

**TICE FIRE PROTECTION &
RESCUE SERVICE DISTRICT**

September 30, 2021

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

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Report of Independent Auditor

Board of Commissioners
Tice Fire Protection and Rescue Service District
Fort Myers, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of the Tice Fire Protection and Rescue Service District (the "District"), as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Auditor's Responsibility (Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the District as of September 30, 2021, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters - Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 6, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, included under the heading 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. 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 the District's internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida

June 6, 2022

**MANAGEMENT'S
DISCUSSION & ANALYSIS**

Tice Fire Protection & Rescue Service District
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021

Our discussion and analysis of the Tice Fire Protection & Rescue Service District's financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2021.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at the close of the fiscal year by \$2,178,283 (net position).
- As of the close of the current fiscal year, the District reported ending fund balance of \$1,558,126, an increase of \$111,586. Ending fund balance in comprised of \$318,222 that is restricted for capital additions and \$1,239,904 is available for spending at the District's discretion.
- The District's long-term debt is comprised of compensated absences of \$172,451, capital lease of \$482,401, other post-employment benefits of \$1,039,613, and net pension liability of \$1,647,106 totaling \$3,341,570.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's financial statements. This report also includes other supplementary information in addition to the financial statements themselves.

The Statement of Net Position (page 8) and The Statement of Activities (page 9) provide information about the activities of the District and present a longer-term view of the District's finances. The statements are measured and reported using the economic resource measurement focus and the full accrual basis of accounting.

The governmental financial statements begin on page 10. The governmental funds measure and report activities using the current financial resources measurement focus and the modified accrual basis of accounting. Therefore, you will find the reconciliation on pages 11 & 13 that convert this data to an economic resources measurement focus and the accrual basis of accounting for use in the financial

The Statement of Net Position and the Statement of Activities

Government-wide financial statements are intended to allow the 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. For purposes of these statements, only governmental type activities are measured and reported using the economic resource measurement focus and the accrual basis of accounting.

The statement of net position presents information on all of the District's assets. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

**Tice Fire Protection & Rescue Service District
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain financial control over resources that have been segregated for specific activities or objectives.

The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found beginning on page 14.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A significant portion of the District's assets (44%) reflects its investment in capital assets (e.g., land, buildings and improvements, equipment and furniture, and vehicles). The District uses these capital assets to provide services to the citizens and property owners, consequently, these assets are not available for future spending. The District's investment in its capital assets is reported net of related debt.

**Tice Fire Protection & Rescue Service District
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

**Summary of Net Position
Fiscal Year Ended September 30,**

	<u>2021</u>	<u>2020</u>
Assets		
Current Assets	\$ 1,712,977	\$ 1,570,196
Capital Assets	2,286,785	2,432,050
Total Assets	<u>3,999,762</u>	<u>4,002,246</u>
Deferred Outflows of Resources	<u>1,613,999</u>	<u>2,404,871</u>
Total Assets and Deferred Outflows of Resources	<u>5,613,761</u>	<u>6,407,117</u>
Liabilities		
Current Liabilities	154,851	123,656
Long-Term Liabilities	<u>3,411,528</u>	<u>7,954,212</u>
Total Liabilities	<u>3,566,379</u>	<u>8,077,868</u>
Deferred Inflows of Resources	<u>4,225,665</u>	<u>870,016</u>
Total Liabilities and Deferred Inflows of Resources	<u>7,792,044</u>	<u>8,947,884</u>
Net Position:		
Invested in Capital Assets, Net of Related Debt	1,744,027	1,905,638
Restricted for Capital Additions	318,222	267,352
Unrestricted	<u>(4,240,532)</u>	<u>(4,713,757)</u>
Total Net Position	<u>\$ (2,178,283)</u>	<u>\$ (2,540,767)</u>

**Tice Fire Protection & Rescue Service District
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

**District's Change in Net Position
Fiscal Year Ended September 30,**

	<u>2021</u>	<u>2020</u>
Revenues		
Property Taxes	\$ 3,712,115	\$ 3,500,290
Charges for Services	5,020	5,165
Grant revenues	106,837	4,849
Interest Income	9,891	26,248
Miscellaneous	26,565	21,787
Impact Fees	50,212	23,047
Total revenues	<u>3,910,640</u>	<u>3,581,386</u>
Expenses		
Public Safety	<u>3,548,156</u>	<u>4,479,346</u>
Total Expenses	<u>3,548,156</u>	<u>4,479,346</u>
Change in Net Position	<u>362,484</u>	<u>(897,960)</u>
Net position – Beginning of the year	<u>(2,540,767)</u>	<u>(1,642,807)</u>
Net position – End of the year	<u>\$ (2,178,283)</u>	<u>\$ (2,540,767)</u>

Property taxes revenue continue as our primary sources of revenue. In the current fiscal year, the ad-valorem tax revenue slightly increased. Historically, property taxes have increased annually due to an increase in property values and new construction throughout the District. Public safety expenses decreased in the current year due to a \$517,143 decrease in pension expense, \$159,162 increase in OPEB expense, and \$54,529 decrease in compensated absences expense.

**Tice Fire Protection & Rescue Service District
MANAGEMENT’S DISCUSSION AND ANALYSIS
September 30, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District’s capital assets as of September 30, 2021 reflect an investment of \$2,286,785 net of accumulated depreciation.

The following table provides a summary of net capital assets.

	2021	2020
Land	\$ 97,472	\$ 97,472
Construction in progress	10,714	-
Buildings & Improvements	1,934,765	1,897,957
Equipment & Furniture	970,953	934,008
Vehicles	2,129,481	2,079,098
Total Assets	5,143,385	5,008,535
Less: Accumulated Depreciation	(2,856,600)	(2,576,485)
Total Capital Assets, net	<u>\$ 2,286,785</u>	<u>\$ 2,432,050</u>

Depreciation expense for the years ended September 30, 2021 and 2020 was \$379,523 and \$348,286, respectively.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Local indicators point to a gradual increase in real property values within the District.

The District relies on property taxes for the largest portion of its budget. Taxable property value within the District increased in 2021-22.

When these factors were considered in preparing the District’s budget for the 2021-2022 fiscal year, the District adopted the millage rate of 3.50 mills per thousand, which is a decrease of 0.05 mills per thousand from fiscal year 2020-2021.

REQUEST FOR INFORMATION

The District’s financial statements are designed to present users (citizens, customers, investors and creditors) with a general overview of the District’s finances and to demonstrate the District’s accountability. Questions concerning this report or requests for additional financial information should be directed to:

Ted Ross, Fire Chief
Tice Fire Protection & Rescue Service District
9351 Workmen Way
Fort Myers, FL 33905
(239)694-2380

**BASIC
FINANCIAL STATEMENTS**

Tice Fire Protection & Rescue Service District
STATEMENT OF NET POSITION
September 30, 2021

Assets

Current assets:

Cash and cash equivalents	\$ 1,661,893
Due from other governments	46,790
Fire inspections receivable	4,294
Total Current Assets	1,712,977

Noncurrent assets:

Land	97,472
Construction in progress	10,714
Capital assets being depreciated (net of \$2,856,600 accumulated depreciation)	2,178,599
Total noncurrent assets	2,286,785

Total assets	3,999,762
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Deferred Outflows of Resources

Total Assets and Deferred Outflows of Resources	1,613,999
	5,613,761

Liabilities

Current liabilities:

Accounts payable	1,664
Accrued expenses	153,187
Total current liabilities	154,851

Noncurrent liabilities:

Capital Lease - Due within one year	60,357
Capital Lease - Due in more than one year	482,401
Net pension liability	1,647,106
Other post-employment benefits	1,039,612
Compensated absences - Due within one year	9,601
Compensated absences - Due in more than one year	172,451
Total noncurrent liabilities	3,411,528

Total Liabilities	3,566,379
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Deferred Inflows of Resources

Total Liabilities and Deferred Inflows of Resources	4,225,665
	7,792,044

Net Position

Invested in capital assets, net of related debt	1,744,027
Restricted for:	
Capital additions	318,222
Unrestricted	(4,240,532)
Total net position	\$ (2,178,283)

See accompanying Notes to Basic Financial Statements.

Tice Fire Protection & Rescue Service District

STATEMENT OF ACTIVITIES

Fiscal Year Ended September 30, 2021

Function/Program Activities	Expenses	Program Revenues		Net Expense & Changes In Net Position
		Charges for Services	Operating Grants	Total
Governmental activities:				
Public safety	<u>\$ 3,548,156</u>	<u>\$ 5,020</u>	<u>\$ 106,837</u>	<u>\$ 3,436,299</u>
General revenues:				
				3,712,115
				9,891
				50,212
				<u>26,565</u>
				<u>3,798,783</u>
				362,484
				<u>(2,540,767)</u>
				<u>\$ (2,178,283)</u>

See accompanying Notes to Basic Financial Statements.

Tice Fire Protection & Rescue Service District

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2021

	General Fund	Impact Fee Fund (non-major)	Total
ASSETS			
Cash and cash equivalents	\$ 1,378,442	\$ 283,451	\$ 1,661,893
Due from other funds	-	13,432	13,432
Due from other governments	25,451	21,339	46,790
Fire inspections receivable	4,294	-	4,294
	<u>\$ 1,408,187</u>	<u>\$ 318,222</u>	<u>\$ 1,726,409</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$ 1,664	\$ -	\$ 1,664
Accrued liabilities	153,187	-	153,187
Due to other funds	13,432	-	13,432
	<u>168,283</u>	<u>-</u>	<u>168,283</u>
 Fund Balance			
Restricted for capital asset additions	-	318,222	318,222
Unassigned	1,239,904	-	1,239,904
	<u>1,239,904</u>	<u>318,222</u>	<u>1,558,126</u>
 Total fund balance	<u>1,239,904</u>	<u>318,222</u>	<u>1,558,126</u>
 Total liabilities and fund balance	<u>\$ 1,408,187</u>	<u>\$ 318,222</u>	<u>\$ 1,726,409</u>

See accompanying Notes to Basic Financial Statements.

Tice Fire Protection & Rescue Service District
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2021

Total governmental funds balance	\$	1,558,126
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Amounts reported for governmental activities in the statement of net position are different because:

Deferred inflows and outflows related to pensions are reported on the Statement of Net Position, but do not require the use of current financial resources and are not reported on the fund financial statements.		(2,611,666)
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:

Cost of assets	\$	5,143,385	
Accumulated depreciation		<u>(2,856,600)</u>	2,286,785

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities at fiscal year-end consist of:

Capital Lease		(542,758)	
Net pension liability		(1,647,106)	
Other post-employment benefits		(1,039,612)	
Compensated absences		<u>(182,052)</u>	<u>(3,411,528)</u>

Total net position	\$	<u><u>(2,178,283)</u></u>
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See accompanying Notes to Basic Financial Statements.

Tice Fire Protection & Rescue Service District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
Year Ended September 30, 2021

	<u>General Fund</u>	<u>Impact Fee Fund (non-major)</u>	<u>Total</u>
Revenues			
Taxes	\$ 3,712,115	\$ -	\$ 3,712,115
Intergovernmental	6,306	-	6,306
Impact Fees	-	50,212	50,212
Interest Income	9,233	658	9,891
Proceeds from Insurance	16,533	-	16,533
Miscellaneous	115,583	-	115,583
	<u>3,859,770</u>	<u>50,870</u>	<u>3,910,640</u>
Total Revenues			
Expenditures			
Public Safety			
Personal Services	3,234,736	-	3,234,736
Operating Expenditures	324,739	-	324,739
Capital Outlay	233,595	-	233,595
Debt Service	80,496	-	80,496
	<u>3,873,566</u>	<u>-</u>	<u>3,873,566</u>
Total Expenditures			
Excess of Revenues Over/(Under)			
Expenditures	<u>(13,796)</u>	<u>50,870</u>	<u>37,074</u>
Other Financing Sources/(Uses)			
Proceeds From Financing	<u>74,512</u>	<u>-</u>	<u>74,512</u>
Total Other Financing Sources/(Uses)			
	<u>74,512</u>	<u>-</u>	<u>74,512</u>
Excess of Revenues and Other Sources Over/(Under) Expenditures and Other Uses	60,716	50,870	111,586
Fund balance, beginning, October 1, 2020	<u>1,179,188</u>	<u>267,352</u>	<u>1,446,540</u>
Fund balance, ending, September 30, 2021	<u>\$ 1,239,904</u>	<u>\$ 318,222</u>	<u>\$ 1,558,126</u>

See accompanying Notes to Basic Financial Statements.

Tice Fire Protection & Rescue Service District

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended September 30, 2021

Net change in fund balance - total governmental fund \$ 111,586

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

The increase in pension expense is reported in the Statement of Activities, but does not require a use of current financial resources and is reported as an expenditure in the fund financial statements. 517,142

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and capital asset adjustments exceeded expenditures for capital assets in the current period:

Capital outlay	\$	159,083	
Donations		4,564	
Less: loss on disposal of assets		(3,901)	
Less: current year depreciation		<u>(379,523)</u>	(219,777)

The repayment of the principal of long-term debt is an expenditure in the Statement of Revenues, Expenditures and Change in Fund Balance, but reduce long-term liabilities in the Statement of Net Position. 58,166

In the statement of activities, certain operating expenses; changes in compensated absences and other post employment benefits, are measured by the amounts earned during the year. However, in the governmental funds, expenditures for these items are measured by the amount of financial resources used. This amount represents the increase in the accrual of compensated absences and the increase in other post employment benefits. (104,633)

Change in net position \$ 362,484

See accompanying Notes to Basic Financial Statements.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Defining the Governmental Reporting Entity: The Tice Fire Protection and Rescue Service District (the “District”) is a local governmental unit created by the State of Florida Legislature under Chapter 76-413, Laws of Florida, to provide fire protection and rescue services to a certain prescribed area in Fort Myers, Florida. The District is funded primarily by property taxes and is operated by a five-person Board of Commissioners (the “Commissioners”), who are elected for terms of four years.

The District has adopted Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management’s Discussion and Analysis – for State and Local Governments. Statement 34 establishes standards for external financial reporting for all state and local governmental entities. This statement requires 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 14, there are no component units included in the District’s financial statements.

Fund Accounting: 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, revenues and expenditures, as appropriate. Government resources are allocated to, and accounted for in individual funds, based upon the purposes for which they are spent and the means by which spending activities are controlled. The following funds are used by the District:

General Fund - The General Fund is the general operating fund of the District. All financial resources which are not specifically restricted or designated as to use are recorded in the General Fund. At present, the District utilizes only one fund.

Impact Fee Fund (non-major) - The special revenue fund is used to account for impact fees that are legally restricted to expenditure for a particular purpose.

Major Funds - The District reports the general fund as a major fund.

Basic Financial Statements: The basic financial statements include a Statement of Net Position, Statement of Activities, Balance Sheet, and a Statement of Revenues, Expenditures and Changes in Fund Balance. The Statement of Net Position is presented as assets less liabilities equal net position and shown with two components: amounts invested in capital assets, net of related debt; and unrestricted net position. The Statement of Activities reports functional categories of programs by the District and demonstrates how and to what degree those programs are supported by specific revenue.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
 Fiscal Year Ended September 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus: 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. Government 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 or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Basis of Accounting: Basis of accounting refers to when revenue and expenditures are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The District complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Capital Assets: Capital assets include land, buildings and improvements, equipment and furniture and vehicles. Capital assets are reported in the basic financial statements in the statement of net position. The District follows a capitalization policy which calls for capitalization of all fixed assets that have a cost or contributed value of \$1,000 or more and have a useful life in excess of one year. Capital assets are recorded at cost, or estimated historical cost. Contributed capital assets are valued at the estimated fair market value of the asset on the date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. The ranges of the useful lives are as follows:

Assets	Years
Buildings & Improvements	10 - 40
Equipment and Furniture	10
Vehicles	5 - 7

Depreciation on fixed assets acquired through contributions is recorded as an expense and transferred from net position as a reduction of contributed capital. The cost of assets retired or sold, together with the related accumulated depreciation, is removed from the accounts and any gain or loss on disposition is credited or charged to earnings.

Encumbrances: Encumbrance 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 to assure effective budgetary control or to facilitate effective cash planning and control.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting: The following procedures are used by the District in establishing the budgetary data reflected in the basic financial statements:

1. During the summer, the Director submits to the Board of Commissioners, for their consideration, 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. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is adopted through a resolution by the Board of Commissioners.
4. Budget transfers and amendments are made throughout the year by approval of the Board of Commissioners.
5. Budget amounts, as shown in the Required Supplementary Information are as originally adopted, and as amended by the Board of Commissioners.
6. The budget for the Governmental Fund Type is adopted on a cash basis which is inconsistent with accounting principles generally accepted in the United States.
7. The level of control for appropriations is exercised at the activity level.

Impact Fees: The District receives impact fees in accordance with an interlocal agreement with Lee County, Florida. Impact fees collected by Lee County are remitted on a quarterly basis to the District. The District, with prior Lee County approval, may expend amounts collected on qualifying capital expenditures. Funds received that are not expended within six years must be refunded. Because of the eligibility requirements imposed in the agreement, (1) prior approval before expenditure and (2) refund if not expended, the District records receipts of funds as restricted cash.

Deferred Outflows/Inflows of Resources: Deferred outflows of resources represent a consumption of net position that applies to a future period and therefore will not be recognized as expended until then. The District presents deferred outflows associated with pensions to be expensed over future periods. Deferred inflows of resources is defined as an acquisition of position by the government that is applicable to a future reporting period. The District presents deferred inflows of resources related to pensions.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance: The District follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Accordingly, in the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

Non-Spendable Fund Balance - Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items not expected to be converted to and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Fund Balance - The total of the committed fund balance, assigned fund balance, and unassigned balance.

Committed Fund Balance - Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the District's Board of Commissioners, the District's highest level of decision making authority. Commitments may be changed or lifted only by the Board of Commissioners taking the same formal action (resolution) that imposed the constraint originally.

Assigned Fund Balance - Includes spendable fund balance amounts established by the administration of the District that are intended to be used for specific purposes that are neither considered restricted or committed.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for the general fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District's policy is to apply expenditures against restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance in that order under circumstances where a particular expenditure can be made from more than one fund classification.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Minimum Fund Balance Policy: Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process and the amounts of the individual funds including any minimum balance shall be determined during this process.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of cash on hand and cash on deposit with financial institutions. At September 30, 2021, the carrying amount of the District's deposits were \$1,661,793, the bank balance was \$1,709,051 and petty cash on hand was \$100. These deposits were entirely covered by Federal Depository Insurance or by collateral pursuant to the Florida Security for Public Deposits Act (Florida Statutes Chapter 280). Florida Statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. Government.

NOTE 3. PROPERTY TAXES

Property taxes are levied on November 1 of each year, and are due and payable upon receipt of the notice of levy. The Lee County, Florida, Tax Collector's office bills and collects property taxes on behalf of the District. The tax rate levied upon the taxable property in the District for the fiscal year ended September 30, 2021 was 3.55 per \$1,000 of assessed taxable property value. Property tax revenue is recognized currently in the fiscal year for which the taxes are levied. On April 1 of each year, unpaid taxes become a lien on the property. The past due certificates are sold at public auction prior to June 1, and the proceeds thus collected are remitted to the District.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 4. CAPITAL ASSETS

Capital assets are recorded in the financial statements at historical cost or estimated historical cost if actual historical cost is not available. A summary of changes for the fiscal year is as follows:

	Balance Oct. 1, 2020	Additions	Deletions	Balance Sept. 30, 2021
Capital assets not being depreciated:				
Land	\$ 97,472	\$ -	\$ -	\$ 97,472
Construction in progress	-	10,714	-	10,714
Total capital assets not being depreciated:	<u>97,472</u>	<u>10,714</u>	<u>-</u>	<u>108,186</u>
Capital assets being depreciated:				
Buildings & improvements	1,897,957	36,808	-	1,934,765
Equipment and furniture	934,008	138,729	(101,784)	970,953
Vehicles	2,079,098	51,908	(1,525)	2,129,481
Total capital assets being depreciated	<u>4,911,063</u>	<u>227,445</u>	<u>(103,309)</u>	<u>5,035,199</u>
Less accumulated depreciation for:				
Buildings	(711,403)	(52,743)	-	(764,146)
Equipment and furniture	(570,809)	(83,407)	97,883	(556,333)
Vehicles	(1,294,273)	(243,373)	1,525	(1,536,121)
Total accumulated depreciation	<u>(2,576,485)</u>	<u>(379,523)</u>	<u>99,408</u>	<u>(2,856,600)</u>
Total capital assets being depreciated, net	<u>2,334,578</u>	<u>(152,078)</u>	<u>(3,901)</u>	<u>2,178,599</u>
Governmental activities capital assets, net	<u>\$ 2,432,050</u>	<u>\$ (141,364)</u>	<u>\$ (3,901)</u>	<u>\$ 2,286,785</u>

The District received \$4,564 in donations for four v-struts.

NOTE 5. LONG-TERM DEBT

Capital Leases

On December 15, 2017, the District purchased a 2017 E-One HP 78 Ladder on a Typhoon X Chassis for a total cost of \$730,705. The District financed \$380,000 of the purchase price by entering into a leasing agreement with a financial institution carrying a fixed annual interest rate of 3.468%. The lease will be repaid in fifteen annual installments of \$32,919 with a final payment due December 2031. The principal balance as of September 30, 2021 is

\$ 296,837

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 5. LONG-TERM DEBT (Continued)

Capital Leases (Continued)

On April 1, 2018, the District purchased a E-One Typhoon Pumper for a total cost of \$420,658. The District financed \$250,000 of the purchase price by entering into a leasing agreement with a financial institution carrying a fixed annual interest rate of 4.11%. The lease will be repaid in ten annual installments of \$30,986 with a final payment due April 2028. The principal balance as of September 30, 2021 is 185,252

In fiscal year 2021, the District purchased bunker gear for a total cost of \$74,512 by entering into a leasing agreement with a financial institution carrying a fixed annual interest rate of 3.69%. The lease will be repaid in five annual installments of \$16,591 with a final payment due September 2025. The principal balance as of September 30, 2021 is 60,669

Total Capital Leases Payable \$ 542,758

The annual debt service requirements for capital leases payable at September 30, 2021 were as follows:

Fiscal Year	Principal	Interest	Total
2022	60,357	20,139	\$ 80,496
2023	62,631	17,865	80,496
2024	64,991	15,505	80,496
2025	67,440	13,055	80,495
2026	53,392	10,513	63,905
2027-2031	202,132	24,435	226,567
2032	31,815	1,103	32,918
	<u>\$ 542,758</u>	<u>\$ 102,615</u>	<u>\$ 645,373</u>

The following is a summary of changes in long-term liabilities for the year ended September 30, 2021:

	Balance October 1, 2020	Additions	Reductions	Balance September 30, 2021	Amounts Due Within One Year
Other post-employment benefits	\$ 880,450	\$ 195,576	\$ (36,414)	\$ 1,039,612	\$ -
Net Pension Liability:					
Pension Plan	5,653,751	-	(4,730,223)	923,528	-
HIS Plan	657,018	123,287	(56,727)	723,578	-
Capital Leases	526,412	74,512	(58,166)	542,758	60,357
Compensated absences	236,581	121,023	(175,552)	182,052	9,601
Total	<u>\$ 7,954,212</u>	<u>\$ 514,398</u>	<u>\$ (5,057,082)</u>	<u>\$ 3,411,528</u>	<u>\$ 69,958</u>

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 5. LONG-TERM DEBT (Continued)

Compensated Absences: The District's employees accumulate sick and vacation leave based on years of continuous service. Upon separation from the District, employees are entitled to all accumulated vacation leave. After 25 years of continuous service, one third of accumulated sick leave is paid to employees upon separation. As of September 30, 2021, the District recorded a liability for accrued vacation of \$142,326 and accrued sick time of \$39,726, totaling \$182,052

NOTE 6. LINE OF CREDIT

On December 2, 2013, the District opened a \$250,000 line of credit at a financial institution. In accordance with the terms of the agreement, the District pledges and grants to the Lender a first priority security interest in all inventory, equipment, fixtures, goods, accounts, chattel paper, contract rights, documents, instruments, general intangibles, investment property, deposit accounts, letter of credit rights, payment intangibles, supporting obligations, software, and all rents, issues, profits, products, and proceeds thereof, wherever any of the foregoing is located. The initial variable interest rate on the line of credit was 2.66% per annum. In January 2019, the line of credit was renewed and the maturity date is on an on demand basis. During the year the District did not utilize the line of credit.

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS

Plan Description:

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

Employees Covered by Benefit Terms:

At September 30, 2019, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	4
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	25
	<u>29</u>

Benefits Provided:

The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All employees of the District are eligible to receive postemployment health care benefits. All retiree and dependent coverage is at the expense of the retiree.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Total OPEB Liability

The measurement date is September 30, 2020.

The measurement period for the OPEB expense was October 1, 2019 to September 30, 2020.

The reporting period is October 1, 2020 through September 30, 2021.

The District's Total OPEB Liability was measured as of September 30, 2020.

Actuarial Assumptions:

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2019, updated to September 30, 2020, using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	2.14%
Initial Trend Rate	7.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	55

For all lives, mortality rates were PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019.

Discount Rate:

Given the District's decision not to fund the program, all future payments were discounted using a high-quality municipal bond rate of 3.58%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal Bond 20 Year high Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard & Poor's Corp and Poor's Rating Services, As2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
 Fiscal Year Ended September 30, 2021

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (Continued)

OPEB Expense:

For the year ended September 30, 2020, the District will recognize OPEB Expense of \$198,676.

	Changes in Total OPEB Liability	
	Increases (Decreases) in Total OPEB Liability	
Reporting Period Ending September 30, 2018	\$	880,450
Changes for a Year:		
Service Cost		9,586
Interest		31,217
Changes of Assumptions		154,773
Benefit Payments		(36,414)
Net Changes		159,162
Reporting Period Ending September 30, 2019	\$	1,039,612

Changes of assumptions reflect a change in the discount rate from 3.58% for the fiscal year ending September 30, 2020 to 2.14% for the fiscal year ending September 30, 2021.

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

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

	1% Decrease 1.14%	Current Discount Rate 2.14%	1% Increase 3.14%
Total OPEB Liability	\$ 1,171,582	\$ 1,039,612	\$ 928,314

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

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

	1% Decrease 3.00% - 6.50%	Healthcare Cost Trend Rates 4.00% - 7.50%	1% Increase 5.00% - 8.50%
Total OPEB Liability	\$ 926,639	\$ 1,039,612	\$ 1,172,005

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 8. STATE OF FLORIDA RETIREMENT PLANS

Defined Benefit Plans

The District participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing multiple-employer defined benefit pension plan with a Deferred Retirement Option Program ("DROP") available for eligible employees. The FRS was established with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for 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 class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 8. STATE OF FLORIDA RETIREMENT PLANS

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2021, were as follows:

	<u>FRS</u>	<u>HIS</u>
Regular class	10.82%	1.66%
Special risk class	25.89%	1.66%
Senior management service class	29.01%	1.66%
Elected officials	51.42%	1.66%
DROP from FRS	18.34%	1.66%

The employer's contributions for the year ended September 30, 2021, were \$468,098 to the FRS Pension Plan and \$33,806 to this HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2021, the District reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2021. The District's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	<u>FRS</u>	<u>HIS</u>
Net pension liability	\$ 923,528	\$ 723,577
Proportion at:		
Current measurement date	0.012226%	0.005899%
Prior measurement date	0.013045%	0.005381%
Pension expense (benefit)	\$ (528,915)	\$ 11,772

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 8. STATE OF FLORIDA RETIREMENT PLANS (Continued)

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 158,294	\$ -	\$ 24,213	\$ (303)
Change of assumptions	631,923	-	56,857	(29,813)
Net difference between projected and actual earnings on pension plan investments	-	(3,221,956)	754	-
Changes in proportion and differences between District contributions and proportionate share of contributions	27,940	(333,395)	62,336	(36,079)
District contributions subsequent to the measurement date	104,558	-	7,493	-
Total	<u>\$ 922,715</u>	<u>\$ (3,555,351)</u>	<u>\$ 151,653</u>	<u>\$ (66,195)</u>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date, and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2022. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal year ending September 30:	FRS	HIS
2022	\$ (499,824)	\$ 14,328
2023	(569,168)	9,528
2024	(730,546)	17,483
2025	(911,480)	17,625
2026	(26,176)	14,317
Thereafter	-	4,685
	<u>\$ (2,737,194)</u>	<u>\$ 77,966</u>

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 8. STATE OF FLORIDA RETIREMENT PLANS (Continued)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2021. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2021. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.80%	N/A
Discount rate	6.80%	2.16%

Mortality assumptions for both plans were based on the PUB-2010 with Projection Scale MP-2018.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2021:

FRS: Decreasing the maximum amortization period to 20 years for all current and future amortization bases.

HIS: The municipal bond index rate used to determine the total pension liability decreased from 3.21% to 2.16%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate (property)	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.7%	5.7%	5.4%	8.4%
Total	100.0%			
Assumed Inflation - Mean			2.4%	1.2%

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
 Fiscal Year Ended September 30, 2021

NOTE 8. STATE OF FLORIDA RETIREMENT PLANS (Continued)

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.80%. FRS'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 is essentially funded on a pay-as-you-go basis, a municipal bond rate of 2.16% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following table demonstrates the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS		
	Current		
	1% Decrease	Discount Rate	1% Increase
	(5.80%)	(6.80%)	(7.80%)
District's proportionate share of the net pension liability	\$ 4,130,079	\$ 923,528	\$(1,756,789)

	HIS		
	Current		
	1% Decrease	Discount Rate	1% Increase
	(1.16%)	(2.16%)	(3.16%)
District's proportionate share of the net pension liability	\$ 836,526	\$ 723,578	\$ 631,042

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the state's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. The District made no FRS Investment Plan contributions for the fiscal year ended September 30, 2021.

Tice Fire Protection & Rescue Service District
NOTES TO BASIC FINANCIAL STATEMENTS
Fiscal Year Ended September 30, 2021

NOTE 9. DEFICIT UNRESTRICTED NET POSITION

The District reported a deficit net position in its unrestricted classification on the Statement of Net Position. The deficit is attributed to the implementation of GASB No. 68 which substantially increased the net pension liability.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Tice Fire Protection & Rescue Service District
BUDGETARY COMPARISON SCHEDULE
Statement of Revenues, Expenditures and Changes in Fund Balance -
General Fund - Budget and Actual - Non-GAAP
Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 3,717,005	\$ 3,717,005	\$ 3,712,115	\$ (4,890)
Firefighter Sup. Compensation	3,500	3,500	1,637	(1,863)
Interest Income	10,000	10,000	9,233	(767)
Donations	500	500	2,000	1,500
Sale of Fixed Assets	500	500	-	(500)
Inspection Fees	2,500	2,500	5,020	2,520
Grant Revenue	-	106,837	106,837	-
Proceeds from Insurance	-	7,859	16,533	8,674
Miscellaneous Revenue	-	-	89	89
Loan Proceeds	75,000	75,000	74,512	(488)
Other Gov't Revenue	6,300	6,300	6,306	6
Subtotal - Revenues	<u>3,815,305</u>	<u>3,930,001</u>	<u>3,934,282</u>	4,281
Cash brought forward	1,260,000	1,260,000	-	(1,260,000)
Total Revenues	<u>5,075,305</u>	<u>5,190,001</u>	<u>3,934,282</u>	<u>(1,255,719)</u>
Expenditures				
Public Safety				
Personal Services				
Salaries	1,841,080	1,872,917	1,930,604	(57,687)
Salaries Supp. Compensation	3,500	3,500	3,600	(100)
Unscheduled Overtime	50,000	50,000	-	50,000
Longevity & Incentive	215,320	215,320	220,716	(5,396)
FICA	155,000	155,000	154,147	853
Retirement	495,300	495,300	495,307	(7)
Life & Health Insurance	445,000	445,000	357,659	87,341
Life Insurance Paid	7,100	7,100	1,702	5,398
Worker Comp. Insurance	38,630	38,630	41,384	(2,754)
Payroll Expense	2,500	2,500	29,617	(27,117)
Total Personal Services	<u>3,253,430</u>	<u>3,285,267</u>	<u>3,234,736</u>	50,531
Operating Expenses				
Legal Fees	20,000	20,000	14,665	5,335
Medical Services	700	700	520	180
Account & Audit	15,000	15,000	16,713	(1,713)
Commissioner Honorarium	15,000	15,000	12,500	2,500
Property Appraiser	25,000	25,000	21,440	3,560
Travel & Training	10,000	10,000	7,904	2,096

Tice Fire Protection & Rescue Service District
BUDGETARY COMPARISON SCHEDULE
Statement of Revenues, Expenditures and Changes in Fund Balance -
General Fund - Budget and Actual - Non-GAAP
Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Expenses				
Telephone Service	12,000	12,000	10,778	1,222
Postage	1,000	1,000	366	634
Electricity	15,500	15,500	13,421	2,079
Water	4,250	4,250	3,780	470
Garbage	5,000	5,000	3,901	1,099
Cable	2,500	2,500	2,498	2
Property, Equipment, & Vehicle Coverages	45,800	45,800	41,727	4,073
Radio Maintenance	20,000	20,000	16,831	3,169
Building Maintenance	20,000	20,000	13,162	6,838
Equipment Maintenance	50,000	57,859	54,720	3,139
Office Supply	7,000	7,000	5,031	1,969
Fuel & Oil	25,000	25,000	16,937	8,063
Uniforms	12,000	12,000	4,468	7,532
Station Supply	5,500	5,500	4,109	1,391
Medical Supply	10,000	10,000	9,441	559
Misc. Supply	2,906	2,906	1,281	1,625
Training & Books	12,500	12,500	13,706	(1,206)
Public Education	6,700	6,700	-	6,700
Honor Guard	6,000	6,000	-	6,000
Vehicle Fund	140,000	140,000	68,388	71,612
Building Fund	50,000	50,000	36,391	13,609
Equipment	100,000	175,000	83,204	91,796
Small Tools	2,000	2,000	1,001	999
Equipment <\$1,000	5,000	5,000	4,729	271
Total Operating Expenses	646,356	729,215	483,612	245,603
Debt Service	81,000	81,000	80,496	504
Reserves	1,094,519	1,094,519	-	1,094,519
Total Expenditures	5,075,305	5,190,001	3,798,844	1,391,157
Excess of Revenues Over/(Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>135,438</u>	<u>\$ (2,646,876)</u>

Tice Fire Protection & Rescue Service District
BUDGETARY COMPARISON SCHEDULE
Statement of Revenues, Expenditures and Changes in Fund Balance -
General Fund - Budget and Actual - Non-GAAP
Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
GAAP Reconciliation				
Less Revenues			(74,512)	
Less Operating Expenses			158,873	
Capital Outlay			(233,595)	
Excess of Revenues Over Expenditures			(13,796)	
Other Financing Sources				
Proceeds from Financing			74,512	
Total Other Financing Sources			74,512	
Excess of Revenues and Other Sources Over Expenditures and Other Uses			60,716	
Fund Balance - October 1, 2020			1,179,188	
Fund Balance - September 30, 2021			\$ 1,239,904	

Tice Fire Protection & Rescue Service District

BUDGETARY COMPARISON SCHEDULE

Statement of Revenues, Expenditures and Changes in Fund Balance - Impact Fee Fund - Budget and Actual
Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Impact Fees	\$ 15,000	\$ 15,000	\$ 50,212	\$ 35,212
Interest Income	-	-	658	658
Subtotal - Revenues	15,000	15,000	50,870	35,870
Cash brought forward	250,185	250,185	-	(250,185)
Total Revenues	<u>265,185</u>	<u>265,185</u>	<u>50,870</u>	<u>(214,315)</u>
Expenditures				
Public Safety				
Capital Outlay	55,000	55,000	-	55,000
Reserves	210,185	210,185	-	210,185
Total Expenditures	<u>265,185</u>	<u>265,185</u>	<u>-</u>	<u>265,185</u>
Excess of Revenues Over Expenditures	-	-	50,870	50,870
Fund Balance - October 1, 2020	<u>-</u>	<u>-</u>	<u>267,352</u>	<u>267,352</u>
Fund Balance - September 30, 2021	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 318,222</u></u>	<u><u>\$ 318,222</u></u>

Tice Fire Protection & Rescue Service District
Schedule of District Contributions
For the Fiscal Year Ended September 30, 2021

Last Eight Fiscal Years

Florida Retirement System (FRS)

	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 459,935	\$ 435,533	\$ 410,772	\$ 395,949	\$ 361,933	\$ 362,548	\$ 337,711	\$ 319,111
Contributions in relation to contractually require contribution	(459,935)	(435,533)	(410,772)	(395,949)	(361,933)	(362,548)	(337,711)	(319,111)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$2,036,482	\$1,896,415	\$1,825,012	\$1,847,836	\$1,753,933	\$1,747,378	\$1,832,671	\$1,883,710
Contributions as a percentage of covered-employee payroll	22.58%	22.97%	22.51%	21.43%	20.64%	20.75%	18.43%	16.94%

Note: Data was unavailable prior to 2014.

Health Insurance Subsidy Program (HIS)

	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 33,806	\$ 31,480	\$ 31,118	\$ 30,674	\$ 29,115	\$ 29,006	\$ 24,777	\$ 23,105
Contributions in relation to contractually require contribution	(33,806)	(31,480)	(31,118)	(30,674)	(29,115)	(29,006)	(24,777)	(23,105)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$2,036,482	\$1,896,415	\$1,874,607	\$1,847,836	\$1,753,933	\$1,747,378	\$1,835,333	\$1,833,710
Contributions as a percentage of covered-employee payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.35%	1.26%

Note: Data was unavailable prior to 2014.

Tice Fire Protection & Rescue Service District
Schedule of the District's Proportionate Share of the Net Pension Liability - Pension Plan
For the Fiscal Year Ended September 30, 2021

For the Last Eight Fiscal Years Ended June 30

Florida Retirement System (FRS)

	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.012226%	0.013045%	0.001341%	0.013786%	0.013474%	0.014090%	0.013300%	0.014300%
District's proportionate share of the net pension liability	\$ 923,528	\$ 5,653,751	\$ 4,617,270	\$ 4,152,327	\$ 3,985,652	\$ 3,557,325	\$ 1,715,139	\$ 870,900
District's covered-employee payroll	\$2,110,982	\$1,867,607	\$1,885,115	\$1,860,478	\$1,717,846	\$1,738,676	\$1,841,757	\$1,897,766
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	43.75%	302.73%	244.93%	223.19%	232.01%	204.60%	93.13%	45.89%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

Note: Data was unavailable prior to 2014.

Health Insurance Subsidy Program (HIS)

	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.005899%	0.005381%	0.005637%	0.005696%	0.005389%	0.006000%	0.006000%	0.006300%
District's proportionate share of the net pension liability	\$ 723,577	\$ 657,018	\$ 630,681	\$ 602,896	\$ 576,261	\$ 650,676	\$ 608,727	\$ 591,246
District's covered-employee payroll	\$2,110,982	\$1,867,607	\$1,885,115	\$1,860,478	\$1,717,846	\$1,738,676	\$1,845,276	\$1,897,766
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	34.28%	35.18%	33.46%	32.41%	33.55%	37.42%	32.99%	31.15%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

Note: Data was unavailable prior to 2014.

Tice Fire Protection & Rescue Service District
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Fiscal Year Ended September 30, 2021

For the Last Fiscal Year Ended September 30

Reporting Period Ending Measurement Date	9/30/2021 9/30/2020	9/30/2020 9/30/2019
Total OPEB Liability		
Service Cost	9,586	10,272
Interest	31,217	33,236
Differences between Expected and Actual Experience	-	(9,012)
Changes of Assumptions	154,773	75,513
Benefit Payments	(36,414)	(28,538)
Net Change in Total OPEB Liability	159,162	81,471
Total OPEB Liability - Beginning	880,450	798,979
Total OPEB Liability - Ending	\$ 1,039,612	\$ 880,450
Covered Employee Payroll (Projected)	\$ 1,879,081	\$ 1,833,250
Total OPEB Liability as a percentage of Covered Employee Payroll	55.33%	48.03%

Notes to Schedule:

Covered Payroll - Covered payroll is estimated based on hourly rates provided in census data, is projected to the measurement date as of the valuation date using applicable salary increase assumptions.

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

Fiscal Year Ending September 30, 2021:	2.14%
Fiscal Year Ending September 30, 2020:	3.58%
Fiscal Year Ending September 30, 2019:	4.18%

Benefit Payment - The District did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2021. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

**Report of Independent Auditor on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based
on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Board of Commissioners
Tice Fire Protection and Rescue Service District
Fort Myers, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities of Tice Fire Protection and Rescue Service District, (the "District") as of and for the fiscal year ended September 30, 2021, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 6, 2022.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 6, 2022



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Independent Auditor's Management Letter

Board of Commissioners
Tice Fire Protection and Rescue Service District
Fort Myers, Florida

Report on the Financial Statements

We have audited the financial statements of the Tice Fire Protection and Rescue Service District, (the "District") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated June 6, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Examination Report conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 6, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The District discloses this information in the notes to the financial statements. The District had no component units as of September 30, 2021.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify 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. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. 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.

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that there are no special district component units required to report to the District.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the District reported:

- The total number of district employees compensated in the last pay period of the district's fiscal year is 26.
- The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year is 5.
- All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency is \$ 2,107,420.
- All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency is \$ 12,500.
- The District did not start any construction projects with a total cost of at least \$65,000 to begin on or after October 1 of the fiscal year being reported.
- A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as one.

Special District Component Units, Continued

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

- The millage rate or rates imposed by the district is 3.55.
- The total amount of ad valorem taxes collected by or on behalf of the district is \$ 3,712,115.
- The District did not have any bonds issued or outstanding as of fiscal year end.

Additional Matters

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

Purpose of this Letter

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 6, 2022



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Independent Accountant's Examination Report

Board of Commissioners
Tice Fire Protection and Rescue Service District
Fort Myers, Florida

We have examined the Tice Fire Protection and Rescue Service District's (the "District") compliance with Section 218.415, Florida Statutes, in regards to investments for the year ended September 30, 2021.

Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 6, 2022