DUETTE FIRE AND RESCUE DISTRICT

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

DUETTE FIRE AND RESCUE DISTRICT
FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Duette Fire and 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 the major fund of Duette Fire and Rescue District, Florida (the District), as of and for the year ended September 30, 2025, 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 the major fund of the District as of September 30, 2025, 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

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

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

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

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

- Obtain an understanding of 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, and budgetary comparison information, 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.

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 and the impact fee affidavit as listed in the table of contents, 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 June 29, 2026 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.

CS+L CPAs

CS&L CPAs, P.A.

June 29, 2026
Bradenton, Florida

DUETTE FIRE AND RESCUE DISTRICT
35800 State Road 62, Duette, Florida 34219
941-776-9900

Management's Discussion and Analysis

As management of the Duette Fire and 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, 2025.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by $984,147 (*net position*).
- The District's total net position decreased by $75,803.
- As of the close of the current fiscal year, the District's governmental fund (general fund) reported ending fund balances of $23,913, which is a decrease of $41,124. Of this total amount, $12,589 is *available for spending* at the District's discretion (*unassigned fund balance*).
- The District has $606,379 in debt obligations for the purchase of capital assets.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Duette Fire and 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 basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets, deferred outflows, liabilities and deferred inflows, with the difference between them 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 (*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 are prepared using the economic resources measurement focus and the accrual basis of accounting.

The government-wide financial statements can be found on pages 9 and 10 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. The District utilizes a general fund.

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. 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 personal service expenditures, as well as budgeted capital outlay are paid.

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. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 11 to 14 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 15 of this report.

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 Duette Fire and Rescue District, assets exceeded liabilities by $984,147 at the close of the most recent fiscal year.

A significant portion of the District's net position, $960,234, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. 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 cash equivalents at year-end.

The following table presents a condensed statement of net position as of September 30, 2025, with comparable totals as of September 30, 2024.

Net Position

	Governmental Activities	
	2025	2024
Current and other assets	$ 80,183	$ 154,790
Capital assets	1,566,613	1,468,333
Total assets	1,646,796	1,623,123
Long-term liabilities	606,379	473,420
Other liabilities	56,270	89,753
Total liabilities	662,649	563,173
Net position:		
Net investment in capital assets	960,234	994,913
Restricted	9,241	9,241
Unrestricted	14,672	55,796
Total net position	$ 984,147	$ 1,059,950

Unrestricted net position of $14,672 may be used to meet the District's ongoing obligations to citizens and creditors. Restricted net position is $9,241 and is from impact fees.

The District's net position decreased by $75,803 during the current fiscal year. Fire protection services were $462,347. The District also incurred $120,258 in depreciation expense. Significant revenues included fire assessments of $460,299.

The following table presents the change in net position for the years ended September 30, 2025 and 2024.

Changes in Net Position

	Governmental Activities	
	2025	2024
Program revenues:		
Capital grants and contributions	$ 57,152	$ 74,248
General revenues:		
Fire assessments	460,299	359,217
Impact fees	-0-	2,000
Miscellaneous	13,642	-0-
Total revenues	531,093	435,465
Expenses:		
Fire protection services	462,347	376,526
Depreciation	120,258	89,563
Interest on long-term debt	24,291	24,051
Total expenses	606,896	490,140
Increase (Decrease) in net position	(75,803)	(54,675)
Net Position - Beginning	1,059,950	1,114,625
Net Position – End	$ 984,147	$ 1,059,950

Financial Analysis of the Government's Funds

The District utilizes only a Governmental Fund, which is the General Fund.

Governmental funds. The focus of the District's *governmental fund* 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 general fund reported ending fund balances of $23,913. Of this total, $12,589 is *unassigned fund balance*, and is available for spending at the District's discretion. As a measure of the general fund's liquidity, it may be useful to compare *unassigned fund balance* to total general fund expenditures. *General fund balance* represents approximately 3 percent of total general fund expenditures.

The fund balance of the District's general fund decreased by $41,124 during the current fiscal year. Current year revenues included fire assessments (non-ad valorem taxes) in the amount of $460,299, capital grant and contribution revenue of $57,152, and miscellaneous revenue of $13,642. Current year expenditures included personal service costs of $116,399, operating costs of $308,043, debt service cost of $106,359, and capital outlay of $256,443.

General Fund Budgetary Highlights

During the year, the General Fund budget was not amended. Original and final budgeted revenues were $471,095. For the current fiscal year, budgeted revenues exceeded actual revenues by $22,191. Original and final budgeted expenditures were $493,663. Actual expenditures exceeded the final budget by $40,747.

The General Fund budget is presented as required supplementary information on page 23.

Capital Assets

The District's investment in capital assets at year-end amounts to $1,566,613 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment. During the current year, the District's investment in capital assets increased by $98,280. This was comprised of capital asset additions, net of depreciation expense and loss on disposal of assets.

Capital Assets

	Governmental Activities	
	2025	2024
Land	$ 24,718	$ 24,718
Building and improvements	780,359	814,043
Machinery and equipment	761,536	629,572
Total (net of accumulated depreciation)	**$ 1,566,613**	**$ 1,468,333**

Significant capital asset activity included the purchase of a new vehicle and new air packs and equipment. Additional information on the District's capital assets are included in the note B.

Long-Term Liabilities

Long-term liabilities include notes payable in the amount of $606,379 for capital assets.

During the current fiscal year, the District's total debt increased by $215,027 due to new debt agreements for the purchase of a vehicle and equipment. Current year principal payments totaled $82,068.

Additional information on the District's long-term liabilities are included in Note C.

Economic Factors and Next Year's Budgets

For fiscal year 2026, budgeted revenues are $811,000, which includes a new line item for Ad Valorem revenue. Budgeted expenditures are $811,000. No other significant changes were made or are expected in fiscal year 2026.

Requests for Information

This financial report is designed to provide a general overview of the Duette Fire and Rescue 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, Duette Fire and Rescue District, 35800 S.R. 62 E., Duette, Florida 34219.

DUETTE FIRE AND RESCUE DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

		Governmental Activities
ASSETS		
Cash and cash equivalents	$	40,947
Due from other governments		27,912
Prepaid expenses		2,083
Restricted assets:		
Cash and cash equivalents		9,241
Capital assets:		
Land		24,718
Other capital assets, net of depreciation		1,541,895
Total assets		1,646,796
LIABILITIES		
Accounts payable and other current liabilities		56,270
Noncurrent liabilities:		
Due within one year		76,787
Due in more than one year		529,592
Total liabilities		662,649
NET POSITION		
Net investment in capital assets		960,234
Restricted-Impact fees		9,241
Unrestricted		14,672
Total net position	$	984,147

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

DUETTE FIRE AND RESCUE DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Governmental Activities
Public safety-fire protection	
Personal services	$ 116,399
Operating expenses	345,948
Depreciation	120,258
Interest on long-term debt	24,291
Total program expenses	606,896
Program revenues:	
Capital grants and contributions	57,152
Net program expenses	549,744
General revenues:	
Fire assessments	460,299
Miscellaneous	13,642
Total general revenues	473,941
Decrease in net position	(75,803)
Net position - beginning	1,059,950
Net position - ending	$ 984,147

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

DUETTE FIRE AND RESCUE DISTRICT
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2025

		GENERAL FUND
ASSETS		
Cash and cash equivalents	$	40,947
Due from other governments		27,912
Prepaid items		2,083
Restricted Assets:		
Cash and cash equivalents		9,241
TOTAL ASSETS	$	80,183
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	$	18,883
Accrued expenses		37,387
Total liabilities		56,270
FUND BALANCES		
Non-spendable:		
Prepaid items		2,083
Spendable:		
Restricted		9,241
Unassigned		12,589
Total fund balances		23,913
TOTAL LIABILITIES AND FUND BALANCES	$	80,183

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

DUETTE FIRE AND RESCUE DISTRICT
RECONCILIATION OF THE BALANCE SHEET
OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

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

Fund Balance-Total Governmental Fund	$ 23,913
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the general fund.	1,566,613
Long-term liabilities, including notes payable are not due and payable in the current period, and therefore are not reported in the general fund.	(606,379)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 984,147

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

DUETTE FIRE AND RESCUE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	GENERAL FUND
REVENUES	
Fire assessments	$ 460,299
Grants	45,092
Contributions	12,060
Miscellaneous	13,642
Total revenues	531,093
EXPENDITURES	
Current:	
Personal services	116,399
Operating expenditures	308,043
Debt service:	
Principal retirement	82,068
Interest	24,291
Capital outlay	256,443
Total expenditures	787,244
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources	(256,151)
OTHER FINANCING SOURCES	
Proceeds from debt	215,027
Total other financing sources	215,027
Net Change in Fund Balance	(41,124)
FUND BALANCES - Beginning	65,037
FUND BALANCES - Ending	**$ 23,913**

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

DUETTE FIRE AND RESCUE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

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

Net change in fund balance - total governmental fund		$	(41,124)
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:			
Capital additions shown as expenditures in the general fund	219,822		
Depreciation expense	(120,258)		
Loss on disposal of assets	(1,284)		98,280
Proceeds from the issuance of debt provides current financial resources at the governmental fund level. However, the transaction has no effect on net position.			(215,027)
The repayment of the principal on long-term debt consumes the current financial resources of the governmental fund. However, the transaction has no effect on net position.			82,068
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$	(75,803)

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Reporting Entity – Duette Fire and Rescue District (the District) is a public municipal corporation in the State of Florida created by House Bill 1375 of the Legislature of the State of Florida on June 23, 2006. The District began operations effective October 1, 2008. The District is an independent special district. No component units exist.

Revenue is provided by 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 station, purchase of firefighting and rescue equipment, payment of wages, employee benefits, and administrative expenses.

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. Any 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.

(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 Fund). 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. The District's net position is reported in three parts (as applicable): net investment in capital assets, restricted net position, and unrestricted net position. The statement of activities reports direct expenses of the program offset by program revenues. Program revenues include capital and operating grants, contributions, and charges for services, as applicable. Taxes (fire assessments) and other items properly not included in program revenues are reported as general revenues.

Financial Statements – Fund Financial Statements – The District's accounts are organized on the basis of funds, which are a 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Financial Statements - Fund Financial Statements - Continued

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 fund, considered to be a major fund:

Governmental Funds

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 personal service and operating costs, as well as budgeted capital expenditures.

(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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(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 total appropriations. Appropriations lapse at the end of the year.

(e) 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 are based on the square footage of a structure and type of occupancy 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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(e) Property Taxes – Continued

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.

(f) 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.

(g) Fund Balance – Governmental Accounting Standards Board (GASB) Statement No. 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 Nonspendable 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.

In accordance with GASB Statement 54, the District classified governmental fund balance as follows:

Nonspendable – 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 determined 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, which are neither restricted or committed.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(g) Fund Balance – Continued

- 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.

	General Fund
Non-Spendable:	
Prepaid items	$ 2,083
Spendable:	
Restricted	9,241
Unassigned	12,589
Total Fund Balances	$ 23,913

(h) Cash and Investments – Florida Statute 218.415 authorizes the District to invest in the following:

(a) Local Government Surplus Funds Trust Fund or an intergovernmental investment pool authorized through the Florida Interlocal Cooperation Act.

(b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating company.

(c) Interest bearing time deposits or savings accounts in state-certified Qualified Public Depositories as defined in Section 280.02 Florida Statutes.

(d) Direct obligations of the U.S. Treasury.

At September 30, 2025, 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, 2025, the carrying amount of the District's deposits was $50,188 and the bank balance was $61,484.

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, at September 30, 2025 the District only had a demand deposit account.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(i) Compensated Absences - The District does not have a policy for compensated absences. As a result, no liability has been established.

(j) Capital Assets - Capital assets, which include property, plant and equipment, 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 $500 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:

Asset	Years
Building	20 - 39
Fire engines	10
Vehicles	5
Furniture, fixtures and equipment	3 - 7

(k) 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.

NOTE B – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025 was:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 24,718	$ –	$ –	$ 24,718
Total capital assets, not being depreciated	24,718	–	–	24,718
Capital assets, being depreciated:				
Buildings and improvements	1,236,377	–	–	1,236,377
Machinery and equipment	876,301	219,822	(60,503)	1,035,620
Total capital assets being depreciated	2,112,678	219,822	(60,503)	2,271,997
Less accumulated depreciation for:				
Buildings and improvements	(422,334)	(33,684)	–	(456,018)
Machinery and equipment	(246,729)	(86,574)	59,219	(274,084)
Total accumulated depreciation	(669,063)	(120,258)	59,219	(730,102)
Total capital assets, being depreciated, net	1,443,615	99,564	(1,284)	1,541,895
Governmental activities capital assets, net	$ 1,468,333	$ 99,564	$ (1,284)	$ 1,566,613

NOTE C – LONG-TERM DEBT

During 2023, the District entered into a direct borrowing financing arrangement for the purchase of a new fire engine. The note is payable in annual installments of $65,630 which commenced in January of 2024, with interest at 4.67%. The note matures in January 2033 and is collateralized by the fire engine.

During 2025, the District entered into a direct borrowing financing arrangement for the purchase of new firefighter equipment. The note is payable in annual installments of $22,567 which commenced in October of 2024, with interest at 5.80%. The note matures in November 2030 and is collateralized by the equipment.

During 2025, the District entered into a direct borrowing financing arrangement for the purchase of a new vehicle. The note is payable in annual installments of $18,154 which commenced in February of 2025, with interest at 4.40%. The note matures in January 2030 and is collateralized by the vehicle.

	Principal	Interest	Total
2026	$ 76,787	$ 29,564	$ 106,351
2027	80,541	25,810	106,351
2028	84,482	21,869	106,351
2029	88,617	17,733	106,350
2030	74,803	13,393	88,196
2031-2033	201,149	18,308	219,457
	$ 606,379	$ 126,677	$ 733,056

NOTE C – LONG-TERM DEBT – CONTINUED

Upon the occurrence of any Event of Default in relation to the fire engine, the Bank's sole rights and remedies shall be limited to: (i) demanding and suing for compensatory damages, which District agrees to pay and which are agreed to the sum of: (a) Prepayment price applicable to the immediately preceding rental payment due date, as forth in the related equipment schedule, plus (b) any rental payments accrued and unpaid as of the date of default; plus (c) any actual and reasonable costs and expenses incurred in the pursuit of any rights and remedies permitted in the contract, including court costs, attorney's fees, and repossession and collection costs, except to the extent prohibited by the constitution and laws of the State of Florida; plus (d) interest on any amount at the default rate; (ii) to require that District voluntarily return the fire engine to a location specified by the Bank, at District's sole cost, risk and expense and in condition that is required; and (iii) exercising any legal right, privilege or remedy, which may be available to it, including, without limitation, proceeding by appropriate court action to seek a mandamus or require specific performance/enforcement of any provision of this agreement, including, without limitation, District's covenant to return possession and title of the fire engine.

Upon the occurrence of any Event of Default in relation to the firefighter equipment, the Bank's sole rights and remedies shall be limited to: (a) by written notice, declaring all scheduled payments and other amounts payable under the agreement to be due, (b) with or without terminating the agreement, the bank may enter the premises where the equipment is located and retake possession of that equipment, or require the District to promptly return any or all of the equipment, and (c) take whatever action at law or in equity may appear necessary or desirable to enforce its rights under the agreement.

Upon the occurrence of any Event of Default in relation to the vehicle, the Bank's sole rights and remedies shall be limited to: (a) declare the Settlement Value due as to any or all vehicles, (b) exercise all rights of a secured creditor under the Uniform Commercial Code, (c) perform any obligation that will reimburse the bank's related costs and expenses, and (d) exercise any other rights available to bank under law or equity.

Long-term liability activity was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Notes payable:					
Note payable - Fire engine	$ 473,420	$ -	$ (43,522)	$ 429,898	$ 45,554
Note payable - Firefighter equipment	-	132,326	(20,986)	111,340	16,005
Note payable - Vehicle	-	82,701	(17,560)	65,141	15,228
Total notes payable	473,420	215,027	(82,068)	606,379	76,787
Long-term liabilities	$ 473,420	$ 215,027	$ (82,068)	$ 606,379	$ 76,787

NOTE D – 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. There has been no significant reduction in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

DUETTE FIRE AND RESCUE DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES–
BUDGET TO ACTUAL
NON-GAAP BUDGET BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
REVENUES				
Fire protection services –				
Fire assessments	$ 471,095	$ 471,095	$ 460,299	$ (10,796)
Grants	–	–	19,345	19,345
Miscellaneous	–	–	13,642	13,642
Total revenues	471,095	471,095	493,286	22,191
EXPENDITURES				
Personal services	119,336	119,336	116,399	2,937
Operating expenditures	268,759	268,759	308,043	(39,284)
Debt service	105,568	105,568	106,359	(791)
Capital outlay	–	–	3,609	(3,609)
Total expenditures	493,663	493,663	534,410	(40,747)
Net change in fund balance	(22,568)	(22,568)	(41,124)	(18,556)
Fund Balance, Beginning	65,037	65,037	65,037	–
Fund Balance, Ending	$ 42,469	$ 42,469	$ 23,913	$ (18,556)

Note 1 – Budgetary Basis

The General Fund budget is prepared on a basis consistent with generally accepted accounting principles with the exception of the items noted in Note 2.

Note 2 – Reconciliation of differences between Non-GAAP Budgetary Basis and GAAP (Modified Accrual) Basis

The District did not budget for debt proceeds, grants or contributions used for capital outlay.

	Actual On GAAP Basis	To Budgetary Basis	Actual On Budget Basis
Grants	$ 45,092	$ (25,747)	$ 19,345
Contributions	$ 12,060	$ (12,060)	$ –
Total revenues	$ 531,093	$ (37,807)	$ 493,286
Capital outlay	$ 256,443	$ (252,834)	$ 3,609
Total expenditures	$ 787,244	$ (252,834)	$ 534,410
Other financing sources (uses)			
Proceeds from debt	$ 215,027	$ (215,027)	$ –
Net Change in Fund Balance	$ (41,124)	$ –	$ (41,124)

Note 3 – Expenditures in Excess of Budget

The District exceeded budgeted expenditures in the current year. The excess was paid for through the use of reserves.

OTHER INFORMATION

DUETTE FIRE AND RESCUE DISTRICT
OTHER INFORMATION
SCHEDULE OF FIRE ASSESSMENT RATES

The Board of Fire Commissioners of the Duette Fire and Rescue District approved the fire assessments (non-ad valorem) within the Duette Fire and Rescue District for the 2024-2025 tax year as follows:

CATEGORY	RATE
LOTS & ACREAGE	

<u>Vacant Platted Lot</u> - 0000,0001,0002,0003,0004,0008,0009, 0010,0040,0041,0050,0055 (assessed as platted lot or un-subdivided acreage as applicable up to 5 acres)

<u>Vacant Platted Lot more than 10 Acres</u> - 0131,9909

<u>Vacant Unplatted Lot Less than 10 Acres</u> - 0010

<u>Vacant Commercial/Industrial Parcels</u> - 1000,0100,1001,1004,1033,1040,1041,4000,4001

<u>Unsubdivided Acreage</u>
5000,5010,5020,5030,5040,5100,5350,5600,6000,6600, 6610,6700,6900,9200,9700,9900,9901,9908,9909

First 5 Acres of a Parcel	$ 14.51
>5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

CATEGORY	RATE
LOTS & ACREAGE WITH IMPROVEMENTS	

The base assessment for all buildings and structures on un-subdivided acreage shall be $182.62 for the first 1,000 square feet on a parcel. The schedule for all square footage above 1,000 square feet is $0.12 per square foot.

<u>Unsubdivided Acreage with Improvements</u>
5000,5010,5020,5030,5040,5100,5350,5600,6000,6600, 6610,6700,6900,7000,9200,9600,9700,9900,9901,9908,9909

Per building Unit up to 1,000 Sq. Ft. & Includes first 5 Ac.	$182.62
Building Unit >1,000 per Sq/Ft	$ 0.12
>5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

CATEGORY	RATE
RESIDENTIAL	

The base assessment for all residential, condominium buildings, mobile homes, and RV structures up to 5 acres shall be $109.80 for the first 1,000 square feet on a parcel. The Schedule for all additional square feet over 1,000 square feet is $0.0735 per square foot. Additional acreage over 5 acres shall be assessed at the vacant acreage rate $3.81 per acre, up to the maximum for vacant parcels of $728.22.

DUETTE FIRE AND RESCUE DISTRICT
OTHER INFORMATION
SCHEDULE OF FIRE ASSESSMENT RATES

CATEGORY	RATE
RESIDENTIAL	
<u>Single Family Residential/Condominia, Co-op</u> 0100,0101,0105,0108,0I64,0400,0408,0409,04I0, 0464,0600,0801	
<u>Mobile Homes Residential/RV Recreational Vehicle Homes Used as Residence</u> 0201,0202,0203,0210,0264,0411,0412,0413,0501,0502,0503	
Per Residential Unit up to 1,000 Sq. Ft. & Includes first 5 Ac.	$109.80
Residential Unit >1,000 per Sq/Ft	$ 0.0735
>5 Ac per Acre)	$ 3.81
Single Parcel Maximum CAP	$ 728.22

CATEGORY	RATE
MULTI RESIDENTIAL	
<u>Multi-Family Residential</u> - 0110,0300,0301,0302,0600,0700, 0710,0800,080I, 0803,0805,0864	
First and Second Floor (per unit up to 1,000 sq ft)	$109.80
Third Floor (per unit up to 1,000 sq ft)	$168.60
Fourth Floor (per unit up to 1,000 sq ft)	$227.40
Fifth Floor {per unit up to 1,000 sq feet)	$286.20
Sixth Floor and above (per unit up to 1,000 sq ft)	$345.00
(Units over 1,000 Square Feet per Sq Ft.)	$ 0.0735
(Parcels >5 Ac per Acre)	$ 3.81
Single Parcel Maximum CAP	$728.22

CATEGORY	RATE
MOBILE HOME PARKS	

The base assessment for Mobile Home Parks will be $109.80 per residential unit for the first 1,000 square feet and the schedule for all square footage over 1,000 square feet shall be $0.0735 per square foot.

For non-residential buildings or structures, the rate will be $182.62 for the first 1,000 square feet and the schedule for all square footage over 1,000 square feet shall be $0.12 per square foot.

DUETTE FIRE AND RESCUE DISTRICT
OTHER INFORMATION
SCHEDULE OF FIRE ASSESSMENT RATES

CATEGORY	RATE
Mobile Homes Parks - 2802	
Per Residential Unit up to 1,000 Sq. Ft. & Includes first 5 Ac.	$109.80
Residential Unit >1,000 per Sq/Ft	$ 0.0735
Per Non-Residential Unit up to 1,000 Sq. Ft.	$182.62
Non-Residential Unit >1,000 per Sq/Ft	$ 0.12
Parcel Acreage >5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

CATEGORY	RATE

RESIDENTIAL AMENITIES COMMON AREAS

The assessment of common elements shall be determined by the Property Appraiser and prorated in accordance with Florida Statutes 193.0235. To the extent applicable, common elements shall be assessed based upon size and type of the lot, building or structure pursuant to this assessment schedule.

Residential Common Areas
0900,0910,0938,0940,0941

First 5 Acres of Land	$ 14.51
>5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

Residential Common Areas with Improvements
0901

For non-residential buildings or structures, the rate will be $182.62 for the first 1,000 square feet and the schedule for all square footage over 1,000 square feet shall be $0.12 per square foot.

Non-Residential Unit up to 1,000 Sq Ft	$182.62
Non-Residential Unit >1,000 per Sq/Ft	$ 0.12
First 5 Acres of Land	$ 14.51
>5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

CATEGORY	RATE

COMMERCIAL

The base assessment for all commercial and industrial buildings and structures shall be $182.62 for the first 1,000 square feet on a parcel. The schedule below for 1,000 square feet are as follows:

DUETTE FIRE AND RESCUE DISTRICT
OTHER INFORMATION
SCHEDULE OF FIRE ASSESSMENT RATES

CATEGORY	RATE
COMMERCIAL	

A 20% Improved Hazard Rating will be granted to buildings and structures under 10,000 square feet equipped with complete internal fire suppression facilities (Fire Alarm and Sprinkler System). Base assessment shall be $182.62 for the first 1,000 square feet. The schedule for the area above 1,000 square feet are as follows:

CATEGORY	RATE
GOLF COURSE RANGES & FACILITIES	

Golf Course Driving Ranges

3800

First 5 Acres of Land	$ 14.51
>5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

Golf Course Support Facilities

3810

The assessment for golf course support facilities parcels up to 5 acres is $14.51 and greater than 5 acres is $3.81 per acre with a single parcel CAP of $782.22. The base assessment for all buildings and structures on parcels shall be $182.62 for the first 1,000 square feet on a parcel. The assessment for all square footage above 1,000 square feet is $0.12 per square foot.

Per Non-Residential Unit up to 1,000 Sq. Ft.	$182.62
Non-Residential Unit >1,000 per Sq/Ft	$ 0.12
First 5 Acres of Land	$ 14.51
Parcel Acreage >5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

CATEGORY	RATE
RECREATIONAL RV PARKS	

The base assessment for Recreational Vehicle Parks regulated under Chapter 513 Florida Statutes and for camps will be $182.62 for the first 1,000 square feet for all buildings, structures and net rental spaces. The schedule for all square footage over 1,000 square feet shall be $0.12 per sq. st.

Recreational RV Parks/Camps

2805,2832,3600

Per Unit up to 1,000 Sq. Ft.	$182.62
Unit >1,000 per Sq/Ft	$ 0.12
First 5 Acres of Land	$ 14.51
Parcel Acreage >5 Ac per Acre	$ 3.81
Single Parcel Maximum CAP	$728.22

CATEGORY	RATE
COMMERCIAL INDUSTRIAL	

The base assessment for all commercial and industrial buildings and structures shall be 182.62 for the first ,1000 square feet on a parcel. The schedule below for I, 000 square feet are as fol lows:

Mercantile	$0.12
1100,1101,1102,1103,1104,1105,1110,1114,1200,1205, 1230,1233,1240,1264,1300,1400,1500,1600,1604,2900	
Business	$0.12
1700,1704,1710,1800,1900,1904,1910,2200,2300, 2500,2600,3000	
Assembly	$0.12
2100,3100,3200,3300,3400,3410,3500,3510,3700, 3901,3902,3903,3910,7601,7602,7700,7900	
Factory/Industrial	$0.12
4100,4104,4400,4500,4600,4700,4810,9100	
Storage	$0.12
2000,2003,2005,2010,2700,2710,2720,2730,2740 2750,2800,4801,4803,4804,4805,4900	
Hazardous	$0.12
4200,4300,4800	
Institutional	$0.12
7200,7210,7300,7400,7500,7800	

CATEGORY	RATE
EXEMPTED PARCELS	
Vacant Unusable Tract 0009	$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

CATEGORY	RATE
EXEMPTED PARCELS	
<u>County, State, Federal, Municipal</u> 8086,8087,8088,8089,8600,8700,8800,8900	$0.00
<u>Cemeteries</u> 7600,7601	$0.00
<u>Military</u> 8081,8100	$0.00
<u>Railroads</u> 9800	$0.00
<u>Subsurface Rights & Rights-of-Way</u> 9300,9400,9401,9501	$0.00
<u>Rivers, Lakes & Submerged Lands</u> 9500	$0.00
Personal Total Exemptions:	
<u>Hema/Para/Quadriplegic</u> 2100	$0.00
<u>Total/Permanent Disabled Veteran</u> 2200	$0.00
<u>Confined to a Wheelchair</u> 2500	$0.00
<u>Totally Blind</u> 2580	$0.00

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.

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
Duette Fire and 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 the major fund of Duette Fire and Rescue District, Florida, (District) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 29, 2026.

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 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 consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Duette Fire and Rescue 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as 2025-01.

District's Response to Findings

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

Purpose of this Report

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

CS+L CPAs

CS&L CPAs, P.A.

June 29, 2026
Bradenton, Florida

MANAGEMENT LETTER

Board of Commissioners
Duette Fire and Rescue District
Manatee County, Florida

Report on the Financial Statements

We have audited the financial statements of Duette Fire and Rescue District, (the District) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 29, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* Schedule of Findings; 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 and schedule, which are dated June 29, 2026, 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 10.566(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Duette Fire and Rescue District has met one or more of the conditions described in Section

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218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the Duette Fire and Rescue District was not in a state of financial emergency as it 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. It is management's responsibility to monitor the Duette Fire and Rescue District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, see Finding 2025-01 in the accompanying schedule of findings.

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 3.

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 1.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was $59,000.

d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency was $25,000.

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 was $0, as there were none.

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 schedule is presented on page 23.

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 24-29.

b. The total amount of special assessments collected by or on behalf of the District was $460,299.

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

Additional Matters

Section 10.544(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.

CS+L CPAs

CS&L CPAs, P.A.

June 29, 2026
Bradenton, Florida

2025-01 Budget

Criteria: In accordance with Florida Statutes, the governing body of Duette Fire and Rescue District shall annually adopt and maintain an operating budget. This budget should be a balanced budget whereby there are adequate resources to fund all budgeted appropriations. Expenditures should not exceed appropriations as authorized by the Board. In addition, the District has up until sixty (60) days after year-end to amend its budget.

Condition: Audit procedures identified that General Fund expenditures exceeded the final approved budget. As reported in the Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non-GAAP Budget Basis, actual expenditures exceeded final budgeted appropriations in the amount of $40,747. The excess was funded through fund balance reserves.

Context/Cause: The final budget was not amended until March of 2026 to consider additional expenditures incurred during the year in excess of the budgeted amounts.

Effect: The District reported expenditures in excess of budgeted appropriations in the amount of $40,747 for the General Fund.

Recommendation: We recommend that the District amend the budget throughout the year, pursuant to Florida Statutes in order to ensure that expenditures do not exceed appropriations as the budget serves as the Board's authorization to incur costs.

DUETTE FIRE RESCUE DISTRICT

Administration
35800 State Road 62, Duette Florida 34219
941-776-9900

June 29th, 2026

Auditor General of the State of Florida
Claude Pepper Building
11 W. Madison St. #G74
Tallahassee, FL 32399-1450

Reference: Duette Fire and Rescue District
FY 2025 Response to Management Letter

To Whom it May Concern:

Duette Fire and Rescue District offer this response to the comment in our September Management letter and Schedule of Findings.

2025-01 **Budget**
The District budget this year had an emergency hardship payment for repair of a necessary frontline tanker apparatus where the pump had to be rebuilt that was not budgeted. The District will ensure in the future that all budget amendments happen within a 60-day time frame as required.

Sincerely,

Ceburn Parker
Fire Chief

INDEPENDENT ACCOUNTANT'S REPORT
ON COMPLIANCE

Board of Commissioners
Duette Fire and Rescue District
Manatee County, Florida

We have examined the Duette Fire and Rescue District's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2025. 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, 2025.

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.

CS+L CPAs

CS&L CPAs, P.A.

June 29, 2026
Bradenton, Florida

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IMPACT FEE AFFIDAVIT

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BEFORE ME, the undersigned authority, personally appeared Fire Chief Ceburn Parker, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer (Fire Chief) of the Duette Fire and Rescue District which is a local governmental entity of the State of Florida.

2. The governing body of the Duette Fire and Rescue District adopted Resolution No. 2019-06 implementing an impact fee; and

3. The Duette Fire and 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.

____

Ceburn Parker Fire Chief

STATE OF FLORIDA
COUNTY OF MANATEE,

SWORN TO AND SUBSCRIBED before me this 29th day of June, 2026.

____

NOTARY PUBLIC
Print Name Christopher Dame

Personally known ____ or produced identification ✓

Type of identification produced: FLDL

My Commission Expires:

March 26 2028

CHRISTOPHER DAME
Notary Public-State of Florida
Commission # HH 508457
My Commission Expires
March 26, 2028

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[1] Pursuant to Section 163.31801(8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit.