LEALMAN SPECIAL FIRE CONTROL DISTRICT

FINANCIAL REPORT

FOR THE FISCAL
YEAR ENDED SEPTEMBER 30, 2024

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INTRODUCTORY SECTION

LEALMAN SPECIAL FIRE CONTROL DISTRICT
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

		Page
I.	**INTRODUCTORY SECTION**	
	Table of Contents…….....	I-II
	Lealman Special Fire Control District Organization…….....	III
	Listing of Lealman Special Fire Control District Officials…….	IV
II.	**FINANCIAL SECTION**	
	Independent Auditor's Report…….	1
	Management's Discussion and Analysis……..…….	3-9
	Basic Financial Statements:	
	Government-Wide Financial Statements:	
	Statement of Net Position……..	10
	Statement of Activities…….……...	11
	Fund Financial Statements:	
	Balance Sheet-Governmental Funds..……..……	12
	Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position …….……...	13
	Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds…….….	14
	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities…..…….	15
	Notes to Financial Statements……..…….	16-38
	Required Supplementary Information:	
	Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual – General Fund……	39
	Schedule of the Changes in the District's Net OPEB Liability and Related Ratios…… …..	40
	Schedule of the District's Proportionate Share of the Net Pension Liability – Florida Retirement System Plan (FRS) …….....	41
	Schedule of the District's Contributions – Florida Retirement System Plan (FRS) …….....	42
	Schedule of the District's Proportionate Share of the Net Pension Liability –Health Insurance Subsidy Pension Plan (HIS) …….....	43
	Schedule of the District Contributions – Health Insurance Subsidy Pension Plan (HIS) …….....	44
	Notes to the Required Supplementary Information……..…..……	45
	Other Supplementary Information:	
	Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual - Special Revenue Fund - Tierra Verde Fire Contract ……..…	46
	Data Elements required by FL Statute 218.39 (3) (c)……..……..……	47

LEALMAN SPECIAL FIRE CONTROL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS (Continued)

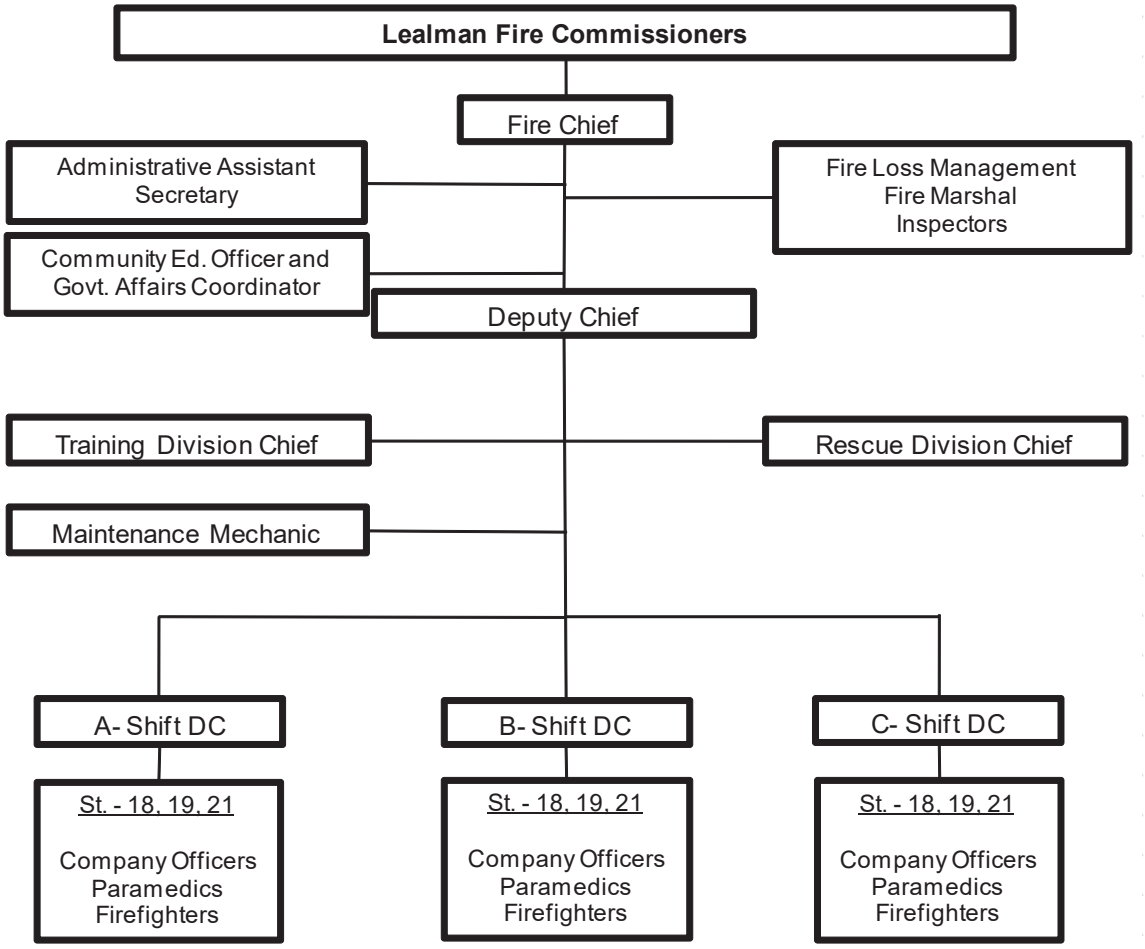
III. **OTHER REPORTS** Page

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.....48-49

Independent Auditor's Report on Compliance with Florida Statute Section 218.415 Required by Rule 10.556(10) of the Auditor General of the State of Florida..... 50

Management Letter Pursuant to the Rules of the Auditor General of the State of Florida 51-52

LEALMAN SPECIAL FIRE CONTROL DISTRICT
ORGANIZATIONAL INFRASTRUCTURE



LEALMAN SPECIAL FIRE CONTROL DISTRICT

LISTING OF DISTRICT OFFICIALS

ELECTED BOARD OF FIRE COMMISSIONERS
AS OF SEPTEMBER 30, 2024

Chairperson	James Banning
Vice Chairperson	Kathleen Litton
Secretary/Treasurer	Jorge Mercado
Commissioner	Jay Alexander
Commissioner	Rebecca Harriman

APPOINTED OFFICIALS

Fire Chief	Richard E. Graham
Fire District's Attorney	Unice, Salzman & Jensen, PA

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

1001 Yamato Road ▪ Suite 301
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Fire Commissioners
Lealman Special Fire Control District
St. Petersburg, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Lealman Special Fire Control District, St. Petersburg, Florida ("District") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, 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 the 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.

Auditor's Responsibility

Our responsibility is to express opinions 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 from 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2024, and the respective changes in financial position thereof for the fiscal year then ended in accordance 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 that the management's discussion and analysis, general fund budgetary comparison information, schedule of changes in the District's net OPEB liability, schedules of proportionate share of net pension liability, and schedules of pension contributions be presented to supplement the basic financial statements. Such information, although not a 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 management's 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The special revenue fund budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information for compliance with FL Statute 218.39 (3) (c) is not a required part of the basic financial statements. The special revenue fund budgetary comparison information and the information for compliance with FL Statute 218.39 (3) (c) have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2025, on our consideration of the 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 solely 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 effectiveness of the District's 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.

Grau & Associates

February 7, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

LEALMAN SPECIAL FIRE CONTROL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

As management of the Lealman Special Fire Control District (District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the fiscal year ended September 30, 2024. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The net position of the District at the close of the 2024 fiscal year was $20,379,558, an increase of $5,705,774 from the prior year.

- On the government-wide financial statements, total liabilities, which includes primarily pension liabilities, OPEB liability, and accrued compensated absences, at the end of fiscal year 2024 is $17,643,053.

- As of the close of the 2024 fiscal year, the District's governmental funds reported combined ending fund balances of $24,956,847, an increase in comparison with the prior year of $4,159,464. The total fund balance is nonspendable for prepaid items, assigned to various activities and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, using accounting methods similar to a private-sector business.

The *statement of net position* presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements should distinguish functions of the District that are principally supported by the District's residents and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of these costs. The District is the *primary government* and has no component units. The governmental activities of the District include the public safety function.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain 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. The District has one fund category: governmental funds consisting of the general fund and special revenue fund.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains two governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and special revenue fund, both of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources at the close of the most recent fiscal year.

Key components of the District's net position is reflected in the following table:

	NET POSITION SEPTMBER 30, 2024	2023
Cash	$ 23,943,748	$ 19,890,047
Other current assets	1,122,089	369,742
Capital assets, net	10,187,454	9,383,150
Deposit	1,192,721	1,192,721
Total Assets	36,446,012	30,835,660
Deferred Outflows of Resources	3,577,986	3,250,381
Long-term liabilities	16,969,248	17,481,363
Other liabilities	673,805	580,380
Total Liabilities	17,643,053	18,061,743
Deferred Inflows of Resources	2,001,387	1,350,514
Net Position:		
Net investment in capital assets	9,997,042	9,192,738
Unrestricted (deficit)	10,382,516	5,481,046
Net Position	$ 20,379,558	$ 14,673,784

The District's net position reflects its investment in capital assets (e.g. land, buildings and improvements, and vehicles) net of accumulated depreciation. These assets are used to provide services to the public; consequently, these assets are not available for future spending.

The District's net position increased during the most recent fiscal year. The majority of the increase is attributed to interest income, other contributing factors toward an excess of revenue over expenses, and the District recording the revenue related to grants from the County and the Federal government while the majority of the reimbursable costs associated with these grants were capitalized and therefore were not recorded as expenses in the current year. These amounts will be recognized as decreases to net position to the extent that they are depreciable over their estimated useful life in future periods.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

	2024	2023
Revenues		
General Revenues		
Property taxes	$ 10,020,469	$ 9,124,818
Unrestricted investment earnings	1,157,859	359,485
Miscellaneous	335,853	391,608
Program Revenues		
Charges for service	19,868	24,605
Operating grants and contributions	7,189,374	5,338,750
Capital grants and contributions	329,637	589,358
Total Revenues	19,053,060	15,828,624
Expenses		
Public Safety – Fire & EMS	13,347,286	13,510,119
Total Expenses	13,347,286	13,510,119
Increase (Decrease) in Net Position	5,705,774	2,318,505
Net Position, beginning	14,673,784	12,355,279
Net Position, end of year	$ 20,379,558	$ 14,673,784

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2024 was $8,914,764. The costs of the District's activities were primarily funded by property taxes and operating grants. Property taxes increased during the fiscal year as a result of an increase in assessed property values. Capital grants decreased mainly as a result of a grant award from the County for the new fire station in the prior year. In total, expenses decreased from the prior fiscal year as a result of the change in the net pension liability and deferred outflows and inflows of resources related to pensions.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, unassigned fund balance of the general fund was $8,816,649 while total general fund balance was $24,956,847. As a measure of the general fund's liquidity, it may be useful to compare the total general fund balance to total general fund expenditures. Total general fund balance at September 30, 2024 represents 216% of fiscal year 2024 total general fund expenditures.

The fund balance for the general fund increased $4,159,464 during the current fiscal year. Key factors in this net increase are as follows:

- Ad valorem revenues higher due to increase in property values
- Federal and Local Grants
- Interest revenue
- Improved operational efficiencies
- Best practices to contain costs
- Increased personnel productivity

General Budgetary Highlights

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. The Board of Commissioners must approve any budget amendments that increase the aggregate budgeted appropriations. The general fund budget for the fiscal year ended September 30, 2024 was amended to increase revenues by $90,469, increase appropriations by $290,469 and decrease budgeted reserves by $200,000.

Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2024.

A budget for Tierra Verde was not formally adopted by the governing board.

Capital Assets

At the end of 2024, the District's investment in capital assets for its governmental activities was $10,187,454 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements and equipment.

Change in Capital Assets – Governmental Activities

	Years Ended September 30		
	2024	2023	Change
Land	$ 1,151,070	$ 1,151,070	$ -
Construction in progress	-	4,260,036	(4,260,036)
Buildings and improvements	8,360,247	3,898,374	4,461,873
Equipment	2,148,355	1,377,229	771,126
Vehicles & Trucks	5,330,176	4,917,804	412,372
Total capital assets	$16,989,848	$ 15,604,513	$ 1,385,335
Less accumulated depreciation	(6,802,394)	(6,221,363)	(581,031)
Capital assets, net	$10,187,454	$ 9,383,150	$ 804,304

Additional information on the District's capital assets can be found in note 6 of this report.

Long-Term Liabilities

At September 30, 2024, the District had $16,969,248 of outstanding debt. The following is a detailed schedule of the District's outstanding Long-term liabilities as of September 30, 2024 and 2023:

	Years Ended September 30		
	2024	2023	Change
Net Pension Liability - FRS & HIS	$14,457,432	$ 15,207,504	$ (750,072)
Net OPEB Liability	904,223	813,102	91,121
Compensated Absences	1,607,593	1,460,757	146,836
Total Outstanding Long-Term Liabilities	$16,969,248	$ 17,481,363	$ (512,115)

Net pension liability reflects the District's proportionate share of its FRS and HIS liability.

More detailed information about the District's long-term debt can be found in notes 7, 8, 12 & 13 of this report.

Economic Factors

The District's Board of Commissioners approved an operating millage rate of 5.2500 mills for fiscal year 2024.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances for the District's residents and creditors. Questions concerning this report or requests for additional financial information should be directed to: Chief Richard E. Graham, 4360 55th Avenue North, St. Petersburg, FL 33714.

BASIC FINANCIAL STATEMENTS

This section contains the following subsections:

Government-Wide Financial Statements

- Statement of Net Position
- Statement of Activities

Fund Financial Statements

Government Fund Financial statements

- Balance Sheet – Governmental Funds
- Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position
- Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities

Notes to Financial Statements

LEALMAN SPECIAL FIRE CONTROL DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

ASSETS		
Cash		$ 23,943,748
Receivables		959,219
Prepaid Expenses		162,870
Capital Assets:		
Land	1,151,070	
Construction in Progress	-	
Buildings and Improvements	8,360,247	
Equipment	2,148,355	
Vehicles and Trucks	5,330,176	
Accumulated Depreciation	(6,802,394)	
Total Capital Assets, Net		10,187,454
Deposit		1,192,721
TOTAL ASSETS		36,446,012
DEFERRED OUTFLOWS OF RESOURCES		
Pensions		3,521,871
OPEB		56,115
TOTAL DEFERRED OUTFLOWS OF RESOURCES		3,577,986
LIABILITIES		
Accounts Payable		51,388
Retainage Payable		190,412
Salaries and Benefits Payable		432,005
Compensated Absences		1,607,593
Net OPEB Liability		904,223
Net Pension Liability - FRS & HIS		14,457,432
TOTAL LIABILITIES		17,643,053
DEFERRED INFLOWS OF RESOURCES		
Pensions		2,001,387
TOTAL DEFERRED INFLOWS OF RESOURCES		2,001,387
NET POSITION		
Invested in Capital Assets, Net of Related Debt		9,997,042
Unrestricted		10,382,516
TOTAL NET POSITION		$ 20,379,558

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

LEALMAN SPECIAL FIRE CONTROL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Revenue and Changes in Net Position: Governmental Activities
Primary government:					
Governmental activities:					
Public Safety	$ 13,347,286	$ 19,868	$ 7,189,374	$ 329,637	$ (5,808,407)
Total governmental activities	13,347,286	19,868	7,189,374	329,637	(5,808,407)
General revenues:					
Property taxes					10,020,469
Unrestricted investment earnings					1,157,859
Miscellaneous					335,853
Total general revenues					11,514,181
Change in net position					5,705,774
Net position - beginning					14,673,784
Net position - ending					$ 20,379,558

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

LEALMAN SPECIAL FIRE CONTROL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Major Funds		Total Governmental Funds
	General Fund	Tierra Verde	
ASSETS			
Cash	$ 20,775,929	$ 3,167,819	$ 23,943,748
Receivables	959,219	-	959,219
Prepaid Expenses	140,198	22,672	162,870
Deposit	1,192,721	-	1,192,721
Due from other fund	3,105,194	-	3,105,194
TOTAL ASSETS	$ 26,173,261	$ 3,190,491	$ 29,363,752
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities			
Accounts Payable	$ 47,280	$ 4,108	$ 51,388
Retainage Payable	190,412	-	190,412
Accrued Salaries and Benefits Payable	350,816	81,189	432,005
Due to other fund	-	3,105,194	3,105,194
TOTAL LIABILITIES	588,508	3,190,491	3,778,999
Deferred Inflows of Resources - Unavailable Revenue	627,906	-	627,906
Fund Balance			
Nonspendable	140,198	-	140,198
Assigned	16,000,000	-	16,000,000
Unassigned	8,816,649	-	8,816,649
TOTAL FUND BALANCE	24,956,847	-	24,956,847
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 26,173,261	$ 3,190,491	$ 29,363,752

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

LEALMAN SPECIAL FIRE CONTROL DISTRICT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

Fund balance - governmental funds		$ 24,956,847
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.		
Cost of capital assets	16,989,848	
Accumulated depreciation	(6,802,394)	10,187,454
Assets recorded in the governmental fund financial statements that are not available to pay for current-period expenditures are unavailable revenue in the governmental funds.		627,906
Deferred outflows of resources related to FRS and HIS are recorded in the statement of net position.		3,521,871
Deferred inflows of resources related to FRS and HIS are recorded in the statement of net position.		(2,001,387)
Deferred outflows of resources related to OPEB are recorded in the statement of net position.		56,115
Liabilities not payable from current available resources are not reported as fund liabilities in governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Compensated absences		(1,607,593)
Net OPEB liability		(904,223)
Net FRS and HIS pension liability		(14,457,432)
Net position of governmental activities		$ 20,379,558

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

LEALMAN SPECIAL FIRE CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Major Funds		Total Governmental
	General Fund	Tierra Verde	Funds
REVENUES:			
Property taxes	$ 10,020,469	$ -	$ 10,020,469
Intergovernmental	4,211,811	2,754,041	6,965,852
Charges & Fees	19,868	-	19,868
Other Income	323,398	-	323,398
Investment Income	1,157,859	-	1,157,859
TOTAL REVENUES	15,733,405	2,754,041	18,487,446
EXPENDITURES:			
Public Safety - Fire:			
Personal Services	5,106,358	1,458,639	6,564,997
Operating	1,347,794	610,275	1,958,069
Capital Outlay	1,572,207	13,042	1,585,249
Total Public Safety - Fire	8,026,359	2,081,956	10,108,315
Public Safety - EMS			
Personal Services	3,331,954	591,518	3,923,472
Operating	200,084	108,566	308,650
Total Public Safety - EMS	3,532,038	700,084	4,232,122
TOTAL EXPENDITURES	11,558,397	2,782,040	14,340,437
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	4,175,008	(27,999)	4,147,009
OTHER FINANCING SOURCES			
Proceeds from Asset Sales	12,455	-	12,455
NET CHANGE IN FUND BALANCES	4,187,463	(27,999)	4,159,464
OTHER FINANCING SOURCES (USES)			
Interfund Transfers In (Out)	(27,999)	27,999	-
NET CHANGE IN FUND BALANCES	4,159,464	-	4,159,464
FUND BALANCE, OCTOBER 1	20,797,383	-	20,797,383
FUND BALANCE, SEPTEMBER 30	$ 24,956,847	$ -	$ 24,956,847

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

LEALMAN SPECIAL FIRE CONTROL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Net change in fund balances - total governmental funds	$	4,159,464
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is capitalized and depreciated over their estimated useful lives.		1,468,887
Depreciation on capital assets is not recognized in the governmental fund statement but is reported as an expense in the statement of activities.		(664,583)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund financial statements.		589,596
Certain revenues were unavailable for the governmental fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements.		(36,437)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The details of the differences are as follows:		
Change in Net OPEB liability and deferred outflows and inflows of resources related to OPEB		(79,365)
Change in net FRS and HIS pension liability, and deferred outflows and inflows of resources related to FRS and HIS pensions		415,048
Change in compensated absences		(146,836)
Change in net position of governmental activities	$	5,705,774

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

LEALMAN SPECIAL FIRE CONTROL DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 1 – Nature of Organization and Reporting Entity

The District is a political subdivision of the State of Florida, located in Pinellas County in the southwest portion of the State. The District was originally incorporated in 1948 under the provisions of the Laws of Florida, as a non-profit corporation. On June 5, 2000, in accordance with the Florida House of Representatives Bill 1549, the Lealman Special Fire Control District was established as an independent special district. The District is approximately eleven square miles in area. The District was organized to prevent and control damage, destruction or injury to people or property by fire, disaster, or other emergencies and to provide Emergency Medical Services (EMS) to citizens in need in the District. The EMS contracts are renewable annually. The District is governed by the Board of Commissioners ("Board"), which is composed of five commissioners. The commissioners are elected by majority vote of the Electors of the District voting at a general election. The Board of Commissioners of the District exercise all powers granted to the District pursuant to Chapters 189 and 191, Florida Statutes.

On October 1, 2009 the District entered into an agreement with the Pinellas County Board of County Commissioners to provide first responder services on behalf of the Tierra Verde Fire District, a municipal service taxing unit.

The financial statements were prepared in accordance with Governmental Accounting Standards District ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the Board of Commissioners is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

Note 2 – Summary of Significant Accounting Policies

The Lealman Special Fire Control District (District) maintains its accounting records in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

Government-wide and Fund Financial Statements – The District has adopted the provisions of GASB Statement Number 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments." The government-wide financial statements required under this statement (the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fire/Emergency Medical Services – Expenses and expenditures are directly allocated to either Public Safety – Fire Protection or Public Safety – EMS.

Note 2 – Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – The government-wide financial statements are reported using the *economic resources measurement focus* and *the accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of related cash flows. Property assessments are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

The District reports the following major governmental funds:

General Fund
The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund
The special revenue fund consists of intergovernmental revenue received from Pinellas County under a contract to provide fire and EMS services to Tierra Verde, Florida. The facilities and equipment are provided by Pinellas County, Florida and the District provides the staffing and operating resources necessary to provide the fire protection and EMS staffing to the residents of the geographic area covered by the agreement.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Assets, Liabilities and Net Position or Equity

Fund Equity/Net Position - Fund balances for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Constraints include the non-spendable fund balance which includes amounts that cannot be spent because they either are not in spendable form or legally or contractually required to be maintained intact. Restricted fund balances include constraints placed on the use of resources either by externally imposed creditors, grantors, contributors, or laws. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority are reported as committed fund balances. Assigned fund balances are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The unassigned fund balance represents funds that have not been restricted, committed, or assigned to specific purposes within the general fund.

The District has a policy of spending committed fund balance, followed by assigned fund balance and then unassigned funds when expenditures are incurred for which amounts in any of the unrestricted fund balance classifications could be used.

Note 2 – Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued) - Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to property, plant and equipment. Restricted net position represents the assets restricted by the District's contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Investment Policy - The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;

b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;

c) Interest bearing time deposits or savings accounts in qualified public depositories;

d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Cash and Cash Equivalents – For purposes of these statements, cash is expressed in terms of "cash and cash equivalents." Cash equivalents include short-term, highly liquid investments such as bank and money market accounts.

Prepaid Items – Certain payments to vendors for insurance premiums reflect costs applicable to future accounting periods and are recorded as prepaid items. The costs of governmental fund-type prepaid items are recorded as expenditures using the purchase method. Under this method, prepaid items are recorded as expenditures when purchased. Prepaid items reported in the general fund are constrained and are included in the non-spendable fund balance, which indicates the assets are unavailable for appropriation even though they are a component of reported assets.

Note 2 – Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Property Taxes – Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The levy of ad valorem taxes on property values of the District is established by the Board of Commissioners on or after February 1 of each year and the Pinellas County Property Appraiser incorporates the District's assessment into the total tax levy, which includes the Pinellas County District School Board tax requirements. The 2024 assessment by the District was 5.2500 mills.

All taxes are due and payable on November 1 of each year in order to get the maximum discount available. All unpaid taxes become delinquent on April 1. Delinquent assessments bear interest at 3% per year.

On or prior to June 1 following the tax year, certificates are sold for all delinquent assessments. After sale, tax certificates bear interest at 18% per year or any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Because of the Pinellas County Tax Collector's office efficient system for selling tax certificates and remitting the proceeds to the District, any delinquent or uncollected assessments at year end are immaterial. The District's assessment calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date:	April 1, succeeding year

Capital Assets – Capital assets, which include property, plant and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $1,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of conation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred, if any, during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the District, is depreciated using the straight-line method over the following estimated useful lives.

Assets	Years
Buildings and improvements	10 - 30
Equipment	5 - 15
Vehicles and Trucks	5 - 20

Note 2 – Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Compensated Absences – It is the District's policy to permit employees to accumulate earned but unused vacation, holiday and sick pay benefits.

Vacation Leave:

All full-time employees shall accrue vacation time from their first six months of employment with the District so as to enjoy the following vacation leave upon completion of each level of service.

Service Years Completed	Vacation Leave
Start	204 hrs
2 Years of Completed Service	228 hrs
5 Years of Completed Service	252 hrs
8 Years of Completed Service	276 hrs
10 Years of Completed Service	300 hrs
15 Years of Completed Service	324 hrs
20 Years or More of Completed Service	348 hrs

For all employees hired after October 1, 2014, full-time employees shall accrue vacation time from their first six months of employment with the District so as to enjoy the following vacation leave upon completion of each level of service.

Service Years Completed	Vacation Leave
Start	144 hrs
3 Years of Completed Service	180 hrs
5 Years of Completed Service	216 hrs
10 Years of Completed Service	240 hrs
15 Years of Completed Service	264 hrs
20 Years of Completed Service	288 hrs
25 Years or More of Completed Service	336 hrs

In addition to the above annual vacation hours an additional twenty-four hours are accrued when an employee reaches the twentieth, twenty-fifth, thirtieth, thirty-fifth, fortieth, forty-fifth, and fiftieth anniversary date.

For firefighters, the maximum number of vacation leave hours, which may be accrued shall not exceed twice the employee's annual rate. For staff employees, the maximum number of vacation leave hours is 850. At termination employees are paid for any accumulated vacation leave that is available at that time.

Note 2 – Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Compensated Absences – (continued)

Sick Leave:

It is the District's policy that all full-time employees earn fourteen (14) hours of sick leave for each full month of employment. The maximum cash liability for sick leave may be accumulated up to a maximum of five hundred hours per employee and vests in accordance with the following table:

Years of Service	% Vestiture
3	15% (up to 500 hours)
5	25% (up to 500 hours)
10	50% (up to 500 hours)
15	75% (up to 500 hours)
20	100% (up to 500 hours)
25	100% (up to 750 hours)

Sick leave incentive shall be given to those Employees who use little or no unplanned leave during a one (1) year period. Eligibility for the incentive award is to be based on the Employee's anniversary date of employment and is awarded as follows:

Unplanned leave used	Hours awarded
0-24 hours used	48 hours
25-48 hours used	36 hours
49-72 hours used	24 hours

All vested vacation and sick leave is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Liability for accrued compensated absences of the governmental activities is not reported in the balance sheet of the governmental funds and, accordingly, represents a reconciling item between the fund and government-wide presentations. Payments are generally paid out of the general fund.

Accrued Leave: Permanent, full-time employees earn vacation and sick leave beginning with an employee's first pay period and accruing according to the number of regularly scheduled hours an employee works and the length of service.

Holiday Leave: Union employees working a normal schedule receive an additional twelve hours of holiday compensation. Earned holiday pay can be accrued and used later, but if not used by the last full pay period in September it is paid to the employee.

Long-Term Obligations – In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, the face amount of debt issued is reported as other financing sources.

Unearned Revenue – Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Note 2 – Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. This includes the deferred amount on pension reported in the government-wide statement of net position. The deferred outflows of resources related to pensions are discussed in a subsequent note.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. This includes the deferred amount on pension reported only in the government-wide statement of net position. A deferred amount on pension results from the difference in the expected and actual amounts of experience, earnings, and contributions. This amount is deferred and amortized over the service life of all employees that are provided with pensions through the pension plan except earnings which are amortized over five to seven years. This also includes unavailable revenues reported only in the governmental funds balance sheet.

Other Disclosures

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 3 – Stewardship, Compliance and Accountability

Budgets – The District is required to establish a budgetary system and an approved Annual Budget. An Annual Budget is adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

On or before June 1 of each year, the department heads of each of the District's divisions submit requests for the appropriation to the Fire Chief so that a budget may be prepared. The budget is prepared by function and activity (divisions), and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the Board of Commissioners (Board) for review by the tentative budget hearing. The Board holds public hearings and may add to, subtract from, or change appropriations. Any changes in the budget are presented at the final budget hearing.

Finance-Related Legal and Contractual Provisions – The District is not in violation of any finance-related legal and contractual provisions.

Note 4 – Cash and Deposits

At year-end carrying amount of the District's deposits was $23,943,748. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the state of Florida's Security of Public Deposits Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the state Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses, in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository default.

Note 5 – Receivables

Receivables at September 30, 2024, consist of the following:

County EMS 1% reimbursement	$ 80,132
Other	879,087
Total receivables	$ 959,219

Note 6 – Capital Assets

Capital asset activity for the year ended September 30, 2024 was as follows:

	Balance September 30, 2023	Increases	Decreases	Balance September 30, 2024
Governmental activities				
Capital Assets Not Being Depreciated:				
Land	$ 1,151,070	$ -	$ -	$ 1,151,070
Construction in progress	4,260,036	172,486	(4,432,522)	-
Total Capital Assets, Not Being Depreciated	5,411,106	172,486	(4,432,522)	1,151,070
Capital Assets, Being Depreciated:				
Building and Improvements	3,898,374	4,461,873	-	8,360,247
Equipment	1,377,229	785,313	(14,187)	2,148,355
Vehicles & Trucks	4,917,804	481,737	(69,365)	5,330,176
Total Capital Assets, Being Depreciated	10,193,407	5,728,923	(83,552)	15,838,778
Less Accumulated Depreciation for:				
Building and Improvements	(2,214,312)	(205,409)	-	(2,419,721)
Equipment	(969,938)	(122,838)	14,187	(1,078,589)
Vehicles & Trucks	(3,037,113)	(336,336)	69,365	(3,304,084)
Total Accumulated Depreciation	(6,221,363)	(664,583)	83,552	(6,802,394)
Total Capital Assets, Being Depreciated, Net	3,972,044	5,064,340	-	9,036,384
Governmental Activities Capital Assets, Net	$ 9,383,150	$ 5,236,826	$ (4,432,522)	$ 10,187,454

Depreciation expense was charged to the Public Safety function.

Note 7 – Long-Term Debt

During the fiscal year ended September 30, 2024, the following changes occurred in long-term liabilities:

	Balance October 1, 2023	Additions	Reductions	Balance September 30, 2024
Net Pension Liability - FRS	$ 15,207,504	$ -	$ (750,072)	$ 14,457,432
Net OPEB Liability	813,102	91,121	-	904,223
Compensated Absences	1,460,757	146,836	-	1,607,593
Total Long-Term Liabilities	$ 17,481,363	$ 237,957	$ (750,072)	$ 16,969,248

Note 8 – Compensated Absences

Compensated absences consists of the following at September 30, 2024:

Accrued Vacation	Accrued Sick	Total Compensated Absences
$ 857,635	$ 749,958	$ 1,607,593

Note 9 – Interfund Receivables, Payables, and Transfers

Interfund receivables and payables at September 30, 2024 were as follows:

Fund	Receivable	Payable
General	$ 3,105,194	$ -
Tierra Verde	-	3,105,194
Total	$ 3,105,194	$ 3,105,194

The balances between the general fund and special revenue fund relate to cash advanced by the general fund to the special revenue fund for operations.

Interfund transfers for the fiscal year ended September 30, 2024 were as follows:

Fund	Transfers In	Transfers Out
General	$ -	$ 27,999
Tierra Verde	27,999	-
Total	$ 27,999	$ 27,999

Transfer are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. Current year transfers were made to cover expenditures incurred related to the County contracts that were not reimbursed by the County.

Note 10 – Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases all of its insurance coverage from commercial insurance carriers.

The District also carries commercial insurance for all other risks of loss including health and employee accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The District has not had any significant coverage reductions under these policies from the prior year.

Note 11 – Constraints on Fund Balance

The nature of the constraints on governmental funds at September 30, 2024 is as follows:

Fund Balances	2024 General Fund	2023 General Fund
Non-spendable:		
Prepaid Expenses	$ 140,198	$ 232,206
Assigned to:		
Vacation, Sick & Holiday Pay	2,500,000	2,200,000
Equipment	2,400,000	1,200,000
Building & Land	3,400,000	3,000,000
Vehicles	4,200,000	3,500,000
Communication	800,000	400,000
Future Operating Costs	2,700,000	2,000,000
Unassigned:	8,816,649	8,265,177
Total Fund Balance	$ 24,956,847	$ 20,797,383

Assigned fund balances include amounts constrained for the intent to be used for a specific purpose by the Fire Chief. The District has a policy of spending unassigned funds unless the Board of Fire Commissioners designates assigned funds.

Note 12 - Employee Retirement System

Firefighters and general employees participate in the Florida Retirement System (FRS) and the Florida Retiree Health Insurance Subsidy Program (HIS). The Florida Department of Management Services, Division of Retirement, (Division) is part of the primary government of the state of Florid and is responsible for administering the FRS and HIS. The System's Comprehensive Annual Financial Report and actuarial reports dated June 30, 2024 are available by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Research and Education Section
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737
http://www.dms.myflorida.com/workforce_operations/retirement/publications

Note 12 - Employee Retirement System (Continued)

Florida Retirement System

Plan Description

The District contributes to the FRS which is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the FRS Pension Plan. Retirees receive a lifetime pension benefit with joint and survivor payment options. The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 years of service	1.68
Senior Management Service Class	2.00
Special Risk Class	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

Funding Policy

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during fiscal year 2024 were as follows:

	Percent of Gross Salary October 1, 2023 to June 30, 2024		Percent of Gross Salary July 1, 2024 to September 30, 2024	
Class	**Employee**	**Employer (1)**	**Employee**	**Employer (1)**
FRS, Regular	3.00	13.57	3.00	13.63
FRS, Special Risk	3.00	32.67	3.00	32.79

(1) Employer rates include a postemployment HIS contribution rate of 1.66% from October 1, 2023 to June 30, 2024 and 2.00% from July 1, 2024 to September 30, 2024. Also, employer rates include .06% for administrative costs of the Investment plan.

Note 12 - Employee Retirement System (Continued)

Florida Retirement System (Continued)

Deferred Retirement Option Program

The FRS Deferred Retirement Option Program (DROP) is available to a member when the member first reaches eligibility for normal retirement. DROP allows a member to retire while continuing employment for up to 60 months. During DROP participation, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn monthly interest equivalent to an annual rate of 4% effective July 1, 2023. The member must cease employment after a maximum of 60 months, must satisfy the termination requirements for retirement, and is subject to reemployment restrictions thereafter. The member's DROP accumulation may be paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover. Employers must pay contributions at a rate of 18.60% through June 30, 2024 and 21.13% effective July 1, 2023 of salary for all DROP participants. FRS also provides disability and survivors' benefits.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension Plan

At September 30, 2024, the District reported a net pension liability of $12,162,015, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District's proportionate share of the net pension liability was based on the District's contributions for the year ended June 30, 2024 relative to all contributions of all participating members. At June 30, 2024, the District's proportionate share was .031438823 percent, which was a decrease of .00029897 percent from its proportionate share measure as of June 30, 2023.

For the fiscal year ended September 30, 2024, the District recognized FRS pension expense of ($361,882). In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources at September 30, 2024:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,228,690	$ -
Change of assumptions	1,666,915	-
Net differences between projected and actual investment earnings	-	(808,351)
Changes in proportion and differences between District contributions and proportionate share of contributions	63,382	(766,508)
District contributions subsequent to the measurement date	456,079	-
Total	$ 3,415,066	$ (1,574,859)

Note 12 - Employee Retirement System (Continued)

Florida Retirement System (Continued)

The deferred outflows of resources related to pensions, totaling $456,079, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Years Ending September 30	Amount
2025	$ (567,225)
2026	1,740,327
2027	111,432
2028	(5,276)
2029	104,870
Thereafter	-
Total	$ 1,384,128

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023.

Valuation Date	July 1, 2024
Measurement Date	June 30, 2024
Asset Valuation Method	Fair Market Value
Inflation	2.40%
Salary Increases including inflation	3.50%
Discount Rate	6.70%
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2021.
Actuarial Cost Method	Individual entry age

Note 12 - Employee Retirement System (Continued)

Florida Retirement System (Continued)

The long-term expected rate of return assumption of 6.70% consists of two components: 1) an inferred real (in excess of inflation) return of 4.2%, which is consistent with the 4.48% real return from the capital market outlook model developed by the FRS consulting actuary; and 2) a long-erm average annual inflation assumption of 2.40% as adopted in October 2023 by the FRS Actuarial assumption Conference.

For reference, the table below contains a summary of the actuary's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed income	29.0%	5.7%	5.6%	3.9%
Global equity	45.0%	8.6%	7.0%	18.2%
Real estate (property)	12.0%	8.1%	6.8%	16.6%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.6%	6.2%	8.7%
Total	100%			
Assumed inflation - Mean			2.40%	1.50%

(1) As outlined in the FRS Pension Plan's investment policy available from Funds We Manage on the SBA's website at www.sbafla.com.

Discount Rate
The discount rate used to measure the total pension liability was 6.7 percent. The Plan's 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.

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate
The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.70%, 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 1-percentage-point lower (5.70%) or 1-percentage-point higher (7.70%) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
District's proportionate share of net pension liability	$ 21,392,559	$ 12,162,015	$ 4,429,477

Payables to the Pension Plan
At September 30, 2024, the District reported a payable of $-0- for the outstanding amount of contributions in the pension plan required for the year ended September 30, 2024.

Note 12 - Employee Retirement System (Continued)

HIS Plan

Plan Description

The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

Benefits Provided

For the year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by $5. The payments are at least $30 but not more than $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the period ended June 30, 2024, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. Effective July 1, 2024, the contribution rate was 2.00% of payroll. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the HIS Plan

At September 30, 2024, the District reported a HIS net pension liability of $2,295,417 for its proportionate share of the Net HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability was used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. 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. At June 30, 2024, the District's proportionate share was .015301784 percent, which was a decrease of .000824056 percent from its proportionate share measured as of June 30, 2024.

Note 12 - Employee Retirement System (Continued)

HIS Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the HIS Plan-continued

For the fiscal year ended September 30, 2024, the District recognized HIS expense of ($53,163). In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 22,164	$ (4,408)
Change of assumptions	40,623	(271,748)
Net differences between projected and actual investment earnings	-	(830)
Changes in proportion and differences between District contributions and proportionate share of contributions	10,615	(149,544)
District contributions subsequent to the measurement date	33,402	-
Total	$ 106,804	$ (426,530)

The deferred outflows of resources related to pensions, totaling $33,402, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Years Ending September 30	Amount
2025	$ (60,731)
2026	(73,860)
2027	(90,289)
2028	(68,901)
2029	(46,173)
Thereafter	(13,174)
Total	$ (353,128)

Actuarial Assumptions

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study of the FRS for the period July1, 2018 – June 30, 2023.

Valuation Date	July 1, 2024
Measurement Date	June 30, 2024
Inflation	2.40 percent
Salary Increases including inflation	3.50 percent
Discount Rate	3.93 percent
Mortality	PUB-2010 with Projection Scale MP-2021.
Actuarial Cost Method	Individual entry age

Note 12 - Employee Retirement System-continued

HIS Plan-continued

Discount Rate

In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Discount rate used in the 2024 valuation was updated from 3.65% to 3.93%, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2024.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.93%, 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 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
District's proportionate share of net pension liability	$ 2,613,037	$ 2,295,417	$ 2,031,741

Payables to the Pension Plan

At September 30, 2024, the District reported a payable of $-0- for the outstanding amount of contributions to the HIS plan required for the year ended September 30, 2024.

Note 12 - Employee Retirement System-continued

FRS – Defined Contribution Pension Plan

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Local Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member's accounts during the 2024 fiscal year were as follows:

	Percent of Gross Compensation	
Class	**Employee**	**Employer**
FRS, Regular	3.00%	8.30%
FRS, Special Risk	3.00%	16.00%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension expense totaled $192,265 for the fiscal year ended September 30, 2024.

Note 13 – Other Post-Employment Benefits ("OPEB")

Plan Description

Pursuant to Section 112.081, Florida Statutes, the District is required to permit eligible retirees and their eligible dependents to participate in the District's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. These retirees pay 75% and 50% of the premium based on 15-20 years of service and 20 years of service respectively. They are also 100% responsible for any spousal coverage and higher insurance option. Because the blended rate paid by retirees is greater than a plan including active employees only and less than that of a plan including retirees only, the amount the District expends for active employees includes an implicit subsidy for participating retirees.

The District had an actuary calculate net OPEB liability as of September 30, 2024. At this time the District has opted to pay as you go rather than fund a portion or the entire net OPEB liability. Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing costs between the District and plan members to that point.

At September 30, 2024, the actuarial valuation date, the following employees were covered by benefit terms:

Inactive plan members or benficiaries currently receiving benefits	5
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	69
	74

The net OPEB liability at September 30, 2024 was determined using the following actuarial assumptions:

Valuation Date	September 30, 2023
Measurement Date	September 30, 2023
Fiscal Year End	September 30, 2024
Actuarial Value of Assets	Market Value
Mortality Rate	PubG-2010 Mortality Table projected to the valuation date using MP-2019.
Discount Rate	4.87%. Based on the September 30, 2023 S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices.
Retirement Rates	100% at Normal Retirement Eligibility. Retirement Eligibility described in Section 8.
Inflation	2.50% per year.
Salary Increase Rate	2.50% per year.
Marital Status	100% assumed married, with male spouses 3 years older than female spouses.
Health Care Participation	20% participation assumed, with 50% electing spouse coverage.
Health Care Inflation	Initial rate of 7.00% in fiscal 2024, then 6.75% in fiscal 2025, grading down to the ultimate trend rate of 4.00% in fiscal 2075.

Note 13 – Other Post-Employment Benefits ("OPEB") (Continued)

Termination Rates — Selected rates for various ages listed below:

Age	% Remaining Employed Until Assumed Retirement Age
20	29.60%
30	59.30%
40	84.10%
50	100.00%

Disability Rates — None Assumed.

GASB 75 Measurement Method — Alternative Measurement Method, as described in Governmental Accounting Standards Board No. 75 for plans with fewer than 100 covered members.

Funding Method — Entry Age Cost Method (Level % of Pay).

Changes in the net OPEB liability during the fiscal year ended September 30, 2024 were as follows:

	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2023	$ 813,102
Changes for a Year	
Service Cost	20,387
Interest	38,756
Differences Between Expected and Actual Experience	49,473
Changes of Assumptions	24,974
Benefit Payments	(42,469)
Net Changes	91,121
Reporting Period Ending September 30, 2024	$ 904,223

Changes of assumptions reflect a change in the discount rate from 4.77% for the fiscal year ending September 30, 2023 to 4.87% for the fiscal year ending September 30, 2024.

Note 13 – Other Post-Employment Benefits ("OPEB") (Continued)

At September 30, 2024 the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
District Contributions Subequent to Measurement Date	$ 56,115	$ -
Totals	$ 56,115	$ -

Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Years Ending September 30,	Amount
2024	$ 56,115
Total	$ 56,115

The following presents the Total OPEB Liability of the District, as well as what the District's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 3.87%	Current Discount Rate 4.87%	1% Increase 5.87%
Total OPEB Liability (Asset)	$ 1,041,968	$ 904,223	$ 791,729

The following presents the Total OPEB Liability of the District, as well as what the District's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 3.00% - 6.50%	Current Discount Rate 4.00% - 7.50%	1% Increase 5.00% - 8.50%
Total OPEB Liability (Asset)	$ 788,578	$ 904,223	$ 1,046,215

Note 14 – Contingent Liabilities/Contract Services

The District entered into a ten year lease of a Fire Tanker on April 13, 2005 with Pinellas County, Florida. The lease requires an annual payment of $1 and includes two successive additional terms of five years each unless either party terminates the lease by written notice to the other party, ninety days prior to the end of the applicable lease.

Tierra Verde – EMS and Fire Contract with Pinellas County, Florida

On September 24, 2019, the District entered into two contracts with Pinellas County Emergency Medical Services Authority and Pinellas County Board of County Commissioners to provide emergency medical services and fire protection services, respectively, for the Tierra Verde Fire District. Expenditures are segregated from the primary government and are subject to review for compliance by the County. Lealman Special Fire Control District allocates a portion of management expenditures indirectly to the Tierra Verde Fire District Fire and EMS contracts. To the extent the Tierra Verde Fire District funding exceeds its allowable costs in any given year the excess is returned to the funder of the respective contract. The following table summarizes the Tierra Verde Fire District's allowable costs and funding for the year ending September 30, 2024:

	EMS	Fire
County Funding	$ 688,257	$ 2,065,784
Allowable Costs	700,084	2,081,956
Excess (Deficit)	$ (11,827)	$ (16,172)

Lealman Special Fire Control District – EMS Contract with Pinellas County, Florida

The District provides emergency medical services to the unincorporated areas as well as certain incorporated areas of Pinellas County, Florida known as the Lealman Special Fire Control District under a contract with Pinellas County Emergency Medical Services Authority. Expenditures are segregated between fire and EMS activities and are subject to review for compliance by the County. To the extent EMS funding exceeds its allowable costs in any given year the excess is returned to the Pinellas County Emergency Medical Services Authority. The following table summarizes the Lealman Special Fire Control Districts allowable EMS costs and funding for the year ending September 30, 2024:

	EMS
County Funding	$ 3,493,885
Allowable Costs	3,532,038
Excess (Deficit)	$ (38,153)

REQUIRED SUPPLEMENTARY INFORMATION

LEALMAN SPECIAL FIRE CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	2024			
	Original Budget	Final Budget	Totals Actual	Variance favorable (Unfavorable)
Revenue				
Property taxes	$ 9,723,163	$ 10,244,952	$ 10,020,469	$ (224,483)
County				
EMS	3,493,885	3,050,565	3,493,889	443,324
EMS 1%	-	-	36,436	36,436
Fire Contracts	-	12,000	12,000	-
Other Reimbursements	-	-	329,637	329,637
Other Fire Contracts	-	-	339,849	339,849
Charges & Fees	-	-	19,868	19,868
Other Income	-	-	312,479	312,479
Proceeds from Asset Sales	-	-	12,455	12,455
Insurance Proceeds	-	-	10,919	10,919
Investment Income	-	-	1,157,859	1,157,859
Total revenue	13,217,048	13,307,517	15,745,860	2,438,343
Expenditures				
Public Safety - Fire:				
Salaries and Benefits	6,025,000	5,677,929	5,106,358	571,571
Operating	1,036,620	1,325,871	1,347,794	(21,923)
Capital Outlay	736,340	1,527,950	1,572,207	(44,257)
Total Public Safety - Fire	7,797,960	8,531,750	8,026,359	505,391
Public Safety - EMS				
Salaries and Benefits	3,373,890	2,944,534	3,331,954	(387,420)
Operating	119,995	106,030	200,084	(94,054)
Total Public Safety - EMS	3,493,885	3,050,564	3,532,038	(481,474)
Total expenditures	11,291,845	11,582,314	11,558,397	23,917
Excess (Deficit) of revenue over expenditures	1,925,203	1,725,203	4,187,463	2,462,260
Other Financing Sources (Uses)				
Interfund Transfers In (Out)	-	-	(27,999)	(27,999)
Net Change in Fund Balance	$ 1,925,203	$ 1,725,203	4,159,464	$ 2,434,261
Fund Balance - Beginning			20,797,383	
Fund Balance - Ending			$ 24,956,847	

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPLLEMENTARY INFORMATION

LEALMAN SPECIAL FIRE CONTROL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY
AND RELATED RATIOS
SEPTEMBER 30, 2024

Reporting Period Ending	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Measurement Date	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019
Total OPEB Liability					
Service Cots	$ 20,387	$ 33,122	$ 36,025	$ 25,759	$ 24,805
Interest	38,756	27,224	22,370	28,801	27,916
Differences Between Expected and Actual Experience	49,473	-	209,661	-	-
Changes of Assumptions	24,974	(314,558)	(157,600)	200,881	7,003
Benefit Payments	(42,469)	(39,506)	(25,741)	(23,945)	(22,274)
Net Change in Total OPEB Liability	91,121	(293,718)	84,715	231,496	37,450
Total OPEB Liability - Beginning	813,102	1,106,820	1,022,105	790,609	753,159
Total OPEB Liability - Ending	$ 904,223	$ 813,102	$1,106,820	$1,022,105	$ 790,609
Plan Fiduciary Net Position					
Plan Fiduciary Net Position - Beginning	-	-	-	-	-
Plan Fiduciary Net Position - Ending	$ -	$ -	$ -	$ -	$ -
Net OPEB Liability	$ 904,223	$ 813,102	$1,106,820	$1,022,105	$ 790,609
Covered Employee Payroll	$5,440,042	$5,673,949	$5,535,560	$5,540,961	$ 5,405,816
Total OPEB Liability as a percentage of Covered Employee Payroll	16.62%	14.33%	19.99%	18.45%	14.63%

Changes of assumptions:
Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2024:	4.87%
Fiscal Year Ending September 30, 2023:	4.77%
Fiscal Year Ending September 30, 2022:	2.43%
Fiscal Year Ending September 30, 2021:	2.14%
Fiscal Year Ending September 30, 2020:	3.58%

Benefit Payments:
The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2024. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

LEALMAN SPECIAL FIRE CONTROL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM (FRS)
LAST TEN MEASUREMENT YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.031438823%	0.031737793%	0.031379379%	0.032831593%	.037963687%	0.038717408%	0.038749815%	0.038277552%	0.036635506%	0.03189163%
District's proportionare share of the net pension liability	$ 12,162,015	$ 12,646,506	$ 11,675,651	$ 2,480,054	$16,454,021	$ 13,333,736	$ 11,671,645	$ 11,326,129	$ 9,250,494	$ 4,119,232
District's covered-employee payroll	$ 5,841,065	$ 5,793,693	$ 5,497,785	$ 5,505,954	$ 5,536,882	$ 5,561,256	$ 5,299,491	$ 5,061,410	$ 4,948,675	$ 4,424,503
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	208.22%	218.28%	212.37%	45.04%	297.17%	239.76%	220.24%	223.77%	186.93%	93.10%
Plan fiduciary net position as a percentage of the total pension liability	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

* The amounts presented for each measurement year were determined as of 6/30.

LEALMAN SPECIAL FIRE CONTROL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM (FRS)
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$1,760,442	$1,477,373	$1,311,556	$1,240,099	$1,237,737	$1,198,698	$1,098,838	$1,009,553	$ 961,617	$ 786,676
Contributions in relation to the contractually required contribution	(1,760,442)	(1,477,373)	(1,311,556)	(1,240,099)	(1,237,737)	(1,198,698)	(1,098,838)	(1,009,553)	(961,617)	(786,676)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$5,989,313	$5,634,022	$5,461,998	$5,494,855	$5,494,855	$5,345,944	$5,165,758	$4,887,017	$4,784,080	$4,242,379
Contributions as a percentage of covered-employee payroll	29.39%	26.22%	24.01%	22.57%	22.53%	22.42%	21.27%	20.66%	20.10%	18.54%

* The amounts presented for each fiscal year were determined as of 9/30.

LEALMAN SPECIAL FIRE CONTROL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PENSION PLAN (HIS)
LAST TEN MEASUREMENT YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.015301784%	0.016125840%	0.016240079%	0.016438750%	0.016332621%	0.016741840%	0.016534947%	0.015605106%	0.014900116%	0.014525562%
District's proportionare shareof the net pension liability	$ 2,295,417	$ 2,560,998	$ 1,720,084	$ 2,016,460	$ 1,994,186	$ 1,873,244	$ 1,750,077	$ 1,668,570	$ 1,736,547	$ 1,481,379
District's covered-employee payroll	$ 5,841,065	$ 5,793,693	$ 5,497,785	$ 5,505,954	$ 5,536,882	$ 5,561,256	$ 5,299,491	$ 5,061,410	$ 4,948,675	$ 4,424,503
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	39.30%	44.20%	31.29%	36.62%	36.02%	33.68%	33.02%	32.97%	35.09%	33.48%
Plan fiduciary net position as a percentage of the total pension liability	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

* The amounts presented each measurement year were determined as of 6/30.

LEALMAN SPECIAL FIRE CONTROL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PENSION PLAN (HIS)
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 104,521	$ 98,117	$ 90,668	$ 91,216	$ 90,420	$ 88,743	$ 85,753	$ 81,124	$ 79,415	$ 57,218
Contributions in relation to the contractually required contribution	(104,521)	(90,668)	(90,668)	(91,216)	(90,420)	(88,743)	(85,753)	(81,124)	(79,415)	(57,218)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$5,989,313	$5,634,022	$5,461,998	$5,494,855	$5,446,880	$5,345,944	$5,165,758	$4,887,017	$4,784,080	$4,242,379
Contributions as a percentage of covered-employee payroll	1.75%	1.74%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.35%

* The amounts presented for each fiscal year were determined as of 9/30.

LEALMAN SPECIAL FIRE CONTROL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR END SEPTEMBER 30, 2024

Budget

The District is required to establish a budgetary system and an approved Annual Budget. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. The Board of Commissioners must approve any budget amendments that increase the aggregate budgeted appropriations. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue fund. All annual appropriations lapse at fiscal year-end. An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The general fund budget for the fiscal year ended September 30, 2024 was amended to increase revenues by $90,469, increase appropriations by $290,469 and decrease budgeted reserves by $200,000.

Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2024.

OTHER SUPPLEMENTARY INFORMATION

LEALMAN SPECIAL FIRE CONTROL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
SPECIAL REVENUE FUND - TIERRA VERDE FIRE CONTRACT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	2024		
	Original & Final Budget	Totals Actual	Variance favorable (Unfavorable)
Revenue			
County			
Fire	$ 2,065,791	$ 2,065,784	$ (7)
EMS	688,257	688,257	-
Total revenue	2,754,048	2,754,041	(7)
Expenditures			
Public Safety - Fire:			
Salaries and Benefits	1,912,010	1,458,639	453,371
Operating	129,181	610,275	(481,094)
Capital Outlay	24,600	13,042	11,558
Total Public Safety - Fire	2,065,791	2,081,956	(16,165)
Public Safety - EMS			
Salaries and Benefits	587,994	591,518	(3,524)
Operating	65,625	73,928	(8,303)
Reasonable & Customary Cost Exceptions	34,638	34,638	-
Total Public Safety - EMS	688,257	700,084	(11,827)
Total expenditures	2,754,048	2,782,040	(27,992)
Excess (Deficit) of revenue over expenditures	-	(27,999)	27,985
Other Financing Sources (Uses)			
Interfund Transfers In (Out)	-	27,999	(27,985)
Net changes in Fund Balance	$ -	-	$ -
Fund Balance - Beginning		-	
Fund Balance - Ending		$ -	

LEALMAN SPECIAL FIRE CONTROL DISTRICT
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR September 30, 2024
UNAUDITED

Element	Comments
Number of district employees compensated at 9/30/2024	72
Number of independent contractors compensated in September 2024	5
Employee compensation for FYE 9/30/2024 (paid/accrued)	$ 6,730,282
Independent contractor compensation for FYE 9/30/2024	$ 30,000
Construction projects to begin on or after October 1; ($65K)	$ -
Budget variance report	See page 39 of annual financial report
Ad Valorem taxes;	
Millage rate FYE 9/30/2024	5.2500 mills
Ad valorem taxes collected FYE 9/30/2024	10,020,469
Outstanding Bonds:	Not applicable
Non ad valorem special assessments;	Not applicable

OTHER REPORTS

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

1001 Yamato Road ▪ Suite 301
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Fire Commissioners
Lealman Special Fire Control District
St. Petersburg, Florida

We have audited, in accordance with the 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 and each major fund of Lealman Special Fire Control District, St. Petersburg, Florida ("District") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated February 7, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. 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 and correct 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 internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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 or other matters 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown & Associates

February 7, 2025

Grau & Associates
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Fire Commissioners
Lealman Special Fire Control District
St. Petersburg, Florida

We have examined Lealman Special Fire Control District, St. Petersburg, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2024. 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Fire Commissioners of Lealman Special Fire Control District, St. Petersburg, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

February 7, 2025

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MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Fire Commissioners
Lealman Special Fire Control District
St. Petersburg, Florida

Report on the Financial Statements

We have audited accompanying basic financial statements of Lealman Special Fire Control District, St. Petersburg, Florida ("District") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 7, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 7, 2025, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the state of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

I. Current year findings and recommendations.
II. Status of prior year findings and recommendations.
III. Compliance with the Provisions of the Auditor General of the State of Florida.

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Fire Commissioners of Lealman Special Fire Control District, St. Petersburg, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Lealman Special Fire Control District, St. Petersburg, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

February 7, 2025

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

   There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2023, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2024.

3. 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 which warrants the attention of those charged with governance.

   There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2024.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2024. It is management's responsibility to monitor 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.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 47.