

MONTHLY REPORT AND FINANCIAL COMMENTS FOR THE PERIOD ENDING MARCH 31, 2018

Now five months into the current fiscal year, financially we have many situations to report on since the last publication. An Association meeting was held late March, minutes from that meeting are posted on the website, and we invite you to read them. Many owners are either doing renovations to their unit either by changing windows, patio doors, upgrading Florida room and some major inside improvement. All of these renovations continue to attract potential buyer's attention to Waterside. The Association is supporting their investment by making sure the site and buildings are well maintained in order to not only hear positive reactions from visitors, but also for the future of the site. We maintain a list of detailed activities for our maintenance staff and various contractors.

Our summer projects list is posted on our website together with the Association's planning for the bushes, hedges, sodding and tree replacements. Additionally, it was sent by email to all owners that have provided us their email addresses. We invite all owners to read it. So far, beside a couple of exceptions, we have received very favorable comments. **Please remember that we cannot do everything in one year, the Board will set up the different phase over a time period to be determined. Many owners have requested actions to be taken in their own surrounding units, however, we are not in a position to answer all requests in year one of the program.** The memo on the program will be translated in French later by Mr. Normand Cadieux.

We are redrafting the hurricane procedures. The original version dates back to 2007/2008. This should be available by the end of April, along with a short-required actions list.

We have now 20 units that have change ownership. There continues to be a lot of visitors that simply stop by to visit. Prices are firming up and since the condominium document modifications have been implemented, we have not received a single request from an investor for two months in a row. Board Directors Cadieux and Comtois did meet with two new real estate agents to explain the advantages of Waterside along with the Association's required various documents and rules and regulations. We now have close to 30 real estate agents interested in working in Waterside, not only from Palm Beach County but also from Broward County.

The Association is sorry to report that there has been no progress on the possible water and sewage cost improvement. President Andre Mongrain did meet with the Mayor regarding this project, but the Mayor did not have anything new to report at the last Town Council meeting.

There has been slow progress regarding the railroad quiet zones. There are more crossings equipped with the quad gate. Miner Road is already equipped with this type of gate, but there are other modifications that need to be done. **In early April 2018, the railroad company did announce that they had to move their crew that would build the improvements to the Miami area, due to near completion of the Miami terminal. Five towns will see delays in**

the introduction of the quiet zone. They include Lantana, Hypoluxo and Boynton. Please be cautious when crossing over the rail tracks since the trains are traveling at a high rate of speed.

FINANCIAL INFORMATION

As of the end of March, the cumulative result of the Association's financial information shows a \$36,944.00 surplus of revenue over expenses. The forecast for the current fiscal year reflects a break-even position. Compared to last month's forecasted total year, we did increase revenue by \$1,375.00. This is mainly due to the increase of late fees revenue and the strong performance in units sold. The total forecasted revenue is now over budget by \$4,210.00.

We did not make any changes to the forecast of the utilities group of expenses. Please remember that in the utilities group of expenses there is a seasonal impact, mainly in the water and sewage and also for the cost of electricity. On the water and sewage costs, if the site is fully occupied on a 12-month basis our monthly fee can go up an average of \$4.00 a month. With regard to the administrative group, we did increase the administrative payroll expenses to cover the training period of Ms. Cote. We lowered the maintenance payroll cost because of the Association's use of contractors. The main change under the administrative expenses comes from the negotiation of the insurance policies. Compared to the Association's budget we are saving \$10,500.00. With the help of our agent who is following the commercial insurance market evolution, this may change during the year.

We have a lot more fluctuation on the maintenance components of our budget, with a total forecast overrun of \$22,900.00, mainly due to the building maintenance (\$15,000.00), grounds maintenance (\$7,000.00), pool supplies and repairs (\$4,000.00) and a fluctuation in a series of other costs. As far as building maintenance, we need to completely replace the stair and balcony ramps on the east side of building 23, together with replacement of part of the wood balcony on the same building. This is the only building where one balcony is built out of wood. We are at risk for a sewage line under building 39. We are closely monitoring the situation, but the last time we did have to do this type of repair under building 1 the cost was \$23,500.00.

In the contingency account we have used \$10,258.00 of that account and we forecast that by year end we will have used the complete budget.

SPECIFIC ITEMS

1. A COMMENT FROM THE LAST BOARD MEETING.

An owner made a comment at the last Board meeting that needs to be corrected, with regard to cash collected for reserve purpose versus money collected for operations funding out of our monthly fees. It is important to note the following Florida Code as there were over 70 owners in attendance:

The technical time frame for depositing reserves is 30 days. Here is the administrative code found in Section 61B-22.005:

(2) Commingling operating and reserve funds. Association that collect operating and reserve assessments as a single payment shall not be considered to have commingled the funds provided the reserve portion of the payment is transferred to a separate reserve account, or accounts, within 30 calendar days from the date such funds were deposited.

Your Association does this on a monthly basis and will continue to do so in accordance with the Code. To be able to use the funds to pay for the insurance premium when due, many years ago we created a working capital reserve for the purpose of helping the cash flow when the insurance premium is due. The working capital reserve can also be used following a vote from the Owners, which was done when we bought the land and also when the club house project was voted on. The fund used for the insurance premium payment is refunded to the Working Capital reserve within the same fiscal year. Anything other than the insurance premium that has the approval vote of the owners, could be reimbursed over a period of several years.

2. SECURITY.

Since last month's report, we have no incidents to report. Please remember, if you see something say something and call the Lantana police at 561-540-5701 for a non-emergency situation. Always dial 911 for an emergency. The Association office did call the police on two occasions during the last 30 days, one was for a motorcycle going into the Village after he was told to use the designated motorcycle parking area at the entrance, but did not obey, and the owner of the unit was notified of the incident generated by its long-term tenant. The other incident was a trespassing incident reported by the guard and police did escort the trespasser out of the property.

3. THE SITE MAINTENANCE.

We are making progress on the sprinkler system, which the owners on site can appreciate and our staff is working on fixing the remaining rotators and popups. Clocks were reset and some minor adjustments are still required, the list of operating time of the different zones will be posted on the web site. To the owners that did offer to be involved in a wet check procedure, thank you and we may need your assistance in the future. Please remember we are always subject to a dry season that will limit our ability to use ground water from our wells.

The propane tank's new holding structure was installed and repair to the fence on the north/west corner was also completed. We have purchased from a supplier three lamp posts, one to be installed on the northeast side of building 46, one between building 27 and 28 and one near the courtyards of building 11. When these are installed we will review the impact in term of light projection and decide the next step depending on budget availability.

During the second week of April, we completed the application of the Arena granular for the white flies control on Ficus trees and also a fertilizer/herbicide to the whole site. You may notice some yellow appearing due to the application of the herbicide. Please view the summer projects list for a complete update of ongoing or planned projects, such as the painting of the units A and B railings which is also ongoing. A contract was awarded to Novo Arbor for the

trimming of the larger trees in preparation the hurricane season and as an effort to improve the look of some trees. **Please be careful as the contractor is currently on site for 2 weeks. Please move your car away from any trees with a pink ribbon.**

4. CLUB HOUSE PROJECT

Still ongoing, work is being done. President Mongrain and Secretary Comtois are working on the last miles analysis and a recommendation made to the Board members and hope to be able to send the final recommendation to unit owners by end of April, 2018. A separate memo will be issued on the subject.

5. INSURANCE NEGOTIATION.

We now have completed the negotiation of our insurance policy and are pleased to report some savings and improvements in coverage compare to last year's policies. Please remember that the commercial insurance market and/or practice is different from the residential sector. Most of the policies under the residential market went up due to hurricane Mathew and Irma due to numerous residential claims that were substantial in terms of dollars value. Claims from the commercial sector were limited due to the higher level of deductible. The Association was not asked to produce a mitigation report to support its negotiation.

The wind policy deductible was 5% but it is now down to 2%. This may appear as an improvement, it also means a possibility of future increase of the premium as the number of claims may see an increase at the next hurricane because of the lower deductible and then the insurance company will be in a position to increase premiums. We have increased our coverage limit of our Crime policy from \$1,000,000 to \$1,500,000. We increased coverage on the Umbrella policy from \$10,000,000 to \$15,000,000. When compared to last year's premium the impact of costs is as follows: last year's cost was \$294,200.00, this year's cost is \$ 284,233.49, and the coverage period is from May 1, 2018 to April 30, 2019, as it is spread over two fiscal years. On comparison to the budget we have a savings of close to \$10,500.00, costs forecasted will be \$290,500.00 versus a budget of \$301,000.00. It is premature to talk about any future year's budget these savings may cause.

6. SHARING PROJECT

One more successful year for the Sharing Project, \$12,000.00 (in addition to a \$1,000.00 earlier during the year donation) was given to the Rolling Green Elementary School for their IReady program (reading materials). Presentation to the school's principal, Mrs. Manning and her assistant Mrs. Gato was made by Mr. Mongrain and our Manager Mrs. Casey. This was done in the absence of Mr. Leopold Dubord and Mrs. Diane Paquin, the force behind the project. Thanks to all owners and quests that contributed. Please read the attach letter from the Rolling Green School.



ROLLING GREEN ELEMENTARY

Mrs. Allyson Manning
Principal

Mrs. Lynn Cato
Assistant Principal

A TITLE I SCHOOL

April 10, 2018

Mr. Paul Dubord
Waterside Village Community
132 Waterside Drive
Hypoluxo, FL 33462

Dear Paul and the Residents of Waterside Village:

We cannot begin to thank you enough for your continued support of Rolling Green Elementary School. We are absolutely thrilled to have your support again this year, and for the past 8 years. Your generous donation of \$12,000.00 will help support the purchase of our iReady materials. Because of your gift, we will be able to foster an atmosphere of higher learning with these vital tools. Our students will have the opportunity for hands on learning while being engaged in a technology-rich environment as a source to enhance learning gains.

Your continued support helps your community school align with the School District of Palm Beach County's strategic plan of high school readiness. With the world being technology driven, this hands on experience is sure to set the students of Rolling Green up for SUCCESS!

Once again, we want to express our deepest gratitude to you and the residents of Waterside Village. We are indeed grateful to you for your enthusiastic support for our students at Rolling Green Elementary School.

Sincerely,

Allyson Manning
Principal

cc: Dr. Donald E. Fennoy II
Superintendent

Dr. Ian Saltzman
South Superintendent

WATERSIDE FINANCIAL RESULT
AS OF MARCH 31,2018

<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>	
					320	
	NSF FEE	210	0	210	0	210
	100 ASSESSMENTS **	619,058	619,058	1,485,740	1,485,740	0
	102 LATE FEE INCOME	2,200	625	3,500	1,500	2,000
	103 INTEREST INCOME	0	0	0	0	0
	104 TRANSFER FEE	1,950	625	3,300	1,500	1800
	106 ACCESS/GATE CARDS	200	83	400	200	200
	107 SCREENING FEE	14,800	10,834	26,000	26,000	0
	108 MISCELLANEOUS INCOME	550	625	1,500	1,500	0
	TOTAL REVENUE	638,968	631,850	1,520,650	1,516,440	4,210

EXPENSES
UTILITIES

	200 ELECTRIC	21,174	20,417	49,000	49,000	0
	201 WATER & SEWER	105,691	102,917	247,000	247,000	0
	202 GARBAGE & RECYCLING	19,243	20,000	48,000	48,000	0
	203 PROPANE GAS	48	83	200	200	0
	204 CABLE T.V.	27,915	29,167	70,000	70,000	0
	205 TELEPHONE	2,813	3,125	7,200	7,500	-300
	205.1 WIFI	1,311	1,333	3,200	3,200	0
		178,195	177,042	424,600	424,900	-300

<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>2017/2018</u> <u>BUDGET</u>	<u>VARIANCE</u>
	300 PAYROLL-ADMINISTRATIVE	46,212	43,750	108,000	105,000	3,000
	301 PAYROLL-MAINTENANCE	30,647	43,417	95,000	104,200	-9,200
	302 PAYROLL TAXES	5,898	6,250	14,500	15,000	-500
	302.1 EMPLOYEE BENEFITS	6,848	3,125	7,500	7,500	0
	304 SECURITY GUARDS	23,002	23,750	57,000	57,000	0
	305 ACCOUNTING	10,600	10,833	25,500	26,000	-500
	305.1 BANK FEES	426	354	1,000	850	150
	305.2 BAD DEBT	0	2,500	6,000	6,000	0
	305.3 COLLECTION COST	3,766	2,500	6,500	6,000	500
	306 AUDITING	4,400	1,917	4,400	4,600	-200
	307 LEGAL	2,484	625	3,000	1,500	1,500
	308 PROPERTY TAX	3,954	1,542	3,954	3,700	254
	309 INCOME TAX	0	0	0	0	0
	310 INSURANCE	122,299	125,417	290,500	301,000	-10,500
	311 OFFICE SUPPLIES	1,013	1,041	2,300	2,500	-200
	312 POSTAGE & SHIPPING	231	417	1,000	1,000	0
	313 LICENSES	1,709	1,167	2,800	2,800	0
	314 TRAVEL & MILEAGE	141	625	1,000	1,500	-500
	315 MEETINGS & EDUCATION	0	208	500	500	0
	316 SCREENING	5,007	3,542	8,500	8,500	0
	317 ALARM SYSTEM	160	208	500	500	0
	318 COMPUTER REPAIR/SERVICE	1,332	833	2,000	2,000	0
	319 COPIER	-2,471	1,875	4,500	4,500	0
	320 MISCELLANEOUS ADMIN.EXP.	4,905	3,417	8,200	8,200	0
	320.1 WEBSITE IMPROVEMENT	1,008	833	2,000	2,000	0
	323 SOCIAL FACILITIES	5,558	4,166	7,000	10,000	-3,000
		279,129	284,312	663,154	682,350	-19,196

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2017/2018</u> <u>BUDGET</u>	<u>VARIANCE</u>
<u>MAINTENANCE</u>					
400 GASOLINE	265	417	800	1,000	-200
401 SPRINKLERS	5,815	6,250	15,000	15,000	0
402 PEST CONTROL	6,056	6,250	15,000	15,000	0
402.6 MISC. MAINT.EXP.	700	417	1,000	1,000	0
403 LANDSCAPING	51,250	51,250	123,000	123,000	0
403.1 FERTILIZATION-WEED CONT.	8,122	9,167	20,000	22,000	-2,000
404 TREE TRIMING	88	4,167	15,000	10,000	5,000
404.2 NEW TREES & BUSHES	2,336	3,333	10,000	8,000	2,000
405 BUILDING MAINTENANCE	21,823	10,417	40,000	25,000	15,000
406 GROUNDS MAINTENANCE	14,150	6,667	23,000	16,000	7,000
407 SECURITY GATE EXPENSE	295	4,167	5,000	10,000	-5,000
408 CAMERA & VIDEO EXP.	198	833	2,000	2,000	0
409 PLUMBING EXP.	351	1,250	3,000	3,000	0
410 ELECTRICAL EXP.	1,177	2,083	5,000	5,000	0
411 POOL SUPPLIES & REPAIR	8,064	4,583	15,000	11,000	4,000
412 STREET MAINTENANCE	0	833	1,000	2,000	-1,000
413 UNIFORMS	0	167	400	400	0
414 GOLF CARTS	5,844	3,333	8,000	8,000	0
415 LOCKSMITH	104	83	200	200	0
416 FIRE SAFETY	0	1,667	4,000	4,000	0
417 JANITORIAL SUPPLIES	810	1,250	3,000	3,000	0
418 AWNINGS REPAIRS	2,237	3,333	6,000	8,000	-2,000
420 PAINTING PROGRAM	0	0	0	0	0
421 STREET LIGHT	0	1,250	3,000	3,000	0
425 POOL CHAIRS/TABLES	2,600	1,042	2,600	2,500	100
429 BENCHES REPLACEMENT	0	208	500	500	0
	132,285	124,417	321,500	298,600	22,900

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2017/2018</u> <u>BUDGET</u>	<u>VARIANCE</u>
450 CONTINGENCY	10,258	16,392	37,737	39,340	-583
INTEREST DURING BUILT	0	11,458	27,500	27,500	0
487 EAST WELL	0	0	0	0	0
CLUB HOUSE MORTGAGE	0	18,229	43,750	43,750	0
IRMA EXPENSES	2,157	0	2,157	0	1,137
	12,415	46,079	111,144	110,590	554
GRAND TOTAL EXPENSES	602,024	631,850	1,520,398	1,516,440	0
REVENUE OVER EXPENSES	36,944	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>2017/2018</u> <u>BUDGET</u>	<u>VARIANCE</u>
RESERVES					
2510 ROOFS	14,166	14,166	34,000	34,000	0
2515 PAINTING	0	0	0	0	0
2530 ASPHALT	11,042	11,042	26,500	26,500	0
2542 POOLS	1,875	1,875	4,500	4,500	0
2543 AWNINGS	0	0	0	0	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	4,167	4,167	10,000	10,000	0
2544 INTEREST REV. RESERVE	7,804	4,167	12,000	10,000	2,000
	46,345	42,708	104,500	102,500	2,000

Andre Mongrain President

Jacques Lacoursiere Treasurer

18-Apr-18