

COMMENTS ON APRIL 2014 FINANCIAL RESULTS

With April, half of the year is completed. April saw the final negotiation of our insurance policy, some good news on our receivable and we also saw special situation that took place on a variety of cost components, we keep adjusting our forecast and moving dollars from one budget item to another, even if it is a low impact. The sum of all those modifications had limited impact on our contingency account and we will use this account to make major improvements to the alley between building 16 and 20, the area known as "Alley de Provence." As we are improving our receivable position we had to lower our late fee income expectation and we will also adjust in May a series of accounts that are impacted by collections, like collection costs, late fees and interest revenue.

The office work load distribution is now on an excellent trend and Stacey can devote a lot more time to the physical side of the site, like building and ground maintenance. We have developed and maintain a series of reports that allow a proper follow up of our staff and the various contractors that work on the site.

On May 6, 2014 we completed the acquisition of the land facing our exit on Miner Road. Participation from owners in the voting process was extremely high, and the final count was 385 owners that voted, 371 or 90.3% voted in favor and 14 or 3.4% against. This represents a participation of 93.7%. Records of those votes will be retained as part of the minutes for many years to come. This record level of participation for a vote indicates from our owners a positive vision of the future of Waterside.

We have also worked on a Village News release that should take place in June and that will be sent to all owners and also would be available for general release, so copies would be available at the office and by other means. With the payment of the insurance and the early purchase of the land, the reconciliation and funding of the reserve accounts for April, will take place in May; the recording of the land and the use of the working capital and interest reserve will take place at the same time. Compared to last month's forecast we have increased our total revenue under miscellaneous income due to the resolution of some receivables, no changes were recorded in the utilities group of expenses. We have lowered our administrative group of expenses by \$23,050 the result of a reduction under bad debt reserve of \$18,650.00 and a reduction of \$3,500.00 in maintenance salary.

On the other hand, we have increase our maintenance group of expenses forecast by \$20,900.00, to cover expected cost increases for the painting program (\$10,000.00), \$3,400.00 under pest control as we have to tent one more building due to termites and \$3,000.00 for building maintenance as we have to rebuild a third arch this year before painting and a series of other components. Even with these cost increases, we still managed to increase the contingencies by close to \$5,000.00, so we are in a good position to proceed with the updating of the Provence Alley.

Andre C. Mongrain President and Treasurer, May 22, 2014

WATERSIDE VILLAGE FINANCIAL RESULT
AS OF APRIL 30,2014

<u>REVENUE</u>	<u>DESCRIPTION</u>	<u>YTD</u>	<u>YTD</u>	<u>TOTAL YEAR</u>	<u>2013/2014</u>	<u>VARIANCE</u>
		<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	
					305	
	NSF FEE	21	0	21	0	21
	100 ASSESSMENTS **	705,880	705,880	1,411,760	1,411,760	0
	102 LATE FEE INCOME	-315	1,750	1,200	3,500	-2300
	103 INTEREST INCOME	7	0	7	0	7
	104 TRANSFER FEE	2,100	1,500	3,000	3,000	0
	106 ACCESS/GATE CARDS	15	100	100	200	-100
	107 SCREENING FEE	18,573	13,000	28,000	26,000	2000
	108 MISCELLANEOUS INCOME	100	1,000	4,200	2,000	2200
	TOTAL REVENUE	726,381	723,230	1,448,288	1,446,460	1828

EXPENSES
UTILITIES

	200 ELECTRIC	25,252	23,000	46,000	46,000	0
	201 WATER & SEWER	118,500	115,000	229,000	230,000	-1,000
	202 GARBAGE & RECYCLING	19,586	21,000	41,000	42,000	-1,000
	203 PROPANE GAS	48	250	500	500	0
	204 CABLE T.V.	32,322	32,500	64,000	65,000	-1,000
	205 TELEPHONE	3,325	3,600	7,000	7,200	-200
	205.1 WIFI	995	875	1,750	1,750	0
		200,028	196,225	389,250	392,450	-3,200

<u>ADMINISTRATIVE</u>	<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2013/2014</u> <u>BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	45,860	57,000	101,000	114,000	-13,000
	301 PAYROLL-MAINTENANCE	35,487	38,250	76,500	76,500	0
	302 PAYROLL TAXES	6,636	8,500	13,500	17,000	-3,500
	302.1 EMPLOYEE BENEFITS	5,153	6,000	10,100	12,000	-1,900
	304 SECURITY GUARDS	26,799	28,500	57,000	57,000	0
	305 ACCOUNTING	12,520	12,750	25,200	25,500	-300
	305.1 BANK FEES	571	450	1,000	900	100
	305.2 BAD DEBT	11,706	6,000	-10,000	12,000	-22,000
	305.3 COLLECTION COST	7,401	4,000	8,000	8,000	0
	306 AUDITING	4,400	2,200	4,400	4,400	0
	307 LEGAL	3,190	1,000	5,000	2,000	3,000
	308 PROPERTY TAX	2,856	1,300	3,500	2,600	900
	309 INCOME TAX	0	250	500	500	0
	310 INSURANCE	127,304	135,000	261,000	270,000	-9,000
	311 OFFICE SUPPLIES	1,670	1,250	2,500	2,500	0
	312 POSTAGE & SHIPPING	424	600	1,200	1,200	0
	313 LICENSES	1,709	1,250	2,500	2,500	0
	314 TRAVEL & MILEAGE	376	550	800	1,100	-300
	315 MEETINGS & EDUCATION	714	150	2,000	300	1,700
	316 SCREENING	7,382	3,750	9,500	7,500	2,000
	317 ALARM SYSTEM	154	250	500	500	0
	318 COMPUTER REPAIR/SERVICE	1,594	1,000	2,300	2,000	300
	319 COPIER	1,994	2,000	4,000	4,000	0
	320 MISCELLANEOUS ADMIN.EXP.	4,797	2,250	4,700	4,500	200
	320.1 WEBSITE IMPROVEMENT	41	750	3,000	1,500	1,500
	323 SOCIAL FACILITIES	10,891	4,000	13,000	8,000	5,000
		321,629	319,000	602,700	638,000	-35,300

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2013/2014</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>MAINTENANCE</u>					
400 GASOLINE	713	700	1,200	1,400	-200
401 SPRINKLERS	2,961	3,000	6,000	6,000	0
402 PEST CONTROL	10,913	12,500	30,000	25,000	5,000
402.6 MISC. MAINT.EXP.	363	500	1,000	1,000	0
403 LANDSCAPING	61,500	62,000	124,000	124,000	0
403.1 FERTILIZATION-WEED CONT.	14,734	12,500	25,000	25,000	0
404 TREE TRIMMING	7,906	4,750	11,000	9,500	1,500
404.2 NEW TREES & BUSHES	7,643	6,250	12,500	12,500	0
405 BUILDING MAINTENANCE	13,177	13,500	35,000	27,000	8,000
406 GROUNDS MAINTENANCE	5,256	12,000	20,000	24,000	-4,000
407 SECURITY GATE EXPENSE	7,999	3,000	10,000	6,000	4,000
408 CAMERA & VIDEO EXP.	511	1,000	2,000	2,000	0
409 PLUMBING EXP.	1,015	1,500	3,000	3,000	0
410 ELECTRICAL EXP.	5,127	1,500	8,000	3,000	5,000
411 POOL SUPPLIES & REPAIR	19,767	6,500	21,000	13,000	8,000
412 STREET MAINTENANCE	316	2,500	2,500	5,000	-2,500
413 UNIFORMS	0	200	400	400	0
414 GOLF CARTS	995	2,500	2,500	5,000	-2,500
415 LOCKSMITH	0	150	300	300	0
416 FIRE SAFETY	354	2,000	4,000	4,000	0
417 JANITORIAL SUPPLIES	702	1,000	2,000	2,000	0
418 AWNINGS REPAIRS	700	8,500	19,400	17,000	2,400
420 PAINTING PROGRAM	0	26,500	63,000	53,000	10,000
421 STREET LIGHT	971	1,000	4,000	2,000	2,000
425 POOL CHAIRS/TABLES	0	1,000	2,000	2,000	0
429 BENCHES REPLACEMENT	421	500	421	1,000	-579
	164,044	187,050	410,221	374,100	36,121

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2013/2014</u> <u>BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	-820	8,455	29,856	16,910	12,946
476 SHUTTER GW/CIRCULAR	0	0	0	0	0
480 RAILROAD NOISE/DUST	16,261	12,500	16,261	25,000	-8,739
	15,441	20,955	46,117	41,910	4,207
GRAND TOTAL EXPENSES	701,142	723,230	1,448,288	1,446,460	1,828
REVENU OVER EXPENSES	25,239	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>2013/2014</u> <u>BUDGET</u>	<u>VARIANCE</u>
RESERVES					
2510 ROOFS	15,000	15,000	30,000	30,000	0
2515 PAINTING	500	500	1,000	1,000	0
2530 ASPHALT	10,750	10,750	21,500	21,500	0
2542 POOLS	4,000	4,000	8,000	8,000	0
2543 AWNINGS	1,500	1,500	3,000	3,000	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	5,750	5,750	11,500	11,500	0
2544 INTEREST REV. RESERVE	7,403	4,000	13,400	8,000	5,400
	53,653	50,250	105,900	100,500	5,400

ANDRE MONGRAIN, President/Treasurer

May-20-2014