



DAVIES, HOUSER & SECREST, CPA, P.A.

Shareholders/Director

Stephen A. Ellis, Shareholder
Todd M. Russell, Shareholder
Donna L. Young, Director

Directors Emeritus

Floyd C. Lemmon
Robert E. Andersen, Jr.

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Chairman and Other Members
Titusville-Cocoa Airport Authority
Titusville, Florida

Report on the Financial Statements

We have audited the financial statements of the Titusville-Cocoa Airport Authority (the Authority) as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated February 16, 2017.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports and Schedules

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; and schedules of findings and questioned costs. Disclosures in those reports and schedule, which are dated February 16, 2017, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the 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, we applied financial condition assessment procedures. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Sections 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Authority for the fiscal year ended September 30, 2016, 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, 2016.

The Authority is a component unit of Brevard County, Florida. As such, the Authority is not required to file an annual financial report. Please refer to the audited financial statements of Brevard County, Florida for compliance with this requirement.

Other Matters

Section 10.544(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we make the following recommendations.

Lack of Separation of Duties

Since the Authority employs a small number of office personnel, one person is primarily responsible for performing all accounting duties. Accordingly, the Authority's ability to use segregation of duties to establish internal accounting control is limited. This limitation is offset by the Authority's members' monthly participation in the accounting and reporting function by way of detailed reviews of budgets and monthly comparisons of budgeted versus actual data. While these procedures were generally effective for internal accounting control purposes during the past year, it should be clearly understood that changes in personnel, or the extent of participation by the Authority's members, could have a material effect on internal accounting controls.

View of Responsible Official

We will continue to produce timely financial information in the form of monthly budget to actual statements, so the Authority's members can review monthly budget variances in order to address operational changes in a timely manner.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we 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 our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of 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.



Davies, Houser & Secrest, CPA, P.A.
Cocoa, Florida
February 16, 2017