

**Port St. Joe Community  
Redevelopment Agency**  
**(A Component Unit of the City of Port St. Joe, Florida)**

**Annual Financial Statements  
September 30, 2021**

Vance CPA LLC  
Certified Public Accountants  
219-B Avenue E • Apalachicola, FL 32320  
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**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)**

**SEPTEMBER 30, 2021**

**TABLE OF CONTENTS**

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<b>Independent Auditor’s Report</b>	1
<b>Management’s Discussion and Analysis</b>	3
<b>Basic Financial Statements</b>	
Statement of Net Position and Governmental Fund Balance Sheet	7
Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances	8
Notes to Basic Financial Statements	9
<b>Required Supplementary Information</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget Actual	16
<b>Compliance Section</b>	
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 <i>Government Auditing Standards</i>	18
Independent Accountant’s Report on Compliance with Section 218.415, Florida Statutes	20
Independent Auditor’s Management Letter	21

# Vance CPA LLC

***Certified Public Accountants***

219-B Avenue E • Apalachicola, FL 32320  
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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors and Executive Director  
Port St. Joe Community Redevelopment Agency  
City of Port St. Joe, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, and general fund, of the Port St. Joe Community Redevelopment Agency (the "CRA"), a component unit of the City of Port St. Joe, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the CRA's basic 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 the 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 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 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 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, (the “General Fund”), of the CRA, as of September 30, 2021, and the respective changes in financial position, for the 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 and budgetary comparison schedule, as listed in the table of contents, 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 May 31, 2022, on our consideration of the CRA’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 CRA’s internal control over financial reporting and compliance.

*Vance CPA LLC*

Apalachicola, Florida  
May 31, 2022

**Vance CPA LLC**

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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This section of the report presents our discussion and analysis of the performance of the Port St. Joe Community Redevelopment Agency (the "CRA") during the year ended September 30, 2021. Please read it in conjunction with the CRA's financial statements, which follow this section.

**Financial Highlights**

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$296,632 (net position). The entire net position is included in the restricted category.
- The CRA's total net position decreased by \$31,810 over the course of this year's operation primarily caused by budgeted spending in redevelopment programs.

**Overview of the Financial Statements**

The financial section of this annual report consists of two parts: (1) management's discussion and analysis (this section), and (2) the basic financial statements.

**Basic Financial Statements**

***Government-wide financial statements.*** The focus of the *government-wide financial statements* is on the overall financial position and activities of the CRA. Reporting is similar to that of a private-sector business. The government-wide financial statements report information about the CRA as a whole and about its activities in a way that helps answer questions about the financial health of the CRA and whether the activities of the year contributed positively or negatively to that health.

The government-wide financial statements include the statement of net position and statement of activities.

- The *Statement of Net Position* presents information on the assets held and liabilities owed by the CRA, both long- and short-term. Assets are reported when acquired and liabilities are reported when they are incurred, regardless of the timing of the related cash flows to acquire these assets or liquidate such liabilities.

The difference between the CRA's total assets and total liabilities is *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating. Although the purpose of the CRA is not to accumulate net position in general, as this amount increases, it indicates that the financial position of the CRA is improving over time.

- The *Statement of Activities* presents the revenues and expenses of the CRA. The items presented on the statement of activities are measured in a manner like the approach used in the private sector in that revenues are recognized when earned and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Both of the government-wide financial statements distinguish functions of the CRA that are principally supported by taxes and intergovernmental revenue (governmental activities). The governmental activities of the CRA are mainly economic environment activities.

***Fund financial statements.*** The focus of fund financial statements is directed to specific activities of the CRA. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

***Governmental fund.*** The CRA has only one governmental fund, a General Fund. Financial statements consist of a balance sheet and a statement of revenue, expenditures, and change in fund balance. These statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables but do not include capital assets such as land and buildings. The difference between a fund's total assets and total liabilities is the fund balance, and generally indicates the amount that can be used to finance the next fiscal year's activities. The operating statement for governmental funds reports only those revenues that were collected during the current period or very shortly after the end of the year. Expenditures are generally recorded when incurred.

For the most part, the balances and activities accounted for in governmental funds are also reported in the governmental activities columns of the government-wide financial statements. However, because different accounting bases are used to prepare governmental fund financial statements and government-wide financial statements, there are often significant differences between the totals presented. For this reason, there is an analysis after the governmental fund balance sheet that reconciles the total fund balance for the governmental fund to the amount of net position presented in the governmental activities column on the statement of net position. Also, there is an analysis after the statement of revenue, expenditures, and changes in fund balance that reconciles the total change in fund balance for the General Fund to the change in net position as reported in the governmental activities column in the statement of activities.

***Notes to the basic financial statements.*** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Government-Wide Financial Analysis**

The table below presents a summary of net position as of September 30, 2021 and 2020, derived from the government-wide statement of net position:

**Statement of Net Position**

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Current Assets	\$ 41,020	\$ 69,119	\$ (28,099)
Capital Assets	<u>255,612</u>	<u>265,988</u>	<u>(10,376)</u>
<b>Total Assets</b>	<b><u>296,632</u></b>	<b><u>335,107</u></b>	<b><u>(38,475)</u></b>
Long-term Liabilities	—	—	—
Other Liabilities	<u>—</u>	<u>6,665</u>	<u>6,665</u>
<b>Total Liabilities</b>	<b><u>—</u></b>	<b><u>6,665</u></b>	<b><u>6,665</u></b>
Restricted	<u>296,632</u>	<u>328,442</u>	<u>(31,810)</u>
<b>Total Net Position</b>	<b><u>\$ 296,632</u></b>	<b><u>\$ 335,107</u></b>	<b><u>\$ (31,810)</u></b>

As noted earlier, net position may serve, over time, as a useful indication of the CRA's financial position. At the close of the most recent fiscal year, the CRA's assets exceeded its liabilities by \$296,632. The entire net position of the CRA is restricted for Community Redevelopment.

The table below presents a summary of changes in net position for the years ended September 30, 2021 and 2020, as derived from the government-wide statement of activities:

**Statement of Activities**

	<u>2021</u>	<u>2020</u>	<u>Change</u>
<b>Revenues</b>			
Property Tax Assessments	\$ 717	\$ 78,496	\$ (77,779)
Intergovernmental	—	175,000	(175,000)
Investment Income	<u>43</u>	<u>228</u>	<u>(185)</u>
<b>Total Revenues</b>	<b><u>760</u></b>	<b><u>253,724</u></b>	<b><u>(252,964)</u></b>
<b>Expenses</b>			
Economic Environment	<u>32,570</u>	<u>417,027</u>	<u>384,457</u>
<b>Total Expenses</b>	<b><u>32,570</u></b>	<b><u>417,027</u></b>	<b><u>384,457</u></b>
Change in Net Position	(31,810)	(163,303)	131,493
Beginning Net Position	<u>328,442</u>	<u>491,745</u>	<u>(163,303)</u>
<b>Ending Net Position</b>	<b><u>\$ 296,632</u></b>	<b><u>\$ 328,442</u></b>	<b><u>\$ (31,810)</u></b>

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Governmental activities**

Governmental activities decreased the CRA's net position by \$31,810, while in 2020 there was a decrease of \$163,303. This was primarily caused by a reduction in economic environment spending.

**Financial Analysis of the CRA General Fund**

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the CRA's *General Fund* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the CRA's financing requirements. In particular, the *fund balance* at year-end provides the resources available for spending.

**Budgetary Highlights**

There was no difference between the CRA's original budget and the final budget. During the fiscal year, the CRA budget included \$0 related to downtown improvements and façade grants.

**Capital Assets**

The CRA's investment in fixed assets for its governmental activities as of September 30, 2021 amounts to \$255,612 (net of accumulated depreciation). This investment in capital assets includes improvements.

**Economic Factors and Next Year Budget and Rates**

In September 2020 the CRA Board and City Council approved a budget similar to the 2021 budget. Expenditures are budgeted for economic environment costs.

**Request for Information**

This financial report is designed to provide a general overview of the City of Port St. Joe, Florida's finances for those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Port St. Joe, P. O. Box 278, Port St. Joe, Florida 32457.



**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)  
SEPTEMBER 30, 2021**

**STATEMENT OF NET POSITION  
AND GOVERNMENTAL FUND BALANCE SHEET**

	<b>General Fund</b>	<b>Adjustment (Note 7)</b>	<b>Statement of Net Position</b>
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	\$ 41,020	\$ —	\$ 41,020
Capital assets:			
Depreciable, net	—	255,612	255,612
<b>Total Assets</b>	<b>41,020</b>	<b>255,612</b>	<b>296,632</b>
<b>LIABILITIES</b>			
Accounts payable	—	—	—
<b>Total Liabilities</b>	—	—	—
<b>FUND BALANCES/NET POSITION</b>			
Fund balances:			
Restricted for community redevelopment	41,020	(41,020)	—
<b>Total Fund Balances</b>	<b>41,020</b>	<b>(41,020)</b>	—
<b>Total Liabilities and Fund Balances</b>	<b>41,020</b>		
<b>NET POSITION</b>			
Investment in capital assets		255,612	255,612
Restricted for: Community Redevelopment		41,020	41,020
<b>Total Net position</b>		<b>\$ 296,632</b>	<b>\$ 296,632</b>

See accompanying notes to the basic financial statements

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)  
YEAR ENDED SEPTEMBER 30, 2021**

**STATEMENT OF ACTIVITIES AND  
GOVERNMENTAL FUND REVENUES, EXPENDITURES,  
AND CHANGE IN FUND BALANCES**

	<b>General Fund</b>	<b>Adjustment (Note 7)</b>	<b>Statement of Net Position</b>
<b>REVENUES</b>			
Property taxes	\$ 717	\$ —	\$ 717
Investment income	43	—	43
Miscellaneous revenue	—	—	—
<b>Total Revenues</b>	<b>760</b>	<b>—</b>	<b>760</b>
<b>EXPENDITURES/EXPENSES</b>			
Economic Environment	22,194	—	22,194
Depreciation	—	10,376	10,376
<b>Total Expenditures</b>	<b>22,194</b>	<b>10,376</b>	<b>32,570</b>
Excess (deficiency) of revenues over (under) expenditures	(21,434)	(10,376)	(31,810)
Net change in fund balances /Net position	(21,434)	(10,376)	(31,810)
<b>FUND BALANCES/NET POSITION</b>			
Beginning of the year	62,454	265,988	328,442
<b>End of the year</b>	<b>\$ 41,020</b>	<b>\$ 255,612</b>	<b>\$ 296,632</b>

See accompanying notes to the basic financial statements

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Port St. Joe, Florida)**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Financial Reporting Entity**

The Port St. Joe Community Redevelopment Agency (the “CRA”) is governed by a board consisting of five commissioners who are the same individuals as those serving as the City of Port St. Joe (the “City”) City Council. The terms of office of the commissioners are concurrent with the terms of the Mayor and the members of the City Council Chair and Vice-Chair are designated by a majority vote of the City Council. The CRA was created in 1999 by Resolutions 198, as adopted by the City Council on January 5, 1999, in accordance with Section 163.356 of the *Florida Statutes*. The boundaries of the CRA district were determined at the time it was created and are shown on the CRA District Map.

Florida State Statute Chapter 163 allows a community redevelopment agency to be created for one or more of the following purposes: the elimination and prevention of blight; the reduction or prevention of crime; the provision of affordable housing; or the rehabilitation and revitalization of coastal resort and tourist areas that are deteriorating and economically distressed. The primary goal of the CRA is to provide a tool that will guide private and public initiatives for creating economic development, improved physical characteristics, encourage investment in Downtown Port St. Joe, improve the quality of life for residents, and establish a framework for the proper evolution of the CRA District.

The CRA is a separate entity from the City. However, the City Council of the City of Port St. Joe serves as the CRA Board and performs the legislative functions, governing duties and corporate responsibilities of the agency. The Finance Officer serves as the executive director of the agency, performs the administrative duties and oversees the day to day operations of the agency.

**B. Government-wide and Fund Financial Statements**

The CRA has only governmental activities and only one function, and, as such, it is eligible for special-purpose financial statement presentation; accordingly, the government-wide financial statements are presented together with the governmental fund financial statements, described below, with an adjustment column presented to reconcile the two sets of statements.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Governmental Fund Financial Statements – The CRA has one governmental fund type, which is the General Fund. The General Fund is the primary operating fund used to account for all resources and operations. Governmental funds are accounted for one a “spending” or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Port St. Joe, Florida)**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 65 days of the end of the current period. Expenditures generally are recorded when a liability is incurred.

Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period and are recognized as revenue when the amount is received within the availability period which is limited to 60 days after the end of the fiscal year.

**D. Deposits**

The CRA considers cash on hand, cash with fiscal agents, and overnight investments with original maturities of less than three months to be cash and cash equivalents. The CRA also maintains its own bank account which is used for the majority of CRA transactions.

**E. Receivables**

Receivables consist of trade receivables and amounts due from other governments and are recorded net of any allowance for uncollectible amounts, if applicable.

**F. Capital Assets**

Capital assets, which include improvement are reported in the applicable governmental activities columns in the government-wide financial statements.

Property, plant, and equipment with initial individual costs that exceed \$5,000 and estimated useful lives in excess of one year are recorded as capital assets. Infrastructure such as roads, bridges and sidewalks are capitalized when their initial costs exceed \$10,000 and possess estimated useful lives in excess of one year. Capital assets are recorded at historical cost whether purchases or constructed or estimated cost if historical cost is unknown. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend its useful life are not capitalized.

Depreciation is recorded on the straight-line basis over the estimated useful lives of assets generally as follows:

Furniture, equipment, machinery and vehicles	3-20 Years
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**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Port St. Joe, Florida)**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Long-Term Obligations**

There are no long-term debt obligations reported by the CRA as of September 30, 2021.

**H. Fund Balance/Net Position**

In fund financial statements, the General Fund reports fund classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints imposed on the use of resources reported. Amounts that are restricted to specific purposes either by: (a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the Board of Directors through a resolution are classified as committed fund balances. These constraints remain binding unless removed or changed in the same manner employed to commit those resources by resolution. Amounts that are constrained by the CRA's intent to be used for specific purposes, however, are neither restricted, nor committed are classified as assigned fund balances. Assignments are approved by the Executive Director.

Non-spendable fund balances include amounts that cannot be spent because they are either: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents an amount that has not been restricted, committed, or assigned to specific purposes within the General Fund. When both restricted and unrestricted fund balances are available for use, it is the CRA's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Net position of the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. The first category represents capital assets net of accumulated depreciation, less outstanding debt related to the acquisition or construction of the capital assets.

The restricted category, if any, represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation. Unrestricted net position represents resources that are available for spending.

**I. Budgetary Data**

On or before September 1 each year, the Port St. Joe Community Redevelopment Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1. A public hearing is conducted at City Hall to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of an ordinance. Annual budgets are adopted for the General Fund on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at the end of each fiscal year for these funds.

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Port St. Joe, Florida)**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Budgetary control is maintained at the department level. The CRA Manager is permitted to transfer appropriations between line items within the General Fund. All other types of budget transfers or amendments must be approved by the City Council. Expenditures may not legally exceed budgeted appropriations at the department level.

**J. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources, and liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – TAX INCREMENT REVENUE**

The primary source of revenue is tax increment funds received through the City of Port St. Joe and Gulf County. The revenue from the City is treated as property taxes, while the remainder is recorded as intergovernmental revenue – tax increment financing.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

At September 30, 2021, the bank balances, net of reconciling items, of the CRA's deposits was \$41,020. All of the CRA's public deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, Florida Security for Public Deposits Act. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level.

The pledging level may vary depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Port St. Joe, Florida)**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 4- CONTINGENT LIABILITIES**

The CRA sometimes receives revenues from various federal grants. These grants would be for specific purposes and would be subject to review and audit by the grantor agencies. Such audits could result in disallowed expenditures under the terms of the grants. No such grants were received during the year ended September 30, 2021. Based upon prior experience, CRA management believes such disallowances, if any, would be immaterial.

During March 2020, the World Health Organization declared the Coronavirus outbreak a global pandemic. Actions taken around the world to help mitigate the spread of the Coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The Coronavirus and actions taken to mitigate it have had, and are expected to continue to have an adverse impact on the local economies. While it is unknown how long these conditions will last and what the complete financial effect will be to the CRA. As the economy continues to open throughout the region, management anticipates revenue to return to normal levels. The ultimate impact of the pandemic on the CRA's results of operations, financial position, and liquidity cannot be reasonably estimated at this time.

**NOTE 5- RISK MANAGEMENT**

The CRA is exposed to various risks of loss, including general liability, personal injury, workers compensation, and errors and omissions. To manage its risks, the CRA has purchased commercial insurance.

**NOTE 6 – SUBSEQUENT EVENTS**

The CRA has evaluated all subsequent events through May 31, 2022, the date the financial statements were available to be issued.

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of the City of Port St. Joe, Florida)**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

Adjustments were made to include capital assets (net of accumulated depreciation) on the statement of net position. This resulted in a net difference between the ending General Fund balances and the total net position of \$255,612.

Total fund balance	\$ 41,020
Capital assets, net	<u>255,612</u>
Total net position	<u>\$ 269,632</u>

Adjustments were made to include depreciation expense and eliminate capital outlay expenditures, if any, on the statement of activities. This resulted in a net difference between excess revenues over expenditures” and change in net position” of (\$31,810).

Excess of revenues over expenditures	\$ (21,434)
Less: depreciation expense	<u>(10,376)</u>
Change in net position	<u>\$ (31,810)</u>

**NOTE 8 – CAPITAL ASSETS**

The following is a summary of changes in the CRA’s capital assets during the fiscal year ended September 30, 2021:

	Balance 10/01/2020	Additions and Transfers	Deletions and Transfers	Balance 10/30/2021
Governmental Activities				
Capital assets being depreciated				
Improvements	\$ 380,124	\$ —	\$ —	\$ 380,124
Less Accumulated	<u>(114,136)</u>	<u>(10,376)</u>	<u>—</u>	<u>(124,512)</u>
Total capital assets being depreciated	<u>265,988</u>	<u>(10,376)</u>	<u>—</u>	<u>255,612</u>
Total capital assets	<u>\$ 265,988</u>	<u>\$ (10,376)</u>	<u>\$ —</u>	<u>\$ 255,612</u>

Depreciation expense amounted to \$10,376 during fiscal year 2021, which is included on the statement of activities.



**REQUIRED SUPPLEMENTARY INFORMATION**

**PORT ST. JOE COMMUNITY REDEVELOPMENT AGENCY  
(A Component Unit of the City of Port St. Joe, Florida)  
YEAR ENDED SEPTEMBER 30, 2021**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET TO ACTUAL**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final
	<u>Original</u>	<u>Final</u>		<u>Budget Positive (Negative)</u>
<b>Revenues:</b>				
Taxes	\$ 2,186	\$ 2,186	\$ 717	\$ (1,469)
Intergovernmental	—	—	—	—
Investment earnings and other	—	—	43	43
<b>Total revenues</b>	<u>2,186</u>	<u>2,186</u>	<u>760</u>	<u>(1,426)</u>
<b>Expenditures:</b>				
Current				
Economic environment	<u>15,070</u>	<u>22,194</u>	<u>22,194</u>	—
<b>Total expenditures</b>	<u>15,070</u>	<u>22,194</u>	<u>22,194</u>	—
Net change in fund balance	(12,884)	(20,008)	(21,434)	(1,426)
<b>Fund balance - beginning</b>	<u>62,454</u>	<u>62,454</u>	<u>62,454</u>	—
<b>Fund balance - ending</b>	<u>\$ 49,570</u>	<u>\$ 42,446</u>	<u>\$ 41,020</u>	<u>\$ (1,426)</u>

See accompanying notes to the basic financial statements. This schedule is prepared on the basis of generally accepted accounting principles.

## **COMPLIANCE SECTION**

# Vance CPA LLC

## ***Certified Public Accountants***

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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**

Board of Directors and Executive Director  
Port St. Joe Community Redevelopment Agency  
City of Port St. Joe, 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 major fund, of the Port St. Joe Community Redevelopment Agency, (the “CRA”), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the CRA’s basic financial statements, and have issued our report thereon dated May 31, 2022.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the CRA’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA’s internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA’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 over financial reporting 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 CRA'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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Pursuant to provisions for Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management of the CRA in a separate management letter and Independent Auditor's Report dated May 31, 2022.

**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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Apalachicola, Florida  
May 31, 2022

**Vance CPA LLC**

# Vance CPA LLC

## ***Certified Public Accountants***

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### **INDEPENDENT AUDITOR'S REPORT ON INVESTMENT COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES**

Board of Directors and Executive Director  
Port St. Joe Community Redevelopment Agency  
City of Port St. Joe, Florida

We have examined Port St. Joe Community Redevelopment Agency's, (the "CRA"), compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2020, as required by Section 10.556(10)(a) *Rules of the Auditor General*.

Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

*Vance CPA LLC*

Apalachicola, Florida  
May 31, 2022

**Vance CPA LLC**

# Vance CPA LLC

**Certified Public Accountants**

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## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Board of Directors and Executive Director  
Port St. Joe Community Redevelopment Agency  
City of Port St. Joe, Florida

We have audited the financial statements of the Port St. Joe Community Redevelopment Agency, (the "CRA"), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 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; and Chapter 10.550, *Rules of the Auditor General*.

### **Other Reports and Schedule**

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*; and Independent Auditor'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 May 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 recommendations made in the preceding annual financial audit report. There were no such findings 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 statement. This information is disclosed in the notes to the financial statements.

**Financial Condition**

Section 10.554(1)(i)5.a., and 10.556(7), Rules of the Auditor General, requires that we apply appropriate procedure and report the results of our determination as to whether or not the CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, we determined that the CRA was not in a state of financial emergency, as it 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 CRA’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 address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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

**Purpose of this Letter**

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

*Vance CPA LLC*

Apalachicola, Florida  
May 31, 2022

**Vance CPA LLC**