

**EAST LAKE TARPON  
SPECIAL FIRE CONTROL DISTRICT**

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL  
YEAR ENDED SEPTEMBER 30, 2020**



**SALTMARSH, CLEVELAND & GUND P.A.**  
*Certified Public Accountants*

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**COMPREHENSIVE**  
**ANNUAL FINANCIAL REPORT**  
**OF**  
**EAST LAKE TARPON**  
**SPECIAL FIRE CONTROL DISTRICT**

**FOR THE**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**PREPARED BY THE**  
**FINANCIAL ADMINISTRATOR**

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

INDEPENDENT TAX DISTRICT -

BOARD OF FIRE COMMISSIONERS - FORM OF OPERATION

BOARD OF FIRE COMMISSIONERS

Randy Burr - Chairman

Kevin Kenney - Vice-Chairman

Jim Dalrymple - Secretary

David Root - Treasurer

Thomas McQueen -Fire Commissioner at Large

Fire Chief

Financial Administrator

Thomas Jamison

Jennifer Spicher

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## **INTRODUCTORY SECTION**

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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

	<u>Page</u>
<b><u>INTRODUCTORY SECTION</u></b>	
<b>Table of Contents</b> .....	i
<b>East Lake Tarpon Special Fire Control District Organization</b> .....	vi
<b>Listing of District Officials</b> .....	vii

**FINANCIAL SECTION**

<b>Independent Auditor's Report</b> .....	1
Management's Discussion and Analysis .....	4
<b>Basic Financial Statements</b>	
Government-Wide Financial Statements:	
Statement of Net Position .....	15
Statement of Activities .....	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	17
Reconciliation of the Balance Sheet to the Statement of	
Net Position - Governmental Funds .....	18
Statement of Revenues, Expenditures, and Changes in Fund Balance -	
Governmental Funds .....	19
Reconciliation of the Statement of Revenues, Expenditures and Changes	
in Fund Balance of the Governmental Fund to the Statement of Activities -	
Governmental Funds .....	20

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

Page

FINANCIAL SECTION (CONTINUED)

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
General Fund . . . . .	21
Statement of Fiduciary Net Position - Fiduciary Fund . . . . .	22
Statement of Changes in Fiduciary Net Position - Fiduciary Fund . . . . .	23
Notes to Financial Statements . . . . .	24

**Required Supplementary Information for Single Employer**

**Firefighters' 175 Defined Benefit Pension Plan**

**Under GASB 68**

Schedule of Changes in the District's Net Pension Liability . . . . .	83
Schedule of Ratios . . . . .	84
Schedule of Contributions. . . . .	85
Notes to Schedule of Contributions . . . . .	86
Schedule of Investment Returns . . . . .	88

**Required Supplementary Information for Other Post Employment**

**Benefits Under GASB 75**

Schedule of Changes in Net OPEB Liability and Related Ratios. . . . .	89
Schedule of Contributions. . . . .	90
Schedule of Returns . . . . .	91



EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

**FINANCIAL SECTION (CONTINUED)**

**INDIVIDUAL STATEMENT**

General Fund:

Schedules of Revenues, Expenditures and

Changes in Fund Balance - Budget and Actual . . . . . 92

Capital Assets Used in Operation of Governmental Funds:

Schedules by Source . . . . . 95

Schedules by Function and Activity . . . . . 96

Schedule of Changes by Function and Activity. . . . . 97

**STATISTICAL SECTION**

**Financial Trends:**

Net Position by Component - Last Ten Fiscal Years . . . . . 98

Changes in Net Position - Last Ten Fiscal Years . . . . . 99

Expenses by Function/Program - Last Ten Fiscal Years . . . . . 100

Fund Balances Governmental Funds - Last Ten Fiscal Years . . . . . 101

Changes in Fund Balances - Governmental Funds -

Last Ten Fiscal Years . . . . . 102

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

Page

**STATISTICAL SECTION (CONTINUED)**

Tax Revenues by Source - Governmental Funds -	
Last Ten Fiscal Years . . . . .	103
General Fund Expenditures by Function . . . . .	104
General Fund Revenues by Source . . . . .	105
<b>Revenue Capacity:</b>	
Assessed Value and Actual Value of Taxable Property -	
Last Ten Fiscal Years . . . . .	106
Property Tax Rates - Direct and All Overlapping	
Governments (Per \$1,000)	
Last Ten Fiscal Years . . . . .	107
Fire Taxable Valuations, Millage, Taxes Levied	
and Collected Last Ten Fiscal Years . . . . .	108
Property Tax Levies and Collections Last Ten Fiscal Years . . . . .	109
EMS Tax Levies and Contract Collections Last Ten Fiscal Years . . . . .	110
<b>Debt Capacity:</b>	
Ratios of Outstanding Debt by Type -	
Last Ten Fiscal Years . . . . .	111
Legal Debt Margin Information -	
Last Ten Fiscal Years . . . . .	112
Direct and Overlapping	
Governmental Activities Debt . . . . .	113

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

Page

**Operating Information:**

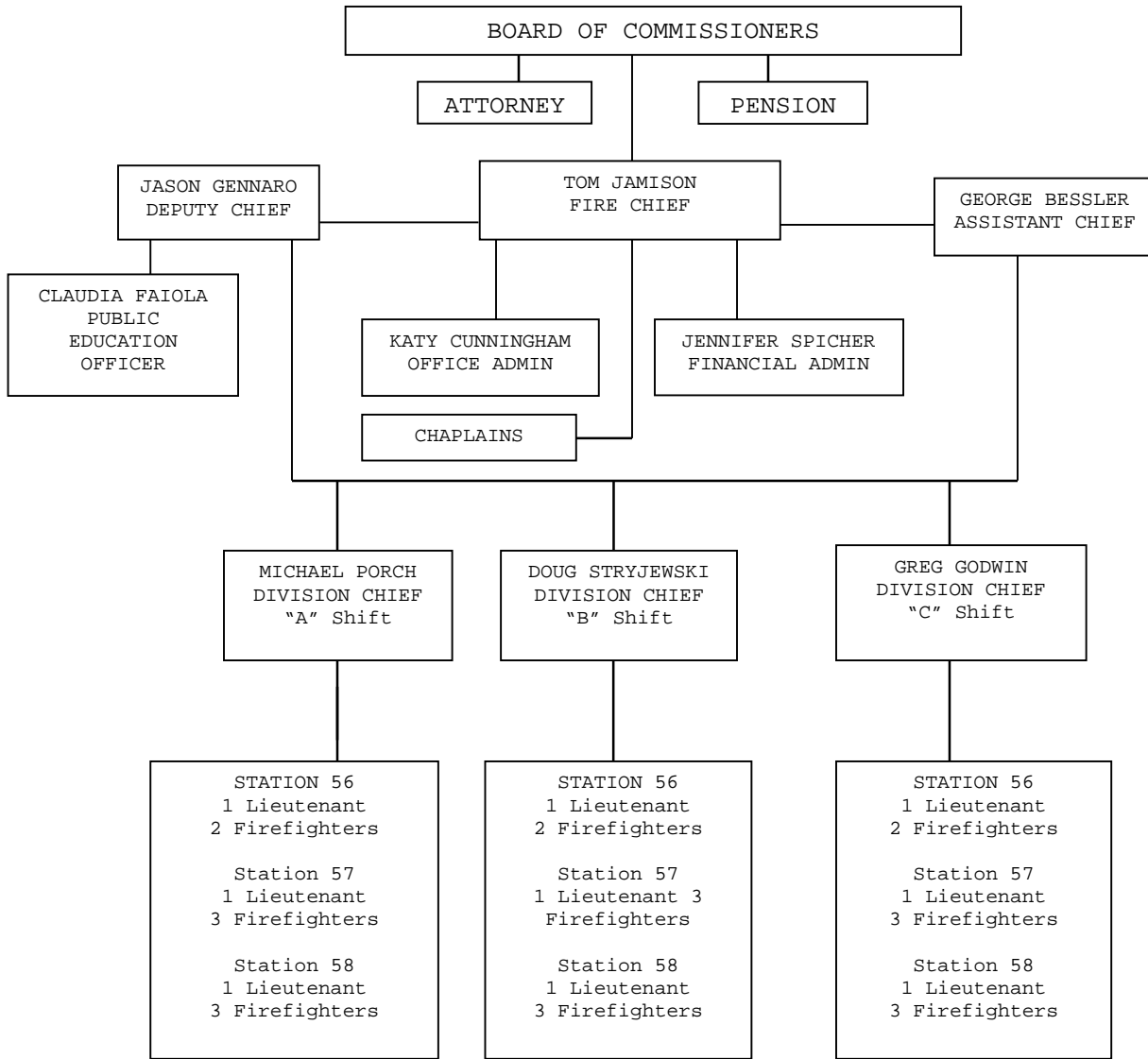
Full-Time Equivalent Employees by Function -	
Last Ten Fiscal Years . . . . .	114
Operating Indicators by Function -	
Last Ten Fiscal Years . . . . .	115
Capital Assets Statistics -	
Last Ten Fiscal Years . . . . .	116
Schedule of Insurance in Force . . . . .	117

**Other Reports:**

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> . . . . .	118
Management Letter . . . . .	120
Attestation Letter . . . . .	123
Memorandum on Review of Internal Control Structure . . . . .	124
Management's Response . . . . .	129
Affidavit of East Lake Tarpon Special Fire Control District . . . . .	130

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# ORGANIZATIONAL CHART 9/2020



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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

LISTING OF SPECIAL DISTRICT OFFICIALS

**ELECTED OFFICIALS**

<b>Commissioner</b>	Randy Burr - Chairman
<b>Commissioner</b>	Kevin Kenney - Vice-Chairman
<b>Commissioner</b>	Jim Dalrymple - Secretary
<b>Commissioner</b>	David J. Root - Treasurer
<b>Commissioner</b>	Thomas McQueen

**APPOINTED OFFICIALS**

<b>Fire Chief</b>	Thomas Jamison
<b>Corporate Attorney</b>	Andrew J. Salzman

**DEPARTMENT MANAGERS**

**Deputy Chief**

Jason Gennaro

**Assistant Chief**

George Bessler

**Division Chiefs**

Douglas Stryjewski

Gregory Godwin

Michael Porch

**Financial Administrator**

Jennifer Spicher

**Office Manager**

Katy Cunningham

**Public Education Officer**

Claudia Faiola

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## **FINANCIAL SECTION**

*This section contains the following subsections:*

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Combining and Individual Fund Financial Statements  
and Schedules

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**INDEPENDENT AUDITOR'S REPORT**

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## **INDEPENDENT AUDITOR'S REPORT**

The Board of Fire Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparisons for the general fund, and the aggregate remaining fund information of East Lake Tarpon Special Fire Control District as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, in making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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The Board of Fire Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the East Lake Tarpon Special Fire Control District as of September 30, 2020, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 statement, 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.

The Board of Fire Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the East Lake Tarpon Special Fire Control District's basic financial statements. The introductory section, individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or any assurance on them.

**Other Reporting Required by Governmental Auditing Standards**

In accordance with *Government Accounting Standards*, we have also issued our report dated May 10, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Tampa, Florida  
May 10, 2021

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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# EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

## Management's Discussion and Analysis September 30, 2020

**This financial overview is offered by the management of the East Lake Tarpon Special Fire District (District). It is both a narrative overview and a financial analysis of balances and activities for the fiscal year ended September 30, 2020.**

### **GOVERNMENT-WIDE FINANCIAL HIGHLIGHTS**

**One of the financial measures applicable to government entities is an analysis** of the changes in their net position. Net position is impacted by many things, most notably changes in cash, which of course reflects revenue received and expenditures made.

**The net position of the District was \$4,713,376. The net position increased by \$720,127 during the fiscal year.**

Some of the things that impact net position are the result of accounting practice rather than cash operations. As an example, our buildings and equipment depreciate over time. Depreciation is a non-cash accounting practice, which does not reflect the current value of our buildings and equipment.

**Depreciation of our buildings and equipment was \$373,199.**

We have a capital lease on Station #57, often referred to as our mortgage note. We continue to see the benefit of renegotiating our lease terms which reduced our interest charges going forward. Principal payments have continued. We made the final payment to complete a three-year lease agreement for the purchase of communication equipment.

**Interest and fiscal charges for \$51,897 decreased the net position.**

We reduced our interest accrual due to the capital lease renegotiation; we strengthened our post-employment benefit accrual and we reclassified some of our sick leave reserve as a current liability.

# EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

## Management's Discussion and Analysis September 30, 2020

In summary, then, the net Position changed in 2020 as follows:

<b>Net position beginning</b>	<b>\$ 3,993,249</b>
<b>Depreciation</b>	<b>(373,199)</b>
<b>Interest and fiscal charges</b>	<b>(51,897)</b>
<b>Operations</b>	<b><u>1,145,223</u></b>
<b>Net position at the end of the year</b>	<b><u>\$ 4,713,376</u></b>

Included in the net position at the end of the year is a reserve that is consistent with government accounting standards and industry best practices.

**The fund balance for the governmental funds is \$4,418,327.**

As management of the East Lake Tarpon Special Fire Control District (District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the fiscal year ended September 30, 2020.

### FINANCIAL HIGHLIGHTS

- A. The assets of the District exceeded its liabilities at the close of the 2020 fiscal year by \$4,713,376 (*net position*).
- B. The District's net position increased by \$720,127. This increase is largely a result of the decrease in pension liabilities, reduction in the capital lease balance, as payments continue, and changes to the reporting of Postemployment Benefits (OPEB) associated with the implementation of GASB 75.
- C. As of the close of the 2020 fiscal year, the District's general fund reported an ending fund balance of \$4,334,874, an increase of \$494,438 in comparison with the prior year. Also, \$2,705,600 of this fund balance is committed to the future replacement of the District's fire engines, one of its fire stations, SCBA and the payout of accrued leave. \$850,000 is assigned for capital projects. \$330,744 of these funds are available for spending at the District's discretion.
- D. Outstanding debt, which includes compensated absences, OPEB obligation, capital leases and pension liability, at the end of fiscal year 2020 is \$5,754,962.

# EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

## Management's Discussion and Analysis September 30, 2020

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, using accounting methods like a private-sector business. These statements include all assets and liabilities on the accrual basis of accounting. All current year revenues and expenses are considered regardless of when the cash is received or paid.

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

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. unused vacation leave).

The government-wide financial statements should distinguish functions of the East Lake Tarpon Special Fire Control District (District) that are principally supported by the District's residents and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). All the District's activities are governmental. The District is the *primary government*.

The government-wide financial statements can be found on pages 15 and 16 of this report.

#### Fund Financial Statements

Traditional users of government financial statements will find the fund financial statement presentation more familiar. The fund financial statements provide more information about the District's general fund and capital projects fund.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District's funds consist of the general fund, capital projects fund, and the fiduciary fund categories.

# EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

## Management's Discussion and Analysis September 30, 2020

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains two governmental funds - general fund and capital projects fund. These funds are presented in the governmental fund balance sheets and in the governmental funds statements of revenues, expenditures, and changes in fund balances.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

The basic governmental funds financial statements can be found on pages 17 through 21 of this report.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reflected in the government-wide financial statements because resources of those funds are *not* available to support the District's own programs. Accounting used for fiduciary funds is much like that used for the government-wide financial statements.

The basic fiduciary fund financial statements can be found beginning on page 22 of this report.

# **EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

## **Management's Discussion and Analysis September 30, 2020**

### **Notes to the financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24 through 83 of this report.

### **Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the District's progress in funding its obligation to provide pension benefits to its firefighters. Required supplementary information can be found beginning on page 84 of this report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the District's case, assets exceeded liabilities by \$4,713,376 at the fiscal year ended on September 30, 2020.

The District's capital assets represent investments in land, buildings and improvements and equipment. Approximately 56% of the total net assets are capital assets. The District uses these capital assets to provide services to its citizens and property owners; consequently, these assets are not available for future spending. The District's investment in its capital assets is reported net of related debt, it should be noted that the District has debt outstanding and thus the capital assets themselves cannot be used to liquidate general operating liabilities.

# EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

## Management's Discussion and Analysis September 30, 2020

### STATEMENT OF NET POSITION

	Government Activities	
	2020	2019
Cash	\$ 3,498,645	\$ 1,323,291
Investments	1,008,963	2,544,627
Other current assets	227,689	219,398
Capital assets, net	6,022,963	6,296,730
<b>Total Assets</b>	<b>10,758,260</b>	<b>10,384,046</b>
Deferred Outflows of Resources related to Pension plans	555,134	1,277,495
Long-term liabilities	5,527,444	6,463,459
Other liabilities	569,170	511,014
<b>Total Liabilities</b>	<b>6,096,614</b>	<b>6,974,473</b>
Deferred Inflows of Resources related to Pension plans	503,404	693,819
Net Assets:		
Capital assets net of related debt	4,120,130	4,611,347
Unrestricted	593,246	(618,098)
<b>Total Net Position</b>	<b>\$ 4,713,376</b>	<b>\$ 3,993,249</b>

The District's net position increased by \$720,127 during the current fiscal year. Some of the things that impact net position are primarily the result of cash operations. As an example, our buildings and equipment depreciate over time. Depreciation is a non-cash accounting practice which does not reflect the current value of our buildings and equipment.



## EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

Management's Discussion and Analysis  
September 30, 2020

### GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

**Governmental activities.** As the District has no business-type activities, governmental activities were responsible for increasing the District's net position. This is attributed to the District's total revenue exceeding total expenses by 10.16%. Increases in expenses closely paralleled the growth in the demand for services.

#### East Lake Tarpon Special Fire Control District's Changes in Net Position

	Governmental Activities	
	2020	2019
Revenues:		
Program Revenues:		
Charges for services	\$ 1,803,395	\$ 1,755,115
Impact fees	70,190	13,274
<b>Total Program Revenues</b>	1,873,585	1,768,389
General Revenues:		
Property assessments	5,726,468	5,483,378
Investment earnings	29,528	57,610
Grants	32,720	
Other	147,715	473,620
<b>Total General Revenues</b>	5,936,431	6,014,608
<b>Total Program and General Revenues</b>	7,810,016	7,782,997
Expenses:		
Public Safety - Fire Protection	5,316,673	5,187,117
Public Safety – EMS	1,773,216	1,831,433
<b>Total Expenses</b>	7,089,889	7,018,550
Increase in net position	720,127	764,447
<b>Net Position, beginning of year</b>	3,993,249	3,228,802
<b>Net Position, end of year</b>	\$ 4,713,376	\$ 3,993,249

# EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

## Management's Discussion and Analysis September 30, 2020

### Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the District's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$330,744 while total fund balance was \$4,334,874. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 4.6% of total general fund expenditures.

The fund balance for the general fund increased \$494,438 during the current fiscal year. Key factors for this increase are as follows:

- Increased tax revenue collected as property values grew.
- Ad Valorem collections totaled 96% against a budgeted 95%.
- County EMS Contract included a 1% Allowable Cost Exception increasing the District's EMS revenue.
- Total budgeted expenses were under budget by \$341,981.

The fund balance for the capital projects fund increased by \$70,179 FYE 9/30/20.

### General Fund Budgetary Highlights

An annual budget is legally adopted for the general fund. The District's expenditures were under budget by \$341,981. This is largely associated with the decrease in expenses due to mandatory COVID-19 Pandemic restrictions. Revenues for the District were more than its total expenditures by \$494,438. Property taxes representing 74% of the District's revenue, increased by \$243,090 during the current year.

## EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

### Management's Discussion and Analysis September 30, 2020

#### Fiscal Year 2020 Budget - General Fund

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 5,642,749	\$ 5,726,468	\$ 83,719
EMS Contract	1,793,054	1,791,395	(1,659)
Other	151,560	221,957	70,397
	7,587,363	7,739,820	152,457
Expenditures:			
General government:			
Public Safety - Fire	5,540,466	5,208,581	331,885
Public Safety – EMS	1,785,301	1,776,974	8,327
Debt service	261,593	259,827	1,769
	7,587,363	7,245,382	341,981
<b>Net Change in Fund Balance</b>	\$ -	\$ 494,438	\$ 494,438

The remaining factors that impact net position are primarily the result of cash operations, including capital activity. With the increase in tax revenue, the District was able to increase its fund balance to provide stabilization for unexpected changes in future market conditions.

## EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

### Management's Discussion and Analysis September 30, 2020

#### Capital Assets

At the end of 2020, the District's capital assets for its governmental activities was \$6,022,963 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements and equipment.

#### Change in Capital Assets - Governmental Activities

	Beginning Balance	Net Additions/ (Deletions)	Ending Balance
Land	\$ 447,010	\$ -	\$ 447,010
Buildings and improvements	5,365,623	-	5,365,623
Equipment	3,529,909	99,432	3,629,341
Total capital assets	8,895,532	99,432	8,994,964
Less accumulated depreciation	(3,045,812)	(373,199)	(3,419,011)
Capital assets, net	\$ 6,296,730	\$ (273,767)	\$ 6,022,963

With the increase in tax revenue associated with the rise in property values, the District was able to make many improvements. It provided another layer of protection against contagious diseases for its firefighters and administrative staff by purchasing disinfection systems for fire apparatus and stations. It replaced 12 sets of structural firefighting gear and an aging command vehicle.

Additional information on the District's capital assets can be found in note 6 on page 48 of this report.

# **EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

## **Management's Discussion and Analysis September 30, 2020**

### **LONG-TERM DEBT**

As of September 30, 2020, the District had total long-term debt outstanding made up of accrued sick and vacation payable of \$431,233, a capital lease of \$1,475,556, and equipment leases of \$5,438. Long-term debt for post-employment health care obligation as of the fiscal year end was \$421,839. The net pension liability for the 175 Plan was \$3,420,896.

More detailed information about the District's long-term debt can be found in note 8 on page 51 of this report.

### **ECONOMIC FACTORS**

The District's Board of Commissioners approved a \$7,969,588 budget for the 2020-21 fiscal year. This is a 5.04% increase and includes the purchase of a UTV Search and Rescue Vehicle and the replacement of the District's Fire Engine Communication Systems.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances for the District's residents and creditors. Questions concerning this report or requests for additional financial information should be directed to:

Chief Thomas Jamison  
3375 Tarpon Lake Boulevard  
Palm Harbor, FL 34685

For information about services, property values, appraisal process, exemptions, and other assessment information, visit the district's website at [www.elfr.org](http://www.elfr.org).

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# **BASIC FINANCIAL STATEMENTS**

*This section contains the following subsections:*

## **Government-Wide Financial Statements**

Statement of Net Position  
Statement of Activities

## **Fund Financial Statements**

### **Governmental Fund Financial Statements**

Balance Sheet - Governmental Fund  
Reconciliation of the Balance Sheet to the Statement of  
Net Position - Governmental Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Governmental Fund  
Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balance of the Governmental Funds to the Statement of Activities -  
Governmental Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget and Actual:  
General Fund

## **Notes to Financial Statements**

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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

<u>ASSETS</u>	<u>Primary Government</u>
Cash	\$ 3,498,645
Investments	1,008,963
Inventory	156,839
Receivables (net of allowance for uncollectibles)	66,792
Prepaid expenses	4,058
Capital Assets:	
Land	447,010
Buildings	5,267,383
Improvements	98,240
Equipment	3,629,341
Accumulated depreciation	<u>(3,419,011)</u>
Total capital assets, net	<u>6,022,963</u>
Total Assets	10,758,260
Deferred Outflows of Resources:	
Deferred outflows of resources related to pension plan	555,134
<u>LIABILITIES</u>	
Accounts payable	50,923
Salaries and benefits payable	266,047
Accrued interest	24,682
Noncurrent liabilities:	
Due within one year	227,518
Due in more than one year	<u>5,527,444</u>
Total Liabilities	6,096,614
Deferred Inflows of Resources:	
Deferred inflows of resources related to pension plan	503,404
<u>NET POSITION</u>	
Invested in capital assets, net of related debt	4,541,969
Unrestricted	<u>171,407</u>
Total Net Position	<u>\$ 4,713,376</u>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Primary</u>
EXPENSES:	
Public safety - EMS:	
Personnel services	\$ 1,603,781
Materials and services	124,651
Depreciation	<u>44,784</u>
Total public safety - EMS	1,773,216
Public safety - fire protection:	
Personnel services	4,178,179
Materials and services	758,182
Depreciation	328,415
Interest and fiscal charges	<u>51,897</u>
Total public safety - fire protection	<u>5,316,673</u>
Total Program Expenses	7,089,889
PROGRAM REVENUES:	
Charges for services	1,803,395
Impact fees	<u>70,190</u>
Net program expenses	1,873,585
Net program expenses	5,216,304
GENERAL REVENUES:	
Property taxes	5,726,468
Investment earnings	29,528
Grants	32,720
Miscellaneous	<u>147,715</u>
Total General Revenues	<u>5,936,431</u>
Change in Net Position	720,127
Net Position - Beginning	<u>3,993,249</u>
Net Position - Ending	<u>\$ 4,713,376</u>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2020

ASSETS	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Cash	\$ 3,419,669	\$ 78,976	\$ 3,498,645
Receivables (net of allowance for uncollectibles):			
Accounts receivable	5,633	4,477	10,110
Intergovernmental:			
State	3,860	-	3,860
County	52,822	-	52,822
Investments	1,008,963	-	1,008,963
Inventory	156,839	-	156,839
Prepaid items	4,058	-	4,058
<b>TOTAL ASSETS</b>	<b>\$ <u>4,651,844</u></b>	<b>\$ <u>83,453</u></b>	<b>\$ <u>4,735,297</u></b>

LIABILITIES AND FUND BALANCE

Liabilities:			
Accounts payable	\$ 50,923	\$ -	\$ 50,923
Accrued salaries and benefits payable	266,047	-	266,047
 Total liabilities	 316,970	 -	 316,970
 Fund balance:			
Nonspendable	160,897	-	160,897
Restricted	287,633	83,453	371,086
Committed	2,705,600	-	2,705,600
Assigned	850,000	-	850,000
Unassigned	330,744	-	330,744
 Total fund balance	 <u>4,334,874</u>	 <u>83,453</u>	 <u>4,418,327</u>
 Total liabilities and fund balance	 <b>\$ <u>4,651,844</u></b>	 <b>\$ <u>83,453</u></b>	 <b>\$ <u>4,735,297</u></b>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

RECONCILIATION OF THE BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUND

SEPTEMBER 30, 2020

Fund balance - total governmental fund		\$ 4,418,327
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund.		
Governmental capital assets	\$ 9,441,974	
Less accumulated depreciation	<u>(3,419,011)</u>	
		6,022,963
Certain deferred outflows of resources are not available to pay current period expenditures and therefore are not reported in the fund.		
Deferred outflows of resources related to pension plan		555,134
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental fund.		
OPEB obligation	(421,839)	
Accrued interest	(24,682)	
Capital leases	(1,480,994)	
Compensated absences	<u>(431,233)</u>	
		(2,358,748)
Certain deferred inflows of resources are not due and payable in the current period and therefore are not reported in the governmental fund.		
Deferred inflows of resources related to pension plan		(503,404)
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds		
Net Pension Liability		<u>(3,420,896)</u>
Net position of governmental activities		<u>\$ 4,713,376</u>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE

GOVERNMENTAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
REVENUES:			
Taxes:			
Ad valorem	\$ 5,726,468	\$ -	\$ 5,726,468
EMS contract	1,791,395	-	1,791,395
Contract	12,000	-	12,000
Grants	32,720	-	32,720
Interest	29,522	6	29,528
Impact Fees	-	70,190	70,190
Miscellaneous	147,715	-	147,715
	<u>7,739,820</u>	<u>70,196</u>	<u>7,810,016</u>
TOTAL REVENUES	7,739,820	70,196	7,810,016
EXPENDITURES:			
Public safety - EMS:			
Personnel services	1,652,323	-	1,652,323
Operating services	124,651	-	124,651
	<u>1,776,974</u>	<u>-</u>	<u>1,776,974</u>
Total public safety - EMS	1,776,974	-	1,776,974
Public safety - Fire:			
Personnel services	4,350,984	-	4,350,984
Operating services	758,165	17	758,182
Capital outlay	99,432	-	99,432
	<u>5,208,581</u>	<u>17</u>	<u>5,208,598</u>
Total public safety - Fire	5,208,581	17	5,208,598
Debt service:			
Principal	204,389	-	204,389
Interest and fiscal charges	55,438	-	55,438
	<u>259,827</u>	<u>-</u>	<u>259,827</u>
Total debt service	259,827	-	259,827
TOTAL EXPENDITURES	<u>7,245,382</u>	<u>17</u>	<u>7,245,399</u>
NET CHANGE IN FUND BALANCE	494,438	70,179	564,617
FUND BALANCE, OCTOBER 1	<u>3,840,436</u>	<u>13,274</u>	<u>3,853,710</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 4,334,874</u>	<u>\$ 83,453</u>	<u>\$ 4,418,327</u>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balance - total governmental funds \$ 564,617

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets	\$ 99,432	
Less current year depreciation	<u>(373,199)</u>	
		(273,767)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund:

Change in accrued interest expense	3,541	
Debt payments	204,389	
Change in compensated absences	16,729	
Net pension liability	194,166	
Change in OPEB obligation	<u>10,452</u>	
		<u>429,277</u>

Change in net position of governmental activities \$ 720,127

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>BUDGETED</u> <u>AMOUNTS</u>			<u>VARIANCE</u> <u>FAVORABLE</u>
	<u>ORIGINAL</u> <u>AND</u> <u>FINAL</u>	<u>ACTUAL</u> <u>AMOUNTS</u>		<u>(UNFAVORABLE)</u>
REVENUES:				
Taxes:				
Ad valorem	\$ 5,642,749	\$ 5,726,468	\$	83,719
EMS contract	1,793,054	1,791,395		(1,659)
Contract	12,000	12,000		-
Grants	40,000	32,720		(7,280)
Interest	35,000	29,522		(5,478)
Miscellaneous	<u>64,560</u>	<u>147,715</u>		<u>83,155</u>
TOTAL REVENUES	7,587,363	7,739,820		152,457
EXPENDITURES:				
Public safety-EMS:				
Personnel services	1,671,414	1,652,323		19,091
Operating	<u>113,887</u>	<u>124,651</u>		<u>(10,764)</u>
Total public safety - EMS	1,785,301	1,776,974		8,327
Public safety-Fire:				
Personnel services	4,487,659	4,350,984		136,675
Operating	952,807	758,165		194,642
Capital outlay	<u>100,000</u>	<u>99,432</u>		<u>568</u>
Total public safety - Fire	5,540,466	5,208,581		331,885
Debt service:				
Principal	204,389	204,389		-
Interest and fiscal charges	<u>57,207</u>	<u>55,438</u>		<u>1,769</u>
Total debt service	<u>261,596</u>	<u>259,827</u>		<u>1,769</u>
TOTAL EXPENDITURES	<u>7,587,363</u>	<u>7,245,382</u>		<u>341,981</u>
NET CHANGE IN FUND BALANCE	-	494,438		494,438
FUND BALANCE, OCTOBER 1	<u>3,840,436</u>	<u>3,840,436</u>		-
FUND BALANCE, SEPTEMBER 30	<u>3,840,436</u>	\$ <u>4,334,874</u>	\$	<u>494,438</u>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUND

SEPTEMBER 30, 2020

<u>ASSETS</u>	<u>Public Safety Pension Fund</u>
Receivables:	
Interest	\$ 14,037
Dividends	<u>5,019</u>
Total receivables	19,056
Prepaid expenses	1,360
Investments at fair value:	
U. S. Government obligations	896,408
U.S. Government agency obligations	397,548
Corporate obligations	1,086,592
Domestic fixed income investment funds	1,887,093
International fixed investment fund	706,216
Domestic stocks	6,476,042
Domestic equity investment fund	2,930,824
International equity investment fund	2,686,993
Real estate investment trust fund	1,678,199
Temporary investment funds	<u>565,445</u>
Total investments	<u>19,311,360</u>
Total assets	19,331,776
<u>LIABILITIES</u>	
Accounts payable	<u>19,846</u>
Total liabilities	<u>19,846</u>
Net position restricted for pensions	<u>\$ 19,311,930</u>

See Notes to Financial Statements.



EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>Public Safety Pension Fund</u>
<b>Additions:</b>	
Contributions:	
Employer	\$ 692,579
Plan members	<u>149,705</u>
Total contributions	842,284
Intergovernmental revenue:	
State excise tax rebate	<u>336,065</u>
Total intergovernmental revenue	336,065
Investment income:	
Net appreciation (depreciation) in fair value of investments	1,167,338
Interest	78,604
Dividends	425,187
Commission recapture	402
Class action revenue	<u>94</u>
Total investment income (loss)	1,671,625
Less investment expenses	<u>81,901</u>
Net investment earnings (loss)	<u>1,589,724</u>
Total additions (reductions)	2,768,073
<b>Deductions:</b>	
Benefits:	
Age and service	835,413
Disability	75,127
DROP	142,559
Share	71,371
Administrative expenses	<u>103,690</u>
Total deductions	<u>1,228,160</u>
Net increase in net position	1,539,913
Net position restricted for pensions:	
Beginning of year	<u>17,772,017</u>
End of year	<u>\$ 19,311,930</u>

See Notes to Financial Statements.

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**NOTES TO**  
**FINANCIAL STATEMENTS**

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**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies**

East Lake Tarpon Special Fire Control District (formerly known as East Lake Fire and Rescue, Inc.) (District) maintains its accounting records in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

Reporting Entity - The District is a political subdivision of the State of Florida, located in Pinellas County in the southwest portion of the State. The District was chartered in 2000 under the provisions of the Laws of Florida, Chapter 2000-477 (House Bill 1738) under a Board of Commissioners (Board) structure. The District is approximately thirty-three square miles in area. The District was organized to prevent and control damage, destruction or injury to people or property by fire, disaster, or other emergencies and to provide Emergency Medical Services (EMS) to citizens in need in the District in accordance with an annually renewable agreement for services between the District and the Pinellas County, Florida Board of County Commissioners.

The East Lake Tarpon Special Fire Control District (District) has the authority to levy up to 3.75 mills of ad valorem taxation on property located within the District.

The Act established uniform procedures for electing members of the governing Board of the East Lake Tarpon Special Fire Control District. The business affairs of the District are conducted by a five member Board of Commissioners (Commission).

The District holds all powers, functions, and duties set forth in the Act and Chapters 189, 191, and 197 of the Florida Statutes. This includes ad valorem taxation, bond issuance, budget preparation and approval, liens and foreclosure of liens, use of tax deeds and tax certificates as appropriate for non-ad valorem assessments, and contractual agreements.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

In evaluating how to define the East Lake Tarpon Special Fire Control District, (the primary government) for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14.

This governmental accounting standard requires that this financial statement present the District (the primary government) and its component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria: the primary government is accountable for the potential component unit (i.e., the primary government appoints the voting majority of its board) and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government.

The District does not have any component units.

Firefighters' Pension Trust Fund - The pension trust fund is a defined benefit pension plan used to account for the accumulation of resources to be used for retirement annuity payments at approximate amounts and times in the future for the District's Firefighters under Chapter 175 of the Florida Statutes.

Complete financial statements of the above Pension Trust Fund can be obtained from: Fire Chief's Office, East Lake Tarpon Special Fire Control District, 3375 Tarpon Lake Boulevard, Palm Harbor, Florida 34685.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

**GOVERNMENTAL FUNDS**

Government-wide and fund financial statements - The District has adopted the provisions of GASB Statement No. 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments." The government-wide financial statements required under this statement (the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are supported by taxes and intergovernmental revenues, continue to be reported separately from fiduciary funds.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for the governmental fund (general fund) and fiduciary fund. Fiduciary fund is excluded from the government-wide financial statements. The major individual governmental funds are reported as separate columns in the fund financial statements.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

The District's fiduciary funds are presented in the fund financial statements by type (pension). Since by definition these assets are being held for the benefit of a third-party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Measurement focus, basis of accounting, and financial statement presentation- The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.



**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

The only revenue that is susceptible to accrual is interest revenue. Fire and EMS tax revenues collected and held by Pinellas County, Florida at year end on behalf of the District also are recognized as revenue. Plan and inspection fees are not susceptible to accrual because generally they are not measurable until received in cash.

The District reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Capital Projects Fund* accounts for revenues generated under the Public Safety Construction Fee Ordinance which are designated for acquisition and construction of capital improvements.

Additionally, the District reports the following fund type:

*Pension Fund* - accounts for the activities of the public safety employees' pension plans, which accumulates resources for pension benefit payments to qualified (sworn) public safety employees.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all property taxes.

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

Budgets - Annual appropriated budgets are legally adopted on a basis consistent with generally accepted accounting principles (GAAP) for the General Fund. This fund is controlled on a fund and division level. The Fire Chief is authorized to transfer budget amounts within divisions; however, any revision that alters the total expenditures of the general fund must be approved by the District's Board of Commissioners. The budget is compared to GAAP basis expenditures. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent final authorized amounts.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year end do not constitute expenditures or liabilities because they will be reappropriated and honored during the subsequent year.

Cash - Cash includes amounts on hand in the general fund and all cash maintained in a local financial institution's time and demand deposit accounts. The District has included these deposits in cash in these financial statements.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Investments - The District's investment policy is to maintain funds in investments which yield the highest possible efficiency and return within the limitations established by Florida Statutes, Chapter 166.261. Provisions of those statutes authorize the Department to invest in:

- a) Florida State Board of Administration Local Government Pooled Investment Fund.
- b) Bonds, notes or other obligations of the United States or for which the credit of the United States is pledged for the payment thereof.
- c) Interest-bearing time deposits, savings accounts or collective investment funds in banks or savings and loan associations organized under the laws of the United States.
- d) Obligations of the federal farm credit banks and the Federal Home Loan Mortgage Corporation.
- e) Obligations of the Federal National Mortgage Association and the Government National Mortgage Association.

Investments in fixed income securities are stated at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Investments held by the District's pension trust funds are reported at fair value. Short-term investments (money market funds) are reported at amortized cost, which approximates fair value. Securities including registered investment funds traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair values.

Receivables and payables - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e, the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

All accounts and intergovernmental receivables, are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles.

Prepaid Items - Certain payments to vendors and for insurance premiums reflect costs applicable to future accounting periods and are recorded as prepaid items. The costs of governmental fund-type prepaid items are recorded as expenditures using the purchase method. Under this method, prepaid items are recorded as expenditures when purchased.

Prepaid items reported in the general fund are therefore equally offset by a fund balance reserve, which indicates the assets are unavailable for appropriation even though they are a component of reported assets.

Inventory - The District's inventory is valued at cost using the first-in/first-out method. The cost of this governmental fund type inventory is recorded as an expenditure when purchased. Inventory is made up of equipment and uniforms assigned to District personnel. Like prepaid items, inventory is reported in the general fund is equally offset by a fund balance reserve.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Capital Assets - Capital assets, which include property, plant and equipment are reported in the applicable governmental column in the government-wide financial statements. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Public domain ("infrastructure") general fixed assets consisting of parking areas are capitalized and are presented as improvements other than buildings.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred, if any, during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the District, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10 - 50
Equipment	5 - 30

Accrued Leave - Regular, full-time, permanent employees earn vacation and sick leave starting with the first day of employment and accruing according to the number of regularly scheduled hours an employee works and the length of service.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Vacation leave is earned based on years of continuous and credible service as follows:

<u>Years of Service</u>	<u>Total Hours Per Year</u>	
	<u>Bargaining Members</u>	<u>*Non-bargaining Members</u>
1 to 3	192	120
4 to 7	216	136
8 to 11	240	160
12 to 15	264	200
16 years and over	288	240

\*Non-bargaining Members hired prior to 10/1/2016 have a higher accrual rate.

A maximum of 264 hours vacation leave may be carried over from one year to the next. An employee who has served one year or more and who terminates employment with the District is paid for any unused vacation leave accumulated to the time of termination.

Sick leave is earned in accordance with the following schedule:

<u>Pay Period Hours</u>	<u>Annual Sick Leave Accrued Per Pay Period</u>	<u>Hours Per Year</u>
80	4.62 hours	120
112	5.54 hours	144

In addition to the regular annual accrual, employees are eligible to receive additional sick leave hours based on the following table:

<u>Sick Leave Used</u>	<u>Additional Sick Leave Hours Awarded</u>
24 hours or less	24
25 through 48 hours	12
More than 48 hours	None

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Upon termination, providing the employee has five continuous years of service and that termination is not a result of a disciplinary action, the employee is entitled to a lump-sum payment for accrued unused sick leave based on the following vesting schedule:

<u>Years of Service</u>	<u>% of Accumulated Sick Leave Awarded</u>
Less than 5	None
5 to less than 10	25%
10 to less than 15	50%
15 to less than 20	75%
20 years and over	100%

The maximum number of accumulated sick leave hours will be a total of 1,040 hours (for 40 hour/week) and 1,440 (for 56 hour/week) employees. All hours that exceed 1,040 and 1,440 hours will be directly allocated to each individual's Governmental Employee Pension Plan account.

Vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the general fund. Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

Long-Term Obligations - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Net Position - Net position of the government-wide fund represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets net of accumulated depreciation and the outstanding balance on any borrowing spent for acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other government.

Nature and Purpose of Classifications of Fund Equity - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by

- a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or
- b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances.

Amounts that can only be used for specific purposes pursuant to constraints imposed by the District Commission through a resolution are classified as committed fund balances. Amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by the District management based on Commission direction. Non-spendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.



**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

**Fund Balance/ Net Position Policy**

The District hereby establishes and will maintain Fund Balance/Net Position, as defined herein, in accordance with Governmental Accounting and Financial Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund Balance shall be composed of non-spendable, restricted, committed, assigned and unassigned amounts.

A Fund Balance Policy/Net Position is adopted in order to secure and maintain investment-grade credit ratings, meet seasonal shortfalls in cash flow, and reduce susceptibility to emergency or unanticipated expenditures and/or revenue shortfalls. Fund balance information is used to identify the available resources to repay long-term debt, reduce property taxes, add new governmental programs, expand existing ones, or enhance the financial position of the District, in accordance with policies established by the District Commission.

This Fund Balance/Net Position Policy establishes:

- a. Fund balance policy for the General Fund;
- b. Reservations of fund balance for the General Fund;
- c. The method of budgeting the amount of estimated unrestricted fund balance (also known as estimated beginning fund balance) available for appropriation during the annual budget adoption process (prior to the actual, audited fund balance being known) and what actions may need to be taken if the actual fund balance is significantly different than the budgeted fund balance; and
- d. Establish the spending order of fund balances.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Deferred Outflows of Resources/Deferred Inflows of Resources -Government Accounting Standards Board (GASB) Concept Statement No. 4, “Elements of Financial Statements”, introduced two new elements of the financial statements in addition to Assets, Liabilities and Net Assets (changed to Net Position) which are:

Deferred Outflows of Resources is a consumption of net assets by the government that is applicable to a future reporting period.

Deferred Inflows of Resources is an acquisition of net assets by the government that is applicable to a future reporting period.

Government Accounting Standards Board (GASB) Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position” provide financial reporting guidance for Deferred Outflows of Resources and Deferred Inflows of Resources and also identifies Net Position (replacing Net Assets) as the residual of all the elements (Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflow of Resources) presented in a statement of financial position.

Government Accounting Standards Board (GASB) Statement No. 65, “Items Previously Reported as Assets and Liabilities” establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflow of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

The District has the following items that qualify for reporting in this category:

- A. Pension contributions after measurement date - These contributions are deferred and recognized in the following fiscal year.
- B. Difference in projected and actual earnings on pension assets - This difference is deferred and amortized over a closed five year period.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

**Net Position:**

The government-wide financial statements utilize a net position presentation. Net position is presented in three components - net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction, or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.

Restricted - This component consists of net position that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or law or regulations of other governments) or by law through constitutional provisions or enabling legislation.

Unrestricted - This component consists of net position that does not meet the definition of “net investment in capital assets” and “restricted”.

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

**Fund Balance:**

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

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**1. Summary of Significant Accounting Policies (Continued)**

Subsequent Events - Management has adopted the provisions set forth in GASB Statement No. 56, *Subsequent Events*, and considered subsequent events through May 10, 2021.

On January 30, 2020, the World Health Organization (“WHO”) declared that the outbreak of the coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) constituted a Public Health Emergency of International Concern (“PHEIC”), creating risks to the international community as the virus spread globally beyond its point of origin. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report.

This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, there has been heightened market risk and the District’s investment portfolio has incurred significant volatility in fair value since that time. Because the values of the District’s individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and the related impact on the District’s liquidity cannot be determined at this time.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**2. Legal Compliance**

Budgets - On or before April 1 of each year, department heads of each of the District's divisions submit requests for appropriation to the Fire Chief so that a budget may be prepared. The budget is prepared by fund, function and activity (divisions), and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the Board of Commissioners for review by June 1. The Commission holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Fire Chief and the Division head or the revenue estimates must be changed by an affirmative vote of a majority of the Board.

The Fire Chief's authority to approve expenditures within the fiscal year budget is summarized as follows:

- a) The Fire Chief will have the authority to approve expenditures allocated within personnel services with the exception of overtime line items;
- b) The Fire Chief will have the authority to approve expenditures allocated within operating line items excluding reserves;
- c) Expenditures may not legally exceed budgeted appropriations at the division level within the general fund.

During the year, there were no supplemental appropriations.

Finance-Related Legal and Contractual Provisions - The District is not in violation of any finance-related legal and contractual provisions.

Establishment/Elimination of Funds - No funds were established or eliminated during the fiscal year.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**3. Cash, Deposits and Investments**

Cash and Deposits - At year-end the carrying amount of the District's deposits was \$3,498,645 and the bank balance was \$3,547,169. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Security for Public Deposits Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a 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.

Investments

The District's investments are categorized as uninsured and unregistered for which the securities are held by the broker or dealer, or by their Bank's trust department or agent but in the District's name. Investments that are not evidenced by securities that exist in physical or book-entry form include investments in open-ended mutual funds and pools managed by other governments.

Investments as of September 30, 2020 are presented as follows:

<u>Investment Type</u>	<u>Fair Value</u>
Cash Pool	\$ 1,008,963

Interest Rate Risk - The District manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The District limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure bench marks.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**3. Cash, Deposits and Investments (Continued)**

Credit Risk - Consistent with state law the District's investment guidelines limit its fixed income investments to a quality rating of 'A' or equivalent as rated by one or more recognized bond rating service at the time of purchase. Fixed income investments which are downgraded to 'Baa' or equivalent must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments which are downgraded below 'Baa' shall be liquidated immediately.

Florida Surplus Asset Fund Trust (the "Trust"), was established in 2007 to be a Stable Net Asset Value investment pool to meet the investment needs of local governments in Florida and began operations in 2008. The Trust is a common law trust organized in 2007 under the laws of the State of Florida. Section 218.415, Florida Statutes, authorizes units of local government to invest and reinvest public funds in excess of the amounts needed to meet current expenses in certain enumerated investments, in any other investments authorized by law or by a municipal or county ordinance or by a school district or special district by law or by resolution, and in addition authorizes units of local government to invest and reinvest such surplus public funds in any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes.

Section 163.01, Florida Statutes, authorizes a political subdivision, agency, or officer of the State of Florida, including but not limited to state government, county, city, school district, single and multipurpose special district, single and multi-purpose public authority, metropolitan or consolidated government, a separate legal entity or administrative entity created under subsection (7) of Section 163.01, Fla. Stat., or an independently elected county officer (each of the foregoing a "Local Government Entity" or "Entity:), to exercise jointly with any other Entity any power, privilege, or authority which such Entities share in common and which each might exercise separately.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**3. Cash, Deposits and Investments (Continued)**

The District has invested in the Florida Fixed Income Trust (FL-FIT).

The FL-FIT is a common law trust established, created and authorized by an Interlocal Agreement by and among participating Florida public agencies. FL-FIT is an authorized investment pool under Section 218.4.5(16)(a), Florida Statutes . FL-FIT is available for investments by any unit of local government within the State of Florida. The purchase of FL-FIT is to enable such units to cooperate in the investment of their available funds.

FL-FIT is rated AA Af/s1 by Fitch Ratings.

The FL-FIT is an independent local government investment pool designed to provide a safe and competitive investment alternative to Florida governmental entities. FL-FIT is open to all political subdivisions, instrumentalities of political subdivisions and State agencies in the State of Florida, including counties, cities, towns, villages, school districts, special districts and other public entities.

The Board of Trustees has appointed U.S. Bank Global Fund Services to serve as the Investment Advisor and Administrator of the Program, and has appointed U.S. Bank, N.A. as the Custodian.

An investment in the FL-FIT is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation (“FDIC”) or any other government or private agency. Although the FL-FIT seeks to maintain a stable value of \$1.00 per share it is possible to lose money by investing in the FL-FIT.



**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**3. Cash, Deposits and Investments (Continued)**

Fixed income investments as of September 30, 2020 are presented as follows:

	<u>Fair Value</u>	<u>Bond Rating</u>	<u>Weighted Average Duration (Years)</u>
U.S. Government obligations	\$ 896,408	AA	6.2
U.S. Government agency obligations	397,548	A-AA	2.9
Corporate obligations	1,086,592	A-AA	5.7
Domestic fixed income investment funds	1,887,093	A-AA	N/A
International fixed investment fund	706,216	A-AA	N/A
Temporary investment funds	<u>565,445</u>	Not Rated	Daily
Total investments	<u>\$ 5,539,302</u>		

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**3. Cash, Deposits and Investments (Continued)**

The domestic stock, equity and governmental and agency securities, corporate bonds and temporary investment funds are assets of the District's Pension Trust Fund. The fair value of these investments was determined by the stock share or bond prices as of September 30, 2020.

Custodial Credit Risk: Custodial credit risk is defined as the risk that the Pension Plan (Plan) may not recover cash and investments held by another party in the event of a financial failure. The Plan requires all securities to be held by a third party custodian in the name of the Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. The investments in mutual funds and investment partnerships are considered *unclassified* pursuant to the custodial credit risk categories of GASB Statement No.3, because they are not evidenced by securities that exist in physical or book-entry form.

**4. Receivables**

Receivables at September 30, 2020 are as follows:

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Firefighters' Pension Trust Fund</u>	<u>Total</u>
Accounts	\$ 5,633	\$ 4,477	\$ 19,056	\$ 29,166
Intergovernmental	56,682	-	-	56,682
Total receivables	62,315	4,477	19,056	85,848
Less: Allowance for uncollectibles	-	-	-	-
Net total receivables	<u>\$ 62,315</u>	<u>\$ 4,477</u>	<u>\$ 19,056</u>	<u>\$ 85,848</u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**5. Property Taxes**

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board and special district property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector.

The ad valorem tax levy (levy) of the District is established by the Board of Commissioners on or after February 1 of each year and the Pinellas County Property Appraiser incorporates the District's assessment into the total tax levy, which includes the Pinellas County District School Board tax requirements. The District is permitted by charter to levy taxes up to 3.75 mills of assessed valuation exclusive of taxes levied for the payment of bonds. The millage rate assessed by the District was 1.9650 for the fiscal year ended September 30, 2020.

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

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**5. Property Taxes (Continued)**

Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on property. After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

Because of the Pinellas County Tax Collector's Office efficient system for selling tax certificates and remitting the proceeds to the District, any delinquent or uncollected property taxes at year end are immaterial. The District's tax calendar is the same as that of the Pinellas County Board of Commissioners and is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date:	April 1, succeeding year

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**6. Capital Assets**

Capital asset activity for the year ended September 30, 2020 was as follows:

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 447,010	\$ -	\$ -	\$ 447,010
Total capital assets, not being depreciated	447,010	-	-	447,010
Capital assets, being depreciated:				
Buildings	5,267,383	-	-	5,267,383
Improvements	98,240	-	-	98,240
Equipment	<u>3,529,909</u>	<u>99,432</u>	-	<u>3,629,341</u>
Total capital assets, being depreciated	8,895,532	99,432	-	8,994,964
Less accumulated depreciation for:				
Buildings	(1,241,652)	(87,789)	-	(1,329,441)
Improvements	(7,938)	(4,828)	-	(12,766)
Equipment	<u>(1,796,222)</u>	<u>(280,582)</u>	-	<u>(2,076,804)</u>
Total accumulated depreciation	<u>(3,045,812)</u>	<u>(373,199)</u>	-	<u>(3,419,011)</u>
Total capital assets, being depreciated, net	<u>5,849,720</u>	<u>(273,767)</u>	-	<u>5,575,953</u>
Governmental activities capital assets, net	<u>\$ 6,296,730</u>	<u>\$ (273,767)</u>	<u>\$ -</u>	<u>\$ 6,022,963</u>

Depreciation expense was charged to the Public Safety program of the District.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**7. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees; and natural disasters. In an effort to reduce the rising costs of commercial insurance, the District carefully examines insurance premium quotes and has purchased all of its insurance coverages from commercial insurance carriers. Settled claims resulting from these risks have not exceeded this commercial insurance coverage in any of the past three fiscal years.

**8. Long-Term Debt**

On May 31, 2012, the District entered into a Lease-Purchase Financing Agreement to build a fire station. The original amount that was financed was \$2,764,348. The maturity date is November 30, 2027. Semiannual payments of \$113,379 are made on October 1 and April 1.

Long-Term Debt included certain capital leases as of September 30, 2020 summarized as follows:

Capital Lease:

The following is a schedule of the future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of September 30, 2020:

<u>Year Ended September 30</u>	<u>Net Minimum Present Value of Lease Payments</u>
	<u>Building Lease</u>
2021	\$ 226,759
2022	226,759
2023	226,759
2024	226,759
2025-2028	<u>770,701</u>
Total payments	1,677,737
Less amount representing interest	<u>202,181</u>
Net minimum present value of lease payments	\$ <u><u>1,475,556</u></u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**8. Long-Term Debt (Continued)**

Capital Lease:

During the fiscal year ended September 30, 2017, the District entered into a Lease-Purchase Financing Agreement whereby the District leased LED lighting with a purchase price of \$45,000. The District further entered a Lease-Purchase agreement with ELTSFCD and will make lease payments to the assigned financial institution as part of this Lease-Purchase Agreement. This is a five year lease with monthly payments of \$930 from 3/1/16 - 2/1/21.

<u>Year Ended</u> <u>September 30,</u>	<u>Net Minimum</u> <u>Present Value of</u> <u>Lease Payments</u> <u>LED Lighting</u> <u>Lease</u>
2021	\$ <u>5,578</u>
Total payments	5,578
Less amount representing interest	<u>140</u>
Net minimum present value of lease payments	\$ <u><u>5,438</u></u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**8. Long-Term Debt (Continued)**

Changes in Long-Term Debt:

During the fiscal year ended September 30, 2020 the following changes in long-term debt are summarized as follows:

	<u>Balance</u> <u>October 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>September 30</u>	<u>Due Within</u> <u>One Year</u>
Compensated absences	\$ 447,962	\$ -	\$ 16,729	\$ 431,233	\$ 43,123
Post-employment health care obligation (Note 17)	432,291	-	10,452	421,839	-
Building capital lease (2012)	1,648,682	-	173,126	1,475,556	178,957
LED lighting lease	15,625	-	10,187	5,438	5,438
Motorola radio lease	21,076	-	21,076	-	-
Net pension liability (Note 16)	<u>4,147,008</u>	<u>-</u>	<u>726,112</u>	<u>3,420,896</u>	<u>-</u>
Total	<u>\$ 6,712,644</u>	<u>\$ -</u>	<u>\$ 957,682</u>	<u>\$ 5,754,962</u>	<u>\$ 227,518</u>

**9. Compensated Absences**

The compensated absences consist of the following at September 30, 2020:

<u>Accrued</u> <u>Vacation</u>	<u>Accrued</u> <u>Sick Leave</u>	<u>Total</u>
<u>\$ 64,910</u>	<u>\$ 366,323</u>	<u>\$ 431,233</u>

Vested accumulated annual sick and vacation leave that is expected to be liquidated with available financial resources is reported as an expenditure and a fund liability of the general fund in the government-wide financial statements.



**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**10. Fund Balance/Net Position Policy**

The District elected to implement GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definition* in fiscal year 2011. In fund financial statements, governmental funds report the following classifications of fund balances:

Fund balance/Net Position is classified depending on the relative strength of the spending constraints placed on the purposes for which resources can be used as follows:

**Nonspendable** - amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

**Restricted** - amounts constrained to specific purposes externally imposed by creditors (such as through debt covenants), grantor and contributors, or laws, or regulations of other governments, or through constitutional provisions, or by enabling legislation.

**Committed** - amounts that can only be used for specific purposes, pursuant to constraints imposed by formal action of the government's highest level of decision making authority. In the case of the District, it is by Board action.

**Assigned** - amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

**Unassigned** - amounts that represent resources that have not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In other governmental funds, it may be necessary to report a negative residual balance as unassigned.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**10. Fund Balance/Net Position Policy (Continued)**

Details of Fund Balance of Governmental Funds:

<u>Fund Balance:</u>	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b>Nonspendable:</b>			
Inventory	\$ 156,839	\$ -	\$ 156,839
Prepays	4,058	-	4,058
Total nonspendable	160,897	-	160,897
<b>Restricted for:</b>			
Brooker Creek Preserve	12,000	-	12,000
Accrued leave	275,633	-	275,633
Equipment and improvements	-	83,453	83,453
Total restricted	287,633	83,453	371,086
<b>Committed to:</b>			
Apparatus replacement	1,600,000	-	1,600,000
SCBA replacement	200,000	-	200,000
Station 58 replacement	750,000	-	750,000
Accrued leave	155,600	-	155,600
Total committed	2,705,600	-	2,705,600
<b>Assigned to:</b>			
Infrastructure and equipment	350,000	-	350,000
Stabilization	500,000	-	500,000
Total assigned	850,000	-	850,000
<b>Unassigned</b>	330,744	-	330,744
Total fund balance	\$ <u>4,334,874</u>	\$ <u>83,453</u>	<u>4,418,327</u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**11. Reserved Net Position**

Pension Trust Fund - The net position in the Pension Trust Fund is reserved to indicate fund equity is restricted for future benefits to members of the pension plan is summarized as follows:

Firefighters' Pension Fund	\$ <u>19,311,930</u>
Net position restricted for pensions	\$ <u><u>19,311,930</u></u>

**12. District Board Policy**

GASB 54 offers no quantitative “Best Practice” in implementing GASB 54. The Government Financial Officers Association (GFOA), however, recommends that

“at a minimum, that general-purpose governments, regardless of size, maintain (an) unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.”

The GFOA guidance uses “at a minimum” language, leaving entities the option of a more conservative policy. Given the current economic outlook, the lag in real estate value recovery and the tentativeness of continued EMS funding levels, it may be in the best interest of the District to have a more conservative policy.

Nonspendable and Restricted Funds are established for the entity by the funds’ nature or source funding.

Unrestricted Funds are established at the discretion of the Board as circumstances warrant, except that the total of the unrestricted funds is now subject to external measurement, comparison and scrutiny by the readers of the financial statements (our taxpayers).

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**13. Budgetary - GAAP Reporting Reconciliation**

The accompanying financial statements present comparisons of the legally adopted budget with actual data on a GAAP basis. Accounting principles applied for purposes of developing data on a budgetary basis did not differ significantly from those used to present financial statements in conformity with generally accepted accounting principles for the year ended September 30, 2020.

**14. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District has not entered into any operating leases with scheduled rent increases as of September 30, 2020.

On August 14, 2012 an agreement was entered into between Pinellas County, Florida and the District. The purpose of the contract was for the District to make a commitment to provide fire protection services to Brooker Creek Preserve for a term commencing on October 1, 2012 and ending on September 30, 2015. This agreement may be extended for additional three-year periods on the same terms and conditions. The current extension is through 2021. The County agrees to pay the District \$12,000 per year for fire protection services.

In 1997 a ten year agreement to provide First Responder Services was entered into between Pinellas County Emergency Medical Services Authority and the District. The term of this agreement was renewed for ten years commencing on October 1, 2007.

On September 26, 2017, a new agreement was entered into between Pinellas County, Florida and the District. The initial term of this agreement shall be for two years commencing on October 1, 2017 and ending on September 30, 2020. The agreement may be extended for three additional one-year periods following the initial term.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems**

During the fiscal year ended September 30, 2001, the District established a single employer, defined benefit pension plan under Chapter 175 of the Florida Statutes (Firefighters' Pension Trust Fund) (Plan) which covers all of its firefighters. During the year ended September 30, 2002, the District's defined contribution plan which previously covered substantially all of the District's general employees and firefighters was terminated and the assets belonging to all sworn employees were rolled over to the new Chapter 175 plan. The assets belonging to the non sworn employees remained in the defined contribution plan and were rolled over to a new plan custodian (trustee).

During the fiscal year ended September 30, 2005, the District implemented a final pay plan for all of its full-time employees.

**Firefighters' Pension Plan**

**Plan Description:**

The following brief description of the District's Firefighters' Retirement Plan (Plan) is provided for general information purposes only. Participants should refer to the Plan Ordinance for more complete information.

The Plan is a single employer defined benefit pension plan covering all full-time sworn firefighters' of the District. Participation in the Plan is required as a condition of employment. The Plan was originally established by District Resolution in 2001 and substantially amended in 2003, 2005 and 2009. The Plan provides for pension, death and disability benefits. The Plan is subject to provisions of Chapter 175 of the State of Florida Statutes.

The Plan, in accordance with the above statute, is governed by a five member pension board. Two firefighters who are elected by the majority of the members of the Plan, two are current residents of the District and are appointed by the District and a fifth member elected by the other four members constitute the pension board. The District and the Plan participants are obligated to fund all Plan costs based upon actuarial valuations. The District is authorized to establish benefit levels and the Board of Trustees approves the actuarial assumptions used in the determination of contribution levels.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighters' Pension Plan (Continued)**

Current membership in the Plan is comprised of all full-time sworn firefighters of the District and is summarized, as of September 30, 2020, as follows:

Retirees and beneficiaries currently	
receiving benefits	17
DROP members	2
Terminated plan members entitled to	
but not yet receiving benefits	<u>9</u>
 Total	 <u><u>28</u></u>
 Active plan members:	
Vested	17
Nonvested	<u>21</u>
 Total	 <u><u>38</u></u>

Firefighters who retire at the age 55 and the completion of ten years of credited service or at age 52 and 25 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 3.00 percent of their average final compensation times their years of credited service. The Plan permits early retirement at age 50 and the completion of ten years of credited service. The amount of the monthly benefit of an early retiree is reduced by three percent for each year by which the commencement of benefits precedes the date which would have been the participant's normal retirement date.

The Plan provides for an automatic COLA for normal retirees only that begins five years after retirement of 0.65% per year.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighters' Pension Plan (Continued)**

The Plan also provides death and disability benefits. The death benefit is the greater of the firefighter's accumulated contributions or his accrued benefit. Disability benefits payable to participants installments of three percent of the participant's average final compensation in effect at the date of disability multiplied by the total years of credited service. The benefit shall be paid from the date of disability until recovery or death of the participant and continued to the beneficiary for life. A participant with ten years of continuous service, who becomes disabled due to a nonservice-incurred cause, will receive benefits of three percent of the participant's average final compensation multiplied by the total years of credited service. This benefit shall be paid from the date of disability until recovery or death.

Basis of Accounting:

Basis of accounting is the method by which revenues and expenses are recognized in the accounts and are reported in the financial statements. The accrual basis of accounting is used for the Plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Plan member contributions are recognized in the period in which the contributions are due. District contributions to the plan, as calculated by the Plan's actuary, are recognized as revenue when due and the District has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Funding Policy:

Firefighter contribution rates are established at 5% of salary. Accumulated firefighter contributions without interest are refunded if a firefighter leaves covered employment before seven years of credited service. State excise taxes collected from the District's residents by the State of Florida are restricted to fund the Plan under Florida Statutes, Chapters 175. Contributions are received from the District in amounts sufficient to fund the Plan at an actuarially determined rate specified by state statute, Chapter 175, as a percentage of covered payroll as recommended by the Plan's actuary. The Plan's administrative costs are financed through investment earnings. The Plan has no undue investment concentrations.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan (Continued)**

*Benefits Provided:*

The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Date: Earlier of age 52 and 25 years of credited service or 10 years of credited service.

Benefit: 3.0% of average final compensation times credited service

Cost of living adjustment: Firefighters who retire on or after October 1, 2009 under normal retirement will receive automatic annual increases in their benefit of 0.65% beginning on the October 1<sup>st</sup> following 5 years of retirement.

Early Retirement:

Eligibility: Age 50 and 10 years of credited service

Benefit: Accrued benefit, reduced 3% for each year prior to normal retirement.

Vesting:

Schedule: 100% after 7 years of credited service. (Contributions rolled over from the old Plan vest according to the old Plan's provisions.)

Disability:

Eligibility Service Incurred: covered from date of employment. Non-Service Incurred: 10 years of credited service.

Benefit accrued to date of disability, but if the disability is service incurred, the benefit is not less than 42% of Average Final Compensation and 25% of the average final compensation for non-service-incurred disability.

Pre-Retirement Death Benefits:

Vested: Monthly accrued benefit payable to designated beneficiary for 10 years at member's normal or early retirement date.

Non-Vested: Refund of accumulated contributions without interest.

*Contributions*

Member Contributions:

5.0% of Salary

District and State Contributions: Remaining amount required in order to fund to actuarial soundness as provided in Chapter 112 Florida Statutes.



**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan (Continued)**

Net Pension Liability:

The measurement date is September 30, 2020.

The measurement period for the pension expense was October 1, 2019 to September 30, 2020.

The reporting period is October 1, 2019 through September 30, 2020.

The District's pension liability was measured as of September 30, 2020.

The total pension liability used to calculate the net pension liability was determined as of that date.

*Actuarial Assumptions:*

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2019 updated to September 30, 2020 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.50%
Investment Rate of Return	7.50%

*Mortality Rate Healthy Active Lives:*

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB.

*Mortality Rate Disabled Lives:*

Female: 60% RP2000 Disabled Female set forward two years/ 40% Annuitant White Collar with no setback, no projection scale.

Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

The most recent actuarial experience study used to review the other significant assumptions was dated January 16, 2018.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's asset allocation as of September 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocations</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	45%	4.95%
International Equity	15%	8.50%
Domestic Fixed Income	25%	2.50%
Global Fixed Income	5%	3.50%
Real Estate	<u>10%</u>	4.50%
Total	<u><u>100%</u></u>	

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan (Continued)**

Discount rate:

The discount rate used to measure the total pension liability was 7.50 percent.

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

<u>Schedule of District Contributions</u>		
<u>Year Ended</u> <u>September 30</u>	<u>Annual</u> <u>Required</u> <u>Contribution</u>	<u>Percentage</u> <u>Contributed</u>
2015	\$ 493,309	100%
2016	441,496	100
2017	432,442	100
2018	530,757	100
2019	543,960	100
2020	692,579	100

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan (Continued)**

The net appreciation (depreciation) in the fair value of investments in the Firefighters' Pension Trust Fund for the year ended September 30, 2020 is summarized as follows:

	Year ended September 30, 2020		
	Realized Appreciation (Depreciation)	Unrealized Appreciation (Depreciation)	Total
Investments at fair value as determined by quoted value price:			
U.S. Government obligations	\$ (6,002)	\$ 30,550	\$ 24,548
U.S. Government agency obligations	-	10,379	10,379
Corporate obligations	6,828	31,206	38,034
Domestic fixed income investment fund	(296)	46,493	46,197
International fixed investment fund	(9,234)	(77,454)	(86,688)
Domestic stocks	497	453,726	454,223
Domestic equity investment fund	(5,798)	297,757	291,959
International equity investment fund	48,346	273,799	322,145
Real estate investment trust fund	<u>-</u>	<u>66,541</u>	<u>66,541</u>
Net increase in realized and unrealized appreciation (depreciation) of investments	<u>\$ 34,341</u>	<u>\$ 1,132,997</u>	<u>\$ 1,167,338</u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan (Continued)**

Investments at both fair value and cost as of September 30, 2020 are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>
U.S. Government obligations	\$ 843,249	\$ 896,408
U.S. Government agency obligations	388,771	397,548
Corporate obligations	1,046,440	1,086,592
Domestic fixed income investment fund	1,785,940	1,887,093
International fixed investment fund	892,108	706,216
Domestic stocks	4,703,312	6,476,042
Domestic equity investment fund	1,947,126	2,930,824
International equity investment fund	2,147,982	2,686,993
Real estate investment trust fund	594,439	1,678,199
Temporary investment fund	<u>565,445</u>	<u>565,445</u>
Total	<u>\$ 14,914,812</u>	<u>\$ 19,311,360</u>

**Summary of Annual Increase (Decrease) to Plan Net Position:**

<u>9/30/20</u>	<u>9/30/19</u>	<u>9/30/18</u>	<u>9/30/17</u>	<u>9/30/16</u>	<u>9/30/15</u>	<u>9/30/14</u>
\$ <u>1,539,913</u>	\$ <u>743,652</u>	\$ <u>915,311</u>	\$ <u>2,263,077</u>	\$ <u>909,494</u>	\$ <u>487,968</u>	\$ <u>1,826,789</u>
	<u>9/30/13</u>	<u>9/30/12</u>	<u>9/30/11</u>	<u>9/30/10</u>	<u>9/30/09</u>	
	\$ <u>1,517,250</u>	\$ <u>1,870,027</u>	\$ <u>380,309</u>	\$ <u>904,978</u>	\$ <u>654,922</u>	

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan Continued**

A schedule of investment and administrative expenses for the Firefighters' Pension Trust Fund for the year ended September 30, 2020 is summarized as follows:

	<u>2020</u>	
	<u>Investment Expenses</u>	<u>Administrative Expenses</u>
Administrator	\$ -	\$ 15,700
Actuary's fees	-	33,489
Audit	-	13,500
Custodial fees	6,750	-
Directors' liability insurance	-	2,972
Dues	-	620
Investment management fees	54,526	-
Legal fees	-	27,645
Office supplies expense	-	-
Seminars	-	5,014
IME fees	-	4,750
Performance monitor	<u>20,625</u>	<u>-</u>
Total investment and administrative expenses	<u>\$ 81,901</u>	<u>\$ 103,690</u>
Percentage of plan net position	<u>0.43%</u>	<u>0.54%</u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**15. Employee Retirement Systems (Continued)**

**Firefighter Pension Plan (Continued)**

A portion of the plan's net position is designated for benefits that accrue in relation to the participant's DROP account. Allocations to the DROP plan account for the year ended September 30, 2020 is presented below as determined in the actuary's most recent accounting and valuation available for the fiscal year ended September 30, 2020:

Designated for DROP accounts (fully funded)	\$ 134,646
Designated for Share account (fully funded)	<u>576,621</u>
Total designated fiduciary net position	711,267
Undesignated fiduciary net position	<u>18,600,663</u>
Total fiduciary net position	<u><u>\$ 19,311,930</u></u>

Authorized Plan Investments - The Board recognizes that the obligations of the Plan are long-term and that investment policy should be made with a view toward performance and return over a number of years. The general investment objective, then, is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or loss commensurate with the Prudent Investor Rule and Chapter 175 of the Florida Statutes.

Permissible investments include obligations of the U.S. Treasury and U.S. agencies, annuities and life insurance contracts, time deposits insured by FDIC, bonds issued by the State of Israel, real estate (limited to ten percent of Plan assets), and common or preferred stocks and high quality corporate bonds or notes. The Board may invest up to ten percent of the Plan's assets, at cost, in foreign securities.

Investments in foreign securities are denominated in United States currency.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**16. Net Pension Liability of the District**

The components of net pension liability of the District on September 30, 2020 were as follows:

Total pension liability	\$ 22,732,826
Plan fiduciary net pension	<u>19,311,930</u>
District's net pension liability	\$ <u><u>3,420,896</u></u>
Plan fiduciary net position as a percentage of total pension liability	 <u><u>84.96%</u></u>

Sensitivity of Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the District, calculated using the discount rate of 7.50% as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) of 1-percent-point higher (8.50) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	<u>6.50%</u>	<u>7.50%</u>	<u>8.50%</u>
District's Net Pension Liability	\$ <u><u>6,073,502</u></u>	\$ <u><u>3,420,896</u></u>	\$ <u><u>1,201,697</u></u>

*Pension Plan Fiduciary Net Position.*

Detailed information about the pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

The net pension liability represents the liability for employees for projected pension benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service less the amount of the pension plan's fiduciary net position.



**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**16. Net Pension Liability of the District (Continued)**

PENSION EXPENSE AND DEFERRED OUTFLOWS  
OF RESOURCES AND DEFERRED INFLOWS OF

RESOURCES RELATED TO PENSION PLAN

For the year ended September 30, 2020, the District will recognize a pension expense of \$194,166. On September 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 469,629	\$ 463,314
Changes of assumptions	61,011	40,090
Net difference between projected and actual earnings on Pension plan investments	<u>24,494</u>	<u>-</u>
Total	<u>\$ 555,134</u>	<u>\$ 503,404</u>

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

Year ended September 30:

2021	\$ (58,273)
2022	100,292
2023	78,514
2024	(57,236)
2025	35,211
Thereafter	<u>(46,778)</u>
Net deferred outflows	<u>\$ 51,730</u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**17. Investment Measurement at Fair Value**

Fair Value Hierarchy

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

**Level 1** inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

**Level 2** inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in active markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input would be.

**Level 3** inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**17. Investment Measurement at Fair Value (Continued)**

Fair Value Hierarchy (Continued)

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities, and is often reported as a per share amount for fair value measurement purposes. The Plan would multiply the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes into play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience.

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2020 and 2019:

- *Debt securities* - Debt securities classified in Level 1 or Level 2 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**17. Investment Measurement at Fair Value (Continued)**

Fair Value Hierarchy (Continued)

- *Mutual funds* - The rationale for inclusion in Level 1 or Level 2 points to the unobservable inputs involved in mutual fund pricing. Mutual funds do not trade using bid and ask, as with ETF's or common stock. Instead, the prices are determined by the net asset value of the underlying investments at the close of business for the next day's open. The underlying assets themselves may include a variety of Level 1 and Level 2 securities and some may be valued using matrix pricing which interpolates the price of a security based on the price of similar securities.
- *Fixed income funds* - Valued using pricing models maximizing the use of observable input for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.
- *Equity funds* - Valued at market prices for similar assets in active markets.
- *Common stock* - Valued at quoted market prices for identical assets in active markets.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**17. Investment Measurement at Fair Value (Continued)**

Fair Value Hierarchy (Continued)

	September 30, 2020	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
FLCLASS investment pool	\$ 1,008,963	\$ 1,008,963	\$ -	\$ -
U.S. Government obligations	896,408	896,408	-	-
U.S. Government agency obligations	397,548	-	397,548	-
Corporate obligations	1,086,592	-	1,086,592	-
Domestic fixed income investment funds	1,887,093	1,887,093	-	-
International fixed investment fund	706,216	706,216	-	-
Domestic stocks	6,476,042	6,476,042	-	-
Domestic equity investment funds	2,930,824	2,930,824	-	-
International equity investment funds	2,686,993	2,686,993	-	-
Temporary investments	<u>565,445</u>	<u>565,445</u>	-	-
Total investments by fair value level	\$ 18,642,124	\$ <u>17,157,984</u>	\$ <u>1,484,140</u>	\$ -
Investment measured at the net asset value				
Real estate investment funds	<u>1,678,199</u>			
Total investments measured at fair value	\$ <u><u>20,320,323</u></u>			

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**17. Investment Measurement at Fair Value (Continued)**

Fair Value Hierarchy (Continued)

	2020 Fair Value	Unfunded Commitment	Redemption Frequency (if currently eligible)	Redemption Notice Period
Investments measured at NAV				
Real estate investment funds:				
U.S. Real Estate Investment Fund, LLC	\$ <u>1,678,199</u>	\$ <u>-</u>	Quarterly	60 days
Total investments measured at NAV	\$ <u><u>1,678,199</u></u>	\$ <u><u>-</u></u>		

The real estate investment funds are open end, commingled private real estate portfolios. These REIT-based funds are structured as Limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the Trusts ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**18. Employee Retirement Systems**

Employees' Pension Trust Plan

Prior to the establishment of the District's defined benefit Chapter 175 Firefighters' Pension Plan, the District provided pension benefits for all of its full-time non-sworn employees through a defined contribution pension trust plan. At September 30, 2020 there were three Plan members. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate upon employment. The Plan does not permit participant contributions. The District's contributions for each employee (and interest allocated to the employee's account) are fully vested after seven years of continuous service. District contributions for, and interest forfeited by, employees who leave employment before seven years of service are reallocated to the remaining participants in the same ratio as the employer's contributions. Plan provisions and contribution requirements are established and may be amended by the District's Board of Commissioners.

The District's total payroll in fiscal year 2020 was \$3,864,600. The District's contributions were calculated using participants' payroll of \$177,820.

The total pension plan contributions by the District for the year ended September 30, 2020 were \$26,673. For the fiscal year ended September 30, 2020 the contribution rate was 15%.

Governmental Employees Trust Fund

During the fiscal year ended September 30, 2005 the District established a second defined contribution plan for all of its full-time employees. As of September 30, 2020 there were three Plan members. The entry dates for the Plan are the first day of the Plan year and the first day of the seventh month of the Plan year.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**18. Employee Retirement Systems (Continued)**

Government Employees' Trust Fund (Continued)

In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings. The Plan shall be funded from discretionary contributions from the District from Final Pay. Final Pay is defined as unused accumulated sick leave pay and unused accumulated vacation leave pay. The District's contributions to the Final Pay Plan for the fiscal year ended September 30, 2020 were \$66,211. The formula on which the Employer contributions are based is described as follows:

East Lake Tarpon Special Fire Control District recognizes two eligible classes of employees not covered by a collective bargaining agreement, for the purpose of employer contributions to the Plan:

- a) Salaried employees whose wages are based on a 40-hour week.
- b) Salaried employees whose wages are based on a 56-hour week.

Each class of employees receives sick leave and vacation hours based on their hourly work week.

Sick Leave: Salaried employees on a 40-hour work week accrue sick leave at a rate of 120 hours per year. Salaried employees on a 56-hour work week accrues sick leave at a rate of 144 hours per year.

The formula to be applied for employer contributions of sick leave hours to the 401(a) Plan is as follows:

For each eligible employee on a 40-hour work week salaried pay schedule, the Participating Employer will annually contribute accrued sick pay in excess of 1,040 hours, at the end of the fiscal year, at the employee's wage level at the end of the fiscal year.

For each eligible employee on a 56-hour work week salaried pay schedule, the Participating Employer will annually contribute accrued sick pay in excess of 1,440 hours, at the end of the fiscal year, at the employee's wage level at the end of the fiscal year.



**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**18. Employee Retirement Systems (Continued)**

**Governmental Employees Trust Fund (Continued)**

In cases where the Participating Employer's annual contribution of sick leave hours on behalf of an employee would exceed Internal Revenue Code (IRC) plan limitations, that employee's excess hours will be rolled over for contribution in the next fiscal year.

**19. Postemployment Benefits**

Other than the pension benefit described in Note 15, the District does not provide any post-retirement health care benefits.

Post employment health care benefits are made available to the District's terminated employees in accordance with Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Under COBRA the District is required to offer an election to deceased or terminated participants, their spouses or dependents to continue coverage in the health plan provided by the District. The cost of coverage which the District may charge the participant may not exceed 102% of the applicable premium.

**20. Deferred Compensation Plan**

The District maintains a deferred compensation plan (plan) under the provisions of Section 457 of the Internal Revenue Code, as amended. This law stipulates that all assets and income of the plan must be held in trust for the exclusive benefit of the Plan participants and their beneficiaries. The District's plan is administered by an independent custodian and provides the plan participants with the option to invest in multiple registered investment funds (mutual funds). Although the District is the Trustee of the plan, the District has no administrative involvement and performs no investing function for the plan and has not therefore, reported the plan in this financial report.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**21. Post-Employment Health Care Benefits**

GASB Statement No. 75: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB), established new accounting standards for postretirement benefits. The new standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer’s financial statement as an increase (or decrease) in the net OPEB obligation. The effective date for implementation of GASB 75 by the East Lake Tarpon Special Fire Control District is October 1, 2017. Accordingly, the District did obtain an actuarial valuation in accordance with GASB 75 standards as of October 1, 2019 and discloses the following:

**Plan Description and Funding Policy**

Employees who retire from the District (District), and eligible dependents and survivors, are eligible to continue to participate in the District’s health insurance programs at the “blended” employee group rate which is determined annually by the District and approved by the District Board. Retirees have 31 days to elect to enroll in the District’s health insurance plan in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. As of September 30, 2020, two eligible retirees were participating in the District’s health program.

The District provides no funding for any portion of the premiums after retirement. However, the District recognizes that there is an “implicit subsidy” arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund as an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

As of October 1, 2019, the following employees were covered by the benefit terms:

Active Plan Members or Beneficiaries currently receiving benefits:

Active plan members	42
Retirees, Beneficiaries and Disabled members	2
Covered spouses	<u>1</u>
Total	<u>45</u>

Benefits Provided: Retirees may participate in the group insurance plans offered by the District but they are required to contribute 100% of the active premiums.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**21. Post-Employment Health Care Benefits (Continued)**

**Annual OPEB Cost and Net OPEB Obligation**

The District's annual other post-employment benefits (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. Since GASB Statement 75 only requires an actuarial valuation every two years, the District's last valuation was for the fiscal year ended September 30, 2020.

**TOTAL OPEB LIABILITY**

The measurement date is September 30, 2020.

The measurement period for the OPEB expense was October 1, 2019 to September 30, 2020.

The reporting period is October 1, 2019 through September 30, 2020.

Note - The District's Total OPEB Liability for the District's ledger adjustment was measured as of October 1, 2019 using a discount rate of 3.58%.

***Actuarial Assumptions:***

The Total OPEB Liability was determined by an actuarial valuation as of October 1, 2019 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	2.14%
Initial Trend Rate	7.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	55

For general employees, mortality rates were PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019. For fire employees, mortality rates were PubS-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**21. Post-Employment Health Care Benefits (Continued)**

**Annual OPEB Cost and Net OPEB Obligation**

***Discount Rate:***

Given the District's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 2.14%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal 20 Year High Grade Rate Index as published by the 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 AAA 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.

***OPEB Expense:***

For the year ended September 30, 2020, the District will recognize OPEB Expense of \$14,615.

**CHANGES IN TOTAL OPEB LIABILITY**

Reporting Period Ending September 30, 2019	\$ 432,291
Changes for a Year:	
Service Cost	18,598
Interest	16,105
Difference Between Expected and Actual Experience	9,608
Changes of Assumptions	(33,296)
Changes of Benefit Terms	-
Contributions - Employer	-
Benefit Payments	(21,467)
Other Changes	-
	<hr/>
Net changes	(10,452)
	<hr/>
Reporting Period Ending September 30, 2020	<u>\$ 421,839</u>

Changes of assumptions reflect a change in the discount rate from 3.55% for the fiscal year ending September 30, 2019 to 2.14% for the fiscal year ending September 30, 2020.

Also reflected as assumption changes are updated mortality rates, updated healthcare costs and premiums, and updated healthcare cost trend rates.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**21. Post-Employment Health Care Benefits (Continued)**

**Annual OPEB Cost and Net OPEB Obligation**

*Sensitivity of the Total OPEB Liability to changes in the Discount Rate:*

The following 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:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>	
	<u>1.14%</u>	<u>Discount Rate</u>	<u>2.14%</u>	<u>3.14%</u>
Total OPEB Liability (Asset)	\$ 492,737	\$ 421,839	\$ 364,318	

*Sensitivity of Total OPEB Liability to changes in the Healthcare Cost Trend Rates:*

The following 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:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>	
	<u>3.00%- 6.50%</u>	<u>Discount Rate</u>	<u>4.00%-7.50%</u>	<u>5.00%-8.50%</u>
Total OPEB Liability (Asset)	\$ 357,241	\$ 421,839	\$ 502,195	

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**21. Post-Employment Health Care Benefits (Continued)**

**Annual OPEB Cost and Net OPEB Obligation**

*Changes of assumption:*

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, 2020:	2.14%
Fiscal Year Ending September 30, 2019:	3.58%
Fiscal Year Ending September 30, 2018:	4.18%
Fiscal Year Ending September 30, 2017:	3.64%

Also reflected as assumption changes are updated mortality rates, updated health care costs and premiums, and updated health care cost trend rates.

*Benefit Payments:*

The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2020. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2020**

**22. Recently Issued and Implemented Accounting Pronouncements**

The Governmental Accounting Standards Board has issued Statement No. 86, Certain Debt Extinguishment issues. “The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired in an irrevocable trust for the sole purpose of extinguishing debt. Its implementation did not have any effect on the District’s financial statements.

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**REQUIRED SUPPLEMENTARY**  
**INFORMATION FOR**  
**SINGLE EMPLOYER FIREFIGHTERS' 175**  
**DEFINED BENEFIT PENSION PLAN**  
**UNDER GASB 68**

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**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY**

**Last Seven Fiscal Years**

	September 30, <u>2020</u>	September 30, <u>2019</u>	September 30, <u>2018</u>	September 30, <u>2017</u>	September 30, <u>2016</u>	September 30, <u>2015</u>	September 30, <u>2014</u>
Total pension liability:							
Service cost	\$ 505,700	\$ 482,716	\$ 444,274	\$ 414,454	\$ 364,858	\$ 415,680	\$ 415,328
Interest	1,673,790	1,542,348	1,503,163	1,408,929	1,155,747	1,402,170	1,129,406
Share plan allocation	77,415	64,985	54,928	60,495	90,131	92,921	75,780
Difference between expected and actual experience	(289,626)	567,429	(322,667)	179,050	(184,104)	-	-
Changes of assumptions	(29,008)	-	-	-	366,068	-	-
Benefit payments, including refunds of employee contributions	<u>(1,124,470)</u>	<u>(810,354)</u>	<u>(1,263,945)</u>	<u>(563,374)</u>	<u>(756,851)</u>	<u>(389,913)</u>	<u>(356,601)</u>
Net change in total pension liability	813,801	1,847,124	415,753	1,499,554	1,035,849	1,520,858	1,263,913
Total pension liability - beginning	<u>21,919,025</u>	<u>20,071,901</u>	<u>19,656,148</u>	<u>18,156,594</u>	<u>17,120,745</u>	<u>15,599,887</u>	<u>14,335,974</u>
Total pension liability ending (a)	\$ <u><u>22,732,826</u></u>	\$ <u><u>21,919,025</u></u>	\$ <u><u>20,071,901</u></u>	\$ <u><u>19,656,148</u></u>	\$ <u><u>18,156,594</u></u>	\$ <u><u>17,120,745</u></u>	\$ <u><u>15,599,887</u></u>
Plan fiduciary net position:							
Contributions - employer	\$ 692,579	\$ 543,960	\$ 530,757	\$ 432,442	\$ 441,496	\$ 493,309	\$ 559,573
Contributions - State	336,065	322,935	312,442	305,281	322,211	323,273	331,165
Contributions - employees	149,705	132,954	148,225	118,477	109,694	110,647	110,778
Net investment income	1,589,724	625,327	1,257,387	2,031,412	850,250	6,289	1,230,931
Benefit payments including refunds of employee contributions	(1,124,470)	(810,354)	(1,263,945)	(563,374)	(756,851)	(389,913)	(356,601)
Administrative expenses	<u>(103,690)</u>	<u>(71,170)</u>	<u>(69,555)</u>	<u>(61,161)</u>	<u>(57,306)</u>	<u>(55,639)</u>	<u>(49,057)</u>
Net change in plan fiduciary net position	1,539,913	743,652	915,311	2,263,077	909,494	487,966	1,826,789
Plan fiduciary net position - beginning	<u>17,772,017</u>	<u>17,028,365</u>	<u>16,113,054</u>	<u>13,849,977</u>	<u>12,940,483</u>	<u>12,452,515</u>	<u>10,624,726</u>
Plan fiduciary net position -ending (b)	\$ <u><u>19,311,930</u></u>	\$ <u><u>17,772,017</u></u>	\$ <u><u>17,028,365</u></u>	\$ <u><u>16,113,054</u></u>	\$ <u><u>13,849,977</u></u>	\$ <u><u>12,940,481</u></u>	\$ <u><u>12,451,515</u></u>
Net pension liability (asset) (a) - (b)	\$ <u><u>3,420,896</u></u>	\$ <u><u>4,147,008</u></u>	\$ <u><u>3,043,536</u></u>	\$ <u><u>3,543,094</u></u>	\$ <u><u>4,306,617</u></u>	\$ <u><u>4,180,264</u></u>	\$ <u><u>3,148,372</u></u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF RATIOS**

**Last Six Fiscal Years**

	<u>September 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>	<u>September 30,</u> <u>2018</u>	<u>September 30,</u> <u>2017</u>	<u>September 30,</u> <u>2016</u>	<u>September 30,</u> <u>2015</u>	<u>September 30,</u> <u>2014</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>84.96%</u>	<u>81.10%</u>	<u>84.85%</u>	<u>81.97%</u>	<u>75.26%</u>	<u>75.36%</u>	<u>79.82%</u>
Covered employee payroll	\$ <u>2,790,648</u>	\$ <u>2,659,084</u>	\$ <u>2,568,494</u>	\$ <u>2,369,463</u>	\$ <u>2,193,886</u>	\$ <u>3,154,865</u>	\$ <u>2,219,711</u>
Net pension liability as a percentage of covered payroll	<u>122.58%</u>	<u>155.96%</u>	<u>118.49%</u>	<u>149.53%</u>	<u>195.30%</u>	<u>129.99%</u>	<u>144.42%</u>

**EAST LAKE TARON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS**

**Last Six Years**

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>	<u>September 30, 2014</u>
Actuarially determined contributions	\$ 904,170	\$ 818,998	\$ 811,644	\$ 732,164	\$ 649,390	\$ 672,745	\$ 816,854
Contributions in relation to the actuarially determined contributions	<u>901,253</u>	<u>802,610</u>	<u>811,644</u>	<u>732,164</u>	<u>649,390</u>	<u>672,745</u>	<u>816,854</u>
Contribution deficiency (excess)	\$ <u>2,917</u>	\$ <u>16,388</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered employee payroll	\$ <u>2,790,648</u>	\$ <u>2,659,084</u>	\$ <u>2,568,494</u>	\$ <u>2,369,463</u>	\$ <u>2,193,886</u>	\$ <u>3,154,865</u>	\$ <u>2,219,711</u>
Contributions as a percentage of covered employee payroll	<u>32.30%</u>	<u>30.18%</u>	<u>30.73%</u>	<u>29.17%</u>	<u>29.60%</u>	<u>21.32%</u>	<u>36.80%</u>

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

Valuation Date: October 1, 2019  
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding method: Entry age normal cost method.  
Asset valuation method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.  
Inflation: 2.5% per year.  
Interest rate: 7.65% per year, compounded annually, net of investment expenses.  
Payroll growth: 1.07% per year as limited by historical 10 year payroll growth.  
Early Retirement: It is assumed that members who are eligible for Early Retirement (age 50) will retire at the rate of 5% per year. This is based on the results of an actuarial experience study issued January 16, 2018.  
Disability rates: See table below. It is assumed that 75% of disablements are service related. This assumption was developed from those used by other plans containing Florida Municipal Firefighters.

Disability Rate Table:

**Percentage Becoming Disabled  
During the Year**

0.03%  
0.04%  
0.07%  
0.18%

Termination Rates: <5 Years of Service. 5.65% termination rate  
5+ Years of Service. 3.0% termination rate.  
This assumption was based on a January 16, 2018 actuarial experience study.

Increase in Pensionable Earnings:  
<10 Years, 5.5% per year  
10 - 20 Years, 5.0% per year  
10+ Years, 4.5% per year

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**NOTES TO SCHEDULE OF CONTRIBUTIONS (CONTINUED)**

Mortality Rates:

*Healthy Active Lives*

Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB.

Male: RP2000 Generational, 10% Combined Healthy White Collar/ 90% Combined Healthy Blue Collar, Scale BB.

*Healthy Inactive Lives:*

Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB.

Male: RP2000 Generational, 10% Annuitant White Collar/ 90% Annuitant Blue Collar, Scale BB.

*Disabled Lives:*

Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projections scale.

Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

The assumed rates of mortality were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2016 FRS actuarial valuation report for special risk employees. We feel this assumption sufficiently accommodates future mortality improvements.

Retirement Age:

75% at first eligibility for Normal Retirement

25% each of the next 2 years after first eligibility

100% probability 3 years after first eligibility.

This is based on the results of an actuarial experience study issued January 16, 2018.

**EAST LAKE TARON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF INVESTMENT RETURNS**

**Last Seven Fiscal Years**

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>	<u>September 30, 2014</u>
Annual money-weighted rate of return net of investment expenses	<u>8.72%</u>	<u>3.71%</u>	<u>8.01%</u>	<u>14.63%</u>	<u>7.05%</u>	<u>0.03%</u>	<u>11.42%</u>



**REQUIRED SUPPLEMENTARY  
INFORMATION FOR  
OTHER POST EMPLOYMENT  
BENEFITS  
UNDER GASB 75**

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**EAST LAKE TARON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**Last Three Fiscal Years**

**OTHER POST EMPLOYMENT BENEFITS**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**

	<u>9/30/20</u>	<u>9/30/19</u>	<u>9/30/18</u>
Total OPEB Liability			
Service cost	\$ 18,598	\$ 17,480	\$ 18,733
Interest	16,105	16,335	14,536
Change in benefit terms	9,608	-	-
Changes in assumptions	(33,296)	31,874	(27,844)
Difference between expected and actual experience	-	-	-
Benefit payments	<u>(21,467)</u>	<u>(13,251)</u>	<u>(12,213)</u>
Increase (decrease) in Net OPEB obligation	(10,452)	52,438	(6,788)
Total OPEB liability, beginning of year	<u>432,291</u>	<u>379,853</u>	<u>386,641</u>
Total OPEB liability end of year (a)	<u>\$ 421,839</u>	<u>\$ 432,291</u>	<u>\$ 379,853</u>
<b>Plan Fiduciary Net Position</b>			
Contributions - employer	\$ -	\$ -	\$ -
Contributions - active employees	-	-	-
Net investment income	-	-	-
Benefit payments	-	-	-
Net change in plan trust fiduciary position	-	-	-
Plan fiduciary net position - beginning of year	-	-	-
Plan fiduciary net position - end of year (b)	<u>-</u>	<u>-</u>	<u>-</u>
Net OPEB liability - end of year (a) - (b)	<u>\$ 421,839</u>	<u>\$ 432,291</u>	<u>\$ 379,853</u>
Plan fiduciary net position as % of Total OPEB liability	0.00%	0.00%	0.00%
Covered employee payroll	\$ 3,133,854	\$ 3,083,362	\$ 3,008,158
Net OPEB liability as % of covered payroll	13.46%	14.02%	12.63%

Note: Information prior to FY 2018 is not available.

**EAST LAKE TARON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**Last Three Fiscal Years**

**OTHER POST EMPLOYMENT BENEFITS**  
**SCHEDULE OF CONTRIBUTIONS**

	<u>9/30/20</u>	<u>9/30/19</u>	<u>9/30/18</u>
Actuarially determined contributions (ADC)	\$ N/A	\$ N/A	\$ N/A
Contributions in relation to ADC	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency/(excess)	N/A	N/A	N/A
Covered employee payroll	\$ <u>3,133,854</u>	\$ <u>3,083,362</u>	\$ <u>3,008,158</u>
Contributions as % of covered employee payroll	0.00%	0.00%	0.00%
Total OPEB liability as a percentage of Covered Employee Payroll	13.46%		

**Notes to Schedule:**

*Covered Payroll:*

Covered payroll is projected to the measurement date based on actual covered payroll as of the valuation date using applicable salary increase assumptions.

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**Last Three Fiscal Years**

**OTHER POST EMPLOYMENT BENEFITS**  
**SCHEDULE OF RETURNS**

	<u>9/30/20</u>	<u>9/30/19</u>	<u>9/30/18</u>
Annual money-weighted rate of return, net of investment expense	\$ N/A	\$ N/A	\$ N/A

Note: Information prior to FY 2018 is not available.

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**INDIVIDUAL**  
**STATEMENT**

These financial statements provide a more detailed view of the “general-purpose financial statements” presented in the preceding section.

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## **GOVERNMENTAL FUNDS**

### **GENERAL FUND**

The General Fund is the general operating fund of the District. It is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

GENERAL FUND

SCHEDULES OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	2020		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES:			
Taxes:			
Ad Valorem	\$ 5,642,749	\$ 5,726,468	\$ 83,719
EMS contract	1,793,054	1,791,395	(1,659)
Contract	12,000	12,000	-
Grants	40,000	32,720	(7,280)
Interest	35,000	29,522	(5,478)
Miscellaneous	64,560	147,715	83,155
<b>TOTAL REVENUES</b>	<b>7,587,363</b>	<b>7,739,820</b>	<b>152,457</b>
EXPENDITURES:			
Public Safety-EMS:			
Executive salaries	108,829	113,641	(4,812)
Regular salaries	744,875	739,377	5,498
Overtime	220,326	216,493	3,833
Special pay	66,140	75,572	(9,432)
Social security	68,073	78,862	(10,789)
Retirement	182,693	182,693	-
Group life insurance	1,440	1,274	166
Group health insurance	215,573	185,746	29,827
Workers' compensation	58,479	58,623	(144)
Medical	4,986	42	4,944
Accounting and audit	3,558	3,500	58
Petroleum products	30,000	22,520	7,480
Uniforms	3,964	5,101	(1,137)
Insurance, general liability	15,815	18,815	(3,000)
Repair and maintenance-equipment	47,500	64,509	(17,009)
Fleet	1,000	145	855
Grant	10,000	10,061	(61)
Subscriptions, licenses and memberships	2,050	-	2,050
<b>SUB-TOTAL PUBLIC SAFETY-EMS</b>	<b>1,785,301</b>	<b>1,776,974</b>	<b>8,327</b>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

GENERAL FUND

SCHEDULES OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(CONTINUED)

	2020		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
Public Safety-Fire:			
Executive salary	\$ 595,005	\$ 596,007	\$ (1,002)
Regular salaries	1,614,176	1,698,199	(84,023)
Clerical and other salaries	179,172	182,512	(3,340)
Overtime	263,910	213,714	50,196
Special pay	96,550	79,966	16,584
Social security	239,994	201,937	38,057
Retirement	486,787	540,857	(54,070)
Group life insurance	6,890	6,673	217
Group health insurance	823,894	692,127	131,767
Workers' compensation	163,162	138,428	24,734
Medical and physical	18,119	564	17,555
Electricity	32,775	31,591	1,184
Telephone	22,790	20,825	1,965
Water and sewer	11,860	9,925	1,935
Other contractual services	45,126	32,506	12,620
Fire prevention	10,470	9,770	700
Legal fees	45,400	32,931	12,469
Accounting and audit	20,285	18,850	1,435
Custodial services and supplies	9,340	7,446	1,894
Travel	11,481	6,792	4,689
Postage	1,400	632	768
Waste disposal	3,922	4,275	(353)
Insurance, general liability	66,326	55,618	10,708
Repair and maintenance-building	46,000	68,412	(22,412)
Repair and maintenance-equipment	50,050	15,562	34,488
Repair and maintenance-fleet	11,800	10,236	1,564
Printing and binding	1,025	591	434
Office supplies	7,377	6,845	532
Petroleum products	10,800	7,125	3,675
Small tools and equipment	47,175	65,286	(18,111)
Uniforms and laundry	15,186	12,892	2,294
Miscellaneous operating supplies	5,315	14,004	(8,689)
Subscriptions, licenses and memberships	7,411	20,394	(12,983)
Training and education	81,091	46,162	34,929
Other consulting services	11,337	11,194	143
Office furniture and fixtures	7,000	775	6,225
Data processing equipment	23,919	31,828	(7,909)
Communications equipment	11,589	8,491	3,098
Tax Collector fees	161,139	149,972	11,167
Capital outlay	100,000	90,456	9,544
401(a) Pay Plan	173,418	66,211	107,207
<b>SUB-TOTAL PUBLIC SAFETY- Fire expenditures</b>	<b>5,540,466</b>	<b>5,208,581</b>	<b>331,885</b>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

GENERAL FUND

SCHEDULES OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(CONTINUED)

	2020		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
Debt Service:			
Principal	204,389	204,389	-
Interest	<u>57,207</u>	<u>55,438</u>	<u>1,769</u>
Total debt service	<u>261,596</u>	<u>259,827</u>	<u>1,769</u>
TOTAL EXPENDITURES	<u>7,587,363</u>	<u>7,245,382</u>	<u>341,981</u>
NET CHANGE IN FUND BALANCE	-	494,438	494,438
FUND BALANCE, OCTOBER 1	<u>3,840,436</u>	<u>3,840,436</u>	-
FUND BALANCE, SEPTEMBER 30	<u>\$ 3,840,436</u>	<u>\$ 4,334,874</u>	<u>\$ 494,438</u>

See Notes to Financial Statements.

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**CAPITAL ASSETS**  
**USED IN THE OPERATION**  
**OF GOVERNMENTAL FUNDS**

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EAST LAKE TARPON SPEICAL FIRE CONTROL DISTRICT

CAPITAL ASSETS USED IN THE OPERATION OF THE GOVERNMENTAL FUND

SCHEDULE BY SOURCE

	<u>2020</u>
GENERAL FIXED ASSETS:	
Land	\$ 447,010
Buildings	5,267,383
Improvements other than buildings	98,240
Equipment	<u>3,629,341</u>
Total general fixed assets	\$ <u><u>9,441,974</u></u>
Investment in general fixed assets from:	
General Fund	\$ 9,321,974
Contributions	<u>120,000</u>
Total investments in general fixed assets	\$ <u><u>9,441,974</u></u>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

CAPITAL ASSETS USED IN THE OPERATION  
OF THE GOVERNMENTAL FUND  
SCHEDULE BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2020

	<u>Total</u>	<u>Land</u>	<u>Building</u>	<u>Improvements</u>	<u>Equipment</u>
Public safety:					
EMS and Fire Protection	\$ <u>9,441,974</u>	\$ <u>447,010</u>	\$ <u>5,267,383</u>	\$ <u>98,240</u>	\$ <u>3,629,341</u>
Total general fixed assets	\$ <u><u>9,441,974</u></u>	\$ <u><u>447,010</u></u>	\$ <u><u>5,267,383</u></u>	\$ <u><u>98,240</u></u>	\$ <u><u>3,629,341</u></u>

See Notes to Financial Statements.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

CAPITAL ASSETS USED IN THE OPERATION  
OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS-  
BY FUNCTION AND ACTIVITY

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	General Fixed Assets October 1, 2019	Additions	Deductions	General Fixed Assets September 30, 2020
Public safety:				
EMS and Fire Protection	\$ <u>9,342,542</u>	\$ <u>99,432</u>	\$ <u>-</u>	\$ <u>9,441,974</u>
Total public safety	\$ <u><u>9,342,542</u></u>	\$ <u><u>99,432</u></u>	\$ <u><u>-</u></u>	\$ <u><u>9,441,974</u></u>

See Notes to Financial Statements.

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# STATISTICAL SECTION

This part of the District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

<b>Content</b>	<b>Page</b>
Financial Trends	98
<i>These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed overtime.</i>	
Revenue Capacity	106
<i>These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.</i>	
Debt Capacity	111
<i>These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.</i>	
Operating Information	114
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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## **STATISTICAL SECTION**

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect economic data and financial trends of the District.

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## **COMMENTS ON THE STATISTICAL SECTION**

**September 30, 2020**

The following statistical tables recommended by the national council on governmental accounting are not included for the reasons stated below:

A table on the computation of legal debt margin has been omitted because the constitution of the State of Florida, Florida statutes 200.181 and the charter of the District set no legal debt margin.

Additional schedules which are felt to be useful to various users, principally investors, underwriters, and rating agencies, have been included in this section.

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## **FINANCIAL TRENDS**

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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental activities:										
Invested in capital assets, net of related debt	\$ 4,541,969	\$ 4,611,347	\$ 4,627,134	\$ 4,687,177	\$ 4,763,388	\$ 4,793,602	\$ 5,074,071	\$ 3,379,340	\$ 3,414,191	\$ 3,694,441
Unrestricted (deficit)	<u>171,407</u>	<u>(618,098)</u>	<u>(1,398,332)</u>	<u>(1,725,733)</u>	<u>(1,937,493)</u>	<u>(1,650,317)</u>	<u>1,086,041</u>	<u>1,112,568</u>	<u>1,367,149</u>	<u>1,638,469</u>
Total governmental activities net position	<u>\$ 4,713,376</u>	<u>\$ 3,993,249</u>	<u>\$ 3,228,802</u>	<u>\$ 2,961,444</u>	<u>\$ 2,825,895</u>	<u>\$ 3,143,285</u>	<u>\$ 6,160,112</u>	<u>\$ 4,491,908</u>	<u>\$ 4,781,340</u>	<u>\$ 5,332,910</u>
Primary government:										
Invested in capital assets, net of related debt	\$ 4,541,969	\$ 4,611,347	\$ 4,627,134	\$ 4,687,177	\$ 4,763,388	\$ 4,793,602	\$ 5,074,071	\$ 3,379,340	\$ 3,414,191	\$ 3,694,441
Unrestricted (deficit)	<u>171,407</u>	<u>(618,098)</u>	<u>(1,398,332)</u>	<u>(1,725,733)</u>	<u>(1,937,493)</u>	<u>(1,650,317)</u>	<u>1,086,041</u>	<u>1,112,568</u>	<u>1,367,149</u>	<u>1,638,469</u>
	<u>\$ 4,713,376</u>	<u>\$ 3,993,249</u>	<u>\$ 3,228,802</u>	<u>\$ 2,961,444</u>	<u>\$ 2,825,895</u>	<u>\$ 3,143,285</u>	<u>\$ 6,160,112</u>	<u>\$ 4,491,908</u>	<u>\$ 4,781,340</u>	<u>\$ 5,332,910</u>

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
 (accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
EXPENSES:										
Governmental Activities:										
Public safety - EMS	\$ 1,773,216	\$ 1,831,433	\$ 1,671,057	\$ 1,589,919	\$ 1,675,320	\$ 1,677,788	\$ 1,628,431	\$ 1,430,036	\$ 1,368,160	\$ 1,254,400
Public safety - fire protection	<u>5,316,673</u>	<u>5,187,117</u>	<u>4,939,293</u>	<u>5,055,176</u>	<u>5,055,815</u>	<u>4,610,842</u>	<u>4,115,460</u>	<u>3,903,432</u>	<u>3,930,940</u>	<u>3,720,957</u>
Total governmental activities expenses	<u>7,089,889</u>	<u>7,018,550</u>	<u>6,610,350</u>	<u>6,645,095</u>	<u>6,731,135</u>	<u>6,288,630</u>	<u>5,743,891</u>	<u>5,333,468</u>	<u>5,299,100</u>	<u>4,975,357</u>
PROGRAM REVENUES:										
Governmental activities:										
Charges for services	\$ 1,873,585	\$ 1,768,389	\$ 1,624,126	\$ 1,655,425	\$ 1,484,759	\$ 1,462,803	\$ 1,397,987	\$ 1,348,632	\$ 1,246,616	\$ 1,221,943
Grant revenue	<u>32,720</u>	<u>42,829</u>	<u>-</u>	<u>5,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities program revenues	<u>1,906,305</u>	<u>1,811,218</u>	<u>1,624,126</u>	<u>1,660,925</u>	<u>1,484,759</u>	<u>1,462,803</u>	<u>1,397,987</u>	<u>1,348,632</u>	<u>1,246,616</u>	<u>1,221,943</u>
NET (EXPENSE) REVENUE	<u>(5,183,584)</u>	<u>(5,207,332)</u>	<u>(4,986,224)</u>	<u>(4,984,170)</u>	<u>(5,246,376)</u>	<u>(4,825,827)</u>	<u>(4,345,904)</u>	<u>(3,984,836)</u>	<u>(4,052,484)</u>	<u>(3,753,414)</u>
Governmental Activities:										
Taxes:										
Property taxes	5,726,468	5,483,378	5,255,109	5,027,839	4,821,911	4,644,316	4,418,722	3,630,186	3,430,161	3,437,305
Infrastructure sales tax	-	-	-	-	-	-	1,495,977	-	-	-
Investment earnings	29,528	57,610	21,170	9,100	8,155	7,281	4,590	4,948	6,673	10,264
Gain on sale of capital asset	-	-	-	-	-	71,403	-	-	31,013	-
Miscellaneous	<u>147,715</u>	<u>430,791</u>	<u>142,124</u>	<u>82,780</u>	<u>98,920</u>	<u>291,614</u>	<u>94,819</u>	<u>60,270</u>	<u>65,014</u>	<u>42,702</u>
Total governmental activities	<u>5,903,711</u>	<u>5,971,779</u>	<u>5,418,403</u>	<u>5,119,719</u>	<u>4,928,986</u>	<u>5,014,614</u>	<u>6,014,108</u>	<u>3,695,404</u>	<u>3,532,861</u>	<u>3,490,271</u>
Special item - payout for executive termination	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(541,901)</u>
CHANGE IN NET POSITION	<u>\$ 720,127</u>	<u>\$ 764,447</u>	<u>\$ 432,179</u>	<u>\$ 135,549</u>	<u>\$ (317,390)</u>	<u>\$ 188,787</u>	<u>\$ 1,668,204</u>	<u>\$ (289,432)</u>	<u>\$ (519,623)</u>	<u>\$ (805,044)</u>

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

EXPENSES BY FUNCTION/PROGRAM

LAST TEN YEARS

(accrual basis of accounting)

FUNCTION/PROGRAM	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental activities:										
Public safety	\$ 7,037,992	\$ 6,958,229	\$ 6,543,394	\$ 6,573,500	\$ 6,649,840	\$ 6,211,023	\$ 5,662,062	\$ 5,184,180	\$ 5,104,521	\$ 5,389,303
Interest on long- term debt	<u>51,897</u>	<u>60,321</u>	<u>66,956</u>	<u>71,595</u>	<u>81,295</u>	<u>77,607</u>	<u>81,829</u>	<u>149,288</u>	<u>194,579</u>	<u>96,008</u>
Total general governmental activities	<u>\$ 7,089,889</u>	<u>\$ 7,018,550</u>	<u>\$ 6,610,350</u>	<u>\$ 6,645,095</u>	<u>\$ 6,731,135</u>	<u>\$ 6,288,630</u>	<u>\$ 5,743,891</u>	<u>\$ 5,333,468</u>	<u>\$ 5,299,100</u>	<u>\$ 5,485,311</u>

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

FUND BALANCES  
GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
GENERAL FUND:										
Nonspendable	\$ 160,897	\$ 158,121	\$ 153,797	\$ 164,048	\$ 183,028	\$ 182,408	\$ 173,136	\$ 173,432	\$ 285,523	\$ 346,546
Restricted	371,086	428,963	415,002	416,143	638,322	515,435	352,000	223,348	219,348	559,348
Committed	2,705,600	2,106,000	1,139,000	908,500	757,000	525,100	155,000	715,000	715,000	575,000
Assigned	850,000	600,000	850,000	850,000	650,000	950,000	925,000	560,000	560,000	560,000
Unassigned	<u>330,744</u>	<u>547,352</u>	<u>309,511</u>	<u>141,064</u>	<u>47,958</u>	<u>121,871</u>	<u>204,982</u>	<u>83,451</u>	<u>193,526</u>	<u>97,318</u>
Total general fund	<u>\$ 4,418,327</u>	<u>\$ 3,840,436</u>	<u>\$ 2,867,310</u>	<u>\$ 2,479,755</u>	<u>\$ 2,276,308</u>	<u>\$ 2,294,814</u>	<u>\$ 1,810,118</u>	<u>\$ 1,755,231</u>	<u>\$ 1,973,397</u>	<u>\$ 2,138,212</u>



EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>REVENUES</b>										
Taxes	\$ 5,726,468	\$ 5,483,378	\$ 5,255,109	\$ 5,027,839	\$ 4,821,911	\$ 4,644,316	\$ 4,418,722	\$ 3,630,186	\$ 3,430,161	\$ 3,437,305
Charges for services	1,803,395	1,755,115	1,624,126	1,655,425	1,484,759	1,462,803	1,397,987	1,348,632	1,246,616	1,221,943
Impact fees	70,190	13,274	-	-	-	-	-	-	-	-
Infrastructure sales tax	-	-	-	-	-	-	1,495,977	-	-	-
Grant revenue	32,720	42,829	-	-	-	-	-	-	-	-
Interest earnings	29,528	57,610	21,170	9,100	8,155	7,281	4,590	4,948	6,673	10,264
Miscellaneous	147,715	430,791	142,124	88,280	98,920	110,463	100,316	60,270	65,014	47,185
<b>Total revenues</b>	<b>7,810,016</b>	<b>7,782,997</b>	<b>7,042,529</b>	<b>6,780,644</b>	<b>6,413,745</b>	<b>6,224,863</b>	<b>7,417,592</b>	<b>5,044,036</b>	<b>4,748,464</b>	<b>4,716,697</b>
<b>EXPENDITURES</b>										
Public safety	6,886,140	6,384,285	6,338,801	6,372,573	5,909,229	5,694,169	5,321,042	4,890,826	4,727,029	4,612,962
Capital outlay	99,432	139,138	42,999	153,359	64,709	143,196	1,814,904	144,617	47,991	-
Debt service:										
Principal	204,389	203,024	203,024	176,463	177,018	146,702	141,922	136,677	81,333	77,218
Interest	55,438	70,150	70,150	74,802	81,295	80,057	84,837	90,082	149,426	149,541
<b>Total expenditures</b>	<b>7,245,399</b>	<b>6,796,597</b>	<b>6,654,974</b>	<b>6,777,197</b>	<b>6,232,251</b>	<b>6,064,124</b>	<b>7,362,705</b>	<b>5,262,202</b>	<b>5,005,779</b>	<b>4,839,721</b>
Excess of revenues over expenditures	564,617	986,400	387,555	3,447	181,494	160,739	54,887	(218,166)	(257,315)	(123,024)
Other Financing Sources:										
Sale of surplus property	-	-	-	-	-	323,957	-	-	92,500	4,500
Special item - payout for executive termination	-	-	-	-	-	-	-	-	-	(541,901)
Repayment of debt	-	-	-	-	-	-	-	-	(2,703,493)	-
Loan proceeds	-	-	-	-	-	-	-	-	2,703,493	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>323,957</b>	<b>-</b>	<b>-</b>	<b>92,500</b>	<b>(537,401)</b>
Excess (deficiency) of Revenues and Other Financing Sources over Expenditures	\$ <u>564,617</u>	\$ <u>986,400</u>	\$ <u>387,555</u>	\$ <u>3,447</u>	\$ <u>181,494</u>	\$ <u>484,696</u>	\$ <u>54,887</u>	\$ <u>(218,166)</u>	\$ <u>(164,815)</u>	\$ <u>(660,425)</u>
Debt service as a percentage of noncapital expenditures	<u>3.8%</u>	<u>4.1%</u>	<u>3.9%</u>	<u>3.9%</u>	<u>4.4%</u>	<u>4.0%</u>	<u>4.3%</u>	<u>4.6%</u>	<u>4.9%</u>	<u>4.4%</u>

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

TAX REVENUES BY SOURCE  
GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>
2011	\$ 3,437,305
2012	3,430,161
2013	3,630,186
2014	4,418,722
2015	4,644,316
2016	4,821,911
2017	5,027,839
2018	5,255,109
2019	5,483,378
2020	5,726,468
Change 2011-2020	<u>39.9 %</u>

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

GENERAL FUND EXPENDITURES BY FUNCTION

Fiscal Year Ended September 30,	<u>Public Safety</u>		<u>Capital Outlay</u>		<u>Debt Service</u>		Total
	<u>Fire</u>	<u>EMS</u>	<u>Fire</u>	<u>EMS</u>	<u>Principal</u>	<u>Interest</u>	
2011	\$ 3,928,596	\$ 1,226,267	\$ -	\$ -	77,218	\$ 149,541	5,381,622
2012	3,404,168	1,322,861	47,991	-	81,333	149,426	5,005,779
2013	3,495,819	1,395,007	144,617	-	136,677	90,082	5,262,202
2014	3,738,117	1,582,925	1,814,904	-	141,922	84,837	7,362,705
2015	4,086,989	1,607,180	143,196	-	146,702	80,057	6,064,124
2016	4,343,809	1,565,420	64,709	-	177,018	81,295	6,232,251
2017	4,812,342	1,560,231	153,359	-	176,463	74,802	6,777,197
2018	4,688,393	1,650,408	42,999	-	202,433	70,741	6,654,974
2019	4,622,998	1,759,534	140,891	-	210,056	63,118	6,796,597
2020	5,109,166	1,776,974	99,432	-	204,389	55,438	7,245,399

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

GENERAL FUND REVENUES BY SOURCE

Fiscal Year Ended September 30,	Ad Valorem Taxes	EMS Contract	Brooker Creek Contract	Infrastructure Sales Tax	Proceeds Surplus Property	Grants	Interest	Miscellaneous	Total
2011	\$ 3,437,305	\$ 1,213,943	\$ 8,000	\$ -	\$ -	\$ -	10,264	\$ 47,185	\$ 4,716,697
2012	3,430,161	1,238,616	8,000	-	-	-	6,673	65,014	4,748,464
2013	3,630,186	1,336,632	12,000	-	-	-	4,948	60,270	5,044,036
2014	4,418,722	1,385,987	12,000	1,495,977	-	-	4,590	100,316	7,417,592
2015	4,644,316	1,450,803	12,000	-	323,957	-	7,281	110,463	6,548,820
2016	4,821,911	1,472,759	12,000	-	-	-	8,155	98,920	6,413,745
2017	5,027,839	1,643,425	12,000	-	-	-	9,100	88,280	6,780,644
2018	5,255,109	1,612,126	12,000	-	-	-	21,170	142,124	7,042,529
2019	5,483,378	1,743,115	12,000	-	-	42,829	57,610	430,791	7,769,723
2020	5,726,468	1,791,395	12,000	-	-	32,720	29,528	147,709	7,739,820

## REVENUE CAPACITY

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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended September 30</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Other Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate (Millage)</u>
2011	\$ (1)	\$ (1)	\$ (1)	\$ (1)	\$ 2,688,174,158	1.3900
2012	(1)	(1)	(1)	(1)	2,353,655,228	1.5110
2013	(1)	(1)	(1)	(1)	2,257,688,728	1.7000
2014	(1)	(1)	(1)	(1)	2,309,396,869	1.9800
2015	(1)	(1)	(1)	(1)	2,428,333,319	1.9800
2016	(1)	(1)	(1)	(1)	2,544,693,647	1.9650
2017	(1)	(1)	(1)	(1)	2,653,947,049	1.9650
2018	(1)	(1)	(1)	(1)	2,772,992,857	1.9650
2019	(1)	(1)	(1)	(1)	2,892,764,556	1.9650
2020	(1)	(1)	(1)	(1)	3,020,306,399	1.9650

<sup>(1)</sup> This breakdown was not available from the Pinellas County Tax Assessor's Office for the fiscal year for the special districts.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

PROPERTY TAX RATES -  
DIRECT AND ALL OVERLAPPING GOVERNMENTS (PER \$1,000)

LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
East Lake Tarpon Special Fire Control District: Operating	1.9650	1.9650	1.9650	1.9650	1.9650	1.9800	1.9800	1.7000	1.5110	1.3900
Pinellas County School Board: Operating	6.5840	6.7270	7.0090	7.3180	7.7700	7.8410	8.0600	8.3020	8.3850	8.3400
Pinellas County: Operating	5.2755	5.2755	5.2755	5.2755	5.3377	5.3377	5.3377	5.0727	4.8730	4.8730
Countywide millage set by other taxing authorities:										
- Pinellas County MSTU	2.0857	2.0857	2.0857	2.0857	2.0857	2.0857	2.0857	2.0857	2.0857	2.0857
- Pinellas Suncoast Transit Authority	0.75	0.75	0.75	0.75	0.7305	0.7305	0.7305	0.7305	0.7305	0.5601
- Pinellas County Library	0.5	0.25	0.5	0.5	0.5	0.25	0.25	0.4437	0.4437	0.4437
- EMS	0.9158	0.9158	0.9158	0.9158	0.9158	0.9158	0.9158	0.9158	0.8506	0.5832
- Other Districts	1.2767	1.5421	1.3097	1.307	1.2629	1.2629	1.2959	1.3034	1.2390	1.4410
Total Countywide millage	17.3877	17.5461	17.8457	18.1520	18.6026	18.4236	18.6756	18.8538	18.6075	18.3267
TOTAL	<u>19.3527</u>	<u>19.5111</u>	<u>19.8107</u>	<u>20.1170</u>	<u>20.5676</u>	<u>20.4036</u>	<u>20.6556</u>	<u>20.5538</u>	<u>20.1185</u>	<u>19.7167</u>

Source: Pinellas County Tax Collector



EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

FIRE TAXABLE VALUATIONS, MILLAGE TAXES LEVIED  
AND COLLECTED

LAST TEN FISCAL YEARS

	Fiscal Year September 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Taxable valuation	\$ 3,020,306,399	\$ 2,892,764,556	\$ 2,772,992,587	\$ 2,653,947,049	\$ 2,544,693,647	\$ 2,428,333,319	\$ 2,309,396,869	\$ 2,257,686,728	\$ 2,353,655,228	\$ 2,688,174,158
Millage	<u>1.9650</u>	<u>1.9650</u>	<u>1.9650</u>	<u>1.9650</u>	<u>1.9650</u>	<u>1.9800</u>	<u>1.9800</u>	<u>1.7000</u>	<u>1.5110</u>	<u>1.3900</u>
Total taxes levied	\$ 5,934,902	\$ 5,684,282	\$ 5,448,930	\$ 5,215,006	\$ 5,000,323	\$ 4,808,100	\$ 4,572,606	\$ 3,838,067	\$ 3,556,373	\$ 3,736,562
Less Adjustments and discounts	<u>208,434</u>	<u>200,904</u>	<u>193,821</u>	<u>187,167</u>	<u>178,412</u>	<u>163,784</u>	<u>385,403</u>	<u>207,881</u>	<u>126,212</u>	<u>299,257</u>
Net taxes levied	\$ <u>5,726,468</u>	\$ <u>5,483,378</u>	\$ <u>5,255,109</u>	\$ <u>5,027,839</u>	\$ <u>4,821,911</u>	\$ <u>4,644,316</u>	\$ <u>4,572,606</u>	\$ <u>3,630,186</u>	\$ <u>3,430,161</u>	\$ <u>3,437,305</u>
Net collected	\$ <u>5,726,468</u>	\$ <u>5,483,378</u>	\$ <u>5,255,109</u>	\$ <u>5,027,839</u>	\$ <u>4,821,911</u>	\$ <u>4,644,316</u>	\$ <u>4,418,722</u>	\$ <u>3,630,186</u>	\$ <u>3,430,161</u>	\$ <u>3,437,305</u>
Percent	<u>96%</u>	<u>96%</u>	<u>96%</u>	<u>96%</u>	<u>96%</u>	<u>97%</u>	<u>97%</u>	<u>95%</u>	<u>96%</u>	<u>93%</u>

Source: Pinellas County Appraiser.

- (1) Florida Statutes provide for a discount up to four percent for early payment of ad valorem taxes. All unpaid taxes become delinquent on April 1, and are sold at auction on June 1 of each year as tax certificates. The District after all tax certificates are sold, has fully collected all ad valorem taxes.
- (2) Net collected includes penalties or late payments.
- (3) Florida Statutes provide for a three percent maximum increase in annual property values.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Fiscal Year September 30	Total Assessed Valuation	Taxable Assessed Valuation	Levy	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of levy
2011	\$ 4,169,569,878	\$ 2,688,174,158	\$ 3,544,768	\$ 3,438,425	97%	1,120	\$ 3,437,305	97
2012	3,083,579,687	2,353,655,228	3,556,373	3,427,789	96%	2,372	3,430,161	97
2013	2,894,986,075	2,257,310,310	3,838,068	3,625,538	94%	4,648	3,630,186	95
2014	2,950,301,574	2,309,396,869	4,572,606	4,418,722	97%	-	4,418,722	97
2015	3,067,134,459	2,428,333,319	4,804,126	4,644,316	97%	-	4,644,316	97%
2016	3,190,893,064	2,544,693,647	5,000,325	4,821,911	96%	-	4,821,911	96%
2017	3,308,685,272	2,653,947,049	5,215,008	5,027,839	96%	-	5,027,839	96%
2018	3,447,834,900	2,772,992,587	5,448,933	5,255,109	96%	-	5,255,109	96%
2019	3,585,608,593	2,892,764,556	5,684,282	5,483,378	96%	-	5,483,378	96%
2020	3,735,307,853	3,020,306,399	5,934,902	5,726,468	96%	-	5,726,468	96%

<sup>(1)</sup> Florida Statutes provide for a discount of up to four percent for early payment of ad valorem taxes. All unpaid taxes become delinquent on April 1, and are sold at auction on June 1 of each year as tax certificates. The District, after all tax certificates are sold, has fully collected all ad valorem tax revenues.

Source: Pinellas County Property Appraiser.

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

EMS TAXES LEVIED AND CONTRACT COLLECTIONS  
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended September 30</u>	<u>Taxable Assessed Valuation (in thousands)</u>	<u>Millage Rate</u>	<u>Levy</u>	<u>Less Collection Fees, Discounts and County Reallocation</u>	<u>EMS Contract Collections</u>
2011	\$ 2,688,174	0.5832	\$ 1,567,743	\$ 353,800	\$ 1,213,943
2012	2,353,655	0.8506	2,002,019	763,403	1,238,616
2013	2,257,868	0.9158	2,067,756	731,124	1,336,632
2014	2,309,396	0.9158	2,114,945	728,958	1,385,987
2015	2,428,333	0.9158	2,223,867	773,064	1,450,803
2016	2,544,694	0.9158	2,330,430	872,180	1,458,251
2017	2,653,947	0.9158	2,430,485	787,060	1,643,425
2018	2,772,993	0.9158	2,539,507	927,381	1,612,126
2019	2,892,765	0.9158	2,649,194	906,079	1,743,115
2020	3,020,306	0.9158	2,765,996	974,602	1,791,395

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## DEBT CAPACITY

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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Total Primary Government	District Population	Per Capita
	Building Capital Lease	Equipment Capital Leases	Vehicle Capital Leases			
2020	\$ 1,475,556	\$ 5,438	\$ -	\$ 1,480,994	30,962	\$ 47.83
2019	1,648,682	36,701	-	1,685,383	30,962	54.43
2018	1,816,168	79,271	-	1,895,439	30,962	61.22
2017	1,978,197	120,266	-	2,098,463	30,962	67.78
2016	2,134,946	79,123	-	2,214,069	30,962	71.51
2015	2,286,589	-	-	2,286,589	30,962	73.85
2014	2,433,291	-	-	2,433,291	33,800	71.99
2013	2,613,410	-	-	2,613,410	30,962	84.41
2012	2,703,493	-	-	2,703,493	34,053	78.36
2011	2,784,825	-	-	2,784,825	34,053	81.78

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Legal Debt Margin Calculation:										
Total budgeted revenues of the District for the fiscal year ended September 30	\$ 7,587,363	\$ 7,747,631	\$ 7,042,529	\$ 6,580,625	\$ 6,219,492	\$ 6,378,258	\$ 5,753,627	\$ 4,987,709	\$ 4,748,464	\$ 4,841,260
Limitation on debt service	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Maximum annual debt service allowable	<u>\$ 3,793,682</u>	<u>\$ 3,873,816</u>	<u>\$ 3,521,265</u>	<u>\$ 3,290,313</u>	<u>\$ 3,109,746</u>	<u>\$ 3,189,129</u>	<u>\$ 2,876,814</u>	<u>\$ 2,493,855</u>	<u>\$ 2,374,232</u>	<u>\$ 2,420,630</u>
Total current year's principal and interest payments on the District's outstanding debt:										
Building capital lease	\$ 226,759	\$ 226,759	\$ 226,759	\$ 226,759	\$ 226,759	\$ 226,759	\$ 226,759	\$ 226,759	\$ 230,759	\$ 226,759
Vehicle capital leases	-	-	-	-	-	-	-	-	-	-
Equipment capital lease	<u>33,068</u>	<u>46,415</u>	<u>46,414</u>	<u>24,506</u>	<u>24,506</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total principal and interest payments, fiscal year ended September 30	<u>\$ 259,827</u>	<u>\$ 273,174</u>	<u>\$ 273,173</u>	<u>\$ 251,265</u>	<u>\$ 251,265</u>	<u>\$ 226,759</u>	<u>\$ 226,759</u>	<u>\$ 226,759</u>	<u>\$ 230,759</u>	<u>\$ 226,759</u>



EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

DIRECT AND OVERLAPPING DEBT  
GENERAL OBLIGATION BONDS<sup>(3)</sup>  
AND REVENUE BONDS  
SEPTEMBER 30, 2020

	<u>Debt Outstanding</u>	<u>Percentage Applicable to District</u>	<u>Amount Applicable to District</u>
Direct debt:			
District			
Capital Leases	\$ <u>1,480,994</u>	<u>100%</u>	\$ <u>1,480,994</u>
Subtotal District direct debt	<u>1,480,994</u>	<u>100%</u>	<u>1,480,994</u>
Overlapping debt:			
Pinellas County School Board <sup>(1)</sup>			
Bonds/Notes	12,691,808	3.25%	412,484
Pinellas County <sup>(2)</sup>			
Capital Leases	<u>615,497</u>	3.54%	<u>21,789</u>
Subtotal overlapping debt	<u>13,307,305</u>		<u>434,273</u>
 Total direct and overlapping debt			 <u>\$ 1,915,267</u>

<sup>(1)</sup> The District's share is calculated based on the ratio of the 2020 School Board Taxable Value of \$93,013,302,612 to the District's Taxable Value of \$3,020,306,399.

<sup>(2)</sup> The District's share is calculated based on the ratio of the 2020 School Board Taxable Value of \$85,468,863,997 to the District's Taxable Value of \$3,020,306,399.

<sup>(3)</sup> The District has no direct general obligation bonded debt.

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## OPERATING INFORMATION

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EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

FULL-TIME EQUIVALENT  
DISTRICT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS

<u>FUNCTION</u>	Full-time Equivalent Employees as of September 30									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety:										
Fire:										
- Firefighters	39	38	38	38	36	36	36	36	35	35
- EMS Professionals	39	38	38	38	36	36	36	36	35	35
- Administrative Staff	3	3	3	3	3	2	2	1.75	1.75	2

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS

<u>FUNCTION</u>	Fiscal Year Ended September 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety:										
Fire										
Number of Fire calls	529	545	459	788	657	583	501	533	799	574
Number of EMS calls	3,111	3,243	3,758	2,677	2,661	2,434	2,427	2,217	1,924	2,136
District population	30,962	30,962	30,962	30,962	30,962	30,962	33,800	30,962	30,962	34,053

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

CAPITAL ASSETS STATISTICS  
LAST TEN FISCAL YEARS

<u>FUNCTION</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety:										
Fire										
Fire Stations	3	3	3	3	3	3	3	3	3	3
Fire Engines	4	4	4	4	4	4	7	4	4	4
Brush Truck	1	1	1	1	1	1	1	1	1	1
Water Truck	1	1	1	1	1	1	1	1	1	1

EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT

SCHEDULE OF INSURANCE IN FORCE

YEAR ENDED SEPTEMBER 30, 2020

<u>Policy Number</u>	<u>Type of Coverage</u>	<u>Term</u>	<u>Company</u>	<u>Limit of Liability</u>	<u>Premiums</u>
VFIS-TR-2058406-09	Commercial Property	10/1/2019 10/1/2020	Public-Risk Insurance	Replacement	\$ 14,601
	General Liability			3,000,000	14,253
	Equipment			Replacement	5,002
	Employee			250,000	6,884
	Crime				333
	Auto			1,000,000	22,147
CU 5054193-03	Umbrella			10,000,000	<u>7,849</u>
	Subtotal				<u>71,069</u>
W150156059	Public Official Bond T. Jamison, Chief	04/09/2017 04/09/2021	Old Republic Surety	5,000	355
W150272634	Public Official Bond James Dalrymple	11/15/2016 11/15/2020	Old Republic Surety		355
W150272637	Public Official Bond Kevin Kenney	11/15/2016 11/15/2020	Old Republic Surety		355
W150143470	Public Official Bond David Root	11/7/2016 11/7/2020	Old Republic Surety		355
OPO2128402	Public Official Bond Randy Burr	11/02/2018 11/02/2020	Old Republic Surety		185
W150210835	Public Official Bond Thomas McQueen	11/14/2018 11/14/2022	Old Republic Surety		360
LSM0861554	Notary Bond	3/13/2020 3/13/2024	RLI Insurance Company		50
WC FL 10524302 17-17	Worker's Compensation	10/1/2019 10/1/2020	Preferred Governmental Insurance Trust	Statutory	197,051
001108734	Storage tank	10/1/2019 10/1/2020	Commerce and Industry		555
	TOTAL PREMIUMS				<u>\$ 270,690</u>



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## **OTHER REPORTS**

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**East Lake Tarpon Special Fire Control District**

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

MANAGEMENT LETTER

AND

ATTESTATION LETTER

AND

MANAGEMENT MEMORANDUM  
ON REVIEW OF INTERNAL CONTROL STRUCTURE  
September 30, 2020

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**REPORT ON INTERNAL CONTROL  
AND COMPLIANCE AND OTHER MATTERS**

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The Board of Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

**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**

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, the business-type activities, each major fund, the budgetary comparisons for the general fund and the aggregate remaining fund information of the East Lake Tarpon Special Fire Control District, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the East Lake Tarpon Special Fire Control District (District) basic financial statements, and have issued our report thereon dated May 10 2021.

**Internal Control Over Financial Reporting**

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

The Board of Commissioners

East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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



May 10, 2021



**MANAGEMENT LETTER**

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The Board of Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the East Lake Tarpon Special Fire Control Districtas of and for the fiscal year ended September 30, 2020 and have issued our report thereon dated May 10, 2021,

### **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 Controller General of the United States; and Chapter 10.550, Rules of the Auditor General

### **Other Reports and Schedule**

We have issued our Independent Auditors Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General Disclosures in those reports and schedule, which are dated September 15, 2020, should be considered in conjunction with this management letter.

The Board of Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address finding and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. There were no findings or recommendations made on internal control and compliance issues during the preceding annual financial audit.

### **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. This disclosure has been included in the District's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2020.

### **Financial Condition and Management**

Sections 10.554(1)(i)5.a. and 10.556(7) Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the East Lake Tarpon Special Fire Control District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

The Board of Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

### **Other Matters**

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

### **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 those specified parties.



May 10, 2021

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**ATTESTATION REPORT**

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**INDEPENDENT ACCOUNTANT’S REPORT**

The Board of Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

We have examined the East Lake Tarpon Special Fire Control District’s compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2020. Management is responsible for the District’s compliance with those requirements. Our responsibility is to express an opinion on the District’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test bases, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination 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, 2020.

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.



Tampa, Florida  
May 10, 2021

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**MEMORANDUM ON REVIEW  
OF INTERNAL CONTROL STRUCTURE**

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May 10, 2021

The Board of Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparisons for the general fund and the aggregate remaining fund information which collectively comprise the basic financial statements of the East Lake Tarpon Special Fire Control District as of and for the year ended September 30, 2020, and have issued our report thereon dated May 10, 2021.

We have issued our Report on Compliance and Internal Accounting Controls in Accordance with *Government Auditing Standards* dated May 10, 2021. Disclosures in that report, if any, should be considered in conjunction with this management memorandum.

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

In planning and performing our audit of the financial statements of East Lake Tarpon Special Fire Control District we considered the District's internal control structure to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

The Board of Commissioners  
East Lake Tarpon Special Fire Control District  
Palm Harbor, Florida

However, during our audit we observed a matter that is an opportunity for strengthening internal control and operating efficiency.

**2019-2020**

2020-1 Performance Audit

**2018-2019**

2019-1 GASB Statement No. 87

**2019 - 2020**

2020-1 Performance Audit

Recently the State Legislature passed HB 1103 relating to special district accountability. This bill could create a new section of law, Section 189.0695. It provides that certain specified independent special districts must contract with an independent entity to conduct a performance audit. Performance audit means an examination of a program, activity or function of a governmental entity, conducted in accordance with applicable government auditing standards or auditing and evaluation standards of other appropriate authoritative bodies.

We recommend that the Fire Chief and Financial Administrator follow this new legislation.

**2018 - 2019**

2019-1 GASB Statement No. 87

In June 2017, the Governmental Accounting Standards Board (GASB, the Board) issued Statement No. 87, *Leases* to provide more useful decision-making information for the users of state and local government financial statements. In many respects, Statement No. 87 is similar to the lease accounting and reporting standards established by the Financial Accounting Standards Board (FASB) for business entities. For example, both standards are based on the principle that a leased asset represents the right to use such an asset for the period of the lease term, and both address accounting and reporting requirements and lessors.

Last year we recommended that the District become familiar with this new standard.

This recommendation has been implemented.



\* \* \* \* \*

This memorandum is intended solely for the use of the District's Board of Commissioners, the Pinellas County, Florida Board of Commissioners and the State of Florida Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the courtesy and assistance provided to us by the District's personnel during our audit. We will review the status of the above comments during our next audit engagement. We have already discussed many of these comments and suggestions with District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

***SALTMARSH, CLEAVELAND & GUND, P.A.***

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**MANAGEMENT'S RESPONSE**

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**EAST LAKE TARPON  
SPECIAL FIRE CONTROL DISTRICT**  
3375 Tarpon Lake Blvd.  
Palm Harbor, FL 34685  
727-784-8668 fax: 727-474-5830  
www.elfr.org

**BOARD OF  
FIRE COMMISSIONERS**  
Randy Burr  
Maryellen Crowder  
Jim Dalrymple  
Kevin Kenney  
Tom McQueen

May 17, 2021

Saltmarsh, Cleveland & Grund  
Certified Public Accountants and Consultants  
201 N. Franklin Street, Suite 1625  
Tampa, Florida 33602

To Whom It May Concern:

In response to the audit suggestion 2020-1, recommending that the District contract with an independent entity to conduct a performance audit as outlined in Florida State HB1103: The Fire Chief and District will follow this new legislation.

Tom Jamison, Fire Chief

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**AFFADAVIT OF**

**EAST LAKE TARPON SPECIAL FIRE CONTROL DISTRICT**

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**EAST LAKE TARPON  
SPECIAL FIRE CONTROL DISTRICT**

3375 Tarpon Lake Blvd.  
Palm Harbor, FL 34685  
727-784-8668 fax: 727-474-5830  
www.elfr.org

BOARD OF  
FIRE COMMISSIONERS  
Randy Burr  
Maryellen Crowder  
Jim Dalrymple  
Kevin Kenney  
Tom McQueen

Affidavit of East Lake Tarpon Special Fire Control District

State of Florida  
SS.  
County of Pinellas

**BEFORE ME**, the undersigned Notary Public, personally appeared Jennifer Spicher, Financial Administrator, representing the East Lake Tarpon Special Fire Control District, which is located at 3375 Tarpon Lake Blvd. Palm Harbor, FL 34685, in the county of Pinellas, and makes her statement and affidavit upon oath and affirmation of belief and personal knowledge that the following matters, facts and things set forth are true and correct to the best of her knowledge:

Calculation of the Impact Fee is based on the most recent and localized data. The District accounts for and reports the impact fee collections and expenditures. The District imposes an impact fee to address its infrastructure needs and accounts for the revenues and expenditures in a separate accounting fund. The District limits administrative charges for the collection of impact fees to actual costs. Notice is provided no less than 90 days before the effective date of a resolution imposing a new or increased impact fee.

I declare under penalty of perjury under the laws of the State of Florida that the foregoing is true and correct.

*Jennifer A. Spicher*  
Jennifer Spicher, Financial Administrator

02-19-2021  
Date

Notary Public

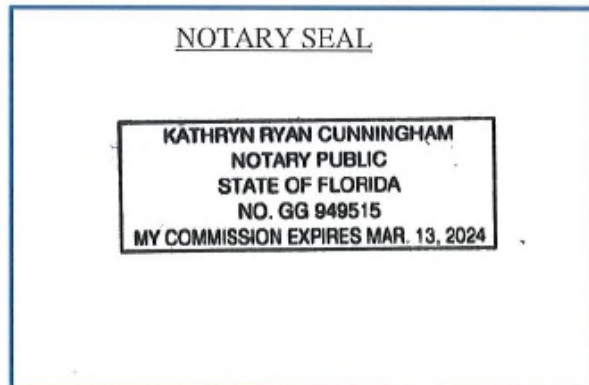
On this the 19 day of February, 2021, the foregoing instrument was sworn to and subscribed before me by Jennifer Spicher, known to me to be the person whose name is subscribed to the withing instrument.

WITNESS my hand and official seal.

*Kathryn Ryan Cunningham*  
Notary Printed Name

*Kathryn Ryan Cunningham*  
Notary Signature

My Commission Expires 3/13/2024



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