



## Treasurer's Report

### March 24, 2008 Board Meeting Report of February Loss of \$41,000

In February, we had a loss of approximately \$41,000 compared to a net income of about \$7,500 in January. Most of the unexpected expenses are one-time charges and will not repeat themselves in March.

The bulk of the expenses were due to the elimination of two positions and the resignation of a third person. The extra expenses were due to severance, unused vacation pay, sick days, etc. The extra costs came to roughly \$15,000.

Legal costs were up nearly \$7,000. Much of this expense was incurred in prior periods and was only recently billed to Waterside. Our auditing fee was \$4,200 in February compared to nothing in January. Miscellaneous administrative expenses were up about \$1,000 mainly due to the purchase of the new parking stickers, which cost about \$900. Pool supplies and landscaping were both up somewhat. There was also a contingency cost of \$3,800 due to Rudy Desrociers Interiors that we didn't have in January. On the plus side we saw interest expense drop slightly as we paid down our insurance loan and the line of credit. There was also a slight decrease in the cost of the new guard service.

The bulk of these increases are one-time expenses. However, there is another large expense coming up. Florida Power and Light claims we owe them \$8,500 on three electric bills that were not paid for about seven months. The bills had the wrong address on them and thus Waterside did not receive them until recently. Only about \$500 of these bills are late fees.

The good news is that the reserve accounts continue to grow. The balances are as follows:

Roof replacement	\$78,199
Painting	48,454
Asphalt	20,038
Pool & spa	21,815
Awnings	12,517

Sprinklers                    10,000

Interest                    3,107

The total is nearly \$194,000.

Waterside needs to continue to watch its expenses very carefully. If we do not we may find ourselves in a poor cash position near the end of this fiscal year. Remember, a portion of our cash receipts are going to pay off our loans every month.

Thank you.