

PLAZA SOUTH Association, Inc.

October 19, 2023

Dear Friends and Neighbors,

Enclosed you will find the 2024 budget package for Plaza South. As required, the package will present two versions of the budget – one with full reserve funding and one with 15% funding, the latter being recommended by the Board.

The 2024 budget represents certain realities brought upon us by several simultaneous events: the tragedy at Surfside, the rapid acceleration of inflation, the mandated structural integrity studies and subsequent major projects, more frequent weather events and the impact on insurance rates. In short, these are difficult times on the beach and they require careful yet extensive attention and preparation.

The 2024 budget will show an increase in maintenance costs of 14.5%. These increases are the result of the following:

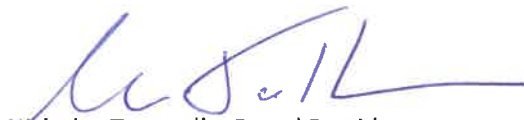
- Inflationary increase in virtually all categories particularly utilities and vended services
- The long overdue need to address competitive pay issues for the staff and increases associated with employee benefits
- Dramatic increases yet again to our insurance policies in all categories but most notably windstorm coverage

We understand that following a sizeable special assessment, this is unpleasant news. But your board has a fiduciary responsibility to present you with a fair and accurate budget that reflects our current financial position, and what is needed to fund the future financial requirements.

Much has been accomplished this year to restore the property and reclaim the title, “the Best of the Galt”. Your board pledges to continue to work daily on your behalf, watch spending, address those in arrears within the confines of the law and our association documents, maintain our facilities, and carefully manage capital projects.

Looking forward to a great winter season and time together, I remain.

Sincerely,



Nicholas Tortorella, Board President
Plaza South Association Inc.

**PLAZA SOUTH ASSOCIATION, INC.
NOTICE OF BOARD OF DIRECTORS' MEETING**

TO ALL MEMBERS:

On Thursday, November 2, 2023, immediately following the special members' meeting being held at 10:30 a.m. in the Plaza South Lounge, 4280 Galt Ocean Drive, Ft. Lauderdale, FL 33308 and remotely via Zoom, a meeting of the Board of Directors will be held for the purpose of considering and adopting a budget for the January 1, 2024 to December 31, 2024 fiscal year and such other business as may lawfully be conducted.

TO JOIN THE ZOOM MEETING:

Topic: SPECIAL MEETING OF THE BOARD OF DIRECTORS INCLUDING 2024 BUDGET VOTE & MEMBERS' MEETING INCLUDING RESULTS OF RESERVES PARTIAL FUNDING VS. FULL FUNDING

Time: Nov 2, 2023, 10:30 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/2435649476>

Meeting ID: 243 564 9476

One tap mobile

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Dial by your location

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- +1 646 931 3860 US
- +1 301 715 8592 US (Washington DC)
- +1 309 205 3325 US
- +1 312 626 6799 US (Chicago)
- +1 646 558 8656 US (New York)
- +1 386 347 5053 US
- +1 507 473 4847 US
- +1 564 217 2000 US
- +1 669 444 9171 US
- +1 669 900 9128 US (San Jose)
- +1 689 278 1000 US
- +1 719 359 4580 US
- +1 253 205 0468 US
- +1 253 215 8782 US (Tacoma)
- +1 346 248 7799 US (Houston)

• +1 360 209 5623 US

Meeting ID: 243 564 9476

Find your local number: <https://us02web.zoom.us/j/kdQlznL4gg>

The agenda for the meeting is as follows:

1. **Call to Order.**
2. **Certify Quorum – Roll Call.**
3. **Proof of Notice of Meeting.**
4. **Approval of Minutes**
5. **Manager’s Report**
6. **President's Report**
7. **Financial Report**
 - YTD Financials
 - Delinquent Report
 - 2024 Budget Vote and Adoption
8. **Building and Grounds Committee Update**
 - 40-year Certification Update
 - West Deck Deficiency Correction Update
 - EV/Hybrid/Electrical Update
 - New Security Camera Update
 - Lobby Windows and Doors
9. **Technology and Communications Committee Update**
 - Zoom Room Presentation
 - Hotwire Presentation – For Building-wide Cable and Internet
 - Building Link Update
10. **Comments and Issues from Board Members**
11. **Homeowner Forum**
12. **Adjournment.**

NOTE: The next Board Meeting will be held on November 2, 2023

Dated: 10/17, 2023.

BY ORDER OF THE BOARD OF DIRECTORS



William Cohen, Secretary

NOTICE OF SPECIAL MEMBERS MEETING
PLAZA SOUTH ASSOCIATION, INC.

TO ALL MEMBERS:

On Thursday, November 2, 2023, at 10:30 a.m. in the Plaza South Lounge, 4280 Galt Ocean Drive, Ft. Lauderdale, FL 33308 and remotely via Zoom, a Special Members Meeting of the Association will be held for the purpose of voting to partially fund statutory reserves.

The Board has passed a Resolution authorizing electronic voting. Members who have consented to vote online will be able to do so by following the online voting instructions provided herein.

You may join the meeting via Zoom, however, your presence will not count towards a quorum nor will you be able to vote via Zoom. You are therefore encouraged to return your Limited Proxy prior to the meeting, attend the meeting in person, or vote online.

TO JOIN THE ZOOM MEETING:

Topic: SPECIAL MEETING OF THE BOARD OF DIRECTORS INCLUDING 2024 BUDGET VOTE & MEMBERS' MEETING INCLUDING RESULTS OF RESERVES PARTIAL FUNDING VS. FULL FUNDING

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Meeting ID: 243 564 9476

Find your local number: <https://us02web.zoom.us/j/kdQlznL4qq>

The order of business for this Special Meeting is:

1. Call to Order
2. Certify Quorum
3. Proof of Notice.
4. Vote to partially fund statutory reserves
5. Adjournment.

A majority of the voting interests (a "quorum") must be present, in person or by proxy, at the meeting, in order for the business to be conducted. It is therefore VERY IMPORTANT that you either attend, provide a Limited Proxy or vote online.

Please note the following information about PROXIES:

A proxy is for the purpose of appointing another person to vote for you in the event that you might not be able to attend the meeting. It must be signed by all owners of the unit or the one among them that they designate on a voting certificate (see below). If you appoint a proxy and later decide you will be able to attend the meeting in person, you may withdraw your proxy when you register at the meeting. Proxies may be returned via hand delivery; via mail to the Association's mailing address: c/o Nicholas Tortorella, President, 4280 Galt Ocean Dr., #15A, Ft. Lauderdale, FL 33308; via email to generalmanager@plazasouth.net; or via fax to 954-561-9532.

Please note the following information about VOTING CERTIFICATES:

A voting certificate is for the purpose of establishing who is authorized to vote for a unit owned by a trust or, to the extent permitted by the Declaration, another entity. A voting certificate is not needed if the unit is owned by one or more persons. A voting certificate is not a proxy and may not be used as such. A voting certificate must be signed by an authorized representative of the trust or other entity. Unit owners that already have a voting certificate on file do not have to file another one.

Again, please be sure to attend the meeting, submit a Limited Proxy or vote online. Thank you for your assistance in conducting the business of your Association.

DATED: 10/17, 2023.

BY ORDER OF THE BOARD OF DIRECTORS

BY: William Cohen
William Cohen, Secretary

**PLAZA SOUTH ASSOCIATION 2024 BUDGET
BUDGET "A" 15% RESERVE FUNDING VS. BUDGET "B" 100% RESERVE FUNDING**

	PLAZA SOUTH ASSOCIATION BUDGET YEAR 2023 WITH 10% RESERVE FUNDING	PLAZA SOUTH ASSOCIATION BUDGET "A" YEAR 2024	BUDGET "A" 2024 WITH 15% OF THE REQUIRED RESERVE FUNDING	\$\$ INCREASE FROM 2023	% INCREASE FROM 2023	BUDGET "B" 2024 WITH 100% OF THE REQUIRED RESERVE FUNDING	% INCREASE FROM 2023
INCOME:							
ASSESSMENTS/ANNUAL MAINTENANCE	4,755,232	5,187,798	5,387,875	632,643	13.3%	6,521,645	37.1%
Transfer Fees	0	0	0	0	0	0	0
Renovation Fee	0	5,000	5,000	5,000	5,000	5,000	5,000
Miscellaneous	0	5,000	5,000	5,000	5,000	5,000	5,000
A/C Service	35,000	43,750	43,750	8,750	25.0%	43,750	43,750
Late Fees	300	0	0	-300	-100.0%	0	0
Surveillance	12,000	0	0	-12,000	-100.0%	0	0
Work Orders-Parts	11,000	2,000	2,000	-9,000	-81.8%	2,000	2,000
Cabana Service	2,520	2,160	2,160	-360	-14.3%	2,160	2,160
Lockers	6,960	7,500	7,500	540	7.8%	7,500	7,500
Interest	1,500	50,000	50,000	48,500	3233.3%	50,000	50,000
Roof Antenna's	5,168	15,000	15,000	9,832	190.2%	15,000	15,000
Apartment Rental	23,700	38,400	38,400	14,700	62.0%	38,400	38,400
Garage Rent	12,000	14,240	14,240	2,240	18.7%	14,240	14,240
Kayak Charges	330	330	330	0	0.0%	330	330
Trickle Charges	3,300	3,762	3,762	462	14.0%	3,762	3,762
TOTAL INCOME	4,867,669	5,374,940	5,575,017	707,348	14.5%	6,708,787	
EXPENDITURES:							
Repairs & Replacements	74,500	0	0	-74,500	-100.0%	0	0
Payroll	1,458,907	1,687,396	1,687,396	228,489	15.7%	1,687,396	1,687,396
Utilities/Cable TV	531,146	628,300	628,300	97,154	18.3%	628,300	628,300
Outside Services & Repairs	365,393	477,257	477,257	111,864	30.6%	477,257	477,257
Supplies	171,555	195,835	195,835	24,280	14.2%	195,835	195,835
Miscellaneous Operating Expenses	143,066	114,316	114,316	-28,750	-20.1%	114,316	114,316
Insurance- Building (Citizens)	1,972,990	2,271,836	2,271,836	298,846	15.1%	2,271,836	2,271,836
Special Projects	20,000	0	0	-20,000	-100.0%	0	0
TRANSFER TO RESERVES:	130,112	0	200,077	69,965	53.8%	1,333,847	
TOTAL EXPENDITURES	4,867,669	5,374,940	5,575,017	707,348	14.5%	6,708,787	

PLEASE NOTE THAT THE BOARD MUST VOTE TO APPROVE A BUDGET WITH 100% RESERVE FUNDING IF THE MEMBERSHIP DOES NOT VOTE TO PARTIALLY FUND RESERVES. EFFECTIVE WITH THE 2025 BUDGET, FUNDING 100% OF RESERVES WILL BE REQUIRED.

**PLAZA SOUTH ASSOCIATION
2024 BUDGET**

ASSESSMENTS COMPARISON BASED ON RESERVES FUNDING - 15% vs. 100%

UNITS	PRO RATE	TOTAL 10% ASSESSED IN 2023 BUDGET	TOTAL 15% RESERVES ASSESSED IN 2024 BUDGET	Per Unit YEARLY TOTAL 2023	Per Unit YEARLY 15% RESERVES TOTAL 2024	QTRS	ASSESSED BY QTR 2023	ASSESSED BY QTR RESERVES 2024	TOTAL 100% Reserves 2024 Budget	Per Unit	
										By Year	By QTR
B,C,H,J,K,L,M,N	0.00282	4,755,232	5,387,875	13,392.64	15,174.41	4	3,348.16	3,793.60	6,521,645	18,367.56	4,591.89
D,G	0.00261	4,755,232	5,387,875	12,394.04	14,042.96	4	3,098.51	3,510.74	6,521,645	16,998.02	4,249.50
E	0.00357	4,755,232	5,387,875	16,967.62	19,225.02	4	4,241.90	4,806.25	6,521,645	23,270.53	5,817.63
F	0.00390	4,755,232	5,387,875	18,528.29	20,993.32	4	4,632.07	5,248.33	6,521,645	25,410.94	6,352.73
A,P	0.00350	4,755,232	5,387,875	16,648.54	18,863.49	4	4,162.14	4,715.87	6,521,645	22,832.93	5,708.23
PENT.30-A, 25-P PENT A/P	0.00384	4,755,232	5,387,875	18,251.53	20,679.74	4	4,562.88	5,169.94	6,521,645	25,031.38	6,257.84
PH.D,30-D/PH G &25G	0.00262	4,755,232	5,387,875	12,461.09	14,118.93	4	3,115.27	3,529.73	6,521,645	17,089.97	4,272.49
30-B/30-C/25-H,J,K,L,M,N PENT. B,C,H,J,K,L,M,N	0.00286	4,755,232	5,387,875	13,577.14	15,383.46	4	3,394.28	3,845.87	6,521,645	18,620.60	4,655.15
15-E/PENTHOUSE	0.00365	4,755,232	5,387,875	17,361.35	19,671.13	4	4,340.34	4,917.78	6,521,645	23,810.53	5,952.63
15-F./PENT. F	0.00424	4,755,232	5,387,875	20,178.11	22,862.64	4	5,044.53	5,715.66	6,521,645	27,673.62	6,918.41

Plaza South Association, Inc Funding Study Modified Cash Flow Analysis

Calendar Year	Annual Dues	Annual Interest	Annual Expenses	Annual Income Tax	Net Reserve Funds
2018	\$ 1,150,000	\$ 2,639		\$ 792	\$ 1,151,847
2019	\$ 1,178,750	\$ 8,464	\$ 1,383,401	\$ 2,539	\$ 953,122
2020	\$ 1,208,219	\$ 7,538	\$ 83,853	\$ 2,261	\$ 2,082,764
2021	\$ 1,238,424	\$ 13,256	\$ 1,566,417	\$ 3,977	\$ 1,764,051
2022	\$ 1,269,385	\$ 11,733	\$ 97,211	\$ 3,520	\$ 2,944,437
2023	\$ 1,301,119	\$ 17,708	\$ 3,158,971	\$ 5,312	\$ 1,098,981
2024	\$ 1,333,647	\$ 8,555	\$ 150,736	\$ 2,567	\$ 2,287,882
2025	\$ 1,366,989	\$ 14,576	\$ 9,037	\$ 4,373	\$ 3,656,037
2026	\$ 1,401,163	\$ 21,496	\$ 381,352	\$ 6,449	\$ 4,690,896
2027	\$ 1,436,192	\$ 26,750	\$ 918,887	\$ 8,025	\$ 5,226,926
2028	\$ 1,472,097	\$ 29,513	\$ 5,883,946	\$ 8,854	\$ 835,737
2029	\$ 1,508,900	\$ 7,641	\$ 180,825	\$ 2,292	\$ 2,169,161
2030	\$ 1,546,622	\$ 14,395	\$ 177,373	\$ 4,319	\$ 3,548,487
2031	\$ 1,585,288	\$ 21,380	\$ 502,763	\$ 6,414	\$ 4,645,978
2032	\$ 1,624,920	\$ 26,959	\$ 133,516	\$ 8,088	\$ 6,156,253
2033	\$ 1,665,543	\$ 34,603	\$ 1,785,027	\$ 10,381	\$ 6,060,991
2034	\$ 1,707,181	\$ 34,223	\$ 160,536	\$ 10,267	\$ 7,631,592
2035	\$ 1,749,861	\$ 42,174	\$ 50,685	\$ 12,652	\$ 9,360,290
2036	\$ 1,793,608	\$ 50,918	\$ 811,720	\$ 15,275	\$ 10,377,820
2037	\$ 1,838,448	\$ 56,108	\$ 77,450	\$ 16,832	\$ 12,178,093
2038	\$ 1,884,409	\$ 65,215	\$ 465,929	\$ 19,564	\$ 13,642,224
2039	\$ 1,931,519	\$ 72,644	\$ 553,839	\$ 21,793	\$ 15,070,755
2040	\$ 1,979,807	\$ 79,897	\$ 311,167	\$ 23,969	\$ 16,795,323
2041	\$ 2,029,302	\$ 88,634	\$ 2,207,941	\$ 26,590	\$ 16,678,729
2042	\$ 2,080,035	\$ 88,167	\$ 141,521	\$ 26,450	\$ 18,678,959
2043	\$ 2,132,036	\$ 98,288	\$ 1,939,261	\$ 29,486	\$ 18,940,535
2044	\$ 2,185,337	\$ 99,718	\$ 302,562	\$ 29,915	\$ 20,893,112
2045	\$ 2,239,970	\$ 109,606	\$ 170,706	\$ 32,882	\$ 23,039,100
2046	\$ 2,295,969	\$ 120,464	\$ 100,724	\$ 36,139	\$ 25,318,670
2047	\$ 2,353,369	\$ 131,994	\$ 2,194,118	\$ 39,598	\$ 25,570,316
2048	\$ 2,412,203	\$ 133,387	\$ 521,569	\$ 40,016	\$ 27,554,321
Totals :	\$ 52,900,312	\$ 1,538,644	\$ 26,423,042	\$ 461,593	

The cash distribution shown in this table applies to repair and replacement cash reserves only.

Basis of Funding Study - Modified Cash Flow

Cash reserves have been set to a minimum of \$ 0

Cash Flow has been modified with the forced Fixed Payments.

Months Remaining in Calendar Year 2018: 12 Inflation = 2.50 % Interest = 0.50 %

Study Life = 30 years Initial Reserve Funds = \$ 0.01 Final Reserve Value = \$ 27,554,320.62