

August 18, 2016

Financial and other comments as of July 31, 2016.

July marks the completion of 75% of our current fiscal year. In addition to the regular financial commentaries, this report includes specific situations that are currently on-going at Waterside like the AT&T UVerse, security issues and the clubhouse. Budget for the upcoming fiscal year is due by the end of September.

We all want to say our best to Stacey Casey our Property Manager. Her surgery went well and she is making progress.

Financial results.

No significant changes were made to the previous month's forecast, with the exception of the maintenance group of expenses. The ***maintenance group of expenses*** sees a total overrun of \$20,488.00 compared to the previous forecast of an overrun of \$11,600.00. This is mainly due to an increase in building maintenance by \$5,000.00 due to the security improvement efforts. New cones and a new office entrance gate and new fence on each side of the office entrance were installed. We have added to our forecast \$1,500.00 for new trees and bushes as the hedge on the west side is depleted. We added \$1,000.00 to the surveillance cameras with the installation of a new DVR and four digital cameras, and invested in the plumbing expenses to replace three urinals, two of them with automatic flush. The ***contingency fund*** was reduced by \$9,536.00 to \$6,893.00, which is on the low side considering that the hurricane season is not over.

All reserve accounts are funded on a monthly basis.

Completed and on-going works.

Specific items

1. The internet, telephone and TV.

AT&T was on-site with two different engineering crews, one to finalize the design of unit set-up and one looking at the underground required work. Director Normand Cadieux is working on comparable pricing and we should report on these with next month's report. As far as the inside of a unit, the AT&T engineers have modified their approach so we will not see the fiber running along the ceiling for A and B type units. They are not recommending any changes to their original design for unit's type C, D and DD. We do hope to publish a schematic of the design next month.



2. The painting program.

The painting program for the current fiscal year is completed with the exception of the awning replacement which should be completed within the next 10 days and the installation of the decorative elements that will be completed early September.

3. The latest on a possible club house.

The soil engineer did complete the soil condition analysis and we did obtain a report from the Architect. The President had a meeting with the architect to review the content of the report and options specified in the soil engineer report. Also discussed was the suggestions made by owners on the interior configuration and most of them are integrated. We now have authorized the architect to come up with a preliminary design that will include the preceding discussions. That step is budgeted at \$22,500.00 and it is necessary for submission to the Town of Hypoluxo and to the Water Management Board for their approval, which may take 4 to 6 months. Their approval is the next hurdle that we have to cross, before moving to complete architectural designs which are necessary for the bid process. Remember, every step constitutes a decision point that your Board needs to make. The total commitment of \$1,650,000.00 and the financing are still steps that need to be crossed over.

4. Site security.

We have incidents to report for the month of July and also at the beginning of this week. On July 28, three young men helped themselves to contents in four cars here. **Those cars were not locked!** Then, on August 14 one car, again -- **not locked---** was stolen. The **car key** and other valuables had been left in the car. The Association and the police are investigating. As mentioned, we changed the entrance to the office gate and the fence on each side. We will complete the installation of the cones on the other column as soon as possible. A new DVR is being installed in the office and we are replacing four (4) cameras with digital ones. We will analyze the quality of the image and decide on more if satisfactory.



Please lock your car and remove valuables from sight. The ease of car access some of our owner do provide to these thieves does make it easy, any cars that are not locked or bikes not properly secured make it attractive for them to come back and look for more.

Again thanks for reading.

Andre Mongrain, President and Claude Comtois, Treasurer

August 18, 2016

WATERSIDE FINANCIAL RESULT
AS OF JULY 31, 2016

<u>REVENUE</u>	<u>DESCRIPTION</u>	<u>YTD</u>	<u>YTD</u>	<u>TOTAL YEAR</u>	<u>2015/2016</u>	<u>VARIANCE</u>
		<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	
					310	
	NSF FEE	100	0	100	0	100
	100 ASSESSMENTS **	1,062,315	1,062,315	1,416,420	1,416,420	0
	102 LATE FEE INCOME	1,750	1,503	2,500	2,000	500
	103 INTEREST INCOME	387	0	387	0	387
	104 TRANSFER FEE	1,525	2,250	2,250	3,000	-750
	106 ACCESS/GATE CARDS	125	150	125	200	-75
	107 SCREENING FEE	18,950	22,500	29,500	30,000	-500
	108 MISCELLANEOUS INCOME	1,700	1,125	2,500	1,500	1,000
	TOTAL REVENUE	1,086,852	1,089,843	1,453,782	1,453,120	662

EXPENSES
UTILITIES

	200 ELECTRIC	35,600	38,250	51,000	51,000	0
	201 WATER & SEWER	186,945	181,500	247,000	242,000	5,000
	202 GARBAGE & RECYCLING	31,928	34,500	46,000	46,000	0
	203 PROPANE GAS	591	150	600	200	400
	204 CABLE T.V.	57,947	49,500	73,000	66,000	7,000
	205 TELEPHONE	5,162	5,400	7,200	7,200	0
	205.1 WIFI	1,759	2,250	3,000	3,000	0
		319,932	311,550	427,800	415,400	12,400

<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>2015/2016</u> <u>BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	80,515	78,750	108,500	105,000	3,500
	301 PAYROLL-MAINTENANCE	53,488	55,500	77,000	74,000	3,000
	302 PAYROLL TAXES	7,369	11,250	11,000	15,000	-4,000
	302.1 EMPLOYEE BENEFITS	4,615	5,250	7,000	7,000	0
	304 SECURITY GUARDS	41,486	42,750	56,000	57,000	-1,000
	305 ACCOUNTING	18,701	19,875	25,000	26,500	-1,500
	305.1 BANK FEES	828	938	1,250	1,250	0
	305.2 BAD DEBT	4,469	4,500	-5,000	6,000	-11,000
	305.3 COLLECTION COST	1,205	3,750	2,500	5,000	-2,500
	306 AUDITING	4,400	3,450	4,400	4,600	-200
	307 LEGAL	360	1,875	2,500	2,500	0
	308 PROPERTY TAX	3,612	2,775	3,612	3,700	-88
	309 INCOME TAX	0	375	0	500	-500
	310 INSURANCE	210,379	216,750	281,400	289,000	-7,600
	311 OFFICE SUPPLIES	1,491	2,250	2,250	3,000	-750
	312 POSTAGE & SHIPPING	177	1,125	1,000	1,500	-500
	313 LICENSES	2,334	2,400	3,200	3,200	0
	314 TRAVEL & MILEAGE	240	750	750	1,000	-250
	315 MEETINGS & EDUCATION	199	375	400	500	-100
	316 SCREENING	7,503	9,000	12,000	12,000	0
	317 ALARM SYSTEM	397	375	500	500	0
	318 COMPUTER REPAIR/SERVICE	90	1,500	2,000	2,000	0
	319 COPIER	3,124	3,000	4,000	4,000	0
	320 MISCELLANEOUS ADMIN.EXP.	5,454	4,500	6,500	6,000	500
	320.1 WEBSITE IMPROVEMENT	1,020	1,125	2,500	1,500	1,000
	323 SOCIAL FACILITIES	10,658	7,500	11,500	10,000	1,500
		464,114	481,688	621,762	642,250	-20,488

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2015/2016 BUDGET</u>	<u>VARIANCE</u>
400 GASOLINE	195	600	500	800	-300
401 SPRINKLERS	4,910	6,000	9,000	8,000	1,000
402 PEST CONTROL	12,956	19,500	23,000	26,000	-3,000
402.6 MISC. MAINT.EXP.	302	750	1,000	1,000	0
403 LANDSCAPING	92,250	94,500	123,000	126,000	-3,000
403.1 FERTILIZATION-WEED CONT.	17,316	18,750	25,000	25,000	0
404 TREE TRIMING	6,170	7,500	10,000	10,000	0
404.2 NEW TREES & BUSHES	5,564	6,000	8,000	8,000	0
405 BUILDING MAINTENANCE	38,720	18,750	40,000	25,000	15,000
406 GROUNDS MAINTENANCE	4,479	16,500	20,000	22,000	-2,000
407 SECURITY GATE EXPENSE	8,049	5,250	9,000	7,000	2,000
408 CAMERA & VIDEO EXP.	1,192	3,000	3,500	4,000	-500
409 PLUMBING EXP.	7,554	2,625	10,000	3,500	6,500
410 ELECTRICAL EXP.	4,071	3,000	4,500	4,000	500
411 POOL SUPPLIES & REPAIR	7,539	10,500	12,000	14,000	-2,000
412 STREET MAINTENANCE	254	1,875	3,500	2,500	1,000
413 UNIFORMS	0	300	400	400	0
414 GOLF CARTS	47	1,500	1,500	2,000	-500
415 LOCKSMITH	65	150	100	200	-100
416 FIRE SAFETY	5,061	3,000	5,061	4,000	1,061
417 JANITORIAL SUPPLIES	1,836	2,250	3,000	3,000	0
418 AWNINGS REPAIRS	15,030	15,000	23,000	20,000	3,000
420 PAINTING PROGRAM	7,770	35,250	45,500	47,000	-1,500
421 STREET LIGHT	0	750	3,000	1,000	2,000
425 POOL CHAIRS/TABLES	0	1,500	2,500	2,000	500
429 BENCHES REPLACEMENT	0	375	0	500	-500
484 LOUVER VENT	36	0	2,500	0	2,500
	241,366	275,175	388,561	366,900	21,661

<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	600	21,427	6,893	28,570	-21,677
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	-130	0	0	0	0
485 REVISION CONDO DOC'S	3,043	0	3,043	0	3,043
	9,236	21,427	15,659	28,570	-12,911
GRAND TOTAL EXPENSES	1,034,648	1,089,840	1,453,782	1,453,120	662
REVENUE OVER EXPENSES	52,204	3	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>2015/2016</u> <u>BUDGET</u>	<u>VARIANCE</u>
RESERVES					
2510 ROOFS	25,125	25,125	33,500	33,500	0
2515 PAINTING	0	0	0	0	0
2530 ASPHALT	17,625	17,625	23,500	23,500	0
2542 POOLS	6,000	6,000	8,000	8,000	0
2543 AWNINGS	0	0	0	0	0
2546 SPRINKLERS	3,750	3,750	5,000	5,000	0
2547 TV CABLE INFRASTRUCTURE	9,375	9,375	12,500	12,500	0
2545 WORKING CAPITAL	22,500	22,500	30,000	30,000	0
2544 INTEREST REV. RESERVE	8,757	6,750	12,000	9,000	3,000
	93,132	91,125	124,500	121,500	3,000

Andre Mongrain President

Claude Comtois Treasurer

Aug.18-2016