

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION INC.

**MINUTES OF BOARD OF DIRECTORS BUDGET MEETING
HELD ON THURSDAY OCTOBER 26, 2023 AT 7:30PM AT THE CLUBHOUSE AND VIA
ZOOM**

PRESENT:

André Mongrain, Director, and President (via ZOOM)

Michael Shane, Director, and Vice-President

France Laroche, Director, and Treasurer (via ZOOM)

Michel Thivierge, Director, and Secretary

Marc Desrochers, Director (via ZOOM)

Daniel Laviolette, Director (via ZOOM)

And Stacey Casey, Property Manager (via ZOOM)

1. CALL TO QUORUM

The quorum was met as all six Directors were present and the meeting started at 7:30 PM

2. APPROVAL OF AGENDA

The approval of the agenda, was moved by Marc Desrochers, seconded by France Laroche, and unanimously approved.

3. APPROVAL OF MINUTES OF THE BOARD MEETING HELD MARCH 8, 2023

The approval of the minutes from the meeting held on March 8, 2023, was moved by Marc Desrochers, seconded by Daniel Laviolette, and unanimously approved.

4. APPROVAL OF MINUTES OF THE BOARD MEETING HELD JUNE 15, 2023

The approval of the minutes from the meeting held on June 15, 2023, was moved by France Laroche, seconded by Marc Desrochers, and unanimously approved.

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5. APPROVAL OF DIFFERENT CONTRACTS AWARDED SINCE MARCH 8, 2023

The approval of the contracts awarded since March 8, 2023, was moved by Daniel Laviolette, seconded by Marc Desrochers, and unanimously approved. Attached as Appendix 1.

6. RESOLUTION FOR TRANSFER OF POSSIBLE OPERATING SURPLUS FOR FISCAL YEAR 2023/2024 TO THE ROOF RESERVE #2510

It was proposed to allow the Board of Directors to transfer funds, if at the end of the fiscal year 2023/2024 there is a surplus of revenue over expenses of more than \$5,000.00, the said surplus would be transferred to the Roof Reserve (account # 2510).

This is necessary due to growing construction costs and the expected reception of an independent valuation report that may show our current reserve for the roof is insufficient. This may also be beneficial for the negotiation of our insurance.

The vote was proposed by France Laroche, seconded by Daniel Laviolette, the Board of Directors unanimously voted to adopt the said resolution.

7. APPROVAL OF THE 2023/2024 OPERATING BUDGET.

The approval of the 2023/2024 operating budget, was moved by France Laroche, seconded by Marc Desrochers, and unanimously approved. The new monthly fee is approved at \$545.00 a month. Final budget attached to minutes as Appendix 2.

8. APPROVAL OF THE 2023/2024 RESERVE BUDGET.

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The approval of the 2023/2024 reserve budget, was moved by Daniel Laviolette, seconded by Marc Desrochers, and unanimously approved. A total contribution to the various reserve accounts of \$200,500.00 was approved and an expected interest revenue of \$42,000.00 is part of the of the total of \$242,500.00. Final reserve budget attached to the minutes as Appendix 3.

9. OWNERS' QUESTION PERIOD

Several questions and statements were made by owners and answered by members of the board of directors.

President Andre Mongrain provided specific answer to questions received prior to the meeting. The first one was received from one owner, right after the release of the first mailing notice with budget information. The question was "from \$375.00 to \$545.00 what's wrong". Mr. Mongrain provided explanations, from the utility's charges to insurance cost, the salaries components cost, the contribution to reserve and other expenses. A chart describing the impact of the components is attached to the minutes as Appendix 4.

The second question relate to why the Board holds the budget meeting when most of the owners are not present. This was answered 2 days prior to the meeting by Mr. Mongrain in an email to the owner that did ask the question and he stated the following at the meeting:

Section 718.112(2)(f) of the Florida Statute provide the following:

“(f) Annual budget...1. The proposed annual budget of estimated revenues and expenses must be detailed and must show the amounts budgeted by accounts and expenses classifications, including, at a minimum, any applicable expenses listed in s. 718.504(21). The Board shall adopt the annual budget at least 14 days before the start of the new association’s fiscal year. In the event that the Board fails to timely adopt the annual budget a second time, it is deemed a

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minor violation and the prior years' budget shall continue in effect until a new budget is adopted...".

The Board use the minor violation to have the meeting as close as possible to the new year, stated President Mongrain.

10. ADJOURNMENT

The adjournment of the meeting was moved by Marc Desrochers, seconded by Daniel Laviolette, and unanimously approved. The meeting was adjourned at 9:05pm.

Michel Thivierge, Secretary
October 29, 2023

APPENDIX 1

CONTRACTS AWARDED SINCE THE BOARD MEETING OF JANUARY 28,2023

Chabot Irrigation

Replace pump motor for entry fountain \$ 1,540.08

Replace various timers and valves due to lightening
 Strikes and normal breakdown, redo piping near bldg
 39 & 43 \$ 5,851.86

DMI Paving & Sealing Coating

Large asphalt crack repair in selected areas \$ 4,990.00

Tropical Awning

Awning Replacement over #543/549 \$ 1,200.00

Southeastern Termite and Pest Management

Termite treatments at #663, 136, 363, 806,
 611, 641, 179, 681, 687, 145, 125, 151, 653, 515,
 105, 725, 619 \$18,675.00

Sullivan Electric & Pump

Replace main fountain pump \$ 1,039.50

Fleet Inspections

Insurance Mitigation Inspection \$ 8,928.00

Additional attic photos \$ 1,065.00

Insurance Mitigation Inspection of Guardhouse, Shop, East pool building and clubhouse	\$ 716.00
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Southern Palms Landscaping

Summer Flowers at entry	\$ 1,068.75
Large tree trimming prior to hurricane season	\$15,600.00

Mako Pools

West pool replacement of pool filters	\$ 615.00
Replacement of Spa filter	\$ 195.00
Leak Detection and broken line repair East pool	\$ 2,600.00
Replaced east pool chlorine feeder	\$ 615.00
Replaced circulation pump on east pool	\$ 3,350.00
Replaced Val Pak Equipment Lid	\$ 360.00
Replace chlorine feeder on west pool and Pressure gauge on spa	\$ 840.00
Replace pressure gauge on east pool	\$ 220.00

Gustafson Roofing

Roof repair at #312	\$ 750.00
Roof repair at #611	\$ 850.00

Leading Plumbing Services, LLC

Replace drinking fountain at west pool

\$1,566.48

APPENDIX 2

**WATERSIDE BUDGET FROM NOVEMBER 1ST 2023 TO OCTOBER 31ST 2024
 INCLUSIVE OF FORECAST FOR THE YEAR 2024/2025 AND 2025/2026
 USING SEPTEMBER 2023 FORECAST NON-AUDITED**

DESCRIPTION	2022/2023		Y 22/23		MONTHLY COST	Y 23/24		VARIANCE TO 22/23 FORC	Y 24/25		Y 25/26	
	NON AUDIT	BUDGET	BUDGET	BUDGET		BUDGET	FORECAST		FORECAST	FORECAST	FORECAST	
REVENUE	450	450	545	545		545	610		610		665	
NSF FEE	545	0	0	0		0	0	-545	0		0	
100 ASSESSMENTS **	2,219,400	2,219,400	2,687,940	2,687,940		468,540	3,008,520	468,540	3,008,520		3,279,780	
102 LATE FEE INCOME	2,010	1,200	1,200	1,200		-810	1,200	-810	1,200		1,200	
103 INTEREST INCOME	34,300	25,000	42,000	42,000		7,700	47,000	7,700	47,000		52,000	
104 ESTOPEL FEE	9,535	3,000	3,000	3,000		-6,535	3,000	-6,535	3,000		3,000	
106 ACCESS/GATE CARDS	2,300	400	400	400		-1,900	400	-1,900	400		400	
107 SCREENING FEE	25,000	23,000	39,000	39,000		14,000	39,000	14,000	39,000		39,000	
108 MISCELLANEOUS INCOME	300	1,000	500	500		200	500	200	500		500	
115 INSURANCE SPECIAL ASSESS	184,950	0	0	0		-184,950	0	-184,950	0		0	
RESERVE ACCOUNT	-188,500	-188,500	-200,500	-200,500		-12,000	-210,500	-12,000	-210,500		-220,500	
2544 INTEREST TO RESERVE	-34,300	-25,000	-42,000	-42,000		-7,700	-47,000	-7,700	-47,000		-52,000	
TOTAL REVENUE	2,255,540	2,059,500	513,29	2,531,540		276,000	2,842,120	276,000	2,842,120		3,103,380	

**EXPENSES
 UTILITIES**

200 ELECTRIC	61,000	57,000	49.27	65,000	4,000	66,000	67,000
201 WATER & WASTEWATER	214,000	215,000	19.16	243,000	29,000	270,000	285,000
202 GARBAGE & RECYCLING	89,000	87,000	20.88	94,500	5,500	100,400	104,400
203 PROPANE GAS	300	250		300	0	350	400
204 CABLE TV.	104,000	104,000		103,000	-1,000	147,910	153,829
205 TELEPHONE	4,650	7,700		5,500	850	6,000	6,500
205.1 WIFI	4,100	4,000		4,400	300	4,400	4,600
TOTAL	477,050	474,950	104.56	515,700	38,650	595,060	621,729

ADMINISTRATIVE	DESCRIPTION	2022/2023	Y 22/23	MONTHLY	Y 23/24	VARIANCE TO	Y 24/25	Y 25/26
		NON AUDIT	BUDGET	COST	BUDGET	22/23 FORC	FORECAST	FORECAST
	300 PAYROLL-ADMINISTRATIVE	142,000	135,000	40.55	200,000	58,000	207,500	215,000
	301 PAYROLL-MAINTENANCE	75,400	96,000	17.23	85,000	9,600	100,000	106,000
	302 PAYROLL TAXES	23,100	19,500	6.08	30,000	6,900	32,300	33,700
	302.1 EMPLOYEE BENEFITS	6,457	7,000		6,500	43	7,000	8,000
	304 SECURITY GUARDS	59,000	66,000	12.57	62,000	3,000	69,000	73,000
	305 ACCOUNTING	24,600	26,000	5.27	26,000	1,400	27,000	28,000
	305.1 BANK FEES	250	200		300	50	300	300
	305.2 BAD DEBT	4,000	10,000		6,000	2,000	8,000	10,000
	305.3 COLLECTIONS COST	600	2,500		1,500	900	2,500	2,500
	306 AUDITING	5,800	6,500		6,200	400	7,500	8,000
	307 LEGAL	8,950	2,500		3,500	-5,450	3,750	4,000
	308 PROPERTY TAX	5,400	4,750		5,385	-15	5,870	6,200
	309 INCOME TAX	0	0		0	0	0	0
	310 INSURANCE	767,600	603,000	188.56	930,000	162,400	1,097,000	1,294,500
	310.1 INSURANCE CASH SHORT.	0	0		0	0	0	0
	311 OFFICE SUPPLIES	1,200	1,200		1,400	200	1,500	1,600
	312 POSTAGE & SHIPPING	900	850		900	0	950	1,000
	313 LICENSES	2,523	2,500		2,600	77	2,600	2,700
	314 TRAVEL & MILEAGE	430	300		450	20	450	450
	315 MEETINGS & EDUCATION	0	300		300	300	300	300
	316 SCREENING	6,500	7,000		6,000	-500	7,000	8,000
	317 ALARM SYSTEM	400	600		600	200	700	700
	318 COMPUTER REPAIR/SERVICE	1,000	2,000		2,000	1,000	2,000	3,000
	319 COPIER	4,174	3,800		4,200	26	4,200	4,200
	320 JANITOR, WATER, MISC.	6,250	7,500		6,500	250	7,000	7,500
	320.1 WEBSITE IMPROVEMENT	2,490	3,000		3,000	510	3,000	3,000
	323 SOCIAL FACILITIES	6,000	6,000		6,000	0	6,000	7,000
		1,455,024	1,014,000	283.12	1,396,335	241,311	1,603,420	1,828,650

MAINTENANCE

DESCRIPTION	2022/2023		MONTHLY		VARIANCE TO		Y 24/25		Y 25/26	
	NON AUDIT	BUDGET	COST	BUDGET	22/23 FORC	FORECAST	FORECAST			
400 GASOLINE	1,400	1,100								
401 SPRINKLERS	33,000	8,000	6.49							
402 PEST CONTROL	38,350	17,500								
402.6 MISC. MAINT. EXP.	2,500	2,000								
403 GRASS CUTTING	101,640	101,640	21.13							
403.1 FERTILIZATION-WEED-BUGS	19,000	27,000	5.06							
403.2 HEDGE TRIMMING	54,000	43,560	10.14							
404 TREE TRIMMING	17,000	32,000								
404.2 NEW TREES & BUSHES	20,000	35,000	4.06							
405 BUILDING MAINTENANCE	110,000	85,000	18.25							
406 FENCE, SIDEWALK, SIGNS	18,000	13,000								
406.1 DIRT SODS & MULCH	10,000	15,000								
407 SECURITY GATE EXPENSES	16,500	5,000								
407.1 MAJOR GATES EXPENSES	0	0								
408 CAMERA & VIDEO EXP.	2,500	5,000								
409 PLUMBING EXP.	6,100	2,000								
410 ELECTRICAL EXP.	4,500	3,000								
411 POOL SUPPLIES & REPAIR	34,500	25,000	6.49							
411.1 POOLS MAJOR REPAIRS	0	0								
412 STREET MAINTENANCE	18,900	10,000								
413 UNIFORMS	300	300								
414 GOLF CARTS/GROUND EQUIP.	2,500	1,500								
415 LOCKSMITH	1,600	300								
416 FIRE SAFETY	5,388	5,500								
417 JANITORIAL SUPPLIES	2,000	2,500								
418 AWNINGS REPAIRS	1,200	10,000								
420 PAINTING PROGRAM	74,150	75,000	15.21							
421 STREET LIGHT	0	500								
422 SHUFFLE BOARD CANOPY	0	0								
424 TENNIS COURT RESURFACING	24	0								
425 POOL CHAIRS/TABLES	4,000	2,500								
427 RESTROOM ADA UPGRADE	0	0								
428.1 INFRASTRUCTURE	0	5,000								
429 BENCHES REPLACEMENT	0	500								
434 PETANQUE CANOPY	0	0								
477 PERGOLA	0	0								
479 LIGHTS RETENTION POUND	0	0								
	599,052	534,400	118.98							
				586,800	-12,252	604,900	626,100			

DESCRIPTION	2022/2023	Y 22/23	MONTHLY	Y 23/24	VARIANCE TO	Y 24/25	Y 25/26
	NON AUDIT	BUDGET	COST	BUDGET	22/23 FORC	FORECAST	FORECAST
326 DEMOCRATIC PROCESS	7,794	0	0	0	-7,794	0	0
435 NEW FOUNTAIN	9,500	0	0	0	-9,500	0	0
450 CONTINGENCY	0	36,150	32,705	32,705	32,705	38,740	26,901
561 OFFICE FLOOD	1,000	0	0	0	-1,000	0	0
	18,294	36,150	6,63	32,705	14,411	38,740	26,901

GRAND TOTAL EXPENSES 2,249,420 2,059,500 513 2,531,540 282,120 2,842,120 3,103,380.0

REVENUE OVER EXPENSES 6,120 0 -6,120 0

RESERVES	DESCRIPTION	2022/2023	Y 22/23	MONTHLY	Y 23/24	VARIANCE TO	Y 24/25	Y 25/26
		NON AUDIT	BUDGET	COST	BUDGET	22/23 FORC	FORECAST	FORECAST
2510 ROOFS		58,000	58,000	0	75,000	17,000	80,000	85,000
2515 PAINTING		0	0	0	0	0	0	0
2530 ASPHALT		61,000	61,000	0	61,000	0	61,000	61,000
2542 POOLS		5,000	5,000	0	5,000	0	5,000	5,000
2546 SPRINKLERS		4,500	4,500	0	4,500	0	4,500	4,500
2547 TV CABLE INFRASTRUCTURE		5,000	5,000	0	0	-5,000	0	0
2545 WORKING CAPITAL		45,000	45,000	0	45,000	0	50,000	55,000
2544 INTEREST REV. RESERVE		34,300	25,000	0	42,000	7,700	47,000	52,000
2550 INFRASTRUCTURE		10,000	10,000	0	10,000	0	10,000	10,000
		222,800	213,500	49,17	242,500	19,700	257,500	272,500

27-Oct-23
Andre Mongrain President

APPENDIX 3

FUTURE MAJOR REPAIRS AND REPLACEMENTS RESERVE 2023/2024

<u>RESERVE ACCOUNT</u>	<u>BALANCE</u>	<u>2022/2023</u>	<u>2022/2023</u>	<u>BALANCE</u>	<u>2023/2024</u>	<u>2023/2024</u>	<u>BALANCE</u>
	<u>10/31/2022</u>	<u>TRANSFER</u>	<u>ADDITIONS</u>	<u>10/31/2023</u>	<u>TRANSFER</u>	<u>ADDITIONS</u>	<u>10/31/2024</u>
ROOFS	602,729	5,853	58,000	666,583	12,504	75,000	754,087
PAINTING	54,879	533	0	55,412	1,039	0	56,451
ASPHALT	380,128	3,790	61,000	444,918	8,345	61,000	514,263
POOLS	91,724	891	5,000	97,615	1,831	5,000	104,446
AWNING	83,572	812	0	84,384	1,583	0	85,967
SPRINKLERS	78,005	758	4,500	83,263	1,562	4,500	89,325
TV INFRASTRUCTURE	92,073	894	5,000	97,967	1,838	0	99,805
INFRASTRUCTRE	10,000	97	10,000	20,097	377	10,000	30,474
WORKING CAPITAL	231,122	2,244	45,000	278,366	5,221	45,000	328,587
INTEREST	15,872	-15,872	34,300	34,300	-34,300	42,000	42,000
	<u>1,640,105</u>	<u>0</u>	<u>222,800</u>	<u>1,862,905</u>	<u>0</u>	<u>242,500</u>	<u>2,105,405</u>

NOTE THESE FIGURE ARE ESTIMATE AS THE INTEREST REVENUE ARE NOT AUDITED FIGURE FOR 2022/2023/2024
IF FORECAST FOR

ACMONGRAIN 27-Oct-23

APPENDIX 4

2023-2024 BUDGET (\$545,000) COMPARE TO 2021-2022 ACTUAL RESULT (\$375,000)

	2021-2022	2023-2024	INCREASE	CUMULATIVE INCREASE
TOTAL COST 2021-2022	\$1,657,360.00			
TOTAL BUDGET COST 2023-2024		<u>\$2,531,540.00</u>		
TOTAL COST INCREASE OVER 2021-2022	<u>\$874,180.00</u>			
<u>MAIN ITEMS GENERATING SUCH INCREASE</u>				
#200 ELECTRICITY	41,400	65,000	23,600	23,600
#201 WATER WASTEWATER	186,000	243,000	57,000	80,600
#202 GARBAGE AND RECYCLING	57,950	94,500	36,550	117,150
#300-301-302-302.1 SALARY RELATED	213,507	321,500	107,993	225,143
#310 INSURANCE	373,500	930,000	556,500	781,643
#401 SPRINKLER	2,590	32,000	29,410	811,053
#402 PEST CONTROL	12,300	30,000	17,700	828,753
#403- 403.1- 403.2 GRASS,FERTILIZATION, HEDGE	144,096	179,200	35,104	863,857
#420 PAINTNING	39,300	75,000	35,700	899,557
RESERVE EXCLUDING INTEREST REVENUE	117,500	200,500	83,000	982,557
ALL OTHERS EXPENSES	469,217	360,840	-108,377	874,180

Andre Mongrain Oct 27-2023