



## Lakeside at Delray, an Oasis in the middle of Delray Beach

In this September 2019 newsletter edition we need to talk about maintenance fees and the cost of keeping our Oasis best in class.

### The big question this month:

Why should I attend the monthly Lakeside Association Board of Directors Meetings?

**Answer:** *Because participation in the meetings provides an opportunity to voice approval or disapproval of the way the BOD spends your money.* **BOD MEETINGS ARE HOSTED THE THIRD WEDNESDAY OF EVERY MONTH.**

This newsletter is provided to serve as a heads-up regarding the direction the Association is going and to remind all owners that as we add services or improvements they need to be funded. Although we are fortunate to have a reserve budget that can support some of these actions, the reserve fund is also taking a hit that is of concern to us.

Following are a few of the projects that have been implemented and the related costs.

- Replaced deteriorating overhang of the club house. Completed at cost of \$32,620.00. Cost per unit of \$12.81 per month, one year.
- Over the summer experienced vehicle break-ins. BOD hired a security company at cost of \$45,000 a year. That impacts your maintenance fee by \$17.00 a month.
- The BOD approved the installation of video cameras at a cost of \$35,000 (that translates to \$13.84 per unit every month for one year).
- The BOD is considering discontinuing the security patrol, once the camera's are installed. The video camera is a reactive solution the security program is a proactive/preventive solution. The cameras will not prevent an event. Some break-ins are preventable by removing valuables and locking vehicles.
- Need to evaluate cost of a security guard versus element of safety, that is impossible to put a price tag on. In addition, the guard disrupts late-loud partiers and related annoyances.
- We anticipate that our insurance costs will increase by about \$11,000.00 in 2020, \$4.32 per month per unit.
- Our buildings are aging and we know that costs will increase for maintenance of the buildings/campus.
- Another concern is the amount in our reserves. As we spend on the various reserve categories, we reduce our reserves. The current reserve balance sits at about \$460,000.00. Although not a reason to be alarmed, we have always prided ourselves on building a stronger number. The higher our reserve balance the more valuable our property is to prospective buyers and the more protection we have to prevent the need for a special assessment.
- We also received a best price for 10 more garages at a ball park of \$200,000.00. Payout would be about 11.1 years. At that cost, we hesitate to support the investment given our low balance in the reserve account. Although we would ask the 10 interested parties to provide upfront money for two years of prepaid rent, that would still require we fund the balance of \$164,000.00. In addition, it appears the construction industry is fairly busy. We think we should hold off until things slow down and we get a price in the \$160,000 range.
- Our current maintenance fees range as follow:

Units	2018	2019	2020?	Delray Racquet
40	210.80	209.32	257.32	275.00*
12	222.51	220.95	268.95	
112	330.84	328.51	376.51	380.00*
40	389.40	386.66	434.66	
8	462.59	459.34	507.34	

\*Includes basic cable and internet

These numbers reflect a significant potential increase in monthly fees.

**Hope to see more interested owners at the October Board meeting. Your voice at the meetings is important.**