly instructed that the Association's counsel, Jesmany Jomarrón, attend all meetings of the Governing Documents Committee. Mr. Villalobos did not adhere to this directive.

Mr. Villalobos admitted to the Receiver that he conducted “regular internal virtual gatherings” of the Governing Documents Committee outside the presence of the owners and the Association’s counsel. Mr. Villalobos also admitted to this behavior during a meeting of the Advisory Board of Directors. During this meeting, the majority of the advisory board members (6 out of 7) and numerous owners present deemed this behavior inappropriate and inconsistent with the core principles of transparency, fairness, and integrity that guide our association.

It is imperative to emphasize that holding secret meetings was a tactic employed by the prior board of directors, and such practices will not be tolerated at the Hammocks. This Notice of Violation serves as a stern warning, indicating that any future violation will result in Mr. Villalobos’ removal as an Advisory Director and Chair of the Governing Documents Committee.

We trust that all members of our community are committed to upholding the highest standards of transparency and ethical conduct. We appreciate your attention to this matter, and we believe that together, we can ensure the continued success and integrity of our association.

If you have any questions or require further information, please do not hesitate to reach out to the Receiver’s attorney, Melanie Damian at Mdamian@dvllp.com.

Sincerely,
Receiver Judge David M. Gersten (ret.)

(A copy of the Notice of Violation issued to Carlos Villalobos follows)

RECEIVER'S NOTICE OF VIOLATION AS TO CARLOS VILLALOBOS

To: Carlos Villalobos
Advisory Director and
Chair of Governing Documents Committee

Subject: Receiver's Notice of Violation Against Carlos Villalobos

Dear Mr. Villalobos:

This letter serves as a Notice of Violation issued by the Receiver of Hammocks Community Association Incorporated. We have received information and conducted an investigation regarding your recent actions as an Advisory Director and Chair of the Governing Documents Committee.

It has come to our attention that you have been in violation of several critical rules and directives:

1. **Oath of Office:** You have failed to uphold the Oath of Office, which mandates that all Advisory Directors "avoid the appearance of impropriety."
2. **Official Rules of the Board of Directors:** You have violated the Official Rules, which mandate "Meetings of Committees are open to all members."
3. **Receiver's Written Instructions:** The Receiver explicitly instructed that the Association's counsel, Jesmany Jomarrón, attend all meetings of the Governing Documents Committee. This directive was not adhered to by you.

You admitted in writing to the Receiver that you conducted "regular internal virtual gatherings" of the Governing Documents Committee outside the presence of the owners and the Association's counsel. You also admitted to your behavior during a meeting of the Advisory Board of Directors. During the meeting, 6 out of the 7 board members, and numerous owners present, agreed this behavior is inappropriate and inconsistent with the fundamental principles of transparency, fairness, and integrity that govern the operations of the Hammocks Community Association Incorporated.

Your conduct was in direct contravention of the rules and bylaws that guide our operation. The holding of secret meetings was a tactic employed by the prior board of directors, and it is imperative to emphasize that such practices will not be tolerated under any circumstances at the Hammocks.

This Notice of Violation serves as a warning that any repeated infraction will result in your removal as an Advisory Director and as Chair of the Governing Documents Committee. It is crucial that all members of the Advisory Board of Directors demonstrate a commitment to upholding the highest standards of transparency and ethical conduct and to avoid all appearances of impropriety.

We trust that you will take this notice seriously and that you will make the necessary adjustments to your conduct moving forward. Should you require clarification or have any questions regarding this matter, please do not hesitate to contact the Receiver's attorney, Melanie Damian at Mdamian@dvlip.com.

Thank you for your immediate attention to this serious matter.

Sincerely,
Receiver Judge David M. Gersten (ret.)