

# TRAILER ESTATES PARK & RECREATION DISTRICT

1903 69<sup>TH</sup> Avenue West, P.O. Box 6298, Bradenton, Florida 34281-6298

Phone: 941-756-7177, Fax 941-755-2937

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March 26, 2010

Dear Trailer Estates Property Owners:

Enclosed please find the materials as required by the Trailer Estates Charter, Florida Chapter 2002-361. First is the Trailer Estates Park and Recreation District Financial Statements for year ended September 30, 2009 (p.10) that summarizes the 2008-2009 activities of the District. A copy of the full audit report is available for your review in the District Office or on the Trailer Estates Website, [www.trailerestatesfl.org](http://www.trailerestatesfl.org).

Second is the 2010-2011 Budget that was approved on March 15, 2010 by the Board of Trustees. The annual assessment for next year will be \$1300 or \$108 per month. This will be an increase of \$385 from the current yearly assessment and will appear on the property tax bill from Manatee County. Changes in our circumstances have required this increase.

In reviewing the 2008-2009 Financial Statements, we have had significant decreases in income in two areas: marina slip rentals, and investment interest. In addition, we have had increases in expenses: employee benefits, and utility/sanitation/cable TV rates. Overall, however, the most significant increase in expenses is due to the lawsuit that was filed against the District and individual trustees in November 2008. This litigation has brought about extensive legal expense, and additional employee and administrative costs.

With these events, we ended the 2008-2009 year with a much smaller fund balance than anticipated, thereby requiring the Board of Trustees to seek additional dollars for our continued operation. The District, unsuccessful in obtaining a bank loan, was able to raise approximately \$750,000 from our residents through our promissory note program. Although all property owners will incur the expense of these notes, this program allows us to schedule the payback over a three-year period. In addition, the average interest on these notes is 4% and saves the District a significant amount of interest that would have otherwise been paid to a bank.

As one reviews the 2010-2011 Budget we begin the year with over \$500,000 in our Fund Balance, reflecting the money that was borrowed from our residents. With this in hand, we have projected our income and expenses, determining that an assessment of \$1300 is necessary for the upcoming fiscal year. The largest category is Litigation, and with the trial scheduled for October 2010 we look to have the matter resolved.

Our budget also reflects automatic increases of approximately 5% on our contracted expenses, however, much research and discussion of all income and expense categories occurred as we considered ways to decrease costs and increase income. We looked at cost-saving measures not only for this budget, but for our current operating procedures and practices.

Trailer Estates continues to be a wonderful place to live—offering great recreational activities, events, and amenities. This is in no small part due to the willingness and efforts of our employees, Trustees, and volunteers. A sincere *Thank You* is extended to all.

As always,

*Martha Brauer*

Martha Brauer, Chairman  
Board of Trustees

TRAILER ESTATES PARK & RECREATION DISTRICT  
GOVERNMENTAL FUNDS - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
Year Ended September 30, 2009  
(with comparative totals for 2008)

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)	2008 Actual
<b>Revenues</b>					
Assessments	\$ 901,093	919,433	921,156	1,723	902,782
Rent	145,000	115,000	113,668	( 1,332)	133,402
Investment income	22,000	10,000	13,020	3,020	26,706
Social activities	20,000	26,900	22,603	( 4,297)	23,642
Refund of prior year expenditure	--	--	--	--	25,965
Miscellaneous	11,000	17,000	21,610	4,610	18,225
<b>Total revenues</b>	<b>1,099,093</b>	<b>1,088,333</b>	<b>1,092,057</b>	<b>3,724</b>	<b>1,130,722</b>
<b>Expenditures-</b>					
<b>Current</b>					
<b>Culture and recreation</b>					
Payroll and employee benefits	350,000	330,000	334,487	( 4,487)	316,458
Sanitation	162,000	167,000	150,799	16,201	148,016
Utilities	105,000	105,000	99,747	5,253	99,010
Cable TV	208,000	209,000	208,912	88	198,943
Repair and maintenance	72,500	71,500	55,827	15,673	82,470
Administrative	209,000	428,000	641,295	( 213,295)	161,978
Social activities	34,500	34,500	30,400	4,100	30,373
Miscellaneous	--	--	4,640	( 4,640)	2,291
Capital outlay	--	--	5,723	( 5,723)	40,040
<b>Total expenditures</b>	<b>1,141,000</b>	<b>1,345,000</b>	<b>1,531,830</b>	<b>( 186,830)</b>	<b>1,079,579</b>
Excess (deficiency) of revenues over (under) expenditures	( 41,907)	( 256,667)	( 439,773)	( 183,106)	51,143
Fund balance - beginning	533,663	533,663	533,663	--	482,520
Fund balance - end	<b>\$ 491,756</b>	<b>276,996</b>	<b>93,890</b>	<b>( 183,106)</b>	<b>533,663</b>
Deficiency of revenues under expenditures - above			\$ ( 439,773)		

**Amounts reported for governmental activities in the statement of activities  
(page 8) are different because**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$75,442) exceeded capital outlays (\$5,723) in the current year.

( 69,719)

Change in net assets of governmental activities (page 8)

**\$ ( 509,492)**

**Trailer Estates Park & Recreation District  
Approved Budget  
October 1, 2010- September 30, 2011**

**Beginning Balance**        \$        93,890  
**09-10 inc over exp**     \$        551,995  
**Beg. Fund Bal**            \$        645,885

**REVENUE**

**Assessment**                \$    1,671,800  
**Early Pay/Fee**             \$        100,308  
**Net Assessment**         \$    1,571,492

**Facility Rentals**         \$        63,166  
 Church \$8820  
 Post Office \$6946.  
 RV Storage \$27,000  
 Marina -Hix \$20,400

**Marina - Owners**         \$        17,000  
**Marina-Outsiders**       \$        25,000  
**Seasonal Rec**             \$        21,200  
**Continuing Rec**         \$        3,000  
**Application Fee**         \$        6,000  
**Misc. Income**            \$        5,000  
**Interest Income**        \$        500  
**Donations**                \$        2,000  
**Income/Loan**             \$        -

**TOTAL INCOME**         \$    2,360,243

**EXPENDITURES**

**Wages & Benefits**        \$    337,000

Wages-\$232,373  
 Taxes-\$19,627  
 Benefits-\$85,000

**Legal**                         \$        10,000  
**Litigation**                 \$        750,000  
**Accounting**                \$        15,000  
**Cable TV**                    \$        236,250  
**Utilities**                    \$        105,000  
**Trash**                        \$        145,000  
**Insurance**                 \$        90,000  
**Maintenance**             \$        60,000

Pool-\$20,000  
 Grounds - \$30,000  
 Misc.-\$10,000

**Office Supplies**         \$        10,000  
**Seasonal Rec.**             \$        23,500  
**Marina Expense**         \$        5,000  
**Donations**                \$        2,000  
**Continuing Rec**         \$        6,000  
**Misc Exp.**                 \$        6,000  
**Administrative**            \$        21,000  
**Capital Outlay**            \$        22,500  
**Interest Expense**         \$        -  
**Accrued principal**        \$        249,167  
**Accrued interest**        \$        30,472  
**Loan Principal**            \$        -

**TOTAL EXPENDITURES**    \$    2,123,889

**Ending Fund Balance**     \$        236,354

**TOTAL EXPENSES**        \$    2,360,243

Budget presented & approved 3/15/2010

**Total Assessment 2010-2011**        \$        1,300

Pam Cole, Treasurer