

Mescal-J6 Fire District

**Report on Internal Control and on
Compliance and Other Matters**

Year ended June 30, 2023

**Independent Accountant's Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on a Review of Financial Statements
Performed in Accordance with Government Auditing Standards**

To the Governing Board
and Management
Mescal-J6 Fire District
Benson, Arizona

We have reviewed, in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and the standards applicable to financial reviews contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the modified cash basis financial statement of each major fund of Mescal-J6 Fire District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statement, which collectively comprise the District's modified cash basis financial statement and have issued our report thereon dated December 14, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our review of the District's financial statement, we considered matters related to internal control over financial reporting (internal control) as they came to our attention during the ordinary course of performing our review procedures. Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and generally accepted government auditing standards applicable to review engagements do not require an understanding or testing of internal control over financial reporting. Accordingly, no testing of internal controls was performed as part of our review engagement and accordingly, we do not express an opinion or any other type of assurance on the effectiveness of the District's internal control over financial reporting.

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 statement 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our review we did not identify a deficiency in internal control that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free from material misstatement, we reviewed 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 review, and accordingly, we do not express such an opinion. The results of our procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Compliance with Regulatory Requirements

In connection with our review, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of Title 48, Chapter 5, Article 1 limiting the amount of certain debt and warrants that can be issued by the District and requiring certain certifications, insofar as such compliance relates to accounting matters. However, our review was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with Title 48, Chapter 5, Article 1, insofar as they relate to accounting matters.

The communication related to compliance with the provisions of Title 48, Chapter 5, Article 1 referred to in the preceding paragraph is intended solely for the information and use of members of the Arizona State Legislature, the Board of Directors, management, and other responsible parties within the District and is not intended to be and should not be used by anyone other than these specified parties.

Purpose of this Report

The purpose of this report is solely to describe the scope of our procedures on internal control and compliance and the results of those procedures, 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 a review 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.

Wahne & Armstrong, LLP

Phoenix, Arizona
December 14, 2023