

FINANCIAL REPORT AS OF MAY 31, 2023

This report does contain information about the insurance impact on our results. It integrates the special assessment revenue and a substantial portion of the insurance and related costs paid up to that date, insurance is payable on binding of coverage.

Since November 1st, 2022, we have 35 units sold or transferred within the family, close to last year's total of 37. There is demand for Waterside, the name has been respected since 1988. Our insurance negotiation completion just added to Waterside performance even if it was a very risky situation. Yes 28 days without hurricane coverage and 8 days without an Umbrella policy due to a falling tree that resulted in a questionable claim. Just for that tree we did fight and manage to reduce the original insurance bid by close to \$40,000.00.

On the REVENUE side, compared to a previous forecast we did increase account #103, interest income to \$32,500.00 and we may be able to generate more. It all depends on the maturity dates and favorable interest rate on renewal. As well as the time it will take to collect the special assessment so we can reimburse not only the loan but what was borrowed from the Working Capital Reserve. The current rate, for less than one year term, is on average between 5% to 5.35%., fully FDIC insured. You can also see the recording of the Special Assessment of \$184,950.00 under this section. The receivable from owners and the loan payable are recorded under balance sheet accounts.

In the UTILITY section, no change from previous forecast, we remain concerned about account #201 Water and Sewage, the number of guests and rentals has a big impact. We did have to replace some of the TV equipment in the office, the existing ones failed, and we replaced by much smaller one, to at a minimum service the surveillance cameras. Permanent owners are also reporting performance level problems with our TV system. Our old in-ground cabling is subject to rain and we must admit that we have a lot of it in Florida. It impacts the local channels and service sections on site. Due to insurance concentration no progress was achieved on the INTERNET project.

The ADMINISTRATIVE section now records as forecasted the insurance cost at \$787,879.00. A budget overrun of \$184,879.00 equivalent to the special assessment recorded in the revenue section. The actual cost at the end of May is \$741,935.00. There are still some invoices to process in June and July and the recording of related costs. Remember that we are now insured at full current value, the May value. We have over the last 6 months done 2 valuation reports and 3 mitigations reports. For owners that need a mitigation report for insurance purposes, the office can provide one, except for 2 buildings, where corrections need to be done. All roofs, shutters, and openings (windows and doors) except for 2 windows were not approved, the whole 2 building's units were not approved. For our owner's future insurance renewal or new coverage this will help to reduce or eliminate inspection costs.

In the MAINTENANCE section we increased substantially account #402, pest control, due to a surge in termites 'control, it is humid and very hot, is it the cause, maybe. Each treatment cost \$1,400.00. No other changes were made to that section. The Board will also review the window situation and their impact on building costs. On the building painting, the current year program is ongoing. Due to weather conditions and labor shortage, it is not going as fast as we planned.

In the RESERVE section we simply increased the interest revenue. We cannot project at this stage the reserve requirement for the coming year, we know that due to inflation at least the roof contribution will need to go up.

France Laroche Treasurer

Andre Mongrain President

July 3, 2023

WATERSIDE FINANCIAL RESULT
AS OF MAY 31st, 2023

	<u>YTD</u>	<u>YTD</u>	<u>PREVIOUS</u>	<u>TOTAL YEAR</u>	<u>2022/2023</u>	
<u>DESCRIPTION</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>FORECAST</u>	<u>FORECAST</u>	<u>BUDGET</u>	<u>VARIANCE</u>
<u>REVENUES</u>						
100 NSF FEE	250	0	200	250	0	250
101 ASSESSMENTS	1,294,650	1,294,650	2,219,400	2,219,400	2,219,400	0
102 LATE FEE INCOME	1,285	700	2,000	2,000	1,200	800
103 INTEREST INCOME	25,343	14,583	27,500	32,500	25,000	7,500
104 TRANSFER FEE	6,250	1,750	6,500	7,250	3,000	4,250
106 ACCESS/GATE CARDS	1,750	233	2,000	2,000	400	1,600
107 SCREENING FEE	17,500	13,417	25,000	25,000	23,000	2,000
108 MISCELLANEOUS INCOME	150	583	600	300	1,000	-700
115 INSURANCE SPECIAL ASSESSM	184,950	0		184,950		
FEE TRANSFER TO RESERVE	-109,958	-109,958	-188,500	-188,500	-188,500	0
INTEREST REV. TO RESERVE	-25,343	-14,583	-27,500	-32,500	-25,000	-7,500
TOTAL REVENUES	1,396,826	1,201,375	2,067,200	2,252,650	2,059,500	8,200

EXPENSES

UTILITIES

200 ELECTRIC	37,433	33,250	62,000	62,000	57,000	5,000
201 WATER & SEWER	114,294	125,417	217,500	217,500	215,000	2,500
202 GARBAGE & RECYCLING	51,540	50,750	90,000	90,000	87,000	3,000
203 PROPANE GAS	201	146	300	300	250	50
204 CABLE T.V.	59,633	60,667	102,000	102,000	104,000	-2,000
205 TELEPHONE	3,007	4,492	7,700	7,700	7,700	0
205.1 WIFI	2,356	2,333	4,000	4,000	4,000	0
	268,464	277,054	483,500	483,500	474,950	8,550

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>PREVIOUS</u> <u>FORECAST</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2022/2023</u> <u>BUDGET</u>	<u>VARIANCE</u>
ADMINISTRATIVE						
300 PAYROLL-ADMINISTRATIVE	82,411	78,750	142,000	142,000	135,000	7,000
301 PAYROLL-MAINTENANCE	42,274	56,000	78,000	76,000	96,000	-20,000
302 PAYROLL TAXES	13,675	11,375	20,500	20,500	19,500	1,000
302.1 EMPLOYEE BENEFITS	6,457	4,083	6,457	6,457	7,000	-543
304 SECURITY GUARDS	29,089	38,500	65,000	65,000	66,000	-1,000
305 ACCOUNTING	14,378	15,167	25,500	25,500	26,000	-500
305.1 BANK FEES	145	117	200	200	200	0
305.2 BAD DEBT	81	5,833	10,000	10,000	10,000	0
305.3 COLLECTION COST	225	1,458	2,500	2,500	2,500	0
306 AUDITING	5,800	3,792	5,800	5,800	6,500	-700
307 LEGAL	4,243	1,458	4,000	5,500	2,500	3,000
308 PROPERTY TAX	5,270	2,771	5,270	5,270	4,750	520
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	741,935	351,750	611,500	787,879	603,000	184,879
310.1 INSURANCE CASH SHORT	0	0	0	0	0	0
311 OFFICE SUPPLIES	531	700	1,200	1,200	1,200	0
312 POSTAGE & SHIPPING	351	496	850	850	850	0
313 LICENSES	2,523	1,458	2,500	2,523	2,500	23
314 TRAVEL & MILEAGE	272	175	500	500	300	200
315 MEETINGS & EDUCATION	0	175	300	300	300	0
316 SCREENING	3,825	4,083	6,000	6,000	7,000	-1,000
317 ALARM SYSTEM	259	350	600	600	600	0
318 COMPUTER REPAIR/SERVICE	292	1,167	2,000	2,000	2,000	0
319 COPIER	2,434	2,217	3,800	3,800	3,800	0
320 MISCELLANEOUS ADMIN.EXP.	4,049	4,375	7,000	7,000	7,500	-500
320.1 WEBSITE IMPROVEMENT	990	1,750	3,000	3,000	3,000	0
323 SOCIAL FACILITIES	5,528	3,500	6,000	6,000	6,000	0
	967,037	591,500	1,010,477	1,186,379	1,014,000	172,379

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>PREVIOUS</u> <u>FORECAST</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2022/2023</u> <u>BUDGET</u>	<u>VARIANCE</u>
400 GASOLINE	971	642	1,200	1,200	1,100	100
401 SPRINKLERS	19,277	4,667	29,000	29,000	8,000	21,000
402 PEST CONTROL	23,548	10,208	23,000	32,000	17,500	14,500
402.6 MISC. MAINT.EXP.	1,939	1,167	2,500	2,500	2,000	500
403 GRASS CUTTING	55,055	59,290	101,640	101,640	101,640	0
403.1 FERTILIZATION-WEED-BUGS	14,912	15,750	18,000	18,000	27,000	-9,000
403.2 HEDGE TRIMMING	30,537	25,410	43,560	43,560	43,560	0
404 TREE TRIMMING	16,544	18,667	20,000	20,000	32,000	-12,000
404.2 NEW TREES-PLANTS-FLOWER	14,200	20,417	20,000	20,000	35,000	-15,000
405 BUILDING MAINTENANCE	57,641	49,583	100,000	100,000	85,000	15,000
406 FENCE,SIDEWALK,SIGNS	16,933	7,583	19,000	19,000	13,000	6,000
406.1 DIRT.SODS & MULCH	-129	8,750	10,000	10,000	15,000	-5,000
407 SECURITY GATE EXPENSE	11,042	2,917	14,000	14,000	5,000	9,000
407.1 MAJOR GATE REPAIRS	0	0	0	0	0	0
408 CAMERA & VIDEO EXP.	1,860	2,917	2,500	2,500	5,000	-2,500
409 PLUMBING EXP.	4,514	1,167	6,000	6,000	2,000	4,000
410 ELECTRICAL EXP.	3,855	1,750	5,500	5,500	3,000	2,500
411 POOL SUPPLIES & REPAIR	15,677	14,583	19,000	19,000	25,000	-6,000
411.1 POOL MAJOR REPAIRS	0	0	0	0	0	0
412 STREET MAINTENANCE	12,516	5,833	10,000	10,000	10,000	0
413 UNIFORMS	0	175	300	300	300	0
414 GOLF CARTS	1,040	875	1,500	1,500	1,500	0
415 LOCKSMITH	1,519	175	2,000	2,000	300	1,700
416 FIRE SAFETY	231	3,208	5,500	5,500	5,500	0
417 JANITORIAL SUPPLIES	1,200	1,458	2,000	2,000	2,500	-500
418 AWNINGS REPAIRS	1,200	5,833	10,000	10,000	10,000	0
420 PAINTING PROGRAM	7,000	43,750	73,000	73,000	75,000	-2,000
421 STREET LIGHT	0	292	600	600	500	100
422 SHUFFLEBOARD CANOPY	0	0	0	0	0	0
424 TENNIS COURTS RESURFACE	24	0	100	100	0	100
425 POOL CHAIRS/TABLES	813	1,458	2,500	2,500	2,500	0
427 RESTROOMS UPGRADE ADA	0	0	0	0	0	0
428.1 INFRASTRUCTURE	0	2,917	5,200	5,200	5,000	200
429 BENCHES REPLACEMENT	0	292	500	500	500	0
434 PETANQUE CANOPY	0	0	0	0	0	0
477 PERGOLA	0	0	0	0	0	0
479 LIGHTS RETENTION POUND	0	0	0	0	0	0
	313,917	311,733	548,100	557,100	534,400	22,700

<u>DESCRIPTION</u>	<u>YTD</u> <u>ACTUAL</u>	<u>YTD</u> <u>BUDGET</u>	<u>PREVIOUS</u> <u>FORECAST</u>	<u>TOTAL YEAR</u> <u>FORECAST</u>	<u>2022/2023</u> <u>BUDGET</u>	<u>VARIANCE</u>
326 DEMOCRATIC PROCESS	7,794	0	7794	7794	0	7,794
435 NEW FOUNTAIN	8,368		9000	9000		
450 CONTINGENCY		21,088	0	0	36,150	-36,150
561 OFFICE FLOOD	10,050		10,050	10,050		
	26,212	21,088	26,844	26,844	36,150	-28,356
TOTAL EXPENSES	1,575,630	1,201,375	2,068,921	2,253,823	2,059,500	175,273
REVENUES OVER EXPENSES	-178,803	0	-1,721	-1,173	0	-167,073

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RESERVES						
2510 ROOFS	33,833	33,833	58,000	58,000	58,000	0
2515 PAINTING	0	0	0	0	0	0
2530 ASPHALT	35,583	35,583	61,000	61,000	61,000	0
2542 POOLS	2,917	2,917	5,000	5,000	5,000	0
2543 AWNINGS	0	0	0	0	0	0
2544 INTEREST REV. RESERVE	-25,343	14,583	27,500	32,500	25,000	7,500
2545 WORKING CAPITAL	26,250	26,250	45,000	45,000	45,000	0
2546 SPRINKLERS	2,625	2,625	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	2,917	2,917	5,000	5,000	5,000	0
2549 INSURANCE STABILISATION	0	0	0	0	0	0
2550 INFRASTRUCTURE	5,833	5,833	10,000	10,000	10,000	0
	84,615	124,542	216,000	221,000	213,500	7,500

France Laroche

Treasurer

Andre Mongrain

President

June, 26, 2023