

TRAILER ESTATES PARK & RECREATION DISTRICT
1903 69TH Avenue West, P.O. Box 6298, Bradenton, Florida 34281-6298
Phone: 941-756-7177, Fax 941-755-2937

March 22, 2011

Dear Trailer Estates Property Owners:

Enclosed please find the materials as required by the Trailer Estates Charter, Florida Chapter 2002-361. First is the District Financial Statements for year ending September 30, 2010 (p.13) that summarizes the 2009-2010 activities. 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.

Second is the 2011-2012 Budget that was approved on March 21, 2011 by the Board of Trustees. The annual assessment for next year will be \$1125 or \$93.75 per month. This will be a decrease of \$175 from the current yearly assessment and will appear on the property tax bill from Manatee County.

In reviewing the 2009-2010 Financial Statements, we were fortunate to obtain \$897,500 from our residents through our promissory note program. These notes, averaging 4.1% interest, assisted the District in meeting its obligations. Our income increased due to the monies from the \$915 assessment and from an insurance premium rebate in miscellaneous income. For some expenses there was a slight increase: employee benefits and repair/maintenance. Utility rates decreased due to the conservation efforts of our residents. With ongoing litigation, there was an increase in legal costs. The trial concluded in October 2010 with a ruling in favor of the District.

As one reviews the 2011-2012 Budget we begin the year with over \$660,000 in our Fund Balance, reflecting the funds we received from the \$1300 assessment and the money that we borrowed from our residents. We began to pay back the loans during our current fiscal year, and have set aside monies to do this so that the impact is spread evenly over a three-year period (note the beginning fund balance of \$530,000 does not show the \$130,000 that is set aside). In this budget, we are in the second year of the payback of the loans, spending approximately \$140,000. An additional \$160,000 is being set aside to prepare us for the third year payback.

Unfortunately, there continues to be legal expense related to the litigation mentioned earlier. The plaintiffs have filed an appeal and we anticipate additional costs of approximately \$250,000. On the other hand, other expense categories are decreasing through cost-saving measures: (1) utilities at a lower cost by conserving energy, and (2) waste disposal costs decreasing due to a contract with a new company and due to all our efforts to "recycle". Other expenses will serve to improve the District facilities. Capital outlay of \$65,000 will allow us to repair the marina docks, refinish the flooring in the large hall, replace the activity center flooring, and replace air conditioners. We are also setting aside monies for future dredging of the marina.

The Board considered many options throughout the year to decrease costs and increase income. We changed employee health plans, set fees for classes, and made revisions to the marina lease which gave greater flexibility for slip rental (www.trailerestatesmarina.org), to name a few. This is an ongoing focus as we strive to offer great recreational activities and amenities at a reasonable cost. We appreciate the efforts of all of you who help make this possible.

As always,

Martha Brauer

Martha Brauer, Chairman
Board of Trustees

		Trailer Estates Park & Recreation District	
		2011-2012 Budget, March 7, 2011 Public Hearing	
		October 1, 2011- September 30, 2012	
		EXPENDITURES	
Beg. Fund Balance **	\$ 530,000		
		Wages & Benefits	\$ 350,000
REVENUE		Wages-\$226,019.	
		Taxes-\$19,150.	
Assessment (1278 homes)	\$ 1,437,750	Benefits-\$88,751.	
Early Pay/Fee	\$ 86,265	Legal	\$ 15,000
Net Assessment	\$ 1,351,485	Litigation	\$ 250,000
		Accounting	\$ 15,000
Facility Rentals	\$ 63,166	Cable TV	\$ 236,250
Church \$8820		Utilities	\$ 95,000
Post Office \$6946.		Trash	\$ 126,000
RV Storage \$27,000		Insurance	\$ 80,000
Marina -Hix \$20,400		Maintenance	\$ 75,000
Marina - Owners	\$ 17,000	Pool-\$20,000	
Marina-Outsiders	\$ 25,000	Grounds - \$30,000	
Seasonal Rec	\$ 14,500	Misc.-\$16,825.	
Continuing Rec	\$ 2,200	Marina \$5,000	
Application Fee	\$ 7,500	Office Supplies	\$ 15,000
Misc. Income	\$ 10,000	Seasonal Rec.	\$ 20,000
Interest Income	\$ 500	Donations	\$ 2,000
Donations	\$ 2,000	Continuing Rec	\$ 8,100
		Misc Exp.	\$ 6,000
		Administrative	\$ 21,000
TOTAL INCOME	\$ 2,023,351	Capital Outlay	* \$ 66,900
		Interest Expense	\$ 32,423
*Capital Outlay Items		Health & Welfare	\$ 500
Marina Dock Repair	\$ 40,000		
LH refinish floor	\$ 7,000	Loan Payoff (2012)	\$ 139,500
Flooring Act. Center	\$ 4,400		
Emergency Maint./Exit Door	\$ 10,500	TOTAL EXPENDITURES	\$ 1,553,673
Marina Dredging	\$ 5,000		
		Loan Setaside (Future)	\$ 159,667
		Marina Dredge Setaside (Fut.)	\$ 25,000
**Balance: Does not include			
Loan Setaside (10-11)	\$ 130,000	Ending Fund Balance	\$ 285,011
		TOTAL EXPENSES	\$ 2,023,351
		Total Assessment 2011-2012	\$ 1,125

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, 2010

	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
Revenues				
Assessments	\$ 1,106,089	1,107,080	1,107,396	316
Rent	105,166	124,900	115,767	(9,133)
Investment income	10,000	840	889	49
Social activities	20,000	18,900	18,894	(6)
Miscellaneous	13,000	31,750	37,927	6,177
Total revenues	<u>1,254,255</u>	<u>1,283,470</u>	<u>1,280,873</u>	<u>(2,597)</u>
Expenditures				
Current				
Culture and recreation				
Payroll and employee benefits	336,560	347,300	337,792	9,508
Sanitation	175,000	150,700	150,659	41
Utilities	110,500	93,100	93,092	8
Cable TV	237,000	182,700	201,110	(18,410)
Repair and maintenance	75,000	61,500	59,991	1,509
Administrative	434,000	768,200	751,711	16,489
Social activities	28,150	25,400	27,354	(1,954)
Miscellaneous	8,000	12,200	11,680	520
Debt service - interest	30,000	24,400	--	24,400
Capital outlay	--	--	589	(589)
Total expenditures	<u>1,434,210</u>	<u>1,665,500</u>	<u>1,633,978</u>	<u>31,522</u>
Excess (deficiency) of revenues over (under) expenditures	(179,955)	(382,030)	(353,105)	28,925
Other financing sources				
Proceeds of notes	<u>130,000</u>	<u>897,500</u>	<u>897,500</u>	<u>--</u>
Net Change in Fund Balance	(49,955)	515,470	544,395	28,925
Fund balance - beginning (restated) (See Note F)	<u>100,252</u>	<u>100,252</u>	<u>100,252</u>	<u>--</u>
Fund balance - ending	<u>\$ 50,297</u>	<u>615,722</u>	<u>644,647</u>	<u>28,925</u>
Net change in fund balance - above	\$		544,395	

Amounts reported for governmental activities in the statement of activities 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 (\$75,095) exceeded capital outlays (\$589) in the current year.

(74,506)

The issuance of long-term debt (e.g. notes) provides current financial resources to governmental funds (\$897,500), while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

(897,500)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in accrued interest

(23,340)

Change in compensated absences

792

(22,548)

Change in net assets of governmental activities (page 11)

\$ (450,159)

See accompanying notes to financial statements.