

MARCH 31, 2020 FINANCIAL COMMENTS REPORT

Please note that we modified the data report by adding a column that refer to the previous month forecast, to allow you to follow the evolution.

Your Board is monitoring the impact the coronavirus and the insurance projected cost may have on a short term and long-term basis on our financial situation. You will notice in the current report that many changes are recorded in relation to the above two situations, as we see it presently.

All our snowbirds have left the site beside one of the signatories to this report. Let's hope that owners have instructed their caretakers to make sure their condo was closed properly. As mentioned on the summer projects list our staff will perform some verifications.

On the ACH payment (automatic draw from owner accounts), it is now running fine. There are some owners that send emails when they receive the notice that a payment will be processed, please do not worry, it is only something to let you know that within 3 days the accounting firm will process the payment. The main concern on this note are: the meaning of **Applied Charges**, this is only equivalent to the monthly condo fee, nothing else can be processed by Waterside under this authorization only the budgeted monthly fee. Then we have **Default Bank**, which is the bank info you have provided to the Association and it is normally a checking account. **We recommend that you do not make changes to your method of payment, always inform the office, they will complete the modification if necessary, on your behalf.**

On the balance sheet, the receivables are down to \$6,100.00 the lowest level ever achieved at Waterside and this is compared to last month's balance of \$7,440.00 We only have one owner account with a growing late balance, this is a situation created by an estate. The various reserves are funded on a monthly basis in accordance with the Administrative Code of Florida. We have not reallocated funds from the reserve bank accounts to the operating bank account for the use we made for the TV repairs and replacement parts.

Changes are being forecasted and compared to the budget for the year and the February forecast. On revenue components we have lowered the expectation from account 107 (screening fee). We remain very cautious on the impact the Covid-19 virus may have on next winters number of visitors, so we lowered our forecast by \$5,000.00.

We lowered the utilities expenses by a net of \$2,500.00 compared to last months forecast mainly by lowering electricity (account #200) by \$1,000.00, being the result of the shut down of the pools and spa and also by lowering water and sewage (account #201) by \$2,000.00, as our snowbirds did leave a lot sooner compared to previous years.

On the administrative section we increased our reserve for bad debt, we have nothing currently on the horizon, again we prefer to play on the safe side when it come to forecasting. ***On a very positive note, we completed the negotiation of our insurance policies on same day as this report is being written and for the current year, we will be dead on budget.*** Variance from budget is forecasted at \$24.00, in the end it should be within a \$1,000.00 when all the T's are crossed. We are happy to see this major cost

component of our budget behind us. We will discuss in a future report the impact it has on the future 2 years. At the end of March, we terminated one maintenance employee in accordance with the budget.

In the maintenance group of expenses, we lowered the forecast on account 404.2 (new trees and plants) by \$10,000.00 bringing it to \$40,000.00, we are now below budget by \$15,000.00. In March we invested \$14,611.00 mainly in replacement of damaged plants all over the site. We are left with \$25,000.00 to invest for a major length of hedge replacement and also for some plants that may need to be replaced. We increased the pools maintenance cost in order to cover the cost of the replacement of all copper lines in the west pool filtration room.

We increased the forecast for electrical expenses, following the annual inspection done by the Fire Marshal. We have 15 outside rusted electrical boxes to replace, we normally do not have this level of requirement every year. We increased our plumbing expenses as we have initiated the replacement of the outside water intake for about 14, C and D units, this is a long-term project for the replacement of all.

The year to date reported loss is a punctual result, year to date does indicate an even result position. If there is an overrun it will be compensated by the contingency budget account that now stands at \$31,132.00. Remember that following a resolution of the Board, if this contingency is not used than it will be used to refund a portion of the TV replacement reserve used for the migration from an analog to a digital system.

Thanks for reading,

Andre Mongrain, President

Marc Desrochers, Treasurer

April 15, 2020

WATERSIDE FINANCIAL RESULT
AS OF MARCH 31, 2020

<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>2019/2020</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>REVENUES</u>						
100 NSF FEE	100	0	0	0	0	0
101 ASSESSMENTS	708,974	708,975	1,701,540	1,701,540	1,701,540	0
102 LATE FEE INCOME	850	500	1,200	1,200	1,200	0
103 INTEREST INCOME	13,377	8,417	25,520	25,520	20,200	5,320
104 TRANSFER FEE	2,000	1,042	3,000	2,500	2,500	0
106 ACCESS/GATE CARDS	750	208	500	650	500	150
107 SCREENING FEE	15,200	11,250	27,000	21,000	27,000	-6,000
108 MISCELLANEOUS INCOME	950	417	1,000	1,200	1,000	200
FEE TRANSFER TO RESERVE	-48,958	-48,958	-117,500	-117,500	-117,500	0
INTEREST REV. TO RESERVE	-13,377	-8,417	-25,520	-25,520	-20,200	-5,320
TOTAL REVENUES	679,866	673,433	1,616,740	1,610,590	1,616,240	-5,650

EXPENSES

UTILITIES

200 ELECTRIC	19,281	20,625	47,500	46,500	49,500	-3,000
201 WATER & SEWER	84,483	83,333	200,000	198,000	200,000	-2,000
202 GARBAGE & RECYCLING	21,538	21,229	51,950	51,950	50,950	1,000
203 PROPANE GAS	774	83	900	900	200	700
204 CABLE T.V.	44,263	42,167	103,500	104,000	101,200	2,800
205 TELEPHONE	3,104	3,250	7,800	7,800	7,800	0
205.1 WIFI	1,103	1,333	3,200	3,200	3,200	0
	174,546	172,021	414,850	412,350	412,850	-500

<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>2019/2020</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>ADMINISTRATIVE</u>						
300 PAYROLL-ADMINISTRATIVE	51,980	50,492	122,180	122,180	121,180	1,000
301 PAYROLL-MAINTENANCE	42,050	38,300	91,920	91,920	91,920	0
302 PAYROLL TAXES	8,271	7,417	17,800	17,800	17,800	0
302.1 EMPLOYEE BENEFITS	6,802	2,250	6,802	6,802	5,400	1,402
304 SECURITY GUARDS	23,364	24,583	59,000	58,000	59,000	-1,000
305 ACCOUNTING	10,311	10,750	25,200	25,200	25,800	-600
305.1 BANK FEES	249	500	1,200	500	1,200	-700
305.2 BAD DEBT	716	1,754	4,210	10,000	4,210	5,790
305.3 COLLECTION COST	670	1,042	2,000	3,000	2,500	500
306 AUDITING	5,800	2,917	5,800	5,800	7,000	-1,200
307 LEGAL	2,681	1,042	3,500	3,500	2,500	1,000
308 PROPERTY TAX	4,595	1,771	4,594	4,594	4,250	344
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	124,916	129,167	310,000	310,024	310,000	24
311 OFFICE SUPPLIES	953	833	2,000	2,000	2,000	0
312 POSTAGE & SHIPPING	1,093	208	1,000	1,300	500	800
313 LICENSES	1,709	1,333	3,200	3,200	3,200	0
314 TRAVEL & MILEAGE	332	208	500	500	500	0
315 MEETINGS & EDUCATION	0	125	300	300	300	0
316 SCREENING	3,375	2,917	7,000	5,500	7,000	-1,500
317 ALARM SYSTEM	363	208	650	500	500	0
318 COMPUTER REPAIR/SERVICE	1,224	833	2,000	2,300	2,000	300
319 COPIER	2,544	1,875	5,500	5,000	4,500	500
320 MISCELLANEOUS ADMIN.EXP.	8,366	2,917	10,000	10,000	7,000	3,000
320.1 WEBSITE IMPROVEMENT	1,014	833	2,000	2,000	2,000	0
323 SOCIAL FACILITIES	8,408	4,167	12,000	12,000	10,000	2,000
	311,786	288,442	700,356	703,920	692,260	11,660

<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>2019/2020</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>MAINTENANCE</u>						
400 GASOLINE	500	500	1,200	1,200	1,200	0
401 SPRINKLERS	2,619	5,417	13,000	11,000	13,000	-2,000
402 PEST CONTROL	5,217	6,250	15,000	15,000	15,000	0
402.6 MISC. MAINT.EXP.	2,518	833	3,000	3,500	2,000	1,500
403 GRASS CUTTING	25,543	32,703	78,488	78,488	78,488	0
403.1 FERTILIZATION-WEED-BUGS	18,764	20,125	46,000	46,000	48,300	-2,300
403.2 HEDGE TRIMMING	12,852	16,125	38,700	38,700	38,700	0
404 TREE TRIMING	6,101	4,167	11,000	11,000	10,000	1,000
404.2 NEW TREES-PLANTS-FLOWER	14,611	22,917	50,000	40,000	55,000	-15,000
405 BUILDING MAINTENANCE	26,754	27,083	65,000	65,000	65,000	0
406 FENCE,SIDEWALK,SIGNS	4,011	12,500	30,000	20,000	30,000	-10,000
406.1 DIRT.SODS & MULCH	14,500	12,500	30,000	25,000	30,000	-5,000
407 SECURITY GATE EXPENSE	2,530	2,500	6,000	6,000	6,000	0
408 CAMERA & VIDEO EXP.	0	833	2,000	2,000	2,000	0
409 PLUMBING EXP.	813	1,667	4,000	6,000	4,000	2,000
410 ELECTRICAL EXP.	6,876	2,083	6,000	10,000	5,000	5,000
411 POOL SUPPLIES & REPAIR	15,369	9,167	25,000	27,000	22,000	5,000
412 STREET MAINTENANCE	2,875	833	3,500	3,500	2,000	1,500
413 UNIFORMS	0	125	300	300	300	0
414 GOLF CARTS	795	1,250	3,000	2,500	3,000	-500
415 LOCKSMITH	139	83	200	300	200	100
416 FIRE SAFETY	0	1,875	4,500	4,500	4,500	0
417 JANITORIAL SUPPLIES	1,155	1,042	2,500	2,500	2,500	0
418 AWNINGS REPAIRS	-1,275	1,667	3,000	3,000	4,000	-1,000
420 PAINTING PROGRAM	0	0	0	0	0	0
421 STREET LIGHT	28,812	12,083	29,000	29,000	29,000	0
422 SHUFFLEBOARD CANOPY	0	0	0	0	0	0
424 TENNIS COURTS RESURFACE	0	0	0	0	0	0
425 POOL CHAIRS/TABLES	0	1,042	2,500	1,500	2,500	-1,000
429 BENCHES REPLACEMENT	2,345	1,667	3,000	3,000	4,000	-1,000
434 PETANQUE CANOPY	4,200	1,750	4,200	4,200	4,200	0
477 PERGOLA	0	0	0	0	0	0
479 LIGHTS RETENTION POUND	0	1,250	3,000	3,000	3,000	0
	198,624	202,037	483,088	463,188	484,888	-21,700

<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>2019/2020</u> <u>BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	0	10,934	18,446	31,132	26,242	4,890
	0	10,934	18,446	31,132	26,242	4,890

TOTAL EXPENSES	684,956	673,433	1,616,740	1,610,590	1,616,240	-5,650
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REVENUES OVER EXPENSES	-5,090	0	0	0	0	0
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RESERVES						
2510 ROOFS	17,875	17,875	42,900	42,900	42,900	0
2515 PAINTING	0	0	0	0	0	0
2530 ASPHALT	17,083	17,083	41,000	41,000	41,000	0
2542 POOLS	1,667	1,667	4,000	4,000	4,000	0
2543 AWNINGS	0	0	0	0	0	0
2544 INTEREST REV. RESERVE	8,417	8,417	25,520	25,520	20,200	5,320
2545 WORKING CAPITAL	7,917	7,917	19,000	19,000	19,000	0
2546 SPRINKLERS	1,875	1,875	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	2,542	2,542	6,100	6,100	6,100	0
	57,376	57,375	143,020	143,020	137,700	5,320

Marc Desrochers

Treasurer

Andre Mongrain

President

April 15, 2020