



**Seminole County Industrial  
Development Authority**  
(a component unit of Seminole County, Florida)

Financial Statements and  
Supplementary Information  
Years Ended September 30, 2017 and 2016

**Seminole County Industrial Development Authority**  
(a component unit of Seminole County, Florida)

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Financial Statements and Supplementary Information  
Years Ended September 30, 2017 and 2016

**Seminole County Industrial Development Authority**  
**(a component unit of Seminole County, Florida)**

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**Seminole County Industrial Development Authority**  
**(a component unit of Seminole County, Florida)**

**Management's Discussion and Analysis**

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*Years Ended September 30, 2017 and 2016*

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The Seminole County Industrial Development Authority (the "Authority") was created March 10, 1987, pursuant to Chapter 159, Part III, Florida Statutes, for the purposes of assisting in financing and refinancing capital projects that will foster economic development in Seminole County, Florida (the "County").

The Authority contracts with the Orlando Economic Partnership (the "Partnership"), formerly known as the Economic Development Commission of Mid-Florida, Incorporated, to market industrial revenue bonds to local industries and to assist in the administration of the Authority.

The Authority uses a financial resources measurement focus and the modified accrual basis of accounting. The Authority has no assets or liabilities. The bonds issued by the Authority constitute "no-commitment debt," and are, therefore, not reported as liabilities of the Authority.

Revenues of the Authority are based on bond applications and issuances, which can vary from year to year. Revenues are recognized when they are measurable and available. Application fees are received with an application for an industrial revenue bond and are nonrefundable. Issuance fees are received at the closing of a bond issue and are generally paid from bond proceeds.

Expenditures are incurred only when bond application and issuance fees are received. Expenditures of the Authority consist of management fees to the Partnership. The management fee represents application and issuance fees remitted directly to the Partnership under this agreement.

The Authority adopted a budget in the current year in compliance with state regulations. Since the Authority is a component part of the County, the budget was included in the County's budget.

During the years ended September 30, 2017 and 2016, the Authority issued \$13,800,000 and \$6,025,000, respectively, in industrial revenue bonds.

An application fee of \$1,500 is received with the application for industrial revenue bonds and is nonrefundable. Issuance fees are assessed at the closing of a bond issue at a rate of 0.5% on the first \$4 million borrowed and .25% on the remainder of the loan. The Authority received \$46,000 and \$26,563 during the years ended September 30, 2017 and 2016, respectively. The following is a summary of bond activity for the year ended September 30, 2017:

| <i>Borrower</i>              | <i>Bond<br/>Amount</i> | <i>Application<br/>Fee</i> | <i>Issuance<br/>Fee</i> |
|------------------------------|------------------------|----------------------------|-------------------------|
| CCRC Development Corporation | \$ 13,800,000          | \$ 1,500                   | \$ 44,500               |

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## Independent Auditor's Report

To the Board of Directors  
Seminole County Industrial Development Authority

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Seminole County Industrial Development Authority (the "Authority"), a component unit of Seminole County, Florida, which comprise the statements of net assets as of September 30, 2017 and 2016, and the related statements of revenues, expenditures and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2018 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*BDO USA, LLP*

BDO USA, LLP  
Certified Public Accountants  
February 1, 2018

## Financial Statements

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**Seminole County Industrial Development Authority**  
(a component unit of Seminole County, Florida)

**Statements of Net Assets**

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| <i>September 30,</i>              | <b>2017</b> | <b>2016</b> |
|-----------------------------------|-------------|-------------|
| <b>Assets</b>                     | <b>\$ -</b> | <b>\$ -</b> |
| <b>Liabilities and Net Assets</b> | <b>\$ -</b> | <b>\$ -</b> |

*See accompanying notes to financial statements.*



**Seminole County Industrial Development Authority**  
(a component unit of Seminole County, Florida)

**Statements of Revenues, Expenditures and Changes in Net Assets**

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| <i>Year Ended September 30,</i>      | <b>2017</b> | <b>2016</b> |
|--------------------------------------|-------------|-------------|
| <b>Operating revenues:</b>           |             |             |
| Application and issuance fees        | \$ 46,000   | \$ 26,563   |
| <b>Operating expenditures:</b>       |             |             |
| Management fees (Note 2)             | 46,000      | 26,563      |
| <b>Change in net assets</b>          | -           | -           |
| <b>Net assets, beginning of year</b> | -           | -           |
| <b>Net assets, end of year</b>       | \$ -        | \$ -        |

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*See accompanying notes to financial statements.*

**Seminole County Industrial Development Authority**  
(a component unit of Seminole County, Florida)

**Statements of Cash Flows**

| <i>Year Ended September 30,</i>  | <b>2017</b>      | <b>2016</b>      |
|--|------------------|------------------|
| Cash flows from operating activities   | \$ -             | \$ -             |
| Cash flows from investing activities   | -                | -                |
| Cash flows from financing activities   | -                | -                |
| Net increase (decrease) in cash and cash equivalents   | -                | -                |
| Cash and cash equivalents, beginning of year   | -                | -                |
| Cash and cash equivalents, end of year   | -                | -                |
| <b>Noncash information:</b>  |                  |                  |
| Application and issuance fees remitted directly to the Orlando Economic Partnership (the "Partnership") as payment for the Partnership's management fees | <b>\$ 46,000</b> | <b>\$ 26,563</b> |

*See accompanying notes to financial statements.*

**Seminole County Industrial Development Authority**  
**(a component unit of Seminole County, Florida)**

**Notes to Financial Statements**

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**1. General Statement and Summary of Significant Accounting Policies**

The Seminole County Industrial Development Authority (the “Authority”) was created March 10, 1987, pursuant to Chapter 159, Part III, Florida Statutes, for the purpose of assisting in financing and refinancing capital projects which will foster economic development in Seminole County, Florida (the “County”).

*Reporting Entity*

The accompanying financial statements include only the functions and activities of the Authority. As the Authority’s five-member board is appointed by the County’s Board of County Commissioners, the Authority is a component unit of the County as defined under *Governmental Accounting Standards*, issued by the Comptroller General of the United States.

*Basis of Accounting*

The Authority uses a financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). Revenues of the Authority consist of application and issuance fees. Application fees are received with an application for industrial revenue bonds and are nonrefundable. Issuance fees are received at the closing of a bond issue and are generally paid from the bond proceeds.

The Authority has no assets or liabilities.

*Budgets*

The Authority adopted a budget in the current year in compliance with state regulations. Since the Authority is a component part of the County, the budget was included in the County’s budget.

**2. Management Fees**

The Authority contracts with the Orlando Economic Partnership (the “Partnership”), formerly known as the Economic Development Commission of Mid-Florida, Incorporated, to administer the activities of the Authority. All application and issuance fees are remitted directly to the Partnership under this agreement. The Partnership’s primary activity involves promoting economic development in the mid-Florida area.

**3. Bond Issues**

From inception to September 30, 2017, the Authority has issued \$245,545,000 in industrial development revenue bonds. The Authority issued \$13,800,000 and \$6,025,000 industrial development revenue bonds during the years ended September 30, 2017 and 2016, respectively. The aggregate principal amount payable for the bonds issued after October 1, 1996, is approximately \$107,608,000 at September 30, 2017. The bonds issued by the Authority constitute “no-commitment debt,” and are, therefore, not reported as liabilities of the Authority.

**Seminole County Industrial Development Authority**  
(a component unit of Seminole County, Florida)

**Notes to Financial Statements**

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**4. Subsequent Events**

The Authority has evaluated events and transactions occurring subsequent to September 30, 2017, as of February 1, 2018, which is the date the financial statements were issued. Subsequent events occurring after February 1, 2018 have not been evaluated by management. No material events have occurred since September 30, 2017 that require recognition or disclosure in the financial statements.

## Supplementary Information

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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 of Directors  
Seminole County Industrial Development Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Seminole County Industrial Development Authority (the “Authority”), a component unit of Seminole County, Florida, which comprise the statements of net assets as of September 30, 2017 and 2016, and the related statements of revenues, expenditures and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated February 1, 2018.

### *Internal Control Over Financial Reporting*

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### *Compliance and Other Matters*

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### *Purpose of this Report*

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

*BDO USA, LLP*

BDO USA, LLP  
Certified Public Accountants  
February 1, 2018



## **Independent Auditor's Management Letter**

To the Board of Directors  
Seminole County Industrial Development Authority

### *Report on the Financial Statements*

We have audited the financial statements of the Seminole County Industrial Development Authority (the "Authority"), a component unit of Seminole County, Florida (the "County"), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated February 1, 2018.

### *Auditor's Responsibility*

We conducted our audits 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 Reporting Requirements*

We have issued our 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*, dated February 1, 2018, and it should be considered in conjunction with this management letter.

### *Prior Audit Findings*

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

### *Official Title and Legal Authority*

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 to the accompanying financial statements for name and legal authority. The Authority does not have any component units.

### *Financial Condition and Management*

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate 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 to identify the specific condition(s) 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.

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

#### *Annual Financial Report*

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the annual financial report for the Authority for the fiscal year ended September 30, 2017, 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, 2017. Pursuant to Section 218.32(1)(a), Florida Statutes, this requirement does not apply to the Authority, rather it is the responsibility of the County.

#### *Special District Component Units*

Section 10.554(1)(i)5.d., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that the Authority did not have any special district component units.

#### *Additional Matters*

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

#### *Purpose of this Letter*

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

*BDO USA, LLP*

BDO USA, LLP  
Orlando, Florida  
Certified Public Accountants  
February 1, 2018