

**EXPLANATION OF PROPOSALS TO BE VOTED UPON
BY OWNERS AT THE 2024 ANNUAL MEETING**

Proposal 1-Full Reserve Waiver: This proposal requires an affirmative vote by a majority of the members of the Association (119) voting in person, electronically, or by limited proxy, for approval. If not approved the Board of Governors will be required by Florida Statutes Chapter 718 to fully fund the Reserves with additional funds. This would be done by increasing monthly maintenance retroactive to January 1st resulting in an increase of approximately 73%.

Proposal 2-Reserve Use: This proposal requires an affirmative vote by a majority of the members of the Association (119) voting in person, electronically, or by limited proxy, for approval. If not approved a special assessment may have to be made in the event the balance in a reserve component account is insufficient to cover the cost of a major repair or replacement of an item covered by that component account. This could happen if the expenditure must be made sooner than planned or if the cost is greater than was estimated. Under this proposal, in such event, the Board would be empowered to use funds from one or more other component accounts.