



Financial Statement Summary

As of April 30, 2019

Revenues

Year to Date Revenues of \$20,815,000, including North Sumter Utility and Sumter Sanitation, compare favorably to prior year of \$19,971,000 and are at 60% of budget.

(as of April 30, 58% of the year has lapsed)

- Utility Revenue includes water and sanitation fees and has seen a 1.4% increase over prior year. A 2 ½% increase went into effect for all water customers on October 1, 2018 while there was no increase in sanitation rates.
- Metered Irrigation revenue has increased over prior year due to a 2 ½% rate increase on October 1, 2018 and higher utilization caused by a lower amount of rainfall this year.
- Miscellaneous income includes lease revenue, Bank of America purchase card and SECO rebates.
- Investment earnings of \$659,000 (\$548,000 realized gains and \$111,000 unrealized gains) compare favorably to prior year gains of \$341,000 and the annual budgeted gains of \$305,000.

Expenses

Year to Date operating expenses of \$8,424,000 are greater than prior year expenses of \$7,853,000. Current year spending is at 52% of the amended budgeted expenses of \$16,144,000.

- Management and Other Professional Services increased \$74,000 from prior year and are in line with budget. This increase is due to an increase in management fees of 8%.
- Utility and Recycle Contract Services includes Jacobs services and Waste Management recycling services. An approximate 4% increase was budgeted in the current year.
- Utility Services has increased from prior year due to the timing of the receipt of invoices from City of Wildwood for the purchase of reused water. We have begun to accrue this monthly.
- Building, Landscape and Other Maintenance has increased \$222,000 over prior year due to repairs being done at several of the Water towers (Laurel Manor and Turtle Mound). A budget carryforward request was processed earlier this year for \$259,000.
- Other expenses include equipment rent, chemicals and other operating expenses.
- Capital Outlay budget reflects a carryforward in the amount of \$668,000. Capital Projects include Wet Well Gate replacement, Valve Replacement and Headworks By-Pass.
- Debt Service consists of the annual bond principal payments of \$4,085,000 made on October 1, 2018 and year to date monthly interest payments totaling \$6,605,000.
- A total \$1,896,000 has been transferred to the Committed Renewal and Replacement Fund.

Change in Unrestricted Net Position

Year-to-Date Reduction in the Unrestricted Net Position of (\$1,001,000) compares to the prior year to date reduction of (\$923,000). By year end, based on the anticipated revenues and expenditures through year end, the District will meet the amended budget decrease in Unrestricted Net Position of (\$2,793,000).



Debt Covenants

North Sumter Utility (NSU) has met the Bond covenant requirement on an interim basis and is expected to meet the requirements through the end of the fiscal year.

Sumter Sanitation (SSF) has met the Senior Debt covenant requirement on an interim basis; however, the Subordinate Debt falls below the required ratio on an interim basis. Based on projections, we expect both the Senior Debt and the Subordinate Debt Ratios to also fall below the required covenant at year end. We have engaged Stantec Consultants to prepare a Rate Sufficiency Study to make recommendations to address the shortfall which will go before the board for their review on June 10.

Investment Earnings

The following table outlines the current month and year to date earnings by investment category:

	CFB	FLCLASS	FEITF	FL-FIT	FLGIT	LTIP
Current Month	1.89%	2.60%	2.54%	2.76%	7.14%	15.89%
Year-to-date	1.53%	2.53%	2.48%	2.71%	4.12%	1.09%
Prior FY 2018	1.04%	1.78%	1.72%	N/A	1.46%	-10.00%

North Sumter County Utility Dependent District								
Statement of Activity - Government Funds								
For the Seven Months Ending April 30, 2019								
Original Budget	Amended Budget	Budget % used		Year To Date			Prior YTD	Variance
				NSU	SSF	Total		
			REVENUES:					
24,508,800	24,508,800	59%	Utilities	7,232,425	7,276,142	14,508,567	14,303,981	204,586
9,394,800	9,394,800	58%	Metered Irrigation	5,465,306	-	5,465,306	5,151,046	314,260
266,800	266,800	68%	Miscellaneous Revenue	169,949	11,273	181,222	175,502	5,720
<u>304,950</u>	<u>304,950</u>	<u>216%</u>	Investment Earnings, Realized and Unrealized	<u>548,933</u>	<u>110,481</u>	<u>659,414</u>	<u>340,871</u>	<u>318,543</u>
34,475,350	34,475,350	60%	Total Revenues:	13,416,613	7,397,896	20,814,509	19,971,400	843,109
			EXPENSES:					
27,193	27,193	18%	Personnel Services	3,142	1,633	4,775	5,833	(1,058)
1,482,229	1,450,164	55%	Management and Other Professional Services	678,045	118,674	796,719	722,807	73,912
10,240,082	10,240,082	57%	Utility and Recycle Contract Services	1,602,980	4,224,341	5,827,321	5,588,785	238,536
1,458,389	1,458,389	40%	Utility Services	586,881	-	586,881	540,056	46,825
2,370,831	2,673,144	40%	Building, Landscape and Other Maintenance	471,566	600,069	1,071,635	849,763	221,872
<u>295,664</u>	<u>295,664</u>	<u>46%</u>	Other Expenses	<u>124,241</u>	<u>12,032</u>	<u>136,273</u>	<u>145,940</u>	<u>(9,667)</u>
15,874,388	16,144,636	52%	Total Operating Expenses	3,466,855	4,956,749	8,423,604	7,853,184	570,420
1,795,238	2,463,380	33%	Capital Outlay - Infrastructure and FFE	805,628	-	805,628	620,262	185,366
15,410,281	15,410,281	69%	Debt Service	8,149,372	2,540,580	10,689,952	10,525,086	164,866
<u>3,250,000</u>	<u>3,250,000</u>	<u>58%</u>	Transfer	<u>1,750,000</u>	<u>145,835</u>	<u>1,895,835</u>	<u>1,895,835</u>	<u>-</u>
20,455,519	21,123,661	63%	Total Other Changes	10,705,000	2,686,415	13,391,415	13,041,183	350,232
<u>36,329,907</u>	<u>37,268,297</u>	<u>59%</u>	Total Expenses and Other Changes	<u>14,171,855</u>	<u>7,643,164</u>	<u>21,815,019</u>	<u>20,894,367</u>	<u>920,652</u>
<u>\$ (1,854,557)</u>	<u>\$ (2,792,947)</u>		Change in Unreserved Net Position	<u>\$ (755,242)</u>	<u>\$ (245,268)</u>	<u>\$ (1,000,510)</u>	<u>\$ (922,967)</u>	<u>\$ (77,543)</u>
Total Cash and Investments, Net of Bond Funds				<u>\$ 28,378,005</u>	<u>\$ 3,142,512</u>	<u>\$ 31,520,517</u>	<u>\$ 28,894,201</u>	<u>\$ 2,626,316</u>
Fund Balance								
Unassigned				\$ (9,872,291)	\$ (3,521,719)	\$ (13,394,010)	\$ (11,861,435)	\$ (1,532,575)
Committed R and R Restricted				416,334	-	416,334	416,334	-
Committed R and R General				<u>12,535,681</u>	<u>2,295,835</u>	<u>14,831,516</u>	<u>11,714,642</u>	<u>3,116,874</u>
Total Fund Balance				<u>\$ 3,079,724</u>	<u>\$ (1,225,884)</u>	<u>\$ 1,853,840</u>	<u>\$ 269,541</u>	<u>\$ 1,584,299</u>