

**T.E. BUDGET COMMITTEE MEETING
MINUTES
January 12, 2010**

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Trustee Pam Cole called meeting to order at 10:00 a.m. Attending were committee members Jennie Battaglia, Herb Mac Farlane, Bill Secraw, and Rich Jansen. Ten residents also attended.

As this is the first committee meeting of this budget year, there are no previous minutes.

Discussion:

- comparison of cash flow 2008/2009 and 2009/2010
- 60 + % of assessment money received in December 2009; approximately 40% still to arrive
- January, February, March expect one (1) deposit for each month --- bleak outlook for income
- Bill suggested adding a new column for adjusted budget
- Suggestion from audience – show in % what has been received and what is expected
- Restructure spreadsheet adding a new column for adjusted budget using percentages, and distribute copies
- Pam noted that the money in the Money Market account doesn't take into account attorney fees
- Park will be in the red more than \$300,000 at end of fiscal year
- Looking at Major Expenditures, Pam shared that so far she has received a budget request from Maintenance for a total of \$122,000+ and from the Art Club for \$1350. Jennie suggested that the State required maintenance on the Spa be done, but the other items be put aside for this year. All in attendance agreed.
- Bill reported that he has researched Municipality Bankruptcy.com and learned that the Park can file bankruptcy under Chapter 9
- Pam pondered that, if we lose lawsuit and the plaintives are awarded attorney fees, we will need to pay this plus the Park's attorney's fee---money we do not have. She questioned what will happen and how will the Park come up with the money. One audience member suggested securing a loan. Another stated that the Judge will set the payment process
- Bill stated that the committee needs to estimate each account individually
- Herb suggested budget be in two (2) parts as legal expenses should be separately contained. May find the Park in deficit
- It was noted by several audience members that the Park needed to be legal. In order for this to happen, the committee needs to construct a proper and legal budget.

- Audience members noted that the major criterion for the new budget is the legal fees. This needs to be a line item at the top. As a special item, it needs to stand out.

During the discussion, audience wondered what the CPA's thoughts are on the Park's financial situation. Pam explained that the CPA sent a letter to Park's attorneys inquiring as to the outlook for the Park re lawsuit. To date the attorneys have not responded.

Audience suggestions:

- At the next Board meeting, announce to the public (addressing the public) that the Park is over budget, which is illegal.
- all Board members need to be held accountable for the budget
- legal fees and it's significance to the budget needs to be spelled out so that the people fully understand
- Go to County for address labels and mail a budget fact letter to every resident. Include quote of Statute of Law for bidding
- after each budget meeting, the committee should make public report to the Board
- make above suggestions public record
- Harry Splett shared his feeling that the above suggestions would be too explosive. He recommended the info be put on Channel 95 and posted in public view
- Hire a park manager
- Across the board salary cut for employees
- Harry Splett stated that it is most important to stop court case; therefore try to convince plaintiffs to withdraw lawsuit. Plaintiffs may not withdraw unless Park pays their costs up-to-date. This would be less costly than if lawsuit continues
- Bev Lew suggested that Pam write a letter to the State of Florida auditors (Alex Sink) stating the reason why we cannot comply with the law. Mention CPA's request from attorneys. Ask for info to help comply with Special District law. Ask that all Board members be required to sign off on budget. Forward a copy of this letter to all the attorneys, all the Board members, all property owners, and the Attorney General. This letter should be in two (2) parts --- one stating what is happening in the Park and the other bearing notarized signatures of all Board members. There needs to be a request for information to help comply with special district law. Bev offered to provide Pam with a written copy of her suggestions.
- Audience members suggested that check signatures should be mandatory for treasurer and one other.

Audience Questions

- The maintenance crew seems to be doing a lot of County work i.e. mowing lawns & trimming palm trees on County property. How can this end?
- What is the cost of cable TV p/mo p/household? -- Answer \$15 p/mo
- What is the Park's annual fee for cable service? -- Answer \$208,000
- Is there a time clock for the maintenance crew?

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- Does anyone have any idea just what the maintenance crew does?

During the cost cutting discussion, Pam asked if, as a municipality we can get a grant. Audience answered in the affirmative. Bev Lew stated that the government now has money for energy savings. She also shared that the 5013C organization has grant writers as well as MCC and the Red Cross. Jennie shared that the fire department is in the process of applying for a grant. That writer may be helpful.

Bill pondered that, as a citizen of T.E. he can address the Manatee County Board at a meeting, explain the Park's situation and ask for support. Everyone agreed this might be a good idea.

Committee responsibilities:

1. redo last year's budget
2. put figures together for this year's budget
3. computerize spreadsheet using same format as last year (Bill)
4. write letter to auditor (Pam)
5. budget fact sheet letter to each resident
6. make a motion to amend last year's budget (Pam)
7. make a motion to amend this year's budget (Pam)

Next meeting (workshop only, no audience participation) January 19, 2010 in the card room 10a.m. to 12:30p.m.

Meeting adjourned at 12:30 p.m.

Respectfully submitted by,

Jennie Battaglia

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