



## **FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

(A Component Unit of the City of Fort  
Meade, Florida)

FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORTS  
SEPTEMBER 30, 2020

# Fort Meade Community Redevelopment Agency

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**Fort Meade Community Redevelopment Agency**

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## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Community Redevelopment Agency (the CRA), a component unit of the City of Fort Meade, Florida (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the CRA'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.

### CERTIFIED PUBLIC ACCOUNTANTS

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To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

## **INDEPENDENT AUDITOR'S REPORT**

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 the major fund of the CRA, as of September 30, 2020, and the respective changes in financial position for the year then ended in accordance 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 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 17, 2021, on our consideration of the CRA'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 CRA'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 CRA's internal control over financial reporting and compliance.



February 17, 2021  
Sarasota, Florida

## **FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

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

September 30, 2020

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The Management's Discussion and Analysis (MD&A) is designed to provide an objective and easy to read analysis of the Fort Meade Community Redevelopment Agency (the CRA)'s financial activities. The analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the CRA's financial activity, identify the changes in the CRA's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues of concern.

Since the Management's Discussion and Analysis is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the CRA's financial statements and independent auditors' report.

#### **Financial Highlights**

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$121,040 (net position). All of which is restricted for community redevelopment uses.
- The CRA's total net position increased by \$13,514 during the year ended September 30, 2020.
- As of the close of the current fiscal year, the CRA's general fund reported ending fund balance of \$121,040 compared to \$107,526 at the end of the prior fiscal year, an increase of \$13,514 or 13%.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the CRA's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the CRA's assets, liabilities, and deferred inflows and outflows of resources with the residual measure 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 CRA is improving or deteriorating.

The statement of activities presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to the approach used by private-sector business in that revenue is recognized when earned or established criteria are satisfied, and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the year, and expenses are reported even though they may not have used cash during the current fiscal year.

Both government-wide financial statements are designed to distinguish functions of the CRA that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The CRA does not engage in business-type activities and as such, no business-type activities are reported in the financial statements.

## **FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

Management's Discussion and Analysis

September 30, 2020

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The governmental activities of the CRA are exclusively comprised of the community redevelopment function.

The government-wide financial statements can be found by referencing the table of contents of this report.

Fund financial statements: Funds are a group of self-balancing accounts. Funds are used to account for specific activities of the CRA, rather than reporting on the CRA as a whole. The CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 if there are any differences between the two. For the current year, there were no differences reported in these reconciliations.

The CRA maintains only one fund, a major governmental fund designated as the general fund.

The basic governmental fund financial statements can be found by referencing the table of contents of this report.

Notes to the 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 financial statements can be found by referencing the table of contents of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the CRA's general fund budgetary comparisons. Required supplementary information can be found by referencing the table of contents of this report.



**FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

Management's Discussion and Analysis

September 30, 2020

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position.** The following table reflects a summary of the statement of net position compared to the prior year. The statement of net position can be found by referencing the table of contents of this report.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table reflects a summary of net position compared to the prior year.

**Statement of Net Position (Summary)**  
as of September 30,

	<b>Governmental Activities</b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>Assets</b>		
Current and other assets	\$ 147,201	\$ 109,918
<b>Total assets</b>	<u>147,201</u>	<u>109,918</u>
<b>Liabilities</b>		
Current liabilities	26,161	2,392
<b>Total liabilities</b>	<u>26,161</u>	<u>2,392</u>
<b>Net position:</b>		
Restricted	121,040	107,526
<b>Total net position</b>	<u>\$ 121,040</u>	<u>\$ 107,526</u>

On September 30, 2020 and 2019, 100% of the CRA's net position is reported as restricted and can only be used for community redevelopment in accordance with Chapter 163, Florida Statutes and the community redevelopment plan.

**Statement of Activities.** The following table reflects a summary of the statement of activities compared to the prior year. The statement of activities can be found by referencing the table of contents of this report.

**Statement of Activities (Summary)**  
For the year ended September 30,

	<b>Governmental Activities</b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>Revenues:</b>		
<i>Program Revenues:</i>		
Operating grants/contrib.	\$ 3,157	\$ -
<i>General revenues:</i>		
Taxes	133,633	74,488
Other	-	428
<b>Total revenues</b>	<u>136,790</u>	<u>74,916</u>
<b>Expenses:</b>		
Governmental activities:		
Community redevelopment	123,276	31,611
<b>Total expenses</b>	<u>123,276</u>	<u>31,611</u>
Change in Net Position	13,514	43,305
Net position - Beginning	107,526	64,221
Net position - Ending	<u>\$ 121,040</u>	<u>\$ 107,526</u>

## **FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

Management's Discussion and Analysis

September 30, 2020

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### **Governmental activities**

During 2020, governmental activities' net position increased by \$13,514 compared to an increase of \$43,305 in the prior year. The main reason for current year changes are as follows:

- Total revenue increased by \$61,874 or 83% mainly due to an increase in property tax increment revenue of \$59,145 or 79% due to increased property values within the CRA district and an increase in the City's millage rate.
- Total expenses increased by \$91,665 or 290% mainly due to increased capital acquisitions in the amount of approximately \$71,900 as summarized below:
  - Parking lot acquisition- \$13,800
  - Community Center Improvements - \$58,100

### **FINANCIAL ANALYSIS OF THE CRA'S FUNDS**

**Governmental funds:** The focus of the CRA's governmental fund (general fund) statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA's financing requirements.

As of the end of the current fiscal year, the CRA's sole fund, the general fund, reported ending fund balances of \$121,040 an increase of \$13,514 in comparison with the previously reported balance in the prior year of \$107,526. The entire fund balance of the CRA's general fund is restricted for community redevelopment expenditures.

The major changes in the current year in comparison to the prior year are detailed above in the governmental activities section.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual resources were slightly less than budgeted resources by \$110 and actual charges to appropriations were \$6,322 less than budgeted resulting in an overall favorable budget variance of \$6,212. The general fund budget was amended to increase revenue by \$57,700 and increase expenditures by \$43,905. The amendments were made to reflect greater than anticipated revenues and expenditures.

## **FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

Management's Discussion and Analysis

September 30, 2020

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### **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets:** The CRA reported no capital assets as of September 30, 2020 or 2019.

The CRA often engages in the construction, renovation, and/or acquisition of capital assets which may include land, buildings, improvements or furniture and equipment. None of these assets are titled to the CRA and the CRA does not have operational oversight nor obligation for ongoing repair and maintenance of the assets rather the assets are transferred to the City upon acquisition or upon completion of construction or renovation.

For long term construction or renovation projects, the costs are capitalized in the governmental activities of the CRA and are transferred to the City upon completion.

**Long-Term Debt:** The CRA reported no long-term obligations as of September 30, 2020 or 2019.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

#### **Budget Highlights**

The following significant item will affect the 2021 fiscal year:

- The approved budget for the fiscal year 2020-2021 provides for an increase in tax revenue of the general fund in the amount of \$125,411 or 94% due to increases in the property values within the CRA district.

### **REQUEST FOR INFORMATION**

This financial report is designed to provide users with a general overview of the CRA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 8 West Broadway Street, Fort Meade, FL 33841 or telephone (863) 285-1100. You can also access our website at <http://www.cityoffortmeade.com>.

**FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

## Statement of Net Position

September 30, 2020

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	<b>Governmental Activities</b>
<b>ASSETS</b>	
Equity in pooled cash and cash equivalents	<u>\$ 147,201</u>
<b>TOTAL ASSETS</b>	<u>147,201</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	<u>26,161</u>
<b>TOTAL LIABILITIES</b>	<u>26,161</u>
<b>NET POSITION</b>	
Restricted for:	
Community redevelopment	<u>121,040</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 121,040</u></u>

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*The accompanying notes are an integral part of these financial statements*

**FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

## Statement of Activities

For the year ended September 30, 2020

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grant and Contributions	Capital Grant and Contributions	
<b>Governmental activities:</b>					
Community redevelopment	123,276	-	3,157	-	(120,119)
<b>Total governmental activities</b>	<b>123,276</b>	<b>-</b>	<b>3,157</b>	<b>-</b>	<b>(120,119)</b>
<b>GENERAL REVENUES</b>					
Taxes:					
Property taxes, levied for community redevelopment purposes					133,633
Total general revenues					133,633
<b>CHANGE IN NET POSITION</b>					13,514
<b>NET POSITION, beginning of year</b>					107,526
<b>NET POSITION, end of year</b>					<u>\$ 121,040</u>

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*The accompanying notes are an integral part of these financial statements*

**FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

Balance Sheet – Governmental Fund

September 30, 2020

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	<b>General Fund</b>
<b>ASSETS</b>	
Equity in pooled cash and cash equivalents	\$ 147,201
<b>TOTAL ASSETS</b>	<u>\$ 147,201</u>
<b>LIABILITIES</b>	
Accounts payable	26,161
<b>TOTAL LIABILITIES</b>	<u>26,161</u>
<b>FUND BALANCE</b>	
Restricted for:	
Community redevelopment	121,040
<b>TOTAL FUND BALANCES</b>	<u>121,040</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 147,201</u>
 <b>SUMMARY RECONCILIATION TO THE GOVERNMENT WIDE FINANCIAL STATEMENTS:</b>	
<b>FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	\$ 121,040
Reconciling Items:	
None	-
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ 121,040</u>

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*The accompanying notes are an integral part of these financial statements*

**FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Fund  
For the year ended September 30, 2020

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	<b>General Fund</b>
<b>REVENUES:</b>	
Taxes	\$ 133,633
Intergovernmental revenue	3,157
Total revenues	<u>136,790</u>
<b>EXPENDITURES:</b>	
Current:	
Economic environment	23,549
Capital outlay	99,727
Total expenditures	<u>123,276</u>
<b>NET CHANGE IN FUND BALANCE</b>	13,514
<b>FUND BALANCE, beginning of year</b>	<u>107,526</u>
<b>FUND BALANCE, end of year</b>	<u><u>\$ 121,040</u></u>
<b>SUMMARY RECONCILIATION TO THE GOVERNMENT WIDE FINANCIAL STATEMENTS:</b>	
<b>NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND</b>	\$ 13,514
Reconciling Items:	
None	-
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 13,514</u></u>

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*The accompanying notes are an integral part of these financial statements*

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Fort Meade Community Redevelopment Agency's (the "CRA") financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its statements (GASBS) and Interpretations (GASBI). The more significant accounting policies established by GAAP and used by the CRA are discussed below.

**A. REPORTING ENTITY**

The CRA is a dependent special district created in 2008 by the City of Fort Meade, Florida (the "City") under Chapter 163, Part III, of the Florida Statutes via Ordinance No. 07-18. The CRA was created for the purpose of eliminating and preventing the development and spread of deterioration and blight through the clearance, re-planning, reconstruction, rehabilitation, conservation, or renewal of areas designated for residential, commercial, industrial, community, public, and other uses. The CRA's property taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. The Board of the CRA is comprised of the five members of the City Commission.

As the City and the CRA are separate legal entities, the parties also share the mutual goal of redeveloping the CRA areas. The City provides administrative support services in the same manner as provided by the City in the conduct of its own affairs or as otherwise provided by the CRA Plans or By-Laws. City Management has operational responsibility for the CRA. For the year ended September 30, 2020, the CRA paid the City \$1,607 for the provision of these administrative support services.

The accompanying financial statements present the CRA and its component units, entities for which the CRA is financially accountable. Criteria for determining if other entities are potential component units of the CRA which should be reported with the CRA's basic financial statements are identified and described in the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100. The application of these criteria provides for identification of any entities for which the CRA is financially accountable and other organizations for which the nature and significance of their relationship with the CRA are such that exclusion would cause the CRA's basic financial statements to be misleading or incomplete. Based on these criteria, the financial reporting entity does not include or exclude any component units.

The City is financially accountable for the CRA and as such, the CRA is considered to be a blended component unit in the City's basic financial statements.

**B. BASIS OF PRESENTATION**

The basic financial statements consist of the government-wide financial statements and fund financial statements.

**Government-Wide Financial Statements** - The required government-wide financial statements are the Statement of Net Position and the Statement of Activities, which report information on all of the nonfiduciary activities of the CRA. The effects of interfund activity would have been removed from these statements if there were any interfund activity. *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 CRA does not engage in 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.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

*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*.

**Fund Financial Statements** - The financial transactions of the CRA are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows and outflows of resources, fund equity, revenues and expenditures/expenses. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB Cod. Sec 2200 sets forth minimum criteria (percentage of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Each major fund is presented in a separate column and all non-major funds are aggregated and presented in a single column. Due to the CRA's fund structure, there were no non-major funds.

The financial transactions of the CRA are recorded in a single governmental "general" fund. There are no other governmental funds, no proprietary funds nor any fiduciary funds.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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 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 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisition under capital leases are reported as other financing sources.

Property taxes are recognized as revenues in the year for which they are levied. Franchise and public service taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual as revenue of the current period.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the CRA.

Imposed nonexchange resources (property taxes, fines) are reported as deferred inflows if received before the tax is levied or before the date when use is first permitted. Government mandated nonexchange transactions and voluntary nonexchange transactions are reported as liabilities until the eligibility requirements (excluding time requirements) are met and as deferred inflows if received before time requirements are met and all other eligibility requirements have been satisfied.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE**

**CASH AND INVESTMENTS:**

**CASH AND CASH EQUIVALENTS** – Cash and cash equivalents includes demand deposits, repurchase agreements with financial institutions, petty cash, money market funds and equity in pooled cash and cash equivalents. Equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and have an original maturity of three months or less.

**POOLED CASH AND CASH EQUIVALENTS** - The City maintains an accounting system which centralizes the cash and cash equivalent function for all of the City's funds. The CRA's "share" of these pooled cash and cash equivalents is included in cash and cash equivalents on the accompanying balance sheet and statement of net position. Earnings on City deposits are distributed monthly in accordance with the participating fund's relative percentage of the total deposits.

**INVESTMENTS** - All investments are reported at fair value which is the price that would be received to sell an investment in an orderly transaction between market participants.

**RECEIVABLES AND UNEARNED REVENUES** - All receivables are reported at their gross value reduced by the estimated portion that is expected to be uncollectible. As of September 30, 2020, the CRA reported no receivables and therefore no allowance for uncollectible accounts receivable. In the fund financial statements, recognition of governmental fund-type revenues is deferred until they become measurable and available, in accordance with the modified accrual basis of accounting. Receivables are considered available if received within 60 days of year-end.

Governmental funds report unavailable revenues in connection with receivables whose ultimate collection is not considered to be available to liquidate liabilities of the current period. All funds and activities may also report unearned revenue for resources that have been received, but not yet earned.

**INVENTORIES** – Inventory is immaterial and such items are recorded as expenditures/expenses when purchased.

**PREPAID ITEMS** – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**CAPITAL ASSETS** – In the government-wide financial statements capital assets may include land, buildings, improvements, infrastructure, and furniture and equipment.

The CRA often engages in the construction, renovation, and/or acquisition of capital assets which may include land, buildings, improvements or furniture and equipment. None of these assets are titled to the CRA and the CRA does not have operational oversight nor obligation for ongoing repair and maintenance of the assets rather the assets are transferred to the City upon acquisition or upon completion of construction or renovation.

For long term construction or renovation projects, the costs are capitalized in the governmental activities of the CRA and are transferred to the City upon completion.

In the event that capital assets are purchased and titled to the CRA or if the CRA has ongoing operational responsibility of a capital asset, the CRA would report these at historical cost, if purchased and at estimated acquisition value if donated. Capital assets are defined by City policy as personal or real property or improvements with an individual cost of \$1,000 or more and an estimated useful life in excess of one year. Maintenance and repair costs which do not improve or extend the life of the respective assets are charged to expense.

In the fund financial statements, capital assets are accounted for as capital outlay expenditures of the CRA's general fund upon acquisition.

**INTEREST COSTS** - Interest costs are recognized as an expense in the period in which the cost is incurred in the statement of activities or as an expenditure on a basis consistent with governmental fund accounting principles in the statement of revenues, expenditures and changes in fund balance.

**DEFERRED OUTFLOWS/INFLOWS OF RESOURCES** - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will *not* be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position will sometimes report a section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applied to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

**LONG-TERM OBLIGATIONS** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method. Debt issuance costs are reported as an expense in the period incurred. Bond premiums and discounts are reported, net of amortization, in the related debt balances shown in the financial statements. For current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is the shorter. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements; rather the debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**EQUITY CLASSIFICATIONS -**

**Government-wide Statements** - The difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and displayed in three components:

*Net investment in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted net position* - Consists of restricted assets reduced by liabilities related to those assets. Net position is reported as restricted only when restricted by outside parties or enabling legislation.

*Unrestricted net position* - Consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

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

**Fund Statements** - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the CRA is bound to honor the constraints on the specific purposes for which amounts in those funds can be spent. Spendable resources are to be shown as restricted, committed, assigned and unassigned as considered appropriate in the CRA's circumstances. The following classifications describe the relative strength of the spending constraints:

*Nonspendable* - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

*Restricted* — This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Total fund balance of the CRA is reported as restricted in accordance with applicable State Statute requirements.

*Committed* — This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the CRA's Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

*Assigned* — This classification includes amounts that are constrained by the CRA's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the CRA Board of Directors or through the Board of Directors delegating this responsibility to the City Manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

*Unassigned* — all other spendable amounts.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

The details of the fund balances are included in the governmental fund balance sheet. The CRA uses restricted funds first, followed by committed resources, and then assigned resources, as opportunities arise, but reserves the right to selectively spend unassigned resources first.

**USE OF ESTIMATES** – The preparation of the basic financial statements in conformity with generally accepted accounting principles, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the basic financial statements. Actual results could differ from estimates.

**NOTE 2 – INCREMENTAL PROPERTY TAX REVENUE**

The CRA's primary source of revenue is tax-increment funds. This revenue is computed by applying the respective operating tax rates for the City and Polk County, Florida (the "County") multiplied by the increased value of property located within the boundaries of the redevelopment areas of the CRA in excess of the base property value, minus 5%. The City and County are required to fund this amount annually by January 1 of each year without regard to tax collections or other obligations.

The City and County millage rates in effect for the fiscal year ended September 30, 2020 were 7.8899 and 7.1565, respectively.

**NOTE 3 - BUDGETARY LAW AND PRACTICE**

The budget is approved by the Board of Directors of the CRA and then formally adopted by an Ordinance of the City Commission on or before October 1 of each year. Because the City has operational responsibility for the CRA, the CRA utilizes the City's budgetary level of control policy which establishes the legal level of budgetary control at the fund level for all the CRA's funds. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations subject to notification of the CRA's Board of Directors; however, any revisions that alter the total expenditure of any fund must be approved by an Ordinance of the City Commission. Budgets for all funds are adopted on the basis of cash receipts and disbursements which differs from the basis used for financial reporting purposes. These differences are usually not significant.

All final budget amounts presented in the accompanying required supplementary information have been adjusted for legally authorized amendments.

**NOTE 4 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*Compliance with Finance Related Legal and Contractual Provisions* - the CRA had no material violations of finance related legal and contractual provisions.

*Deficit Fund Balance or Net Position of Individual Funds* - As of September 30, 2020, no individual fund had a deficit fund balance or net position deficit.

*Excess of Expenditures Over Budget Appropriations in Individual Funds* - For the year ended September 30, 2020, no budgetary fund had an excess of expenditures over appropriations.

**NOTE 5 - DEPOSITS AND INVESTMENTS**

**DEPOSITS IN FINANCIAL INSTITUTIONS** - The CRA's deposits are insured by the FDIC up to \$250,000 per financial institution. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the Chief Financial Officer, State of Florida (the "CFO") in such amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the CFO will implement procedures for payment of losses according to the validated claims of the City or the CRA pursuant to Section 280.08, Florida Statutes.

**INVESTMENTS** – Because City Management has operational responsibility for the CRA, the types of investments in which the CRA may invest are governed by the City's investment policy as established by Ordinance No. 09-06. According to the City's investment policy, the CRA is authorized to invest in the following instruments:

- Securities issued by the United States Treasury for which the full faith and credit of the United States government guarantees fully all principal and interest payments. At the time of purchase, these securities may not have a maturity of greater five years.
- Securities issued by the Federal Farm Credit Bank (FFCB), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA) or the Federal Agricultural Mortgage Corporation maintaining at least two AAA/Aaa/AAA long-term credit ratings from S&Ps, Moody's or Fitch, respectively. At the time of purchase, these securities may not have a maturity of greater than five years.
- General or revenue obligations of any state of the United States, the District of Columbia, or any territorial possession of the United States maintaining at least two AAA/Aaa/AAA long-term credit ratings from S&Ps, Moody's or Fitch, respectively. At the time of purchase, these securities may not have a maturity of greater than five years.
- United States dollar denominated debt instruments issued by a corporation or bank which is organized and operation within the United States maintaining at least two AA-/Aa3/AA- long-term credit ratings from S&Ps, Moody's or Fitch, respectively. Specifically, commercial paper must carry at least two short-term credit ratings of A1+ from S&P, PI from Moody's or F1+ from Fitch. At the time of purchase, these securities may not have a maturity of greater than one year.
- Non-negotiable interest-bearing CDs or savings account in bank or savings associations provided the deposits are secured by the Florida Security of Public Deposits Act, Chapter 280, Florida Statutes and provided that the institution is not recognized on a credit watch information service list. At the time of purchase, these securities may not have a maturity of greater than one year.
- Shares in local government investment pools organized under Chapter 163, part I, Florida Statutes that, at the time of purchase, carry a AAAM rating from S&P, or AAA from Moody's or AAA from Fitch. At the time of purchase, these investments must be fully redeemable on the next business day.
- Shares in the State Board of Administration pool (SBA) organized under Chapter 218, Park IV, Florida Statutes that, at the time of purchase, carry a AAAM rating from S&P, or AAA from Moody's or AAA from Fitch. These investments also require a written recommendation from the Finance Director to the City Manager and City Commission. At the time of purchase, these investments must be fully redeemable on the next business day.

**FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

## Notes to Financial Statements

September 30, 2020

**NOTE 5 - DEPOSITS AND INVESTMENTS** (concluded)

- Money market mutual funds registered as an investment company under the federal Investment Company Act of 1940, as amended that, at the time of purchase, carry a AAAm rating from S&P, or AAA from Moody's or AAA from Fitch. At the time of purchase, these investments must be fully redeemable on the next business day.
- Repurchase agreements

The policy limits the overall investment portfolio concentration and concentration into individual investment issues as follows:

Type of Investment	Maximum Portfolio Concentration	Maximum Individual Issue Concentration
United States Treasury	100%	10%
United States Agency	100%	10%
Government Sponsored Enterprises	75%	10%
State & Local Government	30%	10%
Corporations	30%	5%
Bank Deposits	50%	35%
Certificate of Deposit	30%	10%
Local Government Investment Pool	75%	75%
State Board of Administration Pool	50%	25%
Money Market Mutual Funds	50%	25%
Repurchase Agreements	50%	25%

At September 30, 2020, the carrying amount of the CRA's deposits is summarized below:

**Equity in pooled cash and cash equivalents:**

Cash deposits in financial institutions:

Insured or fully collateralized bank deposits	\$	147,201
Total equity in pooled cash and cash equivalents	\$	147,201

The CRA had no investments on September 30, 2020.

**NOTE 6 - RISK MANAGEMENT**

During the ordinary course of its operations, the CRA is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions, and natural disasters. The CRA is covered by the City's insurance plans. The City is a member of Public Risk Management of Florida (PRM), a local government risk management pool. The PRM program is structured under a self-insured insurance program, whereby PRM pays claims up to a specified amount annually for property and general liability, public officials' liability, automobile liability and workers' compensation. PRM purchases excess insurance or stop loss insurance from commercial carriers to cover losses above the self-insured retention amounts. PRM assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. PRM cannot make additional assessments against members. Insurance coverage has not changed significantly during the current or prior year.



**Fort Meade Community Redevelopment Agency**

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**FORT MEADE COMMUNITY REDEVELOPMENT AGENCY**

Schedule of Revenue, Expenditures, and Changes in Fund Balance Budget to Actual – General Fund  
for the year ended September 30, 2020

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>REVENUES:</b>				
Taxes	\$ 79,200	\$ 133,700	\$ 133,633	\$ (67)
Intergovernmental revenue	-	3,200	3,157	(43)
Total revenues	79,200	136,900	136,790	(110)
<b>EXPENDITURES:</b>				
Economic environment	2,223	23,598	23,549	49
Capital outlay	83,470	106,000	99,727	6,273
Total expenditures	85,693	129,598	123,276	6,322
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (6,493)</b>	<b>\$ 7,302</b>	<b>\$ 13,514</b>	<b>\$ 6,212</b>

**Note to the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual**

A budget-to-actual schedule is required supplementary information for the general fund.

The annual budget for the CRA is prepared in accordance with the modified accrual basis of accounting. Under 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. For this purpose, the CRA 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 claims and judgments, are recorded only when payment is due.

The City Manager is authorized to transfer budgeted amounts within departments; however, any revisions that alter the total expenditures/expenses among departments, or in total, must be approved by the City Commission. During the year and up to 60-days subsequent to year-end, the CRA Board of Directors' may adopt an amended budget approving such additional expenditures. The accompanying schedules show the budget as originally adopted and as amended. All annual appropriations lapse at fiscal year-end.

## **GOVERNMENT AUDITING SECTION**

**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**

To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

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 Community Redevelopment Agency (the CRA), a component unit of the City of Fort Meade, Florida (the City), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated February 17, 2021.

**Internal Control over Financial Reporting**

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

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To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

**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***

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the CRA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 CRA'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 CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



February 17, 2021  
Sarasota, Florida

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE  
WITH FLORIDA STATUTE SECTION 218.415 – INVESTMENTS OF PUBLIC FUNDS**

To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

We have examined the Community Redevelopment Agency's (the CRA) compliance with Section 218.415, Florida Statutes during the fiscal year ended September 30, 2020. City management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

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 CRA complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA 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 non-compliance, 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 of the CRA's compliance with specified requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2020.

This report is intended solely for the information and use of the Florida Auditor General, the CRA Board members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



February 17, 2021  
Sarasota, Florida

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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE  
WITH FLORIDA STATUTE SECTION 163.387(6) and (7) – REDEVELOPMENT TRUST FUND**

To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

We have examined the Community Redevelopment Agency's (the CRA) compliance with Section 163.387(6) and (7), Florida Statutes during the fiscal year ended September 30, 2020. City management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

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 CRA complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA 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 non-compliance, 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 of the CRA's compliance with specified requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2020.

This report is intended solely for the information and use of the Florida Auditor General, the CRA Board members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



February 17, 2021  
Sarasota, Florida

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## MANAGEMENT LETTER

To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

### Report on the Financial Statements

We have audited the financial statements of the Community Redevelopment Agency (the CRA), a component unit of the City of Fort Meade, Florida (the City), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated February 17, 2021.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements performed in accordance with *Government Auditing Standards*, and Independent Accountant's Reports on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 17, 2021, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding financial report.

### Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This is disclosed in Note 1 of the financial statements.

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To the Board of Directors  
Community Redevelopment Agency  
City of Fort Meade, Florida

## MANAGEMENT LETTER

### Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

### Special District Component Unit

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that the special district component unit provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

### Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we communicate non-compliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and the Board members and management of the CRA, and is not intended to be and should not be used by anyone other than these specified parties.



February 17, 2021  
Sarasota, Florida