

Buckhead Ridge Mosquito Control District

Financial Statements

Year Ended September 30, 2021

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McAlpin Cavalcanti & Lewis

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Buckhead Ridge Mosquito Control District
Okeechobee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Buckhead Ridge Mosquito Control District (the "District"), as of and for the 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.

Auditors' Responsibility

Our responsibility is to express an opinion 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, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Buckhead Ridge Mosquito Control District as of September 30, 2021 and the respective changes thereof for the 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 on pages 3 through 5 and the budgetary comparison schedule on page 14 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 any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.



McAlpin Cavalcanti & Lewis CPA
Ft. Pierce, Florida
December 3, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Financial Statements

The government-wide and fund financial statements are combined for this report, as all activities of the District are governmental activities and the District is deemed to be a single program government. The report consists of the government-wide and fund statements, notes to the financial statements and other supplementary information. The statements are designed to provide readers with an overview of the District's finances in a manner similar to a private sector business.

The Statement of Net Position and Governmental Fund Balance Sheet presents the District's assets and liabilities as of September 30, 2021. The difference between assets and liabilities is presented as net position. Increases or decreases in the amount of net position serves as an indicator of whether the District's financial condition is improving or deteriorating.

The Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances presents information related to the components of net position increase and or decrease. The District uses the economic resources measurement focus and the accrual basis of accounting, whereby changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Governmental activities are primarily supported by ad valorem taxes and state shared revenues.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Reconciliation of the government-wide and fund financial statements is provided in Note B on page 11.

Financial Analysis

Government-wide Financial Statements

The government-wide financial statements are presented in the last column of pages 6 and 7. Net position may serve over time as a useful indicator of the District's financial position, as shown in the following tables:

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

	Net Position		
	Governmental Activities		Increase
	2020	2021	(Decrease)
Current assets	\$ 65,647	\$ 77,727	\$ 12,080
Capital assets	11,249	9,611	(1,638)
Total assets	<u>76,896</u>	<u>87,338</u>	<u>10,442</u>
Other liabilities	<u>1,324</u>	<u>2,056</u>	<u>732</u>
Net position:			
Net investment in capital assets	11,249	9,611	(1,638)
Unrestricted	64,323	75,671	11,348
Total net position	<u>\$ 75,572</u>	<u>\$ 85,282</u>	<u>\$ 9,710</u>

The District's net position increased by \$7,647 for the fiscal year ended September 30, 2021. The increase was primarily due to a decrease in project costs and increase in ad valorem taxes.

Changes in Net Position

	Governmental Activities	
	2020	2021
Revenues:		
Ad valorem taxes	\$ 78,198	\$ 88,609
State shared revenues	17,249	18,480
Grant income	10,500	4,500
Other income	42	19
Total revenues	<u>105,989</u>	<u>111,608</u>
Expenses:		
Projects and operating costs	<u>113,499</u>	<u>101,898</u>
Increase (decrease) in net position	<u>\$ (7,510)</u>	<u>\$ 9,710</u>

The District's ad valorem taxes received can fluctuate from year to year depending on changes in the taxpayer base and if the taxpayers pay their taxes timely. Fiscal year 2021 ad valorem tax revenue received increased due to higher assessed property values. The District has received the final portion of the reimbursement grant for mosquito population control.

Capital Assets

	2020	2021
Buildings	\$ 14,500	\$ 14,500
Vehicles	34,045	34,045
Machinery and equipment	<u>33,265</u>	<u>35,396</u>
	81,810	83,941
Accumulated depreciation	<u>(70,561)</u>	<u>(74,330)</u>
	<u>\$ 11,249</u>	<u>\$ 9,611</u>

Additional information on the District's capital assets can be found in Note E of the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

Fund Financial Statements

Fund financial statements are presented by fund in the first column of pages 6 and 7. Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements.

The General Fund is the main operating fund of the District. At the end of the current fiscal year, unrestricted fund balance of the general fund was \$75,671. Cash is the main asset of the District and comprises most of its fund balance.

General Fund revenue exceeded expenditures by \$9,710.

General Fund expenditures decreased by \$11,601 from the prior year. The chemical and gas costs decreased by \$15,586 primarily due to the usage of chemicals purchased in prior year. Personal services increased by \$6,034, due to the appointment of prior year commissioner vacancies. There were two capital outlay expenditures totaling \$2,131 this fiscal year for airboat maintenance.

General Fund Budget Analysis

During the fiscal year, the District revised its budget with three amendments which affected the local funds and the operating expenditure budgets. The changes were nominal. As in the past the budget deficit is due to including all of the District's cash in the budgeting process. This has been done in order to budget expenditures in the areas of greatest impact in the event of another outbreak of the Zika virus or any other natural disaster.

Economic Factors and Next Year's Budget

In the year ending September 30, 2022, revenue from state and local sources are expected to remain consistent. It is unknown if any reimbursement grants will be available.

Since March 2020, the United States of America has experienced a nationwide crisis due to the pandemic caused by the coronavirus. It is unknown how long this pandemic will last or how it might impact the District. It is possible the District's various revenues and expenditures will be adversely affected. The District will amend its budget accordingly once any potential impacts to the District's revenues and expenditures become known.

Requests for Information

This financial report is designed to provide a general overview, for all those with an interest, in the District's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chairman of the Board.

Buckhead Ridge Mosquito Control District
Statement of Net Position and Governmental
Fund Balance Sheet
September 30, 2021

	General Fund	Adjust- ments	Statement of Net Position
ASSETS			
Cash	\$ 77,727	\$ -	\$ 77,727
Capital assets, net of accumulated depreciation	-	9,611	9,611
TOTAL ASSETS	\$ 77,727	\$ 9,611	\$ 87,338
LIABILITIES			
Payroll liabilities	2,056	-	2,056
TOTAL LIABILITIES	2,056	-	2,056
FUND BALANCES/NET POSITION			
Fund balances:			
Unrestricted	75,671	(75,671)	-
TOTAL FUND BALANCES	75,671	(75,671)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 77,727		
Net position:			
Net investment in capital assets		9,611	9,611
Unrestricted		75,671	75,671
TOTAL NET POSITION		\$ 85,282	\$ 85,282

The notes to the financial statements are an integral part of this statement.

Buckhead Ridge Mosquito Control District
Statement of Activities and Governmental Fund Revenues,
Expenditures, and Changes in Fund Balances
for the year ended September 30, 2021

	<u>General Fund</u>	<u>Adjust- ments</u>	<u>Statement of Activities</u>
EXPENDITURES/ EXPENSES			
Physical environment			
Personal services	\$ 47,306	-	47,306
Operating costs	44,106	-	44,106
Chemicals and gas	6,717	-	6,717
Depreciation	-	3,769	3,769
Capital Outlay	2,131	(2,131)	-
Total expenditures	<u>100,260</u>	<u>1,638</u>	<u>101,898</u>
REVENUES			
Ad valorem taxes	88,609	-	88,609
State shared revenues	18,480	-	18,480
Grant income	4,500	-	4,500
Other income	19	-	19
Total general revenues	<u>111,608</u>	<u>-</u>	<u>111,608</u>
Excess of revenues over expenditures	11,348	(11,348)	-
Change in net position		9,710	9,710
Fund balance/net position:			
Beginning of year	<u>64,323</u>	<u>11,249</u>	<u>75,572</u>
End of year	<u>\$ 75,671</u>	<u>\$ 9,611</u>	<u>\$ 85,282</u>

The notes to the financial statements are an integral part of this statement.

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Buckhead Ridge Mosquito Control District (the District) was created pursuant to Section 9(b), Article VII, of the Florida Constitution, and Sections 189.404 (3)(b) and 125.01(5), Florida Statutes as an independent special district. The District was established for the purpose of providing abatement and suppression of mosquitoes and arthropods from Buckhead Ridge to Lake Okeechobee. The District is governed by the members of the Board of Commissioners elected by the citizens of the District.

The financial statements of the District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. Component units are entities for which the government is considered to be financially accountable. Financial accountability is determined on the basis of the District's ability to significantly influence operations, select the governing authority, and participate in fiscal management. Based on the application of the criteria set forth by the Government Auditing Standards Board (GASB), management has determined that no component units exist that would require inclusion in this report. Further, management is not aware of any entity that would consider the District to be a component unit.

Government-wide and Fund 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. The effect of interfund activities, if any, has been removed from these statements. The District has only governmental activities and does not engage in any business-type activities. Direct expenditures are those that are clearly identifiable with a specific function or segment. The District has no program revenues, only general revenues consisting of ad valorem taxes, state shared revenues, grant revenue, and other items. A fund financial statement is presented for the District's General Fund that is considered to be a major fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - 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 expenditures are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District reports the following major governmental fund:

General Fund - accounts for all financial resources applicable to the operations of the District except those required to be accounted for in another fund.

Budgets and Budgetary Accounting - The annual budget is adopted for the General Fund and approved by the Board of Commissioners. The budget amounts presented in the accompanying budgetary comparison schedule are as amended by the District's Board of Commissioners. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles, using the modified accrual basis of accounting. Budgetary control is established through a non-appropriated budget for the General Fund.

Cash - Cash consists of demand deposits only.

Capital Assets - Capital assets which include building, equipment, and vehicles are reported in the applicable governmental column in the government-wide financial statements. The District does not have any infrastructure assets. Donated assets, if any, are stated at acquisition value at the date of donation. Capital assets are defined as assets with a cost of \$1,000 or more and have an estimated useful life in excess of two years. Depreciation has been provided on capital assets as a direct charge using the straight-line method over the estimated useful lives of the various classes of depreciable assets, which range from 5 - 30 years.

<u>Years</u>	<u>Classification</u>
30	Building
7	Machinery and equipment
5	Vehicles

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

State Shared Revenues - State shared revenues, which include grants and contributions from state sources, are recorded in accordance with the revenue recognition criteria for the government-wide and fund financial statements previously described.

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2021

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes - Property taxes for the current fiscal year (beginning October 1) are billed in the month of November by the Glades County Tax Collector, who remits collected taxes to the District monthly. At fiscal year-end, uncollected current year amounts, which are due no later than March 31, are classified as delinquent taxes receivable in the General Fund and are offset by an allowance for uncollectible taxes. Generally, the District collects more than 97% of the current year property taxes during the year in which they are due. Delinquent taxes are recognized as revenue in the General Fund during the fiscal year in which they are collected. Ad valorem taxes are levied on property values as of January 1, as assessed on July 1. The fiscal year for which the property taxes are levied begins October 1. Taxes are due November 1 and become delinquent on April 1. Tax certificates are issued for delinquent taxes on May 31.

Grant Revenue- The District received the remaining portion of a reimbursable grant in the amount of \$4,500 for canal maintenance to mitigate mosquito population. As of September 30, 2021 the entire \$15,000 has been spent.

Fund Balances - In accordance with GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District is required to report fund balance amounts in five classifications – non-spendable and the spendable categories of restricted, committed, assigned, and unrestricted, as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. The District had no non-spendable fund balance at September 30, 2021.

Restricted - amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments. The District had no restricted fund balance at September 30, 2021.

Committed - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action by the District's highest level of decision-making authority. The District's Board addresses these commitments through formal board action prior to the District's fiscal year end. The District had no committed fund balances at September 30, 2021.

Assigned - amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Assignments can be made by the Board. The District had no assigned fund balance amounts at September 30, 2021.

Unrestricted - includes residual positive fund balances within the General Fund which have not been classified within the other above-mentioned categories. Unrestricted fund balances may also include negative fund balances for any other governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes. The District had an unrestricted fund balance of \$75,671.

The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this. Additionally, the District would first use committed, then assigned, and lastly unrestricted amounts.

The District does not have a formal minimum fund balance policy, nor has it established any stabilization arrangements within the fund balances.

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2021

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Adjustments were made to include capital assets (net of accumulated depreciation) on the statement of net position. This resulted in a net difference of \$9,611 between ending governmental fund balances and total net position.

Unrestricted fund balances	\$ 75,671
Net investment in capital assets	<u>9,611</u>
Total net position	<u>\$ 85,282</u>
Excess of revenue over expenditures	\$ 11,348
Plus: capital outlay	2,131
Less: depreciation expense	<u>(3,769)</u>
Change in net position	<u>\$ 9,710</u>

Adjustments were made to include the depreciation expenditure. This resulted in a net difference between "Excess of revenues over expenditures" and "Change in net position" of (\$3,769).

NOTE C – DEPOSITS

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the Federal Depository Insurance Corporation (FDIC) and allows for additional assessments against member institutions, providing full insurance for public deposits. The District had deposits only with qualifying institutions as of September 30, 2021, or with banks in which depository insurance was sufficient to cover the deposit balance. The District's total bank deposits had a financial institution balance of \$79,052 and a carrying amount of \$77,727 at September 30, 2021.

As allowed under Florida Statutes, the District can invest surplus funds in negotiable direct or indirect obligations which are secured by the United States Government, the Local Government Surplus Funds Trust, interest bearing time deposits in savings accounts in authorized financial institutions, and obligations guaranteed by the Government National Mortgage Association or similarly structured and secured associations or corporations.

All cash funds are fully insured through the FDIC and through the multiple financial institutions' collateral pool established by Chapter 280, Florida Statutes.

Cash at September 30, 2021

Non-interest-bearing checking \$ 77,727

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2021

NOTE D - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets; errors and omissions, and natural disasters for which the District carries commercial insurance. The District retains no risk of loss. There have been no significant reductions in insurance coverage during the year ended September 30, 2021. Settled claims resulting from these risks have not exceeded commercial coverage for each of the past three years.

NOTE E - CAPITAL ASSETS

The following is a summary of changes in the capital assets during the fiscal year:

	Balance October 1, 2020	Additions	Decreases	Balance September 30, 2021
Capital assets being depreciated:				
Buildings	\$ 14,500	\$ -	\$ -	\$ 14,500
Vehicles	34,045	-	-	34,045
Machinery and equipment	33,265	2,131	-	35,396
Total capital assets being depreciated	<u>81,810</u>	<u>2,131</u>	<u>-</u>	<u>83,941</u>
Less accumulated depreciation for:				
Buildings	13,532	483	-	14,015
Vehicles	33,336	603	-	33,939
Machinery and equipment	23,693	2,683	-	26,376
Total accumulated depreciation	<u>70,561</u>	<u>3,769</u>	<u>-</u>	<u>74,330</u>
Total capital assets being depreciated, net	<u>\$ 11,249</u>	<u>\$ (3,769)</u>	<u>\$ -</u>	<u>\$ 9,611</u>
Depreciation was charged to functions as follows:				
Physical Environment	<u>\$ 3,769</u>			

NOTE F - UNCERTAINTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of the District. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2021

NOTE G - SUBSEQUENT EVENTS

Management has performed an analysis of the activities and transactions subsequent to September 30, 2021, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended September 30, 2021. Management has performed their analysis through December 3, 2021, the date upon which the financial statements were available to be issued.

Buckhead Ridge Mosquito Control District
 Budgetary Comparison Schedule
 General Fund
 For the year ended September 30, 2021

	Budget Original	Budget Final	Actual	Variance Positive (Negative)
REVENUES:				
Ad valorem taxes	\$ 88,580	\$ 88,580	\$ 88,609	\$ 29
State shared revenues	17,248	17,248	18,480	1,232
Other income	-	-	4,519	4,519
Total revenues	<u>105,828</u>	<u>105,828</u>	<u>111,608</u>	<u>5,780</u>
EXPENDITURES:				
Physical environment				
Current:				
Personal services	52,500	52,500	47,306	5,194
Operating expenditures	70,499	69,634	44,106	25,528
Chemicals and gas	31,341	33,841	6,717	27,124
Contingency	10,000	6,500	-	6,500
Capital outlay	9,000	9,000	2,131	6,869
Total expenditures	<u>173,340</u>	<u>171,475</u>	<u>100,260</u>	<u>71,215</u>
Net change in fund balance	(67,512)	(65,647)	11,348	76,995
Fund balance at beginning of year	<u>67,512 *</u>	<u>65,647 *</u>	<u>64,323</u>	<u>129,970</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,671</u>	<u>\$ 206,965</u>

* Note this is the carryforward cash balance for the Annual Certified Budget for Anthropod Control form and does not tie to Fund Balance noted on page 7.

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

To the Board of Commissioners
Buckhead Ridge Mosquito Control District
Okeechobee, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the governmental activities and each major fund of the Buckhead Ridge Mosquito Control District (the District) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 3, 2021.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant weaknesses may exist that were not identified. 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 financial statements are free of material misstatements, 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 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.



McAlpin Cavalcanti & Lewis CPA
Ft. Pierce, Florida
December 3, 2021

McAlpin Cavalcanti & Lewis

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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH FLORIDA STATUTES 218.415 – INVESTMENTS OF PUBLIC FUNDS

To the Board of Commissioners
Buckhead Ridge Mosquito Control District
Okeechobee, Florida

Report on Compliance

We have examined the Buckhead Ridge Mosquito Control District's (the District) compliance with Section 218.415, Florida Statutes during the fiscal 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.

Scope

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 we 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 specified requirements.

Opinion

In our opinion, the Buckhead Ridge Mosquito Control District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

This report is intended solely for the information and use of the Florida Auditor General, management, and the Board of Commissioners of the Buckhead Ridge Mosquito Control District, and is not intended to be and should not be used by anyone other than these specified parties.



McAlpin Cavalcanti & Lewis CPA
Ft. Pierce, Florida
December 3, 2021

McAlpin Cavalcanti & Lewis

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MANAGEMENT LETTER

To the Board of Commissioners
Buckhead Ridge Mosquito Control District
Okeechobee, Florida

Report on the Financial Statements

We have audited the financial statements of the Buckhead Ridge Mosquito Control District (the District), as of and for the year then ended September 30, 2021, and have issued our report thereon dated December 3, 2021.

As part of our audit, we made a review of financial management and accounting procedures and a review to determine whether operations were properly conducted in accordance with legal and regulatory requirements. We also considered the District's internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements.

Auditor's Responsibility

Our audit was conducted in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which governs the contents of this letter and stipulates that it specifically address certain conditions discovered within the scope of the audit.

Status of Prior Year Comments

There were no prior year comments.

Financial Condition Assessment Procedures

Based on our audit procedures performed, we determined that the Buckhead Ridge Mosquito Control District did not meet any of the conditions described in Florida Statutes Section 218.503 (1).

The auditors applied financial condition assessment procedures per Auditor General 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 the same.

Other Matters

Per Auditor General Rule 10.554(1)(i)6, independent special districts are required to present specific information by management. The following information is presented by management and the auditor provides no assurance on this information:

- a) Total number of District employees compensated in the last pay period of the District's fiscal year being reported – three (3) employees.
- b) Total number of independent contractors to whom compensation was paid in the last month of the District's fiscal year being reported- seven (7) independent contractors.
- c) All compensation earned or awarded to employees, whether paid or accrued, regardless of contingency - \$12,465
- d) All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency - \$46,471.

- e) The District did not have any construction projects with a total cost of at least \$65,000.
- f) A budget variance report has been presented as required – see page 14.

As required by Section 218.39(3)(c) and 218.32(1)(e)4, Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, Buckhead Ridge Mosquito Control District reported:

- a) The rate of ad valorem assessments collected on behalf of the District is \$1 per thousand of property value (\$.001).
- b) The total amount of ad valorem taxes collected on behalf of the District is \$88,609.
- c) The total amount of outstanding bonds issued by the District and the terms of such bonds: N/A – no outstanding bonds.

Purpose of this Letter

This management letter is intended for the information of the Buckhead Ridge Mosquito Control District and the Office of the Auditor General and is not intended to be and should not be used by anyone other than those specified parties.

We wish to take this opportunity to thank you for the cooperation and courtesies extended to us during the course of our audit. We have enjoyed our association with you and look forward to a continuing relationship.

McAlpin Cavalcanti & Lewis

McAlpin Cavalcanti & Lewis CPA
Fort Pierce, Florida
December 3, 2021