

DECEMBER 31, 2020 FINANCIAL COMMENTS REPORT

INTRODUCTORY REMARKS: PLEASE WEAR A MASK, MAINTAIN SOCIAL DISTANCING, WASH HANDS, RESPECT ACTIVITIES PROTOCOL AND MINIMIZE VISITORS TO THE SITE.

Follow-up on communication on Covid-19.

If you have not turned in your proxy for the annual meeting please do so, it does indicate your level of commitment to Waterside. For the owners who have already done so, thank you.

This is the second report of the Association's fiscal year that runs from November 1st to October 31, 2021, this report introduces a series of modifications to the forecast for the total. With the absence of numerous owners, we need to be careful on what will be the impact for the future fiscal year 2021/2022 mainly on building maintenance. We need some elbow room, some of the projects planned for the future may be done during the fiscal year 2020/2021. Insurance costs are a great source of concern for 2 main reasons now, the Covid-19 claims and now the events of January 6, which will generate insurance claims.

The auditor provided on January 16 the first draft of the October 31, 2020 audited result. We are currently reviewing the data and notes and should send our comments to the auditor by the end of Sunday, January 17. We completed the negotiation of a \$100,00.00 annuity carrying a minimum interest rate of 1.5% for five years with a possible upside to between 3.6% to 4.6% all in reference to indexes with BNP Bank. Required cash flow to pay the insurance premium at the end of April has been estimated and we should be in a position to pay the premium on a cash basis.

As mentioned last month **"a lot is currently ongoing, access to contractors remains difficult so we are experiencing delay in execution of contracts, mainly for ground improvements, some minor welding repairs and the installation of new surveillance cameras"**. We signed an agreement with Southern Palm for the replacement of bushes and some work in the park, a portion of that contract is now completed.

We also made a commitment with Southern Palm for the next 100 foot of Clussia on Miner Road, so we can have access to those plants when the Association is ready to move ahead, this will complete the replacement of all Ficus on Miner Road. We are also asking them if they can have personnel available in order to complete some grass repairs. A contract was also awarded for sidewalk pressure cleaning, our staff will do smaller area.

Samco is in the planning stage for the replacement of the main entrance gate control system. The work on the replacement of the water inlet on unit type C, D and DD is continuing and we modified the forecast to take into account this ongoing work.



On the revenue side you will notice that we lowered substantially account 107, screening fee, from a budget of \$19,000, to a previous forecast of \$17,000.00 now to \$9,000.00, there is limited activities on short term rental and this combined with the revenue lost due to long term rentals. By the way, these long-term rentals demand a lot of office and maintenance staff attention.

We did lower our forecast for account 200, electricity as we are not heating one of the pools and account 201 Water and Sewage as there are less residents on site. On the administrative expenses, we lowered the forecast on salary cost and on screening. On the maintenance group of expenses, we lowered account 403.1 fertilization, account 406.1 dirt, sod and mulch and account 412 street maintenance. We have increased account 407 security gate expense and account 409 plumbing.

In total we have improved our position compared to last month total forecast by \$4,530.00 which is reflected under account 450, contingency. In total we have a deterioration of forecast under the Revenue by \$7,500.00, an improvement of forecast under Utilities by \$2,500.00, an improvement of the forecast under the Administrative expenses by \$9,030.00 and by \$100.00 under the maintenance group of expenses. The Association is in a good position to achieve the full year objective.

Thanks for reading.

Andre Mongrain, President

Marc Desrochers, Treasurer

January 17, 2021

WATERSIDE FINANCIAL RESULT
AS OF DECEMBER 31, 2020

	<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	291,810	291,810	1,750,860	1,750,860	1,750,860	0
102 LATE FEE INCOME	275	167	1,000	1,000	1,000	0
103 INTEREST INCOME	3,982	4,833	29,000	29,000	29,000	0
104 TRANSFER FEE	900	417	2,500	3,000	2,500	500
106 ACCESS/GATE CARDS	100	83	500	500	500	0
107 SCREENING FEE	1,100	3,167	17,000	9,000	19,000	-10,000
108 MISCELLANEOUS INCOME	150	167	1,000	1,000	1,000	0
FEE TRANSFER TO RESERVE	-19,583	-19,583	-117,500	-117,500	-117,500	0
INTEREST REV. TO RESERVE	-3,982	-4,833	-29,000	-29,000	-29,000	0
TOTAL REVENUES	274,752	276,227	1,655,360	1,647,860	1,657,360	-9,500

EXPENSES

UTILITIES

200 ELECTRIC	7,002	7,583	44,000	43,500	45,500	-2,000
201 WATER & SEWER	30,651	33,000	196,000	194,000	198,000	-4,000
202 GARBAGE & RECYCLING	12,514	8,667	52,000	52,000	52,000	0
203 PROPANE GAS	0	83	500	500	500	0
204 CABLE T.V.	17,610	17,000	102,000	102,000	102,000	0
205 TELEPHONE	1,484	1,250	7,500	7,500	7,500	0
205.1 WIFI	606	575	3,450	3,450	3,450	0
	69,866	68,158	405,450	402,950	408,950	-6,000

<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	19,884	19,500	120,000	118,000	117,000	1,000
301 PAYROLL-MAINTENANCE	13,680	14,167	85,000	82,000	85,000	-3,000
302 PAYROLL TAXES	2,568	2,917	17,500	16,000	17,500	-1,500
302.1 EMPLOYEE BENEFITS	6,170	1,000	6,000	6,170	6,000	170
304 SECURITY GUARDS	7,408	11,667	70,500	70,500	70,000	500
305 ACCOUNTING	4,175	4,167	24,500	24,500	25,000	-500
305.1 BANK FEES	88	33	200	200	200	0
305.2 BAD DEBT		1,333	8,000	8,000	8,000	0
305.3 COLLECTION COST	4	200	1,200	1,200	1,200	0
306 AUDITING	0	1,083	6,500	6,500	6,500	0
307 LEGAL	1,062	417	2,500	2,500	2,500	0
308 PROPERTY TAX	4,355	725	4,700	4,700	4,350	350
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	65,000	65,000	390,000	390,000	390,000	0
311 OFFICE SUPPLIES	121	267	1,600	1,400	1,600	-200
312 POSTAGE & SHIPPING	46	142	850	750	850	-100
313 LICENSES	1,648	400	2,400	2,400	2,400	0
314 TRAVEL & MILEAGE	0	75	450	450	450	0
315 MEETINGS & EDUCATION	0	50	300	300	300	0
316 SCREENING	375	833	4,000	2,500	5,000	-2,500
317 ALARM SYSTEM	85	83	500	500	500	0
318 COMPUTER REPAIR/SERVICE	217	333	2,000	2,000	2,000	0
319 COPIER	589	617	3,700	3,700	3,700	0
320 MISCELLANEOUS ADMIN.EXP.	1,620	1,250	7,500	7,500	7,500	0
320.1 WEBSITE IMPROVEMENT	959	1,167	7,000	7,000	7,000	0
323 SOCIAL FACILITIES	29	900	5,400	4,500	5,400	-900
	130,084	128,325	772,300	763,270	769,950	-6,680

<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>
<u>MAINTENANCE</u>						
400 GASOLINE	172	167	1,000	1,000	1,000	0
401 SPRINKLERS	0	1,667	10,000	10,000	10,000	0
402 PEST CONTROL	1,025	2,500	15,000	15,000	15,000	0
402.6 MISC. MAINT.EXP.	451	250	1,500	1,500	1,500	0
403 GRASS CUTTING	10,947	14,583	87,500	87,500	87,500	0
403.1 FERTILIZATION-WEED-BUGS	2,460	4,167	25,000	23,000	25,000	-2,000
403.2 HEDGE TRIMMING	5,352	6,500	37,000	37,000	39,000	-2,000
404 TREE TRIMMING	0	2,333	14,000	14,000	14,000	0
404.2 NEW TREES-PLANTS-FLOWER	550	3,333	20,000	20,000	20,000	0
405 BUILDING MAINTENANCE	7,294	8,333	50,000	50,000	50,000	0
406 FENCE,SIDEWALK,SIGNS	0	2,000	12,000	12,000	12,000	0
406.1 DIRT.SODS & MULCH	480	3,333	20,000	18,000	20,000	-2,000
407 SECURITY GATE EXPENSE	7,555	1,667	18,000	20,000	10,000	10,000
408 CAMERA & VIDEO EXP.	781	833	5,000	5,000	5,000	0
409 PLUMBING EXP.	1,660	667	4,000	7,000	4,000	3,000
410 ELECTRICAL EXP.	359	833	5,000	5,000	5,000	0
411 POOL SUPPLIES & REPAIR	2,594	3,500	21,000	21,000	21,000	0
412 STREET MAINTENANCE	11	833	5,000	4,000	5,000	-1,000
413 UNIFORMS	0	50	300	300	300	0
414 GOLF CARTS	0	417	2,500	2,000	2,500	-500
415 LOCKSMITH	96	50	300	300	300	0
416 FIRE SAFETY	482	750	4,500	4,500	4,500	0
417 JANITORIAL SUPPLIES	195	500	3,000	3,000	3,000	0
418 AWNINGS REPAIRS	0	1,333	8,000	8,000	8,000	0
420 PAINTING PROGRAM	0	0	0	0	1	-1
421 STREET LIGHT	0	167	1,000	1,000	1,000	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	417	2,500	2,500	2,500	0
427 RESTROOMS UPGRADE ADA	0	5,833	35,000	35,000	35,000	0
429 BENCHES REPLACEMENT	0	83	500	500	500	0
434 PETANQUE CANOPY	0	0	0	0	0	0
477 PERGOLA	0	0	0	0	0	0
479 LIGHTS RETENTION POUND	0	0	0	0	0	0
	42,462	67,100	408,600	408,100	402,601	5,499

<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	12,643	69,010	73,540	75,859	-2,319
	0	12,643	69,010	73,540	75,859	-2,319
TOTAL EXPENSES	242,412	276,227	1,655,360	1,647,860	1,657,360	-9,500
REVENUES OVER EXPENSES	32,340	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	7,150	7,150	42,900	42,900	42,900	0
2515 PAINTING	0	0	0	0	0	0
2530 ASPHALT	6,833	6,833	41,000	41,000	41,000	0
2542 POOLS	667	667	4,000	4,000	4,000	0
2543 AWNINGS	0	0	0	0	0	0
2544 INTEREST REV. RESERVE	3,982	4,833	29,000	29,000	29,000	0
2545 WORKING CAPITAL	3,167	3,167	19,000	19,000	19,000	0
2546 SPRINKLERS	750	750	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	1,017	1,017	6,100	6,100	6,100	0
	23,566	24,417	146,500	146,500	146,500	0

Marc Desrochers

Treasurer

Andre Mongrain

President

January 15, 2021