

BAYSHORE GARDENS ANNUAL BUDGET MEETING MINUTES MAY 3, 2019

Roll Call, Call to Order, Pledge to the Flag. A roll call was taken. A roll call of the Trustees was performed. Trustees in attendance were Jim Frost, Sandy McCarthy, Belle Baxter, Dan Rawlinson, Sharon Denson, Terry Zimmerly, and Steve Watkins. A quorum was established. Sharon Denson called the meeting to order at 7:00 PM and a pledge to the flag was performed. Also in attendance were Jodie Lawman, Manager; Gwen Norris, scribe, and ten other voting owners and their guests.

Resolution. Sharon welcomed the residents and asked Terry to read the Resolution. Terry read Resolution 2019-#10

"Whereas, The Bayshore Gardens Park and Recreation District is a tax supported Special purpose district authorized under the provisions of House Bill 997, the 2002 Legislature, Florida Law 2002-365. To charge a "Recreation District Tax" on all taxable real property and,

Whereas, the Board of Trustees held a properly advertised Annual Budget Meeting in accordance with Florida Statute 189.016 to pass the Budget for the fiscal year 2019-2020.

Whereas, the assessment for the fiscal year 2019-2020 will be \$367.00."

Terry said that is the whole resolution.

Discussion.

Terry said if the attendees don't have a budget with them, the Banner is over there (at the door) and it is on the front page.

Highlights of the Budget. Terry said that the budget was made a lot less complicated. She said you can see what the total proposed Income is for 2019/2020 and what the expenses are in operating the Recreation Center; then we have a lot of projects in Capital Outlay. Terry said those projects expect to get done either this year or next year if it is in Capital Outlay for this year or next year. She said we have money in Reserves. She said the Marina we have this much (\$1,096,152.65) in Reserve and don't think we will get the project paid for by October so it went back into Reserves for next year. She said the (Boat) Ramp part will be paid this year because it will be done and is not part of next year's money.

Terry asked for questions.

Q. Barbara Greenberg -The Charter says that an itemized budget is supposed to be prepared and looking at the marina expenses last year they were \$110,300 and next fiscal year they are going to be \$140,000. In the 2018/19 Budget it broke it down by slip renters, whether they were resident or nonresident, small boat area, short term rentals, trailer spaces income. Since the income being projected for the marina has gone up for next year by quite a bit of money, she wondered if that projection takes into account new construction, new piers, the dredging with boats, maybe people not coming and putting their boat in the marina for the year. So, is there any way the Board was going to be looking into that before this (the Budget) is finalized?

A: Terry- The income has gone up because we combined the trailer spaces rental which was not in last year's marina income. Questioner stated the trailer space rental was in it last year and it is still up \$20,000. Sharon said it was not combined in it last year and was a separate entity.

Q. Debbie Korell - If this year's total is \$119,300 and these two totals \$46,000. \$68,000 plus \$2,000 plus \$100 plus \$3,200 equals \$119,300; and you project has \$140,000 (new budget); which of these line items are you anticipating going up \$20,000 to make up the difference? Terry asked about which line

items she was talking about. Debbie said under the category Marina it says slip rentals, small boat area, short term rentals totaling \$219,300 for this year. (It was discovered later that the referenced resident's report was not distributed to the Trustees.) The proposed budget has \$140,300. She asked again where the \$20,000 is coming from.

A. Sharon said the categories are now added together so there are other things in the category. Terry said all of them when up a little bit. Questioner stated we are getting rid of the small boat area and asked how it can go up. Terry said the categories that we are keeping next year are all going. She stated the assessments are not going up. Terry said she had a spreadsheet that she may be able to find it for her.

Dan Gassie stated he remembers that we have an accounting person that actually straightening all of the bad categories from the past and it is much more accurate now. They are making things much truer for where the money is really going. He is very happy that they have gone that way because the old ones were hard to read and this one is much easier. He thanked the Board.

Steve stated that this is a proposed amount and not written in stone. He said it may not be that much more. He said one will come up that much to meet that figure. Debbie is based on fact. Terry said we went to the amounts data so we could project better. She said we had half of the year. She said we couldn't do it on the slip rentals we have yearly, but on everything else; projecting what we would get the next six months. She said that is where (the Budget) came from.

Q. Allan Riga- He asked if the loss of slip rental due to the project is projected in the Budget and if there going to be refunds for lost slip use time and what is happening to them.

A. Sharon said we are going to make arrangements for the boats that have to stay. She said most will stay in the marina if they are a great big boat. Arrangements with Trailer Estates have not been made at this time but we have other options. She said she has talked with Trailer Estates but nothing confirmed. There was a quiet undistinguishable conversation and a conversation about a personal document not related to the Budget.

Terry asked for any more questions. Sharon said if we don't get the (projected) revenue, we can't spend it and it is a projection and it does not come in some of the projects will not get done.

Q. Barbara Greenberg asked about the Profit and Loss statements that were available to the Trustees every BOT Meeting as she hasn't seen a recent report, just the projected Budget and there is no accounting of where we are at the current time. She asked if they had that information they could see we are ahead of what was projected. She asked to look at it.

A. Sharon said those statements are available in the Office every month and said we used the on as of the close of business on March 30th because that gave them a six month actual income and outgoing. Jim Frost said some of this will be adjusted because of the remodeling going on and some don't want their boats in then. He said we will see an increase in slip rentals in the next three months. He said that with the boat ramp being down there will be an uptick in the boat slips because they put their boats in and left them. He said we are also getting rid of some derelict boats that have been taking slips and we can rent those slips when they are gone. Terry said that next year we expect the marina done and to fill up quickly. Allan asked for the timetable of the derelict boats. Sharon said we have the paperwork and have 61 day legal process. Jodie said she mailed the letters and June 26th will be 60th day. Sharon said an auction can be held the next day. Jim explained that the derelict boats will be taken care of and meanwhile we are planning the dredging and redo our marina. He said he has a list of people with larger

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boats that want slips when the marina is done and doesn't think there will be any problem filling the marina. He said the existing piers are too small for the boats that want to be in the marina and there is no waiting list for little boats.

Q. Debbie Korrel – There projects over \$25,000. How many Referendums will there be. She said she sees projects listed for \$60,000 for the screen room, \$38,000 for the hall renovation, \$40,000 for the pool bathrooms, and \$26,000 for the roof. She said that adding a bathroom outside is not a capital improvement.

A. Sharon said that they sent that question to the attorney for his opinion on what needs a Referendum and they expect not all will need a Referendum. Sharon said that they will not know how many projects until they get an opinion from the attorney and not all of the projects will have to have a Referendum. Someone asked when we would be notified if we need Referendum on all of the issues. Sharon said the Board will have to have a public vote on the ones that need a Referendum and for starters would need to hold Town Hall meetings to get input. Terry said that the public vote is by Bayshore Gardens resident, Manatee County registered voters. Debbie confirmed this and stated that is the way the Charter is written. Debbie continued that if we want the Charter changed we would have to go to our local state representative and get him to rewrite the Charter and then he would have to present it along with another local public official to the senate and the representative body in Tallahassee. She said it would have to be presented as a piece of legislation and then passed through both houses and the Governor sign it. There was a question if the Charter is changing in three years. Sharon said the Charter has not changed but was misinterpreted for a long time. Debbie said the grant used for the pier (caused the beach to be made public) which is not anything to do with the Charter. Jim stated that it is just the public use will be private again in three years. Debbie said this is different than the Charter.

Q. Barbara Greenberg - She suggested that when it gets reprinted footnotes added explaining what you are anticipating.

A. Sharon said that a spreadsheet report comes out once a month from our QuickBooks, available a week before the BOT Meeting in the Office. Sharon said there is a charge for copies, but photos can be taken with their camera phone. Don Gassie suggested it be put on the website for convenience. Sharon agreed that it would be convenient but not required and not sure how it can be put on. She would look into how to do that. Don said when someone comes to the meeting they are not prepared like the Trustees in advanced and if they could get it off the web they could understand what the Board is doing. Sharon said that they would have to put in the QuickBooks report and not sure if it can be done. She said they will check into it.

Sharon asked if there are more questions.

Q. Is the vote 'yes' mean I agree on the budget. Someone asked do I vote 'no' if I want the assessment lowered.

A: Sharon said we are voting on the assessment. She said the Budget is our best guess on where we are going to start on October 1st. Someone asked do I vote 'no' if I want the assessment lowered. Sharon said that is correct. She said that there is no increase in this assessment and they have earmarked the marina and to redo this hall, it is in the Budget and has been approved at a Board Meeting. She said the rest of the projects are wishful thinking and not cast in stone and can change. She said these are things that people have brought to their attention. Terry said something has to be done with the screen porch because it is falling apart, otherwise we could eliminate it all together. Sharon said we could repair it as it sets without a referendum, as in maintenance. She said if it is made two inches bigger then we need a

Referendum opinion from the attorney because of changing the footprint. Sharon said that there would be a lot of discussion before anything like that came up.

Q. Allan Riga – Does the footprint change if decking is added to the original structure.

A. Sharon said we would have to get an opinion on that. She believes that would be a new building but would have to find out.

Q. Debbie Korrel – Why doesn't accounting make decisions on the actual capital expenditures. She said the accountant is on the Budget.

A. Sharon said the interpretation of our Charter that we would go with that (our process). Debbie said the CPA could still come back and say that it is a capital outlay. Sharon said the CPA has nothing to say about it. She said the Board, the attorney and the Charter are the only things that to say about it. She said the attorney interprets the Charter for us.

Q. Barbara Greenberg – She asked for a breakdown of the proposed budget income and outgoing expenditures, with a breakdown of insurances and overtime, etc. Sharon asked for a general question. Barbara said the current budget has a breakdown of all of the positions, plus FICA, state insurance, health insurance, overtime, etc. She said the proposed Budget has just a bottom line and a \$77,000 increase (from this year). She asked where it is coming from.

A. Sharon said that items were combined and includes all of the employees now. She said next year's reports will be in line with the Budget items. She said the all of the expenses for employees are under this category, including the pool, marina project, maintenance, office, dock master, health insurance, vacation, accounting fees, hall monitor, FCIA, unemployment, travel, and salary reimbursement, which were not combined before. She said they increased the pool because of the cost of getting lifeguards (\$18,000 increase). Terry added that we have added another employee for the Office that was working two day weeks and now work five that was not in last year's budget. Sharon said we have \$40,000 for the CPA, roughly. Sharon said we took year-to-date of the first six months actual costs; other than the pool which only had only a month of expenditures for the six months. Terry said the pool budget (salaries) we think will be \$42,000 because of the lifeguard salary increases. Sharon said when you look at the expense for wages it is in all in one spot. She said that the changes are all recommendation of our accountant so that our looking at it and projecting where we stand and how we are functioning now is capitalized so that we can see that the employees are costing so much, our marina is costing us so much, etc. There was discussion not heard.

Q. Barbara Greenberg – She said when she looked at the salaries/wages she included everything that deals with wages. She said that there is a fairly large increase that is not accounted for. She had \$42,000 for the pool.

A. Sharon said we upped it to \$57,000 because it is what we are having to pay to get lifeguards. Terry said we added more because we think the wages will be that much higher next year. Terry said Wages (first six months) on the Profit and Loss statement, without any body in the pool, are \$127,000. Sharon stated the pool was only a few months the fiscal year we are in. Sharon confirmed that it includes all of the insurances, etc. Terry said is not listed on the budget because they tried to make it simpler. Sharon said that what was used in the past was an accounting form not a budget form. She said that this is how a budget is supposed to be done. She said in the future when you get the monthly printout it will match the categories. She said the budget does not have to show every single line item. Sharon said that once we needed to move money, the way it was, we had to do Resolution after Resolution.

Q. She is a black and white person and found the budget confusing and would like to see what categories were combined. Sharon said it is not a secret. It is only taking the categories they always used and combining them. She asked who gave her a summary form. It was Barbara Greenberg. Debbie said the district supplied the Budget (in the Banner). Sharon asked if Jodie would make a couple of copies of the Budget's individual accounting (breakdown) that was used to develop the Budget. While we waited for the copies there was a question.

Q. Debbie Korell asked if there is a fee to get a copy of the reports.

A. Sharon said yes, but you can just look at them or take a photo with your phone for free. She said they are welcome to look at it and not pay.

Q. Who is in charge for \$6,200 for security (last year)? Is there a company?

A. Sharon said we have a fob system. She said the item was used for the installation of the new security system this year and now (next year) will be to maintain the cameras and fob system. Sharon said the system is a lot better. Terry said we won't need to purchase fobs next year. Gwen said that we spent a lot more last year than the budget called to install the system because we really needed the system and now all we do is maintain it. Sharon described the problems we had with the old system and why we got a new system. Sharon said we also put a lock on the pool gate per the law.

Q. Was the pool entrance gate for \$15,000?

A. Sharon said we are talking about adding an electronic gate for the beach access, like the ones at the marina (estimated \$11,000). She said the existing locking pool gate was about \$750. Terry said the beach access electronic gate is on the 'wish list' and we may not get that and has not been vote on. Gwen said on the list the marina and hall are firm projects the rest are wishes. Sharon said if we don't take in enough money we will not be doing it.

The copies of the Budget's individual accounting (breakdown) were distributed. Sharon said it shows you which categories were combined and then if you match that number up with the budget you can see what is in each category. Sharon said the right column shows what we actually paid in 17/18, the next shows what we spent to date through March 30th in 18/19 and the last one is the budget projection for 19/20.

Budget Vote discussions

Sharon asked if everyone is ready to vote. She said that they did the very best they could to get a honest and actual and tried to report what actual money we have in Reserves and you can see what we really have and how we plan to spend it on the Budget. Sharon said some of the figures are going to change and there is nothing that we can do about it, but if we don't take it 'in' we are not going to spend it. Debbie said that the itemized report is a wonderful report. Sharon said Natalie created the categories and the Board had to pull the stuff out and put it where it was supposed to be. Terry said that she would rather have the wages estimate too high than low especially since we had to up the pay scale for the lifeguards, so when the pool is open it is about \$30/hour for lifeguards/attendants. Sharon said we are trying to use pool attendants for part of it so the pool can be open more. She said we put \$2,500 aside for pool attendants to take the lifeguard training.

Budget vote

The ballots were cast. Owners voted by secret ballot. Jodie Lawman counted the votes.

The vote results were presented by Sharon: General owners voted 10 - yes and 2 - no.

The Trustee's votes were read by Sharon as follows:

Sandy McCarthy – yes

Dan Rawlinson – yes

Terry Zimmerly - yes

Sharon Denson – yes

Belle Baxter – yes


Steve Watkins – yes (Trustees had 6 – yes, zero - no)

The grand total vote was 16 - yes and 2 – no.

The vote passed.

Sharon said that the Budget Committee Chair, Terry, did a fantastic job. There was applause.

Steve moved to adjourn. Belle seconded the motion. Sharon asked for anyone that did not want to adjourn. There were none. The meeting adjourned at 8:00 PM.

A handwritten signature in cursive script, followed by the date "6-18-19" written in a similar style.