NORTH RIVER FIRE DISTRICT

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NORTH RIVER FIRE DISTRICT
FINANCIAL STATEMENTS

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Fire Chief

Joe Sicking

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
North River Fire District
Manatee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North River Fire 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, each major fund, and the aggregate remaining fund information 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 accepted

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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 schedules, 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.

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 56 – 58 and the impact fee affidavit on page 65, 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 9, 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 9, 2026
Bradenton, Florida

NORTH RIVER FIRE DISTRICT

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Management's Discussion and Analysis

As management of North River Fire 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 District's net position as of September 30, 2025 on the government-wide basis was $10,389,922.

- The District's total net position increased by $4,431,165.

- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of $14,648,211, an increase of $2,280,416 in comparison with the prior year. Of this total amount, $3,798,355 is available for spending at the District's discretion (unassigned fund balance).

- The District has long-term liabilities including OPEB of $2,551,128, net pension liability of $6,266,966, lease liability of $17,726 and accrued compensated absences of $1,000,722.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to North River Fire 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 plus deferred outflows, and liabilities plus 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, 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. The District utilizes governmental funds and fiduciary 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 new users of the District. From this fund, budgeted capital outlay and debt service costs 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 and capital projects fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

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

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Fiduciary funds follow the accrual basis of accounting. The District's fiduciary fund financial statements can be found on pages 16 and 17 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 18.

Government-Wide Financial Analysis

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

The largest portion of the District's net position, $4,654,556, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is 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. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The District also had significant assets in cash and cash equivalents and investments 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	Governmental Activities 2024
Current and other assets	$ 16,467,540	$ 13,982,660
Right-to-use asset	17,101	21,126
Capital assets	4,637,455	3,685,353
Total assets	21,122,096	17,689,139
Deferred outflows of resources	3,854,823	1,108,891
Long-term liabilities outstanding	9,836,542	9,293,413
Other liabilities	559,314	360,507
Total liabilities	10,395,856	9,653,920
Deferred inflows of pension earnings	3,092,251	2,074,416
Deferred inflows – lease related inflows of resources	1,098,890	1,132,022
Net position:		
Net investment in capital assets	4,654,556	3,685,353
Restricted	4,052,104	2,677,643
Unrestricted	1,683,262	(425,324)
Total net position	$ 10,389,922	$ 5,937,672

An additional portion of the District's net position, $4,052,104 represents resources, from impact fees that are subject to external restrictions on how they may be used.

The District's net position increased by $4,431,165 during the current fiscal year.

Revenues increased $2,374,291 due mainly to fire assessments and impact fees. Expenses increased $260,479 due mainly to increases in personal service costs and the net pension liability based on actuarial valuations, offset by a decrease in depreciation.

The following table presents the change in net position for the year ended September 30, 2025 with comparable totals for the year ended September 30, 2024:

Changes in Net Position

	Governmental Activities 2025	**Governmental Activities 2024**
Revenues:		
Program revenues:		
Charges for services	$ 203,615	$ 143,274
Operating grants	415,811	521,681
General revenues:		
Fire assessments	14,393,261	12,956,082
Impact fees	1,865,864	883,962
Other	709,790	709,051
Total revenues	17,588,341	15,214,050
Expenses:		
Fire protection services	12,581,027	12,179,973
Depreciation	576,149	711,139
Interest on long-term debt	-0-	5,585
Total expenses	13,157,176	12,896,697
Increase (decrease) in net position	4,431,165	2,317,353
Net position – Beginning, as restated	5,958,757	3,620,319
Net position – Ending	**$ 10,389,922**	**$ 5,937,672**

Beginning net position was restated as of October 1, 2024 due to the adoption of GASB Statement No. 101, *Compensated Absences* as discussed in Note A (n).

Financial Analysis of the Government's Funds

The District utilizes only Governmental Funds, which includes 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* and *nonspendable* 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.

The general fund is the operating fund of the District. The total fund balance was $10,168,626. At the end of the current fiscal year, committed fund balance was $6,006,444 and unassigned fund balance of the general fund was $3,798,355.

The fund balance of the District's general fund increased $478,474 during the current fiscal year. Total revenues in the general fund were $15,608,917, which includes fire assessments of $14,393,261.

Personal service costs were $11,498,122, operating costs were $1,791,066, and capital outlay was $1,841,255.

The capital projects fund has a total fund balance of $4,479,585, all of which is restricted for the acquisition, construction or purchase of assets and related debt service required to provide fire protection and emergency services from impact fees. Revenues of $1,979,424 were offset by $177,482 of expenditures.

Fiduciary Funds

Fiduciary Funds include pension funds for employees of the District. At September 30, 2025, total net position held for pension benefits was $40,466,814 which increased $4,702,746 from the prior year.

General Fund Budgetary Highlights

Original and final budgeted revenues were $15,245,094. For the current fiscal year, actual revenues exceeded budgeted revenues by $363,823. Original budgeted expenditures were $15,671,117 and were amended to $15,999,228. Actual expenditures were less than the budget by $868,785. During the fiscal year the general fund budget was amended to increase personal service costs, capital outlay expenditures, and reduce operating expenditures.

Capital Assets

The District's investment in capital assets for the year ended September 30, 2025 amounts to $4,637,455 (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, machinery and equipment. The District's investment in capital assets for the current fiscal year increased by $952,102. This was comprised of $1,528,251 of capital additions, net of depreciation expense of $576,149.

Capital Assets

	Governmental Activities 2025	Governmental Activities 2024
Land	$ 654,929	$ 654,929
Construction in progress	1,475,253	186,301
Buildings and improvements	3,744,432	3,744,432
Machinery and equipment	6,626,173	6,424,956
Accumulated depreciation	(7,863,332)	(7,325,265)
Total net of depreciation	$ 4,637,455	$ 3,685,353

Significant capital asset activity included the Station 4 remodel construction.

Additional information on the District's capital assets can be found in Note C of this report.

Long-Term Liabilities

Additional information on the District's long-term liabilities can be found in Note D of this report.

Economic Factors and Next Year's Budgets and Rates

For the fiscal year 2025-2026, budgeted revenues are $22,194,147, including fire assessments of $16,254,437. Budgeted revenues also include $550,000 of FEMA income. Budgeted expenditures are $22,194,147. Budgeted expenditures include $14,542,611 of personal service costs, which is approximately a 27% increase over the prior year budget. Budgeted expenditures also include $5,062,219 for capital outlay, including $1,500,000 for Station 3.

These factors and others were considered in preparing the fiscal year 2025-2026 budget.

Requests for Information

This financial report is designed to provide a general overview of the North River Fire 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 information should be directed to the District at: 1225 14th Avenue West, Palmetto, Florida 34221.

NORTH RIVER FIRE DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

		GOVERNMENTAL ACTIVITIES
ASSETS		
Cash and cash equivalents	$	90,304
Investments		10,123,732
Due from other governments		561,649
Prepaid expenses		791,308
Restricted assets:		
Restricted:		
Cash and cash equivalents		3,640,532
Lease interest receivable		53,623
Lease receivable		1,206,392
Right-to-use asset, net of accumulated amortization		17,101
Capital assets		
Land and construction in progress		2,130,182
Other capital assets, net of depreciation		2,507,273
Total Assets		21,122,096
Deferred Outflows of Resources		
Deferred outflows of pension resources		3,854,823
LIABILITIES		
Accounts payable and other current liabilities		559,314
Noncurrent liabilities:		
Due within one year		251,776
Due in more than one year		9,584,766
Total Liabilities		10,395,856
Deferred Inflows of Resources		
Deferred inflows of pension earnings		3,092,251
Lease-related inflows of resources		1,098,890
		4,191,141
NET POSITION		
Net investment in capital assets		4,654,556
Restricted for:		
Impact fees		4,052,104
Unrestricted		1,683,262
TOTAL NET POSITION	$	10,389,922

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

NORTH RIVER FIRE DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Public Safety-Fire Protection	
Personal services	$ 10,337,577
Operating expenses	2,243,450
Depreciation	576,149
Total Program Expenses	13,157,176
Program Revenues:	
Charges for services	203,615
Operating grants	415,811
Net Program Expense	12,537,750
General Revenues:	
Fire assessments	14,393,261
Impact fees	1,865,864
Investment earnings	676,166
Miscellaneous	33,624
Total General Revenues	16,968,915
Increase in Net Position	4,431,165
Net Position - Beginning, as originally stated	5,937,672
Change in accounting principle (Note A)	21,085
Net Position - Beginning, as restated	5,958,757
Net Position - Ending	$ 10,389,922

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

NORTH RIVER FIRE DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	GENERAL	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and cash equivalents	$ 90,304	$ –	$ 90,304
Investments	10,123,732	–	10,123,732
Due from other governments	142,804	418,845	561,649
Prepaid items	363,827	427,481	791,308
Restricted assets:			
Cash and cash equivalents	–	3,640,532	3,640,532
TOTAL ASSETS	$ 10,720,667	$ 4,486,858	$ 15,207,525
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 38,772	$ 7,273	$ 46,045
Accrued expenses	513,269	–	513,269
Total liabilities	552,041	7,273	559,314
Fund balances:			
Nonspendable	363,827	427,481	791,308
Spendable			
Restricted	–	4,052,104	4,052,104
Committed	6,006,444	–	6,006,444
Unassigned	3,798,355	–	3,798,355
Total fund balances	10,168,626	4,479,585	14,648,211
TOTAL LIABILITIES AND FUND BALANCES	$ 10,720,667	$ 4,486,858	$ 15,207,525

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

NORTH RIVER FIRE DISTRICT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
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 – Governmental Funds	$ 14,648,211
The right-to-use asset used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	17,101
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Lease interest receivable	53,623
Lease receivable	1,206,392
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	4,637,455
Deferred outflows of resources related to the pension plan do not utilize current financial resources and, therefore, are not reported in the governmental funds.	3,854,823
Deferred inflows of resources related to the pension plan do not utilize current financial resources and, therefore, are not reported in the governmental funds.	(3,092,251)
Deferred inflows of resources related to the leases are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(1,098,890)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(9,836,542)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 10,389,922

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

NORTH RIVER FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	GENERAL	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
Revenues			
Tax assessments	$14,393,261	$ –	$ 14,393,261
Impact fees	–	1,865,864	1,865,864
Interest	562,606	113,560	676,166
Miscellaneous	33,624	–	33,624
Grant revenue	415,811	–	415,811
Charges for services	203,615	–	203,615
Total Revenues	15,608,917	1,979,424	17,588,341
Expenditures			
Current:			
Personal service	11,498,122	–	11,498,122
Operating	1,791,066	560	1,791,626
Capital outlay	1,841,255	176,922	2,018,177
Total Expenditures	15,130,443	177,482	15,307,925
Net change in Fund Balance	478,474	1,801,942	2,280,416
Fund Balances – Beginning	9,690,152	2,677,643	12,367,795
Fund Balances – Ending	$ 10,168,626	$ 4,479,585	$ 14,648,211

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

NORTH RIVER FIRE 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, 2025

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

Net change in fund balance - total governmental funds	$ 2,280,416
In the statement of activities, the right-to-use asset from a lease arrangement is amortized over the life of the lease. However, the right-to-use asset is not reported in the governmental funds.	
Amortization of right-to-use lease asset	(4,025)
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 outlay additions exceed depreciation	952,102
Revenues in the statement of activities that do not provide current financial resources as they do not meet the availability criteria are not reported as revenues in the governmental funds.	
Change in lease interest receivable	5,657
Change in deferred inflows - lease liability	33,132
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 represents the current year change in:	
Long-term compensated absences	18,924
OPEB liability	419,783
Net pension liability	(1,006,259)
Lease liability	3,338
Deferred outflows of pension resources	2,745,932
Deferred inflows of pension earnings	(1,017,835)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 4,431,165

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

NORTH RIVER FIRE DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2025

	Pension Trust Funds
ASSETS	
Investments	$ 40,466,814
Total Assets	40,466,814
NET POSITION	
Restricted for pension benefits	$ 40,466,814

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

NORTH RIVER FIRE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Pension Trust Funds
ADDITIONS	
Contributions	
Employer	$ 1,953,353
Employee	441,296
State contributions	666,473
Total contributions	3,061,122
Investment income (Loss)	
Interest	321,232
Dividends	834,393
Net appreciation (depreciation) in fair value of investments	3,288,334
Less investment expense	
Investment expense	(120,771)
Net investment income	4,323,188
Total additions	7,384,310
DEDUCTIONS	
Benefits and distributions to participants	2,656,826
Administrative expenses	24,738
Total deductions	2,681,564
Change in net position	4,702,746
Net Position - Beginning of year	35,764,068
Net Position - End of year	$ 40,466,814

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 North River Fire District (District), Manatee County, Florida:

(a) Reporting Entity – The District is a public municipal corporation in the State of Florida created in 1989 by Special Law 89-502 of the Legislature of the State of Florida. The District's enabling act was subsequently amended by 91-406, 96-452 and 2007-845. It is an independent special district. No other component units exist.

Revenue is provided for in the Bill 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 stations, 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. The impact fees collected are to be used exclusively for the acquisition, purchase or construction of new facilities and equipment and related debt service required to provide these services to the new users in the District.

(b) Basis of Presentation –The District's financial statements include Government-wide financial statements (which report the District as a whole excluding fiduciary activities) and Fund financial statements (which report on the General and Capital Projects Funds, as well as the Fiduciary Funds). The Financial Statements present only governmental activities, as the District conducts no business type activities.

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 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 revenues. The amounts reported as program revenues include charges for services and capital grants. General revenues include taxes and other items properly not included as program revenue.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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, deferred inflows of resources, reserves, fund balance, 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 also utilizes Fiduciary Funds, which are accounted for on the economic resources focus and accrual basis of accounting. The District reports the following fund types, which are all 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 personal service, operating expenditures, budgeted capital expenditures, and transfers.

(2) Capital Projects Fund - The Capital Projects Fund is used to account for Impact Fees collected on new construction and the construction of new fire stations. These revenues can only be used for the acquisition, construction or purchase of assets and related debt service required to provide fire protection and emergency services. In addition, loan proceeds and debt service for the construction or purchase of assets used for fire protection services are accounted for in this fund. Consequently, fund balance in the Capital Projects Fund is restricted.

Fiduciary Funds

(3) Pension Trust Funds - The Pension Trust Funds are used to account for assets held by the District in a trustee capacity. Consequently, net position in the fiduciary fund types is reserved. Pension trust funds are accounted for on the accrual basis since capital maintenance is critical. Contributions are recognized in the period in which contributions are due. Retirement benefits and refunds are recognized when due and payable in accordance with the Plan.

(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 expenses during the reporting period. Actual results could differ from those estimates.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(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 District's Chief 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) Interfund Receivables/Payables/Transfers – 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.

(f) Fire Assessment Taxes – Fire assessment 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 the 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

Fire assessment 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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(h) Fund Balance – The District follows Governmental Accounting Standards Board (GASB) Statement No. 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 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 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, up to $25,000, 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

	General Fund	Capital Projects Fund
Non-spendable	$ 363,827	$ 427,481
Spendable:		
Restricted - impact fees	-0-	4,052,104
Committed to:		
Vehicle apparatus, bunker gear, equipment, building replacement	6,006,444	-0-
Unassigned	3,798,355	-0-
	$ 10,168,626	$ 4,479,585

(i) Cash and Cash Equivalents - 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.

Cash accounts are with institutions that are Qualified Public Depositories and post collateral as required by State Law. All of the District's cash deposits are entirely collateralized pursuant to Chapter 280 of the Florida Statutes. Investments in the general fund consist of investments in the Florida Fixed Income Trust (FL-FIT). Investments in FL-FIT are recorded at fair value. The District's investment is in its shares held in the FL -FIT pool and not the underlying investments. 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. The District's investment in FL-FIT are included in the FL-FIT Cash Pool, which has a Fitch rating of AAAf/S1, and have a weighted average to maturity of 85 days, and a weighted average life (WAL) of 310 days.

General Fund:	Fair Value	Fair Value Hierarchy
FL-FIT Cash Pool:	$ 10,123,732	Level 2

(j) Compensated Absences - It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All benefits are accrued 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. These liabilities are liquidated out of the general fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

(k) 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. One item qualifies for reporting in this category. A deferred outflow of pension resources is reflected in the government-wide statement of net position.

In addition to liabilities, the government-wide 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. The District has two items that qualify for reporting in this category. A deferred inflow of pension earnings and leases are reported in the government-wide statement of net position.

(l) 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 $5,000 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:

Asset	Years
Buildings	40
Improvements	20 - 40
Equipment	5 - 10

(m) 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 A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(n) Adoption of a New Accounting Standard

Effective October 1, 2024, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* (GASB No. 101). GASB No. 101 updates the recognition and measurement guidance for compensated absences, including vacation, sick leave, and other paid leave benefits. Under GASB No. 101, liabilities for compensated absences are recognized when the benefits are both attributable to services already rendered and are expected to be paid, and emphasizes whether leave accumulates and whether it is more likely than not to be used or paid out.

The adoption of GASB No. 101 required the restatement of beginning balances of the governmental activities and compensated absences as of October 1, 2024 as follows:

Statement of Net Position:	
Compensated absences – as originally stated	$ 1,040,731
Change in accounting principle – GASB 101	(21,085)
Compensated absences – as restated	$ 1,019,646
Statement of Activities:	
Net position – as originally stated	$ 5,937,672
Change in accounting principle – GASB 101	21,085
Net position – as restated	$ 5,958,757

NOTE B – LESSOR – LEASE AGREEMENT

During 1998, the District entered into a cell tower lease agreement which allows the counterparty to rent space on the District's fire station radio tower. The agreement was revised effective November 9, 2016 and shall automatically be extended for six (6) successive five (5) year renewal terms through November 8, 2058, unless terminated pursuant to the lease agreement. During the year ended September 30, 2025, the District received annual rental payments in the amount of $34,160. Under the agreement, the annual rental payments are increased 4% every year.

Lease-related revenue recognized in the governmental activities for the year ended September 30, 2025 was as follows:

Lease revenue – Cell Tower	$ 33,133
Interest revenue – Cell Tower	37,272
Total lease-related revenue	$ 70,405

NOTE B – LESSOR – LEASE AGREEMENT – CONTINUED

Expected future minimum reductions of the lease receivable are as follows:

Year ending September 30,	Principal	Interest	Total
2026	$ –0–	$ 32,881	$ 32,881
2027	–0–	34,196	34,196
2028	–0–	35,564	35,564
2029	–0–	36,986	36,986
2030	–0–	38,466	38,466
2031 – 2035	1,304	215,372	216,676
2036 – 2040	84,731	178,888	263,619
2041 – 2045	158,978	161,755	320,733
2046 – 2050	258,343	131,877	390,220
2051 – 2055	389,310	85,081	474,391
2056 – 2058	313,726	19,547	333,273
	$ 1,206,392	$ 970,613	$ 2,177,005

NOTE C – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	$ 654,929	$ –	$ –	$ –	$ 654,929
Construction in progress	186,301	1,288,952	–	–	1,475,253
Total capital assets, not being depreciated	841,230	1,288,952	–	–	2,130,182
Capital assets, being depreciated:					
Buildings	3,560,277	–	–	–	3,560,277
Building improvements	83,267	–	–	–	83,267
Machinery and equipment	1,630,548	8,023	(38,082)	–	1,600,489
Improvements other than building	100,888	–	–	–	100,888
Vehicle	4,794,408	231,276	–	–	5,025,684
Total capital assets being depreciated	10,169,388	239,299	(38,082)	–	10,370,605
Less accumulated depreciation:	(7,325,265)	(576,149)	38,082	–	(7,863,332)
Total capital assets, being depreciated, net	2,844,123	(336,850)	–	–	2,507,273
Governmental activities capital assets, net	$ 3,685,353	$ 952,102	$ –	$ –	$ 4,637,455

Depreciation in the amount of $576,149 was reported as a separate line item in the statement of activities.

NOTE C – CAPITAL ASSETS – CONTINUED

Lease activity for governmental activities for the year ended September 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Lease assets				
Building	$ 48,805	$ –	$ (48,805)	$ –
Equipment	19,923	–	–	19,923
Total lease assets	68,728	–	(48,805)	19,923
Less accumulated amortization for:				
Building	(46,772)	(2,033)	48,805	–
Equipment	(830)	(1,992)	–	(2,822)
	(47,602)	(4,025)	48,805	(2,822)
Total right-to-use lease assets, net	$ 21,126	$ (4,025)	$ –	$ 17,101

NOTE D – LONG-TERM LIABILITIES

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

During 2022, the District entered into a lease agreement for a trailer. The lease was for a period of 24 months with fixed monthly payments of $1,850. The interest rate was based on the District's incremental borrowing rate of 4.50%. The lease expired October, 2024.

During 2024, the District entered into a lease agreement for a boat slip. The lease for a period of 120 months with fixed monthly payments of $225. The interest rate is based on the District's incremental borrowing rate of 6.50%. The lease will expire April 30, 2034. The rent expense for the year ended September 30, 2025 was as follow:

Lease expense	
Amortization expenses by class	
Of underlying asset	
Trailer	$ 2,034
Boat slip	1,992
Total amortization expense	4,026
Interest on lease liability	1,204
Total lease expense	$ 5,228

Future minimum lease payments for this lease are as follows:

Year ending September 30,	Principal	Interest	Total
2026	$ 1,595	$ 1,105	$ 2,700
2027	1,702	998	2,700
2028	1,816	884	2,700
2029	1,937	763	2,700
2030	2,067	633	2,700
2031 – 2034	8,609	1,065	9,674
	$ 17,726	$ 5,448	$ 23,174

NOTE D – LONG-TERM LIABILITIES – CONTINUED

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2025, was as follows:

	Beginning Balance, as Originally Stated	Restatement of Beginning Balance	Additions	Reductions		Ending Balance	Due Within One-Year
OPEB Liability	$ 2,970,911	$ –	$ 154,880	$ 574,663		$ 2,551,128	$ –
Lease liability	21,064	–	–	3,338		17,726	1,595
Net pension liability	5,260,707	–	8,248,777	7,242,518		6,266,966	–
Compensated absences	1,040,731	(21,085)	–	18,924	*	1,000,722	250,181
Governmental activity Long-term liabilities	$ 9,293,413	$ (21,085)	$ 8,403,657	$ 7,839,443		$ 9,836,542	$ 251,776

* The change in compensated absences is presented as a net change.

NOTE E – 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 are not due and payable in the current period and therefore are not reported in the governmental funds." The detail of the difference is shown below:

Compensated absences	$ 1,000,722
Net pension liability	6,266,966
Lease liability	17,726
OPEB Liability	2,551,128
	$ 9,836,542

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the 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." The details of the difference are shown below:

Capital additions included as expenditures in the governmental funds	$ 1,528,251
Depreciation expense	(576,149)
	$ 952,102

NOTE F - RETIREMENT PLANS

Florida Retirement System – (FRS)

Plan Description

Effective June, 1 2025, the District offers non-firefighter employees a defined benefit pension plan through the Florida Retirement System (FRS). Non-firefighter employees hired prior to June 1, 2025 had the option of remaining in the current retirement plan. Non-firefighter employees hired after June 1, 2025 participate in FRS. FRS is administered by the Florida Department of Management Services, Division of Retirement. The State of Florida issues a publicly available comprehensive annual financial report that can be obtained at: 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.

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 year's 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.

NOTE F – RETIREMENT PLANS – CONTINUED

Florida Retirement System – (FRS) – Continued
Benefits Provided – Continued

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 the 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 rates 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, 2025, ranged from 13.63% – 14.03% for regular employees, 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 $3,436 for the year ended September 30, 2025.

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

Actuarial Assumptions

The total pension liability in the July 1, 2025 actuarial valuation for FRS and July 1, 2024 for HIS (June 30, 2025 measurement date for both) 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 assumptions were based on the PUB-2010 base table, projected generationally with Scale MP-2021 for FRS. HIS mortality assumptions were based on the Generational PUB-2010 with Projection Scale MP-2021. The actuarial assumptions used in the June 30, 2025 FRS valuation were based on the results of an actuarial experience study performed 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.

NOTE F – RETIREMENT PLANS – CONTINUED

Florida Retirement System – (FRS) – Continued
Actuarial Assumptions – Continued

The long-term expected rate of return on pension plan investments consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.20%; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2025 by the FRS Actuarial Assumptions Conference. The table below shows the assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Annual Arithmetic Return
Cash	1.00%	3.20%
Fixed Income	29.00%	5.50%
Global Equity	45.00%	8.50%
Real Estate	12.00%	8.40%
Private Equity	11.00%	12.40%
Strategic Investments	2.00%	6.50%

Discount Rate

The discount rate used to measure the total FRS pension liability was 6.70%. The FRS rate remained unchanged in the most recent actuarial study. The HIS rate used was 5.20%. 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.

The following changes in actuarial assumptions occurred in 2025, all related to 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 assumption changes were updated to reflect recent and anticipated future experience of HIS plan participants. Changes were adopted by the 2025 FRS Actuarial Assumption Conference during its October 2025 meeting.
- The discount rate was modified to reflect the change in value of the municipal bond index between GASB measurement dates. The previous rate was 3.93%.

NOTE F – RETIREMENT PLANS – CONTINUED

Florida Retirement System – (FRS) – Continued
Pension Plan Fiduciary Net Position

At September 30, 2025, the District had no proportionate share of net pension liability.

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 annual comprehensive financial report.

Firefighters Pension Trust Fund

Plan Description and Summary of Significant Accounting Policies
The Board of Commissioners established the North River Fire District Firefighters' Retirement Plan (FFRP). This plan meets the requirements of Chapter 175 Florida Statutes.

The FFRP is a single employer, defined benefit plan and is accounted for in the accompanying financial statements as a Pension Trust Fund. A stand alone report is not issued. Participation is mandatory (a condition of employment) for all full-time firefighters employed by the District. Plan administrative costs are paid by the plan. The District Board has the authority to amend or extend the provisions of the plan through approval by the District's Board of Commissioners. The Pension Board consists of 2 District appointees, 2 members of the Department elected by majority vote, and 1 member elected by the other 4 trustees. The plan is administered by the Pension Board with Salem Trust Company as the Asset Custodian.

Plan Membership as of October 1, 2024:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	43
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	9
Active Plan Members	67
	119

Basis of Accounting – The FFRP's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Asset Valuation – Investments are reported at market value based on quoted prices at month/year end. Investment income is recognized when earned. Gains and losses on sale and exchanges of securities are recognized on the transaction date.

Benefit Provisions
Retirement – Age 55 and the completion of 5 years of service or the completion of 25 years of service. For those members hired on or after January 1, 2000 vesting occurs after 10 years. The pension benefit is 3.0% of the monthly average of the highest five years of earnings during the 10 year period ending on the earliest of termination or retirement date. Monthly benefits after the age of sixty-five are reduced by the Social Security amount.

NOTE F - RETIREMENT PLANS - CONTINUED

Firefighters Pension Trust Fund – Continued

Benefit Provisions - Continued

Benefits are available for early retirement at age 50 and completion of 10 years of vesting service. The pension benefit is the accrued benefit reduced by 3.0 percent per year.

Benefits are available to participants who terminate employment after completing five or more years of vesting service (10 years if hired on or after January 1, 2000), but terminate prior to eligibility for early retirement. These benefits may be paid monthly by formula, or may be paid in a lump sum outlined by formula.

Death and Disability – A member with five or more years credited service who becomes disabled not in the line of duty, shall receive a disability benefit of 25 percent of average final compensation for benefits accrued to date. A member who becomes disabled in the line of duty has no service time requirement and shall receive a disability benefit accrued to date with a minimum benefit of 42 percent of average final compensation. The Board of Trustees determines disability eligibility.

Upon the death of a member who was eligible for normal or delayed retirement at the date of death, the beneficiary will receive a lump sum payment or monthly benefit for life determined by a formula within the plan. In the event a member dies prior to the normal retirement date from causes which are not related to the fire service, the beneficiary will receive an amount equal to the actuarially equivalent lump sum value of the participant's accrued benefit determined as of his date of death. If a member otherwise not eligible for benefits dies in the line of service prior to his normal retirement date, the member would obtain eligibility for membership. This benefit will be actuarially computed using the same assumptions and basis referred to above.

Deferred Retirement Option Program (DROP)
Participants who have satisfied normal retirement requirements may enter the deferred retirement option program (DROP). Individuals may participate in DROP for up to 60 months. Interest is credited on a participant's DROP account at the rate of 3% compounded monthly. At September 30, 2025, the DROP balance is $0.

Supplemental Retirement Benefits
The initial crediting of the $998,041 Excess State Monies Reserve, established as of September 30, 2014, is allocated to eligible participants. Annual premium tax reserves received in excess of the applicable frozen amount of $180,072 shall be allocated to participant accounts on a pro-rata basis based on credited service.

NOTE F – RETIREMENT PLANS – CONTINUED

Firefighters Pension Trust Fund – Continued

Contributions

The District is required to contribute an actuarially determined rate. Contributions include an amount to amortize an unfunded accrued liability. Current year employer and state contributions totaled $2,503,092. Significant actuarial assumptions used to compute actuarial determined contribution requirements are the same as those used to compute the actuarially accrued liability. A mandatory 7% employee contribution is required. Employee contributions for 2025 were $441,296, which equaled required contributions.

Investments

The Pension Board establishes investment policies and allocation of invested assets and may amend the policy by majority vote. The following was the Board's adopted asset allocation policy as of September 30, 2025:

Asset Class	Target Allocation
Domestic Equity	45%
International Equity	15%
Fixed Income (Core)	10%
Fixed Income (Non-Core)	10%
Real Estate	10%
Alternative	10%
Total	100%

FFRP Plan investments are held by the Salem Trust Company and American Realty Advisors. At September 30, 2025 investments included:

	Fair Value	Percent of Total
Held by Salem Trust:		
Cash and cash equivalents	$ 804,647	2.06%
U.S. Government Securities	1,181,823	3.02%
Mortgage obligations	2,556,458	6.53%
Corporate and foreign bonds	2,706,459	6.91%
Mutual funds	29,445,937	75.21%
Real Estate Fund	2,457,592	6.27%
	$ 39,152,916	100.00%

Concentrations

The Plan did not hold investments in any one organization that represent 5% or more of the Pension Plan's fiduciary net position.

Rate of Return

The annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense was 11.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE F – RETIREMENT PLANS – CONTINUED

Firefighters Pension Trust Fund – Continued

Credit Risk
The cash and cash equivalents include cash and Goldman Sachs Treasury Obligation money market funds, and represents 2.06% of assets. Goldman Sachs Treasury Obligation fund has an S&P rating of AAAm.

Interest Rate Risk
The U.S. Government Agency Obligations have interest rates between 1.25% and 2.875% with maturities from 2028 to 2050. Mortgage/asset backed securities and collateralized mortgage obligations have interest rates between 1.5% and 5.5% with maturities between 2035 and 2054. Corporate and foreign bonds have interest rates between 1.65% and 7.9% with maturities from 2025 to 2055. Common stock and mutual funds are subject to market fluctuations. Foreign bonds are not exposed to significant foreign currency risk as they are expressed in U.S. dollars.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments of collateral securities that are in the possession of an outside party. The Plan investments are held by Salem Trust Company and American Realty Advisors as custodians for the North River Fire District Firefighters' Retirement Plan. Management invests with custodians it determines to have an acceptable custodial credit risk.

Foreign Currency Risk – The Board of Trustees retains outside investment managers to manage investment portfolios. The Board approves and provides investment managers with the Plan's written investment policy. The Plan's investment policy states that investments in foreign securities or corporations domiciled outside of the United States shall not exceed 10% of the value of Plan assets.

Net Pension Liability
The measurement date is September 30, 2025. The measurement period for the pension expense was October 1, 2024 to September 30, 2025. The reporting period is October 1, 2024 through September 30, 2025. The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation as of October 1, 2024 and rolled forward to September 30, 2025.

NOTE F – RETIREMENT PLANS – CONTINUED

Firefighters Pension Trust Fund – Continued

Net Pension Liability – Continued

The Total Pension Liability used to calculate the Net Pension Liability was determined as September 30, 2025.

The components of the net pension liability of the sponsor on September 30, 2025 were as follows:

Total Pension Liability	$ 45,344,898
Plan Fiduciary Net Position	(39,077,932)
Sponsor's Net Pension Liability	$ 6,266,966
Plan Fiduciary Net Position as a percentage of Total Pension Liability	86.18%

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2024	$ 39,745,485	$ 34,484,778	$ 5,260,707
Changes for a Year:			
Service Cost	1,472,874	-0-	1,472,874
Interest	2,955,155	-0-	2,955,155
PRIA Account Allocation	29,113	-0-	29,113
Share Plan Allocation	326,265	-0-	326,265
Differences Between Expected and Actual Experience	569,878	-0-	569,878
Change in Assumptions	2,813,795	-0-	2,813,795
Contributions - Employer	-0-	1,836,619	(1,836,619)
Contributions - State	-0-	666,473	(666,473)
Contributions - Employee	-0-	441,351	(441,351)
Other	-0-	118,949	(118,949)
Net Investment Income	-0-	4,179,126	(4,179,126)
Benefit Payments, Including Refunds Of Employee Contributions	(2,567,667)	(2,567,667)	-0-
Administrative Expense	-0-	(81,697)	81,697
Net Changes	5,599,413	4,593,154	1,006,259
Balances at September 30, 2025	$ 45,344,898	$ 39,077,932	$ 6,266,966

Actuarial Assumptions

Actuarial valuation as of October 1, 2024 updated to September 30, 2025.

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.25%
Investment Rate of Return	7.25%

Mortality Rate Healthy Lives:
PubS.H-2010 for Employees, set forward one year.

NOTE F – RETIREMENT PLANS – CONTINUED

Firefighters Pension Trust Fund – Continued

Actuarial Assumptions – Continued
PubS.H-2010 for Healthy Retirees, set forward one year.

Beneficiary Lives:
Female: PubG.H-2010 for healthy retirees; Male PubG.H-2010 for healthy retirees, set back one year.

Disabled Lives:
Female: PubG.H.-2010 for Disabled Retirees, set forward one year; Male PubG.H-2010 for disabled retirees.

All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2025 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	7.50%
International Equity	8.50%
Fixed Income (Core)	2.50%
Fixed Income (Non-Core)	2.50%
Real Estate	4.50%
Alternative	5.60%

Discount Rate
The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Assumptions
Total pension liability as of the September 30, 2025 measurement date reflects the following assumption changes:

- The discount rate was updated from 7.40% to 7.25%.

NOTE F – RETIREMENT PLANS – CONTINUED

Firefighters Pension Trust Fund – Continued

Changes in Assumptions–Continued

- The assumed salary increase rates were changed, generally higher than previously assumed.
- The assumed termination rates were changed, generally assuming more terminations than previously assumed
- As mandated by Chapter 2015-157, laws of Florida, the assumed rates for mortality were changed to the rates used in Milliman's July 1, 2024, FRS valuation report for special risk employees.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using the discount rate of 7.25%, as well as 1% higher and 1% lower than the current rate.

	1% Decrease	Current Discount Rate 7.25%	1% Increase
Sponsor's Net Pension Liability	$ 12,140,830	$ 6,266,966	$ 1,408,815

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

For the year ended September 30, 2025 the Sponsor recognized pension expense of $1,781,251. On September 30, 2025 the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 1,331,459	$ 275,987
Changes in Assumptions	2,523,364	-0-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-0-	2,816,264
Total	$ 3,854,823	$3,092,251

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

Year ended September 30:	
2026	$ 633,054
2027	$ (818,217)
2028	$ (693,419)
2029	$ 187,542
2030	$ 489,366
Thereafter	$ 964,246

NOTE F – RETIREMENT PLANS – CONTINUED

Administrative Employees Money Purchase Pension Plan

Plan Description

The District has established a defined contribution plan (the Plan) to provide retirement benefits for its administrative employees (non-firefighters). The Plan is designated as a Money Purchase Pension Plan, which does not provide for fixed and determinable retirement benefits. The Plan Administrator is North River Fire District and the Trustee of the plan is the Fire Chief. In addition, the District has appointed a committee to assist in the administration of the plan and has the responsibility of making all discretionary determinations under the Plan and for giving distribution directions to the Trustee. The Trustee will hold all amounts contributed by the District in a trust fund. Upon the direction of the Committee, the Trustee will authorize all distribution and benefit payments from the trust fund to participants and beneficiaries. The Trustee will maintain all trust fund records on a plan year basis.

Investments

The Plan has investments measured at fair value totaling $1,313,898 at year end.

Eligibility

The Plan limits participation under Section 401(a) and is exempt from tax under Section 501(a) of the Code; it is intended to meet the requirements established by the Internal Revenue Service. Employees are eligible to participate in the Plan at the age of twenty-one and have completed one year of service. The Plan specifically excludes firefighting personnel, leased employees and nonresident aliens.

Contributions and Vesting

The District will make contributions on behalf of the eligible participants equal to a percentage of participant gross salaries. The amount approved by the Board of Commissioners, for the fiscal year ended September 30, 2025 was 25% of gross salaries. In addition to District contributions, each participant account will be credited annually with a share of investment earnings or losses of the trust fund. The Plan allocates participant forfeitures as additional District contributions. The District contributed $116,734 in 2025.

Employees have a vested interest of 100% immediately upon the plan entry date. As a result, there are no forfeitures.

Custodian

The District entered into an agreement with ING Financial Services (VOYA), effective February 1, 2001, to maintain the individual accounts of participants. The District will pay administrative costs for Plan maintenance. Account maintenance fees will be paid by the participants.

The following schedules present combining statements of fiduciary net position and changes in fiduciary net position.

NOTE F – RETIREMENT PLANS – CONTINUED

Administrative Employees Money Purchase Pension Plan – Continued

Combining Statement of Fiduciary Net Position

	Administrative Employees Pension Fund	Firefighter Pension Fund	Total Employee Retirement Funds
ASSETS			
Investments	$ 1,313,898	$ 39,152,916	$ 40,466,814
Total Assets	1,313,898	39,152,916	40,466,814
NET POSITION			
Restricted for pension benefits	$ 1,313,898	$ 39,152,916	$ 40,466,814

Combining Statement of Changes in Fiduciary Net Position

ADDITIONS	General Employees Pension Fund	Firefighter Pension Fund	Total Employee Retirement Funds
Contributions:			
Employer	$ 116,734	$ 1,836,619	$ 1,953,353
Employee	–	441,296	441,296
State contributions	–	666,473	666,473
Total contributions	116,734	2,944,388	3,061,122
Investment Income:			
Interest	966	320,266	321,232
Dividends	–	834,393	834,393
Net appreciation in fair value of investments	170,066	3,118,268	3,288,334
Total investment income	171,032	4,272,927	4,443,959
Less investment expense:			
Investment expenses	–	(120,771)	(120,771)
Total investment expense	–	(120,771)	(120,771)
Net investment income	171,032	4,152,156	4,323,188
Total Additions	287,766	7,096,544	7,384,310
DEDUCTIONS			
Benefits and distributions to participants	(223,365)	(2,433,461)	(2,656,826)
Administrative expenses	–	(24,738)	(24,738)
Total deductions	(223,365)	(2,458,199)	(2,681,564)
Change in Net Position	64,401	4,638,345	4,702,746
Net Position – Beginning of year	1,249,497	34,514,571	35,764,068
Net Position – End of year	$ 1,313,898	$ 39,152,916	$ 40,466,814

Fair Value

The investments in the Firefighters Pension Plan and the Administrative Employees Pension Plan are measured at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District

NOTE F – RETIREMENT PLANS – CONTINUED

Fair Value – Continued
categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation 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; Level 3 inputs are significant unobservable inputs. Recurring fair value measurements as of September 30, 2025 are as follows:

		Fair Value Measurements Using		
	Total	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Money Market	$ 804,647	$ 804,647	$ –0–	$ –0–
Debt securities:				
U.S. Government Obligations	3,738,281	–0–	3,738,281	–0–
Corporate and Foreign Bonds	2,706,459	–0–	2,706,459	–0–
Fixed Investment Accounts	29,181	–0–	29,181	–0–
Equity securities:				
Mutual Funds – Equity	30,730,654	–0–	30,730,654	–0–
Real Estate Fund	2,457,592	–0–	–0–	2,457,592
Total investments by fair value	$ 40,466,814	$ 804,647	$ 37,204,575	$ 2,457,592

Money market accounts and certain equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and certain equity securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Real estate funds are classified as level 3 as the valuation is determined using significant unobservable inputs, including discounted cash flow, direct capitalization sales approach, cash equivalency and par value.

NOTE G – OTHER POST-EMPLOYMENT HEALTHCARE BENEFIT PLAN

Plan Description – The District has established a single employer post-employment health plan. A stand-alone report is not issued. The District provides optional health, dental and vision insurance to retirees, their spouses, and their dependents. The plan requires retirees to contribute an amount based on the average cost of providing the benefit to the covered group. 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.

NOTE G – OTHER POST-EMPLOYMENT HEALTHCARE BENEFIT PLAN – CONTINUED

Employees Covered by Benefit Terms. At September 30, 2025, the following employees were covered by the benefit terms:

Plan membership at September 30, 2025 (date of actuarial valuation):

Inactive plan members or beneficiaries currently receiving benefits	14
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	74
Total	88

Actuarial Assumptions

The measurement date is September 30, 2025.
The measurement and reporting period for the OPEB expense was October 1, 2024 to September 30, 2025.

Note – The Total OPEB Liability was measured as of September 30, 2025 using a discount rate of 4.35%.

The actuarial valuation was performed utilizing the Alternative Measurement Method for small plans.

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2025, using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	10.51%
Discount Rate	4.35%
Initial Trend Rate – Medical	5.80%
Ultimate Trend Rate – Medical	4.10%
Initial Trend Rate – Pharmacy	11.70%
Ultimate Trend Rate – Pharmacy	4.10%
Initial Trend Rate – Dental and Vision	3.50% and 3.00%
Ultimate Trend Rate – Dental and Vision	3.00% and 3.00%

Mortality

Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

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 4.35%. The high-quality municipal bond rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve.

NOTE G – OTHER POST-EMPLOYMENT HEALTHCARE BENEFIT PLAN – CONTINUED

OPEB Expense

For the year ended September 30, 2025, the District recognized OPEB Expense of $(419,783).

Change in Total OPEB Liability

	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2024	$ 2,970,911
Changes for a Year:	
Service Cost	37,550
Interest	117,330
Effect of economic/demographic gains or losses	(429,987)
Effect of Changes in assumptions	(144,676)
Net Changes	(419,783)
Reporting Period Ending September 30, 2025	$ 2,551,128

Changes in assumptions reflect a change in the discount rate from 3.90% for the reporting period ended September 30, 2024 to 4.35% for the reporting period ended September 30, 2025.

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

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

	1% Decrease	Current Discount Rate 4.35%	1% Increase
Total OPEB Liability (Asset)	$ 2,893,302	$ 2,551,128	$ 2,272,310

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

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

	1% Decrease Trend Rates	Healthcare Cost Trend Rates 3.00% – 11.70%	1% Increase Trend Rates
Total OPEB Liability (Asset)	$ 2,293,558	$ 2,551,128	$ 2,858,328

NOTE H – CONCENTRATIONS OF LABOR SUBJECT TO COLLECTIVE BARGAINING AGREEMENT

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

NOTE I – 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 decrease in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

NOTE J – COMMITMENTS

The District entered into a construction contract for a fire station. At year end, the amount of the contract totaled $388,645, of which $7,268 was complete. The remaining amounts are expected to be complete in 2026.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH RIVER FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -BUDGET AND ACTUAL-GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
REVENUES				
Tax assessments	$ 14,197,601	$ 14,197,601	$ 14,393,261	$ 195,660
Interest	200,000	200,000	562,606	362,606
Reimbursements	-	-	-	-
Miscellaneous	47,920	47,920	33,624	(14,296)
Grants	641,664	641,664	415,811	(225,853)
Charges for services	157,909	157,909	203,615	45,706
Total Revenues	15,245,094	15,245,094	15,608,917	363,823
EXPENDITURES				
Personal service	11,466,744	11,671,279	11,498,122	173,157
Operating	2,067,838	2,067,837	1,791,066	276,771
Capital outlay	2,136,535	2,260,112	1,841,255	418,857
Total Expenditures	15,671,117	15,999,228	15,130,443	868,785
Net Changes in Fund Balance	(426,023)	(754,134)	478,474	1,232,608
FUND BALANCE - Beginning	9,690,152	9,690,152	9,690,152	-
FUND BALANCE - Ending	$ 9,264,129	$ 8,936,018	$ 10,168,626	$ 1,232,608

Note 1-Budgetary Basis
The general fund budget is prepared on a basis consistent with generally accepted accounting principles.

NORTH RIVER FIRE DISTRICT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS - FFRP
LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Service cost	$ 673,061	$ 680,291	$ 724,747	$ 736,205	$ 803,064	$ 882,516	$ 908,650	$ 1,039,325	$ 1,289,266	$ 1,472,874
Interest	1,639,293	1,794,403	1,878,295	1,911,792	2,005,395	2,124,784	2,286,992	2,433,750	2,716,058	2,955,155
PRIA Account Allocation	-	-	-	-	273,526	245,238	(107,967)	9,989	95,329	29,113
Share Plan Allocation	170,882	143,593	168,577	161,382	174,127	164,129	213,610	283,230	206,399	326,265
Changes of Benefit Terms	-	-	-	(6,264)	-	-	264,665	1,873,828	-	-
Differences Between Expected and Actual Experience	263,681	(47,804)	220,591	(131,058)	113,356	13,902	178,585	(415,371)	946,624	569,878
Changes in Assumptions	468,002	-	(203,733)	-	245,180	-	-	-	-	2,813,795
Contributions - Buy Back	-	-	-	-	-	133,981	-	109,470	-	-
Benefit Payments, Including Refunds of Employee Contributions	(1,133,779)	(1,307,679)	(1,757,244)	(1,321,096)	(1,673,175)	(1,765,638)	(1,561,060)	(1,693,593)	(1,844,809)	(2,567,667)
Net Change in Total Pension Liability	2,081,140	1,262,804	1,031,233	1,350,961	1,941,473	1,798,912	2,183,475	3,640,628	3,408,867	5,599,413
Total Pension Liability - Beginning	21,045,992	23,127,132	24,389,936	25,421,169	26,772,130	28,713,603	30,512,515	32,695,990	36,336,618	39,745,485
Total Pension Liability - Ending (a)	**$ 23,127,132**	**$ 24,389,936**	**$ 25,421,169**	**$ 26,772,130**	**$ 28,713,603**	**$ 30,512,515**	**$ 32,695,990**	**$ 36,336,618**	**$ 39,745,485**	**$ 45,344,898**
Plan Fiduciary Net Position										
Contributions - Employer	$ 1,070,563	$ 1,120,919	$ 1,219,945	$ 1,345,713	$ 1,258,536	$ 1,308,537	$ 942,781	$ 1,155,779	$ 1,507,919	$ 1,836,619
Contributions - State	350,955	323,666	348,649	341,454	354,200	394,201	393,682	463,302	496,459	666,473
Contributions - Employee	139,484	141,809	149,425	160,019	170,522	185,783	203,786	229,811	397,649	441,351
Contributions - Buy Back	-	-	-	-	-	133,981	-	109,470	-	-
Net Investment Income	1,160,545	2,196,201	1,306,169	1,055,717	2,036,526	4,826,699	(5,138,026)	2,669,802	6,467,368	4,179,126
Benefit Payments, Including Refunds of Employee Contributions	(1,133,779)	(1,307,679)	(1,757,244)	(1,321,096)	(1,673,175)	(1,765,638)	(1,561,060)	(1,693,593)	(1,844,809)	(2,567,667)
Other					304,776	178,487	-	-	11,432	118,949
PRIA Transfer from Share								83,931	-	-
Administrative Expense	(45,838)	(50,899)	(46,123)	(60,139)	(54,803)	(53,349)	(53,526)	(60,751)	(66,779)	(81,697)
Net Change in Plan Fiduciary Net Position	1,541,930	2,424,017	1,220,821	1,521,668	2,396,582	5,208,701	(5,212,363)	2,957,751	6,969,239	4,593,154
Plan Fiduciary Net Position - Beginning	15,456,432	16,998,362	19,422,379	20,643,200	22,164,868	24,561,450	29,770,151	24,557,788	27,515,539	34,484,778
Plan Fiduciary Net Position - Ending (b)	**$ 16,998,362**	**$ 19,422,379**	**$ 20,643,200**	**$ 22,164,868**	**$ 24,561,450**	**$ 29,770,151**	**$ 24,557,788**	**$ 27,515,539**	**$ 34,484,778**	**$ 39,077,932**
Net Pension Liability - Ending (a) - (b)	**$ 6,128,770**	**$ 4,967,557**	**$ 4,777,969**	**$ 4,607,262**	**$ 4,152,153**	**$ 742,364**	**$ 8,138,202**	**$ 8,821,079**	**$ 5,260,707**	**$ 6,266,966**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.50%	79.63%	81.20%	82.79%	85.54%	97.57%	75.11%	75.72%	86.76%	86.18%
Covered-Employee Payroll	$ 3,099,332	$ 3,151,295	$ 3,320,574	$ 3,555,969	$ 3,789,383	$ 4,128,518	$ 4,528,594	$ 5,106,535	$ 5,656,518	$ 6,305,501
Net Pension Liability as a Percentage of Covered-Employee Payroll	197.74%	157.64%	143.89%	129.56%	109.57%	17.98%	179.71%	172.74%	93.00%	99.39%

Notes to schedule of changes in net pension liability:

Changes in assumptions:

For measurement date 9/30/2025, the discount rate was updated from 7.40% to 7.25%. The assumed salary increase rates were changed, generally higher than previously assumed. The assumed termination rates were changed, generally assuming more terminations than previously assumed. As mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Millman's July 1, 2024, FRS valuation report for special risk employees.

For measurement date 9/30/2022, amount reported as changes of benefit terms resulted from Ordinance No. 37, adopted February 17, 2022, and effective October 1, 2021, which amended the definition of salary to include 70 hours of overtime compensation per member each fiscal year.

For measurement date 9/30/20, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019 actuarial valuation for special risk lives. Additionally, the investment return assumption was lowered from 7.50% to 7.40%.

For measurement date 9/30/19, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes. Amounts reported as changes in assumptions were based on an actual experience study dated 8/31/18 and the Board made the following changes: Reduced interest rate to 7.50%; modified salary increases to use service based table; updated retirement, termination and disability rates.

For measurement date 9/30/16, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

NORTH RIVER FIRE DISTRICT
SCHEDULE OF CONTRIBUTIONS AND NOTES – FFRP
LAST TEN FISCAL YEARS

	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023	9/30/2024	9/30/2025
Actuarially Determined Contributions	$ 1,250,635	$ 1,300,991	$ 1,400,017	$ 1,525,786	$ 1,488,609	$ 1,322,426	$ 1,339,036	$ 1,335,851	$ 1,687,991	$ 2,016,691
Contributions in Relation to the Actuarially Determined Contributions	1,250,635	1,300,991	1,400,017	1,525,786	1,488,609	1,538,609	1,122,853	1,335,851	1,687,991	2,016,691
Contribution Deficiency (Excess)	$ -0-	$ -0-	$ -0-	$ -0-	$ -0-	$ (216,183)	$ 216,183	$ -0-	$ -0-	$ -0-
Covered Employee Payroll	$ 3,099,332	$ 3,151,295	$ 3,320,574	$ 3,555,969	$ 3,789,383	$ 4,128,518	$ 4,528,594	$ 5,106,535	$ 5,656,518	$ 6,305,501
Contributions as a Percentage of Covered Employee Payroll	40.35%	41.28%	42.16%	42.91%	39.28%	37.27%	24.79%	26.16%	29.84%	31.98%

ACTUARIAL METHODS AND ASSUMPTIONS

Valuation Date: 10/01/24

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

Methods and assumptions used to determine contribution rates:

Funding Method:	Entry Age Normal Actuarial Cost Method.
Amortization Method:	Level Percentage of Pay, Closed.
Asset Valuation Method:	Assets valued at market value with an adjustment to uniformly spread actuarial investment gains and losses over a four-year period.
Salary Increases:	Service based.
Interest Rate:	7.40% per year compounded annually, net of investment related expenses.
Payroll Growth:	0% for purposes of amortizing the Unfunded Actuarial Accrued Liability.
Retirement Age:	Earlier of 1.) Age 55 and the completion of 5 years of service or 2.) the completion of 25 years of service, regardless of age. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.
Early Retirement:	Commencing at eligibility for Early Retirement (age 50 with 10 years of service), members are assumed to retire with an immediate benefit at the rate of 3% per year.
Disability:	90% of Disability Retirement and Active Member deaths are assumed to be Line-of-Duty related.
Mortality:	All rates are projected generationally with Mortality Improvement Scale MP-2018.

NORTH RIVER FIRE DISTRICT
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN - FFRP
LAST TEN FISCAL YEARS

	9/30/16	9/30/17	9/30/18	9/30/19	9/30/20	9/30/21	9/30/22	9/30/23	9/30/24	9/30/25
Annual Money-Weighted Rate of Return Net of Investment Expense	7.26%	12.93%	6.63%	4.95%	8.95%	19.12%	(17.14)%	10.66%	22.96%	11.79%

NORTH RIVER FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY*

FLORIDA RETIREMENT SYSTEM (FRS)

		2025
District's proportion of the net pension liability		0.000000000%
District's proportionate share of the net pension liability	$	-
District's covered-employee payroll	$	24,610
District's proportionate share of the net pension liability as a percentage of its covered employee payroll		0%
Plan fiduciary net position as a percentage of total pension liability		0.00%

* - The District adopted FRS plan participation in fiscal year 2025. Ultimately, this schedule will include information for the last 10 years.

NORTH RIVER FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY*

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2025
District's proportion of the net pension liability	0.000000000%
District's proportionate share of the net pension liability	$ -
District's covered-employee payroll	$ 24,610
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	0%
Plan fiduciary net position as a percentage of total pension liability	0.00%

* - The District adopted FRS plan participation in fiscal year 2025. Ultimately, this schedule will include information for the last 10 years.

NORTH RIVER FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS*

FLORIDA RETIREMENT SYSTEM (FRS)

		2025
Contractually required contribution**	$	-
Contributions in relation to the contractually required contribution		-
Contribution deficiency (excess)	$	-
District's covered-employee payroll	$	24,610
Contributions as a percentage of covered-employee payroll		0.00%

* - The District adopted FRS plan participation in fiscal year 2025. Ultimately, this schedule will include information for the last 10 years.

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

NORTH RIVER FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS*

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

		2025
Contractually required contribution**	$	-
Contributions in relation to the contractually required contribution		-
Contribution deficiency (excess)	$	-
District's covered-employee payroll	$	24,610
Contributions as a percentage of covered-employee payroll		0.00%

* - The District adopted FRS plan participation in fiscal year 2025. Ultimately, this schedule will include information for the last 10 years.

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

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 Program 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 Program is funded on a pay-as-you-go basis, no experience study has been completed for this program. The actuarial assumptions that determined the total pension liability for the HIS program 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, 2025 for FRS and July 1, 2024 for HIS. 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 Program uses a pay-as-you-go funding structure, a municipal bond rate of 5.20% was used to determine the total pension liability for the program. Mortality assumptions for the FRS plan was based on the PUB-2010 base table, projected generationally with Scale MP-2021, and mortality assumptions for the HIS program were based on the Generational PUB-2010 with Projection Scale MP-2021.

The following changes in actuarial assumptions occurred in 2025 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 assumption changes were updated to reflect recent and anticipated future experience of HIS program participants. Changes were adopted by the 2025 FRS Actuarial Assumption Conference during its October 2025 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 3.93%.

NORTH RIVER FIRE DISTRICT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
AVAILABLE FISCAL YEARS *

	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability								
Service cost	$ 43,857	$ 55,911	$ 76,268	$ 76,192	$ 70,200	$ 70,200	$ 31,138	$ 37,550
Interest	91,693	48,923	41,276	33,064	37,458	53,158	102,184	117,330
Recognition of Effect of Economic/ Demographic Gains or Losses	(1,020,585)	74,388	(14,672)	(191,871)	(41,908)	988,880	308,694	(429,987)
Changes in assumptions	341,366	561,977	282,591	(157,168)	(370,664)	(509,417)	97,778	(144,676)
Net change in Total OPEB Liability	(543,669)	741,199	385,463	(239,783)	(304,914)	602,821	539,794	(419,783)
Total OPEB liability - Beginning	1,790,000	1,246,331	1,987,530	2,372,993	2,133,210	1,828,296	2,431,117	2,970,911
Total OPEB liability - Ending	**$ 1,246,331**	**$ 1,987,530**	**$ 2,372,993**	**$ 2,133,210**	**$ 1,828,296**	**$ 2,431,117**	**$ 2,970,911**	**$ 2,551,128**
Covered-employee payroll	$ 3,822,555	$ 4,204,490	$ 4,259,780	$ 4,566,156	$ 5,137,397	$ 5,945,413	$ 6,528,845	$ 7,493,773
Total OPEB liability as a percentage of covered-employee payroll	32.60%	47.27%	55.71%	46.72%	35.59%	40.89%	45.50%	34.04%

* The District adopted GASB 75 in 2018. 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, 2025	4.35%
Fiscal Year Ending September 30, 2024	3.90%
Fiscal Year Ending September 30, 2023	4.15%
Fiscal Year Ending September 30, 2022	2.80%
Fiscal Year Ending September 30, 2021	1.70%
Fiscal Year Ending September 30, 2020	1.35%
Fiscal Year Ending September 30, 2019	2.00%
Fiscal Year Ending September 30, 2018	3.10%
Fiscal Year Ending September 30, 2017	5.00%

OTHER INFORMATION

Non ad valorem special assessments for the September 30, 2025 fiscal year are as follows:

CATEGORY	TAX RATE	INCENTIVE RATE
Residential: Shall include all parcels that are developed for residential purposes. Surcharges assigned for dwelling units located on the third, fourth, fifth or higher floors.		
Vacant Platted Lot 0000, 0001, 0003, 0040, 0041, (assessed as platted lot or un-subdivided acreage as applicable)	22.29	
Vacant Unusable Tract 0009, & 1009	0.00	
Single Family Residential/Condominia *0100, 0105, 0108, 0164, 0201, 0202, 0203, 0210, 0264, 0400, 0408, 0409, 0410, 0411, 0412, 0413, 0464, 0501, 0502, 0503, & 2802*	245.97	
Residential Condominia/Apartment Units - Shall be assessed per dwelling unit as follows:		
First & Second Floors (per unit)	245.97	
Third Floor (per unit) - FL3	363.98	
Fourth Floor (per unit) - FL4	491.98	
Fifth Floor (per unit) - FL5	615.07	
Sixth Floor and above (per unit) - FL6	737.96	
NOTE: A 25% improved hazard rating will be granted to residential buildings equipped with a non-required, complete internal fire suppression system as follows:		
Residential/Condominia with Non Required Sprinkler System		
Single Family Sprinkled/1st & 2nd Floor Condo - SPC,		184.48
Third Floor (per unit)		276.73
RV Parks - Shall be assessed per dwelling unit or available rental space as applicable.	122.97	
0002, 0050, 0055, 2805 & 0720		

Multi-Family Residential – Surcharges are assigned for dwelling units located on the third, fourth, fifth or higher floors. 0110, 0300, 0301, 0600, 0700, 0800, 0801, 0803, 0805, 0864 & 7400.	245.97
First & Second Floors (per unit)	245.97
Third Floor (per unit) – FL3	368.98
Fourth Floor (per unit) – FL4	491.98
Fifth Floor (per unit) – FL5	615.07
Sixth Floor and above (per unit) – FL6	737.96

Residential Common Areas: 0900, 0901, 0910, 0938, 0940 & 0941

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 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.

Commercial/Industrial:

Vacant Platted Lot (assessed as platted lot or un-subdivided acreage as applicable)

Commercial /Industrial

Commercial/Industrial parcels shall include all other developed parcels that are not included in the residential category. The base assessment for all commercial and Industrial buildings and structures shall be $446.77 for the first 1000 square feet on a parcel. The schedule for over 1000 square feet is in accordance with the following schedule and hazard classification.

Category / Use Code(s)	Over 1000 S.F. Assessment: S.F. assessment	Incentive S.F. assessment
Mercantile – 1100, 1101, 1102, 1103, 1104, 1110, 1114, 1200, 1205, 1230, 1300, 1400, 1500, 1600, & 1604	0.23	0.170
Business – 0101, 1264, 1700, 1704, 1710, 1800, 1900, 1904, 1910, 2005, 2010, 2200, 2300, 2500, 2600, 2700, 2710, 2720, 2730, 2740, 2750, 2900 & 3000.	0.23	0.170
Assembly – 0710, 2100, 3100, 3200, 3300, 3400, 3410, 3500, 3510, 3600, 3700, 3810, 3901, 3902, 3903, 3910, 7601, 7602, 7700, & 7900	0.25	0.187
Factory/Industrial –4001, 4100, 4104, 4200, 4400, 4500, 4600, 4700, 4800, 4803, 4804, 4805, 9000 & 9100	0.25	0.187
Storage – 2000, 2003, 2800, 4801, 4810 & 4900	0.23	0.170
Hazardous – 1105, 4300, & 9200	0.50	0.377
Institutional – 7210, 7300, 7500, & 7800	0.23	0.170

Commercial/Industrial with Non-Required Sprinkler Systems
The base and square footage assessment for commercial and industrial buildings and structures that are protected by a total, non-required, compliant sprinkler system shall receive a 25% improved hazard rating. The following buildings and structures granted this incentive based on NFPA 101/Life Safety Code and Local Ordinance 31. The base assessment shall be $335.08 for the first 1000 square feet on a parcel. The schedule for all square footage above 1000 square feet shall be assessed per square foot based on the use code assigned; however, the district may grant an improved hazard rating to all or part of the building or structure if equipped with complete internal fire suppression facilities.

Leasehold Interest, Government Owned (8600, 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.

CATEGORY		TAX RATE
Acreage/Agricultural: Per acre with total not to exceed $2,231.92 - (184 acres max) on any one parcel. Un-subdivided Acreage 0008, 0010, 0725, 0730, 1000, 1004, 1033, 1040, 1041, 3800, 4000, 5000, 5100, 5350, 5600, 6000, 6600, 6610, 6700, 6900, 7000, 8901, 9002, 9600, 9700, 9900, 9908 & 9909	Per Acre	12.13
The following parcels are hereby exempted from the non-advalorem fire assessment 2832, 7100, 7101, 7200, 7600, 8081, 8082, 8083, 8084, 8085, 8086, 8087, 8088, 8089, 8100, 8200, 8300, 8400, 8500, 8600, 8700, 8800, 8900, 9300, 9400, 9401, 9500 & 9800.		0.00
Shade house structures	Sq. Ft.	0.06

Leasehold Interest, Government Owned (8600, 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.

Church Owned Properties & Residences (7100 & 7101) with or without buildings and structures are **not exempt** and shall be assessed according to the proper category or 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*

To the Board of Commissioners
North River Fire District
Manatee County, Florida

We have audited, 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of North River Fire 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 9, 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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 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 North River Fire 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 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 9, 2026
Bradenton, Florida

MANAGEMENT LETTER

Board of Commissioners
North River Fire District
Manatee County, Florida

Report on Financial Statements

We have audited the financial statements of North River Fire District, (the District) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 9, 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 Florida 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*, 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 June 9, 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. Corrective actions were taken to address prior year finding 2024-01.

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, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not North River Fire District has met one or more of the conditions described in Section 218.503(1),

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Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the North River Fire District, was not in a state of financial emergency and as a result, 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 the District. It is management's responsibility to monitor the North River Fire 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, 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 77.

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 0, as there were none.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was $7,524,162.

d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency was $0, as there were none.

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: Station 4 Renovations - $1,467,985.

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 44.

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 56 through 58.

b. The total amount of special assessments collected by or on behalf of the District was $14,393,261.

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 10.544(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

CS+L CPAs

CS&L CPAs, P.A.

June 9, 2026
Bradenton, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

Board of Commissioners
North River Fire District
Manatee County, Florida

We have examined the North River Fire 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 the aforementioned compliance requirements 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 9, 2026
Bradenton, Florida

BRADENTON 1001 3rd Avenue West, Suite 700 Bradenton, FL 34205 ph 941.748.1040
SARASOTA 1515 Ringling Boulevard, Suite 900 Sarasota, FL 34236 ph 941.954.4040
TAMPA 101 East Kennedy Boulevard, Suite 1460 Tampa, FL 33602 ph 813.490.4490
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IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Joseph M. Sicking, Fire Chief, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the North River Fire District which is a local governmental entity of the State of Florida.

2. The governing body of the North River Fire District adopted Resolution No. 2015-02 implementing an impact fee or authorized North River Fire District to receive and expend proceeds of an impact fee implemented by North River Fire District Charter Florida Statute Chapter 2007-280.

3. North River Fire District has compiled and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

____

Joseph M. Sicking, Chief Financial Officer

STATE OF FLORIDA

COUNTY OF MANATEE

SWORN TO AND SUBSCRIBED before me this 10th day of December 2025.

____

NOTARY PUBLIC, VICTORIA POLSTON

Personally Known x__ or produced identification __Type of identification produced:

____

NOTARY STAMP:

NOTARY PUBLIC STATE OF FLORIDA
VICTORIA POLSTON
Commission # HH 321733
Expires December 13, 2026