



HAMMOCKS UPDATE

November 2021

<https://www.hammockscapehazefl.com>



Eagle Flies Over Hammocks

A special thank you to Marty Atkins for contributing the pictures for this Update.

Call for Board Members

The first notice of the January 25, 2022, Owners' Meeting was mailed and included a **call for candidates** to run for each of the three Associations' Boards.

The Master Association:	Three Openings (Members serve two-year terms)
Preserve Association:	Three Openings (Members serve two-year terms)
Villas Association:	Five Openings (Members serve one-year terms)

Please consider running for one of the Boards. This is an opportunity for residents to become involved in the community, meet new people, and contribute to the community's growth. Whether you are new or a longtime owner, please consider serving on a board. Watch for the mailings and notices!

Candidate cutoff date is December 14, 2021; candidate information sheet due December 19, 2021.

If interested and have questions, contact a current board member to answer your questions.

2022 BUDGET MEETINGS NOVEMBER 30, 2021

The Master, Preserve, and Villas Associations' Boards of Directors will each hold meetings November 30, 2021, to take questions and comments from owners prior to voting on the proposed 2022 budget for their associations. Owners are invited to attend the two relevant meetings: All owners are members of the Master Association and are encouraged to attend the Master Board meeting; owners will also attend either the Villas or the Preserve Associations' board meetings, based on where they live.

A major function of a condo association's board of directors is to develop an annual budget to cover maintenance/operating costs and to save for large future costs, such as painting and replacement costs (such as our roofs).

The process for each board to develop and approve an annual budget is driven by Florida statute. The proposed budgets must be mailed to owners 14 days prior to the annual budget board meeting where boards vote on the budget. Receiving the budget in advance of the meeting provides owners the opportunity to review the budgets and discuss them with board members and to develop questions for board members during the meeting.

Board Governance and the Budgets

The three associations are separate, independent, legal entities with separate boards, responsibilities, and with independent budgets created by their boards of directors.

Master Association: All 162 owners belong to the Master Association. The Master oversees all the grounds, common facilities (clubhouse, fitness center, pump house, tennis courts), security, gates, roads, lighting, etc. Every unit owner pays the same assessment fee whether they live in a villa or in a condo.

Preserve Association: Consists of 134 units. The Preserve Association oversees the 13 buildings that house condominiums.

Villas Association: Consists of 28 units. The Villas Association oversees the seven buildings housing the 28 villa units.

2022 Budgets: The three Associations' boards gave preliminary approval to their 2021 budgets in early November and mailed their budgets to all owners for their review and comments.

Master Association 2022 Budget Compared to 2021

TOTAL MASTER ASSOC EXPENSES	2021	2022
Total Operating Expense	648,686	654,626
Total Reserves	50,544	52,060
TOTAL OPETATING + RESERVES	\$ 699,230	\$ 706,686
UNIT ASSESSMENT (ALL UNITS) - MONTHLY		
**MAINTENANCE (Operating)	334	337
**RESERVES	26	27
TOTAL	\$ 360	\$ 364
** All 162 unit owners belong to the Master Association. The Master budget is a separate expense from the Villas or Preserve Association expense that pays for common expenses, such as the pool, fitness center, all the grounds, gates, roads, etc. These fees are collected monthly with those of either the Preserve Association or the Villas Association, according to where the unit owner lives, to avoid requiring owners to submit two monthly payments.		

What Do Your Master Association Fees Buy?

The Master Association pays for myriad homeowners' costs. An overview of the 2022 costs include:

Administration: In this category, the Master Association payroll decreased significantly (from \$108,000 to \$26,250) due to the reallocation of personnel costs to the Preserve and Villas Associations where services are performed rather than being paid by the Master. The Preserve Association has received the largest increase in expenses from this change, although the Villas have experienced a new line item. This category includes administrative fees, payroll, and telephone/TV/Internet line items. The total administration costs are \$56,885 or \$29.26 per unit/month.

Insurance: Master Association's annual insurance costs increased by \$5,267. Total costs are \$38,871 or \$20 per unit/month.

Maintenance – Building: Pest control service increased 3%; the janitorial services line item (Full Circle) was previously included in the payroll category but is now being reported in the Preserve budget; all security line items are now included in the Maintenance-Grounds category; all other services remain the same. Total costs \$28,800 or \$14.81 per unit/month.

Maintenance-Grounds: Our grounds or landscaping contract was terminated in October, and, after the bidding process, we entered a new three-year contract beginning November 1, 2021. Unfortunately, the new contract is a 72% increase which is attributed to landscaping vendors having large increases in personnel costs, fuel, insurance, supplies and equipment. The irrigation and sprinklers line item stayed the same, however the system is aging, and we may see higher expenses in the future. Landscape improvements include implementation of a rolling three-year plan recommended by the Landscape Committee and approved by the Master Board. The plan includes \$20,000 annually to refurbish sections of the original landscaping planted in 2006-2007. Typically, this includes some areas in the villas, preserves and common

areas. *Landscape maintenance* and *grounds maintenance* line items from the 2021 budget are combined for 2022 for ease of explanation. This includes mulch; trimming trees over 15 foot tall; replacing warranty plants; annual plants; sod as needed; removal of dead trees; and overall landscape maintenance. Pond maintenance is a monthly service that recently has included plantings around the ponds. Wetlands maintenance includes spring and fall spraying of invasive species as outlined in our documents and trimming the mangroves once a year. Security is a new combination of line items from the 2021 budget that includes automobile entry gates, cameras, key cards, and walking gates. This category total expenses increased from \$153,731 to \$215,987 or \$111.10 per unit/month.

Maintenance Pools: This includes an increase in the annual pool contract; however, we implemented a multi-year contract to hold costs down. This also includes supplies, repairs and heat for the pool and spa. Total costs are \$10,620 or \$5.26 per unit/month.

Minimum repairs budgeted for tennis courts.

Utilities: The bulk cable/TV contract is the largest expense in this category. Owners receive basic cable, two HD boxes, and high-speed internet. The contract expires in 2024. While electricity, refuse/recycling and water/sewer all increased, the association has no control over these costs. Total utilities expenses are \$306,963 or \$157.90 per unit/month.

Reserves Schedule: An automatic \$3% increase is included in the pooling method on the reserve schedule. A new reserve study will be undertaken in 2022, which may show an adjustment in these totals going forward. The total reserves expenses for this year are \$52,060

Total Operating Expenses: \$654,626 – Monthly Unit Assessment = \$337

Total Reserves Expenses: \$52,060 – Monthly Unit Assessment = \$27

TOTAL 2022 MASTER MAINTENANCE AND RESERVES EXPENSES: \$706, 686

TOTAL 2022 MASTER MONTHLY UNIT ASSESSMENT: \$364

This is a \$4.00 monthly increase over 2021. This increase is a combination of the large increase in the landscaping contract, along with incremental increases in insurance, utilities, and other contracts; along with the decrease in the payroll and janitorial services that have been moved to the budgets allocated according to the services provided in the Preserve and Villas.

For questions, contact Debbie Maysack, Master Association President @ hcmdebbiemaysack@gmail.com



One of the Hammocks' Sandhill Cranes (Marty Atkins)

Preserve Association Budget 2022

The Preserve Association is located on/near the preserve/wetland area bordering Lemon Lake and consists of the 13 buildings housing 134 condo units. The Association is responsible for the exterior areas of the buildings while owners are responsible for the interior of their units only, "from the paint in."

PROPOSED PRESERVE BUDGET 2022		
	2021	2022
Preserve Operating	353,874	521,876
Preserve Reserve	155,976	160,800
Total Preserves Expenses	\$ 509,850	\$ 682,676
Master Operating	536,995	541,376
Master Reserves	41,805	43,052
Total Master Expenses	\$ 578,800	\$ 584,428
Total Combined Master & Preserves	\$ 1,088,650	\$ 1,267,104
Master + Preserve Unit Assessment - Monthly	2021	2022
Master/Preserve Maintenance	554	661
Master/Preserve Reserves	123	127
Total	\$ 677	\$ 788
<i>Fees presented above are based on 134 units, 12 months payments.</i>		

What Do Your Preserve Association Fees Buy?

The rising costs of property insurance, landscape maintenance and other basic services previously included in the Master Association budget result in a significant increase in the Preserves proposed operating budget for 2022. The total budget increase is \$178,766 or 16.4%. Homeowner monthly dues increase from \$677 to \$788.

Insurance: As many are aware, the extent of recent fire and weather-related disasters have negatively impacted property insurance carriers. The Association has received industry updates throughout the year and unfortunately, no news has been good. The budget for 2022 of \$200,000 is the recommended estimate from our agent, Atlas Insurance, Sarasota. The budget for 2021 was \$123,034, the actual 2021 premium was \$137,855. The actual premium for 2022 will be known in mid-December once final carrier offers are received. Estimated premium increases for other Association insurance policies (Flood, General Liability, Crime, Director's & Officers, Workers Compensation, Umbrella) are modest.

Infrequent Expenses: One-time or infrequent expenses also create budget increases. In 2022 the Preserves must conduct a required internal inspection of the fire sprinkler pipe system. This inspection (\$9,520) is done once every five years. Also, the fire alarm monitoring system (cell dialers) require an upgrade (\$8,277) in 2022. On the positive side, renegotiated contract terms with our elevator service provider (Kone) along with the elimination of Comcast provided landlines result in a reduction in elevator maintenance services (\$18,028).

Master Association Expenses: While the Master Association Board develops the Master budget, the costs are shown on the Preserve budget sheet. By doing so, owners make pay one monthly payment, rather than two. (The Villas Association has the same requirement.) Preserve unit owners comprise approximately 83% of the Master membership and pay that amount of the Master budget. The 28 Villas' unit owners comprise 17% of the Master membership and pay that amount of fees.

The Master Association budget for 2022 projects a 4% increase, notably for landscaping, insurance, and cable television expenses. As noted above, the increase is a combination of the large increase in the landscaping contract, along with incremental increases in insurance, utilities and other contracts. One substantive change in Master Association expenses adversely affects the Preserve budget in 2022. Grande Properties, at the request of the Villas Association Board, analyzed the time spent by the outside janitorial firm (Full Circle) and maintenance performed by the facilities manager. As a result, most of these expenses are now direct expenses within the 2022 Preserve budget. Some of these expenses remain within the Master Association budget for maintenance and cleaning common facilities.

The Preserve Board will convene on November 30, 2021, for a final review and approval. In the meantime, if you have questions or comments, please reach Jim Ackinson, Preserves Treasurer at ackinsonpreserves@gmail.com



Hammocks Alligator (Marty Atkins)

Villas Association 2022 Budget

The Villas Association oversees the buildings housing the 28 villas units. The Villas Association budget is less complicated than the Master and Preserve Associations due to its small number. Building insurance and reserve funds comprise the other major components of their budget. The reserve fund has only two items: replacing roofs and painting.

PROPOSED VILLAS ASSOCIATION BUDGET 2022		
	2021	2022
Villas Operating	71,618	85,783
Villas Reserve	25,200	39,675
Total Villas Expenses	\$ 96,818	\$ 125,458
Master Operating (Villas Owners Portion)	112,224	113,232
Master Reserves (Villas Owners Portion)	8,736	9,072
Total Master Expenses (Villas Owners Portion)	\$ 120,960	\$ 122,304
Total Combined Master & Preserves	\$ 217,778	\$ 247,762
Master + Villas Unit Assessment - Monthly	2021	2022
Master/Villas Maintenance	547	592
Master/Vilas Reserves	101	145
Total	\$ 648	\$ 737
<i>Fees presented above are based on 28 Villas Assoc units, 12 months payments.</i>		

What Do Your Preserve Association Fees Buy?

The Villas Association Board works to present an annual budget to their owners, designed to cover financial obligations for the coming year and long-term reserve costs of painting the seven Villas Association buildings and replacing their roofs. The 2022 Villas portion of the monthly assessment fees will increase to \$89 (reserve fund +\$43, insurances +\$28, error on last year's insurance +\$18).

Master Association Expenses: While the Master Association Board develops the Master budget, the costs are shown on the Villas budget sheet. When the developers created the Association, they called for the Master and Villas Associations' fees to be collected together. By doing so, the owners pay one monthly payment, rather than two. (The Preserve Association has the same requirement.) Villas unit owners comprise approximately 17% of the Master membership. All Hammocks 162 units pay the same Master fees.

Roof Replacement: The most expensive future item is the replacement of our metal roofs. It is necessary to collect adequate funds for the reserve fund for replacement. Unfortunately, the Roof Replacement Reserve has not kept pace with estimated replacement costs from the beginning of the Association. The good news is the estimated useful life of this type of roof is 40-50 years, with frequent inspections and maintenance. The Villas Association will have a Reserve Study in 2022, which will include the roofs, to ensure the Board has up-to-date replacement costs. The Association

will need to play catch-up on the underfunding going forward, which will mean higher Villas Association fees.

The Board is currently collecting 47% of the annual funds needed to meet the life expectancy of the roofs, which will most likely call for a special assessment from owners to replace the roofs when it is time. The estimated replacement for all the buildings is estimated to be \$1,700,000 to \$1,950,000 resulting in a potential future special assessment as high as \$30,000 per owner if more funds are not collected each year! While most owners don't want to think of roof replacement 25-30 years down the road, the yearly financial statements are scrutinized by mortgage lenders for property sales involving outside financing. Insurance companies also review them when setting our community insurance rates. *Underfunding is seen as a red flag to lenders.*

The results of the 2022 Reserve Study will be communicated at an open Villas Owners Meeting sometime in the first quarter of 2022. The Board encourages all owners to attend the meeting in person or via Zoom. Your comments and input are always welcome. Association meetings are always noticed by an email from Management. Feel free to join us!



Hibiscus (Marty Atkins)

MARK YOUR CALENDARS! UPCOMING MEETINGS

~ All Meetings Via Zoom ~

Tuesday, November 30, 2021 Board Meetings to Approve 2022 Budgets

9 AM - Master BOD 10 AM - Preserve BOD 11 AM -Villas BOD

Boards to vote to approve 2021 Budgets

Tuesday, January 25, 2022: Owners' Annual Meeting

9 AM - Master BOD 10 AM - Preserve BOD 1 PM - Villas BOD

Board Meetings

Master Association	4 th Tuesdays of Month (if needed)	9 A.M.
Preserve Association	4 th Tuesdays of Month (if needed)	11 A.M.

Connecting to Hammocks Wi-Fi

Clubhouse	ID: Hammocks Clubhouse	Password: hammocks.
Pool Area	ID: Community Xfinity	Password: Personal Xfinity Password
Fitness Center	ID: Cable Wi-Fi	Password: Personal Xfinity Password

The *Hammocks Update* is developed by Carolyn Maddy-Bernstein and Debbie Maysack. Please contact Carolyn if you have any comments or suggestions. (434-996-6033; hcommaddybernstein@gmail.com)

8660 Amberjack Circle, Englewood, FL 34224

E-mail propertymanager@hammockscapehaze.net

941-698-2989 <https://www.hammockscapehazefl.com>



Office Hours and Contact Information

Liz Napolitano, Office Manager on Site
Wednesday 2-5 p.m. (Appointment Recommended)

Contact Information at All Times - Weekdays, Nights and Weekends
Contact Property Manager Kathy Dressel ~ Phone 941-698-2989 or
propertymanager@hammockscapehaze.net

Emergencies: Call 941-698-2989, follow the prompts (5 for Hammocks Residents/8 for after-hours/weekends emergencies).

Non-emergency Issues: Complete a Work Order or Contact Property Manager
(Work Orders Are On-line or in Rack on Wall Outside Office)

Questions? Contact a Board Member
(Contact Info at <http://www.hammockscapehazefl.com>)