

## Lakes At La Paz Condominium Association

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c/o Royal Management Group • 750 Collins Avenue • Suite 100 • Miami Beach, FL 33139  
Phone: (305) 535-3575 • Facsimile: (305) 532-7242

17 January 2022

RE: Special Meeting of the Membership  
FY 2022 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 It may be withdrawn if you decide to register for on-line voting and change your vote.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.
    - This year there is no option for partial funding. The Board considered numerous factors before arriving at this unanimous decision, including;
      - economic concerns driven by the pandemic
      - the recent levying of a months-long Special Assessment
      - recognizing the majority of reserve-funded items will be new or in the earliest years of their useful lifetimes once the currently funded projects are complete in mid-2022.
  
- **Approved 2022 Budget**
  - o Notes about this document:
    - A major challenge with this year’s budget has been in the area of insurance coverage. There has been an unprecedented rise in costs, both industry and state-wide. After engaging the services of a broker and diligently shopping around for alternatives, we still have an increase of more than 20%.

- Overall, most FY 2022 costs will increase only slightly.
  - Known fixed costs are budgeted exactly.
  - Variable costs are generally budgeted at ~3% above last year's budgeted amounts.
  - In instances where FY 2021 expenses are actually running more than 5% below budget, FY 2022's budgeted amount is ~3% over those actuals.
  
- A handful of variable costs were budgeted lower due to changes in vendors.
  
- As noted last year, 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.

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

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17 January 2022

**NOTICE OF A  
--- SPECIAL MEETING OF THE MEMBERSHIP ---  
2022 RESERVE FUNDING – VOTE COUNT**

date: **Monday, January 31, 2022**

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 January 31, 2022 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, January 31, 2022. 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, January 31, 2022, 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 \$ 500<sup>00</sup>**  
Fiscal Year 2022 Budget of \$ 383,999 WITHOUT full reserve funding of \$ 120,307

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 \$ 718<sup>21</sup>**  
Fiscal Year 2022 Budget of \$ 383,999 WITH full reserve funding of \$ 120,307

\_\_\_\_\_  
(Print Unit Owner Name and Unit #)

\_\_\_\_\_  
(Signature of Unit Owner)

Dated: \_\_\_\_\_, 2022

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: \_\_\_\_\_, 2022

**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, 2022 - January 31, 2023**

**OPERATING EXPENSES**

**Fixed Fees**

(no alternate vendors available)

Boca Pointe Association Fees	91,502	
Cable T.V.	33,733	
Dumpster Removal	1,545	
Electric	3,296	
FL Dept of Condo	264	
La Paz Recreation Association Fees	42,512	
Licenses, Permits & Fees	492	
Water & Sewer	30,385	
	<i>Sub-total</i>	203,728

Insurance		
Wind	43,465	
Flood	7,453	
	<i>Sub-total</i>	50,918

**Semi-Fixed Fees**

(alternate vendors available)

Insurance		
Umbrella	2,750	
Crime	745	
Directors & Officers	1,213	
Differences in Conditions	3,186	
General Liability	9,017	
	<i>Sub-total</i>	16,911

Security / Fire Safety		
Fire Alarm Monitoring	1,137	
Fire Alarm Repairs	4,547	
Security Alarm Monitoring	9,746	
	<i>Sub-total</i>	15,431

Elevator Service & Repairs		
Service & Repairs	5,464	
Telephone	1,237	
	<i>Sub-total</i>	6,701

General & Administrative		
Financial Audit		
Legal	1,366	
Management Company Fee	15,407	
Office & Administration	839	
Web and Internet Services	814	
	<i>Sub-total</i>	18,426

Physical / Groundskeeping		
General Repairs & Maint	17,786	
Irrigation Maintenance	2,228	
Janitorial	-	
Labor	19,575	
Labor Benefits	1,500	
Phone	-	
Supplies	1,500	
Landscape Supplies	3,000	
Lawn Maintenance	11,670	
Pest Control/Fertilization	5,000	
Tree Trimming / Removal	5,500	
Landscaping Improvements	1,125	
	<i>Sub-total</i>	68,884

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

**TOTAL EXPENSES:**  
(rounded to nearest dollar): \$ 383,999

**Lakes at La Paz Condominium**  
**Reserve Funding - Supporting Documentation**  
February 1, 2022 - January 31, 2023

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)
<b>Awning Repairs &amp; Replacment</b>	22.5	\$ 195,000	8	\$ 7,579	\$ 187,421	\$ 23,428
<b>Elevator</b> (Significant Repairs & Replacement)	40	\$ 100,000	9	\$ 34,976	\$ 65,024	\$ 7,225
<b>Painting</b>	10	\$ 125,000	6	\$ 0	\$ 125,000	\$ 20,833
<b>Parking Lot Surface</b>	5	\$ 7,500	1	\$ 1,000	\$ 6,500	\$ 6,500
<b>Roof - Tile &amp; Flat</b> (Significant Repairs & Replacement)	25	\$ 875,000	14	\$ 2,500	\$ 872,500	\$ 62,321

**notes:**

- The elevators in both buildings were inspected in Q3 of 2021. They continue to be in "better than average" mechanical condition. The estimated remaining life is still "8-10" years. Some parts for the elevator were "end-of-lived" in 2021, and some are scheduled to be "end-of-lived" in 2025 -- as such, they may be difficult to replace, or may require entire systems be replaced rather than individual components.
- 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 remiaing life of 15+ years.
- The current Special Assessment (running through March of 2022) will fund the replacement of the awnings, as well as repairs to, and re-surfacing of, the parking lot. The estimated life of both of these items will be re-started upon completion in mid-2022.

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

**BUDGETED EXPENSES**

Total Operating Expenses	383,999	383,999
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**RESERVE FUNDING**

*(by Membership vote)*

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

<b>EXPENSES and RESERVE FUNDING:</b>		<b>383,999</b>
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<b>Prior Year's Surplus Applied</b> (not to exceed \$ 22,400) (>\$22,400 to be refunded):		-
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<b>Projected Monthly Maintenance</b> (per unit):		<b>\$ 500.00</b>
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**CONTINGENCIES**

*(based on current cash flow)*

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

<b>Projected Monthly Maintenance</b> <i>(per unit, rounded to nearest dollar):</i>		<b>\$ 500</b>
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**Lakes at La Paz Condominium**  
**Proposed Monthly Maintenance - RESERVES FULLY FUNDED**  
February 1, 2021 - January 31, 2022

**BUDGETED EXPENSES**

Total Operating Expenses	383,999	383,999
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**RESERVE FUNDING**

*(by Membership vote)*

Awnings	23,428	
Elevator	7,225	
Painting	20,833	
Parking Lot Surface	6,500	
Roof	62,321	
<i>Sub-total</i>		120,307

<b>EXPENSES and RESERVE FUNDING:</b>	<b>504,307</b>
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**Prior Year's Surplus Applied**

(not to exceed \$ 22,400)  
(>\$22,400 to be refunded):

-

**Projected Monthly Maintenance**

(per unit):

**\$ 656.65**

**CONTINGENCIES**

*(based on current cash flow)*

Estimated Bad Debt contingency	47,279	47,279
<i>Sub-total</i>		47,279

**Projected Monthly Maintenance**

*(per unit, rounded to nearest dollar):*

**\$ 718**