

Buckhead Ridge Mosquito Control District

Financial Statements

Year Ended September 30, 2018

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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, 2018, 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, 2018 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 June 27, 2019 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, CPAs
Ft. Pierce, Florida
June 27, 2019

Buckhead Ridge Mosquito Control District

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Overview of the Financial Statements

The organization-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 organization-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, 2018. 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 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 organization-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 right 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 (Decrease)
	2017	2018	
Current assets	94,136	79,585	(14,551)
Capital assets	19,834	18,651	(1,183)
Total assets	113,970	98,236	(15,734)
Other liabilities	1,164	1,176	12
Total liabilities	1,164	1,176	12
Net position:			
Net investment in capital assets	19,834	18,651	(1,183)
Unrestricted	92,972	78,409	(14,563)
Total net position	112,806	97,060	(15,746)

The District's net position decreased by \$15,746 for the fiscal year ended September 30, 2018. The decrease was primarily due to a decrease in cash caused by the excess of expenses over revenues.

Changes in Net Position

	Governmental Activities 2017	Governmental Activities 2018
Revenues:		
Ad valorem taxes	66,633	70,807
State shared revenues	61,540	32,468
Other income	8	15
Total revenues	128,181	103,290
Expenses:		
Projects and operating costs	118,571	119,036
Increase (decrease) in net position	9,610	(15,746)

The District's state shared revenues for the governmental fund decreased from the prior year by \$29,072 due to a decrease in funding for the Zika virus. Local funding from the Flades County Tax Collector increased by \$4,174, resulting from increases in the Ad valorem Tax funds received. The District's Ad valorem taxes received can fluctuate from year to year depending on changes in the taxpayer base and if

Capital Assets

	2017	2018
Buildings	14,500	14,500
Vehicles	31,634	34,045
Machinery and equipment	33,265	33,265
	79,399	81,810
Accumulated depreciation	(59,565)	(63,159)
	19,834	18,651

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

Fund Financial Statements

Fund financial statement 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, unassigned fund balance of the physical environment fund was \$78,409. Cash is the main asset of the District and comprises most of its fund balance.

General Fund expenditures exceeded revenues by \$14,563.

General Fund expenditures decreased by \$2,381 from the prior year. Normal operating costs increased by \$13,689 primarily due to an increase in canal spraying, trimming, and maintenance. The chemical and gas costs decreased by \$13,337 primarily due to a decrease in the purchase of chemicals resulting from decreased mosquito spraying due to the Zika virus. Personal services decreased by \$382. Capital outlay expenditures increased \$2,411 due to major repairs to equipment this fiscal year.

General Fund Budget Analysis

During the fiscal year, the District revised its budget with one amendment which affected the Local funds and the operating expenditure budgets. The operating expenditures account budget was increased by \$10,000 due to a potential increase in canal spraying, trimming, and maintenance. The contingency account budget was decreased by the corresponding \$10,000. Also, the budget deficit is due to including all of the District's cash in the budgeting process. This was done in order to budget expenditures in the areas of greatest impact in case of another outbreak of the Zika virus or any other natural disaster similar to a hurricane or unknown virus.

Economic Factors and Next Year's Budget

In the year ending September 30, 2019, revenue from state sources is expected to decrease to \$17,240. Also, the local funding from the Glades County Tax Collector is expected to increase to \$77,040.

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, 2018

	General Fund	Adjust- ments	Statement of Net Position
ASSETS			
Cash	\$ 79,585	\$ -	\$ 79,585
Capital assets, net of accumulated depreciation	-	18,651	18,651
TOTAL ASSETS	<u>\$ 79,585</u>	<u>\$ 18,651</u>	<u>\$ 98,236</u>
LIABILITIES			
Payroll liabilities	1,176	-	1,176
TOTAL LIABILITIES	<u>1,176</u>	<u>-</u>	<u>1,176</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Unassigned	78,409	(78,409)	-
TOTAL FUND BALANCES	<u>78,409</u>	<u>(78,409)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 79,585</u>		
Net position:			
Net investment in capital assets		18,651	18,651
Unrestricted		78,409	78,409
TOTAL NET POSITION		<u>\$ 97,060</u>	<u>\$ 97,060</u>

See accompanying notes.

Buckhead Ridge Mosquito Control District
Statement of Activities and Governmental Fund Revenues,
Expenditures, and Changes in Fund Balances
for the year ended September 30, 2018

	<u>General Fund</u>	<u>Adjust- ments</u>	<u>Statement of Activities</u>
EXPENDITURES/EXPENSES:			
Physical environment			
Current:			
Personal services	\$ 39,653	-	39,653
Operating costs	46,182	-	46,182
Chemicals and gas	29,607	-	29,607
Depreciation	-	3,594	3,594
Capital outlay	2,411	(2,411)	-
Total expenditures/expenses	<u>117,853</u>	<u>1,183</u>	<u>119,036</u>
GENERAL REVENUES			
Ad valorem taxes	70,807	-	70,807
State shared revenues	32,468	-	32,468
Other income	15	-	15
Total general revenues	<u>103,290</u>	<u>-</u>	<u>103,290</u>
Deficit of revenues over expenditures	(14,563)	14,563	-
Change in net position		(15,746)	(15,746)
Fund balance/net position:			
Beginning of year	<u>92,972</u>	<u>19,834</u>	<u>112,806</u>
End of year	<u>\$ 78,409</u>	<u>\$ 18,651</u>	<u>\$ 97,060</u>

See accompanying notes.

Buckhead Ridge Mosquito Control District
Notes to Financial Statements
September 30, 2018

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 expenses are those that are clearly identifiable with a specific function or segment. The District has no program revenues, only general revenues consisting of taxes, State shared revenues, 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 expenses 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. However, expenditures related to compensated absences and long-term debt agreements are recorded only when payment is due.

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2018

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/expenses 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, 2018

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.

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 unassigned, 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, 2018.

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, 2018.

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, 2018.

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, 2018.

Unassigned - includes residual positive fund balances within the General Fund which has not been classified within the other above mentioned categories. Unassigned 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 unassigned fund balance of \$78,409.

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 unassigned 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, 2018

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 between ending governmental fund balances and total net position of \$18,651.

Ending fund balances	\$ 78,409
Net investment in capital assets	<u>18,651</u>
Total net position	<u>\$ 97,060</u>

Deficit of revenues over expenditures	\$ (14,563)
Less: depreciation expense	(3,594)
Plus: capital outlay	<u>2,411</u>
Change in net position	<u>\$ (15,746)</u>

Adjustments were made to include depreciation expense and remove capital outlay. This resulted in a net difference between "deficit of revenues over expenditures" and "change in net position" of \$ (1,183).

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 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, 2018, 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 \$80,957 and a carrying amount of \$79,585 at September 30, 2018.

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 as created by Florida Statute 218.045; interest bearing time deposits in savings accounts in authorized financial institutions; obligations guaranteed by the Government National Mortgage association of similarly structured and secured associations or corporations.

Buckhead Ridge Mosquito Control District

Notes to Financial Statements

September 30, 2018

NOTE C – DEPOSITS (CONTINUED)

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

Cash at September 30, 2018

Non-interest bearing checking \$ 79,585

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, 2018. 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, 2017	Additions	Decreases	Balance September 30, 2018
Capital assets being depreciated:				
Buildings	\$ 14,500	\$ -	\$ -	\$ 14,500
Vehicles	31,634	2,411	-	34,045
Machinery and equipment	33,265	-	-	33,265
Total capital assets being depreciated	<u>79,399</u>	<u>2,411</u>	<u>-</u>	<u>81,810</u>
Less accumulated depreciation for:				
Buildings	12,083	483	-	12,566
Vehicles	31,634	496	-	32,130
Machinery and equipment	15,848	2,615	-	18,463
Total accumulated depreciation	<u>59,565</u>	<u>3,594</u>	<u>-</u>	<u>63,159</u>
Total capital assets being depreciated, net	<u>\$ 19,834</u>	<u>\$ (1,183)</u>	<u>\$ -</u>	<u>\$ 18,651</u>
Depreciation was charged to functions as follows:				
Physical Environment	<u>\$ 3,594</u>			

Buckhead Ridge Mosquito Control District
Notes to Financial Statements
September 30, 2018

NOTE F - SUBSEQUENT EVENTS

Management has evaluated events and transactions for potential recognition or disclosure through June 27, 2019, 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, 2018

	Budget Original	Budget Final	Actual	Variance Positive (Negative)
REVENUES:				
Ad valorem taxes	\$ 73,291	\$ 73,291	\$ 70,807	\$ (2,484)
State shared revenues	32,468	32,468	32,468	-
Other income	-	-	15	15
Total revenues	<u>105,759</u>	<u>105,759</u>	<u>103,290</u>	<u>(2,469)</u>
EXPENDITURES:				
Physical environment				
Current:				
Personal services	49,000	49,000	39,653	9,347
Operating expenditures	63,500	73,500	46,182	27,318
Chemicals and gas	55,000	55,000	29,607	25,393
Contingency	15,000	5,000	-	5,000
Capital outlay	17,395	17,395	2,411	14,984
Total expenditures	<u>199,895</u>	<u>199,895</u>	<u>117,853</u>	<u>82,042</u>
Net change in fund balance	(94,136)	(94,136)	(14,563)	79,573
Fund balance at beginning of year	<u>10,153</u>	<u>11,405</u>	<u>92,972</u>	<u>174,332</u>
Fund balance at end of year	<u>\$ (83,983)</u>	<u>\$ (82,731)</u>	<u>\$ 78,409</u>	<u>\$ 253,905</u>

**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 (District) as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 27, 2019.

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) to determine the 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 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 determination of financial statement amounts. 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.

A handwritten signature in blue ink that reads "McAlpin Cavalcanti & Lewis". The signature is written in a cursive, flowing style.

McAlpin Cavalcanti & Lewis, CPAs
Ft. Pierce, Florida
June 27, 2019

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

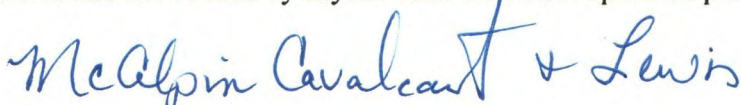
To the Board of Commissioners
Buckhead Ridge Mosquito Control District
Okeechobee, Florida

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, 2018. 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 and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

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, 2018.

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, CPAs
Ft. Pierce, Florida
June 27, 2019

MANAGEMENT LETTER

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

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, 2018, and have issued our report thereon dated June 27, 2019.

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.

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.

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.

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.

A handwritten signature in blue ink that reads "McAlpin Cavalcanti & Lewis". The signature is written in a cursive, flowing style.

McAlpin Cavalcanti & Lewis, CPAs
Fort Pierce, Florida
June 27, 2019