

**Pasco County Mosquito Control District
Odessa, Florida**

General Purpose
Financial Statements

For the Year Ended September 30, 2023



DGPerry
CPAs + Advisors

Officials

September 30, 2023

Elected Officials

Michael Cox	Chairman
Randal Evans	Secretary
Matthew Abbott	Treasurer

Appointed Officials

Adriane N. Rogers	Director
Stephen C. Booth	Attorney

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Independent Auditors' Report

Board of Commissioners
Pasco County Mosquito Control District
Odessa, FL 33556

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Pasco County Mosquito Control District (District) as of and for the year ended September 30, 2023, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Pasco County Mosquito Control District as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Pasco County Mosquito Control District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Pasco County Mosquito Control District, Florida'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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pasco County Mosquito Control District, Florida'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 Pasco County Mosquito Control District, Florida's, ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages M1-M5 and 28-29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 24, 2024, on our consideration of the Pasco County Mosquito Control District, Florida's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Pasco County Mosquito Control District, Florida's, internal control over financial reporting and compliance.



DG Perry, PLLC
Zephyrhills, FL
May 24, 2024

Pasco County Mosquito Control District

Management's Discussion and Analysis
For the Year Ended September 30, 2023

Our discussion and analysis of the Pasco County Mosquito Control District's financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2023.

Financial Highlights

- The assets and deferred outflows of the District at the close of its most recent fiscal year were \$24,891,847.
- As of the close of the current fiscal year, the District reported an ending Fund balance for the general fund of \$10,975,987; an increase of \$459,898 in comparison with the prior year.
- At the end of the current fiscal year, unassigned general fund balance was \$9,383,720; or 96.6% of total expenditures.
- The District incurred long-term debt in a prior fiscal year for the purchase of two helicopters.

Overview of the Financial Statements

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

The Statement of Net Position (page 1) and the Statement of Activities (page 2) provide information about the activities of the District and present a longer-term view of the District's finances. The statements are measured and reported using the economic resource measurement focus and the full accrual basis of accounting.

The Funds Financial Statements begin on page 3. The governmental funds measure and report activities using the current financial resources measurement focus and the modified accrual basis of accounting. Therefore, you will find the reconciliation on page 6 that converts this data to an economic resource measurement focus and the accrual basis of accounting for use in the financial statements. The Governmental Accounting Standards Board (GASB) Statement No. 34 provides the authoritative guidance on the governmental financial reporting model.

Pasco County Mosquito Control District

Management's Discussion and Analysis
For the Year Ended September 30, 2023

The Statement of Net Position and the Statement of Activities

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

The statement of net position presents information on all of the District's assets. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Fund Financial Statements

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found beginning on page 7.

Required Supplementary Information

Generally accepted accounting principles (GAAP) call for certain unaudited information to accompany the audited basic financial statements and accompanying footnotes. This information is called required supplementary information (RSI) and includes this analysis, the MD&A, budgetary comparisons, and other post-employment benefits schedules.

Government-Wide Financial Analysis

A large portion of the District's net position (46%) reflects its investment in capital assets (e.g., land, buildings, equipment). The District uses these capital assets to provide mosquito control to the citizens of the District. The District maintained \$3,843,858 in cash funds, which represents approximately 26% of its net position.

Pasco County Mosquito Control District

Management's Discussion and Analysis
Net Position
For the Year Ended September 30, 2023

	9/30/2023	9/30/2022	% Increase (Decrease)
Current and Other Assets	\$ 11,525,793	\$ 10,966,856	5.10%
Capital Assets, Net of Accumulated Depreciation	12,629,315	12,492,423	1.10%
Total Assets	24,155,108	23,459,279	2.97%
Deferred Outflows	736,739	727,392	1.29%
Total Assets and Deferred Outflows	24,891,847	24,186,671	2.92%
Net Pension Liability	2,780,352	2,222,169	25.12%
Current and Other Liabilities	1,513,994	1,363,388	11.05%
Capital Lease Payable	5,504,635	6,438,981	-14.51%
Total Liabilities	9,798,981	10,024,538	-2.25%
Deferred Inflows	114,837	166,434	-31.00%
Total Liabilities and Deferred Inflows	9,913,818	10,190,972	-2.72%
Net Position			
Invested in Capital Assets, Net of Related Debt	6,939,097	6,039,694	14.89%
Unrestricted	8,038,932	7,956,005	1.04%
Total Net Position	\$ 14,978,029	\$ 13,995,699	7.02%

At the end of the current fiscal year, the District is able to report positive balances in all categories of net position.

Pasco County Mosquito Control District

Management's Discussion and Analysis
Changes in Net Position
For the Year Ended September 30, 2023

	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>% Increase (Decrease)</u>
Revenues			
General Revenues			
Property Taxes	\$ 10,028,316	\$ 8,669,313	15.68%
Interest Earnings	36,456	1,628	2139.31%
Investment interest	89,668	-	100.00%
Other	10,986	161,533	-93.20%
Total Revenues	<u>10,165,426</u>	<u>8,832,474</u>	<u>15.09%</u>
Expenses			
General Government			
Total Expenses, Net of Operating			
Grants and Contributions	<u>9,183,473</u>	<u>6,524,139</u>	<u>40.76%</u>
Increase (Decrease) in Net Position	<u>981,953</u>	<u>2,308,335</u>	<u>-57.46%</u>
Net Position	<u>\$ 14,978,029</u>	<u>\$ 13,995,699</u>	<u>7.02%</u>

Property taxes continue as our primary source of revenue. The District's millage rate has remained the same for the past five years.

Pasco County Mosquito Control District

Management's Discussion and Analysis Capital Assets For the Year Ended September 30, 2023

The District's capital assets as of September 30, 2023, reflect an investment of \$12,629,315 net of accumulated depreciation.

The following table provides a summary of net capital assets.

Capital Assets September 30, 2023

	Governmental Activities
Land	\$ 2,282,663
Buildings and Improvements	4,138,441
Equipment	11,189,771
Construction in Progress	-
	<hr/> 17,610,875
Less Accumulated Depreciation	
Buildings and Improvements	(1,288,460)
Equipment	(3,693,100)
Totals	<hr/> <u>\$ 12,629,315</u>

Debt

At September 30, 2023, the District had outstanding debt of \$5,690,218 for the purchase of two helicopters.

Economic Factors and Next Year's Budget and Rates

The District currently maintains a stable economic base and local indicators point to continued stability.

The District relies on property taxes for the largest portion of its budget.

When these factors were considered in preparing the District's budget for the 2022-2023 fiscal year, the District accepted the millage rate of .2545 mills per thousand.

Request for Information

The District's financial statements are designed to present users (citizens and customers) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about this report or need additional information, contact the Finance Manager at 2308 Marathon Rd., Odessa, FL 33556.

Basic Financial Statements

The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the financial statements. The government-wide financial statements present financial information about the reporting government as a whole. The fund financial statements present financial information about major funds individually. The notes to the financial statements present information essential for the fair presentation of the financial statements that are not displayed on the face of the financial statements.

Pasco County Mosquito Control District

Statement of Net Position For the Year Ended September 30, 2023

Assets	
Cash	\$ 3,843,858
Florida Prime Investments	6,089,668
Inventory	1,592,267
Total Current Assets	<u>11,525,793</u>
Capital Assets (Net of Accumulated Depreciation)	
Land	2,282,663
Buildings and Improvements	2,849,981
Equipment	7,496,671
Total Capital Assets (Note 3)	<u>12,629,315</u>
Deferred Outflows	736,739
Total Assets and Deferred Outflows	<u>24,891,847</u>
Current Liabilities	
Accounts Payable and Accrued Liabilities	549,806
Current Portion of:	
Capital Lease Payable	774,707
Compensated Absences	189,481
Total Current Liabilities	<u>1,513,994</u>
Non-Current Liabilities	
Capital Lease Payable	4,915,511
Net Pension Liability (Note 5)	2,780,352
Compensated Absences (Note 4)	161,409
Other Post Employment Benefits (Note 9)	427,715
Total Non-Current Liabilities	<u>8,284,987</u>
Deferred Inflows	114,837
Total Liabilities and Deferred Inflows	<u>9,913,818</u>
Net Position	
Invested in Capital Assets, Net of related debt	6,939,097
Unrestricted	8,038,932
Total Net Position	<u>14,978,029</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 24,891,847</u>

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

Pasco County Mosquito Control District

Statement of Activities
For the Year Ended September 30, 2023

Expenses

Public Health - Mosquito Control:		
Personnel Services	\$	4,132,005
Materials and Services		3,883,046
Interest on Long-Term Debt		101,949
Depreciation		1,066,473
		<hr/>
Total Program Expenses		9,183,473

General Revenues

Property Taxes		10,028,316
Interest		36,456
Investment income		89,668
Other		10,986
		<hr/>
Total General Revenues		10,165,426

Increase (Decrease) in Net Position 981,953

Net Position - Beginning of Year (as adjusted) 13,996,076

Net Position - End of Year \$ 14,978,029

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

Pasco County Mosquito Control District

Balance Sheet
Governmental Funds
For the Year Ended September 30, 2023

	<u>General Fund</u>
Assets	
Cash	\$ 3,843,858
Florida Prime Investment	6,089,668
Inventory	1,592,267
Total Assets	<u>11,525,793</u>
Liabilities and Fund Balances	
Liabilities	
Accounts Payable and Accrued Liabilities	<u>549,806</u>
Total Liabilities	<u>549,806</u>
Fund Balances	
Nonspendable:	
Inventory	1,592,267
Prepaid Items	-
Unassigned	<u>9,383,720</u>
Total Fund Balances	<u>10,975,987</u>
Total Liabilities and Fund Balances	<u>\$ 11,525,793</u>

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

Pasco County Mosquito Control District

Reconciliation of the Balance Sheet to the Statement of Net Position Governmental Funds For the Year Ended September 30, 2023

Fund Balances - Total Governmental Funds	\$	10,975,987
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets	\$	17,610,875	
Less accumulated depreciation		(4,981,560)	12,629,315

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Lease Payable-Banc of America		(5,690,218)	
Net Pension Liability		(2,780,352)	
Deferred Outflows		736,739	
Deferred Inflows		(114,837)	
Compensated absences		(350,890)	
Other Post Employment Benefits		(427,715)	(8,627,273)

Net Position of Governmental Activities	\$	14,978,029
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The accompanying notes are an integral part of these financial statements.

Pasco County Mosquito Control District

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

	General Fund
	Total
	Governmental Fund
Revenues	
Property Taxes	\$ 10,028,316
Interest	36,456
Investment interest	89,668
Grants	-
Miscellaneous	8,318
Surplus Property	10,530
Total Revenues	10,173,288
Expenditures	
Personnel Services	2,514,015
Personnel Services Benefits	1,241,019
Operating Expenditures	420,354
Utilities, Maintenance and Insurance	572,729
Supplies and Miscellaneous	189,584
Gasoline, Oil, Lubricants	162,698
Chemicals	2,511,812
Capital Outlay	1,237,096
Debt Service:	
Principal Retirement	762,511
Interest	101,949
Total Expenditures	9,713,767
Excess of Expenditures (Over)/ Under Revenue	459,521
Fund Balance at Beginning of Year, as adjusted	10,516,466
Fund Balance at Year End	\$ 10,975,987

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

Pasco County Mosquito Control District

Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balance of Governmental Funds to the Statement of Activities For the Year Ended September 30, 2023

Net Change in Fund Balances - Total Governmental Funds	\$	459,521
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Amounts reported for governmental activities in the
Statement of Activities are different because:

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

Expenditures for capital assets	\$ 1,211,227		
Less current year depreciation	(1,066,473)		
Un-depreciated cost of Surplus Property Sold	<u>(7,862)</u>		136,892

Some expenses reported in the Statement of Activities
do not require the use of current financial resources and,
therefore, are not reported as expenditures in
governmental funds.

Long-term Debt Principal Payment	762,511		
Increase in Net Pension Liability	(558,183)		
Increase in Deferred Outflows	9,347		
Decrease in Deferred Inflows	51,597		
Increase in Compensated Absences	(72,909)		
Decrease in Other Post Employment Benefits	<u>193,177</u>		<u>385,540</u>

Changes in Net Position of Governmental Activities	\$	<u>981,953</u>
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The accompanying notes are an integral part of these financial statements.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies

The Pasco County Mosquito Control District was created as the West Pasco County Mosquito Control District on June 7, 1951, by resolution of the Board of County Commissioners of Pasco County, Florida, in accordance with the results of the Special Election of June 5th, 1951, under the provisions of Chapter 390, Florida Statutes of 1949. The name of the District was changed to the Pasco County Mosquito Control District by resolution of the Board of County Commissioners of Pasco County, on November 10, 1987. The District is empowered and authorized to carry out mosquito control operations in accordance with Chapter 388, Florida Statutes. The commissioners on the board of directors are entrusted with a public office to which they are elected.

The District provides services to the citizens of Pasco County, Florida.

The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of these accounting policies are summarized below.

Defining the Financial Reporting Entity

In accordance with Governmental Accounting Standards Board Statement Number 14, the financial reporting entity includes the primary government, organizations for which the primary government is financially accountable and other organizations which, if excluded, would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority to an organization's board and, either displays the ability to impose its will on that organization, or the possibility that the organization will impose or provide a financial burden or benefit to the primary government. The District has no such organizations to include.

Governmental Accounting Standards Board Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments"

The District implemented the provisions of Statement Number 34 for the fiscal year ending September 30, 2004 which established new financial reporting requirements for state and local governments. The Statement established specific standards for the basic financial statements, management's discussion and analysis (MD&A), and certain required supplementary information. As part of this Statement, there is a reporting requirement regarding infrastructure (land, buildings, and equipment, etc.). All major general assets that were acquired or significantly reconstructed, or that received significant improvements, in fiscal years ending after June 30, 1980, were required to be retroactively reported and all newly acquired or improved infrastructure assets must be prospectively reported effective as of the date of implementation of this statement.

The basic financial statements include both government-wide and fund financial statements. The government-wide statements are presented using a full accrual, economic resource basis, which incorporates long-term assets and receivables and long-term liabilities. Governmental activities include the General Fund. The District has no business-type activities.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

The government-wide Statement of Activities reports the gross and net cost for the Mosquito Control Function of the District that is otherwise supported by general government revenue. The expenses for the category are reduced by program revenues to ascertain the net costs for that function. Program revenues are defined as charges for services, operating grants and capital grants that specifically relate to a specific program function. Operating grants and capital grants consist of revenues received from other governments, organizations, or individuals that are specifically attributable to a program and are restricted for either operating expenditures/expenses or capital expenditures/expenses associated with a specific program.

The fund financial statements are very similar to the financial statements presented in the previous model. The emphasis in the new model is on major funds. All funds maintained by the District are considered major funds in accordance with the new reporting model requirements.

Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The measurement focus is the determination of financial position and sources and uses of resources, rather than net income determination.

Fund Accounting

The District organizes its accounting system on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts.

The funds utilized by the District are governmental funds and consist of the General Fund.

General Fund

The General Fund accounts for the general activities of the Pasco County Mosquito Control District and finances those activities not otherwise designated to be recorded and financed separately.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

The government-wide financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis of accounting.

Under the modified accrual basis, revenues are recognized in the accounting period when they become measurable and available (susceptible to accrual). Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected soon enough after year-end to pay liabilities of the current period. The District defines the length of time used for "available" for purposes of revenue recognition as 60 days. Revenues that are susceptible to accrual include interest revenue, state revenue sharing entitlements, and intergovernmental grants. Expenditures are recorded at the time the related fund liabilities are incurred. Debt service expenditures are recorded only when payment is due. Under the accrual basis, revenues are recognized in the period when earned and expenses are recognized in the period when incurred.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Budgets and Budgetary Accounting

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

- a. The District Director submits to the District Commissioners a proposed operating budget for the ensuing fiscal year. It contains proposed expenditures and the means to finance them, including a proposed property tax millage.
- b. Public hearings are conducted to obtain taxpayer comments on the proposed budget and property tax millage rate.
- c. The budget and property tax millage are approved by the Commissioners in September.
- d. Annual budgets are adopted for the General Fund.
- e. The Commission must approve budget amendments that affect revenue accounts or appropriations. Expenditures may not exceed legal appropriations. Appropriations lapse at year-end. One budget adjustment was made during the year.
- f. Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- g. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles.

Recently Adopted Accounting Standards

Subscription-Based Information Technology Arrangements

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), to increase transparency by requiring the recognition of a right-of-use subscription asset and a corresponding subscription liability on the statement of net position at the commencement of the subscription term of the SBITA. Under the standard, disclosures are required to meet the objective of enabling user of the financial statements to assess the amount, timing and uncertainty of cash flows arising from these arrangements.

The District adopted the standard effective October 1, 2022, and recognized and measured existing Subscription-Based Information Technology Arrangements at, or entered into after October 1, 2022 (the beginning of the period of adoption). For the year ended September 30, 2023, it was determined that the adoption of the standard had no impact to the financial statements of the District.

Cash and Investments

Authorized investments include the Local Government Surplus Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act; Securities and Exchange Commission registered money market funds with the highest quality rating from a nationally recognized rating agency; interest bearing time deposits on savings accounts in qualified public depositories, as defined in S.280.02; and direct obligations of the U. S. Treasury. Securities shall be invested to provide sufficient liquidity to pay obligations as they come due.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Cash and Investments (continued)

Cash and certificates of deposit include amounts in demand deposit and interest-bearing time deposit accounts with Federal or State Chartered Banks. All deposits are covered by collateral pledged with the State Treasurer by the applicable banks. This is done in compliance with Section 280, Florida Statutes, which provides that in the event of a default by any participating bank or savings and loan association, all participating banks and savings and loan associations throughout the State would be obliged to reimburse the District for any loss.

Inventory

Chemicals, fuel and supplies inventory are stated at the lower of cost or net realizable value using the first in/first out (FIFO) method. The general fund accounts for inventory by the consumption method wherein inventories are recorded as expenditures when consumed (FIFO) rather than when purchased.

Prepaid Items

Prepayments made to vendors for services that will benefit periods beyond September 30, 2023, are recorded as prepaid items.

Property Taxes

Under Florida Law, the assessment of all properties and the collection of all District property taxes are consolidated in the offices of the Pasco County Property Appraiser and Pasco County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit districts to levy property taxes at a rate of up to 10 mills. The millage rate in effect for the fiscal year ended September 30, 2023, was .2545.

The tax levy of the District is established by the Commissioners prior to October 1 of each year. The Pasco County Property Appraiser incorporates the millages into the total tax levy, which includes the tax requirements of the county, municipalities, independent districts, and the Pasco County School Board.

All property is reassessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Pasco County Tax Collector.

All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount. Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by Pasco County.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets acquired or constructed in excess of \$750 are capitalized at historical cost. Donated assets are recorded at fair market value as of the date received. Additions, improvements, and other capital outlays that extend the useful life of an asset are capitalized. Other costs incurred for repair and maintenance are expensed as incurred. Depreciation is provided using the straight-line method. The estimated useful lives of the various classes of depreciable assets are as follows:

Assets	Years
Buildings and Improvements	39-50
Equipment	6-15

Compensated Absences

Annual vacation accruals vary based on years of service. The maximum number of annual leave hours that an employee may accrue is 432 hours.

Sick leave accumulates at the rate of 8 hours for each month worked with no maximum accumulation. Payment for unused medical leave will be made at termination of employment based on years of service. A provision for accumulated absences, related payroll taxes and retirement has been made in the financial statements as of September 30, 2023.

Net Position

The government-wide financial statements utilize a net position presentation. Net position is presented in three components - invested in capital assets (net of related debt), restricted, and unrestricted. (See also Note 2)

- Invested in Capital assets (net of related debt) - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.
- Restricted - This component consists of net position that has constraints placed on it either externally by third parties (creditors, grantors, and contributors) or by law through constitutional provisions of enabling legislation. The District would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use of these funds.
- Unrestricted - This component consists of net position that does not meet the definition of "invested in capital assets, net of related debt" and "restricted." Designations of net position made by the District's management are included in this component because these types of constraints are internal, and management can remove or modify them.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Operating Lease

The District entered into a copier lease commencing on August 31, 2021, for 3 HP copiers with ImageNet for 60 months. The monthly lease payment for the copiers is \$31.18. Minimum future rental payments under the non-cancelable operating lease having remaining terms in excess of one year as of September 30, 2023, for each of the next three years and in the aggregate are:

Year	Amount
2024	374
2025	374
2026	312
Total	<u>\$ 1,060</u>

Lease expense for the year ended September 30, 2023, was \$374.16.

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Under GASB 54 requirements, fund balance is reported in five possible components - nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable - This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted - This component includes amounts reported as restricted when constraints placed on the use of the resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed - This component includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's Commissioners. Such amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- Assigned - This component is used to report the government's intent to use the amount for a specific purpose but is neither restricted nor committed.
- Unassigned - This component is the residual classification for the general fund. This amount represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

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

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 Cash and Certificates of Deposit

All demand deposits and certificates of deposit are covered by collateral pledged with the State Treasurer by the applicable banks. This is done in compliance with Section 280, Florida Statutes, which provides that in the event of a default by any such bank or savings and loan association, all participating banks and savings and loan associations throughout the State would be obligated to reimburse the government for any loss.

Such deposits totaled \$3,901,850 at September 30, 2023.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 3 - Changes in Capital Assets

Capital asset activity for the year ended September 30, 2023 was as follows:

	Oct. 1, 2022 Beginning Balance	Increases	Decreases	Sept. 30, 2023 Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 2,282,663	\$ -	\$ -	\$ 2,282,663
Total assets not being depreciated	<u>2,282,663</u>	<u>-</u>	<u>-</u>	<u>2,282,663</u>
Other capital assets:				
Buildings & Improvements	3,270,772	867,669	-	4,138,441
Equipment	11,074,684	343,558	228,471	11,189,771
Construction in Process	-	-	-	-
Total other capital assets at historical cost	<u>14,345,456</u>	<u>1,211,227</u>	<u>228,471</u>	<u>15,328,212</u>
Less accumulated depreciation for:				
Buildings and Improvements	(1,220,196)	(68,264)	-	(1,288,460)
Equipment	<u>(2,915,500)</u>	<u>(998,209)</u>	<u>(220,609)</u>	<u>(3,693,100)</u>
Total accumulated depreciation	<u>(4,135,696)</u>	<u>(1,066,473)</u>	<u>(220,609)</u>	<u>(4,981,560)</u>
Other capital assets, net	<u>10,209,760</u>	<u>144,754</u>	<u>7,862</u>	<u>10,346,652</u>
Governmental activities Capital assets, net of depreciation	<u>\$ 12,492,423</u>	<u>\$ 144,754</u>	<u>\$ 7,862</u>	<u>\$ 12,629,315</u>

Depreciation expense was charged to functions as follows:

	2023
Governmental activities	\$ -
General government	<u>\$ 1,066,473</u>

Pasco County Mosquito Control District

Notes to the Financial Statements For the Year Ended September 30, 2023

Note 4 - Long-term Liabilities

	Payable Oct. 30, 2022	Increases	Decreases	Payable Sept 30, 2023	Estimated Current Portion Sept 30, 2023
Governmental Activities:					
Notes and Leases Payable					
Lease Payable- Banc of America (Helicopter lease/purchase)	\$ 6,452,729	\$ -	\$ 762,511	\$ 5,690,218	\$ 774,707
Total Notes and Leases Payable	6,452,729	-	762,511	5,690,218	774,707
Other Liabilities					
Net OPEB liability (see Note 9)	620,892	(73,861)	119,316	427,715	-
Compensated Absences	277,981	289,074	216,165	350,890	189,481
Total Long-Term Liabilities	\$ 7,351,602	\$ 215,213	\$ 1,097,992	\$ 6,468,823	\$ 964,188

Lease Payable-Banc of America (Helicopters)

The District has a lease/purchase loan agreement for the purchase of two helicopters. The loan interest rate is 1.5995% and is payable in ten annual installments which began on February 1, 2021. The payment made in 2023 was \$864,460. Principal and interest payments for the years following September 30, 2023, are as follows:

	Principal	Interest
2/1/2024	774,707	91,015
2/1/2025	787,098	78,624
2/1/2026	799,688	66,034
2/1/2027	812,479	53,243
2/1/2028	825,475	40,247
2029 to 2030	1,690,771	40,673
Total	\$ 5,690,218	\$ 369,836

Accumulated Compensated Pay

The District had \$350,890 of compensated leave time accumulated by employees as of September 30, 2023. A maximum of 1,040 hours of sick leave is available to be cashed out. However, sick leave may be accumulated indefinitely for health insurance premiums. The District will pay employees for a portion of their unused sick leave upon termination based upon one half of the unused leave available, limited to employees with over five years of employment and four hundred eighty hours at separation. Annual leave accumulates at various rates based upon length of service of the employee with a maximum possible accumulation of 432 hours per employee. An estimate of \$189,481 will be paid during the subsequent fiscal year and \$161,409 will be paid in the second subsequent year and beyond.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans

Florida Retirement System

All of the District's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of Florida State Legislature.

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

Plan Description

The Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited services, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credit service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credit service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credit service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

As provided in Section 121.101 , Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three 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 three percent determined by dividing the sum of pre-July 2011 service by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, government employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2019, through June 30, 2020, and from July 1, 2020, through September 30, 2020, respectively, were as follows: Regular - 8.47% and 10.00%; Senior Management Service - 25.41% and 27.29%; Elected Officers' - 42.00% and 39.73%; and DROP participants - 14.60% and 16.98%. These employer contribution rates include 1.66% HIS Plan subsidy for the periods October 1, 2018 through September 30, 2020.

The District's contributions, including employee contributions, to the Pension Plan totaled \$223,561 for the fiscal year ended September 30, 2023.

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

At September 30, 2023, the District reported a liability of \$1,851,770 for its proportionate share of the Pension Plan's 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 2021-22 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was .00464722 percent, which was an increase (decrease) of .00024055 percent from its proportionate share measured as of June 30, 2022.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

For the fiscal year ended September 30, 2023, the District recognized pension expense of \$409,675. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 173,865	\$ -
Change of assumptions	120,714	-
Net difference between projected and actual earnings on Pension Plan investments	77,335	-
Changes in proportion and differences between District Pension Plan contributions and proportionate share of contributions	188,702	19,884
District Pension Plan contributions subsequent to the measurement date	58,102	-
Total	<u>\$ 618,718</u>	<u>\$ 19,884</u>

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

The deferred outflows of resources related to the Pension Plan, totaling \$618,718 resulting from District's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2024	168,819
2025	26,147
2026	41,524
2027	54,711
2028	48,739
Thereafter	23,844

Actuarial Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.700%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

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:

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Annual Standard Deviation</u>
Cash Equivalents	1.00%	2.90%	2.90%	1.10%
Fixed Income	19.80%	4.50%	4.40%	3.40%
Global Equity	54.00%	8.70%	7.10%	18.10%
Real Estate	10.30%	7.60%	6.60%	14.80%
Private Equity	11.10%	11.90%	8.80%	26.30%
Strategic Investments	<u>3.80%</u>	6.30%	6.10%	7.70%
Total	<u><u>100.00%</u></u>			
Assumed Inflation - Mean			2.40%	1.40%

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

Discount Rate

The discount rate used to measure the total pension liability was 6.70%. The Pension 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 calculation of the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage higher (7.70%) than the current rate:

	<u>1% Decrease (5.70%)</u>	<u>Current Discount Rate (6.70%)</u>	<u>1% Increase (7.70%)</u>
District's proportionate share of the net pension liability	\$ 3,163,200	\$ 1,851,770	\$ 754,602

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

Pension Plan Fiduciary Net Position

Detailed information regarding 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.

Payables to the Pension Plan

The District reported a payable in the amount of \$0 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2023.

HIS Plan

The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. 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 Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2023, the HIS contribution for the period of October 1, 2022, through June 30, 2023, and from July 1, 2023, through September 30, 2023, was 1.63% and 1.65%, respectively. The District contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The District's contributions to the HIS Plan totaled \$38,463 for the fiscal year ended September 30, 2023.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

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

At September 30, 2023, the District reported a liability of \$928,582 for its proportionate share of the HIS Plan's 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 the actuarial valuation as of July 1, 2022. The District's proportionate share of net pension liability was based on the District's 2022-23 fiscal year contributions relative to the 2021-22 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was .005847 percent, which was an increase of .000347 percent from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the District recognized pension expense of \$355,844. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,594	\$ 2,180
Change of assumptions	24,412	80,465
Net difference between projected and actual earnings on HIS Plan investments	480	843
Changes in proportion and differences between District HIS Plan contributions and proportionate share of contributions	68,293	11,465
District HIS Plan contributions subsequent to the measurement date	11,242	-
Total	\$ 118,021	\$ 94,953

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

The deferred outflows of resources related to the HIS Plan, totaling \$118,021 resulting from District contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2024	56,829
2025	7,269
2026	8,651
2027	11,024
2028	14,435
Thereafter	22,719

Actuarial Assumptions

The total pension liability in the June 30, 2023, actuarial valuation was determined using following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.65%

Mortality rates were based on PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study of the FRS for the period July 1, 2013 - June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 3.65%. In general, the discount rate for calculating the total pension 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 HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 5 - Retirement Plans (continued)

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 3.54%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current rate:

	<u>1% Decrease (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
District's proportionate share of the net pension liability	\$ 1,059,368	\$ 928,582	\$ 820,170

Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan

The District reported a payable in the amount of \$0 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2023.

Note 6 - Deferred Compensation Plan

The District has created a deferred compensation plan which is available to all employees in accordance with Internal Revenue Code 457. The plan is administered by independent plan administrators through applicable service agreements. Various options are available for all District employees.

Certain provisions of the Small Business Job Protection Act of 1996 affect Internal Revenue Code Section 457 plans by eliminating the requirement that Section 457 plan assets remain assets of the sponsoring government. The Act now requires that amounts deferred under Section 457 be held in trust for the exclusive benefit of participating employees and not be accessible by the government or its creditors. The trust assets and liabilities are not reflected in these financial statements.

Note 7 - Other-Employee Benefit Plan

The District provides employee health and wellness care on a reimbursement basis at one hundred percent for permanent full-time employees up to \$2,100 and for part-time employees up to \$1,500. The maximum accumulation for three years is \$6,300. No benefits are available or paid at termination. The plan is unfunded and is reported as an expense/expenditure when reimbursement is made. The current year's cost for providing this benefit was (\$73,861).

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 8 - Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance coverage as its way of managing these areas of risk of loss. There have been no significant reductions in insurance coverage from the prior year. No settlements have exceeded the District's insurance coverage for each of the past three years.

Note 9 - Other Post-Employment Benefits

Plan Description

In addition to providing the pension and other benefits previously described, the District provides post-employment healthcare, and life insurance (OPEB) to eligible retired individuals. Eligible individuals include all regular employees of the Pasco County Mosquito Control District who retire from active service. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children.

Benefits Provided

Eligible individuals may choose healthcare coverage under a health maintenance organization (HMO) plan or under a point-of-service plan (POS).

Retirees must pay the excess of a monthly premium as determined by the insurance carrier over any applicable subsidy that is provided by the District. The premium varies depending on whether the retiree elects coverage under the HMO or POS plan and whether the retiree elects single, single plus spouse, single plus children, or family coverage.

The District subsidizes 100% of the cost of retiree health insurance for those retirees who have earned at least 10 years of service (15 years of service if hired after July 9, 2007) between age 62 and Medicare eligibility provided that the individual has been covered under the District's health insurance plan since termination of employment.

Funding

Funding is "pay-as-you-go" with the District funding 100% for the employee after reaching the age of 62 until eligible for Medicare coverage. Full-time employees who elect to take early retirement from the District prior to age 62 have the option to continue their health insurance through the District at their own expense. The retired employee may opt to continue paying the full cost of any dependent coverage.

Employees Covered by Benefit Terms

As of September 30, 2023, membership consisted of:

Active employees fully eligible	43
Active employees not yet fully eligible	<u>0</u>
Total Active employees	43
Retirees	<u>0</u>
Total number of employees	<u>43</u>

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 9 - Other Post-Employment Benefits (continued)

Actuarial Assumptions

Liabilities are based on the Entry Age Normal level percent pay cost method. In this method, the actuarial Present Value of Benefits (PVB) for each individual is allocated as a level percent of pay from the entry wage (hire age, for most employees) to age at which retirement rates become 100%. The portion of the PVB allocated to the valuation year is called the Normal Cost (NC). The portion of the PVB allocated to the past years is called the Actuarial Accrued Liability (AAL).

GASB 75 requires that "the total OPEB liability should be determined by (a) actuarial valuation as of the measurement date amounts from an actuarial valuation as of the date of no more than 30 months and 1 day earlier than the employer's most recent fiscal year end."

Liabilities for this report were calculated as of the current measurement date per GASB 75 option (a) completed as of September 30, 2023.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.40% as of September 30, 2023, and was based on the Fidelity 20 Year Municipal GO AA index.

Changes in Total OPEB Liability

Total OPEB liability at September 30, 2022	\$	620,892
Changes for the year:		
Service Cost		44,159
Interest		13,258
Differences between expected		(1,525)
Changes in Assumptions		(129,753)
Benefits paid		<u>(119,316)</u>
Net Change in total OPEB Liability		<u>(193,177)</u>
Total OPEB liability at September 30, 2023	\$	<u>427,715</u>

Changes in Assumptions

The discount rate was changed from 2.19% as of September 30, 2022 to 4.40% as of September 30, 2023.

Pasco County Mosquito Control District

Notes to the Financial Statements
For the Year Ended September 30, 2023

Note 9 - Other Post-Employment Benefits (continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following represents the total OPEB liability calculated using the discount rate of 4.40% as well as what the net OPEB liability would be if it were calculated using a discount rate one percentage point lower (3.40%) or one percentage point higher (5.40%) than the current discount rate.

1% Decrease	Discount Rate	1% Increase
3.40%	4.40%	5.40%
\$ 481,176	\$ 427,715	\$ 381,425

Funding

The District utilized the “pay as you go” method of funding this program, thus there were no assets available within the plan.

Note 10 - Subsequent Events

The District’s management has evaluated events and transactions for potential recognition or disclosure through May 24, 2024, the date the financial statements were available to be issued.

Pasco County Mosquito Control District

Budgetary Comparison Schedule
General Fund
For the Year Ended September 30, 2023

	Budget Original	Budget Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive/(Negative)
Resources (Inflows)				
Property Taxes	\$ 9,984,872	\$ 9,984,872	\$ 10,028,316	\$ 43,444
Grant Revenue	-	-	-	-
Interest	1,200	1,200	36,456	35,256
Investment Interest	-	-	89,668	89,668
Miscellaneous	-	-	8,318	8,318
Surplus Property	-	-	10,530	10,530
Amounts Available for Appropriation	9,986,072	9,986,072	10,173,288	187,216
Changes to Appropriations (Outflows)				
Personnel Services				
Salaries and Wages	2,556,581	2,556,581	2,514,015	42,566
Personnel Services Benefits				
Payroll Taxes	195,578	195,578	181,730	13,848
Wellness	105,300	105,300	70,233	35,067
Retirement	326,024	326,024	354,844	(28,820)
Health Insurance	616,800	616,800	570,780	46,020
Workmen's Compensation				
Insurance	40,000	40,000	34,844	5,156
Cafeteria Plan	550	550	485	65
Personal Use of District Car	-	-	1,365	(1,365)
Legalshield	-	-	299	(299)
Other/Moving	3,000	3,000	5,109	(2,109)
Unemployment Tax	10,000	10,000	1,650	8,350
Disability Insurance	15,600	15,600	19,680	(4,080)
Total Personnel Services Benefits	1,312,852	1,312,852	1,241,019	71,833
Operating Expenditures				
Tax Collection	156,167	156,167	168,022	(11,855)
Accounting	13,500	13,500	15,800	(2,300)
Property Appraisal	102,127	102,127	92,515	9,612
Legal and Engineering	40,000	40,000	15,725	24,275
IT Services	32,000	32,000	48,141	(16,141)
Contracted Services	100,000	100,000	30,600	69,400
Pilot Medical Examination	360	360	-	360
Entomology/Consulting	20,000	20,000	45,029	(25,029)
Strategic Planning	15,000	15,000	-	15,000
Digital Office	19,800	19,800	-	19,800
Bank Service Charges	-	-	46	(46)
Cleaning	5,760	5,760	4,476	1,284
Total Operating Expenditures	504,714	504,714	420,354	84,360

Pasco County Mosquito Control District

Budgetary Comparison Schedule
 General Fund (continued)
 For the Year Ended September 30, 2023

	Budget Original	Budget Amended	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive/(Negative)
Expenditures (Continued):				
Utilities, Maintenance, Insurance				
Communications Services	50,660	50,660	27,242	23,418
Freight/Postage	2,220	2,220	1,175	1,045
Travel Registrations	53,063	53,063	45,617	7,446
Utilities	30,650	30,650	35,398	(4,748)
Hanger and Equipment				
Rental	2,670,840	2,670,840	-	2,670,840
Insurance	241,237	241,237	221,169	20,068
Equipment and Shop				
Maintenance	210,850	210,850	211,794	(944)
Printing and Binding	5,000	5,000	1,044	3,956
Promotional Activities	23,600	23,600	16,364	7,236
Governmental Fees	22,130	22,130	10,065	12,065
Advertising	-	-	2,861	(2,861)
Total Utilities, Maintenance, Insurance	3,310,250	3,310,250	572,729	2,737,521
Supplies and Miscellaneous	232,137	232,137	189,584	42,553
Gasoline, Oil and Lubricants	296,100	296,100	162,698	133,402
Chemicals	1,903,047	1,903,047	2,511,812	(608,765)
Debt Service	-	-	864,460	(864,460)
Capital Outlay	3,374,100	3,374,100	1,237,096	2,137,004
Contingency Account	500,000	500,000	-	500,000
Total Charges to Appropriations	13,989,781	13,989,781	9,713,767	4,276,014
Excess (Deficiency) of Resources over Charges to Appropriations	(4,003,709)	(4,003,709)	459,521	4,463,230
Fund Balance at Beginning of Year, as adjusted	4,003,709	4,003,709	10,516,466	6,512,757
Fund Balance at End of Year	\$ -	\$ -	\$ 10,975,987	\$ 10,975,987

Pasco County Mosquito Control District

Schedule of Funding Progress-Other Post-Employment Benefits For the Year Ended September 30, 2023

Other Post Employment Benefit Plan

Schedule of Funding Process

	9/30/2023	9/30/2022
Actuarial Accrued Liability (AAL)	\$ 427,715	\$ 620,892
Actuarial Value of Plant Assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 427,715	\$ 620,892
Funded Ratio	0%	0%
Actuarial Valuation Date	9/30/2021	9/30/2021
Covered Payroll	\$ 1,859,909	\$ 1,895,436
Ratio of UAAL to Covered Payroll	23.0%	32.8%

Retiree Continuation Insurance Plan

Schedule of Changes in the City's Net OPEB Liability and Related Ratios

	9/30/2023	9/30/2022
<u>Total OPEB Liability</u>		
Service Cost	\$ 44,159	\$ 39,246
Interest	13,258	15,031
Changes in Assumptions	(129,753)	(106,602)
Recognition of expected vs. actual experience	(1,525)	134,906
Benefits paid	(119,316)	(92,237)
Net Change in total OPEB Liability	(193,177)	(9,656)
Total OPEB liability, Beginning	620,892	630,548
Total OPEB liability, Ending	\$ 427,715	\$ 620,892

Pasco County Mosquito Control District

Schedule of Proportionate Share of Net Pension Liability Florida Retirement System For the Year Ended September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportionate share of the net pension liability	0.004647%	0.004407%	0.004123%	0.003558%	0.003557%	0.003823%	0.004556%	0.487831%	0.0045794%
District's proportionate share of the net pension liability	\$ 1,851,770	\$ 1,639,637	\$ 311,418	\$ 1,542,061	\$ 1,225,044	\$ 1,151,494	\$ 1,347,678	\$ 1,231,776	\$ 591,490
District's covered-employee payroll	\$ 2,332,475	\$ 2,042,673	\$ 1,921,575	\$ 1,817,798	\$ 1,664,978	\$ 1,687,176	\$ 1,746,637	\$ 1,728,334	\$ 1,542,721
District's proportionate share of the net pension liability as a percentage of covered-employee payroll	79.39%	80.27%	16.21%	84.83%	73.58%	68.25%	77.16%	71.27%	38.34%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Pasco County Mosquito Control District

Schedule of Proportionate Share of Net Pension Liability FRS Health Insurance Subsidy Program For the Year Ended September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportionate share of the net pension liability	0.005847%	0.005500%	0.005222%	0.005038%	0.004984%	0.005246%	0.005384%	0.005684%	0.0049548%
District's proportionate share of the net pension liability	\$ 928,582	\$ 582,532	\$ 640,589	\$ 615,114	\$ 557,605	\$ 555,220	\$ 575,647	\$ 662,422	\$ 505,311
District's covered-employee payroll	\$ 2,332,475	\$ 2,042,673	\$ 1,921,575	\$ 1,817,798	\$ 1,664,978	\$ 1,687,176	\$ 1,746,637	\$ 1,727,334	\$ 1,542,721
District's proportionate share of the net pension liability as a percentage of covered-employee payroll	39.81%	28.52%	33.34%	33.84%	33.49%	32.91%	32.96%	38.35%	32.75%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Pasco County Mosquito Control District

Schedule of Contributions
Florida Retirement System
For the Year Ended September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 223,561	\$ 188,041	\$ 157,055	\$ 118,214	\$ 110,298	\$ 108,951	\$ 118,608	\$ 118,965	\$ 111,649
Contributions in relation to the contractually required amount	\$ (223,561)	\$ (188,041)	\$ (157,055)	\$ (118,214)	\$ (110,298)	\$ (108,951)	\$ (118,608)	\$ (118,965)	\$ (111,649)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pasco Mosquito Control District's covered-employee payroll	\$ 2,332,475	\$ 2,042,673	\$ 1,921,575	\$ 1,817,798	\$ 1,664,978	\$ 1,687,176	\$ 1,746,637	\$ 1,728,334	\$ 1,542,721
Contributions as a percentage of covered-employee payroll	9.58%	9.21%	8.17%	6.50%	6.62%	6.46%	6.79%	6.88%	7.24%

Pasco County Mosquito Control District

Schedule of Contributions FRS Health Insurance Subsidy Program For the Year Ended September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 38,463	\$ 33,279	\$ 30,697	\$ 29,031	\$ 27,673	\$ 28,448	\$ 28,492	\$ 29,133	\$ 18,940
Contributions in relation to the contractually required amount	\$ (38,463)	\$ (33,279)	\$ (30,697)	\$ (29,031)	\$ (27,673)	\$ (28,448)	\$ (28,492)	\$ (29,133)	\$ (18,940)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pasco Mosquito Control District's covered-employee payroll	\$ 2,332,475	\$ 2,042,673	\$ 1,921,575	\$ 1,817,798	\$ 1,664,978	\$ 1,687,176	\$ 1,746,637	\$ 1,728,334	\$ 1,542,721
Contributions as a percentage of covered-employee payroll	1.65%	1.63%	1.60%	1.60%	1.66%	1.69%	1.63%	1.69%	1.23%

Pasco County Mosquito Control District

Schedule of Contributions Other Post-Employment Benefits For the Year Ended September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 119,316	\$ 92,237	\$ 107,155	\$ 68,043	\$ 49,501	\$ 41,635	\$ 57,667	\$ 68,066	\$ 61,924
Contributions in relation to Required	\$ 119,316	\$ 92,237	\$ 107,155	\$ 68,043	\$ 49,501	\$ 41,635	\$ 57,667	\$ 68,066	\$ 61,924
Contribution Excess (deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mosquito Control District Payroll	\$ 2,332,475	\$ 2,042,673	\$ 2,014,888	\$ 1,867,188	\$ 1,763,156	\$ 1,783,017	\$ 1,854,960	\$ 1,804,490	\$ 1,654,472
Contributions as a percentage of District Payroll	5.12%	4.52%	5.32%	3.64%	2.81%	2.34%	3.11%	3.77%	3.74%

**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*.**

Board of Commissioners
Pasco County Mosquito Control District
Odessa, FL 33556

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Pasco County Mosquito Control District, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Pasco County Mosquito Control District's basic financial statements, and have issued our report thereon dated May 24, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pasco County Mosquito Control 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 determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

This report is intended solely for the information and use of management, the District, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



DG Perry, PLLC
Zephyrhills, Florida
May 24, 2024

Management Letter

Board of Commissioners
Pasco County Mosquito Control District
Odessa, FL 33556

Report on the Financial Statements

We have audited the financial statements of the Pasco County Mosquito Control District as of and for the fiscal year ended September 30, 2023 and have issued our report thereon dated May 24, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the state of Florida and require that certain items be addressed in this letter.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters dated May 24, 2024. Disclosures in that report, if any, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1.), Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendation made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial report.

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority of the primary government and each component unit of the reporting entity to be disclosed in this management letter, unless disclosed in the notes to the financial statements. The official title of the entity is the Pasco County Mosquito Control District. There are no component units. The District was created as the West Pasco County Mosquito Control District on June 7, 1951, by resolution of the Board of County Commissioners of Pasco County, Florida, in accordance with the results of the Special Election of June 5th, 1951, under the provisions of Chapter 390, Florida Statutes of 1949. The name of the District was changed to the Pasco County Mosquito Control District by resolution of the Board of County Commissioners of Pasco County, on November 10, 1987. The District is empowered and authorized to carry out mosquito control operations in accordance with Chapter 388, Florida Statutes.

Financial Condition and Management

Sections 10.554(1)(i)5.a and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Pasco County Mosquito Control District met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Pasco County Mosquito Control District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Sections 10.554(1)(i)5b and 10.556(8), Rules of the Auditor General, require us to apply financial condition assessment procedures for the Pasco County Mosquito Control District. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity'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 management.

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting or the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

As required by Section 218.39(3)(c), Florida Statutes, Section 10.554(1)(i)6, Section 10.554(1)(i)7., Rules of the Auditor General, management has provided the specific information by Section 218.39(3)(c) listed below:

Number of district employees compensated at 9/30/2023	64
Number of independent contractors compensated in September 2023	0
Employee compensation for FYE 9/30/2023 (paid/accrued)	\$2,514,015
Independent contractor compensation for FYE 9/30/2023	\$0.00
Construction projects to begin on or after October 1; (>\$65K)	\$0.00
Budget variance report	See Variance Report on page 27 and 28 for details
Ad Valorem taxes;	
Millage rate FYE 9/30/2023	\$0.2545
Ad valorem taxes collected FYE 9/30/2023	\$10,028,316.00
Outstanding Bonds:	\$0.00
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2023	\$0.00
Special assessments collected FYE 9/30/2023	\$0.00
Outstanding Bonds:	\$0.00

Purpose of this Letter

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



DG Perry, PLLC
 Zephyrhills, Florida
 May 24, 2024

**Independent Accountants' Report on Compliance
with Section 218.415, Florida Statutes**

Board of Commissioners
Pasco County Mosquito Control District
Odessa, Florida

We have examined the Pasco County Mosquito Control District's (the District)'s compliance with Section 218.415, Florida Statutes regarding the investment of public funds during the period ended September 30, 2023, as required by Section 10.556, *Rules of the Auditor General*. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and accordingly, included examining, on a test basis, evidence about the 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 of the District's compliance with specified requirements.

In our opinion, the 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 Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the District, its management, and is not intended to be and should not be used by anyone other than these specified parties. However, this letter is a matter of public record and its distribution is not limited.



DG Perry, PLLC
Zephyrhills, Florida
May 24, 2024