

**REVIEW OF
LOCAL GOVERNMENTAL ENTITY
2018-19 FISCAL YEAR AUDIT REPORTS**

Pursuant to Section 11.45(7)(b), Florida Statutes



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Auditor General

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REVIEW OF LOCAL GOVERNMENTAL ENTITY 2018-19 FISCAL YEAR AUDIT REPORTS

SUMMARY

This report provides the results of our review of local governmental entity financial audit reports conducted by independent certified public accountants (CPAs) for the 2018-19 fiscal year.¹ We reviewed the 1,407 local governmental entity audit reports for that fiscal year that were filed with us through July 31, 2020. Pursuant to State law, audit reports are required to be filed with us within 45 days after delivery of the audit report to the governing body of the entity, but no later than 9 months after the end of the entity's fiscal year.

We determined that, overall, the information in the audit reports was presented in accordance with generally accepted accounting principles (GAAP) and complied with generally accepted government auditing standards (GAGAS) and Rules of the Auditor General and that the auditor's reports were prepared by properly licensed independent CPAs. However, we noted instances of noncompliance with certain audit report filing or preparation requirements.

Finding 1: As of October 8, 2020, 72 local governmental entities had not filed audit reports with us for the 2018-19 fiscal year, including 47 (2 counties, 27 municipalities and 18 special districts) required to file audit reports and 25 (3 municipalities and 22 special districts) that may have been required to provide for an audit.² In addition, 86 local governmental entities (4 counties, 32 municipalities, and 50 special districts) filed audit reports with us more than 9 months after the end of the fiscal year, including 11 entities (2 municipalities and 9 special districts) that also filed reports more than 45 days after the reports were delivered to the entities' governing bodies. Another 66 local government entities (2 counties, 18 municipalities, and 46 special districts) also filed reports with us more than 45 days after the reports were delivered to the entities' governing bodies.

Finding 2: Our completeness reviews of the 1,407 local governmental entity audit reports identified noncompliance with certain requirements primarily related to financial statement note disclosures and the independent auditor's reports.

Finding 3: Our comprehensive reviews of 60 selected local governmental entity audit reports disclosed noncompliance with GAAP, GAGAS, Rules of the Auditor General, Federal Uniform Guidance³ requirements, or Florida Single Audit Act⁴ requirements.

¹ The local governmental entity financial audit reports include reports for counties and certain municipalities and special districts. Each of the entities had a September 30, 2019, fiscal year end except for one special district with a December 31, 2018, fiscal year end, four special districts with an April 30, 2019, fiscal year end, and five special districts with a June 30, 2019, fiscal year end.

² It was not practicable for us to determine whether an audit was required for the 25 entities because sufficient information related to each entity's revenues or expenditures and expenses was not readily available from the entity, Florida Department of Financial Services records, or other sources.

³ Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

⁴ Section 215.97, Florida Statutes.

BACKGROUND

State law⁵ requires annual financial audits of local governmental entities, such as each county and municipalities and special districts meeting certain revenue or expenditure and expense thresholds. State law⁶ defines a financial audit as an examination of financial statements in order to express an opinion on the fairness with which the statements are presented in conformity with generally accepted accounting principles (GAAP) and an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements. Financial audits must be conducted in accordance with auditing standards generally accepted in the United States and generally accepted government auditing standards (*Government Auditing Standards* issued by the Comptroller General of the United States).⁷

State law establishes several requirements that independent certified public accountants (CPAs) must follow when conducting financial audits of local governmental entities. For example, the CPAs performing these financial audits must:

- Prepare a management letter that is included as a part of the financial audit report.⁸
- Discuss with the appropriate official(s) all findings that will be included in the financial audit report.⁹
- Conduct the audits in accordance with Rules of the Auditor General.¹⁰

Additionally, State law¹¹ requires the entity's officer to provide a written statement of explanation or a rebuttal concerning the audit findings, including corrective action to be taken. The officer's written statement is to be filed with the entity's governing body within 30 days after delivery of the findings.

Pursuant to State law,¹² we developed rules¹³ to assist auditors in complying with the requirements of generally accepted government auditing standards, and applicable laws, rules, and regulations. These rules require the scope of a financial audit to include: an examination of the financial statements in order to express an opinion on them; an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements; an examination of any additional financial information necessary to comply with GAAP; and, when applicable, the additional activities necessary to determine compliance with the Federal Uniform Guidance¹⁴ and the Florida Single Audit Act.¹⁵

⁵ Section 218.39(1), Florida Statutes.

⁶ Section 218.31(17), Florida Statutes.

⁷ *Government Auditing Standards* incorporate by reference the auditing standards generally accepted in the United States (i.e., *American Institute of Certified Public Accountants Statements on Auditing Standards*).

⁸ Section 218.39(4), Florida Statutes.

⁹ Section 218.39(5), Florida Statutes.

¹⁰ Section 218.39(7), Florida Statutes.

¹¹ Section 218.39(6), Florida Statutes.

¹² Section 11.45(8), Florida Statutes.

¹³ Chapter 10.550, Rules of the Auditor General.

¹⁴ Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

¹⁵ Section 215.97, Florida Statutes.

In addition, we developed audit report review guidelines that provide, among other things, procedural guidance for CPAs to follow to ensure compliance with financial audit requirements. We also developed guidelines to assist auditors, for example, in determining whether a local government entity met one or more of the financial emergency conditions described in State law¹⁶ and identifying any specific conditions met. The rules were adopted in consultation with the Board of Accountancy and the rules and guidelines are made available on our Web site.

FINDINGS AND RECOMMENDATIONS

Finding 1: Noncompliance – Audit Report Submission Requirements

State law¹⁷ requires the local governmental entity to file with us the audit report, including a written response to each report or management letter finding, within 45 days after delivery of the audit report to the entity’s governing body, but no later than 9 months after the end of the entity’s fiscal year. Table 1 quantifies, as of October 8, 2020, the number of local governmental entities that did not comply with the filing requirements for the 2018-19 fiscal year audit reports.

**Table 1
Noncompliance with Audit Report Filing Requirements**

Noncompliance Type	Counties	Municipalities	Special Districts	Total
Audit required but report not filed.	2	27	18	47
Audit may have been required but report not filed.	-	3	22	25
Audit report filed more than 9 months after the end of the entity’s fiscal year but within 45 days after the report was delivered to the entity’s governing body.	4	30	41	75 ^a
Audit report filed more than 9 months after the end of the entity’s fiscal year and more than 45 days after the report was delivered to the entity’s governing body.	-	2	9	11 ^{a b}
Audit report filed more than 45 days after the report was delivered to the entity’s governing body but within 9 months after the end of the entity’s fiscal year.	2	18	46	66 ^b

^a 86 audit reports were filed more than 9 months after the end of the entity’s fiscal year.

^b 77 audit reports were filed more than 45 days after the reports were delivered to the entities’ governing bodies.

As shown in Table 1:

- 47 local governmental entities (2 counties, 27 municipalities and 18 special districts) did not file the required audit report with us. A listing of the 47 local governmental entities is included as **EXHIBIT A** to this report.

¹⁶ Section 218.503(1), Florida Statutes.

¹⁷ Section 218.39(7), Florida Statutes.

- 25 local governmental entities (3 municipalities and 22 special districts) may have been required to provide for an audit but did not file an audit report with us. It was not practicable for us to determine whether an audit was required because sufficient information related to each entity's revenues or expenditures and expenses was not readily available from the entity, Florida Department of Financial Services (DFS) records, or other sources. If an entity is required to have an audit, the audit report must be filed both with the DFS and the Auditor General.¹⁸ A listing of the 25 local governmental entities is included as **EXHIBIT B** to this report.
- 86 local governmental entities (4 counties, 32 municipalities, and 50 special districts) filed audit reports¹⁹ with us 9 to 170 days, an average of 50 days, after 9 months had elapsed since the fiscal year end. A listing of the 86 local governmental entities is included as **EXHIBIT C** to this report.
- 77 local governmental entities (2 counties, 20 municipalities, and 55 special districts) filed audit reports²⁰ with us 6 to 309 days, an average of 50 days, after 45 days had elapsed since the reports were delivered to the entities' governing bodies. A listing of the 77 local governmental entities is included as **EXHIBIT D** to this report.

Local governmental entities that fail to provide for audits may be subject to consequences prescribed by State law.²¹ Timely audits are necessary to ensure that management and those charged with governance are promptly informed of financial-related control deficiencies and noncompliance. Additionally, timely filed audit reports provide for timely review by appropriate Federal and State oversight agencies.

Recommendation: Management of the local governmental entities should ensure that audits are timely completed and audit reports are filed in accordance with State law.

Finding 2: Completeness Reviews

We performed completeness reviews for all 1,407 local governmental entity audit reports filed with us as of July 31, 2020, to determine whether the audit reports included the financial statements, note disclosures, reports, and other items required by generally accepted accounting principles (GAAP) and Rules of the Auditor General,²² and the extent to which the audit reports complied, for selected significant matters, with GAAP, generally accepted government auditing standards (GAGAS), and Rules of the Auditor General. State law²³ requires us to request from local governmental entities any significant items omitted from audit reports. The local governmental entities are to provide us with the requested items no later than 45 days after the date of our request.

Most of the audit reports subjected to our completeness reviews included audited financial statements and the required notes thereto, the required independent auditor's reports on the financial statements and on internal control over financial reporting and compliance (compliance report), and the independent accountant's report of local governmental entity compliance with requirements in State law, as applicable. Additionally, most of the reports we reviewed were generally presented in accordance with GAAP,

¹⁸ Sections 218.32(1)(d) and 218.39(7), Florida Statutes.

¹⁹ While 75 of the 86 audit reports were filed with us within 45 days of delivery to the entities' governing bodies, 11 entities (2 municipalities and 9 special districts) filed reports 11 to 309 days, an average of 98 days, after the 45-day period had elapsed.

²⁰ While 66 of the 77 audit reports were filed with us within 9 months after fiscal year end, 11 entities (2 municipalities and 9 special districts) filed reports 9 to 170 days, an average of 55 days, after the 9-month period had elapsed.

²¹ Section 11.40(2), Florida Statutes.

²² Chapter 10.550, Rules of the Auditor General.

²³ Section 11.45(7)(b), Florida Statutes.

GAGAS, and Rules of the Auditor General. However, we noted certain instances of noncompliance, many of which related to independent auditor's reports and financial statement note disclosures. For example:

- The 147 applicable audit reports each presented significant overexpenditures, but the notes to financial statements did not disclose that the overexpenditures represented a significant violation of the legally adopted budget or actions taken to address the significant violation.
- 30 (12 percent) of 257 applicable audit reports that included component units did not disclose in the notes to financial statements the criteria for including the component units within the reporting entity.
- 25 (66 percent) of 38 applicable reports with a departure from the standard auditor's report on the financial statements (qualified, adverse, or disclaimed opinion) did not provide a description of that departure in the auditor's report on internal control over financial reporting and compliance.

EXHIBIT E of this report provides, by entity type, a summary of the deficiencies disclosed by our completeness reviews.

We also sent letters to 135 local governmental entities²⁴ requesting significant items that had been omitted from audit reports and concurrently provided a copy of the request letter to the respective entity auditors. Most of the items requested from the entities related to:

- Missing or inadequate accountant's report determinations of entity compliance. For example, auditors of entities with investment note disclosures did not always provide an examination report on that entity's compliance with Section 218.415, Florida Statutes, as required by Rules of the Auditor General.²⁵
- Missing or inadequate schedules of required supplementary information (RSI) related to the entity's pension plans.²⁶
- Missing or inadequate schedules of RSI for the entity's other postemployment benefits (OPEB) liability.²⁷
- Missing disclosures to clarify whether audit findings from the preceding financial audit report had been corrected and identification of any uncorrected audit findings from the two preceding financial audit reports.²⁸

As of October 8, 2020, 14 of the 135 local governmental entities had not provided the requested items and, pursuant to State law,²⁹ we notified the Legislative Auditing Committee. **EXHIBIT F** to this report provides a listing of the 14 local government entities.

External parties rely on audits to provide independent assessments of the accuracy and completeness of the financial statements, as well as to provide a means for evaluating the effectiveness of an entity's internal controls and the extent to which an entity complied with applicable laws, rules, regulations, contractual requirements, and bond covenants. Accordingly, it is important that the various components

²⁴ A separate audit report is prepared for each county constitutional officer (county agency), and if an item is omitted from a county agency report, our letter is addressed to the specific constitutional officer or to the board of county commissioners, as applicable. Consequently, multiple letters may be sent to the same county.

²⁵ Section 10.557(3)(c), Rules of the Auditor General, and Section 218.415(22), Florida Statutes.

²⁶ Section Pe5.128, *Codification of Governmental Accounting and Financial Reporting Standards*, June 30, 2018.

²⁷ Sections P50.154 and P52.139 *Codification of Governmental Accounting and Financial Reporting Standards*, June 30, 2018.

²⁸ Section 10.554(1)(i)1., Rules of the Auditor General.

²⁹ Section 11.45(7)(b), Florida Statutes.

of the audit report, such as the independent auditor's reports and management letter, financial statements, and notes to financial statements, be presented in accordance with GAAP, GAGAS, and the Rules of the Auditor General so that the reader can form appropriate conclusions relating to the audited entity.

Recommendation: Local governmental entities and their auditors should ensure that audit reports contain all the required information presented in accordance with applicable requirements.

Finding 3: Comprehensive Reviews

In addition to completeness reviews, we performed comprehensive reviews of selected audit reports for the 2018-19 fiscal year and noted certain errors and deficiencies. Specifically, we reviewed:

- 60 (3 county, 15 municipality, and 42 special district) audit reports to determine the extent of compliance on a comprehensive basis with GAAP, GAGAS, and Rules of the Auditor General,³⁰ and noted deficiencies pertaining to financial statements, note disclosures (other than pension and OPEB note disclosures), and RSI. For example, contrary to requirements established by GAAP, the Management Discussion and Analysis for 12 (21 percent) of the 58 applicable audit reports we reviewed did not provide the reasons for significant changes in fund balances for governmental funds or fund net position for proprietary funds. In addition, 6 (10 percent) of the 60 audit reports did not comply with GAAP as they contained mathematical errors (not related to rounding) in the financial statements or notes to financial statements.
- 60 (6 county, 32 municipality, and 22 special district) audit reports with pension note disclosures to determine the extent of compliance with GAAP and noted a significant number of deficiencies. For example, the notes to financial statements did not disclose the change in the discount rate used to calculate the pension liability since the end of the prior fiscal year for 19 (49 percent) of the 39 reports presenting cost-sharing defined benefit pension plans and 22 (85 percent) of the 26 reports presenting single-employer defined-benefit pension plans.
- 60 (9 county, 34 municipality, and 17 special district) audit reports with OPEB note disclosures and RSI to determine the extent of compliance with GAAP and noted a significant number of deficiencies. For example, 8 (16 percent) of the 51 reports with OPEB plans without a trust fund did not disclose the authority under which OPEB are required to be paid or did not disclose the amount paid by the employer as benefits came due. In addition, the notes to financial statements for 10 (17 percent) of the 60 reports reviewed did not disclose the source of the discount rate used to calculate the OPEB liability or did not disclose the change in the discount rate since the prior OPEB liability measurement date.
- 60 (15 county, 36 municipality, and 9 special district) audit reports to determine the extent of compliance with the Uniform Guidance reporting requirements as Rules of the Auditor General³¹ require the scope of the audit, when applicable, to encompass the additional activities necessary to establish compliance with the Uniform Guidance. We noted that the notes to the schedule of expenditures of Federal awards for 6 (10 percent) of the 60 reports reviewed did not disclose whether the auditee elected to use the 10 percent de minimis indirect cost rate.³²
- 60 (20 county, 25 municipality, and 15 special district) audit reports to determine the extent of compliance with the Florida Single Audit Act reporting requirements as Rules of the Auditor

³⁰ Chapter 10.550, Rules of the Auditor General.

³¹ Section 10.556(6), Rules of the Auditor General.

³² 2 CFR 200.510(b)(6).

General³³ require the scope of the audit, when applicable, to encompass the additional activities necessary to establish compliance with the Florida Single Audit requirements. The deficiencies noted included, for example, that the reported Florida Single Audit dollar threshold used to distinguish between Type A and Type B State projects, and identified in the schedule of findings and questioned costs, was not correctly calculated using the criteria in DFS rules³⁴ for 13 (22 percent) of the 60 applicable reports reviewed.

EXHIBIT G to this report provides a summary, by entity type, of the deficiencies disclosed by our comprehensive reviews.

Recommendation: Management of local governmental entities should ensure that financial statement note disclosures and RSI, including pension and OPEB disclosures, are presented in accordance with GAAP. In addition, local governmental entities and their auditors should ensure that all information required by Federal and State audit reporting requirements is properly presented.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of this project were to determine whether the local governmental entity audit reports filed with us for our review:

- Complied with generally accepted governmental auditing standards (GAGAS), generally accepted accounting principles (GAAP), and Rules of the Auditor General.³⁵
- Were prepared by independent certified public accountants (CPAs) properly licensed by the Florida Board of Accountancy.

The scope of this project included a review of financial audit reports for the 2018-19 fiscal year prepared by independent CPAs and filed with us by July 31, 2020, for 62 counties, 348 municipalities, and 997 special districts (a total of 1,407 entities).

We planned and performed our review of the audit reports to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our review objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our review objectives.

Our review was necessarily limited to the contents of the audit reports filed with us and did not extend to an examination of the CPAs' working papers or a determination of whether the auditors followed all GAGAS in the actual conduct of the audits. Because our review was limited to the contents of the audit reports provided to us, the review cannot be used as the basis for determining the extent of an entity's compliance with applicable laws, rules, regulations, charters, contractual requirements, or bond covenants. Likewise, our review would not disclose whether the auditor reported all instances of noncompliance or reportable internal control deficiencies noted during the audit, or whether certain required financial disclosures were completely omitted from the audit report.

To assist with the conduct of our review, we established a completeness review checklist and various comprehensive review checklists with evaluation criteria from our rules and report review guidelines (as

³³ Section 10.556(6), Rules of the Auditor General.

³⁴ DFS Rule 69I-5.008(2), Florida Administrative Code.

³⁵ Chapter 10.550, Rules of the Auditor General.

discussed in the **BACKGROUND** section of this report). Due to the number of reports included in this review, we applied the comprehensive review checklists to selected local governmental entity audit reports. Specifically, for the local governmental entity audit reports filed with us through July 31, 2020, we completed:

- Completeness review checklists for all 1,407 local governmental entity audit reports.
- Comprehensive review checklists for:
 - Financial statements for 60 selected local governmental entity audit reports.
 - Financial statement note disclosures and required supplementary information (RSI) (other than pension and other postemployment benefits (OPEB) disclosures) for 60 selected local governmental entity audit reports.
 - Pension note disclosures and RSI for 60 selected local governmental entity audit reports.
 - OPEB note disclosures and RSI for 60 selected local governmental entity audit reports.
 - Uniform Guidance reporting requirements for 60 selected local governmental entity audit reports.
 - Florida Single Audit Act reporting requirements for 60 selected local governmental entity audit reports.

AUTHORITY

Section 11.45(7)(b), Florida Statutes, requires the Auditor General to review, in consultation with the Florida Board of Accountancy, all local governmental entity audit reports prepared by independent certified public accountants (CPAs) and filed pursuant to Section 218.39, Florida Statutes. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our review of local governmental entity audit reports prepared by independent CPAs for the 2018-19 fiscal year.



Sherrill F. Norman, CPA
Auditor General

EXHIBIT A

**LOCAL GOVERNMENTAL ENTITY
2018-19 FISCAL YEAR AUDIT REPORTS
THAT WERE REQUIRED BUT
NOT FILED AS OF OCTOBER 8, 2020**

Counties

1	Dixie County
2	Jefferson County

Municipalities

1	Alford, Town of
2	Altha, Town of
3	Atlantic Beach, City of
4	Avon Park, City of
5	Caryville, Town of
6	Cottondale, City of
7	El Portal, Village of
8	Fort White, Town of
9	Gretna, City of
10	Hampton, City of
11	Havana, Town of
12	Loxahatchee Groves, Town of
13	Mangonia Park, Town of
14	Mexico Beach, City of
15	Midway, City of
16	Minneola, City of
17	Opa-locka, City of
18	Parker, City of
19	Pembroke Park, Town of
20	Reddick, Town of
21	Riviera Beach, City of
22	Sneads, Town of
23	Starke, City of
24	Vernon, City of
25	West Park, City of
26	Westville, Town of
27	White Springs, Town of

Special Districts

1	Argyle Fire District
2	Avon Park Community Redevelopment Agency
3	Baker Fire District
4	Belmont Lakes Community Development District
5	Belle Venetia Community Development District
6	Campbellton-Graceville Hospital District
7	City of Minneola Community Redevelopment Agency
8	City of Riviera Beach Utility Special District
9	Daytona Beach Racing and Recreational Facilities District
10	East Lake Tarpon Special Fire District
11	Eastpoint Water and Sewer District
12	Green Corridor Property Assessment Clean Energy (PACE) District
13	Jackson Soil and Water Conservation District
14	Loxahatchee Groves Water Control District
15	Opa-locka Community Redevelopment Agency
16	Riviera Beach Community Redevelopment Agency
17	Sandy Creek Community Development District
18	South Dade Soil and Water Conservation District
<u>47</u>	Total Audit Reports Required but Not Filed as of October 8, 2020.

EXHIBIT B

**LOCAL GOVERNMENTAL ENTITY
2018-19 FISCAL YEAR AUDIT REPORTS
THAT MAY HAVE BEEN REQUIRED
BUT WERE NOT FILED AS OF OCTOBER 8, 2020**

Municipalities

1	Lazy Lake, Village of
2	Otter Creek, Town of
3	Raiford, Town of

Special Districts

1	Ali-Baba Neighborhood Improvement District
2	Baker Soil and Water Conservation District (Declared inactive on 8/3/20)
3	Bermont Drainage District
4	City of Midway Community Redevelopment Agency
5	Community Redevelopment Agency of the City of Parker
6	Community Redevelopment Agency of the Town of Havana
7	East-West Neighborhood Improvement District
8	Eastern Volusia Regional Water Authority
9	Escambia-Pensacola Huan Relations Commission (Dissolved 3/12/19)
10	Gretna Neighborhood Improvement District
11	Hamilton County Soil and Water Conservation District
12	Martin Soil and Water Conservation District (Inactive as of 3/17/20)
13	Niles Garden Neighborhood Improvement District
14	Northwest Florida Transportation Corridor Authority (Inactive as of 8/14/19)
15	Orange Hill Soil and Water Conservation District
16	Santa Fe Soil and Water Conservation District
17	Santa Rosa Bay Bridge Authority
18	Shores of Santa Rosa Community Development District (Dissolved 12/17/18)
19	Starke Community Redevelopment Agency
20	Union Soil and Water Conservation District
21	Villages of Avignon Community Development District
22	Yellow River Soil and Water Conservation District
25	Total Number of Audit Reports That May Have Been Required but Were Not Filed as of October 8, 2020

EXHIBIT C

LOCAL GOVERNMENTAL ENTITY 2018-19 FISCAL YEAR AUDIT REPORTS FILED MORE THAN 9 MONTHS AFTER FISCAL YEAR END

	Counties	Date Filed	Days Late
1	Baker County	07/13/20	13
2	Bradford County	08/04/20	35
3	Calhoun County	09/30/20	92
4	Suwannee County	07/09/20	9
	Municipalities		
1	Bonifay, City of	08/25/20	56
2	Bronson, Town of	08/18/20	49
3	Brooksville, City of	08/14/20	45
4	Campbellton, Town of	07/24/20	24
5	Clermont, City of	09/09/20	71
6	Crestview, City of	08/28/20	59
7	Davenport, City of	09/01/20	63
8	Eatonville, Town of	09/28/20	90
9	Flagler Beach, City of	07/10/20	10
10	Gainesville, City of	08/04/20	35
11	Grand Ridge, Town of	09/18/20	80
12	Groveland, City of	08/04/20	35
13	Indian Shores, Town of	10/07/20	99
14	Islamorada, Village of	09/11/20	73
15	Lake Park, Town of	08/31/20	62
16	Lake Placid, Town of	08/13/20	44
17	Lake Worth, City of	08/11/20	42
18	Manalapan, Town of	09/21/20	83
19	Montverde, Town of	07/30/20	30
20	Mount Dora, City of	07/30/20	30
21	North Bay Village, City of	07/13/20	13
22	Pahokee, City of	09/03/20	65
23	Panama City, City of	07/31/20	31
24	Panama City Beach, City of	08/04/20	35
25	Ponce de Leon, Town of	08/19/20	50
26	Port Orange, City of ^a	08/03/20	34
27	South Bay, City of	07/14/20	14
28	Springfield, City of	08/25/20	56
29	St. Cloud, City of	08/18/20	49
30	St. Lucie Village, Town of	08/19/20	50
31	Sweetwater, City of	09/24/20	86
32	Zephyrhills, City of ^a	08/25/20	56

	Special Districts	Date Received	Days Late
1	Almarante Fire District	08/22/20	53
2	Avalon Beach / Mulat Fire Protection District	07/27/20	27
3	Avenir Community Development District	08/13/20	44
4	Ballentrae Hillsborough Community Development District	09/03/20	65
5	Banyan Cay Community Development District	08/28/20	59
6	Beach Mosquito Control District	09/04/20	66
7	Big Bend Water Authority	07/30/20	30
8	Citrus, Levy, Marion Regional Workforce Development Board ^a	08/04/20	35
9	City of St. Cloud Community Redevelopment Agency	08/18/20	49
10	Clearwater Cay Community Development District	09/05/20	67
11	Doctors Memorial Hospital	09/30/20	92
12	Downtown Clermont Redevelopment Agency	09/09/20	71
13	East Niceville Fire District	09/09/20	71
14	Eastport Business Center ^a	08/03/20	34
15	Enterprise Community Development District ^a	07/30/20	30
16	Gateway Services Community Development District ^a	07/30/20	30
17	Groveland Community Redevelopment Agency	08/04/20	35
18	Hacienda Lakes Community Development District	07/09/20	9
19	Haines City Water Control District	08/26/20	57
20	Harbor Bay Community Development District	09/03/20	65
21	Holmes Creek Soil and Water Conservation District	08/07/20	38
22	Industrial Development Authority of Calhoun County	09/30/20	92
23	Lake Lucie Community Development District	10/08/20	100
24	Leon County Educational Facilities Authority	07/10/20	10
25	Majorca Isles Community Development District	08/06/20	37
26	Millers Creek Special District (06/30/2019 fiscal year end) ^a	07/31/20	122
27	New Port – Tampa Bay Community Development District	07/23/20	23
28	North River Ranch Community Development District	09/01/20	63
29	Ocala Downtown Development District	07/30/20	30
30	Osceola Chain of Lakes Community Development District	07/30/20	30
31	Osceola County Expressway Authority (Dissolved 12/31/18) ^a	03/18/20	170
32	Parker Road Community Development District	08/06/20	37
33	Pensacola-Escambia Promotion and Development Commission ^a	07/09/20	9
34	Port Orange Town Center ^a	08/03/20	34
35	Quincy-Gadsden Airport Authority	08/27/20	58
36	Renaissance Community Development District	07/31/20	31
37	South Village Community Development District	08/27/20	58
38	South Walton County Mosquito Control District	08/04/20	35

EXHIBIT D

LOCAL GOVERNMENTAL ENTITY 2018-19 FISCAL YEAR AUDIT REPORTS FILED MORE THAN 45 DAYS AFTER REPORT WAS DELIVERED TO THE ENTITY'S GOVERNING BODY

	Counties	Number of Days Audit Report	
		Filed After Delivery to Entity's Governing Body	Filed Late
1	Alachua County	53	8
2	Manatee County	97	52
Municipalities			
1	Alachua, City of	63	18
2	Brooker, Town of	54	9
3	Cape Coral, City of	63	18
4	Cinco Bayou, Town of	54	9
5	Daytona Beach, City of	64	19
6	Daytona Beach Shores, City of	51	6
7	Deltona, City of	89	44
8	Destin, City of	58	13
9	Dunedin, City of	92	47
10	Fort Walton Beach, City of	63	18
11	Hilliard, Town of	89	44
12	Indian Rocks Beach, City of	53	8
13	La Crosse, Town of	54	9
14	Miami, City of	97	52
15	Naples, City of	98	53
16	Pomona Park, Town of	76	31
17	Port Orange, City of ^a	94	49
18	South Miami, City of	57	12
19	Welaka, Town of	139	94
20	Zephyrhills, City of ^a	56	11
Special Districts			
1	Alachua County Library District	61	16
2	Anthem Park Community Development District	116	71
3	Aviary at Rutland Ranch Community Development District	62	17
4	Blueprint Intergovernmental Agency	51	6
5	Boynton Beach Community Redevelopment Agency	55	10
6	Brightwater Community Development District	63	18
7	Buckeye Park Community Development District	54	9
8	Central Florida Regional Transportation Authority d/b/a LYNX	113	68
9	Children's Services Council of Martin County	112	67
10	Children's Service Council of St. Lucie County	104	59

Special Districts (Continued)		Number of Days Audit Report	
		Filed After Delivery to Entity's Governing Body	Filed Late
11	Citrus, Levy, Marion Regional Workforce Development Board ^a	146	101
12	Eastlake Oaks Community Development District	57	12
13	Eastport Business Center ^a	94	49
14	Enterprise Community Development District ^a	63	18
15	Florida Crown Workforce Board, Inc.	152	107
16	Gateway Services Community Development District ^a	86	41
17	Gulf Consortium	93	48
18	Halifax Hospital Medical Center	159	114
19	Harbour Waterway Special District (6/30/2019 fiscal year end)	142	97
20	Hawk's Point Community Development District	62	17
21	Health Care District of Palm Beach County	112	67
22	Heritage Harbour Market Place Community Development District	55	10
23	Hillsborough County Aviation Authority	74	29
24	Indian Trail Improvement District	92	47
25	Jacksonville Aviation Authority	101	56
26	Juvenile Welfare Board of Pinellas County	67	22
27	Lake Asbury Municipal Service Benefit District	55	10
28	Lakewood Ranch Community Development District 1	95	50
29	Lakewood Ranch Community Development District 2	95	50
30	Lakewood Ranch Community Development District 4	95	50
31	Lakewood Ranch Community Development District 5	95	50
32	Lakewood Ranch Community Development District 6	95	50
33	Lee County Trauma Services District	146	101
34	Lee Memorial Health System	146	101
35	Millers Creek Special District ^a	354	309
36	Osceola County Expressway Authority (Dissolved 12/31/2018) ^a	294	249
37	Palm Beach Workforce Development Consortium	65	20
38	Palm Coast Park Community Development District	97	52
39	Panther Trace Community Development District	69	24
40	Panther Trace II Community Development District	69	24
41	Parrish Fire District	57	12
42	Pensacola-Escambia Promotion and Development Commission ^a	232	187
43	Pinellas Park Water Management District	107	62
44	Port Orange Town Center ^a	94	49
45	Randal Park Community Development District	63	18

Special Districts (Continued)		Number of Days Audit Report	
		Filed After Delivery to Entity's Governing Body	Filed Late
46	Sarasota Bay Estuary Program	65	20
47	Sarasota County Public Hospital District	143	98
48	Seminole County Industrial Development Authority	129	84
49	StoneLake Ranch Community Development District	55	10
50	Stoneybrook at Venice Community Development District	218	173
51	Tern Bay Community Development District	54	9
52	Trailer Estates Fire Control District	91	46
53	Withlacochee Regional Water Supply Authority	76	31
54	Woodlands Community Development District, The	55	10
55	Zephyrhills Community Redevelopment Agency ^a	56	11
<u>77</u>	Total Number of Audit Reports Not Filed Within 45 Days After Report was Delivered to the Entity's Governing Body		
	Average Number of Days	94	49

^a Report was also filed more than 9 months after the entity's fiscal year end. See **EXHIBIT C**.

EXHIBIT E

SUMMARY OF DEFICIENCIES NOTED DURING COMPLETENESS REVIEWS OF 2018-19 FISCAL YEAR AUDIT REPORTS

Description of Deficiencies	Number of Reports to Which Criterion Applied ^a	County		Municipality		Special District		Total	
		Reports with Deficiencies	Number Percent ^b	Reports with Deficiencies	Number Percent ^b	Reports with Deficiencies	Number Percent ^b	Reports with Deficiencies	Number Percent ^c
Notes to Financial Statements:									
The notes did not disclose for each significant budgetary overexpenditure at the legal level of budgetary control that the overexpenditure represented a significant violation of the legally adopted budget and did not disclose the action taken to address the significant violation.	147	21	100	47	98	78	100	147	99
The notes did not disclose criteria for including component units within the reporting entity.	257	12	24	18	10	-	-	30	12
The notes did not disclose the types of instruments authorized under legal or contractual provisions in which the entity can invest.	972	8	14	44	18	23	3	75	8
Auditor's Report on Internal Control Over Financial Reporting and Compliance:									
The report included a departure from the standard auditor's report on the financial statements (qualified, adverse, or disclaimed opinion) but did not provide a description of that departure in the auditor's report on compliance and internal control.	38	2	67	11	85	12	55	25	66
Management Letter:									
Neither the management letter nor the notes to financial statements included the legal authority of the primary government and each component unit included in the reporting entity.	1,407	12	19	107	31	29	3	148	11
The management letter did not clearly identify audit findings that had also been included in the preceding two audit reports.	171	1	6	10	13	1	1	12	7
The management letter did not include a statement as to whether findings reported in the preceding audit report had been corrected.	392	2	5	6	4	14	7	22	6
Florida Single Audit Reporting:									
The report did not include a summary schedule of prior audit findings when the preceding audit report included findings for State projects.	19	1	10	-	-	2	67	3	16
Independent Auditor's Report:									
The report excluded an opinion on whether the schedule of receipts and expenditures of funds for the Deepwater Horizon oil spill, presented as supplementary information, was presented fairly in relation to the financial statements as a whole.	21	-	-	3	27	-	-	3	14
Audit Report Filing Compliance:									
The audit report filing checklist did not include the date that the auditor delivered the audit report to the entity.	1,407	1	2	21	6	50	5	72	5

^a A total of 1,407 local governmental entity audit reports were subjected to our completeness reviews.

^b The percent is based on the number of reports for the respective type of local governmental entity to which each criterion was applied.

^c The percent is based on the total number of reports for all three types of governmental entities to which each criterion was applied.

EXHIBIT F

**LOCAL GOVERNMENTAL ENTITIES
THAT HAD NOT PROVIDED
AS OF OCTOBER 8, 2020
THE SIGNIFICANT ITEMS OMITTED FROM THEIR
2018-19 FISCAL YEAR AUDIT REPORTS**

Counties

1	Franklin County Supervisor of Elections
2	Liberty County Sheriff
3	Liberty County Supervisor of Elections
4	Union County

Municipalities

1	Apalachicola, City of
2	Hypoluxo, Town of
3	Monteverde, Town of
4	Paxton, City of
5	Wausau, Town of

Special Districts

1	Big Bend Water Authority
2	City-County Public Works Authority
3	New River Public Library Cooperative
4	SWI Community Development District
5	St. Johns Improvement District

14 Total Number of Local Government Entities that had not Provided, as of October 8, 2020, Significant Items Omitted from Their 2018-19 Fiscal Year Audit Reports.

EXHIBIT G

SUMMARY OF DEFICIENCIES NOTED DURING COMPREHENSIVE REVIEWS OF SELECTED 2018-19 FISCAL YEAR AUDIT REPORTS

Description of Deficiencies	Number of Reports to Which Criterion Applied ^a	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent ^b	Number	Percent ^b	Number	Percent ^b	Number	Percent ^c
Management Discussion and Analysis (MD & A):									
Presentation of balances and transactions did not provide reasons for significant changes in net position or fund balances from the prior year.	58	-	-	3	20	9	23	12	21
The MD & A did not include a description of capital asset or long-term debt activity during the fiscal year.	57	-	-	1	7	2	5	3	5
Financial Statements:									
The financial statements or notes to financial statements contained mathematical errors (not related to rounding).	60	2	67	2	13	2	5	6	10
Notes to Financial Statements (Other than Pension and Other Postemployment Benefit (OPEB) Disclosures):									
The notes did not disclose the policy for eliminating internal activity in the statement of activities.	47	-	-	3	23	1	3	4	9
The notes did not disclose the measurement focus and basis of accounting used in the government-wide statements.	59	-	-	-	-	5	12	5	8
Pension Note Disclosures:									
For single-employer defined-benefit plans, the notes did not disclose the change in discount rate used to calculate the pension liability since the end of the prior fiscal year.	26	-	-	21	88	1	50	22	85
For single-employer defined benefit plans, the notes excluded either the annual money-weighted rate of return on investments or an explanation that the rate is net of investment expense.	26	-	-	12	50	1	50	13	50
For single-employer defined benefit plans, the notes did not include information regarding the plan's board of directors and the board composition.	26	-	-	8	33	-	-	8	31
For single-employer defined benefit plans, the notes did not disclose the plan benefits and terms and the authority under which the plans were established.	26	-	-	6	25	-	-	6	23
For single-employer defined benefit plans, the notes did not disclose the assumed asset allocation of the plan's portfolio, along with the expected rate of return for each asset class or did not clarify whether those returns were presented as arithmetic or geometric means.	26	-	-	5	21	-	-	5	19
For single-employer defined benefit plans, the notes did not disclose the authority under which contribution requirements were established and can be amended, the contribution rates, and the basis for determining the contribution.	26	-	-	3	13	-	-	3	12
For defined-benefit cost-sharing plans, the notes did not disclose the assumptions made about projected cash flows into and out of the pension plan.	39	3	50	11	73	12	67	26	67
For defined-benefit cost-sharing plans, the notes did not disclose the change in discount rate used to calculate the pension liability since the end of the prior fiscal year.	39	4	67	9	60	6	33	19	49

Description of Deficiencies	Number of Reports to Which Criterion Applied ^a	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent ^b	Number	Percent ^b	Number	Percent ^b	Number	Percent ^c
Pension Plan Note Disclosures (Continued):									
For defined-benefit cost-sharing plans, the notes did not provide full descriptive information to include: classes of employees covered, types of benefits, elements of the pension formula, cost-of-living adjustments, and authority under which these provisions were established and may be amended.	39	-	-	3	20	4	22	7	18
For defined-benefit cost sharing plans, the notes either did not disclose the basis for how the employer's proportionate share of the collective net pension liability was determined or did not disclose the change in that proportion since the prior measurement date.	39	1	17	4	27	2	11	7	18
For defined-benefit cost-sharing plans that use a municipal bond rate as the discount rate to calculate the pension liability, the notes did not disclose the source of that rate.	39	2	33	3	20	1	6	6	15
For defined-benefit cost-sharing plans, the notes did not disclose either the collective net pension liability measurement date or actuarial valuation date used to calculate the pension liability.	39	-	-	3	20	1	6	4	10
For defined-benefit cost-sharing plans, the notes did not disclose the assumed asset allocation of the plan's portfolio, along with the expected rate of return for each asset class, or did not clarify whether those returns were presented as arithmetic or geometric means.	39	-	-	2	13	1	6	3	8
For defined-benefit cost-sharing plans, the notes did not disclose the employer's proportionate share of the collective net pension liability using a discount rate 1 percentage point higher and 1 percentage point lower than the discount rate used to calculate the pension liability.	39	1	17	2	13	-	-	3	8
For defined contribution plans, the notes did not disclose the contribution requirements and the authority under which contribution rates were established and can be amended.	38	-	-	1	5	2	14	3	8
OPEB Plan Note Disclosures:									
The notes did not disclose either the source of the discount rate used to calculate the OPEB liability or did not disclose the change in the discount rate since the prior OPEB liability measurement date.	60	2	22	5	15	3	18	10	17
The notes did not disclose the net amount of deferred inflows and outflows that will be recognized as OPEB expense for each of the next 5 years.	54	1	11	4	13	2	14	7	13
The notes did not disclose the amounts of OPEB deferred inflows and outflows of resources or include the classifications of the deferred amounts.	54	-	-	3	10	2	14	5	9
The notes did not disclose one or more of the following OPEB plan elements: OPEB liability or asset (as applicable), OPEB expense, deferred inflows of resources, and deferred outflows of resources.	60	1	11	2	6	1	6	4	7

Description of Deficiencies	Number of Reports to Which Criterion Applied ^a	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent ^b	Number	Percent ^b	Number	Percent ^b	Number	Percent ^c
OPEB Plan Note Disclosures (Continued):									
The notes did not disclose the number of employees covered by the OPEB plan for the following categories: inactive employees receiving benefits, inactive employees not receiving benefits, and active employees.	60	1	11	-	-	3	18	4	7
The notes did not disclose the amount of OPEB expense recognized by the employer during the reporting period.	60	1	11	2	6	1	6	4	7
The notes did not adequately disclose the benefits provided by the plan and the authority under which the benefits may be amended.	60	-	-	2	6	1	6	3	5
The notes did not disclose assumptions for inflation and healthcare cost trend rates used to calculate the OPEB liability.	60	-	-	-	-	3	18	3	5
For OPEB plans without a trust fund, the notes did not disclose the authority under which OPEB are required to be paid or did not disclose the amount paid by the employer as benefits came due.	51	1	13	5	17	2	14	8	16
For OPEB plans without a trust fund in which to accumulate assets to fund OPEB, the notes did not disclose that there are no assets accumulated to fund the OPEB liability.	51	-	-	6	21	1	7	7	14
For OPEB plans with trust funds, the notes did not disclose the assumptions about projected cash flows into and out of the trust fund.	9	-	-	1	20	2	67	3	33
For OPEB plans with trust funds, the notes did not disclose the assumed asset allocation of the plan's portfolio, along with the expected rate of return for each asset class or did not clarify whether those returns were presented as arithmetic or geometric means.	10	-	-	2	40	1	25	3	30
Federal Uniform Guidance:									
The notes to the schedule of expenditures of Federal awards did not disclose whether the auditee elected to use the 10 percent de minimis indirect cost rate.	60	3	20	3	8	-	-	6	10
Florida Single Audit:									
The reported dollar thresholds used to distinguish between Type A and Type B State projects on the schedule of findings and questioned costs were not correctly calculated using the criteria in DFS rules.	60	3	15	4	16	6	40	13	22
The schedule of findings and questioned costs did not state whether the audit disclosed any findings required to be reported under Auditor General rules.	60	2	10	-	-	1	7	3	5

^a The **OBJECTIVES, SCOPE, AND METHODOLOGY** section of this report identifies the number of entities we selected for review.

^b The percent is based on the number of reports for the respective type of local governmental entity to which each criterion was applied.

^c The percent is based on the total number of selected reports for all three types of governmental entities to which each criterion was applied.