

**PARK LAKE VILLAS, INC.
(A Condominium Association)**

November 4, 2008

Dear Association Member:

In this packet you will find a copy of the proposed 2009 budget for Park Lake Villas, Inc. The Board is not proposing an increase in the monthly assessment this year. The assessment will stay at the current rate of \$320.00 per month.

As an Association, we have been very fortunate that only one of the sixty units is currently in foreclosure. While the loss of the assessments on one unit causes difficulties in funding the planned repairs for 2008, we are in better shape than many Associations during this difficult real estate market.

The actual insurance premium for 2008 was less than budgeted. The Board has made the decision to place a portion of the insurance savings into the replacement fund to pay for electrical upgrades that would help us to get back into the regular insurance market and move away from Citizen's Insurance, our last resort choice for insurance.

Building repairs include \$28 per unit/per month for soffit repairs. Three of the seven buildings do not have stucco soffits. As a result of age and weather, the soffits have deteriorated and many of them are falling down. As this is a potential for water damage and animal/insect infiltration, we need to address this issue. We budgeted for this expense in prior years; however, we have not been able to afford these soffit repairs due to other continuing pressing repairs.

For 2009, the budget for roofing repairs has been decreased. Roofing repairs have been paid out of the operating fund. These repairs were for leaks associated with the new roof, predominantly around the dormers, our historically problematic areas, as well as for resealing ridge vents and gutters. We continue working with a roofing contractor to remedy the leaks we have encountered.

As in prior years, we are continuing the long-term funding plan for major repairs and replacements. Florida Statutes require that condominiums present a fully funded reserve budget. During 2008, we discovered an important building component that had not been budgeted: the meter bases at the end of each building are the Association's responsibility. After almost 35 years, one of the meter bases serving 5 units burned out and we replaced it for a cost of \$4,500. We have added the meter bases to the replacement fund and are funding the future expenditures over the next 10 years.

As our buildings age, we will continue to anticipate future needs so that we can be assured our homes and our largest investments do not deteriorate structurally and continue to be safe and attractive.

Some of the projects we will be working on in 2009 include the continued upgrading of old landscaping, entry signage and lighting, and conversion of the pool from a chlorine system to a salt system which will save money on pool chemicals and equipment maintenance. The pool improvements will be made out of funds that have already been accumulated in the replacement fund. Continuing to fund for the future insures that we can keep Park Lake Villas an attractive and desirable community and decreases the need for special assessments.

The Board will be voting on the proposed budget at the next board meeting on **Tuesday, November 25, 2008**. The meeting will be held at Greystone's office on **1936 Lee Road, Suite 250, Winter Park, FL at 7:00 PM**.

While this will be a Board meeting, it is open, as always, to all condominium owners. Owners with specific questions or concerns about the proposed budget will be given up to two (2) minutes each to address the Board during that part of the meeting.

Best Regards,

Patricia Cassidy, CPA
Treasurer, Park Lake Villas, Inc.