

**WATERSIDE VILLAGE OF PALM BEACH
CONDOMINIUM ASSOCIATION, INC.**

MONTHLY REPORT FOR THE PERIOD ENDING AUGUST 31, 2017

On August 31, we completed ten months of our fiscal year. We will have to call September “the Irma month”. The timing of the hurricane at the end of our fiscal year is an issue. We are required to publish the budget for the next fiscal year at the end of the month of September. That is only in one week. Since the hurricane is not triggering an emergency situation under the Florida Statute in our area, we must abide by the 30 day notice requirement.

Given the situation, you will understand that there is some delay in releasing our financial summary for the month of August. We note, in passing, that there is no requirement under the Florida Statute to release financial results on a monthly basis. However, the Board has adopted that approach voluntarily in order to ensure that owners are kept fully informed of the financial situation.

Mr. Mongrain landed at Palm Beach International Airport on Tuesday, September 12 just before lunch, the first day that commercial flights fully resumed operation. In the afternoon, an organizational meeting of the Board of Directors was held with the President and Directors Marian Petrescu and Michael Shane attending on site, and Vice-President and Secretary Jean-Claude Demers, Treasurer Claude Comtois, Directors Normand Cadieux and Céline Poissant and Manager Stacey Casey all participating by telephone. The Board developed an action plan and, to date, we have issued ten (10) Irma reports to owners. We will continue to issue additional reports if required. Our Manager and our staff did follow the emergency plan in the preparation of the planning before Irma hit.

This month, we made changes to the cost components of the total forecast for the year. Needless to say, when compared to the amount that was forecast for the past month, we are left with a very limited amount of contingency funds, approximately \$4,000.00.

From last month’s forecast, there were no significant changes to our total expected revenue.

Unfortunately, the impact of Irma is not over yet. We continue to discover problems on almost a daily basis, including problems such as the sprinkler clock burning out from power surges and damage to the cable system caused by uprooted trees. We expect that more problems will be discovered as time goes on and when the snowbirds return to the site they will find their own. ***At this stage, we know for certain that a minimum special assessment of \$125.00 per condominium, totaling \$51,375.00, will be necessary.*** Your Board will follow the legal process required in such situation. This amount is based on the assumption that FEMA and the Town of Hypoluxo will absorb the substantial cost of removing the debris as mentioned in Irma report #9.

We have tried to reach FEMA on many occasions, and one of the waiting times on the telephone was 227 minutes. The totality of events in Texas, Alabama, Florida East and West coast, the Carolinas, Puerto Rico and the US Virgin Islands has created an enormous workload and pressure on its budget and allocations, and the hurricane season is not even over yet.

All of the reserve accounts are funded monthly, and we monitor cash flow very closely. We used \$85,000.00 from the working capital reserve account in order to pay the insurance premium of \$290,500.00 and have repaid that amount. Presently, we are using the Working Capital reserve to pay the architect's fee for the clubhouse project, for which your Board has authorization for.

SPECIFIC ITEMS

1. Security and Surveillance

We have no incidents to report for the month of August, making that 13 consecutive months. Remember: ***“See something, say something”*** and call the Lantana Police at 561-540-5701 or 911 immediately. Every Police Chief in the area says: ***“Please lock your car!”***

One subject that is troublesome is that we have noticed many cars without stickers staying overnight on Waterside grounds. By early October, a new control process will be in place at the gate that will be applicable not only to visitors but also to residents. In addition by October 15, a car that is on site after having received two notices and still has no applicable Waterside sticker will be towed. ***To the owners who rent their units – please advise your tenants.***

2. Site Maintenance

The summer projects list is available on our website. The painting and asphalt contracts were completed, except that we may have to do some minor repairs due to Irma. The decorative elements portion is also completed, and we have placed a hold on the awning contract due to Irma.

To the residents – please move your cars away from trees. There are still branches that have not fallen down or a tree may be in bad shape at the level of the roots, something that is not visible. We still have some work to do in this regard.

3. Clubhouse

We now have 85% of the drawing completed and are expecting bids from contractors. Hopefully this will occur before the end of September. We are

expecting that the price may increase due to the pressure that Irma has created for materials and labor. There will be a special report on this subject in the future.

4. Unit Sales

We will report on this subject at a later date, as there are still ongoing transactions and activities.

5. The Brightline Train

Good news – the switching of tracks that was taking place in front of Waterside has been removed. There will be less noise at our property, as the train will not be stopping in front of it. The company is testing the new engine, and it is very quiet.

6. Hurricane Storm Season

To our owners – great thanks for your positive comments on the issuance of our 10 Irma reports to date. The hurricane season is not over either. You can follow weather developments on www.unkebe.com or www.nhc.noaa.gov. We will also report to you on any significant event that may occur during the hurricane season. For Waterside residents who are at Waterside during a hurricane situation, please always follow communications on channel 70 on our TV system.

Thanks for reading the report.

André Mongrain, President
Claude Comtois, Treasurer

September 24, 2017

WATERSIDE FINANCIAL RESULT
AS OF AUGUST 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	85	0	85	0	85
	100 ASSESSMENTS **	1,217,567	1,217,567	1,461,080	1,461,080	0
	102 LATE FEE INCOME	1,100	2,500	1,300	3,000	-1,700
	103 INTEREST INCOME	62	0	62	0	62
	104 TRANSFER FEE	3,000	1,250	3,750	1,500	2250
	106 ACCESS/GATE CARDS	700	167	850	200	650
	107 APPLICATION FEE	20,700	20,000	26,000	24,000	2,000
	108 MISCELLANEOUS INCOME	1,450	1,250	1,600	1,500	100
	TOTAL REVENUE	1,244,664	1,242,734	1,494,727	1,491,280	3,447

EXPENSES
UTILITIES

	200 ELECTRIC	39,361	40,833	49,000	49,000	0
	201 WATER & SEWER	207,219	209,167	254,000	251,000	3,000
	202 GARBAGE & RECYCLING	37,340	39,167	49,000	47,000	2,000
	203 PROPANE GAS	96	167	200	200	0
	204 CABLE T.V.	65,466	55,833	77,000	67,000	10,000
	205 TELEPHONE	6,342	6,000	7,500	7,200	300
	205.1 WIFI	2,588	2,083	3,100	2,500	600
		358,412	353,250	439,800	423,900	15,900

<u>ADMINISTRATIVE</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>	
	300 PAYROLL-ADMINISTRATIVE	89,087	86,167	105,400	103,400	2,000
	301 PAYROLL-MAINTENANCE	75,525	76,250	92,000	91,500	500
	302 PAYROLL TAXES	13,120	9,833	14,500	11,800	2,700
	302.1 EMPLOYEE BENEFITS	6,354	4,583	7,000	5,500	1,500
	304 SECURITY GUARDS	47,903	49,167	58,000	59,000	-1,000
	305 ACCOUNTING	20,765	21,667	25,000	26,000	-1,000
	305.1 BANK FEES	687	1,042	1,250	1,250	0
	305.2 BAD DEBT	5,291	5,000	6,000	6,000	0
	305.3 COLLECTION COST	6,377	3,333	7,000	4,000	3,000
	306 AUDITING	4,400	3,833	4,400	4,600	-200
	307 LEGAL	723	1,250	1,250	1,500	-250
	308 PROPERTY TAX	3,780	3,167	3,780	3,800	-20
	309 INCOME TAX	0	417	0	500	-500
	310 INSURANCE	244,597	245,833	292,000	295,000	-3,000
	311 OFFICE SUPPLIES	2,747	2,083	3,000	2,500	500
	312 POSTAGE & SHIPPING	642	500	700	600	100
	313 LICENSES	2,354	2,667	3,200	3,200	0
	314 TRAVEL & MILEAGE	887	625	1,100	750	350
	315 MEETINGS & EDUCATION	101	417	300	500	-200
	316 SCREENING	7,827	6,250	8,500	7,500	1,000
	317 ALARM SYSTEM	395	417	500	500	0
	318 COMPUTER REPAIR/SERVICE	630	1,667	2,000	2,000	0
	319 COPIER	3,735	3,333	4,200	4,000	200
	320 MISCELLANEOUS ADMIN.EXP.	6,651	5,833	7,300	7,000	300
	320.1 WEBSITE IMPROVEMENT	959	1,667	2,000	2,000	0
	323 SOCIAL FACILITIES	9,530	9,166	11,000	11,000	0
		555,067	546,167	661,380	655,400	5,980

<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	641	417	900	500	400
401 SPRINKLERS	28,316	6,667	29,000	8,000	21,000
402 PEST CONTROL	11,211	17,500	16,000	21,000	-5,000
402.6 MISC. MAINT.EXP.	1,098	833	1,200	1,000	200
403 LANDSCAPING	102,500	102,500	123,000	123,000	0
403.1 FERTILIZATION-WEED CONT.	18,468	20,833	22,000	25,000	-3,000
404 TREE TRIMING	6,273	8,333	10,000	10,000	0
404.2 NEW TREES & BUSHES	4,410	6,667	7,000	8,000	-1,000
405 BUILDING MAINTENANCE	16,469	20,833	28,000	25,000	3,000
406 GROUNDS MAINTENANCE	10,627	16,667	20,000	20,000	0
407 SECURITY GATE EXPENSE	15,436	7,500	18,000	9,000	9,000
408 CAMERA & VIDEO EXP.	135	3,333	2,000	4,000	-2,000
409 PLUMBING EXP.	1,610	4,167	3,000	5,000	-2,000
410 ELECTRICAL EXP.	5,376	4,167	6,000	5,000	1,000
411 POOL SUPPLIES & REPAIR	14,146	9,167	16,000	11,000	5,000
412 STREET MAINTENANCE	3,069	2,917	3,500	3,500	0
413 UNIFORMS	378	333	400	400	0
414 GOLF CARTS	1,067	1,667	2,000	2,000	0
415 LOCKSMITH	53	167	200	200	0
416 FIRE SAFETY	5,298	4,166	5,298	5,000	298
417 JANITORIAL SUPPLIES	1,802	2,500	3,000	3,000	0
418 AWNINGS REPAIRS	4,475	15,000	8,000	18,000	-10,000
420 PAINTING PROGRAM	22,238	39,167	38,000	47,000	-9,000
421 STREET LIGHT	-690	2,500	3,000	3,000	0
425 POOL CHAIRS/TABLES	873	2,083	2,500	2,500	0
429 BENCHES REPLACEMENT	0	416	0	500	-500
	275,279	300,500	367,998	360,600	7,398

<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	6,112	30,317	10,549	36,380	-25,831
INTEREST DURING BUILT	0	12,500	15,000	15,000	0
487 EAST WELL	860	0	0	0	0
CLUB HOUSE PROJECT	68,475	0	0	0	0
	75,447	42,817	25,549	51,380	-25,831
GRAND TOTAL EXPENSES	14	1,264,205	1,242,734	1,491,280	3,447
EXPENSES UNDER REVENUE		19,541	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>
RESERVES					
2510 ROOFS	28,333	28,333	34,000	34,000	0
2515 PAINTING	0	0	0	0	0
2530 ASPHALT	24,167	24,167	29,000	29,000	0
2542 POOLS	3,750	3,750	4,500	4,500	0
2543 AWNINGS	0	0	0	0	0
2546 SPRINKLERS	2,083	2,083	2,500	2,500	0
2547 TV CABLE INFRASTRUCTURE	10,417	10,417	12,500	12,500	0
2545 WORKING CAPITAL	8,333	8,333	10,000	10,000	0
2544 INTEREST REV. RESERVE	8,988	8,333	12,000	10,000	2,000
	86,071	85,417	104,500	102,500	2,000

Andre Mongrain President Claude Comtois Treasurer

Sept-23-2017