

## **Financial and other comments as of March 31, 2016**

In addition to the regular financial commentaries, this report includes specific situations that are currently on-going at Waterside. Most are very positive for the future of Waterside. Last month we re-introduced monthly comments, where for 15 months we were only publishing on a quarterly basis. Please recognize that this is very time-consuming for the President and the Treasurer.

### **Financial results.**

Limited changes were made to the previous month's forecast; the only significant changes are the insurance and the building maintenance. On the insurance, from our first discussion with the Association insurance broker, it was indicated that there would be a potential saving of \$9,000.00 when compared to budget; we will overrun building maintenance by \$10,000.00 due to repairs for water leaks in unit's type B and mainly in units type A.

A good number of owners have already replaced their windows and we encourage that we all do so, mainly types A and B on the second floors. One more item that needs to be addressed is when a water heater is replaced the valve should be replaced at the same time. Even if it is a ball valve, the buildup of calcium does damage to the valve wall.

On the CD investment we have many of them that are subject to renewal this year, and we will continue to maintain a mix of short term (1 to 2 years) and midterm (5 to 6 years) investment. If there is need, we can always use the short term one with limited penalty on early cash-in.

The insurance negotiations are progressing and we should have a complete picture by April 23. We expect savings compared to budget, which will also lead to savings in future years. Payment again will be on a cash basis in accordance with current cash flow projection.

### **Completed and on-going works.**

The Provence Alley is now completed. Some adjustments will be made next fall, and from the reaction of owners it is well-received. Our sprinkler system was finally working fine until April 11. We need to replace the pump (which is under warranty) due to much sand and stone being sucked in. The problem was not due to lack of water: we can draw 120 gallons per minute from that well. During the summer months we will conduct a full wet-check. For the past week, tree-trimming has been going on in preparation of the hurricane season. We are lucky that we did some of them before the heavy storm that took place on Friday night (April 15). Waterside did not suffer any damage other than of a lot of debris.

New bushes will be planted, on the right side of the exit alley and new flowers will also be planted at the exit. Lighting by the retention pond is on hold until we finalize the plan of the clubhouse. We have started the installation of 58 louvers, all of them are within the A and B type of units. We have installed a sign on the Miner Road north land, indicating that Waterside is the owner.

## **Special items**

### **1. The internet, telephone and TV.**

AT&T is making progress on the installation of fiber optics on our site. We are finalizing the agreement with AT&T and if supplies of the required parts are coming in as planned, then in 260 days we should have fiber optic to each unit. The engineering staff is mentioning that it might be sooner. It is a first for AT&T to have fiber optic to each unit; normally this is done only for a new construction development. The speed of the internet will be between 300 Mbps and 1 Gbps. For our snowbirds there will be the possibility to connect and disconnect -- AT&T has a plan for these situations. AT&T has already applied to the Department of Transportation to cross lines under US1 and contacted the railroad company for lines to go under the tracks. The main switch box near the Petanque will be replaced by a state- of-the- art one and the fiber will run from that new switch to each building. They have already located where the pedestal box at each building will be located and we have also agreed as to how they will enter units type A and B by the attics, and units C, D and DD would be within the same location as it is now.

Work will be performed during the summer months and the staff will control who is coming to your unit. Any required repair will be done by AT&T under our supervision.

### **2. The amended and re-stated condominium documents.**

We now have received the stamped documents from the State and the County. These will be posted on our website for ease of access and if you require a printed version please let the office know and it will be done and deposited in your unit over the summer months. Now your Board is working on the Rules and Regulations update so they will match the documents and the same will be done with the various forms. We hope to finalize these by the time of the meeting that normally takes place on the last Saturday of October.

### **3. The latest on a possible club house.**

Following the vote result a survey is being conducted in order to determine the interior floor plan and wishes of the owners. Please participate in this important task that is fully automated on the Internet.

### **4. The summer projects**

The list should be published by the end of April, and will include sidewalk repairs, asphalt maintenance, wet- check of the sprinklers, installation of the louvers , painting of some stairs and railings, and a series of other items.

### **5. Town of Hypoluxo requirement.**

Waterside received from the Town of Hypoluxo the following notice: "The Town of Hypoluxo is asking for your assistance in enforcement of Chapter 14, Section 14-41 of our Code of

Ordinances. This section requires that property owners who rent their units must pay an **ANNUAL** fee of \$25.00.” This is applicable for short and long term rentals and it is an annual fee. It is not applicable for roommates, visitors and guests in accordance with our new condominium documents. The Town's form will be posted on our website.

**6. Dogs on site.**

Please be careful! We are chasing 2 or 3 pit bulls, one white with a brown patch and a black one and a third ones that show up on occasion that is also black. They are large dogs, and potentially dangerous. A trapper is helping out and did also review the fence situation on the west side. Remember the old hedge on the west side is pushing up the chain-link. We will have to address this situation.

**7. Railroad latest development (from the Palm Beach Post, April 4<sup>th</sup>, 2016)**

**All Aboard Florida** (Brightline) is continuing construction on the quiet zones that will stretch from Miami to West Palm Beach. Palm Beach County’s Metropolitan Planning Organization has pledged \$6.6 million to help cover the cost of the quiet zone from Boca Raton to 15th Street in West Palm Beach. Quiet zone improvements are already under construction from the Broward County line north to 15th Street, where Brightline is building train storage and a maintenance facility.

All Aboard Florida’s Brightline train service unveiled safety plans on Monday for the second phase of its express route linking Miami to Orlando, but the timeline for when those upgrades will be made depends largely on the tight municipal bond market, company officials said. The company plans to launch service between Miami and West Palm Beach in 2017. Officials had said the West Palm Beach-to-Orlando would begin by the end of 2017, but on Monday, said “there is likely to be some delay on the date.”

The owners that are still on site and the permanent residents can appreciate the work ongoing at the various crossings, and for the ones who think that Miner Road is not part of that project, you do need to think about the following: if there is one crossing that is not a quiet zone, then the ones within two (2) miles of that one will not be designated quiet zones, and most of the crossings are within two (2) miles of each other. We all hope that by late January 2017 we will have the benefit of no horn blowing.

The next report will be more oriented toward a normal quarterly financial report.

Thanks for reading.

Andre Mongrain, President and Claude Comtois Treasurer

April 19, 2016

**WATERSIDE FINANCIAL RESULT**  
**AS OF MARCH 31, 2016**

	<u>YTD</u>	<u>YTD</u>	<u>TOTAL YEAR</u>	<u>2015/2016</u>	
<u>REVENUE</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>VARIANCE</u>
				<b>310</b>	
NSF FEE	25	0	25	0	25
100 ASSESSMENTS **	590,175	590,175	1,416,420	1,416,420	0
102 LATE FEE INCOME	650	835	1,700	2,000	-300
103 INTEREST INCOME	370	0	0	0	0
104 TRANSFER FEE	750	1,250	1,500	3,000	-1500
106 ACCESS/GATE CARDS	0	83	100	200	-100
107 SCREENING FEE	14,600	12,500	30,000	30,000	0
108 MISCELLANEOUS INCOME	1,450	625	1,500	1,500	0
<b>TOTAL REVENUE</b>	<b>608,020</b>	<b>605,468</b>	<b>1,451,245</b>	<b>1,453,120</b>	<b>-1,875</b>

**EXPENSES**  
**UTILITIES**

200 ELECTRIC	21,047	21,250	51,000	51,000	0
201 WATER & SEWER	107,242	100,833	242,000	242,000	0
202 GARBAGE & RECYCLING	17,680	19,167	46,000	46,000	0
203 PROPANE GAS	543	83	600	200	400
204 CABLE T.V.	37,153	27,500	74,000	66,000	8,000
205 TELEPHONE	2,694	3,000	7,200	7,200	0
205.1 WIFI	1,221	1,250	3,000	3,000	0
	<b>187,580</b>	<b>173,083</b>	<b>423,800</b>	<b>415,400</b>	<b>8,400</b>

<u>ADMINISTRATIVE</u>	<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2015/2016 BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	44,836	43,750	107,500	105,000	2,500
	301 PAYROLL-MAINTENANCE	30,646	30,833	73,000	74,000	-1,000
	302 PAYROLL TAXES	1,836	6,250	15,000	15,000	0
	302.1 EMPLOYEE BENEFITS	4,693	2,917	6,500	7,000	-500
	304 SECURITY GUARDS	22,625	23,750	57,000	57,000	0
	305 ACCOUNTING	10,521	11,041	25,500	26,500	-1,000
	305.1 BANK FEES	596	521	1,250	1,250	0
	305.2 BAD DEBT	0	2,500	2,000	6,000	-4,000
	305.3 COLLECTION COST	3,736	2,083	5,000	5,000	0
	306 AUDITING	4,400	1,917	4,400	4,600	-200
	307 LEGAL	-6,470	1,042	2,500	2,500	0
	308 PROPERTY TAX	3,612	1,542	3,612	3,700	-88
	309 INCOME TAX	0	208	0	500	-500
	310 INSURANCE	112,856	120,417	280,000	289,000	-9,000
	311 OFFICE SUPPLIES	959	1,250	3,000	3,000	0
	312 POSTAGE & SHIPPING	7	625	1,500	1,500	0
	313 LICENSES	1,709	1,333	3,200	3,200	0
	314 TRAVEL & MILEAGE	240	417	750	1,000	-250
	315 MEETINGS & EDUCATION	0	208	250	500	-250
	316 SCREENING	5,519	5,000	12,000	12,000	0
	317 ALARM SYSTEM	238	208	500	500	0
	318 COMPUTER REPAIR/SERVICE	0	833	2,000	2,000	0
	319 COPIER	1,709	1,667	4,000	4,000	0
	320 MISCELLANEOUS ADMIN.EXP.	3,405	2,500	6,000	6,000	0
	320.1 WEBSITE IMPROVEMENT	1,020	625	2,500	1,500	1,000
	323 SOCIAL FACILITIES	10,560	4,167	11,000	10,000	1,000
		<b>259,253</b>	<b>267,604</b>	<b>629,962</b>	<b>642,250</b>	<b>-12,288</b>

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2015/2016 BUDGET</u>	<u>VARIANCE</u>
<b>MAINTENANCE</b>					
400 GASOLINE	195	333	600	800	-200
401 SPRINKLERS	3,626	3,333	9,000	8,000	1,000
402 PEST CONTROL	8,156	10,833	25,000	26,000	-1,000
402.6 MISC. MAINT.EXP.	302	417	1,000	1,000	0
403 LANDSCAPING	51,250	52,500	123,000	126,000	-3,000
403.1 FERTILIZATION-WEED CONT.	10,214	10,417	25,000	25,000	0
404 TREE TRIMING	0	4,167	8,000	10,000	-2,000
404.2 NEW TREES & BUSHES	1,753	3,333	5,000	8,000	-3,000
405 BUILDING MAINTENANCE	19,289	10,417	35,000	25,000	10,000
406 GROUNDS MAINTENANCE	3,428	9,167	21,000	22,000	-1,000
407 SECURITY GATE EXPENSE	1,324	2,917	7,000	7,000	0
408 CAMERA & VIDEO EXP.	817	1,667	4,000	4,000	0
409 PLUMBING EXP.	7,032	1,458	9,500	3,500	6,000
410 ELECTRICAL EXP.	2,708	1,667	4,000	4,000	0
411 POOL SUPPLIES & REPAIR	3,809	5,833	13,000	14,000	-1,000
412 STREET MAINTENANCE	254	1,042	3,500	2,500	1,000
413 UNIFORMS	0	167	400	400	0
414 GOLF CARTS	0	833	2,000	2,000	0
415 LOCKSMITH	10	83	200	200	0
416 FIRE SAFETY	254	1,667	4,000	4,000	0
417 JANITORIAL SUPPLIES	1,832	1,250	3,000	3,000	0
418 AWNINGS REPAIRS	2,255	8,333	20,000	20,000	0
420 PAINTING PROGRAM	0	19,583	47,000	47,000	0
421 STREET LIGHT	0	417	1,000	1,000	0
425 POOL CHAIRS/TABLES	0	833	2,000	2,000	0
429 BENCHES REPLACEMENT	0	208	500	500	0
484 LOUVER VENT	-3,104	0	1,000	0	1,000
	<b>115,404</b>	<b>152,875</b>	<b>374,700</b>	<b>366,900</b>	<b>7,800</b>

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2015/2016</u> <u>BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	0	11,906	14,017	28,570	-14,553
483 PROVENCE ALLEY	3,083	0	3,083	0	3,083
487 EAST WELL	2,640	0	2,640	0	2,640
431 CLUB HOUSE STUDY	-5,734	0	0	0	0
485 REVISION CONDO DOC'S	3,043	0	3,043	0	3,043
	<b>3,032</b>	<b>11,906</b>	<b>22,783</b>	<b>28,570</b>	<b>-5,787</b>
<b>GRAND TOTAL EXPENSES</b>	<b>565,269</b>	<b>605,468</b>	<b>1,451,245</b>	<b>1,453,120</b>	<b>-1,875</b>
<b>REVENUE OVER EXPENSES</b>	<b>42,751</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2015/2016</u> <u>BUDGET</u>	<u>VARIANCE</u>
<b>RESERVES</b>					
2510 ROOFS	13,958	13,958	33,500	33,500	0
2515 PAINTING	0	0	0	0	0
2530 ASPHALT	9,792	9,792	23,500	23,500	0
2542 POOLS	3,333	3,333	8,000	8,000	0
2543 AWNINGS	0	0	0	0	0
2546 SPRINKLERS	2,083	2,083	5,000	5,000	0
2547 TV CABLE INFRASTRUCTURE	5,208	5,208	12,500	12,500	0
2545 WORKING CAPITAL	12,500	12,500	30,000	30,000	0
2544 INTEREST REV. RESERVE	6,319	3,750	12,000	9,000	3,000
	<b>53,193</b>	<b>50,624</b>	<b>124,500</b>	<b>121,500</b>	<b>3,000</b>

Andre Mongrain President      Claude Comtois Treasurer

16-Apr-16