

# Hammocks Community Association Inc.

## Minutes of the Finance Committee Meeting January 16th, 2024 – 7:00PM

### 1. Call to Order

The meeting of the Finance Committee was called to order by Idalmen Ardisson at 7:07 pm.

### 2. Determination of a quorum

Present: Idalmen Ardisson  
Frank Perez  
Chris Recicar  
Evelio Aleman

Anthony Serrone, Melissa Vazquez, Alyson Theale; FirstService Residential.

Idalmen Ardisson – Kristen was here, and she was ill, so she had to go home.

### 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 Friday, January 12, 2024.

Idalmen Ardisson: Are we providing notice of the meeting to the other 22 communities?

Anthony Serrone: We are hanging up on the neighborhoods of the 18 Hammocks managed communities.

### 4. Approval of previous meeting's minutes

Motioned By: Idalmen Ardisson

Seconded By: Frank Perez

**Motion Carries Unanimously**

### 5. Old Business

- **Idalmen Ardisson** – There was a budget that was voted on in December of 2023. Do we know when the budget will be distributed through the mail?
- **Melissa Vazquez** – The Budget has been mailed out and homeowners should be receiving it soon.

### 6. New Business

- **Security Contract Renewal**
  - **Idalmen Ardisson** – We have Melissa Vazquez here because we asked her to be here at the last meeting. The question I have is where did you get the number for the contract security line?
  - **Melissa Vazquez** – I got it from the first Elite Guard security proposal.
  - **Idalmen Ardisson** – Was it the quote that was provided in 2023 or was it a new one?
  - **Melissa Vazquez** – It was a new one that was provided by Elite. Probably from July or August of last year.
  - **Idalmen Ardisson** – Last year's budget estimate in 2023 and the estimate was \$1.4 million dollars, what was paid was \$614,000. That amount sounds like a saving, how can we be so off? I know it is an estimate but that is a really big difference. The alarming part but when you go to the variance report is \$0. Can you explain what happened?
  - **Melissa Vazquez** – when I was working on the budget for 2023, there were additional services that were budgeted for including increasing the number of guards that would patrol. The

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services were never increased. That was the reason why the neighbors did not incur any expenses. It was incurred on a master level. In 2024, it was requested that we remove the security from the neighborhoods and move to the master which is why you see the difference. The money that was collected remains in the neighborhood.

- **Idalmen Ardisson** – Well the services were incurred because the 18 communities saw those services and the 22 communities that have local associations didn't. It doesn't make sense how the services were never incurred by the 18 communities and the other 22 communities, who pay into the master, did not see any of that service. If there was a change as to how security was going to be delegated into the communities that should have been taken off our budget. Now I see our fees have gone down for that but how are we assured that we are going to get services for that? I will leave that to the other finance committee members to add something to that. I went line by line in the 18 communities from the variance report and I went down to every community and for the whole year, the actual amount we paid was \$0. The estimated amount that we budgeted for as an estimate was never paid. So we paid it out but the services were never paid to the security company.
- **Evelio Aleman** – So the extra money will roll over for those communities that paid into it?
- **Melissa Recicar** – That is correct.
- **Chris Recicar** – I mean it seems as if the community got ripped off. If they were in the Hammocks and they didn't patrol their communities, then they shouldn't have been billed for it. I think we need to change the contract to do service to the communities or just bill the individual communities that get the service.
- **Evelio Aleman** – So is last year.
- **Frank Perez** – That is right, and it is old news. What I feel is that some sort of accounting adjustment needs to be made to account for what you just pointed out. Moving forward we should be looking at what is budgeted for next year.
- **Idalmen Ardisson** – So that is what my follow up question is. There was \$614,000 that was actually paid to security who did the 18 communities and the common area. My question is, was that \$614,000 based on 2 or 3 security guards?
- **Evelio Aleman** – 2 I believe.
- **Frank Perez** – Our budget is \$870,000.
- **Idalmen Ardisson** – Right, \$870,503 that is coming out of the Master in the security line. I don't see anything here that says that on the Elite proposals.
- **Melissa Vazquez** – I wasn't involved in the bidding process, the budget that I made was based off the first quote that I was given on August 2<sup>nd</sup>, and I was never instructed to change that number. There is no obligation to stick with this number. This was the number for a service that you were interested in at the time we were building the budget.
- **Evelio Aleman** – As far as I know the security committee has changed it a couple of times since then. There is a committee for that, and they decide.
- **Idalmen Ardisson** – The security committee must come to the finance committee and submit their recommendation and then it goes to the Board of Directors, and then finally it goes to Judge Gersten for approval. So, if the Security Committee has chosen a different number for the budget, then they must have it approved by the Finance Committee.
- **Frank Perez** – The \$870,000 bid was received in August. So, what are the papers that we are looking at here?
- **Anthony Serrone** – I was not here for the first quote, so these are the quotes that I was able to gather from the team who was involved in this bidding process.
- **Melissa Vazquez** – You can adjust the services to fit the budget, or you can bring the budget down.
- **Evelio Aleman** – Are there certain communities that are experiencing more issues than others?

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- **Don Kearns** – I want to shed some light on what the Security Committee is going to do. At the previous meeting of the Security Committee, we came up with an idea for a solution that falls within the number that Melissa put on the budget. One of these proposals will be part of the overall security total. I also anticipate that tonight we will make a recommendation to augment the security with Miami-Dade Police Department in staggered shifts on the weekend. The way the budget is designed, the master holds the cost. We have heard that security is a great concern. The goal was to deploy assets where needed. We discussed that officers will not be needed in the beginning days of the week, but more needed on Friday and Saturday evenings when the activity takes place that we want to stop. I think the number is safe, I believe that we will see a small portion of that budget so that The Hammocks association can act proactively.
- **Frank Perez** – What I am looking at here I would understand to be three different companies that will be entertained.
- **Don Kearns** – There was no stone unturned, I know we were looking into two proposals and the third proposal came in at the end of November.
- **Idalmen Ardisson** – Does security do reports as far as complaints?
- **Don Kearns** – Guillermo from elite provides a bunch of details on where the behavior is taking place, times, that this stuff is happening. It is all catalogued and continues to be catalogued.
- **Idalmen Ardisson** – Anymore questions on the security contracts?
- **Chris Recicar** – I was hoping that all the communities are being serviced if they master association is paying.
- **Idalmen Ardisson** – the security contract renewal will be recommending will contain all of the communities within The Hammocks.
- **First Service Contract**
  - **Idalmen Ardisson** – How many employees do we currently have?
  - **Anthony Serrone** – At the beginning of the year we had 19 employees. I think at the current time we have 23 or 24 and we are conducting interviews for open positions.
  - **Idalmen Ardisson** – So is there a run down of how many maintenance staff, janitorial personnel that we currently have?
  - **Anthony Serrone** – Maintenance staff we have 5 and Janitorial staff we have 2.
  - **Idalmen Ardisson** – How many office staff?
  - **Anthony Serrone** – Right now there are seven.
  - **Idalmen Ardisson** – What is the job description of the Maintenance staff?
  - **Anthony Serrone** – Their job is to go around and do the work orders for repairs and clean up.
  - **Idalmen Ardisson** – Do we have a maintenance supervisor.
  - **Anthony Serrone** – Yes.
  - **Idalmen Ardisson** – Do we have code enforcement?
  - **Anthony Serrone** – Currently, no.
  - **Idalmen Ardisson** – Operations Supervisor?
  - **Anthony Serrone** – Yes.
  - **Idalmen Ardisson** – Who is it?
  - **Anthony Serrone** – Jean Carlos.
  - **Idalmen Ardisson** – Do we have a receptionist?
  - **Anthony Serrone** – Yes, Jayden.
  - **Idalmen Ardisson** – And do we have a social director?
  - **Anthony Serrone** – No.
  - **Idalmen Ardisson** – The recreation staff that we have over at the pool, how many are there?
  - **Anthony Serrone** – Right now there are 5.
  - **Idalmen Ardisson** – I am counting 16 and you said there was 19-23.
  - **Frank Perez**- What were the additional people.

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- **Anthony Serrone** – There were more pool attendants brought on in anticipation of the pools opening this year and then we brought on two more groundskeepers.
- **Frank Perez** – What is the total amount for groundskeepers?
- **Anthony Serrone** – 2
- **Frank Perez** – Are they under maintenance or janitorial?
- **Anthony Serrone** – Janitorial
- **Frank Perez** – Maintenance is how many people?
- **Anthony Serrone** – 5, one supervisor and four maintenance workers.
- **Alyson Theale** – Is the source of your question, what are you being billed for on this page?
- **Frank Perez** – I am trying to understand the count in connection with the approved budget.
- **Alyson Theale** – The staffing levels on the budgets for 2023 and 2024 are different. The staffing for 2024 is on a ramp up so we can rebuild the community. We have been hiring when a position needs to be filled up to this point. As we are getting close to the date that the other pools are going to open then we need to source the people.
- **Frank Perez** – The budget for janitorial is \$120,000. In my calculation, I see that that is for three people, and we have 2 right now. So, there is enough in the budget for a third.
- **Alyson Theale** – This was the best estimate that Judge Gersten, his team and our team could put together to anticipate what we would need “once Rome was rebuilt”. There is also language at the bottom so we can stretch the number of employees if necessary. If Judge Gersten says we need more of this position or that position, we can add it without having to redo a whole contract.
- **Evelio Aleman** – I assume that the budget has the wiggle room to fit those staffing needs.
- **Alyson Theale** - There are two buckets of people for staffing. Managerial/administrative staff and the outside staff, in both areas we have dedicated staff to deal with whatever complaints that we had. Those all become work orders, we have dedicated staff for both.
- **Idalmen Ardisson** – We obviously saved in our neighborhood fees and in the master fees, obviously the security contract moving to the master is one of the biggest reasons for that, what other items were taken off to constitute these savings?
- **Melissa Vazquez** – That was the bulk of it.
- **Idalmen Ardisson** – The bulk was that but there were no other items?
- **Melissa Vazquez** – Landscaping replacement was lowered, and other things but the bulk was security.
- **Idalmen Ardisson** – It was significant but there was more wiggle room than that, so I was just wondering what other line items were lowered to constitute the savings.
- **Chris Recicar** – I hope what wasn’t lowered was the reserves
- **Frank Perez** – Are we following the agenda? Or can I ask questions regarding the budget?
- **Idalmen Ardisson** – We have to keep it to the agenda.
- **Frank Perez** – Can I ask about at the end?
- **Idalmen Ardisson** – It must be about the items on the agenda.
- **FPL Bills**
  - **Idalmen Ardisson** – I’m assuming the sheet that we have in front are the meters for the accounts that are assigned to the 18 communities. When this budget was done with FPL where was your starting point?
  - **Melissa Vazquez** – The line item came from the January-June FPL.
  - **Idalmen Ardisson** – The bills came to you, and they described where the bills were from.
  - **Melissa Vazquez** – When the receiver stepped in, we got a full list. We did an investigation to make sure that every one of these billed belongs to The Hammocks Community Association. Had maintenance supervisor take this list verified for where the meter was which was how it was identified. We took the spreadsheet and we were able to confirm the meters were associated with the communities. When we were done, in July, we took the payments divided

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by 6 for each month to get the average and then multiplied by 12. If there were late fees that were charged, I went back and changed the spreadsheet to the actual bill amount without the late fees.

- **Idalmen Ardisson** – They went out to look at the addresses? Who was that?
- **Melissa Vazquez** – That was our maintenance crew.
- **Idalmen Ardisson** – So we don't have any clarification from FPL as to what they are?
- **Melissa Vazquez** – Not an expert in FPL, from the best of my knowledge.
- **Idalmen Ardisson** – So, again, we do not know exactly what or where these meters are powering.
- **Melissa Vazquez** – No.
- **Idalmen Ardisson** – So we do now know if we are paying for someone else's electricity.
- **Melissa Vazquez** – I am not an expert in FPL but what has been explained to me is that the meters are in the areas of the items that they supply with power.
- **Idalmen Ardisson** – So for example, we do not know with certainty, for example, the meter in Paseos II is powering Paseos II? Because the budget is ridiculous. However, we do not know FPL are servicing. In Paseos II, we have 10 light posts plus two spotlights, which aren't working, in the community and we are getting a charge of \$16,000. FPL needs to come out and to tell us what these meters are charging. So, to me FPL is up in the air. I want an FPL representative to come out and describe what the meters are powering. We are paying a substantial amount of money and FPL will not come out. I think this is something that needs to be put in the forefront. Perhaps Jesmany can follow up with FPL to come out here.
- **Melissa Vazquez** – If it is shown that one is designated for the wrong area, one subdivision can re-imburse the other subdivision.
- **Idalmen Ardisson** – It frustrates me that in Paseos II we are paying so much.
- **Frank Perez** – The first question is what the number on the side is, what is the little number on the line.
- **Melissa Vazquez** – That was probably just the numbers that I used when sorting them.
- **Frank Perez** – When you get an FPL bill, does it give you an account number? And does it give you the meter number?
- **Melissa Vazquez** – It gives the account number and the meter address.
- **Frank Perez** – The way to reconcile this would be to get the address of that meter and make sure that it is at that address.
- **Melissa Vazquez** – That is what was done by our maintenance team, to verify that the meters were in the places that were on the bills. We need to verify what this address meter is servicing. The meter is located at the address that has been confirmed.
- **Frank Perez** – So you have an address and there is a meter there and that meter can be servicing things that are blocks away?
- **Melissa Vazquez** – Yes and we are looking to FPL to clarify what each meter is powering. On the bill, it just says The Hammocks community, the account number, and the account address. Anthony's team can reach out to FPL and have them do a full audit on what they are powering.
- **Frank Perez** – I do agree with Chicky and see if we can get them out here for them to do an audit.

Motion

***For FPL to come to the property to do an audit of the meters to clarify what they power for the entire community within the next 30 days.***

Motioned By: Idalmen Ardisson

Seconded By: Evelio Aleman

Motion Passes Unanimously

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- **Fencing Project Updates**

- We went through this at the Advisory Board meeting, so I think there is no discussion on that until the Advisory Board meeting. We have a deadline for the start date for the project.

## 7. Owner Comments on Agenda Items

- **Damarys Flagiello – Chantarelle**

- For the FirstService Residential budgeted amount if our actual spending is \$816,000 in one and we budgeted \$1.46 million, why are we budgeting 1.811 million.
- **Melissa Vazquez** – It was not a fully staffed budget because we were just starting up in 2024, the staffing will increase because the amenities will open and there will be a need for additional staffing. We have had a full year to analyze the appropriate amount of staffing needs.
- **Damarys Flagiello** – Why do we need more than double the staff?
- **Melissa Vazquez** – What was spent varies from what was budgeted. The budget increased from 1.4 million to 1.8 million because we were not fully staffed. Some of the amenities we anticipated to open, and they did not, therefore, that line item was not spent out.
- **Damarys Flagiello** – So is this the actual plan to have more than double the staff?
- **Alyson Theale** – As we have been stating, the staffing is on a ramp up. Doubling is not the correct way to say it. When we first started, we had 6-10 and now we have significantly more than that.
- **Damarys Flagiello** – Is this line going to be towards just FirstService solely or is it going towards somewhere else.
- **Melissa Vazquez** – Yes, that is what that line is intended for.
- **Damarys Flagiello** – When will the actual income be posted on our budget?
- **Melissa Vazquez** – The way that it is included in the financials is by what is billed, not what is received. To figure that number out you would have to subtract the delinquencies from the income.
- **Damarys Flagiello** – Will that number be posted on the audit?
- **Melissa Vazquez** – Again, the number that is on the financial statement is going to be what has been billed to the Homeowner's Association, how you would find what has actually been collected would be to subtract the number of delinquencies from what has been billed.
- **Alyson Theale** – HOAs and Condos are both non-profits so there technically is no income. The budget is basically built in reverse, you add up all your expenses and subtract the income that you will make in other areas to find out what you need to assess.
- **Damarys Flagiello** – What was collected all last year?
- **Alyson Theale** – The amount collected would be the budget amount. The number that you are looking for would be from subtracting the delinquencies from that number.
- **Frank Perez** – wouldn't in this case would it be counted as an account receivable not a loss? What she's trying to figure out was how much was not collected. So, it would not show as a loss.
- **Melissa Vazquez** – Yes that's what I was saying that the delinquency.
- **Damarys Flagiello** – Where did you come up with the commercial income.
- **Melissa Vazquez** - are we sticking to the items on the agenda?
- **Damarys Flagiello** – Can I have access to the FPL bills?
- **Melissa Vazquez** – All the FPL bills are online.

- **Todd Botner – Oakwood Estates**

- Is there an ongoing review of how actual spending is matching up to budgeted amounts.
- **Alyson Theale** – Yes, there is a variance report that is uploaded on Connect and on the Hammock's Website every month in the financial statement.

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- **Idalmen Ardisson** – There are inconsistencies with that. Not all reports are in the system. On the portal, we are missing January, February, March, and April. On the website we are missing January, February, missing and November on the portal and not on the website. We have been asking for this inconsistency to be fixed for months. It is very hard for us to keep up with this to see where we are sticking to the budget and where we are not.
- **Melissa Vazquez** – I just checked on the portal and all 12 months are on the portal. I will check to see who is doing it for the website but let me know because I am seeing it on mine. Just as we were discussing the profit and loss and that is included in the balance sheet for every neighborhood. They will reflect in the neighborhood balance sheet that the money rolls over into the next balance sheet. Those are included in the financial packages.
- **Todd Botner** – So if there was an item where the budget where the line item was not spent in 2023 will it be in the 2024 reserves.
- **Melissa Vazquez** – Not exactly because the way that HOA budgets work is that you may have saved in Tree Trimming, for example, but you went over on Repairs and Maintenance. It doesn't do it per line, it does it overall.
- **Idalmen Ardisson** – To clarify there is nothing for January, February, or March on the portal.
- **Melissa Vazquez** – I apologize it is showing on the portal so I will have my GL find out why it is not posted.
- **Idalmen Ardisson** – I am looking at Hammocks website we do not have January, February, March, and do not have November.
- **Alyson Theale** – It must be a glitch because I see that it is on our website. We will get it fixed.

## 8. Adjournment

**Motioned By: Idalmen Ardisson**

**Seconded By: Frank Perez**

**Meeting adjourned at 8:25pm**

**Motion Carries Unanimously.**