

**CITY OF MIAMI OMNI COMMUNITY  
REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Basic Financial Statements

September 30, 2013

(With Independent Auditor's Report Thereon)

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

September 30, 2013

**Table of Contents**

	<b><u>Pages</u></b>
Independent Auditor's Report	1-2
Management's Discussion and Analysis (Required Supplementary Information)	3-8
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet – Governmental Funds	11
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	12
Notes to Basic Financial Statements	13-19
Required Supplementary Information (Unaudited):	
Budgetary Comparison Schedule – General Fund	20
Budgetary Comparison Schedule – Special Revenue Fund	21
Note to Required Supplementary Information	22
Other Reports:	
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 <i>Government Auditing Standards</i>	23-24
Management Letter in Accordance with the <i>Rules of the Auditor General</i> of the State of Florida	25-26

---

## **Independent Auditor's Report**

---



Sanson, Kline, Jacomino, Tandoc & Gamarra, LLP  
5805 Blue Lagoon Drive | Suite 220 | Miami, FL 33126  
Tel: (305) 269-8633 | Fax: (305) 265-0652 | www.skjtg-cpa.com

## **Independent Auditor's Report**

The Board of Directors  
City of Miami Omni Community  
Redevelopment Agency:

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

We have audited the accompanying basic financial statements of the governmental activities and each major fund of the City of Miami Omni Community Redevelopment Agency (the Agency), a component unit of the City of Miami, Florida (the City), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Agency'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

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 Agency as of September 30, 2013, and the respective changes in financial position thereof for the year then ended in conformity 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 through 8 and 19 through 21 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 any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2014 on our consideration of the Agency's internal control over financial reporting and 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 the 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 Agency's internal control over financial reporting.

*Sanson Kline Jacomine Landoe & Hamarra, LLP*

February 5, 2014

---

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

---

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2013

This section of the City of Miami Omni Community Redevelopment Agency (the Agency) financial statement presents management's analysis of the financial performance during the fiscal year that ended September 30, 2013. This discussion addresses whether or not the Agency as a whole is better off or worse off as a result of this year's activities.

**Overview**

The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the Agency, pursuant to the redevelopment plans of the Agency for new residential and commercial activity in the Omni area.

The Agency's primary source of revenue is tax-increment funds. This revenue is computed by applying the operating tax rate for the City and the County, multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations.

On June 24, 1996, the City and County entered into an Interlocal Cooperation Agreement with the Agency, whereby the Agency will receive over a three year period, commencing on the date of the Agreement, a total of \$1.2 million of tax increment revenue contributed by the City and County. If within the three-year period the Agency receives more than \$1.2 million in tax increment revenue, the excess shall be remitted to the County for the Performing Arts Center Project. Thereafter, the Agency shall remit to the County tax increment funds received up to, but no more than \$1.43 million per year. The obligation to pay the \$1.43 million each year shall cease at such time that the County has no Performing Arts Center construction bonds outstanding.

On December 31, 2007, the City and County entered into an Interlocal Agreement with the Agency, whereby in addition to the \$1.43 million per year described above for the Performing Arts Center project, the Agency shall remit on March 31, 2010 and every March 31<sup>st</sup> thereafter ending on March 31, 2012 an amount equal to 35% of the amount by which the increment revenue exceeds \$1.43 million, and on March 31, 2013 and every March 31<sup>st</sup> thereafter until March 31, 2027, including any additional time extensions beyond March 31, 2027, an amount equal to the greater of \$1.43 million or 35% of the increment revenue, provided that the amounts remitted by the Agency do not exceed \$25 million in any fiscal year.

On August 6, 2007, the City, County and The Children's Trust (the Trust) entered into an Interlocal Agreement with the Agency, whereby the Agency would receive from the Trust, on an annual basis, tax increment revenues derived from the imposition of a half-mil tax levied by the Trust against real property located within the redevelopment district (referred to as Trust revenues). The agency agreed to use the Trust revenues for debt service on, and other obligations relating to, existing debts of the Agency only after all other available tax increment revenues have been exhausted for such purpose, and to remit to the Trust on the last day of the Agency's fiscal year, all of the Trust revenues that are not needed for debt service on, or other obligations relating to, existing debts of the Agency.

Further, the Agency's policy is set by a board of directors comprised of the five members of the City commission and are separate, distinct and independent from the governing body of the City; and its management plan is executed by a small professional staff led by its executive director.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2013

**Financial Highlights**

The assets of the Agency exceeded its liabilities at the close of its most recent fiscal year by \$24,030,013. Of this amount, \$5,040,403 was invested in capital assets net of related debt, resulting in an excess of \$18,989,610 (unrestricted net assets) available to meet the Agency's obligations to citizens in the Omni area.

At the close of the current fiscal year, the Agency's governmental funds reported combined ending fund balances of \$19,060,639, an decrease of \$264,546 in comparison with the prior year.

**Overview to the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

In addition, the Agency reports, as required supplementary information, a budget to actual comparison and notes to the required supplementary information.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business (i.e. economic resources and measurement focus).

The statement of position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**Fund Financial Statements**

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 Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Both of the funds of the Agency are categorized as governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2013

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Agency maintains two individual governmental funds during fiscal year 2013. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Special Revenue Fund.

The basic governmental fund financial statements can be found on pages 11 and 12 of this report.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 13 to 19 of this report.

**Budgetary Highlights**

The Agency adopts an annual budget on an individual fund basis. Budgetary comparison schedules have been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budget on pages 20 and 21, respectively, of this report.

There were no significant variances between the original budget and the final budget for both the General Fund and Special Revenue Fund.

The significant variance between the final budget and actual amount reported for general government expenditures in the General Fund is a direct result of the amounts contributed to the General Fund by the Special Revenue Fund and the City of Miami Midtown Community Redevelopment Agency.

The significant variance between the final budget and the actual amount reported for tax increment revenue in the Special Revenue Fund was a result of the higher than originally anticipated payout from the City and County.

The significant variance between the final budget and actual amount reported for community redevelopment expenditures in the Special Revenue Fund is a result of redevelopment projects that either did not commence yet or were not yet completed as planned.

**Financial Analysis**

**Government-Wide Analysis**

Our analysis of the financial statements of the Agency begins below. The Statement of Net Position and the Statement of Activities report information about the Agency's activities that will help answer questions about the position of the Agency. A comparative analysis is provided below.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2013

**Table A-1**  
***Summary of Net Position***

	Fiscal Year <u>2013</u>	Fiscal Year <u>2012</u>
Current assets	\$ 20,475,511	\$19,899,909
Capital assets, net	<u>5,040,403</u>	<u>2,115,610</u>
Total assets	<u>25,515,914</u>	<u>22,015,519</u>
 Total liabilities	 <u>1,485,901</u>	 <u>574,724</u>
Net position:		
Net investment in capital assets	5,040,403	2,115,610
Unrestricted	<u>18,989,610</u>	<u>19,325,185</u>
Total net position	<u>\$ 24,030,013</u>	<u>\$ 21,440,795</u>

- Total assets increased from the prior year as a result of the overall increase in capital assets. As a result of the move to the new office, the Agency capitalized certain capital assets during the fiscal year.
- Total liabilities increased from the prior year as a result of the general increase in accounts payable, as well as the increase in the amounts due to The Children's Trust at year end.
- Total net position increased from the prior year as a result of the overall net increase in operations.

**Table A-2**  
***Summary of Changes in Net Position***

	Fiscal Year <u>2013</u>	Fiscal Year <u>2012</u>
Revenues:		
Intergovernmental:		
Operating	\$ 1,449,406	\$ -
General revenues:		
Tax increment revenue	10,030,533	4,794,707
Interest revenue	27,973	36,804
Net unrealized loss in fair value of investments	(79,224)	-
Other	<u>20,700</u>	<u>4,100</u>
Total revenues	<u>11,449,388</u>	<u>4,835,611</u>
Expenses:		
General government	1,170,484	631,780
Community redevelopment	<u>7,689,686</u>	<u>13,575,347</u>
Total expenses and transfers	<u>8,860,170</u>	<u>14,207,127</u>
 Change in net position	 2,589,218	 (9,371,516)
Net position, beginning of year	<u>21,440,795</u>	<u>30,812,311</u>
Net position, end of year	<u>\$ 24,030,013</u>	<u>\$ 21,440,795</u>



**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2013

- Intergovernmental revenue increased in the current year as a result of the increase in the amounts contributed from the special revenue funds of City of Miami Omni and Midtown Community Redevelopment Agencies to the general fund, as well as funds provided by the City for the Baywalk at Bicentennial Park project.
- Tax increment revenue increased in the current year as a result of the increase in the payout by the City and the County.
- General government expenditures increased from the prior year as a result of the increase in the amounts contributed to the General Fund, which administers the general operating function for the City of Miami Omni and Midtown community redevelopment agencies.
- Community redevelopment expenditures decreased in the current year as a result of the decrease in project activity from the prior year.

**Individual Fund Analysis**

The fund balance for the General Fund increased from \$0 at September 30, 2012 to \$169,977 at September 30, 2013. Fund balance for the Special Revenue Fund decreased from \$19,325,185 at September 30, 2012 to \$18,890,662 at September 30, 2013.

Since the Agency only has governmental funds/activities, the changes in fund balance also explain the increases in net position. The following are key factors in the changes in fund balances for 2013:

- The increase in fund balance in the General Fund was due to its creation during fiscal year 2013. In prior year's the General Fund was part of the City of Miami Southeast Overtown Park West Community Redevelopment Agency.
- The decrease in fund balance in the Special Revenue Fund was mainly due to the construction costs related to the new office building and to the increase in the amount contributed to the General Fund.

**Capital Assets**

As of September 30, 2013, the Agency's investment in capital assets, net of accumulated depreciation, amounted to \$5,040,403, increasing from \$2,115,610 as of September 30, 2012.

**Summary of Capital Assets**  
(Net of Accumulated Depreciation)

	Fiscal Year <u>2013</u>	Fiscal Year <u>2012</u>
Land	\$ 823,039	\$ 823,039
Infrastructure	4,205,630	1,292,571
Furniture and equipment	<u>11,734</u>	<u>-</u>
Total capital assets	\$ <u>5,040,403</u>	\$ <u>2,115,610</u>

Additional capital asset information can be found on page 17 of this report.



**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Management's Discussion and Analysis - Unaudited

September 30, 2013

**Requests for Information**

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, 1401 North Miami Avenue, Miami, Florida 33136.

---

## **Basic Financial Statements**

---

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Statement of Net Position

September 30, 2013

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in pooled cash	\$ 19,643,273
Interest receivable	7,158
Due from other government	825,080
Capital assets (net of accumulated depreciation)	
Land	823,039
Infrastructure	4,205,630
Furniture and equipment	<u>11,734</u>
Total assets	<u>25,515,914</u>
<b>Liabilities</b>	
Accounts payable	984,823
Due to other government	430,049
Non-current liabilities:	
Due in more than one year:	
Compensated absences	<u>71,029</u>
Total liabilities	<u>1,485,901</u>
<b>Net Position</b>	
Net investment in capital assets	5,040,403
Unrestricted	<u>18,989,610</u>
Total net position	<u>\$ 24,030,013</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Miami, Florida)

Statement of Activities

Year ended September 30, 2013

	Governmental Activities
Expenses:	
General government	\$ 1,170,484
Community redevelopment	<u>7,689,686</u>
Total expenses	<u>8,860,170</u>
Program revenues:	
Intergovernmental revenue:	
Operating	<u>1,449,406</u>
Net expense	<u>(7,410,764)</u>
General revenues:	
Tax increment revenue	10,030,533
Interest revenue	27,973
Net unrealized loss on fair value of investments	(79,224)
Other income	<u>20,700</u>
Total general revenues	<u>9,999,982</u>
Change in net position	2,589,218
Net position - beginning of the year	<u>21,440,795</u>
Net position - end of the year	<u>\$ 24,030,013</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Balance Sheet  
Governmental Funds  
September 30, 2013

	<u>General</u>	<u>Special revenue</u>	<u>Total governmental funds</u>
<b>Assets</b>			
Equity in pooled cash	\$ 190,681	19,452,592	19,643,273
Interest receivable	-	7,158	7,158
Due from other government	<u>3,287</u>	<u>821,793</u>	<u>825,080</u>
Total assets	<u>\$ 193,968</u>	<u>20,281,543</u>	<u>20,475,511</u>
<b>Liabilities and Fund Balances</b>			
Accounts payable	\$ 23,991	960,832	984,823
Due to other government	<u>-</u>	<u>430,049</u>	<u>430,049</u>
Total liabilities	<u>23,991</u>	<u>1,390,881</u>	<u>1,414,872</u>
Fund balances:			
Committed	-	17,900,166	17,900,166
Assigned	-	990,496	990,496
Unassigned	<u>169,977</u>	<u>-</u>	<u>169,977</u>
Total fund balances	<u>169,977</u>	<u>18,890,662</u>	<u>19,060,639</u>
Total liabilities and fund balances	<u>\$ 193,968</u>	<u>20,281,543</u>	

Amounts reported for governmental activities in the statement of net position consist of:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

5,040,403

Compensated absences are not due and payable in the current period and therefore are not reported in the funds.

(71,029)

Net position of governmental activities

\$ 24,030,013

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year ended September 30, 2013

	<u>General</u>	<u>Special revenue</u>	<u>Total governmental funds</u>
Revenues:			
Tax increment revenue	\$ -	10,030,533	10,030,533
Interest revenue	-	27,973	27,973
Intergovernmental	634,223	815,183	1,449,406
Net unrealized loss in fair value of investments	-	(79,224)	(79,224)
Other income	20,700	-	20,700
Total revenues	<u>654,923</u>	<u>10,794,465</u>	<u>11,449,388</u>
Expenditures:			
Current:			
General government	484,946	614,509	1,099,455
Community redevelopment	-	10,614,479	10,614,479
Total expenditures	<u>484,946</u>	<u>11,228,988</u>	<u>11,713,934</u>
Deficiency of revenues under expenditures / net change in fund balance	169,977	(434,523)	(264,546)
Fund Balance - beginning of the year	-	19,325,185	19,325,185
Fund Balance - end of the year	<u>\$ 169,977</u>	<u>18,890,662</u>	19,060,639
Net change in fund balance - total governmental funds			(264,546)
Amounts reported for governmental activities in the statement of activities are different because:			
Items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds:			
Increase in compensated absences			(71,029)
The governmental fund reported capital outlays as expenditures, however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:			
Expenditures for capital assets		2,973,047	
Less: depreciation expense		<u>(48,254)</u>	2,924,793
Change in net position of governmental activities			<u>\$ 2,589,218</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2013

**1. Summary of Significant Accounting Policies**

This summary of the City of Miami Omni Community Redevelopment Agency (the Agency) significant accounting policies is presented to assist the reader in interpreting the basic financial statements. The policies are considered essential and should be read in conjunction with the basic financial statements.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

**A. Reporting Entity**

The Agency was established in 1986 by the City of Miami, Florida (the City) under the provisions of Section 163, Florida Statutes. The purpose of the Agency is to eliminate blight and slum conditions within the redevelopment area of the agency pursuant to the redevelopment plans of the Agency for new residential and commercial activity of the Omni area. The board of directors of the Agency are comprised of the five members of the City commission and are separate, distinct and independent from the governing body of the City.

The City entered into an Interlocal Cooperation Agreement on June 24, 1996 with Miami-Dade County, Florida (the County) whereby tax increment revenue collected by the parties would be paid to the Agency and used in accordance with the approved budgets of the redevelopment plans and terms and conditions of the Interlocal Agreement for the benefit of the Agency. In addition, on March 13, 2000, the Agency entered into an Interlocal Agreement with the City. As stated on the agreement, the City has agreed to provide financial support to the Agency for the planning, development, program management, technical assistance, coordination, monitoring and other services needed for the projects. In addition, the City has agreed to provide personnel and other resources including the use of the City attorney, which shall serve as counsel and the City Clerk, which will serve as the official custodian of records. For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's comprehensive annual financial report as a blended component unit.

**B. Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the Agency. For the most part, the effect of interfund activity has been removed from these statements. *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 Agency does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.



**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2013

**B. Government-wide Financial Statements (continued)**

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. 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 expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resource measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Agency reports the following major governmental funds:

- The **General Fund** is the Agency's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund; and
- The **Special Revenue Fund** accounts for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specified purposes. Specifically, this fund reports tax increment revenue collected from the City, County and The Children's Trust;

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Equity in Pooled Cash**

The Agency's cash is pooled together with the City's cash. All such cash is reflected as equity in pooled cash on the Agency's governmental fund balance sheet and statement of net assets.

**E. Capital Assets**

Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation, unless donated by a related entity (e.g. the City). Capital assets donated by a related entity are recorded at the net book value of the related entity at the time of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2013

**F. Fund Equity / Net Assets**

Fund equity

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent, as follows:

- Nonspendable fund balance - amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislations.
- Committed fund balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority.
- Assigned fund balance - amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned fund balance - amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purpose within the general fund.

When both restricted and unrestricted amounts are available for use, it is the Agency's practice to use restricted resources first. Additionally, the Agency would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance.

Net position

The government-wide financial statements utilize a net position presentation. Net position can be categorized as net investment in capital assets, restricted, or unrestricted. The first category consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position results when constraints placed on the use of the net position are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of the remaining net position that does not meet the previously listed criteria.

**G. Tax Increment Revenues**

The Agency's primary source of revenue is tax increment funds. This revenue is computed by applying the operating tax rate for the City and the County, multiplied by the increased value of property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5%. Both the City and the County are required to fund this amount annually without regard to tax collections or other obligations.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2013

**G. Tax Increment Revenues (continued)**

On June 24, 1996, the City and County entered into an Interlocal Cooperation Agreement with the Agency, whereby the Agency will receive over a three year period, commencing on the date of the Agreement, a total of \$1.2 million of tax increment revenue contributed by the City and County. If within the three-year period the Agency receives more than \$1.2 million in tax increment revenue, the excess shall be remitted to the County for the Performing Arts Center Project. Thereafter, the Agency shall remit to the County tax increment funds received up to, but no more than \$1.43 million per year. The obligation to pay the \$1.43 million each year shall cease at such time that the County has no Performing Arts Center construction bonds outstanding.

On December 31, 2007, the City and County entered into an Interlocal Agreement with the Agency (the "Global Agreement"), whereby in addition to the \$1.43 million per year described above for the Performing Arts Center project, the Agency shall remit on March 31, 2010 and every March 31<sup>st</sup> thereafter ending on March 31, 2012 an amount equal to 35% of the amount by which the increment revenue exceeds \$1.43 million, and on March 31, 2013 and every March 31<sup>st</sup> thereafter until March 31, 2027, including any additional time extensions beyond March 31, 2027, an amount equal to the greater of \$1.43 million or 35% of the increment revenue, provided that the amounts remitted by the Agency do not exceed \$25 million in any fiscal year. For the fiscal year ended September 30, 2013, the Agency remitted a total of \$3,360,169 to the County.

On August 6, 2007, the City, County and The Children's Trust (the Trust) entered into an Interlocal Agreement with the Agency, whereby the Agency would receive from the Trust, on an annual basis, tax increment revenues derived from the imposition of a half-mil tax levied by the Trust against real property located within the redevelopment district (referred to as Trust revenues). The Agency agreed to use the Trust revenues for debt service on, and other obligations relating to, existing debts of the Agency only after all other available tax increment revenues have been exhausted for such purpose, and to remit to the Trust on the last day of the Agency's fiscal year, all of the Trust revenues that are not needed for debt service on, or other obligations relating to, existing debts of the Agency. As of September 30, 2013, the Agency recorded an amount due to the Trust totaling \$430,049.

**H. Use of 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 amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

**2. Cash Deposits**

The Agency's cash as of September 30, 2013, consisted of equity in pooled cash in the amount of \$19,279,721. The Agency's fund participates in the City's pool on a dollar equivalent and daily transaction basis. Interest income and unrealized gains and losses in fair value of investments are distributed monthly based on a monthly average balance.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2013

**2. Cash Deposits (continued)**

Custodial Credit Risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. In addition to insurance provided by the Federal Deposit Insurance Corporation (FDIC), deposits are held in banking institutions approved by the State of Florida, State Treasurer to hold public funds. Under the Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

**3. Capital Assets**

Capital asset activity for the fiscal year ended September 30, 2013 was as follows:

	Balance September 30, 2012	Transfers / Additions	Transfers / Deletions	Balance September 30, 2013
Capital assets, not being depreciated:				
Land	\$ 823,039	-	-	823,039
Capital assets, being depreciated:				
Infrastructure	1,368,604	2,958,679	-	4,327,283
Furniture and equipment	-	14,368	-	14,368
Total capital assets, being depreciated	1,368,604	2,973,047	-	4,341,651
Less accumulated depreciation for:				
Infrastructure	76,033	45,620	-	121,653
Furniture and equipment	-	2,634	-	2,634
Total accumulated depreciation	76,033	48,254	-	124,287
Total capital assets, being depreciated, net	1,292,571	2,924,793	-	4,217,364
Total capital assets (net of accumulated depreciation)	\$ 2,115,610	2,924,793	-	5,040,403

During fiscal year 2013, depreciation expense in the amount of \$48,254 was charged to Community Redevelopment.

**4. Long-Term Obligations**

The changes in the long-term obligations for the year ended September 30, 2013 are summarized as follows:

	Balance September 30, 2012	Additions	Deletions	Balance September 30, 2013	Amount due within one year
Compensated absences	\$ -	71,029	-	71,029	-

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2013

**5. Fund Balances**

At September 30, 2013, the Agency reported the following governmental fund balances:

- Committed fund balance - these amounts can only be used for specific purposes pursuant to constraints imposed by the Board of the Agency. The items cannot be removed unless the Board removes it in the same manner it was implemented.
- Assigned fund balance - these amounts are approved and constrained by the Agency's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned fund balance - these amounts have not been assigned to other funds and have not been restricted, committed, or assigned to specific purpose within the general fund.

Below is a table of fund balance categories and classifications at September 30, 2013:

	<u>General</u>	<u>Special Revenue</u>
Committed	\$ -	17,900,166
Assigned	-	990,496
Unassigned	<u>169,977</u>	<u>-</u>
Total	<u>\$ 169,977</u>	<u>18,890,662</u>

**6. 401(a) Deferred Compensation Plan**

All employees, including executives and general employees, of the Agency are eligible, after one year of service, to join the ICMA Retirement Trust 401(a) Deferred Compensation Plan (the Plan). The Plan agreement requires the Agency to contribute 8% of each executive employee's earnable compensation, and 5% of each general employee's earnable compensation. Contributions by executive and general employees are not required. Participants may withdraw funds at retirement or upon separation based on a variety of payout options. The following information relates to the Agency's participation in the 401(a) Deferred Compensation Plan:

Current year's payroll for executive employees	\$ 117,740
Current year's payroll for general employees	98,000
Current year's employer contributions for:	
Executive employees (8% rate)	9,800
General employees (5% rate)	7,840

**7. Commitment and Contingencies**

The Agency is contractually obligated for approximately \$10.425 million at September 30, 2013, for construction projects.

In accordance with the Global Agreement entered into between the Agency, the County, and the City, the Agency is committed to provide an annual contribution of \$2 million to Museum Park's capital expenditure fund, payable commencing on the date of substantial completion of the park component of the project through 2030. As of September 30, 2013, the park was not substantially complete.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Notes to Basic Financial Statements

September 30, 2013

**7. Commitment and Contingencies (continued)**

Also as part of the Global Agreement, the Agency agreed to fund the City's portion of the Port Tunnel project upon substantial completion. On October 25, 2012, the Agency's Board authorized the issuance of an annual grant to the City, in an amount equal to the total principal (up to \$50 million) and interest on the debt issued by the City to fund its portion of the Port Tunnel project, and further authorized the Executive Director to execute a Port Tunnel Interlocal and Grant Agreement with the City. Payments on the grant started in fiscal year 2013 and will continue through fiscal year 2030, and are pledged by tax increment funds. During the fiscal year ended September 30, 2013, payments made on the grant to the City totaled \$1,539,508.

**8. New Pronouncements Issued**

The following pronouncements were implemented in the current year financial statements of the Agency:

- GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* - this statement improves financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position.

The following pronouncements have recently been issued by the GASB, but will not have a material impact on future financial statements of the Agency:

- GASB Statement 65, *Items Previously Reported as Assets and Liabilities*, which will be effective for the fiscal year ending September 30, 2014.
- GASB Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*, which will be effective for the fiscal year ending September 30, 2014.
- GASB Statement 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*, which will be effective for the fiscal year ending September 30, 2014.
- GASB Statement 68, *Accounting and Financial Reporting for Pensions- an amendment of GASB Statement No. 27*, which will be effective for the fiscal year ending September 30, 2015.
- GASB Statement 69, *Government Combinations and Disposals of Government Operations*, which will be effective for the fiscal year ending September 30, 2015.
- GASB Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, which will be effective for the fiscal year ending September 30, 2014.
- GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which will be effective for the fiscal year ending September 30, 2015.

**9. Subsequent events**

The Agency evaluated subsequent events through February 5, 2014, the date the financial statements were available to be issued.

---

**Required Supplementary Information**

---



**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Miami, Florida)

Budgetary Comparison Schedule - General Fund

(Required Supplementary Information - Unaudited)

For the year ended September 30, 2013

	<b>Budgeted amounts</b>			<b>Variance - positive (negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
Revenues:				
Intergovernmental	\$ 634,814	634,223	634,223	-
Other income	-	-	20,700	20,700
Total revenues	<u>634,814</u>	<u>634,223</u>	<u>654,923</u>	<u>20,700</u>
Expenditures:				
Current:				
General government	<u>634,814</u>	<u>634,223</u>	<u>484,946</u>	<u>149,277</u>
Total expenditures	<u>634,814</u>	<u>634,223</u>	<u>484,946</u>	<u>149,277</u>
Excess of revenues over expenditures	-	-	169,977	169,977
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>169,977</u>	<u>169,977</u>
Fund balance - beginning of the year			-	
Fund balance - end of the year			<u>\$ 169,977</u>	

The note to the required supplementary information is an integral part of this schedule.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Miami, Florida)

**Budgetary Comparison Schedule - Special Revenue Fund**

(Required Supplementary Information - Unaudited)

For the year ended September 30, 2013

	<u>Budgeted amounts</u>			<b>Variance - positive (negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Tax increment revenue	\$ 9,600,900	\$ 9,598,671	10,030,533	431,862
Interest revenue	-	-	27,973	27,973
Intergovernmental revenue	-	-	815,183	815,183
Net unrealized loss in fair value of investments	-	-	(79,224)	(79,224)
Other income	-	-	-	-
Total revenues	<u>9,600,900</u>	<u>9,598,671</u>	<u>10,794,465</u>	<u>1,195,794</u>
Expenditures:				
Current:				
General government	610,509	610,509	614,509	(4,000)
Community redevelopment	<u>29,084,844</u>	<u>28,323,347</u>	<u>10,614,479</u>	<u>17,708,868</u>
Total expenditures	<u>29,695,353</u>	<u>28,933,856</u>	<u>11,228,988</u>	<u>17,704,868</u>
Deficiency of revenues under expenditures	(20,094,453)	(19,335,185)	(434,523)	18,900,662
Other financing sources:				
Net carryover fund balance	<u>20,094,453</u>	<u>19,335,185</u>	-	<u>19,335,185</u>
Total other financing sources	<u>20,094,453</u>	<u>19,335,185</u>	-	<u>19,335,185</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>(434,523)</u>	<u>(434,523)</u>
Fund balance - beginning of the year			<u>19,325,185</u>	
Fund balance - end of the year			<u>\$ 18,890,662</u>	

The note to the required supplementary information is an integral part of this schedule.

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Note to Required Supplementary Information

September 30, 2013

**1. Budgetary Policy**

The Agency adopts an annual budget for the operations of the General Fund and Special Revenue Fund. In accordance with generally accepted accounting principles, budgetary comparison information is disclosed for the General Fund and the Special Revenue Fund.

The budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Budgetary control is maintained at the fund level.

---

### **Other Reports**

---



Sanson, Kline, Jacomino, Tandoc & Gamarra, LLP  
5805 Blue Lagoon Drive | Suite 220 | Miami, FL 33126  
Tel: (305) 269-8633 | Fax: (305) 265-0652 | www.skjtg-cpa.com

**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***

The Board of Directors  
City of Miami Omni Community  
Redevelopment Agency:

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 and the major fund of the City of Miami Omni Community Redevelopment Agency (the Agency) as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated February 5, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 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 Agency'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.

*Sanson Kline Jacomine Landee S Hamarra, LLP*

February 5, 2014





Sanson, Kline, Jacomino, Tandoc & Gamarra, LLP  
5805 Blue Lagoon Drive | Suite 220 | Miami, FL 33126  
Tel: (305) 269-8633 | Fax: (305) 265-0652 | www.skjtg-cpa.com

**Management Letter in Accordance with the  
Rules of the Auditor General of the State of Florida**

The Board of Directors  
City of Miami Omni Community  
Redevelopment Agency:

We have audited the financial statements of the City of Miami Omni Community Redevelopment Agency (the Agency), a Component Unit of the City of Miami, Florida, as of and for the fiscal year ended September 30, 2013, and have issued our report thereon dated February 5, 2014.

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 and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditors' Reports 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*. Disclosures in those reports, which are dated February 5, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which are not included in the aforementioned auditor's reports:

- 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 not otherwise addressed in the auditor's report pursuant to Section 10.557(3)(b)2., Rules of the Auditor General. Corrective actions have been taken to address findings and recommendation made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our current year audit, we determined that the Agency complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. See current year findings and recommendations at Appendix A to this report.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, fraud, illegal acts, 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 which warrants the attention of those charged with governance. In connection with our current year audit, we did not have any such findings.



- Section 10.554(1)(i)5., 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. Such disclosures are made in note 1 to the Agency's financial statements.
- Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our current year audit, we determined that the Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)6.b., Rules of the Auditor General, requires that we determine whether the annual financial reports for the Agency for the fiscal year ended September 30, 2013, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2013. The Agency does not file a separate report with the State of Florida Department of Financial Services. The financial operations of the Agency are included in the basic financial statements of the City of Miami, Florida for the year ended September 30, 2013.
- Sections 10.554(1)(i)6.c. and 10.556(7), Rules of the Auditor General, require that we apply financial condition assessment procedures. In connection with our current year audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity'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.

This management letter is intended solely for the information and use of the board of directors, management of the Agency, and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

*Sanson Kline Jacomine Landac & Hamarra, LLP*

February 5, 2014

**CITY OF MIAMI OMNI COMMUNITY REDEVELOPMENT AGENCY**  
(A Component Unit of the City of Miami, Florida)

Management Letter in Accordance With the  
*Rules of the Auditor General* of the State of Florida

Year ended September 30, 2013

**Current Year's Findings and Recommendations**

**2013-1 – Monthly Financial Reporting to the Board**

**Criteria** – As a best practice, detailed monthly financial information should be reported to the Board Members at the Agency's monthly Board meetings.

**Condition** – Based on review of the monthly Board meeting minutes, we noted that management of the Agency is not presenting monthly financial information to the Board Members.

**Cause** – Once management of the City's three CRA's split in 2012, the Agency no longer had a full-time Financial Officer. As such, financial information was not being accumulated and reported to the Board on a monthly basis.

**Effect** – Presenting detailed monthly financial information to the Board Members will keep them apprised of the financial condition of the Agency, and will provide them with the ability to make better informed decisions as it relates to the Agency's finances.

**Recommendation** – We recommend that the Agency, at a minimum, report a detail of revenues and expenditures on a monthly basis to the Board Members of the Agency.

**View of Responsible Officials and Planned Corrective Actions** – The Agency does present financial information to the Board Members, but not in the format recommended above. Going forward, The Agency will follow the recommendation above.