

Lakes At La Paz Condominium Association

c/o Royal Management Group • 1234 Washington Ave. • Suite 200 • Miami Beach, FL 33139
Phone: (305) 535-3575 • Facsimile: (305) 532-7242

07 December 2020

RE: Special Meeting of the Membership
FY 2021 Reserve Funding Vote

Dear Unit Owner,

Enclosed with this letter you will find the following important documents:

- **Notice of a Special Meeting of the Membership**
 - o Notes about this document:
 - Due to the global COVID-19 pandemic, the meeting will be conducted via video conference only, with no in-person voting option available.
 - The purpose of the “virtual” meeting is to tabulate the votes received on-line and via mail/delivery concerning the issue of Reserve funding.

- **Limited Proxy/Ballot**
 - o Notes about this document:
 - The Limited Proxy/Ballot is for the purpose of submitting your vote by mail/delivery or otherwise appointing another person to vote by mail/delivery for you.
 - All owners of the unit must sign it. It may be withdrawn if you decide to register for on-line voting and change your vote. Returning your Limited Proxy/Ballot in advance of the meeting will help ensure required quorum of Members.
 - You are being asked to decide on the question of reserve funding. Though you will be casting one vote, it will be essentially applicable to a two part question...Will the membership fully fund the reserves or not, and if not, will the reserves be partially or fully waived?
 - A vote to fully fund the reserves will be counted as a vote for full funding
 - A vote to partially fund the reserves will be counted as a vote against full funding.
 - A vote to waive the reserves will also be counted as a vote against full funding.
 - The results will be tabulated in accordance with the following example:
 - o 10 votes for full funding (\$ 691)
 - o 7 votes for waiver and partial funding (\$ 500)
 - o 6 votes for waiver and no funding (\$ 476)
 - o RESULT= waiver and partial funding (\$ 500)
 - 10 votes for full funding
 - 13 total votes against full funding
 - 7-6 in favor of partial funding

– **Approved 2021 Budget**

- Notes about this document:
 - Due to an unexpected maintenance cost associated with the fire alarm system the Association was 3.4% over budget as of 10/31/2020, The Board has managed other costs to compensate, and is hoping to end FY 2020 on-budget.
 - Overall, FY 2021 costs will increase slightly.
 - Known fixed costs are budgeted exactly.
 - Variable costs are generally budgeted at ~3% above last year's budgeted amounts.
 - In instances where FY 2020 expenses are actually running more than 5% below budget, FY 2021's budgeted amount is ~3% over those actuals.
 - A handful of variable costs were budgeted lower due to changes in vendors.
 - The Association contracts with an outside vendor for janitorial services, and the amount charged varies with individual wage rates. Due to changes in Florida's minimum wage laws, this line item will likely rise year over year until the base labor rate reaches \$15 per hour in/before 2026.
 - Whether or not you vote to fund the Reserves for the upcoming year, there is currently more than \$ 35,000 in the Reserve accounts.
 - During our budget workshops and meetings it was recognized that, should an emergency arise, this sum would be enough to start any project, while affording ample time for the gathering of additional capital.

Members will be afforded a brief time to speak/ask questions at the Special Meeting, but to keep the process as efficient as possible, the Board will try to address concerns you may have prior to the Meeting. You may contact the Secretary of the Association, James Marinelli (*Mon-Fri, 11 AM to 7 PM*), at (516) 991-5433.

We thank you in advance for your timely response and cooperation in returning your Limited Proxy/Ballot or voting online.

Regards,
Board of Directors
Lakes At La Paz Condominium Association, Inc.

=====
*Please note, you may choose to vote electronically. To do so, you must register online at the Association's website, **www.lakesatlapaz.com***
=====

Lakes At La Paz Condominium Association

c/o Royal Management Group • 1234 Washington Ave. • Suite 200 • Miami Beach, FL 33139
Phone: (305) 535-3575 • Facsimile: (305) 532-7242

07 December 2020

**NOTICE OF A
--- SPECIAL MEETING OF THE MEMBERSHIP ---
2021 RESERVE FUNDING – VOTE COUNT**

DATE: Monday, December 21, 2020
TIME: 6:00 PM – on-line meeting

meeting site: **www.zoom.us/join**
meeting ID: **227 539 9463**
passcode: **lakes**

--- AGENDA ---

- I. Roll Call**
- II. Establish Quorum**
- III. Proof of Mailing**
- IV. Vote of Membership**
 - **Counting of proxy/ballots**
 - **Report of on-line ballot count**
- V. Results of Vote**
- VI. Adjournment**

Due to the pandemic, there will be no in-person voting and this meeting is being conducted on-line. ***Owners must cast their ballots ahead of this meeting.*** Whether voting on-line or by mail/delivery, only votes received by 5 pm on December 21, 2020 will be counted.

Most owners have already registered to vote on-line, but if you have not, you can do so by visiting **www.lakesatlapaz.com** and following a few simple steps.

Respectfully Submitted
Board of Directors
Lakes At La Paz Condominium Association, Inc.

- - - LIMITED PROXY/BALLOT - - -

IMPORTANT: Due to the pandemic, there will not be an in-person meeting, please complete, sign and date this Limited Proxy/Ballot and return it in the enclosed self-addressed, return envelope. If you are not voting on-line, this form must be received no later than 5 pm Monday, December 21, 2020. Forms received after that date and time will not be counted. Early returns are appreciated.

LIMITED PROXY

The undersigned hereby appoints (Check only one of the choices below):

_____ a) **James Marinelli**, Secretary of the Association, on behalf of the Board of Directors.

_____ b) _____

[If you checked b), please write in the name of your proxy. If you fail to check either a) or b), this proxy will be deemed to appoint the Secretary of the Association on behalf of the Board of Directors to cast your vote.]

as my proxy, to vote and act for me, with full powers of substitution, for and in the names, place, stead of the undersigned, to appear at the Special Meeting of the Membership, of The Lakes At La Paz Condominium Association, Inc., to be held on Monday, December 21, 2020, at 6:00 P.M., via video conference, and at any adjournment thereof, to cast my vote, as indicated below, on the issue of Reserve Funding.

I specifically authorize and instruct my proxy to cast my vote in reference to the following matters as indicated below:

BALLOT

PLEASE VOTE FOR ONLY ONE (1), if you vote for more than one (1), the Ballot portion of this Limited Proxy/Ballot will be invalid and will not be counted:

A vote for any option in this box shall be deemed a vote to WAIVE full funding of the Reserves

_____ **I vote to pay monthly maintenance fees of \$ 476⁰⁰**
Fiscal Year 2021 Budget of \$ 365,569 WITHOUT full reserve funding of \$ 119,768

_____ **I vote to pay monthly maintenance fees of \$ 500⁰⁰**
Fiscal Year 2021 Budget of \$ 365,569 with PARTIAL reserve funding (\$ 18,432 of \$ 119,768)

A vote for any option in this box shall be deemed a vote to NOT WAIVE full funding of the Reserves

_____ **I vote to pay monthly maintenance fees of \$ 691⁰⁰**
Fiscal Year 2021 Budget of \$ 365,569 WITH full reserve funding of \$ 119,768

(Print Unit Owner Name and Unit #)

(Signature of Unit Owner)

Dated: _____, 2020

Unit Owner(s). Please DO NOT complete the "Substitution Of Proxy" below: thank you, it is to be filled out by your proxy, and only in the event he/she cannot attend the Special Meeting of the Membership.

SUBSTITUTION OF PROXY: The undersigned appointed proxy above does hereby designate

_____ to substitute for me in the proxy set forth.

Signed: _____ Dated: _____, 2020

NOTE: This Limited Proxy/Ballot is valid for only Ninety (90) days from original Meeting date and may not be used for any other purpose than the Meeting that is was issued or any adjournment thereof.

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

Fully funding the reserves does NOT GUARANTEE there will not be special assessments.

Lakes at La Paz Condominium
Approved Budget
February 1, 2021 - January 31, 2022

OPERATING EXPENSES

Fixed Fees

(no alternate vendors available)

Boca Pointe Association Fees	95,466	
Cable T.V.	32,750	
Dumpster Removal	1,500	
Electric	3,200	
FL Dept of Condo	256	
La Paz Recreation Association Fees	39,391	
Licenses, Permits & Fees	477	
Water & Sewer	29,500	
	<i>Sub-total</i>	202,540

Insurance		
Wind	37,632	
Flood	6,453	
	<i>Sub-total</i>	44,085

Semi-Fixed Fees

(alternate vendors available)

Insurance		
Umbrella	1,581	
Crime	745	
Directors & Officers	1,185	
Differences in Conditions	2,700	
General Liability	6,590	
	<i>Sub-total</i>	12,801

Security / Fire Safety		
Fire Alarm Monitoring	1,104	
Fire Alarm Repairs	4,415	
Security Alarm Monitoring	9,463	
	<i>Sub-total</i>	14,981

Elevator Service & Repairs		
Service & Repairs	5,305	
Telephone	1,201	
	<i>Sub-total</i>	6,506

General & Administrative		
Financial Audit		
Legal	1,326	
Management Company Fee	14,959	
Office & Administration	815	
Web and Internet Services	790	
	<i>Sub-total</i>	17,890

Physical / Groundskeeping		
General Repairs & Maint	17,268	
Irrigation Maintenance	2,163	
Janitorial	-	
Labor	19,005	
Labor Benefits	500	
Phone	-	
Supplies	1,000	
Landscape Supplies	1,000	
Lawn Maintenance	11,330	
Pest Control/Fertilization	5,000	
Tree Trimming / Removal	6,000	
Landscaping Improvements	500	
	<i>Sub-total</i>	63,766

Additional Projects		
Additional Plantings	1,500	
Cameras	1,500	
		3,000

TOTAL EXPENSES:
(rounded to nearest dollar):

\$ 365,569

Lakes at La Paz Condominium
Reserve Funding - Supporting Documentation
February 1, 2021 - January 31, 2022

Item	Estimated Life (Years)	Replacement Value	Estimated Remaining Life (Years)	Projected Reserve (as of 1/31/2021)	Balance Due Reserves (Replacement Value - Current Reserve)	Required FY 2021 Funding (Balance due / Estimated Remaining Life)
Awning Repairs & Replacment	22.5	\$ 195,000	9	\$ 7,579	\$ 187,421	\$ 20,825
Elevator (Significant Repairs & Replacement)	40	\$ 100,000	7	\$ 34,976	\$ 65,024	\$ 9,289
Painting	10	\$ 125,000	6	\$ 0	\$ 125,000	\$ 20,833
Parking Lot Surface	5	\$ 7,500	1	\$ 1,000	\$ 6,500	\$ 6,500
Roof - Tile & Flat (Significant Repairs & Replacement)	25	\$ 875,000	14	\$ 2,500	\$ 872,500	\$ 62,321

- notes:**
- The elevators in both buildings were inspected in Q3 of 2020. They continue to be in "better than average" mechanical condition. The estimated remaining life is still almost 10+ years. Some parts for the elevator are scheduled to be "end-of-lived" in 2021 & 2025 and as such may be difficult to replace, or may require entire systems be replaced rather than individual components. If the membership votes to partially fund the reserves this fiscal year, the Elevator Reserve will be given priority in that allocation.
 - During FY 2019, the flat roof of building 7519 was replaced and has an estimated remaining life of 20-25 years. Upon inspection, the flat roof of building 7507 continues to be well maintained, is in excellent condition, and has an estimated remaining life of 15-20 years.
 - There was an instance of water intrusion under the tile roof of building 7507 which was addressed during FY 2020. At present the condition continues to be monitored and will be repaired during Q3-Q4 of FY 2020. Repairs for this section will most likely be paid from the "Roof - Tile & Flat" reserve at the end of FY 2020.
 - The parking lot surface's estimated 5 year life span is coming to an end and some spots have become aesthetically displeasing. The lot is due for a refresh in 2022, and should the membership vote to partially fund the reserves this fiscal year, the Parking Lot Surface reserve will be given a high priority in that allocation.

Lakes at La Paz Condominium
Proposed Monthly Maintenance - RESERVES WAIVED
February 1, 2021 - January 31, 2022

BUDGETED EXPENSES

Total Operating Expenses	365,569	365,569
--------------------------	---------	---------

RESERVE FUNDING

(by Membership vote)

Awnings	-	
Elevator	-	
Painting	-	
Parking Lot Surface	-	
Roof	-	
<i>Sub-total</i>		-

EXPENSES and RESERVE FUNDING:		365,569
--------------------------------------	--	----------------

Prior Year's Surplus Applied		
(not to exceed \$ 22,400)		
(>\$22,400 to be refunded):		-

Projected Monthly Maintenance		
(per unit):		\$ 476.00

CONTINGENCIES

(based on current cash flow)

Estimated Bad Debt contingency	-	
<i>Sub-total</i>		-

Projected Monthly Maintenance		
(per unit, rounded to nearest dollar):		\$ 476

Lakes at La Paz Condominium
Proposed Monthly Maintenance - RESERVES PARTIALLY FUNDED
February 1, 2021 - January 31, 2022

BUDGETED EXPENSES

Total Operating Expenses	365,569	365,569
--------------------------	---------	---------

RESERVE FUNDING

(by Membership vote)

Awnings	2,500	
Elevator	8,500	
Painting	-	
Parking Lot Surface	7,000	
Roof	432	
<i>Sub-total</i>		18,432

EXPENSES and RESERVE FUNDING:	384,001
--------------------------------------	----------------

Prior Year's Surplus Applied (not to exceed \$ 22,400) (>\$22,400 to be refunded):	-
---	---

Projected Monthly Maintenance (per unit):	\$ 500.00
---	------------------

CONTINGENCIES

(based on current cash flow)

Estimated Bad Debt contingency	-	-
<i>Sub-total</i>		

Projected Monthly Maintenance <i>(per unit, rounded to nearest dollar):</i>	\$ 500
---	---------------

Lakes at La Paz Condominium
Proposed Monthly Maintenance - RESERVES FULLY FUNDED
February 1, 2021 - January 31, 2022

BUDGETED EXPENSES

Total Operating Expenses	365,569	365,569
--------------------------	---------	---------

RESERVE FUNDING

(by Membership vote)

Awnings	20,825	
Elevator	9,289	
Painting	20,833	
Parking Lot Surface	6,500	
Roof	62,321	
<i>Sub-total</i>		119,768

EXPENSES and RESERVE FUNDING:	485,338
--------------------------------------	----------------

Prior Year's Surplus Applied (not to exceed \$ 22,400) (>\$22,400 to be refunded):	-
---	---

Projected Monthly Maintenance (per unit):	\$ 631.95
---	------------------

CONTINGENCIES

(based on current cash flow)

Estimated Bad Debt contingency	45,500	45,500
<i>Sub-total</i>		

Projected Monthly Maintenance (per unit, rounded to nearest dollar):	\$ 691
--	---------------