

**SUWANNEE COUNTY
DEVELOPMENT AUTHORITY**

FINANCIAL STATEMENTS

For the Year Ended September 30, 2015

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

AUTHORITY MEMBERS

September 30, 2015

| <u>MEMBERS</u> | <u>TERM EXPIRATION</u> |
|------------------------------------|------------------------|
| District 1 William D. Hale, Jr. | April 2016 |
| District 2 Stefan Blue | April 2016 |
| District 3 Ernest Sellers | April 2017 |
| District 4 James Cornett | April 2017 |
| District 5 John Koch | April 2015 |
| At Large Tim Alcorn | April 2014 |
| Joe Flanagan | April 2015 |
| Clifford Gwinn | April 2014 |

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

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INDEPENDENT AUDITOR'S REPORT

Board Members of the Suwannee County
Development Authority
Live Oak, Florida

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and each major fund of the Suwannee County Development Authority, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Suwannee County Development Authority, as of September 30, 2015, 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 pages 3-7 and 21 - 23 respectively 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated February 5, 2016, on my consideration of the Suwannee County Development Authority's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Suwannee County Development Authority's internal control over financial reporting and compliance.



Kenneth M. Daniels
Certified Public Accountant
February 5, 2016

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

SUWANNEE COUNTY DEVELOPMENT AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2015

Our discussion and analysis of the Suwannee County Development Authority’s (the Authority), financial performance provides an overview of Authority’s financial activities for the fiscal year ended September 30, 2015. Please read it in conjunction with the Authority’s financial statements, which begin on page 8.

Financial Highlights

Via a special warranty deed, the Authority took possession of Lots 38 and 39 of the East 90 Commerce Centre. Subsequently, the Authority sold these lots for \$380,000 financing the sale with a note receivable in the amount of \$370,000.

On August 1, 2015, the Authority contributed Parcel A of the East 90 Commerce Centre in exchange for accepting 90th Trail, 101st Court, and 88th Trace Roads as County Roads.

Using this Annual Report

This annual report consists of a series of financial statements.

The Statement of Net Position and the Statement of Activities provide information about the activities of the Authority as a whole and present a longer-term view of the Authority’s finances.

Fund financial statements start on page 10. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Authority’s operations in more detail than the government-wide statements by providing information about the Authority’s most significant funds.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Reporting the Authority as a Whole

Our analysis of the Authority as a whole begins on page 4. The Statement of Net Position and the Statement of Activities on pages 8 and 9 include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid. These two statements also report the Authority’s Net Position and changes in it.

The Authority’s Net Position – the difference between assets and liabilities – is one way to measure the Authority’s financial health, or financial position. Over time, increases or decreases in the Authority’s Net Position are an indicator of whether its financial health is improving or deteriorating. Additional other nonfinancial factors such as changes in the area’s economic conditions and the condition of the Authority’s capital assets should be considered in assessing the Authority’s overall financial health.

In the Statement of Net Position and the Statement of Activities, all of the Authority’s activities are reported as governmental: economic environment - industry development.

Reporting the Authority’s Funds

Our analysis of the Authority’s funds (one major – General Fund) begins on page 6. The fund financial statements begin on page 10 and provide detailed information about the Authority’s governmental fund. A description of governmental funds follows:

Governmental funds focus on how money flows into and out of those funds and the balances left at year–end that are available for spending. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detailed short –term view of the Authority’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Authority’s programs.

The relationship or differences between governmental activities reported in the Statement of Net Position and the Statement of Activities and governmental funds is described in reconciliations accompanying the fund financial statements.

Governmental Activities – Net Position

The Authority’s Net Position as indicated in the table below as well as its current and other assets increased slightly. A detailed analysis of the changes follows Table 1 below.

Table 1
NET POSITION
(In Thousands)

| | Governmental <u>Activities</u> | |
|-----------------------|-----------------------------------|---------------------|
| | <u>2015</u> | <u>2014</u> |
| Other assets | \$ 702 | \$ 606 |
| Capital assets | <u>360</u> | <u>411</u> |
| Total assets | <u><u>1,062</u></u> | <u><u>1,017</u></u> |
| Other liabilities | \$ - | \$ - |
| Long term liabilities | <u>-</u> | <u>-</u> |
| Total liabilities | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

(Table 1 continued)

| | | |
|---|-----------------|-----------------|
| Deferred inflows | <u>44</u> | <u>44</u> |
| Net position: | | |
| Invested in Cap Assets, net of debt | 360 | 411 |
| Unrestricted | <u>658</u> | <u>606</u> |
| Total net position | <u>1,018</u> | <u>1,017</u> |
| Total liabilities, deferred inflows, & net position | <u>\$ 1,062</u> | <u>\$ 1,017</u> |

As indicated above, the Authority took possession of Lots 38 and 39 at the Commerce Centre. Due to the sale and refinancing of the lots, current and other assets increased over the prior year – increase in notes receivable. Capital assets decreased due to the land (4.96 acres) contributed to Suwannee County.

Net Position increased slightly due to the net results of the above described transactions.

Governmental Activities - Changes in Net Position

Table 2
CHANGES IN NET POSITION
(In Thousands)

| Statement of Activities | <u>Governmental Activities</u> | |
|---|--------------------------------|---------------|
| | <u>2015</u> | <u>2014</u> |
| Program revenues | | |
| Economic environment | \$ 10 | \$ 20 |
| General revenues | | |
| Interest | 19 | 27 |
| Miscellaneous | <u>1</u> | <u>1</u> |
| Total revenues | <u>30</u> | <u>48</u> |
| Program expenses | | |
| Economic environment | <u>50</u> | <u>30</u> |
| Excess (deficiency) before special item | (20) | 18 |
| Special item | | |
| Gain on asset disposals | <u>66</u> | <u>-</u> |
| Change in net position | 46 | 18 |
| Net position - beginning | <u>972</u> | <u>954</u> |
| Net position - ending | <u>\$ 1,018</u> | <u>\$ 972</u> |

Table 2's significant variances between years are explained below:

- Program revenues decreased due to the timing of payments to the Authority by the Suwannee County Board of County Commissioners in the prior year. Two payments of \$10,000 were made.

- Interest revenue decreased. In the prior year, multiple note receivable payments were made in an attempt by the prior owner of Lots 38 and 39 to retain possession.
- Expenses increased due to the following: joint promotional activities with Suwannee County, payment of back taxes on repossessed property, closing costs on lots sold, repossession of Lots 38 and 39 (treated as capital outlay).

THE AUTHORITY’S FUNDS

**TABLE 3
CHANGES IN GENERAL FUND'S TOTAL
FUND BALANCE
(in Thousands)**

| <u>General Fund</u> | <u>2015</u> | <u>2014</u> | <u>\$ Change</u> | <u>Percent Change</u> |
|---------------------|---------------|---------------|------------------|---------------------------|
| Nondisposable | \$ 405 | \$ 331 | \$ 74 | 22.36% |
| Unassigned | <u>253</u> | <u>231</u> | <u>22</u> | 9.52% |
| Total fund balances | <u>\$ 658</u> | <u>\$ 562</u> | <u>\$ 96</u> | 17.08% |

The Authority’s total fund balance increased approximately \$96,000 – the result of the repossession and sale of the lots indicated above.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund’s Budgetary Comparison Schedule is on page 21.

No budget was adopted for the year ending September 30, 2015.

CAPITAL ASSET AND DEBT ADMINISTRATION

As indicated in the table below, the Authority, in supporting economic development, continues to make lots available for sale to further economic development in Suwannee County.

**Table 4
CAPITAL ASSETS (in Thousands)**

| | <u>2015</u> | <u>2014</u> |
|-----------------------------|---------------|---------------|
| | <u>2015</u> | <u>2014</u> |
| Land | \$ 357 | \$ 407 |
| Infrastructure/improvements | <u>5</u> | <u>5</u> |
| Total capital assets, gross | <u>\$ 362</u> | <u>\$ 412</u> |

2015-16 BUDGET AND CURRENTLY KNOWN FACTS

2015-16 Budget

The Authority's 2015-16 budget projects revenues at approximately \$25,400. Expenditures for professional services, economic development training, and Centre maintenance are the primary uses of the funds.

Currently Known Facts

The Authority continues in its attempts to maintain current properties and secure additional properties for economic development within Suwannee County, FL.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens of Suwannee County, Florida with a general overview of the Authority's finances and accountability for the funds that it receives.

If you have questions about this report or need additional financial information, contact the Authority at PO Drawer C Live Oak, FL 32064.



Tim Alcorn
Chairperson, Suwannee County Development Authority

**BASIC
FINANCIAL
STATEMENTS**

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION

September 30, 2015

| | |
|--|----------------------------|
| Assets | |
| Cash | \$ 296,684 |
| Notes receivable | 405,349 |
| Capital assets, net of depreciation | |
| Land | 356,589 |
| Other capital assets, net of depreciation | <u>3,489</u> |
| Total net capital assets | <u>360,078</u> |
| Total assets | <u><u>\$ 1,062,111</u></u> |
| | |
| Liabilities, deferred inflows of resources, and net position | |
| Liabilities | |
| Accounts payable | <u>\$ 125</u> |
| | |
| Deferred inflows of resources | |
| Deferred signage | <u>43,939</u> |
| | |
| Net position | |
| Net investment in capital assets | 360,078 |
| Unrestricted | <u>657,969</u> |
| Total net position | <u>1,018,047</u> |
| Total liabilities, deferred inflows of resources, and net position | <u><u>\$ 1,062,111</u></u> |

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2015

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | <u>Net (Expense) Revenue and Changes in Net Assets Governmental Activities</u> |
|--|------------------|---------------------------------|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| Governmental activities | | | | |
| Economic environment | | | | |
| Industry development | <u>\$ 50,398</u> | <u>\$ -</u> | <u>\$ 10,000</u> | <u>\$ -</u> |
| General revenues | | | | |
| Interest | | | | 19,341 |
| Miscellaneous | | | | 505 |
| Special item - gain on sale of land | | | | 116,659 |
| Special item - loss on donated land | | | | <u>(50,089)</u> |
| Total general revenues and special items | | | | <u>86,416</u> |
| Change in net position | | | | 46,018 |
| Net position - beginning | | | | <u>972,029</u> |
| Net position - ending | | | | <u>\$ 1,018,047</u> |

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2015

| | <u>General Fund</u> |
|---|---------------------|
| Assets | |
| Current assets | |
| Cash | \$ 296,684 |
| Notes receivable | <u>405,349</u> |
| Total assets | <u>\$ 702,033</u> |
| Liabilities, deferred inflows of resources, and fund balances | |
| Liabilities | |
| Accounts payable | <u>\$ 125</u> |
| Deferred inflows of resources | |
| Deferred signage | <u>43,939</u> |
| Fund Balances | |
| Nonspendable | |
| Notes receivable | 405,348 |
| Unassigned | <u>252,621</u> |
| Total fund balances | <u>657,969</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 702,033</u> |

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

**RECONCILIATION OF THE GOVERNMENTAL FUND'S BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

September 30, 2015

Total fund balances for governmental funds \$ 657,969

Total net position reported for governmental activities in the statement of net position is different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of the following:

| | |
|---|----------------|
| Land | 356,589 |
| Infrastructure | 5,500 |
| Accumulated depreciation - infrastructure | <u>(2,011)</u> |
| Total capital assets (See note 4.) | <u>360,078</u> |

Total net position of governmental activities \$ 1,018,047

SUWANNEE COUNTY DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended September 30, 2015

| | | <u>General Fund</u> |
|---|----|-------------------------|
| Revenues | | |
| Intergovernmental revenues | | |
| Grants from other local units | \$ | 10,000 |
| Miscellaneous revenues | | |
| Interest | | 19,341 |
| Rents | | <u>505</u> |
| Total revenues | | <u>29,846</u> |
| Expenditures | | |
| Economic environment | | |
| Industry development | | |
| Current: | | |
| Operating expenditures | | |
| Professional services | | 4,900 |
| Legal services | | 3,337 |
| Bookkeeping | | 1,800 |
| Accounting | | 400 |
| Repair and maintenance | | 800 |
| Maintenance - lawn | | 2,100 |
| Promotional activities | | 9,191 |
| Other current charges | | 6,722 |
| Taxes and licenses | | 19,333 |
| Advertising | | 245 |
| Office supplies | | 1,150 |
| Dues and subscriptions | | <u>200</u> |
| Total operating expenditures | | <u>50,178</u> |
| Capital outlay | | |
| Land | | <u>263,341</u> |
| Total current expenditures | | <u>313,519</u> |
| Excess (deficiency) of revenues over expenditures | | (283,673) |
| Special item | | |
| Proceeds from sale of lots | | <u>380,000</u> |
| Net change in fund balance | | 96,327 |
| Fund balance at beginning of year | | <u>561,642</u> |
| Fund balance at end of year | \$ | <u><u>657,969</u></u> |

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

For the Year Ended September 30, 2015

| | | |
|---|-----------------------|---------------|
| Net change in fund balances - total governmental funds | \$ | 96,327 |
| <p>Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Expenses are reduced by the capital outlay, the proceeds from the sale of assets deducted from net income, and gain or loss is computed.</p> | | |
| | Capital outlay | (263,341) |
| | Sale of land | 380,000 |
| | Gain on sale of land | (116,659) |
| | Loss on land disposal | (50,089) |
| | Depreciation | (220) |
| Change in net position of governmental activities | \$ | <u>46,018</u> |

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

September 30, 2015

NOTE 1. – Summary of Significant Accounting Policies

A. Reporting Entity

The Suwannee County Development Authority (the Authority) is an Independent Special District created by Special Act of the State of Florida Legislature, Chapter 59-1903, Special Acts of 1959 for the purpose of performing such acts as shall be necessary for the sound planning for, and development of Suwannee County. Accordingly, the Authority is subject to restrictions imposed by the Florida Constitution and Statutes, as well as the Authority's governing board.

The Authority is composed of eight members appointed by the Suwannee County Board of County Commissioners to serve four year terms, except appointments to fill vacancies which are for the unexpired term of the originally appointed member.

The financial statements present only the Suwannee County Development Authority (the primary government). As defined by GASBS No. 14, component units are legally separate entities that are to be included in the Authority's reporting entity because of the significance of the operating or financial relationships with the Authority.

At September 30, 2015, the Suwannee County Development Authority reporting entity consists only of those functions and activities administered directly by the Authority and include no component units.

B. Basis of Presentation, Basis of Accounting

The Authority's basic financial statements include both government-wide, which include the financial activities of the overall government, except for fiduciary activities – if applicable (reporting the Authority as a whole) and fund financial statements (reporting the Authority's major funds). The Authority's industry development activities are classified as governmental activities; therefore, both the government-wide and fund financial statements are considered governmental.

Government Wide Statements

In the government-wide Statement of Net Position, governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Authority's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position, if applicable.

The government-wide Statement of Activities reports both the gross and net cost of the Authority's single function, economic environment – industry development. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants, and capital grants. Program revenues (grants and aids) must be directly associated with the function (economic

environment). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

In the statement of activities, program revenues include (1) fees and charges paid by the recipients of goods or services offered by the programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

When applicable, eliminations are made in the government-wide Statement of Activities to minimize the double counting of internal activities.

The government-wide focus is on the sustainability of the Authority as an entity and the change in the Authority's net position resulting from the current year's activities. Neither fiduciary funds nor component units that are fiduciary in nature are included in the government-wide financial statements.

The Authority does not allocate costs.

Fund Financial Statements

The fund financial statements focus on the determination of financial position and changes in financial position rather than upon net income.

General Fund - The General Fund is the Authority's operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

C. Measurement Focus, Basis of Accounting

The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Authority considers all revenues reported in the governmental funds to be available if they are collected within six months after the end of the current fiscal period. Intergovernmental revenues and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources, when applicable.

When applicable, the Authority funds certain programs using a combination of restricted and unrestricted resources. Thus, when certain expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the Authority's policy to first apply restricted resources to such programs, followed by unrestricted resources.

D. Assets, Liabilities, and Fund Equity

Cash and Cash Equivalents

The Authority has defined cash and cash equivalents to include cash on hand and demand deposits.

Inventories

It is the policy of the Authority to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any time is nominal in amount and is considered immaterial.

Capital Assets

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market 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 repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the asset's estimated useful lives.

Estimated useful lives and the asset category's capitalization threshold are as follows:

| | <u>Useful Life</u> | <u>Capitalization Threshold</u> |
|----------------|--------------------|-------------------------------------|
| Buildings | 50 years | \$1,000 |
| Infrastructure | 10-50 years | 1,000 |
| Equipment | 5-25 years | 1,000 |

GASBS No. 34 requires the Authority to report and depreciate new infrastructure assets. Infrastructure assets include roads, underground pipe, traffic signals, sidewalks, etc. In the future, these infrastructure assets are likely to be the Authority's largest asset class. The Authority has retroactively reported all capital assets constructed or purchased in prior years.

Compensated Absences

The Authority has no employees and, therefore, has not adopted personnel policies providing annual vacation and sick leave benefits.

Estimates

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

Revenues

Substantially all governmental fund revenues are accrued. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as deferred outflows by the provider and deferred inflows by the recipient.

Governmental Funds – Fund Balances

GASB has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54) to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Authority's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the users of those resources.

The Authority does not have a policy regarding the commitment or assignment of fund balances. As a result, the Authority does not report any committed fund balance. When applicable, in accordance with GASB 54, the Authority reports the amount of the fund balance needed to eliminate expected expenditures over expected revenues in the subsequent year budget as assigned fund balance of the general fund.

The Authority's policy regarding whether restricted or unrestricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available is that the restricted amounts should be expended prior to the unrestricted balances. In the unrestricted balances the order in which the expenditure is made, when applicable, is committed, assigned, and unassigned.

The breakdown of the fund balance for governmental funds is presented at Note 10.

Deferred Inflows of Resources

The Authority's statement of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to a future period. Deferred inflows of resources are reported in the Authority's governmental activities in the government-wide statement of net position and the general fund in the government funds balance sheet. The deferred inflow of resources is for rent revenues that are not considered available at September 30, 2015, due to the prepayment of the amounts prior to being earned.

NOTE 2. Deposits and Investments

Pursuant to Section 218.415(17), *Florida Statutes*, the Authority, without deposit and investment policies, is authorized to invest surplus public funds in:

- (a) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act of 1969, as provided in s. 163.01.
- (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02.

(d) Direct obligations of the U.S. Treasury.

At September 30, 2015, the Authority's cash held in bank demand deposits totaled \$296,684. The entire balance was covered by federal depository insurance.

At September 30, 2015, the Authority held no investments.

NOTE 3. Notes Receivable

The Authority's notes receivable consist of first mortgage notes secured by lots at the East 90 Commerce Centre in Live Oak, Florida. The notes held, balances, applicable interest, arrearages, and current portions are as follows:

| <u>Balance</u> | <u>Monthly Payment</u> | <u>Interest Rate</u> | <u>Arrears in Months</u> | <u>Current</u> |
|-------------------|------------------------|----------------------|--------------------------|------------------|
| \$ 345,843 | \$ 3,285 | 4.25% | - | \$ 25,204 |
| 20,067 | 400 | 4.00% | - | 4,079 |
| <u>39,439</u> | 465 | 4.00% | - | <u>3,618</u> |
| <u>\$ 405,349</u> | | | | <u>\$ 32,901</u> |

Due to the property securing the notes, all are deemed collectible. The Authority has not recorded a provision for uncollectible notes receivable at September 30, 2015.

NOTE 4. Capital Assets

Capital asset activity for the year ending September 30, 2015, was as follows:

| | <u>Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> |
|---|-------------------|-------------------|-------------------|-------------------|
| | <u>10/1/2014</u> | | | <u>9/30/2015</u> |
| Governmental Activities | | | | |
| Capital assets not being depreciated | | | | |
| Land | <u>\$ 406,678</u> | <u>\$ 263,341</u> | <u>\$ 313,430</u> | <u>\$ 356,589</u> |
| Capital assets being depreciated | | | | |
| Infrastructure | 5,500 | - | - | 5,500 |
| Less accumulated depreciation for | | | | |
| Infrastructure | <u>(1,791)</u> | <u>(220)</u> | <u>-</u> | <u>(2,011)</u> |
| Total capital assets being depreciated, net | <u>3,709</u> | <u>(220)</u> | <u>-</u> | <u>3,489</u> |
| Governmental activities capital assets, net | <u>\$ 410,387</u> | <u>\$ 263,121</u> | <u>\$ 313,430</u> | <u>\$ 360,078</u> |

Depreciation was charged as follows:

| | |
|----------------------|---------------|
| Economic environment | |
| Industry development | <u>\$ 220</u> |

NOTE 5. Deferred Inflows of Resources

In May 2004, the Authority entered into a Sign Site Lease with Anderson Outdoor for the purpose of erecting and maintaining thereon, advertising, billboard display, including necessary structures, devices, power poles and connections. The agreement's general terms call for prepayment of \$25,000 per structure (two) for an initial term of ninety-nine years. The prepayment was deferred and is being recognized over the ninety-nine year agreement period.

At September 30, 2015, \$43,939 of the original payment remained deferred.

NOTE 6. Fund Balance Reporting

GASB has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54) to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Authority's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances for governmental funds, which are nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and the principal of permanent or endowment funds. The Authority does not report inventory in its governmental funds; however, it does record prepaid items when applicable.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on spending constraints:

Restricted – Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.

Committed – Fund balances that contain self-imposed constraints of the government from its highest level of decision making authority.

Assigned – Fund balances that contain self-imposed constraints of the government to be used for a particular purpose. This category includes any remaining positive amounts, for governmental funds other than the General Fund, not classified as nonspendable, restricted, or committed.

Unassigned – Fund balance of the general fund that is not constrained for any particular purpose.

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

Nonspendable

The Authority has recorded a nonspendable fund balance in the amount of \$405,348 for long-term notes receivable.

Spendable

The Authority has classified the spendable fund balance as restricted, assigned, and unassigned, as applicable. When restricted, assigned, and unassigned funds are available for use, the Authority's

procedures are to use the restricted funds first, followed by the assigned funds, and then the unassigned funds.

At September 30, 2015, the unassigned general fund balance was \$252,621 or eighty-one percent of the General Fund's total expenditures.

NOTE 7. Risk Management

The Authority does not carry commercial insurance coverage. Due to the types of assets held and the Authority's operations, the Board of Directors has deemed the cost of coverage as greater than the risks posed.

NOTE 8. Current/Future Accounting Pronouncements

The following statements of the Governmental Accounting Standards Board were effective for the County's 2014-15 fiscal year:

GASBS No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27

GASBS No. 69, Government Combinations and Disposals of Government Operations

GASBS No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68

The Authority adopted the above pronouncements. As applicable, the financial statements reflect the use of the above pronouncements.

The following statements will be effective for the Authority's 2015-16 fiscal year:

No. 72, Fair Value Measurement and Application

No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68

No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans

No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments

The Authority is evaluating the effects that these statements will have, if any, on its financial statements for the year ending September 30, 2016.

NOTE 9. Subsequent Events

The Authority's management has evaluated the subsequent events through the date of the audit report – February 5, 2016.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

SUWANNEE COUNTY DEVELOPMENT AUTHORITY

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

For the Year Ended September 30, 2015

| | <u>Original</u> | <u>Final</u> | <u>Actual</u> |
|---|-----------------|---------------|-------------------|
| | <u>Budget</u> | <u>Budget</u> | |
| Budgetary fund balance | \$ - | \$ - | \$ 561,642 |
| Estimated receipts | | | |
| Intergovernmental revenues | | | |
| Grants from other local units | - | - | 10,000 |
| Miscellaneous revenues | | | |
| Disposition of fixed assets | - | - | 380,000 |
| Interest | - | - | 19,341 |
| Rents | - | - | 505 |
| Miscellaneous | - | - | - |
| Total amounts available for appropriation | <u>-</u> | <u>-</u> | <u>971,488</u> |
| Appropriations and reserves | | | |
| Economic environment | | | |
| Industry development | | | |
| Operating expenditures | | | |
| Professional services | - | - | 4,900 |
| Legal services | - | - | 3,337 |
| Bookkeeping | - | - | 1,800 |
| Accounting | - | - | 400 |
| Repair and maintenance | - | - | 800 |
| Maintenance - lawn | - | - | 2,100 |
| Promotional activities | - | - | 9,191 |
| Other current charges | - | - | 6,722 |
| Taxes and licenses | - | - | 19,333 |
| Advertising | - | - | 245 |
| Office supplies | - | - | 1,150 |
| Dues and subscriptions | - | - | 200 |
| Total operating expenditures | <u>-</u> | <u>-</u> | <u>50,178</u> |
| Capital outlay | <u>-</u> | <u>-</u> | <u>263,341</u> |
| Total industry development | <u>-</u> | <u>-</u> | <u>313,519</u> |
| Reserves | | | |
| Contingency and reserve | <u>-</u> | <u>-</u> | <u>-</u> |
| Total appropriations and reserves | <u>-</u> | <u>-</u> | <u>313,519</u> |
| Budgetary fund balance at year end | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 657,969</u> |

SUWANNEE COUNTY DEVELOPMENT AUTHORITY
NOTES TO BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

September 30, 2015

Note 1. Budget

Annual budgets, as required by state statutes, are adopted on a basis consistent with GAAP for all governmental funds. All annual appropriations lapse at fiscal year end.

On or before July 3, the Authority's Treasurer prepares a proposed budget and submits it to the governing board. On or before September 30, the Authority's governing board adopts the budget by resolution.

The appropriated budget is prepared on a detailed line item basis by fund, function, and department. Revenues are budgeted by source. Expenditures are budgeted by department; object classification as follows: personal services, operating expenditures, capital outlay, and debt service; and line item detail within each object code. The legal level of budgetary control is the fund level.

Budgetary information is integrated into the accounting system and appropriations are controlled at the line item level within each department for management control purposes. Budget amendments require the Authority's governing board's approval recorded in the Authority's minutes. The Authority made no supplemental budget amendment for the fiscal year ending September 30, 2015.

Note 2. Budget Adoption and Amendments

Per *Florida Statutes* 189.016(3), the governing body of each special district shall adopt a budget by resolution each fiscal year. The total amount available from taxation and other sources, including balances brought forward from prior fiscal years, must equal the total of appropriations for expenditures and reserves. At a minimum, the adopted budget must show for each fund, as required by law and sound financial practices, budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report under s. 218.32(1). The adopted budget must regulate expenditures of the special district, and an officer of a special district may not expend or contract for expenditures in any fiscal year except pursuant to the adopted budget.

Per *Florida Statutes* 189.016(4), the tentative budget must be posted on the special district's official website at least 2 days before the budget hearing, held pursuant to s. 200.065 or other law, to consider such budget. The final adopted budget must be posted on the special district's official website within 30 days after adoption. If the special district does not operate an official website, the special district must, within a reasonable period of time as established by the local general-purpose government or governments in which the special district is located or the local governing authority to which the district is dependent, transmit the tentative budget or final budget to the manager or administrator of the local general-purpose government or the local governing authority. The manager or administrator shall post the tentative budget or final budget on the website of the local general-purpose government or governing authority.

Per *Florida Statutes* 189.016 (6) the governing body of each special district at any time within a fiscal year or within 60 days following the end of the fiscal year may amend a budget for that year as follows:

- (a) Appropriations for expenditures within a fund may be decreased or increased by motion recorded in the minutes if the total appropriations of the fund do not increase.
- (b) The governing body may establish procedures by which the designated budget officer may authorize certain amendments if the total appropriations of the fund do not increase.
- (c) If a budget amendment is required for a purpose not specifically authorized in paragraph (a) or paragraph (b), the budget amendment must be adopted by resolution.

Per *Florida Statutes* 189.418 (7) if the governing body of a special district amends the budget pursuant to paragraph (6) (c), the adopted amendment must be posted on the official website of the special district within 5 days after adoption. If the special district does not operate an official website, the special district must, within a reasonable period of time as established by the local general-purpose government or governments in which the special district is located or the local governing authority to which the district is dependent, transmit the adopted amendment to the manager or administrator of the local general-purpose government or governing authority. The manager or administrator shall post the adopted amendment on the website of the local general-purpose government or governing authority.

For the year ending September 30, 2015, the Authority failed to follow the above criteria. See the Schedule of Audit Findings, finding 2015-001.

COMPLIANCE
SECTION

KENNETH M. DANIELS
CERTIFIED PUBLIC ACCOUNTANT

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

To the Board Members of the Suwannee County
Development Authority
Live Oak, Florida

I 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 Standard* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Suwannee County Development Authority, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Suwannee County Development Authority's basic financial statements, and have issued my report thereon dated February 5, 2016.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Suwannee County Development Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Suwannee County Development Authority's internal control. Accordingly, I do not express an opinion on the effectiveness of Suwannee County Development Authority'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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Suwannee County Development Authority's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of audit findings as items 2015-001 and 2015-002.

Suwannee County Development Authority's Response to Findings

The Suwannee County Development Authority's response to the findings identified in my audit is described in the accompanying management's response. The Suwannee County Development Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Kenneth M. Daniels
Certified Public Accountant
February 5, 2016

Suwannee County Development Authority

Schedule of Audit Findings

September 30, 2015

Compliance and Other Matters

2015-001 Adopting and Amending the Annual Budget (finding's first year)

Condition: The Authority did not adopt and post an annual budget in accordance with *Florida Statutes* 189.016.

Criteria: The above referenced Statute requires the “adoption of a budget by resolution each fiscal year . . . the adopted budget must regulate expenditures of the Special District, and an office of the special district may not expend or contract for expenditures in any fiscal year except pursuant to the adopted budget.”

Cause: Failure to follow *Florida Statutes* in adopting, posting, and amending the Authority's annual budget.

Effect: Noncompliance with *Florida Statutes*.

Recommendation: Follow budget protocol established under *Florida Statutes* and as indicated in Note 2 on pages 22-23.

2015-002 Investment of Surplus Public Funds (finding's first year)

Condition: The Authority held deposits in a financial entity contrary to *Florida Statutes* 218.415(17)(c).

Criteria: The above referenced Statute authorizes the Authority to “invest surplus public funds in . . . interest bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02.”

Cause: Failure to follow *Florida Statutes* in investing surplus funds.

Effect: Noncompliance with *Florida Statutes*.

Recommendation: Invest surplus funds in qualified public depositories as identified at the Florida Department of Financial Services website:
https://apps8.fldfs.com/CAP_Web/PublicDeposits/ActiveQPDDisplayList.aspx.

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INDEPENDENT ACCOUNTANT'S REPORT

To the Board Members of the Suwannee County
Development Authority
Live Oak, Florida

I have examined Suwannee County Development Authority's compliance with *Florida Statutes* 218.415 for the year ended September 30, 2015. Management is responsible for the County's compliance with those requirements. My responsibility is to express an opinion on the Suwannee County Development Authority's compliance based on my examination.

My examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my examination provides a reasonable basis for my opinion. My examination does not provide a legal determination on Suwannee County Development Authority's compliance with the requirements.

My examination disclosed the following material noncompliance with *Florida Statutes* 218.415 applicable to the Suwannee County Development Authority during the year ending September 30, 2015: the Suwannee County Development Authority had on deposit \$102,248 in an entity that was not a qualified public depository contrary to *Florida Statutes* 218.415(17)(c).

In my opinion, except for the material noncompliance described in the third paragraph, the Suwannee County Development Authority complied in all material respects, with the aforementioned requirements for the year ended September 30, 2015.



Kenneth M. Daniels
Certified Public Accountant
February 5, 2016

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MANAGEMENT LETTER

To the Board Members of the Suwannee County
Development Authority
Live Oak, Florida

Report on the Financial Statements

I have audited the financial statements of Suwannee County Development Authority, as of and for the fiscal year ended September 30, 2015, and have issued my report thereon dated February 5, 2016.

Auditor's Responsibility

I conducted my 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.

Other Reports

I have issued my Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550 *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated February 5, 2016, should be considered in conjunction with this management letter.

Prior year findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that I 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 recommendations made in the prior or current year.

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. The Suwannee County Development Authority's financial statements included no component units.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that I apply appropriate procedures and report the results of my determination as to whether or not the Suwannee County Development Authority, has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identification of the specific condition(s) met. In connection with my audit, I determined that the Suwannee County Development Authority, did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), *Rules of the Auditor General*, I applied financial condition assessment procedures. It is management's responsibility to monitor the Authority's financial condition and my financial condition assessment was based in part on representations by management and the review of financial information provided by same. The financial condition assessment was performed as of September 30, 2015.

Annual Financial Report

Sections 10.554(1)(i)5.b., and 10.556(7), *Rules of the Auditor General*, require that I report the results of my determination as to whether the annual financial report for the Suwannee County Development Authority, for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with my audit, I determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d, *Rules of the Auditor General*, requires that I determine whether or not a special district that is a component unit of a county, municipality, or special district, provided 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 my audit, I determined that there were no applicable special district component units and, therefore, nothing to report.

Other Matters

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that I address in the management letter any recommendations to improve financial management. In connection with my audit, I did not have any such recommendations.

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that I address 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 my audit, I did not have 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 Authority's Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Kenneth M. Daniels
Certified Public Accountant
February 5, 2016



SUWANNEE COUNTY

DEVELOPMENT AUTHORITY

•CHAMBER OF COMMERCE BUILDING •

212 NORTH OHIO AVE

LIVE OAK, FLORIDA 32064

TEL. (386) 362-3071

February 5, 2016

RE: Schedule of Audit Findings

Dear Mr. Daniels:

Please find below the responses to the findings indicated in the Schedule of Audit Findings:

2015-001

Please be advised that a budget has been prepared in accordance with *Florida Statutes* for the 2015-16 fiscal year. The Authority will prepare budgets for all future years.

2015-002

The deposits in question are currently covered by FDIC Insurance. However, as they mature, the Authority will move the deposits into a qualified public depository in accordance with *Florida Statutes*.

The Authority seeks to comply with all laws and regulations in acting as custodian for funds used to promote economic development in Suwannee County.

If any additional information is needed, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Alcorn".

Tim Alcorn
Chairperson, Suwannee County Development Authority