

FINANCIAL REPORT AS OF JUNE 30, 2023

This report contains information about the insurance and the special assessment that was caused by the substantial insurance policies cost increase for the current year. Please review your own financial situation and unless there is substantial modification to existing laws in Florida, insurance costs will simply continue to go up. For our owners that are on fixed retirement income or close to it, it will be a financial nightmare to manage.

Since November 1st, 2022, we have 37 units sold or transferred within the family, same as last year's total. There is demand for Waterside, the name has been respected since 1988. We now have 102 units sold in 32 months; it is a lot of new owners to make sure they feel well received at Waterside. A specific note was issued on the ACH payment situation created by a change in practice by the supplier of such services.

On the REVENUE side, compared to a previous forecast, we have minimal changes. The special assessment payments are not coming in as expected and this does delay the reimbursement of the loan payable and the Association investment in short term deposits from the reimbursement of the Working Capital Reserve used to pay the insurance premium. 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.

In the Utility section, a reduction of \$2,000.00 in the forecast for account 201, water and sewage generated the reduction for that section of our operating cost. To our residents, please remember that water consumption is costly in the City of Boynton Beach and in all of Palm Beach County. Due to the insurance situation, the website design, lately the ACH fee debate, the special assessment receivable and now the insurance claim for the water damage sustained on December 24, 2022, all of these required a high level of concentration, so no progress was achieved on the INTERNET project. Director Michael Shane joined myself and Stacey for a presentation on one more supplier of such service, he visited also other associations who have installed their system, Mike also was trying to find solution to the 2 buildings that did not qualify for a discount in last insurance negotiation.

The ADMINISTRATIVE section now records as forecasted the insurance cost at \$787,879.00. A budget overrun of \$170,579.00 which is less than the special assessment recorded. The actual cost at the end of June is \$752,371.00. After exactly 7 months, the Association did receive an offer for its claim for the water damage sustain on December 24, 2022, we are waiting for the payment and that payment cannot be reduced but it may increase if we manage to justify some situations when the work is done. The deductible of \$5,000.00 and the depreciation charge of \$2,878.00 will be transferred to the insurance cost account #310. There are still some invoices to process. 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. Changes were made to the salary, administration, and maintenance accounts.

In the MAINTENANCE section forecast we increased by more than \$10,000.00. Please review each account forecast like account #401 sprinkler, account #402 pest control, #403.1 fertilization, account #411 pool supplies and account #412 street maintenance, for close to all of them forecast for the year went up. A full review of all accounts was done in order to come up with these new forecasts. On the building painting, the current year program is close to an end, Stacey will do the last inspection on building 8 and 9 before releasing the last payment.

Account #561, Office Flood will be substantially modified next month, by the recording of the payment from the insurance claim and the actual cost, hope it comes to a nil impact.

In the RESERVE section we need to review one annuity where we did not receive the interest due. New support documents will be forwarded to the provider. 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, may have to hire a specialized firm to do a formal valuation of the roof reserve requirements.

France Laroche, Treasurer

Andre Mongrain, President

July 24, 2023

WATERSIDE FINANCIAL RESULT
AS OF JUNE 30, 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	375	0	250	375	0	375
101 ASSESSMENTS	1,479,600	1,479,600	2,219,400	2,219,400	2,219,400	0
102 LATE FEE INCOME	1,460	800	2,000	2,000	1,200	800
103 INTEREST INCOME	25,343	16,667	32,500	32,500	25,000	7,500
104 TRANSFER FEE	6,500	2,000	7,250	7,250	3,000	4,250
106 ACCESS/GATE CARDS	1,850	267	2,000	2,000	400	1,600
107 SCREENING FEE	18,850	15,333	25,000	25,000	23,000	2,000
108 MISCELLANEOUS INCOME	150	667	300	300	1,000	-700
115 INSURANCE SPECIAL ASSESSM	184,950	0	184,950	184,950		
FEE TRANSFER TO RESERVE	-125,667	-125,667	-188,500	-188,500	-188,500	0
INTEREST REV. TO RESERVE	-25,343	-16,667	-32,500	-32,500	-25,000	-7,500
TOTAL REVENUES	1,568,068	1,373,000	2,252,650	2,252,775	2,059,500	8,325

EXPENSES

UTILITIES

200 ELECTRIC	43,207	38,000	62,000	63,000	57,000	6,000
201 WATER & SEWER	148,272	143,333	217,500	215,000	215,000	0
202 GARBAGE & RECYCLING	59,322	58,000	90,000	90,000	87,000	3,000
203 PROPANE GAS	201	167	300	300	250	50
204 CABLE T.V.	67,978	69,333	102,000	102,000	104,000	-2,000
205 TELEPHONE	3,627	5,133	7,700	7,000	7,700	-700
205.1 WIFI	2,862	2,667	4,000	4,200	4,000	200
	325,469	316,633	483,500	481,500	474,950	6,550

<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>
<u>ADMINISTRATIVE</u>						
300 PAYROLL-ADMINISTRATIVE	95,426	90,000	142,000	140,000	135,000	5,000
301 PAYROLL-MAINTENANCE	49,686	64,000	76,000	74,600	96,000	-21,400
302 PAYROLL TAXES	15,641	13,000	20,500	22,500	19,500	3,000
302.1 EMPLOYEE BENEFITS	6,457	4,667	6,457	6,457	7,000	-543
304 SECURITY GUARDS	34,178	44,000	65,000	62,500	66,000	-3,500
305 ACCOUNTING	16,416	17,333	25,500	25,500	26,000	-500
305.1 BANK FEES	162	133	200	1,800	200	1,600
305.2 BAD DEBT	81	6,667	10,000	10,000	10,000	0
305.3 COLLECTION COST	225	1,667	2,500	2,500	2,500	0
306 AUDITING	5,800	4,333	5,800	5,800	6,500	-700
307 LEGAL	4,043	1,667	5,500	6,500	2,500	4,000
308 PROPERTY TAX	5,270	3,167	5,270	5,270	4,750	520
309 INCOME TAX	0	0	0	0	0	0
310 INSURANCE	752,371	402,000	787,879	787,879	603,000	184,879
310.1 INSURANCE CASH SHORT	0	0	0	0	0	0
311 OFFICE SUPPLIES	708	800	1,200	1,200	1,200	0
312 POSTAGE & SHIPPING	530	567	850	850	850	0
313 LICENSES	2,523	1,667	2,523	2,523	2,500	23
314 TRAVEL & MILEAGE	272	200	500	500	300	200
315 MEETINGS & EDUCATION	0	200	300	300	300	0
316 SCREENING	4,025	4,667	6,000	5,500	7,000	-1,500
317 ALARM SYSTEM	259	400	600	600	600	0
318 COMPUTER REPAIR/SERVICE	292	1,333	2,000	2,000	2,000	0
319 COPIER	3,130	2,533	3,800	3,800	3,800	0
320 MISCELLANEOUS ADMIN.EXP.	4,195	5,000	7,000	7,000	7,500	-500
320.1 WEBSITE IMPROVEMENT	990	2,000	3,000	3,000	3,000	0
323 SOCIAL FACILITIES	5,528	4,000	6,000	6,000	6,000	0
	1,008,208	676,000	1,186,379	1,184,579	1,014,000	170,579

<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	733	1,200	1,200	1,100	100
401 SPRINKLERS	23,289	5,333	29,000	30,000	8,000	22,000
402 PEST CONTROL	28,998	11,667	32,000	30,000	17,500	12,500
402.6 MISC. MAINT.EXP.	1,939	1,333	2,500	2,500	2,000	500
403 GRASS CUTTING	63,525	67,760	101,640	101,640	101,640	0
403.1 FERTILIZATION-WEED-BUGS	14,912	18,000	18,000	20,000	27,000	-7,000
403.2 HEDGE TRIMMING	40,217	29,040	43,560	43,560	43,560	0
404 TREE TRIMMING	16,544	21,333	20,000	20,000	32,000	-12,000
404.2 NEW TREES-PLANTS-FLOWER	15,269	23,333	20,000	20,000	35,000	-15,000
405 BUILDING MAINTENANCE	68,295	56,667	100,000	100,000	85,000	15,000
406 FENCE,SIDEWALK,SIGNS	16,933	8,667	19,000	19,000	13,000	6,000
406.1 DIRT.SODS & MULCH	-129	10,000	10,000	10,000	15,000	-5,000
407 SECURITY GATE EXPENSE	11,573	3,333	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	3,333	2,500	2,500	5,000	-2,500
409 PLUMBING EXP.	4,514	1,333	6,000	6,000	2,000	4,000
410 ELECTRICAL EXP.	3,855	2,000	5,500	5,500	3,000	2,500
411 POOL SUPPLIES & REPAIR	21,828	16,667	19,000	25,000	25,000	0
411.1 POOL MAJOR REPAIRS	0	0	0	0	0	0
412 STREET MAINTENANCE	12,516	6,667	10,000	13,000	10,000	3,000
413 UNIFORMS	0	200	300	300	300	0
414 GOLF CARTS	1,638	1,000	1,500	2,000	1,500	500
415 LOCKSMITH	1,519	200	2,000	2,000	300	1,700
416 FIRE SAFETY	331	3,667	5,500	5,500	5,500	0
417 JANITORIAL SUPPLIES	1,363	1,667	2,000	2,000	2,500	-500
418 AWNINGS REPAIRS	1,200	6,667	10,000	10,000	10,000	0
420 PAINTING PROGRAM	7,000	50,000	73,000	73,000	75,000	-2,000
421 STREET LIGHT	0	333	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	1,667	2,500	2,500	2,500	0
427 RESTROOMS UPGRADE ADA	0	0	0	0	0	0
428.1 INFRASTRUCTURE	0	3,333	5,200	5,200	5,000	200
429 BENCHES REPLACEMENT	0	333	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
	360,796	356,267	557,100	567,600	534,400	33,200

<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	9,407		9000	9500		
450 CONTINGENCY		24,100	0	0	36,150	-36,150
561 OFFICE FLOOD	10,050		10,050	10,050		
	27,252	24,100	26,844	27,344	36,150	-28,356
TOTAL EXPENSES	1,721,725	1,373,000	2,253,823	2,261,023	2,059,500	181,973
REVENUES OVER EXPENSES	-153,657	0	-1,173	-8,248	0	-173,648

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RESERVES						
2510 ROOFS	38,667	38,667	58,000	58,000	58,000	0
2515 PAINTING	0	0	0	0	0	0
2530 ASPHALT	40,667	40,667	61,000	61,000	61,000	0
2542 POOLS	3,333	3,333	5,000	5,000	5,000	0
2543 AWNINGS	0	0	0	0	0	0
2544 INTEREST REV. RESERVE	-25,343	16,667	32,500	32,500	25,000	7,500
2545 WORKING CAPITAL	30,000	30,000	45,000	45,000	45,000	0
2546 SPRINKLERS	3,000	3,000	4,500	4,500	4,500	0
2547 TV CABLE INFRASTRUCTURE	3,333	3,333	5,000	5,000	5,000	0
2549 INSURANCE STABILISATION	0	0	0	0	0	0
2550 INFRASTRUCTURE	6,667	6,667	10,000	10,000	10,000	0
	100,323	142,333	221,000	221,000	213,500	7,500

France Laroche

Treasurer

Andre Mongrain

President

July, 24, 2023