



**INDEPENDENT AUDITOR'S REVISED MANAGEMENT LETTER
FOR THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Board of Commissioners
Beach Mosquito Control District
Bay County, Florida

Report on the Financial Statements

We have audited the financial statements of Beach Mosquito Control District, Florida, as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 26, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our 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*, 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 those reports, which are dated May 26, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. In the audit reports for the preceding two years, the deficiency in internal controls caused by lack of sufficient staff was reported as Finding 2019-1 and Finding 2020-1. This same deficiency is included in the current year audit report as Finding 2021-1. The Board of Commissioners and Director have taken some corrective actions by reviewing the deposits and expenditures on a monthly basis and have included their approval and comments in the minutes of the Board meetings to help override the lack of segregation of duties as we recommended, however this continues to be a significant deficiency due to lack of sufficient staff.

In the prior year audit report, a significant deficiency regarding improperly reported wages to the Florida Retirement System (FRS) was identified as Finding 2020-2. Corrective actions have been taken to address finding 2020-2 and recommendations made in the preceding financial audit report. The District understands the importance of properly reporting employee wages and accurately calculating contributions to FRS and created a system of checks and balances and management oversight to mitigate the risks of error surrounding these procedures.

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. Beach Mosquito Control District was established by Laws of Florida Chapter 5341 (1903) on October 14, 1952. Beach Mosquito Control District has no component units.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Beach Mosquito Control District 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 Beach Mosquito Control 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 Beach Mosquito Control District. It is management's responsibility to monitor Beach Mosquito Control District's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. Beach Mosquito Control District is not a component unit and does not have any component units.

Specific Information

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

- a) The total number of district employees compensated in the last pay period of the districts fiscal year as 14.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 0.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$607,652.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as 0.
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as see on page 11.

Specific Information

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

- a) The mileage rate or rates imposed by the district as 0.3500.
- b) The total amount of ad valorem taxes collected by or on behalf of the district as \$3,325,017.
- c) The total amount of outstanding bonds issued by the district and the terms of such bonds as 0.

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 Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Tipton, Marler, Garner & Chastain

Panama City, Florida
May 26, 2022