

IMMOKALEE FIRE CONTROL DISTRICT
BASIC FINANCIAL STATEMENTS
TOGETHER WITH ADDITIONAL REPORTS
YEAR ENDED
SEPTEMBER 30, 2021

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TUSCAN
 & Company, PA

Certified Public Accountants & Consultants

Affiliations

Florida Institute of Certified Public Accountants

American Institute of Certified Public Accountants

Private Companies Practice Section

Tax Division

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
 Immokalee Fire Control District
 5368 Useppa Dr.
 Ave Maria, Florida 34142

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Immokalee Fire Control District (the "District") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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 an opinion on these financial statements based on our audit. We did not audit the financial statements of Florida Retirement System Pension Plan (FRS) or Health Insurance Subsidy Pension Plan (HIS) as of and for the year ended June 30, 2021. The District is required to record its proportionate share of the FRS and HIS liability in the District's government-wide financial statements as of September 30, 2021, and for the year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Immokalee Fire Control District's government-wide financial statements, is based on the report of the other auditors. 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 of America. 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 District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, based on our audit and the report of the other auditors, 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 Immokalee Fire Control District as of September 30, 2021, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

INTEGRITY SERVICE EXPERIENCE

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i - vii, Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System (FRS) Pension Plan, Schedule of District Contributions - Florida Retirement System (FRS) Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy (HIS) Pension Plan, Schedule of District Contributions - Health Insurance Subsidy (HIS) Pension Plan, Notes to Required Supplementary Information and Schedule of Changes in the Net OPEB Liability and Related Ratios, GASB No. 75 and Related Notes to the Schedule, as listed in the table of contents, 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 which 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 - management's discussion and analysis (MD&A), Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System (FRS) Pension Plan, Schedule of District Contributions - Florida Retirement System (FRS) Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy (HIS) Pension Plan, Schedule of District Contributions - Health Insurance Subsidy (HIS) Pension Plan, Notes to Required Supplementary Information and Schedule of Changes in the Net OPEB Liability and Related Ratios, GASB No. 75 and Related Notes to the Schedule, as listed in the table of contents, 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 required supplementary information - management's discussion and analysis (MD&A), Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System (FRS) Pension Plan, Schedule of District Contributions - Florida Retirement System (FRS) Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy (HIS) Pension Plan, Schedule of District Contributions - Health Insurance Subsidy (HIS) Pension Plan, Notes to Required Supplementary Information and Schedule of Changes in the Net OPEB Liability and Related Ratios, GASB No. 75 and Related Notes to the Schedule, as listed in the table of contents, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Required Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Immokalee Fire Control District's basic financial statements. The required supplementary information other than MD&A - budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The required supplementary information other than MD&A - budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required supplementary information other than MD&A - budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Exhibit 1 - Management's Response to Independent Auditor's Report to Management and Exhibit 2 - Florida Rules of the Auditor General - Rule 10.554(l)(i)6-8 Compliance are not a required part of the basic financial statements but are required by Government Auditing Standards and/or Rules of the Auditor General, Section 10.554(i), respectively. Such information has 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 it.

Other Reporting Required by Section 218.415, Florida Statutes

In accordance with Section 218.415, Florida Statutes, we have also issued a report dated March 1, 2022 on our consideration of Immokalee Fire Control District's compliance with provisions of Section 218.415, Florida Statutes. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and to provide an opinion on compliance with the aforementioned Statute. That report is an integral part of an audit performed in accordance with Sections 218.39 and 218.415, Florida Statutes in considering Immokalee Fire Control District's compliance with Section 218.415, Florida Statutes.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 1, 2022 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, contract and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Immokalee Fire Control District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "TUSCAN & COMPANY, P.A." in a cursive, slightly slanted font.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
March 1, 2022

**MANAGEMENT'S DISCUSSION
AND ANALYSIS
(MD&A)**

**Immokalee Fire Control District
Management's Discussion and Analysis
September 30, 2021**

General Information

The Immokalee Fire Control District's (the "District") discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial ability to address the next and subsequent fiscal years challenges, identify any material deviations from the approved budget, and identify individual fund issues and concerns.

Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the District's basic financial statements which are composed of 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. It is designed to focus on the current fiscal year's activities, resulting changes and currently known facts, and should be read in conjunction with the District's financial statements.

Fiscal Year Highlights

As expected, the District's financial position increased during the fiscal year ended September 30, 2021 by \$5,690,507 substantially due to recording the decrease in pension costs of \$4,315,473 and the cost of OPEB of \$156,026.

As expected, the District's financial position increased during the fiscal year ended September 30, 2020 by \$3,264,160 substantially due to the use of \$3,424,885 of impact fees for construction of Station #32 and CARES Act money of \$1,000,000.

Effective September 30, 2015, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* (Statement No. 68). The implementation of this standard required the District to annually report its actuarially determined net pension liability in the government-wide financial statements. It also requires additional disclosure in the notes related to the financial statements.

Effective September 30, 2018, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 75 "*Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions (OPEB)*" (Statement No. 75). This accounting standard requires the District to annually report its actuarially determined net OPEB liability.

**Immokalee Fire Control District
Management's Discussion and Analysis
September 30, 2021**

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. The statements combine and consolidate governmental fund short-term spendable resources with capital assets and long-term obligations.

The statements include a Statement of Net Position and a Statement of Activities that are designed to provide consolidated financial information about governmental activities of the District presented on the accrual basis of accounting.

The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, the increases or decreases to net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The government-wide financial statements can be found on pages 4 and 5 of this report at September 30:

	<u>2020</u>	<u>2021</u>
Assets:		
Current Assets	\$ 6,742,352	\$ 5,204,521
Capital Assets, Net of Depreciation	<u>5,965,845</u>	<u>15,482,974</u>
Total Assets	<u>12,708,197</u>	<u>20,687,495</u>
Deferred Outflows of Resources	<u>2,021,872</u>	<u>1,106,495</u>
Liabilities:		
Accounts Payable and Other Current Liabilities	455,930	1,551,426
Unearned Revenue-impact fees	3,510,340	1,122,777
Long Term Liabilities	<u>7,665,735</u>	<u>7,252,321</u>
Total Liabilities	<u>11,632,005</u>	<u>9,926,524</u>
Deferred Inflows of Resources	<u>125,285</u>	<u>3,204,180</u>
Net Position:		
Net Investment in Capital Assets	5,012,607	10,011,704
Unrestricted Net Assets (Deficit)	<u>(2,039,828)</u>	<u>(1,348,418)</u>
Total Net Position	<u>\$ 2,972,779</u>	<u>\$ 8,663,286</u>

The Statement of Activities presents information showing how the District's net position changed during the fiscal years. The focus is on both gross and net costs of various activities that are supported by the District's ad valorem tax and other revenues. Thus,

**Immokalee Fire Control District
Management's Discussion and Analysis
September 30, 2021**

Government-wide Financial Statements (Continued)

revenues and expenses are reported in this Statement for some items that will only result in cash flows in a future fiscal period (e.g. uncollected taxes earned). This Statement is intended to summarize and simplify the user's analysis of the cost of various governmental services. An increase or decrease in net position may be an indication of whether the District's financial health is improving or deteriorating.

The following reflects the revenues, expenses and changes in financial position for the years ended September 30:

	<u>2020</u>	<u>2021</u>
Revenues:		
Ad Valorem Taxes	\$ 4,193,763	\$ 4,653,970
Interest Income	82,066	9,292
Grant Revenue	1,000,000	427,381
Impact Fees	3,424,885	4,898,954
Other Revenue	<u>74,703</u>	<u>104,558</u>
Total Revenue	8,775,417	10,094,155
Expenses		
Public Safety Expenses	<u>5,511,257</u>	<u>4,403,648</u>
Change in Net Position	3,264,160	5,690,507
Net Position (Deficit) – Beginning, As Originally Stated	(554,721)	2,972,779
Prior Period Adjustment – Land*	<u>263,340</u>	<u>-</u>
Net Position (Deficit) – Beginning, As Restated	<u>(291,381)</u>	<u>2,972,779</u>
Net Position (Deficit)- Ending of the fiscal year	<u>\$ 2,972,779</u>	<u>\$ 8,663,286</u>

Both of the financial statements distinguish the functions of the District that are principally supported by ad valorem taxes and intergovernmental revenues. The governmental activities of the District are for public safety.

*Land intended to be used for Station #30 rebuild was acquired via grant and paid directly to the seller by Collier County. Therefore, resulting in the District not recording the land acquisition in FY 19.

General Revenues

During fiscal year 2021, the District received \$460,207 more in ad valorem tax dollars over the prior fiscal year due to an increase in assessable value of property within the

**Immokalee Fire Control District
Management's Discussion and Analysis
September 30, 2021**

Government-wide Financial Statements (Continued)

District. This represents a 11% increase.

During fiscal year 2020, the District received \$273,237 more in ad valorem tax dollars over the prior fiscal year due to an increase in assessable value of property within the District. This represents a 7% increase. Other revenues also increased \$4,090,537 net over the prior fiscal year due principally to a \$1,000,000 CARES Act grant and use of impact fees of \$3,424,885.

Expenses

During the fiscal year of 2021 expenses decreased by \$1,107,609 vs. the prior fiscal year due to decreases in personnel costs due to a significant decrease in actuarially determined pension and OPEB costs.

During the fiscal year of 2020 expenses increased by \$346,220 vs. the prior fiscal year due to increases in costs. These costs included an increase in pension liability and OPEB costs and interest expense related to debt service.

Net Position

During fiscal year 2021, net position increased by \$5,690,507.

During fiscal year 2020, net position increased by \$3,264,160.

Liabilities

During the year ended September 30, 2021, the District entered 2 capital leases totaling \$1,635,090 for a ladder truck and a tanker truck. The District also entered a construction loan for station 32.

During the year ended September 30, 2020, the District entered a capital lease of \$231,713 for communication equipment.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as

**Immokalee Fire Control District
Management's Discussion and Analysis
September 30, 2021**

Governmental Funds (Continued)

governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The District maintains two governmental funds, the General Fund and the Special Revenue Fund for impact fees. Each fund's activity is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. These statements can be found on pages 6 and 8 of this report.

Notes to the Basic 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 and can be found beginning on page 10 of this report.

General Fund Budgetary Highlights

The District adopts an annual appropriated budget for each of its governmental funds. The most significant budget variance for the year ended September 30, 2021 was due to receipt of \$42,511 in unanticipated grant revenue. The actual expenditures in the General Fund were \$2,950,442 less than the final amended budget. The actual expenditures were less than budget in general due to not having to use any reserves to cover expenditures.

The District amended its original budget to adjust for the September 30, 2020 audit fund balance carryover and various other changes in anticipated revenues and expenditures.

The District adopts an annual appropriated budget for each of its governmental funds. The most significant budget variance for the year ended September 30, 2020 was due to entering the capital lease for communication equipment. The actual expenditures in the General Fund were \$1,929,473 less than the final amended budget. The actual expenditures were less than budget in general due to not having to use any reserves to cover expenditures.

**Immokalee Fire Control District
Management's Discussion and Analysis
September 30, 2021**

General Fund Budgetary Highlights (Continued)

The significant difference between the original and final budget was the adjustment of the carry forward to the prior year audited balance.

Capital Assets

The following is a schedule of the District's capital assets at September 30:

Capital Assets September 30		
	2020	2021
Capital Assets not being depreciated:		
Land	\$ 378,256	\$ 390,256
Construction in progress	4,230,658	11,902,100
Total Capital Assets not being depreciated	4,608,914	12,292,356
Capital Assets being depreciated:		
Buildings and building improvements	455,967	455,967
Machinery & equipment	1,444,096	2,007,443
Vehicles	2,845,411	4,509,129
Total Capital Assets being depreciated	4,745,474	6,972,539
Less: Accumulated Depreciation	(3,388,543)	(3,781,921)
Capital Assets, being depreciated, net	1,356,931	3,190,618
Capital Assets, Net	\$ 5,965,845	\$ 15,482,974

The District purchased capital assets during the year ended September 30, 2021 in the amount of \$9,910,507 which consisted substantially of a new ladder truck and tanker truck. The District purchased various equipment totaling \$476,904. The District also incurred costs related to construction of the new Ave Maria station in the amount of \$7,317,569.

During the year ended September 30, 2020, the District purchased capital assets of \$3,766,970 which consisted of construction in progress of \$3,517,594 related to new stations, \$231,713 in communication equipment and \$17,663 in various other equipment.

**Immokalee Fire Control District
Management's Discussion and Analysis
September 30, 2021**

Long Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended September 30:

	2020	2021
Net pension liability - FRS	\$ 5,124,266	\$ 785,641
Net pension liability - HIS	724,859	748,011
Compensated absences	448,471	325,174
Capital leases	953,238	2,351,817
Net OPEB liability	541,364	385,338
Construction Loan	-	3,119,453
	<u>\$ 7,792,198</u>	<u>\$ 7,715,434</u>

Economic Factors and Next Year's Budget Rates

The following were factors considered when next year's budget (2021-2022) was prepared:

- The estimated property taxes increased by approximately \$252,843 or 8% for budgeting purposes for 2022 as compared to 2021. The millage rate stayed consistent at 3.75 mills for the fiscal year ending September 30, 2021. The District plans to complete the construction of the Ave Maria Fire Station #32 during FY 2022. The District plans to start construction of Station #30 in downtown Immokalee.

Request for information

This financial report is designed to provide the reader an overview of the District. Questions regarding any information provided in this report should be directed to: Immokalee Fire Control District, 502 East New Market Road, Immokalee, Florida 34142, attention Michael Choate, Fire Chief, telephone (239) 657-2111.

**IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF NET POSITION
September 30, 2021**

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 2,830,927
Restricted cash and cash equivalents	1,784,942
Investments	24,038
Investments - restricted	149,132
Due from other governments, including restricted amount of \$94,497	250,253
Prepaid expenses	<u>165,229</u>
Total current assets	<u>5,204,521</u>
Noncurrent assets:	
Capital assets:	
Land	390,256
Construction in progress	11,902,100
Depreciable buildings, equipment and vehicles (net of \$3,781,921 accumulated depreciation)	<u>3,190,618</u>
Total noncurrent assets	<u>15,482,974</u>
 TOTAL ASSETS	 <u>20,687,495</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>1,106,495</u>
 LIABILITIES	
Current liabilities:	
Accounts payable	531,337
Accrued liabilities	-
Due to other governments	1,146
Unearned revenue - land easement	12,000
Unearned revenue - impact fees	1,122,777
Retainage payable	543,830
Current portion of long-term obligations	<u>463,113</u>
Total current liabilities	2,674,203
Noncurrent liabilities:	
Noncurrent portion of long-term obligations	<u>7,252,321</u>
 TOTAL LIABILITIES	 <u>9,926,524</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>3,204,180</u>
 NET POSITION	
Net investment in capital assets	10,011,704
Restricted	-
Unrestricted (deficit)	<u>(1,348,418)</u>
 TOTAL NET POSITION (DEFICIT)	 <u>\$ 8,663,286</u>

The accompanying notes are an integral part of this statement.

**IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF ACTIVITIES
Year Ended September 30, 2021**

	<u>Governmental Activities</u>
EXPENSES	
Governmental Activities	
Public Safety - Fire Protection	
Personnel services	\$ 3,162,195
Operating expenses	737,326
Depreciation	393,378
Interest and fiscal charges	<u>110,749</u>
TOTAL EXPENSES - GOVERNMENTAL ACTIVITIES	4,403,648
 PROGRAM REVENUES	
Charges for services	-
Operating/capital grants and contributions	<u>427,381</u>
TOTAL PROGRAM REVENUES	<u>427,381</u>
NET PROGRAM EXPENSES	<u>3,976,267</u>
 GENERAL REVENUES	
Ad Valorem taxes	4,653,970
Impact fees	4,898,954
Interest	9,292
Gain on disposition of capital assets	-
Other financial assistance - CARES Act	-
Other	<u>104,558</u>
TOTAL GENERAL REVENUES	<u>9,666,774</u>
INCREASE (DECREASE) IN NET POSITION	5,690,507
NET POSITION (DEFICIT) - Beginning of year	<u>2,972,779</u>
NET POSITION (DEFICIT) - End of the year	<u>\$ 8,663,286</u>

The accompanying notes are an integral part of this statement.

**IMMOKALEE FIRE CONTROL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2021**

	General Fund	Impact Fee Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 2,830,927	\$ -	\$ 2,830,927
Restricted cash and cash equivalents	-	1,784,942	1,784,942
Investments	24,038	149,132	173,170
Due from other governments	155,756	94,497	250,253
Due from other funds	201	12,000	12,201
Prepaid expenditures	165,229	-	165,229
TOTAL ASSETS	<u>\$ 3,176,151</u>	<u>\$ 2,040,571</u>	<u>\$ 5,216,722</u>
 LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 165,465	\$ 365,872	\$ 531,337
Accrued liabilities	-	-	-
Due to other governments	201	945	1,146
Due to other funds	12,000	201	12,201
Retainage payable	5,054	538,776	543,830
Unearned revenue - land easement	-	12,000	12,000
Unearned revenue - impact fees	-	1,122,777	1,122,777
TOTAL LIABILITIES	<u>182,720</u>	<u>2,040,571</u>	<u>2,223,291</u>
 FUND BALANCE			
Nonspendable	165,229	-	165,229
Assigned	2,828,202	-	2,828,202
Unassigned	-	-	-
TOTAL FUND BALANCE	<u>2,993,431</u>	<u>-</u>	<u>2,993,431</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,176,151</u>	<u>\$ 2,040,571</u>	<u>\$ 5,216,722</u>

The accompanying notes are an integral part of this statement.

**IMMOKALEE FIRE CONTROL DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
September 30, 2021**

	<u>Amount</u>	
Total fund balance for governmental funds	\$ 2,993,431	
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 in the governmental funds.		
Capital assets not being depreciated:		
Land	390,256	
Construction in progress	<u>11,902,100</u>	
		12,292,356
Governmental capital assets being depreciated:		
Building, Equipment and Vehicles	6,972,539	
Less accumulated depreciation	<u>(3,781,921)</u>	
		3,190,618
Deferred outflows and deferred inflows related to pensions are applied to future periods and, therefore, are not reported in the governmental funds.		
Deferred outflows related to pensions	<u>1,106,495</u>	
		1,106,495
Deferred inflows related to pensions	<u>(3,204,180)</u>	
		(3,204,180)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension liability - FRS	(785,641)	
Net pension liability - HIS	(748,011)	
Capital leases	(2,351,817)	
Construction loan	(3,119,453)	
Compensated absences	(325,174)	
Net OPEB liability	<u>(385,338)</u>	
		<u>(7,715,434)</u>
Elimination of interfund amounts:		
Due from other funds	12,201	
Due to other funds	<u>(12,201)</u>	
		<u>-</u>
Total net position (deficit) of governmental activities	<u>\$ 8,663,286</u>	

The accompanying notes are an integral part of this statement.

IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
Year Ended September 30, 2021

	General Fund	Impact Fee Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Ad Valorem taxes	\$ 4,653,970	\$ -	\$ 4,653,970
Intergovernmental revenues:			
Federal public safety grants - CDBG	287,500	-	287,500
State grants	96,017	-	96,017
Other grants	42,511	-	42,511
State firefighter supplemental	1,353	-	1,353
Fees:			
Inspection fees	-	-	-
Impact fees	-	4,898,954	4,898,954
Miscellaneous:			
Interest	5,100	4,192	9,292
Other	104,558	-	104,558
TOTAL REVENUES	<u>5,191,009</u>	<u>4,903,146</u>	<u>10,094,155</u>
EXPENDITURES			
Current			
Public safety			
Personnel services	3,762,719	-	3,762,719
Operating expenditures	708,726	28,600	737,326
Capital outlay	780,844	9,129,663	9,910,507
Debt service			
Principal reduction	126,781	109,730	236,511
Interest and fiscal charges	40,246	70,503	110,749
TOTAL EXPENDITURES	<u>5,419,316</u>	<u>9,338,496</u>	<u>14,757,812</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(228,307)</u>	<u>(4,435,350)</u>	<u>(4,663,657)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from issuance of capital lease	319,193	1,315,897	1,635,090
Proceeds from disposition of capital assets	-	-	-
Proceeds from construction loan	-	3,119,453	3,119,453
TOTAL OTHER FINANCING SOURCES (USES)	<u>319,193</u>	<u>4,435,350</u>	<u>4,754,543</u>
NET CHANGE IN FUND BALANCE	90,886	-	90,886
FUND BALANCE - Beginning of the year	<u>2,902,545</u>	<u>-</u>	<u>2,902,545</u>
FUND BALANCE - End of the year	<u>\$ 2,993,431</u>	<u>\$ -</u>	<u>\$ 2,993,431</u>

The accompanying notes are an integral part of this statement.

**IMMOKALEE FIRE CONTROL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES**

Year Ended September 30, 2021

	<u>Amount</u>
Net change (excess of revenues over (under) expenditures) in fund balance - total governmental funds	\$ 90,886

The decrease (change) in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Plus: Expenditures for capital assets	9,910,507	
Less: proceeds from disposition of capital assets	-	
Plus: gain on disposition of capital assets	-	
Less: current year depreciation	<u>(393,378)</u>	
		9,517,129

The issuance of debt is reported as a financing source in governmental funds and thus contributes to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities.

Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.

Proceeds from capital leases	(1,635,090)	
Proceeds from construction loan	(3,119,453)	
Repayments (principal retirement) for capital leases	<u>236,511</u>	
		(4,518,032)

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 the governmental funds.

Increase (decrease) in deferred outflows - Pensions	(915,377)	
(Increase) decrease in deferred inflows - Pensions	(3,078,895)	
(Increase) decrease in net pension liability - FRS	4,338,625	
(Increase) decrease in net pension liability - HIS	(23,152)	
(Increase) decrease in compensated absences, net	123,297	
(Increase) decrease in net OPEB liability	<u>156,026</u>	
		<u>600,524</u>

Increase (decrease) in net position of governmental activities	<u>\$ 5,690,507</u>
----------------------------------------------------------------	---------------------

The accompanying notes are an integral part of this statement.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES**

Organization

Immokalee Fire Control District (the "District"), is an independent special district established on May 3, 1955 by Laws of Florida, Chapter 55-30666, as amended. The District has the general and specific powers prescribed by Florida Statutes Chapters 189, 633 and Chapter 191. Laws of Florida, Chapter 2000-393 codified, reenacted, amended and repealed its prior enabling acts. Also, as a result of Laws of Florida, Chapter 2000-393, the District's name was changed from Immokalee Fire Control and Rescue District to Immokalee Fire Control District. Laws of Florida, Chapter 2001-330 amended Laws of Florida, Chapter 2000-393 and authorized the District to levy impact fees on new construction within the District. During January 2012, the voters within the District passed a referendum increasing the District's millage cap from 3 mills to 3.75 mills effective for the year ended September 30, 2013 and thereafter. The District was created for the purpose of providing fire control and protection services as well as crash and rescue services for a designated area in eastern Collier County. The District operates three (3) station houses and has approximately 37 employees including part-time employees. The District is governed by an elected five (5) member Board of Commissioners serving staggered four (4) year terms.

Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies used in the preparation of these basic financial statements.

Reporting Entity

The District adheres to Governmental Accounting Standards Board (GASB) Statement Number 14, "Financial Reporting Entity" (GASB 14), as amended by GASB Statement Number 39, "Determining Whether Certain Organizations Are Component Units" (GASB 39) and GASB Statement Number 61, "The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34" (GASB 61). These statements require the basic financial statements of the District (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Based on the criteria established in GASB Statement No. 14, as amended, there are no component units required to be included or included in the District's basic financial statements.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The basic financial statements of the District are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District and do not emphasize fund types. These governmental activities comprise the primary government. General governmental and intergovernmental revenues support the governmental activities. The purpose of the government-wide financial statements is to allow the user to be able to determine if the District is in a better or worse financial position than the prior year. The effect of all interfund activity between governmental funds has been removed from the government-wide financial statements.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement Number 33, "Accounting and Financial Reporting for Nonexchange Transactions" (GASB 33).

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability in the government-wide financial statements, rather than as expenditures.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Government-wide Financial Statements, continued

The Statement of Activities demonstrates the degree to which the direct expenses of a given function 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 and 2) grants and contributions that are restricted to meeting the operational or capital improvements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Program revenues are considered to be revenues generated by services performed and/or by fees charged such as inspection fees. During the year ended September 30, 2021, the District contracted another fire district to perform all fire inspections within the Immokalee Fire Control District. As such, the contracted District was entitled to all fire inspection fee revenues.

Capital grant revenues are grants from other governmental entities restricted for the purchase of specific capital assets.

Fund Financial Statements

The District adheres to GASB Statement Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions" (GASB 54).

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the District's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds, in aggregate, for governmental funds.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Governmental Funds

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, as appropriate, and then from unrestricted resources. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period.

The District's major funds are presented in separate columns on the governmental fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" (GASB 34). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the governmental fund financial statements.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns on the fund financial statements.

Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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 the timing of related cash flows. Property taxes 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 have been met.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Measurement Focus and Basis of Accounting, continued

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 and soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Revenues susceptible to accrual are property taxes, interest on investments, and intergovernmental revenues. Property taxes are recorded as revenues in the fiscal year in which they are levied, provided they are collected in the current period or within sixty days thereafter. Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized when all eligibility requirements are met.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on the long-term debt, if any, which is recognized when due; and (2) expenditures are generally not divided between years by the recording of prepaid expenditures.

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.

Separate financial statements are provided for governmental funds.

Non-current Government Assets/Liabilities

GASB 34 requires non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as notes payable and capital leases, to be reported in the governmental activities column in the government-wide Statement of Net Position.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Major Funds

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in the Impact Fee Fund.

The Impact Fee Fund consists of fees imposed and collected by Collier County based on new construction within the District. The fees are restricted and can only be used for certain capital expenditures and/or the related debt associated with growth within the District.

Budgetary Information

The District has elected to report budgetary comparison of major funds as required supplementary information (RSI).

Investments

The District adheres to the requirements of Governmental Accounting Standards Board (GASB) Statement Number 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" (GASB 31), in which all investments are reported at fair value.

Capital Assets

Capital assets, which include land, construction in progress, buildings, equipment and machinery and vehicles are reported in the government-wide financial statements in the Statement of Net Position.

The District follows a capitalization policy which calls for capitalization of all fixed assets that have a cost or donated value of \$2,000 or more and have a useful life in excess of one year.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Capital Assets, continued

All capital assets are valued at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Public domain (infrastructure) capital assets consisting of certain improvements other than building, including curbs, gutters and drainage systems, are not capitalized, as the District generally does not acquire such assets. No debt-related interest expense is capitalized as part of capital assets in accordance with GASB 34.

Maintenance, repairs and minor renovations are not capitalized. The acquisition of land and construction projects utilizing resources received from Federal and State agencies are capitalized when the related expenditure is incurred.

Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement, the cost is eliminated from the respective accounts.

Expenditures for capital assets are recorded in the fund statements as current expenditures. However, such expenditures are not reflected as expenses in the government-wide statements, but rather are capitalized and depreciated.

Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings	30
Equipment and Machinery	3-20
Vehicles	4-10

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Budgets and Budgetary Accounting

The District has adopted an annual budget for the General Fund.

The District has also adopted an annual budget for its Special Revenue Fund, the Impact Fee Fund.

The District follows these procedures in establishing budgetary data for the General Fund and the Impact Fee Fund:

1. During the summer of each year, the District Fire Chief submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing on the upcoming October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is adopted by approval of the Board of Commissioners.
4. Budget amounts, as shown in these financial statements, are as originally adopted or as amended by the Board of Commissioners.
5. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America except the acquisition of capital leases was not budgeted (non-GAAP budgetary basis) for the impact fee fund.
6. The level of control for appropriations is exercised at the fund level.
7. Appropriations lapse at year-end.

The District did amend the General Fund budget during the year ended September 30, 2021 in the amount of \$1,062,167.

The District did amend the Impact Fee Fund budget during the year ended September 30, 2021 in the amount of \$995,342.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Impact Fees/Deferred Revenue

Through an inter-local agreement, the District levies an impact fee on new construction within the District. The intent of the fee is for growth within the District to pay for capital improvements needed due to the growth. The fee is collected by Collier County and is remitted to the District. The fee is refundable if not expended by the District within a reasonable period from the date of collection. The District, therefore, records this fee as restricted cash and as deferred revenue until the date of expenditure, at which time it is recognized as revenue and charged to capital outlay in the fund financial statements and capital assets in the government-wide financial statements.

Due To/From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded in the fund statements by funds affected in the period in which transactions are executed.

Due From Other Governments

No allowance for losses on uncollectible accounts has been recorded since the District considers all amounts to be fully collectible.

Compensated Absences

The District's employees accumulate annual leave, based on the number of years of continuous service. Upon termination of employment, employees can receive payment of accumulated annual leave, if certain criteria are met. The costs of sick, vacation and personal leave benefits (compensated absences) are expended in the respective operating funds when payments are made to employees. However, the liability for all accrued sick, vacation and personal leave benefits is recorded in the government-wide Statement of Net Position.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because, at present, it is not necessary in order to assure effective budgetary control or to facilitate effective cash planning and control.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, 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.

Net Position

In the government-wide financial statements, no net position has been identified as restricted. Restricted net position reflects those net assets that have constraints as to their use externally imposed by creditors, through debt covenants, by grantors, or by law.

Fund Balances

The governmental fund financial statements the District maintains may include nonspendable, restricted, committed, assigned and unassigned fund balances. Nonspendable fund balances are those that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Criteria include items that are not expected to be converted into cash, for example prepaid expenses.

Restricted fund balance consists of amounts that can be spent only on specific purposes stipulated by constitutional provisions or enabling legislation or externally imposed by creditors, grantors, contributors, or laws or regulations of other governments. The District maintained no restricted fund balances at September 30, 2021.

Committed fund balance consists of amounts that represent resources whose use is constrained by limitations the Board (highest decision making) imposes upon itself. These constraints made by the Board remain binding unless removed in the same manner. The District maintained no committed fund balance at September 30, 2021.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, CONTINUED**

Fund Balances, continued

Assigned fund balance represents the portion of fund balance that reflects the District's intended use of resources. Such intent can only be established by the Board. The District maintained assigned fund balance for various uses at September 30, 2021. The Board's minimum fund balance policy is to maintain not less than three (3) months budgeted expenditures in assigned fund balance as well as other specifically assigned amounts.

Unassigned fund balance is the portion of fund balance representing resources in excess of what can properly be classified in one of the other categories.

Interfund Transactions

The District considers interfund receivables (due from other funds) and interfund liabilities (due to other funds) to be loan transactions to and from other funds to cover temporary (three months or less) cash needs. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing funds and as reduction of expenditures in the fund that is reimbursed.

Pensions

In the government-wide Statement of Net Position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and the Health Insurance Subsidy (HIS) defined benefit plans and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments, (including refunds of employees contributions) are recognized when due and payable in accordance with the benefit terms.

The District's retirement plans and related amounts are described in a subsequent note.

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES, 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. The deferred amount on pensions is reported in the government-wide Statement of Net Position. The deferred outflows of resources related to pensions and OPEB 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. The deferred amount on pensions and OPEB is reported only in the government-wide Statement of Net Position. A deferred amount on pensions and OPEB 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 benefits through the plans except earnings which are amortized over five to seven years.

Subsequent Events

Subsequent events have been evaluated through March 1, 2022, which is the date the financial statements were available to be issued.

NOTE B - CASH AND CASH EQUIVALENTS

At September 30, 2021, cash and cash equivalents were \$4,615,869, which included unrestricted cash of \$2,830,927 in the General Fund and restricted cash of \$1,784,942, which was held in the Impact Fee Fund. Restricted cash is comprised of impact fees which are restricted for capital asset acquisition and/or improvement due to growth within the District.

**IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

NOTE B - CASH AND CASH EQUIVALENTS, CONTINUED

Deposits

The District's deposit policy allows deposits to be held in demand deposit or money market accounts and other investments per Florida Statutes, Chapter 218.415(17). All District deposits were held in a financial institution designated as a qualified depository by the State Treasurer.

At September 30, 2021, the carrying amounts of the District's deposits were \$2,830,927 and \$1,784,942 in the General Fund and the Impact Fee Fund, respectively. At September 30, 2021, bank balances were \$2,898,776 and \$1,822,491 in the General Fund and Impact Fee Fund, respectively. These deposits were entirely insured by federal depository insurance or by collateral pursuant to the Public Depository Security Act (Florida Statute 280) of the State of Florida.

NOTE C - INVESTMENTS

Florida Statutes and the District's investment policy authorize investments in the Florida Fixed Income Trust (FL FIT). Specifically, the District's investment policy is consistent with Florida Statutes, Chapter 218.415(17). At September 30, 2021, the District's investments in the FL FIT-Cash Pool (CP) consist of the following:

	Cost Basis	Fair Value (NAV)/ Carrying Amount
	<u> </u>	<u> </u>
<u>General Fund</u>		
Florida Fixed Income Trust		
FL FIT - Cash Pool (CP)	\$ 24,038	\$ 24,038
Total investments - General Fund	<u>\$ 24,038</u>	<u>\$ 24,038</u>
<u>Impact Fee Fund</u>		
Florida Fixed Income Trust		
FL FIT - Cash Pool (CP)	\$ 149,132	\$ 149,132
Total investments - Impact Fee Fund	<u>\$ 149,132</u>	<u>\$ 149,132</u>

The Florida Fixed Income Trust (FL FIT) Cash Pool (CP) was established in accordance with Florida Statute 163.01 to provide local and state government entities access to diversified, high credit quality strategies for their cash reserves. The Florida Fixed Income Trust (FL FIT) Cash Pool is a floating net asset value (NAV) pool, managed to dollar-in/dollar-out and provides same day liquidity for participants.

NOTE C - INVESTMENTS, CONTINUED

The Florida Fixed Income Trust (FL FIT) Cash Pool (CP) is an external 2a7-like investment pool, which is self administered. The Florida Fixed Income Trust (FL FIT) Cash Pool (CP) is not categorized as it is not evidenced by securities that exist in physical or book entry form. The Florida Fixed Income Trust (FL FIT) Cash Pool are stated at a net asset value (NAV) which approximates fair value, NAV = \$1.00. These investments are subject to the risk that the market value of an investment, collateral protecting a deposit or securities underlying an investment will decline and lose value. The Pool is not SEC registered.

FL FIT is not required to register (and has not registered) with the SEC; however, the fund is an external investment pool that has historically adopted operating procedures consistent with those required by Florida Statutes.

The District's investment in the Florida Fixed Income Trust (FL FIT) Cash Pool (CP) represented approximately less than 1% of the Fund's total investments.

At September 30, 2021, the Cash Pool's investments consisted of the following: 50% with commercial paper; 27% with institutional money market deposits and mutual funds; and 23% with certificates of deposit.

These short-term investments are stated at fair value. Investment income is recognized as earned and is allocated to participants of the Fund based on their equity participation.

The District adheres to GASB Statement No. 79 and where the Fund meets the criteria to make GASB Statement No. 31 disclosures which are required related to its FL FIT Cash Pool investment:

Limitation on Participant Contributions and Withdrawals: FL FIT-Cash Pool has no limitations or restrictions on participant withdrawals, does not charge liquidity fees, and has not put in place a redemption gate. Each participant has the ability to withdraw 100 percent of its account balance any business day that the Investment Advisor is open for trading. The Investment Advisor is open for trading, and the funds will settle on the trading date for trades placed prior to 2:00 PM Eastern Time, and trade date plus one business day (T+1) for trades placed after 2:00 PM Eastern Time.

NOTE C - INVESTMENTS, CONTINUED

Investment Income, Unrealized Gains/Losses, and Realized Gains/Losses: FL FIT-Cash Pool follows industry practice and records security transactions on a trade date basis. Dividend and interest income is recognized on an accrual basis. Net investment income is distributed to participants at least monthly. Unrealized and realized gains and losses, if any, are distributed to participants on a daily and monthly basis. Distributions to participants are recorded on the ex-dividend date.

Valuation: Fair value of the investments in the FL FIT-Cash Pool is determined on a daily basis. Fair value increases and decreases are included in the change in unrealized gains and losses during the period. Net realized gains and losses on sales of securities are computed based on specific identification. Mutual fund securities are recorded at fair value as determined by using net position value as furnished by a pricing service and the number of shares owned.

Redemption Gates: Per the Administrator there are no redemption gates.

Liquidity Fees: Per the Administrator there are no liquidity fees.

Redemption Fees: As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Fair Value: The carrying value of the investments held by the District approximate fair value. However, it is the opinion of the management of Florida Fixed Income Trust (FL FIT) it is exempt from GASB Statement No.72 financial hierarchy disclosures.

Foreign Currency Risk: Florida Fixed Income Trust (FL FIT) Cash Pool is not exposed to foreign currency risk during the year ended September 30, 2021.

Securities Lending: Florida Fixed Income Trust (FL FIT) Cash Pool did not participate in securities lending program during the period October 1, 2020 through September 30, 2021.

Florida Fixed Income Trust (FL FIT) Cash Pool does provide separate audited financial statements for the year ended June 30, 2021.

At September 30, 2021, the District reported Florida Fixed Income Trust (FL FIT) Cash Pool investments of \$173,170. The Florida Fixed Income Trust (FL FIT) Cash Pool carried a credit rating of AA Af/S1 by Fitch Rating and had a dollar weighted average days to maturity (WAM) of 79 days at September 30, 2021. The Florida Fixed Income Trust (FL FIT) Cash Pool weighted average days to final maturity (WAL) was 104 days at September 30, 2021. The Cash Pool's duration is as follows: expected target duration 0-.5 years; effective duration of .22 years. Rule 2a7 allows funds to use a constant of \$1.00 per share.

**IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

NOTE D - DUE TO/FROM OTHER GOVERNMENTS

Due from other governments at September 30, 2021, are as follows:

<u>Description</u>	<u>General Fund</u>
Collier County Tax Collector	\$ 45,998
Collier County BOCC - COVID grant reimbursement	13,741
State of Florida Grant - Station 30	<u>96,017</u>
	<u>155,756</u>
	<u>Impact Fee Fund</u>
Collier County BOCC - Impact fees	<u>94,497</u>
	<u>\$ 250,253</u>

Management of the District believes the due from other governments amounts to be fully collectible.

NOTE E - DUE TO/FROM OTHER FUNDS

Interfund receivables and payables at September 30, 2021, are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund:		
Impact Fee	\$ 201	\$ 12,000
Total General Fund	<u>201</u>	<u>12,000</u>
Special Revenue Fund:		
Impact Fee:		
General	<u>12,000</u>	<u>201</u>
Total Special Revenue Fund	<u>12,000</u>	<u>201</u>
Total	<u>\$ 12,201</u>	<u>\$ 12,201</u>

Interfund receivables and payables were eliminated for presentation purposes in the Statement of Net Position at September 30, 2021.

**IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

NOTE F - CAPITAL ASSETS ACTIVITY

The following is a summary of changes in capital assets activity for the year ended September 30, 2021:

	Balance October 1 2020	Increases/ Additions	Decreases/ Deletions	Adjustments/ Reclassifications	Balance September 30 2021
Capital Assets Not Being Depreciated:					
Land	\$ 378,256	\$ 12,000	\$ -	\$ -	\$ 390,256
Construction in Progress	<u>4,230,658</u>	<u>7,671,442</u>	<u>-</u>	<u>-</u>	<u>11,902,100</u>
Total Capital Assets Not Being Depreciated	<u>4,608,914</u>	<u>7,683,442</u>	<u>-</u>	<u>-</u>	<u>12,292,356</u>
Capital Assets Being Depreciated:					
Buildings	455,967	-	-	-	455,967
Equipment & Machinery	1,444,096	563,347	-	-	2,007,443
Vehicles	<u>2,845,411</u>	<u>1,663,718</u>	<u>-</u>	<u>-</u>	<u>4,509,129</u>
Total Capital Assets Being Depreciated	<u>4,745,474</u>	<u>2,227,065</u>	<u>-</u>	<u>-</u>	<u>6,972,539</u>
Less Accumulated Depreciation:					
Buildings	(361,092)	(11,500)	-	-	(372,592)
Equipment & Machinery	(925,706)	(159,552)	-	-	(1,085,258)
Vehicles	<u>(2,101,745)</u>	<u>(222,326)</u>	<u>-</u>	<u>-</u>	<u>(2,324,071)</u>
Total Accumulated Depreciation	<u>(3,388,543)</u>	<u>(393,378)</u>	<u>-</u>	<u>-</u>	<u>(3,781,921)</u>
Total Capital Assets Being Depreciated, Net	<u>1,356,931</u>	<u>1,833,687</u>	<u>-</u>	<u>-</u>	<u>3,190,618</u>
Capital Assets, Net	<u>\$ 5,965,845</u>	<u>\$ 9,517,129</u>	<u>\$ -</u>	<u>\$ -</u>	15,482,974
				Related debt	<u>(5,471,270)</u>
				Net investment in capital assets	<u>\$ 10,011,704</u>

Depreciation expense was charged to the following functions during the year ended September 30, 2021:

	Amount
General Government	<u>\$ 393,378</u>
Total Depreciation Expense	<u>\$ 393,378</u>

IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021

NOTE F - CAPITAL ASSETS ACTIVITY, CONTINUED

The District has capital assets held under capital leases with a total cost of \$2,754,024 at September 30, 2021. The capital assets held under capital lease had accumulated depreciation of \$301,604 and depreciation expense of \$196,596 as of and for the year ended September 30, 2021.

NOTE G - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended September 30, 2021:

	Balance October 1 2020	Additions	Retirements / Adjustments	Balance September 30 2021	Amounts Due Within One Year
Net pension liability - FRS	\$ 5,124,266	\$ -	\$ (4,338,625)	\$ 785,641	\$ -
Net pension liability - HIS	724,859	23,152	-	748,011	-
Capital leases - 3 vehicles	50,171	-	(20,161)	30,010	19,843
Capital leases - pumper	691,375	-	(75,747)	615,628	78,923
Capital leases- radios	211,692	-	(30,873)	180,819	32,515
Capital Lease - ladder truck	-	1,315,897	(109,730)	1,206,167	124,367
Capital Lease - tanker truck	-	319,193	-	319,193	16,567
Construction loan (Sta 32)	-	3,119,453	-	3,119,453	190,898
Compensated Absences	448,471	-	(123,297)	325,174	-
Net OPEB Liability	<u>541,364</u>	<u>-</u>	<u>(156,026)</u>	<u>385,338</u>	<u>-</u>
	<u>\$ 7,792,198</u>	<u>\$ 4,777,695</u>	<u>\$ (4,854,459)</u>	<u>\$ 7,715,434</u>	<u>\$ 463,113</u>

The following is a summary of the long-term obligations at September 30, 2021:

	Amount
Net pension obligation - FRS pension plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida Retirement Plan.	\$ 785,641
Net pension obligation - HIS plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida Retirement Plan.	748,011
The District entered into a five year \$89,857 capital lease agreement. Monthly payments are \$1,654 and are interest free. Payments began on March 20, 2018 with a final payment due February 20, 2023. The lease is collateralized by the respective three vehicles.	30,010
The District entered into a eight year \$764,074 capital lease agreement. Annual payments are \$104,731 including fixed interest of 4.19%. Payments began on January 7, 2020 with a final payment due January 7, 2027. The lease agreement is collateralized by the respective pumper truck.	615,628
The District entered into a seventy-five (75) month \$231,713 capital lease agreement. Initial payment of \$23,171, then six (6) annual payments of \$42,135 including fixed interest of 5.32%. Payments began on October 1, 2019 with a final payment due October 1, 2025. The lease is collateralized by the respective equipment.	180,819

**IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

NOTE G - LONG-TERM LIABILITIES, CONTINUED

The District entered into a ten (10) year \$1,315,897 capital lease agreement. Annual payments are \$152,682 including fixed interest of 2.78%. Payments began on June 20, 2021 with a final payment due on April 20, 2030. The lease is collateralized by the respective ladder truck.	1,206,167
The District entered into a fifteen (15) year \$319,193 capital lease agreement. Annual payments are \$27,675 including fixed interest of 3.48%. Payments began on October 19, 2021 with a final payment due on October 19, 2035. The lease is collateralized by the tanker truck.	319,193
The District entered a \$5,500,000 loan March 2, 2020 to fund the construction of Station 32. The loan is payable in twelve (12) monthly payments of interest only, followed by one hundred eighty (180) payments of principal and interest calculated at the closing date of the loan. Interest accrues at 3.15% per year. The loan is collateralized by Impact Fees.	3,119,453
Non-current portion of compensated absences. Employees of the District are entitled to paid leave (sick, vacation and comp time) based on length of service and job classification.	325,174
Net OPEB liability - actuarially determined - GASB No. 75.	<u>385,338</u>
Total long-term liabilities	7,715,434
Current portion	<u>(463,113)</u>
Noncurrent portion	<u>\$ 7,252,321</u>

The annual debt service requirements at September 30, 2021, were as follows:

Years Ending September 30	Total Principal	Total Interest	Total
2022	\$ 463,113	\$ 201,802	\$ 664,915
2023	560,354	230,092	790,446
2024	568,858	216,591	785,449
2025	588,183	197,359	785,542
2026	608,190	177,449	785,639
2027-2031	2,557,549	585,806	3,143,355
2032-2036	<u>125,023</u>	<u>13,350</u>	<u>138,373</u>
Total capital lease	5,471,270	1,622,449	7,093,719
Net pension liability - FRS	785,641	-	785,641
Net pension liability - HIS	748,011	-	748,011
Accrued compensated absences - vacation	325,174	-	325,174
Net OPEB obligation	<u>385,338</u>	-	<u>385,338</u>
Total long-term debt	<u>\$ 7,715,434</u>	<u>\$ 1,622,449</u>	<u>\$ 9,337,883</u>

Interest expense related to the capital leases payable was \$83,199 for the year ended September 30, 2021. Interest expense related to the construction loan was \$27,550 for the year ended September 30, 2021.

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN

General Information about the Florida Retirement System

The Florida Retirement System ("FRS") was created in Chapter 121, Florida Statutes. The FRS was created to provide a defined benefit pension plan ("Pension Plan") for participating public employees. All District employees are participants in the Statewide Florida Retirement System (FRS) under authority of Article X, Section 14 of the State Constitution and Florida Statutes, Chapters 112 and 121. The FRS was amended in 1998 to add the Deferred Retirement Option Program ("DROP") under the defined benefit plan and amended in 2000 to provide an integrated defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a separate cost-sharing, multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans (Pension and HIS Plans) and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information dated June 30, 2020, is available from the Florida Department of Management Services' Website (www.dms.myflorida.com).

The District's total pension expense, \$218,744 for the year ended September 30, 2021, is recorded in the government-wide financial statements. Total District actual retirement contribution expenditures were \$539,945, \$516,969 and \$499,843 for the years ended September 30, 2021, 2020 and 2019, respectively. The District contributed 100% of the required contributions.

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan

Plan Description. The FRS Pension Plan ("Plan") is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class - Members of the FRS who do not qualify for membership in the other classes.

Senior Management Service Class (SMSC) - Members in senior management level positions.

Special Risk Class - Members who are employed as certified firefighters and meet the criteria to qualify for this class.

Elected Officials - Members who are elected by the voters within the District boundaries.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for those members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Members of both Plans (Pension and HIS) may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost of living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age, and/or years of service, average final compensation, and credit service. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for the members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value of each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>%Value</u>
Regular Class and elected 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 or more years of service	1.68
Regular Class and elected 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 or more years of service	1.68
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on or after October 1, 1974	3.00
Senior Management Service Class	2.00
Elected Officers' Class	3.00

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the year ended September 30, 2021 were as follows:

Class (2)	Percent of Gross Salary*		
	Employee	Employer (1)	Employer (3)
Florida Retirement System, Regular	3.00	10.00	10.82
Florida Retirement System, Senior Management Service	3.00	27.29	29.01
Florida Retirement System, Special Risk	3.00	24.45	25.89
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	16.98	18.34
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	49.18	51.42

Notes:

- (1) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/20 - 6/30/21.
- (2) Contribution rates are dependent upon retirement class in which reemployed.
- (3) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/21 - 6/30/22.

* As defined by the Plan.

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension Plan. At September 30, 2021, the District reported a pension liability of \$785,641 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the District's 2020-21 fiscal year contributions relative to the total 2020-21 fiscal year contributions of all participating members. At September 30, 2021, the District's proportionate share was .010400522 percent, which was a decrease of .001422486 percent from its proportionate share measure as of September 30, 2020.

For the year ended September 30, 2021, the District recognized a pension expense of \$205,619. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 134,660	\$ -
Change of assumptions	537,573	-
Net difference between projected and actual earnings on pension plan investments	-	2,740,905
Changes in proportion and differences between District contributions and proportionate share of contributions	149,022	406,299
District contributions subsequent to the measurement date	<u>120,619</u>	<u>-</u>
Total	<u>\$ 941,874</u>	<u>\$ 3,147,204</u>

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

The deferred outflows of resources related to the FRS pension, totaling \$120,619, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction on the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense over the remaining service period of 5.7 years as follows:

Fiscal Years Ending <u>September 30</u>	<u>Amount</u>
2022	\$ (596,938)
2023	(596,938)
2024	(596,938)
2025	(596,939)
2026	88,288
Thereafter	<u>(26,484)</u>
Total	<u>\$ (2,325,949)</u>

Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2020
Measurement date	June 30, 2021
Inflation	2.40 percent
Real payroll growth	0.85 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.80 percent, net of pension plan investment expense, including inflation
Actuarial cost method	Individual entry age

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.1%	2.1%	1.1%
Fixed income	20.00%	3.8%	3.7%	3.3%
Global equity	54.20%	8.2%	6.7%	17.8%
Real estate (property)	10.30%	7.1%	6.2%	13.8%
Private equity	10.80%	11.7%	8.5%	26.4%
Strategic investments	<u>3.70%</u>	5.7%	5.4%	8.4%
Total	<u>100.00%</u>			
Assumed inflation - Mean		2.40%		1.20%

(1) As outlined in the Plan's investment policy

Money-weighted Rate of Return. The annual money-weighted rate of return on the FRS Pension Plan investments for the year ended September 30, 2021 was 30.41%.

Discount Rate. The discount rate used to measure the total pension liability was 6.80 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.

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

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 6.80 percent, 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 (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
District's proportionate share of the net FRS pension liability	<u>\$ 3,513,440</u>	<u>\$ 785,641</u>	<u>\$(1,494,493)</u>

Pension Plan Fiduciary Net Position. Detailed information about pension plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report (FRS CAFR) dated June 30, 2021.

The FRS CAFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
 Division of Retirement
 Bureau of Research and Member Communications
 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

Payables to the Pension Plan. At September 30, 2021, the District reported a payable of \$0 for the outstanding amount of contributions in the pension plan required for the year ended September 30, 2021.

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

Health Insurance Subsidy (HIS) Plan

Plan Description. The Health Insurance Subsidy Plan ("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, 2021, 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 year ended September 30, 2021, the contribution rate ranged between 1.66 percent and 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. 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, 2021, the District reported a HIS liability of \$748,011 for its proportionate share of the net HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net HIS liability was based on the District's

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

Health Insurance Subsidy (HIS) Plan, continued

2020-21 fiscal year contributions relative to the total 2020-21 fiscal year contributions of all participating members. At September 30, 2021, the District's proportionate share was .006097996 percent, which was an increase of .000161317 percent from its proportionate share measured as of September 30, 2020.

For the fiscal year ended September 30, 2021, the District recognized HIS expense of \$13,125. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 25,030	\$ 313
Change of assumptions	58,778	30,820
Net difference between projected and actual earnings on HIS pension plan investments	780	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	70,169	25,843
District contributions subsequent to the measurement date	9,864	-
Total	<u>\$ 164,621</u>	<u>\$ 56,976</u>

The deferred outflows of resources related to HIS, totaling \$9,864, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction on the net pension liability in the year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense over the remaining service period of 6.4 years as follows:

<u>Fiscal Years Ending September 30</u>	<u>Amount</u>
2022	\$ 18,158
2023	18,158
2024	18,158
2025	18,158
2026	17,963
Thereafter	7,186
Total	<u>\$ 97,781</u>

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

Health Insurance Subsidy (HIS) Plan, continued

Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Real Payroll Growth	0.85 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	2.16 percent
Annual Cost Method	Individual entry age

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2018.

Because the HIS Plan is funded on a pay-as-you-go basis, no experience study has been completed for the Plan.

Discount Rate. The discount rate used to measure the total HIS liability was 2.16 percent. In general, the discount rate for calculating the total HIS liability 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 Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net HIS Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net HIS liability calculated using the discount rate of 2.16 percent, as well as what the District's proportionate share of the net HIS liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
District's proportionate share of the net HIS liability	\$ 864,773	\$ 748,011	\$ 652,350

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

Health Insurance Subsidy (HIS) Plan, continued

Pension Plan Fiduciary Net Position. Detailed information about the HIS plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Comprehensive Annual Financial Report (FRS CAFR) dated June 30, 2021.

The FRS CAFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Bureau of Research and Member Communications
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

Payables to the Pension Plan. At September 30, 2021, the District reported a payable of \$0 for the outstanding amount of contributions to the HIS plan required for the fiscal year ended September 30, 2021.

FRS - Defined Contribution Pension Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

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 County Officers, etc.), as the FRS defined benefit plan. Contributions

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS - Defined Contribution Pension Plan, continued

are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2020-21 fiscal year were as follows:

Class (2)	Percent of Gross Salary*		
	Employee	Employer (1)	Employer (3)
Florida Retirement System, Regular	3.00	10.00	10.82
Florida Retirement System, Senior Management Service	3.00	27.29	29.01
Florida Retirement System, Special Risk	3.00	24.45	25.89
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	16.98	18.34
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	49.18	51.42

Notes:

- (1) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/20 - 6/30/21.
- (2) Contribution rates are dependent upon retirement class in which reemployed.
- (3) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/21 - 6/30/22.

* As defined by the Plan.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 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 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

NOTE H - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS - Defined Contribution Pension Plan, continued

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 \$186,812 for the fiscal year ended September 30, 2021.

Payables to the Investment Plan. At September 30, 2021, the District reported a payable of \$0 for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2021.

Effective January 2019, the District began offering a 457(b) Deferred Compensation Plan to all employees which allows for salary deferrals with no employer contributions.

Other Retirement Plan

Effective June 2020, the District initiated a 401(a) plan for the District's Fire Chief.

NOTE I - PROPERTY TAXES

Property taxes are levied after formal adoption of the District's budget and become due and payable on November 1 of each year and are delinquent on April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 delinquent date. Tax certificates are sold to the public for the full amount of any unpaid taxes and must be sold not later than June 1 of each year. The billing, collection, and related recordkeeping of all property taxes is performed for the District by the Collier County Tax Collector. No accrual for the property tax levy becoming due in November 2021 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period.

**IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

NOTE I - PROPERTY TAXES, CONTINUED

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided for by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. As of September 30, 2021, \$45,998 was due from the Collier County Tax Collector for ad valorem taxes and excess fees.

Important dates in the property tax cycle are as follows:

Assessment roll certified	July 1
Millage resolution approved	No later than 93 days following certification of assessment roll
Beginning of fiscal year for which taxes have been levied	October 1
Taxes due and payable (levy date)	November 1 with various discount provisions through March 31
Property taxes payable - maximum discount (4 percent)	30 days after levy date
Due date	March 31
Taxes become delinquent (lien date)	April 1
Tax certificates sold by the Collier County Tax Collector	Prior to June 1

For the year ended September 30, 2021, the Board of Commissioners of the District levied ad valorem taxes at a millage rate of \$3.75 per \$1,000 (3.75 mills) of the 2020 net taxable value of real property located within the District.

NOTE J - IMPACT FEE FUND ACTIVITY

During the year ended September 30, 2021, the Impact Fee Fund had the following activity:

	<u>Amount</u>
Unearned revenue, October 1, 2020	\$ 3,510,340
Impact fee receipts*	2,511,391
Debt proceeds	4,435,350
Interest income	4,192
Legal fees	(3,489)
Commissions (admin fee) - paid to Collier County**	(25,111)
Debt service - principal	(109,730)
Debt service - interest	(70,503)
Capital outlay	<u>(9,129,663)</u>
Unearned revenue, September 30, 2021	<u>\$ 1,122,777</u>

* Includes \$94,497 due from Collier County.

** Includes \$945 due to Collier County

**IMMOKALEE FIRE CONTROL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2021**

NOTE K - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Insurance programs for general/professional liability, automobile and property are covered by commercial insurance. The District retains the risk of loss up to a deductible amount (ranging from \$0 to \$2,500) with the risk of loss in excess of this amount transferred to the insurance carrier with limits of liability of \$1,000,000 per occurrence and \$10,000,000 in the aggregate. The District is third party insured for employee health, dental and vision as well as workers' compensation.

NOTE L - FUND BALANCE ALLOCATIONS

Fund balance was allocated for the following purposes at September 30, 2021:

<u>Nonspendable Fund Balance</u>	<u>Amount</u>
<u>General Fund</u>	
Prepaid expenditures	\$ 165,229
Total Nonspendable Fund Balance - General Fund	<u>165,229</u>
<u>Assigned Fund Balance</u>	
<u>General Fund</u>	
Assigned for fiscal year startup (90 day operations)	1,100,000
Capital purchases	100,000
Disaster/Emergency	368,457
Fleet reserves	100,000
Replacement Station 30	<u>1,159,745</u>
Total Assigned Fund Balance - General Fund	<u>2,828,202</u>
<u>Unassigned Fund Balance</u>	
Unassigned	<u>-</u>
Total Fund Balance - General Fund	<u>\$ 2,993,431</u>

NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)

Plan Description

The District's defined contribution OPEB Plan provides the opportunity to obtain health insurance, pharmacy, dental and vision benefits to its retired employees and their dependents. The year ended September 30, 2018 was the District's transition year and as such, the District implemented GASB No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". GASB No. 75 requires the District record its actuarially determined total OPEB liability.

All retired full-time employees are eligible for OPEB benefits if actively employed by the District immediately before retirement. As of September 30, 2021, there were no retirees eligible to receive benefits. At September 30, 2021 there were forty three (43) active full time District employees and zero (0) inactive. The benefits are provided both with contractual or labor agreements. The benefits require contribution from the retirees, depending on certain specified criteria and, in particular, length of creditable employment. There is no requirement for the District to contribute toward this benefit and the District does not contribute toward this benefit. The minimum retirement age is 62 for administrative and 55 years old for special risk. The minimum years of service requirement is 10 years.

The retiree's premiums for these benefits totaled \$0 during the year ended September 30, 2021.

**NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS
(OPEB), CONTINUED**

Funding Policy

The District's OPEB benefits are unfunded. The retiree is eligible for benefits under the District's health and pharmacy plan, but is obligated to reimburse the District for 100% of the cost of the retiree's health coverage. As such, the District has no ultimate obligation (explicit subsidy) for the retiree's health insurance premium. The District acts as agent for the retiree on a pay-as-you-go basis and recognizes expenditures at the time the premiums are due. The District does, however, incur the cost of premium rate being increased on its active employees (implicit subsidy) due to providing coverage to its retirees. The District has not determined if a separate trust fund or equivalent arrangement will be established into which the District would make contributions to advance-fund the obligation. Therefore, no separate financial statement is issued. All required disclosures are presented herein. The Plan's measurement date was September 30, 2021.

The retiree pays 100% of the retiree health coverage therefore there is no explicit subsidy. The retiree may purchase dependent coverage through the District. At age 65 the retiree then must move to Medicare but may continue to purchase dental and vision coverage through the District. The District finances the benefits on a pay-as-you-go basis and recognizes expenditures at the time the premiums are due.

The District subsidizes the premium rates paid by retirees by allowing them to participate at blended premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, retiree claims are expected to result in higher costs to the plan on average than those of active employees.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS
(OPEB), CONTINUED**

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

At September 30, 2021, the District's Net OPEB Liability of \$385,338 was measured as of September 30, 2021, and was determined by an actuarial valuation as of that date using the alternate measurement method. The following actuarial assumptions and other inputs were applied to all periods included in the measurement:

The following simplifying assumptions were made:

Mortality - Life expectancies were based on PUB-2010 Mortality Tables for Males and Females projected 10 years using MP-2020.

Actuarial Cost Method - Entry age normal cost method. (level % of pay)

Annual healthcare cost trend using the Society of Actuaries Long-Run Medical Cost Trend Model baseline assumptions with an initial rate of 4.9% per year trending to 4.30% by 2028.

Turnover - Derived from data maintained by the US Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System.

Amortization Period: Rolling 20 year amortization

Amortization Method: level percentage of payroll

The discount rate was 2.43% for 2021 (2.41% for 2020) (2.21% for 2019) (4.23% for 2018) (2.8% for 2017) and was based on the 20 Year Municipal Bond Rate with AA/Aa or higher.

Salary Increases	2.50%
Discount Rate	2.41%
Inflation Rate	2.50%

The FRS salary scale was used
Participation percentage: 20%

NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB), CONTINUED

Actuarial Methods and Assumptions, continued

The actuarial assumptions used in the September 30, 2021 valuation were calculated using alternative measurement method in accordance with GASB methodology.

The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumptions changes summarized above are to best reflect the current market conditions and recent plan experience.

Changes in the Net OPEB Liability

	<u>Amount</u>
Balance at September 30, 2020	\$ 541,364
Changes for the Year:	
Service Cost	30,006
Interest Cost on Total OPEB Liability	13,675
Change in Benefit Terms	-
Difference Between Expected and Actual Experience	42,653
Changes in Assumptions	(234,430)
Benefit Payments	<u>(7,930)</u>
Net Changes	<u>(156,026)</u>
Balance at September 30, 2021	<u>\$ 385,338</u>

The following presents the net OPEB liability of the District as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percent higher or 1 percent lower than the current discount rate.

	1% Decrease Current Rate	Current Rate	1% Increase
	<u>1.43%</u>	<u>2.43%</u>	<u>3.43%</u>
Net OPEB Liability	\$ 458,442	\$ 385,338	\$ 326,501

The following presents the net OPEB liability of the District as well as what the District's net OPEB liability would be if it were calculated using healthcare trend rates that are 1 percent higher or 1 percent lower than the current healthcare trend rate.

	1% Decrease	Trend Rate	1% Increase
	<u>3.0-6.5%</u>	<u>4.0-7.5%</u>	<u>5.0-8.5%</u>
Net OPEB Liability	\$ 323,777	\$ 385,338	\$ 461,395

**NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS
(OPEB), CONTINUED**

Changes in the Net OPEB Liability, continued

For the year ended September 30, 2021, the District recognized OPEB expense (credit) of \$156,026. At September 30, 2021 the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources*</u>	Deferred Inflows of <u>Resources*</u>
Differences Between Expected and Actual Experience	\$ -	\$ -
Changes in Assumptions	-	-
Net difference between projected and actual earnings	-	-
Employer contribution subsequent to measurement date	<u>-</u>	<u>-</u>
Total	<u>\$ -</u>	<u>\$ -</u>

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

Year Ended September 30:	<u>Amount*</u>
2022	\$ -
2023	-
2024	-
2025	-
2026	-
Total Thereafter	<u>-</u>
	<u>\$ -</u>

*Per GASB No. 75 paragraph 43(a) since the District used the alternative measurement method the effects of assumptions are recognized immediately. As such, since the Plan holds no assets their deferred inflows/outflows are zero.

**IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

NOTE N - DEFICIT UNRESTRICTED NET POSITION (NET ASSETS)

During the year ended September 30, 2021, the District's unrestricted net position (net assets) balance was again a deficit and totaled \$(1,348,418), due substantially to recording the current year actuarially determined net pension liability of \$1,533,652 and the net OPEB liability of \$385,338. The District's total available fund balance at September 30, 2021 remains approximately equal to seven (7) months of actual expenditures. However, the Board has previously assigned \$2,756,025 of the \$2,993,431 available General Fund fund balance.

NOTE O - COMMITMENTS AND CONTINGENCIES

In September 2018, the District entered into an agreement with Collier County (the "County") with the intention of constructing a multi-purpose Public Safety Complex (PSC) in the Town of Ave Maria. The County is in possession of four acres of land, three of which are known as demised premises. The demised premises are intended to be developed into the PSC. This PSC will be utilized for fire, sheriff, and emergency medical services. In connection to the cost of constructing the PSC, Immokalee Fire Control District paid \$121,000 to the County for the land as the District intends to own the PSC. In doing so, the County agreed to pay the District annual rent in the amount of \$4,033 over the course of 30 years. The District is responsible for all costs associated with the construction of the building, including surveying, permitting, architect fees, consultant fees, and other professional services relating to the construction of the PSC.

In January 2020, the District entered into a contract in the amount of \$10,044,830 for the construction of the multi-purpose Public Safety Complex (Station 32). During the year ended September 30, 2021, there was net increase in change orders in the amount of \$952,907, bringing the sum of the contract to a total of \$10,997,737. The District is funding the project through use of impact fees and a \$5,500,000 loan.

Payments made under this contract for the fiscal year ended September 30, 2021 were \$6,735,347 and are included in Construction in Progress. The amount owed as of September 30, 2021 for this contract was \$301,929, and is included in accounts payable and Construction in Progress in the Impact Fee fund. At September 30, 2021, the balance remaining on the contract was \$932,656, including retainage of \$538,776.

**IMMOKALEE FIRE CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2021**

NOTE O - COMMITMENTS AND CONTINGENCIES, CONTINUED

In April 2021, the District entered into contract in the amount of \$4,716,802 for the construction of Station 30. The District is funding the project through a State Grant in the amount of \$900,000 and the remaining cost will be funded through District funds (general and impact fees).

Payments made under this contract for the fiscal year ended September 30, 2021 were \$96,017 and are included in Construction in Progress and Capital Outlay in the General Fund. At September 30, 2021, the balance remaining on the contract was \$4,620,785, including retainage of \$5,054.

On June 25, 2021, the District entered into a six (6) year \$146,369 capital lease agreement for two (2) staff Ford F250 trucks. Annual payments are \$28,140 including fixed interest of 5.726% and commence upon delivery and acceptance of the vehicles. The vehicles are subject to final inspection and acceptance upon delivery and therefore, not recorded as of September 30, 2021.

NOTE P - SUBSEQUENT EVENTS

On December 20, 2021, the District entered a capital lease for a new pumper truck in the amount of \$779,758. The vehicle is contracted to be delivered by November 2022. The lease requires ten (10) annual payments of \$90,339 including principal and interest. Interest accrues at 2.77%. The final payment is due December 20, 2031.

NOTE Q - COVID 19

In early March 2020, the World Health Organization classified the coronavirus outbreak "COVID-19" as a global pandemic, and it, unfortunately, continues to spread. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, have been severely impacted, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. On April 1, 2020, Florida Governor, Ron DeSantis ordered all Floridians to stay home, to lock down the State against the Coronavirus. Most governmental activity was cancelled and/or severely limited.

NOTE Q - COVID 19, CONTINUED

The District has adapted its operations to accommodate the current environment. However, the full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to instability in financial markets. Management is actively monitoring the local situation on its financial condition, liquidity, operations, donors, industry, and workforce. Given the daily evolution of COVID-19 and the global and local responses to curb its spread, the District is not able to estimate the future effects of COVID-19 on its results of operation, financial condition, or liquidity for fiscal year 2021-22.

NOTE R - 457(b) DEFERRED COMPENSATION PLAN

The District offers the employees the opportunity to participate in two (2) 457(b) deferred compensation plans. These Plans have a third party trustee/custodian that holds 100% of Plan assets. The Plans are 100% third party administered. The Plans only accept employee contributions.

NOTE S - 401(a) RETIREMENT PLAN

The Board of Fire Commissioners established the 401(a) Plan (the "Plan") for the Fire Chief. This retirement Plan is in addition to the benefits the Chief is entitled to from FRS/HIS. The Plan was effective on June 18, 2020. At September 30, 2021, the Plan has one (1) active participant and allows only the Chief to participate.

The Plan permits employer contributions only. Amounts contributed by the employer are equal to \$5,000 per fiscal year as required by the Chief's employment contract. Employee contributions are prohibited.

Employer contributions are 100% vested upon deposit into the Plan.

Total District contributions to the Plan for the year ended September 30, 2021 were \$5,000.

**REQUIRED SUPPLEMENTARY
INFORMATION
OTHER THAN MD&A**

IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
SUMMARY STATEMENT
Year Ended September 30, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Ad Valorem taxes	\$ 4,549,128	\$ 4,653,970	\$ 4,653,970	\$ -
Intergovernmental revenues:				
Federal public safety grant - CDBG	1,025,000	287,500	287,500	-
State grants	-	96,017	96,017	-
Other grants	-	-	42,511	42,511
State firefighter supplemental	2,520	2,520	1,353	(1,167)
Inspection fees	-	-	-	-
Public safety services	-	-	-	-
Miscellaneous:				
Interest	25,000	5,000	5,100	100
Other	52,100	103,013	104,558	1,545
Reserves brought forward	1,653,843	2,902,545	-	(2,902,545)
TOTAL REVENUES	7,307,591	8,050,565	5,191,009	(2,859,556)
EXPENDITURES				
Current				
Public safety				
Personnel services	3,861,498	3,781,319	3,762,719	18,600
Operating expenditures	693,413	693,413	708,726	(15,313)
Capital outlay	1,052,000	759,948	780,844	(20,896)
Debt service				
Principal reduction	181,792	181,792	126,781	55,011
Interest and fiscal charges	32,032	32,032	40,246	(8,214)
Assigned - 90 day reserve	1,100,000	1,100,000	-	1,100,000
Assigned - Prepaid expenses	-	165,229	-	165,229
Assigned - Fleet Reserves	16,951	100,000	-	100,000
Assigned- 19/20 & 20/21 Projected Deficit	169,905	-	-	-
Assigned- Disaster Reserves	200,000	296,280	-	296,280
Assigned- Capital purchases	-	100,000	-	100,000
Assigned - Replacement Station 30	-	1,159,745	-	1,159,745
TOTAL EXPENDITURES	7,307,591	8,369,758	5,419,316	2,950,442
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(319,193)	(228,307)	90,886
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	-	319,193	319,193	-
Proceeds from disposition of capital assets	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	319,193	319,193	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	90,886	\$ 90,886
FUND BALANCE - Beginning			2,902,545	
FUND BALANCE - Ending			\$ 2,993,431	

The accompanying notes are an integral part of this statement.

IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
DETAILED STATEMENT
Year Ended September 30, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Ad Valorem taxes	\$ 4,549,128	\$ 4,653,970	\$ 4,653,970	\$ -
Intergovernmental revenues:				
Federal public safety grants - CDBG	1,025,000	287,500	287,500	-
State grants	-	96,017	96,017	-
Other grants	-	-	42,511	42,511
State firefighter supplemental	2,520	2,520	1,353	(1,167)
Inspection fees	-	-	-	-
Public safety services	-	-	-	-
Miscellaneous:				
Interest income	25,000	5,000	5,100	100
Seminole contract	-	-	-	-
PILT farm workers village	12,000	6,150	6,150	-
Donations	100	100	-	(100)
User fees - rent	5,000	5,000	5,607	607
Other income	35,000	91,763	92,801	1,038
Subtotal	5,653,748	5,148,020	5,191,009	42,989
Reserves brought forward	1,653,843	2,902,545	-	(2,902,545)
TOTAL REVENUES	7,307,591	8,050,565	5,191,009	(2,859,556)
EXPENDITURES				
PERSONNEL SERVICES				
Salaries				
Firefighters & administrative	1,908,909	1,908,909	1,918,900	(9,991)
Overtime pay	300,898	300,898	285,382	15,516
Holiday pay	57,097	57,097	52,200	4,897
Vacation & sick sell back pay	26,000	26,000	34,005	(8,005)
Payroll taxes				
Social Security	175,560	175,560	172,948	2,612
Benefits				
Retirement	557,459	557,459	544,945	12,514
Group insurance	729,000	658,821	662,768	(3,947)
Workers compensation	106,575	96,575	91,571	5,004
Unemployment	-	-	-	-
SUBTOTAL - PERSONNEL SERVICES	3,861,498	3,781,319	3,762,719	18,600
OPERATING				
Contracted Services				
Physicals	1,000	1,000	6,375	(5,375)
Legal & professional fees	40,000	40,000	27,702	12,298
Property appraiser fees	26,000	26,000	33,071	(7,071)
Tax collection fees	91,483	91,483	94,398	(2,915)
Contracted services	35,000	35,000	55,734	(20,734)
Subtotal - Contracted services	193,483	193,483	217,280	(23,797)

The accompanying notes are an integral part of this statement.

IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
DETAILED STATEMENT - CONTINUED
Year Ended September 30, 2021

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
OPERATING, CONTINUED				
Operating				
Education and training	20,000	20,000	10,520	9,480
Travel	12,500	12,500	10,780	1,720
Communications - telephone	25,000	25,000	17,548	7,452
Postage	1,000	1,000	1,127	(127)
Utilities	19,630	19,630	25,191	(5,561)
Explorer program	-	-	-	-
Liability insurance	105,000	105,000	54,747	50,253
Subtotal - Operating	183,130	183,130	119,913	63,217
Maintenance				
Vehicle	70,000	70,000	77,004	(7,004)
Equipment - firefighter and rescue	13,000	13,000	13,642	(642)
Generators	-	-	1,586	(1,586)
Equipment lease	3,000	3,000	21,726	(18,726)
HVAC	-	-	2,339	(2,339)
Building	42,800	42,800	32,650	10,150
Bunker gear	4,500	4,500	4,340	160
Cascade system	-	-	3,749	(3,749)
Subtotal - Maintenance	133,300	133,300	157,036	(23,736)
Legal advertising	3,000	3,000	5,788	(2,788)
Supplies				
Office	4,500	4,500	2,892	1,608
Shipping	-	-	205	(205)
Firefighter rescue	28,000	28,000	28,896	(896)
Station - janitorial	7,000	7,000	4,536	2,464
Education & training	2,500	2,500	5,525	(3,025)
Fuel and oil	45,000	45,000	37,786	7,214
Uniforms	16,000	16,000	14,561	1,439
Employee	-	-	-	-
Physical fitness equipment	-	-	-	-
Inter-departmental	-	-	-	-
Computer software and training	36,000	36,000	45,830	(9,830)
Miscellaneous	5,000	5,000	708	4,292
Bunker gear	-	-	405	(405)
Fire prevention	-	-	-	-
Communication (radio)	2,500	2,500	1,850	650
Communication (phone)	-	-	551	(551)
Station - non janitorial	-	-	2,650	(2,650)
Public education	1,000	1,000	-	1,000
Furniture	1,000	1,000	768	232
Computer equipment	2,000	2,000	7,236	(5,236)
Fire Inspection	-	-	-	-
Operating	-	-	-	-
Minor equipment	25,000	25,000	49,220	(24,220)
Tires & batteries	-	-	-	-

The accompanying notes are an integral part of this statement.

IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
DETAILED STATEMENT - CONTINUED
Year Ended September 30, 2021

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
Books and dues	5,000	5,000	5,090	(90)
Subtotal - Supplies	180,500	180,500	208,709	(28,209)
SUBTOTAL - OPERATING EXPENDITURES	693,413	693,413	708,726	(15,313)
Capital Outlay				
Land	-	12,000	12,000	-
Firefighter equipment-grant match	10,000	10,000	-	10,000
Training equipment	5,000	5,000	-	5,000
Firefighter rescue equipment	10,000	10,000	45,107	(35,107)
Bunker gear	15,000	30,000	15,262	14,738
Building and CIP	1,000,000	348,820	353,873	(5,053)
Fire apparatus	-	319,193	328,528	(9,335)
Station equipment	-	12,935	12,935	-
Computer equipment	12,000	12,000	13,139	(1,139)
SUBTOTAL - CAPITAL OUTLAY	1,052,000	759,948	780,844	(20,896)
Debt service				
Principal retirement	181,792	181,792	126,781	55,011
Interest charges and fiscal	32,032	32,032	40,246	(8,214)
SUBTOTAL - DEBT SERVICE	213,824	213,824	167,027	46,797
Assigned - 90 day OPS	1,100,000	1,100,000	-	1,100,000
Assigned - Prepaid expenses	-	165,229	-	165,229
Assigned- Fleet Reserves	16,951	100,000	-	100,000
Assigned- 19/20 & 20/21 Projected Deficit	169,905	-	-	-
Assigned- Disaster Reserves	200,000	296,280	-	296,280
Assigned- Capital purchases	-	100,000	-	100,000
Assigned - Replacement Station 30	-	1,159,745	-	1,159,745
TOTAL EXPENDITURES	7,307,591	8,369,758	5,419,316	2,950,442
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(319,193)	(228,307)	90,886
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	-	319,193	319,193	-
Proceeds from disposition of capital assets	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	319,193	319,193	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	90,886	\$ 90,886
FUND BALANCE - BEGINNING			2,902,545	
FUND BALANCE - ENDING			<u>\$ 2,993,431</u>	

The accompanying notes are an integral part of this statement.

IMMOKALEE FIRE CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETART BASIS) AND ACTUAL -
IMPACT FEE FUND SUMMARY STATEMENT
Year Ended September 30, 2021

	Impact Fee Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Impact fees	\$ 900,000	\$ 2,511,391	\$ 4,898,954	\$ 2,387,563
Miscellaneous:				
Interest	25,000	4,000	4,192	192
Cash brought forward	1,724,841	3,510,339	-	(3,510,339)
TOTAL REVENUES	<u>2,649,841</u>	<u>6,025,730</u>	<u>4,903,146</u>	<u>(1,122,584)</u>
EXPENDITURES				
Current				
Public safety				
Operating expenditures	63,500	25,111	28,600	(3,489)
Capital outlay	7,000,000	8,250,000	7,813,766	436,234
Debt service				
Principal reduction	153,792	113,792	109,730	4,062
Interest and fiscal charges	182,032	71,032	70,503	529
Cash carried forward	750,517	685,248	-	685,248
TOTAL EXPENDITURES	<u>8,149,841</u>	<u>9,145,183</u>	<u>8,022,599</u>	<u>1,122,584</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,500,000)</u>	<u>(3,119,453)</u>	<u>(3,119,453)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from construction loan	5,500,000	3,119,453	3,119,453	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,500,000</u>	<u>3,119,453</u>	<u>3,119,453</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE - Beginning				-
FUND BALANCE - Ending			<u>\$ -</u>	

Reconciliation to Budgetary GAAP Basis

Expenditures	General Fund
Actual amounts (Non-GAAP budgetary basis) total expenditures as reported on the schedule of revenues, expenditures and changes in fund balance - budget to actual	\$ 8,022,599
Differences - budget to GAAP;	
Capital outlay for equipment (ladder truck) for financial reporting purposes, but not reported as an expenditure for budgetary purposes	1,315,897
Total expenditures reported on the statement of revenues, expenditures and changes in fund balances (GAAP basis)	<u>\$ 9,338,496</u>
Other Financing Sources (uses)	
Actual amounts (Non-GAAP budgetary basis) net other financing sources (uses) as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual	\$ 3,119,453
Differences - budget to GAAP;	
Proceeds from capital lease for equipment (ladder truck) for financial reporting purposes, but not reported as an other financing source for budgetary purposes	1,315,897
Net other financing sources (uses) reported on the statement of revenues, expenditures, and changes in fund balance (GAAP basis)	<u>\$ 4,435,350</u>

The accompanying notes are an integral part of this statement.

**IMMOKALEE FIRE CONTROL DISTRICT
SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM (FRS) PENSION
PLAN (1)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.010400522%	0.011823008%	0.017687900%	0.012139622%
District's proportionate share of the net pension liability	\$ 785,641	\$ 5,124,266	\$ 4,053,007	\$ 3,656,517
District's covered-employee payroll	\$ 2,290,487	\$ 2,129,835	\$ 2,092,719	\$ 2,199,804
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	34.30%	240.59%	193.67%	166.22%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

**SCHEDULE OF DISTRICT CONTRIBUTIONS -
FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN (1)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 507,548	\$ 480,781	\$ 464,854	\$ 454,867
Contributions in relation to the contractually required contribution	<u>507,548</u>	<u>480,781</u>	<u>464,854</u>	<u>454,867</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 2,290,487	\$ 2,129,835	\$ 2,092,719	\$ 2,199,804
Contributions as a percentage of covered-employee payroll	22.16%	22.57%	22.21%	20.68%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

2017	2016	2015	2014
0.011523968%	0.009463726%	0.006183105%	0.006001750%
\$ 3,408,712	\$ 2,389,598	\$ 798,631	\$ 366,195
\$ 2,117,620	\$ 1,735,883	\$ 1,298,578	\$ 1,199,275
160.97%	137.66%	61.50%	30.53%
83.89%	84.88%	92.00%	96.09%

2017	2016	2015	2014
\$ 381,858	\$ 365,318	\$ 236,175	\$ 209,820
<u>381,858</u>	<u>365,318</u>	<u>236,175</u>	<u>209,820</u>
\$ -	\$ -	\$ -	\$ -
\$ 2,117,620	\$ 1,735,883	\$ 1,298,578	\$ 1,199,275
18.03%	21.05%	18.19%	17.50%

**IMMOKALEE FIRE CONTROL DISTRICT
SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY - HEALTH INSURANCE SUBSIDY (HIS) PENSION
PLAN (1)**

	2021	2020	2019	2018
District's proportion of the net pension liability	0.006097996%	0.005936679%	0.006157845%	0.006303007%
District's proportionate share of the net pension liability	\$ 748,011	\$ 724,859	\$ 689,001	\$ 677,117
District's covered-employee payroll	\$ 2,290,487	\$ 2,129,835	\$ 2,092,719	\$ 2,199,804
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	32.66%	34.03%	32.92%	30.78%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

**SCHEDULE OF DISTRICT CONTRIBUTIONS -
HEALTH INSURANCE SUBSIDY (HIS) PENSION PLAN (1)**

	2021	2020	2019	2018
Contractually required contribution	\$ 32,397	\$ 36,188	\$ 34,989	\$ 34,237
Contributions in relation to the contractually required contribution	<u>32,397</u>	<u>36,188</u>	<u>34,989</u>	<u>34,237</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 2,290,487	\$ 2,129,835	\$ 2,092,719	\$ 2,199,804
Contributions as a percentage of covered-employee payroll	1.41%	1.70%	1.67%	1.56%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

2017	2016	2015	2014
0.005951814%	0.005168356%	0.004192421%	0.004035317%
\$ 636,395	\$ 602,350	\$ 427,561	\$ 377,312
\$ 2,117,620	\$ 1,735,883	\$ 1,298,578	\$ 1,199,275
30.05%	34.70%	32.93%	31.46%
1.64%	0.97%	0.50%	0.99%

2017	2016	2015	2014
\$ 28,742	\$ 29,194	\$ 19,237	\$ 14,244
28,742	29,194	19,237	14,244
\$ -	\$ -	\$ -	\$ -
\$ 2,117,620	\$ 1,735,883	\$ 1,298,578	\$ 1,199,275
1.36%	1.68%	1.48%	1.19%

Changes of Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan for the period July 1, 2013, through June 30, 2018. 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.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments remained unchanged at 6.80%. 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.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate was decreased from 2.21% to 2.16% and was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both plans were based on the Generational PUB-2010 with Projection Scale MP-2018.

Florida Retirement System Pension Plan

There were changes in actuarial assumptions. As of June 30, 2021, the inflation rate assumption remained at 2.4 percent, the real payroll growth assumption remained at 0.85 percent, and the overall payroll growth rate assumption remained at 3.25 percent. The long-term expected rate of return remained unchanged at 6.80 percent.

Health Insurance Subsidy Pension Plan

The municipal rate used to determine total pension liability decreased from 2.21 percent to 2.16 percent.

Pension Expense and Deferred Outflows/Inflows of Resources

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes in proportion and differences between contributions and proportionate share of contributions - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments - amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense. However, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2021, decreased from 5.9 years to 5.7 years for FRS and decreased from 7.2 years in 2020 to 6.4 years for 2021 for HIS.

**IMMOKALEE FIRE CONTROL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND
RELATED RATIOS GASB 75**

Changes in Employer's Net OPEB Liability and Related Ratios as of September 30:

	2021	2020	2019
Net OPEB Liability			
Service Cost	\$ 30,006	\$ 29,274	\$ 29,274
Interest Cost on Total OPEB Liability	13,675	12,282	16,639
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	42,653	(8,694)	85,904
Changes in Assumptions	(234,430)	(14,191)	(75,615)
Benefit Payments	(7,930)	(7,559)	(33,008)
Net Change in net OPEB Liability	(156,026)	11,112	23,194
Net OPEB Liability - Beginning of Year	541,364	530,252	507,058
Net OPEB Liability - End of Year	<u>\$ 385,338</u>	<u>\$ 541,364</u>	<u>\$ 530,252</u>

NOTE: Information for FY 2017 and earlier is not available.

Plan Fiduciary Net Position as of September 30:

	2021	2020	2019
Contributions - Employer	\$ 7,930	\$ 7,559	\$ 33,008
Net Investment Income	-	-	-
Benefit Payments	(7,930)	(7,559)	(33,008)
Administrative Expense	-	-	-
Net Change in Fiduciary Net Position	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-
Fiduciary Net Position - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	\$ 385,338	\$ 541,364	\$ 530,252
Fiduciary Net Position as a % of Net OPEB Liability	0.00%	0.00%	0.00%

Covered-Employee Payroll *
Net OPEB Liability as a % of Payroll *

* Because this OPEB plan does not depend on salary, no information is provided.

NOTE: Information for FY 2017 and earlier is not available.

Notes to the Schedule:

Benefit Changes	None
Changes of Assumptions	The discount rate was changed as follows:
9/30/17	2.80%
9/30/18	4.23%
9/30/19	2.21%
9/30/20	2.41%
9/30/21	2.43%

Population covered by Plan: 35 active 0 retired

Plan has no specific trust established. \$0 assigned for OPEB.

	<u>2018</u>
\$	31,359
	13,731
	-
	116,389
	(100,573)
	<u>(25,607)</u>
	35,299
	<u>471,759</u>
\$	<u><u>507,058</u></u>

	<u>2018</u>
\$	25,607
	-
	(25,607)
	<u>-</u>
	-
	-
\$	<u><u>-</u></u>
\$	507,058
	0.00%

ADDITIONAL REPORTS



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

Board of Commissioners
Immokalee Fire Control District
5368 Useppa Dr.
Ave Maria, Florida 34142

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America, the basic financial statements of the governmental activities and each major fund of Immokalee Fire Control District (the "District") as of and for the year ended September 30, 2021 and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents and have issued our report thereon dated March 1, 2022.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. 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.

INTEGRITY SERVICE EXPERIENCE

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 Immokalee Fire Control District's basic 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 as defined previously. However, material weaknesses may exist that were not identified.

We noted a certain other item that we have reported in our Independent Auditor's Report to Management dated March 1, 2022.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Immokalee Fire Control District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the basic financial statements. 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



TUSCAN & COMPANY, P.A.

Fort Myers, Florida

March 1, 2022



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Private Companies Practice Section

Tax Division

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

Board of Commissioners
Immokalee Fire Control District
5368 Useppa Dr.
Ave Maria, Florida 34142

We have examined Immokalee Fire Control District's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2021. Management is responsible for Immokalee Fire Control District's compliance with those requirements. Our responsibility is to express an opinion on Immokalee Fire Control District's compliance based on our examination.

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

In our opinion, Immokalee Fire Control District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

This report is intended solely for the information and use of Immokalee Fire Control District and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
March 1, 2022

INTEGRITY SERVICE EXPERIENCE



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INDEPENDENT AUDITOR'S REPORT TO MANAGEMENT

Board of Commissioners
 Immokalee Fire Control District
 5368 Useppa Dr.
 Ave Maria, Florida 34142

We have audited the accompanying basic financial statements of Immokalee Fire Control District (the "District") as of and for the year ended September 30, 2021 and have issued our report thereon dated March 1, 2022.

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 of America and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the financial statements performed in accordance with Government Auditing Standards and Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 1, 2022, should be considered in conjunction with this report to management.

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

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The financially significant prior year comment appears to have been resolved.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. Such recommendations were noted to improve financial management.

INTEGRITY SERVICE EXPERIENCE

- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The District discloses this information in the notes to the financial statements.
- Section 10.554(1)(i)5.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Pursuant to Sections 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, we have applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we determined that the District did not meet any of the criteria of a deteriorating financial condition described in Auditor General Rule Section 10.554(1)(i)(5).a.
- Pursuant to Section 10.554(1)(i)5b.2, Rules of the Auditor General, if a deteriorating financial condition(s) is noted then a statement is so required along with the conditions causing the auditor to make such a conclusion. No such conditions were noted.
- Pursuant to Section 10.554(1)(i)5.c., Rules of the Auditor General, requires a statement indicating a failure, if any, of a component unit Special District to provide financial information necessary to a proper reporting of the component unit within the audited financial statements of this District (F.S. Section 218.39(3)(b)). There are no known component special districts required to report within these financial statements.
- Pursuant to Section 10.554(1)(i)6, Rules of the Auditor General, requires disclosure of certain unaudited data. See Exhibit 2.
- Pursuant to Section 10.554(1)(i)7, Rules of the Auditor General, requires an independent special district that imposes ad valorem taxes to disclose certain related unaudited data. See Exhibit 2.

- Section 10.554(1)8, Rules of the Auditor General, requires an independent special district that imposes a non-ad valorem special assessment to disclose certain unaudited data. See Exhibit 2.
- Section 10.556(10)(a), Rules of the Auditor General, requires that the scope of our audit to determine the District's compliance with the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes as reported in our Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes dated March 1, 2022, included herein.

PRIOR YEAR COMMENTS:

2020-01 On March 27, 2019, the District acquired land adjacent to Station 30 to be used for the construction of a new fire station. The land was purchased with grant funds, which were disbursed directly by Collier County on behalf of the District. The funds did not pass through the District and therefore, the transaction was inadvertently overlooked until the following fiscal year. This resulted in the understatement of net position for the fiscal year ended September 30, 2019 and, consequently, a restatement of the beginning net position for the fiscal year ended September 30, 2020 in the amount of \$263,340.

Current year addendum

During the current year audit, there were no restatements necessary. This comment appears to be resolved.

CURRENT YEAR COMMENTS:

There were no financially significant current year comments noted.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the Board of Commissioners, management, the Auditor General of the State of Florida and other federal and state agencies. This report is not intended to be and should not be used by anyone other than these specified parties.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
March 1, 2022

EXHIBIT 1



Immokalee Fire Control District

5368 Useppa Drive, Ave Maria, FL. 34142

Michael J. Choate, Fire Chief

March 31, 2022

Auditor General's Office
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

In connection with the audit for the fiscal year ended 9-30-21, we are pleased to report there are no current year comments.

In response to the prior year comment:

Prior Year Comment:

2020-01 On March 27, 2019 the District acquired land adjacent to Station 30 to be used for the construction of a new fire station. The land was purchased with grant funds, which were disbursed directly by Collier County on behalf of the District. The funds did not pass through the District and therefore, the transaction was inadvertently overlooked until the following fiscal year. This resulted in the understatement of net position for the fiscal year ended September 30, 2019 and, consequently, a restatement of the beginning net position for the fiscal year ended September 30, 2020 in the amount of \$263,340.

Response:

In May of 2019, the District created the position of Deputy Chief of Administrative Services. Included within the responsibilities of this position's are the application for and administration of District grants. The District filled the position with Deputy Chief Rita Greenberg, who has extensive experience in the application and administration of grant funds. She now oversees the administration of all District grants, and ensures proper communication with the Chief Financial Officer regarding the funding and reimbursement process for all District grants. This comment relates to a one-time occurrence, and the District has directly addressed the issue with the creation of the new position. This comment is resolved.

The District continues to refine and enhance financial reporting and compliance functions, and internal controls, policies and procedures. The Board of Fire Commissioners and management staff are committed to avoiding future possible comments and we maintain our assurance that future audits will reflect the actions we have taken.

Sincerely,
IMMOKALEE FIRE CONTROL DISTRICT

EXHIBIT 2

**UNAUDITED
COMPLIANCE WITH REPORTING REQUIRED BY:**

Auditor General Rule 10.554(1)(i)6

For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district as provided in Section 218.39(3)(a), Florida Statutes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.a., Florida Statutes). 43
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.b., Florida Statutes). 3
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.c., Florida Statutes). (Total wage compensation for the fiscal year being audited) \$2,290,487
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.d., Florida Statutes). (Amounts paid that would be reported on a Form 1099 for FYE) \$31,299
- e. Each construction project with a total cost of at least \$65,000 approved by the district that was scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project (see information required in Section 218.32(1)(e)2.e., Florida Statutes). See Note O
- f. A budget variance report based on the budget adopted under section 189.016(4), Florida Statutes, before the beginning of the fiscal year reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes (see information required in Section 218.32(1)(e)3., Florida Statutes). If there were amendments then include budget variance (original budget vs. actual at FYE). See attached pages 3 - 4.

Auditor General Rule 10.554(1)(i)7

For an independent special district that imposes ad valorem taxes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)4., Florida Statutes).

- a. The millage rate or rates imposed by the district. 3.75 mills
- b. The current year gross amount of ad valorem taxes collected by or on behalf of the district.
\$4,653,970
- c. The total amount of outstanding bonds issued by the district and terms of such bonds. 0

Auditor General Rule 10.554(1)(i)8

For an independent special district that imposes non-ad valorem special assessments, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)5., Florida Statutes).

- a. The rate or rates of such assessment imposed by the district. N/A
- b. The total amount of special assessments collected by or on behalf of the district.
N/A
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds. N/A

IMMOKALEE FIRE CONTROL DISTRICT
ORIGINAL BUDGET vs. ACTUAL COMPARISON REPORT - UNAUDITED -
GENERAL FUND
Year Ended September 30, 2021

	General Fund		
	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Ad Valorem taxes	\$ 4,549,128	\$ 4,653,970	\$ 104,842
Intergovernmental revenues:			
Federal public safety grant - CDBG	1,025,000	287,500	(737,500)
State grants	-	96,017	96,017
Other grants	-	42,511	42,511
State firefighter supplemental	2,520	1,353	(1,167)
Inspection fees	-	-	-
Public safety services	-	-	-
Miscellaneous:			
Interest	25,000	5,100	(19,900)
Other	52,100	104,558	52,458
Reserves brought forward	1,653,843	-	(1,653,843)
TOTAL REVENUES	<u>7,307,591</u>	<u>5,191,009</u>	<u>(2,116,582)</u>
EXPENDITURES			
Current			
Public safety			
Personnel services	3,861,498	3,762,719	98,779
Operating expenditures	693,413	708,726	(15,313)
Capital outlay	1,052,000	780,844	271,156
Debt service			
Principal reduction	181,792	126,781	55,011
Interest and fiscal charges	32,032	40,246	(8,214)
Assigned - 90 day reserve	1,100,000	-	1,100,000
Assigned - Prepaid expenses	-	-	-
Assigned- Fleet Reserves	16,951	-	16,951
Assigned- 19/20 & 20/21 Projected Deficit	169,905	-	169,905
Assigned- Disaster Reserves	200,000	-	200,000
Assigned- Capital purchases	-	-	-
Assigned - Replacement Station 30	-	-	-
TOTAL EXPENDITURES	<u>7,307,591</u>	<u>5,419,316</u>	<u>1,888,275</u>
EXCESS OF REVENUES			
OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(228,307)</u>	<u>(228,307)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from capital leases	-	319,193	319,193
Proceeds from disposition of capital assets	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>319,193</u>	<u>319,193</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>90,886</u>	<u>\$ 90,886</u>
FUND BALANCE - Beginning		<u>2,902,545</u>	
FUND BALANCE - Ending		<u>\$ 2,993,431</u>	

The accompanying notes are an integral part of this statement.

**IMMOKALEE FIRE CONTROL DISTRICT
ORIGINAL BUDGET (NON-GAAP BUDGETARY BASIS) vs. ACTUAL
COMPARISON REPORT - UNAUDITED -IMPACT FEE FUND
Year Ended September 30, 2021**

	Impact Fee Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Impact fees	\$ 900,000	\$ 2,511,391	\$ 4,898,954	\$ 2,387,563
Miscellaneous:				
Interest	25,000	4,000	4,192	192
Cash brought forward	1,724,841	3,510,339	-	(3,510,339)
TOTAL REVENUES	<u>2,649,841</u>	<u>6,025,730</u>	<u>4,903,146</u>	<u>(1,122,584)</u>
EXPENDITURES				
Current				
Public safety				
Operating expenditures	63,500	25,111	28,600	(3,489)
Capital outlay	7,000,000	8,250,000	7,813,766	436,234
Debt service				
Principal reduction	153,792	113,792	109,730	4,062
Interest and fiscal charges	182,032	71,032	70,503	529
Cash carried forward	750,517	685,248	-	685,248
TOTAL EXPENDITURES	<u>8,149,841</u>	<u>9,145,183</u>	<u>8,022,599</u>	<u>1,122,584</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>(5,500,000)</u>	<u>(3,119,453)</u>	<u>(3,119,453)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from construction loan	5,500,000	3,119,453	3,119,453	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,500,000</u>	<u>3,119,453</u>	<u>3,119,453</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE - Beginning				-
FUND BALANCE - Ending			<u>\$ -</u>	

Reconciliation to Budgetary GAAP Basis

Expenditures	<u>General Fund</u>
Actual amounts (Non-GAAP budgetary basis) total expenditures as reported on the schedule of revenues, expenditures and changes in fund balance - budget to actual	\$ 8,022,599
Differences - budget to GAAP;	
Capital outlay for equipment (ladder truck) for financial reporting purposes, but not reported as an expenditure for budgetary purposes	1,315,897
Total expenditures reported on the statement of revenues, expenditures and changes in fund balances (GAAP basis)	<u>\$ 9,338,496</u>
Other Financing Sources (uses)	
Actual amounts (Non-GAAP budgetary basis) net other financing sources (uses) as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual	\$ 3,119,453
Differences - budget to GAAP;	
Proceeds from capital lease for equipment (ladder truck) for financial reporting purposes, but not reported as an other financing source for budgetary purposes	1,315,897
Net other financing sources (uses) reported on the statement of revenues, expenditures, and changes in fund balance (GAAP basis)	<u>\$ 4,435,350</u>

The accompanying notes are an integral part of this statement.