

Addendum to Management Letter

The Authority Members
Leon County Educational Facilities Authority

We are issuing this addendum to our management letter dated March 10, 2022, a copy of which is included with this communication. This addendum is provided to specifically address information required by Florida Statutes 218.39(3)(c) and 218.32(1)(e)2-3 for the Leon County Educational Facilities Authority and in response to the Florida Auditor General's letter dated June 15, 2022, also included with this communication. This addendum should be submitted to the Auditor General to the attention of Jacqueline Bell, CPA, no later than July 31, 2022. Management is responsible for the information contained in our management letter and this addendum. We have not audited, and we do not express an opinion or provide any assurance with regard to the information provided in this addendum.

Special District - Specific Information

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

- a) The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 77.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$4,143,606.
- e) The following construction projects with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project.

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- During the year ended September 30, 2019, it was determined that a significant decline in the service utility of the buildings owned by LCEFA Ocala Road, LLC (the LLC) had occurred. While the Authority prevailed in mediation for a settlement of the construction litigation related to LCEFA Ocala Road, LLC, the proceeds have not been enough to remediate the extensive deficiencies resulting from the original construction, make the needed upgrades, operate the property and service the existing debt. As a result, extensive repair work has been initiated with funding supported by the new Bondholder. The expectation is that all of the buildings will be remediated and upgraded by the end of Calendar 2023. The total expenditures incurred for this project as of September 30, 2021 are \$6,424,303.
- f) A budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes.
 - The district did not amend its final adopted budget which is located at the Leon County government website.

Our management letter, including this addendum 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, The Authority Members and the Leon County Board of County Commissioners, and is not intended and should not be used by anyone other than these specified parties.

Thomas Howell Ferguson P.A.

Tallahassee, Florida
July 29, 2022