

**EAST MANATEE
FIRE RESCUE DISTRICT
FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

**EAST MANATEE FIRE RESCUE DISTRICT
FINANCIAL STATEMENTS**

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INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
East Manatee Fire Rescue District
Manatee County, Florida**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of East Manatee Fire Rescue District (the District), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information as listed in the table of contents on pages 42-43 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the

basic financial statements. The 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included with the basic financial statements. The other information comprises the schedule of fire assessment rates on pages 44–46, and impact fee affidavit on page 53, but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2025 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

Handwritten signature in black ink that reads "CS&L CPAs". The letters are cursive and somewhat stylized.

CS&L CPAs, P. A.

April 4, 2025
Bradenton, Florida

Management's Discussion and Analysis

As management of East Manatee Fire Rescue District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended September 30, 2024.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$27,774,646 (net position).
- The District's total net position increased \$1,157,503. Revenues increased \$4,645,703 while expenses decreased \$288,737.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$25,328,150, an increase of \$4,593,826 in comparison with the prior year. Of this total amount, \$7,009,201 is available for spending at the District's discretion (unassigned fund balance).
- The District's total debt at the close of the most recent fiscal year was \$5,510,000.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to East Manatee Fire Rescue District's financial statements. The District's financial statements comprise 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 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, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets plus deferred outflows of resources and liabilities, plus deferred inflows of resources, 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., uncollected revenues and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by fire assessments and ad valorem taxes, impact fees 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). The District is engaged in only governmental activities.

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund financial statements: 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. All of the funds of the District are governmental funds.

Governmental funds: Governmental funds 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. These funds are reported using the modified accrual method of accounting and the current financial resources focus. As a result, long-term assets and liabilities are not included. The District uses a General Fund and a Capital Projects Fund. The General Fund is the general operating fund. All general tax revenues are accounted for in this fund. From this fund all general operating expenditures and budgeted capital expenditures are paid. The Capital Projects Fund is used to account for impact fees collected on new construction. These revenues can only be used for the acquisition, construction or purchase of assets required to provide fire protection and emergency services to the new users of the District.

A reconciliation to facilitate the comparison between the governmental fund financial statements and the government-wide financial statements is presented.

The District adopts an annual budget for its general fund and capital projects fund. A budgetary comparison statement has been provided for both to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 12 to 15 of this report.

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 begin on page 16.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the East Manatee Fire Rescue District, assets plus deferred outflows, exceeded liabilities plus deferred inflows by \$27,774,646 at the close of the most recent fiscal year.

A large portion of the District's net position, \$27,991,596, reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment net of outstanding debt). The District uses these capital assets to provide fire protection and emergency services to citizens within the boundaries of the District; consequently, these assets are not available for future spending. The District also had significant assets in cash and investments at year-end. Investments are held in the Manatee County Investment Pool as allowed by Florida statutes.

A comparative condensed statement of net position follows:

	Net position	
	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 26,229,628	\$ 21,323,549
Capital assets	<u>33,541,596</u>	<u>29,906,728</u>
Total assets	59,771,224	51,230,277
Deferred outflows of resources	10,718,647	9,905,350
Long-term liabilities outstanding	38,599,396	32,081,404
Other liabilities	<u>680,803</u>	<u>454,554</u>
Total liabilities	<u>39,280,199</u>	<u>32,535,958</u>
Deferred inflows of resources	3,435,026	1,982,526
Net positions:		
Net Investments in capital assets	27,991,596	29,906,728
Restricted	7,855,874	5,680,848
Unrestricted	<u>(8,072,824)</u>	<u>(8,970,433)</u>
Total net position	<u>\$ 27,774,646</u>	<u>\$ 26,617,143</u>

A portion of the District's net position, \$7,855,874 represents resources from impact fees and unspent debt proceeds that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$(8,072,824). The deficit is largely due to the District's proportionate share of the net pension liability of the Florida Retirement System pursuant to GASB Statement No. 68.

The District's net position increased by \$1,157,503 during the current fiscal year.

A comparative condensed statement of activities follows:

	Changes in Net position	
	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Revenues:		
Program revenues:		
Operating grants	\$ 126,004	\$ 525,698
Charges for services	72,272	76,860
General revenues:		
Fire assessments	26,295,221	22,371,987
Impact fees	1,774,573	1,382,737
Other	<u>1,966,127</u>	<u>1,231,212</u>
Total revenues	30,234,197	25,588,494
Expenses:		
Fire Protection services	27,111,200	27,650,634
Depreciation	1,809,227	1,714,797
Interest	<u>156,267</u>	<u>-0-</u>
Total expenses	<u>29,076,694</u>	<u>29,365,431</u>
Change in net position	1,157,503	(3,776,937)
Net position – Beginning	<u>26,617,143</u>	<u>30,394,080</u>
Net position – Ending	<u>\$ 27,774,646</u>	<u>\$ 26,617,143</u>

- Fire assessment taxes (non-ad-valorem and ad-valorem) increased \$3,923,234 from the previous year.
- Impact fees increased by \$391,836, from the previous year.
- Expenses decreased \$288,737 due mainly to a decrease in fire protection services of \$539,434.

Financial Analysis of the District's Funds

The District utilizes only Governmental Funds, which include a General Fund and a Capital Projects Fund.

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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's Governmental Funds reported combined ending fund balances of \$25,328,150, an increase of \$4,593,826 in comparison with the prior year. The unassigned fund balance of the General Fund was \$7,009,201, which is available for spending at the District's discretion. \$7,781,614 of the fund balance is committed by the District for general contingencies, health insurance subsidy liabilities, debt service, and a new fire engine. An additional \$1,000,000 is assigned by the District as an emergency reserve. \$6,810,063 of the fund balance is reserved from impact fees revenue to be spent only on the acquisition, construction or purchase of assets required to provide fire protection and emergency services to the new users of the District and an additional \$1,045,811 is restricted for station 11 construction costs. A total of \$1,681,461 is nonspendable for deposits made on capital assets.

The General Fund is the operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,009,201, while total fund balance reached \$17,637,381. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 22% of total general fund expenditures.

The fund balance of the District's General Fund increased \$2,583,905 during the current fiscal year. The significant activity in the general fund was:

- Revenues in the General Fund increased by \$4,114,616, mainly due to ad valorem taxes, grants from cost recoveries and investment earnings.
- Expenditures in the General Fund increased \$6,662,935. Personal service costs increased \$1,818,975, operating costs increased \$427,059, and capital outlay increased \$3,810,634 mainly due to station 11 construction.

The Capital Projects Fund has a total fund balance of \$7,690,769, including \$880,706 of non-spendable for deposits on capital assets and \$6,810,063, which is restricted for the acquisition, construction or purchase of assets required to provide fire protection and emergency services to the new users of the District. The net increase in fund balance during the current year in the Capital Projects Fund was \$2,009,921. Revenues were \$2,080,013 and expenditures were \$70,092.

General Fund Budgetary Highlights

During the year, the General Fund budget was amended. The final budgeted revenues were \$27,180,672 compared to the original budget of \$26,864,409. The final budgeted expenditures were \$36,466,863 compared to the original budget of \$33,480,610. For the current fiscal year, actual revenues exceeded budgeted revenues by \$847,508. Actual expenditures were \$5,022,588 less than budget. Significant budget amendments included an increase in investment and miscellaneous income, as well as, operating expenses, debt service costs, and capital outlay.

Actual revenue exceeded budget due mainly to investment earnings, and miscellaneous income. Actual costs were less than budgeted expenditures due to less expenditures than expected for personal service, operating and capital outlay costs.

The General Fund budget is presented as required supplementary information on page 34.

Capital Assets

The District’s investment in capital assets amounts to \$33,541,596 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, machinery and equipment and construction in progress. The District’s investment in capital assets for the current fiscal year increased by \$3,634,868; due mainly to capital additions exceeding depreciation expense.

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Land	\$ 2,677,750	\$ 2,677,750
Building and Improvements	18,326,738	18,976,328
Land improvements	457,918	476,737
Machinery and equipment	6,710,975	7,554,114
Construction in progress	<u>5,368,215</u>	<u>221,799</u>
Total (net of depreciation)	<u>\$ 33,541,596</u>	<u>\$ 29,906,728</u>

During the current year significant capital asset activity included Station 11 construction.

See note B of this report for additional information on the District’s capital assets.

Economic Factors and Next Year’s Budgets and Rates

There are these significant issues which will affect the fiscal year 2024 – 2025.

1. Projected tax collections, assessments, and other general revenue are budgeted at approximately \$30,520,333. This will fund the existing personnel, eight additional personnel, and overall operating expenses.
2. The General Fund budget has a projected \$14,000,000 cash carry-over from the year ended September 30, 2024, which will fund the equipment for two new engines, the replacement of various administrative and command vehicles, complete the construction of new station 11, start the planning and design of a logistics facility and general fund reserves.
3. Projected impact fee collections and related revenue are budgeted at approximately \$1,000,000. This will fund equipment for eight additional personnel, and miscellaneous capital outlay due to growth.
4. The Capital Fund budget has a projected \$6,330,000 cash carry-over from the year ended September 30, 2024, which will fund the start of construction of the future Station 9, and capital fund reserves.

All of these factors were considered in preparing the district’s budget for the 2024 – 2025 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at, East Manatee Fire Rescue District, 3200 Lakewood Ranch Boulevard, Bradenton, Florida 34211.

**EAST MANATEE FIRE RESCUE DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 267,446
Investments	16,073,787
Due from other governments	351,060
Deposit on capital asset	1,681,461
Restricted assets:	
Cash and cash equivalents	1,055,823
Investments	6,800,051
Capital assets (net of accumulated depreciation):	
Land and construction in progress	8,045,965
Other capital assets, net of depreciation	25,495,631
Total assets	59,771,224
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of pension resources	10,297,855
Deferred outflows–OPEB	420,792
	10,718,647
LIABILITIES	
Accounts payable and other current liabilities	640,803
Accrued interest	40,000
Noncurrent liabilities:	
Due within one year	1,135,000
Due in more than one year	37,464,396
Total liabilities	39,280,199
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of pension earnings	2,857,237
Deferred inflows–OPEB	577,789
	3,435,026
NET POSITION	
Net investment in capital assets	27,991,596
Restricted for:	
Impact fees	7,855,874
Unrestricted	(8,072,824)
Net Position	\$ 27,774,646

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

**EAST MANATEE FIRE RESCUE DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Governmental Activities
Public Safety–Fire Protection	
Personal services	\$ 23,154,242
Operating expenses	3,956,958
Depreciation	1,809,227
Interest expense	156,267
Total program expenses	29,076,694
Program revenues:	
Operating grants	126,004
Charges for services	72,272
Net program expense	28,878,418
General Revenues:	
Fire assessments	26,295,221
Impact fees	1,774,573
Investment earnings	1,554,117
Miscellaneous	412,010
Total general revenues	30,035,921
Increase in net position	1,157,503
Net Position – beginning	26,617,143
Net Position – ending	\$ 27,774,646

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

**EAST MANATEE FIRE RESCUE DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 267,446	\$ -	\$ 267,446
Cash and cash equivalents--restricted	1,045,811	10,012	1,055,823
Investments	16,073,787	6,800,051	22,873,838
Due from other governments	351,060	-	351,060
Deposit on capital asset	800,755	880,706	1,681,461
TOTAL ASSETS	<u>\$ 18,538,859</u>	<u>\$ 7,690,769</u>	<u>\$ 26,229,628</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Accounts payable	\$ 93,855	\$ -	\$ 93,855
Accrued expenses	546,948	-	546,948
Total liabilities	<u>640,803</u>	<u>-</u>	<u>640,803</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>260,675</u>	<u>-</u>	<u>260,675</u>
Fund balances:			
Nonspendable			
Nonspendable	800,755	880,706	1,681,461
Spendable:			
Restricted	1,045,811	6,810,063	7,855,874
Committed	7,781,614	-	7,781,614
Assigned	1,000,000	-	1,000,000
Unassigned	7,009,201	-	7,009,201
Total fund balances	<u>17,637,381</u>	<u>7,690,769</u>	<u>25,328,150</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 18,538,859</u>	<u>\$ 7,690,769</u>	<u>\$ 26,229,628</u>

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

**EAST MANATEE FIRE RESCUE DISTRICT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

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

Fund Balance–Total Governmental Funds	\$ 25,328,150
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	33,541,596
Deferred outflows of resources related to the pension plan do not utilize current financial resources and, therefore are not reported in the governmental funds.	10,297,855
Deferred outflows of resources related to OPEB do not utilize current financial resources and, therefore are not reported in the governmental funds.	420,792
Deferred inflows of resources related to the pension plan are not available current financial resources and, therefore are not reported in the governmental funds.	(2,857,237)
Deferred inflows of resources related to OPEB are not available current financial resources and, therefore are not reported in the governmental funds.	(577,789)
Receivables related to requests for hurricane reimbursements from the state not received within 60 days of year–end do not meet the availability criteria, and therefore, are reported as unavailable revenue in the governmental funds.	260,675
Long–term liabilities, including revenue note, compensated absences, pension, OPEB liability and accrued interest are not due and payable in the current period and therefore, are not reported in the governmental funds.	(38,639,396)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 27,774,646</u>

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

**EAST MANATEE FIRE RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Special assessments	\$ 11,515,643	\$ -	\$ 11,515,643
Ad valorem tax	14,779,578	-	14,779,578
Impact fees	-	1,774,573	1,774,573
Charges for services	72,272	-	72,272
Investment earnings	1,248,677	305,440	1,554,117
Miscellaneous	412,010	-	412,010
Total revenues	<u>28,028,180</u>	<u>2,080,013</u>	<u>30,108,193</u>
EXPENDITURES			
Current:			
Personal services	21,507,047	-	21,507,047
Operating	3,403,680	-	3,403,680
Debt service:			
Principal	490,000	-	490,000
Interest	116,267	-	116,267
Capital outlay	5,927,281	70,092	5,997,373
Total expenditures	<u>31,444,275</u>	<u>70,092</u>	<u>31,514,367</u>
Excess of revenues over (under) expenditures	(3,416,095)	2,009,921	(1,406,174)
OTHER FINANCING SOURCES			
Proceeds from revenue note	6,000,000	-	6,000,000
Total other financing sources	<u>6,000,000</u>	<u>-</u>	<u>6,000,000</u>
Net change in fund balance	2,583,905	2,009,921	4,593,826
FUND BALANCES – Beginning	<u>15,053,476</u>	<u>5,680,848</u>	<u>20,734,324</u>
FUND BALANCES – Ending	<u><u>\$ 17,637,381</u></u>	<u><u>\$ 7,690,769</u></u>	<u><u>\$ 25,328,150</u></u>

The accompanying notes are an integral part of these financial statements

**EAST MANATEE FIRE RESCUE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

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

Net changes in fund balances – total governmental funds	\$	4,593,826
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions exceeded depreciation expense in the current period.</p>		
		3,634,868
<p>Some revenues reported in the statement of activities do not meet the availability criteria for recognition in the governmental funds. This amount represents the change in unavailable revenue.</p>		
		126,004
<p>Debt proceeds from the issuance of revenue notes are recorded in the governmental funds as an other financing source. However, the transaction has no impact on net position.</p>		
		(6,000,000)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the change in:</p>		
Repayment of principal on revenue note		490,000
Accrued interest		(40,000)
Compensated absences		(541,184)
OPEB liability		(218,473)
Deferred inflows OPEB		54,965
Deferred outflows OPEB		108,937
Net pension liability		(248,335)
Deferred inflows of pension resources		(1,507,465)
Deferred outflows of pension earnings		704,360
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 1,157,503

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

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the East Manatee Fire Rescue District, Manatee County, Florida:

- (a) Reporting Entity – East Manatee Fire Rescue District (the District) is a public municipal corporation in the State of Florida created by Laws of Florida 80–538 of the Legislature of the State of Florida in 1980. It is an independent special district.

The financial statements were prepared in accordance with the Governmental Accounting Standards Board, (GASB). Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District Board of Commissioners is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

The District assesses special assessments against taxable real estate lying within the territorial bounds of the District as defined by the State of Florida. Disbursements are made for maintenance and upkeep of the fire stations, purchase of firefighting and rescue equipment, payment of wages, employee benefits, and administrative expenses. In 2003, a referendum was passed permitting the assessment of ad valorem taxes up to 1.0 mills.

The State of Florida passed Legislation, which took effect June, 1985, and provides for the District to collect impact fees to defray the cost of improvements required to provide fire and emergency service to the new users of the District. The impact fees collected are to be used exclusively for the acquisition, purchase or construction of new facilities and equipment required to provide these services to the new users in the District, and the related debt service.

- (b) Basis of Presentation – The District’s financial statements include Government-wide (which reports the District as a whole) and Fund financial statements (which report only on the General and Capital Projects Funds). The financial statements present only governmental activities, as the District conducts no business type activities. The District does not have fiduciary funds.

Basis of Accounting: Financial Statements – Government Wide Statements– The Government-Wide Financial Statements (Statement of Net position and Statement of Activities) are prepared using the economic resources measurement focus and the accrual basis of accounting. For the most part, interfund activity has been removed from these statements. Government-wide financial statements include a Statement of Net Position and a Statement of Activities. The Statement of Net Position reports all financial and capital resources of the District’s governmental activities. It is presented in a net position format (assets plus deferred outflows less liabilities plus deferred inflows equal net position) and shown with three components: net investment in capital assets, restricted net position and unrestricted net position. The statement of activities reports direct program expenses offset by program

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) Basis of Presentation – Continued

revenues. The amounts reported as program revenues include charges for services, as well as capital and operating grants and contributions, when applicable. General revenues include taxes and other items not properly included as program revenue.

Financial Statements – Fund Financial Statements – The District’s accounts are organized on the basis of funds, which are self-balancing set of accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The District utilizes Governmental funds, which follow the modified accrual basis of accounting.

Under this method, revenues are recorded when they become 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. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a fund liability is incurred. The District reports the following governmental funds, which are both considered major funds:

Governmental Funds

- (1) General Fund – The General Fund is the general operating fund of the District. All general tax revenues are accounted for in this fund. From the Fund are paid the general personal service and operating expenditures, as well as budgeted capital expenditures.
 - (2) Capital Projects Fund – The Capital Projects Fund is used to account for Impact Fees collected on new construction. These revenues can only be used for the acquisition, construction or purchase of assets required to provide fire protection and emergency services.
- (c) Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
- (d) Budgets and Budgetary Accounting – The District prepares an annual operating budget for the fiscal year commencing October 1. Prior to September 1 of each year, the Secretary/Treasurer of the District's Board of Commissioners prepares a proposed budget for the upcoming fiscal year. The budget is based on an analysis of prior year actual revenues and expenditures along with anticipated spending and revenue sources.

Once the proposed budget is compiled, it is brought before the Board of Commissioners for approval.

Expenditures should not exceed the total appropriations. Appropriations lapse at the end of the year.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- (e) Interfund Receivables/Payables – Interfund receivables/payables arise from temporary interfund transfers. When a fund has an interfund receivable and an interfund payable to the same fund, the amounts are recorded in separate accounts. Internal activity and balances between governmental funds has been eliminated in the government-wide statement of net position, as applicable.
- (f) Property Taxes – Property taxes become due and payable on November 1 of each year. The county tax collector remits the District's portion as such revenues are received. The District collects nearly all of its tax revenues during the period November 1 through April 1, at which time the taxes become delinquent. The maximum rates of tax are set by the Legislature of the State of Florida. Actual assessment amounts vary based on a sliding scale of property values and type of property involved and is determined by the Board of Commissioners of the District.

The key dates in the property tax cycle are as follows:

Assessment roll validated	July 1
Beginning of fiscal year for which taxes have been levied	October 1
Tax bills rendered and due	November 1
Property taxes payable:	
Maximum discount	November 30
Delinquent	April 1
Tax certificates sold	May 31
Fiscal year begins	October 1
Fiscal year ends	September 30

Property taxes are recognized as revenue in the fiscal year for which the taxes have been levied to the extent they result in current receivables. Under the system outlined above, no material amount of taxes is receivable after the end of the fiscal year.

- (g) Net Position – Net position is reported in three parts as applicable: Net investment in capital assets, restricted and unrestricted. When both restricted and unrestricted resources are available, restricted resources are used first, and then unrestricted resources, as they are needed.
- (h) Fund Balance – The District follows Governmental Accounting Standards Board Statement (GASB) 54. GASB 54 established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are Non-spendable and Spendable. Spendable is then further classified as Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

In accordance with GASB Statement 54, the District classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

- Restricted – includes amounts that can be spent only for specific purposes because of State or Federal laws or enabling legislation, or which are externally restricted by providers, such as creditors or grantors.
- Committed – includes amounts that can be spent only for specific purposes that are approved by a formal action of the Board of Commissioners through a resolution or the budget process.
- Assigned – includes amounts designated for a specific purpose by the Board of Commissioners through a resolution or the budget process, or by the Fire Chief, which are neither restricted or committed.
- Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District uses restricted amounts first when both restricted and unrestricted fund balance is available, unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The District does not have a formal minimum fund balance policy.

	<u>General Fund</u>	<u>Capital Projects Fund</u>
<u>Non-Spendable:</u>		
Deposits	\$ 800,755	\$ 880,706
<u>Spendable:</u>		
Restricted	1,045,811	6,810,063
Committed to:		
General reserves	1,000,000	-0-
Health insurance subsidy	2,000,000	-0-
Debt service	2,487,371	-0-
New fire engine	2,294,243	-0-
	<u>7,781,614</u>	<u>-0-</u>
Assigned to:		
Emergency Reserve	1,000,000	-0-
<u>Unassigned:</u>		
Unassigned	7,009,201	-0-
Total Fund Balances	<u>\$ 17,637,381</u>	<u>\$ 7,690,769</u>

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(i) Deposits and Investments

Demand and Time Deposits

At September 30, 2024, the District had demand deposits held in a qualified public depository. Deposits whose values exceeded federal depository insurance limits were entirely insured or collateralized pursuant to Chapter 280 of the Florida Statutes. At September 30, 2024, the carrying amounts of the District's deposits were \$1,323,269 and the bank balance was \$2,589,193.

Investments

Florida Statute 218.415 authorizes the District to invest in the following:

- (1) Local Government Surplus Funds Trust Fund or an intergovernmental investment pool authorized through the Florida Interlocal Cooperation Act, (including the Manatee County investment pool).
- (2) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating company.
- (3) Interest bearing time deposits or savings accounts in state-certified Qualified Public Depositories as defined in Section 280.02 Florida Statutes.
- (4) Direct obligations of the U.S. Treasury.

Credit and Concentration of Credit Risk

The District has investments in the Manatee County Investment pool (the Pool), which is considered an external investment pool. The District's investment in the Pool is its shares held, not the underlying investments held in the Pool. The investments in the Pool are subject to overnight withdrawal, and are recorded at fair value. The Pool is not registered with the Securities and Exchange Commission and has not been rated at September 30, 2024.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the Pool is limited to having investments with a maturity of three years or less from the date of purchase with a weighted average to maturity of less than two years. At September 30, 2024, the Pool had no investments with a maturity exceeding three years. The Pool's investments have a weighted average of less than two years. For further information regarding the Manatee County Investment Pool, readers should refer to the financial statements and disclosures of Manatee County, Florida.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fair Value Measurements

Fair Value Measurements – The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs for similar assets; and Level 3 inputs are significant unobservable inputs.

At September 30, 2024, the District had the following investments:

<u>General Fund:</u>	<u>Fair Value</u>	<u>Fair Value Hierarchy</u>
Manatee County Investment Pool:	<u>\$ 16,073,787</u>	Level 2
<u>Capital Projects Fund:</u>		
Manatee County Investment Pool:		
Restricted – Impact Fees	<u>\$ 6,800,051</u>	Level 2

Investments classified as level 2 of the fair value hierarchy use valuation techniques that reflect market participant’s assumptions and maximize the use of relevant observable inputs including quoted prices for similar assets, benchmark yield curves and market corroborated inputs.

- (j) Compensated Absences – It is the District’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued pursuant to the District’s policy when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured or are payable from current financial resources. Compensated absences typically are liquidated out of the General Fund.

The District has adopted a Health Insurance Subsidy Plan. Upon death or retirement of an employee from the District, the employee shall have 75% of their accrued sick time converted to a Health Insurance Subsidy Plan (HIS). Retirement is defined as: an employee, who has voluntarily terminated employment with the District and, prior to the time of termination, has been approved in writing by the State of Florida to receive retirement benefits. In the event of death, the surviving spouse or underage children of the deceased employee shall receive benefits of the HIS. The District shall provide monthly premiums up to the dollar value of the accrued sick leave at the time the employee retires. When the dollar value of sick leave is exhausted, the retiree may continue in the subsidy plan at their own expense.

An estimate of the potential payout for sick leave under the health insurance subsidy plan has been recorded as a liability in the government-wide financial statements.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- (k) Capital Assets – Capital assets, which include property, plant, equipment, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life of longer than one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal repair and maintenance that do not add to the value of the asset or extend the useful life of the asset are expensed as incurred. The District does not have infrastructure assets.

Property, plant and equipment of the District are depreciated on a straight-line basis over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Building	40
Improvements	20
Ladder Trucks	20
Fire Engines	10
Vehicles	5
Furniture, fixtures and equipment	5-10

- (l) Long-Term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. In the fund financial statements, no long-term obligations are reported as they are not due to be paid from current financial resources.
- (m) Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Two items qualify for reporting in this category. A deferred outflow of pension resources and a deferred outflow of OPEB are reflected in the government-wide statement of net position.

In addition to liabilities, the statement of net position and governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Three items qualify for reporting in this category. A deferred inflow of pension earnings and a deferred inflow of OPEB are reported in the government-wide statement of net position. A deferred inflow for unavailable revenue is reported in the governmental fund balance sheet.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 2,677,750	\$ -0-	\$ -0-	\$ -0-	\$ 2,677,750
Construction in progress	<u>221,799</u>	<u>5,146,416</u>	<u>-0-</u>	<u>-0-</u>	<u>5,368,215</u>
Total capital assets, not being depreciated	<u>2,899,549</u>	<u>5,146,416</u>	<u>-0-</u>	<u>-0-</u>	<u>8,045,965</u>
Capital assets being depreciated:					
Buildings and improvements	24,761,314	-0-	-0-	-0-	24,761,314
Land improvements	752,748	-0-	-0-	-0-	752,748
Machinery and equipment	<u>15,015,130</u>	<u>297,679</u>	<u>56,091</u>	<u>-0-</u>	<u>15,256,718</u>
Total capital assets being depreciated	<u>40,529,192</u>	<u>297,679</u>	<u>56,091</u>	<u>-0-</u>	<u>40,770,780</u>
Less accumulated depreciation for:					
Buildings and improvements	5,784,986	649,590	-0-	-0-	6,434,576
Land improvements	276,011	18,819	-0-	-0-	294,830
Machinery and equipment	<u>7,461,016</u>	<u>1,140,818</u>	<u>56,091</u>	<u>-0-</u>	<u>8,545,743</u>
Total accumulated depreciation	<u>13,522,013</u>	<u>1,809,227</u>	<u>56,091</u>	<u>-0-</u>	<u>15,275,149</u>
Total capital assets, being depreciated, net	<u>27,007,179</u>	<u>(1,511,548)</u>	<u>-0-</u>	<u>-0-</u>	<u>25,495,631</u>
Governmental activities capital assets, net	<u>\$ 29,906,728</u>	<u>\$ 3,634,868</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 33,541,596</u>

Depreciation expense was reported as a separate line item in the statement of activities in the amount of \$1,809,227.

NOTE C – LONG-TERM LIABILITIES

General long-term debt consisted of the following at September 30, 2024:

During 2024 the District issued the East Manatee Fire Rescue District Non-Ad Valorem Revenue Note, Series 2024 (Revenue Note, Series 2024), which is payable in semi-annual principal and interest payments. The purpose of the note is to finance the cost of Station 11 construction. The Revenue Note, Series 2024 bears interest at a fixed rate of 4.36%, and matures February 1, 2029. The District may not optionally prepay the principal amount of the note prior to February 1, 2027. The note is collateralized by lawfully available non-ad valorem revenues.

Revenue Note, Series 2024	<u>5,510,000</u>
	<u>\$ 5,510,000</u>

Future Maturities

Total annual debt service requirements for all long-term debt governmental activities are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 1,135,000	\$ 228,028	\$ 1,363,028
2026	1,185,000	177,997	1,362,997
2027	1,235,000	125,786	1,360,786
2028	1,290,000	71,286	1,361,286
2029	<u>665,000</u>	<u>14,497</u>	<u>679,497</u>
TOTAL	<u>\$ 5,510,000</u>	<u>\$ 617,594</u>	<u>\$ 6,127,594</u>

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE C – LONG-TERM LIABILITIES – CONTINUED

In the event of a default, the lender may take one or more of the following actions:

(i) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable (other than a declaration of all amounts as immediately due and payable, as described below) to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the District under the Related Documents, whether for specific performance of any agreement or covenant of the District or in aid of the execution of any power granted to the Lender in the Related Documents;

(ii) declare the principal of and interest on the Loan and all other Obligations owing hereunder to be immediately due and payable, in which case such principal, interest and Obligations shall be immediately due and payable and, if the Loan should be declared due and payable prior to February 1, 2027, the District shall also pay any Breakage Payment due as a result thereof, calculated as provided in Exhibit D; provided that, if any Event of Default described in Section 7.01(f), (g) or (h) of the agreement shall occur, all of the Obligations of the District under this Agreement and the Note shall automatically mature and be due and payable on the date of the occurrence of such Event of Default without presentment, demand for payment, protest or notice of any kind to the District or any other Person, all of which are hereby expressly waived;

(iii) direct the District to apply the Non-Ad Valorem Revenues to the payment of the Obligations outstanding in which case the District shall apply the Non-Ad Valorem Revenues to the payment of the Obligations outstanding until such time as all Obligations are repaid on full;

(iv) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; provided, however, that the Lender shall have no obligation to effect such a cure; and

(v) exercise, or cause to be exercised, except as described above, any and all remedies as it may have under the Related Documents and as otherwise available at law and at equity, including those rights and remedies available to a secured party under the UCC (whether or not the UCC applies) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a pledge of collateral or security agreement.

Accrued Compensated Absences – As disclosed in Note A, the District provides for the accumulated benefit of earned vacation for its employees. In addition, it has adopted a Retirees Insurance Subsidy Plan through accumulated sick time. The estimated liability for the accumulated amount of vacation time was \$1,507,145 at September 30, 2024. The estimated liability at September 30, 2024 to be paid through the Retirees Insurance Subsidy Plan for accumulated sick time was \$1,245,211. These amounts have been recorded as liabilities in the government-wide financial statements. As they are not expected to be paid for using current financial resources, these liabilities have not been recorded in the fund financial statements.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE C – LONG-TERM LIABILITIES – CONTINUED

Changes in Long-Term Liabilities

Long-term liability activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Notes Payable-Direct Borrowings					
Revenue Note, Series 2024	\$ -0-	\$ 6,000,000	\$ (490,000)	\$ 5,510,000	\$ 1,135,000
Total Notes Payable-Direct Borrowings	<u>-0-</u>	<u>6,000,000</u>	<u>(490,000)</u>	<u>5,510,000</u>	<u>1,135,000</u>
OPEB Liability	1,433,942	297,436	(78,963)	1,652,415	-0-
Net Pension Liability	28,436,290	16,773,470	(16,525,135)	28,684,625	-0-
Compensated Absences	<u>2,211,172</u>	<u>1,747,143</u>	<u>(1,205,959)</u>	<u>2,752,356</u>	<u>-0-</u>
Governmental activity:					
Long-term liabilities	<u>\$ 32,081,404</u>	<u>\$ 24,818,049</u>	<u>\$ (18,300,057)</u>	<u>\$ 38,599,396</u>	<u>\$ 1,135,000</u>

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

Explanation of certain differences between the governmental fund balance sheet and government-wide statement of net position.

The reconciliation between the fund balance – total governmental funds as reported in the governmental fund balance sheet and net position – governmental activities as reported in the statement of net position, is included on page 13 of the basic financial statements. One line of that reconciliation explains “long-term liabilities, including revenue note, compensated absences, pension, OPEB liability and accrued interest are not due and payable in the current period and therefore, are not reported in the governmental funds.”

The detail of the differences is shown below:

Revenue Note, Series 2024	\$ 5,510,000
OPEB liability	1,652,415
Net pension liability	28,684,625
Compensated absences	2,752,356
Accrued interest	<u>40,000</u>
	<u>\$ 38,639,396</u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and government-wide statement of activities.

The reconciliation between the net changes in fund balances – total governmental funds as reported in the statement of revenues, expenditures and changes in fund balances, and the changes in net position as reported in the statement of activities is included on page 15 of the basic financial statements. One line in that reconciliation explains that “Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – CONTINUED

The detail of the differences is shown below:

Capital additions included as expenditures in the funds	\$ 5,444,095
Depreciation expense	<u>(1,809,227)</u>
	<u>\$ 3,634,868</u>

NOTE E – RETIREMENT PLAN

Plan Description

All part-time and full-time permanent employees of the District are provided with pensions through the Florida Retirement System which is administered by the Florida Department of Management Services, Division of Retirement. The State of Florida issues a publicly available annual comprehensive financial report. The report can be obtained at the following website;

<https://www.myfloridacfo.com/transparency/state-financial-reports/FL-ACFR>.

Under this system, there are two defined benefit pension plans: The Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program:

- The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes.
- The Retiree Health Insurance Subsidy Program (HIS) is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes.

Benefits Provided

The FRS provides retirees a lifetime pension benefit with joint and survivor payment options. Benefits under FRS are computed on the basis of age and/or years of service, average final compensation and service credit. Credit for each year of service is expressed as a percentage of the average final compensation.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

Benefits Provided – Continued

If first employed prior to July 1, 2011: Normal retirement age for “regular employees is 62 or 30 years of service and vesting occurs after 6 years of creditable service. Normal retirement age for “special risk” employees is 55 or 25 years of service and vesting occurs after 6 years of creditable service. The average final compensation is the average of the five highest fiscal years’ earnings.

If first employed on or after July 1, 2011: Normal retirement age for “regular employees is 65 or 33 years of service and vesting occurs after 8 years of creditable service. Normal retirement age for “special risk” employees is 60 or 30 years of service and vesting occurs after 8 years of creditable service. The average final compensation is the average of the eight highest fiscal years’ earnings.

The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Under the HIS Plan, the benefit is a monthly payment to assist retirees in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the Maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree must provide proof of eligible health insurance coverage, which can include Medicare.

Contributions

Per Chapter 121, Florida Statutes, contribution requirements of the active employees and the participating employers are established and may be amended by the Florida Department of Management Services, Division of Retirement. Effective July 1, 2011, both employee and employers of the FRS are required to make contributions to establish service credit for work performed in a regularly established position. The Florida Legislature established a uniform contribution rate system for the FRS. The uniform rates are based on the class an employee is placed into which requires employees to contribute 3% and employers to contribute a specified percentage based on class. The District’s contractually required contribution rate for the year ended September 30, 2024, ranged from 32.67% – 32.79% for special risk employees, 13.57% – 13.63% for regular employees, and was 21.13% for DROP, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the District were \$4,073,088 for the year ended September 30, 2024.

The HIS Program is funded by required contributions of 2.00% and is included in the contribution rates noted above.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

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

At September 30, 2024, the District reported a liability of \$28,684,625 for its proportionate share of the net pension liability which includes both FRS and HIS. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the District’s proportion was .062536960% for FRS and .029947305% for HIS.

For the year ended September 30, 2024, the District recognized pension expense of \$4,921,298. At September 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>FRS</u>		<u>HIS</u>	
	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 2,444,065	\$ -0-	\$ 43,377	\$ (8,626)
Changes in assumptions	3,315,767	-0-	79,505	(531,841)
Net difference between projected and actual earnings on pension plan investments	-0-	(1,607,942)	-0-	(1,625)
Changes in proportion and differences between contributions and proportionate share of contributions	2,860,865	(533,329)	591,619	(173,874)
District contributions subsequent to the June 30, 2024 measurement date	<u>898,197</u>	<u>-0-</u>	<u>64,460</u>	<u>-0-</u>
	<u>\$ 9,518,894</u>	<u>\$ (2,141,271)</u>	<u>\$ 778,961</u>	<u>\$ (715,966)</u>

Total deferred outflows were \$10,297,855 and total deferred inflows were \$2,857,237. \$898,197 (FRS) and \$64,460 (HIS) reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending September 30:</u>	<u>FRS</u>	<u>HIS</u>
2025	\$ 1,204,330	\$ 41
2026	1,204,330	41
2027	1,204,330	41
2028	1,204,330	41
2029	1,204,330	41
Thereafter	<u>457,776</u>	<u>(1,670)</u>
	<u>\$ 6,479,426</u>	<u>\$ (1,465)</u>

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

Actuarial Assumptions

The total pension liability in the July 1, 2024 actuarial valuation (June 30, 2024 measurement date) was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.50 percent, including inflation
Investment rate of return	6.70 percent, including inflation at 2.40%

Mortality rates for FRS were based on the PUB-2010 base table, projected generationally with Scale MP-2021, and mortality rates for HIS were based on the Generational PUB-2010 with Projection Scale MP-2021.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023. Because the HIS is funded on a pay-as-you-go basis, no experience study has been completed for that Plan, but were based on certain results of the most recent experience study for the FRS Plan.

The long-term expected rate of return on pension plan investments was determined in October 2024 by outside investment consultants to the Florida State Board of Administration. The table below shows the assumptions for each of the asset classes based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption, (2.40%). These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Annual Target Allocation</u>	<u>Arithmetic Return</u>
Cash	1.00%	3.3%
Fixed Income	29.00%	5.7%
Global Equity	45.00%	8.6%
Real Estate	12.00%	8.1%
Private Equity	11.00%	12.4%
Strategic Investments	2.00%	6.6%

Discount Rate

The discount rate used to measure the total FRS pension liability was 6.70% based on the most recent study, and the HIS pension liability was 3.93%. The HIS rate increased from 3.65% in the prior year, based on the most recent actuarial study. The HIS rate is based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the 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.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE E – RETIREMENT PLAN – CONTINUED

Discount Rate – Continued

The following changes in actuarial assumptions occurred in 2024 for HIS:

All demographic assumptions and methods were reviewed as part of the 2024 Experience Study. Changes were adopted by the 2024 FRS Actuarial Assumption Conference during its meetings in October 2024.

The coverage election assumptions were updated to reflect recent and anticipated future experience of HIS program participants. Changes were adopted by the 2024 FRS Actuarial Assumption Conference during its October 2024 meeting.

The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates. The previous rate was 3.65%.

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

The following presents the District's proportionate share of the FRS net pension liability, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1–percentage–point lower or 1–percentage–point higher than the current rate :

	<u>1% Decrease</u>	<u>Discount Rate (6.70%)</u>	<u>1% Increase</u>
District's proportionate share of the FRS net pension liability	\$ 42,553,298	\$ 24,192,237	\$ 8,810,954

The following presents the District's proportionate share of the HIS net pension liability, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1–percent–point lower or 1–percentage–point higher than the current rate

	<u>Discount Rate 1% Decrease</u>	<u>(3.93%)</u>	<u>1% Increase</u>
District's proportionate share of the HIS net pension liability	\$ 5,114,007	\$ 4,492,388	\$ 3,976,345

Pension Plan Fiduciary Net Position

The District's proportion of net position has been determined on the same basis of each plan. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of Florida comprehensive annual financial report.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE F – OTHER POST EMPLOYMENT HEALTHCARE SUBSIDIARY BENEFIT PLAN

Plan Description

The District’s Retiree Health Care Plan (Plan) is a single–employer defined benefit postemployment health care plan that covers eligible retired employees of the District. The Plan, which is administered by the District, allows employees who retire and meet retirement eligibility requirements under one of the District’s retirement plans to continue medical and life insurance coverage as a participant in the District’s plan. For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust, as the Plan is not funded through a trust.

Plan membership at October 1, 2022 (date of actuarial valuation):

Inactive plan members or beneficiaries currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	<u>121</u>
Total	<u>130</u>

Benefits Provided

A retired employee and his or her spouse are eligible to continue health insurance identical to active employees if they meet the eligibility for retirements under the applicable Plan. The retiree is responsible for paying the entire monthly premium for health coverage and that of any covered spouse or eligible dependents.

Actuarial Assumptions

The measurement date is September 30, 2024.

The measurement period for the OPEB expense was October 1, 2023 to September 30, 2024. The reporting period is October 1, 2023 through September 30, 2024.

The Total OPEB Liability was determined by an actuarial valuation as of October 1, 2022, updated to September 30, 2024, using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	varies by service
Discount Rate	4.06%
Initial Trend Rate	7.25%
Ultimate Trend Rate	4.00%
Years to Ultimate	52

Mortality:

All mortality rates were based on the Pub–2010 mortality tables with fully generational improvement using Scale MP–2021. Rates are based on those outlined in the July 1, 2023 Florida Retirement System (FRS) actuarial valuation report.

Mortality – Active Lives:

For female (non–special risk) lives, the headcount–weighted PubG–2010 female employee table, Scale MP–2021 was used. For male (non–special risk) lives, the headcount–weighted PubG–2010 male below–median income employee table, with one year setback, Scale MP–2021, was used. For female special risk lives, the headcount–weighted female PubS–2010 employee table set forward one year, Scale MP–2021 was used. For male special risk lives, the headcount–weighted PubS–2010 male below–median income employee table, set forward one year, Scale MP–2021 was used.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE F – OTHER POST EMPLOYMENT HEALTHCARE SUBSIDIARY BENEFIT PLAN – CONTINUED

Mortality – Inactive Healthy Lives:

For female (non-special risk) lives, the headcount-weighted PubG-2010 female below-median income healthy retiree table, Scale MP-2021 was used. For male (non-special risk) lives, the headcount-weighted PubG-2010 male below-median income healthy retiree table, set back one year, Scale MP-2021 was used. For female special risk lives, the headcount-weighted PubS-2010 for healthy retirees table, set forward one year, Scale MP-2021 was used. For male special risk lives, the headcount-weighted PubS-2010 for healthy retirees table, set forward one year, Scale MP-2021 was used.

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 4.06%. The high-quality municipal bond rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices nearest the measurement date. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor’s Rating 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, 2024, the Sponsor will recognize OPEB Expense of \$135,634. The changes in total OPEB liability are as follows:

	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2023	\$ 1,433,942
Changes for a Year:	
Service Cost	80,237
Interest	71,841
Differences Between Expected and Actual Experience	-0-
Changes in Assumptions	145,358
Changes in Benefit Terms	-0-
Contributions – Employer	-0-
Benefit Payments	(78,963)
Other Changes	-0-
Net Changes	218,473
Reporting Period Ending September 30, 2024	\$ 1,652,415

Changes in assumptions reflect a change in the discount rate from 4.87% for the reporting period ended September 30, 2023 to 4.06% for the reporting period ended September 30, 2024. Also reflected are updated health care costs and premiums, and updated health care cost trend rates.

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

The following presents the Total OPEB Liability of the Sponsor, as well as what the Sponsor’s Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	3.06%	4.06%	5.06%
Total OPEB Liability (Asset)	\$ 1,858,440	\$ 1,652,415	\$ 1,475,412

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE F – OTHER POST EMPLOYMENT HEALTHCARE SUBSIDIARY BENEFIT PLAN – CONTINUED

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

The following presents the Total OPEB Liability of the Sponsor, as well as what the Sponsor's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease <u>3.00% – 6.25%</u>	Healthcare Cost Trend Rates <u>4.00% – 7.25%</u>	1% Increase <u>5.00% – 8.25%</u>
Total OPEB Liability (Asset)	\$ 1,481,125	\$ 1,652,415	\$ 1,861,982

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual Experience	\$ 140,985	\$ -0-
Changes of assumptions	<u>279,807</u>	<u>577,789</u>
Total	<u>\$ 420,792</u>	<u>\$ 577,789</u>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB Expense as follows:

Year ended September 30:	
2025	\$ (18,544)
2026	\$ (18,544)
2027	\$ (18,544)
2028	\$ (18,544)
2029	\$ (18,544)
Thereafter	\$ (64,277)

NOTE G – CONCENTRATIONS OF LABOR SUBJECT TO COLLECTIVE BARGAINING AGREEMENT

The District's professional Firefighters, lieutenants and captains, which represent a significant portion of the District's employees, are represented by a Union.

NOTE H – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

NOTE I – COMMITMENTS

The District entered into a construction contract for Fire Station 11. At year end, the amount of the contract totaled \$5,079,436, of which \$4,481,481 was completed. The remaining amounts are expected to be completed in 2025.

REQUIRED SUPPLEMENTARY INFORMATION

**EAST MANATEE FIRE RESCUE DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Fire protection services –				
Fire assessments	\$ 11,424,755	\$ 11,482,353	\$ 11,515,643	\$ 33,290
Ad valorem assessments	14,712,654	14,727,217	14,779,578	52,361
Investment income	550,000	670,000	1,248,677	578,677
Charges for services	30,000	50,000	72,272	22,272
Miscellaneous	147,000	251,102	412,010	160,908
	<u>26,864,409</u>	<u>27,180,672</u>	<u>28,028,180</u>	<u>847,508</u>
EXPENDITURES				
Personal services	23,865,945	23,847,515	21,507,047	2,340,468
Operating expenditures	4,096,221	4,447,237	3,403,680	1,043,557
Capital outlay	5,518,444	7,565,844	5,927,281	1,638,563
Debt Service:				
Principal	–	490,000	490,000	–
Interest	–	116,267	116,267	–
	<u>33,480,610</u>	<u>36,466,863</u>	<u>31,444,275</u>	<u>5,022,588</u>
Excess of revenue over (under) expenditures	(6,616,201)	(9,286,191)	(3,416,095)	5,870,096
OTHER FINANCING SOURCES				
Proceeds from revenue note	–	6,068,834	6,000,000	(68,834)
	<u>–</u>	<u>6,068,834</u>	<u>6,000,000</u>	<u>(68,834)</u>
Total other financing sources	–	6,068,834	6,000,000	(68,834)
Change in fund balance	(6,616,201)	(3,217,357)	2,583,905	5,801,262
FUND BALANCE – October 1, 2023	<u>15,053,476</u>	<u>15,053,476</u>	<u>15,053,476</u>	<u>–</u>
FUND BALANCE – September 30, 2024	<u>\$ 8,437,275</u>	<u>\$ 11,836,119</u>	<u>\$ 17,637,381</u>	<u>\$ 5,801,262</u>

Note 1 – Basis of Budgeting

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**EAST MANATEE FIRE RESCUE DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
REVENUES				
Fire protection services –				
Impact fees	\$ 800,000	\$ 1,500,000	\$ 1,774,573	\$ 274,573
Investment earnings	40,000	170,000	305,440	135,440
Total revenues	840,000	1,670,000	2,080,013	410,013
EXPENDITURES				
Capital outlay	2,167,000	167,000	70,092	96,908
Total expenditures	2,167,000	167,000	70,092	96,908
Change in fund balance	(1,327,000)	1,503,000	2,009,921	506,921
FUND BALANCE – October 1, 2023	<u>5,680,848</u>	<u>5,680,848</u>	<u>5,680,848</u>	<u>-</u>
FUND BALANCE – September 30, 2024	<u>\$ 4,353,848</u>	<u>\$ 7,183,848</u>	<u>\$ 7,690,769</u>	<u>\$ 506,921</u>

Note 1 – Basis of Budgeting

The budget basis is in accordance with accounting standards generally accepted in the United States of America.

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY**

FLORIDA RETIREMENT SYSTEM (FRS)

	2015	2016	2017	2018	2019	2020	2021	** 2022	2023	2024
District's proportion of the net pension liability	0.033043383%	0.038901315%	0.038471325%	0.041519737%	0.041618818%	0.046000077%	0.046283121%	0.055341211%	0.059341099%	0.062536960%
District's proportionate share of the net pension liability	\$ 4,267,996	\$ 9,822,613	\$ 11,379,560	\$ 12,505,960	\$ 14,332,942	\$ 19,937,111	\$ 3,496,164	\$ 21,036,717	\$ 23,645,550	\$ 24,192,237
District's covered-employee payroll	\$ 5,187,320	\$ 5,311,651	\$ 5,829,139	\$ 6,111,071	\$ 6,571,082	\$ 7,582,202	\$ 8,959,588	\$ 11,191,521	\$ 12,233,390	\$ 13,155,435
District's proportionate share of the net pension liability as a % of its covered-employee payroll	82%	185%	195%	205%	218%	263%	39%	188%	193%	184%
Plan fiduciary net position as a % of total pension liability	92.00%	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%	83.70%

**--Myakka City Fire Control District merged with East Manatee Fire Rescue District effective October 1, 2021.

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY**

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2015	2016	2017	2018	2019	2020	2021	** 2022	2023	2024
District's proportion of the net pension liability	0.016702651%	0.017615541%	0.017391775%	0.018857994%	0.019101739%	0.020757834%	0.024068264%	0.029205400%	0.030165851%	0.029947305%
District's proportionate share of the net pension liability	\$ 1,703,408	\$ 2,053,018	\$ 1,859,609	\$ 1,995,951	\$ 2,137,293	\$ 2,534,498	\$ 2,952,334	\$ 3,171,436	\$ 4,790,740	\$ 4,492,388
District's covered-employee payroll	\$ 5,187,320	\$ 5,311,651	\$ 5,829,139	\$ 6,111,071	\$ 6,571,082	\$ 7,582,202	\$ 8,959,588	\$ 11,191,521	\$ 12,233,390	\$ 13,155,435
District's proportionate share of the net pension liability as a % of its covered-employee payroll	33%	39%	32%	33%	33%	33%	33%	28%	39%	34%
Plan fiduciary net position as a % of total pension liability	0.50%	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%	4.80%

**--Myakka City Fire Control District merged with East Manatee Fire Rescue District effective October 1, 2021.

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

FLORIDA RETIREMENT SYSTEM (FRS)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution **	\$ 805,626	\$ 948,671	\$ 1,001,503	\$ 1,183,279	\$ 1,290,484	\$ 1,528,379	\$ 1,763,187	\$ 2,412,584	\$ 2,854,689	\$ 3,541,239
Contributions in relation to the contractually required contribution	805,626	948,671	1,001,503	1,183,279	1,290,484	1,528,379	1,763,187	2,412,584	2,854,689	3,541,239
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,187,320	\$ 5,311,651	\$ 5,829,139	\$ 6,111,071	\$ 6,571,082	\$ 7,582,202	\$ 8,959,588	\$ 11,191,521	\$ 12,233,390	\$ 13,155,435
Contributions as a percentage of covered-employee payroll	15.53%	17.86%	17.18%	19.36%	19.64%	20.16%	19.68%	21.56%	23.34%	26.92%

** - contributions noted per this schedule are pursuant to the measurement date of the actuarial report.

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS**

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution **	\$ 63,848	\$ 90,291	\$ 92,042	\$ 102,267	\$ 106,070	\$ 119,618	\$ 141,473	\$ 181,180	\$ 198,436	\$ 253,543
Contributions in relation to the contractually required contribution	<u>63,848</u>	<u>90,291</u>	<u>92,042</u>	<u>102,267</u>	<u>106,070</u>	<u>119,618</u>	<u>141,473</u>	<u>181,180</u>	<u>198,436</u>	<u>253,543</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,187,320	\$ 5,311,651	\$ 5,829,139	\$ 6,111,071	\$ 6,571,082	\$ 7,582,202	\$ 8,959,588	\$ 11,191,521	\$ 12,233,390	\$ 13,155,435
Contributions as a percentage of covered-employee payroll	1.23%	1.70%	1.58%	1.67%	1.61%	1.58%	1.58%	1.62%	1.62%	1.93%

** - contributions noted per this schedule are pursuant to the measurement date of the actuarial report.

**EAST MANATEE FIRE RESCUE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial assumptions for both defined benefit plans (FRS and HIS) are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. This HIS Plan has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed for the period July 1, 2018, through June 30, 2023. Because the HIS Plan is funded on a pay-as-you-go basis, no experience study has been completed for this plan. The actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS pension plan.

The total pension liability for the FRS and HIS plan was determined by an actuarial valuation as of July 1, 2024. Both plans used the individual entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth for both plans is assumed at 3.50%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS Plan uses a pay-as-you-go funding structure, a municipal bond rate of 3.93% was used to determine the total pension liability for the plan. Mortality assumptions for the FRS Pension Plan was based on the PUB-2010 base table, projected generationally with Scale MP-2021, and mortality assumptions for the HIS Plan were based on the Generational PUB-2010 with Projection Scale MP-2021.

The following changes in actuarial assumptions occurred in 2024 for the HIS Plan:

- All demographic assumptions and methods were reviewed as part of the 2024 Experience Study. Changes were adopted by the 2024 FRS Actuarial Assumption Conference during its meetings in October 2024.
- The coverage election assumptions were updated to reflect recent and anticipated future experience of HIS plan participants. Changes were adopted by the 2024 FRS Actuarial Assumption Conference during its October 2024 meeting.
- The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates. The previous rate was 3.65%.

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
AVAILABLE FISCAL YEARS ***

	2019	2020	2021	2022	2023	2024
Total OPEB Liability						
Service cost	\$ 24,785	\$ 28,641	\$ 96,778	\$ 77,242	\$ 67,309	\$ 80,237
Interest	37,636	37,392	41,139	38,566	59,016	71,841
Changes in benefit terms	-	363,106	-	-	-	-
Differences between expected and actual experience	165,744	-	186,484	-	9,079	-
Changes in assumptions	138,958	263,428	(375,598)	(393,914)	168,970	145,358
Benefit payments	(59,897)	(62,345)	(76,066)	(80,171)	(61,845)	(78,963)
Net change in Total OPEB Liability	307,226	630,222	(127,263)	(358,277)	242,529	218,473
Total OPEB liability – Beginning	739,505	1,046,731	1,676,953	1,549,690	1,191,413	1,433,942
Total OPEB liability – Ending	<u>\$ 1,046,731</u>	<u>\$ 1,676,953</u>	<u>\$ 1,549,690</u>	<u>\$ 1,191,413</u>	<u>\$ 1,433,942</u>	<u>\$ 1,652,415</u>
Covered-employee payroll	\$ 6,009,718	\$ 6,159,961	\$ 8,920,653	\$ 9,388,095	\$ 11,035,676	\$ 11,311,568
Total OPEB liability as a percentage of covered-employee payroll	17.42%	27.22%	17.37%	12.69%	12.99%	14.61%

* The District adopted GASB 75 in 2019. Ultimately this schedule will contain information for the last ten years.

Notes to Schedule:

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

Fiscal Year Ending September 30, 2024	4.06%
Fiscal Year Ending September 30, 2023	4.87%
Fiscal Year Ending September 30, 2022	4.77%
Fiscal Year Ending September 30, 2021	2.43%
Fiscal Year Ending September 30, 2020	2.14%
Fiscal Year Ending September 30, 2019	3.58%

The difference between the expected and actual experience reflects the impact of changes to the census data from the prior valuation to the valuation as of October 1, 2020.

Benefit Payments:

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

OTHER SUPPLEMENTARY INFORMATION

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
Personal Services:			
Salaries and wages	\$ 13,829,985	\$ 13,155,435	\$ 674,550
FICA and other payroll taxes	1,053,908	970,589	83,319
Retirement contributions	4,420,087	4,131,062	289,025
Workers compensation	660,069	416,954	243,115
Health insurance	3,883,466	2,833,007	1,050,459
Total personal services	<u>\$ 23,847,515</u>	<u>\$ 21,507,047</u>	<u>\$ 2,340,468</u>
Operating Expenses:			
Advertising	\$ 4,000	\$ 5,562	\$ (1,562)
Commissions and fees	1,000,024	757,733	242,291
Dues and subscriptions	13,000	5,914	7,086
Fuel and oil	175,000	163,907	11,093
Insurance	250,000	228,579	21,421
Legal and professional	92,000	57,696	34,304
Supplies	283,416	207,247	76,169
Repair and maintenance	1,225,828	1,130,804	95,024
Training and travel	316,453	244,586	71,867
Uniforms	387,396	291,688	95,708
Utilities	314,700	291,673	23,027
Miscellaneous	385,420	18,291	367,129
Total Operating Expenses	<u>\$ 4,447,237</u>	<u>\$ 3,403,680</u>	<u>\$ 1,043,557</u>

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF EXPENDITURES – GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30,**

	2024	2023
Personal Services:		
Salaries and wages	\$ 13,155,435	\$ 12,233,390
FICA and other payroll taxes	970,589	899,586
Retirement contributions	4,131,062	3,456,873
Workers compensation	416,954	412,046
Health insurance	2,833,007	2,686,177
Total Personal Services	\$ 21,507,047	\$ 19,688,072
 Operating Expenses:		
Advertising	\$ 5,562	\$ 2,970
Commissions and fees	757,733	651,020
Dues and subscriptions	5,914	4,637
Fuel and oil	163,907	166,415
Insurance	228,579	216,704
Legal and professional	57,696	142,241
Supplies	207,247	252,648
Repair and maintenance	1,130,804	983,717
Training and travel	244,586	127,607
Uniforms	291,688	145,034
Utilities	291,673	269,911
Miscellaneous	18,291	13,717
Total Operating Expenses	\$ 3,403,680	\$ 2,976,621

OTHER INFORMATION

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF FIRE ASSESSMENT RATES**

Special fire assessment within the East Manatee Fire Rescue District for the 2023 - 2024 tax year:

Category	Use Code(s)	Rate
-----------------	--------------------	-------------

Residential:

Vacant Platted Lot – 0000, 0001, 0002, 0008, 0040, 0041, 0055, 0725 & 0730.....\$8.0456 / lot

Vacant Platted Lot more than 10 acres – 9908.....\$0.35 / acre

Vacant Unplatted Parcel less than 10 acres – 0010.....\$8.0456 / parcel

Single Family Residential/Condominia – 0100, 0101, 0108, 0164, 0400, 0408, 0409, 0410, 0464, 2005 & 2010..... \$90.3827 (\$0.0612)

Residential/Condominia Fire Sprinkler Discount

The base and square footage assessment for all residential and condominia buildings and structures that are protected by a non-required, but approved fire sprinkler system shall be discounted 20%. The base assessment shall be \$72.2994 for the first 1000 square feet on a parcel. The schedule for all square footage above 1000 square feet is \$0.0490 per square foot. This shall only apply to those buildings or structures that are not required by Ordinance 15A to be sprinkled.

Multi-Family Residential – 0110, 0300, 0301, 0600, 0700, 0710, 0800, 0801, 0803, 0805, 0864 & 3910.....\$103.4137 / unit

Mobile Homes – 0003, 0050, 0201, 0202, 0203, 0264, 0411, 0412, 0413, 0501, 0502, & 0503.....\$86.1094 / unit

Mobile Homes on Acreage – 0210.....\$0.35 / acre +
.....\$86.1094 / unit

Mobile Home Parks – 2802.....\$69.4841 / unit

Residential Common Areas – 0900, 0901 & 0910

Common elements of a residential subdivision, as determined by the Property Appraiser, that are utilized exclusively for the benefit of the lot owners within the subdivision, regardless of ownership, shall have the non-ad valorem prorated by the Property Appraiser and included in the assessment of all the lots within the residential subdivision pursuant to §193.0235, Florida Statutes. The assessment of the common elements of a residential subdivision shall be determined by the size of the lot and/or the size and type of buildings and structures pursuant to this assessment schedule. Furthermore, the size of structures on residential common areas considered as outside buildings (OBY) shall be determined by the square footage deemed by the Property Appraiser. Residential common area parcels less than 10 acres and parcels with buildings and structures less than 1,000 square feet shall be assessed \$0.00.

Commercial/Industrial:

Vacant Platted Lot – 1000, 1001, 1004, 1033, 1040, 1041, 4000 & 7000.....\$8.0456 / lot

Golf Courses and Driving Ranges – 3800.....\$0.35 / acre

Golf Course Support Facilities – 0938 & 3810.....\$0.35 / acre +
.....\$456.9211 (\$0.0979)

The assessment for golf course support facility parcels 10 acres or more is \$0.35 per acre. The base assessment for all golf course support facility buildings and structures on 10 acres or more shall be \$456.9211 for the first 1000 square feet on a parcel. The schedule for all square footage above 1000 square feet is \$0.0979 per square foot.

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF FIRE ASSESSMENT RATES-CONTINUED**

Category	Use Code(s)	Rate
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Recreational Vehicle Parks/Camps – 0720, 2805 & 3600.....\$456.9211 (\$0.0979)

The base assessment for Recreational Vehicle Parks regulated under Chapter 513, Florida Statutes, and for camps shall be \$456.9211 for the first 1000 square feet for all buildings, structures and net rental spaces. The schedule for all square footages over 1000 square feet shall be \$0.0979 per square foot.

Commercial/Industrial Common Areas – 1230, 1233 & 1240

Common elements of a commercial/industrial subdivision, as determined by the Property Appraiser, shall be determined by the size of the lot and/or the size and type of buildings and structures pursuant to this assessment schedule. Commercial common area parcels less than 10 acres and parcels with buildings and structures less than 1,000 square feet of common area under roof shall be assessed \$0.00.

Commercial/Industrial

The base assessment for all commercial or industrial buildings and structures shall be \$456.9211 for the first 1000 square feet on a parcel. The schedule for all square footage above 1000 square feet is as follows:

Mercantile –	1100, 1101, 1102, 1103, 1104, 1105, 1110, 1114, 1200, 1205, 1264, 1300, 1400, 1500, 1600, 1604 & 2900.....	\$0.1101
Business –	1700, 1704, 1710 1800, 1900, 1904, 1910. 2200, 2300, 2500, 2600 & 3000.....	\$0.0979
Assembly –	2100, 3100, 3200, 3300, 3400, 3410, 3500, 3510, 3700, 3901, 3902, 3903, 7600, 7601, 7602, 7700 & 7900.....	\$0.0979
Factory/Industrial –	4100, 4104, 4400, 4500, 4600, 4700 & 9100.....	\$0.1235
Storage –	2000, 2003, 2700, 2710, 2720, 2730, 2740, 2750, 2800, 4801, 4803, 4810 & 4900.....	\$0.1245
Hazardous –	4200, 4300 & 4800.....	\$0.1591
Institutional –	7200, 7210, 7300, 7400, 7500 & 7800.....	\$0.0979
Condominia Warehousing –	4804 & 4805.....	\$300 / unit

Commercial/Industrial Fire Sprinkler Discount

The base and square footage assessment for commercial, industrial, and non-residential buildings and structures that are protected by a non-required, but approved fire sprinkler system shall be discounted 20%. The base assessment shall be \$365.5368 for the first 1000 square feet on a parcel. The schedule for all square footage above 1000 square feet is \$0.0778 per square foot. For Condominia Warehouses, the discounted rate shall be \$240 per unit. This shall only apply to those buildings or structures that are not required by Ordinance 18A to be sprinkled.

Leasehold Interest, Government Owned (9000 & 9002) with or without buildings and structures are not exempt and shall be assessed according to the proper category of residential, commercial/industrial, or acreage/ agriculture.

Acreage/Agricultural:

Unsubdivided Acreage – 5100, 5350, 5600, 6000,6600, 6610, 6900, 9200,
9600, 9700 & 9900.....\$0.35 / acre

Agricultural Land with Residential Improvements – 5000.....0.35 / acre +
.....\$90.3827 (\$0.0612)

Agricultural Land with Non-Residential Improvements – 5010.....0.35 / acre +
.....\$90.3827 (\$0.0612)

**EAST MANATEE FIRE RESCUE DISTRICT
SCHEDULE OF FIRE ASSESSMENT RATES-CONTINUED**

Category	Use Code(s)	Rate
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Agricultural Land with Residential and Non-Residential Improvements – 5020, 5030 & 9901

The assessment of agriculture parcels used both for residential and non-residential buildings shall be determined by the acreage and/or the size and type of buildings and structures pursuant to this assessment schedule.

Agriculture Land with Solar Fields - 5040.....\$100.00/ acre +

The base assessment for all buildings and structures on un-subdivided acreage shall be \$90.3827 for the first 1000 square feet on a parcel. The schedule for all square footage above 1000 square feet is \$0.0612 per square foot.

No Assessments:

The following parcels are hereby not levied a non-ad valorem fire assessment:

<u>Category</u>	<u>Use Code(s)/Exemption Code(s)</u>	<u>Assessment</u>
Vacant Unusable Tract –	0009, 1009 & 9909.....	\$0.00
Condominium Common Area –	940 & 941.....	\$0.00
Mobile Home Attachments –	2832.....	\$0.00
Churches & Parsonages –	7100 & 7101.....	\$0.00
Forest, Parks, Recreation Area –	8082 & 8200.....	\$0.00
Public Schools, Colleges, Hospitals –	8083, 8084, 8085, 8300, 8400 & 8500.....	\$0.00
County, State, Federal, Municipal –	8086, 8087, 8088, 8089, 8600, 8700, 8800 & 8900.....	\$0.00
Military –	8081 & 8100.....	\$0.00
Railroads –	9800.....	\$0.00
Subsurface Rights & Rights-of-Way –	9300, 9400, & 9401.....	\$0.00
Rivers, Lakes, & Submerged Lands –	9500.....	\$0.00

Properties, if given total exemptions to ad valorem taxes by the Manatee County Property Appraiser’s Office, shall also be given a total exemption from non-ad valorem assessments by the East Manatee Fire Rescue District.

OTHER REPORTS

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

**Board of Commissioners
East Manatee Fire Rescue District
Manatee County, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of East Manatee Fire Rescue District (the District) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated April 4, 2025.

Report on Internal Control Over Financial Reporting

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

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

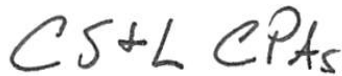
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

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

Purpose of this Report

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

Handwritten signature in black ink that reads "CS&L CPAs".

CS&L CPAs, P.A.

April 4, 2025
Bradenton, Florida

MANAGEMENT LETTER

**Board of Commissioners
East Manatee Fire Rescue District
Manatee County, Florida**

Report on the Financial Statements

We have audited the financial statements of the East Manatee Fire Rescue District, (the District), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 4, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

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*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 4, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires 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 information is disclosed in Note A.

Financial Condition and Management

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

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

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

Specific Information for an Independent Special District

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

- a. The total number of District employees compensated in the last pay period of the District's fiscal year was 136.
- b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the District's fiscal year was 2.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$13,155,435.
- d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency was \$17,408.
- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project is presented below:

<u>Project</u>	<u>Approved value</u>	<u>Reported value</u>
Station 11	\$ 5,079,436	\$ 4,481,481

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes. The budget variance is presented on page 34.

Specific Information for an Independent Special District that imposes Ad Valorem Taxes

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

- a. The millage rate imposed by the District was .85.
- b. The total amount of ad valorem taxes collected by or on behalf of the District was \$14,779,578.
- c. There were no bonds issued by the District, and as such the outstanding amount is \$0, and there were no terms.

Specific Information for an Independent Special District that imposes Non-Ad Valorem Special Assessments

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the District reported:

- a. The rate or rates of non-ad valorem special assessments imposed by the District are presented on pages 44 through 46.

b. The total amount of special assessments collected by or on behalf of the District was \$11,515,643.

c. There were no bonds issued by the District, and as such the outstanding amount is \$0, and there were no terms.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but 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.

Handwritten signature in black ink that reads "CS&L CPAs". The letters are cursive and slightly slanted.

CS&L CPAs, P.A.

April 4, 2025
Bradenton, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON
INVESTMENT COMPLIANCE

Board of Commissioners
East Manatee Fire Rescue District
Manatee County, Florida

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

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

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

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

In our opinion, the District complied in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds for the year ended September 30, 2024.

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

A handwritten signature in blue ink that reads 'CS+L CPAs'.

CS&L CPAs, P.A.

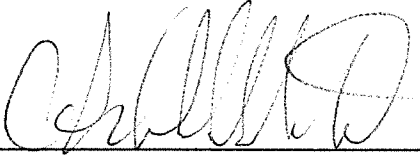
April 4, 2025
Bradenton, Florida

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared C.L Whitehurst, III, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the East Manatee Fire Rescue District which is a local governmental entity in the State of Florida;
2. The governing body of the East Manatee Fire Rescue District adopted Resolution No. 03-02 implementing an impact fee or authorized East Manatee Fire Rescue District to receive and expend proceeds of an impact fee implemented; and
3. The East Manatee Fire Rescue District has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

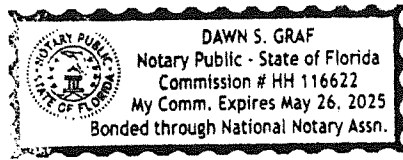
FURTHER AFFIANT SAYETH NAUGHT.

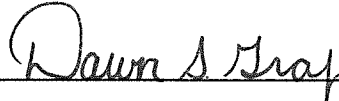


C.L. Whitehurst, III

STATE OF FLORIDA
COUNTY OF MANATEE

SWORN TO AND SUBSCRIBED before me this 4th day of March, 2025





NOTARY PUBLIC
Print Name Dawn S. Graf

Personally known or produced identification _____

Type of identification produced: _____

My Commission Expires:

5-26-25