

## **MONTHLY REPORT AND FINANCIAL COMMENTS FOR THE PERIOD ENDING SEPTEMBER 30 2018**

The last time we issued comments was for the month of June and we only released the financial data report for the months of July and August. At the end of September, in accordance with the Florida Statute and our documents, we issued the budget for the upcoming year with appropriate comments, remember the meeting is scheduled for October 30, 2018 at 7.30 pm at the club house.

Our summer projects list is posted on our website, it was just updated and a lot is going on. Progress is being made on many fronts, thanks to our staff. Please visit our website. We have 28 units that have changed ownership, one more is currently on going but closing may end up in the next fiscal year.

### **FINANCIAL INFORMATION**

For September the reading of the data and the supporting comments is somewhat complex as we have to record deposits to suppliers for items on order that are part of next year's budget due availability and delay in delivery. We discussed the situation with our auditor and our accounting firm and we agreed that these items may be recorded at year end as prepaid or as accrual depending on each specific situation.

On the other hand, some of the planned budget cost centers for the current year, may not perform due to same conditions. Lack of goods availability and manpower, so we may have to change the coming year budget content break down, not the total monthly fee of \$330.00.

### **REVENUE**

No significant changes except the relocation from the operating budget to the working capital reserve budget of the interest during construction and the mortgage repayment that were not used, all in accordance with a motion of the Board at the October 2017 budget meeting. This was also discussed and agreed with our processing accountant. By doing so it creates a reduction of the operating budget and an increase in the reserve budget.

The interest income recorded is the result of collection of some of our past due accounts. The transfer fee relate to the number of units sold.

### **EXPENSES**

No significant changes to utilities expenses. The planned cost increase by the various utilities are presently introduced. Water and sewage will be an issue for the future, just to mention that a couple of years ago, the monthly cost during the summer months was in the \$15,000.00 average, now it is more like \$18,300.00 mainly due to the increase in the number of long-term renters. The only alternative to reduce cost is to reduce consumption.

On the administrative expenses, we are well below budget for the maintenance payroll as we did operate with a reduce staff count, we now have 2.5 employees. Bad debts are well below budget as we resolved different outstanding issue. These issues were under a bad debt reserve at year-end 2016-2017. We now have a very limited number of owners that are past due, and

we have a payment plan with most of them. There is one owner where we do not have an agreement and we are pursuing this situation. Collection costs are also below budget. When we manage to collect on past due accounts, the owner needs to pay not only his balance but also collection legal fees incurred by the Association and the interest on it.

The maintenance group saw a lot of modifications since the last comments issued and some more will take place before current year-end closing. We have increased tree trimming as we now have on hand the bid for the palm trees trimming and unit costs went up, the same with disposal, this will be recorded under the current fiscal year as planned.

Building maintenance is going up, tasks that were previously performed by owners are now being done by the Association. Most of the long-term renters do not maintain their outside, our buildings are also aging which requires more maintenance. Electrical maintenance expenses went up include the fixing of the power supply to the east well, the installation of 6 new lamp posts and the replacement of many outside fixtures by LED type. On pool supplies and maintenance, we had to replace one heat exchanger, most of the filtration components of the east pool and also major maintenance on the spa.

On golf carts, earlier this year we replaced one cart by a more maintenance type of golf cart and we just completed a complete overhaul of the John Deere Gator. The Shuffleboard Awning will be replaced, the deposit for the replacement of the awnings has been made. This deposit may end up as a prepaid expense at year-end, all depending on what can be done on what was planned for the current year. The tennis court resurfacing is on going as we write this report, we are able to do this expense this year due to our strong performance in past due collection.

Under contingency you can see that the only expenses remaining are the contingency itself, the petanque awning, which is also a prepaid and a remnant of Hurricane Irma that was not part of the special assessment.

## **RESERVEE**

You can notice the increase in the working capital reserve due to the transfer from interest during construction and the repayment of the mortgage on the clubhouse as previously mentioned.

## **CONCLUSION**

We did experience a busy summer, with limited amount of rain fall, the site is in good condition except the hedge alongside Miner Road. We ask our owners that rent their units on a long-term basis to remind their tenants to respect the Rules and Regulations. Garbage and random items are not allowed to be left on balconies, towels are not to be hung over railings, noise levels in units and at the pools is also an issue. Please make sure that your tenant does not exceed the maximum number of residents who can occupy your unit. Please assume your responsibility as owners and make sure your tenants follow all rules.

Andre Mongrain, President   Jacques Lacoursiere, Treasurer   October 14, 2018

**WATERSIDE FINANCIAL RESULT**  
**AS OF SEPTEMBER 30, 2018**

<u>REVENUE</u>	<u>DESCRIPTION</u>	<u>YTD</u>	<u>YTD</u>	<u>TOTAL YEAR</u>	<u>2017/2018</u>	<u>VARIANCE</u>
		<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	
					<b>320</b>	
	NSF FEE	285	285	285	0	285
	100 ASSESSMENTS	1,290,714	1,296,616	1,414,490	1,414,490	0
	102 LATE FEE INCOME	2,675	1,375	2,800	1,500	1,300
	103 INTEREST INCOME	2,176	0	2,176	0	2176
	104 TRANSFER FEE	3,450	1,375	3,750	1,500	2250
	106 ACCESS/GATE CARDS	570	183	600	200	400
	107 SCREENING FEE	23,300	23,833	26,000	26,000	0
	108 MISCELLANEOUS INCOME	1,150	1,375	1,150	1,500	-350
	<b>TOTAL REVENUE</b>	<b>1,324,320</b>	<b>1,324,757</b>	<b>1,451,251</b>	<b>1,445,190</b>	<b>6,061</b>

**EXPENSES**  
**UTILITIES**

	200 ELECTRIC	42,736	44,916	48,000	49,000	-1,000
	201 WATER & SEWER	223,129	226,417	248,000	247,000	1,000
	202 GARBAGE & RECYCLING	42,691	44,000	48,000	48,000	0
	203 PROPANE GAS	99	183	200	200	0
	204 CABLE T.V.	61,742	64,167	68,000	70,000	-2,000
	205 TELEPHONE	6,118	6,875	7,000	7,500	-500
	205.1 WIFI	2,959	2,933	3,200	3,200	0
		<b>379,474</b>	<b>389,491</b>	<b>422,400</b>	<b>424,900</b>	<b>-2,500</b>

<u>ADMINISTRATIVE</u>	<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2017/2018 BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	101,054	96,250	110,000	105,000	5,000
	301 PAYROLL-MAINTENANCE	65,059	95,517	80,000	104,200	-24,200
	302 PAYROLL TAXES	12,981	13,750	14,000	15,000	-1,000
	302.1 EMPLOYEE BENEFITS	6,848	6,875	7,500	7,500	0
	304 SECURITY GUARDS	49,652	52,250	55,000	57,000	-2,000
	305 ACCOUNTING	22,894	23,833	25,200	26,000	-800
	305.1 BANK FEES	914	779	1,100	850	250
	305.2 BAD DEBT	0	5,500	-15,000	6,000	-21,000
	305.3 COLLECTION COST	-1,212	5,500	-700	6,000	-6,700
	306 AUDITING	4,400	4,217	4,400	4,600	-200
	307 LEGAL	2,614	1,375	3,000	1,500	1,500
	308 PROPERTY TAX	3,954	3,392	3,954	3,700	254
	309 INCOME TAX	0	0	0	0	0
	310 INSURANCE	266,423	275,917	290,200	301,000	-10,800
	311 OFFICE SUPPLIES	2,232	2,292	2,350	2,500	-150
	312 POSTAGE & SHIPPING	561	917	725	1,000	-275
	313 LICENSES	2,677	2,567	2,800	2,800	0
	314 TRAVEL & MILEAGE	633	1,375	800	1,500	-700
	315 MEETINGS & EDUCATION	30	458	300	500	-200
	316 SCREENING	7,945	7,792	8,500	8,500	0
	317 ALARM SYSTEM	320	458	500	500	0
	318 COMPUTER REPAIR/SERVICE	1,332	1,833	2,000	2,000	0
	319 COPIER	1,493	4,125	4,000	4,500	-500
	320 MISCELLANEOUS ADMIN.EXP.	8,231	7,516	8,500	8,200	300
	320.1 WEBSITE IMPROVEMENT	1,008	1,833	2,000	2,000	0
	323 SOCIAL FACILITIES	5,558	9,166	7,000	10,000	-3,000
		<b>567,601</b>	<b>625,487</b>	<b>618,129</b>	<b>682,350</b>	<b>-64,221</b>

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2017/2018 BUDGET</u>	<u>VARIANCE</u>
<b><u>MAINTENANCE</u></b>					
400 GASOLINE	591	917	800	1,000	-200
401 SPRINKLERS	12,557	13,750	16,000	15,000	1,000
402 PEST CONTROL	14,409	13,750	16,000	15,000	1,000
402.6 MISC. MAINT.EXP.	1,353	917	1,500	1,000	500
403 LANDSCAPING	112,750	112,750	123,000	123,000	0
403.1 FERTILIZATION-WEED CONT.	19,298	20,166	23,000	22,000	1,000
404 TREE TRIMING	14,018	9,167	19,500	10,000	9,500
404.2 NEW TREES & BUSHES	2,336	7,333	10,000	8,000	2,000
405 BUILDING MAINTENANCE	46,919	22,917	51,000	25,000	26,000
406 GROUNDS MAINTENANCE	15,637	14,667	25,000	16,000	9,000
407 SECURITY GATE EXPENSE	6,153	9,167	7,000	10,000	-3,000
408 CAMERA & VIDEO EXP.	439	1,833	1,000	2,000	-1,000
409 PLUMBING EXP.	1,497	2,750	3,000	3,000	0
410 ELECTRICAL EXP.	10,124	4,583	11,000	5,000	6,000
411 POOL SUPPLIES & REPAIR	22,382	10,083	23,000	11,000	12,000
412 STREET MAINTENANCE	0	1,833	500	2,000	-1,500
413 UNIFORMS	0	367	400	400	0
414 GOLF CARTS	6,499	7,333	9,600	8,000	1,600
415 LOCKSMITH	151	183	200	200	0
416 FIRE SAFETY	4,743	3,667	5,200	4,000	1,200
417 JANITORIAL SUPPLIES	2,118	2,750	2,800	3,000	-200
418 AWNINGS REPAIRS	2,238	7,333	4,000	8,000	-4,000
420 PAINTING PROGRAM	0	0	0	0	0
421 STREET LIGHT	4,039	2,750	5,000	3,000	2,000
SHUFFLEBOARD CANOPY	3,040	0	0	0	0
424 TENNIS COURTS RESURFACIN	6,925	0	14,000	0	14,000
425 POOL CHAIRS/TABLES	2,600	2,292	4,000	2,500	1,500
429 BENCHES REPLACEMENT	0	459	0	500	-500
	<b>312,816</b>	<b>273,717</b>	<b>376,500</b>	<b>298,600</b>	<b>77,900</b>

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2017/2018 BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	20,104	36,062	32,258	39,340	-7,082
INTEREST DURING BUILT	0	0	0	0	0
487 EAST WELL	0	0	0	0	0
PETANQUE CANOPY	5,000	0	0	0	0
CLUB HOUSE MORTGAGE	0	0	0	0	0
IRMA EXPENSES	1,964	0	1,964	0	1,964
	<b>27,068</b>	<b>36,062</b>	<b>32,258</b>	<b>39,340</b>	<b>-5,118</b>
<b>GRAND TOTAL EXPENSES</b>	<b>1,286,959</b>	<b>1,324,757</b>	<b>1,451,251</b>	<b>1,445,190</b>	<b>6,061</b>
<b>REVENUE OVER EXPENSES</b>	<b>37,361</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<u>DESCRIPTION</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>TOTAL YEAR FORECAST</u>	<u>2017/2018 BUDGET</u>	<u>VARIANCE</u>
<b>RESERVES</b>					
2510 ROOFS	31,167	31,167	34,000	34,000	0
2515 PAINTING	0	0	0	0	0
2530 ASPHALT	24,292	24,292	26,500	26,500	0
2542 POOLS	4,125	4,125	4,500	4,500	0
2543 AWNINGS	0	0	0	0	0
2546 SPRINKLERS	4,583	4,583	5,000	5,000	0
2547 TV CABLE INFRASTRUCTURE	11,458	11,458	12,500	12,500	0
2545 WORKING CAPITAL	74,480	74,480	81,250	81,250	0
2544 INTEREST REV. RESERVE	9,437	9,167	14,500	10,000	4,500
	<b>159,542</b>	<b>159,272</b>	<b>178,250</b>	<b>173,750</b>	<b>4,500</b>

Andre Mongrain President

Jacques Lacoursiere Treasurer

11-Oct-18