

LEE COUNTY HYACINTH CONTROL DISTRICT
TREASURER REPORT NOTES - Modified Accrual Basis of Accounting
Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance
For the Twelve Months Ended September 30, 2017

Balance Sheet Summary

Cash and Investments

Cash and investments of \$1,897,563 are comprised of the checking, money market accounts with PCB and FCB, Florida Prime, a master account, and a revolving PCB CD program (schedule included). Cash and investment balances at September 30, 2016 were \$2,539,574. The current month balance is \$642,011 lower than the prior year. Cash and investments are primarily lower due to the amount and timing of the payment to the retiree health insurance trust (RHIT). LCHCD participates in all aspects of treasury management of surplus funds either with an account in its name or a shared account with LCMCD.

Revenues and Expenditures - Please see the LCHCD FS and the LCHCD Trail 12 Reports

Receipts - Please see the LCHCD GL Tax Receipts Report

Net taxes reported on the monthly financial statement are \$1,876,000. The amounts reported on the tax collections worksheets as net taxes collected (report included - "LCHCD Ad Valorem Tax Collections") include cumulative gross taxes, prior year taxes, penalties and refunds, discounts and commissions, and were \$1,889,139 (cash basis). Cash collections were \$138,499 higher than in the prior year. The difference between revenues and collections is the difference between the cash and modified accrual method of accounting. MTD and YTD differences are discussed as follows: Current year taxes will increase due to the District keeping the millage rate at the same level as the prior year and growth that increased the total property value. MTD differences are normally due to the timing of collections and payment cut-off timing by the LCTC, improvements in the economy and increases in the amount levied year-over-year.

Expenditures - Please see the Trail 12 LCHCD report

Total expenditures for the month ended September 30, 2017 and September 30, 2016 were \$151,652 and \$179,931 respectively. YTD expenditures as of September 30, 2017 and September 30, 2016 were \$2,526,411 and \$2,069,458 respectively. The differences in operating results are discussed below:

MTD Variances explanations

Noteworthy changes are as follows: The MTD variance in personnel services is due to additional time worked for Hurricane Irma. The MTD variance in benefits is due to the timing of health insurance premium payments. The MTD variance in chemicals is due to chemical inventory adjustments recorded in September 2016. There are no other noteworthy MTD changes.

YTD Variances explanations

Noteworthy changes are as follows: The YTD increase in benefits is due to paying \$750,000 to the retiree health insurance trust fund in May. In the prior year the payment to the retiree health insurance trust fund was \$250,000 and was made in the month of June. The YTD decrease in capital outlay is due to new vehicles being purchased in 2016; there have been no new vehicle purchases in 2017. There are no other noteworthy YTD changes.

Budget Amendment

None for the September financial statements.

Receipts Operating Budget Comparison for Hyacinth Control District

Run Date: 10/9/2017

From: 9/1/2017

To: 9/30/2017

Receipts	Total Budget	This Mo Actual	Prior Yr Month	Variance	YTD Current	YTD Prior	Variance
Taxes	1,885,000.00	474.67	13,415.00	(12,940.33)	1,875,999.59	1,750,275.12	125,724.47
State Grant-General Government	-	-	-	-	-	-	-
Interest	8,500.00	995.10	913.04	82.06	13,345.33	9,828.69	3,516.64
Disposition of Capital Assets	2,000.00	-	-	-	3,599.18	-	3,599.18
Refunds	-	-	-	-	-	330.99	(330.99)
Other Miscellaneous Revenue	1,000.00	-	-	-	124.00	151.48	(27.48)
Service Charge - Mosquito Cont	-	-	-	-	-	-	-
Other Charges for Svcs Pub Safe	-	-	-	-	-	-	-
Sale of Surplus Materials/Scrap	-	-	-	-	-	-	-
Transfer from Hyacinth	-	-	-	-	-	-	-
Other Misc Rev-Jet Fuel Sales	-	-	-	-	-	-	-
Total Receipts	1,896,500.00	1,469.77	14,328.04	(12,858.27)	1,893,068.10	1,760,586.28	132,481.82

Expenses Operating Budget for Hyacinth Control District

Run Date: 10/9/2017

From: 9/1/2017

To: 9/30/2017

Expenses	Total Budget	This Mo Actual	Prior Yr Month	Variance	YTD Current	YTD Prior	Variance
Personnel Services	939,870.00	98,049.78	86,215.15	(11,834.63)	949,880.60	924,117.45	(25,763.15)
Benefits	1,309,971.00	36,937.31	23,035.33	(13,901.98)	1,230,651.76	720,557.94	(510,093.82)
Operating Expenses	85,100.00	3,812.93	5,565.84	1,752.91	83,455.03	80,688.54	(2,766.49)
Travel & Per Diem	10,000.00	970.26	213.57	(756.69)	4,884.05	5,742.95	858.90
Communication Service	9,500.00	1,222.89	704.06	(518.83)	8,207.68	8,555.44	347.76
Freight Services	1,000.00	68.58	42.84	(25.74)	676.18	241.44	(434.74)
Utility Services	33,100.00	3,282.70	3,621.87	339.17	26,014.86	29,390.61	3,375.75
Rentals and Leases	4,500.00	(201.53)	305.40	506.93	4,253.25	3,451.20	(802.05)
Insurance	42,000.00	-	-	-	39,813.00	40,281.12	468.12
Repairs & Maintenance	41,000.00	1,548.29	1,963.20	414.91	31,825.57	27,892.54	(3,933.03)
Promotional Activities		-	26.02	26.02	412.44	26.02	(386.42)
Other Charges	19,050.00	587.89	3,375.65	2,787.76	11,104.80	9,896.43	(1,208.37)
Office Supplies	7,500.00	261.30	375.71	114.41	2,993.76	5,450.71	2,456.95
Gasoline/Oil/Lube	32,000.00	356.21	407.40	51.19	9,447.53	8,130.07	(1,317.46)
Chemicals	66,000.00	-	47,874.87	47,874.87	72,766.50	82,583.67	9,817.17
Protective Devices	5,000.00	-	380.58	380.58	974.54	7,008.58	6,034.04
Misc. Supplies	28,000.00	1,226.88	1,705.33	478.45	19,705.71	20,812.08	1,106.37
Small Tools	4,000.00	36.75	-	(36.75)	226.81	10.56	(216.25)
Tools & Implements		-	-	-	20.89	-	(20.89)
Publications & Dues	7,000.00	241.80	169.66	(72.14)	6,348.68	9,808.74	3,460.06
Training	5,000.00	135.00	3,948.71	3,813.71	4,834.49	8,106.54	3,272.05
Capital Outlay	20,000.00	3,099.82	-	(3,099.82)	17,669.17	71,878.70	54,209.53
Grants		-	-	-	-	-	-
Operating Transfer to Mosquito		-	-	-	-	4,827.09	4,827.09
Printing & Binding		15.40	-	(15.40)	244.08	-	(244.08)
Total Expenditures	2,669,591.00	151,652.26	179,931.19	28,278.93	2,526,411.38	2,069,458.42	(456,952.96)

Lee County Hyacinth Control District
Profit & Loss Budget vs. Actual
October 2016 through September 2017

	Oct '16 - Sep 17	Budget	\$ Over Budget	% of Budget
Income				
3110000 · Ad Valorem Taxes	1,875,999.59	1,885,000.00	-9,000.41	99.5%
3611000 · Interest	13,345.33	8,500.00	4,845.33	157.0%
3640000 · Disposition of Capital Assets	3,599.18	2,000.00	1,599.18	180.0%
3699000 · Other Miscellaneous Revenue	124.00	1,000.00	-876.00	12.4%
3699100 · Other Misc Rev-Jet Fuel Sales	0.00			
4210000 · Beginning Fund Balance	0.00	2,539,387.00	-2,539,387.00	0.0%
Total Income	1,893,068.10	4,435,887.00	-2,542,818.90	42.7%
Gross Profit	1,893,068.10	4,435,887.00	-2,542,818.90	42.7%
Expense				
5371000 · Personnel Services	949,880.60	939,870.00	10,010.60	101.1%
5372000 · Benefits	1,230,651.76	1,309,971.00	-79,319.24	93.9%
5373100 · Operating Expenses	83,455.03	85,100.00	-1,644.97	98.1%
5374000 · Travel and Per Diem	4,884.05	10,000.00	-5,115.95	48.8%
5374100 · Communications Services	8,207.68	9,500.00	-1,292.32	86.4%
5374200 · Freight & Postage Services	676.18	1,000.00	-323.82	67.6%
5374300 · Utilities	26,014.86	33,100.00	-7,085.14	78.6%
5374400 · Rentals and Leases	4,253.25	4,500.00	-246.75	94.5%
5374500 · Insurance	39,813.00	42,000.00	-2,187.00	94.8%
5374600 · Repairs & Maintenance	31,825.57	41,000.00	-9,174.43	77.6%
5374700 · Printing & Binding	244.08			
5374800 · Promotional Activities	412.44			
5374900 · Other Current Charges	11,104.80	19,050.00	-7,945.20	58.3%
5375100 · Office Supplies	2,993.76	7,500.00	-4,506.24	39.9%
5375210 · Gasoline/Oil/Lube	9,447.53	32,000.00	-22,552.47	29.5%
5375220 · Chemicals	72,766.50	66,000.00	6,766.50	110.3%
5375230 · Protective Devices	974.54	5,000.00	-4,025.46	19.5%
5375240 · Miscellaneous Supplies	19,705.71	28,000.00	-8,294.29	70.4%
5375241 · Small Tools	226.81	4,000.00	-3,773.19	5.7%
5375250 · Tools & Implements	20.89			
5375400 · Books-Pubs-Subs-Member	6,348.68	7,000.00	-651.32	90.7%
5375500 · Training	4,834.49	5,000.00	-165.51	96.7%
5376000 · Capital Outlay	17,669.17	20,000.00	-2,330.83	88.3%
5629999 · Reserves - Budget Use Only	0.00	1,766,296.00	-1,766,296.00	0.0%
Total Expense	2,526,411.38	4,435,887.00	-1,909,475.62	57.0%
Net Income	-633,343.28	0.00	-633,343.28	100.0%

**Lee County Hyacinth Control District
AD VALOREM TAX COLLECTIONS 2016 - 2017 FISCAL YEAR
CURRENT AND LAST 5 FISCAL YEARS COLLECTION ANALYSIS**

As of September 30 of each year

Fiscal Year	Gross Ad Valorem Taxes Collected	% Change in Gross Ad Valorem Taxes Collected Increase/-Decrease	Prior Year Ad Valorem Taxes	Penalties, Refunds & Corrections and Other	Discounts	Commissions	Net Ad Valorem Taxes Collected	% Change in Net Ad Valorem Taxes Collected Increase/-Decrease	Budget (Net)	% of Net Collections to Budget
2017 Actual	1,995,855.23	8.04%	1,464.40	220.86	(70,023.51)	(38,378.37)	1,889,138.61	7.91%	1,885,000	100.22%
Net increase year-over-year (cash basis)							138,498.54			
2016 Actual	1,847,244.65	1.62%	2,507.20	826.79	(64,405.74)	(35,532.83)	1,750,640.07	1.57%	1,745,600	100.29%
2015 Actual	1,817,818.99	1.18%	2,193.43	1,484.43	(62,953.52)	(35,003.54)	1,723,539.79	0.96%	1,721,000	100.15%
2014 Actual	1,796,670.08	0.73%	4,077.73	2,924.06	(61,894.95)	(34,652.19)	1,707,124.73	0.75%	1,700,238	100.41%
2013 Actual	1,783,637.63	-4.19%	4,218.71	1,806.89	(60,863.22)	(34,450.05)	1,694,349.96	-4.52%	1,690,101	100.25%
2012 Actual	1,861,564.20	-3.80%	10,404.25	1,559.90	(62,984.12)	(35,943.63)	1,774,600.60	-3.43%	1,776,112	99.91%

Comments:

COMPARISON OF ANNUAL GROSS COLLECTIONS TO DR-420 BUDGET AMOUNT

	<u>Dr-420 Amount</u>	<u>Actual</u>	<u>Difference</u>	<u>Millage Rate</u>
2017 @	1,984,022.00	1,995,855.23	11,833.23	0.0263
2016	1,837,460.00	1,847,244.65	9,784.65	0.0263
2015	1,812,083.00	1,817,818.99	5,735.99	0.0277
2014	1,789,724.00	1,796,324.17	6,600.17	0.0291
2013	1,779,054.00	1,782,151.01	3,097.01	0.0291
2012	1,869,592.00	1,860,149.52	(9,442.48)	0.0310

2017 @ - The actual amount represents taxes collected through the month of the report.

Differences in budgeted gross taxes and actual gross tax collected are primarily due to the following:

The Property Appraiser may adjust the final taxable value. The DR-420 includes the taxable value through July 1 of each year. The Property Appraiser may adjust, up or down, the final taxable value. The District receives a DR-422 after the trim process that documents the change, if any.

Taxes may not be paid. Normally the District collects unpaid taxes through an annual tax certificate sale. However, unsold tax certificates become property of the Board of County Commissioners (BoCC). The District will not collect until the taxes are paid or the BoCC calls for a tax deed sale.

Property values may change through the Property Appraiser's "Value Adjustment Board." A taxpayer may protest the assessed taxable value and a change may occur.

MODIFIED ACCRUAL BASIS

Date	Dist #	Taxes 311100-000-0	Prior Year Taxes 311200.000-0	Discounts 000-0	311140- Penalties 311120-000-0	Interest 361110-000-0	Commission 000-0	522340- Refunds and Corrections 311150-000-0	Other 311160-000-0	Total Net Distribution
11/15/2016	1	36,643.85	115.35	(1,647.97)	65.26	-	(716.69)	(0.07)	-	34,459.73
11/30/2016	2	397,213.39	22.03	(15,846.15)	63.36	-	(7,629.34)	(612.99)	-	373,210.30
12/16/2016	3	1,087,755.78	129.78	(43,454.24)	232.84	-	(20,898.11)	(11.06)	-	1,023,754.99
12/30/2016	4	130,666.71	47.99	(4,773.22)	74.81	-	(2,526.21)	(198.39)	-	123,291.69
1/15/2017	5	70,173.51	172.92	(2,096.17)	60.24	-	(1,367.91)	(39.51)	-	66,903.08
2/15/2017	6	76,048.84	66.36	(1,703.03)	58.11	-	(1,490.31)	(273.00)	-	72,706.97
3/14/2017	7	42,081.04	82.74	(471.84)	87.32	-	(836.38)	(437.30)	-	40,505.58
4/15/2017	8	78,141.62	109.10	(26.73)	89.96	-	(1,567.26)	(586.10)	-	76,160.59
5/15/2017	9	23,762.59	83.59	(0.77)	628.22	-	(489.62)	(175.97)	-	23,808.04
6/14/2017	10	39,967.27	77.08	(0.78)	1,220.84	-	(825.49)	(392.52)	-	40,046.40
7/12/2017	11	353.02	60.92	(0.35)	61.19	-	(9.50)	(17.52)	-	447.76
8/9/2017	12	111.96	43.37	0.06	79.55	-	(5.13)	(0.02)	-	229.79
9/13/2017	13	98.19	199.65	(0.50)	192.75	-	(10.06)	(5.36)	-	474.67
10/11/2016	14	-	-	-	-	-	-	-	-	-
10/11/2016	15	-	-	-	-	-	-	-	-	-
	16	-	-	-	-	-	-	-	-	-
	17	-	-	-	-	-	-	-	-	-
	Excess fees	-	-	-	-	-	-	-	-	-
Total Modified Accrual		\$ 1,983,017.77	\$ 1,210.88	\$ (70,021.69)	\$ 2,914.45	\$ -	\$ (38,372.01)	\$ (2,749.81)	\$ -	\$ 1,875,999.59
Conversion to Cash Basis (Ad Valorem Taxes)										
Reductions										
Distribution 14	10/10/2016	-	-	-	-	-	-	-	-	-
Excess Fees	10/31/2016	-	-	-	-	-	-	-	-	-
Sub-total		-	-	-	-	-	-	-	-	-
Additions										
Distribution 14	10/14/2016		253.52	(1.82)	56.22	-	(6.36)	-	-	301.56
Excess Fees	10/28/2016	12,837.46	-	-	-	-	-	-	-	12,837.46
		12,837.46	253.52	(1.82)	56.22	-	(6.36)	-	-	13,139.02
Ad Valorem Tax Revenue		\$ 1,995,855.23	\$ 1,464.40	\$ (70,023.51)	\$ 2,970.67	\$ -	\$ (38,378.37)	\$ (2,749.81)	\$ -	\$ 1,889,138.61

September 30, 2017

Account	LCMCD	LCHCD	Total	ECR Accounts	Earnings rate (Basis Points -BP)
SunTrust Operating	\$ 1,197,246.64	\$ 94,344.48	\$ 1,291,591.12	Yes	ECR and BP - 01
SunTrust Master 2397	3,451,142.79	815,353.56	4,266,496.35	Yes	ECR and BP - 01
Fla Community Bank	116,826.32	329,134.74	445,961.06	No	BP - 53
SBA 322630	11,875.66	-	11,875.66	No	BP - 136
SBA 322640	-	10,596.27	10,596.27	No	BP - 136
PCB MM	2,550,184.16	328,188.47	2,878,372.63	No	BP - 53
PCB CD Program	1,814,583.24	319,945.40	2,134,528.64	No	BP - 35 to BP - 105
	<u>9,141,858.81</u>	<u>1,897,562.92</u>	<u>11,039,421.73</u>		

100 Basis Points equal 1%

PCB - Preferred Community Bank

SBA - State Board of Administration (Local Government Surplus Funds Trust Fund)