

## **COMMENTS ON OCTOBER 2016 YEARLY FINANCIAL RESULTS BEFORE AUDIT**

This report is the last one of the current fiscal year, and it is before the adjustment that may be necessary following the external auditor review. We will report in detail at the annual owners' meeting that will be held on January 28, 2017 at the clubhouse at 2:00 p.m. We should end the year with a **surplus of \$2,610.00**. We have set aside specific amounts of dollars to cover the following:

- 1) replacement of the east well with a 7.5 hp. pump (\$7,255.00),
- 2) improvement for the surveillance cameras (\$4,000.00),
- 3) FPL street light project (\$3,000.00).

A lot is ongoing and we will provide explanation in the following specific comments.

**Our revenue fell short of our budget by \$4,188.00**, mainly the result of a shortcoming from the **screening fees by \$4,950.00**. We ended marginally **below budget (\$ 4,342.00) on the utilities expenses**, with electricity, water and sewage and garbage and recycling all coming below budget. The cable TV expense account ended higher than budget (\$6,988.00) due to the addition of equipment. **The administrative expenses were below budget by \$20,334.00** due to our performance under bad debt, collection costs, legal, insurance, screening and computer repairs.

**On the maintenance category of expenses we are over budget by \$24,264.00**, the result of excess expenses in building maintenance (\$19,653.00), grounds maintenance (\$3,804.00), security gate (\$2,771.00), camera (\$4,303.00), plumbing (\$5,711.00) and awning repairs (\$7,330.00). Some of those budget overruns were offset by some expenses that came in below budget.

Under the contingency you can see most of the special one-time items are listed, like contingency which is mainly related to ATT current ongoing work, the completion of the Provence Alley, the east well, the club house original study and the revision of the condo docs. **For that group we are still below our budget by \$6,386.00**.

**In total our group of expenses is still below budget by \$6,798.00**.

We ended the year with **interest revenue from our reserve accounts of \$11,122.00**. This item is not part of our profit and loss statement.

### **SPECIFIC ITEMS**

#### 1) **SECURITY**

*For the third month in a row, your Board has no events to report.* As mentioned at the October 30, 2016 budget meeting, we now have completed the test period of the Phase 1 of the improvement of our surveillance. Phase 1 means that our cameras are now monitoring from 12:00 a.m. to 6:00 a.m. every day of the year by an outside firm. We have signed an agreement for Phase 1 until Phase 2 is introduced, hoping for the availability of high speed internet by March 2017. Phase 2 will mean that the same firm will monitor the perimeters via an invisible form of laser integrated in our cameras, again for same coverage period. Under Phase 1 the firm will call the President when an alert shows up on their screen. It is very difficult to determine an

alert; someone walking a dog at 1:30 a.m. may not constitute an alert if it is an owner, compared to an actual intruder. This process of calling the President will be for a short period of time after a better understanding of what constitutes an alert, and then the firm will simply call the local police authority. ***This is quite a security improvement and Waterside is the only one in the area to have such surveillance.***

2) **GATE SECURITY PROCESS**

We have modified our access procedure for visitors. The guard will now make only one round through the site as the last one of the night to make sure everything is properly closed. The guard will now ask for I.D. cards from visitors, and will remit a blue sheet of paper indicating unit destination and duration. This sheet will be placed on the dashboard of the visitor's vehicle. We have also started our checking procedure for cars on site that do not conform to the rules. After 2 notices ***those cars will be towed away at the owner's expense.*** Please advise your guests or renters of this policy. We have issued the first notice to some, but few have shown up at the office to correct the infraction. These will now receive a second notice, and then the process will be applied. ***We still notice cars that are not locked and bikes that are not properly secured. Please make sure not to invite the risk of potential intruders.***

3) **AT&T**

Owners, guests and renters on site can appreciate the work currently going on with heavy equipment, and installing and digging all over. The digging should be completed during the week of November 21, 2016; then a crew of 8 will start to connect the main fiber wiring to the already-installed equipment inside units. Last, all will be connected to the main control box already functional at the south corner of Miner and US 1. ***It will then be up to each owner to choose what service they want. Hopefully all will be completed by the end of March.***





4) **SPRINKLER SYSTEM**

We still have problems with not only the new well but also with the old pump. Let's hope we can have all of this fixed during the November 21, 2016 week.

5) **CLUB HOUSE**

Your Board has now received the preliminary design which is necessary for the permits application and we are answering questions from the Town and the Water Board. This process may take between 4 to 6 months.

6) **BOARD MEETING**

A Board meeting will be scheduled for the first week of December. Please check for the agenda on the various bulletin boards and on channel 70. We hope all owners will attend.

***From your Board, our best wishes for the upcoming Holiday Season and thanks to our staff for their excellent performance all year long.***

Thanks for reading,

Andre C. Mongrain, President  
Claude Comtois, Treasurer  
November 21, 2016

**WATERSIDE FINANCIAL RESULT**  
**AS OF OCTOBER 31, 2016 PRIOR TO AUDIT**

	<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	100	0	100	0	100
100 ASSESSMENTS **	1,416,420	1,416,420	1,416,420	1,416,420	0
102 LATE FEE INCOME	2,925	2,000	2,925	2,000	925
103 INTEREST INCOME	387	0	387	0	387
104 TRANSFER FEE	1,825	3,000	1,825	3,000	-1175
106 ACCESS/GATE CARDS	325	200	325	200	125
107 SCREENING FEE	25,050	30,000	25,050	30,000	-4,950
108 MISCELLANEOUS INCOME	1,900	1,500	1,900	1,500	400
<b>TOTAL REVENUE</b>	<b>1,448,932</b>	<b>1,453,120</b>	<b>1,448,932</b>	<b>1,453,120</b>	<b>-4,188</b>

**EXPENSES**  
**UTILITIES**

200 ELECTRIC	45,395	51,000	45,395	51,000	-5,605
201 WATER & SEWER	240,296	242,000	240,296	242,000	-1,704
202 GARBAGE & RECYCLING	42,887	46,000	42,887	46,000	-3,113
203 PROPANE GAS	591	200	591	200	391
204 CABLE T.V.	72,988	66,000	72,988	66,000	6,988
205 TELEPHONE	6,772	7,200	6,772	7,200	-428
205.1 WIFI	2,129	3,000	2,129	3,000	-871
	<b>411,058</b>	<b>415,400</b>	<b>411,058</b>	<b>415,400</b>	<b>-4,342</b>

<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	111,542	105,000	111,542	105,000	6,542
	301 PAYROLL-MAINTENANCE	76,342	74,000	76,342	74,000	2,342
	302 PAYROLL TAXES	11,289	15,000	11,289	15,000	-3,711
	302.1 EMPLOYEE BENEFITS	8,176	7,000	8,176	7,000	1,176
	304 SECURITY GUARDS	54,115	57,000	54,115	57,000	-2,885
	305 ACCOUNTING	24,803	26,500	24,803	26,500	-1,697
	305.1 BANK FEES	1,028	1,250	1,028	1,250	-222
	305.2 BAD DEBT	89	6,000	89	6,000	-5,911
	305.3 COLLECTION COST	2,380	5,000	2,380	5,000	-2,620
	306 AUDITING	4,400	4,600	4,400	4,600	-200
	307 LEGAL	1,324	2,500	1,324	2,500	-1,176
	308 PROPERTY TAX	3,598	3,700	3,598	3,700	-102
	309 INCOME TAX	0	500	0	500	-500
	310 INSURANCE	283,758	289,000	283,758	289,000	-5,242
	311 OFFICE SUPPLIES	1,801	3,000	1,801	3,000	-1,199
	312 POSTAGE & SHIPPING	243	1,500	243	1,500	-1,257
	313 LICENSES	2,439	3,200	2,439	3,200	-761
	314 TRAVEL & MILEAGE	872	1,000	872	1,000	-128
	315 MEETINGS & EDUCATION	199	500	199	500	-301
	316 SCREENING	7,555	12,000	7,555	12,000	-4,445
	317 ALARM SYSTEM	317	500	317	500	-183
	318 COMPUTER REPAIR/SERVICE	270	2,000	270	2,000	-1,730
	319 COPIER	3,846	4,000	3,846	4,000	-154
	320 MISCELLANEOUS ADMIN.EXP.	7,148	6,000	7,148	6,000	1,148
	320.1 WEBSITE IMPROVEMENT	2,020	1,500	2,020	1,500	520
	323 SOCIAL FACILITIES	12,362	10,000	12,362	10,000	2,362
		<b>621,916</b>	<b>642,250</b>	<b>621,916</b>	<b>642,250</b>	<b>-20,334</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	550	733	550	800	-250
401 SPRINKLERS	7,354	7,333	7,354	8,000	-646
402 PEST CONTROL	16,069	23,833	16,069	26,000	-9,931
402.6 MISC. MAINT.EXP.	302	917	302	1,000	-698
403 LANDSCAPING	123,000	115,500	123,000	126,000	-3,000
403.1 FERTILIZATION-WEED CONT.	22,718	22,917	22,718	25,000	-2,282
404 TREE TRIMING	9,397	9,167	9,397	10,000	-603
404.2 NEW TREES & BUSHES	7,780	7,333	7,780	8,000	-220
405 BUILDING MAINTENANCE	44,653	22,917	44,653	25,000	19,653
406 GROUNDS MAINTENANCE	25,804	20,167	25,804	22,000	3,804
407 SECURITY GATE EXPENSE	9,771	6,417	9,771	7,000	2,771
408 CAMERA & VIDEO EXP.	8,303	3,667	8,303	4,000	4,303
409 PLUMBING EXP.	9,211	3,208	9,211	3,500	5,711
410 ELECTRICAL EXP.	5,415	3,667	5,415	4,000	1,415
411 POOL SUPPLIES & REPAIR	10,070	12,833	10,070	14,000	-3,930
412 STREET MAINTENANCE	5,083	2,292	5,083	2,500	2,583
413 UNIFORMS	0	367	0	400	-400
414 GOLF CARTS	84	1,833	84	2,000	-1,916
415 LOCKSMITH	65	183	65	200	-135
416 FIRE SAFETY	5,061	3,667	5,061	4,000	1,061
417 JANITORIAL SUPPLIES	2,275	2,750	2,275	3,000	-725
418 AWNINGS REPAIRS	27,330	18,333	27,330	20,000	7,330
420 PAINTING PROGRAM	45,741	43,083	45,741	47,000	-1,259
421 STREET LIGHT	3,000	917	3,000	1,000	2,000
425 POOL CHAIRS/TABLES	2,092	1,833	2,092	2,000	92
429 BENCHES REPLACEMENT	0	458	0	500	-500
484 LOUVER VENT	36	0	36	0	36
	<b>391,164</b>	<b>336,325</b>	<b>391,164</b>	<b>366,900</b>	<b>24,264</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	2,958	28,570	2,958	28,570	-25,612
483 PROVENCE ALLEY	3,083	0	3,083	0	3,083
487 EAST WELL	10,407	0	10,407	0	10,407
431 CLUB HOUSE STUDY	2,693	0	2,693	0	2,693
485 REVISION CONDO DOC'S	3,043	0	3,043	0	3,043
	<b>22,184</b>	<b>28,570</b>	<b>22,184</b>	<b>28,570</b>	<b>-6,386</b>
<b>GRAND TOTAL EXPENSES</b>	<b>1,446,322</b>	<b>1,453,120</b>	<b>1,446,322</b>	<b>1,453,120</b>	<b>-6,798</b>
<b>REVENUE OVER EXPENSES</b>	<b>2,610</b>	<b>0</b>	<b>2,610</b>	<b>0</b>	<b>2,610</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	33,500	33,500	33,500	33,500	0
2515 PAINTING	0	0	0	0	0
2530 ASPHALT	23,500	23,500	23,500	23,500	0
2542 POOLS	8,000	8,000	8,000	8,000	0
2543 AWNINGS	0	0	0	0	0
2546 SPRINKLERS	5,000	5,000	5,000	5,000	0
2547 TV CABLE INFRASTRUCTURE	12,500	12,500	12,500	12,500	0
2545 WORKING CAPITAL	30,000	30,000	30,000	30,000	0
2544 INTEREST REV. RESERVE	11,122	9,000	11,122	9,000	2,122
	<b>123,622</b>	<b>121,500</b>	<b>123,622</b>	<b>121,500</b>	<b>2,122</b>

Andre Mongrain President

Claude Comtois Treasurer

Nov-18-2016