

EAST FLAGLER MOSQUITO CONTROL DISTRICT REGULAR BOARD MEETING AGENDA JUNE 15, 2026

If any person decides to appeal any decision made by the district board with respect to any matter considered at this public meeting, such person will need a record of the proceedings and for such purpose, such person may need to ensure that a verbatim record of the proceeding is made, including the testimony and evidence upon which the appeal is to be based.

Board of Commissioners: Lance Alred (LA), Mike Martin (MM), Perry Mitrano (PM)
Director: Mark Positano (MP), Board Attorney: Noah McKinnon (NM), CPA: Julieann Klein (JI).

A three (3) minute public comment period may be provided at the end of the meeting

1. Open Meeting, Pledge of Allegiance (4:00 PM)
2. Approve Minutes (Attachment 2 Minutes of May 18, 2026 Regular Board Meeting)
3. Approve Payables (Attachment 3)

<u>Check #</u>	<u>Date</u>
19787	5/18/2026

4. Financial Report (Attachments: 4A Financial Summary, 4B Fund Balance Report, 4C Pesticide Inventory Report)
5. Annual Financial Audit Report Follow-up
From Spencer Machuga of James Moore and Associates:

“It was great meeting you in person last week. I wanted to follow up regarding one of the board members’ questions about the Net Pension Liability. Please feel free to pass along the below explanation:

The Net Pension Liability represents the District’s proportionate share of the unfunded liability of the Florida Retirement System, which is the pension plan that covers eligible District employees. Because the District participates in FRS, accounting standards require the District to report its share of the overall plan liability on the government-wide financial statements. One way to think about it is that this liability is not a separate bill that is currently due from the District. The District is not being asked to immediately pay this full amount. Instead, it represents the District’s estimated share of the long-term pension obligations of the FRS plan, based on actuarial calculations and the District’s participation in the plan.

This is different from a local defined benefit pension plan, where the City, Town, County, or District is directly responsible for managing and funding the pension plan. In those cases, the pension liability is very directly tied to the government because the government sponsors the plan. For FRS, the plan is administered at the state level, but because the District’s employees

participate in the plan, accounting standards require the District to show its allocated share of the plan's net pension liability.

The purpose is to give readers of the financial statements a more complete picture of the long-term pension obligations connected to the District's employees. The District continues to make its required contributions to FRS as established by the State of Florida. Reporting the Net Pension Liability does not mean the District has missed required contributions or that the full amount is immediately payable. Rather, it is an accounting presentation intended to improve transparency around long-term pension obligations."

More information:

121.051 Participation in the System

https://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0100-0199/0121/Sections/0121.051.html

(2) OPTIONAL PARTICIPATION.—

(b)1. The governing body of any municipality, metropolitan planning organization, or special district in the state may elect to participate in the Florida Retirement System upon proper application to the administrator and may cover all of its units as approved by the Secretary of Health and Human Services and the administrator.

4. Once this election is made and approved it may not be revoked, except pursuant to subparagraphs 5. and 6., and all present officers and employees electing coverage and all future officers and employees are compulsory members of the Florida Retirement System.

6. Legislative Update

- Property Tax Reform was passed on June 2, 2026, placing it on the on the Ballot in November
- The District is almost entirely funded by *ad valorem*
- Homesteaded properties make up approximately 60% of the tax base in Flagler County
- Legislation takes effect January 1, 2027 and will impact next year's budget with increase of exemption from \$50,000 to \$150,000, then increases to \$250,000 in 2028
- Once enacted it cannot be undone without another ballot initiative and has no sunset clause

7. Budget Amendment Resolution 2026-01 and Budget Amendment 26-01 (Attachments: 7A; 7B)

- Request approval of Resolution and Amendment

8. Preliminary Budget (Attachments: 8A; 8B; 8C)

A budget has been prepared at a flat rate of 0.350 mills per thousand

Existing property values have declined, but new construction yields a total taxable value increase over last year

The decline in existing taxable value allows for utilizing a roll-up rate and is not technically considered a tax increase per State statute

Property values could decline further next year and inflation continue

Recommend planning budget as usual and implementing cost cutting measures on October 1 per the attached budget amendment assuming passage of the ballot initiative

9. Purchasing Policy Update

10. Facility Maintenance

11. Interlocal Agreement with Sheriff's Department (Attachment 9)

12. Outreach Update (Attachment 10)

- New format to be consistent with the performance requirements

13. Old Business

14. Other Business

15. Next Meeting: Regular Monthly Board Meeting Monday, July 20, 2026 4:00 PM

16. Adjourn