

**NORTH COLLIER FIRE CONTROL
AND RESCUE DISTRICT**

**BASIC FINANCIAL STATEMENTS
TOGETHER WITH ADDITIONAL REPORTS**

**YEAR ENDED
SEPTEMBER 30, 2023**

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 Tax Division

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
 North Collier Fire Control and Rescue District
 1885 Veterans Park Drive
 Naples, Florida 34109-0492

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, the non-major fund and the fiduciary fund type of North Collier Fire Control and Rescue 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.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
General Fund	Unmodified
Impact Fee Fund	Unmodified
Inspection Fee Fund	Unmodified
Firefighters' Pension Trust Fund	Unmodified

In our opinion, based on the results of our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the non-major fund and the fiduciary fund type of North Collier Fire Control and Rescue 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.

Matter of Emphasis

During the year ended September 30, 2023, the District implemented GASB Statement No. 96 "Subscription-based Information Technology Arrangements (SBITA's)" as further described in Note S. The net position was not required to be restated as of October 1, 2022.

Basis for Opinions

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

We did not audit the financial statements of North Collier Fire Control and Rescue District Firefighters' Pension Trust Fund ("Fiduciary Fund - Pension Fund") as of and for the year ended September 30, 2023, which represent 100% of the assets, liabilities and net position as well as 100% of the revenue and expenses of the District's Fiduciary Fund. 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 North Collier Fire Control and Rescue District Firefighters' Pension Trust Fund, is based on the report of the other auditors. We also did not audit the financial statements of the Florida Retirement System Pension

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Plan (FRS) or Health Insurance Subsidy Pension Plan (HIS) as of and for the year ended June 30, 2023. 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, 2023, and for the year then ended. The Florida Retirement System financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the District's government-wide financial statements, are based on the reports of the other auditors.

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.

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 twelve 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 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 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, 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.

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-xi, Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System

Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Net OPEB Liability and Related Ratios GASB No. 75 and Related Notes to the Schedule, Schedule of Changes in the District's Net Pension Liability and Related Ratios (unaudited) - Firefighters' Pension Trust Fund, Schedule of District Contributions - Firefighters' Pension Trust Fund, Schedule of Investment Returns - (Unaudited) Firefighters' Pension Trust Fund and Notes to the Required Supplementary Information - Firefighters' Pension Trust Fund 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 Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Net OPEB Liability and Related Ratios GASB No. 75 and Related Notes to the Schedule, Schedule of Changes in the District's Net Pension Liability and Related Ratios (unaudited) - Firefighters' Pension Trust Fund, Schedule of District Contributions - Firefighters' Pension Trust Fund, Schedule of Investment Returns - (Unaudited) Firefighters' Pension Trust Fund and Notes to the Required Supplementary Information - Firefighters' Pension Trust Fund 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 Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Net OPEB Liability and Related Ratios GASB No. 75 and Related Notes to the Schedule, Schedule of Changes in the District's Net Pension Liability and Related Ratios (unaudited) - Firefighters' Pension Trust Fund, Schedule of District Contributions - Firefighters' Pension Trust Fund, Schedule of Investment Returns - (Unaudited) Firefighters' Pension Trust Fund and Notes to the Required Supplementary Information - Firefighters' Pension Trust Fund 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 North Collier Fire Control and Rescue 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 opinions on the financial statements that collectively comprise the District's basic financial statements. The combining financial statements as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate 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 combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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(1)(i)6-8 Compliance - Unaudited are not a required part of the basic financial statements but are required by Government Auditing Standards and 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 assurance on it.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Section 218.415, Florida Statutes

In accordance with Section 218.415, Florida Statutes, we have also issued a report dated May 10, 2024, on our consideration of North Collier Fire Control and Rescue 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 North Collier Fire Control and Rescue 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 May 10, 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, 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 North Collier Fire Control and Rescue District's internal control over financial reporting and compliance.



TUSCAN & COMPANY, P.A.
Fort Myers, Florida
May 10, 2024

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

Management's Discussion and Analysis of Financial Statements FYE September 30, 2023

This Discussion and Analysis of the North Collier Fire Control & Rescue District's ("The District") basic financial statements is provided to assist the reader in understanding the District's financial activities and significant changes in ending financial position for the fiscal year ended September 30, 2023. These statements include the requirements of GASB Statements #34, #68, #75, #87 and #96 and incorporate those annual reporting requirements, as well as the financial statement format and presentation.

Contained within are the basic financial statements, consisting of the government-wide financial statements, governmental fund and fiduciary fund financial statements and related notes to the financial statements. This Discussion and Analysis will also provide an analytical overview of these statements, including comparisons of the District's financial position at September 30, 2023 versus September 30, 2022.

District Highlights

1. At the conclusion of fiscal year 2023, the District's assets exceeded its liabilities, resulting in net assets of \$36,475,574 as compared to net assets at September 30, 2022 of \$3,197,090.
2. At the conclusion of fiscal year 2022, the District's assets exceeded its liabilities, resulting in net assets of \$3,197,090 as compared to net assets at September 30, 2021 of \$37,910,815.
3. The District had \$4,810,589 in unrestricted net assets at September 30, 2023 as compared to (\$27,219,161) deficit in unrestricted net assets at September 30, 2022. The amount of unrestricted net assets increased by \$32,029,750.
4. The District had (\$27,219,161) deficit in unrestricted net assets at September 30, 2022 as compared to \$7,350,738 of unrestricted net assets at September 30, 2021. The amount of unrestricted net assets decreased by (\$34,569,899).
5. Total revenues on the government-wide basis increased \$8,687,262 or 17 percent, in comparison to the prior year.
6. Total expenses on the government-wide basis decreased by (\$59,304,947) or (70) percent, in comparison to the prior year due to investment losses in the pension plans in the prior year.

Government-wide Financial Statements

Government-wide financial statements (Statement of Net Position and Statement of Activities found on pages 5 and 6) are intended to allow a reader to assess a government's operational accountability. Operational accountability is defined as the extent to which the government has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to meet its objectives for the foreseeable future. Government-wide financial statements concentrate on the District as a whole and do not emphasize fund types.

The Statement of Net Position (page 5) presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. The District's capital assets are included in this statement and reported net of their accumulated depreciation.

The Statement of Activities (page 6) presents revenue and expense information showing how the District's net assets changed during the fiscal year. Both statements are measured and reported using the economic resource measurement focus (revenues and expenses) and the accrual basis of accounting (revenue recognized when earned and expense recognized when incurred).

Governmental Fund Financial Statements

The accounts of the District are organized on the basis of governmental 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. 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.

Governmental fund financial statements (found on pages 7 and 9) are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets.

Fiduciary Fund

The fiduciary fund is used to account for resources held for the benefit of retired employees that participated in the District's Firefighters' Pension Plan (Plan 2). The fiduciary funds are not reflected in the government-wide financial statements because the resources of this fund are not available to support the District's programs. The accounting used for the fiduciary fund is much like that used for governmental proprietary funds. The fiduciary fund financial statements can be found on pages 11 and 12.

Notes to the Financial Statements

The notes to the financial statements explain in detail some of the data contained in the preceding statements and begin on page 13. These notes are essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

The government-wide financial statements are designed so that the user can determine if the District's financial condition is better or worse than the prior year.

The following is a Condensed Summary Statement of Net Position for the District (Primary Government) at September 30, 2022 and 2023:

**Summary Statement of Net Position
September 30**

Assets:	<u>2022</u>	<u>2023</u>
Current and Other Assets	\$32,506,422	\$39,384,852
Capital Assets	<u>35,533,396</u>	<u>37,335,660</u>
Total Assets	<u>68,039,818</u>	<u>76,720,512</u>
 Deferred Outflows - Pensions	 <u>17,478,466</u>	 <u>32,922,169</u>
Liabilities:		
Current Liabilities	9,538,007	11,408,269
Non-Current Liabilities	<u>51,715,499</u>	<u>52,018,916</u>
Total Liabilities	<u>61,253,506</u>	<u>63,427,185</u>
 Deferred Inflows - Pensions	 <u>21,067,688</u>	 <u>9,739,922</u>
Net Position:		
Net Investment in Capital Assets	29,770,091	30,573,724
Restricted	646,160	1,091,261
Unrestricted (deficit)	<u>(27,219,161)</u>	<u>4,810,589</u>
Total Net Position	<u>\$ 3,197,090</u>	<u>\$36,475,574</u>

Current and other assets represent 48 percent of total assets at September 30, 2022, as compared to 51 percent of total assets at September 30, 2023. Current assets at September 30, 2023 are comprised of unrestricted cash balances of \$4,659,344, restricted cash of \$1,538,065, investments of \$29,372,745, due from other governments of \$2,112,196, other receivables of \$92,137, operating lease receivable of \$49,518, right of use – subscription asset of \$164,009, and other assets of \$1,396,838. The balances of unrestricted cash represent amounts that are available for spending at the discretion of the Board of Fire Commissioners of the District. Restricted cash balances are comprised of the impact fee funds restricted for the purchase of capital assets, and unspent inspections fee revenue restricted to support the inspection of new construction.

Current assets at September 30, 2022 are comprised of unrestricted cash balances of \$3,957,935, restricted cash of \$1,031,443, investments of \$25,427,007, lease receivable of \$46,642 due from other governments of \$639,511, other receivables of \$97,007 and other assets of \$1,306,877.

The net investment in capital assets represent 931 percent of net assets at September 30, 2022, as compared to 84 percent at September 30, 2023. These assets are comprised of land, buildings, improvements, equipment, furniture, and vehicles, net of accumulated depreciation, and the outstanding related debt used to purchase the assets. The assigned fund balance of \$26,512,859 represents resources available for spending at September 30, 2023. The District currently has \$0 fund balance unassigned by the Board.

**Summary of Revenues, Expenses and Changes in Net Assets
For the Years Ended September 30, 2022 and September 30, 2023**

Revenues:	<u>2022</u>	<u>2023</u>
General Revenues		
Ad Valorem Taxes	\$44,992,309	\$52,667,165
Program Revenues		
Grants	239,458	1,260,143
Charges for Services	3,025,621	2,930,216
Miscellaneous		
Impact Fees	30,453	0
Investment Earnings	241,330	1,907,513
Gain (Loss) on Disposition of Capital Assets	83,031	3,153
Other	<u>1,233,480</u>	<u>(235,246)</u>
Total Revenues	49,845,682	58,532,944
Expenses:		
Public Safety—Fire/ Rescue Service	<u>84,559,407</u>	<u>25,254,460</u>
Increase (Decrease) in Net Position	(34,713,725)	33,278,484
Net Position-Beginning of Year	<u>37,910,815</u>	<u>3,197,090</u>
Net Position-End of Year	<u>\$3,197,090</u>	<u>\$36,475,574</u>

The assessed value of the property within the North Naples Service Delivery Area increased 14.9 percent for the 2022-2023 fiscal year as compared to the prior year's assessed value while maintaining the millage rate of 1.000 mils, resulting in an increase in Ad Valorem tax revenues of \$5,541,615. The property values in the North Naples Service Delivery Area decreased by 25 percent during the fiscal years 2007-2012, resulting in a decrease in Ad Valorem revenue. However, property values have since increased between 2012 and 2023 and have now exceeded the previous high point in value in 2008.

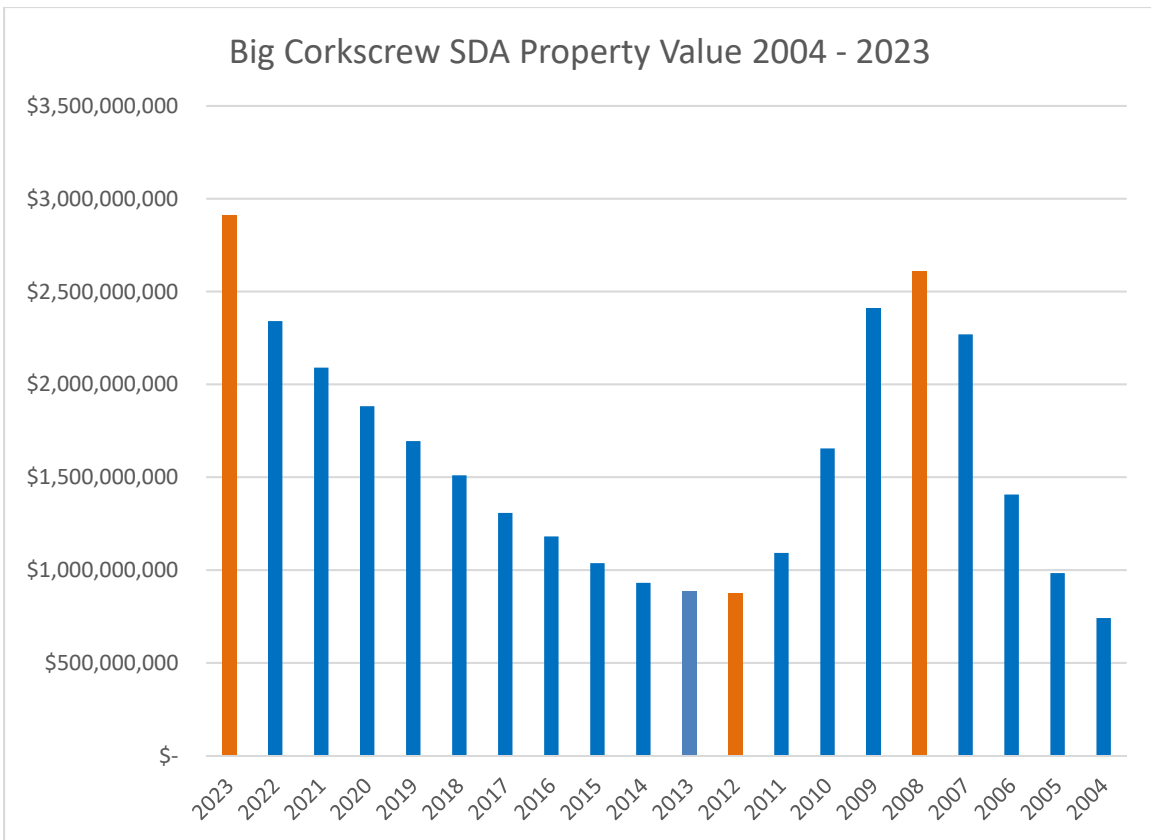
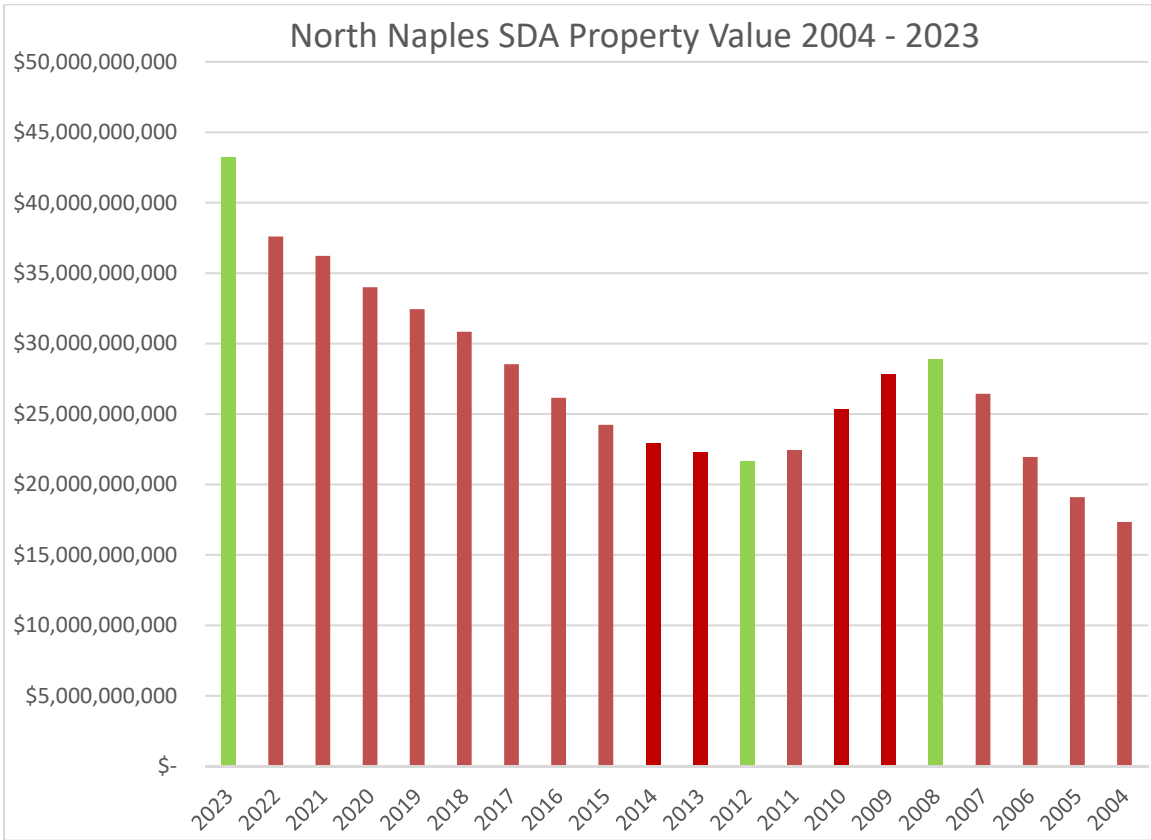
The Board adopted a millage rate of 1.000 mils in the North Naples Service Delivery Area taxing unit, or \$1.00 for every \$1,000 of taxable property value. This millage rate was 13.22 percent more than the rolled back rate (the taxing rate necessary to generate the same Ad Valorem revenue as was generated during the 2021-2022 fiscal year) of .8832.

The assessed value of the property within the Big Corkscrew Island Service Delivery Area increased 24.5 percent for the 2022-2023 fiscal year as compared to the prior year's assessed value, resulting in an increase in Ad Valorem tax revenues of \$2,133,241. The property values in the Big Corkscrew Island Service Delivery Area decreased by 66 percent during the fiscal years 2007-2012, resulting in a decrease in Ad Valorem revenue. Property values have since increased between 2012 and 2023. Through 2022, property value in the Big Corkscrew Island Service Delivery Area was still lower overall than it was in 2007. However, during the current fiscal year (2022-2023), the property value in the Big Corkscrew Island Service Delivery Area eclipsed previous high in 2007. The 2022-2023 value was 11.6% higher than the value in 2007.

The Board adopted a millage rate of 3.75 mils in the Big Corkscrew Island Service Delivery Area taxing unit, or \$3.75 for every \$1,000 of taxable property value. This millage rate was 16.33 percent more than the rolled back rate (the taxing rate necessary to generate the same Ad Valorem revenue as was generated during the 2021-2022 fiscal year) of 3.2235.

Prior to the 2007-2008 fiscal year, the increase in Ad Valorem revenue resulting from the increase in property value was sufficient to provide adequate funds to support operational, capital and reserve financial requirements in the District without increasing the millage rate. Subsequently and with both service delivery areas being funded at their respective millage rates, the District has been able to fund the majority of capital purchases without utilizing reserves. However, this does not include anticipated future construction costs, which will need to be paid for in part using reserves.

The following chart identifies the change in appraised property values in the District by service delivery area and the millage rate maintained by the District.



Fund Balance – Governmental Fund Financial Statements

The Board of Fire Commissioners’ directive is to utilize the fund balance and cash reserves of the General Fund to fund capital purchases and improvements, declared emergency situations, and to maintain the District’s financial position. At September 30, 2023, the District had General Fund reserves totaling \$27,909,697. This includes the nonspendable amount of \$1,396,838 restricted for prepaid expenses, and \$26,512,859 for assigned reserves.

Assigned reserves have been established and maintained in accordance with anticipated future needs of the District, including operating expenses for the first quarter of the fiscal year prior to the receipt of Ad Valorem revenue, expenditures associated with declared emergencies, and the replacement of capital assets. Additionally, increases in health insurance, and other personnel and operating expenses that require funds to be set aside, or assigned, to prepare for the funding of future expenditures. The following General Fund Assigned Reserves were approved for the fiscal year ended September 30, 2023:

<u>Nonspendable Fund Balance</u>	<u>Amount</u>
General Fund Prepaid Expenses	<u>\$ 1,396,838</u>
<u>Assigned Fund Balance</u>	<u>Amount</u>
Operating Reserve – 1 st Quarter (Oct-Dec)	\$ 12,342,662
Emergency Reserve	4,345,870
Health Insurance Claim Reserve	994,327
Medical Services Reserve	1,000,000
Station / Growth Management Reserve	3,000,000
Fleet Reserve	3,830,000
Station Improvement Reserve	<u>1,000,000</u>
Total Assigned Reserves	<u>\$ 26,512,859</u>
<u>Unassigned Fund Balance</u>	<u>Amount</u>
General Fund – Unassigned	<u>\$ _____ 0</u>
Total General Fund Reserves	<u>\$27,909,697</u>

Impact Fees

With the creation of the North Collier Fire Control and Rescue District in January 2015, an impact fee study was performed to establish impact fee rates for the new District. However, that study was not completed and new rates were not adopted until October 1, 2016. Prior year impact fee assessments were based on a structure’s square footage. The new rate structure bases fees on structure usage classifications and the methodology utilizes population rather than emergency call volume. These rates using the population-based methodology were updated annually prior to October 1st of each year. However, the impact of the change in methodology overall resulted in a decrease in impact fee receipts. Total annual impact fee receipts decreased 66 percent from fiscal year 2015-2016 to 2019-2020 (from \$2,674,309 to \$911,074). At the September 24, 2020 Board of Fire Commissioners meeting, the District approved a new impact fee rate structure methodology based on an incident-based approach for the demand component rather than a population-based approach per the impact fee study produced on August 24, 2020.

These new rates per the new rate structure became effective January 1, 2021 via Resolution 20-022. Total Impact Fee Fund expenses for the 22-23 fiscal year were \$71,055, consisting of Collier County collection fees and the annual debt service payment for land purchased in the Big Corkscrew Service Delivery Area. For the year ended September 30, 2023, impact fee receipts were \$774,123 which was \$6,270 (or 1.0%) *less* than the prior year. For the year ended September 30, 2022, impact fee receipts were \$780,330, which was \$40,020 also *less* than the previous year. This is primarily attributable to the timing of impact-fee eligible projects being paid to the District versus the change in fee structure. The District still anticipates overall impact fee receipts to increase over the next few years.

Inspection Fees

The District collected inspection fees of \$2,320,169 for the year ended September 30, 2023. Inspection fee revenue for the year ended September 30, 2022 was \$2,298,082 representing a decrease of \$(22,027) or 1.0 percent as compared to inspection fee revenue in the prior fiscal year (2022). In June of 2014, the District terminated its Interlocal Agreement with the Fire Code Official's office to provide fire plan review services and assumed the responsibility for those plan reviews. As a result, \$1,140,340 (or 49.15%) of the fund's revenue was attributable to plan review fees. The Inspection Fee Fund had sufficient revenue in the 2022-2023 fiscal year to support all functions associated with new construction inspections and plan reviews and had excess revenues over expenditures by \$445,101 during the fiscal year. This increase is primarily attributable to growth momentum in commercial, multi-family construction and similar developments coming into our District. The timing and driver of this growth is also attributable to the COVID pandemic. Many companies and families relocated to southwest Florida, and especially Collier County. There were various construction delays, material and supply-chain constraints during the 2019-2020 fiscal year, which resulted in many of the projects being implemented in the subsequent years. Overall, the Board continues to monitor the volume of new construction projects and the fees necessary to support the associated costs of this growth.

Budgetary Highlights

Budget versus actual comparisons are reported in the required supplementary information other than management's discussion and analysis on pages 86 through 98 and are reflected by taxing subunit (service delivery area).

The amendments to General Fund revenue were necessary to reflect an increase to adjust the current year carryforward to the prior audited balance by net \$1,653,823.

Capital Assets

Non-depreciable capital assets include land and construction in progress. Depreciable assets include buildings, improvements other than buildings, equipment, furniture and vehicles.

The following is a schedule of the District's capital assets as of September 30, 2022 and 2023.

Capital Assets
September 30

Capital Assets	<u>2022</u>	<u>2023</u>
Land	\$12,823,117	\$12,823,117
Construction in Progress	<u>2,344,912</u>	<u>2,489,198</u>
Total Capital Assets not Depreciated	15,168,029	15,312,315
Assets Held Under Capital Lease	5,299,522	5,265,867
Buildings	21,885,893	23,133,253
Office Equipment	1,407,175	1,411,628
Vehicles	9,271,898	10,348,068
Equipment & Machinery	<u>3,570,231</u>	<u>3,601,062</u>
Total Capital Assets Being Depreciated	<u>41,434,719</u>	<u>43,759,878</u>
Accumulated Depreciation		
Assets Held Under Capital Lease	(2,425,762)	(2,998,915)
Buildings	(10,826,776)	(11,662,156)
Office Equipment	(1,125,182)	(1,174,768)
Vehicles	(7,623,830)	(7,476,175)
Equipment & Machinery	<u>(2,386,510)</u>	<u>(2,262,913)</u>
Total Accumulated Depreciation	<u>(24,388,060)</u>	<u>(25,574,927)</u>
Total Capital Assets being Depreciated, Net	<u>17,046,659</u>	<u>18,184,951</u>
Capital Assets – Net of Depreciation	32,214,688	33,497,266
Less: Capital Lease/Note Payables	<u>(2,444,597)</u>	<u>(2,923,542)</u>
Net Assets Invested in Capital Assets		
Net of Related Debt	<u>\$29,770,091</u>	<u>\$30,573,724</u>

Significant capital asset purchases made during the fiscal year ended September 30, 2023 include:

1. Building improvements (General Fund) totaling \$1,233,155.
2. Vehicles (non-capital lease) totaling \$738,508 including three (3) pick-up trucks, one (1) boat trailer, one (1) dive rescue truck, one (1) ambulance/squad unit, and the completion of two (2) trucks – previously disclosed as equipment in transit: one (1) heavy rescue unit and one (1) Fire Boat.
3. Fire and Rescue Equipment totaling approximately \$416,560 including extrication equipment, chest compressor units, radios, HazMat equipment, etc.

For additional information on the District’s capital assets, see Note F on pages 40 and 41.

Debt Administration

As of September 30, 2023, the District had long term obligations of \$51,653,138, as compared to \$51,749,369 at September 30, 2022, a decrease of (\$96,231) or (0.2) percent. The decrease is combination of increases totaling \$2,821,990 and decreases/adjustments totaling (\$2,918,221). The increases are due to the increase in the net OPEB obligation \$329,768, and increases in the net Pension Liability of HIS or Health Insurance Subsidies (Firefighter Pension Trust) and FRS (Florida Retirement System) of \$567,209, an increase in financing capital lease for an aerial truck totaling

\$1,188,300, and an increase in compensated absences totaling \$736,713. The decreases/adjustments totaling \$2,918,221 were due to decreases in the net Pension Liability (Firefighter Pension Trust) and FRS (Florida Retirement System) totaling \$2,208,866, capital lease payments totaling \$651,855 and the principal portion of the final note payable payment totaling \$57,500. That debt consists of:

1. Compensated absences (accrued vacation liability) in the amount of \$3,016,842, as compared to \$2,280,129 at September 30, 2022.
2. Net OPEB obligation of \$11,365,910 as compared to \$11,036,142 at September 30, 2022, representing post-employment health insurance obligations pursuant to GASB No. 75.
3. Capital lease for fire apparatus, radio equipment, staff vehicles and heart monitor equipment identified above in the total amount of \$2,923,542. This includes the lease to purchase agreement for the three fire engines and one ladder truck was entered into on January 15, 2016, the lease to purchase agreement for video conference equipment was entered into on April 6, 2022, the lease to purchase agreement for radio equipment which was entered into on May 20, 2019, the lease to purchase agreement for six (6) Chevrolet staff vehicles which was entered into on December 12, 2019, the lease to purchase agreement for (33) tempus pro heart monitors which was entered into on December 28, 2020 and the lease to purchase agreement for an aerial truck which was entered into on November 15, 2022.
4. Note payable for the purchase of station in the amount of \$0.
5. Pension liability (FRS) in the amount of \$6,347,256 (see Note G).
6. Pension liability (HIS) in the amount of \$2,001,474 (see Note G).
7. Pension liability (Ch. 175) in the amount of \$25,998,114 (see Note G).

Economic Facts and Next Year's Budget Millage Rates

The following factors were being taken into consideration when the fiscal year ending September 30, 2024 budget was prepared:

1. Appraised taxable property values *increased* by \$4,978,409,570, or 11.5 percent for tax year 2023 (FY 2024) in the North Naples service delivery area as compared to an increase of 14.9 percent for tax year 2022 (FY 2023). In the Big Corkscrew service delivery area, taxable property values *increased* by \$567,143,028 or 19.5 percent for tax year 2023 (FY 2024), similar to the increase of 24.5 percent for tax year 2022 (FY 2023).
2. The Board adopted a millage rate of 1.000 mils in the North Naples service delivery area and 3.75 mils in the Big Corkscrew service delivery area for the fiscal year ending September 30, 2024. The Board believes the increase in valuation (at the same millage rate) is necessary to compensate for future capital funding, personnel growth, and unknown, disaster-related expenditures. The Board has expressed the desire to continue to move towards one unified taxing rate District wide. However, the alternative addition of a non-ad valorem fire fee assessment was not approved by local voters as of the November 2017 elections. Funding mechanisms and millage caps will be analyzed and reviewed by the District on a regular basis to ensure adequate funding.
3. For fiscal year ended September 30, 2024 use of (or decrease in) General Fund reserves is being anticipated and has been budgeted by the Board of Fire Commissioners in the amount of (\$1,562,706). Limited capital purchases include various station improvements, fire and medical equipment, communication equipment, computer equipment, logistics equipment, and various fire apparatus.

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: Ben Van Klinger, Chief Financial Officer, North Collier Fire Control & Rescue District, 1885 Veterans Park Drive, Naples, FL 34109, 239-597-1322, e-mail: bvanklinger@northcollierfire.com.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF NET POSITION
September 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 4,659,344
Restricted cash and cash equivalents	1,538,065
Investments	29,372,745
Due from other governments	2,112,196
Other receivables, net	92,137
Operating lease receivable, current	49,518
Right of use - subscription asset-current	164,009
Other assets	<u>1,396,838</u>
	39,384,852
Noncurrent assets:	
Operating lease receivable, net of current portion	2,512,641
Right of use asset (ROU) - operating leases	910,509
Right of use - subscription asset, net of current	415,244
Capital assets:	
Land	12,823,117
Construction in progress	1,300,898
Equipment in transit	1,188,300
Depreciable buildings, equipment, and vehicles (net of \$25,574,927 accumulated depreciation)	<u>18,184,951</u>
Total noncurrent assets	<u>37,335,660</u>
TOTAL ASSETS	<u>76,720,512</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>32,922,169</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	3,027,513
Contract deposits	7,500
Unearned revenue	7,135,354
Operating lease liability, current	189,315
Right of use - subscription liability-current	164,009
Current portion of long-term obligations	<u>884,578</u>
Total current liabilities	11,408,269
Noncurrent liabilities:	
Operating lease liability, net of current	835,112
Right of use - subscription liability, net of current	415,244
Noncurrent portion of long-term obligations	<u>50,768,560</u>
Total noncurrent liabilities	<u>52,018,916</u>
TOTAL LIABILITIES	<u>63,427,185</u>
DEFERRED INFLOWS OF RESOURCES	<u>9,739,922</u>
NET POSITION	
Net investment in capital assets	30,573,724
Restricted	1,091,261
Unrestricted	<u>4,810,589</u>
TOTAL NET POSITION	<u>\$ 36,475,574</u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF ACTIVITIES
Year Ended September 30, 2023

	<u>Governmental Activities</u>
EXPENSES	
Governmental Activities	
Public Safety - Fire Protection	
Personnel services	\$ 13,260,850
Operating expenses	9,735,514
Depreciation	2,241,123
Interest and fiscal charges	<u>16,973</u>
TOTAL EXPENSES - GOVERNMENTAL ACTIVITIES	25,254,460
PROGRAM REVENUES	
Charges for services	2,930,216
Operating grants and contributions	<u>1,260,143</u>
NET PROGRAM EXPENSES	<u>21,064,101</u>
GENERAL REVENUES	
Ad Valorem taxes	52,667,165
Impact fees	-
Interest	1,907,513
Gain on disposition of capital assets	3,153
Other	<u>(235,246)</u>
TOTAL GENERAL REVENUES	<u>54,342,585</u>
INCREASE (DECREASE) IN NET POSITION	33,278,484
NET POSITION - Beginning of the year	<u>3,197,090</u>
NET POSITION - End of the year	<u>\$ 36,475,574</u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2023

	General Fund	Impact Fee Fund	Inspection Fee Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 4,659,344	\$ -	\$ -	\$ 4,659,344
Restricted cash and cash equivalents	-	612,133	925,932	1,538,065
Investments	22,965,784	6,406,961	-	29,372,745
Due from other governments	1,753,306	118,027	240,863	2,112,196
Due from other funds	18,930	-	51,720	70,650
Other receivables, net	92,137	-	-	92,137
Prepaid expenses	1,396,838	-	-	1,396,838
TOTAL ASSETS	<u>\$ 30,886,339</u>	<u>\$ 7,137,121</u>	<u>\$ 1,218,515</u>	<u>\$ 39,241,975</u>
 LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable and accrued expenses	\$ 2,917,422	\$ 1,767	\$ 108,324	\$ 3,027,513
Due to other funds	51,720	-	18,930	70,650
Contract deposits	7,500	-	-	7,500
Unearned revenue	-	7,135,354	-	7,135,354
TOTAL LIABILITIES	<u>2,976,642</u>	<u>7,137,121</u>	<u>127,254</u>	<u>10,241,017</u>
 FUND BALANCE				
Nonspendable	1,396,838	-	-	1,396,838
Restricted	-	-	1,091,261	1,091,261
Assigned	26,512,859	-	-	26,512,859
Unassigned	-	-	-	-
TOTAL FUND BALANCE	<u>27,909,697</u>	<u>-</u>	<u>1,091,261</u>	<u>29,000,958</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 30,886,339</u>	<u>\$ 7,137,121</u>	<u>\$ 1,218,515</u>	<u>\$ 39,241,975</u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
September 30, 2023

	<u>Amount</u>	
Total fund balance of governmental funds	\$	29,000,958
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Lease income received in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Operating lease receivable		2,562,159
Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Right of Use Asset (ROU) Subscription asset- GASB No. 96		579,253
Right of Use Asset (ROU) Operating leases- GASB No. 87		910,509
Capital assets not being depreciated:		
Land	12,823,117	
Construction in progress	1,300,898	
Equipment in transit	<u>1,188,300</u>	
		15,312,315
Governmental capital assets being depreciated:		
Building, equipment and vehicles	43,759,878	
Less accumulated depreciation	<u>(25,574,927)</u>	
		18,184,951
Deferred outflows and deferred inflows related to pensions are applied to future periods and, therefore, are not reported in the governmental funds.		
Deferred outflows - Net OPEB Liability	1,534,116	
Deferred outflows - FRS/HIS	1,591,338	
Deferred outflows - FPT	<u>29,796,715</u>	
		32,922,169
Deferred inflows - Net OPEB Liability	(2,115,153)	
Deferred inflows - FRS/HIS	(2,317,521)	
Deferred inflows - FPT	(2,841,413)	
Deferred inflows - Lessor	<u>(2,465,835)</u>	
		(9,739,922)
Long-term obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net OPEB liability	(11,365,910)	
Net pension liability - FRS	(6,347,256)	
Net pension liability - HIS	(2,001,474)	
Net pension liability - FPT	(25,998,114)	
Financing leases	(2,923,542)	
Note payable	-	
Compensated absences	<u>(3,016,842)</u>	
		(51,653,138)
ROU Subscription liability - GASB No. 96	(579,253)	
ROU Operating lease liability - GASB No. 87	<u>(1,024,427)</u>	
		(1,603,680)
Elimination of interfund amounts:		
Due to other funds	(70,650)	
Due from other funds	<u>70,650</u>	
		-
Total net position of governmental activities	\$	<u><u>36,475,574</u></u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
Year Ended September 30, 2023

	General Fund	Impact Fee Fund	Inspection Fee Fund	Total Governmental Funds
REVENUES				
Ad Valorem taxes	\$ 52,667,165	\$ -	\$ -	\$ 52,667,165
Intergovernmental revenue:				
State firefighter supplement	97,995	-	-	97,995
Federal grants	1,128,194	-	-	1,128,194
Other intergovernmental	33,954	-	-	33,954
Charges for services:				
Inspection fees and other	610,047	-	1,179,829	1,789,876
Plan review fees	-	-	1,140,340	1,140,340
Impact fees	-	-	-	-
Miscellaneous:				
Interest	1,769,250	71,055	8,767	1,849,072
Other	748,153	-	-	748,153
TOTAL REVENUES	<u>57,054,758</u>	<u>71,055</u>	<u>2,328,936</u>	<u>59,454,749</u>
EXPENDITURES				
Current				
Public safety				
Personnel services	39,706,077	-	1,779,737	41,485,814
Operating expenditures	9,518,359	11,590	104,098	9,634,047
Capital outlay	3,616,298	-	-	3,616,298
Debt service:				
Principal reduction	651,855	57,500	-	709,355
Interest and fiscal charges	61,625	1,965	-	63,590
TOTAL EXPENDITURES	<u>53,554,214</u>	<u>71,055</u>	<u>1,883,835</u>	<u>55,509,104</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,500,544</u>	<u>-</u>	<u>445,101</u>	<u>3,945,645</u>
OTHER FINANCING SOURCES AND USES				
Proceeds from financing lease	1,188,300	-	-	1,188,300
Proceeds from disposition of capital assets	95,750	-	-	95,750
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES AND USES	<u>1,284,050</u>	<u>-</u>	<u>-</u>	<u>1,284,050</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	4,784,594	-	445,101	5,229,695
FUND BALANCE - Beginning of the year	<u>23,125,103</u>	<u>-</u>	<u>646,160</u>	<u>23,771,263</u>
FUND BALANCE - End of the year	<u>\$ 27,909,697</u>	<u>\$ -</u>	<u>\$ 1,091,261</u>	<u>\$ 29,000,958</u>

The accompanying notes are an integral part of this statement.

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

Year Ended September 30, 2023

	<u>Amount</u>	
Net change (revenues and other financing sources over (under) expenditure: and other financing uses) in fund balance - total governmental fund	\$	5,229,695
The increase (change) in net position reported for governmental activities: in the Statement of Activities is different because		
Governmental funds report rent received as revenues. However, in the Statement of Activities the lease is recorded as a receivable and the revenue is amortized over the lease term.		
Less: current year lease revenue	(1,094,269)	
Plus: interest earned on lease receivable	58,441	
Plus: amortization of deferred inflow of lease receivable	110,870	
		(924,958)
Governmental funds report capital outlays as expenditures. In the Statement of Activities, however, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The loss on disposition of capital assets decreases the net position.		
Plus: expenditures for capital assets	3,616,298	
Less: proceeds from disposition of capital assets	(95,750)	
Plus: gain on disposition of capital assets	3,153	
Less: current year depreciation	<u>(2,241,123)</u>	
		1,282,578
The issuance of debt is reported as a financing source in governmenta 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.		
Borrowings (proceeds from issuance):		
Less: financing lease - heart monitors	<u>(1,188,300)</u>	
		(1,188,300)
Repayments (principal retirement):		
Plus: financing leases	651,855	
Plus: note payable	<u>57,500</u>	
		709,355
Governmental funds report rent paid as expenses. However, in the Statement of Activities the lease is recorded as a liability and the expense is amortized over the lease term.		
Less: current year lease expense	(480,884)	
Plus: interest paid on lease liability	46,617	
Plus: amortization of right of use asset	<u>379,417</u>	
		(54,850)
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 Net OPEB liability	(329,768)	
(Increase) decrease in net pension liability - FRS	182,036	
(Increase) decrease in net pension liability - HIS	(567,209)	
(Increase) decrease in net pension liability - FPT	2,026,830	
(Increase) decrease in compensated absences	(736,713)	
Increase (decrease) in deferred outflows - OPEB	238,386	
(Increase) decrease in deferred inflows - OPEB	(227,994)	
Increase (decrease) in deferred outflows - FRS/HIS	(293,676)	
(Increase) decrease in deferred inflows - FRS/HIS	529,598	
Increase (decrease) in deferred outflows - FPT	15,498,993	
(Increase) decrease in deferred inflows - FPT	<u>11,904,481</u>	
		28,224,964
Increase (decrease) in net position of governmental activities:	\$	<u>33,278,484</u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF FIDUCIARY NET
POSITION - FIDUCIARY FUND
September 30, 2023

	Firefighters' Pension Trust Fund
	<u> </u>
ASSETS	
Investments, at fair value:	
Cash and cash equivalents - money market	\$ 16,232,989
Equity securities	76,084,439
Fixed income mutual funds - international	6,567,411
U.S. Government bonds	10,269,905
Corporate bonds	8,023,539
Real estate	11,844,762
	<u>129,023,045</u>
Prepaid expenses	6,828
Due from other governments - State	-
Due from District	110,274
Due from employees	462,248
Due from securities sold	4,033
Accrued investment income	166,901
	<u> </u>
TOTAL ASSETS	<u>129,773,329</u>
LIABILITIES	
Accounts payable	118,004
Due for securities purchased	631,879
	<u> </u>
TOTAL LIABILITIES	<u>749,883</u>
NET POSITION	
Restricted for DROP benefits	3,320,706
Restricted for defined pension benefits	125,702,740
	<u> </u>
TOTAL NET POSITION	<u>\$ 129,023,446</u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION - FIDUCIARY FUND
Year Ended September 30, 2023

	Firefighters' Pension Trust Fund
	<u> </u>
ADDITIONS	
Contributions:	
Employer	\$ 4,369,708
Plan members - employees	1,439,939
Buybacks	63,950
State of Florida, insurance premiums excise tax	<u>2,622,080</u>
Total contributions	<u>8,495,677</u>
Investment income:	
Net appreciation (depreciation) including realized gains/losses	7,043,436
Interest and dividends	<u>3,796,597</u>
Total investment income	10,840,033
Less: investment expenses	<u>(429,866)</u>
Net investment income (loss)	10,410,167
Other income	<u>44,030</u>
TOTAL ADDITIONS	<u>18,949,874</u>
DEDUCTIONS	
Benefits paid	2,056,915
DROP distributions	635,318
Refund of contributions	-
Administrative expenses	<u>131,049</u>
TOTAL DEDUCTIONS	<u>2,823,282</u>
NET INCREASE (DECREASE) IN NET POSITION	16,126,592
NET POSITION - BEGINNING	<u>112,896,854</u>
NET POSITION - ENDING	<u>\$ 129,023,446</u>

The accompanying notes are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

North Collier Fire Control and Rescue District (the "District") is an independent special taxing district located in Collier County, Florida. On January 1, 2015, the North Collier Fire Control and Rescue District was officially formed by merging the North Naples Fire Control and Rescue District and the Big Corkscrew Island Fire Control and Rescue District. On February 6, 2014, the two Districts entered into an Interlocal Agreement to merge. Each Board adopted a resolution identifying their intent to initiate the voluntary merger process pursuant to Florida Statute Chapter 189.074. The two Districts created a proposed Joint Merger Plan which was adopted by both Boards and ultimately put before the voters of each District by referendum. On November 4, 2014, voters from both districts approved the referendum to merge the two districts into one. On June 10, 2015, the Governor signed into legislation the official enabling act of the new District via Laws of Florida (LOF) Chapter 2015-191. The merger was intended to ensure the best possible emergency response times, operational efficiencies and ensure long term sustainability of the combined District. There was no impairment of capital assets as the result of the merger, which was effective as of January 1, 2015 and no significant accounting adjustment other than to combine the assets, liabilities and net position/fund balance at January 1, 2015, of both Districts. The District has the general and special powers prescribed by Florida Statute Chapters 189, 191 and 633.15. The District is governed by a five (5) member elected Board of Commissioners. Commissioners serve on a staggered four (4) year term basis.

The North Collier Fire Control and Rescue District provides fire control and protection services, fire safety, inspections, code enforcement, fire hydrant maintenance, firefighter training, and crash and fire rescue services as well as basic and advanced life support services. The District serves a portion of Collier County, Florida. In providing these services, the District operates and maintains ten (10) stations and the related equipment and employs approximately 268 full-time professional firefighters and administrative staff.

During the year ended September 30, 2009, the North Naples Fire Control and Rescue District entered into a joint venture agreement with Florida SouthWestern State College (FSW) for the operation of the North Collier Fire Training Center (NCFTC) to educate and train students as State Certified Firefighters. The North Collier Fire Control and Rescue District is now licensed to operate the NCFTC and FSW is the program coordinator. The District provides the training room and training

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Organization, continued

facilities for the NCFTC. FSW, as program coordinator, is responsible for the operations of the NCFTC including but not limited to the screening and enrolling of students and for screening and engaging instructors. Therefore, the activities of the NCFTC are not included in the District's 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 Omnibus - An Amendment of GASB Statements No. 14 and No. 34" (GASB 61).

This Statement requires 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 14, as amended, there are no component units required to be included or included in the District's basic 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. Fiduciary funds are properly not included in the government-wide financial statements. 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, as are the pension fund financial statements. Under the accrual basis of accounting, revenues, expenses,

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Government-wide Financial Statements, continued

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.

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, burn permits, and hydrant tests.

Fund Financial Statements

The District adheres to GASB Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions" (GASB 54). Essentially, the implementation resulted in adoption of a fund balance policy and reclassification of the components within fund balance.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Financial Statements, continued

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 net position, 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. The fiduciary fund financial statement includes financial information for the Firefighters' Pension Trust Fund. The fiduciary fund represents assets held by the District in a custodial capacity for the benefit of other individuals.

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 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Governmental Funds, continued

In accordance with the District's enabling documents, separate budgets within the General Fund are maintained for the North Naples (NN) Service Delivery Area (SDA) and the Big Corkscrew Island (BCI) Service Delivery Area (SDA). Separate budgets are required for each service delivery area until such time as when one consistent millage rate is adopted for both service delivery areas. As such, separate service delivery area budget vs. actual comparison statements are included in the required supplementary information and a combining schedule is included in the other information section as the District must ultimately maintain and report a single General Fund.

Fiduciary Fund

The Pension Trust Fund accounts for the activities of the Firefighters' Pension Trust (FPT) Fund, which accumulates resources for the pension benefit payments to qualified firefighters.

The net position of this fund is not considered to be part of the net position of the District and is not available to the District's creditors.

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 and fiduciary fund 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.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Measurement Focus and Basis of Accounting, continued

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 interest on investments, and intergovernmental revenues. 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 long-term debt, if any, is recognized when due; and (2) expenditures are generally not divided between years by the recording of prepaid expenditures.

Separate financial statements are provided for governmental funds and the fiduciary fund, even though the latter are excluded from the government-wide financial statements.

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 financing leases, to be reported in the governmental activities column in the government-wide Statement of Net Position.

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 (including both service delivery areas), except those required to be accounted for in another fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Major Funds, continued

The Impact Fee Fund (the District has one combined Impact Fee Fund) consists of fees imposed and collected by Collier County based on new construction within each service delivery area of the District. The fees are restricted and can only be used for certain capital expenditures associated with growth within the District.

Non-Major Fund

The District reports the following non-major fund:

The Inspection Fee Fund is used by the District to account for the receipt and expenditures of its Inspection and Plan Review Fee Programs. Fees are charged for the inspection of new building construction and for fire code plan review. The fees are collected by Collier County and are remitted to the District. This fund also includes fee per interlocal agreement whereby the District performs inspections for another independent fire district.

Fiduciary Fund

The Fiduciary Fund is excluded from the government-wide financial statements because the resources of those funds are not available to support the District's programs. The only type of fiduciary fund the District maintains is a Firefighters' Pension Trust Fund, under Florida Statute Chapter 175, which accounts for retirement assets held by the Plan that are payable to certain qualified firefighters upon retirement.

Budgetary Information

The District has elected to report budgetary comparisons of its major funds and its non-major fund as required supplementary information (RSI).

Investments

The District adheres to the requirements of 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.

Investments, including restricted investments, consist of certificates of deposit, U.S. Government securities, corporate debt and equity securities, and securities of government agencies unconditionally guaranteed by the U.S. Government.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets

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

The District follows a capitalization policy which calls for capitalization of all capital assets that have a cost or donated value of \$5,000 or more and have a useful life in excess of one year.

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 expenditures 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>Capital Asset</u>	<u>Years</u>
Buildings	15-30
Capital Assets acquired under Capital Lease	6-10
Office Equipment	3-30
Vehicles	3-10
Equipment and Machinery	3-15

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgets and Budgetary Accounting

The District is required to and did adopt separate annual General Fund budgets for each of the two (2) service delivery areas within the District's General Fund.

The District adopted annual budgets for the Special Revenue Funds, including the Impact Fee Fund and the Inspection Fee Fund.

No budget was adopted or required to be adopted for the Firefighters' Pension Trust Fund.

The District follows these procedures in establishing budgetary data for the General Fund, the Impact Fee Fund, and the Inspection 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 citizen comments.
3. The budget is adopted by approval of the Board of Commissioners.
4. Budget amounts, as shown in these basic 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.
6. The level of control for appropriations is exercised at the fund level.
7. Appropriations lapse at year-end.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgets and Budgetary Accounting, continued

Several budget amendments were approved by the Board of Commissioners during the year ended September 30, 2023. Budgeted revenues and expenditures were increased (decreased) as follows:

	<u>Amount</u>
General fund - NN SDA	\$ 3,775,389
General fund - BCI SDA	<u>578,434</u>
Total General Fund	<u>\$ 4,353,823</u>
Impact fee fund	<u>\$(1,258,162)</u>
Inspection fee fund	<u>\$ 150,776</u>

Impact Fees/Deferred Revenue

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 imposed and collected by Collier County and remitted to the District which accounts for impact fees collected by service delivery area. The fee is refundable if not expended by the District within ten (10) years from the date of collection. The District, therefore, records this fee as restricted cash and as unearned 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.

Net Position

In the government-wide financial statements, net position is identified as restricted when there are externally imposed constraints as to its use, such as through debt covenants, by grantors, or by law.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund Balances

The governmental fund financial statements the District maintains include nonspendable, restricted, 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 balances are those that are restricted by a third party such as inspection fees. Restricted fund balances can only be spent for the stipulated purposes.

The District's assigned fund balances are a result of official action of the District's Board. The District's intent is to maintain a minimum assigned fund balance level of three (3) months of budgeted total expenditures. The assigned fund balance includes the District's operational and capital reserves as well as its disaster reserve. At September 30, 2023, fund balance is also assigned for a variety of specific items by District Board action. Any use of the assigned fund balance requires the District's Board approval.

Due To/From Other Funds

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

Indirect Costs

Expenses are allocated between service delivery areas on the same line item based upon a Board approved cost allocation plan. For the year ended September 30, 2023, the costs were allocated on a percentage basis of 81.00% to NN SDA and 19.00% to BCI SDA.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 accumulated annual leave benefits (compensated absences) are expended in the respective operating funds when payments are made to employees. However, the liability for all accrued 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.

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.

Interfund Transactions

The District considers interfund receivables (due from other funds) and interfund payables (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/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing funds and as reduction of expenditures/expenses in the fund that is reimbursed. Such amounts are eliminated in the government-wide financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 Firefighters' Pension Fund (FPF), the Florida Retirement System (FRS) and the Health Insurance Subsidy (HIS) defined benefit plan 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. Investments are reported at fair value for the FPF.

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

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 only 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 is reported only in the government-wide Statement of Net Position. A deferred amount on pension results from the difference in the expected and actual amounts of experience, earnings, and contributions. This amount is deferred and amortized over the service life of all employees that are provided with pensions, operating leases receivable and OPEB through these plans except earnings which are amortized over five to seven years.

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

New Accounting Guidance

*GASB 94: Public-Private and Public-Public Partnerships and Availability
Payment Arrangements*

In March 2020, the GASB issued Statement No. 94 (*Public-Private and Public-Public Partnerships and Availability Arrangements*) to bring a uniform guidance on how to report public-private and public-public partnership arrangements, will recognize receivables for installment payments, deferred inflows of resources, and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets, and when applicable, deferred outflows of resources and liabilities for assets being transferred.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangement in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this Statement are effective for the District's financial statements for the year ended September 30, 2023. The District, however, had no arrangements that met this Statement's reporting criteria and/or the related arrangement costs were considered immaterial.

GASB 96: Subscription-Based Information Technology Arrangements (SBITAs)
In May 2020, the GASB issued Statement No. 96 (*Subscription-Based Information Technology Arrangements (SBITAs)*), which defined the SBITAs and provides accounting and financial reporting for SBITAs by governments. This Statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for the SBITAs. The provisions of this Statement are effective for the District's financial statements for the year ended September 30, 2023. The District had arrangements that met this Statement's reporting criteria and have reported them as right of use - subscription asset and liability, respectively, on the Government-Wide financial statements. For further discussion see Note S.

Reclassifications

Certain amounts in the financial statements have been reclassified to conform with the current presentation. These reclassifications had no effect on the results of operations or fund equity.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Subsequent Events

Subsequent events have been evaluated through May 10, 2024, which is the date the basic financial statements were available to be issued.

NOTE B - CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the primary government (exclusive of the Firefighters' Pension Trust Fund) were \$6,197,409 of which \$1,538,065 was restricted at September 30, 2023. Total cash and cash equivalents included cash on hand of \$1,300 at September 30, 2023.

Deposits

The District's deposit policy (exclusive of the Firefighters' Pension Fund) allows deposits to be held in demand deposit and money market accounts and is consistent with Florida Statutes, Chapter 218.415(17). All District depositories are institutions designated as qualified depositories by the State Treasurer at September 30, 2023.

Deposits consist of the following at September 30, 2023:

<u>District</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>
<u>Unrestricted</u>		
<u>General Fund</u>		
Depository Accounts	\$ 4,658,044	\$ 5,032,792
Money Market	-	-
Total General Fund	<u>\$ 4,658,044</u>	<u>\$ 5,032,792</u>
<u>Restricted</u>		
<u>General Fund</u>		
Depository Accounts	<u>\$ -</u>	<u>\$ -</u>
<u>Special Revenue Funds</u>		
Impact Fee		
Depository Accounts	\$ 612,133	\$ 612,133
Inspection Fee		
Depository Accounts	<u>925,932</u>	<u>925,932</u>
Total Special Revenue Funds	<u>1,538,065</u>	<u>1,538,065</u>
Total Restricted Funds	<u>\$ 1,538,065</u>	<u>\$ 1,538,065</u>

NOTE B - CASH AND CASH EQUIVALENTS, CONTINUED

Deposits, continued

The District's deposits were entirely covered by federal depository insurance or by collateral pursuant to the Public Depository Security Act (Florida Statute 280) of the State of Florida. Bank balances approximate market value.

The District held no other types of deposits during the year ended September 30, 2023.

Restricted Cash and Equivalents

The following is a brief description of the restrictions on cash and cash equivalents:

The Impact Fee account is used to account for the deposit of impact fees received by both service delivery areas and are restricted for certain capital asset acquisition associated with growth within the District. Impact fees are collected by Collier County for the District pursuant to County ordinance and District resolution.

The Inspection Fee account is used to account for inspection fees collected for performing new construction fire inspections within the District. Such revenue is restricted for inspection service related costs.

NOTE C - INVESTMENTS

District

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, 2023, the District's investments in the FL FIT-Cash Pool (CP) consist of the following:

	Cost Basis	Fair Value (NAV)/ Carrying Amount
<u>General Fund - NN</u>		
Florida Fixed Income Trust		
FL FIT - Cash Pool (CP)	\$ 17,167,995	\$ 17,167,995
<u>General Fund - BCI</u>		
Florida Fixed Income Trust		
FL FIT - Cash Pool (CP)	5,797,789	5,797,789
	<u>\$ 22,965,784</u>	<u>\$ 22,965,784</u>
<u>Impact Fee Fund</u>		
Florida Fixed Income Trust		
FL FIT - Cash Pool (CP)	\$ 6,406,961	\$ 6,406,961
Total investments	<u>\$ 29,372,745</u>	<u>\$ 29,372,745</u>

NOTE C - INVESTMENTS, CONTINUED

District, continued

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.

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 fair value and strives to keep Net Asset 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.

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, 2023, the Cash Pool's investments consisted of the following: 48% with commercial paper; 23% with institutional money market deposits, qualified public deposits and short term bond funds; and 29% 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 but does not meet all such criteria and where the Fund meets the criteria to make GASB Statement No. 31 which requires the following disclosures 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

NOTE C - INVESTMENTS, CONTINUED

District, continued

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.

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 for the year ended September 30, 2023.

Liquidity Fees: Per the Administrator there are no liquidity fees for the year ended September 30, 2023.

Redemption Fees: As of September 30, 2023, 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 for the year ended September 30, 2023.

Foreign Currency Risk: Florida Fixed Income Trust (FL FIT) Cash Pool was not exposed to foreign currency risk for the year ended September 30, 2023.

Securities Lending: Florida Fixed Income Trust (FL FIT) Cash Pool did not participate in securities lending program during the period October 1, 2022 through September 30, 2023.

NOTE C - INVESTMENTS, CONTINUED

District, continued

Florida Fixed Income Trust (FL FIT) Cash Pool does provide separate audited financial statements for the year ended June 30, 2023.

At September 30, 2023, the District reported Florida Fixed Income Trust (FL FIT) Cash Pool investments of \$29,372,745. The Florida Fixed Income Trust (FL FIT) Cash Pool carried a credit rating of AAAs/S1 by Fitch Rating and had a dollar weighted average days to maturity (WAM) of 23 days at September 30, 2023. The Cash Pool 's current dollar weighted average days to maturity to final (WAL) was 94 days at September 30, 2023. The Cash Pool's duration is as follows: expected target duration 0-5 years, effective duration of .063 years. Rule 2a7 allows funds to use a constant of \$1.00 per share. The fund is not currently rated.

Firefighters' Pension Plan - Investments

Investments held in the Firefighters' Pension Trust Fund (the "Plan") totaled \$129,023,045 (including \$16,232,989 in cash and cash equivalents, \$6,567,411 in international mutual funds, \$76,084,439 in equity securities, \$18,293,444 in fixed income securities, and \$11,844,762 in real estate) at September 30, 2022. Such investments are administered in accordance with Firefighters' Pension Board policy. This policy provides for investments in cash and cash equivalents, money markets, mutual funds, equities, treasury notes, federal agency guaranteed securities, corporate bonds, notes and/or equities and real estate.

The Firefighters' Pension Trust Fund accounts for resources held to fund the respective firefighter employee pension benefits.

The Firefighters' Pension Trust Fund investments were held by a financial and investment institution and are subject to certain insurances up to limits specific to the trustee/custodian institution and retirement trust funds. These assets are subject to loss of principal.

Investment Authorization:

The Plan's investment policy is determined by the Plan's Board of Trustees. The policy has been designed by the Board to conduct the operations of the Plan in a manner so that the assets will provide the pension and other benefits provided under applicable laws. As such, the policy is designed by the Board to maximize the Plan's asset value, while assuming risk that is consistent with the Board's risk tolerance. The Trustees are authorized to acquire and retain every kind of property (real, personal or

NOTE C - INVESTMENTS, CONTINUED

Firefighters' Pension Plan - Investments, continued

Investment Authorization, continued:

mixed) and every kind of investment specifically including, but not by way of limitation, money markets, mutual funds, bonds, debentures, stocks (preferred or common) and other corporate obligations. Investments are carried at fair value and/or NAV at September 30, 2023. Interest and dividend revenues are recorded as earned. Purchases and sales of investments are recorded on the trade-date basis.

Unrealized gains and losses are presented as net appreciation (depreciation) in fair value of investments on the statement of changes in fiduciary net position along with gains and losses realized on sales of investments.

Given the inherent nature of investments, it is reasonably possible that changes in the value of those investments will occur in the near term and that such changes could materially affect the amounts reported (loss of principal).

Investment in all equity securities shall be limited to those listed on a major U.S. stock exchange and limited to no more than 80% (at market) of the Plan's total asset value. The equity position in any one company shall not exceed 5% of the Plan's total assets at market. Investments in stock of foreign companies shall be limited to 35% of the value of the Plan's total assets at market.

The fixed income portfolio shall be comprised of securities with a quality rating of investment grade or higher by a major rating service. Except for Treasury and Agency obligations, the debt portion of the Plan shall contain no more than 10% of a given issuer irrespective of the number of differing issues.

The current target allocation at September 30, 2023, of these investments at market is as follows:

<u>Authorized Investments</u>	<u>Investment Policy -Target Allocation %</u>	<u>Long Term Expected Real Rate Return %</u>
Domestic Equities	35-55%	7.5%
Fixed Income	10-40%	2.5%
Real Estate	0-15%	4.5%
International Equities	10-25%	8.5%
International Fixed Income	0-10%	3.5%
Global Tactical Asset/Infrastructure	0-15%	3.5%
Cash and Cash Equivalents	Minimal	Minimal

NOTE C - INVESTMENTS, CONTINUED

Firefighters' Pension Plan - Investments, continued

Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rates. As a means of limiting its exposure to interest rate risk, the Plan diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer with various durations of maturities.

Information about the sensitivity of the fair values of the Plan's fixed income investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investment by maturity at September 30, 2023:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
Corporate bonds	\$ 8,023,539	\$ 501,916	\$ 3,403,789	\$ 2,492,175	\$ 1,625,659
Mutual funds - Int'l	6,567,411	704,026	3,558,223	1,733,140	572,022
U.S. Agencies	7,029,443	-	15,801	43,702	6,969,940
U.S. Treasuries	3,240,462	-	1,716,338	-	1,524,124
	<u>\$ 24,860,855</u>	<u>\$ 1,205,942</u>	<u>\$ 8,694,151</u>	<u>\$ 4,269,017</u>	<u>\$ 10,691,745</u>

Credit Risk:

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Plan's investment policy utilizes portfolio diversification in an effort to mitigate this risk.

NOTE C - INVESTMENTS, CONTINUED

Firefighters' Pension Plan - Investments, continued

Credit Risk, continued:

The following table discloses credit rating by fixed income investment type at September 30, 2023, if applicable:

	Fair Value	Percentage of Portfolio
Quality rating of credit risk debt securities		
A	\$ 790,716	0.61%
A1	167,632	0.13%
A2	1,260,671	0.98%
A3	1,805,327	1.40%
AA	665,936	0.52%
Aa1	71,075	0.06%
Aa2	105,218	0.08%
Aa3	120,444	0.09%
AAA	7,402,111	5.74%
B	70,928	0.05%
Ba1	37,040	0.03%
Baa1	2,037,816	1.58%
Baa2	1,200,270	0.93%
Baa3	1,031,304	0.80%
BB	40,061	0.03%
BBB	1,182,791	0.92%
Unrated government securities*	<u>6,871,515</u>	<u>5.33%</u>
Total credit risk debt securities	<u>\$ 24,860,855</u>	<u>19.27%</u>

* Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not have purchase limitations.

Concentration of Credit Risk:

The investment policy of the Plan contains limitations on the amount that can be invested in any one equity issuer as well as maximum portfolio allocation percentages. As of September 30, 2023, investment in the following mutual funds represented more than 5% of the Plan's net position: Pimco Global Bonds Opps (5.1%), DFA International Value (7.1%), JP Morgan Equity Income Fund (8.6%), Vanguard 500 Index Funds (15.6%) and American Europacific Growth Funds (6.8%). As of September 30, 2023, investment in the following real estate fund represented more than 5% of the Plan's net position: U.S. Real Estate Investment Fund, LLC (9.2%). In addition, the Plan contains limitations on the amount that can be invested in any one

NOTE C - INVESTMENTS, CONTINUED

Firefighters' Pension Plan - Investments, continued

Concentration of Credit Risk, continued:

debt issuer, except for the debt securities issued by the U.S. Government. The Investment policy limits the foreign investments to no more than 35% of the Plan's investment balance. As of September 30, 2023, the foreign investments were 21% of total investments.

Custodial Credit Risk:

This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name.

Foreign Currency Risk:

This is the risk that fluctuations in currency exchange rate may affect transactions conducted in currencies other than U.S. Dollars and the carrying value of foreign investments. The Plan's primary exposure to foreign currency risk is derived from its direct investments in international equity and fixed income mutual funds. The Plan owns shares in international equity and international bond funds. In accordance with the Plan's investment policy statement, the US equity and fixed income separate account managers may invest in individual securities designated as foreign as part of the normal course of the investment process. The individual foreign securities may be American Depository Receipts, or NYSE common stock, both transacted in US dollars, or foreign ordinary securities transacted in foreign currency. The investment policy limits the foreign investments to no more than 35% of the Plan's investment balance in equities and no more than 10% in fixed income. As of September 30, 2023, the Plan's exposure to foreign currency risk related to foreign equity funds and bonds is approximately 21% of the portfolio.

NOTE C - INVESTMENTS, CONTINUED

Firefighters' Pension Plan - Investments, continued

Fair Value Measurements:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan categorizes its fair value measurements within the fair value hierarchy as established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market as follows:

Level 1 - Inputs to the valuation methodology are based upon quoted prices for identical assets in active markets.

Level 2 - Inputs to the valuation methodology are based upon observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

Level 3 - Inputs to the valuation methodology are based upon unobservable inputs.

Following is a description of the valuation methodologies used for asset measured at fair value.

Common stock: Valued at the closing price reported on the New York Stock Exchange.

Government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

Mutual funds: Valued at the daily closing price as reported by the Plan. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such

NOTE C - INVESTMENTS, CONTINUED

Firefighters' Pension Plan - Investments, continued

Fair Value Measurements, continued:

as current yield of similar instruments, but included adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

Real estate: Valued at the net asset value of shares held by the Plan at year end. The Plan has investments in private market real estate investments for which no liquid public market exists.

Money market funds: Valued at the floating net asset value (NAV) of shares held by the Plan at year end.

The following table presents the Plan's fair value hierarchy for investments at fair value as of September 30, 2023:

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by fair value level</u>				
Equity securities:				
Common stocks	\$ 24,683,099	\$ 24,683,099	\$ -	\$ -
Foreign stocks	2,239,013	2,239,013	-	-
Domestic equity mutual funds	31,122,774	-	31,122,774	-
International equity mutual funds	18,039,553	-	18,039,553	-
REIT	-	-	-	-
Total equity securities	<u>76,084,439</u>	<u>26,922,112</u>	<u>49,162,327</u>	<u>-</u>
Debt securities				
U.S. treasury securities	3,240,462	3,240,462	-	-
U.S. agency securities	7,029,443	-	7,029,443	-
Corporate bonds	8,023,539	-	8,023,539	-
Fixed income mutual funds -int'l	<u>6,567,411</u>	<u>-</u>	<u>6,567,411</u>	<u>-</u>
Total debt securities	<u>24,860,855</u>	<u>3,240,462</u>	<u>21,620,393</u>	<u>-</u>
Total investments by fair value	100,945,294	<u>\$ 30,162,574</u>	<u>\$ 70,782,720</u>	<u>\$ -</u>
<u>Investments measured at the net asset value (NAV)</u> *				
Real estate fund	11,844,762			
Money market funds (exempt)	<u>16,232,989</u>			
Total investments	<u>\$ 129,023,045</u>			

* As required by GAAP, certain investments have not been classified in the fair value hierarchy. The fair value amounts presented in the previous table are intended to permit reconciliation for the fair value hierarchy to the total investment line item in the Statement of Fiduciary Net Position.

NOTE C - INVESTMENTS, CONTINUED

Firefighters' Pension Plan - Investments, continued

Fair Value Measurements, continued:

The following table summarizes investment for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions:

Investments measured at the NAV

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Currently Eligible)</u>	<u>Redemption Notice Period</u>
Real estate fund	\$ 11,844,762	\$ -	Quarterly	90 Days

Real estate fund: The fund is an open-ended real estate investment fund investing primarily in core institutional office, retail, industrial, and multi-family properties located throughout the United States. The investment is valued at NAV and its redemption must be received by the fund 90 days prior to quarter end.

NOTE D - DUE TO/FROM OTHER FUNDS

Interfund receivables and payables at September 30, 2023, are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund:		
Impact Fee Fund	\$ -	\$ -
Inspection Fee Fund	18,930	51,720
Total General Fund	<u>18,930</u>	<u>51,720</u>
Special Revenue Funds:		
Impact Fee Fund		
General Fund	-	-
Inspection Fee fund	-	18,930
Inspection Fee Fund		
General Fund	51,720	-
Impact Fee Fund	-	-
Total Special Revenue Funds	<u>51,720</u>	<u>18,930</u>
Total	<u>\$ 70,650</u>	<u>\$ 70,650</u>

Interfund receivables and payables were eliminated for presentation purposes in the Statement of Net Position at September 30, 2023.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE E - LEASES RECEIVABLE

The District entered into operating lease agreements to lease certain buildings and land owned by the District. The lease agreements qualify as other than short-term leases under GASB Statement No. 87 and, therefore, this District has implemented GASB Statement No. 87. As such, these lease agreements have been recorded at the present value of the future minimum lease payments as of the date of their inception. The leases receivable are measured at discount rates ranging from 1.48% to 3.52%.

The future minimum lease rental income as of September 30, 2023 is as follows:

Years Ending September 30	Lease Receivable	Interest	Total
2024	\$ 49,518	\$ 57,554	\$ 107,072
2025	52,522	56,602	109,124
2026	55,741	55,579	111,320
2027	44,625	54,567	99,192
2028	47,085	53,593	100,678
2029-2033	252,658	251,358	504,016
2034-2038	319,845	218,360	538,205
2039-2043	456,585	171,302	627,887
2044-2048	426,563	109,440	536,003
2049-2053	263,256	75,226	338,482
2054-2058	362,541	43,637	406,178
2059-2061	231,220	6,543	237,763
	<u>\$ 2,562,159</u>	<u>\$ 1,153,761</u>	<u>\$ 3,715,920</u>

Lease income recognized during the year ended September 30, 2023 was \$110,870.

The current year lease revenue (and actual payments received) was \$105,084 for the year ended September 30, 2023, including interest income of \$58,441.

The unamortized lease deferred inflow balance was \$2,465,835 at September 30, 2023 and the remaining lease receivable (ROU) was \$2,562,159 at September 30, 2023. The amortization of the lease receivable for the year ended September 30, 2023 was \$110,870.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE F - CAPITAL ASSETS ACTIVITY

The following is a summary of changes in capital assets activity for the year ended September 30, 2023:

	Balance October 1 2022	Increases/ Additions	Decreases/ Retirements	Adjustments/ Reclassifications	Balance September 30 2023
Capital Assets Not Being Depreciated:					
Land	\$ 12,823,117	\$ -	\$ -	\$ -	\$ 12,823,117
Construction in progress	1,300,898	-	-	-	1,300,898
Equipment in Transit	<u>1,044,014</u>	<u>1,188,300</u>	<u>-</u>	<u>(1,044,014)</u>	<u>1,188,300</u>
Total Capital Assets Not Being Depreciated	<u>15,168,029</u>	<u>1,188,300</u>	<u>-</u>	<u>(1,044,014)</u>	<u>15,312,315</u>
Capital Assets Being Depreciated:					
Assets held under financing lease	5,299,522	-	(33,655)	-	5,265,867
Buildings	21,885,893	1,233,155	-	14,205	23,133,253
Office equipment	1,407,175	39,775	(35,322)	-	1,411,628
Vehicles	9,271,898	738,508	(692,147)	1,029,809	10,348,068
Equipment & machinery	<u>3,570,231</u>	<u>416,560</u>	<u>(385,729)</u>	<u>-</u>	<u>3,601,062</u>
Total Capital Assets Being Depreciated	<u>41,434,719</u>	<u>2,427,998</u>	<u>(1,146,853)</u>	<u>1,044,014</u>	<u>43,759,878</u>
Less Accumulated Depreciation:					
Assets held under financing lease	(2,425,762)	(605,527)	32,374	-	(2,998,915)
Buildings	(10,826,776)	(835,380)	-	-	(11,662,156)
Office equipment	(1,125,182)	(81,765)	32,179	-	(1,174,768)
Vehicles	(7,623,830)	(456,319)	603,974	-	(7,476,175)
Equipment & machinery	<u>(2,386,510)</u>	<u>(262,132)</u>	<u>385,729</u>	<u>-</u>	<u>(2,262,913)</u>
Total Accumulated Depreciation	<u>(24,388,060)</u>	<u>(2,241,123)</u>	<u>1,054,256</u>	<u>-</u>	<u>(25,574,927)</u>
Total Capital Assets being Depreciated, Net	<u>17,046,659</u>	<u>186,875</u>	<u>(92,597)</u>	<u>1,044,014</u>	<u>18,184,951</u>
Capital Assets, Net	<u>\$ 32,214,688</u>	<u>\$ 1,375,175</u>	<u>\$ (92,597)</u>	<u>\$ -</u>	<u>33,497,266</u>
				Related Debt	<u>(2,923,542)</u>
				Net investment in capital assets	<u>\$ 30,573,724</u>

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE F - CAPITAL ASSETS ACTIVITY, CONTINUED

Depreciation expense was charged to the following functions during the year ended September 30, 2023:

	<u>Amount</u>
General Government	
Total Depreciation Expense	<u>\$2,241,123</u>

The District has financing assets held under financing leases with a total cost of \$5,265,867 at September 30, 2023. The financing assets held under financing lease has accumulated depreciation of \$2,998,915 and depreciation expense of \$605,527 (included in total depreciation expense) for the year ended September 30, 2023.

NOTE G - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended September 30, 2023:

	Balance October 1 2022	Additions	Retirements and Adjustments	Balance September 30 2023	Amounts Due Within One Year
Net OPEB Liability	\$ 11,036,142	\$ 329,768	\$ -	\$ 11,365,910	\$ -
Net Pension Liability - FRS	6,529,292	-	(182,036)	6,347,256	-
Net Pension Liability - HIS	1,434,265	567,209	-	2,001,474	-
Net Pension Liability - FPT	28,024,944	-	(2,026,830)	25,998,114	-
Financing Leases	2,387,097	1,188,300	(651,855)	2,923,542	884,578
Note Payable - Station	57,500	-	(57,500)	-	-
Compensated Absences	2,280,129	736,713	-	3,016,842	-
	<u>\$ 51,749,369</u>	<u>\$ 2,821,990</u>	<u>\$ (2,918,221)</u>	<u>\$ 51,653,138</u>	<u>\$ 884,578</u>

The following is a summary of long-term obligations at September 30, 2023:

	<u>Amount</u>
Net OPEB liability - actuarially determined - GASB No. 75	\$ 11,365,910
Net pension liability - FRS pension plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	6,347,256
Net pension liability - HIS plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	2,001,474
Net pension liability - Firefighters' Pension Trust (FPT) plan. This amount is actuarially determined through calculation based upon the audited financial statements of the FPT Plan.	25,998,114

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE G - LONG-TERM OBLIGATIONS, CONTINUED

	<u>Amount</u>
\$1,106,574 financing lease payable dated December 28, 2020, for heart monitor equipment to a financial institution over a 60 month period beginning December 28, 2020 and ending December 28, 2025, in equal monthly payments of \$22,543 at 1.9%. The lease is collateralized by the respective equipment.	510,976
\$445,486 financing lease payable dated May 20, 2019, for radio equipment to a financial institution over a 7 year period ending June 1, 2026, in equal annual payments of \$77,900 at a 5.2% fixed interest rate. The lease is collateralized by the respective equipment.	210,854
\$207,812 financing lease payable dated December 12, 2019, for six staff vehicles to a financial institution over a 5 year period ending December 31, 2024, in equal monthly payments of \$3,918 at a 5.14% fixed interest rate. The lease is collateralized by the respective equipment.	53,132
\$2,546,268 financing lease payable dated January 15, 2016, for one (1) ladder truck and three (3) pumper trucks payable to a financial institution in ten (10) annual payments of \$295,233 ending December 14, 2025, including interest at 2.822%. The lease is collateralized by the respective trucks.	837,963
\$183,476 financing lease payable dated April 6, 2022, with principal payments beginning November, 2022, for a video conference / communications system payable to a financial institution in three (3) annual payments of \$61,159 ending November 6, 2024, including interest at 0%. The lease is collateralized by the respective equipment.	122,317
\$1,150,000 note payable dated January 15, 2003, for BCI Station to a financial institution over a 20 year period ending November 1, 2022, in equal annual principal payments on November 1 of \$57,500 plus accrued interest at a variable rate of 120% of the 5 year treasury rate. The note was paid in full during the year ended September 30, 2023.	-
\$1,188,300 financing lease payable dated November 15, 2022, for an aerial truck to a financial institution over a 5 year period ending November 15, 2027, in equal annual payments of \$273,838 including interest at 4.92% fixed interest rate. The lease is collateralized by the respective aerial truck.	1,188,300
Non-current portion of compensated absences. Employees of the District are entitled to paid vacation based on length of service and job classification. (Combined SDA)	<u>3,016,842</u>
	51,653,138
Less Current Portion	<u>(884,578)</u>
Long-Term Portion	<u>\$ 50,768,560</u>

The annual debt service requirements at September 30, 2023, were as follows:

Years Ending	Financing	Financing	Financing	Financing	Financing	Financing	Total
September 30	Leases Payable	Leases Payable	Leases Payable	Leases Payable	Leases Payable	Leases Payable	Principal
	<u>Principal (1)</u>	<u>Principal (1)</u>	<u>Principal (1)</u>	<u>Principal (1)</u>	<u>Principal (1)</u>	<u>Principal (1)</u>	
2024	\$ 224,408	\$ 66,671	\$ 45,346	\$ 271,585	\$ 61,159	\$ 215,409	\$ 884,578
2025	228,709	70,221	7,786	279,249	61,158	226,001	873,124
2026	57,859	73,962	-	287,129	-	237,113	656,063
2027	-	-	-	-	-	248,772	248,772
2028	-	-	-	-	-	261,005	261,005
	<u>\$ 510,976</u>	<u>\$ 210,854</u>	<u>\$ 53,132</u>	<u>\$ 837,963</u>	<u>\$ 122,317</u>	<u>\$ 1,188,300</u>	2,923,542
							11,365,910
							6,347,256
							2,001,474
							25,998,114
							<u>3,016,842</u>
							<u>\$ 51,653,138</u>

(1) Debt service paid through General Fund

(2) Debt service paid through Impact Fee Fund

Interest expense for the year ended September 30, 2023, was \$63,590 including interest expense on financing leases of \$51,881.

NOTE H - RETIREMENT PLANS

The following three retirement plans have been established by the District:

- Plan 1 - Florida Retirement System (FRS) including HIS
- Plan 2 - Firefighters' Pension Trust Fund (Florida Statute 175)
- Plan 3 - 401(a) Plan

Employee participation in a specific plan is based on the respective employee's original hire date.

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 except those already participating in Plan 2. 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, 2023, is available from the Florida Department of Management Services' Website (www.dms.myflorida.com).

NOTE H - RETIREMENT PLANS, CONTINUED

General Information about the Florida Retirement System, continued

The District's total FRS and HIS pension expense (credit) was \$1,131,772 for the year ended September 30, 2023, and is recorded in the government-wide financial statements. Total District actual FRS and HIS retirement contribution expenditures were \$982,522, \$879,863 and \$899,337 for the years ended September 30, 2023, 2022 and 2021, respectively. The District contributed 100% of the required contributions.

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 and 6 years of service 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 8 years of service 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 with 8 years of service or at any age after 30 years of service. However, effective July 1, 2023, for special risk who enrolled on or after July 1, 2011, normal retirement date changed to the earlier of 25 years of creditable service or age 55. Members of both Plans (Pension may include up to 4 years of credit for military service toward creditable service.)

NOTE H - RETIREMENT PLANS, CONTINUED

FRS Pension Plan, continued

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 may elect to participate in DROP within twelve months of reaching normal retirement date for a period not to exceed 60 months after electing to participate. Effective July 1, 2023, an employee may participate in DROP for a period not to exceed 96 months (8 years) after electing to participate except for certain instructional personnel who can participate for 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS trust fund and accrue interest. Interest accrues at 4% on DROP accumulation held on or after July 1, 2023, and at 1.3% prior. The net position liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits. The restricted 12 month election window was removed. Participants may elect to enter DROP at anytime after becoming fully vested and reaching normal retirement age. 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:

**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2023**

NOTE H - RETIREMENT PLANS, CONTINUED

FRS Pension Plan, continued

<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

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, 2023 were as follows:

<u>Class</u>	<u>Percent of Gross Salary*</u>		
	<u>Employee</u>	<u>Employer (1)</u>	<u>Employer (3)</u>
Florida Retirement System, Regular	3.00	11.91	13.57
Florida Retirement System, Senior Management Service	3.00	31.57	34.52
Florida Retirement System, Special Risk	3.00	27.83	32.67
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	18.60	21.13
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	57.00	58.68

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE H - RETIREMENT PLANS, CONTINUED

FRS Pension Plan, continued

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 7/1/22 - 6/30/23.
- (2) Contribution rates are dependent upon retirement class in which reemployed.
- (3) Employer rates include 2.0 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 7/1/23 - 6/30/24.

* As defined by the Plan.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension Plan. At September 30, 2023, the District reported an FRS pension liability of \$6,347,256 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At September 30, 2023, the District's proportionate share was .015929135 percent, which was a decrease of .001618935 percent from its proportionate share measure as of September 30, 2022.

For the year ended September 30, 2023, the District recognized FRS pension expense (credit) of \$1,063,866. 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	\$ 595,953	\$ -
Change of assumptions	413,766	-
Net difference between projected and actual earnings on pension plan investments	265,079	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	1,764,881
District contributions subsequent to the measurement date	206,881	-
Total	\$ 1,481,679	\$ 1,764,881

NOTE H - RETIREMENT PLANS, CONTINUED

FRS Pension Plan, continued

The deferred outflows of resources related to the FRS pension, totaling \$206,881 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, 2024. 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 5.3 years as follows:

<u>Fiscal Years Ending September 30</u>	<u>Amount</u>
2024	\$ (109,348)
2025	(109,348)
2026	(109,348)
2027	(109,349)
2028	(175,618)
Thereafter	<u>122,928</u>
Total	<u>\$ (490,083)</u>

Actuarial Assumptions. The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2023
Measurement date	June 30, 2023
Inflation	2.40 percent
Real payroll growth	0.85 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.70 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, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE H - RETIREMENT PLANS, 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	1.0%	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 (property)	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	<u>3.8%</u>	6.3%	6.1%	7.7%
Total	<u>100.0%</u>			
Assumed inflation - Mean			2.4%	1.4%

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

Money-weighted Rate of Return. The annual money-weighted rate of return on FRS Pension Plan investments for the year ended June 30, 2023 was 7.58%.

Discount Rate. The discount rate used to measure the total pension liability was 6.70 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 PLANS, 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 6.70 percent which was reduced from 6.80%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.70 percent) or 1-percentage-point higher (7.70 percent) than the current rate:

	1% Decrease <u>(5.70%)</u>	Current Discount Rate <u>(6.70%)</u>	1% Increase <u>(7.70%)</u>
District's proportionate share of the net pension liability	<u>\$ 10,842,406</u>	<u>\$ 6,347,256</u>	<u>\$ 2,586,525</u>

Pension Plan Fiduciary Net Position. Detailed information about the 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, 2023.

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, 2023, the District reported a payable of \$33,983 for the outstanding amount of contributions in the Pension Plan.

NOTE H - RETIREMENT PLANS, CONTINUED

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, 2022, 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. Subsequent to July 1, 2023, eligible retirees and beneficiaries receive \$7.50 for each year of service monthly. Maximum benefit is \$225 per month or \$2,700 annually. 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. Prior to July 1, 2023, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. Subsequent to July 1, 2023, the rate was 2.00%. 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, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the HIS Plan. At September 30, 2023, the District reported a HIS liability of \$2,001,474 for its proportionate share of the net HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability was used to calculate the net pension liability determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net HIS liability was based on the District's 2022-23 fiscal

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE H - RETIREMENT PLANS, CONTINUED

HIS Plan, continued

year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At September 30, 2023, the District's proportionate share was .012602682 percent, which was a decrease of .000938854 percent from its proportionate share measured as of September 30, 2022.

For the fiscal year ended September 30, 2023, the District recognized HIS expense (credit) of \$67,906. 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	\$ 29,300	\$ 4,698
Change of assumptions	52,617	173,434
Net difference between projected and actual earnings on HIS pension plan investments	1,034	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	2,649	374,508
District contributions subsequent to the measurement date	<u>24,059</u>	<u>-</u>
Total	<u>\$ 109,659</u>	<u>\$ 552,640</u>

The deferred outflows of resources related to HIS, totaling \$24,059 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, 2024. 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 6.3 years as follows:

<u>Fiscal Years Ending September 30</u>	<u>Amount</u>
2024	\$ (88,056)
2025	(88,056)
2026	(88,056)
2027	(88,058)
2028	(88,315)
Thereafter	<u>(26,499)</u>
Total	<u>\$ (467,040)</u>

NOTE H - RETIREMENT PLANS, CONTINUED

HIS Plan, continued

Actuarial Assumptions. The total pension liability in the July 1, 2022, 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	3.65 percent
Actuarial 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 increased from 3.54 % to 3.65%. 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 3.65 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 (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
District's proportionate share of the net HIS liability	<u>\$ 2,283,368</u>	<u>\$ 2,001,474</u>	<u>\$ 1,767,802</u>

NOTE H - RETIREMENT PLANS, CONTINUED

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 Annual Comprehensive Financial Report (FRS "ACFR") dated June 30, 2023.

The FRS ACFR 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, 2023, the District reported a payable of \$2,169 for the outstanding amount of contributions to the HIS plan.

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 PLANS, 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 2022-23 fiscal year were as follows:

Class	Percent of Gross Salary*		
	Employee	Employer (1)	Employer (3)
Florida Retirement System, Regular	3.00	6.3	11.91
Florida Retirement System, Senior Management Service	3.00	7.67	31.57
Florida Retirement System, Special Risk	3.00	14.0	27.83
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	11.34	57.00

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 7/1/22 - 6/30/23.
- (2) Contribution rates are dependent upon retirement class in which reemployed.
- (3) Employer rates include 2.0 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 7/1/23 - 6/30/24.

* As defined by the Plan.

Effective July 1, 2023, employer contribution rates increased by 2% in all membership classes.

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, 2023, 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 PLANS, 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 included within the FRS expense totaled \$165,428 for the year ended September 30, 2023.

Payables to the Investment Plan. At September 30, 2023, the District reported a payable of \$0 for the outstanding amount of contributions to the Plan.

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund

The following brief description of the North Collier Fire Control and Rescue District Firefighters' Pension Plan (originally known as the North Naples Firefighters' Pension Plan) (the "Plan") is provided for general information purposes only. The Plan's name changed effective January 1, 2015, with the District's merger. Participants should refer to the Plan agreement for a more complete description of the Plan. On July 11, 1996, under the authority of Florida Statute 175 and Laws of Florida, Chapter 95-338, the District's Board of Commissioners passed Resolutions 96-004 and 96-005, providing for the establishment and funding of a single employer defined benefit retirement plan and trust for newly hired fire suppression personnel effective January 1, 1996. The resolutions establish that certified firefighters hired on or after January 1, 1996, are to become participants in the District's Firefighters' Pension Trust (FPT) Fund. The Plan is totally administered, including all investment management, by a third party administrator and the Plan's appointed 5 member Pension Board of Trustees.

Effective October 1, 2011, employee participants were required to contribute 3% (similar to FRS) of compensation (an increase from .5% of compensation) per Resolution 11-031. Effective January 1, 2019, employee participants are required to contribute 8.48% of their compensation to the Plan. Effective January 26, 2023, Resolution 23-002 was adopted, which implemented an increase in the benefit multiplier and a decrease in member contribution rate to 7.48%.

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund,
continued

Effective January 1, 2015, employees of the Big Corkscrew Island (BCI) Fire District merged with those of North Naples Fire District. As such, five employees of BCI joined Plan 2, the Firefighters' Pension Trust Fund.

During the year ended September 30, 2015, the District adopted Governmental Accounting Standards Board Statement No. 68 "Accounting and Financial Reporting for Pensions" (GASB 68). As such, the Plan's beginning net position was restated and the net pension liability was recorded in the government-wide financial statements.

During the years ended September 30, 2023, 2022, and 2021 there were employee contributions in the amount of \$1,439,939, \$1,356,739 and \$1,342,040, respectively, to the Plan. The employer contributed 100% of its required contributions.

The Plan provides for full-time firefighting personnel to become eligible to participate in the Plan immediately upon hire. Under District resolution 96-005, the District elected to pay the 0.5% (1% prior to December 9, 2004) employee required contribution on behalf of the employee. Effective December 9, 2004, the employee contribution was reduced to 0.5% (employee pick up). Effective July 1, 2001 (per resolution 01-01), benefits under the Plan vest after six years of creditable service. Employees who elect normal retirement at or after age 55 with 6 years of creditable service, or 25 years of service regardless of age, are entitled to a retirement benefit. Members hired after December 31, 2014, normal retirement is the earlier of age 55 and 10 years of service or 25 years of service regardless of age. Effective October 1, 2011, required employee contributions increased to 3% of compensation. Effective January 26, 2023, Resolution 23-002 was adopted, which implemented an increase in the benefit multiplier and a decrease in the member contribution rate to 7.48%. Employees may elect early retirement after 6 years of creditable service with a reduction in benefit for each year before normal retirement. The Plan also includes certain disability and death benefits.

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

Contributions - Contributions to the Plan are derived from three sources: the Plan's participants are required to contribute to the Plan in the amount of 3% of their covered wages and pursuant to resolution 11-031 the District has elected to increase the affected employees' salary by 0.5% (employer pick-up), State funds (fire [hazard] insurance premium excise tax per Florida Statute Chapter 175) and employer (remaining amount necessary to meet actuarial requirement). For the period from January 1, 1996 through September 30, 1996, no employer contributions were required. Employer contributions were required beginning October 1, 1996. The State contributions under Chapter 175 began in June 1997. This revenue is based on property hazard insurance premium excise tax paid within the District and is applied up to an approved "frozen" limit of \$1,746,716. The District (employer) is required to fund the difference each year between the total contributions from all other sources for the year and the total cost for the year pursuant to the most recent actuarial valuation of the Plan. The total cost for any year equals total normal cost plus the additional amounts sufficient to amortize the unfunded past service liability over a 30 year period commencing the first year of the Plan's inception.

Effective January 1, 2019, Resolution 18-031 was adopted, which implemented an increase in the benefit multiplier to 3.53% for all years of service for all active members and an increase in the member contribution rate to 8.48% (3.0% prior to January 1, 2019). The District shall pay 0.5% of the member contributions. Effective January 26, 2023, Resolution 23-002 was adopted, which implemented a decrease in the member contribution rate to 7.48%.

Pursuant to Florida law, the District is ultimately responsible for making sure the Plan remains actuarially sound. Therefore, each year, the District must contribute an amount determined by the Board in conjunction with their actuary to be sufficient, along with the participant's contribution and the State contribution, to fund the benefits under the Plan. The employer's contribution will vary from year to year.

Pursuant to Chapter 175, Florida Statutes, the District imposed a 1.85% excise tax on property hazard insurance premiums paid to insure real or personal property within the District. The proceeds of this tax are contributed to this Plan as are the District's contribution.

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

Pursuant to the actuarial study dated October 1, 2021 for the year ended September 30, 2023, the District's contribution (District only) requirement was 31.20% of the actuarially determined covered payroll. Actual District contributions to the Plan for the years ended September 30, 2023, 2022 and 2021, were \$4,369,709, \$3,706,614 and \$3,606,617 (includes cash of \$3,334,201 and application of unearned revenue of \$272,416), respectively. The State contributions (excise tax) for the years ended September 30, 2023, 2022 and 2021 were \$2,622,080, \$2,181,362 and \$1,891,478, respectively. Employees contributed (3% prior to January 1, 2019 and 8.48% after December 31, 2018. Effective January 26, 2023, Resolution 23-002 was adopted, which implemented a decrease in the member contribution rate to 7.48%.) \$1,439,939, \$1,356,739 and \$1,342,040 to the Plan for the years ended September 30, 2023, 2022 and 2021, respectively. At September 30, 2023, the Plan's total net position was restricted for retiree benefits.

Payables to the Pension Plan. At September 30, 2023, the District reported a payable of \$462,248 for the outstanding amount of contributions payable to the pension plan.

Pension Benefits - Effective July 1, 2001, employees with 6 or more years of service are entitled to monthly pension benefits, beginning at the earlier of age 55 with 6 years of credited service or 25 years credited service regardless of age. Members hired after December 31, 2014, normal retirement is the earlier age of 55 and 10 years of service or 25 years regardless of age. Benefit is equal to 3.53% of their average final compensation (AFC) times credited service prior to October 1, 2013, plus 3% of average final compensation times credited service on and after October 1, 2013. Effective January 1, 2021, the multiplier increased to 3.53% for all years for all participants. AFC means the average of the highest five (5) years within the last ten (10) years of service. Maximum benefit is 100% of AFC. The Plan permits early retirement with 6 years (10 years prior to July 2, 2001) of credited service. Members hired after December 31, 2014, must have 10 years of credited service to qualify for early retirement. Employees may elect to receive their pension benefits in the form of a 10 year certain and life annuity. If employees terminate before rendering 10 years of credited service, they forfeit the right to receive the portion of their accumulated Plan benefits.

All retirement benefits are annually increased for cost of living at 3%.

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund,
continued

Death and Disability Benefits - Upon the death of any vested member, whether or not still in active employment, a survivor benefit is payable to the beneficiary starting when the member would have reached retirement age. The benefit is equal to the vested pension benefit and is payable for 10 years. The Minimum line of duty death benefit is 50% of the participant's salary, which is payable either to the participant's spouse or minor children. This line of duty death benefit is payable to the spouse for life, or to age 18 for the children.

Effective July 1, 2019, and in accordance with Chapter 2019-21, Laws of Florida, the Plan must consider a firefighter to have died in the line of duty if he or she dies as a result of cancer or circumstances that arise out of the treatment of cancer.

Employees who become totally disabled receive the greater of the accrued pension benefit or 25% of AFC, if non-service incurred, or 42% of AFC, if active service incurred. Effective December 9, 2004, the active service related benefit was increased to 65%.

Effective July 1, 2019, and in accordance with Chapter 2019-21, Laws of Florida, the Plan must consider a firefighter totally and permanently disabled in the line of duty if he or she meets the Plan's definition of totally and permanently disabled due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer.

Supplemental Benefits - Effective December 31, 2004, each service and disability retiree and their joint pensioners or beneficiaries and vested terminated members shall receive a supplemental payment to be used as a health insurance subsidy payment. The amount shall be five dollars (\$5) for each full year of credited service for life. The maximum monthly supplement is one hundred fifty dollars (\$150) and the minimum thirty dollars (\$30).

DROP - Effective December 12, 2013, Resolution 13-034 was adopted, which established a Deferred Retirement Option Plan ("DROP"). An "eligible participant" of the pension plan, which is defined as an individual currently on full-time work status, may elect to participate in the DROP on the first day of the month coincident with or

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

next following either, attainment of age fifty-five (55) and the completion of ten (10) years of credited service, or the completion of twenty-five (25) years of credited service, which date shall constitute the "initial date of eligibility". An eligible participant electing to participate in DROP must complete and execute such forms as may be required by the District and supplied by the Board of Trustees not less than thirty (30) days prior to entering the DROP. The forms shall include, but not limited to, an irrevocable letter of resignation effective no later than the conclusion of the maximum period of DROP participation. Election into the DROP is irrevocable provided there shall be no minimum period of participation; however in the event of a voluntary termination prior to the maximum period, any DROP participant termination prior to such maximum DROP period shall submit a written notice at least thirty (30) days prior to such early termination of DROP participation.

An eligible participant may elect to participate in the DROP only once. After commencement of participation in DROP, a participant shall no longer earn, accrue or purchase additional service credits towards retirement benefits or later enhancements to the firefighters' pension plan.

Upon the effective date of an eligible participant's participation in DROP, all contributions by and on behalf of the participant to the plan shall be discontinued. For all plan purposes, service and vesting credits of an eligible participant electing DROP shall be fixed as of the effective date of commencement of DROP participation. Any services as a firefighter after entry into DROP shall not be used for calculation or determination of benefits payable by the pension plan. The average final compensation of a participant, as defined in this plan shall be determined as of the effective date of commencement of DROP participation and other subsequent earnings shall not be used for calculation or determination of benefits payable by the pension plan.

Income Recognition - Interest income is recorded on the accrual basis. Investments are reported at market value. Short-term investments are reported at cost, which approximates market value.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' age at entry to the Plan and are based upon the current starting salary for firefighters at entry level. Benefits payable under all circumstances, retirement, death, disability and termination of employment, are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of October 1, 2021 were (a) life expectancy of participants - MP 2018 (combined healthy, sex distinct) Mortality Table was used, (b) retirement age assumptions (the assumed average retirement age was 55), (c) annual investment return of 7.0% (net of fees) and (d) the rate of inflation at 2.5%. The actuarial valuation reflected assumed average rates of return of 7.0% (net of fees). The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan terminated, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actual money-weighted rate of return on Plan assets was 9.07%.

Payment of Benefits - Benefit payments to participants are recorded upon distribution. The District contributed 100% of the required contributions. A summary of certain Plan details and trend information is included below.

A copy of the Plan and Plan audit as of and for September 30, 2023, can be obtained by writing to the District at 1885 Veterans Park Drive, Naples, Florida 34109-0492, or by calling (239) 597-3222.

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

The following is a summary of the Single-Employer Defined Benefit Pension Plan (Florida Statutes Chapter #175), including funding policies, contribution methods, benefit provisions and trend information:

	Firefighters' Pension Trust Fund - Plan 2
Year established and governing authority	District Resolution 96- 004 (July 11, 1996)
Governing body	Board of Trustees of Plan
Determination of contribution requirements:	Actuarially determined
Employer (District)	Amount required in excess of Member and applicable State contributions needed in order to pay current costs and amortize any unfunded past service cost over 30 years
Plan members	3.0% of covered payroll - prior to 1/1/19 8.48% of covered payroll - after 12/31/18 7.48% of covered payroll - after 1/25/23
Funding of administrative costs:	Employer
Period required to vest	10 years
Annual salary increase	Graduated Scale based on Credited Service (see below)
Post retirement benefit increase	Cost of living increase of 3% each year
Eligibility for distribution (Normal retirement)	Earlier of 55 with 10 years of credited service or 25 years credited service regardless of age
Provisions for:	
Disability benefits	Yes
Death benefits	Yes
Early retirement	Yes
Assumed inflation	2.5%
Actuarial assumption/method changes since prior valuation:	
Actuarial Cost Method	Entry Age Normal actuarial cost method
Amortization Method	New UAAL - amortized over 15 years
Remaining Amortization Period	15 years (as of 10/1/22)
Net-of-Fees Investment Return	7.00%
Annual Salary Increase	Service based
Actuarial valuation date	October 1, 2022
Measurement date	September 30, 2023

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

Net Pension Liability of the Fund - The components of the actuarially determined net pension liability of the District at September 30, 2023 were as follows:

	<u>Amount</u>
Total pension liability	\$ 154,909,381
Plan fiduciary net position	<u>(128,911,267)</u>
District's net pension liability	<u>\$ 25,998,114</u>
Plan fiduciary net position as a percentage of the total pension liability	83.22%

The total pension liability was determined by an actuarial valuation as of October 1, 2022 and rolled forward to the measurement date of September 30, 2023 using certain actuarial assumptions, the most significant of which were 7.0 percent for the investment rate of return (net of fees), projected salary increases are service based and 2.5 percent for inflation.

Mortality rates were based on the MP-2018 Combined Healthy Mortality Table. Disabled lives are set forward two years for females and set back four years for males.

The Plan's policy with regards to the allocation of invested assets is established and may be amended by the Pension Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The investment policy was last amended in April 2020. The following table summarizes the Board's adopted allocation policy and the long-term expected real rates of return for each major asset class:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Actual Allocation</u>	<u>Long-Term Expected Real Rate of Return*</u>
Domestic equities	45%	43.30%	7.5%
International equities	15%	15.80%	8.5%
Broad market fixed income	15%	14.20%	2.5%
Global international fixed income	5%	5.00%	3.5%
Global tactical asset allocation	10%	0.00%	3.5%
Real estate	10%	9.10%	4.5%
Cash and cash equivalents	<u>minimal</u>	<u>12.60%</u>	not available
* annual arithmetic return	<u>100%</u>	<u>100%</u>	

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

The long-term expected rate of return on Plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that plan participant contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the participant rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan participants. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Rate of Return Sensitivity. The sensitivity of the net pension liability to changes in the discount rate was measured as follows. The net pension liability of the District was calculated using the discount rate of 7.0 percent. It was also calculated using a discount rate that was 1-percentage-point lower (6.0 percent) and 1-percentage-point higher (8.0 percent) than the current rate:

	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
Net pension liability (asset)	\$ 48,366,539	\$ 25,998,144	\$ 6,459,153

Deferred Inflows/Outflows of Resources Related to Pensions

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

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund,
continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,758,766	\$ 2,531,573
Change of assumptions	4,650,444	309,840
Net difference between projected and actual earnings on plan investments	15,505,978	-
Contributions subsequent to the measurement date	<u>6,881,527</u>	<u>-</u>
	<u>\$ 29,796,715</u>	<u>\$ 2,841,413</u>

For the year ended September 30, 2023, the District recognized pension expense of \$9,537,094 related to this Plan.

The deferred outflows of resources related to the pension, 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 as follows:

<u>Years Ending September 30</u>	<u>Amount</u>
2024	\$ 4,125,440
2025	3,954,174
2026	3,989,256
2027	6,724,915
2028	221,491
Thereafter	<u>1,058,499</u>
Total	<u>\$ 20,073,775</u>

Memberships of the Plan consisted of the following at October 1, 2022:

	<u>Firefighters' Pension Trust Fund - Plan 2</u>
Active plan members	190
Inactive plan members or beneficiaries currently receiving benefits	38
Inactive plan members entitled to but not yet receiving benefits	<u>17</u>
Total	<u>245</u>
Number of participating employers	<u>1</u>
Number of participating state agencies	<u>1</u>

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

The following is a schedule of changes in net pension liability for the fiscal year ended September 30, 2023:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2022	\$ 140,921,798	\$ 112,896,854	\$ 28,024,944
Changes for the fiscal year:			
Service cost	6,424,667	-	6,424,667
Interest	10,166,384	-	10,166,384
Differences between expected and actual experience	(845,545)	-	(845,545)
Changes of assumptions	-	-	-
Changes in benefit terms	-	-	-
Adjustment*	-	-	-
Contributions - Employer	-	4,259,447	(4,259,447)
Contributions - State	875,364	2,622,080	(1,746,716)
Contributions - Employee	-	1,444,439	(1,444,439)
Contributions - Buy Back	59,437	59,437	-
Net investment income	-	10,452,784	(10,452,784)
Benefit payments, including refunds of employee contributions	(2,692,724)	(2,692,724)	-
Administrative expense	-	(131,050)	131,050
Net changes	13,987,583	16,014,413	(2,026,830)
Balances at September 30, 2023	\$ 154,909,381	\$ 128,911,267	\$ 25,998,114

* Adjustment per actuary

Annual Pension Cost, Net Pension Obligation and Reserves

Current year annual pension costs for the Firefighters' Pension Trust Fund are shown in the trend information provided. The Firefighters' Pension Trust Fund had a net unfunded actuarial accrued liability (asset) at October 1, 2023 of \$25,998,114.

The Plan assets are legally reserved for the payment of the respective plan member benefits within the Plan. There are no assets legally restricted for plan benefits other than these assets within the Plan. The Firefighters' Pension Trust Fund held certain investments at year end.

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund,
continued

Trend Information

Firefighters' Pension Trust Fund							
Fiscal Year	Total (1) Required	Contributions			Actual Contribution	Percentage Contributed	Net Pension Obligation (NPO)
	Annual Pension Contribution	District Required (2) Contribution	State Required Contribution	State Frozen Contribution			
2023	\$ 6,006,163	\$ 6,006,163	\$ 1,746,716	\$ 1,746,716	\$ 6,006,163	100%	-
2022	\$ 5,308,566	\$ 3,561,850	\$ 1,746,716	\$ 1,746,716	\$ 5,308,566	100%	-
2021	\$ 5,225,679	\$ 3,606,617	\$ 1,891,478	\$ 1,746,716	\$ 5,225,679	100%	-
2020	\$ 4,112,124	\$ 2,306,381	\$ 1,805,743	\$ 1,746,716	\$ 4,112,124	100%	-
2019	\$ 4,643,465	\$ 2,769,139	\$ 1,874,326	\$ 1,746,716	\$ 5,180,761	112%	-
2018	\$ 4,732,018	\$ 2,990,030	\$ 1,741,988	\$ 1,746,716	\$ 4,732,018	100%	-
2017	\$ 4,302,560	\$ 2,933,393	\$ 1,369,167	\$ 1,746,716	\$ 4,302,560	100%	-
2016	\$ 3,146,984	\$ 1,735,437	\$ 1,411,547	\$ 1,746,716	\$ 3,146,984	100%	-
2015	\$ 2,594,733	\$ 1,107,133	\$ 1,487,600	\$ 1,746,716	\$ 2,594,733	100%	-
2014	\$ 2,896,024	\$ 1,518,926	\$ 1,377,098	\$ 1,746,716	\$ 2,896,024	100%	-
2013	\$ 3,386,733	\$ 2,127,828	\$ 1,314,064	\$ 1,746,716	\$ 3,441,892	102%	-
2012	\$ 3,283,811	\$ 2,166,246	\$ 1,214,214	\$ 1,746,716	\$ 3,380,454	103%	-
2011	\$ 3,473,598	\$ 2,333,799	\$ 1,139,799	\$ 1,746,716	\$ 3,626,125	104%	-
2010	\$ 3,190,997	\$ 2,170,443	\$ 1,020,554	\$ 1,746,716	\$ 3,200,901	100%	-
2009	\$ 2,796,158	\$ 1,756,228	\$ 1,039,931	\$ 1,746,716	\$ 3,079,738	110%	-
2008	\$ 2,211,933	\$ 1,009,715	\$ 1,485,798	\$ 1,485,798	\$ 2,495,513	113%	-

- (1) The District considers its annual pension cost to be its actuarially determined required annual pension contribution including the employer and state contribution. For 2018 required contribution reduced by \$0 excess State money reserve.
(2) For 2022 the District's contributions of \$3,706,614 including payment of \$144,764 for the prior year shortfall.

Pension Trust Required Supplementary Information

Schedule of Funding Progress Firefighters' Pension Trust Fund:

Actuarial Valuation Date	Actuarial Value of Assets ** (AVA) (a)	Actuarial Liability (AAL) -Entry Age (b)	Unfunded Actuarial Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a)/c
10/01/23	\$ 128,911,267	\$ 154,909,381	\$ 25,998,114	83.2%	\$ 19,250,524	135.1%
10/01/22	\$ 112,896,854	\$ 140,921,798	\$ 28,024,944	80.1%	\$ 15,999,295	175.2%
10/01/21	\$ 128,642,432	\$ 127,923,010	\$ (719,422)	100.6%	\$ 15,825,800	-4.5%
10/01/20	\$ 102,099,091	\$ 111,187,786	\$ 9,088,695	91.8%	\$ 14,829,151	61.3%
10/01/19	\$ 88,893,030	\$ 98,664,952	\$ 9,771,922	90.1%	\$ 14,434,146	67.7%
10/01/18	\$ 80,928,687	\$ 84,102,348	\$ 3,173,661	96.2%	\$ 13,739,853	23.1%
10/01/17	\$ 70,747,813	\$ 73,738,012	\$ 2,990,199	95.9%	\$ 13,771,976	21.7%
10/01/16	\$ 58,512,948	\$ 61,707,055	\$ 3,194,107	94.8%	\$ 11,890,295	26.9%
10/01/15	\$ 51,534,195	\$ 51,541,750	\$ 7,555	100.0%	\$ 9,671,942	0.1%
10/01/14	\$ 49,189,571	\$ 47,467,581	\$ (1,721,990)	103.6%	\$ 8,770,495	-19.6%
10/01/13	\$ 42,143,137	\$ 41,366,768	\$ (776,369)	101.9%	\$ 9,092,235	-8.5%
10/01/12	\$ 33,983,491	\$ 33,924,855	\$ (58,636)	100.2%	\$ 8,254,150	-0.7%
10/01/11	\$ 26,196,164	\$ 26,153,965	\$ (42,199)	100.2%	\$ 8,291,830	-0.5%
10/01/10	\$ 22,990,534	\$ 23,284,830	\$ 294,296	98.7%	\$ 7,737,940	3.8%
10/01/09	\$ 17,833,111	\$ 18,108,267	\$ 275,156	98.5%	\$ 7,522,834	3.7%
10/01/08	\$ 16,719,426	\$ 16,890,153	\$ 170,727	99.0%	\$ 7,082,194	2.4%

** reflected by actuary as Plan Fiduciary Net Position

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 2 - Plan Description and Provisions - Firefighters' Pension Trust Fund, continued

	<u>Firefighters' Pension Trust Fund</u>
Valuation date	10/01/22
Actuarial cost method	Entry Age Normal
Amortization method	New UAAL -amortized over 15 years
Mortality table	MP-2018 Combined Healthy
Remaining amortization period	15 years (as of 10/1/22)
Actuarial asset valuation method	Fair value net of investment expense
Actuarial assumptions:	
Investment rate	7.0% (net of fees)
Projected salary increase	Service based
Inflation	2.5%
Post retirement cost of living adjustment	3%
Measurement date	September 30, 2023

Changes of Assumptions

For the year ended September 30, 2023 (measurement date September 30, 2023), the following changes to assumptions occurred: none

NOTE H - RETIREMENT PLANS, CONTINUED

Plan 3 - Plan Description and Provisions - 401(a)

The Board of Fire Commissioners established the 401(a) Plan for the general employees and elected officials who are ineligible to participate in the Florida Retirement System. The Plan was effective on January 1, 2013. At September 30, 2022, the Plan had one (1) active participant.

The Plan allows for employer contributions. Amounts contributed by the employer correspond to the percentage of contributions by class, established for participants of the Florida Retirement System. Employee contributions are prohibited.

Employer contributions are 100% vested after completion of one year of service. A year of service is based on an employee completing at least 1,000 hours of service during a plan year.

Total District contributions to the Plan for the years ended September 30, 2023, 2022, and 2021, were \$568, \$802 and \$2,556, respectively.

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

The District formally established two (2) OPEB Plans to provide its retirees the opportunity to obtain insurance (medical, dental and life) benefits. All retired full-time employees are eligible for OPEB benefits if actively employed by the District immediately before retirement. As such, active employees with at least twenty five (25) years of service as of September 30, 2010, were allowed to elect to remain in the Defined Benefit Plan or to enter the Post Employment Health Plan (PEHP), a defined contribution Plan. The defined benefit Plan provides a \$5,000 life insurance benefit fully paid by the District. All retirees and Early Retirement Incentive Program (ERIP) participants, who were eligible, remained in the Defined Benefit Plan. All other active employees at that time, September 30, 2010, as well as future employees entered the PEHP. Retirees under the PEHP Plan are responsible for the full cost of coverage.

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

The benefits are provided both with and without contractual or labor agreements. The benefits may require contribution from the retirees, depending on certain specified criteria and, in particular, length of creditable employment. The District finances the benefits on a pay-as-you-go basis and recognizes expenditures at the time the premiums are due for both Plans.

Effective January 1, 2015, all active employees of the merged District are covered with the same post retirement health benefits.

Effective May 1, 2017, the District offered a post-employment health insurance supplementation for eligible retirees who have completed fifteen (15) years of service including three (3) years as a Chief Officer. Under this plan, the District shall contribute 100% toward the cost of the retiree's participation in the District's health insurance program for the retiree and qualifying spouse/dependent until the employee reaches the age of 65 or is eligible for Medicare, whichever occurs first. This benefit is provided in lieu of contributions to the PEHP.

Defined Benefit Plan

Specifically, the Defined Benefit Plan provides that the District will pay a portion of medical and dental premiums for retirees depending on their years of credited service starting with the completion of fifteen (15) years of credited service. As such, the District pays 50% of the employee's premium and 25% of the spouse's premium at completion of 15 years of service progressing to 100% of the employee's premium and 100% of the spouse's premium upon completion of 25 years of service for certain employees based on final rank at date of retirement. The retiree can buy dependent coverage as part of the Plan. The District also pays the premium associated with a \$5,000 life insurance benefit.

During fiscal years 2009 and 2010, the District offered two (2) separate Early Retirement Incentive Programs (ERIP) to a number of active employees. A portion of the programs includes full payment of premiums associated with medical, dental, vision and life insurance coverage, including dependent coverage for a period of 3 years. After the 3 year period ends, the ERIP participants receive the Defined Benefit Plan benefits they had been eligible for at termination. During the year ended September 30, 2014, the District paid the final amounts due on the ERIP Plans. Note that the projected premiums for the dental and life benefits were assumed to cover the entire cost of the program.

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

Post Employment Health Plan (PEHP)

The PEHP is a defined contribution plan administered by the District.

All employees who did not elect to remain in the Defined Benefit Plan, and all future active employees are participants in the PEHP.

Originally participants in the PEHP had \$7,000 deposited on their behalf into an account on the 20th anniversary of their date of hire and on each subsequent anniversary. Additionally, those participants having over 20 years of credited service at their date of retirement also received a \$30,000 deposit on their behalf at date of separation. Effective October 1, 2012, the Plan was changed to limit District total contributions to \$50,000 per employee.

Effective October 1, 2015, participants in the PEHP will have funds (\$1,500 for collective bargaining members and \$2,500 for non-bargaining members) deposited into a trust account following the 5th anniversary of their date of hire and on each subsequent year. Additionally, those participants having over 20 years of credited service at their date of retirement will receive a maximum contribution ranging from \$37,000 to \$50,000 depending on length of service.

Effective October 1, 2022, collective bargaining unit members no longer receive PEHP contributions but will rather receive health insurance credit amounts based on years of service. According to Article 34.05 of the Collective Bargaining Agreement (Insurance After Retirement), upon eligible retirement, employees may buy into the District's group health insurance plan. Based on the following table, eligible employees will receive the following credit amounts that will offset the cost of health insurance premiums if the employee elects to remain on the District's group health insurance plan:

<u>Employee Years of Service:</u>	<u>Health Insurance credit amount (per month):</u>
15	\$ 400
20	\$ 500
25	\$ 600

The District will provide the applicable credits to retirees until the retiree reaches the age of 65.

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

Post Employment Health Plan (PEHP), continued

Non-bargaining employees will receive annual \$2,500 PEHP contributions as noted above.

The PEHP is designed to offer similar benefits to those offered under the Defined Benefit Plan.

The District, as part of the PEHP, entered a group variable annuity contract. As such, the PEHP Plan's asset custodian and third party administrator is the insurance company through which the annuity is contracted.

General - Funding Policy

The District paid \$368,331 for retiree's and ERIP participants' health care premiums as part of the Defined Benefit Plan on a pay-as-you-go basis for the year ended September 30, 2023.

The District also contributed \$30,000 to the PEHP Plan for the year ended September 30, 2023.

No separate trust has been established for either Plan. No separate financial statement is issued for either OPEB Plan. All required disclosures are presented herein. The District obtained an actuarial valuation for its defined benefit OPEB Plan to measure the current year's subsidies and project these subsidies into the future, making an allocation of that cost to different years. The following schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Plan Description - Defined Benefit

The year ended September 30, 2018, was the District's transition year and now adheres to 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.

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

Plan Description - Defined Benefit, continued

All retired full-time employees are eligible for OPEB benefits if actively employed by the District immediately before retirement. As of September 30, 2023, there were forty seven (47) retirees eligible to receive benefits. At September 30, 2023, there were two hundred seventy-four (274) active District employees. The benefits are provided both with contractual or labor agreements.

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, 2023, the District's Net OPEB Liability of \$11,365,910 was measured as of September 30, 2022, and was determined by an actuarial valuation as of September 30, 2022, using the alternate measurement method. OPEB expense for the year ended September 30, 2023, was \$893,623. 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 MP 2018 Mortality Tables for Males and Females projected 10 years.

Annual healthcare cost trend using the Society of Actuaries Long-Run Medical Cost Trend Model baseline assumptions with an initial rate of 7.25% per year trending to 4.00% by 2073.

Turnover - Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits paid.

Amortization Period: Rolling 20 year amortization

Amortization Method: level percentage of payroll

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

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

Actuarial Methods and Assumptions, continued

The discount rate was 4.77% (for 2023) 2.43% (for 2022) 2.14% (for 2021) 3.58% (for 2020) (4.18% for 2019) (3.64% for 2018) and was based on the 20 Year Municipal Bond Rate with AA/Aa2 or higher.

Measurement Date	September 30, 2022
Valuation Date	September 30, 2022
Entry age normal cost method was used.	
Inflation Rate	2.50%
Salary Increases	Varies by Service
Discount Rate	4.77%
Initial Trend Rate	7.25%
Ultimate Trend Rate	4.00%
Years to Ultimate	52
The FRS salary scale was used	
Participation percentage: 50%	
Mortality Scale	PUB 2010 MP-2018

The actuarial assumptions used in the valuation reported for September 30, 2022, were based on results of an actuarial experience study performed for the FRS Retirement Plan for July 1, 2021.

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, 2022	\$ 11,036,142
Changes for the Year:	
Service Cost	892,320
Interest Cost on Total OPEB Liability	283,697
Difference Between Expected and Actual Experience	-
Changes in Assumptions	351,309
Change in Benefit Terms	(687,183)
Contributions - Employer	-
Benefit Payments	(510,375)
Other Changes	-
Net Changes	<u>329,768</u>
Balance at September 30, 2023	<u>\$ 11,365,910</u>

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

Changes in the Net OPEB Liability, continued

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 <u>3.77%</u>	Current Rate <u>4.77%</u>	1% Increase <u>5.77%</u>
Net OPEB Liability	\$ 12,676,510	\$ 11,365,910	\$ 10,236,844

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 <u>3.00-6.25%</u>	Trend Rate <u>4.00-7.25%</u>	1% Increase <u>5.00-8.25%</u>
Net OPEB Liability	\$ 10,050,057	\$ 11,365,910	\$ 12,941,836

For the year ended September 30, 2023, the District recognized OPEB expense of \$893,623. At September 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 608,395	\$ -
Changes in Assumptions	351,474	2,115,153
Employer contribution subsequent to measurement date	<u>574,247</u>	<u>-</u>
Total	<u>\$ 1,534,116</u>	<u>\$ 2,115,153</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>
2024	\$ (285,794)
2025	(285,791)
2026	(208,278)
2027	(208,283)
2028	7,951
Thereafter	<u>(175,089)</u>
Total	<u>\$ (1,155,284)</u>

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

Changes in the Net OPEB Liability, continued

Changes in Assumptions:

- Increased discount rate from 2.43% to 4.77%
- Healthcare costs and premium costs were updated.

NOTE J - RISK MANAGEMENT

During the year ended September 30, 2023, the District provided health benefits as follows:

The District continued the use of a high deductible health plan offered to employees and retirees of the District. The District does not offer vision coverage to the employees of the District. The District offers a HSA plan for its employees or FSA plan for employees older than 65. The District contributes \$5,000 for those eligible participants who have met the family deductible and \$3,000 for those eligible participants who have to meet the individual deductible to the HSA plan annually.

Participants may also elect to contribute to the respective plan on a pre-tax basis. HSA amounts that are not utilized by the year end are carried over and are the property of the participant per IRS regulation.

The District's HSA contributions for the year ended September 30, 2023, were \$1,521,998.

The District incurred \$6,751,120 in health related claims, third party administration costs, disability, premiums and reinsurance premiums including HSA contributions (noted above) and workers compensation insurance during the year ended September 30, 2023, for the self-insurance and fully-funded insurance programs.

It is the policy of the District to purchase third party commercial insurance for other remaining forms of potential risks to which it is exposed. The District's risk management activities are reported in the General Fund. No accrual has been recorded for claims and incidents not reported to the insurer. The District paid \$1,083,502 for building, auto and other liability insurances for the year ended September 30, 2023. The District had no significant reductions in insurance coverage from the prior year. Reported claims have not exceeded the insurance coverage for the years ended September 30, 2011 through September 30, 2023.

NOTE K - 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 record keeping 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 2023 is included in the accompanying basic financial statements, since such taxes are collected to finance expenditures of the subsequent period.

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, 2023, \$585,341 was recorded in the General Fund and was due from the Collier County Tax Collector to the District for ad valorem taxes and excess fees, and interest.

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.
Taxes due and payable (Levy date)	November/with various discount provisions through March 31.
Property taxes payable - maximum discount (4 percent)	30 days after levy date
Beginning of fiscal year for which taxes have been levied	October 1
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, 2023, the Board of Commissioners of the District levied ad valorem taxes at a millage rate of \$1.00 per \$1,000 (1.0 mills) of the 2022 net taxable value of real property located within the North Naples Service Delivery Area.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE K - PROPERTY TAXES, CONTINUED

For the year ended September 30, 2023, 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 2022 net taxable value of real property located within the Big Corkscrew Island Service Delivery Area.

NOTE L - IMPACT FEE FUND ACTIVITY

During the year ended September 30, 2023, the Impact Fee Fund had the following activity:

	<u>Amount</u>
Unearned revenue, October 1, 2022	\$ 6,140,013
Impact fee receipts	656,096
Impact fee refunds	-
Due from other Governments	118,027
Interest and other income	292,273
Operating expenses	(11,590)
Principal reduction	(57,500)
Note payable interest	(1,965)
Capital outlay	-
Transfers in (out)	<u>-</u>
Unearned revenue, September 30, 2023	<u>\$ 7,135,354</u>

NOTE M - FUND BALANCE/NET POSITION ALLOCATIONS

Fund Balance/Net Position were allocated for the following purposes at September 30, 2023:

<u>Nonspendable - General Fund</u>	NN Amount	BCI Amount	Total Amount
Nonspendable fund balance - General Fund prepaid expenses	<u>\$ 1,396,838</u>	<u>\$ -</u>	<u>\$ 1,396,838</u>
<u>Assigned fund balance - General Fund</u>	NN Amount	BCI Amount	Total Amount
General Fund - Expenses - Oct - Dec	\$ 9,993,253	\$ 2,349,409	\$ 12,342,662
General Fund - Emergency reserve	2,474,614	1,871,256	4,345,870
General Fund - Health insurance claim reserve	805,405	188,922	994,327
General Fund - Medical services reserve	810,000	190,000	1,000,000
General Fund - Station / Growth Management Reserve	2,525,000	475,000	3,000,000
General Fund - Fleet reserve	3,102,300	727,700	3,830,000
General Fund - Station improvement reserve	<u>810,000</u>	<u>190,000</u>	<u>1,000,000</u>
Total General Fund	<u>\$ 20,520,572</u>	<u>\$ 5,992,287</u>	<u>\$ 26,512,859</u>

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE M - FUND BALANCE/NET POSITION ALLOCATIONS, CONTINUED

<u>Unassigned - General Fund</u>	<u>NN Amount</u>	<u>BCI Amount</u>	<u>Total Amount</u>
General Fund	\$ -	\$ -	\$ -
			<u>Total Amount</u>
<u>Restricted Fund Balance/Net Position - Inspection Fee Fund</u>			
Inspection Fee Fund			<u>\$ 1,091,261</u>

NOTE N - LEASED VEHICLES

The District leases thirty-nine (39) vehicles for District operations under various sixty (60) month operating lease agreements. The lease agreements qualify as other than short-term leases under GASB Statement No. 87, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception and exclude any residual value and management fee. Management fees are expensed as incurred. The leases payable are measured at discount rates ranging from 3.69% to 8.57% based on the rate implicit in the lease.

The terms and payment varies for each vehicle. The minimum annual lease payments as follows:

<u>Years Ending September 30</u>	<u>Lease Liability</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 189,315	\$ 54,094	\$ 243,409
2025	199,743	43,667	243,410
2026	298,047	30,874	328,921
2027	226,341	16,897	243,238
2028	110,981	5,288	116,269
	<u>\$ 1,024,427</u>	<u>\$ 150,820</u>	<u>\$ 1,175,247</u>

Lease expense for the year ended September 30, 2023 was \$227,004.

The ROU asset was \$910,509 net of accumulated amortization of \$379,004 for the year ended September 30, 2023.

Interest expense recognized during the year ended September 30, 2023 was \$46,617.

NOTE O - COMMITMENTS AND CONTINGENCIES

The District is involved from time to time in certain routine litigation, the substance of which either as liabilities or recoveries, would not materially affect the financial position of the District. Although the final outcome of the lawsuits, assertions, and claims or the exact amount of costs and/or potential recovery is not presently determinable, in the opinion of the District's legal counsel, the resolution of these matters will not have a materially adverse affect on the financial condition of the District. As a general policy, the District plans to vigorously contest any such matters.

NOTE P - UNRESTRICTED NET POSITION (DEFICIT) (NET ASSETS)

During the year ended September 30, 2023, the District's unrestricted net position (net assets) balance was \$4,810,589.

The District's total available fund balance at September 30, 2023, remained approximately equal to six (6) months of actual expenditures. However, the Board assigned available fund balance of \$26,512,859 to fund operations for the first quarter of the subsequent fiscal year.

During the year ended September 30, 2022, the District's unrestricted net position (net assets) balance was a deficit of \$(27,219,161), due substantially to recording the reduced current year actuarially determined net pension liability of \$35,988,501. The District's total available fund balance at September 30, 2022, remained approximately equal to six (6) months of actual expenditures. However, the Board assigned available fund balance of \$21,818,226 to fund operations for the first quarter of the subsequent fiscal year.

NOTE Q - PENSION PLAN - 457 DEFERRED COMPENSATION

Effective March 1, 2012, the District approved an IRC Section 457 employee benefit plan (ICMA) whereby, the District does not contribute to the Section 457 Plan. It is an employee only contribution Plan with fees paid by the employees. The Plan is third party administered.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE R - SUBSEQUENT EVENTS

On May 13, 2024, the District came to a settlement agreement to pay the total consideration of \$95,000 in an employee litigation case.

On March 15, 2024, the District purchased a 3,000-gallon water tender in the amount of \$452,000.

On February 29, 2024, the Board of Commissioners approved a land swap agreement between the District and a third-party in which the District will receive approximately 1.91 acres of vacant land, to be used for the construction of a new fire station, in exchange for the District held property that was approximately 1.56 acres.

NOTE S - SUBSCRIPTION LIABILITY

The District entered into multiple subscription-based information technology arrangements for various software. The software range from 3 to 5 year terms and have fixed payments. The District aggregated the subscriptions for reporting purposes. The District used a discount rate ranging from 3.90% to 4.12% to record the present value of the future minimum payments as of the date of implementation.

The District is capitalizing the arrangements over a 5 year term consistent with the contract agreement.

The future minimum subscription payments as of September 30, 2023 is as follows:

Years Ending September 30	Amount
2024	\$ 164,009
2025	164,009
2026	128,157
2027	90,957
2028	90,957
	<u>638,089</u>
Impact of present value discount	(58,836)
Present value	<u>\$ 579,253</u>

The amortization of the subscription liability for the year ended September 30, 2023, was \$64,960.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE S - SUBSCRIPTION LIABILITY, CONTINUED

At September 30, 2023, the right of use-subscription asset and right of use-subscription liability balances are as follows:

	<u>Amount</u>
Right of use subscription asset, current	\$ 164,009
Right of use subscription asset, noncurrent	<u>415,244</u>
	<u>\$ 579,253</u>
Right of use subscription liability, current	\$ 164,009
Right of use subscription liability, noncurrent	<u>415,244</u>
	<u>\$ 579,253</u>

**COMBINING FINANCIAL STATEMENTS
BY SERVICE DELIVERY AREA**

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
COMBINING BALANCE SHEET - GENERAL FUND - BY SERVICE
DELIVERY AREA
September 30, 2023

	North Naples Service Delivery Area	Big Corkscrew Island Service Delivery Area	Eliminations	Total General Fund
ASSETS				
Cash and cash equivalents	\$ 3,572,693	\$ 1,086,651	\$ -	\$ 4,659,344
Restricted cash and cash equivalents	-	-	-	-
Investments	17,167,995	5,797,789	-	22,965,784
Due from other governments	1,633,264	120,042	-	1,753,306
Due from other funds	1,031,125	-	(1,012,195)	18,930
Other receivables, net	92,137	-	-	92,137
Prepaid expenses	1,396,838	-	-	1,396,838
TOTAL ASSETS	\$ 24,894,052	\$ 7,004,482	\$ (1,012,195)	\$ 30,886,339
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable and accrued expenses	\$ 2,917,422	\$ -	\$ -	\$ 2,917,422
Retainage payable	-	-	-	-
Due to other funds	51,720	1,012,195	(1,012,195)	51,720
Contract deposits	7,500	-	-	7,500
Unearned revenue	-	-	-	-
TOTAL LIABILITIES	2,976,642	1,012,195	(1,012,195)	2,976,642
FUND BALANCE				
Nonspendable	1,396,838	-	-	1,396,838
Restricted	-	-	-	-
Assigned	20,520,572	5,992,287	-	26,512,859
Unassigned	-	-	-	-
TOTAL FUND BALANCE	21,917,410	5,992,287	-	27,909,697
TOTAL LIABILITIES AND FUND BALANCE	\$ 24,894,052	\$ 7,004,482	\$ (1,012,195)	\$ 30,886,339

The accompanying notes are an integral part of this statement.

**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GENERAL FUND -
BY SERVICE DELIVERY AREA
Year Ended September 30, 2023**

	General Fund		
	North Naples Service Delivery Area	Big Corkscrew Island Service Delivery Area	Total General Fund
REVENUES			
Ad Valorem taxes	\$ 42,010,608	\$ 10,656,557	\$ 52,667,165
Intergovernmental revenue:			
State firefighter supplement	97,995	-	97,995
Federal grants	1,128,194	-	1,128,194
Other Intergovernmental	33,954	-	33,954
Charges for services	610,047	-	610,047
Miscellaneous:			
Interest	1,141,145	628,105	1,769,250
Other	723,270	24,883	748,153
TOTAL REVENUES	<u>45,745,213</u>	<u>11,309,545</u>	<u>57,054,758</u>
EXPENDITURES			
Current			
Public safety			
Personnel services	32,161,921	7,544,156	39,706,077
Operating expenditures	7,697,073	1,821,286	9,518,359
Capital outlay	2,929,200	687,098	3,616,298
Debt service:			
Principal reduction	528,003	123,852	651,855
Interest and fiscal charges	49,916	11,709	61,625
Reserves	-	-	-
TOTAL EXPENDITURES	<u>43,366,113</u>	<u>10,188,101</u>	<u>53,554,214</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,379,100</u>	<u>1,121,444</u>	<u>3,500,544</u>
OTHER FINANCING SOURCES AND (USES)			
Proceeds from financing lease	1,188,300	-	1,188,300
Proceeds from disposition of capital assets	95,750	-	95,750
Transfer in	-	-	-
Transfer out	-	-	-
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>1,284,050</u>	<u>-</u>	<u>1,284,050</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>3,663,150</u>	<u>1,121,444</u>	<u>4,784,594</u>
FUND BALANCE - Beginning	<u>18,254,260</u>	<u>4,870,843</u>	<u>23,125,103</u>
FUND BALANCE - Ending	<u>\$ 21,917,410</u>	<u>\$ 5,992,287</u>	<u>\$ 27,909,697</u>

The accompanying notes are an integral part of this statement.

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

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
SUMMARY STATEMENT - NORTH NAPLES SDA
Year Ended September 30, 2023

	General Fund			
	Original	Final	Actual	Variance
	Budget	Budget		Favorable (Unfavorable)
REVENUES				
Ad Valorem taxes	\$ 41,039,124	\$ 41,039,124	\$ 42,010,608	\$ 971,484
Intergovernmental revenue:				
State firefighter supplement	72,900	72,900	97,995	25,095
Federal grants	22,712	832,712	1,128,194	295,482
Other Intergovernmental	14,400	14,400	33,954	19,554
Charges for services	708,264	708,264	610,047	(98,217)
Miscellaneous:				
Interest	21,000	1,398,000	1,141,145	(256,855)
Other	162,354	162,353	723,270	560,917
Subtotal - revenues	42,040,754	44,227,753	45,745,213	1,517,460
Cash brought forward	16,665,870	18,254,260	-	(18,254,260)
TOTAL REVENUES	58,706,624	62,482,013	45,745,213	(16,736,800)
EXPENDITURES				
Current				
Public safety				
Personnel services	32,388,176	33,279,176	32,161,921	1,117,255
Operating expenditures	7,584,836	7,908,836	7,697,073	211,763
Capital outlay	1,354,117	2,326,117	2,929,200	(603,083)
Debt service:				
Principal reduction	528,004	528,004	528,003	1
Interest and fiscal charges	49,915	49,915	49,916	(1)
Reserves	16,850,176	18,438,565	-	18,438,565
TOTAL EXPENDITURES	58,755,224	62,530,613	43,366,113	19,164,500
EXCESS OF REVENUES				
OVER (UNDER) EXPENDITURES	(48,600)	(48,600)	2,379,100	2,427,700
OTHER FINANCING SOURCES AND (USES)				
Proceeds from financing lease	-	-	1,188,300	1,188,300
Proceeds from disposition of capital assets	48,600	48,600	95,750	47,150
Transfer in	-	-	-	-
Transfer out	-	-	-	-
TOTAL OTHER FINANCING SOURCES				
AND (USES)	48,600	48,600	1,284,050	1,235,450
EXCESS OF REVENUES AND OTHER				
FINANCING SOURCES OVER (UNDER)				
EXPENDITURES AND OTHER				
FINANCING USES	\$ -	\$ -	3,663,150	\$ 3,663,150
FUND BALANCE - Beginning			18,254,260	
FUND BALANCE - Ending			\$ 21,917,410	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND -
DETAILED STATEMENT - NORTH NAPLES SDA
Year Ended September 30, 2023

	General Fund			
	Original	Final		Variance
	Budget	Budget	Actual	Favorable (Unfavorable)
REVENUES				
Ad Valorem taxes	\$ 41,039,124	\$ 41,039,124	\$ 42,010,608	\$ 971,484
Intergovernmental revenue:				
State firefighter supplement	72,900	72,900	97,995	25,095
Federal grants	22,712	832,712	1,128,194	295,482
Other Intergovernmental	14,400	14,400	33,954	19,554
Charges for services	708,264	708,264	610,047	(98,217)
Miscellaneous:				
Interest	21,000	1,398,000	1,141,145	(256,855)
Other	162,354	162,353	723,270	560,917
Subtotal - revenues	42,040,754	44,227,753	45,745,213	1,517,460
Cash brought forward	16,665,870	18,254,260	-	(18,254,260)
TOTAL REVENUES	58,706,624	62,482,013	45,745,213	(16,736,800)
EXPENDITURES				
Current				
Public safety				
Personnel services:				
Salaries				
Firefighters & Admin.	16,747,063	16,747,063	16,622,289	124,774
Commissioners	24,300	24,300	24,705	(405)
Overtime	1,048,786	1,534,786	1,520,662	14,124
Vacation pay	97,200	97,200	183,499	(86,299)
Sick leave	814,531	814,531	501,110	313,421
Professional/Incentives and holiday pay	2,105,693	2,105,693	2,019,410	86,283
Payroll taxes				
Social Security	1,708,834	1,708,834	1,558,077	150,757
Benefits				
Retirement	3,744,026	4,149,026	4,203,378	(54,352)
Health insurance (including HSA)	4,984,663	4,984,663	4,280,204	704,459
Disability insurance	92,708	92,708	61,499	31,209
Unemployment	-	-	136	(136)
Workers compensation	720,316	720,316	872,417	(152,101)
Medical clinic/employee physicals	293,576	293,576	282,645	10,931
Post employment health plan (PEHP)	-	-	24,300	(24,300)
Retirement recognition	6,480	6,480	7,590	(1,110)
Subtotal - Personnel services	32,388,176	33,279,176	32,161,921	1,117,255

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND -
DETAILED STATEMENT - NORTH NAPLES SDA (CONTINUED)
Year Ended September 30, 2023

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
Operating expenditures:				
Insurance	513,316	837,316	877,637	(40,321)
Organization and community funding	-	-	1,104	(1,104)
Uniforms	154,062	154,062	122,729	31,333
Communications	208,899	208,899	182,349	26,550
Telephone	355,590	355,590	292,511	63,079
Utilities	223,560	223,560	271,458	(47,898)
Maintenance				
Vehicle	462,915	462,915	469,750	(6,835)
Equipment	83,673	83,673	8,103	75,570
Computer	805,302	805,302	843,481	(38,179)
Hydrant	162,000	162,000	192,344	(30,344)
Building	502,948	502,948	532,925	(29,977)
Supplies				
Office	58,320	58,320	39,898	18,422
Protective gear	371,207	371,207	324,102	47,105
Station	59,373	59,373	75,164	(15,791)
Emergency medical	224,810	224,810	198,884	25,926
Enterprise Lease/Rental	218,433	218,433	182,109	36,324
Equipment				
Office	25,110	25,110	10,597	14,513
Fire	306,091	306,091	339,916	(33,825)
Shop	40,500	40,500	51,799	(11,299)
Warehouse/logistics	5,265	5,265	10,516	(5,251)
Professional and other fees				
Legal and professional	620,055	620,055	495,850	124,205
Property appraiser fees	266,478	266,478	303,038	(36,560)
Tax collector fees	826,282	826,282	829,118	(2,836)
Accounting	36,450	36,450	48,195	(11,745)
Bad debt expense	-	-	8,200	(8,200)
Miscellaneous				
Travel	150,862	150,862	89,309	61,553
Public information officer	46,575	46,575	64,027	(17,452)
Fuel and oil	272,565	272,565	293,102	(20,537)
Legal advertisements	9,720	9,720	6,373	3,347
Dues and subscriptions	24,029	24,029	19,425	4,604
CERT team	8,100	8,100	357	7,743
Dive team	16,402	16,402	8,776	7,626
Fire prevention	5,265	5,265	4,307	958
Training	413,497	413,497	227,941	185,556
Hazardous materials	21,740	21,740	14,594	7,146
Technical rescue	43,120	43,120	58,884	(15,764)
Boat team	7,492	7,492	8,374	(882)
K-9 search and rescue	29,970	29,970	-	29,970
Hurricane/Emergency Supplies	-	-	148,441	(148,441)
Miscellaneous	4,860	4,860	41,386	(36,526)
Operational Reserves				
Contingency	-	-	-	-
Subtotal - Operating expenditures	<u>7,584,836</u>	<u>7,908,836</u>	<u>7,697,073</u>	<u>211,763</u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND -
DETAILED STATEMENT - NORTH NAPLES SDA (CONTINUED)
Year Ended September 30, 2023

	General Fund			
	Original	Final		Variance
	Budget	Budget	Actual	Favorable (Unfavorable)
Capital outlay:				
Land	-	-	-	-
Station improvements	247,860	1,219,860	998,855	221,005
Fire & rescue equipment	64,800	64,800	120,672	(55,872)
Protective gear	-	-	21,868	(21,868)
Medical equipment	64,800	64,800	66,688	(1,888)
Station equipment	-	-	-	-
Communication equipment	-	-	34,881	(34,881)
Computers	40,500	40,500	32,218	8,282
TRT	-	-	14,092	(14,092)
Training equipment	68,850	68,850	-	68,850
Hazardous materials equipment	-	-	9,498	(9,498)
DRT - HazMat Equipment	-	-	-	-
Vehicle purchase	-	-	144,477	(144,477)
Fire apparatus	757,147	757,147	442,344	314,803
Shop equipment	19,440	19,440	11,370	8,070
Logistics/Warehouse	90,720	90,720	69,714	21,006
Construction in progress	-	-	962,523	(962,523)
Dive equipment	-	-	-	-
Subtotal - Capital outlay	<u>1,354,117</u>	<u>2,326,117</u>	<u>2,929,200</u>	<u>(603,083)</u>
Debt service:				
Principal reduction	528,004	528,004	528,003	1
Interest and fiscal charges	49,915	49,915	49,916	(1)
Subtotal - Debt service	<u>577,919</u>	<u>577,919</u>	<u>577,919</u>	<u>-</u>
Reserves:				
Reserves	<u>16,850,176</u>	<u>18,438,565</u>	<u>-</u>	<u>18,438,565</u>
TOTAL EXPENDITURES	<u>58,755,224</u>	<u>62,530,613</u>	<u>43,366,113</u>	<u>19,164,500</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(48,600)</u>	<u>(48,600)</u>	<u>2,379,100</u>	<u>2,427,700</u>
OTHER FINANCING SOURCES AND (USES)				
Proceeds from capital lease	-	-	1,188,300	1,188,300
Proceeds from disposition of capital assets	48,600	48,600	95,750	47,150
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>48,600</u>	<u>48,600</u>	<u>1,284,050</u>	<u>1,235,450</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ -</u>	<u>\$ -</u>	<u>3,663,150</u>	<u>\$ 3,663,150</u>
FUND BALANCE - Beginning			<u>18,254,260</u>	
FUND BALANCE - Ending			<u>\$ 21,917,410</u>	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
SUMMARY STATEMENT - BIG CORKSCREW ISLAND SDA
Year Ended September 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Ad Valorem taxes	\$ 10,383,380	\$ 10,383,380	\$ 10,656,557	\$ 273,177
Intergovernmental revenue:				
State firefighter supplement	17,100	17,100	-	(17,100)
Federal grants	5,328	195,328	-	(195,328)
Other intergovernmental	-	-	-	-
Charges for services	166,136	166,136	-	(166,136)
Miscellaneous:				
Interest	5,625	328,625	628,105	299,480
Other	47,788	47,788	24,883	(22,905)
Subtotal - revenues	10,625,357	11,138,357	11,309,545	171,188
Cash brought forward	4,805,409	4,870,843	-	(4,870,843)
TOTAL REVENUES	15,430,766	16,009,200	11,309,545	(4,699,655)
EXPENDITURES				
Current				
Public safety				
Personnel services	7,597,227	7,806,227	7,544,156	262,071
Operating expenditures	1,800,409	1,876,409	1,821,286	55,123
Capital outlay	317,633	545,633	687,098	(141,465)
Debt service:				
Principal reduction	123,853	123,853	123,852	1
Interest and fiscal charges	11,708	11,708	11,709	(1)
Reserves	5,591,336	5,656,770	-	5,656,770
TOTAL EXPENDITURES	15,442,166	16,020,600	10,188,101	5,832,499
EXCESS OF REVENUES				
OVER (UNDER) EXPENDITURES	(11,400)	(11,400)	1,121,444	1,132,844
OTHER FINANCING SOURCES AND USES				
Proceeds from financing lease	-	-	-	-
Proceeds from disposition of capital assets	11,400	11,400	-	(11,400)
Transfer in / (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES				
AND USES	11,400	11,400	-	(11,400)
EXCESS OF REVENUES AND OTHER				
FINANCING SOURCES OVER (UNDER)				
EXPENDITURES AND OTHER				
FINANCING USES	\$ -	\$ -	1,121,444	\$ 1,121,444
FUND BALANCE - Beginning			4,870,843	
FUND BALANCE - Ending			\$ 5,992,287	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
DETAILED STATEMENT - BIG CORKSCREW ISLAND SDA
Year Ended September 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Ad Valorem taxes	\$ 10,383,380	\$ 10,383,380	\$ 10,656,557	\$ 273,177
Intergovernmental revenue:				
State firefighter supplement	17,100	17,100	-	(17,100)
Federal grants	5,328	195,328	-	(195,328)
Other intergovernmental	-	-	-	-
Charges for services	166,136	166,136	-	(166,136)
Miscellaneous:				
Interest	5,625	328,625	628,105	299,480
Other	47,788	47,788	24,883	(22,905)
Subtotal - revenues	10,625,357	11,138,357	11,309,545	171,188
Cash brought forward	4,805,409	4,870,843	-	(4,870,843)
TOTAL REVENUES	15,430,766	16,009,200	11,309,545	(4,699,655)
EXPENDITURES				
Current				
Public safety				
Personnel services:				
Salaries				
Firefighters & Admin.	3,928,323	3,928,323	3,899,056	29,267
Salaries - harmonization	-	-	-	-
Commissioners	5,700	5,700	5,795	(95)
Overtime	246,011	360,011	356,698	3,313
Vacation pay	22,800	22,800	43,043	(20,243)
Sick leave	191,063	191,063	117,544	73,519
Incentives and holiday pay	493,929	493,929	473,689	20,240
Payroll taxes				
Social Security	400,838	400,838	365,475	35,363
Benefits				
Retirement	878,228	973,228	985,978	(12,750)
Health insurance (including HSA)	1,169,243	1,169,243	1,003,999	165,244
Disability insurance	21,746	21,746	14,426	7,320
Benefits harmonization	-	-	-	-
Unemployment	-	-	32	(32)
Workers compensation	168,962	168,962	204,641	(35,679)
Medical clinic/employee physicals	68,864	68,864	66,300	2,564
Post employment health plan (PEHP)	-	-	5,700	(5,700)
Retirement recognition	1,520	1,520	1,780	(260)
Subtotal - Personnel services	7,597,227	7,806,227	7,544,156	262,071

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
DETAILED STATEMENT - BIG CORKSCREW ISLAND SDA (CONTINUED)
Year Ended September 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating expenditures:				
Insurance	120,407	196,407	205,865	(9,458)
Organization and community funding	-	-	259	(259)
Uniforms	36,138	36,138	28,788	7,350
Communications	49,001	49,001	42,773	6,228
Telephone	83,410	83,410	68,614	14,796
Utilities	52,440	52,440	63,675	(11,235)
Maintenance				
Vehicle	108,585	108,585	110,188	(1,603)
Equipment	19,627	19,627	1,901	17,726
Computer	188,898	188,898	197,854	(8,956)
Hydrant	38,000	38,000	45,118	(7,118)
Building	117,978	117,978	125,009	(7,031)
Supplies				
Office	13,680	13,680	9,359	4,321
Protective gear	87,073	87,073	76,024	11,049
Station	13,927	13,927	17,631	(3,704)
Emergency medical	52,733	52,733	46,652	6,081
Enterprise Lease/Rental	51,237	51,237	42,717	8,520
Equipment				
Office	5,890	5,890	2,486	3,404
Fire	71,799	71,799	79,734	(7,935)
Shop	9,500	9,500	12,150	(2,650)
Warehouse/logistics	1,235	1,235	2,467	(1,232)
Professional and other fees				
Legal and professional	145,445	145,445	116,311	29,134
Property appraiser fees	64,405	64,405	69,748	(5,343)
Tax collector fees	213,168	213,168	213,547	(379)
Accounting	8,550	8,550	11,305	(2,755)
Miscellaneous				
Travel	35,388	35,388	20,949	14,439
Public information officer	10,925	10,925	15,018	(4,093)
Public education officer	-	-	-	-
Fuel and oil	63,935	63,935	68,752	(4,817)
Legal advertisements	2,280	2,280	1,495	785
Dues and subscriptions	5,636	5,636	4,556	1,080
CERT team	1,900	1,900	84	1,816
Dive team	3,848	3,848	2,058	1,790
Fire prevention	1,235	1,235	684	551
Training	96,993	96,993	53,468	43,525
Hazardous materials	5,100	5,100	3,423	1,677
Technical rescue	10,115	10,115	13,812	(3,697)
Boat team	1,758	1,758	1,964	(206)
K-9 search and rescue	7,030	7,030	-	7,030
Hurricane/Emergency Supplies	-	-	34,819	(34,819)
Miscellaneous	1,140	1,140	10,029	(8,889)
Operational Reserves				
Contingency	-	-	-	-
Subtotal - Operating expenditures	<u>1,800,409</u>	<u>1,876,409</u>	<u>1,821,286</u>	<u>55,123</u>

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
DETAILED STATEMENT - BIG CORKSCREW ISLAND SDA (CONTINUED)
Year Ended September 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Capital outlay:				
Land	-	-	-	-
Station improvements	58,140	286,140	234,300	51,840
Fire & rescue equipment	15,200	15,200	28,306	(13,106)
Protective gear	-	-	5,129	(5,129)
Medical equipment	15,200	15,200	15,643	(443)
Station equipment	-	-	-	-
Communication equipment	-	-	8,182	(8,182)
Computers	9,500	9,500	7,557	1,943
TRT	-	-	3,306	(3,306)
Training equipment	16,150	16,150	-	16,150
Hazardous material equipment	-	-	2,228	(2,228)
DRT - HazMat Equipment	-	-	-	-
Vehicle purchase	-	-	33,890	(33,890)
Fire apparatus	177,603	177,603	103,760	73,843
Shop equipment	4,560	4,560	2,667	1,893
Construction in progress	-	-	225,777	(225,777)
Logistics/Warehouse	21,280	21,280	16,353	4,927
Subtotal - Capital outlay	<u>317,633</u>	<u>545,633</u>	<u>687,098</u>	<u>(141,465)</u>
Debt service:				
Principal reduction	123,853	123,853	123,852	1
Interest and fiscal charges	11,708	11,708	11,709	(1)
Subtotal - Debt service	<u>135,561</u>	<u>135,561</u>	<u>135,561</u>	<u>-</u>
Reserves:				
Reserves	<u>5,591,336</u>	<u>5,656,770</u>	<u>-</u>	<u>5,656,770</u>
TOTAL EXPENDITURES	<u>15,442,166</u>	<u>16,020,600</u>	<u>10,188,101</u>	<u>5,832,499</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(11,400)</u>	<u>(11,400)</u>	<u>1,121,444</u>	<u>1,132,844</u>
OTHER FINANCING SOURCES AND (USES)				
Proceeds from financing lease	-	-	-	-
Proceeds from disposition of capital assets	11,400	11,400	-	(11,400)
Transfer in / (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>11,400</u>	<u>11,400</u>	<u>-</u>	<u>(11,400)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ -</u>	<u>\$ -</u>	<u>1,121,444</u>	<u>\$ 1,121,444</u>
FUND BALANCE - Beginning			<u>4,870,843</u>	
FUND BALANCE - Ending			<u>\$ 5,992,287</u>	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - COMBINED SERVICE DELIVERY AREAS -
BUDGET AND ACTUAL - IMPACT FEE FUND - SUMMARY STATEMENT
Year Ended September 30, 2023

	Impact Fee Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Fees:				
Impact fees	\$ 573,641	\$ -	\$ -	\$ -
Impact Fees - Collected / Deferred	426,359	671,359	-	(671,359)
Miscellaneous:				
Interest	5,000	78,641	71,055	(7,586)
Transfer from General Fund	-	-	-	-
Other	-	-	-	-
Subtotal - revenues	<u>1,005,000</u>	<u>750,000</u>	<u>71,055</u>	<u>(678,945)</u>
Cash brought forward	<u>7,143,175</u>	<u>6,140,013</u>	<u>-</u>	<u>(6,140,013)</u>
TOTAL REVENUES	<u>8,148,175</u>	<u>6,890,013</u>	<u>71,055</u>	<u>(6,818,958)</u>
EXPENDITURES				
Current				
Public safety				
Operating expenditures	20,000	20,000	11,590	8,410
Capital outlay	500,000	-	-	-
Debt service:				
Principal	57,500	57,500	57,500	-
Interest and fiscal charges	1,141	1,141	1,965	(824)
Reserves	<u>7,569,534</u>	<u>6,811,372</u>	<u>-</u>	<u>6,811,372</u>
TOTAL EXPENDITURES	<u>8,148,175</u>	<u>6,890,013</u>	<u>71,055</u>	<u>6,818,958</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES AND (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE - Beginning			<u>-</u>	
FUND BALANCE - Ending			<u>\$ -</u>	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - COMBINED SERVICE DELIVERY AREAS -
BUDGET AND ACTUAL - IMPACT FEE FUND - DETAILED STATEMENT
Year Ended September 30, 2023

	Impact Fee Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Fees:				
Impact fees	\$ 573,641	\$ -	\$ -	\$ -
Impact Fees - Collected / Deferred	426,359	671,359	-	(671,359)
Miscellaneous:				
Interest	5,000	78,641	71,055	(7,586)
Transfer from General Fund	-	-	-	-
Other	-	-	-	-
Subtotal - revenues	1,005,000	750,000	71,055	(678,945)
Cash brought forward	7,143,175	6,140,013	-	(6,140,013)
TOTAL REVENUES	8,148,175	6,890,013	71,055	(6,818,958)
EXPENDITURES				
Operating expenditures:				
Impact fee collection	15,000	15,000	11,590	3,410
Professional fees	5,000	5,000	-	5,000
Subtotal - Operating expenditures	20,000	20,000	11,590	8,410
Capital outlay:				
Preplanning	-	-	-	-
Construction in progress	500,000	-	-	-
Emergency signal-station #42	-	-	-	-
Temporary station lease	-	-	-	-
Subtotal - Capital outlay	500,000	-	-	-
Debt service:				
Principal	57,500	57,500	57,500	-
Interest and fiscal charges	1,141	1,141	1,965	(824)
Subtotal - Debt service	58,641	58,641	59,465	(824)
Reserves:	7,569,534	6,811,372	-	6,811,372
TOTAL EXPENDITURES	8,148,175	6,890,013	71,055	6,818,958
EXCESS OF REVENUES				
OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES AND (USES)				
Transfers in (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES				
AND (USES)	-	-	-	-
EXCESS OF REVENUES AND OTHER				
FINANCING SOURCES OVER (UNDER)				
EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	-	\$ -
FUND BALANCE - Beginning				
FUND BALANCE - Ending			\$ -	

The accompanying notes are an integral part of this statement.

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NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL -COMBINED SERVICE DELIVERY AREA -
INSPECTION FEE FUND - SUMMARY STATEMENT
Year Ended September 30, 2023

	Inspection Fee Fund			
	Original	Final	Actual	Variance
	Budget	Budget		Favorable (Unfavorable)
REVENUES				
Charges for services				
Inspection fees	\$ 1,100,000	\$ 1,100,000	\$ 1,179,829	\$ 79,829
Plan review fees	1,000,000	1,000,000	1,140,340	140,340
Miscellaneous:				
Interest	1,000	6,000	8,767	2,767
Other	-	-	-	-
Subtotal - revenues	2,101,000	2,106,000	2,328,936	222,936
Cash brought forward	500,384	646,160	-	(646,160)
TOTAL REVENUES	<u>2,601,384</u>	<u>2,752,160</u>	<u>2,328,936</u>	<u>(423,224)</u>
EXPENDITURES				
Current				
Public safety				
Personnel services	2,109,622	2,109,622	1,779,737	329,885
Operating expenditures	142,850	142,850	104,098	38,752
Capital outlay	-	-	-	-
Reserves	348,912	499,688	-	499,688
TOTAL EXPENDITURES	<u>2,601,384</u>	<u>2,752,160</u>	<u>1,883,835</u>	<u>868,325</u>
EXCESS OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	445,101	<u>\$ 445,101</u>
FUND BALANCE - Beginning			<u>646,160</u>	
FUND BALANCE - Ending			<u>\$ 1,091,261</u>	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - COMBINED SERVICE
DELIVERY AREA - INSPECTION FEE FUND - DETAILED STATEMENT
Year Ended September 30, 2023

	Inspection Fee Fund			
	Original	Final		Variance
	Budget	Budget	Actual	Favorable (Unfavorable)
REVENUES				
Charges for services:				
Inspection fees	\$ 1,100,000	\$ 1,100,000	\$ 1,179,829	\$ 79,829
Plan review fees	1,000,000	1,000,000	1,140,340	140,340
Miscellaneous:				
Interest	1,000	6,000	8,767	2,767
Other	-	-	-	-
Subtotal - revenues	2,101,000	2,106,000	2,328,936	222,936
Cash brought forward	500,384	646,160	-	(646,160)
TOTAL REVENUES	2,601,384	2,752,160	2,328,936	(423,224)
EXPENDITURES				
Current				
Public safety				
Personnel services:				
Salaries				
Regular	1,272,766	1,272,766	1,084,528	188,238
Overtime	45,000	45,000	39,626	5,374
Sick leave	50,000	50,000	36,303	13,697
Vacation pay	-	-	-	-
Professional/Incentives and holiday pay	49,720	49,720	49,353	367
Payroll taxes				
Social Security	108,438	108,438	92,550	15,888
Benefits				
Retirement	148,713	148,713	163,443	(14,730)
Post employment health plan (PEHP)	-	-	-	-
Health insurance (including HSA)	357,747	357,747	266,340	91,407
Disability insurance	6,719	6,719	-	6,719
Medical clinic/employee physicals	18,313	18,313	-	18,313
Unemployment compensation	-	-	-	-
Workers compensation	52,206	52,206	47,594	4,612
Subtotal - Personnel services	2,109,622	2,109,622	1,779,737	329,885

The accompanying notes are an integral part of this statement.

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NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - COMBINED SERVICE
DELIVERY AREA - INSPECTION FEE FUND - DETAILED STATEMENT (CONTINUED)
Year Ended September 30, 2023

	Inspection Fee Fund			
	Original	Final	Actual	Variance
	Budget	Budget		(Unfavorable)
Operating expenditures:				
Uniforms	\$ -	\$ -	\$ 75	\$ (75)
Telephone	-	-	-	-
Utilities	-	-	-	-
Rent	50,000	50,000	50,000	-
Maintenance				
Computer software & supplies	52,600	52,600	42,874	9,726
Hydrant	-	-	-	-
Supplies				
Office	-	-	-	-
Miscellaneous				
Dues & subscriptions	4,650	4,650	4,271	379
Fire prevention	-	-	-	-
Training	16,400	16,400	3,133	13,267
Travel	19,200	19,200	3,745	15,455
Subtotal - Operating expenditures	<u>142,850</u>	<u>142,850</u>	<u>104,098</u>	<u>38,752</u>
Capital outlay:				
Office facility	-	-	-	-
Vehicles	-	-	-	-
Subtotal - Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt service:				
Principal reduction	-	-	-	-
Interest and fiscal charges	-	-	-	-
Subtotal - Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reserves:	<u>348,912</u>	<u>499,688</u>	<u>-</u>	<u>499,688</u>
TOTAL EXPENDITURES	<u>2,601,384</u>	<u>2,752,160</u>	<u>1,883,835</u>	<u>868,325</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	445,101	<u>\$ 445,101</u>
FUND BALANCE - Beginning			<u>646,160</u>	
FUND BALANCE - Ending			<u>\$ 1,091,261</u>	

The accompanying notes are an integral part of this statement.

**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM (FRS) PENSION
PLAN (1)**

Fiscal year ending September 30:	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
District's proportion of the net pension liability	0.015929135%	0.017548069%	0.019684338%	0.021696122%
District's proportionate share of the net pension liability	\$ 6,347,256	\$ 6,529,292	\$ 1,486,928	\$ 9,403,419
District's covered-employee payroll	\$ 5,043,715	\$ 4,736,812	\$ 5,145,270	\$ 4,887,399
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	125.84%	137.84%	28.90%	192.40%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%

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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 923,570	\$ 827,071	\$ 845,377	\$ 775,095
Contributions in relation to the contractually required contribution	<u>923,570</u>	<u>827,071</u>	<u>845,377</u>	<u>775,095</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,043,715	\$ 4,736,812	\$ 5,145,270	\$ 4,887,399
Contributions as a percentage of covered-employee payroll	18.31%	17.46%	16.43%	15.86%

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.

Note: Measurement date was June 30 within the respective fiscal year.

2019	2018	2017	2016	2015	2014
0.027233351%	0.031414516%	0.038802719%	0.040983896%	0.038209683%	0.041592399%
\$ 9,378,787	\$ 9,462,215	\$ 11,477,584	\$ 10,348,466	\$ 4,935,293	\$ 2,537,748
\$ 5,436,629	\$ 5,753,921	\$ 6,933,311	\$ 6,745,995	\$ 6,326,722	\$ 6,293,887
172.51%	164.45%	165.54%	153.40%	78.01%	40.32%
82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

2019	2018	2017	2016	2015	2014
\$ 887,696	\$ 912,380	\$ 1,119,238	\$ 1,099,170	\$ 967,270	\$ 971,792
<u>887,696</u>	<u>912,380</u>	<u>1,119,238</u>	<u>1,099,170</u>	<u>967,270</u>	<u>971,792</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,436,629	\$ 5,753,921	\$ 6,933,311	\$ 6,745,995	\$ 6,326,722	\$ 6,293,887
16.33%	15.86%	16.14%	16.29%	15.29%	15.44%

**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY - HEALTH INSURANCE SUBSIDY (HIS) PENSION
PLAN (1)**

Fiscal year ending September 30:	2023	2022	2021	2020
District's proportion of the net pension liability	0.012602682%	0.013541536%	0.014266437%	0.014221549%
District's proportionate share of the net pension liability	\$ 2,001,474	\$ 1,434,265	\$ 1,749,993	\$ 1,736,428
District's covered-employee payroll	\$ 5,043,715	\$ 4,736,812	\$ 5,145,270	\$ 4,887,399
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	39.68%	30.28%	34.01%	35.53%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%

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)**

	2023	2022	2021	2020
Contractually required contribution	\$ 58,951	\$ 52,792	\$ 53,960	\$ 58,340
Contributions in relation to the contractually required contribution	58,951	52,792	53,960	58,340
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,043,715	\$ 4,736,812	\$ 5,145,270	\$ 4,887,399
Contributions as a percentage of covered-employee payroll	1.17%	1.11%	1.05%	1.19%

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.

Note: Measurement date was June 30 within the respective fiscal year.

2019	2018	2017	2016	2015	2014
0.016634678%	0.019013168%	0.021233558%	0.021530658%	0.021138780%	0.021145042%
\$ 1,861,254	\$ 2,012,375	\$ 2,270,390	\$ 2,509,309	\$ 2,155,823	\$ 1,977,113
\$ 5,436,629	\$ 5,753,921	\$ 6,933,311	\$ 6,745,995	\$ 6,326,722	\$ 6,293,887
34.24%	34.97%	32.75%	37.20%	34.07%	31.41%
2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

2019	2018	2017	2016	2015	2014
\$ 66,816	\$ 68,674	\$ 84,244	\$ 87,198	\$ 78,787	\$ 65,973
<u>66,816</u>	<u>68,674</u>	<u>84,244</u>	<u>87,198</u>	<u>78,787</u>	<u>65,973</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,436,629	\$ 5,753,921	\$ 6,933,311	\$ 6,745,995	\$ 6,326,722	\$ 6,293,887
1.23%	1.19%	1.22%	1.29%	1.25%	1.05%

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 was completed 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 6.70%. 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 increased from 3.54% to 3.65% 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, 2023, the inflation rate assumption remained unchanged at 2.40 percent, the real payroll growth assumption remained unchanged at .85 percent, and the overall payroll growth rate assumption remained at 3.25 percent. The long-term expected rate of return was unchanged at 6.70 percent.

Health Insurance Subsidy Pension Plan

The municipal rate used to determine total pension liability increased from 3.54 percent to 3.65 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, 2023 was reduced from 5.5 to 5.3 years for FRS and was reduced from 6.4 years to 6.3 years for HIS.

**NORTH COLLIER FIRE CONTROL AND RESCUE 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:

Net OPEB Liability	2023	2022	2021
Service Cost	\$ 892,320	\$ 922,094	\$ 663,293
Interest Cost on Total OPEB Liability	283,697	244,295	372,430
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	351,309	-	165,655
Changes in Assumptions	(687,183)	(384,047)	34,233
Benefit Payments	(510,375)	(476,986)	(484,966)
Net Change in net OPEB Liability	329,768	305,356	750,645
Net OPEB Liability - Beginning of Year	11,036,142	10,730,786	9,980,141
Net OPEB Liability - End of Year	<u>\$ 11,365,910</u>	<u>\$ 11,036,142</u>	<u>\$ 10,730,786</u>
Measurement Date	9/30/2022	9/30/2021	9/30/2020

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

Plan Fiduciary Net Position as of September 30:

	2023	2022	2021
Contributions - Employer (including PEHP)	\$ 510,395	\$ 476,986	\$ 484,966
Net Investment Income	-	-	-
Benefit Payments	(510,395)	(476,986)	(484,966)
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	11,365,910	11,036,142	10,730,786
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 of 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:
9/30/18	3.64%
9/30/19	4.18%
9/30/20	3.58%
9/30/21	2.14%
9/30/22	2.43%
9/30/23	4.77%

Healthcare and premium costs were updated.

Population covered by Plan: 321

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

<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 557,861	\$ 684,930	\$ 723,937
385,797	387,918	326,072
-	-	-
-	417,788	-
591,573	(2,363,827)	(620,125)
<u>(449,043)</u>	<u>(406,464)</u>	<u>(373,760)</u>
1,086,188	(1,279,655)	56,124
<u>8,893,953</u>	<u>10,173,608</u>	<u>10,117,484</u>
<u>\$ 9,980,141</u>	<u>\$ 8,893,953</u>	<u>\$ 10,173,608</u>
9/30/2019	9/30/2018	9/30/2017

<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 449,043	\$ 406,464	\$ 373,760
-	-	-
<u>(449,043)</u>	<u>(406,464)</u>	<u>(373,760)</u>
<u>-</u>	<u>-</u>	<u>-</u>
-	-	-
-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
9,980,141	8,893,953	10,173,608
0.00%	0.00%	0.00%

**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY AND
RELATED RATIOS (UNAUDITED) - FIREFIGHTERS' PENSION TRUST FUND**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
TOTAL PENSION LIABILITY:			
Net Change in Total Pension Liability	\$ 13,987,583	\$ 14,644,849	\$ 15,964,922
Total Pension Liability - Beginning of Year	<u>140,921,798</u>	<u>126,276,949</u>	<u>110,312,027</u>
Total Pension Liability - End of Year	<u>\$ 154,909,381</u>	<u>\$ 140,921,798</u>	<u>\$ 126,276,949</u>
	<u>2023</u>	<u>2022</u>	<u>2021</u>
PLAN FIDUCIARY NET POSITION:			
Net Change in Fiduciary Net Position	\$ 16,014,413	\$ (15,600,828)	\$ 26,671,007
Fiduciary Net Position - Beginning of Year	<u>112,896,854</u>	<u>128,497,682</u>	<u>101,826,675</u>
Fiduciary Net Position - End of Year	<u>\$ 128,911,267</u>	<u>\$ 112,896,854</u>	<u>\$ 128,497,682</u>
NET PENSION (ASSET) LIABILITY - ENDING	<u>\$ 25,998,114</u>	<u>\$ 28,024,944</u>	<u>\$ (2,220,733)</u>
PLAN FIDUCIARY ENDING NET POSITION AS A PERCENTAGE OF TOTAL PENSION LIABILITY	83.22%	80.11%	101.76%
COVERED EMPLOYEE PAYROLL	\$ 19,250,524	\$ 15,999,295	\$ 15,825,800
NET PENSION LIABILITY AS A PERCENTAGE OF COVERED EMPLOYEE PAYROLL	135.05%	175.16%	-14.03%

This schedule is presented as required by accounting principles generally accepted in the United States of America, however, until a full 10-year trend is completed, information is presented for those years available.

The accompanying independent auditor's report should be read with these supplemental schedules.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 13,059,479	\$ 13,150,199	\$ 10,364,336	\$ 12,030,957	\$ 10,165,305	\$ 4,074,169
<u>97,252,548</u>	<u>84,102,349</u>	<u>73,738,012</u>	<u>61,707,055</u>	<u>51,541,750</u>	<u>47,467,581</u>
<u>\$ 110,312,027</u>	<u>\$ 97,252,548</u>	<u>\$ 84,102,348</u>	<u>\$ 73,738,012</u>	<u>\$ 61,707,055</u>	<u>\$ 51,541,750</u>

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 12,933,225	\$ 7,964,763	\$ 10,180,873	\$ 12,234,865	\$ 6,978,753	\$ 2,344,624
<u>88,893,450</u>	<u>80,928,687</u>	<u>70,747,813</u>	<u>58,512,948</u>	<u>51,534,195</u>	<u>49,189,571</u>
<u>\$ 101,826,675</u>	<u>\$ 88,893,450</u>	<u>\$ 80,928,686</u>	<u>\$ 70,747,813</u>	<u>\$ 58,512,948</u>	<u>\$ 51,534,195</u>

<u>\$ 8,485,352</u>	<u>\$ 8,359,098</u>	<u>\$ 3,173,662</u>	<u>\$ 2,990,199</u>	<u>\$ 3,194,107</u>	<u>\$ 7,555</u>
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92.31%	91.40%	96.23%	95.94%	94.82%	99.99%
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\$ 14,829,151	\$ 14,434,146	\$ 13,739,853	\$ 13,771,976	\$ 11,890,295	\$ 9,671,942
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57.22%	57.91%	23.10%	21.71%	26.86%	0.08%
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The accompanying independent auditor's report should be read with these supplemental schedules.

**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS (UNAUDITED) -
FIREFIGHTERS' PENSION TRUST FUND**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution*	\$ 4,369,708	\$ 3,706,614	\$ 3,606,617	\$ 2,306,381
Contributions in relation to the contractually required contribution	<u>4,369,708</u>	<u>3,706,614</u>	<u>3,606,617</u>	<u>2,306,381</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 19,250,524	\$ 15,999,295	\$ 15,825,800	\$ 14,829,151
Contributions as a percentage of covered-employee payroll	22.70%	23.17%	22.79%	15.55%

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.

Note: Measurement date was September 30 within the respective fiscal year.

*Employer only

	2019	2018	2017	2016	2015	2014
\$	2,769,139	\$ 2,990,030	\$ 2,933,393	\$ 1,735,437	\$ 1,107,133	\$ 1,518,926
	<u>2,769,139</u>	<u>2,990,030</u>	<u>2,933,393</u>	<u>1,735,437</u>	<u>1,107,133</u>	<u>1,518,926</u>
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	14,434,146	\$ 13,739,853	\$ 13,771,976	\$ 11,890,295	\$ 9,671,942	\$ 8,770,495
	19.18%	21.76%	21.30%	14.60%	11.45%	17.32%

**NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
SCHEDULE OF INVESTMENT RETURNS - (UNAUDITED)
FIREFIGHTERS' PENSION TRUST FUND**

<u>Year Ended September 30:</u>	<u>Annual Money- Weighted Rate of return net of investment expense</u>
2023	9.07%
2022	(15.85%)
2021	20.28%
2020	9.40%
2019	3.58%
2018	8.82%
2018	13.28%
2016	7.21%
2015	(0.68%)
2014	9.31%
2013	12.79%
2012	15.23%
2011	(2.12%)

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION -
FIREFIGHTERS' PENSION TRUST FUND
September 30, 2023

	<u>Firefighters' Pension Trust Fund</u>
Valuation date	10/01/22
Actuarial cost method	Entry Age Normal Actuarial Cost Method
Amortization method	New UAAL - Amount over 15 years
Mortality table	MP-2018 Combined Healthy
Remaining amortization period	15 years (as of 10/1/22)
Actuarial asset valuation method	Fair Value Net of Investment Expense
Actuarial assumptions:	
Investment rate	7.0% (net of fees)
Projected salary increase	Service based
Inflation	2.5%
Post retirement cost of living adjustment	3%
Measurement date	September 30, 2023

Changes of Assumptions

For the year ended September 30, 2023, the following changes to assumptions: none

ADDITIONAL REPORTS



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 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
 North Collier Fire Control and Rescue District
 1885 Veterans Park Drive
 Naples, Florida 34109-0492

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 and non-major fund of North Collier Fire Control and Rescue 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 and have issued our report thereon dated May 10, 2024. Other auditors audited the financial statements of the District's Firefighters' Pension Trust Fund, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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. A material weakness is a deficiency, or

INTEGRITY SERVICE EXPERIENCE

combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Collier Fire Control and Rescue 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 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

May 10, 2024



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

Board of Commissioners
North Collier Fire Control and Rescue District
1885 Veterans Park Drive
Naples, Florida 34109-0492

We have examined North Collier Fire Control and Rescue District's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for North Collier Fire Control and Rescue District's compliance with those requirements. Our responsibility is to express an opinion on North Collier Fire Control and Rescue 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 North Collier Fire Control and Rescue 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 North Collier Fire Control and Rescue District's compliance with specified requirements.

In our opinion, North Collier Fire Control and Rescue District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

This report is intended solely for the information and use of the North Collier Fire Control and Rescue 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.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
May 10, 2024

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INDEPENDENT AUDITOR'S REPORT TO MANAGEMENT

Board of Commissioners
 North Collier Fire Control and Rescue District
 1885 Veterans Park Drive
 Naples, Florida 34109-0492

We have audited the accompanying basic financial statements of North Collier Fire Control and Rescue District (the "District") as of and for the year ended September 30, 2023, and have issued our report thereon dated May 10, 2024.

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 Florida Auditor General. Disclosures in those reports, which are dated May 10, 2024, 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 included the following information, which is not included in the aforementioned auditor's report:

- 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 prior year report contained no financially significant comments.
- 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. No 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.
- Pursuant to Section 10.554(1)(i)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 May 10, 2024, included herein.

PRIOR YEAR COMMENTS:

There were no financially significant prior year comments.

CURRENT YEAR COMMENTS:

There were no financially significant 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.

Fort Myers, Florida

May 10, 2024

EXHIBIT 1



May 30, 2024

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

We are pleased to note that the audit report for the fiscal year 2022/2023 for the North Collier Fire Control and Rescue District reflected no current or prior year comments which require management's response.

The Board of Fire Commissioners and management staff of the North Collier Fire Control & Rescue District maintain their commitment to create and maintain internal controls, and policy and procedures to insure accurate reporting, accountability and provide for the financial stability of the District.

Sincerely,

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT

1885 Veterans Park Drive Naples, FL 34109 ■ (239) 597-3222 ■ northcollierfire.com

FIRE CHIEF ELOY RICARDO

BOARD OF FIRE COMMISSIONERS

M. James Burke ■ Christopher L. Crossan ■ James A. Calamari ■ Norman E. Feder ■ J. Christopher Lombardo

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). 273 including 5 Board of Commissioners members
- 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). 14
- 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) \$26,977,310
- 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) \$1,234,060
- 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). N/A
- 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 page 3 -6.

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.
North Naples Service Delivery Area: 1.000
Big Corkscrew Island Service Delivery Area: 3.750
- b. The current year gross amount of ad valorem taxes collected by or on behalf of the district. \$52,667,165
- c. The total amount of outstanding bonds issued by the district and terms of such bonds. N/A

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

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
SUMMARY STATEMENT - NORTH NAPLES SDA
Year Ended September 30, 2023

	General Fund		
	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Ad Valorem taxes	\$ 41,039,124	\$ 42,010,608	\$ 971,484
Intergovernmental revenue:			
State firefighter supplement	72,900	97,995	25,095
Federal grants	22,712	1,128,194	1,105,482
Other Intergovernmental	14,400	33,954	19,554
Charges for services	708,264	610,047	(98,217)
Miscellaneous:			
Interest	21,000	1,141,145	1,120,145
Other	162,354	723,270	560,916
Subtotal - revenues	42,040,754	45,745,213	3,704,459
Cash brought forward	16,665,870	-	(16,665,870)
TOTAL REVENUES	58,706,624	45,745,213	(12,961,411)
EXPENDITURES			
Current			
Public safety			
Personnel services	32,388,176	32,161,921	226,255
Operating expenditures	7,584,836	7,697,073	(112,237)
Capital outlay	1,354,117	2,929,200	(1,575,083)
Debt service:			
Principal reduction	528,004	528,003	1
Interest and fiscal charges	49,915	49,916	(1)
Reserves	16,850,176	-	16,850,176
TOTAL EXPENDITURES	58,755,224	43,366,113	15,389,111
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(48,600)	2,379,100	2,427,700
OTHER FINANCING SOURCES AND (USES)			
Proceeds from financing lease	-	1,188,300	1,188,300
Proceeds from disposition of capital assets	48,600	95,750	47,150
Transfer in	-	-	-
Transfer out	-	-	-
TOTAL OTHER FINANCING SOURCES AND (USES)	48,600	1,284,050	1,235,450
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ -	3,663,150	\$ 3,663,150
FUND BALANCE - Beginning		18,254,260	
FUND BALANCE - Ending		\$ 21,917,410	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -
SUMMARY STATEMENT - BIG CORKSCREW ISLAND SDA
Year Ended September 30, 2023

	General Fund		
	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Ad Valorem taxes	\$ 10,383,380	\$ 10,656,557	\$ 273,177
Intergovernmental revenue:			
State firefighter supplement	17,100	-	(17,100)
Federal grants	5,328	-	(5,328)
Other intergovernmental	-	-	-
Charges for services	166,136	-	(166,136)
Miscellaneous:			
Interest	5,625	628,105	622,480
Other	47,788	24,883	(22,905)
Subtotal - revenues	10,625,357	11,309,545	684,188
Cash brought forward	4,805,409	-	(4,805,409)
TOTAL REVENUES	<u>15,430,766</u>	<u>11,309,545</u>	<u>(4,121,221)</u>
EXPENDITURES			
Current			
Public safety			
Personnel services	7,597,227	7,544,156	53,071
Operating expenditures	1,800,409	1,821,286	(20,877)
Capital outlay	317,633	687,098	(369,465)
Debt service:			
Principal reduction	123,853	123,852	1
Interest and fiscal charges	11,708	11,709	(1)
Reserves	5,591,336	-	5,591,336
TOTAL EXPENDITURES	<u>15,442,166</u>	<u>10,188,101</u>	<u>5,254,065</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(11,400)</u>	<u>1,121,444</u>	<u>1,132,844</u>
OTHER FINANCING SOURCES AND USES			
Proceeds from financing lease	-	-	-
Proceeds from disposition of capital assets	11,400	-	(11,400)
Transfer in / (out)	-	-	-
TOTAL OTHER FINANCING SOURCES AND USES	<u>11,400</u>	<u>-</u>	<u>(11,400)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ -</u>	<u>1,121,444</u>	<u>\$ 1,121,444</u>
FUND BALANCE - Beginning		<u>4,870,843</u>	
FUND BALANCE - Ending		<u>\$ 5,992,287</u>	

The accompanying notes are an integral part of this statement.

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - COMBINED SERVICE DELIVERY AREAS -
BUDGET AND ACTUAL - IMPACT FEE FUND - SUMMARY STATEMENT
Year Ended September 30, 2023

	Impact Fee Fund		
	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fees:			
Impact fees	\$ 573,641	\$ -	\$ (573,641)
Impact Fees - Collected / Deferred	426,359	-	(426,359)
Miscellaneous:			
Interest	5,000	71,055	66,055
Transfer from General Fund	-	-	-
Other	-	-	-
Subtotal - revenues	1,005,000	71,055	(933,945)
Cash brought forward	7,143,175	-	(7,143,175)
TOTAL REVENUES	8,148,175	71,055	(8,077,120)
EXPENDITURES			
Current			
Public safety			
Operating expenditures	20,000	11,590	8,410
Capital outlay	500,000	-	500,000
Debt service:			
Principal	57,500	57,500	-
Interest and fiscal charges	1,141	1,965	(824)
Reserves	7,569,534	-	7,569,534
TOTAL EXPENDITURES	8,148,175	71,055	8,077,120
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING SOURCES AND (USES)			
Transfers in (out)	-	-	-
TOTAL OTHER FINANCING SOURCES AND (USES)	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ -	-	\$ -
FUND BALANCE - Beginning		-	
FUND BALANCE - Ending		<u>\$ -</u>	

The accompanying notes are an integral part of this statement.

Page 6

NORTH COLLIER FIRE CONTROL AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL -COMBINED SERVICE DELIVERY AREA -
INSPECTION FEE FUND - SUMMARY STATEMENT
Year Ended September 30, 2023

	Inspection Fee Fund		
	Original		Variance
	Budget	Actual	Favorable (Unfavorable)
	Budget	Actual	(Unfavorable)
REVENUES			
Charges for services			
Inspection fees	\$ 1,100,000	\$ 1,179,829	\$ 79,829
Plan review fees	1,000,000	1,140,340	140,340
Miscellaneous:			
Interest	1,000	8,767	7,767
Other	-	-	-
Subtotal - revenues	2,101,000	2,328,936	227,936
Cash brought forward	500,384	-	(500,384)
TOTAL REVENUES	2,601,384	2,328,936	(272,448)
EXPENDITURES			
Current			
Public safety			
Personnel services	2,109,622	1,779,737	329,885
Operating expenditures	142,850	104,098	38,752
Capital outlay	-	-	-
Reserves	348,912	-	348,912
TOTAL EXPENDITURES	2,601,384	1,883,835	717,549
EXCESS OF REVENUES			
OVER (UNDER) EXPENDITURES	\$ -	445,101	\$ 445,101
FUND BALANCE - Beginning		646,160	
FUND BALANCE - Ending		\$ 1,091,261	

The accompanying notes are an integral part of this statement.