

JULY 31, 2020 FINANCIAL COMMENTS REPORT

We completed the men's room refurbishing and we will now address the renovation of the lady's room, there will be some delay, maintenance fees come in on a monthly basis and money cannot go out faster. It is a significant investment in terms of time and money. The larger tree trimming is now completed as well as the sidewalk repairs and the cleaning of the Areca palms on the east side of the retention pond. Currently on going is a series of welding contracts each one is a minor one, the sum will be close to \$4,000.00, we are also doing some fence painting at the east pool, the trimming of our hedge on the Quadrille development side and just signed a contract to do 100 feet more of hedge replacement on Miner Road.

The ACH payment (automatic draw from owner's accounts), is running smoothly, we are asking all owner to consider this method of payment and the same for the use of email, we are left with 12 owners who have not provided their email address. You will notice that this ACH process did also reduce substantially our bank fee.

On the balance sheet, the receivables are slightly up to \$5,365.00 previous month balance was \$4,960.00. We only have one owner account with a stabilized late balance and this is a situation created by an estate. Next month it will go up due to a modification to the process on how we record proceeds from settlement agreements. Monique does the follow up on every situation and the new ACH payment process helps the monitoring.

Contribution to the various reserve accounts is done on a monthly basis in accordance with the Florida Administrative code. We are considering a new method to account for the payment requirement for the insurance for budget purposes. The President and the Manager will meet with the external auditor to discuss alternatives to current methodology. Please see the June report for the reason that prompted such a change.

We just signed a new annuity with Iberia Bank and United Life Insurance for an amount of \$250,000.00. Last month we were considering setting up a new term deposit (CD) or an annuity of \$125,000.00. Due to the fact that one of our CD (\$125,000.00) was recalled (original end date was in 2024 at 2.45% for an amount of \$125,000.00), so we manage to negotiate a single annuity of \$250,000.00 at an interest rate of 2.80%, it was a bad situation that turned positive for Waterside.

We made changes to the forecast on some revenue accounts like interest income and miscellaneous income to reflect the new way of reporting for receivable settlement agreements. We also made some modifications to the expenses grouping. We increased the forecast on the utilities by \$300.00, in relation to the telephone cost center.

We reduced the total forecast for the administrative expenses by \$2,791.00 mainly due to a revision to the insurance by \$1,500.00 and also the collection legal cost by \$2,000.00 reflecting the change in our way to report settlement agreement and minor modification in other accounts that make up this heading.

Under the maintenance grouping, we increased the forecast by \$11,055.00 mainly the building maintenance cost forecast that went up by \$15,000.00. This is due to units, now close to 10 of them

with interior water damage and the renovation of the east pool restrooms and we are concerned that our snowbirds will prolong their absence from Waterside due to Covid-19 that may lead to an increased risk of water damage. The Association did issue a specific memo on this situation, which was well received by the vast majority of owners responding to the memo. We reduced fertilization and weed control forecast by \$2,000.00 as we cannot apply the product due to hot weather. We reduced new trees and bushes by \$2,000.00 as we are successful with the maintenance of our Ficus.

Remember that in accordance with a Board resolution a portion of the surplus in the contingency account will be transferred to the TV replacement reserve account to offset the investment when we went from analogue to digital. Currently that possible transfer value stands at about \$40,000.00.

Thanks for reading,

Andre Mongrain, President

Marc Desrochers, Treasurer

August 17, 2020

WATERSIDE FINANCIAL RESULT
AS OF JULY 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	200	0	100	200	0	200
101 ASSESSMENTS	1,276,155	1,276,155	1,701,540	1,701,540	1,701,540	0
102 LATE FEE INCOME	875	900	1,000	1,000	1,200	-200
103 INTEREST INCOME	17,378	15,150	25,520	26,549	20,200	6,349
104 TRANSFER FEE	2,750	1,875	3,000	3,200	2,500	700
106 ACCESS/GATE CARDS	800	375	900	900	500	400
107 SCREENING FEE	16,600	20,250	19,000	19,000	27,000	-8,000
108 MISCELLANEOUS INCOME	1,350	750	1,200	2,332	1,000	1,332
FEE TRANSFER TO RESERVE	-88,125	-88,125	-117,500	-117,500	-117,500	0
INTEREST REV. TO RESERVE	-17,378	-15,150	-25,520	-25,520	-20,200	-5,320
TOTAL REVENUES	1,210,605	1,212,180	1,609,240	1,611,701	1,616,240	-4,539

EXPENSES

UTILITIES

200 ELECTRIC	32,376	37,125	44,000	44,000	49,500	-5,500
201 WATER & SEWER	146,542	150,000	194,000	194,000	200,000	-6,000
202 GARBAGE & RECYCLING	38,952	38,213	51,950	51,950	50,950	1,000
203 PROPANE GAS	825	150	950	950	200	750
204 CABLE T.V.	77,348	75,900	105,000	105,000	101,200	3,800
205 TELEPHONE	5,643	5,850	7,200	7,500	7,800	-300
205.1 WIFI	2,544	2,400	3,300	3,300	3,200	100
	304,230	309,638	406,400	406,700	412,850	-6,150

<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>
<u>ADMINISTRATIVE</u>						
300 PAYROLL-ADMINISTRATIVE	89,254	90,885	118,000	118,000	121,180	-3,180
301 PAYROLL-MAINTENANCE	69,410	68,940	89,000	89,000	91,920	-2,920
302 PAYROLL TAXES	13,685	13,350	17,800	17,800	17,800	0
302.1 EMPLOYEE BENEFITS	7,197	4,050	7,197	7,197	5,400	1,797
304 SECURITY GUARDS	43,142	44,250	57,000	58,000	59,000	-1,000
305 ACCOUNTING	18,455	19,350	24,750	24,750	25,800	-1,050
305.1 BANK FEES	325	900	450	255	1,200	-945
305.2 BAD DEBT	716	3,158	6,000	6,000	4,210	1,790
305.3 COLLECTION COST	806	1,875	1,500	-500	2,500	-3,000
306 AUDITING	5,800	5,250	5,800	5,800	7,000	-1,200
307 LEGAL	4,040	1,875	4,500	4,700	2,500	2,200
308 PROPERTY TAX	4,674	3,188	4,674	4,674	4,250	424
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	230,444	232,500	311,000	309,500	310,000	-500
311 OFFICE SUPPLIES	1,172	1,500	1,800	1,600	2,000	-400
312 POSTAGE & SHIPPING	1,222	375	1,300	1,350	500	850
313 LICENSES	2,354	2,400	2,400	2,354	3,200	-846
314 TRAVEL & MILEAGE	332	375	450	450	500	-50
315 MEETINGS & EDUCATION	0	225	300	300	300	0
316 SCREENING	4,025	5,250	5,000	4,700	7,000	-2,300
317 ALARM SYSTEM	533	375	600	600	500	100
318 COMPUTER REPAIR/SERVICE	1,269	1,500	2,000	2,000	2,000	0
319 COPIER	3,405	3,375	4,100	4,300	4,500	-200
320 MISCELLANEOUS ADMIN.EXP.	8,958	5,250	10,000	10,000	7,000	3,000
320.1 WEBSITE IMPROVEMENT	1,014	1,500	2,000	2,000	2,000	0
323 SOCIAL FACILITIES	13,253	7,500	13,700	13,700	10,000	3,700
	525,484	519,195	691,321	688,530	692,260	-3,730

<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	724	900	1,100	1,100	1,200	-100
401 SPRINKLERS	8,328	9,750	10,000	10,000	13,000	-3,000
402 PEST CONTROL	9,317	11,250	13,000	13,000	15,000	-2,000
402.6 MISC. MAINT.EXP.	2,867	1,500	4,000	3,800	2,000	1,800
403 GRASS CUTTING	65,682	58,866	87,500	87,500	78,488	9,012
403.1 FERTILIZATION-WEED-BUGS	19,325	36,225	30,000	28,000	48,300	-20,300
403.2 HEDGE TRIMMING	28,908	29,025	38,700	40,000	38,700	1,300
404 TREE TRIMING	15,619	7,500	14,550	14,551	10,000	4,551
404.2 NEW TREES-PLANTS-FLOWER	14,611	41,250	32,000	30,000	55,000	-25,000
405 BUILDING MAINTENANCE	58,471	48,750	75,000	90,000	65,000	25,000
406 FENCE,SIDEWALK,SIGNS	15,997	22,500	18,000	17,000	30,000	-13,000
406.1 DIRT.SODS & MULCH	14,674	22,500	25,000	25,000	30,000	-5,000
407 SECURITY GATE EXPENSE	9,718	4,500	11,000	11,000	6,000	5,000
408 CAMERA & VIDEO EXP.	909	1,500	5,000	5,000	2,000	3,000
409 PLUMBING EXP.	4,589	3,000	5,500	5,800	4,000	1,800
410 ELECTRICAL EXP.	9,423	3,750	10,000	10,500	5,000	5,500
411 POOL SUPPLIES & REPAIR	21,161	16,500	27,000	26,000	22,000	4,000
412 STREET MAINTENANCE	4,106	1,500	4,500	4,500	2,000	2,500
413 UNIFORMS	0	225	300	300	300	0
414 GOLF CARTS	1,402	2,250	2,500	2,500	3,000	-500
415 LOCKSMITH	139	150	300	300	200	100
416 FIRE SAFETY	4,896	3,375	4,900	4,896	4,500	396
417 JANITORIAL SUPPLIES	2,634	1,875	3,300	3,300	2,500	800
418 AWNINGS REPAIRS	2,800	3,000	3,000	4,000	4,000	0
420 PAINTING PROGRAM		0	0	0	0	0
421 STREET LIGHT	28,812	21,750	29,000	28,812	29,000	-188
422 SHUFFLEBOARD CANOPY	0	0	0	0	0	0
424 TENNIS COURTS RESURFACE	0	0	0	0	0	0
425 POOL CHAIRS/TABLES	0	1,875	1,500	1,500	2,500	-1,000
429 BENCHES REPLACEMENT	2,346	3,000	3,000	2,346	4,000	-1,654
434 PETANQUE CANOPY	4,200	3,150	4,200	4,200	4,200	0
477 PERGOLA		0	0	0	0	0
479 LIGHTS RETENTION POUND	0	2,250	0	0	3,000	-3,000
	351,659	363,666	463,850	474,905	484,888	-9,983

<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	4,876	19,682	47,669	41,566	26,242	15,324
	4,876	19,682	47,669	41,566	26,242	15,324
TOTAL EXPENSES	1,186,249	1,212,180	1,609,240	1,611,701	1,616,240	-4,539
REVENUES OVER EXPENSES	24,356	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	32,175	32,175	42,900	42,900	42,900	0
2515 PAINTING	0	0	0	0	0	0
2530 ASPHALT	30,750	30,750	41,000	41,000	41,000	0
2542 POOLS	3,000	3,000	4,000	4,000	4,000	0
2543 AWNINGS	0	0	0	0	0	0
2544 INTEREST REV. RESERVE	17,378	15,150	25,520	25,520	20,200	5,320
2545 WORKING CAPITAL	14,250	14,250	19,000	19,000	19,000	0
2546 SPRINKLERS	3,375	3,375	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	4,575	4,575	6,100	6,100	6,100	0
	105,503	103,275	143,020	143,020	137,700	5,320

Marc Desrochers

Treasurer

Andre Mongrain

President

August 17, 2020