



**Preliminary Financial Statement Summary
As of September 30, 2020**

Note: Routine analysis of year-end accruals is still in process and will be finalized with the audit report.

Revenues

Year to Date Revenues of \$45,111,000, including North Sumter Utility, Central Sumter Utility and Sumter Sanitation, compare favorably to prior year revenues of \$36,604,000 and are 105% of the amended budget of \$43,115,000.

- Utility Revenue, including water and sanitation fees, totals \$32,086,000 year to date compared to \$24,763,000 in prior year, an increase of 30%. A 2 ½% increase went into effect for all water customers effective October 1, 2019. There was an 8 ¼% increase in sanitation rates effective October 1, 2019. The sanitation rate increase was made in response to a Sanitation Revenue Sufficiency Analysis Rate Study conducted by the engineering consultant, Stantec. On December 24, NSCUDD purchased the Water and Sewer Operations for Central Sumter Utility. A budget resolution to add Central Sumter Utility operations has been made adding \$5,838,000 or 24% revenue over prior year.
- Metered Irrigation revenue compares favorably to prior year and budget.
- Miscellaneous income consists of lease revenue, Bank of America purchase card, SECO rebates and Developer Contributions from the CSU Purchase. A small reimbursement was received from State FEMA for Hurricane Irma to bring total receipts to \$4,000.
- Investment earnings of \$1,145,000 (\$593,000 realized and \$552,000 unrealized gains) are less than prior year earnings of \$1,389,000 and compare favorably to the annual budgeted earnings of \$745,000. The decrease from prior year is due to market conditions related to the Coronavirus Pandemic.

Expenses

Year to Date operating expenses of \$16,980,000 are greater than prior year expenses of \$14,695,000. Current year spending is 92% of the amended budgeted expenses of \$18,415,000. A budget resolution for Central Sumter Utility was processed earlier this year, amending the budget by \$2,059,000 or 4%.

- Management and Other Professional Services are greater than prior year and are 92% of budget. Management fees for NSU and SSF increased a budgeted 10% over prior year.
- Utility and Recycle Contract Services include Jacobs services and Waste Management recycling services. An approximate 5% increase was budgeted for Jacobs' services and an 86% increase in recycling services.
- Other expenses include equipment rent, chemicals and other operating expenses.
- Budgeted Capital Projects include sanitation operations relocation for land and building (\$2,000,000) and water meter change out program (\$841,000) and CityWorks (\$569,000). These projects were not completed in the current fiscal year.
- Debt Service consists of the annual bond principal payments of \$4,300,000 made on October 1, 2019 and year to date monthly interest payments totaling \$13,643,000 and bond expenses incurred for the CSU purchase and NSU refunding totaling \$1,296,000.
- A total of \$3,000,000 has been transferred to the Committed Renewal and Replacement Fund consistent with prior year.



Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$4,863,000 is greater than prior year to date change of \$1,659,000 and the amended budget amount decrease of \$(2,952,000).

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.

Central Sumter Utility (CSU) 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 and Subordinate Debt covenant requirements on an interim basis and is expected to meet the requirements for the fiscal year ending September 30, 2020.

Investment Earnings

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

	CFB	FLCLASS	FL PALM	FL-FIT	FLGIT	LTIP
Current Month	0.00%	0.26%	0.29%	0.52%	0.44%	3.26%
Year-to-date	0.53%	1.17%	1.17%	1.40%	3.75%	6.43%
Prior FY 2019	1.53%	2.21%	2.26%	2.39%	4.22%	5.33%



**North Sumter County
UTILITY
Dependent District**

**Statement of Activity - Proprietary Funds
For the Twelve Months Ending September 30, 2020 (100% of the budget year)**

Original Budget	Amended Budget	Budget % used		Year To Date				Prior YTD	Variance
				NSU	CSU	SSF	Total		
			REVENUES:						
\$ 25,766,918	\$ 31,605,718	102%	Utilities	\$ 12,676,638	\$ 5,868,314	\$ 13,540,985	\$ 32,085,937	\$ 24,762,846	\$ 7,323,091
9,806,000	9,806,000	111%	Metered Irrigation	10,868,244	-	-	10,868,244	10,136,260	731,984
311,000	958,422	106%	Miscellaneous Revenue	244,385	748,857	18,673	1,011,915	316,065	695,850
713,000	744,500	154%	Investment Earnings, Realized and Unrealized	969,930	39,092	136,129	1,145,151	1,388,864	(243,713)
36,596,918	43,114,640	105%	Total Revenues:	24,759,197	6,656,263	13,695,787	45,111,247	36,604,035	8,507,212
			EXPENSES:						
20,717	20,717	85%	Personnel Services	11,913	-	5,654	17,567	16,616	951
1,579,759	2,041,149	92%	Management and Other Professional Services	1,307,038	288,765	272,174	1,867,977	1,416,471	451,506
12,052,525	13,220,703	96%	Utility and Recycle Contract Services	2,833,975	913,439	8,994,024	12,741,438	10,939,119	1,802,319
1,260,000	1,536,737	91%	Utility Services	1,096,336	296,155	-	1,392,491	1,073,382	319,109
359,378	816,363	64%	Building, Landscape and Other Maintenance	362,446	73,111	27,132	462,689	738,919	(276,230)
727,907	779,488	64%	Other Expenses	374,335	94,644	29,302	498,281	510,613	(12,332)
16,000,286	18,415,157	92%	Total Operating Expenses	5,986,043	1,666,114	9,328,286	16,980,443	14,695,120	2,285,323
3,868,446	5,101,403	20%	Capital Outlay - Infrastructure and FFE	992,974	35,532	-	1,028,506	1,592,599	(564,093)
15,409,482	19,550,407	98%	Debt Service	11,579,691	4,060,553	3,599,250	19,239,494	15,407,782	3,831,712
3,250,000	3,000,000	100%	Transfer	3,000,000	-	-	3,000,000	3,250,000	(250,000)
22,527,928	27,651,810	84%	Total Other Charges	15,572,665	4,096,085	3,599,250	23,268,000	20,250,381	3,017,619
38,528,214	46,066,967	87%	Total Expenses and Other Charges	21,558,708	5,762,199	12,927,536	40,248,443	34,945,501	5,302,942
\$ (1,931,296)	\$ (2,952,327)		Change in Unreserved Net Position	\$ 3,200,489	\$ 894,064	\$ 768,251	\$ 4,862,804	\$ 1,658,534	\$ 3,204,270
			Total Cash and Investments, Net of Bond Funds	38,124,882	\$ 2,315,363	\$ 3,233,090	\$ 43,673,335	\$ 33,451,755	\$ 10,221,580
			Fund Balance						
			Unassigned	\$ (6,460,905)	\$ 894,064	\$ (2,898,343)	(8,465,184)	\$ (13,327,987)	
			R and R Restricted	416,334	-	-	416,334	416,334	
			Committed R and R General	16,785,681	-	2,400,000	19,185,681	16,185,681	
			Total Fund Balance	\$ 10,741,110	\$ 894,064	\$ (498,343)	\$ 11,136,831	\$ 3,274,028	\$ 7,862,803