

WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.

MONTHLY REPORT FOR THE PERIOD ENDING JANUARY 31, 2017

Please excuse our delay in issuing the January monthly report; it will be a short one.

January completes the first quarter of the 2016-2017 fiscal year. We will report on some circumstances that have arisen and provide an updated forecast (as compared to the budget). This month, we were required to adjust many of our total year's forecast in order to compensate for some overruns, like the sprinkler system, the entrance gate control panel, the satellite TV system, a particular situation with the receivables, and finally the cost of the election's democratic process.

On the increase side, we have increased the satellite TV from \$73,000.00 to \$74,000.00 which constitutes an overrun of \$7,000.00 compared to the total year budget. We also increased sprinkler forecast from \$14,000.00 to \$20,000.00 which resulted in an overrun compared to yearly budget of \$12,000.00, and finally increased the contingency forecast by \$750.00.

We have lowered our forecast under social facilities by an additional \$1,000.00 to bring the total to a reduction of \$2,000.00 compared to budget. In order to achieve this we will not install new swings till after the hurricane season and have a better reading of the insurance cost. We did lower our pest control by a further \$2,000.00, our fertilization and weed control by a further \$2,000.00, reduced planting new trees and bushes by \$1,000.00, reduced our building maintenance by \$2,000.00, reduced our forecast for cameras and video by \$1,000.00, and finally reduced our forecast for street lights by \$3,000.00. These reductions are necessary to cover the overrun.

The items mentioned in previous months' reports remain of actuality, like the security gate overrun and the pool supplies and repairs overrun.

All of the reserve accounts are funded monthly, and we monitor the cash flow very closely. We are currently three months away from the due date for the insurance payment. Presently, it appears that we may have to use some funds from the Working Capital reserve account to cover the cash flow shortfall in order to pay the premium. The Working Capital reserve account will be refunded before the end of the fiscal year.

SPECIFIC ITEMS

1. Account Receivable a particular situation

For nearly 10 years, we have been going through legal activities surrounding a particular owner's dues. Following their last year filing for bankruptcy under chapter 11, about 10 minutes before our initiated court-hearing foreclosure and then they defaulted on their Chapter 11 bankruptcy. February 27, 2017, they moved toward a Chapter 13 bankruptcy proceeding.

This particular situation has cost over \$40,000.00 to the Association in lost maintenance fees and legal costs. The owners of this unit are abusing our generosity. They are costing each of us more than a \$1.00 a month to support this situation. It is unbelievable that some law firms participate in such actions in order to get fees; we can predict that they will also default on their current bankruptcy filing.

2. Onsite Surveillance

We have no incidents to report for the month of January, the sixth consecutive month. Remember: "See something, say something" and call the Lantana Police immediately, not the Office the day after.

Please remember that you are responsible for ensuring that your car is properly locked and your bicycle is attached with a U-bolt system.

3. AT&T

We have now over 260 owners who have switched from DSL to the UVerse fiber optic. Some owners experienced some difficulties with the scheduling of the conversion or of their billing; these issues are being resolved by AT&T. Technical adjustments are still necessary, and AT&T has a plan in place to resolve those issues. Waterside is the first one of seven sites that is converting from DSL to fiber optic, which is a good selling tool that our owners are benefitting from.

For absentee owners, you can always contact Waterside's office and they will try to help direct you to Board members Claude Comtois or Normand Cadieux who have helped many of our owners. You can also send email to Paul Bernardone at paul.bernardone@att.com and he will follow up with you.

4. SITE MAINTENANCE

Our maintenance staff is continuing to work on the sprinkler system, and we can see the improvements. We will use some funds from the sprinkler reserve in order to enable the firm Evergreen to complete a full update of the

system. We still have to repair some grass areas and ficus. Our maintenance supervisor Jeff is back on light duty jobs, a welcome return. Soon we can address the situation with the broken sprinkler pipe under the street near the park

5. CLUBHOUSE

Board members Comtois, Poissant and Mongrain had a meeting with the architectural firm, and we were in position to appraise the progress being made with the filing of requested permits. The firm Miller Land Planning, Inc. is presenting the Development Order Amendment on behalf of Waterside and is replying to requests for information from the Town of Hypoluxo and the Water Management Board.

Our commitment so far is for an amount of \$22,500.00 for the Phase One architectural work, \$1,850.00 to the Town of Hypoluxo for the permit submission, \$3,250.00 for Miller Land Survey and finally \$1,628.00 for Geo-technical soil survey. In total so far we are committed to \$29,228.00 and we remain within the total objective of \$1,650,000.00.

We continue to maintain our contact with the Desjardins Bank, and our loan is still available.

6. RULES AND REGULATIONS

Board members Jean-Claude Demers and Michael Shane are working on the first draft of the new Rules and Regulations, which will reflect the revised Association documents.

Thanks for reading,

André Mongrain, President
Claude Comtois, Treasurer

February 28, 2017

WATERSIDE FINANCIAL RESULT
AS OF JANUARY 31, 2017

<u>REVENUE</u>	<u>DESCRIPTION</u>	<u>YTD</u>	<u>YTD</u>	<u>TOTAL YEAR</u>	<u>2016/2017</u>	<u>VARIANCE</u>
		<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	
					315	
	NSF FEE	0	0	0	0	0
	100 ASSESSMENTS **	365,270	365,270	1,461,080	1,461,080	0
	102 LATE FEE INCOME	-75	750	2,000	3,000	-1,000
	103 INTEREST INCOME	0	0	0	0	0
	104 TRANSFER FEE	300	375	1,500	1,500	0
	106 ACCESS/GATE CARDS	150	50	200	200	0
	107 SCREENING FEE	9,000	6,000	24,000	24,000	0
	108 MISCELLANEOUS INCOME	500	375	1,500	1,500	0
	TOTAL REVENUE	375,145	372,820	1,490,280	1,491,280	-1,000

EXPENSES
UTILITIES

	200 ELECTRIC	11,175	12,250	49,000	49,000	0
	201 WATER & SEWER	62,405	62,750	251,000	251,000	0
	202 GARBAGE & RECYCLING	11,976	11,750	47,000	47,000	0
	203 PROPANE GAS	48	50	200	200	0
	204 CABLE T.V.	23,785	16,750	74,000	67,000	7,000
	205 TELEPHONE	2,061	1,800	7,200	7,200	0
	205.1 WIFI	534	625	2,500	2,500	0
		111,984	105,975	430,900	423,900	7,000

<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>2016/2017</u> <u>BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	27,136	25,850	105,400	103,400	2,000
	301 PAYROLL-MAINTENANCE	22,463	22,875	93,000	91,500	1,500
	302 PAYROLL TAXES	3,997	2,950	11,800	11,800	0
	302.1 EMPLOYEE BENEFITS	5,431	1,375	5,500	5,500	0
	304 SECURITY GUARDS	16,717	14,750	61,000	59,000	2,000
	305 ACCOUNTING	6,398	6,500	26,000	26,000	0
	305.1 BANK FEES	191	312	1,250	1,250	0
	305.2 BAD DEBT	0	1,500	6,000	6,000	0
	305.3 COLLECTION COST	1,650	1,000	4,000	4,000	0
	306 AUDITING	4,400	1,150	4,600	4,600	0
	307 LEGAL	761	375	1,500	1,500	0
	308 PROPERTY TAX	3,598	950	3,600	3,800	-200
	309 INCOME TAX	0	125	500	500	0
	310 INSURANCE	73,379	73,750	295,000	295,000	0
	311 OFFICE SUPPLIES	1,113	625	2,500	2,500	0
	312 POSTAGE & SHIPPING	295	150	600	600	0
	313 LICENSES	1,648	800	3,200	3,200	0
	314 TRAVEL & MILEAGE	0	188	750	750	0
	315 MEETINGS & EDUCATION	0	125	500	500	0
	316 SCREENING	3,128	1,875	6,000	7,500	-1,500
	317 ALARM SYSTEM	154	125	500	500	0
	318 COMPUTER REPAIR/SERVICE	90	500	2,000	2,000	0
	319 COPIER	1,245	1,000	4,000	4,000	0
	320 MISCELLANEOUS ADMIN.EXP.	2,423	1,750	7,000	7,000	0
	320.1 WEBSITE IMPROVEMENT	959	500	2,000	2,000	0
	323 SOCIAL FACILITIES	5,332	2,750	9,000	11,000	-2,000
		182,508	163,850	657,200	655,400	1,800

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2016/2017</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>MAINTENANCE</u>					
400 GASOLINE	130	125	500	500	0
401 SPRINKLERS	14,141	2,000	20,000	8,000	12,000
402 PEST CONTROL	3,202	5,250	18,000	21,000	-3,000
402.6 MISC. MAINT.EXP.	110	250	1,000	1,000	0
403 LANDSCAPING	30,750	30,750	123,000	123,000	0
403.1 FERTILIZATION-WEED CONT.	4,744	6,250	21,000	25,000	-4,000
404 TREE TRIMING	368	2,500	10,000	10,000	0
404.2 NEW TREES & BUSHES	2,766	2,000	7,000	8,000	-1,000
405 BUILDING MAINTENANCE	4,781	6,250	23,000	25,000	-2,000
406 GROUNDS MAINTENANCE	5,031	5,000	20,000	20,000	0
407 SECURITY GATE EXPENSE	10,362	2,250	17,000	9,000	8,000
408 CAMERA & VIDEO EXP.	-3,550	1,000	4,000	4,000	0
409 PLUMBING EXP.	1,007	1,250	5,000	5,000	0
410 ELECTRICAL EXP.	2,361	1,250	5,000	5,000	0
411 POOL SUPPLIES & REPAIR	5,585	2,750	16,000	11,000	5,000
412 STREET MAINTENANCE	53	875	3,500	3,500	0
413 UNIFORMS	0	100	400	400	0
414 GOLF CARTS	360	500	2,000	2,000	0
415 LOCKSMITH	43	50	200	200	0
416 FIRE SAFETY	231	1,250	5,000	5,000	0
417 JANITORIAL SUPPLIES	898	750	3,000	3,000	0
418 AWNINGS REPAIRS	0	4,500	18,000	18,000	0
420 PAINTING PROGRAM	0	11,750	47,000	47,000	0
421 STREET LIGHT	-3,000	750	0	3,000	-3,000
425 POOL CHAIRS/TABLES	0	625	2,500	2,500	0
429 BENCHES REPLACEMENT	0	125	500	500	0
	80,373	90,150	372,600	360,600	12,000

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2016/2017</u> <u>BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	4,839	9,095	14,580	36,380	-21,800
INTEREST DURING BUILT	0	3,750	15,000	15,000	
487 EAST WELL	450	0	0	0	0
CLUB HOUSE PROJECT	3,277	0	0	0	0
	8,566	12,845	29,580	51,380	-21,800
<u>GRAND TOTAL EXPENSES</u>	383,431	372,820	1,490,280	1,491,280	-1,000
<u>EXPENSES OVER REVENUE</u>	-8,286	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>2016/2017</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>RESERVES</u>					
2510 ROOFS	8,500	8,500	34,000	34,000	0
2515 PAINTING	0	0	0	0	0
2530 ASPHALT	7,250	7,250	29,000	29,000	0
2542 POOLS	1,125	1,125	4,500	4,500	0
2543 AWNINGS	0	0	0	0	0
2546 SPRINKLERS	625	625	2,500	2,500	0
2547 TV CABLE INFRASTRUCTURE	3,125	3,125	12,500	12,500	0
2545 WORKING CAPITAL	2,500	2,500	10,000	10,000	0
2544 INTEREST REV. RESERVE	2,142	2,500	10,000	10,000	0
	25,267	25,625	102,500	102,500	0

Andre Mongrain President Claude Comtois Treasurer

Feb-19-2017