

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and CRA Director
Florida City Community Redevelopment Agency
Florida City, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Florida City Community Redevelopment Agency (the "Agency"), a component unit of the Florida City, Florida, as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency'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.

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and major fund of the Agency, as of September 30, 2020, and the respective changes in financial position thereof for the fiscal 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 on pages 3 through 8, and the budgetary comparison schedule on pages 24 through 25 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 June 28, 2021 on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting.

Marcum LLP

Miami, FL
June 28, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)

Management's Discussion and Analysis

For the fiscal year ended September 30, 2020

The Florida City Community Redevelopment Agency (the "Agency" or "CRA") offers readers of its financial statements this narrative overview and analysis of the financial activities of the Agency as of and for the fiscal year ended September 30, 2020 compared to September 30, 2019. We encourage readers to consider the information presented here in conjunction with the financial statements.

Overview of the Financial Statements

This annual report follows a format consisting of three parts – Management's Discussion and Analysis (this section), the Financial Statements and Required Supplementary Information. The financial statements include two kinds of statements that present different views of the Agency.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Agency's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Agency, reporting the Agency's financial position and activity with a short-term focus and in more detail than the government-wide statements.

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.

Financial Highlights

- The assets of the Agency exceeded its liabilities at the close of the fiscal year by approximately \$14 million.
- The Agency's total net position increased by \$1.1 million. The increase noted was primarily attributable to the timing of capital outlay that was budgeted, but not expended by September 30, 2020.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to private-sector business.

The statement of net position presents information on all of the Agency's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Management's Discussion and Analysis

For the fiscal year ended September 30, 2020

Government-Wide Financial Statements (Continued)

Both government-wide financial statements present functions of the Agency that are principally supported by taxes and intergovernmental revenues. The primary governmental activity of the Agency is economic environment.

The government-wide financial statements includes only the financial activities of the Agency. However the Agency is considered a component unit of the Florida City, Florida (the "City"), and as such, the financial activities of the Agency is included in the City's Comprehensive Annual Financial Report in each fiscal year.

Fund Financial Statements

The governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting. Reconciliations of the General Fund Financial Statements to the Government-wide Financial Statements are provided within the Financial Statements to explain the differences between the General Fund financial statements and the government-wide financial statements.

Government-wide Financial Analysis

The following table provides a summary of the Agency's net position for the fiscal year ended September 30, 2020 and 2019.

SUMMARY OF NET POSITION SEPTEMBER 30, 2020 AND 2019

| | Governmental Activities | |
|------------------------------|----------------------------|----------------------|
| | 2020 | 2019 |
| Current and other assets | \$ 4,063,748 | \$ 3,058,378 |
| Capital assets, net | 10,201,815 | 10,370,332 |
| Total Assets | 14,265,563 | 13,428,710 |
| Long-term liabilities | 26,730 | 26,396 |
| Other liabilities | 61,070 | 361,496 |
| Total Liabilities | 87,800 | 387,892 |
| Net Position | | |
| Investment in capital assets | 10,201,815 | 10,370,332 |
| Restricted: | | |
| Assets held for resale | 847,349 | 548,719 |
| Capital projects | 3,128,599 | 2,121,767 |
| Total Net Position | \$ 14,177,763 | \$ 13,040,818 |

Management's Discussion and Analysis

For the fiscal year ended September 30, 2020

Fund Financial Statements (Continued)

Government-wide Financial Analysis (Continued)

At September 30, 2020 and 2019, the Agency is able to report positive balances in each category of net position.

Governmental Activities

In excess of \$10 million has been invested in streetscape projects over the life of the CRA to improve the viability and mobility of the streets in the redevelopment area.

While still a focus, the CRA has also acquired and developed property in an effort to spur economic development.

Analysis of the Agency's Operations

The following table provides a summary of the Agency's changes in net position for the fiscal year ended September 30, 2020 and 2019.

SUMMARY OF CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2020 AND 2019

| | Governmental Activities | |
|----------------------------------|----------------------------|----------------------|
| | 2020 | 2019 |
| Revenues | | |
| Tax increment financing revenue | \$ 1,325,116 | \$ 1,222,832 |
| Intergovernmental revenues | 860,612 | 794,181 |
| Gain from sale of capital assets | 56,050 | 137,487 |
| Investment earnings | 36,884 | 23,409 |
| Total Revenues | <u>2,278,662</u> | <u>2,177,909</u> |
| Expenses | | |
| Economic environment | <u>1,141,717</u> | <u>1,182,720</u> |
| Total Expenses | <u>1,141,717</u> | <u>1,182,720</u> |
| Change in Net Position | <u>1,136,945</u> | <u>995,189</u> |
| Net Position | | |
| Beginning of year | <u>13,040,818</u> | <u>12,045,629</u> |
| End of year | <u>\$ 14,177,763</u> | <u>\$ 13,040,818</u> |

Management's Discussion and Analysis

For the fiscal year ended September 30, 2020

Fund Financial Statements (Continued)

Governmental Activities

Governmental activities increased the Agency's net position by approximately \$1.1 million during fiscal year ended September 30, 2020. Tax increment revenue increased by \$0.1 million primarily due to an increase in the property values within the CRA District. Tax increment revenues is a function of the increase in the assessed values of properties within the CRA Districts above the base year valuation amounts, as well as the operating millage rate of each taxing district that contributes.

Final Budget Compared to Actual

The original budget was amended to reflect a reduction on overall expenses due to a delay in CRA projects caused by COVID-19. Refer to budgetary comparison schedule on page 25 for more information.

Capital Assets

The Agency's investment in capital assets for its governmental activities as of September 30, 2020, amounts to \$10.2 million, net of accumulated depreciation. This investment in capital assets includes land, equipment, buildings and other improvements.

CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION) SEPTEMBER 30, 2020 AND 2019

| | Governmental Activities | |
|---|-----------------------------|-----------------------------|
| | 2020 | 2019 |
| Land | \$ 2,728,091 | \$ 2,756,779 |
| Other capital assets, net of accumulated depreciation | <u>7,473,724</u> | <u>7,613,553</u> |
| Totals | <u><u>\$ 10,201,815</u></u> | <u><u>\$ 10,370,332</u></u> |

Major capital assets events during the fiscal year included:

- Streetscape Projects for beautification.
- Washington Park Rehabilitation
- Housing Assistance Projects

Additional information on the Agency's capital assets can be found in the notes to the financial statements, Note 5.

Outstanding Debt

As of fiscal year end 2020 and 2019, the CRA had no debt (bonds, notes, etc.) outstanding.

Management's Discussion and Analysis

For the fiscal year ended September 30, 2020

Economic Factors and Next Year's Budget Rates

On September 11, 2018, Florida City adopted Resolution 18-48, approving a study aimed at enlarging the CRA area, to take in a residential section referred to as the North Central Expansion Area, consisting of a proposed additional 190 acres. The amended study was approved by the CRA and City and submitted to the County on June 25, 2019.

In 2019, the Florida Legislature amended the Community Redevelopment Act, to require that a CRA in existence on October 1, 2019, "shall terminate on the expiration date provided in the Agency's charter on Oct. 1, 2019 or on September 30, 2039, whichever is earlier." In the case of the Florida City CRA, the sunset date was in 2025. The Legislature allowed, however, that the Agency's continued existence could be approved by a "majority vote of the governing body," in this case, the County Commission.

As an element of the consideration of the North Central Expansion, the CRA also requested that the County recognize the value that the Agency had created and that it extend the sunshine date of the CRA through June, 2055.

Miami Dade County drafted an Amended and Restated Interlocal Cooperation Agreement, including both the expansion of the CRA area and extension of the sunset deadline for the Agency and submitted it to Florida City. The City and CRA approved the Amended Interlocal Agreement on June 23, 2020 (Resolutions 20-34 and 20-02, respectively) and submitted the Interlocal to the County for review and approval. Miami Dade County approved the agreement through the passage of Resolution R-936-20, on October 6, 2020.

The primary source of revenue for the CRA is derived of tax increment received from the City and Miami-Dade County. Tax increment for the fiscal year is based on preliminary taxable value figures provided by the Miami-Dade County Property Appraiser and an estimate of contributing authority millage rates. As of June 1st, the 2021 Estimated Taxable Values by Taxing Authority displayed an increase of 9.8%.

| | <u>Tax Increment</u> |
|----------------------|----------------------------|
| City of Florida City | \$ 1,325,116 |
| Miami-Dade County | <u>860,612</u> |
| Totals | <u>\$ 2,185,728</u> |

The recent outbreak of the novel strain of the coronavirus known as COVID-19 may affect the Agency's operations, its suppliers and vendors, and its customer base. Any business or social disruptions to the Agency's operations, or those of its customers and residents, may adversely impact the Agency's revenues, ability to provide services and operating results. The duration and full impacts of the challenges responding to these disruptions are yet unknown and may have a negative impact on the local, national and global economy. It could result in an economic downturn that could affect demand for goods and services. The extent to which COVID-19 may impact the Agency's financial condition or results of operations is highly uncertain and cannot be predicted at this time.

Management's Discussion and Analysis

For the fiscal year ended September 30, 2020

Contacting the Agency's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives. If you have any questions about this report or need any additional financial information, contact the Agency's Finance Department, at the Florida City, 404 West Palm Drive, Florida City, Florida 33034.

FINANCIAL STATEMENTS

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets | |
| Cash | \$ 2,193,030 |
| Investments | 1,000,000 |
| Assets held for resale and redevelopment | 847,349 |
| Other Assets | 23,369 |
| Capital assets: | |
| Land | 2,728,091 |
| Other capital assets, net | <u>7,473,724</u> |
| Total capital assets, net | <u>10,201,815</u> |
| Total Assets | <u>14,265,563</u> |
| Liabilities | |
| Due to City | 61,070 |
| Noncurrent liabilities: | |
| Compensated Absences | |
| Due within one year | 2,673 |
| Due in more than one year | <u>24,057</u> |
| Total Liabilities | <u>87,800</u> |
| Net Position | |
| Investment in capital assets | 10,201,815 |
| Restricted for: | |
| Assets held for resale | 847,349 |
| Capital projects | <u>3,128,599</u> |
| Total Net Position | <u>\$ 14,177,763</u> |

The accompanying notes are an integral part of these financial statements.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|--------------------------------------|---------------------|-------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
| Governmental Activities | | | | | |
| Economic Environment | \$ 1,141,717 | \$ -- | \$ -- | \$ -- | \$ (1,141,717) |
| Total Governmental Activities | <u>\$ 1,141,717</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>(1,141,717)</u> |
| General Revenues | | | | | |
| | | | | | 1,325,116 |
| | | | | | 860,612 |
| | | | | | 56,050 |
| | | | | | <u>36,884</u> |
| Total General Revenues | | | | | <u>2,278,662</u> |
| Change in Net Position | | | | | 1,136,945 |
| Net Position - Beginning | | | | | <u>13,040,818</u> |
| Net Position - Ending | | | | | <u>\$ 14,177,763</u> |

The accompanying notes are an integral part of these financial statements.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

BALANCE SHEET
GENERAL FUND

SEPTEMBER 30, 2020

Assets

| | |
|--|---------------|
| Cash | \$ 2,193,030 |
| Investments | 1,000,000 |
| Assets held for resale and redevelopment | 847,349 |
| Other Assets | <u>23,369</u> |

Total Assets \$ 4,063,748

Liabilities

| | |
|-------------|------------------|
| Due to City | <u>\$ 61,070</u> |
|-------------|------------------|

Total Liabilities 61,070

Fund Balance

Restricted:

| | |
|--|------------------|
| Assets held for resale and redevelopment | 847,349 |
| Capital projects | <u>3,155,329</u> |

Total Fund Balance 4,002,678

Total Liabilities and Fund Balance \$ 4,063,748

The accompanying notes are an integral part of these financial statements.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

RECONCILIATION OF THE GENERAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

Fund Balance - General Fund \$ 4,002,678

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the general fund;

| | | |
|-------------------------------|--------------------|------------|
| Governmental capital assets | \$ 12,116,605 | |
| Less accumulated depreciation | <u>(1,914,790)</u> | 10,201,815 |

Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the general fund;

| | |
|----------------------|-----------------|
| Compensated absences | <u>(26,730)</u> |
|----------------------|-----------------|

Net Position of Governmental Activities \$ 14,177,763

The accompanying notes are an integral part of these financial statements.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

| | |
|---|----------------------------|
| Revenues | |
| Tax increment financing | \$ 1,325,116 |
| Intergovernmental | 860,612 |
| Investment earnings | <u>36,884</u> |
| Total Revenues | <u>2,222,612</u> |
| Expenditures | |
| Current: | |
| Economic Environment | 881,359 |
| Capital outlay | <u>120,195</u> |
| Total Expenditures | <u>1,001,554</u> |
| Excess of Revenues Over Expenditures | <u>1,221,058</u> |
| Other Financing Sources | |
| Proceeds on sale of capital assets | <u>84,738</u> |
| Total Other Financing Sources | <u>84,738</u> |
| Net Change in Fund Balance | 1,305,796 |
| Fund Balance - Beginning | <u>2,696,882</u> |
| Fund Balance - Ending | <u><u>\$ 4,002,678</u></u> |

The accompanying notes are an integral part of these financial statements.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GENERAL FUND TO THE
STATEMENT OF ACTIVITIES**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balance - General Fund \$ 1,305,796

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

The General fund reports capital outlays as expenditures. However in the statement of activities, the cost of those assets are capitalized and depreciated over their estimated useful lives.

| | | |
|---------------------------------|------------------|-----------|
| Expenditures for capital assets | \$ 115,071 | |
| Less: depreciation | <u>(254,900)</u> | (139,829) |

Some revenues and expenses reported in the statement of activities are not reported in the general fund because they have no effect on current financial resources.

| | | |
|------------------------------------|--|--------------|
| Disposal on sale of capital assets | | (28,688) |
| Compensated absences | | <u>(334)</u> |

Change in Net Position - Governmental Activities \$ 1,136,945

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 1 – THE FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY

The Florida City Community Redevelopment Agency (the “Agency” or “CRA”) was created jointly by the Florida City, Florida (the “City”) and Miami-Dade County (the “County”) in 1995. The Agency was established pursuant to Chapter 163, Part III, of the Florida Statutes. The purpose of the Agency is to assist the City in the redevelopment of a defined Community Redevelopment Area.

The Agency provides needed infrastructure to businesses desiring to locate within the Community Redevelopment Area. Projects in the past have funded water and sewer lines, street upgrades, sidewalks and handicap access, deceleration lanes, and landscaping. The Agency has a program that assists new and existing business improve the appearance of an existing building facade and a program to assist a new business with the cost of physically setting up a new business in the Agency. The Agency also funds streetscape projects in residential portions of the Community Redevelopment Area, including new streets, drainage, curb and gutter, sidewalks, and landscaping. This area has been modified once in 2009.

During 2009, the Agency completed a revised Community Redevelopment Plan (“CR Plan”) and worked with County staff to get the 2009 revised Agency Plan through the County’s review and approval process. The focus of the original 1995 Agency Plan had been on the recovery from Hurricane Andrew, the facilitation of revenue enhancing commercial development projects and the development of public/private partnerships to generate new construction. The 2009 revision of the Agency Plan provided for the expansion of the Agency Area. The expanded Agency’s Area contains a large residential area in Northwest Florida City in which the infrastructure was deficient and many of the structures are older or dilapidated. Much of the focus and spending of the Agency over the past seven years was, and in the coming years will be, the correction of this infrastructure deficit and upgrading the appearance and quality of life in this predominately African-American neighborhood. Emphasis will also be on arresting the blighting effects of dilapidated structures in this residential neighborhood through rehabilitation of some structures and the demolition of others that are beyond redemption. The Agency’s focus in the 2009 CR Plan was broadened to include more proactive projects initiated solely by the Agency.

The City and the Agency are separate legal entities which share the mutual goal of redeveloping the Agency’s areas. The City provides administrative support services to the Agency. The Agency is charged by the City for the provision of these administrative support services in accordance with the Interlocal Agreement between the City and Agency.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Agency have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. This summary of the Agency’s Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other information in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements. The more significant of the Agency’s governmental accounting policies are described below.

FINANCIAL REPORTING ENTITY

The Agency operates under a Board of Directors (the “Board”) composed of the Mayor, the four City Commissioners and two appointed individuals who live in or own property in the City. The Agency’s Bylaws designate the Mayor as Chairman of the Agency’s Board and the Vice Mayor is designated as the Vice Chairman.

Management of the City has operational responsibility for the Agency. The City is considered to be financially accountable for the Agency; the Agency is considered to be a blended component unit in the City’s comprehensive annual financial report.

The Agency has adopted GASB Statement No. 61, *The Financial Reporting Entity: Omnibus- an amendment of GASB Statements No. 14 and No. 34*, for the purpose of evaluating whether it has any component units. Based on the criteria therein, the Agency has determined that there are no component units that meet criteria for inclusion in the Agency’s financial statements.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements report information on all of the activities of the Agency, using the economic resources measurement focus and the accrual basis of accounting.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

The statement of net position reports all financial and capital resources of the Agency. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Agency reports donated assets held for resale and redevelopment as program revenue-operating contributions. Incremental property taxes and other items, not properly included as program revenue are reported instead as general revenue. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Incremental property taxes are recognized as revenue in the year for which they are levied. When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Their operating statements present sources (revenue and other financing sources) and uses (expenditures and other financing uses) of available spendable resources during the period. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Incremental property taxes, when levied. Rental revenue, proceeds from the sale of property and investment earnings associated with the current fiscal periods are all considered to be measurable and so have been recognized as revenues of the current fiscal period, if available. All other revenue is considered to be measurable and available only when cash is received by the Agency or property has legally transferred to the Agency. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, reconciliations are necessary to explain the adjustments needed to transform the fund-based financial statements into the governmental activities column of the government-wide presentation.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEPOSITS AND INVESTMENTS

The Agency's cash represents cash deposits. The Agency's investments is composed of a certificate of deposit which is reported at fair value.

The nature of investments of the Agency are governed by the provisions of Florida Statutes Section 218. Under this statute, authorized investments are limited, unless otherwise authorized by law or resolution/ordinance.

CAPITAL ASSETS

Capital assets, which include land, buildings, machinery and equipment, and certain infrastructure assets (e.g., streets, alleys, sidewalks, drainage, lighting systems, and similar items), are reported in the government-wide financial statements. The Agency did not retroactively report infrastructure assets. Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The Agency records impairment losses on long-lived assets used in operations when events and circumstances indicate the assets might be impaired. No impairment losses have been recorded.

Capital assets of the Agency are depreciated using the straight line method over the following estimated useful lives:

| | |
|----------------------------------|-------------|
| Buildings and other improvements | 10-50 years |
| Machinery and equipment | 3-5 years |

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DUE TO CITY

Activity between the City and Agency that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Due to City".

COMPENSATED ABSENCES

Agency employees are granted vacation and sick pay leave in varying amounts based on length of service and the department in which the employee provides service. It is the Agency's policy to permit full-time employees to accumulate limited amounts of earned vacation leave and a limited amount of earned sick pay. Upon separation from service, employees receive payment for all unused vacation leave and 50% of unused sick leave for general employees and 75% of unused sick leave for police officers. In the governmental funds, a liability is recorded only for vacation and sick leave payouts for employees that resigned or terminated prior to fiscal year end and were subsequently paid with current available financial resources.

FUND EQUITY/NET POSITION

In the governmental fund financial statements, fund balance classifications are as follows:

- Restricted Fund Balance - amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

The government-wide financial statements utilize a net position presentation. Net position is categorized as follows:

- Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, and related debt when applicable.
- Restricted Net Position – amounts that are restricted to specific purposes when constraints placed on the use of resources are either by (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation's. These amounts are reduced by liabilities and deferred inflows of resources related to those assets.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from those estimates.

NOTE 3 – DEPOSITS AND INVESTMENTS

DEPOSITS

In addition to insurance provided by the Federal Depository Insurance Corporation (“FDIC”), all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, Florida Security for Public Deposits Act, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as cash deposits including certificate of deposits, are insured or collateralized.

INVESTMENTS

The Agency has adopted an investment policy in accordance with Florida Statutes to establish guidelines for the efficient management of its cash reserves. The Agency is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, the State Board of Administration investment pool, any intergovernmental investment pools authorized pursuant to Chapter 163 of the Florida Statutes, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and securities of any interest in any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio is limited to obligations of the U.S. government, its agencies and instrumentalities and to repurchase agreements fully collateralized by such U.S. government obligations and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

At September 30, 2020, the Agency had the following investments subject to interest rate risk:

| Investment | Weighted Average Maturity |
|-------------------------|---------------------------------|
| Certificate of Deposits | \$ 1,000,000 64 days |

Interest Rate Risk

The Agency has an investment policy of structuring the investment portfolio so that the investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell investments on the open market prior to maturity and investing operating funds primarily in cash, short-term securities, certificates of deposit, or similar investment pools.

Credit Risk

The Agency’s investment policy limits investments to the highest ratings issued by a nationally recognized statistical rating organization (“NRSRO”).

NOTE 4 – ASSETS HELD FOR RESALE AND REDEVELOPMENT

The Agency acquires and develops property in economically depressed areas, for the intention of rendering the property suitable for economic development and then reselling it to private sector purchasers meeting certain criteria. Since these properties are acquired with the express intent of resale and development, they are reported at lower of cost/donated value or net realizable value. Assets donated from the City or other related entities are recorded at the carrying value of the donor entity. Donated assets from other sources are recorded at lower of cost/donated value or net realizable value. The cost basis of assets held for resale and development include costs incurred to acquire the asset and prepare the asset for resale and development, such as purchase price, closing fees, surveys, lot clearing, demolition, judgments levied through suits, costs of construction, permits etc. These assets include land, land improvements and buildings. Upon the sale of these assets, a gain or loss is recognized. When the net realizable amount is less than the carrying amount a loss would be recognized. Gains are recorded as a gain from sale of capital assets in the government-wide statements and proceeds from sale of capital assets in the fund financial and losses are recorded as economic environment expenses/expenditures.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 4 – ASSETS HELD FOR RESALE AND REDEVELOPMENT (CONTINUED)

Assets held for resale and redevelopment activity for the fiscal year ended September 30, 2020 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balances |
|---|----------------------|-------------------|-----------------|--------------------|
| Assets Held for Resale and Redevelopment | <u>\$ 548,719</u> | <u>\$ 306,949</u> | <u>\$ 8,319</u> | <u>\$ 847,349</u> |

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2020 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|---------------------|------------------|----------------------|
| Governmental Activities | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 2,756,779 | \$ -- | \$ 28,688 | \$ 2,728,091 |
| Capital assets, being depreciated: | | | | |
| Buildings and other improvements | 9,273,443 | -- | -- | 9,273,443 |
| Machinery and equipment | -- | 115,071 | -- | 115,071 |
| Total capital assets being depreciated | <u>9,273,443</u> | <u>115,071</u> | <u>--</u> | <u>9,388,514</u> |
| Less: accumulated depreciation for: | | | | |
| Buildings and other improvements | (1,659,890) | (231,886) | -- | (1,891,776) |
| Machinery and equipment | -- | (23,014) | -- | (23,014) |
| Total accumulated depreciation | <u>(1,659,890)</u> | <u>(254,900)</u> | <u>--</u> | <u>(1,914,790)</u> |
| Total Capital Assets Being Depreciated, Net | <u>7,613,553</u> | <u>(139,829)</u> | <u>--</u> | <u>7,473,724</u> |
| Governmental Activities Capital Assets, Net | <u>\$ 10,370,332</u> | <u>\$ (139,829)</u> | <u>\$ 28,688</u> | <u>\$ 10,201,815</u> |

Depreciation expense was charged as functions/programs of the Agency as follows:

| | |
|--|-------------------|
| Governmental Activities | |
| Economic Environment | <u>\$ 254,900</u> |
| Total depreciation expense - governmental activities | <u>\$ 254,900</u> |

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 6 – COMPENSATED ABSENCES

Compensated Absences activity for the fiscal year ended September 30, 2020 was as follows:

| | <u>Beginning</u> <u>Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending</u> <u>Balance</u> | <u>Due Within</u> <u>One Year</u> |
|--------------------------------|------------------------------------|------------------|-------------------|---------------------------------|--------------------------------------|
| Governmental Activities | | | | | |
| Compensated absences | \$ 26,396 | \$ 35,278 | \$ 34,944 | \$ 26,730 | \$ 2,673 |

NOTE 7 – SOURCE OF DEPOSITS AND PURPOSE OF WITHDRAWALS FOR THE AGENCY

Pursuant to Florida Statute 163.387, listed below is a summary of the sources and amounts of deposits to, and the purpose and amounts of withdrawals from, the Agency for the fiscal year ended September 30, 2020:

| | <u>Deposits</u> | <u>Withdrawals</u> |
|--------------------------------------|---------------------|---------------------|
| Source of deposits: | | |
| Tax increment revenues | \$ 1,325,116 | |
| Intergovernmental | 860,612 | |
| Investment income | 36,884 | |
| Proceeds from sale of capital assets | 84,738 | |
| Purpose of withdrawals: | | |
| Law enforcement services | | \$ 300,000 |
| Salaries and benefits | | 153,013 |
| Administrative and overhead | | 125,746 |
| Policing cameras | | 109,450 |
| Infrastructure and rehabilitation | | 106,988 |
| Operating services | | 73,562 |
| Housing assistance projects | | 69,500 |
| Professional services | | 40,379 |
| Pioneer Museum | | 11,855 |
| Advertising | | 5,874 |
| Miscellaneous | | 2,111 |
| Transportation and travel | | 1,299 |
| Dues and subscriptions | | 1,075 |
| Office supplies and equipment | | 702 |
| Total: | <u>\$ 2,307,350</u> | <u>\$ 1,001,554</u> |

REQUIRED SUPPLEMENTARY INFORMATION

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (UNAUDITED) - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|--------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 2,185,728 | \$ 2,185,728 | \$ 2,185,728 | \$ -- |
| Investment earnings | 18,000 | 36,884 | 36,884 | -- |
| Other | <u>153,000</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Total Revenues | <u>2,356,728</u> | <u>2,222,612</u> | <u>2,222,612</u> | <u>--</u> |
| Expenditures | | | | |
| Current: | | | | |
| Economic Environment | 1,366,653 | 773,261 | 881,359 | (108,098) |
| Capital outlay | <u>7,145,000</u> | <u>228,294</u> | <u>120,195</u> | <u>108,099</u> |
| Total Expenditures | <u>8,511,653</u> | <u>1,001,555</u> | <u>1,001,554</u> | <u>1</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(6,154,925)</u> | <u>1,221,057</u> | <u>1,221,058</u> | <u>(1)</u> |
| Other Financing Sources | | | | |
| Prior year carryover | 3,642,925 | 2,696,882 | -- | 2,696,882 |
| Sale of capital assets | <u>2,512,000</u> | <u>84,738</u> | <u>84,738</u> | <u>--</u> |
| Total Other Financing Sources | <u>6,154,925</u> | <u>2,781,620</u> | <u>84,738</u> | <u>2,696,882</u> |
| Net Change in Fund Balance | <u>\$ --</u> | <u>\$ 4,002,677</u> | <u>1,305,796</u> | <u>\$ 2,696,881</u> |
| Fund balance - beginning | | | <u>2,696,882</u> | |
| Fund balance - ending | | | <u>\$ 4,002,678</u> | |

The above schedule reflects certain adjustments to actual expenditures to present data on a basis comparable to the adopted budget.

See notes to required supplementary information.

FLORIDA CITY COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the Florida City, Florida)

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

An annual appropriated budget is adopted on a basis consistent with U.S. GAAP for the Agency.

The Agency follows these procedures in establishing the budgetary data reflected in the accompanying financial statements:

- a. Management submits to the Agency Board a proposed operating budget for the ensuing fiscal year. The operating budget includes appropriations and the means of financing them with an explanation regrading each expenditure that is not of a routine nature;
- b. Public hearings are conducted to obtain taxpayer comments;
- c. Prior to October 1st, the budget is legally enacted through passage of a resolution;
- d. The Agency's Board, by motion, may make supplemental appropriations for the year up to the amount of revenue in excess of those estimated appropriations. There were no supplemental appropriations in the Agency for the fiscal year ended September 30, 2020.
- e. Formal budgetary integration is employed as a management control device during the year for all funds;
- f. Any amendments must be approved by the Agency's Board;
- g. Unencumbered appropriations lapse at year end.

REPORTING SECTION

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

To the Board of Directors and CRA Director
Florida City Community Redevelopment Agency
Florida City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Florida City Community Redevelopment Agency (the "Agency"), a component unit of the Florida City, Florida, as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency's financial statements, and have issued our report thereon dated June 28, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing 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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency'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 Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Marcum LLP

Miami, FL
June 28, 2021

**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE
AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Directors and CRA Director
Florida City Community Redevelopment Agency
Florida City, Florida

Report on the Financial Statements

We have audited the financial statements of the Florida City Community Redevelopment Agency (the “Agency”), a component unit of the Florida City, Florida, as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 28, 2021.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 28, 2021, 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 financial audit report. There were no findings or recommendations made in the preceding financial audit report of the Florida City, Florida, as it relates to the Agency.

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. The information is disclosed in Note 1 to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency 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 Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Agency. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. Our assessment was performed as of the fiscal year end.

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.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not 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 Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Marcum LLP

Miami, FL
June 28, 2021

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
FLORIDA STATUTES**

To the Board of Directors and CRA Director
Florida City Community Redevelopment Agency
Florida City, Florida

We have examined the Florida City Community Redevelopment Agency (the “Agency”), a component unit of the Florida City, Florida, compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2020. We also examined the Agency’s compliance with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2020. Management of the Agency is responsible for the Agency’s compliance with the specified requirements. Our responsibility is to express an opinion on the Agency’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Agency complied, in all material respects, with Section 218.415, 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2020.

This report is intended solely to describe our testing of compliance with aforementioned sections of the Florida Statutes, and it is not suitable for any other purpose.

Marcum LLP

Miami, FL
June 28, 2021