

Upper Captiva Fire & Rescue District

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Serving the Community with Pride

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TREASURER’S REPORT

Month Ending 30 August 2023

2 September 2023

I recommend that the attached report be accepted with the following comments:

1. In lieu of a complete Balance Sheet, I have extracted the assets (bank accounts) and provided below:

	General Fund	Impact Fee	Total
Checking/Savings			
0-110.0 · Centennial #xxxx681	\$ 15,408.89		\$ 15,408.89
0-111.6 · Impact Fee Acct #xxxx022		\$21,235.16	\$ 21, 235.16
0-112.0 · Centennial MM #X11	<u>\$650,839.98</u>		<u>\$650,839.98</u>
Total Checking/Savings	\$666,248.87	\$21,235.16	\$687,484.03

2. Status of Annual Audit:

- a. The audit due to the State of Florida by 1 July 2023 is still not complete
- b. Tentative date for board to approve is now 20 October 2023 (I have a call with the auditors on 11 September at 3PM to confirm that it is final) and it can't be added to the 2d Budget Hearing agenda
- c. There are at least two Management Letter Findings that must be answered in the audit document that will be sent to the State (see attached findings; working to reduce or eliminate two others); **what is the appropriate response, since nobody is at fault?**

1) Finding 2022-001 - Correction of Errors

Condition: During testing of the District's contracts payable, we noted that \$46,431 of the total balance is for services to be rendered in fiscal year 2023. We recommend that the District implement a review process on entries made at months end to better identify potential errors that may exist.

Cause: Lack of managerial oversight caused this account to be misstated.

Questions to Answer:

- **Who** is the manager responsible for allowing this account to be misstated?
- **What** caused this account to be misstated?
- **When** was this account misstated?
- **Why** did the manager responsible allow this account to be misstated?
- **What changes** to District policies and procedures will eliminate the risk of this finding in the future?

2) Finding 2022-002 - Submission of Timely Audit Reports

Condition: The financial audit and the AFR, were not submitted within the timeline prescribed by statute.

Cause: At the November & December 2022 board meetings, the Bookkeeper, Chief and numerous firefighters submitted their resignations for December 2022 through January 2023. As the District is searching for a new bookkeeper, the Board Commissioners have taken over the financial reporting of the District.

Questions to Answer:

- **Who** caused the financial audit to not be submitted within the required timelines and what manager was responsible for the failure?
- **What** caused the delay in the financial audit being submitted within the required timelines?
- **When** should the financial audit data have been finalized so that the financial audit could be submitted within the required timelines?
- **Where** should the detailed financial data have been stored so that the financial audit could be submitted within the required timelines?
- **Why** was the detailed financial data not stored so that the financial audit could be submitted within the required timelines?
- **What changes** to District policies and procedures will eliminate the risk of this finding in the future?

3) **If there are further findings**, those will be reported in the EOM September Treasurer's Report and answers for those findings will need to be made up by someone as well

3. For the attached Profit & Loss report:

- a. Posted the approved Budget Amendment from 2 September 2023 into the Amended Budget column (since those updated FY23 Starting/Ending balance numbers will give a better idea of expected starting/ending balances projected for FY24)
- b. Board members are free to interpret the data as they wish

Treasurer

Upper Captiva Fire Protection and Rescue Service District

Schedule of Current Year Findings
For the Year Ended September 30, 2022

Finding 2022-001 - Correction of Errors

Criteria: To ensure that financial statements properly present the financial position and results of operations of the District in accordance with generally accepted accounting principles (GAAP). The District should ensure that all material assets, liabilities, revenue, and expenditures are properly reflected at year-end.

Condition: During testing of the District's contracts payable, we noted that \$46,431 of the total balance is for services to be rendered in fiscal year 2023. We recommend that the District implement a review process on entries made at months end to better identify potential errors that may exist.

Cause: Lack of managerial oversight caused this account to be misstated.

Effect: Audit adjustments were required to be posted for the fair presentation of the financial statements.

Recommendation: We recommend the District evaluate its period closing process to ensure subsidiary ledger reconciliations are being performed timely, properly, and are being reviewed by management.

Management's Response: Refer to Management's Response to the Management Letter on page 35.

Finding 2022-002 - Submission of Timely Audit Reports

Criteria: Florida Statute require special districts whose revenues or the total of expenditures and expenses in excess of \$100,000, as reported on the fund financial statements, have an audit. The audit is due to the Auditor General no later than nine months after year end. The Annual Financial Report (AFR) is due to the Department of Financial Services no later than nine months after year end.

Condition: The financial audit and the AFR, were not submitted within the timeline prescribed by statute.

Cause: At the November 2022 board meeting, the Bookkeeper, Chief and numerous firefighters submitted their resignations for December 2022 through January 2023. As the District is searching for a new bookkeeper, the Board Commissioners have taken over the financial reporting of the District.

Effect: The District is not in compliance with Florida statutes requiring timely submission of audited financial statements and the AFR.

Recommendation: We recommend the District submit the financial audit and the AFR within the timeline prescribed by Florida statute.

Management's Response: Refer to Management's Response to the Management Letter on page 35.

Upper Captiva Fire/Rescue District

Profit Loss Budget vs Actual

1 October 2022 - 30 August 2023 End-of-Month

	General Fund			Special Assessment			Total Budget			91.67%
	1 October 2022 through 30 August 2023	Amended FY23 Budget	YTD Actuals as a % of Budget	1 October 2022 through 30 August 2023	Amended FY23 Budget	YTD Actuals as a % of Budget	1 October 2022 through 30 August 2023	Amended FY23 Budget	YTD \$ Over (Under) Budget	YTD Actuals as a % of Budget
Revenue										
311.0 TAX REVENUE	\$896,727.65	\$940,910	95.30%				\$896,727.65	\$940,910	(\$44,182)	95.30%
311.9 TAXES-DISCOUNTS TAKEN	(\$32,017.58)	(\$32,932)	97.22%				(\$32,017.58)	(\$32,932)	\$914	97.22%
325.0 SPECIAL ASSESSMENTS				\$451,913.43	\$466,042	96.97%	\$451,913.43	\$466,042	(\$14,129)	96.97%
325.1 SA-DISCOUNTS TAKEN				(\$12,064.42)	(\$18,642)	64.72%	(\$12,064.42)	(\$18,642)	\$6,578	64.72%
360-000 MISCELLANEOUS REVENUE										
361.1 INTEREST EARNINGS	\$11,182.38	\$2,800	399.37%				\$11,182.38	\$2,800	\$8,382	399.37%
366.0 CONTRIBUTIONS-Miscellaneous	\$4,750.00	\$0					\$4,750.00	\$0	\$4,750	#DIV/0!
366.2 CONTRIBUTIONS-Fun Run	\$14,701.54	\$15,000	98.01%				\$14,701.54	\$15,000	(\$298)	98.01%
366.7 TIPS Grant-Preferred Gov't Ins	\$0.00	\$5,000					\$0.00	\$5,000	(\$5,000)	0.00%
369.1 REFUND OF PREVIOUS YR'S EXPENDITURES	\$1,630.67	\$0					\$1,630.67	\$0	\$1,631	#DIV/0!
369.5 SALE OF T-SHIRTS	\$220.00	\$2,000	11.00%				\$220.00	\$2,000	(\$1,780)	11.00%
Total Revenue	\$897,194.66	\$932,778	96.19%	\$439,849.01	\$447,400	98.31%	\$1,337,043.67	\$1,380,178	(\$43,134)	96.87%
361-350 CASH CARRYOVER										
361-351 BEGINNING FUND BALANCE		\$466,343			\$75,522			\$541,865		
Total Funds Available	\$897,194.66	\$1,399,121		\$439,849.01	\$522,922		\$1,337,043.67	\$1,922,043		
Expenditures										
Salaries & Fringe Benefits										
522-120 SALARIES & WAGES	\$412,669.05	\$437,592	94.30%	\$363,395.48	\$343,837	105.69%	\$776,064.53	\$781,429	(\$5,364)	99.31%
522-210 PAYROLL TAXES PAID	\$35,444.24	\$33,476	105.88%	\$24,294.04	\$26,304	92.36%	\$59,738.28	\$59,780	(\$41)	99.93%
522-220 RETIREMENT CONTRIBUTION	\$2,736.97	\$10,479	26.12%				\$2,736.97	\$10,479	(\$7,742)	26.12%
522-230 HEALTH.LIFE & DENT INS	\$8,423.50	\$26,856	31.37%				\$8,423.50	\$26,856	(\$18,433)	31.37%
522-231 DISABILITY INSURANCE	\$352.29	\$936	37.64%				\$352.29	\$936	(\$584)	37.64%
522-240 WORKERS' COMP	\$12,990.06	\$15,000	86.60%	\$12,988.94	\$15,000	86.59%	\$25,979.00	\$30,000	(\$4,021)	86.60%
Sub-total Salaries & Fringe Benefits	\$472,616.11	\$524,339	90.14%	\$400,678.46	\$385,141	104.03%	\$873,294.57	\$909,480	(\$36,186)	96.02%
Operating Expenses										
522-310 LEGAL & PROFESSIONAL SERVICES	\$22,437.16	\$50,000	44.87%	\$0.00	\$2,500	0.00%	\$22,437.16	\$52,500	(\$30,063)	42.74%
522-320 ACCOUNTING & AUDITING	\$3,118.09	\$24,000	12.99%	\$3,795.32	\$24,000	15.81%	\$6,913.41	\$48,000	(\$41,087)	14.40%
522.34 OTHER CONTRACTUAL	\$0.00	\$2,710	0.00%							
522.341 PROPERTY APPRAISER FEES	\$5,710.83	\$5,000	114.22%	\$696.00	\$700	99.43%	\$6,406.83	\$5,700	\$707	112.40%
522.342 TAX COLLECTOR FEES	\$18,844.20	\$20,230	93.15%	\$1,009.20	\$1,500	67.28%	\$19,853.40	\$21,730	(\$1,877)	91.36%
522-400 TRAVEL & PER DIEM	\$10,390.94	\$10,068	103.21%				\$10,390.94	\$10,068	\$323	103.21%
522-410 COMMUNICATIONS SERV	\$10,456.20	\$6,800	153.77%				\$10,456.20	\$6,800	\$3,656	153.77%
522-420 FREIGHT & POSTAGE	\$231.85	\$290	79.95%				\$231.85	\$290	(\$58)	79.95%
522-430 UTILITY SERVICES	\$4,086.09	\$14,480	28.22%				\$4,086.09	\$14,480	(\$10,394)	28.22%
522-440 RENTALS & LEASES				\$5,500.00	\$11,520	47.74%	\$5,500.00	\$11,520	(\$6,020)	47.74%
522-450 INSURANCE	\$25,341.03	\$31,340	80.86%				\$25,341.03	\$31,340	(\$5,999)	80.86%
522-460 REPAIR & MAINTENANCE	\$12,648.34	\$38,800	32.60%				\$12,648.34	\$38,800	(\$26,152)	32.60%
522-469 ACCESS POINT MAINTENANCE	\$9,635.91	\$50,000	19.27%				\$9,635.91	\$50,000	(\$40,364)	19.27%
522.470 PRINTING & BINDING	\$0.00	\$360	0.00%				\$0.00	\$360	(\$360)	0.00%
522.480 PROMO/LEGAL ADVERTISING	\$1,947.14	\$4,655	41.83%				\$1,947.14	\$4,655	(\$2,708)	41.83%
522-490 OTHER CURRENT CHGS	\$0.00	\$200	0.00%				\$0.00	\$200	(\$200)	0.00%
522.491 BANK SERVICE CHARGES	\$859.16	\$1,920	44.75%				\$859.16	\$1,920	(\$1,061)	44.75%
522.493 OTHER EXPENSES (FUN RUN)	\$4,150.00	\$6,623	62.66%				\$4,150.00	\$6,623	(\$2,473)	62.66%
522.500 LICENSES & FEES	\$295.90	\$400	73.98%				\$295.90	\$400	(\$104)	73.98%
522-510 OFFICE SUPPLIES	\$928.75	\$600	154.79%				\$928.75	\$600	\$329	154.79%
522-520 OPERATING SUPPLIES										
522.521 FUEL	\$3,662.62	\$1,000	366.26%	\$13,301.49	\$25,000	53.21%	\$16,964.11	\$26,000	(\$9,036)	65.25%
522.522 MEDICAL	\$15,174.34	\$8,000	189.68%				\$15,174.34	\$8,000	\$7,174	189.68%
522.523 UNIFORMS & SUPPLIES	\$4,982.00	\$3,000	166.07%				\$4,982.00	\$3,000	\$1,982	166.07%
522.526 EQUIPMENT UNDER \$1000	\$2,884.47	\$4,000	72.11%				\$2,884.47	\$4,000	(\$1,116)	72.11%
522.527 T-SHIRTS FOR RESALE	\$0.00	\$1,500	0.00%				\$0.00	\$1,500	(\$1,500)	0.00%
522.528 PERSONAL PROTECTIVE GEAR	\$17,662.72	\$37,000	47.74%				\$17,662.72	\$37,000	(\$19,337)	47.74%
522.520 OPERATING SUPPLIES-OTHER	\$9,096.68	\$17,000	53.51%				\$9,096.68	\$17,000	(\$7,903)	53.51%
522-540 BOOKS, SUBSCRIPT & MEMBERSHIPS	\$249.00	\$1,260	19.76%				\$249.00	\$1,260	(\$1,011)	19.76%
522-541 STATION SOFTWARE	\$8,120.20	\$8,460	95.98%				\$8,120.20	\$8,460	(\$340)	95.98%
522.550 TRAINING & EDUCATION	\$1,093.95	\$3,000	36.47%				\$1,093.95	\$3,000	(\$1,906)	36.47%
Sub-total Operating Expenses	\$194,007.57	\$352,696	55.01%	\$24,302.01	\$65,220	37.26%	\$218,309.58	\$415,206	(\$196,896)	52.58%

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Capital Outlay										
522.620 BUILDING IMPROVEMENTS	\$68,822.51	\$8,240.00	835.22%				\$68,822.51	\$8,240	\$60,583	835.22%
522-640 MACHINERY & EQUIPMENT										
522.641 EQUIP FIREFIGHT > \$1000	\$0.00	\$0.00	#DIV/0!				\$0.00	\$0	\$0	#DIV/0!
522-643 EQUIP VEHICLES > \$1000	\$28,136.50	\$30,000	93.79%				\$28,136.50	\$30,000	(\$1,864)	93.79%
522.640 EQUIP & MACH - OTHER > \$1000	\$6,404.57	\$0.00	#DIV/0!				\$6,404.57	\$0	\$6,405	#DIV/0!
Sub-total Capital Outlay	\$103,363.58	\$38,240	270.30%				\$103,363.58	\$38,240	\$65,124	270.30%
Debt Service										
522.710 PRINCIPAL	\$14,610.68	\$14,611.00	100.00%				\$14,610.68	\$14,611	100.00%	100.00%
522.720 INTEREST EXPENSE	\$8,063.98	\$8,064.00	100.00%				\$8,063.98	\$8,064	100.00%	100.00%
Sub-total Debt Service	\$22,674.66	\$22,675.00	100.00%				\$22,674.66	\$22,675	100.00%	100.00%
Total Expenditures	\$792,661.92	\$937,950	84.51%	\$424,980.47	\$450,361	94.36%	\$1,217,642.39	\$1,385,601	(\$167,958)	87.88%
522.90 COMMITTED FOR RESERVES-ENDING		\$0						\$0		
522.97 COMMITTED FOR DEBT SERVICE RESERVE		\$0						\$0		
522-98 COMMITTED FOR EQUIP REPLACE RESERVE		\$0						\$0		
522-99 RESTRICTED FUND BALANCE ENDING		\$0			\$72,561			\$72,561		
522.9 UNRESTRICTED FUND BALANCE-ENDING		\$460,871						\$460,871		
OPERATING Revenue Over (Under) Expenditures	\$104,532.74			\$14,868.54				\$533,432		