

**TOWN OF REDINGTON BEACH, FLORIDA**  
**BASIC FINANCIAL STATEMENTS, SUPPLEMENTARY**  
**INFORMATION, AND REGULATORY REPORTS**  
**YEAR ENDED SEPTEMBER 30, 2021**



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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Board of Commissioners  
Town of Redington Beach, Florida

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Redington Beach, Florida (Town), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town'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.

### ***Auditors' 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 auditors' 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, the business-type activities, and each major fund of the Town as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof 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 of the General Fund 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 Information*

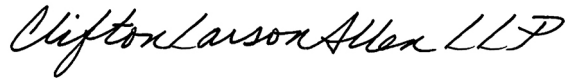
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary comparison information of the Capital Projects Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison information of the Capital Projects Fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Mayor and Members of the Board of Commissioners  
Town of Redington Beach, Florida

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2022, on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Tampa, Florida  
February 1, 2022

**TOWN OF REDINGTON BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

As management of the Town of Redington Beach (Town), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2021. As with other sections on this financial report, the information contained within this narrative should be considered as only a part of a greater whole and will mainly:

1. Focus on significant financial issues within the Town as of September 30, 2021;
2. Provide an overview of the Town's financial activity through September 30, 2021;
3. Identify any material deviations from the budgets as present and approved and subsequently closed at the end of the 2021 fiscal year; and
4. Focus on major funds (General Fund, Capital Projects Fund, Stormwater Utility Fund) and identify/discuss issues and/or concerns as to each fund.

**Financial Highlights**

- The assets of the Town of Redington Beach exceeded its liabilities at September 30, 2021, by \$11,896,335 (net position).
- The Town's total net position increased by \$473,128 (4.1%) during the year ended September 30, 2021. The governmental net position increased by \$576,472 (7.6%) and the business type net position decreased by \$103,344 (-2.7%) during the year ended September 30, 2021.
- Total revenues for the Town increased significantly by \$733,878 (41.3%) primarily due to an increase in operating grants and contributions for the Gulf Boulevard Project.

**Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other 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 Town's finances, in a manner similar to a private sector business:

The *statement of net position* presents information on all of the Town'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 Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change occurs, regardless of the timing of 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.

**TOWN OF REDINGTON BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

**Overview of Financial Statements (Continued)**

**Government-Wide Financial Statements (Continued)**

The government-wide financial statements distinguish functions of the Town that are principally supported by property 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 government activities of the Town include general government, public safety, public works, physical environment, and transportation. The business-type activities of the Town include stormwater management.

The government-wide financial statements can be found on pages 10 to 11 of this report.

**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 Town used fund accounting to ensure and demonstrate compliance with financial-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

***Governmental Funds*** – Governmental funds include the General Fund and the Capital Projects Fund and 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 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 evaluation of the Town's near-term financing requirements and can be found on pages 12 to 15.

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 Town'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. These reconciliations are on pages 13 and 15.

***Proprietary Fund*** – The proprietary fund includes the Stormwater Utility Fund (an enterprise fund) which is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing services to the general public on a continuing basis are financed through user charges. The accrual basis of accounting is used for enterprise funds. The basic proprietary fund financial statements can be found on pages 16 to 18 of this report.



**TOWN OF REDINGTON BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

**Overview of Financial Statements (Continued)**

**Notes to Basic Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 to 31 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 Town's budget process. The Town adopts an annual expenditures budget for all governmental funds. A budgetary comparison statement has been provided for the General Fund as required supplementary information. The required supplementary information can be found on page 32.

**Statement of Net Position**

The following table presents a summary of the Town's net position for the fiscal year ended September 30, 2021, compared to September 30, 2020. The summary reflects a positive financial position based on the key measures described below.

**Statement of Net Position  
September 30,**

|                            | Governmental<br>Activities |                     | Business-Type<br>Activities |                     | Total                |                      |
|----------------------------|----------------------------|---------------------|-----------------------------|---------------------|----------------------|----------------------|
|                            | 2021                       | 2020                | 2021                        | 2020                | 2021                 | 2020                 |
| <b>ASSETS</b>              |                            |                     |                             |                     |                      |                      |
| Current Assets             | \$ 6,088,212               | \$ 5,487,977        | \$ 959,302                  | \$ 927,256          | \$ 7,047,514         | \$ 6,415,233         |
| Capital Assets (Net)       | 2,137,781                  | 2,220,128           | 2,769,642                   | 2,892,173           | 4,907,423            | 5,112,301            |
| Total Assets               | 8,225,993                  | 7,708,105           | 3,728,944                   | 3,819,429           | 11,954,937           | 11,527,534           |
| <b>LIABILITIES</b>         |                            |                     |                             |                     |                      |                      |
| Current Liabilities        | 43,518                     | 102,102             | 15,084                      | 2,225               | 58,602               | 104,327              |
| <b>NET POSITION</b>        |                            |                     |                             |                     |                      |                      |
| Invested in Capital Assets | 2,137,781                  | 2,172,489           | 2,769,642                   | 2,892,173           | 4,907,423            | 5,064,662            |
| Restricted                 | 2,177,001                  | 1,944,012           | -                           | -                   | 2,177,001            | 1,944,012            |
| Unrestricted               | 3,867,693                  | 3,489,502           | 944,218                     | 925,031             | 4,811,911            | 4,414,533            |
| Total Net Position         | <u>\$ 8,182,475</u>        | <u>\$ 7,606,003</u> | <u>\$ 3,713,860</u>         | <u>\$ 3,817,204</u> | <u>\$ 11,896,335</u> | <u>\$ 11,423,207</u> |

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by \$11,896,335 as of September 30, 2021. The largest portion of the Town's net position reflects its investment in capital assets, (e.g. land, buildings, improvements, and equipment). The Town uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. The unrestricted net position of the Town increased by \$397,378 to \$4,811,911, as of September 30, 2021. Unrestricted net position may be available for appropriation.

**TOWN OF REDINGTON BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

**Government-Wide Financial Analysis**

**Statement of Activities**

*Statement of Activities:* The Town's total revenues increased by \$733,878 (41.3%) from the prior year. The total cost of all programs and services (total expenses) increased by \$709,237 (53.4%). The increase in total revenues and expenses is primarily related to the increase in operating grants and contributions revenue and related physical environment expense for the Gulf Boulevard Undergrounding Project through the Pennies for Pinellas Program. The following table presents a summary of the changes in net position for the fiscal year ended September 30, 2021, compared to 2020.

**Change in Net Position  
Years Ended September 30,**

|                                    | Governmental Activities |              | Business-Type Activities |              | Total Primary Government |               |
|------------------------------------|-------------------------|--------------|--------------------------|--------------|--------------------------|---------------|
|                                    | 2021                    | 2020         | 2021                     | 2020         | 2021                     | 2020          |
| <b>REVENUES</b>                    |                         |              |                          |              |                          |               |
| Program Revenues:                  |                         |              |                          |              |                          |               |
| Charges for Services               | \$ 50,711               | \$ 11,136    | \$ 128,012               | \$ 95,395    | \$ 178,723               | \$ 106,531    |
| Operating Grants and Contributions | 634,450                 | 86,758       | -                        | -            | 634,450                  | 86,758        |
| General Revenues:                  |                         |              |                          |              |                          |               |
| Property Taxes                     | 963,500                 | 908,023      | -                        | -            | 963,500                  | 908,023       |
| Sales and Use Taxes                | 261,673                 | 241,431      | -                        | -            | 261,673                  | 241,431       |
| Franchise Fees                     | 141,439                 | 140,349      | -                        | -            | 141,439                  | 140,349       |
| Utility Taxes                      | 136,125                 | 134,785      | -                        | -            | 136,125                  | 134,785       |
| State Revenue Sharing              | 139,027                 | 119,282      | -                        | -            | 139,027                  | 119,282       |
| Investment Income                  | 22,400                  | 20,068       | 2,029                    | 6,368        | 24,429                   | 26,436        |
| Miscellaneous                      | 30,698                  | 12,591       | -                        | -            | 30,698                   | 12,591        |
| Total Revenues                     | 2,380,023               | 1,674,423    | 130,041                  | 101,763      | 2,510,064                | 1,776,186     |
| <b>EXPENSES</b>                    |                         |              |                          |              |                          |               |
| Program Activities:                |                         |              |                          |              |                          |               |
| Primary Government:                |                         |              |                          |              |                          |               |
| Activities:                        |                         |              |                          |              |                          |               |
| General Government                 | 446,777                 | 392,880      | -                        | -            | 446,777                  | 392,880       |
| Culture and Recreation             | 126,896                 | 128,927      | -                        | -            | 126,896                  | 128,927       |
| Public Safety                      | 425,426                 | 415,873      | -                        | -            | 425,426                  | 415,873       |
| Public Works                       | 136,397                 | 123,522      | -                        | -            | 136,397                  | 123,522       |
| Physical Environment               | 622,668                 | 82,473       | -                        | -            | 622,668                  | 82,473        |
| Transportation                     | 45,387                  | 38,643       | -                        | -            | 45,387                   | 38,643        |
| Business-Type Activities:          |                         |              |                          |              |                          |               |
| Stormwater Utility                 | -                       | -            | 233,385                  | 145,381      | 233,385                  | 145,381       |
| Total Expenses                     | 1,803,551               | 1,182,318    | 233,385                  | 145,381      | 2,036,936                | 1,327,699     |
| Change in Net Position             | 576,472                 | 492,105      | (103,344)                | (43,618)     | 473,128                  | 448,487       |
| Net Position -                     |                         |              |                          |              |                          |               |
| Beginning of Year                  | 7,606,003               | 7,113,898    | 3,817,204                | 3,860,822    | 11,423,207               | 10,974,720    |
| Net Position - End of Year         | \$ 8,182,475            | \$ 7,606,003 | \$ 3,713,860             | \$ 3,817,204 | \$ 11,896,335            | \$ 11,423,207 |

**TOWN OF REDINGTON BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

**Government-Wide Financial Analysis (Continued)**

**Statement of Activities (Continued)**

*Governmental Activities:* The following list represents the three major costs associated with the Town's functional activities:

- Net Results of Activities, which will impact (increase/decrease) current assets and unrestricted net position.
- Spending of Current Assets on Capital Assets, which will reduce current assets and increase capital assets and will reduce unrestricted net position and increase amounts invested in capital assets.
- Reduction of Capital Assets through Depreciation, which will reduce capital assets and invested in capital assets, net of debt.

**Governmental Fund Budgetary Highlights**

There were no significant variances in amounts budgeted compared to actual expenditures within the General Fund. Significant budgetary decreases were noted for the following: \$20,000 in legal counsel, \$10,500 in Town Clerk. These decreases were offset by budgetary increases of \$16,000 in comprehensive planning, \$4,000 in transportation, and \$10,500 in parks and recreation.

There were no significant variances in amounts budgeted compared to actual expenditures within the Capital Projects Fund. Significant budgetary increases were noted for physical environment of \$573,000 with a corresponding increase in intergovernmental revenues of \$573,000.

**Capital Assets**

Depreciable capital asset additions of \$7,581 were due to assets purchased in the Capital Projects Fund. Refer to Note 3 for further details.

**Financial Analysis of the Town's Funds**

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

*Governmental Funds:* Government funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the Town's financing requirements. In particular, unassigned fund balances may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year. The Town had an unassigned fund balance of \$2,565,658 as of September 30, 2021.

**TOWN OF REDINGTON BEACH, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

**Economic Factors and Next Year's Budget**

The Town does not foresee any economic conditions that may adversely affect the Town's future financial position. The Town's primary recurring revenue source is Ad Valorem taxes for fiscal year 2022, and the millage rate stayed the same as 2021.

The town only budgeted \$50,000.00 for the Gulf Boulevard project, however, since the term of the interlocal agreement was ending on September 30th, the town paid Duke Energy for the undergrounding to the West Side of Gulf Blvd, which is a new project. The town did apply and received a grant from the Tampa Bay Estuary Program (TBEP), however, the new commission decided not to move forward with the project and the town declined the grant. The town received a Notice of Termination from the TBEP on November 4, 2021.

**Financial Contact**

The Town's financial statements are designed to present users (residents, taxpayers, customers, investors, creditors, elected and appointed officials) with a general overview of the Town's finances and to demonstrate the Town's accountability. If you have questions about the report or need additional financial information, contact the Town by writing to Town of Redington Beach Town Hall, 105 164<sup>th</sup> Avenue, Redington Beach, Florida 33708, or by calling 727.391.3875.

Honorable Tom Dorgan, Commissioner  
Commissioner of Finance

Missy Clarke, Town Clerk  
Finance Administrator

**TOWN OF REDINGTON BEACH, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

|   | Governmental<br>Activities | Business-Type<br>Activities | Total         |
|---|----------------------------|-----------------------------|---------------|
| <b>ASSETS</b>                                   |                            |                             |               |
| Current Assets:                                 |                            |                             |               |
| Cash  | \$ 1,993,862               | \$ 260,140                  | \$ 2,254,002  |
| Investments                                     | 3,984,695                  | 667,838                     | 4,652,533     |
| Accounts Receivable                             | 94,005                     | 31,324                      | 125,329       |
| Prepaid Items                                   | 15,650                     | -                           | 15,650        |
| Total Current Assets                            | 6,088,212                  | 959,302                     | 7,047,514     |
| Capital Assets:                                 |                            |                             |               |
| Nondepreciable                                  | 522,135                    | -                           | 522,135       |
| Depreciable, Net of Accumulated<br>Depreciation | 1,615,646                  | 2,769,642                   | 4,385,288     |
| Total Capital Assets                            | 2,137,781                  | 2,769,642                   | 4,907,423     |
| Total Assets                                    | 8,225,993                  | 3,728,944                   | 11,954,937    |
| <b>LIABILITIES</b>                              |                            |                             |               |
| Current Liabilities:                            |                            |                             |               |
| Accounts Payable                                | 33,106                     | 15,075                      | 48,181        |
| Accrued Liabilities                             | 10,412                     | 9                           | 10,421        |
| Total Current Liabilities                       | 43,518                     | 15,084                      | 58,602        |
| Total Liabilities                               | 43,518                     | 15,084                      | 58,602        |
| <b>NET POSITION</b>                             |                            |                             |               |
| Invested in Capital Assets                      | 2,137,781                  | 2,769,642                   | 4,907,423     |
| Restricted - Infrastructure                     | 2,177,001                  | -                           | 2,177,001     |
| Unrestricted                                    | 3,867,693                  | 944,218                     | 4,811,911     |
| Total Net Position                              | \$ 8,182,475               | \$ 3,713,860                | \$ 11,896,335 |

See accompanying Notes to Basic Financial Statements.

**TOWN OF REDINGTON BEACH, FLORIDA  
STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2021**

| FUNCTION/PROGRAM ACTIVITIES       | Program Revenues    |                         |  | Net (Expense) Revenue and<br>Changes in Net Position |                             |                      |
|-----------------------------------|---------------------|-------------------------|--|--|-----------------------------|----------------------|
|                                   | Expenses            | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Primary Government                                   |                             |                      |
|                                   |                     |                         |  | Governmental<br>Activities                           | Business-Type<br>Activities | Total                |
| <b>Government Activities:</b>     |                     |                         |  |  |                             |                      |
| General Government                | \$ 446,777          | \$ 6,180                | \$ -                                     | \$ (440,597)   | \$ -                        | \$ (440,597)         |
| Culture and Recreation            | 126,896             | -                       | -  | (126,896)  | -                           | (126,896)            |
| Public Safety                     | 425,426             | 44,531                  | -  | (380,895)  | -                           | (380,895)            |
| Public Works                      | 136,397             | -                       | -  | (136,397)  | -                           | (136,397)            |
| Physical Environment              | 622,668             | -                       | 620,135                                  | (2,533)  | -                           | (2,533)              |
| Transportation                    | 45,387              | -                       | 14,315                                   | (31,072)   | -                           | (31,072)             |
| Total Government Activities       | <u>1,803,551</u>    | <u>50,711</u>           | <u>634,450</u>                           | <u>(1,118,390)</u>                                   | <u>-</u>                    | <u>(1,118,390)</u>   |
| <b>Business-Type Activities:</b>  |                     |                         |  |  |                             |                      |
| Stormwater Utility                | 233,385             | 128,012                 | -  | -  | (105,373)                   | (105,373)            |
| Total Primary Government          | <u>\$ 2,036,936</u> | <u>\$ 178,723</u>       | <u>\$ 634,450</u>                        | <u>(1,118,390)</u>                                   | <u>(105,373)</u>            | <u>(1,223,763)</u>   |
| <b>GENERAL REVENUES</b>           |                     |                         |  |  |                             |                      |
| Taxes:                            |                     |                         |  |  |                             |                      |
| Property Taxes                    |                     |                         |  | 963,500  | -                           | 963,500              |
| Sales and Use Taxes               |                     |                         |  | 261,673  | -                           | 261,673              |
| Franchise Fees                    |                     |                         |  | 141,439  | -                           | 141,439              |
| Utility Taxes                     |                     |                         |  | 136,125  | -                           | 136,125              |
| State Revenue Sharing             |                     |                         |  | 139,027  | -                           | 139,027              |
| Investment Income                 |                     |                         |  | 22,400   | 2,029                       | 24,429               |
| Miscellaneous                     |                     |                         |  | 30,698   | -                           | 30,698               |
| Total General Revenues            |                     |                         |  | <u>1,694,862</u>                                     | <u>2,029</u>                | <u>1,696,891</u>     |
| <b>CHANGE IN NET POSITION</b>     |                     |                         |  | 576,472  | (103,344)                   | 473,128              |
| Net Position - Beginning of Year  |                     |                         |  | <u>7,606,003</u>                                     | <u>3,817,204</u>            | <u>11,423,207</u>    |
| <b>NET POSITION - END OF YEAR</b> |                     |                         |  | <u>\$ 8,182,475</u>                                  | <u>\$ 3,713,860</u>         | <u>\$ 11,896,335</u> |

See accompanying Notes to Basic Financial Statements.

**TOWN OF REDINGTON BEACH, FLORIDA  
BALANCE SHEET – GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

|                                      | General             | Capital<br>Projects | Total               |
|--------------------------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>                        |                     |                     |                     |
| Cash                                 | \$ 1,140,855        | \$ 853,007          | \$ 1,993,862        |
| Investments                          | 2,695,453           | 1,289,242           | 3,984,695           |
| Accounts Receivable                  | 51,653              | 42,352              | 94,005              |
| Prepaid Items                        | 15,650              | -                   | 15,650              |
|                                      | <b>\$ 3,903,611</b> | <b>\$ 2,184,601</b> | <b>\$ 6,088,212</b> |
| <b>LIABILITIES AND FUND BALANCES</b> |                     |                     |                     |
| <b>LIABILITIES</b>                   |                     |                     |                     |
| Accounts Payable                     | \$ 25,506           | \$ 7,600            | \$ 33,106           |
| Accrued Liabilities                  | 10,412              | -                   | 10,412              |
| Total Liabilities                    | 35,918              | 7,600               | 43,518              |
| <b>FUND BALANCES</b>                 |                     |                     |                     |
| Nonspendable                         | 15,650              | -                   | 15,650              |
| Restricted - Infrastructure          | -                   | 2,177,001           | 2,177,001           |
| Committed                            | 1,286,385           | -                   | 1,286,385           |
| Unassigned                           | 2,565,658           | -                   | 2,565,658           |
| Total Fund Balances                  | 3,867,693           | 2,177,001           | 6,044,694           |
| Total Liabilities and Fund Balance   | <b>\$ 3,903,611</b> | <b>\$ 2,184,601</b> | <b>\$ 6,088,212</b> |

See accompanying Notes to Basic Financial Statements.

**TOWN OF REDINGTON BEACH, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET –  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021**

**Fund Balances - Total Governmental Funds** \$ 6,044,694

Amounts reported for governmental activities in the statement of net position are different because:

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

|                                |                    |                  |
|--------------------------------|--------------------|------------------|
| Governmental Capital Assets    | \$ 3,822,846       |                  |
| Less: Accumulated Depreciation | <u>(1,685,065)</u> | <u>2,137,781</u> |

**Net Position of Governmental Activities** \$ 8,182,475



**TOWN OF REDINGTON BEACH, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
YEAR ENDED SEPTEMBER 30, 2021**

|   | <u>General</u>      | <u>Capital<br/>Projects</u> | <u>Total</u>        |
|---|---------------------|-----------------------------|---------------------|
| <b>REVENUES</b>                                 |                     |                             |                     |
| Property Taxes                                  | \$ 963,500          | \$ -                        | \$ 963,500          |
| Sales and Use Taxes                             | 68,927              | 192,746                     | 261,673             |
| Franchise Fees                                  | 141,439             | -                           | 141,439             |
| Utility Taxes                                   | 136,125             | -                           | 136,125             |
| Licenses and Permits                            | 6,180               | -                           | 6,180               |
| Intergovernmental Revenues                      | 153,342             | 620,135                     | 773,477             |
| Fines and Forfeitures                           | 44,531              | -                           | 44,531              |
| Investment Income                               | 14,350              | 8,050                       | 22,400              |
| Miscellaneous Revenues                          | 30,698              | -                           | 30,698              |
| Total Revenues                                  | <u>1,559,092</u>    | <u>820,931</u>              | <u>2,380,023</u>    |
| <b>EXPENDITURES</b>                             |                     |                             |                     |
| Current:  |                     |                             |                     |
| General Government                              | 400,915             | -                           | 400,915             |
| Public Safety                                   | 415,533             | -                           | 415,533             |
| Public Works                                    | 117,512             | -                           | 117,512             |
| Transportation                                  | 39,992              | -                           | 39,992              |
| Physical Environment:                           |                     |                             |                     |
| Road and Streets                                | -                   | 622,668                     | 622,668             |
| Culture and Recreation                          | 116,203             | 800                         | 117,003             |
| Capital Outlay                                  | -                   | 7,581                       | 7,581               |
| Total Expenditures                              | <u>1,090,155</u>    | <u>631,049</u>              | <u>1,721,204</u>    |
| <b>EXCESS OF REVENUES OVER<br/>EXPENDITURES</b> | 468,937             | 189,882                     | 658,819             |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                     |                             |                     |
| Transfers In                                    | -                   | 43,107                      | 43,107              |
| Transfers Out                                   | (43,107)            | -                           | (43,107)            |
| Total Other Financing Sources (Uses)            | <u>(43,107)</u>     | <u>43,107</u>               | <u>-</u>            |
| <b>NET CHANGE IN FUND BALANCES</b>              | 425,830             | 232,989                     | 658,819             |
| Fund Balances - Beginning of Year               | <u>3,441,863</u>    | <u>1,944,012</u>            | <u>5,385,875</u>    |
| <b>FUND BALANCES - END OF YEAR</b>              | <u>\$ 3,867,693</u> | <u>\$ 2,177,001</u>         | <u>\$ 6,044,694</u> |

See accompanying Notes to Basic Financial Statements.

**TOWN OF REDINGTON BEACH, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2021**

**Net Change in Fund Balances - Total Governmental Funds** \$ 658,819

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Capital Outlay

7,581

Less: Depreciation

(89,928)

**Change in Net Position of Governmental Activities**

\$ 576,472

**TOWN OF REDINGTON BEACH, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
SEPTEMBER 30, 2021**

|  | Stormwater<br>Utility Fund |
|--|----------------------------|
| <b>ASSETS</b>                                |                            |
| Current Assets:                              |                            |
| Cash   | \$ 260,140                 |
| Investments                                  | 667,838                    |
| Accounts Receivable                          | 31,324                     |
| Total Current Assets                         | 959,302                    |
| Noncurrent Assets:                           |                            |
| Capital Assets:                              |                            |
| Depreciable, Net of Accumulated Depreciation | 2,769,642                  |
| Total Assets                                 | 3,728,944                  |
| <b>LIABILITIES</b>                           |                            |
| Accounts Payable                             | 15,075                     |
| Accrued Liabilities                          | 9                          |
| Total Liabilities                            | 15,084                     |
| <b>NET POSITION</b>                          |                            |
| Invested in Capital Assets                   | 2,769,642                  |
| Unrestricted                                 | 944,218                    |
| Total Net Position                           | \$ 3,713,860               |

See accompanying Notes to Basic Financial Statements.

**TOWN OF REDINGTON BEACH, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
YEAR ENDED SEPTEMBER 30, 2021**

|   | Stormwater<br>Utility Fund |
|---|----------------------------|
| <b>OPERATING REVENUES</b>                 |                            |
| User Charges                              | \$ 128,012                 |
| <b>OPERATING EXPENSES</b>                 |                            |
| Contract Services, Maintenance, and Other | 110,854                    |
| Depreciation                              | 122,531                    |
| Total Operating Expenses                  | 233,385                    |
| <b>OPERATING LOSS</b>                     | (105,373)                  |
| <b>NONOPERATING REVENUES</b>              |                            |
| Investment Income                         | 2,029                      |
| Total Nonoperating Revenues               | 2,029                      |
| <b>CHANGE IN NET POSITION</b>             | (103,344)                  |
| Net Position - Beginning of Year          | 3,817,204                  |
| <b>NET POSITION - END OF YEAR</b>         | \$ 3,713,860               |

See accompanying Notes to Basic Financial Statements.

**TOWN OF REDINGTON BEACH, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED SEPTEMBER 30, 2021**

|  | Stormwater<br>Utility Fund |
|--|----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                            |
| Cash Received from Customers   | \$ 112,024                 |
| Cash Paid to Suppliers for Goods and Services  | (97,995)                   |
| Net Cash Provided by Operating Activities  | 14,029                     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                            |
| Purchase of Investments, Net   | (2,029)                    |
| Interest Earnings on Investments   | 2,029                      |
| Net Cash Provided by Investing Activities  | -                          |
| <b>NET INCREASE IN CASH</b>  | 14,029                     |
| Cash - Beginning of Year   | 246,111                    |
| <b>CASH - END OF YEAR</b>  | \$ 260,140                 |
| <br><b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY<br/>OPERATING ACTIVITIES</b> |                            |
| Operating Loss   | \$ (105,373)               |
| Adjustments to Reconcile Operating Loss to Net Cash Provided by<br>Operating Activities:     |                            |
| Depreciation   | 122,531                    |
| Changes in Operating Assets and Liabilities:   |                            |
| Decrease in Account Receivable   | (15,988)                   |
| Increase in Accounts Payable   | 14,479                     |
| Increase in Accrued Liabilities  | (1,620)                    |
| Total Adjustments  | 119,402                    |
| Net Cash Provided by Operating Activities  | \$ 14,029                  |

See accompanying Notes to Basic Financial Statements.

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Town of Redington Beach, Florida (Town), have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board of the Financial Accounting Foundation (GASB) is the standard-setting body for governmental accounting and financial reporting. The more significant accounting policies established GAAP and used by the Town are discussed below.

**Reporting Entity**

The Town is a municipal corporation that was established in 1945 by voter adoption of a charter for the Town under Laws of Florida 1945, Chapter 23513. An updated charter was approved at referendum on September 7, 1976. The Town has approximately 830 households with a total population of approximately 1,507. The Town is located within Pinellas County, Florida, on a barrier island between the Gulf of Mexico and the Intracoastal Waterway, bordered by North Redington Beach to the north and Madeira Beach to the south. The Town is noted primarily as a waterfront residential community.

The financial reporting entity consists exclusively of the Town as the primary government. There are no entities accountable or dependent upon the Town.

Financial accountability is defined as the appointment of a voting majority to an organization's board which either displays the ability to impose its will on that organization or the possibility that the Organization will impose or provide a financial burden or benefit to the primary government. Consequently, on these criteria, there are no component units to include in the Town's basic financial statements.

**Basis of Presentation**

The Town's basic financial statements include both the government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

**Government-Wide Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and Town general revenues, from business-type activities, generally financed in a whole or in part with fees charged to external customers.

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

**Government-Wide Financial Statements (Continued)**

The statement of net position reflects, on a full accrual basis, all long-term assets and receivables, as well as long-term liabilities. The statement of activities presents the direct cost for each functional activity and applies program revenues to arrive at a net cost for the identified functions. There are no indirect costs for allocation. Program revenues must be directly associated with the government function or business-type activity. Operating grants and contributions include operating-specific and discretionary grants and contributions, while the capital grants and contributions column reflects capital-specific grants and contributions. General revenues of the Town further support the overall combined net costs of governmental functions. Additional sources of revenues include state revenue sharing, investment, and other miscellaneous sources of income.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**Fund Financial Statements**

In order to ensure observance of limitations and restrictions on the use of the resources available, the financial records and accounts are maintained in accordance with the principles of fund accounting. The financial transactions of the Town are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund balance, revenues and expenditures or expenses.

The fund financial statements are presented to emphasize the major funds of the Town. Fund financial statements are prepared on the modified accrual basis for governmental funds and the accrual basis for proprietary funds as described below.

Major governmental funds and the major proprietary fund are presented as separate columns in the fund financial statements. The Town considers all funds as major because of the public interest, even if the quantitative criteria under GASB has not been met.

The Town presents the following major governmental funds:

*General Fund* is the government's primary reporting fund for current government operations. It accounts for all financial resources not required by law or administrative action to be accounted for in another fund.

*Capital Projects Fund* is designed to account for the accumulation of funds that are restricted, committed, or assigned to be used for the acquisition or construction of major projects and improvements.

The Town presents the following major proprietary fund:

*Stormwater Utility Fund* accounts for the activities of the stormwater system.

**TOWN OF REDINGTON BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting and Measurement Focus**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

**Accrual Basis of Accounting**

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows. Operating revenues and expenses of the proprietary funds are defined as revenues or expenses related to the provision of the applicable service. Nonoperating revenues and expenses include items unrelated to the provision of services.

**Modified Accrual Basis of Accounting**

Under the modified accrual basis, revenues are recognized in the accounting period when they become measurable and available (susceptible to accrual).

Measurable means the amount of the transaction can be determined.

Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if collected within 60 days of the end of the current fiscal period, with the exception of grant revenues which is within nine months of the end of the current fiscal period.

**Measurement Focus**

The governmental-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

**Deposits and Investments**

The Town maintains a pooled cash account that is available for use by all funds. Each fund's portion of this pool is presented as cash in the financial statements. The Town has a savings account that reflects estimated excess funds that is available for use by all funds for investment purposes. Each funds' portion of this pool is presented as investments in the financial statements. Interest income earned as a result of pooling is distributed monthly to the appropriate funds based on average daily balances.



**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deposits and Investments (Continued)**

In addition, nonpooled investments are held by several of the Town's funds consisting of certificates of deposits placed in a brokerage account, deposits in the Local Government Surplus Trust Fund Investment Pool administered by FL State Board of Administration (SBA), and deposits in the Florida Surplus Asset Fund Trust (FL SAFE) Investment Pool administered by PMA Financial Network.

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral for their deposits of public funds.

This pool is provided as additional insurance to the Federal depository insurance and allows for additional assessments against the member institutions providing full insurance for public deposits. The Town had deposits only with qualifying institutions as of September 30, 2021.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets are, reported in the applicable governmental or business type activities columns in the government-wide financial statements. Capital assets acquired or constructed in excess of \$1,000 are recorded at historical cost, including all infrastructure assets (roads, bridges, and streets). Donated assets are recorded at acquisition value as of the date received.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repair and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

|                           |                |
|---------------------------|----------------|
| Buildings                 | 40 Years       |
| Improvements              | 15 to 40 Years |
| Infrastructure            | 20 to 40 Years |
| Furniture and Fixtures    | 10 Years       |
| Equipment                 | 3 to 7 Years   |
| Vehicles                  | 5 Years        |
| Data Processing Equipment | 3 Years        |

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

Employees are able to accrue and carryover vacation balances. If the available vacation earned is not used by the end of the year, a maximum of 5 days may carry over to the employee's next year of employment, not to exceed 80 hours or 10 days in any given calendar year. Once an employee terminates accrued unused vacation time is not paid out. Vacation hours are earned on the first day of the calendar year based on years of service as follows:

|                       |                     |
|-----------------------|---------------------|
| 1-5 Years of Service  | 80 Hours (2 Weeks)  |
| 6-10 Years of Service | 120 Hours (3 Weeks) |
| 11 + Years of Service | 160 Hours (4 Weeks) |

Earned sick leave can be accumulated up to a maximum of 480 hours. Sick leave will be paid to an employee upon separation from employment at 1/3 of the unused sick leave.

**Postretirement Health and Life Insurance Benefits**

The Town does not provide any direct postretirement health and life insurance benefits. As required by Florida Statute 112.0801, retirees are able to buy healthcare coverage at the same group insurance rates that current employees are charged. However, retirees must pay for the entire cost of medical coverage. Currently, there are no retirees participating in the Town's group insurance plan.

**Net Position/Fund Balances**

Net position in government-wide and proprietary fund financial statements are classified as net invested in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, laws, or regulations of other governments or imposed by law through State statute.

In the governmental fund financial statements, fund balance is comprised of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The governmental fund types classify fund balances as follows:

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

In addition to the nonspendable fund balance, below is the hierarchy of spendable fund balances, based on spending constraints.

- **Restricted:** Amounts that can be spent only for the specific purposes stipulated by: (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation; e.g. Penny for Pinellas are budgeted and reported in the Capital Projects Fund.

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Position/Fund Balances (Continued)**

- Committed: Amounts that can be used only for the specific purposes determined by a formal action of the Town's Board of Commissioners, the Town's highest level of decision-making authority. Commitment of fund balance may be made from time to time by resolution of the Town Commission. Commitments can be changed or lifted by the Town Commission taking the same formal action that imposed the constraint originally (resolution). The use (appropriation) of committed fund balances is considered in conjunction with the annual budget adoption process or by budget amendment approved by resolution of the Town Commission during the fiscal year.
  
- Assigned: Assignment of fund balance may be (a) made for a specific purpose that is narrower than the general purposes of the government itself: and/or (b) used to reflect the appropriation of a portion of existing assigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess or expected expenditures over expected revenues. Assigned fund balance shall reflect management's intended use of resources as set forth in the annual budget (and any amendments thereto). Assigned fund balance may or may not be appropriated for expenditures in the subsequent year depending on timing of the project/reserve for which it was assigned.
  
- Unassigned: Unassigned fund balance is the residual classification for the General Fund and represents fund balance that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the Town's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the Town's intent to use committed or assigned resources first, and then unassigned resources as they are needed.

**Interfund Activity**

Interfund loans not expected to be repaid within a reasonable period are reclassified as transfers. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in the funds in accordance with budgetary authorizations.

For the year ended September 30, 2021, the General Fund transferred \$43,107 to the Capital Projects Fund to assist in funding various projects.

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property Taxes**

The Pinellas County Tax Collector bills and collects all property taxes levied within the county. Ad valorem taxes are levied annually on property values as of January 1, and are based upon the final millage rate adopted by the Town's Board of Commissioners. The taxes are generally due November 1 and become delinquent April 1 of the following year at which time they become a lien. The Pinellas County Tax Collector sells tax certificates on or before June 1 of each year. Taxes are budgeted and recognized as revenues in the fiscal year during which the taxes are billed and substantially collected.

**Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 CASH AND INVESTMENTS**

At September 30, 2021, the bank balances of the Town's deposits totaled \$2,471,778.

The following is a reconciliation of deposits and investments to amount shown on the statement of net position.

|                            |              |
|----------------------------|--------------|
| Deposits                   | \$ 2,466,755 |
| Cash on Hand               | 100          |
| Investments                | 4,439,680    |
| Total                      | \$ 6,906,535 |
|                            |              |
| Statement of Net Position: |              |
| Cash                       | \$ 2,254,002 |
| Investments                | 4,652,533    |
| Total                      | \$ 6,906,535 |

**Fair Value**

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Debt and equity securities classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. And, securities classified as Level 3 of the fair value hierarchy are based on inputs that are unobservable, that is, inputs that reflect the Town's own assumptions. The Town had the following fair value measurements as of September 30, 2021:

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Fair Value (Continued)**

|  | Fair<br>Value | Fair Value Measurements Using  |   |  |
|--|---------------|--|---|--|
|  |               | Quoted Prices in<br>Active Markets<br>for Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
| Investment by Fair Value Level:            |               |  |   |  |
| Certificates of Deposit                    | \$ 3,914,876  | \$ -   | \$ 3,914,876  | \$ -   |
| Investments Measured at<br>Amortized Cost: |               |  |   |  |
| Short-Term Investments:                    |               |  |   |  |
| Florida PRIME                              | 4,542         |  |   |  |
| Florida SAFE                               | 520,262       |  |   |  |
| Total Investments                          | \$ 4,439,680  |  |   |  |

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. At September 30, 2021, all of the Town's excess cash was invested in certificates of deposit, Florida PRIME, and Florida Surplus Asset Fund Trust (SAFE). The Town's investment policy requires that investments shall have a maturity of no greater than five years from the time of purchase. The Town did not have any investments that exceeded the required time to maturity.

**Credit Risk**

Credit quality risk results from potential default of investments that are not financially sound. Both the Florida PRIME and Florida SAFE were rated AAAM by Standard and Poor's at September 30, 2021.

**Custodial Credit Risk**

Custodial credit risk is the risk that the Town will not be able to recover deposits or the value of investments in the event of the failure of a depository financial institution or a third-party holding the investment securities.

All deposit accounts of the Town are placed in banks that qualify as a public depository, as required by law (Florida Security for Public Deposits Act, Chapter 280, Florida Statutes). Chapter 280 of the Florida Statutes provides that qualified public depositories must maintain eligible collateral having a market value equal to 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held by the depository during the 12 months immediately preceding the date of any computation of the balance. As such, the depository is not required to hold collateral in the Town's name, nor specify which collateral is held for the Town's benefit.

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk (Continued)**

The Public Deposit Security Trust Fund, as created under the laws of the State of Florida, would be required to pay the Town for any deposits not covered by depository insurance or collateral pledged by the depository as previously described. Florida Statutes and the Town's investment policy authorize the Town to use interest bearing time deposits, savings accounts, and money market accounts in qualified public depositories. All deposits are entirely insured.

The Town invests funds throughout the year with Florida PRIME, an investment pool administered by the SBA, under the regulatory oversight of the State of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year and as of September 30, 2021, Florida PRIME contained certain floating and adjustable rate securities which were indexed based on the prime rate and/or one and three month LIBOR rates. These investments represented 4.4% of the Florida PRIME's portfolio at September 30, 2021.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent.

The weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2021 was 49 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2021 was 64 days. Investments in Florida PRIME must carry an "AAAm" rating from Standard and Poor's.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk (Continued)**

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value.

The Town’s investment pool also includes the Florida SAFE, a common law trust organized in 2007 under the laws of the State of Florida. Florida SAFE is administered by Prudent Man Advisors, Inc. and an elected five-member Board of Trustees that oversees all actions and decides on general policies. The trust includes a liquid money market-like investment called the “FL SAFE Stable NAV Fund” and one or more Term Series portfolios that have a fixed duration. Participants in the trust may invest in the Fund and any Term Series portfolios and in a value-added program called the “Fixed Income Investment Program,” through which the participants may purchase investments for their own portfolio. The Fund is accounted as a Stable Net Position Value investment pool.

As of September 30, 2021, FL SAFE investment pool weighted average maturity in days was 54 days and the weighted average life was 76 days. Florida SAFE meets all of the necessary criteria to elect to measure all of the investments in Florida SAFE at amortized cost, as a cash equivalent.

**Concentration of Credit Risk**

The Town’s investment policy establishes limitations on portfolio composition, both by investment type and individual security. The following maximum limits are guidelines established for diversification by investment:

| Investment Type          | Maximum (%) | Individual Issue (%) |
|--------------------------|-------------|----------------------|
| U.S. Treasury Securities | 100%        | 100%                 |
| U.S. Agency Securities   | 100         | 100                  |
| Bank Deposits            | 50          | 100                  |
| Certificates of Deposit  | 90          | 20                   |

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 3 CHANGES IN CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2021, was as follows:

|   | Balance<br>September 30,<br>2020 | Additions           | Disposals   | Balance<br>September 30,<br>2021 |
|---|----------------------------------|---------------------|-------------|----------------------------------|
| <b>Governmental Activities:</b>                 |                                  |                     |             |                                  |
| Capital Assets, Not Being Depreciated:          |                                  |                     |             |                                  |
| Land  | \$ 522,135                       | \$ -                | \$ -        | \$ 522,135                       |
| Capital Assets, Being Depreciated               |                                  |                     |             |                                  |
| Buildings                                       | 537,632                          | -                   | -           | 537,632                          |
| Improvements                                    | 2,536,432                        | 7,581               | -           | 2,544,013                        |
| Equipment                                       | 219,066                          | -                   | -           | 219,066                          |
| Total Capital Assets, Being Depreciated         | <u>3,293,130</u>                 | <u>7,581</u>        | <u>-</u>    | <u>3,300,711</u>                 |
| Less: Accumulated Depreciation for:             |                                  |                     |             |                                  |
| Buildings                                       | (313,711)                        | (13,650)            | -           | (327,361)                        |
| Improvements                                    | (1,115,977)                      | (63,821)            | -           | (1,179,798)                      |
| Equipment                                       | (165,449)                        | (12,457)            | -           | (177,906)                        |
| Total Accumulated Depreciation                  | <u>(1,595,137)</u>               | <u>(89,928)</u>     | <u>-</u>    | <u>(1,685,065)</u>               |
| Total Capital Assets, Being Depreciated, Net    | <u>1,697,993</u>                 | <u>(82,347)</u>     | <u>-</u>    | <u>1,615,646</u>                 |
| Governmental Activities<br>Capital Assets, Net  | <u>\$ 2,220,128</u>              | <u>\$ (82,347)</u>  | <u>\$ -</u> | <u>\$ 2,137,781</u>              |
| <b>Business-Type Activities:</b>                |                                  |                     |             |                                  |
| Capital Assets, Being Depreciated               |                                  |                     |             |                                  |
| Infrastructure - Stormwater                     | \$ 4,843,144                     | \$ -                | \$ -        | \$ 4,843,144                     |
| Total Capital Assets, Being Depreciated         | <u>4,843,144</u>                 | <u>-</u>            | <u>-</u>    | <u>4,843,144</u>                 |
| Less: Accumulated Depreciation for:             |                                  |                     |             |                                  |
| Stormwater                                      | (1,950,971)                      | (122,531)           | -           | (2,073,502)                      |
| Business-Type Activities<br>Capital Assets, Net | <u>\$ 2,892,173</u>              | <u>\$ (122,531)</u> | <u>\$ -</u> | <u>\$ 2,769,642</u>              |

Depreciation expense was charged to governmental functions as follows:

|                            | Amount           |
|----------------------------|------------------|
| General Government         | \$ 45,862        |
| Culture and Recreation     | 9,893            |
| Public Safety              | 18,885           |
| Public Works               | 5,395            |
| Transportation             | 9,893            |
| Total Depreciation Expense | <u>\$ 89,928</u> |



**TOWN OF REDINGTON BEACH, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**NOTE 4 RETIREMENT PLAN**

**Florida Municipal Pension Trust Fund**

For employees hired prior to January 1, 1996, the Town contributed to the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit pension plan administered by the Florida Department of Management Services, Division of Retirement. Then, the Town, in accordance with Florida Statute 121, elected to opt out of the FRS for newly hired employees effective January 1, 1996. The Town contributes to the Florida Municipal Pension Trust Fund (FMPTF), an agent multiple-employer defined contribution pension plan that covers all full time employees as of the first day in October (calendar date) following the date of hire, and is administered by Florida League of Cities, Inc. FMPTF provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Sections 121 and 185, Florida Statutes, assign the authority to establish and amend the benefit provisions of the plans that participate in FMPTF to the respective employer entities; for the Town of Redington Beach this is the Town Commission.

Florida League of Cities, Inc., issues a publicly available financial report that includes financial statements and required supplementary information for the FMPTF. That report may be obtained by writing to Florida League of Cities, Inc., 301 South Bronough Street, Suite 300, Tallahassee, Florida 32301 or by calling 800.342.8112. FMPTF members may voluntarily contribute up to 10% of their eligible salary. The Town is required by state statute to contribute 8% of eligible wages on a monthly basis, but currently contributes 10% of eligible wages. Contributions of \$19,368, \$16,340, and \$18,143, were made to FMPTF for the years ended September 30, 2021, 2020, and 2019, respectively.

**NOTE 5 RISK MANAGEMENT**

The Town is subject to losses in the normal course of operations resulting from general liability, property and casualty, workers' compensation, employee health and accident, environmental and antitrust matters. The Town has purchased commercial insurance to protect against property loss as a result of flooding, except for the public works building, and employee health losses. The Town participates in the Florida Municipal Liability Self Insurers Program for purposes of protecting against workers' compensation losses; real and personal property losses; automobile damage; and general liability, including malpractice and errors and omissions.

The Florida Municipal Liability Self Insurers Program is a risk pool that assumes the risk of loss for all participating members. The members are subject to additional premium assessments in the event that the risk pool required additional funding to satisfy all claims. The Town has not been assessed any additional insurance premiums during the year ended September 30, 2021, nor is the Town aware of any contingent assessments.

The Town does not self-insure against any risks. To the extent that the Town has purchased commercial insurance, all risk of loss has been transferred to the insurance underwriter. For each type of insurance coverage described above, there have been no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

**TOWN OF REDINGTON BEACH, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 6 COMMITMENTS AND CONTINGENCIES**

**Grants**

Amounts received or receivable for grants and similar funding are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**Lawsuits**

The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Town's Commission that resolution of these matters will not have a material adverse effect on the financial condition of the Town.

**Commitments for Town Services**

The Town contracts with various local governments and other entities to provide services such as law enforcement, fire, emergency medical services, traffic control signals, and library. Some of these contracts are entered into on an annual basis while others are for longer periods of time. There were no construction related commitments as of September 30, 2021.

**NOTE 7 FUND BALANCE REPORTING**

The Town has classified its fund balances with the following hierarchy:

Nonspendable: The Town's nonspendable fund balance consists of prepaid expenditures in the General Fund totaling \$15,650.

Spendable: The Town has classified the spendable fund balances as Committed and Unassigned within the General Fund and Restricted within the Capital Projects Fund, and considered each to have been spent when expenditures are incurred.

- Restricted: The restricted fund balance within the Capital Projects Fund totaled \$2,177,001, and legally can only be spent on capital infrastructure projects to benefit the local community.
- Committed: The committed fund for the General Fund is \$1,286,385 and corresponds to amounts set by the Board of Commissioners for specific purposes such as: dump truck for \$50,113, pick-up truck for \$25,741, tractor for \$10,172, seawall for \$101,392, maintenance of the Town Hall for \$616,545, maintenance of the Public Works building for \$366,752, Park Board Master Plan \$18,225, lawn mower for \$6,500, playground equipment for \$40,452, storm debris collection activities for \$48,493, and flood and property insurance for \$2,000.
- Unassigned: The unassigned fund for the General Fund is \$2,565,658, and is available for spending at the Town's discretion.

**TOWN OF REDINGTON BEACH, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2021**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

|   | Budgeted Amounts |                  | 2021<br>Actual<br>Amount | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|------------------|--------------------------|---|
|   | Original         | Final            |                          |   |
| <b>REVENUES</b>                             |                  |                  |                          |   |
| Property and Use Taxes                      | \$ 949,408       | \$ 949,408       | \$ 963,500               | \$ 14,092   |
| Sales and Use Taxes                         | 71,772           | 71,772           | 68,927                   | (2,845)   |
| Franchise Fees                              | 131,000          | 131,000          | 141,439                  | 10,439  |
| Utility Taxes                               | 120,950          | 120,950          | 136,125                  | 15,175  |
| Licenses and Permits                        | 2,700            | 2,700            | 6,180                    | 3,480   |
| Intergovernmental Revenues                  | 119,932          | 119,932          | 153,342                  | 33,410  |
| Fines and Forfeitures                       | 5,000            | 5,000            | 44,531                   | 39,531  |
| Investment Income                           | 15,000           | 15,000           | 14,350                   | (650)   |
| Miscellaneous Revenues                      | 2,000            | 2,000            | 30,698                   | 28,698  |
| Total Revenues                              | <u>1,417,762</u> | <u>1,417,762</u> | <u>1,559,092</u>         | <u>141,330</u>  |
| <b>EXPENDITURES</b>                         |                  |                  |                          |   |
| General Government:                         |                  |                  |                          |   |
| Administration                              | 91,809           | 91,809           | 90,289                   | 1,520   |
| Legal Counsel                               | 87,500           | 67,500           | 67,288                   | 212   |
| Legislative                                 | 25,261           | 25,261           | 22,968                   | 2,293   |
| Town Clerk                                  | 178,750          | 168,250          | 159,596                  | 8,654   |
| Comprehensive Planning                      | 45,000           | 61,000           | 60,774                   | 226   |
| Total General Government                    | <u>428,320</u>   | <u>413,820</u>   | <u>400,915</u>           | <u>12,905</u>   |
| Public Safety:                              |                  |                  |                          |   |
| Law Enforcement                             | 271,498          | 271,498          | 270,848                  | 650   |
| Protective Services                         | 27,000           | 27,000           | 25,251                   | 1,749   |
| Fire Protection                             | 119,434          | 119,434          | 119,434                  | -   |
| Total Public Safety                         | <u>417,932</u>   | <u>417,932</u>   | <u>415,533</u>           | <u>2,399</u>  |
| Public Works                                | 126,921          | 126,921          | 117,512                  | 9,409   |
| Transportation                              | 36,500           | 40,500           | 39,992                   | 508   |
| Library                                     | 31,315           | 31,315           | 28,183                   | 3,132   |
| Parks and Recreation                        | 83,217           | 93,717           | 88,020                   | 5,697   |
| Total Culture and Recreation                | <u>114,532</u>   | <u>125,032</u>   | <u>116,203</u>           | <u>8,829</u>  |
| Total Expenditures                          | <u>1,124,205</u> | <u>1,124,205</u> | <u>1,090,155</u>         | <u>34,050</u>   |
| <b>EXCESS OF REVENUES OVER EXPENDITURES</b> | 293,557          | 293,557          | 468,937                  | 175,380   |
| <b>OTHER FINANCING USES</b>                 |                  |                  |                          |   |
| Replacement Reserves                        | (250,450)        | (250,450)        | -                        | 250,450   |
| Transfer Out                                | (43,107)         | (43,107)         | (43,107)                 | -   |
| Total Other Financing Uses                  | <u>(293,557)</u> | <u>(293,557)</u> | <u>(43,107)</u>          | <u>250,450</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>           | <u>\$ -</u>      | <u>\$ -</u>      | 425,830                  | <u>\$ 425,830</u>                                       |
| Fund Balance - Beginning of Year            |                  |                  | <u>3,441,863</u>         |   |
| <b>FUND BALANCE - END OF YEAR</b>           |                  |                  | <u>\$ 3,867,693</u>      |   |

See accompanying Notes to Budgetary Comparison Schedule – General Fund.

**TOWN OF REDINGTON BEACH, FLORIDA**  
**NOTES TO BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2021**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

Budget and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- a) Each department submit their budgets to the clerk for input into the financial software, the budget is then presented to the Town Commission for review. The Town Clerks submits a proposed property tax millage rate.
- b) Public hearings are conducted in August and September to obtain taxpayer comments on the proposed budget and property tax millage rate.
- c) The budget and property tax millage rate are approved by the Town Commission in September and adopted as a budget resolution. The budget is approved at the functional level thereby establishing the legal level of budgetary control.
- d) The budget is reviewed after the first six months of the fiscal year and any unusual and unforeseen changes are incorporated into the budget by a modifying resolution. This action requires the approval of the Town Commission. The Town's department heads (management) are not permitted to amend the overall budget, but are permitted to make intradepartmental budget transfers without the approval of the Town Commission.
- e) Annual budgets were adopted for the following funds: General Fund, Capital Projects Fund, and Stormwater Utility Fund. The budget serves as legal authorization for all expenditures. Budgeted expenditures may not legally exceed appropriations on a functional basis for the General Fund and on an individual fund basis for the Capital Projects Fund and Stormwater Utility Fund.
- f) All appropriations lapse at the end of the fiscal year. The Town does not use an encumbrance method of accounting for appropriations.
- g) Budgets for governmental fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with one exception. Additions to replacement reserves are presented on the annual adopted budget as Other Financing Uses. However, under GAAP these additions are presented as increases in committed fund balance within the governmental fund balance sheet. The budget for the proprietary fund type (Stormwater Utility Fund) is adopted on a financial flow basis (depreciation is excluded) and as a result is not consistent with GAAP.

**TOWN OF REDINGTON BEACH, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE – CAPITAL PROJECTS FUND**  
**YEAR ENDED SEPTEMBER 30, 2021**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

|   | Budgeted Amounts |            | 2021<br>Actual<br>Amount | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|------------|--------------------------|---|
|   | Original         | Final      |                          |   |
| <b>REVENUES</b>                             |                  |            |                          |   |
| Sales and Use Taxes                         | \$ 167,102       | \$ 167,102 | \$ 192,746               | \$ 25,644   |
| Intergovernmental Revenues                  | 50,000           | 623,000    | 620,135                  | (2,865)   |
| Investment Income                           | 7,500            | 7,500      | 8,050                    | 550   |
| Total Revenues                              | 224,602          | 797,602    | 820,931                  | 23,329  |
| <b>EXPENDITURES</b>                         |                  |            |                          |   |
| Physical Environment:                       |                  |            |                          |   |
| Roads and Streets                           | 50,000           | 623,000    | 622,668                  | 332   |
| Culture and Recreation                      | -                | -          | 800                      | (800)   |
| Capital Outlay                              | 20,000           | 20,000     | 7,581                    | 12,419  |
| Total Expenditures                          | 70,000           | 643,000    | 631,049                  | 11,951  |
| <b>EXCESS OF REVENUES OVER EXPENDITURES</b> | 154,602          | 154,602    | 189,882                  | 35,280  |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                  |            |                          |   |
| Transfers In                                | 43,107           | 43,107     | 43,107                   | -   |
| Replacement Reserves                        | (197,709)        | (197,709)  | -                        | 197,709   |
| Total Other Financing Sources (Uses)        | (154,602)        | (154,602)  | 43,107                   | 197,709   |
| <b>NET CHANGE IN FUND BALANCE</b>           | \$ -             | \$ -       | 232,989                  | \$ 232,989  |
| Fund Balance - Beginning of Year            |                  |            | 1,944,012                |   |
| <b>FUND BALANCE - END OF YEAR</b>           |                  |            | \$ 2,177,001             |   |



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Members of the Board of Commissioners  
Town of Redington Beach, 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, the business-type activities, and each major fund of Town of Redington Beach, Florida (Town), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated February 1, 2022.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis of designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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.

Honorable Mayor and Members of the Board of Commissioners  
Town of Redington Beach, Florida

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Tampa, Florida  
February 1, 2022



## MANAGEMENT LETTER

Honorable Mayor and Members of the Board of Commissioners  
Town of Redington Beach, Florida

### Report on the Financial Statements

We have audited the financial statements of the Town of Redington Beach, Florida (Town), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated February 1, 2022.

### Auditors' 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 Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report 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 1, 2022, 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 annual financial audit report. There were no findings and recommendations made in the preceding annual financial audit 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. See Note 1 to the financial statements.



Honorable Mayor and Members of the Board of Commissioners  
Town of Redington Beach, Florida

### **Financial Condition and Management**

Section 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 Town 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 Town 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 Town. It is management's responsibility to monitor the Town'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.

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 Units**

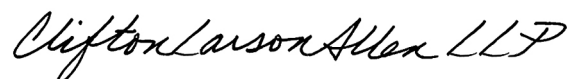
Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within 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 did not note any special district component units that failed to provide 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 us to communicate noncompliance 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, Federal and other granting agencies, the Mayor, Members of the Board of Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



**CliftonLarsonAllen LLP**

Tampa, Florida  
February 1, 2022



## INDEPENDENT ACCOUNTANTS' REPORT

Honorable Mayor and Members of the Board of Commissioners  
Town of Redington Beach, Florida

We have examined the Town of Redington Beach, Florida's (Town), compliance with Section 218.415, Florida Statutes, regarding the investment of public funds, during the year ended September 30, 2021. Management of the Town is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town'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 Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Tampa, Florida  
February 1, 2022