

**South Shore Corporate Park
Industrial Community
Development District**

ANNUAL FINANCIAL REPORT

September 30, 2021

South Shore Corporate Park Industrial Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>
REPORT OF INDEPENDENT AUDITORS	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-7
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Financial Statements:	
Balance Sheet – Governmental Funds	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	12
Notes to Financial Statements	13-20
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	21-22
MANAGEMENT LETTER	23-25



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of South Shore Corporate Park Industrial Community Development District as of and for the year ended September 30, 2021, and the related notes to 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.

Auditor's Responsibility

Our responsibility is to express an opinion 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. 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 opinion.

Fort Pierce / Stuart

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and the General Fund of South Shore Corporate Park Industrial Community Development District as of September 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Governmental Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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 principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. 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 a report dated March 1, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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 South Shore Corporate Park Industrial Community Development District's internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

March 1, 2022

South Shore Corporate Park Industrial Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021

Management's discussion and analysis of South Shore Corporate Park Industrial Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government and physical environment.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

South Shore Corporate Park Industrial Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities or functions provided by the District. All assets of the District are reported in the **statement of net position**. All liabilities obligated but not paid by the District are included. The **statement of activities** transactions between the different functions of the District are eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District is also included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2021.

- ◆ The District's total assets exceeded total liabilities by \$5,657,529. Net investment in capital assets was \$5,539,799 and unrestricted net assets was \$117,730.
- ◆ Governmental activities revenues totaled \$206,728 while governmental activities expenses totaled \$269,563.

**South Shore Corporate Park Industrial Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2021	2020
Current assets	\$ 125,726	\$ 134,406
Capital Assets	5,539,799	5,603,799
Total Assets	5,665,525	5,738,205
 Current liabilities	 7,996	 17,841
Net Position		
Net investment in capital assets	5,539,799	5,603,799
Unrestricted	117,730	116,565
Total Net Position	\$ 5,657,529	\$ 5,720,364

The decrease in capital assets and net investment in capital assets is related to current year depreciation.

**South Shore Corporate Park Industrial Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change In Net Position

	Governmental Activities	
	2021	2020
Program Revenues		
Charges for services	\$ 203,692	\$ 184,275
Miscellaneous revenues	3,036	-
Total Revenues	<u>206,728</u>	<u>184,275</u>
Expenses		
General government	44,400	40,369
Physical environment	225,163	216,967
Total Expenses	<u>269,563</u>	<u>257,336</u>
Change in Net Position	(62,835)	(73,061)
Net Position - Beginning of Year	<u>5,720,364</u>	<u>5,793,425</u>
Net Position - End of Year	<u><u>\$ 5,657,529</u></u>	<u><u>\$ 5,720,364</u></u>

Capital Assets Activity

The following schedule provides a summary of the District's capital assets as of September 30, 2021 and 2020:

<u>Description</u>	Governmental Activities	
	2021	2020
Land	\$ 4,387,799	\$ 4,387,799
Infrastructure	1,600,000	1,600,000
Accumulated depreciation	<u>(448,000)</u>	<u>(384,000)</u>
Total Capital Assets (Net)	<u><u>\$ 5,539,799</u></u>	<u><u>\$ 5,603,799</u></u>

The activity for the year consisted of depreciation of \$64,000.

**South Shore Corporate Park Industrial Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

General Fund Budgetary Highlights

The final budget exceeded actual expenditures primarily because entry and wall maintenance and contingency expenditures were less than anticipated.

The September 30, 2021 budget was amended for irrigation maintenance expenditures that were higher than originally anticipated.

Economic Factors and Next Year's Budget

South Shore Corporate Park Industrial Community Development District does not anticipate economic factors to affect operations for the year ended September 30, 2022.

Request for Information

The financial report is designed to provide a general overview of South Shore Corporate Park Industrial Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the South Shore Corporate Park Industrial Community Development District's Finance Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

**South Shore Corporate Park Industrial
Community Development District
STATEMENT OF NET POSITION
September 30, 2021**

	Governmental Activities
Assets	
Current Assets	
Cash	\$ 111,248
Special assessments receivable	1,075
Prepaid expenses	5,513
Deposits	7,890
Total Current Assets	125,726
 Non-Current Assets	
Capital Assets	
Land	4,387,799
Infrastructure	1,600,000
Less: accumulated depreciation	(448,000)
Total Non-Current Assets	5,539,799
Total Assets	5,665,525
 Liabilities	
Current Liabilities	
Accounts payable and accrued expenses	7,996
 Net Position	
Net investment in capital assets	5,539,799
Unrestricted	117,730
Total Net Position	\$ 5,657,529

See accompanying notes to financial statements.

**South Shore Corporate Park Industrial
Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021**

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expenses) Revenues and Changes in Net Position Governmental Activities
Governmental Activities			
General government	\$ (44,400)	\$ 43,996	\$ (404)
Physical environment	(225,163)	159,696	(65,467)
Total Governmental Activities	\$ (269,563)	\$ 203,692	(65,871)
	General Revenues		
	Miscellaneous revenues		3,036
	Changes in Net Position		(62,835)
	Net Position - Beginning of Year		5,720,364
	Net Position - End of Year		\$ 5,657,529

See accompanying notes to financial statements.

**South Shore Corporate Park Industrial
Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2021**

	General
Assets	
Cash and cash equivalents	\$ 111,248
Special assessments receivable	1,075
Prepaid expenses	5,513
Deposits	7,890
Total Assets	\$ 125,726
 Liabilities and Fund Balances	
Liabilities	
Accounts payable and accrued expenses	\$ 7,996
Fund Balances	
Nonspendable prepaids/deposits	13,403
Unassigned	104,327
Total Fund Balances	117,730
Total Liabilities and Fund Balances	\$ 125,726
 Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities:	
Total Governmental Fund Balances	\$ 117,730
Capital assets, land (\$4,387,799), infrastructure (\$1,600,000) and accumulated depreciation, \$(448,000), used in governmental activities are not current financial resources, and therefore, are not reported at the fund level.	5,539,799
Net Position of Governmental Activities	\$ 5,657,529

See accompanying notes to financial statements.

**South Shore Corporate Park Industrial
Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021**

	General
Revenues	
Special assessments	\$ 203,692
Miscellaneous revenues	3,036
Total Revenues	206,728
Expenditures	
Current	
General government	44,400
Physical environment	161,163
Total Expenditures	205,563
Net Change in Fund Balances	1,165
Fund Balances - Beginning of Year	116,565
Fund Balances - End of Year	\$ 117,730
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:	
Net Change in Fund Balances - Total Governmental Funds	\$ 1,165
Governmental funds report capital outlay as expenditures. In the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current year.	(64,000)
Change in Net Position of Governmental Activities	\$ (62,835)

See accompanying notes to financial statements.

**South Shore Corporate Park Industrial
Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Special assessments	\$ 203,692	\$ 203,692	\$ 203,692	\$ -
Miscellaneous revenues	-	-	3,036	3,036
Total Revenues	<u>203,692</u>	<u>203,692</u>	<u>206,728</u>	<u>3,036</u>
Expenditures				
Current				
General government	39,475	39,475	44,400	(4,925)
Physical environment	165,100	170,525	161,163	9,362
Total Expenditures	<u>204,575</u>	<u>210,000</u>	<u>205,563</u>	<u>4,437</u>
Net Change in Fund Balances	(883)	(6,308)	1,165	7,473
Fund Balances - Beginning of year	<u>883</u>	<u>6,308</u>	<u>116,565</u>	<u>110,257</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 117,730</u>	<u>\$ 117,730</u>

See accompanying notes to financial statements.

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on March 17, 2008, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Hillsborough County Ordinance #08-04 as a Community Development District. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing district roads, landscaping, and other basic infrastructure projects within or outside the boundaries of the South Shore Corporate Park Industrial Community Development District. The District is governed by a five member Board of Supervisors who are elected on an at large basis by landowners of the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the South Shore Corporate Park Industrial Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the District's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District classifies fund balance according to Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company. Assignments are often temporary and normally the same formal action need not be taken to remove the assignment.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due. No debt service assessments have been levied in the District.

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation (Continued)

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and improvements, and non-current governmental liabilities, such as general obligation bonds be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Liabilities, and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, and Net Position or Equity (Continued)

b. Net Position

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted, or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's bond covenants and other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

c. Capital Assets

Capital assets, which include land and infrastructure, are reported in the governmental activities column.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Infrastructure	25 years
----------------	----------

d. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. A formal budget is adopted for the general fund. As a result, deficits in the budget columns of the accompanying financial statements may occur.

e. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk, however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2021, the District's bank balance was \$115,989 and the carrying value was \$111,248. Exposure to custodial credit risk was as follows: The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

The District currently holds no investments.

NOTE C – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Deletions	Balance September 30, 2021
<u>Governmental Activities:</u>				
Land	\$ 4,387,799	\$ -	\$ -	\$ 4,387,799
Infrastructure	1,600,000	-	-	1,600,000
Less accumulated depreciation for:				
Infrastructure	(384,000)	(64,000)	-	(448,000)
Total Capital Assets	<u>\$ 5,603,799</u>	<u>\$ (64,000)</u>	<u>\$ -</u>	<u>\$ 5,539,799</u>

Depreciation was charged to physical environment for \$64,000.

NOTE D – LONG-TERM DEBT

In a prior year, the District authorized the issuance of \$130,000,000 in bonds. As of September 30, 2021, the bonds have not been issued.

NOTE E – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage over the past three years.

South Shore Corporate Park Industrial Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE F – ECONOMIC DEPENDENCY

A substantial portion of the District's activity is dependent upon the continued involvement of two significant landowners, the loss of which could have a materially adverse effect on the District. At September 30, 2021, the significant landowner made up 83% of the assessment revenue related to property located within District boundaries.



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

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 Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, 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 South Shore Corporate Park Industrial Community Development District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated March 1, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered South Shore Corporate Park Industrial Community Development District'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of South Shore Corporate Park Industrial Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of South Shore Corporate Park Industrial Community Development District'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, Florida

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

March 1, 2022



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

MANAGEMENT LETTER

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the financial statements of the South Shore Corporate Park Industrial Community Development District as of and for the year ended September 30, 2021, and have issued our report thereon dated March 1, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; 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 Florida Auditor General.

Other Reporting Requirements

We have issued our 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* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated March 1, 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 made 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.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not South Shore Corporate Park Industrial Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the South Shore Corporate Park Industrial Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2021 for the South Shore Corporate Park Industrial Community Development District. It is management's responsibility to monitor the South Shore Corporate Park Industrial Community Development District's financial condition; our financial condition assessment was based in part on the 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.

Specific Information

The information provided below was provided by management and has not been audited; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c) and Section 218.32(1)(e), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the South Shore Corporate Park Industrial Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: The District did not have any employees.
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 0
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: N/A
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: N/A
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The District had no construction projects during the year.
- 6) 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 District amends a final adopted budget under Section 189.016(6), Florida Statutes: See following page.

As required by Section 218.39(3)(c) and Section 218.32(1)(e), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the South Shore Corporate Park Industrial Community Development District reported:

- 7) The rate or rates of non-ad valorem special assessments imposed by the District: General Fund \$97.79 per acre and \$75 per 1000 square feet.
- 8) The amount of special assessments collected by or on behalf of the District: Total Special Assessments collected was \$203,692.
- 9) The total amount of outstanding bonds issued by the District and the terms of such bonds: N/A.

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance with Original Budget Positive (Negative)</u>
Revenues			
Special assessments	\$ 203,692	\$ 203,692	\$ -
Miscellaneous revenues	-	3,036	(3,036)
Total Revenues	<u>203,692</u>	<u>206,728</u>	<u>(3,036)</u>
Expenditures			
Current			
General government	39,475	44,400	(4,925)
Physical environment	165,100	161,163	3,937
Total Expenditures	<u>204,575</u>	<u>205,563</u>	<u>(988)</u>
Net Change in Fund Balances	(883)	1,165	2,048
Fund Balances - Beginning of year	<u>883</u>	<u>116,565</u>	<u>115,682</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 117,730</u>	<u>\$ 117,730</u>

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 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 of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

March 1, 2022