

**Buckhead Ridge Mosquito Control District**

Financial Statements

Year Ended September 30, 2022

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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

### Opinion

We have audited the accompanying statements of Buckhead Ridge Mosquito Control District (the "District"), as of and for the year ended September 30, 2022, and have issued our report thereon dated December 16, 2022.

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, 2022 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **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 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 16, 2022, 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 solely 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 the effectiveness of the District's 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*

McAlpin Cavalcanti & Lewis CPA  
Ft. Pierce, Florida  
December 16, 2022

**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, 2022. 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 12.

**Financial Analysis****Government-wide Financial Statements**

The government-wide financial statements are presented in the last column of pages 7 and 8. 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          |
|----------------------------------|-------------------------|------------------|-------------------|
|                                  | 2021                    | 2022             | (Decrease)        |
| Current assets                   | \$ 77,727               | \$ 74,173        | \$ (3,554)        |
| Capital assets                   | 9,611                   | 10,914           | 1,303             |
| Total assets                     | <u>87,338</u>           | <u>85,087</u>    | <u>(2,251)</u>    |
| Other liabilities                | <u>2,056</u>            | <u>973</u>       | <u>(1,082)</u>    |
| Net position:                    |                         |                  |                   |
| Net investment in capital assets | 9,611                   | 10,914           | 1,303             |
| Unrestricted                     | 75,671                  | 73,200           | (2,471)           |
| Total net position               | <u>\$ 85,282</u>        | <u>\$ 84,114</u> | <u>\$ (1,168)</u> |

The District's net position decreased by \$1,168 for the fiscal year ended September 30, 2022. The decrease was primarily due to the purchase of additional assets.

### Changes in Net Position

|                                     | Governmental Activities |                   |
|-------------------------------------|-------------------------|-------------------|
|                                     | 2021                    | 2022              |
| Revenues:                           |                         |                   |
| Ad valorem taxes                    | \$ 88,609               | \$ 89,649         |
| State shared revenues               | 18,480                  | 19,013            |
| Grant income                        | 4,500                   | -                 |
| Other income                        | 19                      | 451               |
| Total revenues                      | <u>111,608</u>          | <u>109,113</u>    |
| Expenses:                           |                         |                   |
| Projects and operating costs        | <u>101,898</u>          | <u>110,281</u>    |
| Increase (decrease) in net position | <u>\$ 9,710</u>         | <u>\$ (1,168)</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. In fiscal year 2021, the District received the final portion of the reimbursement grant for mosquito population control.

### Capital Assets

|                          | 2021            | 2022             |
|--------------------------|-----------------|------------------|
| Buildings                | \$ 14,500       | \$ 14,500        |
| Vehicles                 | 34,045          | 34,045           |
| Machinery and equipment  | <u>35,396</u>   | <u>34,596</u>    |
|                          | 83,941          | 83,141           |
| Accumulated depreciation | <u>(74,330)</u> | <u>(72,227)</u>  |
|                          | <u>\$ 9,611</u> | <u>\$ 10,914</u> |

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

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

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### Fund Financial Statements

Fund financial statements are presented by fund in the first column of pages 7 and 8. 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 general fund was \$73,200. Cash is the main asset of the District and encompasses the majority of its fund balance.

General Fund expenditures exceeded revenue by \$1,168.

General Fund expenditures increased by \$8,383 from the prior year. The chemical and gas costs increased by \$22,239 comparatively due to the usage of chemicals purchased in fiscal year 19-20. Personal services and operating expenses overall decreased from prior year, due to District's cost saving efforts. There were two capital outlay expenditures totaling \$5,000 this fiscal year for airboat maintenance and pontoon boat.

### **General Fund Budget Analysis**

During the fiscal year, the District revised its budget with two amendments which affected the personal services and chemicals 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. Ad valorem taxes are expected to significantly increase. The District has applied for FEMA grants, it is unknown if any reimbursement grants will be available in the next fiscal year.

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, 2022**

|  | General<br>Fund         | Adjust-<br>ments        | Statement<br>of<br>Net Position |
|--|-------------------------|-------------------------|---------------------------------|
| <b>ASSETS</b>                                      |                         |                         |                                 |
| Cash   | \$ 74,173               | \$ -                    | \$ 74,173                       |
| Capital assets, net of<br>accumulated depreciation | <u>-</u>                | <u>10,914</u>           | <u>10,914</u>                   |
| <b>TOTAL ASSETS</b>                                | <u><u>\$ 74,173</u></u> | <u><u>\$ 10,914</u></u> | <u><u>\$ 85,087</u></u>         |
| <b>LIABILITIES</b>                                 |                         |                         |                                 |
| Accounts payable                                   | \$ 800                  | -                       | \$ 800                          |
| Payroll liabilities                                | <u>173</u>              | <u>-</u>                | <u>173</u>                      |
| <b>TOTAL LIABILITIES</b>                           | <u>973</u>              | <u>-</u>                | <u>973</u>                      |
| <b>FUND BALANCES/ NET POSITION</b>                 |                         |                         |                                 |
| Fund balances:                                     |                         |                         |                                 |
| Unrestricted                                       | <u>73,200</u>           | <u>(73,200)</u>         | <u>-</u>                        |
| <b>TOTAL FUND BALANCES</b>                         | <u>73,200</u>           | <u>(73,200)</u>         | <u>-</u>                        |
| <b>TOTAL LIABILITIES AND FUND<br/>BALANCES</b>     | <u><u>\$ 74,173</u></u> |                         |                                 |
| Net position:                                      |                         |                         |                                 |
| Net investment in capital assets                   |                         | 10,914                  | 10,914                          |
| Unrestricted                                       |                         | <u>73,200</u>           | <u>73,200</u>                   |
| <b>TOTAL NET POSITION</b>                          |                         | <u><u>\$ 84,114</u></u> | <u><u>\$ 84,114</u></u>         |

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, 2022

|                                    | General<br>Fund  | Adjust-<br>ments | Statement<br>of<br>Activities |
|------------------------------------|------------------|------------------|-------------------------------|
| <b>EXPENDITURES/ EXPENSES</b>      |                  |                  |                               |
| Physical environment               |                  |                  |                               |
| Personal services                  | \$ 42,444        | -                | 42,444                        |
| Operating costs                    | 35,184           | -                | 35,184                        |
| Chemicals and gas                  | 28,956           | -                | 28,956                        |
| Depreciation                       | -                | 3,697            | 3,697                         |
| Capital Outlay                     | 5,000            | (5,000)          | -                             |
| Total expenditures                 | <u>111,584</u>   | <u>(1,303)</u>   | <u>110,281</u>                |
| <b>REVENUES</b>                    |                  |                  |                               |
| Ad valorem taxes                   | 89,649           | -                | 89,649                        |
| State shared revenues              | 19,013           | -                | 19,013                        |
| Other income                       | 451              | -                | 451                           |
| Total general revenues             | <u>109,113</u>   | <u>-</u>         | <u>109,113</u>                |
| Expenditures in excess of revenues | (2,471)          | 2,471            | -                             |
| Change in net position             |                  | (1,168)          | (1,168)                       |
| Fund balance/net position:         |                  |                  |                               |
| Beginning of year                  | <u>75,671</u>    | <u>9,611</u>     | <u>85,282</u>                 |
| End of year                        | <u>\$ 73,200</u> | <u>\$ 10,914</u> | <u>\$ 84,114</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, 2022

#### **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, 2022

**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, 2022

#### **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 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, 2022.

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, 2022.

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, 2022.

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, 2022.

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 \$73,200 at September 30, 2022.

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.

## **Buckhead Ridge Mosquito Control District**

### **Notes to Financial Statements**

September 30, 2022

#### **NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**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.

#### **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 \$10,914 between ending governmental fund balances and total net position.

|                                    |                          |
|------------------------------------|--------------------------|
| Unassigned fund balances           | \$ 73,200                |
| Net investment in capital assets   | <u>10,914</u>            |
| Total net position                 | <u><u>\$ 84,114</u></u>  |
|                                    |                          |
| Expenditures in excess of revenues | \$ (2,471)               |
| Plus: capital outlay               | 5,000                    |
| Less: depreciation expense         | <u>(3,697)</u>           |
| Change in net position             | <u><u>\$ (1,168)</u></u> |

Adjustments were made to include the depreciation expense. This resulted in a net difference between "Expenditures in excess of revenues" and "Change in net position" of (\$3,697).

#### **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, 2022, 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 \$96,212 and a carrying amount of \$74,173 at September 30, 2022.

## Buckhead Ridge Mosquito Control District

### Notes to Financial Statements

September 30, 2022

#### NOTE C – DEPOSITS (CONTINUED)

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, 2022 consists of \$74,173 in two non-interest-bearing checking accounts.

#### 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, 2022. 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<br>October 1, 2021 | Additions | Decreases | Balance<br>September 30, 2022 |
|---|----------------------------|-----------|-----------|-------------------------------|
| Capital assets being depreciated:                 |                            |           |           |                               |
| Buildings   | \$ 14,500                  | \$ -      | \$ -      | \$ 14,500                     |
| Vehicles  | 34,045                     | -         | -         | 34,045                        |
| Machinery and equipment                           | 35,396                     | 5,000     | (5,800)   | 34,596                        |
| Total capital assets being depreciated            | 83,941                     | 5,000     | (5,800)   | 83,141                        |
| Less accumulated depreciation for:                |                            |           |           |                               |
| Buildings   | 14,015                     | 483       | -         | 14,498                        |
| Vehicles  | 33,939                     | 107       | -         | 34,046                        |
| Machinery and equipment                           | 26,376                     | 3,107     | (5,800)   | 23,683                        |
| Total accumulated depreciation                    | 74,330                     | 3,697     | (5,800)   | 72,227                        |
| Total capital assets being depreciated, net       | \$ 9,611                   | \$ 1,303  | \$ -      | \$ 10,914                     |
| Depreciation was charged to functions as follows: |                            |           |           |                               |
| Physical Environment                              | \$ 3,697                   |           |           |                               |

**Buckhead Ridge Mosquito Control District**

Notes to Financial Statements

September 30, 2022

**NOTE F - SUBSEQUENT EVENTS**

Management has performed an analysis of the activities and transactions subsequent to September 30, 2022, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended September 30, 2022. Management has performed their analysis through December 16, 2022, 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, 2022

|                                   | Budget<br>Original | Budget<br>Final | Actual           | Variance<br>Positive<br>(Negative) |
|-----------------------------------|--------------------|-----------------|------------------|------------------------------------|
| <b>REVENUES:</b>                  |                    |                 |                  |                                    |
| Ad valorem taxes                  | \$ 91,986          | \$ 91,986       | \$ 89,649        | \$ (2,337)                         |
| State shared revenues             | 17,248             | 19,013          | 19,013           | (0)                                |
| Other income                      | -                  | -               | 451              | 451                                |
| Total revenues                    | <u>109,234</u>     | <u>110,999</u>  | <u>109,113</u>   | <u>(1,886)</u>                     |
| <b>EXPENDITURES:</b>              |                    |                 |                  |                                    |
| Physical environment              |                    |                 |                  |                                    |
| Current:                          |                    |                 |                  |                                    |
| Personal services                 | 61,898             | 61,898          | 42,444           | 19,453                             |
| Operating expenditures            | 73,500             | 73,501          | 35,184           | 38,317                             |
| Chemicals and gas                 | 34,563             | 36,327          | 28,956           | 7,371                              |
| Contingency                       | 10,000             | 10,000          | -                | 10,000                             |
| Capital outlay                    | <u>7,000</u>       | <u>7,000</u>    | <u>5,000</u>     | <u>2,000</u>                       |
| Total expenditures                | <u>186,960</u>     | <u>188,725</u>  | <u>111,584</u>   | <u>77,141</u>                      |
| Net change in fund balance        | (77,727)           | (77,727)        | (2,471)          | 75,256                             |
| Fund balance at beginning of year | <u>77,727 *</u>    | <u>77,727 *</u> | <u>75,671</u>    | <u>153,398</u>                     |
| Fund balance at end of year       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ 73,200</u> | <u>\$ 228,654</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 8. See page 6 Management's Discussion and Analysis General Fund Budget Analysis for budgeting process details.

# McAlpin Cavalcanti & Lewis

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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, 2022, 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 16, 2022.

### **Report on 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.

## **Report on 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*

McAlpin Cavalcanti & Lewis CPA  
Ft. Pierce, Florida  
December 16, 2022

# 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, 2022. 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, 2022.

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*

McAlpin Cavalcanti & Lewis CPA  
Ft. Pierce, Florida  
December 16, 2022

# 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, 2022, and have issued our report thereon dated December 16, 2022.

### Auditors' 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.

### Other Reporting Requirements

We have issued our Independent Auditors' 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 Standards* 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 and schedules, which are dated December 16, 2022, should be considered in conjunction with this management letter.

### Prior Year 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. There were no findings in the prior year.

### Financial Condition and Management

Sections 10.544(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 the 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 the District did not meet any conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Section 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 review of financial information provided by the 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.

### **Specific Information**

As required by Section 28.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Buckhead Ridge Mosquito Control District reported:

- a) The total number of district employees compensated in the last pay period of the district's fiscal year was one (1).
- b) The total number of independent contractors to whom compensation was paid in the last month of the District's fiscal year being was five (5).
- c) All compensation earned or awarded to employees, whether paid or accrued, regardless of contingency \$8,945.
- d) All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency \$44,500.
- e) The District did not have any construction projects with a total cost of at least \$65,000.
- 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, see page 15.

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 \$89,649.
- c) The total amount of outstanding bonds issued by the District and the terms of such bonds: N/A – no outstanding bonds.

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grants 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 note any such findings.

### **Purpose of this Letter**

This management letter is intended for the information of the Buckhead Ridge Mosquito Control District, Legislative Auditing Committee, members of the Florida Senate, Florida House of Representatives, The Florida Auditor General, Federal Granting Agencies, the Board of Commissioners, and applicable management, 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 16, 2022