

WATERSIDE VILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION INC.

**BOARD OF DIRECTORS BUDGET MEETING**

NOTICE IS HEREBY GIVEN, in accordance with the bylaws of the Association that the Board of Directors of the Association will hold a meeting for the approval of the upcoming year's budget and other subjects at the following date, time and place:

MONDAY, OCTOBER 28, 2024 AT 7:30 PM. AT THE CLUBHOUSE AND VIA ZOOM (INFORMATION TO FOLLOW)

The order of business for the budget meeting of the Board of Directors shall be as follows:

**AGENDA**

1. CALL TO QUORUM
2. APPROVAL OF AGENDA
3. APPROVAL OF MINUTES OF THE BOARD MEETING HELD ON JANUARY 27, 2024
4. APPROVAL OF DIFFERENT CONTRACTS AWARDED SINCE JANUARY 27, 2024
5. RESOLUTION FOR TRANSFER OF POSSIBLE OPERATING SURPLUS FOR FISCAL YEAR 2024/2025 TO THE ROOF RESERVE #2510
6. APPROVAL OF THE 2024/2025 OPERATING BUDGET
7. APPROVAL OF THE 2024/2025 RESERVE BUDGET
8. OWNERS' QUESTION PERIOD
9. ADJOURNMENT

Original signed by Michel Thivierge  
Secretary of the Association on 10/4/2024

## 2024 – 2025 OPERATING BUDGET COMMENTARIES

### AND FORECAST FOR 2025 – 2026 AND 2026 – 2027

Monthly fee for the fiscal year 2024 – 2025, running from November 1<sup>st</sup>, 2024, to October 31, 2025, will be \$575.00, an increase of \$30.00 over the fiscal year 2023 – 2024, \$545.00 monthly fee.

Main contributing elements to this increase of 5.5% is as follows:

- *Account 310, insurance going from \$818,850.00 to \$905,935.00 an increase of \$87,085.00, equivalent to an increase of 10.6%, resulting in an increase of \$17.66 a month out of the \$30.00 total fee increase. This is our best estimate, before the current situation from hurricane Helene or Milton. We do not know how the impact of these latest developments on the insurance market. Insurance cost represents 31.9% of our operating cost. If we add our contribution to the roof reserve (\$166,000.00), which is necessary if we want insurance coverage, then insurance related cost represent 39.9% of our monthly fee or \$229.30 out of the \$575.00. WE MAY NOT BE DONE YET ON THIS SUBJECT SINCE WE DO NOT KNOW THE CLAIMS IMPACT FROM HURRICANE HELENE, NOR WHAT'S IS IN THE MAKING FROM MILTON.*
- *Account 324, cable TV/Blue Stream going from \$109,200. to \$158,000, for an increase of \$48,800.00 or an increase 44.7%, an increase of \$9.90 a month out of the \$30,00 monthly increase. All in accordance with projections made in February 2023.*
- *Account 2510, roof reserve, beside moving previous contributions from either the street reserve (\$20,000.00) and the working capital reserve, we did add an additional \$25,000.00 to our previous contribution. This represent \$5.07 increase out of the \$30.00. The valuation of the roof reserve was performed by an independent firm. See reserve report for explanations.*

***The sum of those 3 accounts***, account for more than the \$30.00 monthly fee increase, they come up to **\$32.63**. This meaning that the sum of all other accounts went down, like account 205, telephone and account 205.1 WIFI, the Association is getting better rate from Blue Stream Fiber than previous supplier.

Account 201, water and wastewater is an estimated increase, Boynton city water department has not released its cost rate for the coming year, so we used a factor of 4.7%. Remember that last year their increase was 11%, so we do hope for a smaller increase this year.

Salary components the sum of accounts 300, 301 and 302 are up by 4.3%.

Security guard services up by 7.7%, same number of hours of service per week at 60, just hourly rate increase.

Account 403, grass cutting, and 403.2 hedge cutting are now matching the billing process from the supplier meaning all under account 403. What's left in account 403.2 is the perimeter hedge, the Arica palm and the east side of the Quadrille HOA. The average increase for those 2 accounts is 4%.

Account 420, painting is up by 9.5%. The painting program this year includes buildings 25,26, 32, 33, 34, 35, 36 and 37.

Account 428.1, the infrastructure budget figure is back to the year 2023 – 2024 budget, at an estimate of \$10,000.00. This will allow Waterside to do 2 more underground pipe surveys as we continue to build the reserve by \$10,000.00.

The account 450, contingency at \$42,364.00 is a reasonable figure when compared to our total level of expenses and risk.

The RESERVE comments are under a separate report.

Andre Mongrain, President

10/7/2024

WATERSIDEVILLAGE OF PALM BEACH CONDOMINIUM ASSOCIATION, INC.

**BUDGET from NOVEMBER 1, 2024 to OCTOBER 31, 2025**

Inclusive of Forecast for the Year 2025/2026 and Year 2026/2027

	<u>DESCRIPTION</u>	<u>2023/2024 NON AUDIT</u>	<u>Y23/24 BUDGET</u>	<u>MONTHLY COST</u>	<u>Y24/25 BUDGET</u>	<u>VARIANCE TO 23/24 FORE</u>	<u>Y 25/26 FORECAST</u>	<u>Y 26/27 FORECAST</u>
<b><u>REVENUE</u></b>		<b>545</b>	<b>545</b>	<b>575</b>			<b>595</b>	<b>623</b>
	NSF FEE	300	0		0	-300	0	0
100	ASSESSMENTS **	2,687,940	2,687,940		2,835,900	147,960	2,934,540	3,072,636
102	LATE FEE INCOME	1,300	1,200		1,200	-100	1,200	1,200
103	INTEREST INCOME	46,000	42,000		50,000	4,000	55,000	58,000
104	ESTOPPEL FEE	4,500	3,000		3,000	-1,500	3,000	3,000
106	ACCESS/GATE CARDS	1,350	400		400	-950	400	400
107	SCREENING FEE	29,000	39,000		32,000	3,000	37,000	38,000
108	MISCELLANEOUS INCOME	0	500		500	500	500	500
115	INSURANCE SPECIAL ASSESS	0	0		0	0	0	0
	RESERVE ACCOUNT	-305,500	-200,500		-225,500	80,000	-225,500	-225,500
2544	INTEREST TO RESERVE	-46,000	-42,000		-50,000	-4,000	-55,000	-58,000
<b>TOTAL REVENUE:</b>		<b>2,418,890</b>	<b>2,531,540</b>		<b>2,647,500</b>	<b>228,610</b>	<b>2,751,140</b>	<b>2,890,236</b>

**EXPENSES**

**UTILITIES**

200	ELECTRIC	59,000	65,000	12.43	61,300	2,300	62,000	64,000
201	WATER & WASTEWATER	230,000	243,000	48.86	241,000	11,000	249,000	259,000
202	GARBAGE & RECYCLING	92,500	94,500	19.76	97,500	5,000	101,000	105,000
203	PROPANE GAS	300	300		300	0	300	300
204	CABLE T.V./ BLUE STREAM	109,200	103,000	32.03	158,000	48,800	161,700	168,200
205	TELEPHONE	3,600	5,500		1,900	-1,700	2,000	2,100
205.1	WIFI	4,200	4,400		850	-3,350	1,000	1,050
<b>TOTAL:</b>		<b>498,800</b>	<b>515,700</b>	<b>113.71</b>	<b>560,850</b>	<b>62,050</b>	<b>577,000</b>	<b>599,650</b>

	<u>DESCRIPTION</u>	<u>2023/2024 NON AUDIT</u>	<u>Y23/24 BUDGET</u>	<u>MONTHLY COST</u>	<u>Y24/25 BUDGET</u>	<u>VARIANCE TO 23/24 FORE</u>	<u>Y 25/26 FORECAST</u>	<u>Y 26/27 FORECAST</u>
<b><u>ADMINISTRATIVE</u></b>								
300	PAYROLL-ADMINISTRATIVE	161,700	200,000	34.27	169,000	7,300	175,000	182,800
301	PAYROLL-MAINTENANCE	85,000	85,000	17.92	88,400	3,400	92,200	96,000
302	PAYROLL TAXES	25,750	30,000	5.44	26,825	1,075	27,850	29,050
302.1	EMPLOYEE BENEFITS	6,037	6,500		6,500	463	7,000	8,000
304	SECURITY GUARDS	63,500	62,000	13.87	68,400	4,900	71,700	75,300
305	ACCOUNTING	24,540	26,000	4.99	24,600	60	26,700	27,600
305.1	BANK FEES	400	300		300	-100	300	300
305.2	BAD DEBT	2,500	6,000		6,000	3,500	6,000	6,000
305.3	COLLECTIONS COST	500	1,500		1,000	500	1,000	1,000
306	AUDITING	7,800	6,200		8,000	200	8,500	9,000
307	LEGAL	4,500	3,500		4,000	-500	4,000	4,000
308	PROPERTY TAX	7,753	5,385		8,000	247	9,500	10,500
309	INCOME TAX	0	0		0	0	0	0
310	INSURANCE	818,850	930,000	183.68	905,935	87,085	980,000	1,060,000
310.1	INSURANCE CASH SHORT.	0	0	0.00	0	0	0	0
311	OFFICE SUPPLIES	1,200	1,400		1,400	200	1,500	1,600
312	POSTAGE & SHIPPING	900	900		1,000	100	1,050	1,100
313	LICENSES	3,600	2,600		3,600	0	3,700	3,800
314	TRAVEL & MILEAGE	500	450		450	-50	450	450
315	MEETINGS & EDUCATION	175	300		300	125	300	300
316	SCREENING	4,500	6,000		6,000	1,500	6,000	6,000
317	ALARM SYSTEM	600	600		600	0	700	700
318	COMPUTER REPAIR/SERVICE	2,000	2,000		2,000	0	2,000	3,000
319	COPIER	4,200	4,200		4,200	0	4,200	4,200
320	JANITOR, WATER, MISC.	6,200	6,500		6,500	300	7,000	7,500
320.1	WEBSITE IMPROVEMENT	2,300	3,000		2,000	-300	2,500	2,500
323	SOCIAL FACILITIES	6,000	6,000		6,000	0	6,500	7,000
	<b>TOTAL:</b>	<b>1,241,005</b>	<b>1,396,335</b>	<b>273.93</b>	<b>1,351,010</b>	<b>110,005</b>	<b>1,445,650</b>	<b>1,547,700</b>

	<u>DESCRIPTION</u>	<u>2023/2024 NON AUDIT</u>	<u>Y23/24 BUDGET</u>	<u>MONTHLY COST</u>	<u>Y24/25 BUDGET</u>	<u>VARIANCE TO 23/24 FORE</u>	<u>Y 25/26 FORECAST</u>	<u>Y 26/27 FORECAST</u>
400	GASOLINE	1,000	1,200		1,200	200	1,200	1,200
401	SPRINKLERS	26,400	32,000	7.62	27,600	1,200	33,000	34,000
402	PEST CONTROL	30,000	30,000		31,800	1,800	32,500	33,500
402.6	MISC. MAINT.EXP.	3,500	2,500		3,000	-500	3,000	3,500
403	GRASS CUTTING	104,200	104,200	22.00	154,776	50,576	157,000	165,000
403.1	FERTILIZATION-WEED-BUGS	30,223	25,000	6.35	31,360	1,137	32,000	34,000
403.2	HEDGE TRIMMING	52,700	50,000	11.61	10,860	-41,840	10,000	11,000
404	TREE TRIMMING	30,500	25,000		20,000	-10,500	22,000	23,000
404.2	NEW TREES & BUSHES	15,000	25,000	6.08	30,000	15,000	30,000	30,000
405	BUILDING MAINTENANCE	155,000	90,000	30.41	150,000	-5,000	150,000	150,000
406	FENCE, SIDEWALK, SIGNS	13,000	15,000		13,000	0	16,000	17,000
406.1	DIRT, SODS & MULCH	12,000	11,000		12,000	0	13,000	14,000
407	SECURITY GATE EXPENSE	9,000	10,000		10,000	1,000	10,000	10,000
407.1	MAJOR GATES EXPENSES	0	0		0	0	0	0
408	CAMERA & VIDEO EXP.	3,000	5,000		5,000	2,000	5,000	5,000
409	PLUMBING EXP.	10,000	5,000		7,500	-2,500	7,500	9,000
410	ELECTRICAL EXP.	12,500	5,000		7,000	-5,500	8,000	9,000
411	POOL SUPPLIES & REPAIR	30,000	32,000	6.08	30,000	0	34,000	36,000
411.1	POOLS MAJOR REPAIRS	0	0		0	0	0	0
412	STREET MAINTENANCE	9,000	10,000		5,000	-4,000	5,000	5,000
413	UNIFORMS	211	300		300	89	300	300
414	GOLF CARTS/GROUND EQUIP.	200	2,000	1.82	9,000	8,800	2,000	2,000
415	LOCKSMITH	1,000	500		1,000	0	500	500
416	FIRE SAFETY	12,000	5,500		6,000	-6,000	6,000	6,500
417	JANITORIAL SUPPLIES	2,700	2,500		3,000	300	3,000	3,000
418	AWNINGS REPAIRS	9,500	8,000		10,000	500	10,000	10,000
420	PAINTING PROGRAM	71,240	75,000	15.82	78,000	6,760	80,000	85,000
421	STREET LIGHT	600	600		600	0	600	600
422	SHUFFLE BOARD CANOPY	0	0		0	0	0	0
424	TENNIS COURT RESURFACING	1,600	0		5,780	4,180	3,000	3,000
425	POOL CHAIRS/TABLES	4,500	4,500		4,500	0	4,500	4,500
427	RESTROOM ADA UPGRADE	0	0		0	0	0	0
428.1	INFRASTRUCTURE	30,186	5,000		10,000	-20,186	10,000	10,000
429	BENCHES REPLACEMENT	0	500		500	500	500	500
434	PETANQUE CANOPY	0	0		0	0	0	0
477	PERGOLA	0	4,500		0	0	2,500	2,500
479	LIGHTS RETENTION POUND	0	0		14,500	14,500	0	0
<b>TOTAL:</b>		<b>680,760</b>	<b>586,800</b>	<b>140.60</b>	<b>693,276</b>	<b>12,516</b>	<b>692,100</b>	<b>718,600</b>

	<u>DESCRIPTION</u>	<u>2023/2024 NON AUDIT</u>	<u>Y23/24 BUDGET</u>	<u>MONTHLY COST</u>	<u>Y24/25 BUDGET</u>	<u>VARIANCE TO 23/24 FORE</u>	<u>Y 25/26 FORECAST</u>	<u>Y 26/27 FORECAST</u>
326	DEMOCRATIC PROCESS	0	0		0	0	0	0
435	NEW FOUNTAIN	0	0		0	0	0	0
450	CONTINGENCY	0	32,705	8.55	42,364	39,127	36,390	24,286
561	OFFICE FLOOD	0	0		0	0		
	<b>TOTAL:</b>	<b>0</b>	<b>32,705</b>	<b>8.55</b>	<b>42,364</b>	<b>39,127</b>	<b>36,390</b>	<b>24,286</b>
<b>GRAND TOTAL EXPENSES:</b>		<b>2,420,565</b>	<b>2,531,540</b>	<b>536.80</b>	<b>2,647,500</b>	<b>226,935</b>	<b>2,751,140</b>	<b>2,890,236.0</b>
<b>SURPLUS OR - LOSS</b>		<b>-1,675</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	<u>DESCRIPTION</u>	<u>2023/2024 NON AUDIT</u>	<u>Y23/24 BUDGET</u>	<u>MONTHLY COST</u>	<u>Y24/25 BUDGET</u>	<u>VARIANCE TO 23/24 FORE</u>	<u>Y 25/26 FORECAST</u>	<u>Y 26/27 FORECAST</u>
<b>RESERVES</b>								
2510	ROOFS	75,000	75,000		166,000	91,000	166,000	166,000
2515	PAINTING	0	0		0	0	0	0
2530	ASPHALT	61,000	61,000		40,000	-21,000	40,000	40,000
2535	ASSURANCE DEDUCTIBLE	105,000	0		0	-105,000	0	0
2542	POOLS	5,000	5,000		5,000	0	5,000	5,000
2546	SPRINKLERS	4,500	4,500		4,500	0	4,500	4,500
2547	TV CABLE INFRASTRUCTURE	0	0		0	0	0	0
2545	WORKING CAPITAL	45,000	45,000			-45,000	0	0
2544	INTEREST REV. RESERVE	46,000	42,000		50,000	4,000	55,000	58,000
2550	INFRASTRUCTURE	10,000	10,000		10,000	0	10,000	10,000
	<b>TOTAL:</b>	<b>351,500</b>	<b>242,500</b>	<b>55.86</b>	<b>275,500</b>	<b>-76,000</b>	<b>280,500</b>	<b>283,500</b>

**10/6/2024**  
**Andre Mongrain, President**

## **2024 – 2025 RESERVES BUDGET COMMENTARIES**

### **AND FORECAST FOR 2025 – 2026 AND 2026 – 2027**

Per Florida Statutes, a separate report and a formal approval is required for reserve accounts. This year we hired a specialized firm to do an evaluation of our roof reserve, as we have expressed our concern in previous communications on the expected life of our roof and of the costs to replace our roof shingles. The study demonstrated that we needed to increase our contribution to roof reserves to have adequate funds for roof replacement.

We did not do other reserve valuations, like street paving which is our second largest reserve requiring funding contribution. This reserve can always be postponed, or the work can be spread over many years, doing damaged sections when repairs are necessary instead of the entire Waterside development at one time.

The first report produced by the firm showed that we needed to replace our roofs 4 years from now. This means that our shingle guarantee of 45 years will need to be replaced after 22 years of installation. We discussed this with the firm, and they added 4 years, which we still consider the low end. In addition, they did spread the work on a 3 financials exercise, which we modified. Still 3 years but different amount for each year. The attachments indicate the result. We are conservative in accepting the revised version of the study.

In order to achieve the cash requirement for the roof reserve we moved funds normally committed to street reserve and the working capital reserve to the roof reserve and adding \$25,000.00 in extra contribution to the roof reserve.

***Remember that we are always at the mercy of the insurance providers, and if they say they will not provide coverage unless we replace the roofs, then we must replace the roofs, either by requiring a special assessment or borrowing money. This did happen to 2 associations in Hypoluxo last year, one of them resulted in a special assessment of \$24,000.00 per unit, the other Association did the required replacement. Currently for Waterside If THIS EVER HAPPEN, FOR EXAMPLE, BY NEXT MAY, we expect a special assessment close to \$2,000.00. If we increase contribution to \$166,000.00 per year, we should be in good standing as demonstrated in the attach chart.***



**When you compare the summary page from the roof consultant, you can notice that we contribute a bit less every year and are earning more interest revenue every year. We are using an interest percentage of 2.5%, where she is using just less than 1%. We also made change to the schedule of the work per year. In year one we spend \$739,468.00 or 29.4% of the expected total cost of \$2,513,454.00. In year two we spend \$1,109,433.00 or 43.9% of the of the expected total cost and in last year we spend \$664,553.00 or 26.7%. This work will go on for 18 months, to be negotiated with the selected roofing company.**

**In addition to the funds available from the roof reserve, we can either borrow funds if necessary or use funds from the working capital reserve, following an appropriate members resolution to allow such and then reimburse over time.**

**Andre Mongrain**

**President**

**10/7/2024**

**ROOF RESERVE DATA MODIFIED FROM CONSULTING FIRM RELEASE (SEE SEPARATE ATTACHEMENT)**

**ROOF RESERVE CASH FLOW REQUIRED**

<u>PERIOD</u>	<u>OPENING BALANCE</u>	<u>CONTRIBUTION</u>	<u>INTEREST EARNED</u>	<u>EXPENDITURE</u>	<u>ENDING BALANCE</u>
11/24 - 10/25	848,364	166,000	25,359	0	1,039,723
11/25 - 10/26	1,039,723	166,000	30,143	0	1,235,866
11/26 - 10/27	1,235,866	166,000	35,046	0	1,436,912
11/27 - 10/28	1,436,912	166,000	40,072	0	1,642,984
11/28 - 10/29	1,642,984	166,000	45,225	0	1,854,209
11/29 - 10/30	1,854,209	166,000	50,505	0	2,064,714
11/30 - 10/31	2,064,714	166,000	37,281	739,468	1,528,527
11/31 - 10/32	1,528,527	166,000	14,627	1,109,433	599,721
11/32 - 12/33	599,721	166,000	2,529	664,553	103,697
11/33 - 10/34	103,697	166,000	6,742	0	276,439
				<u>2,513,454</u>	

ACM 10/7/2024

# Waterside Village of Palm Beach CA, Inc.

Analysis Date - November 1, 2024

Inflation:1.50% Investment:1.00% Contribution Factor:0.00% Calc:Future

## Cash Flow - Annual

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
11/24 - 10/25	\$ 870,519.00	\$ 187,200.00	\$ 9,683.94	\$ 0.00	\$ 1,067,402.94
11/25 - 10/26	1,067,402.94	187,200.00	11,661.85	0.00	1,266,264.79
11/26 - 10/27	1,266,264.79	187,200.00	13,659.59	0.00	1,467,124.38
11/27 - 10/28	1,467,124.38	187,200.00	15,677.40	0.00	1,670,001.78
11/28 - 10/29	1,670,001.78	187,200.00	17,715.52	0.00	1,874,917.30
11/29 - 10/30	1,874,917.30	187,200.00	19,774.09	0.00	2,081,891.39
11/30 - 10/31	2,081,891.39	187,200.00	15,978.36	739,468.86	1,545,600.89
11/31 - 10/32	1,545,600.89	187,200.00	11,186.00	664,553.29	1,079,433.60
11/32 - 10/33	1,079,433.60	187,200.00	2,968.40	1,109,433.41	160,168.59
11/33 - 10/34	160,168.59	187,200.00	2,547.80	0.00	349,916.39
	<u>870,519.00</u>	<u>1,872,000.00</u>	<u>120,852.95</u>	<u>2,513,455.56</u>	<u>349,916.39</u>

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
11/34 - 10/35	\$ 349,916.39	\$ 112,320.00	\$ 4,078.52	\$ 0.00	\$ 466,314.91
11/35 - 10/36	466,314.91	112,320.00	5,247.83	0.00	583,882.74
11/36 - 10/37	583,882.74	112,320.00	6,428.89	0.00	702,631.63
11/37 - 10/38	702,631.63	112,320.00	7,621.87	0.00	822,573.50
11/38 - 10/39	822,573.50	112,320.00	8,826.79	0.00	943,720.29
11/39 - 10/40	943,720.29	112,320.00	10,043.83	0.00	1,066,084.12
11/40 - 10/41	1,066,084.12	112,320.00	11,273.09	0.00	1,189,677.21
11/41 - 10/42	1,189,677.21	112,320.00	12,514.70	0.00	1,314,511.91
11/42 - 10/43	1,314,511.91	112,320.00	13,768.78	0.00	1,440,600.69
11/43 - 10/44	1,440,600.69	112,320.00	15,035.47	0.00	1,567,956.16
	<u>349,916.39</u>	<u>1,123,200.00</u>	<u>94,839.77</u>	<u>0.00</u>	<u>1,567,956.16</u>

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
11/44 - 10/45	\$ 1,567,956.16	\$ 112,320.00	\$ 16,314.86	\$ 0.00	\$ 1,696,591.02
11/45 - 10/46	1,696,591.02	112,320.00	17,607.15	0.00	1,826,518.17
11/46 - 10/47	1,826,518.17	112,320.00	18,912.38	0.00	1,957,750.55
11/47 - 10/48	1,957,750.55	112,320.00	20,230.74	0.00	2,090,301.29
11/48 - 10/49	2,090,301.29	112,320.00	21,562.33	0.00	2,224,183.62
11/49 - 10/50	2,224,183.62	112,320.00	22,907.30	0.00	2,359,410.92
11/50 - 10/51	2,359,410.92	112,320.00	24,265.80	0.00	2,495,996.72
11/51 - 10/52	2,495,996.72	112,320.00	25,637.93	0.00	2,633,954.65
11/52 - 10/53	2,633,954.65	112,320.00	27,023.85	0.00	2,773,298.50
11/53 - 10/54	2,773,298.50	112,320.00	28,423.70	0.00	2,914,042.20
	<u>1,567,956.16</u>	<u>1,123,200.00</u>	<u>222,886.04</u>	<u>0.00</u>	<u>2,914,042.20</u>