

## JUNE 30, 2020 FINANCIAL COMMENTS REPORT

Your Board is committing funds to ensure a safe and manageable operation, for the time being, of one pool. The east pool has been open for about a month. We have to complete the men's room refurbishing and when completed, we will address the renovation of the lady's room. It is a significant investment in terms of time and money. The larger tree trimming is now completed as well as the sidewalk repairs.

The ACH payment (automatic draw from owner's accounts), is running smoothly. We recommend that you do not make changes to your method of payment, always inform the office and they will complete the modification if necessary, on your behalf. The process also has a positive impact on bank fees for the processing of the monthly assessment.

On the balance sheet, the receivables are down to \$4,960.00 this is an all-time record low, last month's balance was \$5,065.00. We only have one owner account with a stabilized late balance and this is a situation created by an estate. Monique does the follow up on every situation and the new ACH payment process helps the monitoring.

In early May we made a transfer of \$40,000.00 from the Working Capital Reserve in order to make the full insurance payment without borrowing, in early June we reimbursed \$20,000.00 and we did the same in early July. The insurance cost went from \$284,000.00 to \$325,000.00 in terms of cash out year over year and we are within budget at \$311,000.00. For the payment this past year, we had collected as part of the monthly fee on average \$26,000.00 a month, for a total amount collected of \$156,000.00 after 6 months (from November 1<sup>st</sup> 2019 to April 30<sup>th</sup> 2020). The payment requirement was \$325,000.00 so cash wise we did have a shortfall fall of \$169,000.00 which we collect from upcoming monthly fees, \$154,000.00 equivalent to the total budget of \$310,000.00 (\$156,000.00 plus \$154,000.00). We have to use either the working capital reserve for all of it or a portion of, the remaining comes from budgeted items that we can differ the execution of. As insurance costs are growing and will continue to increase with situations created by law suits in relation to the corona virus in the U.S. We need to find a solution for this situation.

We are now considering setting up a new term deposit (CD) or an annuity of \$125,000.00, interest rates are quite low.

No changes to the forecast on all revenue accounts, it is not the case for the expense accounts. We did reduce the forecast on the utilities by \$3,500.00, \$1,000.00 for electricity (the tennis courts are not in use as much), \$2,000.00 for water and sewage due to the limited number of snowbirds that will come during the summer months. We could reduce that cost center by a further \$2,000.00, if it was not for the increase in number of long-term renters. We reduced the total forecast for the administrative expenses by \$3,400.00 under a multitude of accounts that make up this heading.

Under the maintenance grouping, we mainly increased the buildings from \$65,000.00 to \$75,000.00 which created an overrun-on budget by \$10,000.00, this is due to six units with interior water damage and the renovation of the east pool restrooms. The changes under account 403, grass cutting is a difference created by a budget allocation between 403.1 and 403. Account 403.1 is down substantially, a portion due to the allocation mentioned under account 403 and also due to the very hot and humid

weather we are experiencing which prevents us from applying either granular or liquid fertilizer that were scheduled. The same also on new trees, plants and flowers, the heat will be a killer to new plants. To be on safe side we have also eliminated the investment for lights at the retention pounds. In total the maintenance group of expenses is down by \$3,238.00 when compared to the previous month's forecast and below budget by \$21,038.00

On the contingency account #450, we used \$4,211.00 of the budget to cover expenses related to corona virus, like hand free soap dispensers, automatic flush urinals, hands free water faucets, foot operated-toilet flushers, special soap, hand sanitizer, ultra violet ionizer, special disinfectant, forehead thermometers, etc. Remember that in accordance with a Board resolution a portion of the left over in the contingency account will be transferred to the TV replacement reserve account to offset the investment when we went from analogue to digital.

Thanks for reading,

Andre Mongrain, President

Marc Desrochers, Treasurer

July 21, 2020

**WATERSIDE FINANCIAL RESULT**  
**AS OF JUNE 30, 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>
<b><u>REVENUES</u></b>						
100 NSF FEE	200	0	100	100	0	100
101 ASSESSMENTS	1,134,360	1,134,360	1,701,540	1,701,540	1,701,540	0
102 LATE FEE INCOME	650	800	1,000	1,000	1,200	-200
103 INTEREST INCOME	16,604	13,467	25,520	25,520	20,200	5,320
104 TRANSFER FEE	2,750	1,667	3,000	3,000	2,500	500
106 ACCESS/GATE CARDS	800	333	900	900	500	400
107 SCREENING FEE	16,100	18,000	19,000	19,000	27,000	-8,000
108 MISCELLANEOUS INCOME	1,350	667	1,200	1,200	1,000	200
FEE TRANSFER TO RESERVE	-78,333	-78,333	-117,500	-117,500	-117,500	0
INTEREST REV. TO RESERVE	-16,604	-13,467	-25,520	-25,520	-20,200	-5,320
<b>TOTAL REVENUES</b>	<b>1,077,877</b>	<b>1,077,493</b>	<b>1,609,240</b>	<b>1,609,240</b>	<b>1,616,240</b>	<b>-7,000</b>

**EXPENSES**

**UTILITIES**

200 ELECTRIC	28,379	33,000	45,000	44,000	49,500	-5,500
201 WATER & SEWER	130,986	133,333	196,000	194,000	200,000	-6,000
202 GARBAGE & RECYCLING	34,698	33,967	51,950	51,950	50,950	1,000
203 PROPANE GAS	774	133	950	950	200	750
204 CABLE T.V.	68,950	67,467	105,000	105,000	101,200	3,800
205 TELEPHONE	4,495	5,200	7,800	7,200	7,800	-600
205.1 WIFI	2,218	2,133	3,200	3,300	3,200	100
	<b>270,499</b>	<b>275,233</b>	<b>409,900</b>	<b>406,400</b>	<b>412,850</b>	<b>-6,450</b>

<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>
<b><u>ADMINISTRATIVE</u></b>						
300 PAYROLL-ADMINISTRATIVE	79,109	80,787	118,000	118,000	121,180	-3,180
301 PAYROLL-MAINTENANCE	61,810	61,280	89,000	89,000	91,920	-2,920
302 PAYROLL TAXES	12,320	11,867	17,800	17,800	17,800	0
302.1 EMPLOYEE BENEFITS	7,197	3,600	7,197	7,197	5,400	1,797
304 SECURITY GUARDS	36,450	39,333	58,000	57,000	59,000	-2,000
305 ACCOUNTING	16,424	17,200	25,000	24,750	25,800	-1,050
305.1 BANK FEES	321	800	500	450	1,200	-750
305.2 BAD DEBT	716	2,807	7,000	6,000	4,210	1,790
305.3 COLLECTION COST	803	1,667	2,000	1,500	2,500	-1,000
306 AUDITING	5,800	4,667	5,800	5,800	7,000	-1,200
307 LEGAL	3,770	1,667	4,000	4,500	2,500	2,000
308 PROPERTY TAX	4,674	2,833	4,674	4,674	4,250	424
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	203,596	206,667	311,000	311,000	310,000	1,000
311 OFFICE SUPPLIES	1,155	1,333	1,900	1,800	2,000	-200
312 POSTAGE & SHIPPING	1,116	333	1,300	1,300	500	800
313 LICENSES	2,354	2,133	3,200	2,400	3,200	-800
314 TRAVEL & MILEAGE	332	333	450	450	500	-50
315 MEETINGS & EDUCATION	0	200	300	300	300	0
316 SCREENING	4,025	4,667	5,000	5,000	7,000	-2,000
317 ALARM SYSTEM	448	333	600	600	500	100
318 COMPUTER REPAIR/SERVICE	1,269	1,333	2,000	2,000	2,000	0
319 COPIER	3,111	3,000	4,500	4,100	4,500	-400
320 MISCELLANEOUS ADMIN.EXP.	8,719	4,667	10,000	10,000	7,000	3,000
320.1 WEBSITE IMPROVEMENT	1,014	1,333	2,000	2,000	2,000	0
323 SOCIAL FACILITIES	13,170	6,667	13,500	13,700	10,000	3,700
	<b>469,701</b>	<b>461,507</b>	<b>694,721</b>	<b>691,321</b>	<b>692,260</b>	<b>-939</b>

<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>
<b>MAINTENANCE</b>						
400 GASOLINE	570	800	1,100	1,100	1,200	-100
401 SPRINKLERS	7,215	8,667	10,000	10,000	13,000	-3,000
402 PEST CONTROL	8,292	10,000	15,000	13,000	15,000	-2,000
402.6 MISC. MAINT.EXP.	2,806	1,333	3,500	4,000	2,000	2,000
403 GRASS CUTTING	54,735	52,325	78,488	87,500	78,488	9,012
403.1 FERTILIZATION-WEED-BUGS	17,016	32,200	46,000	30,000	48,300	-18,300
403.2 HEDGE TRIMMING	25,158	25,800	38,700	38,700	38,700	0
404 TREE TRIMING	6,101	6,667	14,500	14,550	10,000	4,550
404.2 NEW TREES-PLANTS-FLOWER	14,611	36,667	37,500	32,000	55,000	-23,000
405 BUILDING MAINTENANCE	41,636	43,333	65,000	75,000	65,000	10,000
406 FENCE,SIDEWALK,SIGNS	4,031	20,000	20,000	18,000	30,000	-12,000
406.1 DIRT.SODS & MULCH	14,500	20,000	25,000	25,000	30,000	-5,000
407 SECURITY GATE EXPENSE	9,588	4,000	11,000	11,000	6,000	5,000
408 CAMERA & VIDEO EXP.	401	1,333	2,000	5,000	2,000	3,000
409 PLUMBING EXP.	2,794	2,667	5,500	5,500	4,000	1,500
410 ELECTRICAL EXP.	9,334	3,333	9,000	10,000	5,000	5,000
411 POOL SUPPLIES & REPAIR	19,893	14,667	27,000	27,000	22,000	5,000
412 STREET MAINTENANCE	3,966	1,333	4,000	4,500	2,000	2,500
413 UNIFORMS	0	200	300	300	300	0
414 GOLF CARTS	1,402	2,000	2,500	2,500	3,000	-500
415 LOCKSMITH	139	133	300	300	200	100
416 FIRE SAFETY	600	3,000	4,500	4,900	4,500	400
417 JANITORIAL SUPPLIES	2,552	1,667	2,500	3,300	2,500	800
418 AWNINGS REPAIRS	-1,275	2,667	3,000	3,000	4,000	-1,000
420 PAINTING PROGRAM	0	0	0	0	0	0
421 STREET LIGHT	28,812	19,333	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	1,667	1,500	1,500	2,500	-1,000
429 BENCHES REPLACEMENT	2,346	2,667	3,000	3,000	4,000	-1,000
434 PETANQUE CANOPY	4,200	2,800	4,200	4,200	4,200	0
477 PERGOLA	0	0	0	0	0	0
479 LIGHTS RETENTION POUND	0	2,000	3,000	0	3,000	-3,000
	<b>281,422</b>	<b>323,259</b>	<b>467,088</b>	<b>463,850</b>	<b>484,888</b>	<b>-21,038</b>

<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>
450 CONTINGENCY	4,211 0	17,495	37,531	47,669	26,242	21,427
	<b>4,211</b>	<b>17,495</b>	<b>37,531</b>	<b>47,669</b>	<b>26,242</b>	<b>21,427</b>
<b>TOTAL EXPENSES</b>	<b>1,025,834</b>	<b>1,077,493</b>	<b>1,609,240</b>	<b>1,609,240</b>	<b>1,616,240</b>	<b>-7,000</b>
<b>REVENUES OVER EXPENSES</b>	<b>52,043</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<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>
<b>RESERVES</b>						
2510 ROOFS	28,600	28,600	42,900	42,900	42,900	0
2515 PAINTING	0	0	0	0	0	0
2530 ASPHALT	27,333	27,333	41,000	41,000	41,000	0
2542 POOLS	2,667	2,667	4,000	4,000	4,000	0
2543 AWNINGS	0	0	0	0	0	0
2544 INTEREST REV. RESERVE	16,604	13,467	25,520	25,520	20,200	5,320
2545 WORKING CAPITAL	12,667	12,667	19,000	19,000	19,000	0
2546 SPRINKLERS	3,000	3,000	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	4,067	4,067	6,100	6,100	6,100	0
	<b>94,937</b>	<b>91,800</b>	<b>143,020</b>	<b>143,020</b>	<b>137,700</b>	<b>5,320</b>

**Marc Desrochers**

Treasurer

**Andre Mongrain**

President

July 17, 2020