

PARRISH FIRE DISTRICT
FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

**PARRISH FIRE DISTRICT
FINANCIAL STATEMENTS**

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FINANCIAL STATEMENTS**

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Parrish 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 and each major fund of Parrish 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 and each major fund of the District as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of proportionate share of net pension liability, and contributions and notes, 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 36–38 and the impact fee affidavit on page 47, 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 May 26, 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.

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

CS&L CPAs, P.A.

May 26, 2026
Bradenton, Florida

PARRISH FIRE DISTRICT

12132 U.S. 301 N. PARRISH, FL 34219

Phone (941) 721-2093 - Fax (941) 721-2095

admin@parrishfd.org

Management's Discussion and Analysis

As management of the Parrish 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 assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$3,829,726 (*net position*).
- The District's total net position increased by \$765,085. Total revenues decreased from the prior year by \$642,728 mainly due to a reduction grants netted with increases in fire assessments and impact fees. Total expenses increased \$742,437 from the prior year mainly due to fire protection services.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$3,632,223 an increase of \$523,531 from the prior year. Of this total amount, \$1,768,578 is impact fees, which are restricted, \$482,995 is for a debt service sinking fund, which is restricted, \$200,000 is assigned fund balance and \$1,180,650 is *available for spending* at the District's discretion (*unassigned fund balance*).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Parrish 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 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 and deferred outflows and liabilities and deferred inflows, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the District that are principally supported by fire assessments, 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 are prepared using the economic resources measurement focus and the accrual basis of accounting.

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

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

Governmental funds. Governmental funds focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. These funds are reported using the modified accrual method of accounting and the current financial resources focus. As a result, long-term assets and liabilities are not included. The District uses a Governmental 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 personal service expenditures, as well as budgeted capital outlay 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.

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

The District adopts an annual budget for its General Fund and Capital Projects Fund. A budgetary comparison statement has been provided for both to demonstrate compliance with this budget.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 16 of this report.

Government-Wide Financial Analysis

As noted, net position may serve over time as a useful indicator of a government's financial position. In the case of the Parrish Fire District, assets and deferred outflows exceeded liabilities and deferred inflows by \$3,829,726 at the close of the most recent fiscal year.

A significant portion of the District's net position \$3,554,869 reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide fire protection and emergency services to citizens within the boundaries of the District; consequently, these assets are *not* available for future spending. 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 at year-end.

The following table presents a condensed statement of net assets 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	\$ 3,729,946	\$ 3,255,606
Capital assets	9,998,823	8,846,484
Total assets	13,728,769	12,102,090
Deferred outflows of pension resources	2,147,805	1,934,775
Long-term liabilities outstanding	11,173,185	10,259,607
Other liabilities	97,723	146,914
Total liabilities	11,270,908	10,406,521
Deferred inflows of pension earnings	775,940	365,603
Net Position:		
Net investment in capital assets	3,554,869	3,334,740
Restricted for:		
Debt service sinking fund	482,995	963,115
Impact fees	1,768,578	886,958
Unrestricted	(1,976,716)	(1,920,072)
Total Net Position	<u><u>\$ 3,829,726</u></u>	<u><u>\$ 3,264,741</u></u>

An additional portion of the District's net position represents restricted resources from impact fees and debt service sinking fund. The District has a negative unrestricted remaining net position, (\$1,976,716) due to the District's proportionate share of the FRS net pension liability, based on the actuarially calculated amount.

The District's net position increased by \$765,085 during the current fiscal year.

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	\$ 23,613	\$ 15,034
Capital grants	125,427	2,012,639
General revenues:		
Fire assessments	4,741,227	4,022,131
Impact Fees	1,178,109	771,047
Other	145,750	36,003
Total revenues	6,214,126	6,856,854
Expenses:		
Fire protection services	4,849,570	4,125,568
Depreciation	575,220	401,166
Interest	24,251	179,870
Total expenses	5,449,041	4,706,604
Increase (Decrease) in Net Position	765,085	2,150,250
Net Position – Beginning, as originally stated	3,264,741	1,114,491
Prior period adjustment	(200,100)	–
Net Position – Beginning, as restated	3,064,641	1,114,491
Net Position – Ending	<u><u>\$ 3,829,726</u></u>	<u><u>\$ 3,264,741</u></u>

- Fire assessments increased by \$719,096, impact fees increased \$407,062, and grants decreased \$1,887,212.
- Expenses increased by \$742,437 from the prior year.

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* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$3,632,223, an increase of \$523,531 in comparison with the prior year. Of this total, \$1,180,650 is *unassigned fund balance*, and is available for spending at the District's discretion. \$200,000 is assigned for contingency. \$1,768,578 of fund balance is *restricted* from impact fee revenues, and \$482,995 is restricted for a debt service sinking fund.

The general fund is the operating fund of the District. At the end of the current fiscal year, *unassigned fund balance* in the general fund was \$1,180,650. As a measure of the general fund's liquidity, it may be useful to compare *unassigned fund balance* to total fund expenditures. *Unassigned fund balance* represents approximately 22% of total general fund expenditures.

The fund balance of the District's general fund decreased by \$358,089 during the current fiscal year. Total revenues in the general fund were \$5,036,017, which includes fire assessments of \$4,741,227 and grants of \$125,427. Fire assessments increased \$719,096 from the prior year. Personal service costs were \$4,114,967, operating costs were \$624,228, capital outlay was \$145,454, and debt service was \$512,987. Personal service costs increased \$822,946 and debt service decreased due to a grant of \$2,000,000 received in the prior year for the pay down of principal on outstanding debt.

The capital projects fund has a total fund balance of \$1,768,578, all of which is restricted to the acquisition, construction or purchase of assets required to provide fire protection and emergency services. The increase in fund balance during the current year in the capital projects fund was \$881,620. Revenues were \$1,178,109, all of which were impact fees. Expenditures were \$1,713,905 all of which was capital outlay. Transfers to the general fund were \$3,530.

General Fund Budgetary Highlights

The General Fund budget was amended. Original and final budgeted revenues were \$4,750,628. Original budgeted expenditures were \$5,336,460 and final budgeted expenditures were \$5,456,510. Significant budget amendments increased personal service and operating costs by \$120,050. Actual revenues exceeded budgeted revenues by \$285,389. Actual expenditures were less than budgeted by \$58,874.

The General Fund budget is presented as required supplementary information on page 29.

Capital Assets

The District's investment in capital assets amounts to \$9,998,823 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment. The District's investment in capital assets for the current fiscal year increased \$1,152,339 due to additions of \$1,727,559 and depreciation of \$575,220.

Capital Assets

	Governmental Activities 2025	Governmental Activities 2024
Land	\$ 321,005	\$ 321,005
Building and improvements	7,796,815	7,916,518
Machinery and equipment	1,881,003	608,961
Total (net of accumulated depreciation)	<u>\$ 9,998,823</u>	<u>\$ 8,846,484</u>

Significant additions in the current year included the purchase of a ladder truck. See note B of this report for additional information on the District's capital assets.

Long-Term Liabilities

Long-term liabilities include a note payable in the amount of \$110,844 for a fire engine, a note payable for the construction of Station 2 and tower in the amount of \$4,912,164, and a new note payable in 2025 for a ladder truck in the amount of \$1,420,946.

The District also a net pension liability (NPL) of the Florida Retirement System as calculated by the retirement plan's actuary for its proportion of the NPL. The total amount of NPL included as part of the government- wide financial statements is \$4,258,631. The District also accrues for vacation and sick time pursuant to its policy. That liability at year end is \$470,600.

See note C of this report for additional information on the District's long-term liabilities.

Economic Factors and Next Year's Budgets

The fiscal year 2025-2026 budget includes revenue of \$6,327,855, which includes a budgeted use of carryover in the amount of \$483,000, and expenditures of \$6,073,446. Budgeted general fund expenditures include personal service costs of approximately \$4,871,000.

Requests for Information

This financial report is designed to provide a general overview of the Parrish 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 financial information should be addressed to the District at, Parrish Fire District, 12132 U.S. Highway 301 North, Parrish, Florida 34219.

**PARRISH FIRE DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,435,540
Due from other governments	321,394
Restricted assets:	
Cash and cash equivalents:	
Debt service sinking fund	482,995
Impact fees	1,490,017
Capital assets:	
Land	321,005
Other capital assets, net of depreciation	9,677,818
Total assets	13,728,769
Deferred outflows of pension resources	2,147,805
LIABILITIES	
Accounts payable and other current liabilities	97,723
Noncurrent liabilities:	
Due within one year	481,131
Due in more than one year	10,692,054
Total liabilities	11,270,908
Deferred inflows of pension earnings	775,940
NET POSITION	
Net investment in capital assets	3,554,869
Restricted for:	
Debt service sinking fund	482,995
Impact fees	1,768,578
Unrestricted	(1,976,716)
Total net position	\$ 3,829,726

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

**PARRISH FIRE DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Governmental Activities
Public safety–fire protection	
Personal service	\$ 4,093,542
Operating expenses	756,028
Depreciation	575,220
Interest	24,251
Total program expenses	<u>5,449,041</u>
Program revenues	
Charges for services	23,613
Capital grants	125,427
Net program expenses	<u>5,300,001</u>
General revenues	
Fire assessments	4,741,227
Impact fees	1,178,109
Interest	12,372
Miscellaneous	133,378
Total general revenues	<u>6,065,086</u>
Increase in net position	765,085
Net position – beginning, as originally stated	3,264,741
Prior period adjustment (Note A)	<u>(200,100)</u>
Net position – beginning, as restated	<u>3,064,641</u>
Net position – ending	<u><u>\$ 3,829,726</u></u>

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

**PARRISH FIRE DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

	<u>GENERAL FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 1,435,540	\$ -	\$ 1,435,540
Restricted cash and cash equivalents:			
Debt service sinking fund	482,995	-	482,995
Impact fees	-	1,490,017	1,490,017
Due from other governments	42,084	279,310	321,394
TOTAL ASSETS	<u>\$ 1,960,619</u>	<u>\$ 1,769,327</u>	<u>\$ 3,729,946</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable	\$ 15,005	\$ 749	\$ 15,754
Accrued expenses	81,969	-	81,969
Total liabilities	<u>96,974</u>	<u>749</u>	<u>97,723</u>
FUND BALANCES			
Spendable:			
Restricted			
Debt service sinking fund	482,995	-	482,995
Impact fees	-	1,768,578	1,768,578
Assigned	200,000	-	200,000
Unassigned	1,180,650	-	1,180,650
Total fund balances	<u>1,863,645</u>	<u>1,768,578</u>	<u>3,632,223</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,960,619</u>	<u>\$ 1,769,327</u>	<u>\$ 3,729,946</u>

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

**PARRISH FIRE DISTRICT
RECONCILIATION OF THE BALANCE SHEET
OF THE 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 balances–total governmental funds	\$ 3,632,223
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	9,998,823
Deferred outflows of pension resources are not recognized in the governmental funds. However, they are recorded in the statement of net position under full accrual accounting.	2,147,805
Deferred inflows of pension earnings are not recognized in the governmental funds. However, they are recorded in the statement of net position under full accrual accounting.	(775,940)
Long-term liabilities, including notes payable, compensated absences, and net pension liability are not due and payable in the current period and therefore are not reported in the funds.	
Note payable– Fire engine	(110,844)
Note payable – Station 2	(4,912,164)
Note payable – Ladder truck	(1,420,946)
Compensated absences	(470,600)
Net pension liability	<u>(4,258,631)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 3,829,726</u>
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The accompanying notes are an integral part of these financial statements.

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

	<u>GENERAL FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES			
Fire assessments	\$ 4,741,227	\$ -	\$ 4,741,227
Impact fees	-	1,178,109	1,178,109
Grants	125,427	-	125,427
Interest income	12,372	-	12,372
Miscellaneous	133,378	-	133,378
Charges for services	23,613	-	23,613
	<u>5,036,017</u>	<u>1,178,109</u>	<u>6,214,126</u>
EXPENDITURES			
Current:			
Personal service	4,114,967	-	4,114,967
Operating	624,228	-	624,228
Debt Service:			
Principal retirement	488,736	-	488,736
Interest	24,251	-	24,251
Capital outlay	145,454	1,713,905	1,859,359
	<u>5,397,636</u>	<u>1,713,905</u>	<u>7,111,541</u>
Excess of Revenues over/(under) Expenditures	(361,619)	(535,796)	(897,415)
OTHER FINANCING SOURCES (USES)			
Debt proceeds	-	1,420,946	1,420,946
Transfer in (out)	3,530	(3,530)	-
Total other financing sources	<u>3,530</u>	<u>1,417,416</u>	<u>1,420,946</u>
Net change in fund balance	(358,089)	881,620	523,531
FUND BALANCES – Beginning	<u>2,221,734</u>	<u>886,958</u>	<u>3,108,692</u>
FUND BALANCES – Ending	<u><u>\$ 1,863,645</u></u>	<u><u>\$ 1,768,578</u></u>	<u><u>\$ 3,632,223</u></u>

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

**PARRISH FIRE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF THE 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 changes in fund balances – total governmental funds		\$ 523,531
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital additions	1,727,559	
Depreciation expense	<u>(575,220)</u>	
		1,152,339
Governmental funds report principal payments on debt as a use of current financial resources. However, in the governmental wide financial statements the amount is reported as a reduction of debt.		488,736
The issuance of long-term debt provides current financial resources to governmental funds, but has no impact on the change in net position in the statement of activities.		(1,420,946)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the change in:		
Compensated absences	(23,419)	
Net pension liability	242,151	
Deferred outflows of pension resources	213,030	
Deferred inflows of pension earnings	<u>(410,337)</u>	
		<u>21,425</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 765,085</u>

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

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

- (a) Reporting Entity – Parrish Fire District (District) is a public municipal corporation in the State of Florida created by House Bill 336 of the Legislature of the State of Florida in 1985. During 2004, the original bill as amended was codified in Chapter 2004-400 Laws of Florida. The District is an independent special district. No other component units exist.

Revenue is provided by special assessments against taxable real estate lying within the territorial bounds of the District as defined by the State of Florida. Disbursements are made for maintenance and upkeep of the fire 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 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) and Fund financial statements (which report only on the General and Capital Projects Funds). The Financial Statements present only governmental activities, as the District conducts no business type activities. There are no fiduciary funds.

Basis of Accounting Financial Statements – Government Wide Statements– The Government-Wide Financial Statements (Statement of Net Position and Statement of Activities) are prepared using the economic resources measurement focus and the accrual basis of accounting. For the most part, interfund activity has been removed from these statements. Government-wide financial statements include a statement of Net Position and a Statement of Activities. The Statement of Net Position reports all financial and capital resources of the District's governmental activities. It is presented in a net position format (assets plus deferred outflows less liabilities plus deferred inflows equal net position) and shown with three components: net investment in capital assets, restricted net position and unrestricted net position. The statement of activities reports direct expenses of the program offset by program revenues. Program revenues include charges for services and capital grants. Taxes and other items properly not included in program revenues are reported as general revenues.

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

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 self-balancing sets of accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The District utilizes governmental funds, which follow the modified accrual basis of accounting. Under this method, revenues are recorded when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a fund liability is incurred. The District reports the following governmental funds, which are both considered major funds:

Governmental Funds

- (1) General Fund – The General Fund is the general operating fund of the District. All general tax revenues are accounted for in this Fund. From the Fund are paid the personal service and operating costs, as well as budgeted capital expenditures.
- (2) Capital Projects Fund – The Capital Projects Fund is used to account for Impact Fees collected on new construction. These revenues can only be used for the acquisition, construction or purchase of assets required to provide fire protection and emergency services to new construction.
- (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, and 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.
- (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 Fire 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 the total appropriations. Appropriations lapse at the end of the year.
- (e) Interfund Receivables/Payables – Interfund receivables/payables arise from temporary interfund transfers. When a fund has an interfund receivable and an interfund payable to the same fund, the amounts are recorded in separate accounts. Internal activity and balances between governmental funds has been eliminated in the government-wide statement of net position. At September 30, 2025, there were no interfund receivables/payables.

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- (f) Property Taxes – Property taxes become due and payable on November 1 of each year. The county tax collector remits the District's portion as such revenues are received. The District collects nearly all of its tax revenues during the period November 1 through April 1, at which time the taxes become delinquent. The maximum rates of tax are set by the Legislature of the State of Florida. Actual assessment amounts are based on the square footage of a structure and type of occupancy and is determined by the Board of Commissioners of the District and adopted by County ordinance.

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

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

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

- (g) Fund Balance – Governmental Accounting Standards Board Statement (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.

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(g) Fund Balance – Continued

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, which are neither restricted or committed.
- Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

	<u>General Fund</u>	<u>Capital Projects Fund</u>
<u>Spendable:</u>		
Restricted		
Debt service sinking fund	\$ 482,995	\$ –
Impact fees	–	1,768,578
Assigned – contingency	200,000	–
Unassigned	1,180,650	–
Total Fund Balances	<u><u>\$ 1,863,645</u></u>	<u><u>\$ 1,768,578</u></u>

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

- (a) Local Government Surplus Funds Trust Fund or an intergovernmental investment pool authorized through the Florida Interlocal Cooperation Act.
- (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating company.

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(h) Cash and Investments – Continued

(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.

The District maintains four cash and cash equivalent accounts. The general fund operating account is unrestricted and available for use as determined by the annual budget. The capital projects fund account includes impact fees and is restricted only to be used for the acquisition, construction or purchase of assets and required to provide fire protection services for new users of the District. The District also has established a debt service sinking fund cash account restricted for the payment of principal and interest on the Series 2021 Note. The District's cash consists of bank deposits.

All District bank accounts are with banking institutions that post collateral as required by state statutes (Qualified Public Depositories). As a result, all amounts that exceed FDIC insured limits are collateralized pursuant to Chapter 280 of the Florida Statutes. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, at September 30, 2025, the District only had demand deposits.

(i) Compensated Absences – It is the District's policy to permit employees to accumulate earned but unused vacation benefits. All vacation pay is 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. Compensated absences typically are liquidated from the General Fund.

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

<u>Asset</u>	<u>Years</u>
Buildings	40
Fire engines	10
Vehicles	5
Furniture, fixtures and equipment	3 – 7

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- (k) Long-Term Obligations – In the government-wide financial statements, 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.
- (l) Restricted Resources – When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.
- (m) Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 statement of net position 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. One item qualifies for reporting in this category. A deferred inflow of pension earnings is reported in the government-wide statement of net position.

- (n) Adoption of New Accounting Standard – Effective October 1, 2024, the District adopted GASB Statement No. 101, *Compensated Absences* (GASB No. 101). 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. The standard eliminates the requirement to segregate obligations into "vesting" and "non-vesting" components, and emphasizes whether leave accumulated and is more likely than not to be used or paid. The adoption required the restatement of beginning balances of compensated absences and of the governmental activities.

Statement of Net Position:

Compensated absences at October 1, 2024, as originally stated	\$ 247,081
Change in accounting principle:	
GASB No. 101, <i>Compensated Absences</i>	200,100
Compensated absences at October 1, 2024, as restated	<u>\$ 447,181</u>

Statement of Activities:

Net Position at October 1, 2024, as originally stated	\$ 3,264,741
Change in accounting principle:	
GASB No. 101, <i>Compensated Absences</i>	(200,100)
Net Position at October 1, 2024, as restated	<u>\$ 3,064,641</u>

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE B – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 321,005	\$ -	\$ -	\$ 321,005
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, not being depreciated	321,005	-	-	321,005
Capital assets, being depreciated:				
Buildings and improvements	8,868,366	104,200	(16,693)	8,955,873
Machinery and equipment	<u>2,440,691</u>	<u>1,623,359</u>	<u>(151,535)</u>	<u>3,912,515</u>
Total capital assets, being depreciated	11,309,057	1,727,559	(168,228)	12,868,388
Less accumulated depreciation for:				
Buildings and improvements	(951,848)	(223,903)	16,693	(1,159,058)
Machinery and equipment	<u>(1,831,730)</u>	<u>(351,317)</u>	<u>151,535</u>	<u>(2,031,512)</u>
Total accumulated depreciation	(2,783,578)	(575,220)	168,228	(3,190,570)
Total capital assets being depreciated, net	<u>8,525,479</u>	<u>1,152,339</u>	<u>-</u>	<u>9,677,818</u>
Governmental activities capital assets, net	<u>\$ 8,846,484</u>	<u>\$ 1,152,339</u>	<u>\$ -</u>	<u>\$ 9,998,823</u>

Depreciation expense was reported as a separate line item in the statement of activities in the amount of \$575,220.

NOTE C – LONG-TERM LIABILITIES

During 2019, the District entered into a direct borrowing financing arrangement for the purchase of a new fire engine. The note is payable in annual installments of \$29,992 with interest at 3.56%. The note matures on August 29, 2029 and is collateralized by a fire engine.

During 2022, the District entered into Capital Improvement Revenue Note, Series 2021 (the note) in the amount of \$7,300,000 for the construction of Fire Station 2 and a training tower. The note is payable in annual installments of \$482,995 with interest at 2.83%. The note matures on October 1, 2041. The District has pledged non-ad valorem fire assessments and impact fees on the note. The note may be prepaid with a one percent prepayment penalty. The District is required to maintain a debt service sinking fund cash account equal to 100% of the amount due in the forthcoming fiscal year.

During 2025, the District entered into a direct borrowing financing arrangement for the purchase of a ladder truck. The note is payable in annual installments of \$141,439 with interest at 5.49%. The note matures on February 2, 2040 and is collateralized by the ladder truck.

The following are future annual debt service requirements for direct borrowing debt as of September 30, 2025:

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE C – LONG-TERM LIABILITIES – CONTINUED

	Principal	Interest	Total
2026	\$ 433,531	\$ 220,896	\$ 654,427
2027	447,676	206,750	654,426
2028	462,322	192,104	654,426
2029	478,322	176,941	655,263
2030	463,198	161,237	624,435
2031–2035	2,463,159	567,012	3,030,171
2036–2040	1,695,746	148,885	1,844,631
	\$ 6,443,954	\$ 1,673,825	\$ 8,117,779

Events of Default and Remedies:

Events of default include the failure to make any payment due; performance or observance of any covenant or agreement contained in the note not cured within thirty (30) days; filing a petition relating to bankruptcy, reorganization or adjustment of debt, or the involuntary appointment of a receiver or trustee and continuance of any such event for ninety (90) days undismissed or undischarged; or any warranty made in writing by the District is false or incorrect in any material respect on the date made or reaffirmed.

Capital Improvement Revenue Note, Series 2021 remedies: In the event of default the Owner of the note may pursue all remedies as set forth in the Resolution or note, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the state, or granted or contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or applicable statute to be performed by the Issuer. If payment is received 5 days after the due date, the interest rate shall increase to the rate of interest borne by the note plus 2%, while payment is in default.

Fire Engine and Ladder Truck remedies: Owner of the note may declare all payments and other amounts payable to be due and bear interest at the rate of 12% or the maximum rate permitted by law, whichever is less; Owner may terminate the note and take possession of the property or require the District to return the property; or take any action permitted by applicable law to protect or enforce the agreement.

Long-term liability activity was as follows:

	Beginning	Restatement	Additions	Reductions	Ending	Due Within One- Year
Governmental Activities:						
Note Payable–Fire Engine	\$ 136,024	\$ –	\$ –	\$ (25,180)	\$ 110,844	\$ 26,076
Note Payable – Station 2	5,375,720	–	–	(463,556)	4,912,164	343,981
Note Payable–Ladder truck	–	–	1,420,946	–	1,420,946	63,474
Total direct financing	5,511,744	–	1,420,946	(488,736)	6,443,954	433,531
Net pension liability	4,500,782	–	2,337,560	(2,579,711)	4,258,631	–
Compensated absences	247,081	200,100 *	23,419	–	470,600	47,600
Governmental activity long-term liabilities	\$ 10,259,607	\$ 200,100	\$ 3,781,925	\$ (3,068,447)	\$ 11,173,185	\$ 481,131

* Changes in compensated absences are presented net.

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – RETIREMENT PLAN

Plan Description

All full-time permanent employees of the District are provided with pensions through the Florida Retirement System which is administered by the Florida Department of Management Services, Division of Retirement. The State of Florida issues a publicly available annual comprehensive financial report that can be obtained at <http://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 years’ earnings.

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

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

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

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – RETIREMENT PLAN – CONTINUED

Contributions

Per Chapter 121, Florida Statutes, contribution requirements of the active employees and the participating employers are established and may be amended by the Florida Department of Management Services, Division of Retirement. Effective July 1, 2011, both employee and employers of the FRS are required to make contributions to establish service credit for work performed in a regularly established position. The Florida Legislature established a uniform contribution rate system for the FRS. The uniform rates are based on the class an employee is placed into which requires employees to contribute 3% and employers to contribute a specified percentage based on class. The District's contractually required contribution rate for the year ended September 30, 2025, ranged from 32.79% – 35.19% for special risk employees and 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 \$807,452 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.

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

At September 30, 2025, the District reported a liability of \$4,258,631 for its proportionate share of the net pension liability which includes both FRS and HIS. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability for was determined by an actuarial valuation as of July 1, 2025 for FRS and July 1, 2024 for HIS. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025, the District's proportion was .011509819% for FRS and .005356322% for HIS which was consistent with its proportion measured as of June 30, 2024.

For the year ended September 30, 2025, the District recognized pension expense of \$750,428. At September 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 381,537	\$ -	\$ 4,098	\$ (1,089)
Changes in assumptions	414,812	-	6,077	(166,057)
Net difference between projected and actual earnings on pension plan investments	-	(596,396)	-	(571)
Changes in proportion and differences between contributions and proportionate share of contributions	928,747	(11,827)	206,168	-
District contributions subsequent to the June 30, 2025 measurement date	193,956	-	12,410	-
	<u>\$ 1,919,052</u>	<u>\$ (608,223)</u>	<u>\$ 228,753</u>	<u>\$ (167,717)</u>

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – RETIREMENT PLAN – CONTINUED

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

Total deferred outflows were \$2,147,805 and total deferred inflows were \$775,940. \$193,956 (FRS) and \$12,410 (HIS) reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending September 30:</u>	<u>FRS</u>	<u>HIS</u>
2026	\$ 245,246	\$ 8,368
2027	203,979	8,368
2028	203,979	8,368
2029	203,979	8,368
2030	203,979	8,368
Thereafter	55,711	6,786
	<u>\$ 1,116,873</u>	<u>\$ 48,626</u>

Actuarial Assumptions

The total pension liability in the July 1, 2025 for FRS and July 1, 2024 for HIS actuarial valuation (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	3.25 percent, including inflation
Investment rate of return	6.70 percent, including inflation at 2.40%

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

The actuarial assumptions used in the June 30, 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.

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.

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – RETIREMENT PLAN – CONTINUED

Actuarial Assumptions – Continued

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>
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 HIS discount rate was 5.20%. The HIS rate increased from 3.93% in the prior year in the most recent actuarial study. The HIS rate is based on the Bond Buyer General Obligation 20–Bond Municipal Bond Index. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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%

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

The following presents the District’s proportionate share of the FRS net pension liability calculated using the discount rate of 6.70%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1–percentage–point lower or 1–percentage–point higher than the current rate:

**PARRISH FIRE DISTRICT
NOTES TO FINANCIAL STATEMENTS**

NOTE D – RETIREMENT PLAN – CONTINUED

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

	<u>1% Decrease</u>	<u>Discount Rate (6.70%)</u>	<u>1% Increase</u>
District's proportionate share of the FRS net pension liability	\$ 7,010,166	\$ 3,572,087	\$ 689,652

The following presents the District's proportionate share of the HIS net pension liability calculated using the discount rate of 5.20%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percent-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Discount Rate (5.20%)</u>	<u>1% Increase</u>
District's proportionate share of the HIS net pension liability	\$ 774,188	\$ 686,544	\$ 613,037

Pension Plan Fiduciary Net Position

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

NOTE E – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There has been no significant reduction in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

**PARRISH FIRE DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
REVENUES				
Fire protection services –				
Fire assessments	\$ 4,725,628	\$ 4,725,628	\$ 4,741,227	\$ 15,599
Grants	–	–	125,427	125,427
Interest income	–	–	12,372	12,372
Charges for services	5,000	5,000	23,613	18,613
Miscellaneous	20,000	20,000	133,378	113,378
Total revenues	<u>4,750,628</u>	<u>4,750,628</u>	<u>5,036,017</u>	<u>285,389</u>
 EXPENDITURES				
Personal services	4,131,049	4,216,049	4,114,967	101,082
Operating expenditures	595,426	630,476	624,228	6,248
Debt service	512,985	512,985	512,987	(2)
Capital outlay	97,000	97,000	145,454	(48,454)
Total expenditures	<u>5,336,460</u>	<u>5,456,510</u>	<u>5,397,636</u>	<u>58,874</u>
 Excess of revenues over (under) expenditures	(585,832)	(705,882)	(361,619)	344,263
 OTHER FINANCING SOURCES (USES)				
Transfers in	–	–	3,530	3,530
Total other financing sources (uses)	<u>–</u>	<u>–</u>	<u>3,530</u>	<u>3,530</u>
 Net change in fund balance	(585,832)	(705,882)	(358,089)	347,793
 FUND BALANCE – October 1, 2024	<u>2,221,734</u>	<u>2,221,734</u>	<u>2,221,734</u>	<u>–</u>
 FUND BALANCE – September 30, 2025	<u>\$ 1,635,902</u>	<u>\$ 1,515,852</u>	<u>\$ 1,863,645</u>	<u>\$ 347,793</u>

Note 1 – Basis of Budgeting

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

**PARRISH FIRE DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
NON-GAAP BUDGETARY BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
REVENUES				
Fire protection services – Impact fees	\$ 750,000	\$ 750,000	\$ 1,178,109	\$ 428,109
Total revenues	750,000	750,000	1,178,109	428,109
EXPENDITURES				
Operating	20,000	20,000	–	20,000
Capital outlay	200,000	200,000	292,959	(92,959)
Debt service	120,000	120,000	–	120,000
Total expenditures	340,000	340,000	292,959	47,041
Excess of revenues over (under) expenditures	410,000	410,000	885,150	475,150
OTHER FINANCING SOURCES (USES)				
Transfers out	–	–	(3,530)	(3,530)
Total other financing sources (uses)	–	–	(3,530)	(3,530)
Net change in fund balance	410,000	410,000	881,620	471,620
FUND BALANCE – October 1, 2024	886,958	886,958	886,958	–
FUND BALANCE – September 30, 2025	\$ 1,296,958	\$ 1,296,958	\$ 1,768,578	\$ 471,620

Note 1 – Basis of Budgeting

The budget basis is in accordance with accounting standards generally accepted in the United States of America, except for debt proceeds used for the purchase of a ladder truck.

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

The District did not budget for debt proceeds (other financing sources) used for the purchase of a ladder truck.

	Actual on GAAP Basis	To Budgetary Basis	Actual on Budget Basis
Capital outlay	\$ 1,713,905	\$ (1,420,946)	\$ 292,959
Total expenditures	\$ 1,713,905	\$ (1,420,946)	\$ 292,959
Excess of Revenues Over (Under) Expenditures	\$ (535,796)	\$ 1,420,946	\$ 885,150
Other Financing Sources (Uses)			
Debt proceeds	\$ 1,420,946	\$ (1,420,946)	\$ –
Total other financing sources	\$ 1,417,416	\$ (1,420,946)	\$ (3,530)
Net change in fund balance	\$ 881,620	\$ –	\$ 881,620

**PARRISH FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

FLORIDA RETIREMENT SYSTEM (FRS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension liability	0.005450427%	0.005613941%	0.005881828%	0.006417731%	0.006891788%	0.006583663%	0.007167765%	0.008051856%	0.009835015%	0.011509819%
District's proportionate share of the net pension liability	\$ 1,376,237	\$ 1,660,567	\$ 1,771,637	\$ 2,210,177	\$ 2,987,004	\$ 497,322	\$ 2,666,985	\$ 3,208,410	\$ 3,804,646	\$ 3,572,087
District's covered-employee payroll	\$ 775,853	\$ 799,392	\$ 925,858	\$ 981,185	\$ 1,161,033	\$ 1,237,766	\$ 1,255,195	\$ 1,676,712	\$ 2,034,492	\$ 2,513,292
District's proportionate share of the net pension liability as a % of its covered – employee payroll	177%	208%	191%	225%	257%	40%	212%	191%	187%	142%
Plan fiduciary net position as a % of total pension liability	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%	83.70%	87.26%

**PARRISH FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District's proportion of the net pension liability	0.002335410%	0.002460275%	0.002630348%	0.002873258%	0.003036211%	0.003438882%	0.003792689%	0.004083415%	0.004640602%	0.005356322%
District's proportionate share of the net pension liability	\$ 272,182	\$ 263,064	\$ 278,399	\$ 321,490	\$ 370,716	\$ 421,832	\$ 401,706	\$ 648,501	\$ 696,136	\$ 686,544
District's covered-employee payroll	\$ 775,853	\$ 799,392	\$ 925,858	\$ 981,185	\$ 1,161,033	\$ 1,237,766	\$ 1,255,195	\$ 1,676,712	\$ 2,034,492	\$ 2,513,292
District's proportionate share of the net pension liability as a % of its covered – employee payroll	35%	33%	30%	33%	32%	34%	32%	39%	34%	27%
Plan fiduciary net position as a % of total pension liability	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%	4.80%	6.36%

**PARRISH FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
LAST TEN FISCAL YEARS**

FLORIDA RETIREMENT SYSTEM (FRS)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Contractually required contribution	\$ 132,917	\$ 146,145	\$ 167,627	\$ 198,996	\$ 228,984	\$ 250,809	\$ 305,862	\$ 387,346	\$ 556,921	\$ 687,216
Contributions in relation to the contractually required contribution	<u>132,917</u>	<u>146,145</u>	<u>167,627</u>	<u>198,996</u>	<u>228,984</u>	<u>250,809</u>	<u>305,862</u>	<u>387,346</u>	<u>556,921</u>	<u>687,216</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 775,853	\$ 799,392	\$ 925,858	\$ 981,185	\$ 1,161,033	\$ 1,237,766	\$ 1,255,195	\$ 1,676,712	\$ 2,034,492	\$ 2,513,292
Contributions as a percentage of covered - employee payroll	17.13%	18.28%	18.11%	20.28%	19.72%	20.26%	24.37%	23.10%	27.37%	27.34%

**PARRISH FIRE DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
LAST TEN FISCAL YEARS**

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 11,970	\$ 13,020	\$ 14,264	\$ 15,955	\$ 17,496	\$ 20,214	\$ 22,949	\$ 26,861	\$ 39,286	\$ 47,873
Contributions in relation to the contractually required contribution	11,970	13,020	14,264	15,955	17,496	20,214	22,949	26,861	39,286	47,873
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 775,853	\$ 799,392	\$ 925,858	\$ 981,185	\$ 1,161,033	\$ 1,237,766	\$ 1,255,195	\$ 1,676,712	\$ 2,034,492	\$ 2,513,292
Contributions as a percentage of covered - employee payroll	1.54%	1.63%	1.54%	1.63%	1.51%	1.63%	1.83%	1.60%	1.93%	1.90%

**PARRISH FIRE DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – FRS/HIS**

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 total pension liability for the FRS plan was determined by an actuarial valuation as of July 1, 2025 and the HIS plan was determined by an actuarial valuation as of July 1, 2024. Both plans used the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth for both plans is assumed at 3.25%. 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% (based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index) was used to determine the total pension liability for the program. Mortality assumptions for FRS was based on the PUB-2010 base table, projected generationally with Scale MP-2021, and HIS was 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%.

OTHER INFORMATION

**PARRISH FIRE DISTRICT
SCHEDULE OF FIRE ASSESSMENT RATES**

Pursuant to Resolution No. 2024-01, the Board of Fire Commissioners of the Parrish Fire District approved the fire assessments (non-ad valorem) within the Parrish Fire District for the 2024-2025 tax year as follows:

CATEGORY	RATE	INCENTIVE RATE
<u>Residential:</u>		
<u>Vacant Platted Lot</u> – 0000, 0001, 0002, 0003, 0008, 0040, 0041, 0050, 0055, 0725 & 0730, (assessed as platted lot or un-subdivided acreage as applicable)	17.25	
<u>Vacant UnPlatted less than 10 acres</u> – 0010; more than 10 acres – (per acre)	6.03	
<u>Single Family Residential/Condominia/Apartments</u> – 0100, 0101, 0108, 0164, 0300, 0301, 0400, 0408, 0409, 0410 & 0464		
First & Second Floor (per unit)	334.93	267.94
Third Floor (per unit) FL3	398.72	318.98
Fourth Floor (per unit)	462.52	370.01
Fifth Floor (per unit)	526.32	421.05
Sixth Floor and above (per unit)	590.12	472.08
<u>Single Family Residential/Condominia/mobile home on acreage</u> 0105 & 0210	6.03 acre +334.93	
<u>Multi-Family Residential</u> – 0110, 0600, 0700, 0800, 0801, 0803, 0805 & 0864	334.93	278.85
<u>Mobile Homes/Lots</u> – 0201, 0202, 0203, 0264, 0411, 0412, 0413, 0501, 0502, & 0503	334.93 6.03 acre	
Mobile Homes Parks – 2802	334.93	
<u>Travel Trailer Parks/RV</u> (per space) – 0720, 2805, 3600 & (mixed use)	34.20 6.03 acre	
<u>Out Buildings</u>	34.52	
<u>Commercial/Industrial:</u>		
Vacant Common Area – 1033, 1040, 1041	6.03	
<u>Vacant Platted Lot</u> – 1000, 1001, 1004, 4000, & 7000 (assessed as platted lot or un-subdivided acreage as applicable)	17.25	

**PARRISH FIRE DISTRICT
SCHEDULE OF FIRE ASSESSMENT RATES**

Commercial/Industrial

Golf Courses & Driving Ranges – 3800 6.03

Golf Course Support Facilities – 3810, 0938 6.03

The base assessment for all commercial and industrial buildings and structures shall be \$334.93 for the first 1000 square feet on a parcel. The schedule for above 1000 square feet are as follows below:

A 20% Improved Hazard Rating will be granted to buildings and structures under 10,000 S.F. equipped with complete internal fire suppression facilities (fire alarm and sprinkler system). Base assessment shall be \$267.94 for the first 1000 square feet on a parcel.

Note: A parcel utilized for multiple hazard classifications may vary the assessment in accordance with actual categories.

<u>Category</u>	<u>Use Code(s)</u>	<u>Over 1000 S.F. Assessment:</u>	
		<u>S.F. assessment</u>	<u>Incentive S.F. assessment</u>
<u>Mercantile</u> – 0710, 1100, 1101, 1102, 1103, 1104, 1105, 1110, 1114, 1200, 1205, 1230, 1233, 1240, 1264, 1300, 1400, 1500, 1600, 1604, & 2900		0.249	0.184
<u>Business</u> – 1700, 1704, 1710, 1800, 1900, 1904, 1910, 2200, 2300, 2500, 2600, 2750, 3000, 3901, 3902, 3903, & 3910		0.249	0.184
<u>Assembly</u> – 2100, 3100, 3200, 3300, 3400, 3410, 3500, 3510, 3600, 3700, 7600, 7601, 7602, 7700, & 7900		0.249	0.184
<u>Factory/Industrial</u> – 4001, 4100, 4104, 4400, 4500, 4600, 4700, & 9100		0.249	0.184
<u>Storage</u> – 2000, 2003, 2005, 2010, 2700, 2710, 2720, 2730, 2740, 2800, 4801, 4803, 4804, 4805, & 4900		0.249	0.184
<u>Hazardous</u> – 4200, 4300, 4800, 4810, & 9200		0.249	0.184
<u>Institutional</u> – 7200, 7210, 7300, 7400, 7500, & 7800		0.249	0.184

Acreage/Agricultural:

RATE

Per acre with total not to exceed \$1,464.95 on any one parcel.

Un-subdivided AG/Improved/Single Family Residential on acreage – 5000 334.93
+6.03

Un-subdivided Acreage/Improved – 5010, 5020, 5030, 5100, 5350, 5600, 6000, 6600, 6610, 6700, 6900, 9600, 9700, 9900, 9902 & 9908 6.03

Solar Fields – 5040, & 9901 120.99 per
Acre

**PARRISH FIRE DISTRICT
SCHEDULE OF FIRE ASSESSMENT RATES**

No Assessments

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

Vacant Unusable Tract – 0009, 0900, 0901, 0910, 0938, 0940, 0941, 1009 & 9909

Mobile Home Attachments – 2832

Churches & Parsonages – 7100 & 7101

Forest, Parks, Recreation Area – 8082 & 8200

Public Schools, Colleges, Hospitals – 8083, 8084, 8085, 8300, 8400 & 8500

County, State, Federal, Municipal – 8086, 8087, 8088, 8089, 8600, 8700, 8800, 8900 & 8901

Military – 8081 & 8100

Railroads – 9800

Subsurface Rights & Rights-of-way – 9300, 9400 & 9401

Rivers, Lakes & Submerged Lands – 9500 & 9501

Government Owned Land – 9000 & 9002

Properties given total exemptions to ad valorem taxes by Manatee County Property Appraiser's Office shall also be given a total exemption from non-ad valorem assessments by Parrish Fire District.

OTHER REPORTS

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

**To the Board of Commissioners
Parrish Fire District
Manatee County, FL**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Parrish 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 May 26, 2026.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

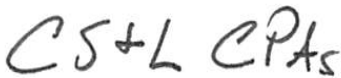
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

CS&L CPAs, P.A.

May 26, 2026
Bradenton, Florida

MANAGEMENT LETTER

Board of Commissioners
Parrish Fire District
Manatee County, Florida

Report on the Financial Statements

We have audited the financial statements of Parrish Fire District, Florida, (the District), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated May 26, 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Schedule of Findings; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 26, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4, Rules of the Auditor General, requires the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note A.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not Parrish Fire District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the Parrish Fire District, was not in a state of financial emergency as it did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.544(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Parrish 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 included Finding 2025-01 in the Schedule of Findings.

Specific Information for an Independent Special District

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

- a. The total number of District employees compensated in the last pay period of the District's fiscal year was 32.
- 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.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$2,513,292.
- d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project was \$0.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes. The budget variance schedule is presented on pages 29 and 30.

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 rates of non-ad valorem special assessments imposed by the District are presented on pages 36-38.

- b. The total amount of special assessments collected by or on behalf of the District was \$4,741,227.
- c. There were no bonds issued by the District, as such the outstanding amount is \$0 and there were no terms.

Additional Matters

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

Purpose of this Letter

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

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

CS&L CPAs, P.A.

May 26, 2026
Bradenton, Florida

PARRISH FIRE DISTRICT
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

2025-01 **Credit Card Policy**

Criteria: Parrish Fire District utilizes credit cards in the normal practice of conducting District business. The District has a policy in place to obtain a purchase authorization form and provide receipts for purchases when utilizing a District provided credit card.

Condition: Audit procedures identified that not all credit card purchases were evidenced by an actual receipt, and that the purchase authorization form was not fully completed in all cases.

Cause: The District did not comply with its current policy regarding credit card purchases.

Effect: Various purchases were made with a District issued credit card, which were not supported by an actual receipt or documented as approved using the District purchase authorization form.

Recommendation: We recommend that in all cases the District requires and obtains receipts for purchases made utilizing a District issued credit card. A purchase authorization form should be obtained, completed and approved where required. We also recommend that a purchase authorization form be maintained in the vendor file for recurring monthly charges. Purchase authorization forms should be approved by someone other than the employee requesting or making the purchase. We also recommend that on a regular basis, the Fire Chief or designated employee obtain and review an account ledger for all District purchase accounts.



12132 U.S. 301 N. PARRISH, FL 34219

Phone (941) 721-2093 - Fax (941) 721-2095

admin@parrishfd.org

**To: The Auditor General
Re: Reference 2025-01**

Date: June 18, 2026

Dear Auditor General,

Our audit team informed us during our recent audit; there were some credit card purchases that a few employees made that did not follow proper procedures per our policy, Policy PFD 115. Proper purchasing procedures were discussed with the individuals, and we recently had a training session for each employee when purchasing items for the Parrish Fire District.

Also, the Parrish Fire District has revised its purchase policy/procedures with updated forms. Additionally, our newly hired Division Chief vet's operation purchases to assist in consistency with all purchases made by our line staff and I review all purchases of all employees.

Best Regards,

**Stacey S. Bailey
Fire Chief**

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

Board of Commissioners
Parrish Fire District
Manatee County, Florida

We have examined the Parrish 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 AICPA. 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 ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

In our opinion, the District complied in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds for the year ended September 30, 2025.

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

A handwritten signature in blue ink that reads "CS&L CPAs".

CS&L CPAs, P.A.

May 26, 2026
Bradenton, Florida



12132 U.S. 301 N. PARRISH, FL 34219

Phone (941) 721-2093 - Fax (941) 721-2095

admin@parrishfd.org

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Stacey S. Bailey, who being duly sworn, deposes and says on oath that:

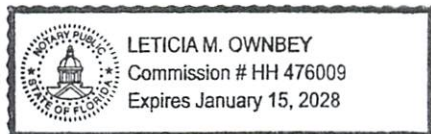
1. I am the Chief Financial Officer of Parrish Fire District which is a local governmental entity of the State of Florida.
2. The governing body of Parrish Fire District adopted Resolution No.2005-08 implementing an impact fee or authorized Parrish Fire District to receive and expend proceeds of an impact fee implemented by Parrish Fire Commission Board.
3. Parrish Fire District has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.


Fire Chief Stacey S. Bailey

STATE OF FLORIDA
COUNTY OF Manatee County

SWORN TO AND SUBSCRIBED before me this 21st day of May 2026.




NOTARY PUBLIC
Print Name: ~~Shannon Johnson~~ Leticia Ownbey

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires:

January 15, 2028