

**AMELIA ISLAND MOSQUITO
CONTROL DISTRICT**

FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

AMELIA ISLAND MOSQUITO CONTROL DISTRICT
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS

Page

FINANCIAL SECTION

Independent Auditor's Report	1-3
Management's Discussion and Analysis.....	4-6
Basic Financial Statements	
Statement of Net Position and Governmental Funds Balance Sheet.....	7
Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances	8
Notes to Financial Statements.....	9-20
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – General Fund	21
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – Special Revenue Fund	22
Schedules of District's Proportionate Share of the Net Pension Liability (FRS) and (HIS)	23
Schedules of District Contributions (FRS) and (HIS).....	24

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25 and 26
Independent Auditor's Management Letter.....	27-29
Schedule of Findings and Responses	30
Independent Accountant's Report – Investment Compliance.....	31



INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Amelia Island Mosquito Control District
Fernandina Beach, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Amelia Island Mosquito Control District (the "District") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 6, the budgetary comparison information on pages 21 and 22, the schedule of the District's proportionate share of the net pension liability (FRS), schedule of District contributions (FRS), schedule of the District's Proportionate share of the net pension liability (HIS), and schedule of District contributions (HIS) on pages 23 and 24 be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
February 12, 2024

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Amelia Island Mosquito Control District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the auditor's report beginning on page 1 and the District's financial statements which begin on page 7.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows exceeded its liabilities and deferred inflows, resulting in an ending net position of the District at the close of its most recent fiscal year of \$1,228,125.
- The change in the District's total net position in comparison with the prior fiscal year was a decrease of \$166,769. The key components of the District's net position and changes in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2023, the District's governmental funds reported combined ending fund balances of \$1,049,723 a decrease of \$85,289 in comparison with prior fiscal year. A portion of fund balance is non-spendable for inventory, assigned for various purposes, and the remainder is unassigned and available for spending at the District's discretion.

OVERVIEW OF THE FINANCIAL STATEMENTS

The first financial statement is the statement of net position and governmental funds balance sheet. This statement includes all of the District's assets and liabilities using accrual accounting. Net position – the difference between assets, liabilities, and deferred outflows/inflows – can be used to measure the District's financial position.

The second financial statement is the statement of activities and governmental fund revenues, expenditures and changes in fund balances. The statement shows the increase or decrease in net position during the fiscal year. Over time, the increase or decrease in net position is a useful indicator of whether the District's financial health is improving or deteriorating.

Supplemental Schedules

These schedules report a variety of information that users of these financial statements need in order to place the basic financial statements in an appropriate operational, economic, or historical context. The first two schedules provide information pertaining to revenues and expenditures and indicate the variances between actual revenues and expenditures and the budgeted amounts. The last two schedules provide information related to the District's participation in the Florida Retirement System.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Information

The following presents condensed data about net position and changes in net position:

	2023	2022
Assets		
Cash and equivalents	\$ 714,252	\$ 773,262
Investments	280,673	280,428
Due from other governments	-	12,630
Inventory	72,123	85,319
Capital assets, net	731,182	730,338
Total assets	1,798,230	1,881,977
Deferred outflows	123,024	163,470
Liabilities		
Accounts payable and accrued liabilities	17,325	16,627
Noncurrent liabilities:		
Due within one year	10,600	10,397
Due in more than one year	577,418	530,823
Total liabilities	605,343	557,847
Deferred inflows	87,786	92,706
Net position		
Investment in capital assets	731,182	730,338
Restricted	10,227	88,609
Unrestricted	486,716	575,947
Total net position	\$ 1,228,125	\$ 1,394,894
Program revenues		
Operating grants and contributions	\$ 38,892	\$ 50,519
General revenues:		
Taxes	828,508	811,132
Investment earnings and other	2,988	6,002
Total revenues	870,388	867,653
Expenses		
Mosquito control	1,037,157	895,116
Total expenses	1,037,157	895,116
Change in net position	(166,769)	(27,463)
Net position, beginning of year	1,394,894	1,422,357
Net position, end of year	\$ 1,228,125	\$ 1,394,894

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overall Financial Position and Results of Operations

Total program expenses of \$1,037,157, were more than general revenues of \$831,496, and program revenues of \$38,892 by \$166,769.

General Fund

Within the General Fund, fund balance decreased by \$6,907 from the previous operating period.

Special Revenue Fund

An operating grant to purchase chemicals and capital assets of \$38,892 was received from the state during fiscal year 2023. Expenditures in this fund were \$117,274. Expenses exceeded revenues in this fund by \$78,382.

Budgetary Highlights

Actual expenditures were less than the budget by \$103,402 in the General Fund. The primary cause of the difference between the budget and the actual expenditures for the General Fund was purchasing less chemicals and fuel than budgeted.

Capital Assets and Long-Term Debt Activity

Capital assets: There were additions of \$69,298 to capital assets for fiscal year 2023. For more information, see Note 5 to the financial statements.

Long-Term Debt Activity

The District does not currently have any long-term debt.

Economic Factors

Nassau County, Florida has continued to experience a growth in population from 2006 which has had a positive impact on the District's tax base.

The County's growth has led to several discussions at the County Board of Commissioners and between the County Commission representatives and the District's Board of Commissioners about the expansion of the District. No decisions have been made, nor has the financial impact or benefit of such an expansion yet been fully explored.

We are currently unaware of any situations that could adversely affect the District's financial position or results of operations in the near future.

Request for Information

Questions regarding this report should be addressed to the District at Post District Box 62, Fernandina Beach, Florida 32035.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

**STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets					
Cash and cash equivalents	\$ 704,025	\$ 10,227	\$ 714,252	\$ -	\$ 714,252
Investments	280,673	-	280,673	-	280,673
Inventories	72,123	-	72,123	-	72,123
Capital assets:					
Non-depreciable	-	-	-	77,400	77,400
Depreciable, net	-	-	-	653,782	653,782
Total assets	<u>1,056,821</u>	<u>10,227</u>	<u>1,067,048</u>	<u>731,182</u>	<u>1,798,230</u>
Deferred outflows of resources					
Pensions	-	-	-	123,024	123,024
Total assets and deferred outflows	<u>\$ 1,056,821</u>	<u>\$ 10,227</u>	<u>\$ 1,067,048</u>	<u>\$ 854,206</u>	<u>\$ 1,921,254</u>
Liabilities					
Accounts payable	\$ 5,739	\$ -	\$ 5,739	\$ -	\$ 5,739
Accrued liabilities	11,586	-	11,586	-	11,586
Noncurrent liabilities					
Due within one year	-	-	-	10,600	10,600
Due in more than one year	-	-	-	577,418	577,418
Total liabilities	<u>17,325</u>	<u>-</u>	<u>17,325</u>	<u>588,018</u>	<u>605,343</u>
Deferred inflows of resources					
Pensions	-	-	-	87,786	87,786
Fund balances					
Nonspendable:					
Inventories	72,123	-	72,123	(72,123)	-
Restricted	-	10,227	10,227	(10,227)	-
Assigned:					
Capital outlay	177,196	-	177,196	(177,196)	-
Contingencies	75,000	-	75,000	(75,000)	-
Sick and vacation leave	27,000	-	27,000	(27,000)	-
Unassigned	688,177	-	688,177	(688,177)	-
Total fund balances	<u>1,039,496</u>	<u>10,227</u>	<u>1,049,723</u>	<u>(1,049,723)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,056,821</u>	<u>\$ 10,227</u>	<u>\$ 1,067,048</u>		
Net position					
Investment in capital assets				731,182	731,182
Restricted				10,227	10,227
Unrestricted				486,716	486,716
Total net position				<u>\$ 1,228,125</u>	<u>\$ 1,228,125</u>

The accompanying notes are an integral part of these financial statements.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Expenditures/expenses					
Human services - mosquito control:					
Personal services	\$ 667,861	\$ -	\$ 667,861	\$ 82,324	\$ 750,185
Operating	170,542	29,343	199,885	87,087	286,972
Capital outlay	-	87,931	87,931	(87,931)	-
Total expenditures/expenses	<u>838,403</u>	<u>117,274</u>	<u>955,677</u>	<u>81,480</u>	<u>1,037,157</u>
Program revenues					
Intergovernmental revenues:					
Operating grants	-	38,892	38,892	-	38,892
Net program expense					<u>(998,265)</u>
General revenues					
Taxes	828,508	-	828,508	-	828,508
Equipment sales	1,836	-	1,836	-	1,836
Investment earnings	1,152	-	1,152	-	1,152
Total general revenues	<u>831,496</u>	<u>-</u>	<u>831,496</u>	<u>-</u>	<u>831,496</u>
Deficiency of revenues under expenditures	(6,907)	(78,382)	(85,289)	85,289	-
Change in net position	-	-	-	(166,769)	(166,769)
Fund balances/net position					
Beginning of year	<u>1,046,403</u>	<u>88,609</u>	<u>1,135,012</u>	<u>259,882</u>	<u>1,394,894</u>
End of year	<u>\$ 1,039,496</u>	<u>\$ 10,227</u>	<u>\$ 1,049,723</u>	<u>\$ 178,402</u>	<u>\$ 1,228,125</u>

The accompanying notes are an integral part of these financial statements.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Amelia Island Mosquito Control District (the "District") have been prepared in conformity with generally accepted accounting principles as applicable to governmental units. The more significant of the District's accounting policies are hereafter described.

Reporting Entity

The District is an independent special district created by a Nassau County resolution dated December 22, 1951, under the petition process formerly contained in Section 388.031, Florida Statutes. The District was established pursuant to the laws of the State of Florida for the express purpose of controlling anthropods within its established boundaries. The District operates primarily within the boundaries of Amelia Island and Isle of Piney, Florida. The District is governed by a Board of Commissioners who are elected by the citizens residing within the boundaries served by the District.

Governmental Accounting Standards Board Number 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, as amended, requires the 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 61, there is no potential component units required to be included in the District's financial statements.

The District did not participate in any joint ventures during the 2022-2023 fiscal year.

Reporting Model

The District follows Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended.

The District is engaged in a single governmental program and uses only governmental funds. As a single-program government, the District has taken the option of presenting combined fund financial statements and government-wide statements using a columnar format that reconciles fund financial data to government-wide data in a separate column.

The statement of net position and governmental funds balance sheet reports the District's financial position as of the end of the fiscal year for the major funds and the governmental activities.

The statement of activities and governmental fund revenues, expenditures and changes in fund balance reports changes in financial position of the major funds and the governmental activities, and the degree to which the expenses of a given function are offset by program revenues for the governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: charges for services that are directly related to a given function; and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not properly included among program revenues are reported instead as general revenues.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus/Basis of Accounting

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All significant revenue sources are susceptible to accrual and have been recognized in the current fiscal period. Expenditures generally are recorded when the related fund liability is incurred.

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.

Net Position/Fund Balance

Net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources reported for the governmental activities. Net position is reported as *restricted* when there are external restrictions beyond the District's control. *Unrestricted* net position is net position that does not have externally-imposed restrictions.

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

The District follows the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Fund balance classifications are described below:

Nonspendable Fund Balance — Nonspendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance — Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance — Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the District's highest level of decision-making authority, which is a resolution of the Board of Directors.

Committed amounts cannot be used for any other purpose unless the District removes those constraints by taking the same type of action.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by: (a) the Board of Commissioners, or (b) a body or official to which the Board has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the General Fund.

The District's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

Fund Equity – Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Financial Statements

The following governmental funds are used by the District:

General Fund – The General Fund is the general operating fund of the District. It is used to account for and report all financial resources, except those accounted for and reported in another fund.

Special Revenue Fund – The Special Revenue Fund is used to account for appropriations from the State of Florida that are legally restricted to expenditures for chemicals and capital outlays that support the District's single program.

In the accompanying fund financial statements, the General Fund and Special Revenue Fund are both considered to be major funds and, therefore, are separately displayed. The District has no nonmajor funds.

Cash and Cash Equivalent

All deposits are placed in a bank that qualifies as a public depository, as required by law (Florida Security for Public Deposits Act). Accordingly, all deposits are insured by Federal Depository Insurance and/or entirely collateralized pursuant to Chapter 280, Florida Statutes.

Investments

Pursuant to Section 218.415, Florida Statutes, the District limits its investments to certificates of deposit with qualified public depositories, which are entirely insured or collateralized pursuant to the Florida Public Deposits Act, and investments in an external investment pool, the Local Government Surplus Funds Trust Fund (Florida PRIME). Florida PRIME is administered by the Florida State Board of Administration, who provides regulatory oversight.

Capital Assets and Depreciation

Capital assets are defined by the District as assets with an initial, individual cost of \$750 or more and an estimated useful life of more than one year. These assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land and construction in progress are not depreciated. Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	5-7
Buildings	39

Inventory

Inventory is valued at cost (first in, first out) and is reported in the accompanying governmental funds' financial statements under the purchases method.

Pensions

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 Pension Plan and Health Insurance Subsidy Program and additions to/deductions from the plans' 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 employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

A deferred outflow of resources is a consumption of net assets that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net assets that is applicable to a future reporting period.

Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining lives of plan members. Experience gains or losses result from periodic studies by the District's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service life of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the District to the pension plan before year-end but subsequent to the measurement date of the District's net pension liability are reported as deferred outflows of resources. The changes in proportion and differences between District contributions and proportionate share of contributions are also deferred and amortized against pension expense over a five-year period.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Financial Position

Fund balances - governmental funds \$ 1,049,723

Deferred outflows and inflows associated with pensions are not reported in the governmental funds:

Deferred outflows 123,024
Deferred inflows (87,786)

Capital assets and long-term liabilities are not reported in governmental funds:

Capital assets, cost 1,885,776
Accumulated depreciation (1,154,594)
Compensated absences (83,473)
Net pension liability (504,545)

Net position of governmental activities \$ 1,228,125

Changes in Financial Position

Net change in fund balances - governmental funds \$ (85,289)

Capital assets are not capitalized and depreciated in governmental funds:

Capital outlay 69,298
Depreciation expense (68,454)

The net change in net pension liability and deferred outflows and inflows are reported in the statement of activities, but not in the governmental funds:

Change in net pension liability (45,903)
Change in deferred outflows related to pensions (40,446)
Change in deferred inflows related to pensions 4,920

Some activities do not affect current financial resources and, therefore are not reported in governmental funds:

Change in compensated absences (895)

Change in net position of governmental activities \$ (166,769)

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – DEPOSITS AND INVESTMENTS

At September 30, 2023, the District's investments consisted of the following:

Certificate of deposit	\$	278,404
Investment in the state pool:		
Florida Prime		<u>2,269</u>
Total	\$	<u><u>280,673</u></u>

Cash and Certificate of Deposit

The District's cash and certificate of deposit are deposited in qualified public depositories as required under the Florida Security for Public Deposits Act. Therefore, the deposits are entirely insured by federal depository insurance and/or entirely collateralized pursuant to Chapter 280, Florida Statutes.

Florida PRIME

The District has an investment in Florida PRIME which is an external investment pool that meets all of the necessary criteria to elect to measure the investment in Florida PRIME at amortized cost. Therefore, the District's investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares.

As of September 30, 2023, there were no redemption fees, maximum transaction amounts or liquidity fees, although Florida Statutes do provide authority for Florida PRIME to impose penalties for early withdrawals in certain situations. Florida Statutes provide emergency situations that allow limitations to be placed on contributions to and withdrawals from the investment pool. The maximum amount of time provided to limit access is 17 days.

The District's investment in Florida PRIME exposes it to credit risk and interest rate risk. The District does not have a formal investment policy relating to these risks, which are hereafter described.

Credit Risk — The risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Florida PRIME is rated by Standard and Poor's and has a rating at September 30, 2023, of AAAM.

Interest Rate Risk — The risk that changes in interest rates will adversely affect the fair value of an investment.

The weighted average days to maturity of the Florida PRIME at September 30, 2023 was 35 days, and the weighted average life was 75 days. The certificate of deposit matures in February 2024.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – PROPERTY TAXES

The Nassau County Tax Collector bills and collects property taxes for the District. Details of the District's property tax calendar are presented below:

Lien date	January 1
Levy date	October 1
Discount periods	November - February
No discount period	March
Delinquent date	April 1

NOTE 5 – CAPITAL ASSETS

Changes in capital assets for the year ended September 30, 2023 are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 77,400	\$ -	\$ -	\$ 77,400
Capital assets, being depreciated				
Equipment	763,670	69,298	-	832,968
Buildings	975,408	-	-	975,408
Total	<u>1,739,078</u>	<u>69,298</u>	<u>-</u>	<u>1,808,376</u>
Less accumulated depreciation for				
Equipment	(603,679)	(46,624)	-	(650,303)
Buildings	(482,461)	(21,830)	-	(504,291)
Total	<u>(1,086,140)</u>	<u>(68,454)</u>	<u>-</u>	<u>(1,154,594)</u>
Total capital assets, being depreciated, net	<u>652,938</u>	<u>844</u>	<u>-</u>	<u>653,782</u>
Capital assets, net	<u>\$ 730,338</u>	<u>\$ 844</u>	<u>\$ -</u>	<u>\$ 731,182</u>

Depreciation expense of \$68,454 was charged to the mosquito control operating function of the District within the statement of activities.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – NONCURRENT LIABILITIES

A summary of changes in noncurrent liabilities as of September 30, 2023 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Compensated absences	\$ 82,578	\$ 46,089	\$ (45,194)	\$ 83,473	\$ 10,600
Net pension liability	458,642	245,654	(199,751)	504,545	-
Total	<u>\$ 541,220</u>	<u>\$ 291,743</u>	<u>\$ (244,945)</u>	<u>\$ 588,018</u>	<u>\$ 10,600</u>

NOTE 7 – STATE OF FLORIDA PENSION PLANS

Defined Benefit Plans

The District participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. 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 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 the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2023 were as follows:

	<u>FRS</u>	<u>HIS</u>
Regular class	13.57%	1.66%
Special risk class	32.67%	1.66%
Senior management service class	34.52%	1.66%
Elected officials	58.68%	1.66%
DROP from FRS	21.13%	1.66%

The employer's contributions for the year ended September 30, 2023 were \$37,145 to the FRS Pension Plan and \$6,682 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2023 the District reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2023. The District's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	<u>FRS</u>	<u>HIS</u>
Net pension liability	\$ 336,568	\$ 167,977
Proportion at:		
Current measurement date	0.0008%	0.0011%
Prior measurement date	0.0009%	0.0011%
Pension expense (benefit)	\$ 59,157	\$ 66,102

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 31,601	\$ -	\$ 2,459	\$ 394
Change of assumptions	21,940	-	4,416	14,556
Net difference between projected and actual earnings on pension plan investments	14,056	-	87	-
Changes in proportion and differences between District contributions and proportionate share of contributions	27,849	65,460	13,027	7,376
District contributions subsequent to the measurement date	6,152	-	1,437	-
Total	<u>\$ 101,598</u>	<u>\$ 65,460</u>	<u>\$ 21,426</u>	<u>\$ 22,326</u>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2024. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal year ending September 30:	FRS	HIS
2024	\$ 4,087	\$ (408)
2025	(1,619)	(248)
2026	24,522	(412)
2027	2,329	(808)
2028	667	(428)
Thereafter	-	(33)
	<u>\$ 29,986</u>	<u>\$ (2,337)</u>

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2023. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2023. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2023. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	3.65%

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2023:

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 3.54% to 3.65%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

Asset Class	Target Allocation ⁽¹⁾	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	3.8%	6.3%	6.1%	7.7%
Total	<u>100.0%</u>			
Assumed Inflation - Mean			2.4%	1.4%

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

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.65% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – STATE OF FLORIDA PENSION PLANS (CONTINUED)

Sensitivity Analysis

The following table demonstrates the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
District's proportionate share of the net pension liability	\$ 574,927	\$ 336,568	\$ 137,152	\$ 191,636	\$ 167,977	\$ 148,366

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the state's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2023 totaled \$2,760.

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks of loss, including general liability, personal injury, workers compensation, and errors and omissions. To manage its risks, the District has purchased commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage.

NOTE 9 – CONTINGENCIES

The District receives grant revenues from the state and other governmental agencies. These revenues are for specific purposes and are subject to review and audit by the applicable agency. Such audits could result in disallowed expenditures under the terms of the agreement which would have to be absorbed by the District. Based upon prior experience, District management believes such disallowances, if any, would be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 826,852	\$ 826,852	\$ 828,508	\$ 1,656
Equipment sales	114,953	114,953	1,836	(113,117)
Investment income	-	-	1,152	1,152
Total revenues	<u>941,805</u>	<u>941,805</u>	<u>831,496</u>	<u>(110,309)</u>
EXPENDITURES				
Current:				
Human services - mosquito control:				
Personal services	644,192	644,192	667,861	(23,669)
Operating expenditures	<u>297,613</u>	<u>297,613</u>	<u>170,542</u>	<u>127,071</u>
Total expenditures	<u>941,805</u>	<u>941,805</u>	<u>838,403</u>	<u>103,402</u>
Net change in fund balance	-	-	(6,907)	(6,907)
FUND BALANCE, beginning of year	<u>1,046,403</u>	<u>1,046,403</u>	<u>1,046,403</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 1,046,403</u>	<u>\$ 1,046,403</u>	<u>\$ 1,039,496</u>	<u>\$ (6,907)</u>

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – BUDGET (GAAP BASIS) AND ACTUAL – SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 38,892	\$ 38,892	\$ 38,892	\$ -
Total revenues	<u>38,892</u>	<u>38,892</u>	<u>38,892</u>	<u>-</u>
EXPENDITURES				
Current:				
Human services - mosquito control:				
Operating expenditures	23,893	23,893	29,343	(5,450)
Capital outlay	<u>103,608</u>	<u>103,608</u>	<u>87,931</u>	<u>15,677</u>
Total expenditures	<u>127,501</u>	<u>127,501</u>	<u>117,274</u>	<u>10,227</u>
Net change in fund balance	(88,609)	(88,609)	(78,382)	10,227
FUND BALANCE, beginning of year	<u>88,609</u>	<u>88,609</u>	<u>88,609</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,227</u>	<u>\$ 10,227</u>

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

	Florida Retirement System (FRS)								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.0008%	0.0009%	0.0010%	0.0009%	0.0012%	0.0012%	0.0011%	0.0010%	0.0011%
District's proportionate share of the net pension liability	\$ 336,568	\$ 345,031	\$ 77,825	\$ 375,361	\$ 417,609	\$ 347,702	\$ 315,725	\$ 250,787	\$ 146,117
District's covered payroll	\$ 428,984	\$ 418,814	\$ 395,670	\$ 342,909	\$ 366,323	\$ 308,654	\$ 284,979	\$ 268,471	\$ 302,049
District's proportionate share of the net pension liability as a percentage of its covered payroll	78.46%	82.38%	19.67%	109.46%	114.00%	112.65%	110.79%	93.41%	48.38%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
	Health Insurance Subsidy Program (HIS)								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.0011%	0.0011%	0.0011%	0.0009%	0.0010%	0.0009%	0.0009%	0.0008%	0.0010%
District's proportionate share of the net pension liability	\$ 167,977	\$ 113,611	\$ 133,187	\$ 113,518	\$ 115,633	\$ 100,021	\$ 95,598	\$ 97,581	\$ 100,617
District's covered payroll	\$ 428,984	\$ 418,814	\$ 395,670	\$ 342,909	\$ 366,323	\$ 308,654	\$ 284,979	\$ 268,471	\$ 302,049
District's proportionate share of the net pension liability as a percentage of its covered payroll	39.16%	27.13%	33.66%	33.10%	31.57%	32.41%	33.55%	36.35%	33.31%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

NOTES: The amounts presented for each fiscal year were determined as of June 30.
Ten years of data will be presented once it is accumulated.

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF DISTRICT CONTRIBUTIONS**

Florida Retirement System (FRS)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 37,145	\$ 37,408	\$ 42,629	\$ 30,311	\$ 37,600	\$ 32,899	\$ 27,787	\$ 24,221	\$ 27,810
Contributions in relation to the contractually required contribution	37,145	37,408	42,629	30,311	37,600	32,899	27,787	24,221	27,810
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 445,639	\$ 384,389	\$ 370,873	\$ 332,693	\$ 348,523	\$ 313,103	\$ 276,429	\$ 277,653	\$ 309,808
Contributions as a percentage of covered payroll	8.34%	9.73%	11.49%	9.11%	10.79%	10.51%	10.05%	8.72%	8.98%
Health Insurance Subsidy Program (HIS)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 6,682	\$ 6,333	\$ 6,953	\$ 5,375	\$ 5,739	\$ 5,125	\$ 4,732	\$ 4,292	\$ 4,152
Contributions in relation to the contractually required contribution	6,682	6,333	6,953	5,375	5,739	5,125	4,732	4,292	4,152
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 445,639	\$ 384,389	\$ 370,873	\$ 332,693	\$ 348,523	\$ 313,103	\$ 276,429	\$ 277,653	\$ 309,808
Contributions as a percentage of covered payroll	1.50%	1.65%	1.87%	1.62%	1.65%	1.64%	1.71%	1.55%	1.34%

NOTES: The amounts presented for each fiscal year were determined as of June 30.
Ten years of data will be presented once it is accumulated.

COMPLIANCE SECTION



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

Board of Commissioners
Amelia Island Mosquito Control District
Fernandina Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Amelia Island Mosquito Control District (the "District"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 12, 2024.

Report on 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Bradenton, Florida
February 12, 2024



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Board of Commissioners
Amelia Island Mosquito Control District
Fernandina Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the Amelia Island Mosquito Control District (the "District") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated February 12, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 12, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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 financial audit report. No audit findings were noted in the District's prior year audit report.

Official Title and Legal Authority

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 this management letter, unless disclosed in the notes to the financial statements. The Amelia Island Mosquito Control District is an independent special district in Nassau County, created by a County resolution dated December 22, 1951, under the petition process formerly contained in Section 388.031, Florida Statutes. The District has no component units.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify 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(8), Rules of the Auditor General, we 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.

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

Specific Information

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

- a. There were seven District employees compensated in the last pay period of the District's fiscal year.
- b. There were no independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$446,630 for the year ended.
- d. There were no compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.
- e. There were no construction projects with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes, has been presented on pages 21 and 22 of this report.

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

- a. The mileage rate or rates imposed by the District as 0.11510.
- b. The total amount of ad valorem taxes collected by or on behalf of the District as \$828,508.
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds as zero.

Additional Matters

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

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
February 12, 2024

AMELIA ISLAND MOSQUITO CONTROL DISTRICT

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
Material weaknesses identified? yes no

Significant deficiencies identified not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Programs and State Financial Assistance Projects

There was not an audit of major federal award programs or state financial assistance projects as of September 30, 2023 due to the total amount expended being less than \$750,000.

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

Not applicable.

**SECTION IV
PRIOR YEAR FINDINGS AND RECOMMENDATIONS**

None.



INDEPENDENT ACCOUNTANT'S REPORT

Board of Commissioners
Amelia Island Mosquito Control District
Fernandina Beach, Florida

We have examined the Amelia Island Mosquito Control District's (the "District") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the District is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

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

Mauldin & Jenkins, LLC

Bradenton, Florida
February 12, 2024