East Flagler Mosquito Control District
Annual Financial Report
For the Year Ended September 30, 2021

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Independent Auditors' Report

Lombardo Spradley & Klein

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Honorable Board of Commissioners
East Flagler Mosquito Control District
Palm Coast, FL

We have audited the accompanying financial statements of the governmental activity, of East Flagler Mosquito Control District, as of and for the year ended September 30, 2021, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes, design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the East Flagler Mosquito Control District, as of September 30, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the management's discussion and analysis on pages 3 through 8, and the required supplementary information on pages 26 through 31, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2022, on our consideration of East Flagler Mosquito Control District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lombardo, Spradley & Klein, CPAs
Daytona Beach, Florida
March 16, 2022

Management Discussion and Analysis

Our discussion and analysis of the East Flagler Mosquito Control District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the District's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

The fiscal year ending September 30, 2021 was year four of rebuilding the fund balance after the construction of the new facility and implementing a capital asset replacement program. The District is slowly replacing an aging fleet and updating computer and spray equipment so that they can continue to control the mosquito population as efficiently and effectively as possible.

Mosquito populations are driven by rainfall and tides and may vary widely from year to year. That fact, coupled with the seasonal presence/absence of mosquito-borne diseases, require that the District annually plan for an exceptional mosquito season and fund the budget accordingly. The 2020/2021 season was moderate, with no extreme weather events and no abnormal rain or tides. While we must always prepare for an above average season, no aspect of the weather predominated or exceeded averages and could be considered mild in most regards.

District revenues were $2,143,757, while expenses totaled $2,183,971. Ad valorem taxes provided $2,129,457; a $53,666 increase over the preceding year. Net assets decreased by ($40,214) (Statement of Activities).

At the conclusion of the fiscal year, September 30, 2021, the District had assets totaling $4,613,574, deferred outflows of $191,321, liabilities of $408,861, deferred inflows of $369,142 and net position of $4,026,892 (Statement of Net Position).

The District implemented GASB 68 in fiscal year 2015, which impacts the government-wide net position due to the recording of net pension liability and deferred outflows and inflows of resources. The net pension liability is $301,109 government-wide, deferred outflows and inflows related to pensions are $191,321 and ($369,142) respectively. See Note 7 for further information regarding the details of the District's pension liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the District's financial statements. This report also includes other supplementary information in addition to the financial statements themselves.

The Statement of Net Position (page 9) and the Statement of Activities (page 10) provide information about the activities of the District and present a longer-term view of the District's finances. The statements are measured and reported using the economic resource measurement focus and the full accrual basis of accounting.

The Fund Financial Statements begin on page 11. The governmental funds measure and report activities using the current financial resources measurement focus and the modified accrual basis of accounting. Therefore, you will find the reconciliations on pages 12 and 14 that convert this data to the economic resources measurement focus and the accrual basis of accounting for use in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 provides the authoritative guidance on the governmental financial reporting model.

THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

Government-wide Financial Statements are intended to allow the reader to assess a government's operational accountability. Operational accountability is defined as the extent to which the government has met its operating objectives efficiently and effectively, using all the resources available for that purpose, and whether it can continue to meet its objectives in the foreseeable future. For purposes of these statements, only governmental type activities are measured and reported using the economic resource measurement focus and the accrual basis of accounting.

Fund Financial Statements

A fund is a grouping of related accounts that are used to maintain financial control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Notes to the Financial Statements

The Notes to the Financial Statements provide information that is essential to understanding the financial information presented in the Government-wide Financial Statements and the Fund Financial Statements. The notes can be found beginning on page 15.

Required Supplementary Information

Generally accepted accounting principles (GAAP) call for certain unaudited information to accompany the audited basic financial statements and the accompanying footnotes.

CONDENSED FINANCIAL INFORMATION

Condensed Statement of Net Position as of September 30,

	Governmental Activities	
	2021	2020
Current and Other Assets	$ 1,782,098	$ 1,716,648
Capital Assets, net	2,831,476	2,966,228
Total Assets	$ 4,613,574	$ 4,682,876
Deferred Outflows of Resources	191,321	195,567
Current Liabilities	52,752	46,798
Non-Current Liabilities	356,109	705,075
Total Liabilities	408,861	751,873
Deferred Inflows of Resources	369,142	59,464
Net Position:		
Net Investment in Capital Assets	2,831,476	2,966,228
Unrestricted	1,195,416	1,100,878
Total Net Position	$ 4,026,892	$ 4,067,106

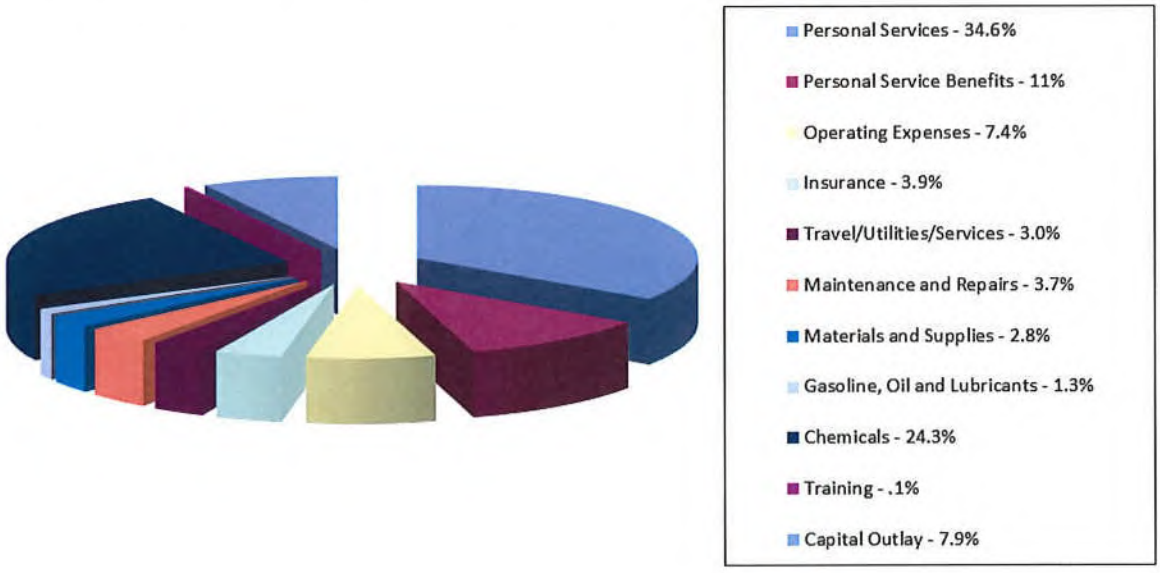
Condensed Statement of Changes in Net Position for the Fiscal Year Ended September 30,

	2021	2020
General Revenues:		
Property Taxes	$ 2,129,457	$ 2,075,791
Interest Income	2,880	13,646
Other	11,420	29,603
Total General Revenues	2,143,757	2,119,040
Expenses - Mosquito Control		
Personal Services	717,801	623,997
Personal Service Benefits	189,379	245,232
Operating Expenses	982,475	910,244
Depreciation Expense	294,316	267,979
Total Expenses	2,183,971	2,047,452
Change in Net Position	(40,214)	71,588
Beginning Net Position	4,067,106	3,995,518
Ending Net Position	$ 4,026,892	$ 4,067,106

An Analysis of the District's overall Financial Position and Results of Operations

As of September 30, 2021, the District's cash and investments totaled $1,492,770, representing 32% of total assets. Current cash and investments exceeded total current liabilities by $1,440,018. Total current assets exceeded total liabilities by $1,353,982. Net position on September 30, 2021 was $4,026,892 a decrease of $40,214 over the preceding year.

The following chart represents expenditures of the fund financial statements by percentage:

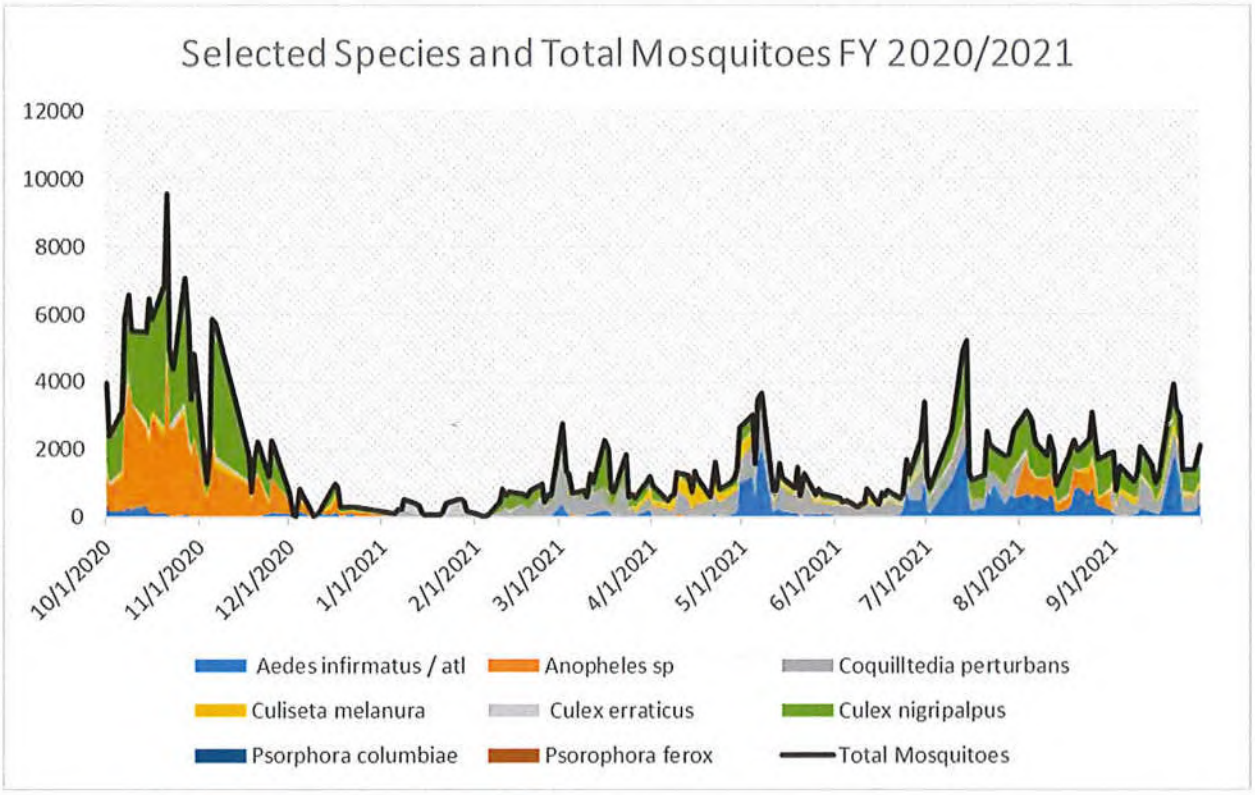


An Analysis of the District's overall Financial Position and Results of Operations (continued)

Summary of Operations:

- The Board of Commissioners adopted a millage rate of .2375 for the 2020/2021 fiscal year, which exceeded the rolled back millage rate by 0%.

  Mosquito populations are weather dependent, mild weather will produce fewer mosquitos than extreme weather events or repeated oscillations of wet and dry producing a new generation of flood-water mosquitoes with each dry-wet phase.



- There were no vector borne disease concerns within the District for the year

An Analysis of Balances in the Governmental Fund (The General Fund)

The governmental fund for the District is its only fund – the General Fund. Fund balance (as presented on the balance sheet on page 11) increased by $78,642 for the year ended September 30, 2021.

The District collected $2,129,457 in property taxes and all revenues totaled $2,146,573. Expenditures totaled $2,067,931 and were exceeded by revenues by $78,642.

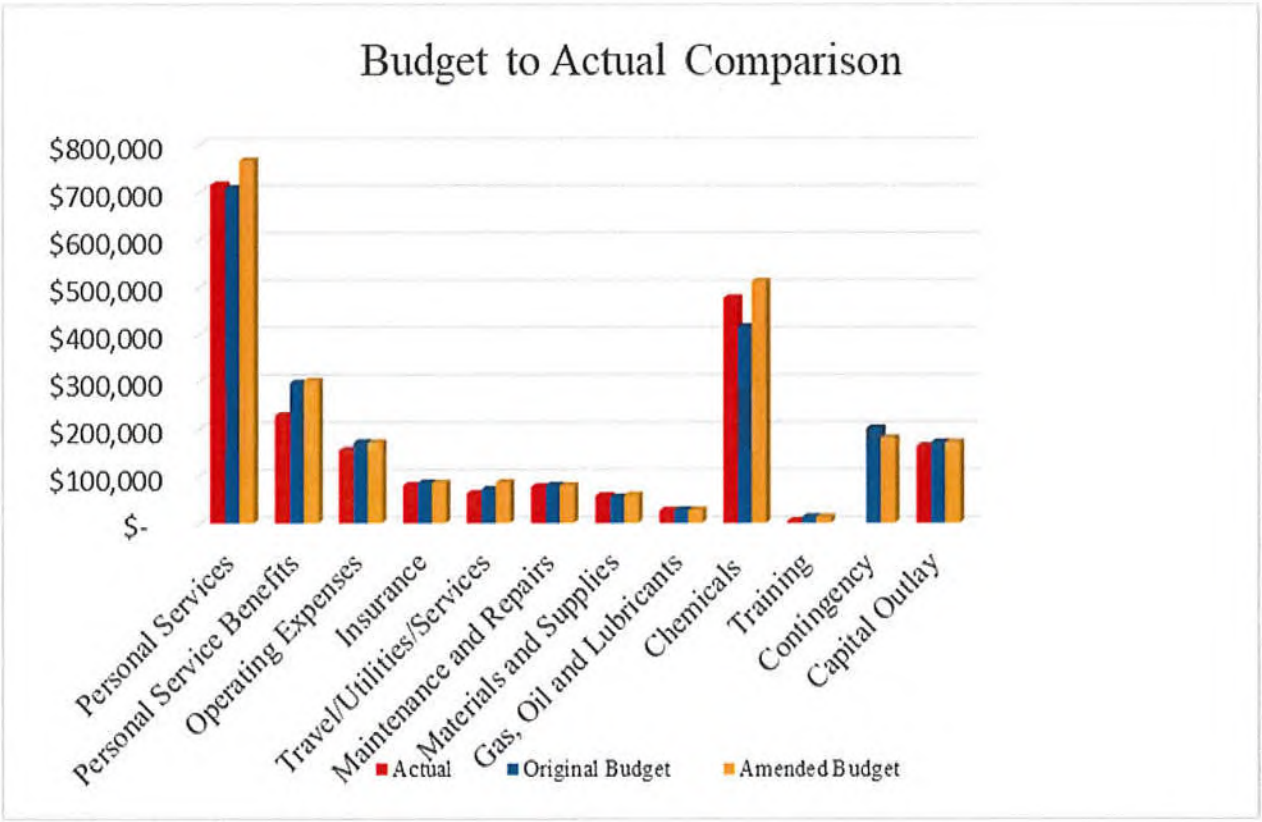
An Analysis of Significant Variations in the Budget

The District's budget is shown on the Statement of Revenue, Expenditures and Changes in Fund Balance-Budget (Budgetary Basis) and Actual-General Fund (page 30). There were significant variations between the final budget amounts and actual budget results. The following is a summary of the significant variations and reasons for the variations:

Personal Services
Actual expenditures were $50,987 under the amended budget after budget amendments. Due to the COVID-19 pandemic, no seasonal personnel were employed to minimize exposure to staff.

Personal Service Benefits
Actual expenditures were $72,792 under budget. The District anticipated that these expenditures would increase, especially with the continually increasing costs of health insurance and rising FRS Employer contribution rates.

Chemicals
Actual expenditures were $35,029 under budget after budget amendments, as amounts in the prior years inventory were used.



CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets as of September 30, 2021 reflect a total investment of $2,831,476, net of accumulated depreciation. Capital outlays during the fiscal year consisted of the following purchases:

▪ Two Trucks	$ 64,343
▪ Forklift	$ 42,389
▪ Aviation Night Goggles	$ 12,062
▪ Guardian 190G-4 & Monitor	$ 16,230
▪ Aerial Tank	$ 9,332
▪ Furniture	$ 8,502
▪ Counter Trap & Subscription	$ 2,934
▪ Welder	$ 2,889
▪ Computer Equipment	$ 3,699

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET RATES

The District's principal source of income is property tax revenue generated from property assessments within the District. Property taxes provided 98% of the District's total revenue. Taxable Value of the District in 2021 was $10.1 billion, a $797,644,000 increase over 2020. As a result, the millage rate is .2575 per thousand of taxable value, which is 14.04% over the rolled back rate.

Expectations are that property values will continue to increase. The Board enters the 2022 year with budgeted tax revenues that are 17.2% higher than 2021 actual.

REQUEST FOR INFORMATION

The District's general purpose external financial statements (the basic financial statements and required supplementary information) are designed to provide a financial overview of the District's finances. Requests for additional information or questions concerning the financial information contained in this report should be addressed to the Director of the East Flagler Mosquito Control District, 210 Fin Way, Palm Coast, FL 32164.

Basic Financial Statements

Government-wide Financial Statements

East Flagler Mosquito Control District

Statement of Net Position
September 30, 2021

		Governmental Activities
ASSETS		
Current Assets:		
Cash and Cash Equivalents		$ 253,549
Investments - SBA		1,239,221
Due from Other Governments		11,468
Prepaid Expenses		103,121
Inventory		155,484
Total Current Assets		1,762,843
Capital Assets:		
Land		31,150
Buildings and Improvements	$ 2,293,662	
Less: Accumulated Depreciation	(324,888)	1,968,774
Vehicles and Equipment	2,457,104	
Less: Accumulated Depreciation	(1,625,552)	831,552
Total Capital Assets		2,831,476
Other Assets		
Rent Reduction Receivable		19,255
Total Other Assets		19,255
Total Assets		4,613,574
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows for Pensions		191,321
Total Deferred Outflows of Resources		191,321
LIABILITIES		
Current Liabilities:		
Accounts Payable		$ 12,644
Accrued Payroll & Benefits		40,108
Total Current Liabilities		52,752
Noncurrent Liabilities less Current Portion:		
Compensated Absences		55,000
Net Pension Liability		301,109
Total Noncurrent Liabilities		356,109
Total Liabilities		408,861
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows for Pensions		369,142
Total Deferred Inflows of Resources		369,142
NET POSITION		
Net Investment in Capital Assets		2,831,476
Unrestricted		1,195,416
Total Net Position		$ 4,026,892

See accompanying notes to financial statements.

East Flagler Mosquito Control District

Statement of Activities

Year Ended September 30, 2021

	General Fund	Capital Projects	Total Governmental Funds
Human Services - Mosquito Control:			
Personal Services	$ 717,801	$ -	$ 717,801
Personal Service Benefits	189,379		189,379
Operating Expenses	153,521		153,521
Insurance	79,864		79,864
Travel/Utilities/Services	81,912		81,912
Maintenance and Repairs	77,056		77,056
Materials and Supplies	57,737		57,737
Gasoline, Oil and Lubricants	26,397		26,397
Chemicals and Solvents	501,594		501,594
Training	4,394		4,394
Depreciation	294,316		294,316
Total Program Expenses	2,183,971		2,183,971
General Revenues:			
Property Taxes	2,129,457		2,129,457
Interest Income	2,815	65	2,880
Gain on Disposition of Assets	4,200		4,200
Other	7,220		7,220
Total General Revenues	2,143,692	65	2,143,757
Increase in Net Position	(40,279)	65	(40,214)
Net Position Beginning of Year	4,067,106	-	4,067,106
Transfers	(200,000)	200,000	
Net Position End of Year	$ 3,826,827	$ 200,065	$ 4,026,892

See accompanying notes to financial statements.

Fund Financial Statements

East Flagler Mosquito Control District

Balance Sheet
Governmental Funds
September 30, 2021

	General Fund	Capital Projects	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 253,549		$ 253,549
Investments - SBA	1,239,221		1,239,221
Due from Other Governments	11,468		11,468
Prepaid Expenses	103,121		103,121
Inventory	155,484		155,484
Due From General Fund		200,065	200,065
Total Assets	$ 1,762,843	$ 200,065	$ 1,962,908
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	$ 12,644		$ 12,644
Accrued Payroll & Benefits	40,108		40,108
Due to Capital Project Fund	200,065		200,065
Total Liabilities	252,817	-	252,817
Fund Balances:			
Nonspendable - Inventory & Prepaids	258,605		258,605
Committed for Future Capital Outlay		200,065	200,065
Assigned for Future Capital Outlay/Contingencies	887,282		887,282
Unassigned	364,139		364,139
Total Fund Balances	1,510,026	200,065	1,710,091
Total Liabilities and Fund Balances	$ 1,762,843	$ 200,065	$ 1,962,908

See accompanying notes to financial statements.

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
September 30, 2021

Total Fund Balances-Governmental Fund			$ 1,710,091
Amounts reported in the Statement of Net Assets are different because of the following:			
1. Capital assets used in governmental activities are not financial resources and therefore not reported in the fund as assets:			
	Land		31,150
	Buildings & improvements	$ 2,293,662	
	Less: accumulated depreciation	(324,888)	1,968,774
	Equipment	2,457,104	
	Less: accumulated depreciation	(1,625,552)	831,552
2. Rent Reduction Receivable			19,255
3 Compensated Absences not due and payable in the fund			(55,000)
4 Deferred Outflows/Inflows related to Pensions			(177,821)
5 Net Pension Liability not due and payable in the fund			(301,109)
Net Position of Governmental Activities			$ 4,026,892

See accompanying notes to financial statements.

East Flagler Mosquito Control District

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund - General Fund
Year Ended September 30, 2021

	General Fund	Capital Projects	Total Governmental Funds
Revenues:			
Property Taxes	$ 2,129,457	$	$ 2,129,457
Interest Income	2,815	65	2,880
Proceeds From Sale of Assets	7,016		7,016
Other	7,220		7,220
Total Revenues	2,146,508	65	2,146,573
Expenditures:			
Personal Services	714,801		714,801
Personal Service Benefits	227,421		227,421
Operating Expenses	153,521		153,521
Insurance	79,864		79,864
Travel/Utilities/Services	62,766		62,766
Maintenance and Repairs	77,056		77,056
Materials and Supplies	57,737		57,737
Gasoline, Oil and Lubricants	26,397		26,397
Chemicals	501,594		501,594
Training	4,394		4,394
Capital Outlay	162,380		162,380
Total Expenditures	2,067,931	-	2,067,931
Excess of Revenues Over Expenditures - Net Change in Fund Balance	78,577	65	78,642
Interfund Transfers	(200,000)	200,000	
Fund Balance Beginning of Year	1,631,449	-	1,631,449
Fund Balance End of Year	$ 1,510,026	$ 200,065	$ 1,710,091

See accompanying notes to financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund - General Fund with the Statement of Activities
September 30, 2021

Decrease in Net Position - Statement of Activities			$ (40,214)
Net Change in Fund Balance - General Fund			78,642
Difference			$ (118,856)
A reconciliation of the difference is as follows:			
1. Governmental Fund (General Fund) reports capital outlays as expenditures. The Statement of Activities reports capital outlays as assets subject to depreciation over their estimated useful lives and recognizes depreciation expense:			
Capital Outlay	$ 162,380		
Depreciation Expense	(294,316)	$	(131,936)
2. Adjustment for Disposition of Assets			(2,816)
3. Some expenses reported on the Statement of Activities are not fund expenditures normally liquidated with current financial resources:			
Compensated Absences Payable			(3,000)
Additional Rent Recognized This Year			(19,146)
4. Employers share of pension expense-measurement period			21,163
5. Deferred Outflows for Pensions Subsequent to measurement date			16,879
Difference reconciled			$ (118,856)

See accompanying notes to financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

East Flagler Mosquito Control District, (herein after referred to as "The District"), was created, as an "Independent Special District" on July 21, 1952, in accordance with Chapter 388, Florida Statutes. Pursuant to the results of a special election, the Board of County Commissioners of Flagler County, Florida, ORDERED the creation of the District at a special meeting held on July 21, 1952. East Flagler Mosquito Control District was created to achieve and maintain such levels of arthropod control, as well as protect human health and safety, and foster the quality of life of the people, promote the economic development of the state, and facilitate the enjoyment of its natural attractions by reducing the number of pestiferous and disease-carrying arthropods.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the District are discussed below:

A. Reporting Entity

The financial statements of the District consist only of the statement of East Flagler Mosquito Control District. The District has no oversight responsibilities for any other governmental entity since no other entities are controlled by or dependent upon the District. The District is a special-purpose independent governmental agency engaged in a single governmental program – mosquito control.

B. Basis of Accounting/Measurement Focus

In Accordance with Governmental Accounting Standards Board (GASB) *Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both the government-wide and fund financial statements.

Government-wide Financial Statements

The Government-wide Financial Statements consist of the Statement of Net Position and the Statement of Activities. Government-wide financial statements report information about the District as a whole similar to information for a private-sector business. The Statement of Net Position presents assets and liabilities with the net difference reported as net position. The net position reflects the financial position of the District as of the last day of the fiscal year. The Statement of Activities reports expenses and supporting sources of revenue during the fiscal year. This statement is similar to a statement of profit or loss in the private sector.

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, similar to information reported for a private-sector business. Accordingly, all the District's assets & liabilities, including depreciable capital assets, are included in the Statement of Net Position. The Statement of Activities presents changes in net position during the fiscal year. Since the District is a special purpose independent governmental agency engaged in a single governmental program – mosquito control – the expenses shown on the Statement of Activities are for that function alone.

Under the accrual basis of accounting, revenues are recorded when earned. Expenses are recognized when incurred.

Governmental Fund Financial Statements

Fund financial statements are provided for governmental funds.

The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental funds are those through which most governmental functions of the District are financed. The acquisition use and balances of the District's expendable financial resources and the related liabilities are accounted for through governmental fund types. The measurement focus is upon determination of changes in financial position, rather than upon income determination. The following are the District's governmental fund types:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources.

Capital Projects Fund -The Capital Projects Fund was created in 2021 to account for financial resources being accumulated to replace the helicopter when needed.

All governmental funds are accounted for on a "spending" or "current financial resources" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported undesignated fund balance (net current assets) is considered a measure of "available spendable or appropriable resources." Governmental fund operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. Instead, they are reported as liabilities in the Statement of Activities. Capital assets are recorded as expenditures in the General Fund. In the Statement of Activities, they are reported as assets subject to depreciation.

The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Revenues are available if collected within sixty days of year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include accumulated vacation and sick leave pay which are not accrued, but rather reflected in the General Long-Term Debt Account Group.

A reconciliation is provided, which lists the differences between the net position presented in the Government-wide Financial Statements and the net position presented in the Governmental Fund Financial Statements.

C. Budget Policy and Control

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- A Detailed Work Plan Budget (using DACS format) for the District is presented to the Board of Commissioners for their review and approval.
- The Annual Certified Budget (using DACS format) is due to the Board of Commissioners, no later than September 30th of each year for approval.
- Prior to October 1st the budget is legally enacted through passage of a resolution.
- Budget amendments are approved by the Board of Commissioners. During the fiscal year, there were six budget amendments; one to adjust DACS fund balance to the audited financial statements and others to cover shortfalls where they may have occurred, i.e. training, travel related to trainings, salaries, and items for surveillance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The budgeted revenue and expenditures shown in these financial statements includes all budget amendments approved by the District's Board of Commissioners.
- The level of classification detail at which expenditures may not legally exceed appropriations is within budgetary accounts by fund.
- Appropriations lapse at the end of each year. An appropriation for capital or other programs shall be re-budgeted on an annual basis until the purpose for which it was made has been accomplished or abandoned.
- The budget for the General Fund that was either adopted or amended during the year by the Board of Commissioners and was prepared on the same basis of accounting as used for financial reporting purposes, with the exception of inventory & other immaterial items. Under the budgetary basis, the District accounts for inventory of chemicals and fuels by the purchase method, whereby these items are recorded as expenditures when purchased.

D. Assets, Liabilities, Deferred Inflows, Deferred Outflows and Net Position

Cash and cash equivalents

Cash and cash equivalents are cash held in demand deposits at local banks.

Investments

Investments consist of excess funds deposited with the State Board of Administration in the Florida PRIME Fund. The Florida PRIME is an external investment pool that meets all of the necessary criteria to measure all of the investments in the Florida PRIME at amortized cost.

Due from other governments

Due from other governments represents amounts due from state and local governmental entities.

Inventory

Inventory is valued at cost on the first-in-first-out method (FIFO). Inventory is recorded under the consumption method. Cost is recorded as an expenditure at the time inventory is used. The inventory balance, as reported in the fund financial statements, is offset by a fund balance reserve account in the General Fund to indicate it is not available for appropriation and not an expendable available financial resource of the General Fund.

Capital Assets

In the Government-wide Financial Statements, capital assets include land, buildings, building improvements, and equipment. According to the District's capitalization policy, capital assets are capitalized and depreciated if they have a life of more than one year and cost $1,000 or more. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the Government-wide Financial Statements, depreciation is recorded on capital assets using the straight-line method and the following useful lives:

Buildings	20-40 years
Building improvements	10-40 years
Equipment	5-20 years

Fixed assets purchased in the governmental fund are recorded as expenditures at the time of purchase.

Long Term Debt

In the Government-wide Financial Statements outstanding debt is reported as a liability. The governmental fund financial statements recognize loan proceeds as other financing sources.

Compensated Absences

A liability for unused vacation and sick time for employees is calculated and reported in the Government-wide Financial Statements. A liability for unused sick leave is accrued only to the extent that the leave will result in cash payments upon termination. A liability for these amounts is reported in governmental funds only if they have matured, due to employee retirement or resignation.

Fund Equity

Beginning with the fiscal year 2012, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – amounts that are not in spendable form (such as prepaid expenses and advances due from other funds) or are required to be maintained intact.

Assigned fund balance – amounts the District intends to use for a specific purpose. Intent can be expressed by the Board of Commissioners or as delegated to the District Director by the Board.

Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

Such fund balance classifications are established to demonstrate the current unavailability for certain assets to pay current expenditures and budgetary fund segregation for future planning and contingencies. The following is a description of the nonspendable, committed and assigned fund balances used by the District:

Nonspendable – inventory & prepaids – Amounts set aside for chemical and fuel inventories and prepaids.

Committed for future capital outlay – Amounts set aside to replace the helicopter when needed.

Assigned for future capital outlay/contingencies – Amounts assigned for future capital outlay, payment of annual/sick leave, and contingencies.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers unrestricted funds to have been spent first. When an expenditure is incurred for which assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of unassigned funds, and then assigned funds, as needed, unless the Board has provided otherwise in its assignment actions.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows of Resources/Deferred Inflows of Resources

In addition to assets and liabilities, the District reports the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure) until that applicable time. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that applicable time.

The District reports one item that qualifies as deferred outflows of resources on its government-wide statement of net-position, deferred outflows for pensions. The deferred outflows for pensions is an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows for pensions will be recognized as pension expense or a reduction of the net pension liability in future reporting years.

The District reports one item that qualifies as deferred inflows of resources on its government-wide statement of net position, deferred inflows for pensions. The deferred inflows for pensions is an aggregate of items related to pensions as calculated under the same principles as deferred outflows for pensions and will be recognized as a reduction to pension expense in future reporting years.

Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect certain assets, liabilities, revenues, expenditures, deferred outflows, deferred inflows and note disclosures. Actual results could differ from those estimates.

NOTE 2 – PROPERTY TAXES

All real and tangible personal property taxes are due and payable November 1st of each year, or as soon thereafter as the assessment roll is certified by the Flagler County Property Appraiser (levy date). Flagler County mails a notice of the taxes due to each property owner on the assessment roll. The County collects the taxes for the District. Unpaid real and tangible personal property taxes due November 1st become delinquent April 1st of the following year. Collection dates are from November 1st to June 1st of the following year. Taxes may be paid upon receipt of such notice from the County, with discounts at the rate of four percent (4%) if paid in the month of November; three percent (3%) if paid in the month of December; two percent (2%) if paid in the month of January; and one percent (1%) if paid in the month of February.

Taxes paid during the month of March are without discount. On or before June 1st (lien date) of the year following the year in which taxes were assessed, tax certificates are sold on all real estate parcels with outstanding real property taxes.

The District makes an annual levy on property for general governmental services. Revenue recognized during this fiscal year amounted to $2,129,457.

NOTE 3 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried at cost. Demand deposits and money market accounts are insured by federal depository insurance up to $250,000 of the aggregate account balances. Amounts in excess of $250,000 are fully insured by U.S. Government securities held in the Public Deposit Security Trust Fund (Pool) maintained and monitored by the Treasurer of the State of Florida. The Pool provides for additional assessments to members of the pool to ensure that there will be no loss of public funds. At September 30, 2021, the carrying amount of the District's demand deposits was $253,549, and the respective bank balances totaled $366,765.

NOTE 3 – CASH AND CASH EQUIVALENTS (continued)

State statutes govern the District's investment policies. The District is authorized by its Commission and Florida Statutes to invest available funds in the Local Government Surplus Trust Funds. The District invests excess cash in the SBA as described in Note 1. The SBA has established the Florida Prime, whereby participants own a share of the pool and not the underlying securities.

The SBA established the Florida PRIME whereby participants own a share of the pool and not the underlying securities.

The Florida Prime (formerly known as Pool A or Fund A) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in the Florida PRIME at amortized cost. Therefore, the District's investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool's shares. The Florida Prime is currently rated AAAm. The weighted average days to maturity (WAM) at September 30, 2021, is 49 days and the weighted average life is 64 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM.

The Florida PRIME did not participate in a securities lending program in the year ended September 30, 2021, nor was it exposed to any foreign currency risk. The SBA provides separate financial statements for the Florida PRIME (unaudited) as of and for the fiscal year ended June 30th, which can be obtained at www.sbafla.com/prime/home.aspx. It does not issue financial statements for the period ending September 30th.

At September 30, 2021, there were no redemption fees or maximum transfer amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account balance. With regard to liquidity fees, the SBA has the authority to impose penalties for early withdrawal but has not made any required disclosures relating to these fees. The SBA also has the authority to limit contributions or withdrawals for up to 48 hours in the event of an occurrence or event that has a material impact on the liquidity of the Florida PRIME. No such limitation took place during the year ended September 30, 2021.

On September 30, 2021, the District had $1,239,221 invested in the Florida Prime with no liquidity restrictions.

NOTE 4 – DUE FROM OTHER GOVERNMENTS

As of September 30, 2021, the District had receivables due from other governmental entities in the amount of $11,468 for excess fees and delinquent taxes.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Land	$ 31,150	$	$	$ 31,150
Depreciable Assets:				
Buildings & Improvements	2,293,662			2,293,662
Vehicles & Equipment	2,329,208	162,380	(34,484)	2,457,104
Total Depreciable Assets	4,622,870	162,380	(34,484)	4,750,766
Accumulated Depreciation:				
Buildings & Improvements	(248,433)	(76,455)		(324,888)
Vehicles & Equipment	(1,439,359)	(217,861)	31,668	(1,625,552)
Total Accumulated Depreciation	(1,687,792)	(294,316)	31,668	(1,950,440)
Capital Assets, net	$ 2,966,228	$ (131,936)	$ (2,816)	$ 2,831,476

NOTE 5 – CAPITAL ASSETS (continued)

Current period depreciation expense charged to the Statement of Activities amounted to $294,316.

NOTE 6 – LONG-TERM LIABILITIES

During the year ended September 30, 2021 the following changes occurred in the District's long-term liabilities:

		Compensated Absences
Balance September 30, 2020	$	52,000
Increases		78,000
(Decreases)		(75,000)
Balance September 30, 2021	$	55,000
Portion of long-term liabilities due in one year	$	0

NOTE 7 - PENSION PLAN

Florida Retirement System and Health Insurance Subsidy

In accordance with Florida law, the District participates in the Florida Retirement System (FRS), a cost-sharing, multiple-employer defined benefit public employee retirement system. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The FRS was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan (INV).

The FRS and HIS (Health Insurance Subsidy Program) are administered by the Florida Department of Management Services, Division of Retirement. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code. The Florida legislature has the authority to establish and amend retirement legislation and related bills of significance to members of the FRS and HIS plans (including benefit terms and contribution rates). Passed bills are presented to the Governor of Florida and approved before they may be enacted into law.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from their website: www.dms.myflorida.com/workforce_operations/retirement/publications.

All permanent full-time, regular part-time employees and seasonal positions are eligible to participate in the plan. The retirement age and other retirement benefits & options are stated in the Summary Plan Description issued by the FRS.

Contributions

The funding methods and the determination of benefits payable are provided in various acts of the State Legislature. These acts provided that employers, such as the District, were required to contribute 10.00% from October 1, 2020 to June 30, 2021 and 10.82% from July 1, 2021 to September 30, 2021 for regular employees;49.18% from October 1, 2020 to June 30, 2021 and 51.42% from July 1, 2021 to September 30, 2021 for elected officials; 16.98% from October 1, 2020 to June 30, 2021 and 18.34% from July 1, 2021 to September 30, 2021 for employees under the DROP Program. The District's contributions include 1.66% for a post-retirement health insurance subsidy for October 1, 2020 to September 30, 2021.

NOTE 7 - PENSION PLAN (continued)

As of July 1, 2011, employees are required to contribute 3% to the Florida Retirement System, except for those participating in the DROP Program and retirees.

The District contributed the following amounts for those employees covered under the Florida Retirement System and Health Insurance Subsidy:

Year Ended September 30,	District's Contribution	Percent of Covered Payroll
2021	$ 71,425	11.35%
2020	$ 56,554	10.09%
2019	$ 49,867	9.19%
2018	$ 44,327	9.19%
2017	$ 53,640	8.44%

The payroll for the District's employees covered by the plan for the year ended September 30, 2021 was $629,332; the District's total payroll was $708,703 and employee contributions totaled $18,082.

Actuarial Methods and Assumption

Actuarial assumptions for both the FRS and HIS are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually and the HIS has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The actuarial assumptions that determined the total pension liability as of June 30, 2021 were based on the results of an actuarial experience study completed in 2019 for the period July 1, 2013 through June 30, 2018. Because the HIS is funded on a pay-as-you-go basis, no experience study has been completed. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for the FRS and HIS was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth for both plans, including inflation, is assumed at 3.25% Mortality assumptions for both the FRS Pension Plan and the HIS Program were based on the PUB-2010 base table. Both the discount rate and long-term expected rate of return used for FRS investments is 6.80%. The FRS fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The long-term expected rate of return remained at 6.80%, and the maximum amortization period was decreased to 20 years. Because the HIS program uses a pay-as-you-go funding structure, a municipal bond rate of 2.16% was used to determine its total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Index). As of June 30, 2021, the municipal rate used by HIS decreased from 2.21% to 2.16%.

NOTE 7 - PENSION PLAN (continued)

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation[1]	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
Assumed Inflation - Mean			2.4%	1.2%

1 - As outlined in the FRS Pension Plan's investment policy.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 6.80%-FRS and 2.16%-HIS, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%-FRS; 1.16%-HIS) or one percentage point higher (7.80%-FRS; 3.16%-HIS) than the current rate:

	1% Decrease (5.8%/1.16%)	Current Discount Rate (6.8%/2.16%)	1% Increase (7.8%/3.16%)
District's net pension liability – FRS	$ 417,279	$ 93,308	($ 177,496)
District's net pension liability - HIS	$ 240,238	$ 207,801	$ 181,266

Net Pension Liability, Deferred Outflows/Inflows of Resources, and Pension Expense

1. Proportionate Share of FRS and HIS Plans

   The District's proportionate share of the net pension liability calculated using accrued retirement contributions June 30, 2013, through June 30, 2021 and the required contributions for the division.

   The following table presents information of the District's proportionate share of the FRS and HIS based-on information provided by the Florida Division of Retirement:

	FRS	HIS	Total
Proportionate Share of Net Pension Liability at June 30, 2021	$ 93,308	$207,801	$301,109
Proportion at June 30, 2021	0.001235235%	0.001694049%	
Proportion at June 30, 2020	0.001054393%	0.001605964%	
Change in proportion during current year	0.000180842%	0.000088085%	

   At September 30, 2021, the District reported a net pension liability of $301,109 for its proportionate share of the collective net pension liability of the FRS and HIS.

NOTE 7 - PENSION PLAN (continued)

2. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the District recognized pension expense of $32,641 related to the FRS and $551 related to the HIS. At September 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows and (Inflows)	FRS	HIS	Total
Differences between expected and actual experience	$ 15,993	$ 6,954	$ 22,947
Differences between expected and actual experience	-	(87)	(87)
Changes in assumptions	63,846	16,328	80,174
Changes in assumptions		(8,562)	(8,562)
Net Differences projected and actual investment earnings	(325,528)	217	(325,311)
Changes in District proportion	54,983	15,941	70,924
Changes in District proportion	(14,426)	(20,539)	(34,965)
Contributions subsequent to measurement date	14,198	2,861	17,059
Total Deferred Outflows	$ 149,020	$ 42,301	$ 191,321
Total Deferred Inflows	$ (339,954)	$ (29,188)	$ (369,142)

Deferred outflows of resources of $14,198 for FRS and $2,861 for HIS are reported by the District for employer contributions after the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year ended September 30:	FRS	HIS
2022	$ (36,129)	$ 2,824
2023	(42,130)	900
2024	(55,806)	1,856
2025	(71,511)	2,464
2026	443	1,843
Thereafter		366

NOTE 8 – DEFERRED COMPENSATION AND ROTH PLANS

The District offers its full-time employees a Deferred Compensation Plan and a Roth Plan created in accordance with Internal Revenue Code Section 457. The Deferred Compensation Plan allows employees to defer a portion of their salary until future years, whereas the Roth Plan does not. Funds are not available to employees until termination, retirement, or death, but they do have a loan option available, with a maximum amount being the lesser of 50% of their vested account balance or $50,000, which must be paid back within 5 years.

As of September 30, 2021, plan assets equaled $409,865 and the amount due to employees equaled $409,865. Funds are held by a third-party administrator and therefore, the assets and any related liabilities are not reflected in these financial statements.

NOTE 9 – ECONOMIC DEPENDENCY

The District is dependent on real and personal property taxes levied on Flagler County residents, within the District, to support its operational costs. A significant portion of the District's available assets are invested in the Local Government Surplus Trust Funds.

NOTE 10 – PROPERTY LEASE OBLIGATION

On July 7, 2014, the District entered into a lease agreement with the Flagler County Airport to rent the land on which the operational facility is located. Under the terms of the lease the District rents the property for a period of thirty years. The current rental rate is $2,564.68 a month, due on the first day of the month. The rental rate is adjusted annually on October 1st, based on the change in the Consumer Price Index-All Products, as published by the United States Department of Labor, Bureau of Labor Statistics. The District negotiated with the Flagler County Airport and is currently receiving a reduction in monthly rental payments in exchange for the hangar constructed by the District at the airport.

Rent in the amount of $11,630 was actually paid for the year ended September 30, 2021, and $19,146 of lease payment reductions was expensed.

The annual future minimum rental payments based on a 2% annual increase in the Consumer Price Index for the remainder of the lease and the remaining expensing of the rental reductions would be as follows:

For the year Ended September 30	Future Minimum Rent Payment	Rent Reduction Recognized
2022	$ 31,392	$ 19,255
2023	32,020	
2024	32,660	
2025	33,313	
2026	33,979	
2027-2031	180,367	
2032-2036	199,139	
2037-2041	219,866	
2042-2046	242,750	
	$ 1,005,486	$ 19,255

NOTE 11 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District continues to carry commercial insurance for all risks of loss, including workers' compensation, employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the auditors' report.

Required Supplementary Information

East Flagler Mosquito Control District

Schedule of the District's Proportionate Share of Net Pension Liability
Florida Retirement System
Last Eight Fiscal Years
Year Ended September 30, 2021

Required Supplementary Information

	2021	2020	2019	2018	2017
District's proportion of the net pension liability (asset)	0.001235235%	0.001054393%	0.001013757%	0.001001608%	0.001210081%
District's proportionate share of the net pension liability (asset)	$ 93,308	$ 456,989	$ 349,124	$ 301,690	$ 357,935
District's covered-employee payroll	$ 629,332	$ 560,477	$ 573,388	$ 482,797	$ 641,595
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	14.83%	81.54%	60.89%	62.49%	55.79%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%

	2016	2015	2014
District's proportion of the net pension liability (asset)	0.001224428%	0.001198044%	0.001086982%
District's proportionate share of the net pension liability (asset)	$ 309,169	$ 154,743	$ 66,322
District's covered-employee payroll	$ 624,807	$ 523,220	$ 492,045
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	49.48%	29.58%	13.48%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%	96.09%

Notes to Schedule

The amounts presented for each fiscal year were determined as of 6/30.
Information relating to this schedule is not available for prior years.

Schedule of District Contributions
Florida Retirement System
Last Eight Fiscal Years
Year Ended September 30, 2021

Required Supplementary Information

	2021	2020	2019	2018	2017
Contractually required contribution	$ 60,978	$ 47,240	$ 40,349	$ 36,313	$ 43,081
Contributions in relation to the contractually required contribution	$ (60,978)	$ (47,240)	$ (40,349)	$ (36,313)	$ (43,081)
Contribution defifiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 629,332	$ 560,477	$ 573,388	$ 482,797	$ 636,085
Contributions as a percentage of its covered-employee payroll	9.69%	8.43%	7.04%	7.52%	6.77%

Contractually required contribution	2016	2015	2014
Contributions in relation to the contractually required contribution	$ 42,532	$ 38,631	$ 32,756
Contribution defifiency (excess)	$ (42,532)	$ (38,631)	$ (32,756)
District's covered-employee payroll	$ -	$ -	$ -
Contributions as a percentage of its covered-employee payroll	$ 661,374	$ 551,081	$ 490,462
	6.43%	7.01%	6.68%

Notes to Schedule

The amounts presented for each fiscal year were determined as of 9/30.
Information relating to this schedule is not available for prior years.

East Flagler Mosquito Control District

Schedule of the District's Proportionate Share of Net Pension Liability
Health Insurance Sudsidy Program
Last EightFiscal Years
Year Ended September 30, 2021

Required Supplementary Information

	2021	2020	2019	2018	2017
District's proportion of the net pension liability (asset)	0.001694049%	0.001605964%	0.001567956%	0.001579128%	0.002012873%
District's proportionate share of the net pension liability (asset)	$ 207,801	$ 196,086	$ 175,439	$ 167,137	$ 215,226
District's covered-employee payroll	$ 629,332	$ 560,477	$ 573,388	$ 482,797	$ 641,595
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	33.02%	34.99%	30.60%	34.62%	33.55%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%

	2016	2015	2014
District's proportion of the net pension liability (asset)	0.002023962%	0.001734493%	0.001645061%
District's proportionate share of the net pension liability (asset)	$ 235,884	$ 176,891	$ 153,817
District's covered-employee payroll	$ 624,807	$ 523,210	$ 492,045
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	37.75%	33.81%	31.26%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%	0.99%

Notes to Schedule

The amounts presented for each fiscal year were determined as of 6/30.
Information relating to this schedule is not available for prior years.

Schedule of District Contributions
Health Insurance Sudsidy Program
Last Eight Fiscal Years
Year Ended September 30, 2021

Required Supplementary Information

	2021	2020	2019	2018	2017
Contractually required contribution	$ 10,447	$ 9,304	$ 9,518	$ 8,014	$ 8,014
Contributions in relation to the contractually required contribution	$ (10,447)	$ (9,034)	$ (9,518)	$ (8,014)	$ (8,014)
Contribution defifiency (excess)	$ -	$ 270	$ 0	$ -	$ -
District's covered-employee payroll	$ 629,332	$ 560,477	$ 573,388	$ 482,797	$ 482,797
Contributions as a percentage of its covered-employee payroll	1.66%	1.66%	1.66%	1.66%	1.66%

	2016	2015	2014
Contractually required contribution	$ 10,979	$ 6,944	$ 5,885
Contributions in relation to the contractually required contribution	$ (10,979)	$ (6,944)	$ (5,885)
Contribution defifiency (excess)	$ -	$ -	$ -
District's covered-employee payroll	$ 661,374	$ 551,081	$ 490,462
Contributions as a percentage of its covered-employee payroll	1.66%	1.26%	1.20%

Notes to Schedule

The amounts presented for each fiscal year were determined as of 9/30.
Information relating to this schedule is not available for prior years.

East Flagler Mosquito Control District

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Budgetary Basis) and Actual - General Fund
Year Ended September 30, 2021

Required Supplementary Information

	Budgeted Amounts			Variance Over\
	Original	Final	Actual	(Under)
Revenues:				
Property Taxes	$ 2,119,349	$ 2,119,349	$ 2,129,457	$ 10,108
Interest Income	5,000	5,000	2,815	(2,185)
Gain on Disposition of Assets	3,000	3,000	7,016	4,016
Other	3,000	3,000	7,220	4,220
Total Revenues	2,130,349	2,130,349	2,146,508	16,159
Expenditures:				
Personal Services	706,967	765,788	714,801	(50,987)
Personal Service Benefits	295,507	300,213	227,421	(72,792)
Operating Expenses	169,975	169,975	153,521	(16,454)
Insurance	85,000	85,000	79,864	(5,136)
Travel/Utilities/Services	71,470	86,470	62,766	(23,704)
Maintenance and Repairs	80,100	80,100	77,056	(3,044)
Materials and Supplies	54,561	59,561	57,737	(1,824)
Gas, Oil and Lubricants	27,550	27,550	26,397	(1,153)
Chemicals	414,490	509,790	474,761	(35,029)
Training	12,700	12,700	4,394	(8,306)
Contingency	200,000	180,000		(180,000)
Capital Outlay	169,910	169,910	162,380	(7,530)
Total Expenditures	2,288,230	2,447,057	2,041,098	(405,959)
Excess (deficiency) of Revenues over Expenditures	(157,881)	(316,708)	105,410	-
Transfers to Capital Projects Fund		(200,000)	(200,000)	
Fund Balance Beginning of Year	1,451,230	1,631,449	1,631,449	-
Fund Balance End of Year	$ 1,293,349	$ 1,114,741	$ 1,536,859	$ -

** See Notes to Required Supplementary Information -
Note 1. - "Budgetary - GAAP Reporting Reconcilation"

See accompanying notes to financial statements.

NOTE 1 – BUDGETARY-GAAP REPORTING RECONCILIATION

The Statement of Revenue, Expenditures, and Changes in Fund Balance--Budget (Budgetary Basis) and Actual--General Fund, as shown in the required supplementary information, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because the accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of resultant basis, timing, perspective, and entity differences in the excess (deficiency) of revenue and other sources of financial resources over expenditures and other uses of financial resources for the year ended September 30, 2021 is presented below:

		General Fund
Excess of revenue over expenditures (budgetary basis)	$	105,410
Adjustments - Increase / (Decrease):		
To adjust expenditures for reserve for inventory		(26,833)
Excess of Revenue over Expenditures (GAAP Basis)	$	78,577

OTHER REPORTS

Lombardo Spradley & Klein

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Board of Commissioners
East Flagler Mosquito Control District
Palm Coast, FL

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities of East Flagler Mosquito Control District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents and have issued our report thereon dated March 16, 2022.

Internal Control over Financial Reporting

In planning and performing our audit, we considered East Flagler Mosquito Control District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies, or material weakness. However, as described in the accompanying management letter we did not identify any deficiencies in internal control that we consider to be a material weakness. Other material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether East Flagler Mosquito Control District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Districts' internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lombardo, Spradley & Klein, CPAs
Certified Public Accountants
Daytona Beach, Florida
March 16, 2022

Lombardo Spradley & Klein

Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
FLORIDA STATUTES 218.415 - INVESTMENTS OF PUBLIC FUNDS

Board of Directors
East Flagler Mosquito Control District

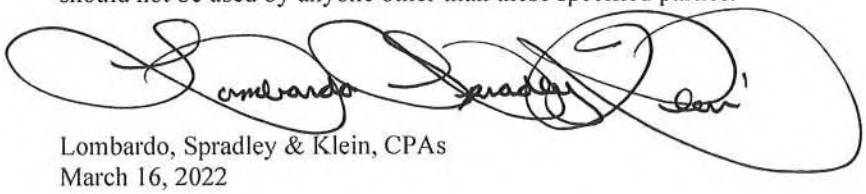
We have examined East Flagler Mosquito Control District's (the District) compliance with Section 218.415, Florida Statutes during the fiscal year ended September 30, 2021. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the East Flagler Mosquito Control District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

This report is intended solely for the information and use of the Florida Auditor General, the Board of Directors of the East Flagler Mosquito Control District, and management, and is not intended to be and should not be used by anyone other than these specified parties.



Lombardo, Spradley & Klein, CPAs
March 16, 2022

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Lombardo Spradley & Klein

Certified Public Accountants

INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE FLORIDA AUDITOR GENERAL

To the Honorable Board of Commissioners
East Flagler Mosquito Control District
Palm Coast, FL

Report on the Financial Statements

We have audited the financial statements of the governmental activities of East Flagler Mosquito Control District, as of and for the year ended September 30, 2021, and have issued our report thereon dated March 16, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedules

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report dated March 16, 2022, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's report.

Findings and Recommendations

None

Compliance

None

Other Comments

None

Status of Prior Year Findings – Significant Deficiencies

None

Other Matters Required By the Rules of the Auditor General

In accordance with the Rules of the Auditor General of the State of Florida, the following is noted:

Financial Condition and Management

Sections 10.224(1)(i)5.a. and 10.556(7) Rules of the Auditor General, require us to appropriate procedures and communicate results of our determination as to whether or not the District met one or more of the conditions described in Florida Statutes Section 218.503(1). In connection with our audit, we determined that the District did not meet any of the conditions described in Florida Statutes Section 218.503(1).

Pursuant to Sections 10.224(1)(i)5.a. and 10.556(7) Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the East Flagler Mosquito Control District reported:

a. The total Number of district employees compensated in the last pay period of the district's fiscal year as 14.
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was 0.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $720,801.
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $0
e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with total expenditures for such project as $0
f. The budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final budget under Section 189.016(6) Florida Statutes, can be found on page 30 of the financial statements.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the East Flagler Mosquito Control District reported:

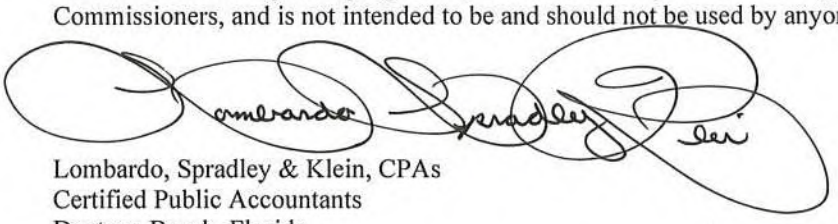
a. The mileage rate imposed by the district as .2375 mills.
b. The total amount of ad valorem taxes collected by or on behalf of the district as $ 2,129,457.
c. The district has no outstanding bonds.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General. Requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants attention to those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee members, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Florida Department of Agriculture, management, and the Board of Commissioners, and is not intended to be and should not be used by anyone other than those specified parties.



Lombardo, Spradley & Klein, CPAs
Certified Public Accountants
Daytona Beach, Florida

March 16, 2022