

**Park Lake Villas, Inc.**

**(A Condominium Association)**

October 4, 2010

Dear Association Member:

In this packet you will find a copy of the proposed 2011 budget for Park Lake Villas, Inc. The Board is proposing an increase of \$5 in the monthly assessment this year to \$335.00 per month.

As an Association we have been very fortunate that only one of the sixty units is currently in foreclosure. We do have several other units, however, that are behind in their assessments. The Association is pursuing collection of these assessments as part of our fiduciary duty. While the loss of the assessments makes it more difficult to pay for operating expenses, we are currently in good financial shape during this difficult economy.

The assessment is increasing \$5 per month, however this is a net change as the operating budget is increasing \$14, however, the replacement fund budget decreasing \$9.

On the operating side, there are several items driving the increase. Trash removal for one, represents a \$2 per month increase. Other increases are due to repairs and maintenance costs. At the end of 2009, Park Lake Villas acquired title to one of the units. This unit is still subject to foreclosure by the bank. Park Lake Villas, however, has the right to rent out the unit to recoup a portion of the lost assessments on the unit. As of February 2010 this unit has been rented out. As owner of the unit, Park Lake Villas must pay for any repairs on the unit as well as the monthly assessments. Costs related to this unit represent \$7 of the monthly increase.

The Reserve for Major Repairs and Replacements decreased \$9 due to fully funding the \$40,000 estimated cost for upgrades on aluminum wiring that would enable Park Lake Villas to acquire property insurance from another carrier other than Citizen's.

We continue the long-term funding plan for major repairs and replacements. Florida Statutes require that condominiums present a fully funded reserve budget. In 2010 we will be repairing and resealing the parking lots out of the Road/Paving replacement fund. As our buildings age, we will continue to anticipate future needs so that we can be assured that our homes and our largest investments do not deteriorate structurally and continue to be safe and attractive.

During 2011 we will be updating our reserve study so that we will make sure we are adequately funding our reserves. Continuing to fund for the future insures that we can keep Park Lake Villas an attractive and desirable community.

**Important reminder** - If you experience a one-time difficulty paying your assessments, please notify the Association through our management company, Greystone. If you have on-going issues paying your assessments and need a payment plan to bring your account current, please submit a request to the Association's Board. If you keep your payment plan current, no other collection activity will be pursued. If we do not hear from you, by law we need to turn the account over to our attorney to pursue collections. By notifying the Association, you may save yourself the attorney's fees that will be added to the unpaid assessments, accrued interest and late fees.

The board will be voting on the proposed budget at **the October 19<sup>th</sup>** board meeting. The meeting will be held at Greystone's office on **1936 Lee Road, Suite 250, Winter Park, FL at 6:30 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 2 minutes each to address the Board.

Best Regards,

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