

**PORT LABELLE COMMUNITY  
DEVELOPMENT DISTRICT**

**BASIC FINANCIAL STATEMENTS  
TOGETHER WITH REPORTS OF  
INDEPENDENT AUDITOR**

**YEAR ENDED  
September 30, 2025**

**TABLE OF CONTENTS**

	<u>Page(s)</u>
<b>INDEPENDENT AUDITOR'S REPORT</b> .....	1-4
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&amp;A)</b> .....	I-VII
<b><u>BASIC FINANCIAL STATEMENTS</u></b>	
GOVERNMENT-WIDE FINANCIAL STATEMENTS:	
Statement of Net Position.....	5
Statement of Activities.....	6
FUND FINANCIAL STATEMENTS:	
Governmental Funds:	
Balance Sheet.....	7
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	8
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.....	9
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds to the Statement of Activities.....	10
NOTES TO THE FINANCIAL STATEMENTS.....	11-48
<b><u>REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&amp;A</u></b>	
BUDGET TO ACTUAL COMPARISON - MAJOR FUNDS:	
(General and Capital Projects Funds)	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Summary Statement.....	49
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Detailed Statement.....	50-52
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Fund.....	53
OTHER REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS).....	54
Schedule of District Contributions - Florida Retirement System Pension Plan (FRS).....	54
Schedule of District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS).....	55
Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS).....	55
Notes to the Required Supplementary Information.....	56-57
Schedule of Changes in the Total OPEB Liability and Related Ratios GASB No. 75 and Related Notes to the Schedule.....	58
<b><u>ADDITIONAL REPORTS</u></b>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> .....	59-60
Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes.....	61
Independent Auditor's Report to Management.....	62-64
Management's Response to Independent Auditor's Report to Management.....	Exhibit 1
Florida Rules of the Auditor General - Rule 10.554(1)(i)7-9 Compliance - Unaudited.....	Exhibit 2

# HSC/Tuscan & Company, PA

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

## INDEPENDENT AUDITOR'S REPORT

Board of Supervisors  
Port LaBelle Community Development District  
P.O. Box 1605  
LaBelle, Florida 33975-1605

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Port LaBelle Community Development District (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.

#### *Summary of Opinions*

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
General Fund	Unmodified
Capital Projects Fund	Unmodified

In our opinion, based on our audit and the report of other auditors, 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 Port LaBelle Community Development 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.

### **Matter of Emphasis**

During the year ended September 30, 2025, the District implemented GASB Statement No. 101 "Compensated Absences" as further described in Note A. The net position was not required to be restated as of October 1, 2024.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

We did not audit the financial statements of Florida Retirement Systems Pension Plan (FRS) or Health Insurance Subsidy Pension Plan (HIS) as of and for the year ended June 30, 2025. The District is required to record its proportionate share of the FRS and HIS liability in the District's government-wide financial statements as of September 30, 2025, and for the year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Port LaBelle Community Development District's government-wide financial statements, is based on the report of the other auditors.

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

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

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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 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, 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.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i - vii, Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios GASB No. 75 and related Notes to the Schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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 - management's discussion and analysis (MD&A), Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy

Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios GASB No. 75 and related Notes to the Schedule, as listed in the table of contents, 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 required supplementary information - management's discussion and analysis (MD&A), Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios GASB No. 75 and related Notes to the Schedule, as listed in the table of contents, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Required Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Port LaBelle Community Development District's basic financial statements. The required supplementary information other than MD&A - budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The required supplementary information other than MD&A - budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required supplementary information other than MD&A - budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Exhibit 1 - Management's Response to Independent Auditor's Report to Management and Exhibit 2 - Florida Rules of the Auditor General - Rule 10.554(1)(i)7-9 Compliance are not a required part of the basic financial statements but are required by Government Auditing Standards and/or Rules of the Auditor General, Section 10.554(i), respectively. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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 Section 218.415, Florida Statutes*

In accordance with Section 218.415, Florida Statutes, we have also issued a report dated December 12, 2025, on our consideration of Port LaBelle Community Development District's compliance with provisions of Section 218.415, Florida Statutes. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and to provide an opinion on compliance with the aforementioned Statute. That report is an integral part of an audit performed in accordance with Sections 218.39 and 218.415, Florida Statutes in considering Port LaBelle Community Development District's compliance with Section 218.415, Florida Statutes.

***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated December 12, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Port LaBelle Community Development District's internal control over financial reporting and compliance.

*HSC/Tuscan & Company, P.A.*

HSC/TUSCAN & COMPANY, P.A.  
Fort Myers, Florida  
December 12, 2025

**MANAGEMENT'S DISCUSSION  
AND ANALYSIS  
(MD&A)**

# PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT

## Management's Discussion and Analysis

For the year ending September 30, 2025

### Management's Discussion and Analysis

This discussion and analysis of the Port LaBelle Community Development District (the "District") financial statements is intended to give an overview of the District's financial activities for the fiscal year ended September 30, 2025. The basic financial statements are comprised of the government-wide financial statements, governmental fund financial statements, and footnotes. It is our intent to assist the reader in identifying and understanding significant changes in the District's financial position.

### Financial Highlights

- At the close of fiscal year 2025, the District's assets exceeded its liabilities resulting in net position of \$8,395,890.
- At the close of fiscal year 2024, the District's assets exceeded its liabilities resulting in net position of \$7,701,244.
- The District had \$2,041,405 of unrestricted net assets that can be used to meet the District's ongoing obligations at September 30, 2025.
- The District had \$1,463,100 of unrestricted net assets that can be used to meet the District's ongoing obligations at September 30, 2024.
- For the year ended September 30, 2025, the District's net position balance increased by \$694,646 substantially due to the increase in ad valorem tax revenues. Operationally, the District's Governmental Funds had revenues in excess of expenditures of \$644,906.
- For the year ended September 30, 2024, the District's net position balance increased by \$262,601 substantially due to the increase in tax revenues resulting from an increased tax base. Operationally, the District's Governmental Funds had revenues in excess of expenditures of \$245,375.
- Total revenues increased \$514,007 or 30 percent for the year ended September 30, 2025, in comparison to the prior year. The increase was substantially due to an increase in Ad Valorem millage tax levied from 3.5215 mills to 3.7732 mills and increased assessed value.
- Total revenues increased \$189,600 or 12 percent for the year ended September 30, 2024, in comparison to the prior year. The increase was substantially due to an increase in tax base. The District reduced the assessed millage from 4.325 mills to 3.5215 mills.

- Total expenses increased \$81,962 or 6 percent for the year ended September 30, 2025, in comparison to the prior year. This increase was substantially due to an increase in expenses for road repairs and paving of \$12,397 and personnel costs of \$46,689.
- Total expenses increased \$20,280 or 1 percent for the year ended September 30, 2024, in comparison to the prior year. This increase was substantially due to an increase in expenses for FRS and insurance.
- For the year ended September 30, 2025, the District did record its proportionate share of the Florida Retirement System's (FRS) actuarially accrued net pension liability of \$198,207 as required by GASB Statement #68. The District's net pension liability at September 30, 2025 and 2024 was \$198,207 and \$206,397, respectively.
- Effective September 30, 2018, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 75 "*Accounting and Financial Reporting of Post Employment Benefits Other Than Pensions (OPEB)*" (Statement no. 75). This accounting standard required the District to annually report its actuarially determined total OPEB liability in the government-wide financial statements of the District as of September 30, 2018. The District was required to restate its fiscal year 2018 beginning net asset balance as a result of the implementation of GASB No. 75. The OPEB liability was \$34,189 at September 30, 2025.

### **Government-wide Financial Statements**

Government-wide financial statements (Statement of Net Position and Statement of Activities found on pages 5 and 6) are intended to allow a reader to assess a government's operational accountability. Operational accountability is defined as the extent to which the government has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to meet its objectives for the foreseeable future. Government-wide financial statements concentrate on the District as a whole and do not emphasize fund types.

The Statement of Net Position (Page 5) presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. The District's capital assets (property, buildings and equipment) are included in this Statement and are reported net of their accumulated depreciation.

The Statement of Activities (Page 6) presents revenue and expense information showing how the District's net position changed during the fiscal year. Both Statements are measured and reported using the economic resource measurement focus (revenues and expenses) and the accrual basis of accounting (revenue recognized when earned and expense recognized when a liability is incurred).

## Governmental Fund Financial Statements

The accounts of the District are organized on the basis of governmental funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Governmental fund financial statements (found on pages 7 and 9) are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets.

## Notes to the Financial Statements

The notes to the financial statements explain in detail certain data contained in the preceding statements and begin on page 11. These notes are essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Government-Wide Financial Analysis

The government-wide financial statements were designed so that the user could determine if the District is in a better or worse financial condition from the prior year.

The following is a condensed summary of net position for the primary government for fiscal year 2025, 2024 and 2023:

	2025 Amounts	2024 Amounts	2023 Amounts
Assets:			
Current assets	\$ 4,255,830	\$ 3,636,279	\$ 3,370,569
Non-current assets, net	<u>4,365,854</u>	<u>4,339,198</u>	<u>4,333,386</u>
Total Assets	<u>8,621,684</u>	<u>7,975,477</u>	<u>7,703,955</u>
Deferred Outflows	<u>130,251</u>	<u>127,660</u>	<u>105,581</u>
Liabilities:			
Current liabilities	47,349	73,219	53,385
Long term liabilities	<u>243,732</u>	<u>262,080</u>	<u>239,280</u>
Total Liabilities	<u>291,081</u>	<u>335,299</u>	<u>292,665</u>
Deferred Inflows	<u>64,964</u>	<u>66,594</u>	<u>78,228</u>
Net Position:			
Net investment in capital assets	4,365,854	4,322,651	4,301,012
Restricted	1,988,631	1,915,493	1,849,903
Unrestricted	<u>2,041,405</u>	<u>1,463,100</u>	<u>1,287,728</u>
Total Net Position	<u>\$ 8,395,890</u>	<u>\$ 7,701,244</u>	<u>\$ 7,438,643</u>

At September 30, 2025, current assets represent 49 percent of total assets. Current assets are comprised of unrestricted cash balances of \$2,037,721, restricted cash and investments of \$2,151,213, and other assets of \$66,896. The balances of unrestricted cash represent amounts that are available for spending at the District's discretion. Restricted cash balances are substantially for the construction of future District facilities and improvements.

At September 30, 2025, the capital assets are comprised of land, buildings, improvements, equipment, furniture, and vehicles of \$39,504,299, net of accumulated depreciation of \$35,138,445.

The unrestricted net position balance of \$2,041,405 represents resources available for spending. The District has assigned \$100,000 for emergencies.

In regard to the funding of the General Fund operations for the year ended September 30, 2025, the District levied a millage rate based on taxable values of land in the District. The millage rate of 3.7732 mills represented an increase of 7 percent from the prior year millage rate of 3.5215.

At September 30, 2024, current assets represent 46 percent of total assets. Current assets are comprised of unrestricted cash balances of \$1,503,580, restricted cash and investments of \$2,078,025, and other assets of \$54,674. The balances of unrestricted cash represent amounts that are available for spending at the District's discretion. Restricted cash balances are substantially for the construction of future District facilities and improvements.

At September 30, 2024, the capital assets are comprised of land, buildings, improvements, equipment, furniture, and vehicles of \$39,391,012 net of accumulated depreciation of \$35,068,361. The unrestricted net position balance of \$1,463,100 represents resources available for spending. The District has assigned \$100,000 for emergencies.

In regard to the funding of the General Fund operations for the year ended September 30, 2024, the District levied a millage rate based on taxable values of land in the District. The millage rate of 3.5215 mills represented a decrease of 19 percent from the prior year millage rate of 4.3250.

Summary and Comparison of Revenues, Expenses and  
Changes in Net Position for the years ended  
September 30

	2025	2024	2023
	<u>Amounts</u>	<u>Amounts</u>	<u>Amounts</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,778,459	\$ 1,281,917	\$ 1,147,291
Intergovernmental	223,406	209,138	186,204
Interest	126,903	110,476	64,293
Rent	15,809	15,414	15,414
Gain (loss) from disposition of capital assets	-	24,150	35,200
Miscellaneous (including charges for service)	95,258	84,733	87,826
Total Revenues	<u>2,239,835</u>	<u>1,725,828</u>	<u>1,536,228</u>
<b>Expenses:</b>			
<b>Administration</b>			
General government	407,237	368,287	320,139
Law enforcement	-	-	-
Total Administration	<u>407,237</u>	<u>368,287</u>	<u>320,139</u>
<b>Field Operations</b>			
Mosquito control	-	-	5,011
Road maintenance	1,137,952	1,094,940	1,117,797
Capital projects	-	-	-
Total Field Operations	<u>1,137,952</u>	<u>1,094,940</u>	<u>1,122,808</u>
Total Expenses	<u>1,545,189</u>	<u>1,463,227</u>	<u>1,442,947</u>
Increase (decrease) in net position	694,646	262,601	93,281
Net position - Beginning	<u>7,701,244</u>	<u>7,438,643</u>	<u>7,345,362</u>
Net Position - Ending	<u>\$ 8,395,890</u>	<u>\$ 7,701,244</u>	<u>\$ 7,438,643</u>

### Capital Assets

Non-depreciable capital assets include land and construction in progress. Depreciable assets include buildings, improvements other than buildings, office equipment, machinery & equipment and vehicles.

The following is a schedule of the District's capital assets:

	September 30		
	<u>2025</u>	<u>2024</u>	<u>2023</u>
<b>Capital Assets Not Being Depreciated:</b>			
Land	\$ 3,932,721	\$ 3,932,721	\$ 3,932,721
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets not being depreciated	<u>3,932,721</u>	<u>3,932,721</u>	<u>3,932,721</u>
<b>Capital Assets Being Depreciated:</b>			
Buildings	376,465	376,465	376,465
Improvements (roads)	34,533,120	34,533,120	34,533,120
Vehicles & equipment	<u>661,993</u>	<u>548,706</u>	<u>521,321</u>
Total Capital Assets being depreciated	<u>35,571,578</u>	<u>35,458,291</u>	<u>35,430,906</u>
<b>Less: Accumulated Depreciation</b>			
Buildings	(285,525)	(285,175)	(275,433)
Improvements (roads)	(34,533,120)	(34,533,120)	(34,533,120)
Vehicles & equipment	<u>(319,800)</u>	<u>(250,066)</u>	<u>(254,062)</u>
Total Accumulated Depreciation	<u>(35,138,445)</u>	<u>(35,068,361)</u>	<u>(35,062,615)</u>
<b>Capital Assets, Net</b>	<u>\$ 4,365,854</u>	<u>\$ 4,322,651</u>	<u>\$ 4,301,012</u>

During the year ended September 30, 2025, the District purchased a Ford Maverick, Kubota tractor, and a mower.

During the year ended September 30, 2024, the District purchased a tractor and mower.

During the year ended September 30, 2023, the District purchased a tractor and back hoe loader.

### Debt Administration

The District had no outstanding debt at September 30, 2025 or 2024 or 2023 other than routine trade payables and accrued expenses including accrued compensated absences, an OPEB liability and pension liability totaling \$243,732, \$262,080, and \$239,280, respectively.

The pension liability decreased by \$8,190 for the year ended September 30, 2025, as the result of the Plan's annual valuation and prior year negative market conditions.

The pension liability increased by \$12,304 for the year ended September 30, 2024, due to the annual valuation.

### **Budgetary Highlights**

Operationally, for the year ended September 30, 2025, the overall fund balance of the District grew by \$644,906 or approximately 18%.

For the year ended September 30, 2025, the overall financial position of the District grew by \$694,646 or approximately 9%. The fund balance in the General Fund increased this year by \$571,768 or 35 percent due to increased collection of tax revenue. This increase was budgeted to provide funding for needed road repair and paving.

For the year ended September 30, 2025, General Fund operations were fairly consistent with the approved budget except the District collected a higher amount of ad valorem tax due to an increase in new home construction and millage rate.

For the year ended September 30, 2025, the tax millage was increased. The District adopted a millage rate of 3.7732 for fiscal year 2025 vs. 3.5215 for fiscal year 2024.

There was one budget amendment to the General Fund budget during the year ended September 30, 2025, to adjust budgeted reserves to the actual September 30, 2024 audited balance.

For the year ended September 30, 2024, the tax millage was decreased from 4.325 to 3.5215.

The District adopted a millage rate of 3.1454 for fiscal year 2026.

### **Capital Projects**

For the fiscal year 2025, the District has \$1,988,631 on hand as restricted net assets for future capital projects and improvements, including road improvements, which is an increase of \$73,138 or 4 percent over last year. The District has implemented a plan to systematically improve the roadways within the District over the next several years. Fiscal year 2016 was the initial year of the plan. During fiscal year 2025, the District expended \$597,076 on road improvements and \$515,000 in fiscal year 2024.

### **Request for Information**

This financial report is designed to provide the reader an overview of the District. Questions regarding any information provided in this report should be directed to:

Judi Kennington-Korf, General Manager  
863-675-5770  
judikk@plcdd.net

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF NET POSITION  
September 30, 2025**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents - unrestricted	\$ 2,037,721
Cash and cash equivalents - restricted	416,557
Investments - restricted	1,734,656
Accounts receivable	3,382
Lease receivable, current	17,710
Due from other governments	45,804
Other assets	-
Total current assets	<u>4,255,830</u>
Noncurrent assets:	
Lease receivable, net of current portion	-
Capital assets:	
Land	3,932,721
Depreciable buildings, improvements, equipment and vehicles (net of \$35,138,445 accumulated depreciation)	<u>433,133</u>
Total noncurrent assets	<u>4,365,854</u>
<b>TOTAL ASSETS</b>	<u>8,621,684</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>130,251</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	36,363
Due to other governments	9,786
Other deposits	<u>1,200</u>
Total current liabilities	47,349
Compensated absences	11,336
Net OPEB liability	34,189
Net pension liability	198,207
Commitments and contingencies	-
<b>TOTAL LIABILITIES</b>	<u>291,081</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>64,964</u>
<b>NET POSITION</b>	
Net investment in capital assets	4,365,854
Restricted for:	
Capital projects	1,988,631
Unrestricted	<u>2,041,405</u>
<b>TOTAL NET POSITION</b>	<u>\$ 8,395,890</u>

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF ACTIVITIES  
Year Ended September 30, 2025**

	<u>General Government</u>	<u>Mosquito Control</u>	<u>Transportation</u>	<u>Capital Projects</u>	<u>Total Governmental Activities</u>
<b>EXPENSES</b>					
Governmental Activities					
Physical Environment					
Personnel services	\$ 48,853	\$ -	\$ 360,724	\$ -	\$ 409,577
Operating	358,384	-	707,144	-	1,065,528
Depreciation	-	-	70,084	-	70,084
Total expenses	<u>407,237</u>	<u>-</u>	<u>1,137,952</u>	<u>-</u>	<u>1,545,189</u>
<b>PROGRAM REVENUES</b>					
Charges for services-permits	82,529	-	-	-	82,529
Intergovernmental revenue	223,406	-	-	-	223,406
Interest earnings	53,765	-	-	73,138	126,903
Rent	15,809	-	-	-	15,809
Total program revenues	<u>375,509</u>	<u>-</u>	<u>-</u>	<u>73,138</u>	<u>448,647</u>
Net program expense (income)	<u>\$ 31,728</u>	<u>\$ -</u>	<u>\$ 1,137,952</u>	<u>\$ (73,138)</u>	<u>1,096,542</u>
<b>GENERAL REVENUES</b>					
Ad Valorem taxes					1,778,459
Other					12,729
Gain (loss) from disposition of capital assets					<u>-</u>
TOTAL GENERAL REVENUES					<u>1,791,188</u>
INCREASE (DECREASE) IN NET POSITION					694,646
<b>NET POSITION - Beginning of the year</b>					<u>7,701,244</u>
<b>NET POSITION - End of the year</b>					<u>\$ 8,395,890</u>

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
September 30, 2025**

	General Fund	Capital Projects Fund	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,037,721	\$ -	\$ 2,037,721
Restricted cash and cash equivalents	100,000	316,557	416,557
Restricted investments	-	1,734,656	1,734,656
Accounts receivable	3,382	-	3,382
Due from other governments	45,804	-	45,804
Due from other funds	62,582	-	62,582
Other assets	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 2,249,489</u>	<u>\$ 2,051,213</u>	<u>\$ 4,300,702</u>
 <b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 36,363	\$ -	\$ 36,363
Due to other governments	9,786	-	9,786
Due to other funds	-	62,582	62,582
Other deposits	<u>1,200</u>	<u>-</u>	<u>1,200</u>
TOTAL LIABILITIES	<u>47,349</u>	<u>62,582</u>	<u>109,931</u>
 <b>FUND BALANCE</b>			
Non-spendable	-	-	-
Restricted for:			
Capital expenditures	-	1,988,631	1,988,631
General fund:			
Assigned for emergencies	100,000	-	100,000
Unassigned	<u>2,102,140</u>	<u>-</u>	<u>2,102,140</u>
TOTAL FUND BALANCE	<u>2,202,140</u>	<u>1,988,631</u>	<u>4,190,771</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,249,489</u>	<u>\$ 2,051,213</u>	<u>\$ 4,300,702</u>

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION  
September 30, 2025**

	<u>Amount</u>	
Total fund balance for governmental funds	\$ 4,190,771	
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Lease income received in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Lease receivable:		17,710
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Capital assets not being depreciated:		
Land	3,932,721	
Construction in progress	<u>-</u>	
		3,932,721
Governmental capital assets being depreciated:		
Buildings, improvements, equipment and vehicles	35,571,578	
Less accumulated depreciation	<u>(35,138,445)</u>	
		433,133
Deferred outflows and deferred inflows are applied to future periods and, therefore, are not reported in the governmental funds.		
Deferred outflows - pensions	98,237	
Deferred outflows - OPEB	<u>32,014</u>	
		130,251
Deferred inflows - pensions	(44,905)	
Deferred inflows - OPEB	(4,371)	
Deferred inflows - Lessor	<u>(15,688)</u>	
		(64,964)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Compensated absences	(11,336)	
Net pension liability - FRS	(132,420)	
Net pension liability - HIS	(65,787)	
Net OPEB liability	<u>(34,189)</u>	
		(243,732)
Elimination of interfund amounts:		
Due to other funds	62,582	
Due from other funds	<u>(62,582)</u>	
		-
Total net position of governmental activities	<u>\$ 8,395,890</u>	

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
Year Ended September 30, 2025**

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>REVENUES</b>			
Ad Valorem taxes	\$ 1,778,459	\$ -	\$ 1,778,459
Permit fees	82,529	-	82,529
Intergovernmental charges for services	223,406	-	223,406
Interest	52,120	73,138	125,258
Lease income	17,315	-	17,315
Other	12,729	-	12,729
TOTAL REVENUES	<u>2,166,558</u>	<u>73,138</u>	<u>2,239,696</u>
<b>EXPENDITURES</b>			
Current			
General government			
Administration			
Personnel services	48,853	-	48,853
Operating expenditures	358,384	-	358,384
	<u>407,237</u>	<u>-</u>	<u>407,237</u>
Mosquito control			
Operating expenditures	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Transportation			
Road maintenance			
Personnel services	367,912	-	367,912
Operating expenditures	706,354	-	706,354
	<u>1,074,266</u>	<u>-</u>	<u>1,074,266</u>
Capital outlay			
	113,287	-	113,287
TOTAL EXPENDITURES	<u>1,594,790</u>	<u>-</u>	<u>1,594,790</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	571,768	73,138	644,906
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	-	-	-
Proceeds from disposition of capital assets	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	571,768	73,138	644,906
<b>FUND BALANCE, Beginning</b>	<u>1,630,372</u>	<u>1,915,493</u>	<u>3,545,865</u>
<b>FUND BALANCE, Ending</b>	<u>\$ 2,202,140</u>	<u>\$ 1,988,631</u>	<u>\$ 4,190,771</u>

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE -  
GOVERNMENTAL FUNDS TO THE STATEMENT  
OF ACTIVITIES**

**Year Ended September 30, 2025**

	<u>Amount</u>
Net change (excess of revenues over expenditures) in fund balance - total governmental funds	\$ 644,906
The decrease in net position reported for governmental activities in the Statement of Activities is different because:	
Governmental funds report rent received as revenues. However, in the Statement of Activities the lease is recorded as a receivable and the revenue is amortized over the lease term.	
Add:	
Less: current year lease receivable	(17,710)
Plus: interest earned on lease receivable	1,645
Plus: amortization of deferred inflow of lease receivable	<u>15,414</u>
	(651)
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.	
Add:	
Plus: expenditures for capital assets	113,287
Less: current year depreciation	(70,084)
Less: net proceeds from disposition of capital assets	-
Plus: net gain on disposition of capital assets	<u>-</u>
	<u>43,203</u>
Certain expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
(Increase) decrease in net pension liability -FRS	7,284
(Increase) decrease in net pension liability - HIS	906
Increase (decrease) in deferred outflow - Pensions	6,322
(Increase) decrease in deferred inflow - Pensions	(13,297)
(Increase) decrease in total OPEB liability	7,469
Increase (decrease) in deferred outflow - OPEB	(3,731)
(Increase) decrease in deferred inflow - OPEB	(454)
(Increase) decrease in compensated absences	<u>2,689</u>
	7,188
Increase in net position of governmental activities	<u>\$ 694,646</u>

The accompanying notes are an integral part of this statement.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Port LaBelle Community Development District (the "District") is an independent special district located in Glades and Hendry Counties which was created in October 24, 1982, by Rule Chapter 42D-1.01-.03, Florida Land and Water Adjudicatory Commission (Florida Administrative Code), under Chapter 190 of the Florida Statutes. The District is governed by an elected, five-member Board of Supervisors. The District maintains all greenbelt property and private streets conveyed to it by the original developer of the District. The District's maintenance costs and other expenditures are paid from the General Fund through the collection of Ad Valorem taxes. Within the General Fund, the District also performs mosquito control and certain construction related permitting within its boundaries.

The District maintains reserves for the funding of the future construction of District facilities and improvements as well as street repaving and maintenance, as required by its enabling act, benefiting property within the District. As such, the Board of Supervisors of the District levied an annual assessment on benefited property beginning in 1983 which continued through 1989 to fund the future construction of planned facilities and improvements. The collection and disbursement of these assessments and the related activity is accounted for in the Capital Projects Fund. The intention of the District is to continue to invest and maintain the proceeds of the assessments so as to mitigate the need for future issuance of bonds or other long-term financing at the time of actual construction or improvement.

**Summary of Significant Accounting Policies**

The following is a summary of the significant accounting policies used in the preparation of these basic financial statements.

The basic financial statements of the District are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Reporting Entity**

The District adheres to Governmental Accounting Standards Board (GASB) Statement No. 14, "Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement Number 61, "The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34". These Statements require the financial statements of the District (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Based on the criteria established in GASB Statement No. 14, as amended, there are no component units included and/or required to be included in the District's basic financial statements.

**Government-wide Financial Statements**

The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District and do not emphasize fund types. These governmental activities comprise the primary government. General governmental and intergovernmental revenues support the governmental activities. The purpose of the government-wide financial statements is to allow the user to be able to determine if the District is in a better or worse financial position than in the prior year. The effect of all interfund activity between governmental funds has been removed from the government-wide financial statements.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Government-wide Financial Statements, continued**

financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability in the government-wide financial statements rather than as expenditures.

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

Program revenues are considered to be revenues generated by services performed and/or by fees charged such as permit fees.

**Fund Financial Statements**

The District adheres to GASB Statement Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the District's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds, in aggregate, for governmental funds.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Governmental Funds**

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, as appropriate, and then from unrestricted resources.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period.

The District's major funds are presented in separate columns on the governmental fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the governmental fund financial statements.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns on the fund financial statements. All governmental funds of the District are considered to be major funds.

**Measurement Focus and Basis of Accounting**

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Measurement Focus and Basis of Accounting, continued**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Revenues susceptible to accrual are property taxes, interest on investments, and intergovernmental revenues. Property taxes are recorded as revenues in the fiscal year in which they are levied, provided they are collected in the current period or within sixty days thereafter. Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized when all eligibility requirements are met.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on the long-term debt, if any, is recognized when due, and (2) expenditures are generally not divided between years by the recording of prepaid expenditures.

**Pension Plans**

The District participates in the FRS defined benefit pension plan and the HIS defined benefit plan administered by the Florida Department of Management Services, Division of Retirement. Effective September 30, 2015, the District adopted the provisions of Government Accounting Standards Board Statement No. 68 "Accounting and Financial Reporting for Pensions" (Statement No. 68). The statement requires the District to report annually its proportionate share of the actuarially determined net pension liability of defined benefit plans in the Statement of Net Position, in the District's financial statements.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Non-current Governmental Assets/Liabilities**

GASB Statement No. 34 requires non-current governmental assets such as land and buildings, and non-current governmental liabilities such as accrued compensated absences and net OPEB liability, to be reported in the governmental activities column in the government-wide Statement of Net Position.

Effective September 30, 2022, GASB Statement No. 87 required the District to record long term lease agreements as non-current assets or liabilities on the Statement of Net Position.

**Major Funds**

The District reports the following major governmental funds:

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

The Capital Projects Fund holds and administers previously collected assessments restricted for future construction of planned facilities and improvements as well as street repaving. Specifically, the money held is restricted and can only be used for certain capital expenditures as well as road repair, repaving and improvements.

**Budgetary Information**

The District has elected to report budgetary comparison of major funds as required supplementary information (RSI).

**Investments**

The District adheres to the requirements of GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," in which all investments are reported at fair value. In addition, the District abides by Florida Statute 218.415(17) as its investment policy.

Investments, including restricted investments, consist of certificates of deposit.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Capital Assets**

Capital assets, which include land, buildings, improvements (roads), equipment and vehicles, are reported in the government-wide financial statements in the Statement of Net Position.

The District follows a capitalization policy which calls for capitalization of all capital assets that have a cost or donated value of \$1,000 or more and have a useful life in excess of one year.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Specifically, the District estimated the costs of its improvements other than buildings (roads) using their current condition and current cost per lane mile. The value of its land was estimated based on current appraised values. Donated capital assets are valued at their estimated fair market value on the date donated. Public domain (infrastructure) capital assets consisting of certain improvements other than buildings, including curbs, and gutters are not capitalized as the District generally does not acquire such assets. However, the District did capitalize its improvements other than buildings such as roads. The roadways are being depreciated. Included within its greenbelt lands are the District's canals and drainage system. The canals and drainage systems are not depreciated as there is no perceived depreciation of the structures as such assets are constantly maintained. No debt-related interest expense is capitalized as part of capital assets in accordance with GASB Statement No. 34.

Maintenance, repairs and minor renovations are not capitalized. The acquisition of land and construction projects utilizing resources received from Federal and State agencies are capitalized when the related expenditure is incurred.

Expenditures that materially increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement, the cost is eliminated from the respective accounts.

Expenditures for capital assets are recorded in the fund statements as current expenditures. However, such expenditures are not reflected as expenditures in the government-wide statements, but rather are capitalized and depreciated.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Capital Assets, continued**

Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and building improvements	7-33
Improvements other than buildings (roads)	33
Equipment (including vehicles)	7-20

**Budgets and Budgetary Accounting**

The District has adopted an annual budget for the General Fund and its Capital Projects Fund.

The District follows these procedures in establishing budgetary data for both the General Fund and the Capital Projects Fund.

1. During the summer of each year, the General Manager and/or Treasurer submits to the Board of Supervisors a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Three public hearings (proposed, tentative and final) are conducted to obtain taxpayer comments. Following the first public hearing a proposed budget is adopted and reflected on the TRIM notice. In September (prior to the start of the fiscal year) a tentative budget is adopted following the second public hearing. Within 15 days of adoption of the tentative budget the final budget is adopted following the third public meeting.
3. The final budget is adopted by approval of the Board of Supervisors prior to October 1 (beginning of the fiscal year).
4. Budget amounts, as shown in these financial statements, are as originally adopted or as amended by the Board of Supervisors.
5. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. The level of control for appropriations is exercised at the fund level.
7. The Board of Supervisors did amend the budget for the General Fund to increase budgeted revenue in the amount of \$855,760 and the budget for the Capital Projects Fund to increase budgeted revenue in the amount of \$240,727 for the year ended September 30, 2025.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Due From Other Governments**

No allowance for losses on uncollectible accounts has been recorded since the District considers all amounts to be fully collectible.

**Compensated Absences**

The District's employees accumulate annual leave based on the number of years of continuous service. Upon termination of employment, employees can receive payment of accumulated annual leave, if certain criteria are met. The costs of vacation and personal leave benefits (compensated absences) are expended in the respective operating funds when payments are made to employees. However, the liability for all accrued vacation and personal leave benefits is generally recorded in the government-wide Statement of Net Position.

**Encumbrances**

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District because it is at present not necessary in order to assure effective budgetary control or to facilitate effective cash planning and control. All appropriations lapse at year-end.

**Management Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the District to make estimates and assumptions that affect the reported amounts of assets, liabilities, fund balances/net assets and disclosure of contingent assets and liabilities at September 30, 2025, and revenues and expenditures during the year ended September 30, 2025. Actual results could differ from those estimates.

**Fund Equity**

The Board did adopt a fund balance policy. The policy calls for unassigned fund balance in the general fund of ranging between 25% - 50% of budgeted expenditures. It also calls for an assigned fund balance of \$100,000 for disaster emergency use as well as maintenance of a LOC of at least \$250,000.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Fund Equity, continued**

In the governmental fund financial statements, restriction of fund balance indicates amounts that are limited for a specific purpose, are not appropriate for expenditure, or are legally segregated for a specific future use. Assignments of fund balance represent tentative management plans. Such assignments can be changed and/or amended by Board action. Unassigned fund balance indicates funds that are available for current expenditure.

**Interfund Transactions**

The District considers interfund receivables (due from other funds) and interfund liabilities (due to other funds) to be loan transactions to and from other funds to cover temporary (three months or less) cash needs. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing funds and as a reduction of expenditures/expenses in the fund that is reimbursed.

**Pensions**

In the government-wide Statement of Net Position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and the Health Insurance Subsidy (HIS) defined benefit plans and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments, (including refunds of employees contributions) are recognized when due and payable in accordance with the benefit terms.

The District's retirement plans and related amounts are described in a subsequent note.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred amount on pensions and OPEB is reported in the government-wide Statement of Net Position. The deferred outflows of resources related to pensions and OPEB are discussed in subsequent notes.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The deferred amount on pension is reported only in the government-wide statement of net position. A deferred amount on pensions and OPEB results from the difference in the expected and actual amounts of experience, earnings, and contributions. This amount is deferred and amortized over the service life of all employees that are provided with these benefits through the plans except earnings which are amortized over five to seven years.

**GASB 94: Public-Private and Public-Public Partnerships and Availability Payment Arrangements**

The District adheres to the requirements of GASB Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements (PPPs)*", in which a liability and right-to-use asset is recorded. The District evaluates its PPPs annually. The District had no arrangements that met this Statement's reporting criteria and/or the related arrangement costs were considered immaterial for the year ended September 30, 2025.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

**GASB 96: Subscription-Based Information Technology Arrangements (SBITAs)**

The District adheres to the requirements of GASB Statement No. 96, "Subscription-Based Information Technology Agreements (SBITAs)", in which a subscription liability and right-to-use asset is recorded. The District evaluates its SBITAs annually. The District had no arrangements that met this Statement's reporting criteria and/or the related arrangement costs were considered immaterial for the year ended September 30, 2025.

**GASB 100: Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62**

In June 2022, the GASB issued Statement No. 100 (*Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*), which prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. The provisions of this Statement are effective for the District's financial statements for the year ended September 30, 2025. The District, however, did not have any accounting changes or error corrections to report for the year ended September 30, 2025. The adoption of the Statement did not result in any changes to the District's accounting policies, financial reporting practices, or previously reported amounts.

**GASB 101: Compensated Absences**

In June 2022, the GASB issued Statement No. 101 (*Compensated Absences*) which defined compensated absences and established recognition and measurement guidance for liabilities related to compensated absences, such as vacation, sick leave, and similar employee benefits. The provisions of the Statement are effective for the District's financial statements for the year ended September 30, 2025. The adoption of the Statement 101 did not result in any changes to the District's accounting policies, financial reporting practices, or previously reported amounts. Accordingly, there was no impact on beginning net position or fund balance, and no restatement of prior-period financial statements was required.

**Subsequent Events**

Subsequent events have been evaluated through December 12, 2025, which is the date the financial statements were available to be issued.

**NOTE B - CASH AND INVESTMENTS**

At September 30, 2025, cash and cash equivalents (restricted and unrestricted) were \$2,454,278. Included within total cash and cash equivalents, the District's General Fund had unrestricted cash of \$2,037,721 and had restricted cash totaling \$100,000. The District's restricted cash held in the General Fund was comprised of \$100,000 restricted for emergency preparedness at September 30, 2025. At September 30, 2025, the District's Capital Projects Fund also had cash in the amount of \$316,557 restricted for future capital expenditures and roadway repair, repaving and improvements.

**Deposits**

The District's deposit policy allows deposits to be held in demand deposit or money market accounts. Deposits, at times during the year, exceeded FDIC insurance limits and were insured by collateral pursuant to the Public Depository Security Act of the State of Florida (F.S. 280).

At September 30, 2025, the carrying amounts of the District's deposits were \$2,137,721 and \$316,557 in the General Fund and Capital Projects Fund, respectively. The bank balances were \$2,139,004 in the General Fund and \$316,526 in the Capital Projects Fund. These deposits were entirely insured by federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida (F.S. 280).

**Investments**

Florida Statutes and the District's investment policy authorize investments in certificates of deposit. Certificates of deposit whose values exceed the amount of federal depository insurance are collateralized pursuant to the Public Depository Security Act of the State of Florida (F.S. 280).

**NOTE B - CASH AND INVESTMENTS, CONTINUED**

**Investments, continued**

At September 30, 2025, the District's investments held in the Capital Projects Fund, consisted of certificates of deposit with financial institutions designated as qualified depositories by the State Treasurer. The book and bank balance of these certificates of deposit was \$1,734,656 and \$1,734,686, respectively. This balance is restricted for specific District administrative buildings and roadway improvements. There were no other types of investments held by the District at any time during the year or at September 30, 2025. These investments were entirely insured by federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida (F.S. 280).

**NOTE C - LEASE RECEIVABLE**

During the year ended September 30, 2022, the District implemented the guidance in GASB Statement No. 87, Leases, and recognized the value of a leasing agreement where a District building is leased to a child care center that had previously been reported as an operating lease.

As of September 30, 2025, the District (lessor) leased one of its buildings for use as a child care facility through the general fund. The lease valued at \$77,072, commenced on October 1, 2021, and continues until September 30, 2026. The deferred inflow of resources is being amortized over five (5) years, the term of the current lease. The lease requires monthly rent of \$1,311 with annual increases of 3%. The District used an interest rate of 3.25% commensurate with the interest rate on the line of credit at the time of the lease inception to determine its lease receivable.

The minimum lease income over the future of the lease includes:

Years Ending September 30	Lease Income	Interest	Total
2026	\$ 17,402	\$ 308	\$ 17,710
	<u>\$ 17,402</u>	<u>\$ 308</u>	<u>\$ 17,710</u>

During the year ended September 30, 2025, the District recognized lease income of \$17,315 from this lease.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2025**

**NOTE D - CAPITAL ASSETS ACTIVITY**

The following is a summary of changes in capital assets activity for the year ended September 30, 2025:

	Balance October 1 2024	Increase/ Additions	Decrease/ Retirements	Adjustments/ Reclassifications	Balance September 30 2025
Capital Assets Not Being Depreciated:					
Land	\$ 3,932,721	\$ -	\$ -	\$ -	\$ 3,932,721
Construction in progress	-	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>3,932,721</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,932,721</u>
Capital Assets Being Depreciated:					
Buildings	376,465	-	-	-	376,465
Improvements (roads)	34,533,120	-	-	-	34,533,120
Equipment and vehicles	<u>548,706</u>	<u>113,287</u>	<u>-</u>	<u>-</u>	<u>661,993</u>
Total Capital Assets Being Depreciated	<u>35,458,291</u>	<u>113,287</u>	<u>-</u>	<u>-</u>	<u>35,571,578</u>
Less Accumulated Depreciation:					
Buildings	(285,175)	(350)	-	-	(285,525)
Improvements (roads)	(34,533,120)	-	-	-	(34,533,120)
Equipment and vehicles	<u>(250,066)</u>	<u>(69,734)</u>	<u>-</u>	<u>-</u>	<u>(319,800)</u>
Total Accumulated Depreciation	<u>(35,068,361)</u>	<u>(70,084)</u>	<u>-</u>	<u>-</u>	<u>(35,138,445)</u>
Total Capital Assets being Depreciated, Net	<u>389,930</u>	<u>43,203</u>	<u>-</u>	<u>-</u>	<u>433,133</u>
Capital Assets, Net	<u>\$ 4,322,651</u>	<u>\$ 43,203</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,365,854</u>
				Less: Long Term Debt	<u>-</u>
				Net Investment in Capital Assets	<u>\$ 4,365,854</u>

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2025**

**NOTE D - CAPITAL ASSETS ACTIVITY, CONTINUED**

Depreciation expense was charged to the following functions during the year ended September 30, 2025:

	<u>Amount</u>
Transportation	\$ 70,084
Total Depreciation Expense	<u>\$ 70,084</u>

Depreciation expense is charged to the function which is responsible for the respective capital assets maintenance. Depreciation expense for assets used by many functions has not been allocated but rather charged to the function responsible for its maintenance.

**NOTE E - LONG-TERM LIABILITIES**

The following is a summary of changes on long-term liabilities for the year ended September 30, 2025:

	Balance October 1 2024	Additions	Retirements And Adjustments	Balance September 30 2025	Amounts Due Within One Year
Compensated Absences	\$ 14,025	\$ -	\$ (2,689)	\$ 11,336	\$ -
Total OPEB Liability	41,658	-	(7,469)	34,189	-
Net Pension Liability - FRS	139,704	-	(7,284)	132,420	-
Net Pension Liability - HIS	66,693	-	(906)	65,787	-
	<u>\$ 262,080</u>	<u>\$ -</u>	<u>\$ (18,348)</u>	<u>\$ 243,732</u>	<u>\$ -</u>

Long-term debt consists of the following at September 30, 2025:

	<u>Amount</u>
Compensated absences. Employees of the District are entitled to annual leave and sick time based on length of service and job classification.	\$ 11,336
Total OPEB liability. GASB No. 75 transition date October 1, 2017.	34,189

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
September 30, 2025**

**NOTE E - LONG-TERM LIABILITIES, CONTINUED**

	Amount
Net pension liability - FRS Pension Plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan at June 30, 2025.	132,420
Net pension liability - HIS Plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan at June 30, 2025.	65,787
Total Net Pension Liability	198,207
Total Long-term Liability	\$ 243,732

**NOTE F - FUND BALANCE**

Fund balances were categorized for the following purposes at September 30, 2025:

	General Fund	Capital Projects Fund	Total Fund Balance
Non-spendable	\$ -	\$ -	\$ -
Restricted for capital expenditures*	-	1,988,631	1,988,631
Total Restricted	-	1,988,631	1,988,631
Assigned for emergency	100,000	-	100,000
Total Assigned	100,000	-	100,000
Unassigned - undesignated	2,102,140	-	2,102,140
Total Unassigned	2,102,140	-	2,102,140
Total Fund Balance	\$ 2,202,140	\$ 1,988,631	\$ 4,190,771

\* and roadway improvements, repairs and repaving

**NOTE G - PROPERTY TAXES AND ASSESSMENTS**

Property taxes (Ad Valorem) are generally levied on November 1 of each year, after formal adoption of the District's budget, and become due and payable upon receipt of the Notice of Levy. Discounts are allowed for payment of property taxes prior to March 1 of the following year. On April 1, any unpaid taxes become delinquent. If the taxes remain unpaid, tax certificates are then offered for sale to the general public. The billing and collection of all property taxes are performed for the District by the Tax Collectors for Hendry and Glades Counties. Taxes are recognized as revenue when levied to the extent that they result in current receivables.

**NOTE G - PROPERTY TAXES AND ASSESSMENTS, CONTINUED**

Key dates in the property tax cycle (latest date, where appropriate) are as follows:

Prior to July 1	* Tax roll certified.
Prior to October 1	* Millage resolution approved.
November 1	* Taxes due and payable (levy date) with various discount provisions through March 31.
April 1	* Taxes become delinquent.
Prior to June 1	* Tax certificates sold by the respective County.

The Board of Supervisors of the District, under Florida Statute 200.065, levied ad valorem taxes at a millage rate of \$3.7732 per \$1,000 of the 2024 net taxable value of real property located within the District for the year-ended September 30, 2025. The District has a 6 mils cap. Tax revenue from this levy is used for the maintenance and operating costs of the District.

In addition to property tax (ad valorem) levies under the provisions of Florida Statutes Chapter 200.065, the Board of Supervisors of the District has, in the past, levied a special assessment under the provisions of Florida Statutes Chapter 170. No special assessment was levied during the year ended September 30, 2025.

**NOTE H - RELATED PARTY TRANSACTIONS**

The District earned \$121,920 during the year ended September 30, 2025, for rent of its maintenance building, insurance, use of vehicle and other services performed for Barron Water Control District (BWCD) under an intergovernmental agreement.

The District paid \$125,360 in rent expense to BWCD during the year ended September 30, 2025, for the use of office space and computer facilities, and for the cost sharing of a general manager and staff assistant.

Included in Due from Other Governments at September 30, 2025, is \$9,139 from BWCD. Included in Due to Other Governments at September 30, 2025, is \$9,786 due to BWCD.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS**

**General Information about the Florida Retirement System**

The Florida Retirement System ("FRS") was created in Chapter 121, Florida Statutes. The FRS was created to provide a defined benefit pension plan ("Pension Plan") for participating public employees. All District employees are participants in the Statewide Florida Retirement System (FRS) under authority of Article X, Section 14 of the State Constitution and Florida Statutes, Chapters 112 and 121. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide an integrated defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a separate cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans (Pension and HIS Plans) and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information dated June 30, 2024, is available from the Florida Department of Management Services' website ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The District's total pension expense was \$30,296, including FRS and HIS for the year ended September 30, 2025, and is recorded in the government-wide financial statements.

The District's total retirement contribution expenditures were \$31,511, \$26,576 and \$22,257 for the years ended September 30, 2025, 2024, and 2023, respectively. The District contributed 100% of its required contribution.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS Pension Plan**

**Plan Description.** The FRS Pension Plan ("Plan") is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class - Members of the FRS who do not qualify for membership in the other classes.

Senior Management Service Class (SMSC) - Members in senior management level positions.

Special Risk Class - Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Elected Officials - Members who are elected by the voters within the District boundaries.

Regular employees, senior management class, and elected official class enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for those members classified as special risk who are eligible for normal retirement benefits at age 55 and 6 years of service or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 and 8 years of service or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 with 8 years of service or at any age after 30 years of service. However, effective July 1, 2023, for special risk who enrolled on or after July 1, 2011, normal retirement dated changed to the earlier of 25 years of creditable service or age 55. Members of both Plans (Pension and HIS) may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost of living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may elect to participate in DROP at any time after reaching normal retirement date.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS Pension Plan, continued**

Effective July 1, 2023, an employee may participate in DROP for a period not to exceed 96 months (8 years) after electing to participate except for certain instructional personnel who can participate for 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. Interest accrues at 4% on DROP accumulation held on or after July 1, 2023, and at 1.3% prior. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits. The restricted 12 month election window was removed. Participants may elect to enter DROP at any time after becoming fully vested and reaching normal retirement age.

**Benefits Provided.** Benefits under the Plan are computed on the basis of age, and/or years of service, average final compensation, and credit service. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for the members initially enrolled on or after July 1, 2011, 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 the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value of each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>%Value</u>
Regular Class and elected members initially enrolled before July 1, 2011	
Retirement up to age 62, or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class and elected members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Special Risk Regular	
Service from December 1, 1970, through September 30, 1974	2.00
Service on or after October 1, 1974	3.00

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS Pension Plan, continued**

**Benefits Provided, continued**

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>%Value</u>
Senior Management Service Class	2.00
Elected Officers' Class	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**Contributions.** The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the year ended September 30, 2025, were as follows:

<u>Class</u>	<u>Percent of Gross Salary*</u>		
	<u>Employee</u>	<u>Employer (1)</u>	<u>Employer (3)</u>
Florida Retirement System, Regular	3.00	13.63	14.03
Florida Retirement System, Senior Management Service	3.00	34.52	33.24
Florida Retirement System, Special Risk	3.00	32.79	35.19
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	21.13	22.02
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	58.68	54.57

Notes:

- (1) Employer rates include 2.0 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/24 - 6/30/25.
- (2) Contribution rates are dependent upon retirement class in which reemployed.
- (3) Employer rates include 2.0 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/25 - 6/30/26.

\* As defined by the Plan.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS Pension Plan, continued**

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension Plan.** At

September 30, 2025 (measurement date), the District reported an FRS net pension liability of \$132,420 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The District's proportionate share of the net pension liability was based on the District's 2024-25 fiscal year contributions relative to the total 2024-25 fiscal year contributions of all participating members. At September 30, 2025, the District's proportionate share was .000426678 percent, which was an increase of .000065543 percent from its proportionate share measure as of September 30, 2024.

For the year ended September 30, 2025, the District recognized pension expense of \$26,055. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 14,144	\$ -
Change of assumptions	15,377	-
Net difference between projected and actual earnings on pension plan investments	-	22,109
Changes in proportion and differences between District contributions and proportionate share of contributions	38,500	3,130
District contributions subsequent to the measurement date	<u>6,045</u>	<u>-</u>
Total	<u>\$ 74,066</u>	<u>\$ 25,239</u>

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS Pension Plan, continued**

The deferred outflows of resources related to the FRS pension, totaling \$6,045, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction on the net pension liability in the fiscal 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 over the remaining service period of 4.7 years as follows:

Fiscal Years Ending <u>September 30</u>	<u>Amount</u>
2026	\$ 12,011
2027	12,011
2028	12,011
2029	12,010
2030	17,538
Thereafter	<u>(22,799)</u>
Total	<u>\$ 42,782</u>

**Actuarial Assumptions.** The total pension liability in the July 1, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Inflation	2.40 percent
Real payroll growth	1.1 percent
Salary increases	3.50 percent, average, including inflation
Investment rate of return	6.70 percent, net of pension plan investment expense, including inflation
Actuarial cost method	Individual entry age

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021.

The actuarial assumptions used in the July 1, 2025, valuation were based on the results of the 2024 actuarial experience study for the period July 1, 2018, through June 30, 2023.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS Pension Plan, continued**

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.2%	3.2%	1.1%
Fixed income	29.00%	5.5%	5.4%	4.0%
Global equity	45.00%	8.5%	6.9%	18.3%
Real estate (property)	12.00%	8.4%	7.1%	16.8%
Private equity	11.00%	12.4%	8.8%	28.4%
Strategic investments	<u>2.00%</u>	6.5%	6.1%	8.7%
Total	<u>100.00%</u>			
Assumed inflation - Mean		2.4%		1.5%

(1) As outlined in the Plan's investment policy

**Money-weighted Rate of Return.** The annual money-weighted rate of return on the FRS Pension Plan investments was 10.64% for the Plan year ended June 30, 2025.

**Discount Rate.** The discount rate used to measure the total pension liability was 6.70 percent for September 30, 2025. 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.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS Pension Plan, continued**

**Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent, 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 (5.70 percent) or 1-percentage-point higher (7.70 percent) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
District's proportionate share of the net pension liability	<u>\$ 259,872</u>	<u>\$ 132,420</u>	<u>\$ 25,566</u>

**Pension Plan Fiduciary Net Position.** Detailed information about pension plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report ("FRS ACFR") dated June 30, 2025.

The FRS ACFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services  
 Division of Retirement  
 Bureau of Research and Member Communications  
 P.O. Box 9000  
 Tallahassee, FL 32315-9000

850-488-5706 or toll free at 877-377-1737

[http://www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications)

**Payables to the Pension Plan.** At September 30, 2025, the District reported a payable of \$1,490 for the outstanding amount of contributions in the pension plan required for the year ended September 30, 2025.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**HIS Plan**

**Plan Description.** The Health Insurance Subsidy Plan ("HIS Plan") is a non-qualified cost-sharing multiple- employer defined benefit pension plan established under section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

**Benefits Provided.** Prior to July 1, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. Subsequent to July 1, 2023, eligible retirees and beneficiaries receive \$7.50 for each year of service monthly. Maximum benefit is \$225 per month or \$2,700 annually. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

**Contributions.** The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. Prior to July 1, 2023, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. Subsequent to July 1, 2023, the rate was 2%. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the HIS Plan.** At September 30, 2025, the District reported a HIS liability of \$65,787 for its proportionate share of the net HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability was used to calculate the net pension liability determined by an actuarial valuation as of July 1, 2024. The District's proportionate share of the net HIS liability was based on the District's 2024-25 fiscal year contributions relative to the total 2024-25 fiscal year

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**HIS Plan, continued**

contributions of all participating members. At September 30, 2025, the District's proportionate share was .000513258 percent, which was an increase of .000068665 percent from its proportionate share measured as of September 30, 2024.

For the fiscal year ended September 30, 2025, the District recognized HIS expense of \$4,241. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 393	\$ 104
Change of assumptions	582	15,911
Net difference between projected and actual earnings on HIS pension plan investments	-	55
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	22,102	3,596
District contributions subsequent to the measurement date	1,094	-
Total	<u>\$ 24,171</u>	<u>\$ 19,666</u>

The deferred outflows of resources related to HIS, totaling \$1,094, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction on 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 over the remaining service period of 5.8 years as follows:

<u>Fiscal Years Ending September 30</u>	<u>Amount</u>
2026	\$ 708
2027	708
2028	708
2029	709
2030	722
Thereafter	(144)
Total	<u>\$ 3,411</u>

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**HIS Plan, continued**

**Actuarial Assumptions.** The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Real Payroll Growth	1.1 percent
Salary Increases	3.50 percent, average, including inflation
Municipal Bond Rate	5.20 percent
Actuarial Cost Method	Individual entry age

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2021.

The HIS Plan is funded on a pay-as-you-go basis and used the 2024 FRS experience study for this Plan in the June 30, 2025 measurement.

**Discount Rate.** The discount rate used to measure the total HIS liability changed from 3.93 percent to 5.20 percent. In general, the discount rate for calculating the total HIS liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

**Sensitivity of the District's Proportionate Share of the Net HIS Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net HIS liability calculated using the discount rate of 5.20 percent, as well as what the District's proportionate share of the net HIS liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20 percent) or 1-percentage-point higher (6.20 percent) than the current rate:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
District's proportionate share of the net HIS liability	\$ 74,185	\$ 65,787	\$ 58,743

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**HIS Plan, continued**

**Pension Plan Fiduciary Net Position.** Detailed information about the HIS plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Annual Comprehensive Financial Report ("FRS ACFR") dated June 30, 2025.

The FRS ACFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services  
Division of Retirement  
Bureau of Research and Member Communications  
P.O. Box 9000  
Tallahassee, FL 32315-9000  
850-488-5706 or toll free at 877-377-1737

[http://www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications)

**Payables to the Pension Plan.** At September 30, 2025, the District reported a payable of \$241 for the outstanding amount of contributions to the HIS plan required for the fiscal year ended September 30, 2025.

**FRS - Defined Contribution Pension Plan**

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS - Defined Contribution Pension Plan, continued**

are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2023-24 fiscal year were as follows:

Class	Percent of Gross Salary*		
	Employee	Employer (2)	Employer (3)
Florida Retirement System, Regular	3.00	8.3	8.30
Florida Retirement System, Senior Management Service	3.00	9.67	9.67
Florida Retirement System, Special Risk	3.00	16.0	16.0
Florida Retirement System, Elected Official	3.00	13.34	13.34

Notes:

- (1) Contribution rates are dependent upon retirement class in which reemployed.
- (2) Employer rates include 2.0 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/24 - 6/30/25.
- (3) Employer rates include 2.0 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/25 - 6/30/26.

\* As defined by the Plan.

Effective July 1, 2023, employer contribution rates increased by 2% in all membership classes.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

**NOTE I - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLANS, CONTINUED**

**FRS - Defined Contribution Pension Plan, continued**

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension expense totaled \$790 for the fiscal year ended September 30, 2025.

Payables to the Investment Plan. At September 30, 2025, the District reported a payable of \$0 for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2025.

**NOTE J - CONTINGENCIES**

The District is involved from time to time in certain routine litigation, the substance of which, either as liabilities or recoveries, would not materially affect the financial position of the District. Although the final outcome of the lawsuits, assertions and claims or the exact amount of costs and/or potential recovery is not presently determinable, in the opinion of the District's legal counsel, the resolution of these matters will not have a materially adverse affect on the financial condition of the District. As a general policy, the District plans to contest any such matter.

The District, through Resolution 83-2, is required, in the future, to build and maintain/improve certain facilities and roadways within the District. Special assessments were levied and collected in the past to fund the related cost of construction and to adequately maintain the facilities. The funds collected, together with the respective investment earnings, are being held in the Capital Projects Fund and are being invested. However, when actual construction and/or improvements occur, these funds may or may not be sufficient to completely fund the related construction costs due to changes in need, building code, inflation, or other factors.

**NOTE K - LINE OF CREDIT**

During the year ended September 30, 2025, the District entered into a \$250,000 Line of Credit (LOC) available from a financial institution which matures June 10, 2026. The LOC was intended to be used for emergency preparedness and to fund the cost of an emergency response to a disaster as well as operations and maintenance of the District in the case of an emergency. The LOC required interest at a fixed rate of 5.25%. Principal is due on demand and matures on June 10, 2026. The LOC was uncollateralized. At September 30, 2025, there was no outstanding balance due and no monies had been drawn on the LOC during the year ended September 30, 2025.

**NOTE L - 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; injuries to employees; and natural disasters. The District is a member of a public entity risk pool which is a cooperative group of governmental entities joining together to finance an exposure, liability, or risk. The pool provides coverage for property, liability, public official's liability, workers' compensation, automobile physical damage, general liability, automobile liability and employee theft.

There were no settled claims which exceeded insurance coverage during the past three fiscal years. In addition, there were no significant reductions in insurance coverage from coverage in the prior year.

The District carries limits of general liability of \$2,000,000 per occurrence, the aggregate limits vary by type of claim. The District retains the risk of loss up to a deductible amount of \$1,000 or 2% of value of the building, depending on the type of loss. A loss fund is established to pay the self-insured retention amounts. The PRM Program Self-insured Retentions per occurrence are \$250,000 for property, \$500,000 for workers' compensation claims, \$300,000 for general liability, auto, public official's errors and omissions, employee benefits liability and \$25,000 for crime related claims. Any claims in excess of these established retentions are covered by excess insurance.

**NOTE L - RISK MANAGEMENT, CONTINUED**

The District is covered by Florida Statutes under Doctrine of Sovereign Immunity (Florida Statute, Chapter 768.28), which effectively limits the liability of individual claims.

In accordance with Governmental Accounting Standards Board Statement Number 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" which recognizes the funding of outstanding liabilities at full value, the pool retained Insurance Industry Consultants, Inc. to estimate ultimate retained losses and net loss reserve requirements as of the fiscal year ended September 30, 2025. The actuaries have concluded that the loss fund, including contributions not yet received and interest earned on all fund years to date, is sufficient to pay the retained ultimate losses and loss adjustment expenses for all fund years through September 30, 2025.

Major uninsurable risks include damages to infrastructure assets and damages or governmental fines due to seepage, pollution, or contamination of any kind.

**NOTE M - COMMITMENT**

The District contracted to have a road paving project which was scheduled to begin on or before June 1, 2025, for \$245,000. The District then suspended the project for 90 days as a courtesy and not for cause. The project is expected to be completed during the year ended September 30, 2026.

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**

Pursuant to the provisions of Section 112.08, Florida Statutes, the District's defined contribution single employer OPEB Plan provides the opportunity to obtain insurance (health, dental and vision) benefits to its retired employees. The District administers the OPEB Plan but does not subsidize the cost of the retiree health, dental or vision insurance. The year ended September 30, 2018, was the District's transition year and as such, the District implemented GASB No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" as well as to restate the District's beginning net position balance for the year ended September 30, 2018.

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**  
**CONTINUED**

GASB No.75 required the District to annually record its actuarially determined total OPEB liability. All retired full-time employees are eligible for OPEB benefits if actively employed by the District immediately before retirement. As of September 30, 2025, there was one (1) retiree eligible to receive benefits and one retiree receiving these benefits. At September 30, 2025, there were six (6) active District employees and two (2) retirees. The benefits are provided both with contractual or labor agreements. The benefits require 100% contribution from the retirees. As such, the District has no ultimate obligation to pay for the retiree's health insurance premium. The District acts as agent for the retiree on a pay-as-you-go basis and recognizes expenditures at the time the premiums are due. The District does, however, incur the cost of premium rate being increased on its active employees due to providing coverage to its retirees. The retiree may also purchase dependent health, dental and vision coverage through the District. No separate trust for these benefits has been established.

The retiree's premiums for these benefits totaled \$9,011 during the year ended September 30, 2025. The premiums were 100% paid by the retiree.

**Funding Policy**

The District's OPEB benefits are unfunded. The District has not determined if a separate trust fund or equivalent arrangement will be established into which the District would make contributions to advance-fund the obligation. Therefore, no separate financial statements are issued. All required disclosures are presented herein. The District has not assigned any assets to its OPEB liability as the retiree must reimburse the District 100% of the related health insurance cost. The District obtained an actuarial valuation for OPEB Plan to measure the current year's total OPEB liability.

The District implicitly subsidizes the premium rates paid by retirees by allowing them to participate at blended premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, retiree claims are expected to result in higher costs to the plan on average than those of active employees.

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**  
**CONTINUED**

**Actuarial Methods and Assumptions**

At September 30, 2025, the District's total OPEB liability of \$34,189 was measured as of September 30, 2025, based on data and a valuation date of October 1, 2023, and was determined by an actuarial valuation as of that date. The following actuarial assumptions and other inputs were included in the measurement at September 30, 2025:

Discount rate:	September 30, 2019 was 2.75%.
	September 30, 2020 was 2.41%.
	September 30, 2021 was 2.19%.
	September 30, 2022 was 4.40%.
	September 30, 2023 was 4.63%.
	September 30, 2024 was 3.88%.
	September 30, 2025 was 4.50%.

The discount rate prior to September 30, 2025, was based on the 20 Year Municipal Bond Rate with AA/Aa or higher. Beginning September 30, 2025, the discount rate is based on the S&P Municipal Bond 20 year high grade rate.

Annual healthcare cost trend using the Society of Actuaries Long-Run Medical Cost Trend Model baseline assumptions with an initial rate of 7.5% per year trending to 4.04% in 2075.

Entry age normal cost method was used. (age 65)

The FRS salary scale in the July 1, 2019, valuation was used.

Assumed 40% of retirees retain medical insurance coverage.

Mortality rates were based on the Pub 2010 Generational Healthy mortality Table with scale MP-2021.

The actuarial assumptions used in the September 30, 2023, valuation were based on results of an actuarial experience study performed for the FRS Retirement Plan.

Data included four (4) employees and one (1) retiree receiving benefits.

Per Florida law, retirees and their dependents have access to the Plan until age 65.

The rationale for selecting each of the assumptions used in the financial accounting valuation and for the assumptions changes summarized above are to best reflect the current market conditions and recent plan experience.

**Demographic Assumptions**

The Plan assumes 40% of employees retain coverage at retirement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**September 30, 2025**

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**  
**CONTINUED**

Measurement Date	September 30, 2025
Valuation Date	October 1, 2023
Entry age normal cost method was used.	
Inflation Rate	2.60%
Salary Increases	Varies by Service
Discount Rate	4.50%
Initial Trend Rate	7.55%
Ultimate Trend Rate	4.04%
Years to Ultimate	52
The FRS salary scale was used	2019
Participation percentage:	40%
Mortality Scale	Pub 2010 MP-2021

The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumptions changes summarized above are to best reflect the current market conditions and recent plan experience.

<b><u>Changes in the Net OPEB Liability</u></b>	<b><u>Amount</u></b>
Balance at September 30, 2024	\$ 41,658
Changes for the year:	
Service Cost	719
Interest	1,474
Changes in Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes in Assumptions	(911)
Contributions from Employer	<u>(8,751)</u>
Net Changes	<u>(7,469)</u>
Balance at September 30, 2025	<u>\$ 34,189</u>

The following presents the net OPEB liability of the District as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percent higher or 1 percent lower than the current discount rate.

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	<u>3.50%</u>	<u>4.50%</u>	<u>5.50%</u>
OPEB Liability	\$ 35,660	\$ 34,189	\$ 32,733

The following presents the net OPEB liability of the District as well as what the District's net OPEB liability would be if it were calculated using healthcare trend rates that are 1 percent higher or 1 percent lower than the current healthcare trend rate.

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
	<u>3.04%</u>	<u>4.04%</u>	<u>5.04%</u>
OPEB Liability	\$ 31,527	\$ 34,189	\$ 37,298

**NOTE N - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**  
**CONTINUED**

**Changes in the Net OPEB Liability, continued**

For the year ended September 30, 2025, the District recognized OPEB expense of \$5,467. At September 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences Between Expected and Actual Experience	\$ 31,394	\$ -
Changes in Assumptions	620	4,371
Net difference between projected and actual earnings	-	-
Employer contribution subsequent to measurement date	-	-
Total	<u>\$ 32,014</u>	<u>\$ 4,371</u>

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

Years Ending September 30:	<u>Amount</u>
2026	\$ 3,274
2027	3,274
2028	3,274
2029	3,274
2030	3,274
Total Thereafter	<u>11,273</u>
	<u>\$ 27,643</u>

**REQUIRED SUPPLEMENTARY  
INFORMATION  
OTHER THAN MD&A**

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -**  
**SUMMARY STATEMENT**  
**Year Ended September 30, 2025**

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Ad Valorem taxes	\$ 1,747,603	\$ 1,747,603	\$ 1,778,459	\$ 30,856
Permit fees	47,500	47,500	82,529	35,029
Intergovernmental	176,372	176,372	223,406	47,034
Interest	10,350	10,350	52,120	41,770
Lease income	17,194	17,194	17,315	121
Other	2,425	2,425	12,729	10,304
Budgeted carryforward	774,612	1,630,372	-	(1,630,372)
<b>TOTAL REVENUES</b>	<u>2,776,056</u>	<u>3,631,816</u>	<u>2,166,558</u>	<u>(1,465,258)</u>
<b>EXPENDITURES</b>				
Current				
General Government				
Administration	386,794	386,794	407,237	(20,443)
Physical Environment				
Mosquito control	3,000	3,000	-	3,000
Transportation				
Road maintenance	1,552,178	1,552,178	1,074,266	477,912
Capital Outlay	127,388	127,388	113,287	14,101
Budgeted carryforward	706,696	1,562,456	-	1,562,456
<b>TOTAL EXPENDITURES</b>	<u>2,776,056</u>	<u>3,631,816</u>	<u>1,594,790</u>	<u>2,037,026</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	-	-	571,768	571,768
<b>OTHER FINANCING SOURCES</b>				
Transfers in (out)	-	-	-	-
Proceeds from disposition of capital assets	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES				
	<u>\$ -</u>	<u>\$ -</u>	571,768	<u>\$ 571,768</u>
<b>FUND BALANCE - Beginning</b>			<u>1,630,372</u>	
<b>FUND BALANCE - Ending</b>			<u>\$ 2,202,140</u>	

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -**  
**DETAILED STATEMENT**  
**Year Ended September 30, 2025**

	General Fund			Variance - Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Ad Valorem taxes	\$ 1,747,603	\$ 1,747,603	\$ 1,778,459	\$ 30,856
Permit fees	47,500	47,500	82,529	35,029
Intergovernmental	176,372	176,372	223,406	47,034
Interest	10,350	10,350	52,120	41,770
Lease income	17,194	17,194	17,315	121
Other	2,425	2,425	12,729	10,304
Budgeted carryforward	774,612	1,630,372	-	(1,630,372)
<b>TOTAL REVENUES</b>	<u>2,776,056</u>	<u>3,631,816</u>	<u>2,166,558</u>	<u>(1,465,258)</u>
<b>EXPENDITURES</b>				
Current				
General Government				
Administration				
Board of Supervisors fees	6,000	6,000	5,500	500
Payroll taxes	459	459	-	459
Audit and bookkeeping	48,620	48,620	43,353	5,267
MIS/IT webhosting	15,500	15,500	-	15,500
Tax collection fees	70,100	70,100	68,327	1,773
Contract services - SA	43,228	43,228	38,717	4,511
Contract services - general mgr.	81,598	81,598	81,263	335
Travel and business meals	1,500	1,500	376	1,124
Telephone service	750	750	-	750
Postage	350	350	245	105
Vehicle Personal Use	720	720	-	720
Rent	4,800	4,800	5,380	(580)
Insurance - health	92,806	92,806	126,447	(33,641)
Insurance - life	988	988	-	988
Office supplies	2,500	2,500	3,201	(701)
Memberships - subscriptions	175	175	175	-
Legal fees	13,000	13,000	24,152	(11,152)
Miscellaneous expense	2,500	2,500	9,171	(6,671)
Other office expense and repairs	1,200	1,200	930	270
	<u>386,794</u>	<u>386,794</u>	<u>407,237</u>	<u>(20,443)</u>
<b>SUBTOTAL CARRIED FORWARD</b>	<u>386,794</u>	<u>386,794</u>	<u>407,237</u>	<u>(20,443)</u>

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -**  
**DETAILED STATEMENT, CONTINUED**  
**Year Ended September 30, 2025**

	General Fund			
	Original Budget	Final Budget	Actual	Variance - Favorable (Unfavorable)
<b>EXPENDITURES, CONTINUED</b>				
SUBTOTAL BROUGHT FORWARD	\$ 386,794	\$ 386,794	\$ 407,237	\$ (20,443)
Mosquito control				
Supplies	3,000	3,000	-	3,000
	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Transportation				
Road maintenance				
Salaries and benefits	401,398	401,398	367,912	33,486
Engineering services	7,500	7,500	9,295	(1,795)
Contract work - other	100	100	-	100
Travel, training & per diem	1,000	1,000	322	678
Mobile telephone	1,980	1,980	1,161	819
Road material - other	42,000	42,000	16,128	25,872
Road repair - designated	850,000	850,000	538,730	311,270
Road supplies	52,000	52,000	42,218	9,782
Street sign maintenance	10,000	10,000	6,304	3,696
Street lights rental	50,000	50,000	33,815	16,185
Culvert repairs & maintenance	75,000	75,000	-	75,000
Tree Removal	5,000	5,000	-	5,000
Utilities	3,500	3,500	3,451	49
Rent - bldg. & equip.	1,200	1,200	-	1,200
Repairs, operation and supplies	25,000	25,000	23,322	1,678
Insurance - liability - field	26,500	26,500	31,608	(5,108)
	<u>1,552,178</u>	<u>1,552,178</u>	<u>1,074,266</u>	<u>477,912</u>
Capital Outlay	127,388	127,388	113,287	14,101
Budgeted carryforward	<u>706,696</u>	<u>1,562,456</u>	<u>-</u>	<u>1,562,456</u>
TOTAL EXPENDITURES	<u>2,776,056</u>	<u>3,631,816</u>	<u>1,594,790</u>	<u>2,037,026</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES CARRIED FORWARD	<u>-</u>	<u>-</u>	<u>571,768</u>	<u>571,768</u>

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND -**  
**DETAILED STATEMENT, CONTINUED**  
**Year Ended September 30, 2025**

	General Fund			Variance - Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BROUGHT FORWARD	\$ -	\$ -	\$ 571,768	\$ 571,768
OTHER FINANCING SOURCES				
Transfers in (out)	-	-	-	-
Proceeds from disposition of capital assets	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	\$ -	\$ -	571,768	\$ 571,768
FUND BALANCE, BEGINNING			1,630,372	
FUND BALANCE, ENDING			<u>\$ 2,202,140</u>	

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND**  
**Year Ended September 30, 2025**

	Capital Projects Fund			Variance
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Miscellaneous:				
Interest	\$ 15,000	\$ 15,000	\$ 73,138	\$ 58,138
Other	-	-	-	-
Budgeted carryforward	<u>1,674,766</u>	<u>1,915,493</u>	<u>-</u>	<u>(1,915,493)</u>
<b>TOTAL REVENUES</b>	<u>1,689,766</u>	<u>1,930,493</u>	<u>73,138</u>	<u>(1,857,355)</u>
<b>EXPENDITURES</b>				
Current				
Public Safety				
Sheriff Sub-Station	-	-	-	-
Mosquito Control	-	-	-	-
Capital outlay	-	-	-	-
Budget Carryforward				
Budgeted carryforward	<u>1,689,766</u>	<u>1,930,493</u>	<u>-</u>	<u>1,930,493</u>
<b>TOTAL EXPENDITURES</b>	<u>1,689,766</u>	<u>1,930,493</u>	<u>-</u>	<u>1,930,493</u>
<b>EXCESS OF EXPENDITURES OVER REVENUES</b>	<u>-</u>	<u>-</u>	<u>73,138</u>	<u>73,138</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	250,000	250,000	-	(250,000)
Transfers out	(250,000)	(250,000)	-	250,000
Proceeds from disposition of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>73,138</u>	<u>\$ 73,138</u>
<b>FUND BALANCE - Beginning</b>			<u>1,915,493</u>	
<b>FUND BALANCE - Ending</b>			<u>\$ 1,988,631</u>	

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET  
PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM PENSION  
PLAN (1)**

	2025	2024	2023	2022
District's proportion of the net pension liability	0.000426678%	0.000361135%	0.000320202%	0.000279282%
District's proportionate share of the net pension liability	\$ 132,420	\$ 139,704	\$ 127,591	\$ 103,915
District's covered-employee payroll	\$ 227,453	\$ 208,121	\$ 165,895	\$ 131,439
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	58.22%	67.13%	76.91%	79.06%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.39%	82.89%

Notes: (1) The amounts presented for each fiscal year were determined as of June 30.

**SCHEDULE OF DISTRICT CONTRIBUTIONS -  
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)**

	2025	2024	2023	2022
Contractually required contribution	\$ 27,099	\$ 22,590	\$ 18,918	\$ 12,230
Contributions in relation to the contractually required contribution	<u>27,099</u>	<u>22,590</u>	<u>18,918</u>	<u>12,230</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 227,453	\$ 208,121	\$ 165,895	\$ 131,439
Contributions as a percentage of covered-employee payroll	11.91%	10.85%	11.40%	9.30%

Notes: (1) The amounts presented for each fiscal year were determined as of June 30.

GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

2021	2020	2019	2018	2017	2016	2015
0.000161627%	0.000243165%	0.000255422%	0.000255558%	0.000249758%	0.000477949%	0.000251662%
\$ 12,209	\$ 105,391	\$ 87,964	\$ 76,975	\$ 73,878	\$ 61,593	\$ 32,506
\$ 100,800	\$ 115,139	\$ 120,986	\$ 120,673	\$ 116,393	\$ 112,338	\$ 99,800
12.11%	91.53%	72.71%	63.79%	63.47%	54.83%	32.57%
96.40%	78.85%	82.61%	84.26%	84.88%	84.88%	92.00%

2021	2020	2019	2018	2017	2016	2015
\$ 9,177	\$ 7,663	\$ 8,103	\$ 7,615	\$ 7,022	\$ 6,418	\$ 6,136
<u>9,177</u>	<u>7,663</u>	<u>8,103</u>	<u>7,615</u>	<u>7,022</u>	<u>6,418</u>	<u>6,136</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 100,800	\$ 115,139	\$ 120,986	\$ 120,673	\$ 116,393	\$ 112,338	\$ 99,800
9.10%	6.66%	6.70%	6.31%	6.03%	5.71%	6.15%

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET  
PENSION LIABILITY - HEALTH INSURANCE SUBSIDY (HIS) PENSION  
PLAN (1)**

	2025	2024	2023	2022
District's proportion of the net pension liability	0.000513258%	0.000444593%	0.000418742%	0.000363217%
District's proportionate share of the net pension liability	\$ 65,787	\$ 66,693	\$ 66,502	\$ 38,471
District's covered-employee payroll	\$ 227,453	\$ 208,121	\$ 165,895	\$ 131,439
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	28.92%	32.05%	40.09%	29.27%
Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%	4.81%

Notes: (1) The amounts presented for each fiscal year were determined as of June 30.

**SCHEDULE OF DISTRICT CONTRIBUTIONS -  
HEALTH INSURANCE SUBSIDY (HIS) PENSION PLAN (1)**

	2025	2024	2023	2022
Contractually required contribution	\$ 4,412	\$ 3,986	\$ 3,339	\$ 1,991
Contributions in relation to the contractually required contribution	4,412	3,986	3,339	1,991
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 227,453	\$ 208,121	\$ 165,895	\$ 131,439
Contributions as a percentage of covered-employee payroll	1.94%	1.92%	2.01%	1.51%

Notes: (1) The amounts presented for each fiscal year were determined as of June 30.

GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

2021	2020	2019	2018	2017	2016	2015
0.000210027%	0.000346981%	0.000362044%	0.000359608%	0.035161900%	0.000854374%	0.000333172%
\$ 25,763	\$ 42,366	\$ 40,509	\$ 38,061	\$ 37,597	\$ 40,387	\$ 33,978
\$ 100,800	\$ 115,139	\$ 120,986	\$ 120,673	\$ 116,393	\$ 112,338	\$ 99,800
25.56%	36.80%	33.48%	31.54%	32.30%	35.95%	34.05%
3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

2021	2020	2019	2018	2017	2016	2015
\$ 1,620	\$ 1,570	\$ 2,026	\$ 1,904	\$ 1,867	\$ 1,818	\$ 1,274
<u>1,620</u>	<u>1,570</u>	<u>2,026</u>	<u>1,904</u>	<u>1,867</u>	<u>1,818</u>	<u>1,274</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 100,800	\$ 115,139	\$ 120,986	\$ 120,673	\$ 116,393	\$ 112,338	\$ 99,800
1.61%	1.36%	1.67%	1.58%	1.60%	1.62%	1.28%

**Changes of Assumptions**

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent 2024 experience study for the FRS Pension Plan was 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 that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.50%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments was unchanged at 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% (increased from 3.93% in the prior year) was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both plans were based on the Generational PUB-2010 with Projection Scale MP-2021.

**Florida Retirement System Pension Plan**

There were changes in actuarial assumptions. As of June 30, 2025, the inflation rate assumption remained at 2.4 percent, the real payroll growth assumption remained at 1.1 percent, and the overall payroll growth rate assumption remained at 3.50 percent. The long-term expected rate of return was unchanged at 6.70 percent.

**Health Insurance Subsidy Pension Plan**

The municipal rate used to determine total pension liability increased to 5.20 percent from 3.93 percent. The HIS Plan adopted the 2024 FRS experience study.

**Pension Expense and Deferred Outflows/Inflows of Resources**

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes in proportion and differences between contributions and proportionate share of contributions - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments - amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense. However, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at September 30, 2025, was 4.7 years for FY 25 (5.3 years for FY 24) for FRS and 5.8 years for FY 25 (6.3 years for FY 24) for HIS.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED  
RATIOS GASB NO. 75**

**Changes in Employer's Net OPEB Liability and Related Ratios as of September 30:**

	2025	2024	2023
Net OPEB Liability			
Service Cost	\$ 719	\$ 527	\$ 529
Interest Cost	1,474	1,278	1,394
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	15,510	-
Changes in Assumptions	(911)	(363)	(330)
Benefit Payments	<u>(8,751)</u>	<u>(5,810)</u>	<u>(5,529)</u>
Net Change in net OPEB Liability	(7,469)	11,142	(3,936)
Net OPEB Liability - Beginning of Year	<u>41,658</u>	<u>30,516</u>	<u>34,452</u>
Net OPEB Liability - End of Year	<u>\$ 34,189</u>	<u>\$ 41,658</u>	<u>\$ 30,516</u>

NOTE: Information for FY 2017 and earlier is not available.

**Plan Fiduciary Net Position as of September 30:**

	2025	2024	2023
Contributions - Employer	\$ 8,751	\$ 5,810	\$ 5,529
Net Investment Income	-	-	-
Benefit Payments	(8,751)	(5,810)	(5,529)
Administrative Expense	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fiduciary Net Position	-	-	-
Fiduciary Net Position - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fiduciary Net Position - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	\$ 34,189	\$ 41,658	\$ 30,516
Fiduciary Net Position as a % of Net OPEB Liability	0.00%	0.00%	0.00%
Covered-Employee Payroll *			
Net OPEB Liability as a % of Payroll *			
Expected Average Remaining Service Years of All Participants	14	14	13

\* Because this OPEB plan does not depend of salary, no information is provided.

NOTE: Information for FY 2017 and earlier is not available.

**Notes to the Schedule:**

Benefit Changes	None
Changes of Assumptions	The discount rate was changed as follows:
9/30/18	3.83%
9/30/19	2.75%
9/30/20	2.41%
9/30/21	2.19%
9/30/22	4.40%
9/30/23	4.63%
9/30/24	3.88%
9/30/25	4.50%

Population covered by Plan: 11 Active 2 Retired  
Plan has no specific trust established.

2022	2021	2020	2019	2018
\$ 440	\$ 405	\$ 320	\$ 247	\$ 254
797	892	187	219	192
-	-	-	-	-
1,599	-	31,561	-	-
(3,581)	416	(688)	644	(212)
(2,381)	(2,291)	(50)	-	-
(3,126)	(578)	31,330	1,110	234
37,578	38,156	6,826	5,716	5,482
<u>\$ 34,452</u>	<u>\$ 37,578</u>	<u>\$ 38,156</u>	<u>\$ 6,826</u>	<u>\$ 5,716</u>

2022	2021	2020	2019	2018
\$ 2,381	\$ 2,291	\$ 50	\$ -	\$ -
-	-	-	-	-
(2,381)	(2,291)	(50)	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 34,452	\$ 37,578	\$ 38,156	\$ 6,826	\$ 5,716
0.00%	0.00%	0.00%	0.00%	0.00%

13

13

13

16

16

The discount rate changed from 3.88% to 4.50% for the year ended September 30, 2025.

## **ADDITIONAL REPORTS**

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

Board of Supervisors  
Port LaBelle Community Development District  
P.O. Box 1605  
LaBelle, Florida 33975-1605

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America, the basic financial statements of the governmental activities and each major fund of Port LaBelle Community Development District (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 and have issued our report thereon dated December 12, 2025.

**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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the 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

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combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the basic 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, as defined previously. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Port LaBelle Community Development 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 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "HSC/Tuscan & Company, P.A." The signature is written in a cursive, flowing style.

HSC/TUSCAN & COMPANY, P.A.  
Fort Myers, Florida  
December 12, 2025

# HSC/Tuscan & Company, PA

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Page 61 of 64

## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

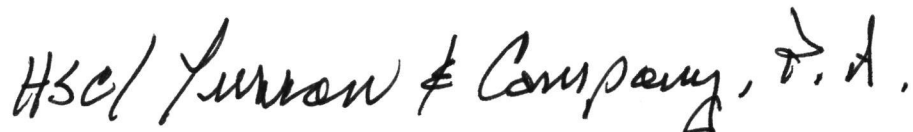
Board of Supervisors  
Port LaBelle Community Development District  
P.O. Box 1605  
LaBelle, Florida 33975-1605

We have examined Port LaBelle Community Development District's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2025. Management is responsible for Port LaBelle Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Port LaBelle Community Development District's compliance based on our examination.

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

In our opinion, Port LaBelle Community Development District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

This report is intended solely for the information and use of the Port LaBelle Community Development 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.



HSC/TUSCAN & COMPANY, P.A.  
Fort Myers, Florida  
December 12, 2025

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1470 Royal Palm Square Blvd. • Fort Myers, FL 33919-1049  
Phone: (239) 939-2233 • Fax: (239) 939-0554 • [www.hsctuscan.com](http://www.hsctuscan.com)

**INDEPENDENT AUDITOR'S REPORT TO MANAGEMENT**

Board of Supervisors  
Port LaBelle Community Development District  
P.O. Box 1605  
LaBelle, Florida 33975-1605

We have audited the accompanying basic financial statements of Port LaBelle Community Development District (the "District") as of and for the year ended September 30, 2025, and have issued our report thereon dated December 12, 2025.

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 of America and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards and Chapter 10.550, Rules of the Florida Auditor General. Disclosures in those reports, which are dated December 12, 2025, should be considered in conjunction with this report to management.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports:

- 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 financially significant prior year comments noted.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. No such recommendations were noted to improve financial management.

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- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The District discloses this information in the notes to the financial statements.
- Section 10.554(1)(i)5.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Pursuant to Sections 10.554(1)(i)5.b(1) and 10.556(7), Rules of the Auditor General, we have applied financial condition assessment procedures pursuant to Rule 10.556(8). It is management's responsibility to monitor the 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. In connection with our audit, we determined that the District did not meet any of the criteria of a deteriorating financial condition described in Auditor General Rule Section 10.554(1)(i)(5).a.
- Pursuant to Section 10.554(1)(i)5.b(2), Rules of the Auditor General, if a deteriorating financial condition(s) is noted then a statement is so required along with the conditions causing the auditor to make such a conclusion. No such conditions were noted.
- Pursuant to Section 10.554(1)(i)5.c., Rules of the Auditor General, requires a statement indicating a failure, if any, of a component unit Special District to provide financial information necessary to a proper reporting of the component unit within the audited financial statements of this entity (F.S. Section 218.39(3)(b)). There are no known component special districts required to report within these financial statements.
- Pursuant to Section 10.554(1)(i)7, Rules of the Auditor General, requires disclosure of certain unaudited data. See Exhibit 2.
- Pursuant to Section 10.554(1)(i)8, Rules of the Auditor General, requires an independent special district that imposes ad valorem taxes to disclose certain related unaudited data. See Exhibit 2.

- Section 10.554(1)9, Rules of the Auditor General, requires an independent special district that imposes a non-ad valorem special assessment to disclose certain unaudited data. See Exhibit 2.
- Section 10.556(10)(a), Rules of the Auditor General, requires that the scope of our audit to determine the District's compliance with the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes as reported in our Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes dated December 12, 2025, included herein.

**PRIOR YEAR COMMENTS:**

No financially significant comments noted.

**CURRENT YEAR COMMENTS:**

No financially significant comments noted.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the Board of Commissioners, management, the Auditor General of the State of Florida and other federal and state agencies. This report is not intended to be and should not be used by anyone other than these specified parties.

*HSC/Tuscan & Company, P.A.*

HSC/TUSCAN & COMPANY, P.A.  
Fort Myers, Florida  
December 12, 2025

**EXHIBIT 1**

# Port LaBelle Community Development District

POB 1605 LaBelle, Florida 33975-1605

Shipping: 3293 Dellwood Terrace LaBelle, Florida 33935

(863) 675-5770 Fax (863)675-9297

<https://plcdd.mydistrictwebsite.com>

§190 Government District

Judi Kennington-Korf  
General Manager  
[judikk@plcdd.net](mailto:judikk@plcdd.net)

Ryan Berden  
Field Supervisor  
[rberden@plcdd.net](mailto:rberden@plcdd.net)

December 22, 2025  
2026-159

Ms. Sherill F. Norman, CPA  
State of Florida Auditor General  
Claude Pepper Building  
111 West Madison Street  
Tallahassee, FL 32399-1450

Subject: Response to Management Letter  
Fiscal Year: October 1, 2024 – September 30, 2025

Dear Ms. Norman:

In response to the management letter contained in the independent audit conducted by HSC/Tuscan & Company, PA, of the Port LaBelle Community Development District, please observe there were no financially significant comments noted.

Should additional information be necessary, please contact this writer. Thank you.

Sincerely,



Judi Kennington-Korf  
General Manager

/jkk

<https://barronwater.sharepoint.com/sites/PublicAdmins/Shared Documents/AUDIT, PLCDD/Audit, year ending September 30, 2025/Correspondence.docx>

Liz Garcia  
Vice Chairman  
Seat 1

Nancy Imhoff  
Treasurer  
Seat 2

Nathan Hollis  
Assistant Secretary  
Seat 3

Fernando Herrera  
Secretary  
Seat 4

Jason Martinez  
Chairman  
Seat 5

**EXHIBIT 2**

**UNAUDITED  
COMPLIANCE WITH REPORTING REQUIRED BY:**

**Auditor General Rule 10.554(1)(i)7**

For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district as provided in Section 218.39(3)(a), Florida Statutes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information):

- a. The total number of district employees compensated in the last pay period of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.a., Florida Statutes). 11 including 5 Board Members.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.b., Florida Statutes). 3
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.c., Florida Statutes). (Total wage compensation for the fiscal year being audited)  
\$ 232,953
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.d., Florida Statutes). (Amounts paid that would be reported on a Form 1099 for FYE) \$67,639
- e. Each construction project with a total cost of at least \$65,000 approved by the district that was scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project (see information required in Section 218.32(1)(e)2.e., Florida Statutes). \$538,730
- f. A budget variance report based on the budget adopted under section 189.016(4), Florida Statutes, before the beginning of the fiscal year reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes (see information required in Section 218.32(1)(e)3., Florida Statutes). If there were amendments then include budget variance (original budget vs. actual at FYE). See attached.

**Auditor General Rule 10.554(1)(i)8**

For an independent special district that imposes ad valorem taxes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)4., Florida Statutes).

- a. The millage rate or rates imposed by the district. \$3.7732 mills
- b. The current year gross amount of ad valorem taxes collected by or on behalf of the district.  
\$ 1,778,459
- c. The total amount of outstanding bonds issued by the district and terms of such bonds. N/A

**Auditor General Rule 10.554(1)(i)9**

For an independent special district that imposes non-ad valorem special assessments, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)5., Florida Statutes).

- a. The rate or rated of such assessment imposed by the district. N/A
- b. The total amount of special assessments collected by or on behalf of the district.  
N/A
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds. N/A

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
ORIGINAL BUDGET vs. ACTUAL COMPARISON REPORT - UNAUDITED -  
GENERAL FUND  
Year Ended September 30, 2025**

	General Fund		
	Original Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
Ad Valorem taxes	\$ 1,747,603	\$ 1,778,459	\$ 30,856
Permit fees	47,500	82,529	35,029
Intergovernmental	176,372	223,406	47,034
Interest	10,350	52,120	41,770
Lease income	17,194	17,315	121
Other	2,425	12,729	10,304
Budgeted carryforward	774,612	-	(774,612)
<b>TOTAL REVENUES</b>	<u>2,776,056</u>	<u>2,166,558</u>	<u>(609,498)</u>
<b>EXPENDITURES</b>			
Current			
General Government			
Administration	386,794	407,237	(20,443)
Physical Environment			
Mosquito control	3,000	-	3,000
Transportation			
Road maintenance	1,552,178	1,074,266	477,912
Capital Outlay	127,388	113,287	14,101
Budgeted carryforward	706,696	-	706,696
<b>TOTAL EXPENDITURES</b>	<u>2,776,056</u>	<u>1,594,790</u>	<u>1,181,266</u>
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	-	571,768	571,768
<b>OTHER FINANCING SOURCES</b>			
Transfers in (out)	-	-	-
Proceeds from disposition of capital assets	-	-	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES			
OVER (UNDER) EXPENDITURES	\$ -	571,768	\$ 571,768
<b>FUND BALANCE - BEGINNING</b>		1,630,372	
<b>FUND BALANCE - ENDING</b>		<u>\$ 2,202,140</u>	

The accompanying notes are an integral part of this statement.

**PORT LABELLE COMMUNITY DEVELOPMENT DISTRICT  
ORIGINAL BUDGET vs. ACTUAL COMPARISON REPORT - UNAUDITED -  
CAPITAL PROJECTS FUND  
Year Ended September 30, 2025**

<u>Capital Projects Fund</u>			
	Original	Actual	Variance
<b>REVENUES</b>	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
Miscellaneous:			
Interest	\$ 15,000	\$ 73,138	\$ 58,138
Other	-	-	-
Budgeted carryforward	<u>1,674,766</u>	<u>-</u>	<u>(1,674,766)</u>
<b>TOTAL REVENUES</b>	<u>1,689,766</u>	<u>73,138</u>	<u>(1,616,628)</u>
 <b>EXPENDITURES</b>			
Current			
Public Safety			
Sheriff Sub-Station	-	-	-
Mosquito Control	-	-	-
Capital outlay	-	-	-
Budget Carryforward			
Budgeted carryforward	<u>1,689,766</u>	<u>-</u>	<u>1,689,766</u>
<b>TOTAL EXPENDITURES</b>	<u>1,689,766</u>	<u>-</u>	<u>1,689,766</u>
 <b>OTHER FINANCING SOURCES</b>			
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>73,138</u>	<u>\$ 73,138</u>
 <b>FUND BALANCE - BEGINNING</b>		<u>1,915,493</u>	
 <b>FUND BALANCE - ENDING</b>		<u>\$ 1,988,631</u>	

The accompanying notes are an integral part of this statement.