

COMMENTS ON THE APRIL 2013 FINANCIAL RESULTS

With the end of April, we have now completed half of the 2012/2013 fiscal year. Your Board of Directors is very pleased to report that there are only four owners who have not changed or made the commitment to change their garden window. Out of those four, only one has formally refused to do the conversion. We will be in contact with the other three owners and we remain optimistic about their decision. Being part of a condo Association does have its benefits, but it also creates obligations, all in accordance with various Waterside documents.

In preparation for the hurricane season, we have awarded a contract to Novo Arbor for the trimming of the larger trees to start in early June. The value of the contract is about \$2,300.00, subject to the amount of debris that will need to be disposed of.

Work is progressing on the relocation to the back of the garbage area of the various pipes and materials required for the sprinklers and watering system. We have also made progress on the renovation to the back portion of the maintenance shop. The same can be said about the motorcycle pad where we will pour the cement after the town of Hypoluxo has inspected the forms. Much needs to be done on the summer projects. We will report on the list by the end of the month. We have sprayed for the control of whiteflies, one more time.

We have increased our forecasted revenue by \$1,000.00 compared to the budget, due changes in the various components of miscellaneous revenue. We have limited progress to report on the three main cases affecting our receivables. The law firm is working on those particular situations. We are still forecasting a bad debt level of \$18,000.00 for the year. With the finalization of the insurance negotiation, we have lowered our forecast by \$1,000.00. The pest control budget was increased by \$1,000.00 compared to the previous forecast and it is now over budget by \$3,000.00, as we have to tent one of our buildings for termite control. Owners of the units in that building will be sent a notice very shortly so they can make proper arrangements for outside accommodations during the 3 days the process lasts. We have cut back on tree-trimming costs after receiving the quote for the large tree-trimming. Late in May we should also have a positive note on the interest revenue. As we mentioned previously, we have not yet invested in a new term deposit. We will do that over the next two weeks.

We have not finalized the quote process for the 2013 painting program. Current quotes on hand indicate a substantial increase over previous year's experience. Your Board will review the final quotes and may have to recommend some specific actions in order to stay within our budget. We have not modified our latest forecast.

A series of meetings are ongoing about the railroad situation, and Board member Michael Shane and Manager Daniel Harvey are attending those meetings and are contacting local officials at various government levels.

Thanks for reading.

Andre C. Mongrain,

President and Treasurer

May 21, 2013

WATERSIDE FINANCIAL RESULT
AS OF APRIL 30, 2013

	<u>YTD</u>	<u>YTD</u>	<u>TOTAL YEAR</u>	<u>2012/2013</u>	
<u>REVENUE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>VARIANCE</u>
				300	
NSF FEE	125	0	100	0	100
100 ASSESSMENTS **	694,130	693,550	1,387,100	1,387,100	0
102 LATE FEE INCOME	2,750	1,750	4,500	3,500	1000
103 INTEREST INCOME	0	50	100	100	0
104 TRANSFER FEE	2,100	1,500	3,000	3,000	0
106 ACCESS/GATE CARDS	15	50	100	100	0
107 SCREENING FEE	17,398	15,500	31,000	31,000	0
108 MISCELLANEOUS INCOME	1,850	750	2,000	1,500	500
TOTAL REVENUE	718,368	713,150	1,427,900	1,426,300	1600
<u>EXPENSES</u>					
<u>UTILITIES</u>					
200 ELECTRIC	23,065	22,100	45,200	44,200	1,000
201 WATER & SEWER	115,672	115,000	227,000	230,000	-3,000
202 GARBAGE & RECYCLING	18,569	21,500	41,600	43,000	-1,400
203 PROPANE GAS	56	250	500	500	0
204 CABLE T.V.	34,103	30,000	60,000	60,000	0
205 TELEPHONE	3,564	3,600	7,600	7,200	400
205.1 WIFI	591	875	1,750	1,750	0
	195,620	193,325	383,650	386,650	-3,000

<u>ADMINISTRATIVE</u>	<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2012/2013 BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	53,311	55,750	111,500	111,500	0
	301 PAYROLL-MAINTENANCE	34,840	37,250	74,500	74,500	0
	302 PAYROLL TAXES	7,671	8,500	15,000	17,000	-2,000
	302.1 EMPLOYEE BENEFITS	4,731	6,000	10,000	12,000	-2,000
	304 SECURITY GUARDS	26,979	28,250	57,500	56,500	1,000
	305 ACCOUNTING	12,348	12,500	24,500	25,000	-500
	305.1 BANK FEES	415	450	900	900	0
	305.2 BAD DEBT	0	9,000	18,000	18,000	0
	305.3 COLLECTION COST	4,917	4,000	8,000	8,000	0
	306 AUDITING	4,400	2,200	4,400	4,400	0
	307 LEGAL	1,429	1,000	2,500	2,000	500
	308 PROPERTY TAX	2,659	1,150	2,659	2,300	359
	309 INCOME TAX	0	250	500	500	0
	310 INSURANCE	118,878	121,500	245,600	243,000	2,600
	311 OFFICE SUPPLIES	2,018	1,125	2,500	2,250	250
	312 POSTAGE & SHIPPING	193	750	1,000	1,500	-500
	313 LICENSES	1,709	1,250	2,500	2,500	0
	314 TRAVEL & MILEAGE	184	500	1,000	1,000	0
	315 MEETINGS & EDUCATION	0	150	300	300	0
	316 SCREENING	6,209	4,750	9,500	9,500	0
	317 ALARM SYSTEM	79	250	500	500	0
	318 COMPUTER REPAIR/SERVICE	1,212	1,750	2,000	3,500	-1,500
	319 COPIER	1,850	2,000	3,700	4,000	-300
	320 MISCELLANEOUS ADMIN.EXP.	3,701	2,000	5,000	4,000	1,000
	320.1 WEBSITE IMPROVEMENT	0	750	1,500	1,500	0
	323 SOCIAL FACILITIES	12,981	3,500	14,000	7,000	7,000
		302,714	306,575	619,059	613,150	5,909

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2012/2013 BUDGET</u>	<u>VARIANCE</u>
400 GASOLINE	854	650	1,300	1,300	0
401 SPRINKLERS	4,132	3,000	6,000	6,000	0
402 PEST CONTROL	14,001	10,500	24,000	21,000	3,000
402.6 MISC. MAINT.EXP.	457	500	1,000	1,000	0
403 LANDSCAPING	56,907	58,500	117,000	117,000	0
403.1 FERTILIZATION-WEED CONT.	9,586	12,500	23,000	25,000	-2,000
404 TREE TRIMING	694	3,750	7,500	7,500	0
404.2 NEW TREES & BUSHES	8,039	6,250	12,500	12,500	0
405 BUILDING MAINTENANCE	13,556	10,000	27,000	20,000	7,000
406 GROUNDS MAINTENANCE	10,940	10,000	24,000	20,000	4,000
407 SECURITY GATE EXPENSE	1,761	3,000	6,000	6,000	0
408 CAMERA & VIDEO EXP.	213	1,000	1,500	2,000	-500
409 PLUMBING EXP.	2,353	1,500	3,000	3,000	0
410 ELECTRICAL EXP.	4,098	1,500	5,000	3,000	2,000
411 POOL SUPPLIES & REPAIR	4,715	7,000	11,000	14,000	-3,000
412 STREET MAINTENANCE	1,023	2,000	5,500	4,000	1,500
413 UNIFORMS	0	150	300	300	0
414 GOLF CARTS	79	2,500	4,000	5,000	-1,000
415 LOCKSMITH	0	150	300	300	0
416 FIRE SAFETY	0	2,500	5,000	5,000	0
417 JANITORIAL SUPPLIES	613	1,000	2,000	2,000	0
418 AWNINGS REPAIRS	1,700	10,500	20,000	21,000	-1,000
420 PAINTING PROGRAM	183	18,000	33,000	36,000	-3,000
421 STREET LIGHT	0	1,500	3,000	3,000	0
424 TENNIS COURT RESURFCING	122	3,000	6,000	6,000	0
425 POOL CHAIRS/TABLES	0	1,000	2,000	2,000	0
429 BENCHES REPLACEMENT	3,372	1,500	3,372	3,000	372
477 PERGOLA	6,340	3,500	6,340	7,000	-660
479 LIGHT RETENTION POUND	0	2,750	5,500	5,500	0
	145,738	179,700	366,112	359,400	6,712

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2012/2013</u> <u>BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	1,838	13,550	19,079	27,100	-8,021
476 SHUTTER GW/CIRCULAR	1,904	20,000	40,000	40,000	0
	3,742	33,550	59,079	67,100	-8,021
GRAND TOTAL EXPENSES	647,814	713,150	1,427,900	1,426,300	1,600
REVENU OVER EXPENSES	70,554	0	0	0	0

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2012/2013</u> <u>BUDGET</u>	<u>VARIANCE</u>
RESERVES					
2510 ROOFS	14,000	14,000	28,000	28,000	0
2515 PAINTING	750	750	1,500	1,500	0
2530 ASPHALT	10,000	10,000	20,000	20,000	0
2542 POOLS	4,000	4,000	8,000	8,000	0
2543 AWNINGS	2,500	2,500	5,000	5,000	0
2546 SPRINKLERS	2,500	2,500	5,000	5,000	0
2547 TV CABLE INFRASTRUCTURE	6,250	6,250	12,500	12,500	0
2545 WORKING CAPITAL	6,250	6,250	12,500	12,500	0
2544 INTEREST REV. RESERVE	6,125	3,000	9,000	6,000	3,000
	52,375	49,250	101,500	98,500	3,000

ANDRE MONGRAIN, President/Treasurer

13-05-2013