

EAST MULLOCH  
WATER CONTROL  
DISTRICT

Basic Financial Statements

Fiscal Year Ended September 30, 2020

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## **Independent Auditor's Report**

Board of Supervisors  
East Mulloch Water Control District  
Estero, Florida

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities of the East Mulloch Water Control District, (the "District") as of and for the fiscal year ended September 30, 2020, 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 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 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 financial position of the governmental activities of the District as of September 30, 2020, 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 and budgetary comparison information on pages 3-7 and 13 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 29, 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.

*Ashley, Brown & Smith, CPAs*

Punta Gorda, Florida  
June 29, 2021

## **Management's Discussion and Analysis**

**EAST MULLOCH WATER CONTROL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
September 30, 2020

As management of the East Mulloch Water Control District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the fiscal year ended September 30, 2020.

**FINANCIAL HIGHLIGHTS**

- The assets of the District exceeded its liabilities at the close of the 2020 fiscal year by \$312,733 (net position). The entire amount consists of unrestricted net position and may be used to meet the District's ongoing obligations to property owners and creditors.
- The District's net position increased by \$196,187. This increase is attributable to the increase in tax revenue the District received for the year.
- The District issued no debt in fiscal year 2020, and the District currently has no outstanding debt.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements and other supplementary information. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, using accounting methods similar to a private sector business. These statements include all assets and liabilities on the accrual basis of accounting. All current year revenues and expenses are taken into account regardless of when the cash is received or paid.

Fund Financial Statements

The fund financial statements are used 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 financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net assets may serve over time as a useful indicator of a government's financial position. As noted earlier, assets exceeded liabilities by \$312,733 as of September 30, 2020.

The District has no capital assets or long-term debt. The District subcontracts all maintenance work in order to provide services to its citizens and property owners.

**EAST MULLOCH WATER CONTROL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
September 30, 2020

**GOVERNMENT-WIDE FINANCIAL ANALYSIS, CONTINUED**

The unrestricted fund balance of \$312,733 at year end may be used to meet the District's ongoing obligations to citizens and creditors. Unassigned fund balance represents 247% of total annual general fund expenditures and is shown in the following schedule:

Summary of Net Position

	9/30/2020	9/30/2019
Assets		
Cash	\$ 312,733	\$ 115,327
Prepaid insurance	-	1,219
Total assets	312,733	116,546
Net Position		
Unrestricted	312,733	116,546
Total net position	\$ 312,733	\$ 116,546

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

	2020	2019
REVENUES		
Property assessments	\$ 322,526	\$ 61,122
Interest	30	132
Total revenues	322,556	61,254
EXPENSES		
Physical Environment		
Operating expense	126,369	86,318
Total expenses	126,369	86,318
Changes in net position	196,187	(25,064)
Net position - October 1, 2019 & 2018	116,546	141,610
Net position - September 30, 2020 & 2019	\$ 312,733	\$ 116,546

Property assessments continue as our primary source of revenues. The increase in assessment revenue is primarily attributed to an increase in assessments from \$30.10 per acre to \$40.00 per acre.

**EAST MULLOCH WATER CONTROL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
September 30, 2020

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

Governmental Funds

The focus of the District's governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**CAPITAL ASSETS**

As noted earlier, the District has no investment in capital assets which would consist of land, buildings and improvements and equipment. Consequently, the District had no depreciation expense for the years ended September 30, 2019 or 2020.

**LONG TERM DEBT**

The District had no long term debt as of September 30, 2019 or 2020.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

An annual budget was legally adopted for the District at the annual meeting on January 17, 2020. Expenditures were less than budgeted. Property assessments represented 99.99% of the District's revenue for the year ended September 30, 2020. Property assessments for the year ended September 30, 2020 were fixed at the annual rate of \$40.00 per acre.

	Fiscal Year 2020 Budget - General Fund			Fiscal Year 2019 Budget - General Fund		
	Actual	Budget	Variance	Actual	Budget	Variance
Total Revenues	\$ 322,556	\$ 325,000	\$ (2,444)	\$ 61,254	\$ 68,000	\$ (6,746)
Total Expenditures	126,369	325,000	198,631	86,318	94,000	7,682
Change in Fund Balance	<u>\$ 196,187</u>	<u>\$ -</u>	<u>\$ 196,187</u>	<u>\$ (25,064)</u>	<u>\$ (26,000)</u>	<u>\$ 936</u>

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances for the District's residents and creditors. Questions concerning this report or requests for additional financial information should be directed to:

Alan C. Freeman, Supervisor  
East Mulloch Water Control District  
PO Box 511, Estero, FL 33929  
Phone: (239) 267-7472

**Basic  
Financial Statements**

**EAST MULLOCH WATER CONTROL DISTRICT**  
**GOVERNMENTAL FUND BALANCE SHEET / STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2020**

	General Fund	Adjustments (Note 3 )	Statement of Net Position
<b>ASSETS</b>			
Cash and cash equivalents	\$ 312,733	\$ -	\$ 312,733
Total assets	\$ 312,733	\$ -	\$ 312,733
 <b>LIABILITIES &amp; FUND BALANCE / NET POSITION</b>			
Unassigned/Unrestricted	\$ 312,733	\$ -	\$ 312,733
Total liabilities & fund balance/net position	\$ 312,733	\$ -	\$ 312,733

**EAST MULLOCH WATER CONTROL DISTRICT**  
**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE / STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	General Fund	Adjustments (Note 3 )	Statement of Activities
<b>REVENUES</b>			
Property assessments	\$ 322,526	\$ -	\$ 322,526
Interest	30	-	30
Total revenues	<u>322,556</u>	<u>-</u>	<u>322,556</u>
<b>PHYSICAL ENVIRONMENT EXPENDITURES / EXPENSES</b>			
Canal maintenance	89,559	-	89,559
Mowing & right of way maintenance	20,260	-	20,260
Insurance	4,333	-	4,333
Office & administration	231	-	231
Permits & license fees	735	-	735
Tax Collector	3,225	-	3,225
Property Appraiser	8,026	-	8,026
Total expenditures/expenses	<u>126,369</u>	<u>-</u>	<u>126,369</u>
Excess of expenditures over revenues/ Change in net position	<u>196,187</u>	<u>-</u>	<u>196,187</u>
Fund balance/Net position, beginning of year	<u>116,546</u>	<u>-</u>	<u>116,546</u>
Fund balance/Net position, end of year	<u><u>\$ 312,733</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 312,733</u></u>

**EAST MULLOCH WATER CONTROL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 1. DESCRIPTION**

The East Mulloch Water Control District (the "District") is a dependent special district controlled by Lee County government pursuant F.S. Chapter 189. The District was originally created by the State of Florida Legislature under Chapter 63-930, Laws of Florida, to provide water control and drainage services to a certain prescribed area in Lee County, Florida as amended by House Bill No. 1089 Chapter 2018-174 Laws of Florida effective October 1, 2018 and further amended by Lee County ordinances 19-11 and 19-15. The District is funded primarily by taxes and is operated by a three-person Board of Supervisors (the "Supervisors"). The Supervisors meet annually (unless special meetings are necessary) to conduct the business of the District including adoption of the budget at the fund level.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements conform to accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board ("GASB") and other recognized authoritative sources. The more significant accounting policies are described below.

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not currently have any business-type activities.

The District has one fund as follows:

General fund - The general fund is the principal fund used to account for all activities of the District.

Basic Financial Statements

The basic financial statements include a Governmental Fund Balance Sheet/Statement of Net Position, Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Statement of Activities and Notes to Basic Financial Statements. The Statement of Net Position is presented in a net position format (assets less liabilities equal net position) and shown with three components: amounts invested in capital assets, net of related debt; restricted net position; 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 revenues.

**EAST MULLOCH WATER CONTROL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Measurement Focus

Governmental Fund Type

The General Fund is accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Accordingly, the reported unassigned fund balance (net current assets) is considered a measure of available, spendable or appropriable resources. Governmental Fund Type operating statements present increases (revenue) and decreases (expenditures) in net current assets.

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.

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 3. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

Because the District does not have capital assets or long-term debt there are no differences between the government-wide and fund financial statements.

**NOTE 4. COMMITMENTS AND CONTINGENCIES**

The District purchases liability and casualty insurance coverage from commercial carriers with coverage and deductibles in amounts that the Supervisors feel is adequate.

**EAST MULLOCH WATER CONTROL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 5. PROPERTY TAXES**

All real and tangible personal property taxes are due and payable on November 1st of each year, or as soon thereafter as the tax roll is certified by the Lee County Property Appraiser, and become delinquent on April 1st of the following year. The Lee County Tax Collector mails to each property owner on the tax roll a notice of taxes levied by the various governmental entities in the county. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1 of each year at which time a lien attaches to the property. The maintenance tax rate levied upon all property within the District for the year ended September 30, 2020 was \$40 per acre.

**NOTE 6. CASH AND INVESTMENTS**

At September 30, 2020, the carrying amount of the District's deposits was \$312,733 and the bank balance was \$387,576. 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. The District's investment policy permits the investment in savings accounts and certificates of deposit with state-certified, qualified public depositories.

**NOTE 7. SUBSEQUENT EVENTS**

Pursuant to the provisions set forth in GASB Statement No. 56, "Subsequent Events", management has considered subsequent events through June 29, 2021, which is the date that the financial statements were available to be issued. The District determined that there were no events to report during that period.

**Required  
Supplementary  
Information**

**EAST MULLOCH WATER CONTROL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property assessments	\$ 325,000	\$ 325,000	\$ 322,526	\$ (2,474)
Interest	-	-	30	30
<b>Total Revenues</b>	<u>325,000</u>	<u>325,000</u>	<u>322,556</u>	<u>(2,444)</u>
<b>EXPENDITURES</b>				
<b>PHYSICAL ENVIRONMENT</b>				
Canal maintenance	180,000	180,000	89,559	90,441
Mowing & right of way maintenance	20,000	20,000	20,260	(260)
Engineering & survey	75,000	75,000	-	75,000
Audit & accounting	4,000	4,000	-	4,000
Insurance	4,000	4,000	4,333	(333)
Contract management	25,000	25,000	-	25,000
Office & administration	3,300	3,300	231	3,069
Permits & license fees	2,500	2,500	735	1,765
Tax Collector	3,200	3,200	3,225	(25)
Property Appraiser	8,000	8,000	8,026	(26)
<b>Total expenditures</b>	<u>325,000</u>	<u>325,000</u>	<u>126,369</u>	<u>198,631</u>
<b>Excess of revenues (under) over expenditures</b>	<u>-</u>	<u>-</u>	<u>196,187</u>	<u>\$ 196,187</u>
<b>Fund balance, beginning of year</b>	<u>-</u>	<u>-</u>	<u>116,546</u>	
<b>Fund balance, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 312,733</u>	



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**Independent Auditor's 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***

Board of Supervisors  
East Mulloch Water Control District  
Estero, 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 East Mulloch Water Control District, (the "District") as of and for the fiscal year ended September 30, 2020, 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 29, 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) to determine the 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 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 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 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 29, 2021



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## Management Letter

Board of Supervisors  
East Mulloch Water Control District  
Estero, Florida

### Report on the Financial Statements

We have audited the financial statements of the East Mulloch Water Control District, (the "District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 29, 2021.

### 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 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 Standard* and Independent Accountant's Report on an examination 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 that report, which are dated June 29, 2021, 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 annual financial 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 does not have any component units as of September 30, 2020.

## **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires that we 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 for the District. 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 10554(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 did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

## **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 have 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 Board of Supervisors, 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 29, 2021



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## Independent Accountant's Examination Report

Board of Supervisors  
East Mulloch Water Control District  
Estero, Florida

We have examined the East Mulloch Water Control District's (the "District") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2020. Management is responsible for the District's compliance with the specified 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, 2020.

The purpose of this report is to comply with the audit requirements of Sections 218.415, Florida Statutes and Rules of the Auditor General.

*Ashley, Brown & Smith, CPAs*

Punta Gorda, Florida  
June 29, 2021