

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 Ten Months Ended July 31, 2017

Balance Sheet Summary

Cash and Investments

Cash and investments of \$2,141,371 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 July 31, 2016 were \$2,791,191. The current month balance is \$649,820 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 \$1,875,295. 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 \$1,888,434 (cash basis). Cash collections were \$138,070 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 July 31, 2017 and July 31, 2016 were \$166,771 and \$171,263 respectively. YTD expenditures as of July 31, 2017 and July 31, 2016 were \$2,256,302 and \$1,758,752 respectively. The differences in operating results are discussed below:

MTD Variances explanations

Noteworthy changes are as follows: The MTD decrease in personnel services is due to two paydays in the month of July 2017 versus three paydays in the month of July 2016. The MTD increase in benefits is due to paying the Health Savings Account quarterly payment to employees in July 2017. In 2016 the entire payment for the year was made in January. Chemicals increased in July 2017 due to the purchase of a Aquaneat, Polaris, and Galleon herbicides. 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 increase in chemicals is due to a large purchase of herbicides in preparation for the rainy season. 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 July financial statements.

Receipts Operating Budget Comparison for Hyacinth Control District

Run Date: 8/2/2017

From: 7/1/2017

To: 7/31/2017

| Receipts | Total Budget | This Mo Actual | Prior Yr Month | Variance | YTD Current | YTD Prior | Variance |
|---------------------------------|---------------------|-----------------|-----------------|-----------------|---------------------|---------------------|-------------------|
| Taxes | 1,885,000.00 | 447.76 | 824.98 | (377.22) | 1,875,295.13 | 1,736,487.45 | 138,807.68 |
| State Grant-General Government | - | - | - | - | - | - | - |
| Interest | 8,500.00 | 1,068.52 | 835.97 | 232.55 | 11,278.99 | 8,157.50 | 3,121.49 |
| Disposition of Capital Assets | 2,000.00 | - | - | - | 1,027.68 | - | 1,027.68 |
| Refunds | - | - | - | - | - | 330.99 | (330.99) |
| Other Miscellaneous Revenue | 1,000.00 | - | 109.00 | (109.00) | - | 151.48 | (151.48) |
| 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 | 1,516.28 | 1,769.95 | (253.67) | 1,887,601.80 | 1,745,127.42 | 142,474.38 |

Expenses Operating Budget for Hyacinth Control District

Run Date: 8/2/2017

From: 7/1/2017

To: 7/31/2017

| Expenses | Total Budget | This Mo Actual | Prior Yr Month | Variance | YTD Current | YTD Prior | Variance |
|--------------------------------|---------------------|-------------------|-------------------|-----------------|---------------------|---------------------|---------------------|
| Personnel Services | 939,870.00 | 74,882.62 | 110,476.66 | 35,594.04 | 778,036.02 | 765,474.88 | (12,561.14) |
| Benefits | 1,309,971.00 | 46,839.42 | 34,485.41 | (12,354.01) | 1,160,274.18 | 669,536.51 | (490,737.67) |
| Operating Expenses | 85,100.00 | 16,845.48 | 19,168.52 | 2,323.04 | 75,619.51 | 70,727.50 | (4,892.01) |
| Travel & Per Diem | 10,000.00 | 112.00 | 1,051.50 | 939.50 | 3,443.31 | 5,498.33 | 2,055.02 |
| Communication Service | 9,500.00 | 722.41 | 528.65 | (193.76) | 6,350.31 | 6,686.90 | 336.59 |
| Freight Services | 1,000.00 | 42.84 | 75.00 | 32.16 | 465.50 | 198.60 | (266.90) |
| Utility Services | 33,100.00 | 2,155.25 | 163.89 | (1,991.36) | 21,493.47 | 22,387.66 | 894.19 |
| Rentals and Leases | 4,500.00 | 74.27 | 351.30 | 277.03 | 4,360.29 | 2,840.40 | (1,519.89) |
| Insurance | 42,000.00 | - | - | - | 39,813.00 | 40,281.12 | 468.12 |
| Repairs & Maintenance | 41,000.00 | 1,068.50 | 2,108.54 | 1,040.04 | 27,318.70 | 23,256.61 | (4,062.09) |
| Promotional Activities | | - | - | - | 412.44 | - | (412.44) |
| Other Charges | 19,050.00 | 344.44 | 17.71 | (326.73) | 10,373.79 | 5,259.01 | (5,114.78) |
| Office Supplies | 7,500.00 | 202.71 | 364.27 | 161.56 | 2,634.26 | 4,913.15 | 2,278.89 |
| Gasoline/Oil/Lube | 32,000.00 | - | 363.78 | 363.78 | 7,807.68 | 7,722.67 | (85.01) |
| Chemicals | 66,000.00 | 19,817.58 | 1,028.80 | (18,788.78) | 72,766.50 | 22,273.30 | (50,493.20) |
| Protective Devices | 5,000.00 | 126.01 | 503.29 | 377.28 | 956.62 | 3,998.39 | 3,041.77 |
| Misc. Supplies | 28,000.00 | 1,499.70 | 487.66 | (1,012.04) | 18,579.84 | 17,766.94 | (812.90) |
| Small Tools | 4,000.00 | 167.80 | - | (167.80) | 190.06 | 10.56 | (179.50) |
| Tools & Implements | | - | - | - | 20.89 | - | (20.89) |
| Publications & Dues | 7,000.00 | 419.50 | 88.50 | (331.00) | 5,954.94 | 9,083.28 | 3,128.34 |
| Training | 5,000.00 | - | - | - | 4,699.49 | 4,130.08 | (569.41) |
| Capital Outlay | 20,000.00 | 1,449.99 | - | (1,449.99) | 14,502.33 | 71,878.70 | 57,376.37 |
| Grants | | - | - | - | - | - | - |
| Operating Transfer to Mosquito | | - | - | - | - | 4,827.09 | 4,827.09 |
| Printing & Binding | | - | - | - | 228.68 | - | (228.68) |
| Total Expenditures | 2,669,591.00 | 166,770.52 | 171,263.48 | 4,492.96 | 2,256,301.81 | 1,758,751.68 | (497,550.13) |

Lee County Hyacinth Control District
Budget vs. Actual
October 2016 through July 2017

| | <u>Oct '16 - Jul 17</u> | <u>Budget</u> | <u>\$ Over Budget</u> | <u>% of Budget</u> |
|---|---------------------------|---------------------|---------------------------|----------------------|
| Income | | | | |
| 3110000 · Ad Valorem Taxes | 1,875,295.13 | 1,885,000.00 | -9,704.87 | 99.49% |
| 3611000 · Interest | 11,278.99 | 8,500.00 | 2,778.99 | 132.69% |
| 3640000 · Disposition of Capital Assets | 1,027.68 | 2,000.00 | -972.32 | 51.38% |
| 3699000 · Other Miscellaneous Revenue | 0.00 | 1,000.00 | -1,000.00 | 0.0% |
| 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 | <u>1,887,601.80</u> | <u>4,435,887.00</u> | <u>-2,548,285.20</u> | <u>42.55%</u> |
| Gross Profit | 1,887,601.80 | 4,435,887.00 | -2,548,285.20 | 42.55% |
| Expense | | | | |
| 5371000 · Personnel Services | 778,036.02 | 939,870.00 | -161,833.98 | 82.78% |
| 5372000 · Benefits | 1,160,274.18 | 1,309,971.00 | -149,696.82 | 88.57% |
| 5373100 · Operating Expenses | 75,619.51 | 85,100.00 | -9,480.49 | 88.86% |
| 5374000 · Travel and Per Diem | 3,443.31 | 10,000.00 | -6,556.69 | 34.43% |
| 5374100 · Communications Services | 6,350.31 | 9,500.00 | -3,149.69 | 66.85% |
| 5374200 · Freight & Postage Services | 465.50 | 1,000.00 | -534.50 | 46.55% |
| 5374300 · Utilities | 21,493.47 | 33,100.00 | -11,606.53 | 64.94% |
| 5374400 · Rentals and Leases | 4,360.29 | 4,500.00 | -139.71 | 96.9% |
| 5374500 · Insurance | 39,813.00 | 42,000.00 | -2,187.00 | 94.79% |
| 5374600 · Repairs & Maintenance | 27,318.70 | 41,000.00 | -13,681.30 | 66.63% |
| 5374700 · Printing & Binding | 228.68 | | | |
| 5374800 · Promotional Activities | 412.44 | | | |
| 5374900 · Other Current Charges | 10,373.79 | 19,050.00 | -8,676.21 | 54.46% |
| 5375100 · Office Supplies | 2,634.26 | 7,500.00 | -4,865.74 | 35.12% |
| 5375210 · Gasoline/Oil/Lube | 7,807.68 | 32,000.00 | -24,192.32 | 24.4% |
| 5375220 · Chemicals | 72,766.50 | 66,000.00 | 6,766.50 | 110.25% |
| 5375230 · Protective Devices | 956.62 | 5,000.00 | -4,043.38 | 19.13% |
| 5375240 · Miscellaneous Supplies | 18,579.84 | 28,000.00 | -9,420.16 | 66.36% |
| 5375241 · Small Tools | 190.06 | 4,000.00 | -3,809.94 | 4.75% |
| 5375250 · Tools & Implements | 20.89 | | | |
| 5375400 · Books-Pubs-Subs-Member | 5,954.94 | 7,000.00 | -1,045.06 | 85.07% |
| 5375500 · Training | 4,699.49 | 5,000.00 | -300.51 | 93.99% |
| 5376000 · Capital Outlay | 14,502.33 | 20,000.00 | -5,497.67 | 72.51% |
| 5629999 · Reserves - Budget Use Only | 0.00 | 1,766,296.00 | -1,766,296.00 | 0.0% |
| Total Expense | <u>2,256,301.81</u> | <u>4,435,887.00</u> | <u>-2,179,585.19</u> | <u>50.87%</u> |
| Net Income | <u><u>-368,700.01</u></u> | <u><u>0.00</u></u> | <u><u>-368,700.01</u></u> | <u><u>100.0%</u></u> |

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

As of July 31 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 | 1,995,645.08 | 8.04% | 1,221.38 | (46.06) | (70,023.07) | (38,363.18) | 1,888,434.15 | 7.89% | 1,885,000 | 100.18% |
| Net increase year-over-year (cash basis) | | | | | | | 138,070.06 | | | |
| 2016 Actual | 1,847,093.95 | 1.62% | 2,412.72 | 787.99 | (64,403.85) | (35,526.72) | 1,750,364.09 | 1.59% | 1,745,600 | 100.27% |
| 2015 Actual | 1,817,640.99 | 1.18% | 1,839.79 | 1,377.74 | (62,953.29) | (34,990.79) | 1,722,914.44 | 0.97% | 1,721,000 | 100.11% |
| 2014 Actual | 1,796,355.68 | 0.73% | 3,772.35 | 2,817.35 | (61,905.47) | (34,636.44) | 1,706,403.47 | 0.79% | 1,700,238 | 100.36% |
| 2013 Actual | 1,783,340.09 | -4.17% | 3,533.52 | 1,457.67 | (60,863.22) | (34,423.31) | 1,693,044.75 | -4.52% | 1,690,101 | 100.17% |
| 2012 Actual | 1,860,905.71 | -3.81% | 9,916.94 | 1,300.52 | (62,975.59) | (35,915.69) | 1,773,231.89 | -3.47% | 1,776,112 | 99.84% |

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 | 1,995,645.08 | 11,623.08 | 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 | - | - | - | - | - | - | - | - | - |
| 9/13/2017 | 13 | - | - | - | - | - | - | - | - | - |
| 10/11/2016 | 14 | - | - | - | - | - | - | - | - | - |
| 10/11/2016 | 15 | - | - | - | - | - | - | - | - | - |
| 16 | | - | - | - | - | - | - | - | - | - |
| 17 | | - | - | - | - | - | - | - | - | - |
| Excess fees | | - | - | - | - | - | - | - | - | - |
| Total Modified Accrual | | \$ 1,982,807.62 | \$ 967.86 | \$ (70,021.25) | \$ 2,642.15 | \$ - | \$ (38,356.82) | \$ (2,744.43) | \$ - | \$ 1,875,295.13 |
| 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 | | \$ 1,995,645.08 | \$ 1,221.38 | \$ (70,023.07) | \$ 2,698.37 | \$ - | \$ (38,363.18) | \$ (2,744.43) | \$ - | \$ 1,888,434.15 |

July 31, 2017

| Account | LCMCD | LCHCD | Total | ECR Accounts | Earnings rate (Basis Points -BP) |
|----------------------|----------------------|---------------------|----------------------|--------------|----------------------------------|
| SunTrust Operating | \$ 95,812.55 | \$ 221,955.22 | \$ 317,767.77 | Yes | ECR and BP - 01 |
| SunTrust Master 2397 | 3,597,770.99 | 633,304.46 | 4,231,075.45 | Yes | ECR and BP - 01 |
| Fla Community Bank | 116,722.89 | 328,843.42 | 445,566.31 | No | BP - 53 |
| SBA 322630 | 11,849.16 | - | 11,849.16 | No | BP - 129 |
| SBA 322640 | - | 10,572.60 | 10,572.60 | No | BP - 129 |
| PCB MM | 5,288,388.08 | 581,411.14 | 5,869,799.22 | No | BP - 53 |
| PCB CD Program | 2,069,941.74 | 365,283.82 | 2,435,225.56 | No | BP - 35 to BP - 105 |
| | <u>11,180,485.41</u> | <u>2,141,370.66</u> | <u>13,321,856.07</u> | | |

100 Basis Points equal 1%

PCB - Preferred Community Bank

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