

April 10, 2021

To the Board of Commissioners
West Manatee Fire & Rescue District

We have audited the financial statements of West Manatee Fire & Rescue District for the year ended September 30, 2020. Our report is dated April 10, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 29, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Depreciation

Fixed assets are depreciated over their estimated useful lives. There is both an accumulated amount of depreciation and current year expense, as part of these financial statements. Fixed assets and related depreciation are recorded only in the government wide financial statements.

Total OPEB Liability

The District has implemented GASB Statement No. 75. As a result, the District obtained an actuarial valuation of its post-employment health benefits plan. A long-term liability in the amount of \$2,579,232, has been recorded in the government wide financial statements. The amount is based on the actuarial calculated amounts as provided by the actuary.

Net Pension Liability and Deferred Inflows and Outflows Related to the District's Pension Plan

A long-term liability in the amount of \$937,658 related to the District's proportionate share of the FRS net pension liability, and a long-term asset in the amount of \$831,400 related to the net pension asset calculated for the Firefighters' Pension Plan have been recorded in the government wide financial statements. In addition, deferred outflows of \$1,021,535 and deferred inflows of \$1,922,647 related to both the FRS and Firefighters plans have been recorded in the government wide financial statements. The amounts are based on the actuarial calculated amounts as provided by the actuary and are combined totals from the FRS and Firefighters' Plans.

We have evaluated the key factors and assumptions used to develop the significant accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

Note D describes the District's long-term debt and obligations.

Note G describes the District's retirement benefits.

Note H describes the District's other post employment benefits – other than pensions.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole. Adjustments related mainly to accounting for year end accruals, capital assets and depreciation, as well as the OPEB and pension liabilities. Management was involved in determining and has reviewed and approved all adjustments posted.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 10, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the method 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report the Schedule of Expenditures – Budget and Actual – General Fund, which accompanies the financial statements. But are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods or preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Services

At the request of management of the District, we also assisted in preparing the financial statements and related notes of the West Manatee Fire & Rescue District in conformity with U.S. generally accepted accounting principles based on information provided by the District. We also assisted with various other consultations and accounting assistance at the request of the District.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services were not conducted in accordance with *Government Auditing Standards*.

West Manatee Fire & Rescue District management agreed to assume all management responsibilities relating to the financial statements and related and any other nonaudit services we provided. The District has acknowledged in the management representation letter our assistance with preparation of the financial statements and related notes, as well as other nonaudit services that Management of the District has reviewed and approved the financial statements and related notes prior to their issuance, and any other assistance we provided, and have accepted responsibility for them. Further, Management of the District oversaw the nonaudit services by designating an individual, from senior management, with suitable skill, knowledge, or experience; evaluated the adequacy and results of those services; and accepted responsibility for them.

Restriction on Use

This information is intended solely for the use of Management and the Fire Commissioners of the West Manatee Fire & Rescue District and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

*Christopher Smith, Leonard,
Bristow + Stanell, P.A.*

**CHRISTOPHER, SMITH, LEONARD,
BRISTOW & STANELL, P.A.**