

COMMENTS ON MARCH 2013 FINANCIAL RESULT

Five months of the 2012/2013 fiscal year are now completed, with limited changes to our total revenue and expense forecast compared to previous forecast. We made comments on the insurance front at our last Board meeting held on March 23. We have now made our payment to cover the premium that runs from May 1, 2013 to April 30, 2014 and we were in a position again to pay on a cash basis. More owners are making the commitment to change the existing garden window and we say thanks to those.

Your Board decided not to contest the main premium cost -- i.e. \$165,000.00 ---for the Citizen's wind and hurricane coverage. The increase of 14% made of 1.2% for building value, and 12.8 % for the base premium increase, is in line with previous communication received and published by Citizen's. So far, Citizen's has not requested an update of the mitigation report, so your Board decided to keep a low profile. If Citizen's decides to conduct an inspection, the most visible weakness is the 10 remaining garden windows. We will continue working with those owners.

We received a comparison from our broker of what the premium would be for wind and hurricanes coverage if we did not have shutters. Even with the existing garden windows, the circular windows and the doors, we are still saving \$85,000.00 for the current year, or \$17.00 per month for maintenance assessment. This is the Association saving on its budget in addition to owners getting a saving on their own insurance coverage. This saving is ongoing year after year ever since the installation of the shutters.

As a note to owners' on your personal coverage, please review your policy requirement in order to determine if a bi-monthly inspection of your unit is required when not occupied. If this is required and not taken care of, you may have difficulties filing any claims with-your insurance carrier.

The contract for the motorcycle pad has been awarded, following reception of the permit. We have also signed a contract for the improvements to the back portion of our maintenance shop. These 2 projects will go on during the month of May. The list of the upcoming summer projects has been published.

We did a land survey of our property on the east side, and are currently formulating a plan to minimize noise and dust from US1 and the railroad. We are also in contact with the Town of Hypoluxo and committee members for designating a quiet zone. That committee includes representatives from every town from Palm Beach to Fort Lauderdale. Current ongoing work of that committee was discussed at the last Board meeting Board member Michael Shane will attend one session on May 7.

We are now in a position to invest in an additional term deposit for our reserve cash balance. (We will comment on this in the next report.) We have added \$1,000.00 to our forecast of interest revenue under the reserve accounts section due to better performance from some of our term deposit.

Thanks for reading.

Andre C. Mongrain,

President and Treasurer

April 23, 2013

WATERSIDE FINANCIAL RESULT
AS OF MARCH 31, 2013

<u>REVENUE</u>	<u>DESCRIPTION</u>	<u>YTD</u>	<u>YTD</u>	<u>TOTAL YEAR</u>	<u>2012/2013</u>	<u>VARIANCE</u>
		<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>BUDGET</u>	
					300	
	NSF FEE	100	0	100	0	100
	100 ASSESSMENTS **	578,538	577,958	1,387,100	1,387,100	0
	102 LATE FEE INCOME	2,300	1,458	4,500	3,500	1000
	103 INTEREST INCOME	0	42	100	100	0
	104 TRANSFER FEE	1,500	1,250	3,000	3,000	0
	106 ACCESS/GATE CARDS	15	42	100	100	0
	107 SCREENING FEE	16,198	12,917	31,000	31,000	0
	108 MISCELLANEOUS INCOME	700	625	1,000	1,500	-500
	TOTAL REVENUE	599,351	594,292	1,426,900	1,426,300	600

EXPENSES
UTILITIES

	200 ELECTRIC	20,056	18,417	45,200	44,200	1,000
	201 WATER & SEWER	94,908	95,833	227,000	230,000	-3,000
	202 GARBAGE & RECYCLING	16,151	17,917	41,600	43,000	-1,400
	203 PROPANE GAS	47	208	500	500	0
	204 CABLE T.V.	26,642	25,000	60,000	60,000	0
	205 TELEPHONE	3,080	3,000	7,600	7,200	400
	205.1 WIFI	478	729	1,750	1,750	0
		161,362	161,104	383,650	386,650	-3,000

<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>2012/2013</u> <u>BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	44,851	46,458	111,500	111,500	0
	301 PAYROLL-MAINTENANCE	29,553	31,042	74,500	74,500	0
	302 PAYROLL TAXES	5,854	7,083	15,000	17,000	-2,000
	302.1 EMPLOYEE BENEFITS	3,824	5,000	10,000	12,000	-2,000
	304 SECURITY GUARDS	23,003	23,542	57,500	56,500	1,000
	305 ACCOUNTING	10,326	10,417	24,500	25,000	-500
	305.1 BANK FEES	350	375	900	900	0
	305.2 BAD DEBT	0	7,500	18,000	18,000	0
	305.3 COLLECTION COST	3,855	3,333	8,000	8,000	0
	306 AUDITING	4,400	1,833	4,400	4,400	0
	307 LEGAL	1,429	833	2,500	2,000	500
	308 PROPERTY TAX	2,659	958	2,659	2,300	359
	309 INCOME TAX	0	208	500	500	0
	310 INSURANCE	99,065	101,250	246,600	243,000	3,600
	311 OFFICE SUPPLIES	1,363	938	2,250	2,250	0
	312 POSTAGE & SHIPPING	193	625	1,000	1,500	-500
	313 LICENSES	1,709	1,042	2,500	2,500	0
	314 TRAVEL & MILEAGE	184	417	1,000	1,000	0
	315 MEETINGS & EDUCATION	0	125	300	300	0
	316 SCREENING	5,681	3,958	9,500	9,500	0
	317 ALARM SYSTEM	79	208	500	500	0
	318 COMPUTER REPAIR/SERVICE	1,000	1,458	2,000	3,500	-1,500
	319 COPIER	1,508	1,667	3,700	4,000	-300
	320 MISCELLANEOUS ADMIN.EXP.	3,369	1,667	4,500	4,000	500
	320.1 WEBSITE IMPROVEMENT	0	625	1,500	1,500	0
	323 SOCIAL FACILITIES	12,578	2,917	14,000	7,000	7,000
		256,833	255,479	619,309	613,150	6,159

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2012/2013</u> <u>BUDGET</u>	<u>VARIANCE</u>
400 GASOLINE	504	542	1,300	1,300	0
401 SPRINKLERS	3,915	2,500	6,000	6,000	0
402 PEST CONTROL	10,197	8,750	23,000	21,000	2,000
402.6 MISC. MAINT.EXP.	457	417	1,000	1,000	0
403 LANDSCAPING	48,682	48,750	117,000	117,000	0
403.1 FERTILIZATION-WEED CONT.	5,835	10,417	23,000	25,000	-2,000
404 TREE TRIMING	694	3,125	8,500	7,500	1,000
404.2 NEW TREES & BUSHES	7,858	5,209	12,500	12,500	0
405 BUILDING MAINTENANCE	13,520	8,333	27,000	20,000	7,000
406 GROUNDS MAINTENANCE	6,901	8,333	24,000	20,000	4,000
407 SECURITY GATE EXPENSE	1,309	2,500	6,000	6,000	0
408 CAMERA & VIDEO EXP.	85	833	1,500	2,000	-500
409 PLUMBING EXP.	1,966	1,250	3,000	3,000	0
410 ELECTRICAL EXP.	3,952	1,250	5,000	3,000	2,000
411 POOL SUPPLIES & REPAIR	3,593	5,833	11,000	14,000	-3,000
412 STREET MAINTENANCE	662	1,667	5,500	4,000	1,500
413 UNIFORMS	0	125	300	300	0
414 GOLF CARTS	79	2,083	5,000	5,000	0
415 LOCKSMITH	0	125	300	300	0
416 FIRE SAFETY	0	2,083	5,000	5,000	0
417 JANITORIAL SUPPLIES	613	833	2,000	2,000	0
418 AWNINGS REPAIRS	1,700	8,750	20,000	21,000	-1,000
420 PAINTING PROGRAM	183	15,000	33,000	36,000	-3,000
421 STREET LIGHT	0	1,250	3,000	3,000	0
424 TENNIS COURT RESURFCING	122	2,500	6,000	6,000	0
425 POOL CHAIRS/TABLES	0	833	2,000	2,000	0
429 BENCHES REPLACEMENT	3,372	1,250	3,372	3,000	372
477 PERGOLA	6,340	2,917	6,340	7,000	-660
479 LIGHT RETENTION POUND	0	2,292	5,500	5,500	0
	122,539	149,750	367,112	359,400	7,712

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2012/2013</u> <u>BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	19	9,033	16,829	27,100	-10,271
476 SHUTTER GW/CIRCULAR	1,604	13,334	40,000	40,000	0
	1,623	22,367	56,829	67,100	-10,271
GRAND TOTAL EXPENSES	542,357	588,700	1,426,900	1,426,300	600
REVENU OVER EXPENSES	56,994	5,592	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>2012/2013</u> <u>BUDGET</u>	<u>VARIANCE</u>
RESERVES					
2510 ROOFS	11,667	11,667	28,000	28,000	0
2515 PAINTING	625	625	1,500	1,500	0
2530 ASPHALT	8,333	8,333	20,000	20,000	0
2542 POOLS	3,333	3,333	8,000	8,000	0
2543 AWNINGS	2,083	2,083	5,000	5,000	0
2546 SPRINKLERS	2,083	2,083	5,000	5,000	0
2547 TV CABLE INFRASTRUCTURE	5,208	5,208	12,500	12,500	0
2545 WORKING CAPITAL	5,208	5,208	12,500	12,500	0
2544 INTEREST REV. RESERVE	4,550	2,500	9,000	6,000	3,000
	43,090	41,040	101,500	98,500	3,000

ANDRE MONGRAIN, President/Treasurer

19-Apr-13