BEACH MOSQUITO CONTROL DISTRICT

BAY COUNTY, FLORIDA

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

YEAR ENDED SEPTEMBER 30, 2024

Tipton, Marler, Garner & Chastain
The CPA Group

BEACH MOSQUITO CONTROL DISTRICT

BAY COUNTY, FLORIDA

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED SEPTEMBER 30, 2024

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Tipton, Marler, Garner & Chastain
The CPA Group
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Beach Mosquito Control District
Bay County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities of Beach Mosquito Control District (the District), Bay County, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Beach Mosquito Control 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 of Beach Mosquito Control District, as of September 30, 2024, 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Beach 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 opinion.

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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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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 Beach Mosquito Control District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of the 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 Beach Mosquito Control District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating 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 Beach Mosquito Control District's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Beach Mosquito Control District's financial statements, and we expressed an unmodified opinion on those financial statements in our report dated May 9, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the schedules on pages 38 through 42 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2025, on our consideration of Beach Mosquito Control District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Beach Mosquito Control District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Beach Mosquito Control District's internal control over financial reporting and compliance.

Tipton, Marler, Garner & Chastain

Panama City, Florida
February 5, 2025

BEACH MOSQUITO CONTROL DISTRICT

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Joyce Dean, Secretary
John Smith, Treasurer

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BEACH MOSQUITO CONTROL DISTRICT
Management's Discussion and Analysis
For the year ended September 30, 2024

This discussion and analysis of the Beach Mosquito Control District's (BMCD) financial performance provides an overview of the BMCD's financial activities for the fiscal year ended September 30, 2024.

Please read it in conjunction with BMCD's financial statements, which follow this section.

The following are financial highlights for 2023/2024 fiscal year:

The BMCD had total expenses for the fiscal year of $2,464,255 compared to revenues of $2,825,485.

Comparing current year (2023/2024) revenues with prior year (2022/2023), an overall increase of 0.8% occurred. The actual increase was $22,028. There was also a 0.1% increase in expenditures that amounted to $3,412.

Overview of the Basic Financial Statements

The first financial statement is the Statement of Net Position and Governmental Funds Balance Sheet. This statement includes all of the BMCD's assets, deferred outflows, deferred inflows, and liabilities using Governmental Accounting Standards (GAS). Total Net Position – the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources – can be used to measure the BMCD's financial position.

The second financial statement is the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances. This statement shows the increase or decrease in net position during the fiscal year. Over time, the increase or decrease in net position is useful to indicate whether the BMCD's financial health is improving or deteriorating.

The third financial statement is the Budgetary Comparison Schedule – General Fund. This statement reports revenues and expenditures and indicates the variance between the actual revenues and expenditures and the budgeted amounts.

The fourth financial statement is the Budgetary Comparison Schedule – Special Revenue Fund. This statement reports the revenues and expenditures and indicates the variance between the actual revenues and expenditures and the budgeted amounts.

Condensed Financial Information

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

	2024
Assets:	
Cash and cash equivalents	$ 6,473,202
Accounts receivable (all considered collectible)	2,698
Accrued interest	47,734
Inventory	156,960
Prepaid expenses	5,448
Construction in progress	457,531
Capital assets – net	7,528,961
Total Assets	14,672,534
Deferred Outflows of Resources:	
OPEB related outflows	3,290
Pension related outflows	177,628
Total Deferred Outflows of Resources	180,918
Liabilities:	
Accounts payable	156,762
Compensated absences	49,742
Total OPEB liability	26,241
Net pension liability	786,909
Total Liabilities	1,019,654
Deferred Inflows of Resources:	
Pension related inflows	116,636
Net Position:	
Net investment in capital assets	7,986,492
Unrestricted	5,730,670
Total Net Position	$ 13,717,162

Revenues:	
Ad valorem taxes	$ 2,547,581
Spraying services – other governments	16,180
Gain on sale of assets	4,777
Interest	256,846
Miscellaneous	101
Total Revenues	2,825,485
Operating Expenses	(2,464,255)
Change in Net Position	361,230
Beginning Net Position	13,350,664
Increase in reserve for inventory	5,268
Ending Net Position	$ 13,717,162

The District's budget is made up of two (2) funding sources, the Local Fund and the State Fund. The Local Fund is generated through the assessment of a millage upon the taxpayers within our district, and carryover from the previous fiscal year, while the State Fund is determined by the Florida Department of Agriculture and Consumer Services. The State Fund is not expected to be used moving forward. The fund balance deficit in the Special Revenue Fund was folded into the General Fund.

The total revenue of both funds for the 2023/2024 fiscal year was $2,825,485 ($2,825,485 from Local Funds and $0 from State Funds). Our total expenditures for the fiscal year were $2,464,255.

The general fund is affected each year by carryover funds that are not precisely known when our budget is approved by our Board of Commissioners and the Florida Department of Agriculture and Consumer Services (FDACS). When the exact amount is known, at the conclusion of our fiscal year, a budget amendment is usually required to reflect the actual amount of our budget.

Overall Financial Position and Results of Operations

District net position increased by $361,230 from the previous operating period. Cash and cash equivalents increased by $386,552, receivables increased by $58, accrued interest increased by $47,734, inventory increased by $5,268, prepaid expenses decreased by $2,925, accounts payable increased by $106,224, and other accrued liabilities decreased by $10,811. Total revenue, which includes taxes, spraying services, gain on sale of assets, interest, and miscellaneous income, was more than expenditures for the year by $361,230.

Capital Assets, Deferred Outflows of Resources, Long-Term Debt, and Deferred Inflows of Resources Activity

Capital Assets: The District's major capital assets include land, its headquarters facility, and a helicopter. During the year, the District entered into a contract with Anderson Construction Company to build a new chicken house facility at the District's headquarters site. As of the date of these financial statements, the construction of the facility was not yet complete. All expenditures related to this contract are recorded as construction in progress on the District's statement of net position.

Deferred Outflows of Resources: GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An amendment of GASB Statement No. 68*, requires a government to recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires the employer to recognize deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions. GASB statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans*, requires the employer to recognize deferred outflows of resources related to other postemployment benefits (OPEB) for its employer contributions subsequent to the measurement date.

Deferred Inflows of Resources: GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires the employer to recognize deferred inflows of resources related to pensions for its proportionate shares of collective deferred inflows of resources related to pensions.

Long-Term Debt Activity: The District does not currently have any Long-Term Debt in relation to loan obligations and does not anticipate any need for Long-Term Debt in the foreseeable future. The District does have Long-Term Debt in relation to compensated absences. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires that employers and non-employer contributing entities report a net pension liability as determined by the plans under the requirements contained in GASB Statement No. 67, *Financial Reporting for Pension Plans.* GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans*, requires that employers with unfunded plans report total OPEB liability.

Economic Factors

Bay County Florida has experienced an increase in property values over the past couple of years, which has had an impact on the District's tax base.

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

Request for Information

The financial report is designed to provide citizens, creditors and other interested parties with a general overview of the District's finances. If you have questions about this report or need any additional information, contact Mr. James Clauson, Executive Director, Beach Mosquito Control District, 509 Griffin Blvd, Panama City Beach, FL 32413, or call (850) 233-5030. We would also encourage you to visit our website at www.pcbeachmosquito.org.

BEACH MOSQUITO CONTROL DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2024
WITH SUMMARIZED FINANCIAL INFORMATION
AS OF SEPTEMBER 30, 2023

	General Fund	Special Revenue Fund	Total	Adjustments	September 30, 2024 Statement of Net Position	September 30, 2023 Financial Information
ASSETS						
Cash and cash equivalents	$ 6,473,202		$ 6,473,202		$ 6,473,202	$ 6,086,650
Accounts receivable (all considered collectible)	2,698		2,698		2,698	2,618
Accrued interest	47,734		47,734		47,734	0
Taxes receivable	0		0		0	22
Inventory	156,960		156,960		156,960	151,692
Prepaid expenses	5,448		5,448		5,448	8,373
Construction in progress				$ 457,531	457,531	0
Capital assets, net of accumulated depreciation				7,528,961	7,528,961	7,970,645
Total assets	6,686,042	$ 0	6,686,042	7,986,492	14,672,534	14,220,000
DEFERRED OUTFLOWS OF RESOURCES						
OPEB related outflows				3,290	3,290	1,944
Pension related outflows				177,628	177,628	164,170
Total deferred outflows of resources	0	0	0	180,918	180,918	166,114
Total Assets and Deferred Outflows of Resources	$ 6,686,042	$ 0	$ 6,686,042			
LIABILITIES						
Accounts payable	$ 156,762		$ 156,762		156,762	50,538
Compensated absences				49,742	49,742	60,553
Total OPEB liability				26,241	26,241	20,279
Net pension liability				786,909	786,909	824,804
Total liabilities	156,762	$ 0	156,762	862,892	1,019,654	956,174
DEFERRED INFLOWS OF RESOURCES						
Pension related inflows				116,636	116,636	79,276
Fund Balances:						
Non-Spendable:						
Inventory	156,960		156,960	(156,960)		
Unassigned	6,372,320		6,372,320	(6,372,320)		
Total fund balances	6,529,280	0	6,529,280	(6,529,280)		
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 6,686,042	$ 0	$ 6,686,042			
Net Position:						
Net investment in capital assets				7,986,492	7,986,492	7,970,645
Unrestricted				5,730,670	5,730,670	5,380,019
Total Net Position				$ 13,717,162	$ 13,717,162	$ 13,350,664

See the independent auditor's report and the accompanying notes.

BEACH MOSQUITO CONTROL DISTRICT
STATEMENT OF ACTIVITIES AND
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2024
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Special Revenue Fund	Total	Adjustments	September 30, 2024 Statement of Activities	September 30, 2023 Financial Information
Expenditures/Expenses:						
Current operating -						
Personal services	$ 756,443		$ 756,443	$ (10,812)	$ 745,631	$ 712,556
Personal services benefits	483,837		483,837	(9,376)	474,461	545,867
Operating expenses	127,804	$ 3	127,807		127,807	96,823
Travel and per diem	47,881		47,881		47,881	43,871
Communication services	6,801		6,801		6,801	6,187
Freight and postage	564		564		564	696
Utility services	54,242		54,242		54,242	57,418
Rentals and leases	1,831		1,831		1,831	2,033
Insurance	169,781		169,781		169,781	110,598
Repair and maintenance services	104,842		104,842		104,842	195,596
Printing and binding	351		351		351	2,292
Promotional activities	56,673		56,673		56,673	40,844
Other current charges and obligations	342		342		342	304
Supplies and materials	50,790		50,790		50,790	77,706
Gasoline, oil, and lubricants	26,079		26,079		26,079	27,665
Chemicals, solvents, additives	121,089		121,089		121,089	60,511
Publications, subscriptions, and memberships	23,097		23,097		23,097	16,762
Training	10,309		10,309		10,309	20,338
Capital outlay	457,531		457,531	(457,531)		
Depreciation				441,684	441,684	442,776
Total expenditures/expenses	2,500,287	3	2,500,290	(36,035)	2,464,255	2,460,843
General Revenues:						
Ad valorem taxes	2,547,581		2,547,581		2,547,581	2,663,589
Spraying services - other governments	16,180		16,180		16,180	15,708
Sale of general capital asset	4,777		4,777	(4,777)	0	0
Gain on sale of asset				4,777	4,777	0
Interest	256,846		256,846		256,846	121,386
Miscellaneous	101		101		101	2,774
Total general revenues	2,825,485	0	2,825,485	0	2,825,485	2,803,457
Excess (deficiency) of revenues over expenditures	325,198	(3)	325,195	(325,195)		
Transfers in (out)	(93,141)	93,141	0			
Change in net position				361,230	361,230	342,614
Fund balances (deficit)/net position:						
Beginning of the year	6,291,955	(93,138)	6,198,817	7,151,847	13,350,664	13,005,253
Increase in reserve for inventory	5,268		5,268		5,268	2,797
End of the year	$ 6,529,280	$ 0	$ 6,529,280	$ 7,187,882	$ 13,717,162	$ 13,350,664

See the independent auditor's report and the accompanying notes.

BEACH MOSQUITO CONTROL DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED SEPTEMBER 30, 2024

	GENERAL FUND			
	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance Favorable (Unfavorable) (Unaudited)
Revenues:				
Ad valorem taxes	$ 2,656,670	$ 2,656,670	$ 2,547,581	$ (109,089)
Spraying services - other governments	16,250	16,250	16,180	(70)
Sale of general capital asset	5,000	5,000	4,777	(223)
Interest	180,000	180,000	256,846	76,846
Miscellaneous			101	101
Total revenues	2,857,920	2,857,920	2,825,485	(32,435)
Expenditures:				
Health services -				
Personal services	775,557	775,557	756,443	19,114
Personal services benefits	513,930	513,930	483,837	30,093
Operating expenses	138,500	188,500	127,804	60,696
Travel and per diem	75,500	75,500	47,881	27,619
Communication services	7,000	7,000	6,801	199
Freight and postage	2,850	2,850	564	2,286
Utility services	71,750	71,750	54,242	17,508
Rentals and leases	4,500	4,500	1,831	2,669
Insurance	173,500	173,500	169,781	3,719
Repair and maintenance services	176,200	176,200	104,842	71,358
Printing and binding	3,500	3,500	351	3,149
Promotional activities	40,000	70,000	56,673	13,327
Other current charges and obligations	2,675	2,675	342	2,333
Supplies and materials	121,000	121,000	50,790	70,210
Gasoline, oil, and lubricants	36,773	36,773	26,079	10,694
Chemicals, solvents, additives	134,000	134,000	121,089	12,911
Publications, subscriptions, and memberships	33,330	33,330	23,097	10,233
Training	40,000	40,000	10,309	29,691
Capital outlay	490,000	490,000	457,531	32,469
Contingency	300,000	220,000	0	220,000
Total expenditures	3,140,565	3,140,565	2,500,287	640,278
Excess (deficiency) of revenues over expenditures	$ (282,645)	$ (282,645)	$ 325,198	$ 607,843

SPECIAL REVENUE FUND			
Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance Favorable (Unfavorable) (Unaudited)
$ 0	$ 0	$ 0	$ 0
		3	(3)
0	0	3	(3)
$ 0	$ 0	$ (3)	$ (3)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity:

The Beach Mosquito Control District is an independent special district operating under the provisions of Chapter 388, Florida Statutes, and regulations of the Florida Department of Agriculture and Consumer Services. The District is a political subdivision of the State of Florida and was legally created by the Laws of Florida, Chapter 388, on October 14, 1952. The District engages in arthropod control in Bay County, Florida.

This report includes financial statements of the funds required to account for those financial activities which are related to the District and are controlled by or dependent upon the District's legislative body, the Board of Commissioners. Control or dependence upon the District was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the District, or the District's obligation to fund any deficits that may occur.

Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards was reviewed to determine whether any additional local governmental entities (component units) should be included in the District's combined financial statements. The following criteria are considered in determining whether any component units should be included in the District's combined financial statements:

1) Financial accountability
2) Appointment of a voting majority
3) Imposition of will
4) Financial benefit to or burden on the primary government
5) Financial accountability as a result of fiscal dependency

Based on the above criteria, no component units are included in the District's financial statements.

Basis of Presentation:

The financial transactions of the District are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Beach Mosquito Control District maintains the following funds in the normal course of its operations:

General Fund – to account for all financial resources except those required to be accounted for in other funds. The principal source of revenue is property taxes. Primary expenditures are for arthropod control measures.

Special Revenue Fund – to account for revenue derived from specific sources that are legally restricted to expenditures for specified purposes.

Government-wide and Fund Financial Statements:

The financial statements include a Statement of Net Position, Balance Sheet, Statement of Activities, and a Statement of Revenues, Expenditures, and Changes in Fund Balances. The Statement of Net Position is presented in a net position format (assets less liabilities equal net position) and is shown with three components: amounts invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Statement of Activities reports functional categories of programs by the District and demonstrates how and to what degree those programs are supported by specific revenue. Certain financial information from the audit of the preceding fiscal year has been included on the Statement of Net Position and the Statement of Activities to aid the financial statement users in comparing the changes from September 30, 2023 to September 30, 2024.

Measurement Focus:

General and Special Revenue funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Accordingly, the reported undesignated fund balances (net current assets) are considered a measure of available, spendable, or appropriable resources. Governmental Fund Type operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Basis of Accounting:

Governmental fund revenues and expenditures are recognized on the modified accrual basis of accounting. Under this method, generally, revenues are recognized in the period in which they become available and measurable. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes, for which the period is 60 days. Expenditures are recognized in the period in which the liability is incurred and becomes measurable, except for unmatured interest on general long-term debt, which is recognized when paid.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Bay County Tax Collector bills and collects property taxes for the District in accordance with the laws of the State of Florida. Property taxes attach as an enforceable lien on property as of the date of assessment and remain in effect until discharge by payment. Taxes are payable when levied.

The current property tax calendar is as follows:

Lien date	January 1
Levy date	October 1
Tax bills mailed	November 1
Payment due by	March 31
Delinquent date	April 1
Tax sale – delinquent property taxes	June 1

Payments made during November receive a discount of 4%. Discounts are reduced by 1% for each month taxes are paid prior to March 2025.

Revenue recognition criteria for property taxes under the GASB requires that property taxes expected to be collected within 60 days of the current period be accrued. No accrual has been made for 2024 ad valorem taxes because property taxes are not legally due until subsequent to the end of the fiscal year. Current year taxes, which are uncollected as of the end of the fiscal year, are generally immaterial in amount and highly susceptible to uncollectibility and, therefore, are not recorded as a receivable on the balance sheet date.

Budgetary Basis:

Formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Fund. Budgets for the General Fund and the Special Revenue Fund are adopted at the beginning of each fiscal year by the Board of Commissioners.

Any amendment made to the budget must be approved by the Board of Commissioners. The Commissioners may amend the budget at any time during the year. Amounts shown in the financial statements represent the original budgeted amounts and all subsequent amendments. The budgets of the District are adopted on a basis consistent with generally accepted accounting principles.

Capital Assets:

Property and equipment having a useful life greater than one year with an initial cost of $5,000 or more are recorded as expenditures at the time of purchase in the General and Special Revenue Funds and are capitalized at cost. Gifts or contributions are recorded at fair market value when received. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. Estimated useful lives are generally 7 to 40 years for buildings and improvements, 10 years for signs, and 3 to 20 years for machinery, equipment, and vehicles.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventory:

The District accounts for its inventory of chemicals by the purchase method whereby purchases are recorded as expenditures when incurred. The inventory is valued at cost, with cost determined principally by the first in – first out method. Reported inventory is equally offset by a fund balance reserve which indicates that it does not constitute "available spendable resources" even though it is a component of net position.

Deferred Inflows/Outflows of Resources:

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has five pension related items and one OPEB related item that qualifies for reporting in this category.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category, which are all pension related items.

Vacation, Sick Leave, and Compensatory Time-off Policies:

Vacation

Employees with six months to five years of employment earn 3.75 hours bi-weekly, employees with five years to ten years of employment earn 4.75 hours bi-weekly, employees with more than ten years of employment earn 5.75 hours bi-weekly, employees with more than 15 years of employment earn 6.5 hours bi-weekly, employees with more than 20 years earn 7.5 hours bi-weekly, and employees with more than 25 years earn 8.5 hours bi-weekly. Employees with less than ten years of employment can accumulate up to 240 hours and employees with more than ten years of employment can accumulate up to 360 hours annual leave, per calendar year. All accumulated annual leave will be paid upon termination of employment. Accumulated vacation is accrued when earned.

Sick Leave

Only regular full-time employees are eligible to accrue sick leave, part-time employees are not eligible. Sick leave begins accruing on the employee's anniversary date, accrues at the rate of 3.75 hours per pay period (bi-weekly), and may be carried over and accumulated from year to year. An employee must accrue 80 hours of sick leave to be eligible to participate as a sick leave pool contributor. Sick leave is not paid upon termination of employment and is, therefore, not accrued in these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensatory Time-Off

The District gives employees compensatory time-off instead of overtime pay for overtime hours worked. Nonexempt employees required to work more than 40 hours per week will be credited compensatory time at the rate of one and one-half (1½) hours for each hour of overtime worked. Exempt employees are credited compensatory time on an hour for hour basis. The maximum amount of compensatory time-off an employee can accumulate is 160 hours per calendar year. Employees are required to use all accumulated compensatory time-off prior to using annual leave. All compensatory time-off will be paid upon termination of employment. Accumulated compensatory time-off is accrued when earned.

Classification of Fund Balance:

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the governmental fund type definitions.

The following are the types of fund balances defined:

1. Non-spendable – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, deposits, prepaid items, and advances to other funds.
2. Restricted – includes amounts for which external constraints are placed on the use of resources that are either:
    a. externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulation of other governments; or
    b. imposed by law through constitutional provisions or enabling legislation.
3. Committed – includes fund balance amounts that can be used only for the specific purposes that are internally imposed by a formal action (motion passed without dissent) of the government's highest level of decision-making authority, the Board of Commissioners. Commitments may be changed or lifted only by the District taking the same formal action (motion passed without dissent) that imposed the constraint initially. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.
4. Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Intent is expressed by (a) the Board of Commissioners or (b) a body (for example: a budget or finance committee) or official to which the Board of Commissioners has delegated the authority to assign amounts to be used for specific purposes. This indicates that resources in these funds are, at a minimum, intended to be used for the purposes of that fund. The Board of Commissioners has not delegated authority to a body or official.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification with the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to a negative residual fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

Net Positions:

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

Use of Estimates:

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

Prepaid Expenses:

Certain payments to vendors reflecting costs applicable to future accounting periods are recorded as prepaid items on the Statement of Net Position. These items will be expensed over the applicable usage period.

Source of Accounting Principles Applied:

The Beach Mosquito Control District complies with Generally Accepted Accounting Principles (GAAP). The District's reporting entity applied all relevant Governmental Accounting Standards Board (GASB) pronouncements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents:

The District defines cash and cash equivalents to include cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of three months or less.

New Accounting Pronouncements:

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This statement clarifies the recognition and measurement guidance for compensated absences. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this statement are effective for financial statements for reporting periods beginning after December 15, 2023. The District is evaluating the impact that adoption of this statement will have on its financial statements.

NOTE 2 – RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION

Fund Balances	$	6,529,280
Capital assets used in government activities are not financial resources and are therefore not reported on the balance sheet		7,986,492
Compensated absences not due and payable within the next fiscal year are not reported as a liability on the balance sheet		(49,742)
Deferred outflows for pension related items		177,628
Deferred outflows for OPEB related items		3,290
Deferred inflows for pension related items		(116,636)
Total OPEB liabilities are not due and payable in the current period, and therefore, are not reported in the funds		(26,241)
Net pension liabilities are not due and payable in the current period, and therefore, are not reported in the funds		(786,909)
Net Position	$	13,717,162

NOTE 3 – RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Net change in fund balances	$	325,195
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:		
Change in long-term compensated absences		10,812
Change in employer pension related costs		13,992
Change in employer OPEB related costs		(4,616)
Governmental funds do not report capital assets on the Balance Sheet; however, they are reported in the government-wide financial statements. Governmental funds report capital outlays as expenditures; however, in the Statement of Activities, the cost of those assets is depreciated over the estimated useful lives of the assets:		
Expenditures for capital assets		457,531
Less current year depreciation		(441,684)
Change in net position	$	361,230

NOTE 4 – RETIREMENT PLAN

Florida Retirement System:

General Information – All of the District's eligible 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 the Florida State Legislature.

NOTE 4 – RETIREMENT PLAN (Continued)

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 Department of Management Services, Division of Retirement, Research and Education Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the web site:

www.dms.myflorida.com/workforce_operations/retirement/publications

Pension Plan

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 1.60% 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 monthly for life, equal to 1.60% 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 2.00% 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 credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.00% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited 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. Also, the final average compensation for all these members will be based on the eight highest years of salary.

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.

NOTE 4 – RETIREMENT PLAN (Continued)

The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit 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 an 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, governmental 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 actuarially determined employer contribution rates for each class of employee as listed below:

Class	Contribution Rates (10/01/23 – 06/30/24)	Contribution Rates (07/01/24 – 09/30/24)
Regular	13.57%	13.63%
Senior Management Senior Class	34.52%	34.52%
Elected Officials – County	58.68%	58.68%
Deferred Retirement Option Plan (DROP)	21.13%	21.13%

These employer contribution rates include 2.00% HIS Plan subsidy for the periods October 1, 2023 through September 30, 2024.

The District's contributions, including employee contributions, to the Pension Plan totaled $75,384 for the fiscal year ended September 30, 2024.

NOTE 4 – RETIREMENT PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the District reported a liability of $521,126 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District's proportionate share of the net pension liability was based on the District's 2023-2024 fiscal year contributions relative to the 2022-2023 fiscal year contributions of all participating members. At June 30, 2024, the District's proportionate share was .001347109 percent, which was an decrease of .000046391 percent from its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2024, the District recognized pension expense of $64,138. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 52,648	
Change of Assumptions	71,425	
Net difference between projected and actual earnings on Pension Plan Investments	0	$ 34,637
Changes in proportion and differences between District Pension Plan contributions and proportionate share of Contributions	457	41,486
District Pension Plan contributions subsequent to the measurement date	17,305	
Total	$ 141,835	$ 76,123

The deferred outflows of resources related to the Pension Plan, totaling $17,305 resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. 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:

NOTE 4 – RETIREMENT PLAN (Continued)

Fiscal Year Ending September 30:	Amount
2025	$ 2,145
2026	2,676
2027	7,569
2028	13,352
2029	15,647
Thereafter	7,018
Total	$ 48,407

Actuarial Assumptions – The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.40%
Salary increases	3.50%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with scale MP-2021.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

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:

NOTE 4 – RETIREMENT PLAN (Continued)

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.30%	3.30%	1.10%
Fixed Income	29.00%	5.70%	5.60%	3.90%
Global Equity	45.00%	8.60%	7.00%	18.20%
Real Estate (Property)	12.00%	8.10%	6.80%	16.60%
Private Equity	11.00%	12.40%	8.80%	28.40%
Strategic Investments	2.00%	6.60%	6.20%	8.70%
Total	100.00%			
Assumed Inflation – Mean			2.40%	1.50%

(1) As outlined in the FRS 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 calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following 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 point higher (7.70%) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
District's proportionate share of the net pension liability	$ 916,641	$ 521,126	$ 189,797

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 – At September 30, 2024, 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, 2024.

NOTE 4 – RETIREMENT PLAN (Continued)

HIS Plan

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, 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, 2024, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 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, 2024, the HIS contribution was 2.00%. The District contributed 100.00% 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 $12,585 for the fiscal year ended September 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the District reported a liability of $265,783 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District's proportionate share of the net pension liability was based on the District's 2023-2024 fiscal year contributions relative to the 2022-2023 fiscal year contributions of all participating members. At June 30, 2024, the District's proportionate share was .001771770 percent, which was an increase of .000074577 percent from its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2024, the District recognized pension expense of $13,537. In addition, the District reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

NOTE 4 – RETIREMENT PLAN (Continued)

Description	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 2,566	$ 510
Change of Assumptions	4,704	31,465
Net difference between projected and actual earnings on HIS Plan Investments	0	96
Changes in proportion and differences between District HIS Plan contributions and proportionate share of contributions	25,041	8,442
District HIS Plan contributions subsequent to the measurement date	3,482	
Total	$ 35,793	$ 40,513

The deferred outflows of resources related to the HIS Plan, totaling $3,482 resulting from District contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2025	$ (78)
2026	281
2027	(1,022)
2028	(1,304)
2029	(1,577)
Thereafter	(4,502)
Total	$ (8,202)

Actuarial Assumptions – The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.50%, average, including inflation
Municipal bond rate	3.93%

NOTE 4 – RETIREMENT PLAN (Continued)

Mortality rates were based on the PUB-2010 base table with Scale MP-2021.

The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023 of the FRS Pension Plan.

Discount Rate – The discount rate used to measure the total pension liability was 3.93%. 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 FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net 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 3.93%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.93%) or one percentage point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
District's proportionate share of the net pension liability	$ 302,560	$ 265,783	$ 235,252

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 – At September 30, 2024, 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, 2024.

Investment Plan

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

NOTE 4 – RETIREMENT PLAN (Continued)

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2023-2024 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 11.30%, Special Risk Administrative Support class 12.95%, Special Risk class 19.00%, Senior Management Service class 12.67% and County Elected Officers class 16.34%.

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

The District’s contributions, including employee contributions, to the Investment Plan totaled $48,431 for the fiscal year ended September 30, 2024.

The District’s Investment Plan pension expense totaled $39,566 for the fiscal year ended September 30, 2024.

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

NOTE 4 – RETIREMENT PLAN (Continued)

Aggregate Schedule of Retirement Plan Information

For the fiscal year ended September 30, 2024, the District, in total, reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual Experience	$ 55,214	$ 510
Change of Assumptions	76,129	31,465
Net difference between projected and actual earnings on HIS Plan Investments	0	34,733
Changes in proportion and differences between District contributions and proportionate share of contributions	25,498	49,928
District contributions subsequent to the measurement date	20,787	
Total	$ 177,628	$ 116,636

For the fiscal year ended September 30, 2024, the District, in total, recognized pension expense of $117,241 and reported a liability of $786,909 for its proportionate share of the FRS Plan's net pension liability.

NOTE 5 – CAPITAL ASSETS

Details of changes in capital assets for the year ended September 30, 2024, are as follows:

	Balance 10/01/23	Increases	Decreases	Balance 09/30/24
Capital assets, not being depreciated:				
Land	$ 978,376			$ 978,376
Construction in progress	0	$ 457,531		457,531
Total capital assets, not being depreciated	978,376	457,531	$ 0	$ 1,435,907
Capital assets, being depreciated:				
Buildings	5,294,244			5,294,244
Sign	9,375			9,375
Vehicles, furniture, and equipment	3,646,191		(16,820)	3,629,371
Total capital assets, being depreciated	8,949,810	0	(16,820)	8,932,990
Less accumulated depreciation	(1,957,541)	(441,684)	16,820	(2,382,405)
Total capital assets, being depreciated, net	6,992,269	(441,684)	0	6,550,585
Total	$ 7,970,645	$ 15,847	$ 0	$ 7,986,492

NOTE 6 – GENERAL LONG-TERM DEBT

General long-term debt activity for the year ended September 30, 2024, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Net pension liability	$ 824,804		$ (37,895)	$ 786,909
Total OPEB liability	20,279	$ 5,962		26,241
Compensated absences	60,553	68,004	(78,815)	49,742
Total general long-term debt	$ 905,636	$ 73,966	$ (116,710)	$ 862,892

NOTE 7 – INTERFUND TRANSFER

The District transferred $93,141 from the special revenue fund to the general fund in the current year. This transfer was necessitated by the reevaluation of anticipated state funding for expenses incurred in prior years. Initially expected to be reimbursed through state funding, it is now determined that such reimbursement will not occur.

NOTE 8 – DEPOSITS AND INVESTMENTS

Deposits – All cash resources of the District are placed in banks that qualify as a public depository, as required by law (Florida Security for Public Deposits Act). The State Treasurer is required by this law to ensure that the District's funds are entirely collateralized throughout the fiscal year. Every qualified public depository is required by this law to deposit with the State Treasurer eligible collateral equal to, or in excess of, an amount to be determined by the State Treasurer. In the event of failure by a qualified public depository, losses, in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

At year-end, the carrying amount of the District's deposits was $6,473,032 and the respective bank balances totaled $6,473,032.

Investments – Florida Statutes, Section 218.415, authorizes the District to invest surplus funds in the following:

1. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969.

2. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

3. Interest-bearing time deposits or savings accounts in qualified public depositories.

4. Direct obligations of the U.S. Treasury.

Credit Risk – Credit Risk exists when there is a possibility the issuer or other counterparty to an investment will not fulfill its obligations. Generally, the District's investing activities are managed by the Director and Board of Commissioners. Investing is performed in accordance with the investment policy set forth by the State of Florida Statutes.

Interest Rate Risk – Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The District's investment policy is limited to complying with the State's investment statutes. The State law has not addressed an interest rate risk and therefore the District has not adopted an investment policy on that point.

Concentration of Credit Risk – The District places no limit on the amount it may invest in any one issuer. The District's investments at September 30, 2024 consist of time deposits and savings accounts. The carrying amount and market value are the same.

NOTE 9 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District is a member of the Governmental Risk Insurance Trust, a public entity risk pool, which provides the District's insurance including comprehensive, worker's compensation and automobile. The District pays the premium and is liable for the deductible on the comprehensive policy and the automobile policy. No settlements have exceeded insurance coverage for each of the past three years.

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The District implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB), during the fiscal year ended September 30, 2018, for certain postemployment healthcare benefits provided by the District. The valuation has been conducted using the Alternative Measurement Method, as prescribed under GASB Statement No. 75.

A. *Plan Description* – The Beach Mosquito Control District's Retiree Health Care Plan (the Plan) is made available to eligible retirees in accordance with the requirements of Florida State Statutes, Section 112.0801. Pursuant to this statute, the District is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which the coverage is available for active employees. The Plan, which is administered by the District, is a single-employer defined benefit post-employment health care plan that provides medical, dental, life, and vision benefits. The postemployment portion of the Plan refers to these related benefits applicable to current and future retirees and their eligible dependents. For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust. No stand-alone report is issued for this plan.

B. *Membership* – As of the most recent actuarial valuation of the OPEB liability, membership data is as follows:

Inactive plan members or beneficiaries currently receiving benefits	0
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	15
Total	15

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

C. *Funding Policy* – The contribution requirements of the plan members are established and may be amended by the District. These contributions are neither mandated nor guaranteed. Eligible retirees pay the full cost of blended rate premiums associated with the healthcare plan elected, less any subsidies received through FRS (Florida Retirement System). To-date, the District has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs.

D. *Benefits Provided* – A retired employee and his or her spouse are eligible to continue health insurance identical to active employees if they meet the eligibility for retirements under the applicable Plan. The retiree is responsible for paying the entire monthly premium for health coverage and that of any covered spouse or eligible dependents. Upon reaching age 65, Medicare is assumed to become primary.

The State of Florida prohibits the District from separately rating retirees and active employees. The District therefore assigns eligible active employees and eligible retirees an equal, blended premium. The actual costs of providing benefits considering the retirees experience rating would be higher. Inversely, the actual costs of providing benefits considering the active employee's experience rating would be lower. This requirement creates an implicit rate subsidy. Although the retirees pay the full cost of their benefits, the District is in effect providing a benefit to the retiree with an implicit cost. With an implicit rate subsidy, the active employee premiums are subsidizing the retiree's premiums, and that subsidization creates a liability that may need to be recognized. Although both groups are assigned the same blended rate premiums, governmental standards require the actuarial liability presented below to be calculated using age-adjusted premiums approximating claim costs for eligible retirees separate from active eligible members.

Retired plan members and beneficiaries currently receiving benefits contribute monthly contributions as follows:

Medical Insurance:		
Blue Cross – Plan 14503		
Retiree	$	693
Retiree + spouse		1,386
Retiree + children		1,282
Retiree + family		1,975
Blue Cross – Plan 14104		
Retiree	$	702
Retiree + spouse		1,403
Retiree + children		1,298
Retiree + family		2,000

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Blue Cross – Plan 14003		
Retiree	$	806
Retiree + spouse		1,612
Retiree + children		1,491
Retiree + family		2,297
Dental Insurance:		
Retiree	$	25
Retiree + spouse		70
Retiree + children		70
Retiree + family		70
Vision Insurance:		
Retiree	$	7
Retiree + spouse		15
Retiree + children		15
Retiree + family		15
Life Insurance:		
*Group Term Life	$	.32

*Per $1,000 of coverage

E. *Measurement Date and Valuation Date* – The District's Total OPEB Liability was measured as of September 30, 2023 for reporting period October 1, 2023 through September 30, 2024. The Net OPEB Liability is the difference between the Total OPEB Liability and the Plan's Fiduciary Net Position. For unfunded plans, the OPEB Liability recorded on the employer's balance sheet is equal to the Total OPEB Liability.

F. *Total OPEB Liability* – The District's Total OPEB Liability as of September 30, 2024 is $26,241. The District does not plan to fund the program. Therefore, the contributions made to the program are assumed to be the benefits paid to retirees, if any, and administrative expenses.

Change in Total OPEB Liability:

Reporting period ending September 30, 2023,	$	20,279
Service cost		570
Interest		979
Differences between expected and actual experience		1,553
Changes of assumptions		3,504

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes of benefit terms	
Contributions - Employer	
Benefit payments	(644)
Other changes	
Net Changes	5,962
Reporting period ending September 30, 2024	$ 26,241

Changes of assumptions reflect a change in the discount rate from 4.77% for the fiscal year ending September 30, 2023 to 4.87% for the fiscal year ending September 30, 2024. Also reflected as assumption changes are updated health care costs and premiums.

G. *OPEB Expense* – For the year ended September 30, 2024, the District will recognize OPEB expense of $7,906.

Under GASB 75 as it applies to plans that qualify for the Alternative Measurement Method, changes in the Total OPEB Liability are not permitted to be included in deferred outflows of resources or deferred inflows of resources related to OPEB. These changes will be immediately recognized through OPEB expense.

Components of OPEB Expense for the year ended September 30, 2024, are as follows:

Service cost	570
Interest	979
Recognition of changes in Total OPEB Liability	5,057
Administrative expenses	1,300
Total OPEB Expense (revenue)	$ 7,906

On September 30, 2024, the District reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 0	$ 0
Change of assumptions	0	0
Employer contributions subsequent to the measurement date	3,290	0
Total	$ 3,290	$ 0

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

H. *Actuarial Assumptions* – The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2023 for reporting period September 30, 2024, using the following actuarial assumptions:

Inflation	2.50%
Salary increases	2.50%
Discount rate	4.87%
Initial trend rate	7.00%
Ultimate trend rate	4.00%
Years to ultimate	51
Actuarial value of assets	Market Value
Retirement rates	100% at normal retirement eligibility
Marital status	100% assumed married, with male spouses 3 years older than female spouses
Health care participation	20% participation assumed, with 50% electing spouse coverage
Disability rates	None assumed
Funding method	Entry Age Cost Method (level % of pay)

For all lives, mortality rates were PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019.

Given the District's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 4.87%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

I. *Sensitivity of the Total OPEB Liability to changes in the Discount Rate* – The following table presents the Total OPEB Liability of the District, as well as what the District's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease (3.87%)	Current Discount Rate (4.87%)	1% Increase (5.87%)
Total OPEB Liability	$ 30,891	$ 26,241	$ 22,443

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

J. *Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates* – The following table presents the Total OPEB Liability of the District, as well as what the District's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (3.00%-6.00%)	Healthcare Cost Trend Rates (4.00%-7.00%)	1% Increase (5.00%-8.00%)
Total OPEB Liability	$ 22,229	$ 26,241	$ 31,159

NOTE 11 – CONSTRUCTION COMMITMENT

The District has an outstanding commitment for construction contract at year end. The commitment represents the difference between the contract price of the project and the amounts paid on the contract. The District entered into an agreement with Anderson Construction Company in September 2023 for the design and permitting of a new chicken house facility. On February 8, 2024, the District amended its contract to include the construction phase of the new chicken house facility on the site of Beach Mosquito Control District's headquarters. The adjusted contract price of $372,213 includes all costs for materials and labor. Construction of the new chicken house facility was completed at yearend; however, the certificate of occupancy was not granted to the District until October 2024. As of September 30, 2024, the District's outstanding commitment for construction was $86,399.

NOTE 12 – SUBSEQUENT EVENTS

The District has evaluated subsequent events requiring disclosure or recording in these financial statements through February 5, 2025, which is the date these financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

BEACH MOSQUITO CONTROL DISTRICT
SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
FISCAL YEAR ENDED SEPTEMBER 30, 2024
Last 10 Fiscal Years [1]

	2024	2023	2022	2021	2020	2019 [3]	2018	2017 [2]	2016	2015
Beach Mosquito Control District's proportion of the net pension liability (asset)	0.001347109%	0.001393500%	0.001414891%	0.001614547%	0.001612250%	0.001633129%	0.001613871%	0.001685233%	0.001629698%	0.001628536%
Beach Mosquito Control District's proportionate share of the net pension liability (asset)	$ 521,125	$ 555,266	$ 526,453	$ 121,961	$ 698,773	$ 562,412	$ 486,106	$ 498,652	$ 411,500	$ 210,346
Beach Mosquito Control District's covered payroll	$ 464,979	$ 512,482	$ 480,714	$ 514,066	$ 463,428	$ 444,843	$ 418,815	$ 428,833	$ 386,849	$ 380,265
Beach Mosquito Control District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	112.08%	108.35%	109.51%	23.72%	150.78%	126.43%	116.07%	116.28%	106.37%	55.32%
Plan fiduciary net position as a percentage of the total pension liability	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

[1] The amounts presented for each fiscal year were determined as of June 30.
[2] NPL at 2017 has been increased by $171 due to implementation of GASB 75.
[3] NPL at 2019 has been decreased by $15.

Notes to Schedule

Valuation date	7/1/2024	7/1/2023	7/1/2022	7/1/2021	7/1/2020	7/1/2019	7/1/2018	7/1/2017	7/1/2016	7/1/2015
Measurement date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarial cost method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age
Asset valuation method	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value
Actuarial assumptions:										
Inflation	2.40%	2.40%	2.40%	2.40%	2.40%	2.60%	2.60%	2.60%	2.60%	2.60%
Salary increases, including inflation	3.50%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Discount rate	6.70%	6.70%	6.70%	6.80%	6.80%	6.90%	7.00%	7.10%	7.60%	7.65%
Long-term expected rate of return, net of investment expense	6.70%	6.70%	6.70%	6.80%	6.80%	6.90%	7.00%	7.10%	7.60%	7.65%
Cost of living adjustments	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Mortality	PUB-2010 base table with Scale MP-2021	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables

BEACH MOSQUITO CONTROL DISTRICT
SCHEDULES OF CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
FISCAL YEAR ENDED SEPTEMBER 30, 2024
Last 10 Fiscal Years [1]

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 64,894	$ 61,334	$ 56,798	$ 48,908	$ 50,671	$ 45,721	$ 41,086	$ 39,500	$ 35,078	$ 35,545
Contributions in relation to the contractually required contribution	(64,894)	(61,334)	(56,798)	(48,908)	(50,993)	(45,621)	(41,086)	(39,500)	(35,078)	(35,545)
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0	$ (322)	$ 100	$ 0	$ 0	$ 0	$ 0
Beach Mosquito Control District's covered payroll	$ 462,651	$ 496,766	$ 505,188	$ 482,092	$ 471,671	$ 448,305	$ 420,102	$ 436,201	$ 390,683	$ 383,943
Contributions as a percentage of covered payroll	14.04%	12.36%	11.25%	10.14%	10.81%	10.18%	9.78%	9.06%	8.98%	9.26%

[1] Actuarially determined contribution rates are calculated as of July 1, one year period to the end of the fiscal year in which contributions are reported.

Notes to Schedule

Valuation date	7/1/2024	7/1/2023	7/1/2022	7/1/2021	7/1/2020	7/1/2019	7/1/2018	7/1/2017	7/1/2016	7/1/2015
Measurement date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarial cost method	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Ultimate Entry Age Normal	Ultimate Entry Age Normal	Ultimate Entry Age Normal	Ultimate Entry Age Normal
Amortization method	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered	Level percent, closed, layered
Amortization period	20 years	20 years	20 years	20 years	25 years	30 years	30 years	30 years	30 years	30 years
Asset valuation method	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value	5 years, asymptotic 80-120% of fair market value
Actuarial assumptions:										
Inflation	2.40%	2.40%	2.40%	2.40%	2.40%	2.60%	2.60%	2.60%	2.60%	2.60%
Payroll growth rate	3.50%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Salary increases	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies
Discount rate	6.70%	6.70%	6.70%	6.80%	6.80%	6.90%	7.00%	7.10%	7.60%	7.65%
Long-term expected rate of return, net of investment expense	6.70%	6.70%	6.70%	6.80%	6.80%	6.90%	7.00%	7.10%	7.60%	7.65%
Cost of living adjustments	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter
Retirement age	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies
Turnover	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies	Varies
Mortality	PUB-2010 base table with Scale MP-2021	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables

BEACH MOSQUITO CONTROL DISTRICT
SCHEDULES OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PROGRAM
FISCAL YEAR ENDED SEPTEMBER 30, 2024
Last 10 Fiscal Years [1]

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Beach Mosquito Control District's proportion of the net pension liability (asset)	0.001771770%	0.001697193%	0.001623914%	0.001715234%	0.001500718%	0.001578936%	0.001579882%	0.001703556%	0.001614719%	0.001532872%
Beach Mosquito Control District's proportionate share of the net pension liability (asset)	$ 265,783	$ 269,537	$ 171,998	$ 210,399	$ 183,235	$ 176,667	$ 167,216	$ 182,152	$ 188,188	$ 156,329
Beach Mosquito Control District's covered payroll	$ 749,834	$ 672,387	$ 591,802	$ 605,120	$ 520,911	$ 529,408	$ 516,018	$ 544,139	$ 498,478	$ 480,803
Beach Mosquito Control District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.45%	40.09%	29.06%	34.77%	35.18%	33.37%	32.41%	33.48%	37.75%	32.51%
Plan fiduciary net position as a percentage of the total pension liability	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

[1] The amounts presented for each fiscal year were determined as of June 30.

Notes to Schedule

Valuation date	7/1/2024	7/1/2023	7/1/2022	7/1/2021	7/1/2020	7/1/2019	7/1/2018	7/1/2017	7/1/2016	7/1/2015
Measurement date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarial cost method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age
Asset valuation method	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value
Actuarial assumptions:										
Inflation	2.40%	2.40%	2.40%	2.40%	2.40%	2.60%	2.60%	2.60%	2.60%	2.60%
Salary increases including inflation	3.50%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Discount rate	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%	2.85%	3.80%
Bond buyer general obligation 20-bond municipal bond index	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%	2.85%	3.80%
Cost of living adjustments	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Mortality	PUB-2010 base table with Scale MP-2021	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables

BEACH MOSQUITO CONTROL DISTRICT
SCHEDULES OF CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PROGRAM
FISCAL YEAR ENDED SEPTEMBER 30, 2024
Last 10 Fiscal Years [1]

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 12,585	$ 11,385	$ 10,422	$ 9,544	$ 8,865	$ 8,772	$ 8,540	$ 9,031	$ 8,347	$ 6,771
Contributions in relation to the contractually required contribution	(12,585)	(11,385)	(10,422)	(9,544)	(8,900)	(8,749)	(8,540)	(9,031)	(8,347)	(6,771)
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0	$ (35)	$ 23	$ 0	$ 0	$ 0	$ 0
Beach Mosquito Control District's covered payroll	$ 758,147	$ 685,826	$ 627,816	$ 574,933	$ 534,016	$ 528,470	$ 514,474	$ 544,014	$ 502,816	$ 495,596
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.37%

[1] Actuarially determined contribution rates are calculated as of July 1, one year period to the end of the fiscal year in which contributions are reported.

Notes to Schedule

Valuation date	7/1/2024	7/1/2023	7/1/2022	7/1/2021	7/1/2020	7/1/2019	7/1/2018	7/1/2017	7/1/2016	7/1/2015
Measurement date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarial cost method	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age	Individual entry age
Actuarial assumptions:										
Inflation	2.40%	2.40%	2.40%	2.40%	2.40%	2.60%	2.60%	2.60%	2.60%	2.60%
Salary increases, including inflation	3.50%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%
Discount rate	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%	2.85%	3.80%
Bond buyer general obligation 20-bond municipal bond index	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%	2.85%	3.80%
Cost of living adjustments	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter	3% for pre-July 2011 benefit service; 0% thereafter
Mortality	PUB-2010 base table with Scale MP-2021	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	PUB-2010 base table with Scale MP-2018	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables	Generational RP-2000 with Scale BB tables

BEACH MOSQUITO CONTROL DISTRICT
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FISCAL YEAR ENDED SEPTEMBER 30, 2024
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	$ 570	$ 882	$ 2,260	$ 1,665	$ 1,902	$ 2,036	$ 2,194
Interest	979	708	1,038	1,122	1,386	1,263	1,118
Changes in benefit terms	0	0	0	0	0	0	0
Differences between expected and actual experience	1,553		(5,586)	(130)	2,571	0	0
Changes of assumptions	3,504	(9,262)	(15,401)	13,925	(6,428)	(2,771)	(3,237)
Benefit payments	(644)	(599)	-	-	(2,014)	(1,852)	(1,703)
Net change in total pension liability	5,962	(8,271)	(17,689)	16,582	(2,583)	(1,324)	(1,628)
Total OPEB liability - beginning, as adjusted	20,279	28,550	46,239	29,657	32,240	33,564	35,192
Total OPEB liability - ending	$ 26,241	$ 20,279	$ 28,550	$ 46,239	$ 29,657	$ 32,240	$ 33,564
Covered employee payroll*	$ 682,582	$ 530,402	$ 517,465	$ 526,730	$ 573,902	$ 650,506	$ 634,640
Total OPEB Liability as a percentage of Covered Employee Payroll	3.84%	3.82%	5.52%	8.78%	5.17%	4.96%	5.29%

** Covered payroll is projected to the measurement date based on actual covered payroll as of the valuation date using applicable salary increase assumptions.*
Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Notes to Schedules:

Employer's reporting date: September 30, 2024
Measurement date: September 30, 2023

For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust.

Changes of assumptions:

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

Fiscal Year Ending September 30, 2024:	4.87%
Fiscal Year Ending September 30, 2023:	4.77%
Fiscal Year Ending September 30, 2022:	2.43%
Fiscal Year Ending September 30, 2021:	2.14%
Fiscal Year Ending September 30, 2020:	3.58%
Fiscal Year Ending September 30, 2019:	4.18%
Fiscal Year Ending September 30, 2018:	3.64%

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

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

Board of Commissioners
Beach Mosquito Control District
Bay County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of Beach Mosquito Control District, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Beach Mosquito Control District's basic financial statements and have issued our report thereon dated February 5, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Finding 2024-01 – Segregation of Duties

The size of the District's accounting and administrative staff precludes certain internal controls that would be preferred if the staff were large enough to provide optimum segregation of duties. To the extent possible duties should be segregated to serve as a check and balance and to maintain the best control system possible. Material errors or irregularities may occur without being detected by employees or management during the normal course of their duties. Oversight provided by the Board of Commissioners has been a mitigating factor which prevents this from being a material weakness. As we have previously recommended, the Commissioners and Director review the deposits and expenditures on a monthly basis and include their approval and comments in the minutes of the Board meetings to help override the lack of segregation of duties. However, we still recommend that the segregation of duties be continuously reviewed and adjusted where possible to strengthen the system of internal control each year.

Finding 2024-02 – Lack of Proper Controls Over Journal Entries

The District's accounting procedures do not include controls over manual journal entries as required by auditing standards. This situation provides opportunity for errors and unauthorized transactions to not be detected in a timely manner. We recommend that evidence of review and approval by the Board of Commissioners or Director of all manual journal entries be documented as audit evidence.

Report on Compliance and Other Matters

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

Beach Mosquito Control District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Beach Mosquito Control District's response to the findings identified in our audit and described in the Statement on page 49. Beach Mosquito Control District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Tipton, Marler, Garner & Chastain

Panama City, Florida
February 5, 2025

INDEPENDENT AUDITOR'S MANAGEMENT LETTER FOR THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Board of Commissioners
Beach Mosquito Control District
Bay County, Florida

Report on the Financial Statements

We have audited the financial statements of Beach Mosquito Control District, Florida, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 5, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards,* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 5, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. In the audit reports for the preceding two years, the deficiency in internal controls caused by lack of sufficient staff was reported as Finding 2022-01 and Finding 2023-01. This same deficiency is included in the current year audit report as Finding 2024-01. The Board of Commissioners and Director have taken some corrective actions by reviewing the deposits and expenditures on a monthly basis and have included their approval and comments in the minutes of the Board meetings to help override the lack of segregation of duties as we recommended, however this continues to be a significant deficiency due to lack of sufficient staff.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Beach Mosquito Control District was established by Laws of Florida Chapter 5341 (1903) on October 14, 1952. Beach Mosquito Control District has no component units.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Beach 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 Beach Mosquito Control District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Beach Mosquito Control District. It is management's responsibility to monitor Beach Mosquito Control District's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

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 of 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. Beach Mosquito Control District is not a component unit and does not have any component units.

Specific Information

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

a) The total number of district employees compensated in the last pay period of the District's fiscal year as 14.

b) The total number of independent contractors to whom non-employee compensation was paid in the last month of the district's fiscal year as 0.

c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $745,630.

d) All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as $0.

e) Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project is $0.

f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as seen on page 11.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the District reported:

a) The millage rate or rates imposed by the district as 0.1800.

b) The total amount of ad valorem taxes collected by or on behalf of the district as $2,547,581.

c) The total amount of outstanding bonds issued by the district and the terms of such bonds as $0.

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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

Tipton, Marler, Garner & Costain

Panama City, Florida
February 5, 2025

BEACH MOSQUITO CONTROL DISTRICT

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Board of Commissioners
Larry Couch, Chairman
Joyce Dean, Secretary
John Smith, Treasurer

Director James F. Clauson
E-mail: james@pcbeachmosquito.com

February 5, 2025

Board of Commissioners
Beach Mosquito Control District
509 Griffin Blvd
Panama City Beach, Florida 32413

Ladies and Gentlemen:

The annual audit report of Beach Mosquito Control District for the year ended September 30, 2024, contained the following significant deficiencies:

> The size of the District's accounting and administrative staff precludes certain internal controls that would be preferred if the staff were large enough to provide optimum segregation of duties. To the extent possible duties should be segregated to serve as a check and balance and to maintain the best control system possible. Material errors or irregularities may occur without being detected by employees or management during the normal course of their duties. This situation dictates that the Board of Commissioners remains involved in the financial affairs of the District to provide oversight and independent review functions. Management should continuously review segregation of duties and adjust where possible to strengthen the system of internal control each year.
>
> The District's accounting procedures do not include controls over manual journal entries as required by auditing standards. This situation provides opportunity for errors and unauthorized transactions to not be detected in a timely manner. We recommend that evidence of review and approval by the Board of Commissioners or Director of all manual journal entries be documented as audit evidence.

It is not cost efficient to hire additional staff to provide a proper segregation of duties; however, the above condition is mitigated by having the Commissioners review the monthly deposits and expenditures of the District and including their approval and/or comments in the minutes of the board meetings.

The concerns raised regarding proper documentation of review and approval of journal entries will be mitigated by implementing the recommendation that the Board of Commissioners or Director review the journal entries on a regular basis and include their approval and/or comments as evidence.

Respectfully submitted,

James Clauson
Director

Tipton, Marler, Garner & Chastain
The CPA Group
Certified Public Accountants

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

Board of Commissioners
Beach Mosquito Control District
Bay County, Florida

We have examined the Beach Mosquito Control District's (the "District") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

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

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

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

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

Tipton, Marler, Garner & Chastain

Panama City, Florida
February 5, 2025

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