



MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board Members
Jacksonville Transportation
Authority Jacksonville, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Jacksonville Transportation Authority (the "Authority") as of and for the year ended September 30, 2021, and have issued our report thereon dated March 31, 2022.

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 for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

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*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's 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 and schedule, which are dated March 31, 2022, 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 associated recommendations made in the preceding financial audit report. The prior year finding was cleared in the current year. The Authority was able to utilize funds to maintain full accrual financial items and timely and accurately prepare the full accrual financial statements.

MELBOURNE

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Melbourne, FL 32940
321-757-2020

ORLANDO

255 South Orange Avenue, #1200
Orlando, FL 32801
407-841-8841

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. This information is disclosed in Note A in the notes to the financial statements.

Financial Condition and Management

Sections 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 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.b. 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 the financial information provided by the 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.

Special District Component Units

Section 10.554(1)(i)5.c., *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 did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes..

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Authority reported:

- a. The total number of the Authority employees compensated in the last pay period of the district's fiscal year as 669.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year as 169.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$2,516,321.80 accrued and paid.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$31,707 accrued and \$7,339,822 paid.
- e. Each construction project with a total cost of at least \$65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as \$19,751,243 (see attached listing).
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Authority amends a final adopted budget under Section 189.016(6), Florida Statutes, as located on page 78.

Additional Matters

Section 10.804(1)(f)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that has occurred, or is likely to have occurred, that has 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, Federal and other granting agencies, the Board Members and applicable management of the Authority, and is not intended to be and should not be used by anyone other than these specified parties.

March 31, 2022
Melbourne, Florida

*Berman Hopkins Wright & LaHam
CPAs and Associates, LLP*

**ATTACHMENT TO MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES
OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

- e. Each construction project with a total cost of at least \$65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as \$19,751,243 (see attached listing).

Start Date	End Date	Project Number	Project Name	Project Status	Task Name	Actual Cost
1-Oct-20	30-Sep-22	21454	FY21 CARES ACT AMSDL BDG CSTR	APPROVED	REHAB/REN ARMSDALE	\$ 266,996.78
1-Oct-20	30-Sep-22	21498	FY21 CARES ACT MYTL BLDG 11 C	APPROVED	FA-ACQ/FACILITY IMP	\$ 592,700.45
1-Oct-20	30-Sep-22	21508	FY21 CARES ACT BUS APRON CAP	APPROVED	FA-ACQ/FACILITY IMPR	\$ 913,972.37
1-Oct-20	30-Sep-22	21509	FY21 CARES ACT BUS WASH	APPROVED	FA-ACQ/FACILITY IMPR	\$ 332,635.86
1-Oct-20	30-Sep-22	21511	FY21 CARES ACT BAY ST IT BLDG	APPROVED	FA-ACQ/FACILITY IMPR	\$ 120,462.84
1-Oct-20	30-Sep-24	21523	FY21 S5307 BUS STOP AMENITIES	APPROVED	VARIOUS	\$ 375,000.00
1-Nov-20	30-Nov-23	20553	16PREX	APPROVED	VARIOUS	\$ 1,947,261.75
1-Mar-21	31-Mar-23	20558	16ALTA	APPROVED	VARIOUS	\$ 10,495,821.36
1-Nov-20	30-Nov-23	20560	16CRSW	APPROVED	VARIOUS	\$ 1,539,620.16
1-Jan-21	31-Dec-22	20562	16SPRD	APPROVED	VARIOUS	\$ 342,752.62
1-Nov-20	30-Nov-23	20563	16MCDF	APPROVED	VARIOUS	\$ 79,808.23
4-Jan-21	30-Mar-25	21589	FY20 PHASE V 5307(h) FERRY	APPROVED	VARIOUS	\$ 2,643,020.07
16-Apr-21	30-Mar-25	21659	FY20 BBF REHAB BUILDING 4	APPROVED	REHAB/RENOV	\$ 101,190.78
Total						\$ 19,751,243.27

Jacksonville Transportation Authority

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND (Unaudited)**

For the year ended September 30, 2021

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
Revenues:				
City of Jacksonville - Net 1/2 cent surtax	\$ 2,032,848	\$ 2,032,848	\$ 2,032,848	\$ -
Investment earnings	763,700	763,700	146,808	(616,892)
Other miscellaneous	95,706	95,706	150,123	54,417
Total revenues	<u>2,892,254</u>	<u>2,892,254</u>	<u>2,329,779</u>	<u>(562,475)</u>
Expenditures:				
Current				
General government	2,892,254	3,358,734	3,447,667	(88,933)
Highway planning	-	-	-	-
Total expenditures	<u>2,892,254</u>	<u>3,358,734</u>	<u>3,447,667</u>	<u>(88,933)</u>
Excess of revenues over expenditures	-	(466,480)	(1,117,888)	(651,408)
Other financing uses (sources):				
Proceeds sale of surplus property	-	466,480	5,450,000	4,983,520
Transfer in	-	-	136,092	136,092
Transfer out	-	-	(6,248,306)	(6,248,306)
Net change in fund balance	-	-	(1,780,102)	(1,780,102)
Fund balances, beginning of year	118,886,922	118,886,922	118,886,922	-
Fund balances, end of year	<u>\$ 118,886,922</u>	<u>\$ 118,886,922</u>	<u>\$ 117,106,820</u>	<u>\$ (1,780,102)</u>

See accompanying note to required supplementary information.