Proposed Budget Summary
For The Fiscal Year Ending 9/30/27

Account	General Fund	Debt Service	Capital Projects	Capital Equipment	Bridge Renewal & Replacement	Total
Revenue	7,767,321	7,000	10,597,131	73,600	305,000	18,750,052
Expenditures	7,195,011	849,225	10,952,131	592,765	50,000	19,639,132
Revenue Over/(Under) Expenditures	**572,309**	**(842,225)**	**(355,000)**	**(519,165)**	**255,000**	**(889,081)**
Transfer In		849,225	355,000			1,204,225
Transfer Out	(1,204,225)					(1,204,225)
Total Transfers	**(1,204,225)**	**849,225**	**355,000**	**-**	**-**	**-**
Rev. Over/(Under) Expenditures after Transfers	**(631,915)**	**7,000**	**-**	**(519,165)**	**255,000**	**(889,081)**
FY2025 Ending Fund Balances	5,848,586	856,684	274,357	(81,137)	1,352,801	8,251,291
Projected FY2026 Fund Balances	6,327,723	866,858	345,059	848,737	1,662,801	10,051,178
Budgeted FY2027 Revenues Over/(Under) Expenses	(631,915)	7,000	-	(519,165)	255,000	(889,081)
Projected FY2027 Ending Fund Balance	**5,695,808**	**873,858**	**345,059**	**329,572**	**1,917,801**	**9,162,098**

* The Proposed Budget includes a 3% COLA increase and a 3% MERIT increase

Lehigh Acres Municipal Services Improvement District
Proposed Budget
For Fiscal Year Ending September 30, 2027

General	Annual Budget FY25/26	Projected Actual 9/30/26	Proposed Budget FY26/27	FY 25/26 Budget vs FY 26/27 Proposed
Revenues				
0001-0000-361-1000 Interest Earnings	125,000	201,430	150,000	25,000
0001-0000-362-0002 Rental Income - Barrett Room	400	-	400	-
0001-0000-363-1000 Lee County Assessments	7,461,828	7,545,957	7,545,957	84,130
0001-0000-363-1009 Lee County Assessment - Discounts	(223,855)	(226,000)	(226,000)	(2,145)
0001-0000-363-1100 Hendry County Assessments	268,708	266,895	266,895	(1,813)
0001-0000-363-1109 Hendry County Assessments - Discounts	(8,061)	(8,061)	(8,061)	-
0001-0000-365-0001 Sales of surplus materials & scrap	-	1,800	-	-
0001-0000-366-0002 Public Education Donations & Grants	2,750	2,750	2,750	-
0001-0000-369-0001 Spoil Revenue	-	65,880	-	-
0001-0000-369-0002 Miscellaneous Revenue	4,000	3,000	4,000	-
0001-0000-369-0004 Reimbursed Expense	-	-	-	-
0001-0000-369-0006 Shirt Sales to Employees	-	181	-	-
0001-0003-361-1000 Interest Earnings	-	278	-	-
0001-0003-362-0003 Monuments/Signage - Cell Phone Tower Lease Income	31,380	33,311	31,380	-
Total Revenues	**7,662,149**	**7,887,422**	**7,767,321**	**105,172**
Expenses				
0001-0001-538-1200 Administration Salaries & Wages	1,024,887	912,227	1,003,506	(21,381)
0001-0001-538-1300 Part-time/Seasonal Wages	15,600	7,051	15,600	-
0001-0001-538-1400 Overtime Wages	4,000	335	4,000	-
0001-0001-538-1500 Vehicle Allowance - Dist Mgr	9,300	9,300	9,300	-
0001-0001-538-1600 Cell Phone Allowance	6,000	4,900	5,400	(600)
0001-0001-538-1700 Gym Allowance	540	-	540	-
0001-0001-538-1900 Uniform Allowance	450	-	1,620	1,170
0001-0001-538-2100 FICA Taxes	75,636	68,368	72,586	(3,050)
0001-0001-538-2200 Retirement Contributions	189,848	159,694	184,059	(5,789)
0001-0001-538-2300 Health/Life Insurance	265,326	233,593	236,731	(28,595)
0001-0001-538-2400 Workers' Compensation Insurance	3,131	1,191	1,227	(1,904)
0001-0001-538-2500 Unemployment Compensation	77	77	70	(7)
0001-0001-538-3100 Legal Fees	45,000	45,000	45,000	-
0001-0001-538-3110 Legislative Fees	32,000	50,000	50,000	18,000
0001-0001-538-3130 Engineering	55,000	96,000	90,000	35,000
0001-0001-538-3140 Appraisal & Title Services	6,000	1,958	6,000	-
0001-0001-538-3200 Accounting/Audit Fees	45,000	53,300	65,000	20,000
0001-0001-538-3400 Contractual Services	45,000	34,127	70,000	25,000
0001-0001-538-3410 Prof Svcs - Employment	500	202	1,000	500
0001-0001-538-4000 Travel and Per Diem	10,500	10,500	10,500	-
0001-0001-538-4100 Telephone/Telephone Support/Radios	23,000	24,500	25,000	2,000
0001-0001-538-4105 Postage	1,275	450	600	(675)
0001-0001-538-4300 Utilities	13,500	14,500	15,000	1,500
0001-0001-538-4405 Rentals & Leases	3,500	3,100	3,500	-
0001-0001-538-4500 Insurance	200,000	213,231	220,000	20,000
0001-0001-538-4600 Building Repairs & Maintenance	20,000	20,000	20,000	-
0001-0001-538-4605 Equipment Repairs & Maintenance	3,500	2,300	3,500	-
0001-0001-538-4610 Other Repairs & Maintenance	7,500	2,800	7,500	-
0001-0001-538-4800 Public Education/Events	25,000	25,000	27,500	2,500
0001-0001-538-4900 Advertising/Legal Notices	2,000	600	2,000	-
0001-0001-538-4901 Lee County Tax Collector Fees	65,000	70,000	70,000	5,000
0001-0001-538-4903 Hendry County Tax Collector Fees	2,300	4,600	4,600	2,300
0001-0001-538-4905 Property Appraiser Fees	81,000	79,968	81,000	-
0001-0001-538-4910 Miscellaneous Fees/Charges	2,500	500	2,500	-
0001-0001-538-5100 Office Supplies	3,700	3,700	3,700	-
0001-0001-538-5200 Operating Supplies	15,000	8,000	15,000	-
0001-0001-538-5210 Small Tools & Equipment	8,000	11,000	8,000	-
0001-0001-538-5400 Training and Education	15,200	5,000	15,200	-
0001-0001-538-5405 Subscriptions & Memberships	19,500	19,500	19,500	-

Lehigh Acres Municipal Services Improvement District
Proposed Budget
For Fiscal Year Ending September 30, 2027

General	Annual Budget FY25/26	Projected Actual 9/30/26	Proposed Budget FY26/27	FY 25/26 Budget vs FY 26/27 Proposed
0001-0001-538-5410 Employee Appreciation	3,200	3,200	3,200	-
0001-0002-538-1200 Field Operations Salaries & Wages	1,889,909	1,749,902	2,086,033	196,124
0001-0002-538-1400 Overtime Wages	20,000	33,618	20,000	-
0001-0002-538-1600 Cell Phone Allowance	16,800	11,000	18,600	1,800
0001-0002-538-1700 Gym Allowance	1,620	-	1,980	360
0001-0002-538-1800 Insurance Drop	205	-	1,326	1,121
0001-0002-538-1900 Uniform Allowance	11,870	11,870	14,795	2,925
0001-0002-538-2100 FICA Taxes	146,108	133,609	161,112	15,004
0001-0002-538-2200 Retirement Contributions	276,953	254,566	304,080	27,127
0001-0002-538-2300 Health/Life Insurance	797,794	722,117	799,446	1,652
0001-0002-538-2400 Workers' Compensation Insurance	89,314	34,580	35,617	(53,697)
0001-0002-538-2500 Unemployment Compensation	210	210	217	7
0001-0002-538-3400 Contractual Services	63,437	62,533	258,437	195,000
0001-0002-538-3401 Water Quality Testing	106,800	67,240	80,000	(26,800)
0001-0002-538-3410 Employment	500	500	500	-
0001-0002-538-4000 Travel and Per Diem	5,000	5,000	5,000	-
0001-0002-538-4100 Telephone/Telephone Support/Radios	16,500	13,119	15,000	(1,500)
0001-0002-538-4300 Utilities	36,278	34,300	35,000	(1,278)
0001-0002-538-4310 Waste Disposal	5,000	2,776	5,000	-
0001-0002-538-4405 Rentals & Leases	1,712	2,842	3,100	1,388
0001-0002-538-4600 Building Repairs & Maintenance	5,000	1,000	10,000	5,000
0001-0002-538-4605 Equipment Repairs & Maintenance	230,000	269,096	280,000	50,000
0001-0002-538-4610 Other Repairs & Maintenance	47,500	30,000	38,000	(9,500)
0001-0002-538-4611 Telemetry Repairs & Maintenance	55,000	55,000	55,000	-
0001-0002-538-4620 Parks Maintenance	18,035	18,035	18,035	-
0001-0002-538-4630 ROW Obstruction Removal	500	500	1,000	500
0001-0002-538-4910 Miscellaneous Fees/Charges	1,010	1,010	1,010	-
0001-0002-538-5100 Office Supplies	-	-	-	-
0001-0002-538-5200 Operating Supplies	225,000	230,000	230,000	5,000
0001-0002-538-5205 Chemicals	125,000	65,000	100,000	(25,000)
0001-0002-538-5210 Small Tools & Equipment	12,500	21,564	15,000	2,500
0001-0002-538-5235 Signage Expenditures	5,000	2,500	5,000	-
0001-0002-538-5400 Training and Education	7,500	5,500	7,500	-
0001-0002-538-5405 Subscriptions & Memberships	2,735	2,735	2,735	-
0001-0003-538-4300 Utilities	670	729	54	(616)
0001-0003-538-4601 Monuments/Signage - Repairs & Maintenance	8,500	1,000	4,000	(4,500)
0001-0505-581-9206 Transfer to Debt Service Fund	849,225	849,225	849,225	-
0001-0505-581-9326 Transfer to Equipment R&R Fund	366,000	366,000	-	(366,000)
0001-0505-581-9306 Transfer to Capital Projects Fund	-	-	355,000	355,000
0001-1005-538-4800 Public Education/Events	1,500	909	1,500	-
0001-1010-538-1100 Executive Salaries - Supervisors	3,000	3,000	3,000	-
0001-1010-538-1900 Uniforms	-	-	130	130
0001-1010-538-2100 FICA Taxes	230	208	230	-
0001-1010-538-2200 Retirement Contributions	1,637	1,637	1,650	13
0001-1010-538-2300 Health/Life Insurance	19,929	20,729	19,929	-
0001-1010-538-4000 Travel and Per Diem	2,500	1,200	2,500	-
0001-1010-538-5200 Operating Supplies	180	-	180	-
0001-1010-538-5400 Training and Education	1,180	1,100	1,180	-
0001-1020-538-1100 Executive Salaries - Supervisors	3,000	3,000	3,000	-
0001-1020-538-1900 Uniforms	-	-	130	130
0001-1020-538-2100 FICA Taxes	230	81	230	-
0001-1020-538-2200 Retirement Contributions	1,637	1,637	1,650	13
0001-1020-538-2300 Health/Life Insurance	28,329	29,129	28,329	-
0001-1020-538-4000 Travel and Per Diem	2,500	1,800	2,500	-
0001-1020-538-5200 Operating Supplies	180	-	180	-
0001-1020-538-5400 Training and Education	1,180	1,200	1,180	-
0001-1030-538-1100 Executive Salaries - Supervisors	3,000	3,000	3,000	-

Lehigh Acres Municipal Services Improvement District
Proposed Budget
For Fiscal Year Ending September 30, 2027

General	Annual Budget FY25/26	Projected Actual 9/30/26	Proposed Budget FY26/27	FY 25/26 Budget vs FY 26/27 Proposed
0001-1030-538-1900 Uniforms	-	-	130	130
0001-1030-538-2100 FICA Taxes	230	215	230	-
0001-1030-538-2200 Retirement Contributions	1,637	421	1,650	13
0001-1030-538-2300 Health/Life Insurance	28,329	13,253	19,929	(8,400)
0001-1030-538-4000 Travel and Per Diem	2,500	1,200	2,500	-
0001-1030-538-5200 Operating Supplies	180	-	180	-
0001-1030-538-5400 Training and Education	1,180	1,000	1,180	-
0001-1040-538-1100 Executive Salaries - Supervisors	3,000	3,000	3,000	-
0001-1040-538-1900 Uniforms	-	-	130	130
0001-1040-538-2100 FICA Taxes	230	216	230	-
0001-1040-538-2200 Retirement Contributions	1,637	421	1,650	13
0001-1040-538-2300 Health/Life Insurance	19,929	20,729	19,929	-
0001-1040-538-4000 Travel and Per Diem	2,500	1,500	2,500	-
0001-1040-538-5200 Operating Supplies	180	-	180	-
0001-1040-538-5400 Training and Education	1,180	900	1,180	-
0001-1050-538-1100 Executive Salaries - Supervisors	3,000	3,000	3,000	-
0001-1050-538-1900 Uniforms	-	-	130	130
0001-1050-538-2100 FICA Taxes	230	98	230	-
0001-1050-538-2200 Retirement Contributions	1,637	1,637	1,650	13
0001-1050-538-2300 Health/Life Insurance	28,329	29,129	28,329	-
0001-1050-538-4000 Travel and Per Diem	2,500	3,200	3,200	700
0001-1050-538-5200 Operating Supplies	180	90	180	-
0001-1050-538-5400 Training and Education	1,180	1,200	1,180	-
Total Expenses	**7,963,634**	**7,408,285**	**8,399,236**	**435,602**
Excess Revenue Over (Under) Expenditures	**(301,485)**	**479,137**	**(631,915)**	**(330,430)**
Fund Balance (10/1/2025)			5,848,586	
Projected Fund Balance (09/30/2026)			6,327,723	
Projected Fund Balance (09/30/2027)			5,695,808	
25% of Expenditures			2,099,809	

Lehigh Acres Municipal Services Improvement District
Proposed Budget
For Fiscal Year Ending September 30, 2027

Debt Service	Annual Budget FY25/26	Projected Actual 9/30/26	Proposed Budget FY26/27	FY 25/26 Budget vs FY 26/27 Proposed
Revenues				
0206-0000-361-1000 Interest Earnings	1,000	1,028	1,000	-
0206-2065-381-0001 Transfer from General Fund	142,680	142,680	142,680	-
0206-2075-381-0001 Transfer from General Fund	123,284	123,284	123,284	-
0206-2090-361-1000 Interest Earnings	6,000	9,147	6,000	-
0206-2090-381-0001 Transfer from General Fund	583,260	583,260	583,260	-
Total Revenues	**856,225**	**859,399**	**856,225**	**-**
Expenses				
0206-2065-538-7100 Principal FDEP SW109030	127,892	127,892	127,892	-
0206-2065-538-7200 Interest FDEP SW109030	14,788	14,788	14,788	-
0206-2075-538-7100 Principal FDEP SW109041	110,098	110,098	110,098	-
0206-2075-538-7200 Interest FDEP SW109041	13,186	13,186	13,186	-
0206-2090-538-7100 Principal FCB Note Series 2017	562,360	562,360	562,360	-
0206-2090-538-7200 Interest FCB Note Series 2017	20,900	20,900	20,900	-
Total Expenses	**849,225**	**849,225**	**849,225**	**-**
Excess Revenue Over (Under) Expenditures	**7,000**	**10,174**	**7,000**	**-**
Fund Balance (10/1/2025)			856,684	
Projected Fund Balance (09/30/2026)			866,858	
Projected Fund Balance (09/30/2027)			873,858	

Lehigh Acres Municipal Services Improvement District
Proposed Budget
For Fiscal Year Ending September 30, 2027

Capital Projects	Annual Budget FY25/26	Projected Actual 9/30/26	Proposed Budget FY26/27	FY 25/26 Budget vs FY 26/27 Proposed
Revenues				
0306-0000-361-1000 Interest Earnings	20,000	29,254	-	(20,000)
0306-0000-369-0002 Miscellaneous Revenue	-	119,318	-	-
0306-4030-335-3900 State Revenue - Other Physical Environment	-	1,348,594	-	-
0306-4067-331-3900 State Revenue - Other Physical Environment	498,000	-	-	(498,000)
0306-4071-335-3900 State Revenue - Other Physical Environment	560,000	-	2,200,000	1,640,000
0306-4072-335-3900 State Revenue - Other Physical Environment	2,555,000	-	-	(2,555,000)
0306-4074-369-0002 Leeland Sinkhole Interpretive Center	1,300,000	-	-	(1,300,000)
0306-4075-369-0002 GS-10 Build Phase I	5,852,000	189,869	6,002,131	150,131
0306-4078-367-3000 Lee County Grant - Buckingham Trails	-	-	1,170,000	1,170,000
0306-4080-335-3900 State Revenue - Other Physical Environment (RISE)	-	-	240,000	240,000
0306-4081-335-3900 State Revenue - Other Physical Environment (GS-10 PHII)	-	-	985,000	985,000
0306-5043-365-0001 Greenbriar Blvd @ Swallowtail Canal (47-5-5)	-	508	-	-
0306-5044-365-0001 Roderick Ln @ Swallowtail Canal - Sales of surplus materials & scrap	-	430	-	-
0306-5045-365-0001 Butler St E (RC-114527-2)l - Sales of surplus materials & scrap	-	205	-	-
0306-5046-365-0001 Butler St E. Culvet Constuction (RC-114527-2) - Sales of surplus materials & scrap	-	284	-	-
0306-6005-331-5001 FEMA - Hurricane Relief (Ian)	-	343,247	-	-
0306-6007-331-5001 FEMA - Hurricane Relief (Milton)	-	2,642	-	-
0306-0000-381-0001 Transfer from General Fund	-	-	355,000	355,000
Total Revenues	**10,785,000**	**2,034,351**	**10,952,131**	**167,131**
Expenses				
0306-4030-538-3130 C.R.E.S.T. Project - Engineering	-	7,295	-	-
0306-4030-538-6300 C.R.E.S.T. Project - Construction	-	1,348,594	-	-
0306-4067-538-3130 GS-10 - Engineering	498,000	-	-	(498,000)
0306-4067-538-6300 GS-10 - Construction	-	-	-	-
0306-4071-538-3130 Sink Hole-Engineering	25,000	16,275	-	(25,000)
0306-4071-538-6300 Sinkhole Construction	535,000	-	2,200,000	1,665,000
0306-4072-538-3130 Robust Parcel- Engineering	-	214,178	-	-
0306-4072-538-6300 Robust Construction	2,555,000	-	-	(2,555,000)
0306-4074-538-3130 Leeland Interpretve Center Engineering	50,000	-	-	(50,000)
0306-4074-538-6100 Leland Interpertive Center Land	1,250,000	-	-	(1,250,000)
0306-4075-538-3130 GS-10 Phase I - Engineering	-	189,869	-	-
0306-4075-538-6300 GS-10 Build Phase I Construction	5,852,000	-	6,002,131	150,131
0306-4077-538-6300 New Welcome Sign S.R. 82	-	-	85,000	85,000
0306-4078-538-3130 Buckingham Trails - Engineering	-	-	1,170,000	1,170,000
0306-4079-538-6100 GS-10 Crosslink Parcels - Land	-	-	70,000	70,000
0306-4080-538-3130 RISE - Engineering	-	-	240,000	240,000
0306-4081-538-3130 GS-10 Phase II - Engineering	-	-	985,000	985,000
0306-5043-538-6300 Greenbriar Blvd @ Swallowtail Canal (47-5-5)	42,000	90,841	-	(42,000)
0306-5044-538-6300 Roderick Ln @ Swallowtail Canal - Construction	42,000	25,963	-	(42,000)
0306-5045-538-6300 Butler St E Culvert Constuction (RC-114527-2)	42,000	26,238	-	(42,000)
0306-5046-538-6300 Butler St. E. (Rc-114527-1)	42,000	21,970	-	(42,000)
0306-5047-538-6300 Butler Ave. S. Culvert Construction (RC-114527-3	42,000	15,899	-	(42,000)
0306-5048-538-6300 11 Homestead Rd. S (Behind F.S) @ Bonefish Canal (57-5-3)	-	6,528	-	-
0306-5049-538-6300 Unknown Culvert Replacement	-	-	40,000	40,000
0306-5050-538-6300 Unknown Culvert Replacement	-	-	40,000	40,000
0306-5051-538-6300 Unknown Culvert Replacement	-	-	40,000	40,000
0306-5052-538-6300 Unknown Culvert Replacement	-	-	40,000	40,000
0306-5053-538-6300 Unknown Culvert Replacement	-	-	40,000	40,000
Total Expenses	**10,975,000**	**1,963,649**	**10,952,131**	**(22,869)**
Excess Revenue Over (Under) Expenditures	**(190,000)**	**70,702**	**-**	**190,000**
Fund Balance (10/1/2025)			274,357	
Projected Fund Balance (09/30/2026)			345,059	
Projected Fund Balance (09/30/2027)			345,059	

Lehigh Acres Municipal Services Improvement District
Proposed Budget
For Fiscal Year Ending September 30, 2027

Capital Equipment	Annual Budget FY25/26	Projected Actual 9/30/26	Proposed Budget FY26/27	FY 25/26 Budget vs FY 26/27 Proposed
Revenues				
0326-0000-329-0001 ROW Permit Fees	50,000	875,000	50,000	-
0326-0000-361-1000 Interest Earnings	3,600	5,673	3,600	-
0326-0000-363-1001 Lee County Assessments -PY	-	760	-	-
0326-0000-363-1002 Lee County Tax Penalties/Interest	-	11,000	-	-
0326-0000-364-0001 Proceeds from sale of fixed assets	-	71,650	20,000	(20,000)
0326-0000-381-0001 Transfer from General Fund	366,000	366,000	-	366,000
Total Revenues	**419,600**	**1,330,083**	**73,600**	**346,000**
Expenses				
0326-0001-538-6800 Intangible Assets	-	-	75,000	75,000
0326-0002-538-6405 Fleet Vehicles	-	-	110,000	110,000
0326-0002-538-6410 Heavy Equipment	366,000	341,495	222,765	(143,235)
0326-0002-538-6415 Other Machinery & Equipment	44,000	58,714	185,000	141,000
Total Expenses	**410,000**	**400,209**	**592,765**	182,765
Excess Revenue Over (Under) Expenditures	**9,600**	**929,874**	**(519,165)**	**163,235**
Fund Balance (10/1/2025)			(81,137)	
Projected Fund Balance (09/30/2026)			848,737	
Projected Fund Balance (09/30/2027)			329,572	

Lehigh Acres Municipal Services Improvement District

Proposed Budget

For Fiscal Year Ending September 30, 2027

Bridge Renewal & Replacement	Annual Budget FY25/26	Projected Actual 9/30/26	Proposed Budget FY26/27	FY 25/26 Budget vs FY 26/27 Proposed
Revenues				
0336-0000-361-1000 Interest Earnings	15,000	30,000	20,000	5,000
0336-0000-363-1000 Lee County Assessments	275,000	275,000	275,000	-
0336-0000-363-1100 Hendry County Assessments	10,000	10,000	10,000	-
Total Revenues	**300,000**	**315,000**	**305,000**	**5,000**
Expenses				
0336-0002-538-5300 Bridge Repairs	50,000	5,000	50,000	-
Total Expenses	**50,000**	**5,000**	**50,000**	**-**
Excess Revenue Over (Under) Expenditures	**250,000**	**310,000**	**255,000**	**5,000**
Fund Balance (10/1/2025)			1,352,801	
Projected Fund Balance (09/30/2026)			1,662,801	
Projected Fund Balance (09/30/2027)			1,917,801	

FY 2027

BOARD BUDGET OVERVIEW

Proposed Budget for the Fiscal Year Ending September 30, 2027

$19,639,132	$18,750,052	$9,162,098	$592,765
Total proposed expenditures	Budgeted revenue	Projected ending fund balance	Equipment and ERP investment

Executive summary

The FY 2027 proposed budget totals $19,639,132 across all funds. Budgeted revenue totals $18,750,052, with a planned use of $889,081 in accumulated fund balance to support one-time capital needs, project activity, and scheduled equipment replacement. The District is projected to close FY 2027 with $9,162,098 in combined fund balance.

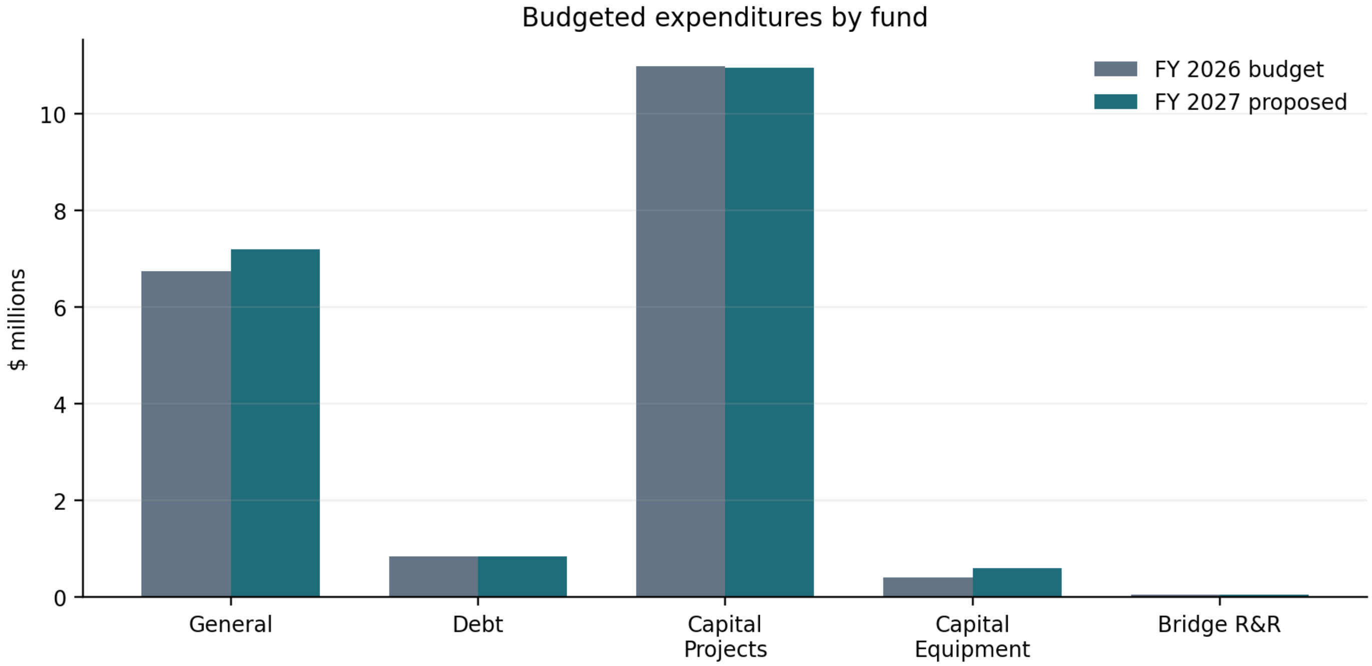
The budget emphasizes infrastructure delivery, waterway and marsh treatment, employee retention, financial-system modernization, and maintenance of the District's specialized equipment fleet. It also shifts the General Fund transfer from the Equipment Replacement Fund to the Capital Projects Fund for FY 2027.

FY 2027 compensation	Capital and operating priorities
3% COLA - the District policy maximum - compared with a 3.53% CPI increase. A separate 3% merit increase is recommended.	$517,765 scheduled equipment purchases, $75,000 ERP/financial system, and expanded aquatic vegetation treatment.

Budget at a Glance

FY 2026 budget compared with the FY 2027 proposed budget

3.2%	-0.3%	55.8%	$889,081
Total expenditure increase	External revenue change	Capital Projects share	Planned use of reserves



What is driving the total budget?

Total expenditures increase by $606,498 (3.2%). Capital Projects remain the largest component at $10,952,131, or 55.8% of the District-wide budget. General Fund operating expenditures increase by $446,602 (6.6%).

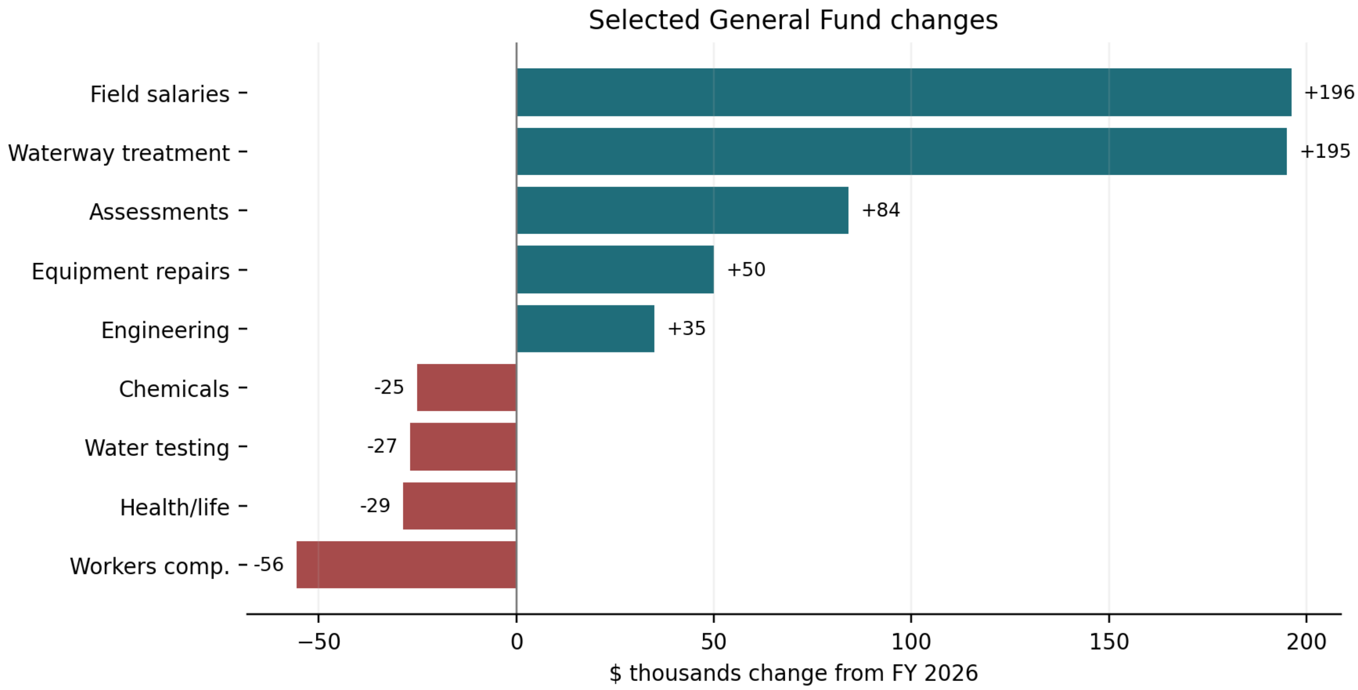
External revenue is essentially level year over year, decreasing by approximately $57,697 (0.3%). The resulting planned reserve use is concentrated in the General Fund and Capital Equipment Fund.

Fund	FY 2026	FY 2027	Change
General Fund	$6,748,409	$7,195,011	**$446,602**
Debt Service	$849,225	$849,225	**$0**
Capital Projects	$10,975,000	$10,952,131	**$-22,869**
Capital Equipment	$410,000	$592,765	**$182,765**
Bridge R&R	$50,000	$50,000	**$0**

Interfund transfers are removed from the District-wide expenditure comparison to avoid double counting.

Major Budget Changes

Key revenue, operating, and transfer changes



Largest operating increases

Item	Change	Budget explanation
Dept. 2 contractual services	**$195,000**	Adds $85,000 for Blackstone treatment, $30,000 for CREST, $20,000 for Mirror Lakes, and $60,000 for West Marsh. Initial treatment is expected to be largely one-time; lower ongoing maintenance costs will continue.
Field Operations salaries	**$196,124**	Reflects the workforce plan, 3% COLA, recommended 3% merit, position changes, and pay progression.
Lee County assessments	**$84,130**	Updated assessment estimate is the primary recurring General Fund revenue increase.
Equipment repairs and maintenance	**$50,000**	Provides additional capacity to maintain the District's specialized and aging fleet.
Engineering	**$35,000**	Increases to the $90,000 contract amount.
Administration contractual services	**$25,000**	Includes approximately $25,000 for expected annual ERP support and maintenance.

Offsets and transfer strategy

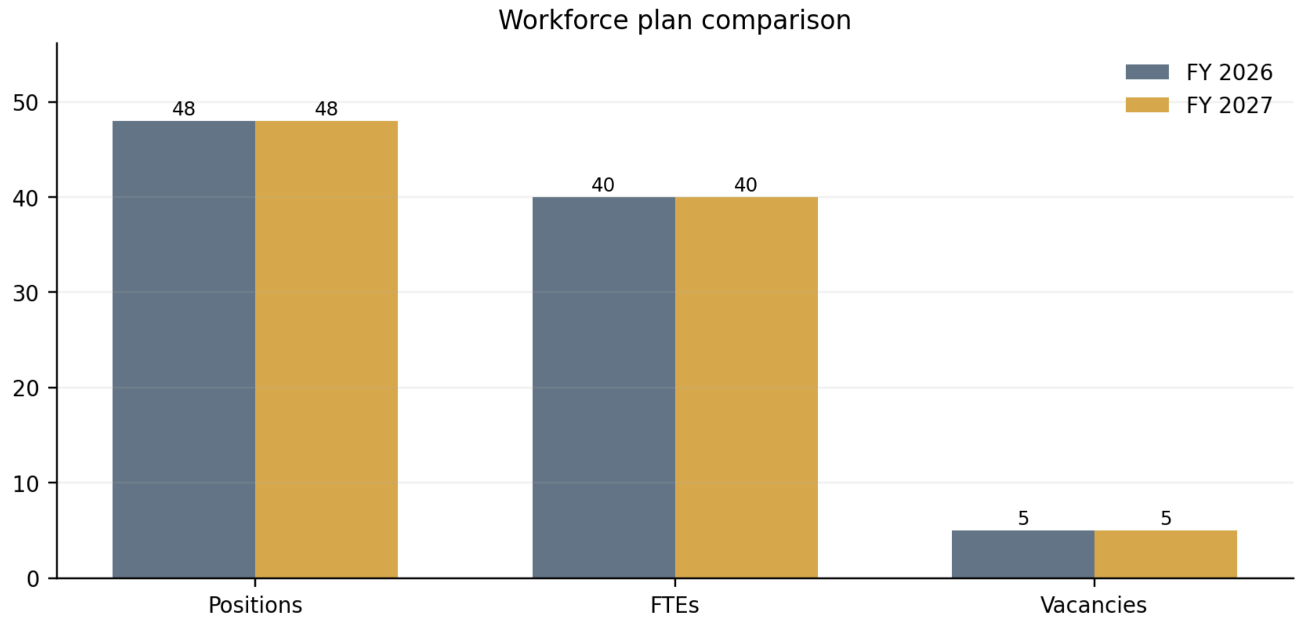
Workers' compensation decreases by approximately $55,601; Administration health and life insurance decreases $28,595; water quality testing decreases $26,800; and chemicals decrease $25,000. These reductions partially offset compensation, maintenance, and treatment increases.

The FY 2026 transfer of $366,000 to the Equipment Replacement Fund is removed. A new $355,000 General Fund transfer to the Capital Projects Fund is proposed, while the $849,224.54 Debt Service transfer remains unchanged.

Line-item explanations incorporate the supporting notes contained in the hidden departmental worksheets.

Workforce and Compensation

Staffing levels, benefit costs, and compensation policy



Compensation assumptions

The Consumer Price Index increased 3.53% from June 2025. District policy caps annual cost-of-living adjustments at 3%, so the proposed budget applies the 3% policy maximum. A separate 3% merit increase is recommended to recognize performance and maintain a structured compensation program.

Measure	FY 2026	FY 2027	Change
Budgeted positions	48	48	+0
Full-time equivalents	40	40	+0
Vacant positions	5	5	+0
Total workforce cost	$4,994,381	$5,185,812	$191,431
Base salaries and wages	$2,783,328	$2,912,187	$128,859
COLA allocation	$74,315	$87,366	$13,051
Merit allocation	$57,153	$89,987	$32,834
Medical insurance	$1,162,830	$1,122,060	$-40,770

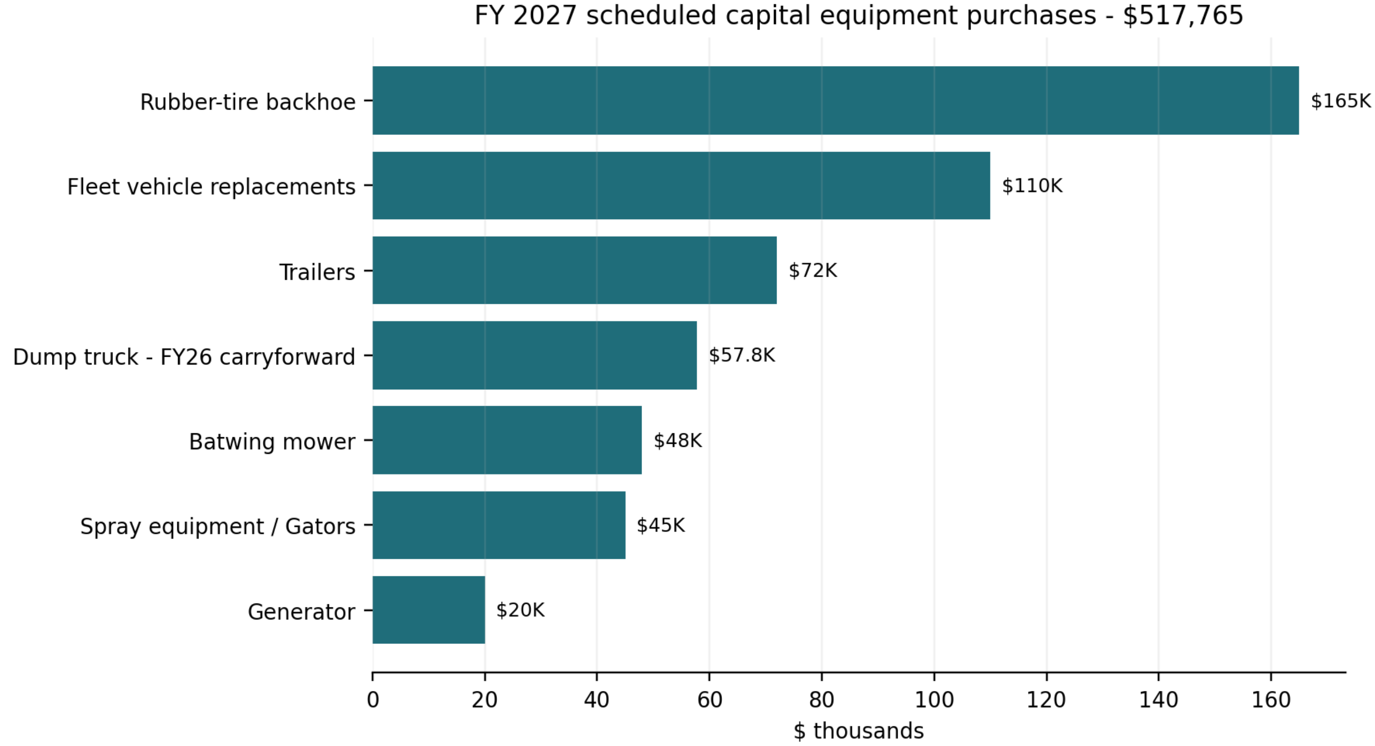
Workforce interpretation

Updated FY 2027 workforce data reflects 48 budgeted positions, 40 full-time equivalents, and 5 vacancies—unchanged from FY 2026. Total modeled workforce cost increases by $191,431 (3.8%), driven by salaries, COLA, merit, retirement, and payroll-related costs. Medical insurance decreases by $40,770 and partially offsets the increase.

Source: Workforce exports dated August 6, 2025 and July 14, 2026.

Capital Equipment and ERP

Corrected FY 2027 equipment schedule and financial-system modernization



Planned purchase	Amount	Purpose
Rubber-tire backhoe	**$165,000**	Drainage, excavation, culvert, and field-response capability.
Fleet vehicle replacements	**$110,000**	Replaces two aging field-support trucks.
Trailers	**$72,000**	Lawn, maintenance, and heavy-equipment transport.
Dump truck - FY26 carryforward	**$57,765**	Budgeted in FY 2026 but delivery is delayed until FY 2027.
Batwing mower	**$48,000**	Canal and right-of-way vegetation maintenance.
Spray equipment / Gators	**$45,000**	Aquatic and vegetation treatment operations.
Generator Replacement	**$20,000**	Backup power at the South Marsh inlet.

$75,000

NEW ERP / FINANCIAL SYSTEM
Modernizes accounting, budgeting, reporting, workflow, and internal controls. The Administration budget also includes approximately $25,000 for expected annual support and maintenance.

Capital Equipment Fund expenditures total $592,765: $517,765 in scheduled equipment purchases plus the $75,000 ERP/financial system. The tracked zero-turn mower has been removed because two mowers were purchased in FY 2026 for the price of one. The $57,765 dump truck carryforward has been added because the FY 2026 purchase will not be available until FY 2027.

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Capital Projects and Strategic Initiatives

Major FY 2027 investments beyond the equipment program

$10,952,131	$6,002,131	$2,200,000	$1,170,000
Capital Projects Fund	GS-10 Phase I	Sinkhole construction	Buckingham Trails

FY 2027 capital project program

Project / initiative	FY 2027 budget
GS-10 Build Phase I construction	**$6,002,131**
Sinkhole construction	**$2,200,000**
Buckingham Trails engineering	**$1,170,000**
GS-10 Phase II engineering	**$985,000**
RISE engineering	**$240,000**
Culvert replacements (5)	**$200,000**
New S.R. 82 welcome sign	**$85,000**
GS-10 crosslink parcels	**$70,000**

Waterway and marsh treatment

The revised budget includes $195,000 in additional Department 2 contractual services for eradication and treatment: $85,000 for Blackstone, $30,000 for CREST, $20,000 for Mirror Lakes, and $60,000 for West Marsh. The supporting budget note indicates that proactive treatment should reduce future germination and growth, although lower-level maintenance will remain an ongoing cost.

Financial-system modernization

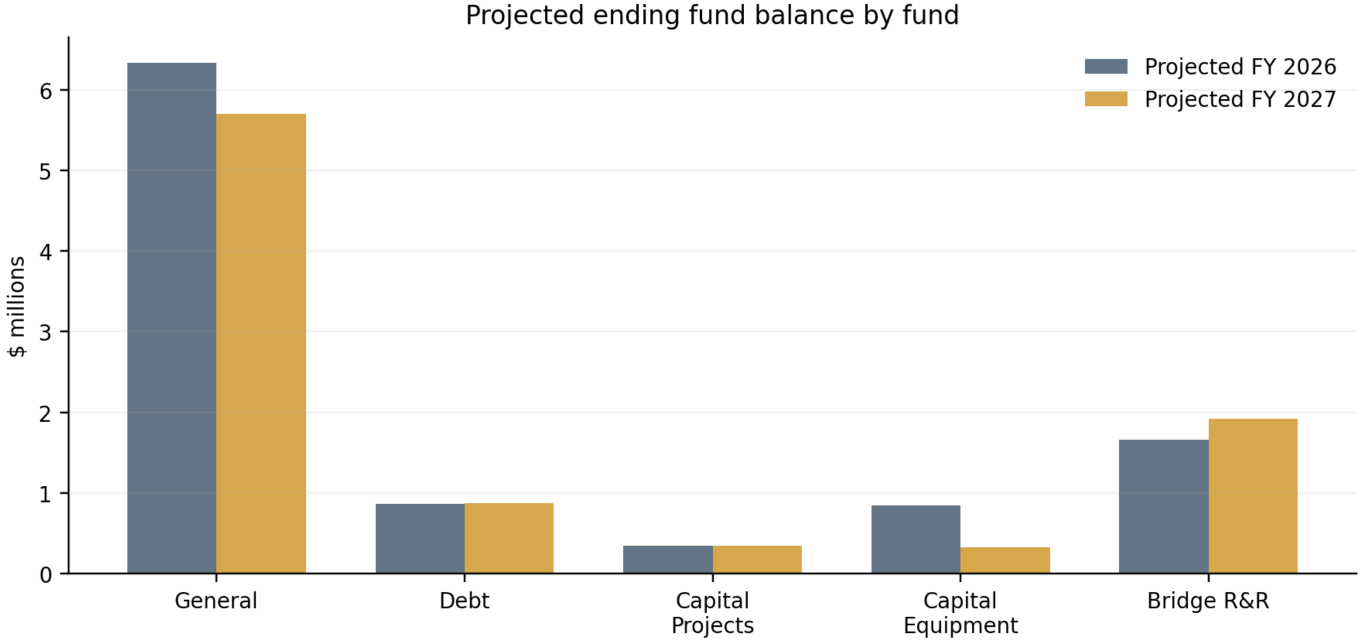
The $75,000 ERP investment is intended to replace or modernize the District’s core accounting and financial-management platform. Expected benefits include stronger reporting, improved workflows, better audit trails and internal controls, easier budget development, and a more sustainable technology platform. The budget assumes ongoing support and maintenance of approximately $25,000 per year.

Other targeted items

- Accounting and audit increases by $20,000 for a one-time finance policy/internal-control review and realignment.
- Public education and events includes $2,500 for the CREST ribbon cutting.
- Insurance increases approximately 3%, and legislative fees reflect the current contract plus direct costs.

Fund Balance and Board Considerations

Reserve outlook after the FY 2027 proposed budget



Fund	Projected FY 2026	FY 2027 impact	Projected FY 2027
General Fund	$6,327,723	**$-631,915**	**$5,695,808**
Debt Service	$866,858	**$7,000**	**$873,858**
Capital Projects	$345,059	**$0**	**$345,059**
Capital Equipment	$848,737	**$-519,165**	**$329,572**
Bridge R&R	$1,662,801	**$255,000**	**$1,917,801**

Financial outlook

The District is projected to end FY 2027 with $9,162,098 in combined fund balance, compared with $10,051,178 projected at the end of FY 2026. The $889,081 planned reduction is primarily attributable to the General Fund transfer strategy and Capital Equipment Fund purchases. The General Fund is projected to retain $5,695,808, equal to approximately 79.2% of annual General Fund operating expenditures.

Talking points

- The total FY 2027 proposed budget is $19,639,132, an increase of 3.2% over the FY 2026 budget on a comparable basis.
- The 3% COLA is the maximum permitted by District policy and is below the 3.53% CPI increase; a separate 3% merit increase is recommended.
- Vegetation treatment expands to Blackstone, CREST, Mirror Lakes, and West Marsh, with $195,000 in additional contractual services.
- The equipment program totals $517,765 and correctly includes the $57,765 delayed dump truck; the zero-turn mower is removed.
- The budget invests $75,000 in a new ERP/financial system and approximately $25,000 in expected annual support. The ERP system will help the District run lean operations by centralizing information, which reduces redundancy and improves decision-making.
- After planned reserve use, the District retains $9,162,098 across all funds.

Items to monitor during FY 2027

Final vegetation eradication/treatment quotes and ongoing maintenance costs; ERP implementation scope and conversion requirements; equipment delivery timing; repair trends; insurance premiums; investment earnings; and the timing of major capital projects should be monitored throughout the year and addressed through budget amendments when necessary.

One-time versus recurring expenditure analysis

Synopsis. Under the updated structural assumptions, approximately $11,337,396 (57.7%) of the FY 2027 budget is one-time or above the normal annual funding level. Approximately $8,301,736 (42.3%) represents recurring operations, annual capital funding, debt obligations, and other ongoing commitments. Individual equipment purchases are capital assets, but the assumed $400,000 annual General Fund transfer to the Capital Equipment Fund is treated as a recurring commitment.

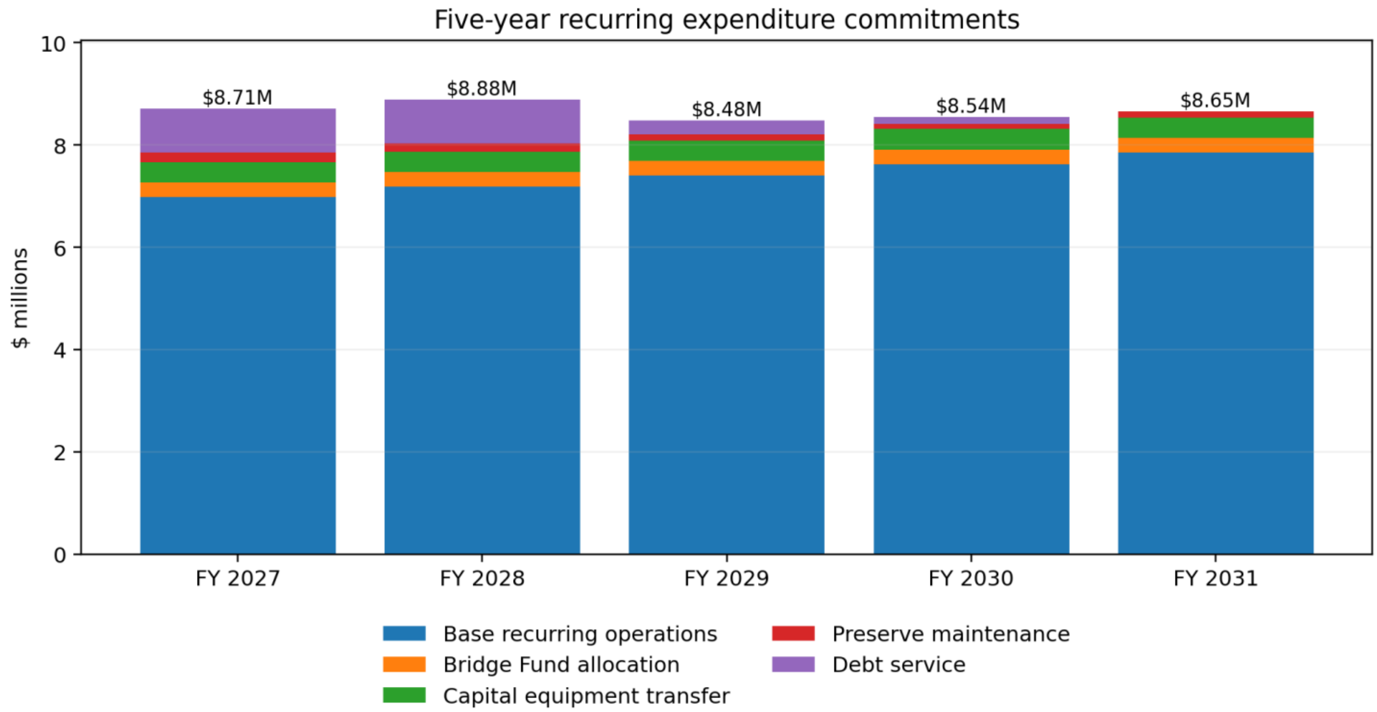
Classification	FY 2027 amount	Treatment in the rate model
One-time / above normal annual funding	**$11,337,396**	Capital Projects, ERP implementation, equipment spending above the $400,000 annual funding assumption, initial preserve treatment above the long-term maintenance level, and the finance/internal-control review.
Recurring / annual commitments	**$8,301,736**	Base operations, $400,000 annual capital equipment funding, preserve maintenance, debt service until retired, and recurring bridge funding.

Bridge allocation. The current assessment rates generate approximately $8,091,367 using the acreage provided. Of that amount, $285,000 is dedicated annually to the Bridge Renewal and Replacement Fund. This amount is already embedded in the current rate base and is maintained throughout the projection.

Five-year recurring commitment outlook

Method. FY 2027 base recurring General Fund operations are $6,980,011. Base operations and preserve maintenance are increased 3% annually. The $400,000 Capital Equipment transfer and $285,000 Bridge Fund allocation remain level. Contractual debt-service payments follow the known payoff schedule and are not inflated. All identified one-time expenditures are excluded.

Preserve-maintenance assumption. The treatment program begins at $195,000 in FY 2027. Before inflation, it is modeled at 80% of the initial amount in FY 2028, 60% in FY 2029, and 50% beginning in FY 2030. The 3% recurring-cost assumption is then applied cumulatively, resulting in modeled costs of $160,680, $124,125, $106,541, and $109,737 for FY 2028 through FY 2031.

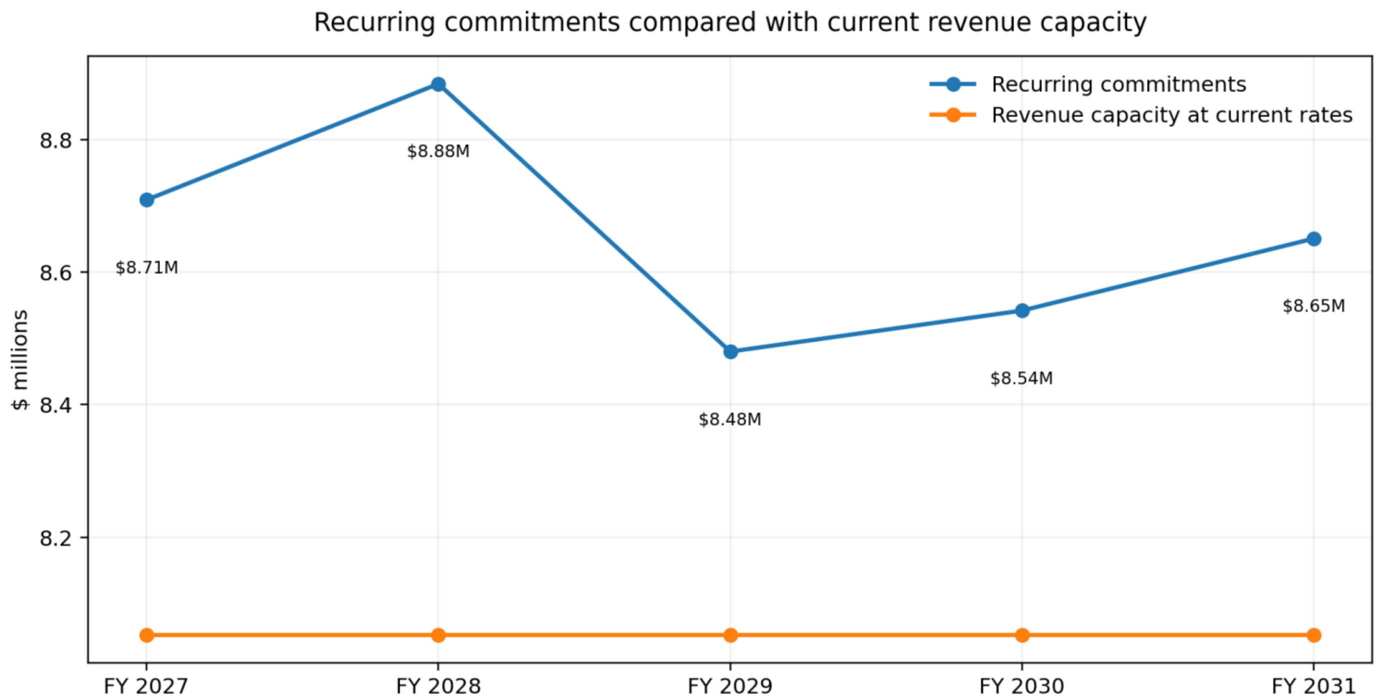


Fiscal year	Base operations	Bridge	Capital equipment	Preserves	Debt service	Total commitments
FY 2027	$6,980,011	$285,000	$400,000	$195,000	$849,225	**$8,709,236**
FY 2028	$7,189,412	$285,000	$400,000	$160,680	$849,225	**$8,884,316**
FY 2029	$7,405,094	$285,000	$400,000	$124,125	$265,965	**$8,480,184**
FY 2030	$7,627,247	$285,000	$400,000	$106,541	$123,284	**$8,542,072**
FY 2031	$7,856,064	$285,000	$400,000	$109,737	$0	**$8,650,801**

Debt-service timing. FY 2028 includes the final $583,260 Synovus payment on January 1, 2028. Debt service falls to approximately $265,965 in FY 2029 after the Synovus obligation ends, to approximately $123,284 in FY 2030 after the August 15, 2029 payoff, and to zero in FY 2031 after the final February 15, 2030 payment.

Five-year recurring revenue sufficiency

Revenue baseline. The model holds FY 2027 recurring General Fund revenue at $7,767,321 and the Bridge Fund allocation at $285,000, for combined recurring revenue capacity of $8,052,321 at current assessment rates. No acreage growth, new revenue sources, or inflationary growth in non-assessment revenues is assumed.

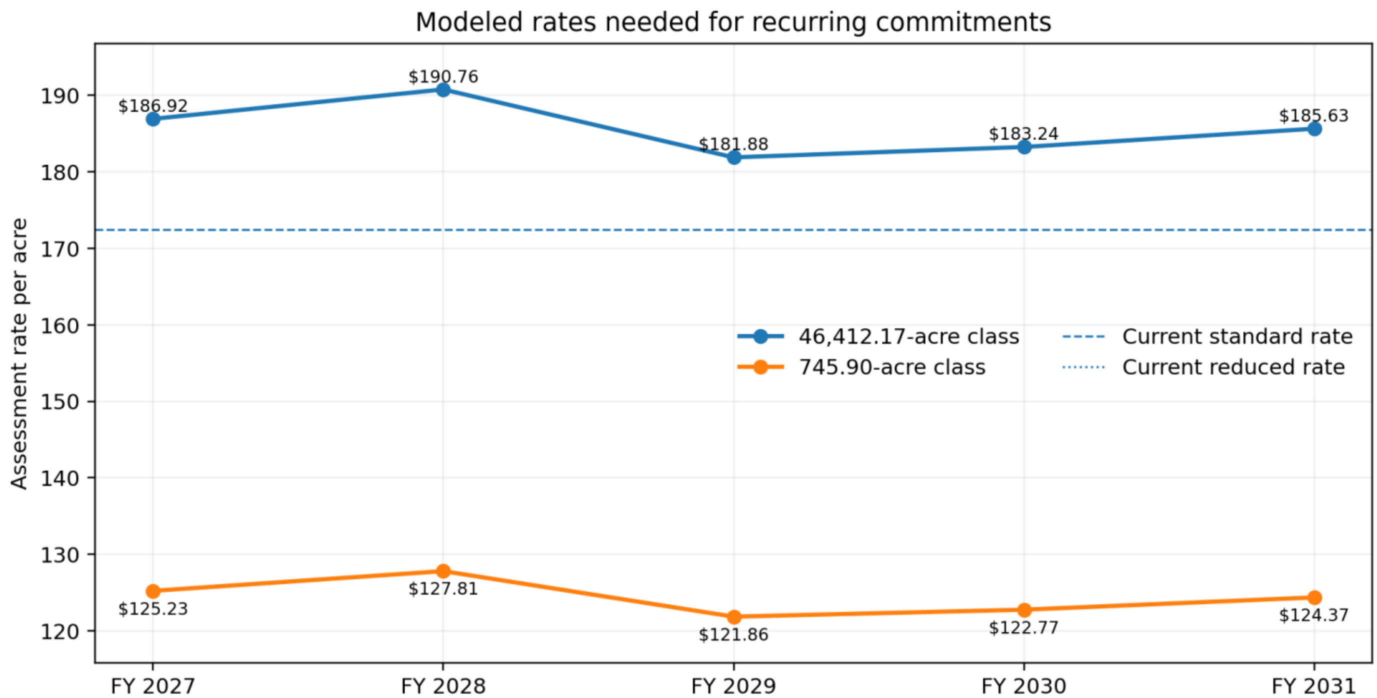


Fiscal year	Total commitments	Current revenue capacity	Net GF gap/(surplus)	Gross assessment increase needed
FY 2027	$8,709,236	$8,052,321	**$656,915**	$677,203
FY 2028	$8,884,316	$8,052,321	**$831,995**	$857,691
FY 2029	$8,480,184	$8,052,321	**$427,863**	$441,077
FY 2030	$8,542,072	$8,052,321	**$489,751**	$504,876
FY 2031	$8,650,801	$8,052,321	**$598,481**	$616,964

Interpretation. The FY 2027 recurring gap is $656,915. With 3% annual growth in operations and preserve maintenance, the gap rises to $831,995 in FY 2028. The Synovus payoff reduces the FY 2029 gap to $427,863; however, ongoing operating inflation causes the gap to increase again in FY 2030 and FY 2031, despite the retirement of all debt service.

Multi-year assessment-rate outlook

Assessment method. Each annual recurring gap is converted to a gross assessment requirement using the FY 2027 budgeted assessment discount rate of 3.00%. The additional gross levy is then spread proportionally across the two current assessment classes.



Fiscal year	Net gap	Rate change	Standard rate	Change/acre	Reduced rate	Change/acre
FY 2027	$656,915	+8.37%	**$186.92**	$+14.44	**$125.23**	$+9.67
FY 2028	$831,995	+10.60%	**$190.76**	$+18.28	**$127.81**	$+12.25
FY 2029	$427,863	+5.45%	**$181.88**	$+9.40	**$121.86**	$+6.30
FY 2030	$489,751	+6.24%	**$183.24**	$+10.76	**$122.77**	$+7.21
FY 2031	$598,481	+7.62%	**$185.63**	$+13.15	**$124.37**	$+8.81

Takeaway. Under these assumptions, the modeled FY 2027 rate increase remains approximately 8.37%, producing rates of about $186.92 and $125.23 per acre. The requirement increases to 10.60% in FY 2028 because recurring costs grow while debt service remains at its full level. Debt retirement provides substantial relief in FY 2029, but the model no longer projects a lasting surplus: 3% operating growth gradually absorbs the debt-service savings.

Policy implication. The Board may wish to review rates annually rather than adopt a permanent step-down based only on debt retirement. The annual review should consider actual operating inflation, certified acreage, assessment collections, preserve maintenance experience, equipment requirements, and reserve targets. If operating revenue grows or expenditures rise more slowly than assumed, the required rates would be lower than shown.