

JULY 31, 2022, FINANCIAL COMMENTS

Please find the current comments on the financial forecast as of July 31, 2022. The budget for the upcoming fiscal year that runs from November 1st, 2022 to October 31, 2023 is due at the end of September 2022. The various suppliers are still pouring in with projected or actual increases, the latest are the pool maintenance contract, the lease of the compactor from Waste Management and finally the one covering Pest Control.

On a positive note, when you have a look at account #450 "CONTINGENCY", from a previous forecast of \$5,082.00 to the current forecast \$14,276.00 so the net is an improvement of \$9,194.00. In reality the improvement is the result of a foreclosure procedure that was initiated many months ago, that did produce a positive impact of \$21,233.00. It is not over yet, the money is not in our bank account, unless there is new hurdle to go over, the funds should be received from the Court Clerk within the next 10 days.

The breakdown of this \$21,233.00 is \$9,560.00 related to the recuperation of unpaid monthly fees by either the deceased owner or from family members. Then the reimbursement of our legal fees incurred for an amount of \$9,814.00, an amount of \$1,617.00 to cover interest cost and finally a miscellaneous amount of \$242.00. These amounts are now reported under account #103 (interest revenue), #108 (miscellaneous income), #305.3 (Bad Debt) and finally under account # 305.3 (Collection Cost).

If it was not for this positive outcome our current forecast will have showed a loss of \$7,057.00 which would have lead your Board to do more cut backs on the remaining budget.

FPL latest increase from our search was not publicized, there is lately a series of press releases about contributions made to get approval of their latest fee or rate increase. For sure for Waterside the infrastructure necessary was fully paid over the past 30 years and we still have to pay more for it.

The attention should be devoted to the forecast for the current fiscal year. Every account in each of the sections was analyzed for the first 9 months components and also a detailed analysis of what can be expected for August, September and October.

- Components of the revenue section are up in total by \$2,670.00 compared to last month's forecast, mainly due to the positive result of our foreclosure procedure. The situation created by long term renters will be reviewed to coverage of the yearly cost of those rentals.
- So far, we have 36 units sold, this includes 5 family transfers, and we have 1 more transaction that is currently under discussion. We still have very interested buyers, have a look at our website, people are searching for units.
- We increased the utilities group of expenses forecast by \$1,180.00 compared to last month mainly due to Water and Sewage cost.
- The Administration group of expenses are down by \$17,304.00 compared to last month's forecast. This is mainly the result of the explanation about the positive result

of the foreclosure process. We have recorded under account #320 (Miscellaneous Admin Expense) an amount of \$4,500.00 to cover the fee that will be paid to the evaluation firm that will review the value of our property for insurance purposes. This is the result of a commitment we made to our insurance broker at the time of the renewal of our policies last May.

- Maintenance expenses forecast is up from last month's forecast by \$9,600.00 as we did have to replace the main sprinkler pump by the tennis court for over \$5,600.00 and a series of other accounts for smaller amount.

On the balance sheet we borrowed from the Working Capital reserve \$200,000.00 in early May for the payment of the insurance premium and it is now fully reimbursed. In addition, we will transfer to the reserve account the \$42,000.00 from the painting budget, in early September.

The receivables are in excellent condition following the result of our foreclosure procedure. Our staff is working on a series of a small account and we do hope to resolve them before year end.

We have invested in a new CD of \$100,000.00 at 3.10% and one more \$100,000.00 at 3.40% and are also working on a short-term alternative that can bring interest revenue in the 2% range for a short period of time as we are planning for next year's insurance premium payment.

PRELIMINARY FORECAST FOR THE FISCAL YEAR 2022/2023

Last month we did mention that next year's fee can reach between \$435.00 and \$450.00 a month, this is still holding at this stage.

Remember if you have any questions on the financial situation, please feel free to ask the Manager and she will provide the data.

Thanks for reading and reviewing the data.

Andre Mongrain, President

Marc Desrochers, Treasurer

August 22, 2022

WATERSIDE FINANCIAL RESULT
AS OF JULY 31st, 2022

	<u>YTD</u>	<u>YTD</u>	<u>PREVIOUS</u>	<u>TOTAL YEAR</u>	<u>2021/2022</u>	
<u>DESCRIPTION</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>VARIANCE</u>
<u>REVENUES</u>						
100 NSF FEE	305	0	235	305	0	305
101 ASSESSMENTS	1,387,125	1,387,125	1,849,500	1,849,500	1,849,500	0
102 LATE FEE INCOME	1,475	900	1,800	1,800	1,200	600
103 INTEREST INCOME	7,730	18,750	20,005	21,623	25,000	-3,377
104 TRANSFER FEE	7,500	2,813	8,000	8,250	3,750	4,500
106 ACCESS/GATE CARDS	750	188	900	900	250	650
107 SCREENING FEE	19,700	15,000	23,000	23,000	20,000	3,000
108 MISCELLANEOUS INCOME	1,700	750	2,000	2,732	1,000	1,732
FEE TRANSFER TO RESERVE	-95,625	-95,625	-169,500	-169,500	-127,500	-42,000
INTEREST REV. TO RESERVE	-7,724	-18,750	-20,000	-20,000	-25,000	5,000
TOTAL REVENUES	1,322,936	1,311,150	1,715,940	1,718,610	1,748,200	-29,590

EXPENSES

UTILITIES

200 ELECTRIC	38,007	33,225	53,000	53,000	44,300	8,700
201 WATER & SEWER	160,205	150,000	208,000	209,000	200,000	9,000
202 GARBAGE & RECYCLING	62,745	42,000	83,300	83,300	56,000	27,300
203 PROPANE GAS	110	225	200	200	300	-100
204 CABLE T.V.	79,912	77,250	107,000	107,000	103,000	4,000
205 TELEPHONE	5,352	5,475	7,300	7,300	7,300	0
205.1 WIFI	2,899	2,625	3,700	3,880	3,500	380
	349,230	310,800	462,500	463,680	414,400	49,280

<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>2021/2022</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>ADMINISTRATIVE</u>						
300 PAYROLL-ADMINISTRATIVE	99,231	90,000	128,000	128,000	120,000	8,000
301 PAYROLL-MAINTENANCE	54,600	70,500	76,000	72,000	94,000	-22,000
302 PAYROLL TAXES	13,823	12,900	17,200	18,000	17,200	800
302.1 EMPLOYEE BENEFITS	7,024	4,875	7,024	7,024	6,500	524
304 SECURITY GUARDS	33,331	49,500	59,000	59,000	66,000	-7,000
305 ACCOUNTING	18,491	19,500	24,700	24,700	26,000	-1,300
305.1 BANK FEES	41	225	100	100	300	-200
305.2 BAD DEBT	0	6,750	5,000	-4,960	9,000	-13,960
305.3 COLLECTION COST	4,403	1,875	5,000	-3,814	2,500	-6,314
306 AUDITING	5,800	5,250	5,800	5,800	7,000	-1,200
307 LEGAL	5,042	1,875	6,000	6,000	2,500	3,500
308 PROPERTY TAX	4,802	3,563	4,802	4,802	4,750	52
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	355,925	308,625	482,448	482,448	411,500	70,948
310.1 INSURANCE CASH SHORT	3,042	27,375	0	0	36,500	-36,500
311 OFFICE SUPPLIES	791	900	1,100	1,100	1,200	-100
312 POSTAGE & SHIPPING	753	638	900	900	850	50
313 LICENSES	2,484	1,875	2,484	2,484	2,500	-16
314 TRAVEL & MILEAGE	180	300	200	250	400	-150
315 MEETINGS & EDUCATION	0	225	300	300	300	0
316 SCREENING	5,775	4,500	8,000	7,500	6,000	1,500
317 ALARM SYSTEM	340	450	500	420	600	-180
318 COMPUTER REPAIR/SERVICE	346	1,500	2,000	2,000	2,000	0
319 COPIER	2,759	2,850	3,100	3,800	3,800	0
320 MISCELLANEOUS ADMIN.EXP.	4,166	3,750	5,000	9,500	5,000	4,500
320.1 WEBSITE IMPROVEMENT	1,164	2,250	3,000	3,000	3,000	0
323 SOCIAL FACILITIES	2,794	4,500	8,000	8,000	6,000	2,000
	627,107	626,550	855,658	838,354	835,400	2,954

<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>2021/2022</u> <u>BUDGET</u>	<u>VARIANCE</u>
MAINTENANCE						
400 GASOLINE	933	825	1,000	1,100	1,100	0
401 SPRINKLERS	6,295	6,000	16,500	20,000	8,000	12,000
402 PEST CONTROL	9,918	10,500	14,000	14,000	14,000	0
402.6 MISC. MAINT.EXP.	3,465	1,500	4,500	4,500	2,000	2,500
403 GRASS CUTTING	58,814	66,000	88,000	88,000	88,000	0
403.1 FERTILIZATION-WEED-BUGS	21,118	18,750	26,000	26,000	25,000	1,000
403.2 HEDGE TRIMMING	30,250	29,250	41,000	41,000	39,000	2,000
404 TREE TRIMING	13,845	10,500	21,000	21,000	14,000	7,000
404.2 NEW TREES-PLANTS-FLOWER	18,827	15,000	15,000	20,000	20,000	0
405 BUILDING MAINTENANCE	58,133	52,500	70,000	70,000	70,000	0
406 FENCE,SIDEWALK,SIGNS	9,730	6,750	15,000	16,000	9,000	7,000
406.1 DIRT.SODS & MULCH	6,619	7,500	12,000	12,000	10,000	2,000
407 SECURITY GATE EXPENSE	2,135	3,750	3,000	3,000	5,000	-2,000
407.1 MAJOR GATE REPAIRS	0	13,500	0	0	18,000	-18,000
408 CAMERA & VIDEO EXP.	224	3,750	3,000	3,000	5,000	-2,000
409 PLUMBING EXP.	878	3,000	2,000	2,000	4,000	-2,000
410 ELECTRICAL EXP.	1,386	3,750	2,500	2,500	5,000	-2,500
411 POOL SUPPLIES & REPAIR	19,273	15,000	24,000	24,000	20,000	4,000
411.1 POOL MAJOR REPAIRS	0	0	0	0	0	0
412 STREET MAINTENANCE	8,357	3,750	9,000	9,000	5,000	4,000
413 UNIFORMS	0	225	300	300	300	0
414 GOLF CARTS	4,124	1,125	4,500	4,500	1,500	3,000
415 LOCKSMITH	150	225	300	300	300	0
416 FIRE SAFETY	10,083	3,563	10,100	10,100	4,750	5,350
417 JANITORIAL SUPPLIES	2,211	1,500	3,000	3,000	2,000	1,000
418 AWNINGS REPAIRS	3,350	6,000	6,000	6,000	8,000	-2,000
420 PAINTING PROGRAM	0	31,500	0	0	42,000	-42,000
421 STREET LIGHT	391	375	500	500	500	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	1,875	2,500	2,500	2,500	0
427 RESTROOMS UPGRADE ADA	-7,500	18,750	-7,500	-7,500	25,000	-32,500
428.1 INFRASTRUCTURE	0	7,500	5,000	5,000	10,000	-5,000
429 BENCHES REPLACEMENT	390	375	500	500	500	0
434 PETANQUE CANOPY		0	0	0	0	0
477 PERGOLA		0	0	0	0	0
479 LIGHTS RETENTION POUND		0	0	0	0	0
	283,399	344,588	392,700	402,300	459,450	-57,150

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>PREVIOUS FORECAST</u>	<u>TOTAL YEAR FORECAST</u>	<u>2021/2022 BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	0	29,213	5,082	14,276	38,950	-24,674
	0	29,213	5,082	14,276	38,950	-24,674
TOTAL EXPENSES	1,259,736	1,311,150	1,715,940	1,718,610	1,748,200	-29,590
REVENUES OVER EXPENSES	63,200	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>2021/2022 BUDGET</u>	<u>VARIANCE</u>
RESERVES						
2510 ROOFS	32,250	32,250	43,000	43,000	43,000	0
2515 PAINTING	0	0	42,000	42,000	0	42,000
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	18,750	18,750	25,000	25,000	25,000	0
2545 WORKING CAPITAL	15,000	15,000	20,000	20,000	20,000	0
2546 SPRINKLERS	3,375	3,375	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	3,750	3,750	5,000	5,000	5,000	0
2549 INSURANCE STABILISATION	0	0	0	0	0	0
2550 INFRASTRUCTURE	7,500	7,500	10,000	10,000	10,000	0
	114,375	114,375	194,500	194,500	152,500	42,000

Marc Desrochers

Treasurer

Andre Mongrain

President

August 15th, 2022