

FINANCIAL COMMENTS AS OF FEBRUARY 28, 2021

INTRODUCTORY REMARKS: PLEASE WEAR A MASK, MAINTAIN SOCIAL DISTANCING, WASH HANDS, RESPECT ACTIVITIES PROTOCOL, MINIMIZE VISITORS TO THE SITE, EVEN IF YOU HAVE BEEN VACCINATED PLEASE OBSERVE THE PRECEDING AND RESPECT YOUR NEIGHBORS.

ATTACHED TO THIS REPORT IS THE PAINTING PROGRAM FOR THE CURRENT YEAR AND THE NEXT 7 YEARS, THIS YEAR'S PAINTING PROGRAM INCLUDES BUILDING 10, 21 AND 22.

A third of the Association's fiscal year is already behind us. Remember that our fiscal year runs from November 1st to October 31, 2021. This report includes modifications in some of its components when compared to the previous month's report, inclusive of the painting program forecast allocation and minor budget allocations using savings from different accounts and invested in a series of others, that may minimize increased fees in future years. If we can say, some of the projects planned for the future may be done during the fiscal year 2020/2021.

A lot is currently on going, access to contractors remains difficult so we are experiencing delays in execution of contracts, the welder did come up with a revise time schedule and we hope to complete the work during the month of March. Southern Palms fulfilled our commitment by completing the last 100 feet of Clussia on Miner Road. A portion of the grass repairs was also completed in mid-February. Mr. Dyotte came up with a landscape design for the southeast corner of the property, and the execution was done, thanks to owners Michel Dyotte, Gaby Belanger and his lady partner Leonor, Mario Cloutier and Claude Sylvain for their help. We also executed a series of bush and tree planting to replace dead or damaged ones. We will sign an agreement for the trimming of our large trees that should be executed before the hurricane season.

We have in stock the two used spare hydraulic devices that can be used in case one of the two in use to operate the main exit gate stop working. Depending on budget availability your Board may decide to replace the existing exit system. Your Board is quite pleased with the performance of the entrance gate mechanical system. The work on the replacement of the water inlet on unit type C, D and DD is still on going. ***Please review the report on the upcoming summer projects on our website.***

Limited changes in the revenue section when compared to last month's forecast, mainly an increase of \$500.00 under account 104 "transfer fee" due to the excellent level of activity in the number of



units sold. On account 107 “screening fee” we lowered our forecast by \$2,000.00 and hope that next fall we will see an improvement in the level of attendance.

We lowered our forecast for account 201, “water and sewage” as there is less residents on site and increased garbage and recycling forecast due to maintenance of equipment. On the administrative expenses we lowered or increased a series of accounts with a net reduction of \$ 1,497.00 of the previous month’s forecast.

On maintenance we increased the forecast for account 404.2 “new trees, plants and flowers” and we increased building maintenance by \$2,000.00, future forecast may go up. We transferred from the contingency account \$40,000.00 to account for the painting program planned for the current year. We lowered a series of accounts by small amounts.

On a net total our position did improve by \$3,497.00 taking in to consideration the building painting account when compared to last month’s forecast. The Association is in a good position to achieve the full year objective.

GENERAL FINANCIAL INFORMATION ON PRIOR SPECIAL ASSESSMENTS

Owners are frequently asking about prior years special assessments experience. The Association did have a total of 5 special assessments since 2005. Two of them were related to hurricanes, two for the shutter installation and finally one related to the financial situation in 2006-2007. For the hurricane, the first one for an amount of \$ 2,728.67 related to Wilma and Francis in 2005-2006, then a second one of \$150.00 for Irma in 2017-2018.

The two for the shutter installation, the first one in fiscal year 2007-2008 for an amount of \$2,899.96, which was followed by a second one for same purpose for an amount of \$675.00 in order to record the extra costs compared to the original estimate and also to cover the interest costs related to the borrowing made for the shutter installation.

The last one in 2008 was for an amount of \$600.00 and was necessary to cover the financial shortfall of 2006 and 2007, as expenses were not properly recorded. This mainly included under estimating for insurance (\$40,256.00), awning repairs and replacement (\$ 42,719.00), replacement of the gate air system (\$ 37,204.00), contribution to the reserve account that were over spent (\$ 69,900.00) and finally smaller amounts to cover pool and spa repairs, pest control, sprinklers and finally the replacement of dividing walls on B type of unit. The sum of that special assessment amounted to \$242,980.00.

You can find this data on our website as they are part of the audited statement mainly of the fiscal year 2007-2008.

Thanks for reading.
Andre Mongrain, President
Marc Desrochers, Treasurer
March 21, 2021

PAINTING PROGRAM FOR THE FISCAL YEAR 2020-2021 AND FOR THE NEXT 7 YEARS.

OWNER;

Please find enclosed the painting program for the current fiscal year (2020/2021) and the planning for the future years. We do have 77 buildings to paint over an 8- year time schedule. Some of the buildings are done by our own staff like the clubhouse, the maintenance shop, the postal kiosk, the garbage area and other minor painting tasks or added to the contractor work schedule.

Your Board reviewed the various proposals received from different firms, and for the next 8 years the same colors as the current ones will be maintained, there may be some variations to the color tone and to the trimming.

Recommendations from the architect and the painting firm retained are subject to change depending on feasibility and cost, mainly in the area of newly applied material.

The selected paint is from Benjamin Moore and the base color are #1067 (blondwood), 1494 (peaceful jade) and 179 (honeywheat) and the matching accent color in same sequence are 1069 (twilightgold), 1496 (raintree green) and 181 (Pan For Gold). You can have an idea of the color by going to:

www.benjaminmoore.com/bmpsweb/portals/bmps.portal?nfpb=true&pagelevel=f_c_home and then select the color number mentioned above, select *explore color*, then *view colors* under *virtual fan deck* where you will find the above mentioned colors.

Please remember that this is only a sample -- the actual colors may be different depending on the factors mentioned above.

The following is the painting program for the current year and for the future:

2020/2021: building 10, 21 and 22

2021/2022: building 1, 2, 3, 4, 5, 6, 7, 8, 9

2022/2023: building 46, 23, 24, 27, 28, 29, 30, 31

2023/2024: building 25, 26, 32, 33, 34, 35, 36, 37

2024/2025: building 14, 15, 17

2025/2026: building 16, 18, 19

2026/2027: building 38, 39, 40, 41, 42, 43, 44, 45

2027/2028: building 11, 12, 20 and then we start over.

We may on a yearly basis do some repaint of a portion of a building even if not on schedule.

As it costs more to paint C, D and DD types of units, on a per unit basis, for budget purposes we will try to average the cost over the year, not counting for inflation. This is based on an 8-year schedule to do all of our buildings. If futures Boards decide to accelerate the program by one year it will add about \$6,000.00 to each year's cost. We may also delay a portion of the buildings in one given year due to budget restriction and weather conditions. We have to remember that the product warranty from Benjamin Moore is valid for 8 years, labor and material.

This year's cost is estimated at \$40,000.00 and we should be able to maintain the same cost for the following year, plus inflation factor.

If you have questions, please do not hesitate to send an email and we will reply to your request for information.

Thanks

Daniel Laviolette, Publics works and environment Committee

Andre C. Mongrain President

March 17, 2021

WATERSIDE FINANCIAL RESULT
AS OF FEBRUARY 28, 2021

	<u>YTD</u>	<u>YTD</u>	<u>PREVIOUS</u>	<u>TOTAL YEAR</u>	<u>2020/2021</u>	
<u>REVENUES</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>VARIANCE</u>
100 NSF FEE	0	0			0	0
101 ASSESSMENTS	583,620	583,620	1,750,860	1,750,860	1,750,860	0
102 LATE FEE INCOME	725	333	1,200	1,200	1,000	200
103 INTEREST INCOME	4,560	9,667	29,000	29,000	29,000	0
104 TRANSFER FEE	1,750	833	4,000	4,500	2,500	2,000
106 ACCESS/GATE CARDS	100	167	500	400	500	-100
107 SCREENING FEE	3,300	6,333	9,000	7,000	19,000	-12,000
108 MISCELLANEOUS INCOME	700	333	1,000	1,000	1,000	0
FEE TRANSFER TO RESERVE	-39,167	-39,167	-117,500	-117,500	-117,500	0
INTEREST REV. TO RESERVE	-4,560	-9,667	-29,000	-29,000	-29,000	0
TOTAL REVENUES	551,028	552,453	1,649,060	1,647,460	1,657,360	-9,900

EXPENSES

UTILITIES

200 ELECTRIC	14,325	15,167	43,500	43,500	45,500	-2,000
201 WATER & SEWER	62,223	66,000	193,000	192,000	198,000	-6,000
202 GARBAGE & RECYCLING	19,219	17,333	52,000	53,000	52,000	1,000
203 PROPANE GAS	99	167	500	400	500	-100
204 CABLE T.V.	34,726	34,000	102,000	102,000	102,000	0
205 TELEPHONE	2,963	2,500	7,500	7,500	7,500	0
205.1 WIFI	1,159	1,150	3,450	3,450	3,450	0
	134,714	136,317	401,950	401,850	408,950	-7,100

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>PREVIOUS FORECAST</u>	<u>TOTAL YEAR FORECAST</u>	<u>2020/2021 BUDGET</u>	<u>VARIANCE</u>
ADMINISTRATIVE						
300 PAYROLL-ADMINISTRATIVE	36,243	39,000	117,000	116,500	117,000	-500
301 PAYROLL-MAINTENANCE	25,920	28,333	81,000	81,900	85,000	-3,100
302 PAYROLL TAXES	4,814	5,833	15,500	15,400	17,500	-2,100
302.1 EMPLOYEE BENEFITS	5,961	2,000	6,170	5,961	6,000	-39
304 SECURITY GUARDS	21,422	23,333	70,500	70,000	70,000	0
305 ACCOUNTING	8,265	8,333	24,500	24,800	25,000	-200
305.1 BANK FEES	168	67	200	300	200	100
305.2 BAD DEBT	0	2,667	8,000	8,000	8,000	0
305.3 COLLECTION COST	835	400	1,200	2,100	1,200	900
306 AUDITING	4,450	2,167	6,000	6,000	6,500	-500
307 LEGAL	1,372	833	2,500	2,500	2,500	0
308 PROPERTY TAX	4,562	1,450	4,700	4,562	4,350	212
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	130,000	130,000	390,000	390,000	390,000	0
311 OFFICE SUPPLIES	288	533	1,200	1,100	1,600	-500
312 POSTAGE & SHIPPING	172	283	650	550	850	-300
313 LICENSES	1,709	800	2,400	2,400	2,400	0
314 TRAVEL & MILEAGE	0	150	450	400	450	-50
315 MEETINGS & EDUCATION	0	100	300	300	300	0
316 SCREENING	525	1,667	2,500	2,000	5,000	-3,000
317 ALARM SYSTEM	170	167	500	500	500	0
318 COMPUTER REPAIR/SERVICE	307	667	2,000	2,000	2,000	0
319 COPIER	1,177	1,233	3,700	3,700	3,700	0
320 MISCELLANEOUS ADMIN.EXP.	2,067	2,500	7,500	7,000	7,500	-500
320.1 WEBSITE IMPROVEMENT	959	2,333	7,000	7,000	7,000	0
323 SOCIAL FACILITIES	165	1,800	4,000	3,000	5,400	-2,400
	251,551	256,650	759,470	757,973	769,950	-11,977

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>PREVIOUS</u> <u>FORECAST</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2020/2021</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>MAINTENANCE</u>						
400 GASOLINE	257	333	800	800	1,000	-200
401 SPRINKLERS	0	3,333	10,000	10,000	10,000	0
402 PEST CONTROL	4,100	5,000	15,000	15,000	15,000	0
402.6 MISC. MAINT.EXP.	460	500	1,500	1,500	1,500	0
403 GRASS CUTTING	25,583	29,167	87,500	87,500	87,500	0
403.1 FERTILIZATION-WEED-BUGS	9,560	8,333	23,000	24,000	25,000	-1,000
403.2 HEDGE TRIMMING	10,352	13,000	37,000	36,000	39,000	-3,000
404 TREE TRIMMING	0	4,667	14,000	14,000	14,000	0
404.2 NEW TREES-PLANTS-FLOWER	5,190	6,667	20,000	22,000	20,000	2,000
405 BUILDING MAINTENANCE	19,717	16,667	50,000	52,000	50,000	2,000
406 FENCE,SIDEWALK,SIGNS	-2,374	4,000	12,000	11,000	12,000	-1,000
406.1 DIRT.SODS & MULCH	-532	6,667	16,000	15,000	20,000	-5,000
407 SECURITY GATE EXPENSE	10,182	3,333	24,000	24,000	10,000	14,000
408 CAMERA & VIDEO EXP.	781	1,667	5,000	5,000	5,000	0
409 PLUMBING EXP.	2,767	1,333	7,000	6,000	4,000	2,000
410 ELECTRICAL EXP.	960	1,667	5,000	3,500	5,000	-1,500
411 POOL SUPPLIES & REPAIR	9,342	7,000	25,000	25,000	21,000	4,000
412 STREET MAINTENANCE	1,193	1,667	4,000	3,500	5,000	-1,500
413 UNIFORMS	0	100	300	300	300	0
414 GOLF CARTS	0	833	2,000	2,000	2,500	-500
415 LOCKSMITH	128	100	300	300	300	0
416 FIRE SAFETY	482	1,500	4,500	4,500	4,500	0
417 JANITORIAL SUPPLIES	195	1,000	2,500	2,000	3,000	-1,000
418 AWNINGS REPAIRS	-500	2,667	10,000	8,000	8,000	0
420 PAINTING PROGRAM	0	0	0	40,000	1	39,999
421 STREET LIGHT	-600	333	1,000	1,000	1,000	0
422 SHUFFLEBOARD CANOPY	0	0	0	0		0
424 TENNIS COURTS RESURFACE	0	0	0	0		0
425 POOL CHAIRS/TABLES	0	833	2,500	2,500	2,500	0
427 RESTROOMS UPGRADE ADA	0	11,667	35,000	35,000	35,000	0
429 BENCHES REPLACEMENT	0	167	500	500	500	0
434 PETANQUE CANOPY	0	0	0	0	0	0
477 PERGOLA	0	0	0	0		0
479 LIGHTS RETENTION POUND	0	0	0	0		0
	97,242	134,200	415,400	451,900	402,601	49,299

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>PREVIOUS FORECAST</u>	<u>TOTAL YEAR FORECAST</u>	<u>2020/2021 BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	0	25,286	72,240	35,737	75,859	-40,122
	0	25,286	72,240	35,737	75,859	-40,122
TOTAL EXPENSES	483,508	552,453	1,649,060	1,647,460	1,657,360	-9,900
REVENUES OVER EXPENSES	67,520	0	0	0	0	0

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>PREVIOUS FORECAST</u>	<u>TOTAL YEAR FORECAST</u>	<u>2019/2020 BUDGET</u>	<u>VARIANCE</u>
RESERVES						
2510 ROOFS	14,300	14,300	42,900	42,900	42,900	0
2515 PAINTING	0	0	0	0	0	0
2530 ASPHALT	13,667	13,667	41,000	41,000	41,000	0
2542 POOLS	1,333	1,333	4,000	4,000	4,000	0
2543 AWNINGS	0	0	0	0	0	0
2544 INTEREST REV. RESERVE	4,560	9,667	29,000	29,000	29,000	0
2545 WORKING CAPITAL	6,333	6,333	19,000	19,000	19,000	0
2546 SPRINKLERS	1,500	1,500	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	2,033	2,033	6,100	6,100	6,100	0
	43,726	48,833	146,500	146,500	146,500	0

Marc Desrochers
Treasurer

Andre Mongrain
President

March 18, 2021