TAMPA BAY ESTUARY PROGRAM

FINANCIAL STATEMENTS, REQUIRED
SUPPLEMENTARY INFORMATION,
AND COMPLIANCE SECTION

As of and for the Year Ended September 30, 2021

And Reports of Independent Auditor

Cherry Bekaert LLP
CPAs & Advisors

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Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor

To the Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Tampa Bay Estuary Program (the "Estuary Program") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Estuary Program'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 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 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 the general fund of the Estuary Program as of September 30, 2021, and the respective changes in its financial position and the respective budgetary comparison for the general fund 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, the schedules of proportionate share of net pension liability, and the schedules of contributions, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tampa Bay Estuary Program's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2022, on our consideration of the Estuary Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Estuary Program's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Estuary Program's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Tampa, Florida
February 2, 2022

As management of the Tampa Bay Estuary Program (the "Estuary Program"), we offer readers of the Estuary Program's financial statements this narrative overview and analysis of the financial activities of the Estuary Program for the fiscal year ended September 30, 2021. We encourage readers to read the information presented herein in conjunction with additional information furnished in the Estuary Program's financial statements following this narrative.

Financial Highlights

The Estuary Program's net position is $1,901,265, an increase of $146,886 over the previous year. Net position serves as both a contingency and rainy-day fund for the Estuary Program as well as a source of matching funds for grants for high priority projects.

During the year, total expenses were $2,759,200 versus total revenue of $2,906,086.

Using this Annual Report

The report consists of three components: 1) government-wide financial statements providing information about the activities of the Estuary Program as a whole; 2) fund financial statements providing information about the significant funds of the Estuary Program; and 3) notes to the financial statements providing supplementary and explanatory information. This report also includes required supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements – The first two statements on pages 7 and 8, "Statement of Net Position" and "Statement of Activities," are designed to provide a broad overview of the Estuary Program's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide information about the Estuary Program's financial status as a whole. These statements include details of income during the year and a breakdown by category of expenses for activities and administration of the Estuary Program. The statements include all assets, deferred outflows of financial resources, liabilities, and deferred inflows of financial resources using the accrual basis of accounting. This means all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Estuary Program's net position and changes in net position. The net position – the difference between assets and deferred outflows and liabilities and deferred inflows – is an important measure of the Estuary Program's financial health.

Fund Financial Statements – The next five statements on pages 9 through 13 provide a detailed look at the Estuary Program's major fund. The Estuary Program, like all government entities, uses fund accounting to ensure and reflect compliance (or noncompliance) with finance related legal requirements. The fund statements do not reflect the activities of the Estuary Program as a whole. All of the funds of the Estuary Program are included in only one category: governmental funds. All activities of the governmental funds are included in only one fund: General Fund.

Tampa Bay Estuary Program - Net Position

	Governmental Activities 2021	Governmental Activities 2020	Increase (Decrease)
Current and other assets	$ 2,510,610	$ 2,650,949	$ (140,339)
Capital assets	220	353	(133)
Total Assets	2,510,830	2,651,302	(140,472)
Deferred outflow of resources	313,121	173,678	139,443
Current liabilities	96,793	349,955	(253,162)
Long-term liabilities	328,064	607,082	(279,018)
Total Liabilities	424,857	957,037	(532,180)
Deferred inflow of resources	497,829	113,564	384,265
Net Position:			
Net investment in capital assets	220	353	(133)
Restricted for specialty license plate related expenditures	635,344	513,983	121,361
Unrestricted	1,265,701	1,240,043	25,658
Total Net Position	$ 1,901,265	$ 1,754,379	$ 146,886

Tampa Bay Estuary Program - Changes in Net Position

	Governmental Activities 2021	Governmental Activities 2020	Increase (Decrease)
Revenues:			
Program Revenue:			
Operating grants and contributions	$ 1,615,210	$ 1,859,538	$ (244,328)
Charges for services	1,290,517	1,222,566	67,951
General Revenues:			
Interest	359	2,705	(2,346)
Total Revenues	2,906,086	3,084,809	(178,723)
Functional/Program Expenses:			
Physical environment	2,759,200	2,465,230	293,970
Total Functional/Program Expenses	2,759,200	2,465,230	293,970
Increase in Net Position	$ 146,886	$ 619,579	$ (472,693)

Governmental Activities

Revenues for the Estuary Program's activities totaled $2,906,086, a decrease of $178,723 from the previous year. The significant changes in revenue are due to increased activity related to non-federal related projects, planned increases in non-federal match, and new settlement funds.

Expenses totaled $2,759,200, an increase of $293,970 from the previous year. The significant changes in expenses are due increased restoration projects.

General Fund Balance Sheet

	2021	2020	Increase
Current and other assets	$ 2,510,610	$ 2,650,949	$ (140,339)
Liabilities	$ 96,793	$ 349,955	$ (253,162)
Fund balance	2,413,817	2,300,994	112,823
Total liabilities and fund balance	$ 2,510,610	$ 2,650,949	$ (140,339)

Fund balance increased $112,823 to $2,413,817 during the year ended September 30, 2021.

Budgetary Highlights

During the fiscal year, the Estuary Program revises the budget on two occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the initial budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and 3) increases in appropriations that become necessary to maintain services.

Economic Factors and the 2021-2022 Budget

The fiscal year 2022 budgeted amount of $700,000 in Section 320, federal funding is an increase of $37,500 from 2021. This increase combined with additional federal, state, and local funding, as noted below, allowed the Estuary Program to add several additional technical and outreach projects to support Comprehensive Conservation Management Plan implementation.

Continued local government and industry support for the Tampa Bay Environmental Restoration Fund and the Tampa Bay Nitrogen Management Consortium, as well as the recently adopted 2021 Amended & Restated Interlocal Agreement funding schedule has improved stability of funding for base program operations. Additionally, various charitable donations to the program were received the fiscal year ending September 30, 2021 lending additional support to operations and grant programs. The Southwest Florida Water Management District, Hillsborough and Pinellas Counties continue supporting The Tampa Bay Environmental Restoration Fund at the $350,000 and $300,000 level, respectively.

Section 320 federal funding for fiscal years 2022 - 2023 may increase from the $700,000 level, but the federal budget for National Estuary Programs ("NEPs") has not yet been approved by Congress. However, the Bipartisan Infrastructure Law (BIL) will provide approximately $915,000 to each NEP through 2026.

Economic Factors and the 2021-2022 Budget (continued)

Congress has passed a continuing resolution for the fiscal year 2022 federal budget through Feb. 18, 2022 which would maintain NEP funding levels at the current $700,000 level in our subsequent FY2023 Work Plan (https://crsreports.congress.gov/AppropriationsStatusTable). However, a full appropriations bill and EPA guidance dictating NEP funding levels other than what is specified in the continuing resolution for our FY2023 Work Plan is not anticipated until the summer 2022. For budget planning, TBEP using the current Section 320 level funding $700,000 plus $915,000 from the Bipartisan Infrastructure Law bill until further notice from US EPA Region 4.

Lastly, specialty license plate revenue remained stable between fiscal years 2020 and 2021.

TAMPA BAY ESTUARY PROGRAM
STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

ASSETS		
Cash	$	1,351,778
Investments		139,019
Receivables		378,530
Prepaid expenses		5,939
Capital assets, net of accumulated depreciation		220
Restricted cash		543,235
Restricted investments		92,109
Total Assets		2,510,830
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts related to pensions		313,121
LIABILITIES		
Accounts payable and accrued expenses		32,746
Unearned revenue		64,047
Noncurrent Liabilities:		
Accrued compensated absences		61,505
Net pension liability		266,559
Total Liabilities		424,857
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts related to pensions		497,829
NET POSITION		
Net investment in capital assets		220
Restricted		635,344
Unrestricted		1,265,701
Total Net Position	$	1,901,265

The accompanying notes to the financial statements are an integral part of this statement.

TAMPA BAY ESTUARY PROGRAM
STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net Revenue and Changes in Net Position
Primary Government:				
Governmental Activities:				
Physical environment - conservation and resource management	$ 2,759,200	1,290,517	$ 1,615,210	$ 146,527
Total Governmental Activities	$ 2,759,200	$ 1,290,517	$ 1,615,210	146,527
	General Revenues:			
	Interest			359
	Total General Revenues			359
	Change in net position			146,886
	Net position - beginning			1,754,379
	Net position - ending			$ 1,901,265

The accompanying notes to the financial statements are an integral part of this statement.

TAMPA BAY ESTUARY PROGRAM
BALANCE SHEET – GENERAL FUND

SEPTEMBER 30, 2021

ASSETS		
Cash	$	1,351,778
Investments		139,019
Receivables - funding agencies		378,530
Prepaid expenses		5,939
Restricted cash		543,235
Restricted investments		92,109
Total Assets	$	2,510,610
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable and accrued expenses	$	32,746
Unearned revenue		64,047
Total Liabilities		96,793
Fund Balance:		
Nonspendable		5,939
Restricted for specialty license plate related expenditures		635,344
Assigned for grant matching funds for future years		638,095
Unassigned		1,134,439
Total Fund Balance		2,413,817
Total Liabilities and Fund Balance	$	2,510,610

The accompanying notes to the financial statements are an integral part of this statement.

TAMPA BAY ESTUARY PROGRAM
RECONCILIATION OF THE BALANCE SHEET – GENERAL FUND
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

Total fund balance – general fund		$ 2,413,817
Amounts reported for governmental activities in the statement of net position are different because:		
The cost of acquiring capital assets financed from the general fund are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the statement of net position includes capital assets of the Estuary Program as a whole, and their original costs are expensed annually over their useful lives.		
Original cost of capital assets	$ 23,493	
Accumulated depreciation	(23,273)	
		220
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions		313,121
Deferred inflows of resources related to pensions		(497,829)
Compensated absences are long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the general fund.		(61,505)
Net pension liability is a long-term liability that is not due and payable in the current period and, therefore, is not reported in the general fund.		(266,559)
Total net position – governmental activities		$ 1,901,265

The accompanying notes to the financial statements are an integral part of this statement.

TAMPA BAY ESTUARY PROGRAM

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

YEAR ENDED SEPTEMBER 30, 2021

Revenues:		
Federal grants	$	874,247
Member dues		575,618
State specialty license plate		121,578
Fees/contracts		1,290,517
Interest income		359
Contributions and donations		43,767
Total Revenues		2,906,086
Expenditures:		
Current:		
Physical environment - conservation and resource management		2,793,263
Total Expenditures		2,793,263
Excess of revenues over expenditures		112,823
Fund balance - beginning of year		2,300,994
Fund balance - end of year	$	2,413,817

The accompanying notes to the financial statements are an integral part of this statement.

TAMPA BAY ESTUARY PROGRAM

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

YEAR ENDED SEPTEMBER 30, 2021

Net change in fund balance – total general fund	$	112,823
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in the general fund. However, in the statement of activities, the cost of assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of depreciation expense in the current period.		(133)
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the general fund expenditures are recognized based on the amounts actually paid for leave used. This is the net amount of vacation, sick leave, and other incremental salary-related payments used in excess of the amount earned in the current period.		(6,598)
In the statement of activities, cost of pension benefits is measured by the increase in the net pension liability during the year, while the governmental funds, expenditures are recognized based on the amounts actually paid for the pension expense. This is the amount of the increase in the net pension liability and deferred inflows and outflows in excess of the amount paid in the current period.		40,794
Change in net position of governmental activities	$	146,886

TAMPA BAY ESTUARY PROGRAM

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

YEAR ENDED SEPTEMBER 30, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Federal grants	$ 1,014,272	$ 974,229	$ 874,247	$ (99,982)
Member dues	575,618	575,618	575,618	-
State specialty license plate	91,818	121,218	121,578	360
Fees/contracts	1,420,160	1,187,571	1,290,517	102,946
In-kind services	111,884	-	-	-
Other revenues and interest income	5,000	44,126	44,126	-
Total Revenues	3,218,752	2,902,762	2,906,086	3,324
Expenditures:				
Current:				
Physical environment - conservation and resource management	3,211,252	2,816,069	2,793,263	22,806
Capital outlay	7,500	1,061	-	1,061
Total Expenditures	3,218,752	2,817,130	2,793,263	23,867
Excess (deficiency) of revenues over expenditures	$ -	$ 85,632	112,823	$ (20,543)
Fund balance - beginning of year			2,300,994	
Fund balance - end of year			$ 2,413,817	

The accompanying notes to the financial statements are an integral part of this statement.

Note 1—Organization and summary of significant accounting policies

Organization – The Tampa Bay Estuary Program (the "Estuary Program") is a tax-exempt association of cities, counties, and other non-federal agencies, which is organized to achieve the goals adopted in the Comprehensive Conservation and Management Plan for Tampa Bay through detailed action plans prepared by each member agency of the association.

The Estuary Program was established by interlocal agreement dated February 28, 1998 pursuant to the authority of Section 163.01, *Florida Statutes*. The basic operations of the Estuary Program are financed primarily through grants from the Environmental Protection Agency and member dues/contributions from the member cities and counties and four Basin Boards of the Southwest Florida Water Management District.

Reporting Entity – The financial reporting entity consists of the primary government and any organizations for which the primary government is financially accountable in accordance with the provisions described in Governmental Accounting Standards Board ("GASB") of Statement No. 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34.* This statement defines component units as legally separate organizations for which the elected officials of the primary government appoint the majority of the organization's board and in which a financial benefit and burden relationship between the primary government and the organization exist. Based on the application of these criteria, no potential component units were identified.

Government-Wide Financial Statements – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the primary government.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when incurred, regardless of the timing of related cash flows. Grants are recognized in the fiscal year in which all eligibility requirements are met.

Governmental Fund Financial Statements – The governmental fund financial statements are presented using the current financial resources and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Estuary Program considers all revenues available if they are collected within 60 days after year-end, with the exception of grant and contract fees for which the period is nine months. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds.

Under the terms of grant agreements, the Estuary Program funds certain programs by a combination of specific cost-reimbursement grants, other grants, and general revenues. Therefore, when program expenses are incurred and there are restricted and unrestricted net positions available to finance the program, it is the Estuary Program's policy to first apply cost-reimbursement grant resources to such programs, followed by other grants and then general revenues.

The Estuary Program reports one major governmental fund. The general fund is used to account for the accumulation and expenditure of resources that are used for general purposes of the Estuary Program and do not require the establishment of any other type of fund.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Note 1—Organization and summary of significant accounting policies (continued)

Investments – Investments are recorded at fair value, except for amounts invested with the State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund, a 2a7-like investment pool, which are recorded at amortized cost, which approximates fair value.

Budgeting – The annual budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America ("U.S. GAAP"). A tentative budget is adopted by the Policy Board after appropriate public hearing in June of each year covering the proposed operations and requirements for the ensuing fiscal year. By September 30, the Policy Board, after the appropriate public hearing, adopts the final budget. Budgetary control is maintained at the program level. The governing body may, at any time within a fiscal year or up to 60 days following the end of the fiscal year, amend a budget for that year by resolution.

Estimates – The preparation of financial statements in accordance with U.S. GAAP 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 basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Receivables – At September 30, 2021, there was no allowance for doubtful accounts since all receivables were deemed collectible by management.

Capital Assets – Purchased or constructed capital assets are reported at cost. Donated capital assets are reported at acquisition value at the date of donation. Minimum capitalization costs are $500 for all asset categories. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life is not capitalized. Depreciation is provided on a straight-line method over the estimated useful lives of the assets, generally three to ten years.

Unearned Revenue – Unearned revenue represents membership fees collected in advance of the membership period and grants received before eligibility requirements are met.

Deferred Outflows and Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Estuary Program presents amounts related to pensions as deferred outflows of resources and deferred inflows of resources.

Pensions – In the government-wide statement of net position, pension liabilities are recognized for the Estuary Program's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Florida Retirement System ("FRS") defined benefit plan and the Health Insurance Subsidy ("HIS") defined benefit plan and additions to/deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Net Position – Net position in government-wide financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Note 1—Organization and summary of significant accounting policies (continued)

Fund Balances – In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise the limitations on the funds in accordance with GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*. The fund balance is reported in five components – nonspendable, restricted, committed, assigned, and unassigned.

Nonspendable includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually bound. Restricted consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law. Committed consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Estuary Program. Assigned consists of amounts that are constrained by the Estuary Program's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Estuary Program Board. Unassigned represents amounts that have not been restricted, committed, or assigned to specific purposes within the general fund.

The Estuary Program's fund balance consists of the following categories.

(a) *Nonspendable* – this classification includes amounts that cannot be spent because they are not in spendable form, such as prepaid expenses. The Estuary Program had no nonspendable fund balances at September 30, 2021.

(b) *Restricted for Specialty License Plate Related Expenditures* – portion of fund balance reserved for the specialty license plate program. Expenditures are made according to *Florida Statutes* 320.08056 and 320.08058.

(c) *Assigned for Grant Matching Funds for Future Years* – portion of the fund balance not available for appropriation because it represents the year-end fund balance reserved for expenditures related to grant matching requirements after fiscal year 2021.

(d) *Unassigned* – This classification includes the residual fund balance for the general fund.

The Estuary Program would typically use restricted fund balance first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

In-Kind Revenue – The Estuary Program records in-kind revenue and expense if the services create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased.

Subsequent Events – The Estuary Program has evaluated subsequent events through February 2, 2022, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Note 2—Deposits and investments

Deposits – At September 30, 2021, the book balance of deposits was $1,894,813 and the bank balance was $2,267,550. The Estuary Program had $200 petty cash on hand at year-end. Deposits are covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the state of Florida's Security for Public Deposits Act (the "Act"). Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the state Chief Financial Officer acting as State Treasurer, eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default.

Investments – Florida Statutes authorize the Estuary Program to invest in the SBA's Local Government Investment Pool, certain obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and interest-bearing time deposits and savings accounts held in banks and savings and loans.

The Estuary Program invests funds throughout the year with the SBA Local Government Surplus Funds Trust Fund, under the regulatory oversight of the state of Florida. Investments in the SBA consist of the Florida PRIME.

The Florida PRIME has met the criteria as a "2a7-like" pool; this pool was assigned a rating of "AAAm" by the Standard & Poor's Rating Service. The investment policy of Florida PRIME is to manage the weighted average maturity to 60 days or less. As of September 30, 2021, the Estuary Program had a balance of $231,128 in the Florida PRIME.

Additional information regarding Florida PRIME may be obtained from the Florida SBA at http://www.sbafla.com/prime.

Interest Rate Risk – The Estuary Program has no specific policy regarding interest rate risk.

Note 3—Capital assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated:				
Furniture and equipment	$ 27,685	$ -	$ 4,192	$ 23,493
Less accumulated depreciation for:				
Furniture and equipment	(27,332)	(133)	(4,192)	$ (23,273)
Total capital assets being depreciated, net	$ 353	$ (133)	$ -	$ 220

Note 4—Compensated absences

Compensated Absences – Employees with five years of service become eligible to receive 25% of accumulated sick leave upon termination and employees with ten years of service become eligible to receive 50% of accumulated sick leave upon termination. The actual payout of accumulated sick leave upon termination is limited to 150 hours. Other sick pay benefits are paid only in the event of actual sickness. At September 30, 2021, accrued vested benefits of $9,942 are reported in the financial statements.

The Estuary Program has also accrued $8,034 of estimated payroll taxes related to sick pay benefits and vacation payable at September 30, 2021.

Vacation pay can be accumulated by an employee up to one and one-half times the normal amount earned for one year and is payable, if not used, upon termination. At September 30, 2021, accrued vacation payable of $43,529 was reported in the financial statements.

A summary of changes in accrued compensated absences follows:

Balance October 1, 2020	Net Adjustments and Payments	Balance September 30, 2021
$ 54,907	$ 6,598	$ 61,505

Note 5—Lease commitments

The Estuary Program has entered into operating lease agreements for office space and office equipment. Minimum noncancelable lease commitments are as follows:

Fiscal Years Ending September 30,	
2022	$ 50,744
2023	42,400
2024	53,600
2025	44,800
2026	46,000
	$ 237,544

Total rental expense for all operating leases for the year ended September 30, 2021 was $38,628.

Note 6—Employee retirement plans

The Estuary Program provides retirement benefits to its employees through the FRS and a Deferred Retirement Option Program ("DROP"), as well as state approved other post-employment benefits in the form of subsidized health insurance premiums.

Florida Retirement System Overview – The Estuary Program participates in the FRS for all employees. The FRS was created in Chapter 121, *Florida Statutes*, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the DROP under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective October 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, *Florida Statutes*, established the Retiree HIS Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Estuary Program are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapter 121 and 122, *Florida Statutes*; Chapter 112, Part IV, *Florida Statutes*; Chapter 238, *Florida Statutes*; and FRS Rules, Chapter 60S, *Florida Administrative Code*; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature.

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information is available from the Florida Department of Management Services' website (http://www.dms.myflorida.com).

FRS Pension Plan

Plan Description – The FRS Pension Plan ("FRS Plan") is a cost-sharing, multiple-employer defined benefit pension plan with DROP for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011 vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011 vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the FRS Plan may include up to four years of credit for military service toward creditable service.

Note 6—Employee retirement plans (continued)

The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, *Florida Statutes*, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided – Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class Members Initially Enrolled Before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class Members Initially Enrolled on or After July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Elected County Officers	
Service as Supreme Court Justice, district court of appeal judge, Circuit court judge, or county judge	3.33
Service as Governor, Lt. Governor, Cabinet Officer, Legislator, state attorney, public defender, elected county official, or elected official of a city or special district that chose EOC membership for its elected officials	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

Note 6—Employee retirement plans (continued)

As provided in Section 121.101, *Florida Statutes*, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. All participating employers must comply with statutory contribution requirements. Employer contribution rates under the uninform rate structure (a blending of both the pension plan and investment plan rates) are recommended in an annual actuarial valuation but set by the Florida Legislature. Effective July 1, 2011, all plan members, except those in DROP, are required to make a 3% employee contribution on a pretax basis to the FRS.

Employer contribution rates are as follows:

	Percentage of Covered Payroll	
Class	**July 1, 2021 - September 30, 2021** [(1)]	**October 1, 2020 - June 30, 2021** [(1)]
FRS, Regular	8.28%	6.75%
FRS, Elected County Officers	38.01%	40.28%
FRS, Senior Management Service	25.57%	23.69%
FRS, Special Risk Regular	22.73%	23.76%
DROP - Applicable to:		
Members from All of the Above Classes	15.32%	12.94%

[(1)] Employer rates include 1.66% for the post-employment health insurance subsidy. Also, employer rates other than for DROP participants, includes 0.06% for administrative costs of the Investment Plan.

The Estuary Program's contributions to the Pension Plan totaled $61,251 for the fiscal year ended September 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – The Estuary Program reported a liability of $118,286 for its proportionate share of the board's Pension Plan's net pension liability as of September 30, 2021. The net pension liability for each fiscal year was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation in each year as of July 1. The Estuary Program's proportionate share of the net pension liability was based on the Estuary Program's fiscal year contributions relative to the same fiscal year contributions of all participating members of the Estuary Program. At June 30, 2021, the Estuary Program's proportionate share was 0.00157%, which was an increase of 0.00061% from its proportionate share of 0.00096% measured as of June 30, 2020.

Note 6—Employee retirement plans (continued)

For the fiscal year ended September 30, 2021, the Estuary Program recognized pension benefit of $40 327 related to the Plan. In addition, the Estuary Program reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 20,274	$ -
Changes in assumptions	80,937	-
Net differences between projected and actual earnings on FRS Plan investments	-	412,669
Changes in proportion and differences between the Estuary Program's FRS contribution and proportionate share of contributions	164,985	50,381
The Estuary Program's FRS contributions subsequent to the measurement date	15,984	-
	$ 282,180	$ 463,050

The deferred outflows of resources related to pensions, totaling $15,984, resulting from Estuary Program contributions to the FRS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Years Ending September 30,	Amount
2022	$ (34,750)
2023	(43,861)
2024	(64,625)
2025	(88,471)
2026	20,779
Thereafter	14,074
	$ (196,854)

Actuarial Assumptions – The FRS pension actuarial valuation was determined using the following actuarial assumptions, as of July 1, 2021, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.8%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Note 6—Employee retirement plans (continued)

Long-Term Expected Rate of Return – The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate (property)	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investment	3.7%	5.7%	5.4%	8.4%
	100.0%			
Assumed inflation - Mean			2.4%	1.2%

Note: (1) As outlined in the Plan's investment policy.

Discount Rate – The discount rate used to measure the total pension liability was 6.80% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity – The following presents the Estuary Program's proportionate share of the net pension (asset) liability calculated using the discount rate of 6.80%, as well as what the Estuary Program's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
Estuary Program's proportionate share of the net pension (asset) liability	$ 528,981	$ 118,286	$ (225,010)

Pension Plan Fiduciary Net Position – Detailed information about the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – The Estuary Program reported no payables for the outstanding amount of contributions to the plan required for the fiscal year ended September 30, 2021.

Note 6—Employee retirement plans (continued)

The Retiree HIS Program

Plan Description – The Retiree Health Insurance Subsidy Program ("HIS Plan") is a cost-sharing, multiple-employer defined benefit pension plan established under Section 112.363, *Florida Statutes*, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2021, the contribution rate was 1.66% of payroll pursuant to Section 112.363, *Florida Statutes*. The Estuary Program contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Estuary Program's contributions to the HIS Plan totaled $7,150 for the fiscal year ended September 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2021, the Estuary Program reported a net pension liability of $148,273 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the Estuary Program's proportionate share of benefit payments expected to be paid within one year, net of the Estuary Program's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. At June 30, 2021, the Estuary Program's proportionate share was 0.00121%, which was an increase of 0.00008% from its proportionate share of 0.00113% measured as of June 30, 2020.

Note 6—Employee retirement plans (continued)

For the fiscal year ended September 30, 2021, the Estuary Program recognized pension benefit of $467 related to the HIS Plan. In addition, the Estuary Program reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,962	$ 62
Changes in assumptions	11,651	6,109
Net differences between projected and actual earnings on HIS pension plan investments	155	-
Changes in proportion and differences between the Estuary Program's HIS contribution and proportionate share of contributions	12,441	28,608
The Estuary Program's HIS contributions subsequent to the measurement date	1,732	-
	$ 30,941	$ 34,779

The deferred outflows of resources related to the HIS Plan, totaling $1,732, resulting from Estuary Program contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Years Ending September 30,	Amount
2022	$ 392
2023	(1,596)
2024	(608)
2025	20
2026	(622)
Thereafter	(3,156)
	$ (5,570)

Actuarial Assumptions – The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	2.16%

Mortality rates were based on the Generational RP-2000 with Projected Scale BB tables. The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Note 6—Employee retirement plans (continued)

Discount Rate – The discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Estuary Program's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Estuary Program's proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the Estuary Program's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current rate:

	1% Decrease 1.16%	Current Discount Rate 2.16%	1% Increase 3.16%
Estuary Program's proportionate share of the net pension liability	$ 171,418	$ 148,273	$ 129,331

Pension Plan Fiduciary Net Position – Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – At September 30, 2021, the Estuary Program reported no payables for the outstanding amount of contributions to the HIS Plan.

Investment Plan

The Estuary Program contributes to the FRS Defined Contribution Investment Plan ("Investment Plan"). The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the state of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Estuary Program employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Note 6—Employee retirement plans (continued)

Allocations to the investment member's accounts during the 2020-21 fiscal year, as established by Section 121.72, *Florida Statutes* are based on a percentage of gross compensation, by class, as follows:

Class	Percent of Gross Compensation
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Estuary Program.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. If disability coverage is provided, the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Estuary Program's Investment Plan pension expense approximately $47,000 for the fiscal year ended September 30, 2021.

Note 7—Contingencies

Expenditures incurred by the Estuary Program associated with the execution of various grants are subject to audit and possible disallowance by the grantor agency. The Estuary Program would be held responsible for recovery (reimbursement to the grantor agency) of disallowed amounts. Management believes that, if audited, any adjustment for disallowed expenses would be immaterial in amount.

In March 2020, the World Health Organization declared the outbreak of COVID-19 as a "public health emergency of international concern," which continues to spread throughout the world and has adversely impacted global commercial activity. The COVID-19 outbreak and government responses are creating disruption in global supply chains and impacting many industries. The outbreak could have a continued material, adverse impact on economic and market conditions and could trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material, adverse impact of the COVID-19 outbreak. Nevertheless, the outbreak presents uncertainty and risk with respect to the Estuary Program, its performance, and its financial results.

REQUIRED SUPPLEMENTARY INFORMATION

TAMPA BAY ESTUARY PROGRAM

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION PLAN

LAST 10 FISCAL YEARS

Schedule of Proportionate Share of Net Pension Liabilities - Florida Retirement System Pension Plan
Florida Retirement System
Last 10 Fiscal Years

	2021*	2020	2019	2018	2017	2016	2015
The Program's proportion of the net pension liability	0.001565896%	0.000956780%	0.001052044%	0.001271190%	0.001418554%	0.001182535%	0.001299507%
The Estuary Program's proportionate share of the net pension liability	$ 118,286	$ 414,683	$ 362,309	$ 382,889	$ 419,599	$ 298,591	$ 175,883
The Estuary Program's covered-employee payroll	$ 522,298	$ 536,940	$ 423,713	$ 446,570	$ 527,403	$ 495,664	$ 425,660
The Estuary Program's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	23%	77%	86%	86%	80%	60%	41%
FRS Plan fiduciary net position as a percentage of the total pension liability	96%	79%	83%	84%	84%	85%	92%

* Represents the measurement date, period applied in the Estuary Program's following fiscal year.

Note: Data was unavailable prior to 2014

The amounts presented for the fiscal year were determined as of the measurement date, June 30.

Schedule of Contributions - Florida Retirement System Pension Plan
Florida Retirement System
Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 61,251	$ 38,381	$ 33,133	$ 31,589	$ 36,928	$ 32,435	$ 26,215
Contributions in relation to the contractually required contribution	61,251	38,381	33,133	31,589	36,928	32,435	26,215
Contribution deficiency (excess)		$ -	$ -	$ -	$ -	$ -	$ -
The Estuary Program's covered-employee payroll	$ 522,298	$ 536,940	$ 414,690	$ 434,633	$ 520,453	$ 480,613	$ 437,665
Contributions as a percentage of covered-employee payroll	11.73%	7.15%	7.99%	7.27%	7.10%	6.75%	5.99%

Note: Data was unavailable prior to 2014.

The amounts presented for the fiscal year were determined as of the fiscal year-end date, September 30.

TAMPA BAY ESTUARY PROGRAM

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN

LAST 10 FISCAL YEARS

Schedule of Proportionate Share of Net Pension Liabilities - Health Insurance Subsidy Pension Plan
Health Insurance Subsidy Program
Last 10 Fiscal Years

	2021*	2020	2019	2018	2017	2016	2015
The Program's proportion of the net pension liability	0.001208765%	0.001126083%	0.001239634%	0.001367266%	0.001632807%	0.001556862%	0.001403032%
The Estuary Program's proportionate share of the net pension liability	$ 148,273	$ 137,493	$ 138,703	$ 144,713	$ 174,587	$ 181,446	$ 150,007
The Estuary Program's covered-employee payroll	$ 522,298	$ 536,940	$ 423,713	$ 446,570	$ 527,403	$ 495,664	$ 425,660
The Estuary Program's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	28%	26%	33%	32%	33%	37%	35%
HIS Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

* Represents the measurement date, period applied in the Estuary Program's following fiscal year.

Note: Data was unavailable prior to 2014.

The amounts presented for the fiscal year were determined as of the measurement date, June 30.

Schedule of Contributions - Health Insurance Subsidy Pension Plan
Health Insurance Subsidy Program
Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 7,150	$ 6,536	$ 6,985	$ 6,596	$ 8,641	$ 8,989	$ 5,654
Contributions in relation to the contractually required contribution	7,150	6,536	6,985	6,596	8,641	8,989	5,654
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
The Estuary Program's covered-employee payroll	$ 522,298	$ 536,940	$ 414,690	$ 446,687	$ 520,453	$ 480,613	$ 437,655
Contributions as a percentage of covered-employee payroll	1.37%	1.22%	1.68%	1.48%	1.66%	1.87%	1.29%

Note: Data was unavailable prior to 2014.

The amounts presented for the fiscal year were determined as of the fiscal year-end date, September 30.

COMPLIANCE SECTION

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor 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 Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Tampa Bay Estuary Program (the "Estuary Program"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Estuary Program's basic financial statements, and have issued our report thereon dated February 2, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Estuary Program'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 the Estuary Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Estuary Program'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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

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

Estuary Program's Response to Finding

The Estuary Program's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Estuary Program's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Cherry Bekaert LLP

Tampa, Florida
February 2, 2022

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

Report on Compliance for Each Major Federal Program

We have audited the Tampa Bay Estuary Program's (the "Estuary Program") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of the Estuary Program's major federal programs for the year ended September 30, 2021. The Estuary Program's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Estuary Program's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Estuary Program's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Estuary Program's compliance.

Opinion on Each Major Federal Program

In our opinion, the Estuary Program complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2021.

Report on Internal Control over Compliance

Management of the Estuary Program is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Estuary Program's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Estuary Program's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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 over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
February 2, 2022

TAMPA BAY ESTUARY PROGRAM

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass through Grantor/Program Title	Assistance Listing Number	Grant/ Contract Number	Expenditures	Passed Through to Subrecipients
U.S. Environmental Protection Agency				
Direct Programs:				
National Estuary Program	66.456	CE-00D48416-0	$ 50,366	$ -
National Estuary Program	66.456	CE-00D55817-0	78,872	-
National Estuary Program	66.456	CE-00D80818-0	57,305	-
National Estuary Program	66.456	CE-00D89319-0	77,577	-
National Estuary Program	66.456	CE-01D14220-0	198,117	-
Gulf Coast Ecosystem Restoration Council Comprehensive Plan Component	66.130	GC-00D70018	281,430	-
Gulf of Mexico Program	66.475	MX-01D08320-0	130,580	-
Total U.S. Environmental Protection Agency			874,247	-
Total Federal Awards			$ 874,247	$ -

See notes to the schedule of expenditures of federal awards.

Note 1—Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards ("Schedule") includes all federal grant activity of the Tampa Bay Estuary Program (the "Estuary Program").

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S*. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance")*.* Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Note 2—Summary of Significant Accounting Policies

Expenditures reported on the accompanying Schedule are reported on the modified accrual basis of accounting as defined in Note 1 of the Estuary Programs basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited for reimbursement.

Note 3—Indirect cost rate

The Estuary Program has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

The Estuary Program did not utilize indirect cost rates for reimbursement of grant expenditures for the fiscal year ended September 30, 2021.

Note 4—Contingencies

Expenditures incurred by Estuary Program are subject to audit and possible disallowance by federal grantor agencies. Management believes that, if audited, any adjustment for disallowed expenses would be immaterial.

Section I—Summary of Audit Results

Financial Statement Section

Type of auditor's report issued on whether financial statements were prepared in accordance with GAAP:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	x	Yes		No
Significant deficiency(ies) identified		Yes	x	None Reported
Noncompliance material to financial statements noted		Yes	x	No

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?		Yes	x	No
Significant deficiency(ies) identified		Yes	x	None Reported
Type of auditor's report on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		Yes	x	No

Identification of Major Programs

Name of Federal Program or Cluster	Assistance Lsiting Numbers
National Estuary Program	66.456

Dollar threshold used to distinguish between type A and type B programs	$ 750,000			
Auditee qualified as low-risk auditee?		Yes	x	No

Section II—Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards.

Finding 2021-001 Material Weakness in Internal Control over Revenue Recognition

Criteria: The Estuary Program is responsible for establishing and maintaining internal controls over financial reporting including the timely determination and proper recognition and reporting of federal grant revenue.

Condition: During the year ended September 30, 2021, the Estuary Program recognized approximately $56,000 of federal grant revenue which was not earned during the year ended September 30, 2021.

Effect: To record revenue in line with accounting principles generally accepted in the United States of America ("U.S. GAAP"), federal grant revenue and receivables – funding agencies were each reduced by approximately $56,000.

Cause: Management was not aware that the closing entry to record the adjustments necessary to bring the accounting records in line with U.S. GAAP had not been recorded.

Recommendation: We recommend that the Estuary Program strengthen communication with the record keepers regarding year end procedures to ensure revenues are recorded when recognized.

Management's Response: We agree with the finding.

Section III—Findings and Questioned Costs for Federal Awards

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major programs, as required to be reported by 2 CFR 200.516(a).

There were no findings required to be reported in accordance with 2 CFR 200.516(a).

Finding 2020-001: Significant deficiency in internal controls over pension reporting

***Finding*:** The Estuary Program did not have a formal review process in place to ensure that changes to employee classifications were reviewed in a timely manner. In the year ending September 20, 2020 we noted $26,066 of pension expense related to periods prior to October 1, 2020. As a result, expenses are overstated by $26,066 during the year ending September 30, 2020 at the government-wide level. We recommended that the Estuary Program's finance personnel review all billing information provided the FRS to ensure that all employees in the pension plan are appropriately classified.

Status: Implemented.

TAMPA BAY ESTUARY PROGRAM
PARTNERSHIP FOR A HEALTHY BAY

February 2, 2022

Cherry Bekaert LLP
401 East Jackson Street, Suite 1200
Tampa, FL 33602

Re: Management's Response and Corrective Action Plan to Schedule of Findings
2021-001 – Material Weakness in Internal Control over Revenue Recognition

TBEP agrees with the auditors finding 2021-001.

Discrepancies between the modified-cash basis of reporting TBEP financial activities at the close of FY2021 versus the accrual-basis of audit reporting resulted in an overstatement of approximately $56,407 in federal revenues. Upon recognizing this error, TBEP management, in consultation with our bookkeeper, determined the appropriate closing entry to record the adjustment at the close of the audit.

In future revenue and expenditure reconciliations across all program areas, TBEP management will request quarterly reports that present financial activities that reconcile the modified-cash basis of reporting with the prior FY audit findings on an accrual-basis. This will ensure that upon fiscal year close, over- or under- statements of financial activity are avoided in preparing FY close audit reports.

Anticipated completion date: November 30, 2022
(Q2, Q3, Q4+Final FY2022 Financial Reports to the TBEP Management and Policy Boards)

Edward T. Sherwood

Ed Sherwood, Executive Director

Cc: TBEP Management & Policy Boards

Cherry Bekaert LLP
CPAs & Advisors

Independent Auditor's Management Letter

To the Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

Report on the Financial Statements

We have audited the financial statements of the Tampa Bay Estuary Program (the "Estuary Program") as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated February 2, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Report of Independent Auditor 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;* Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Report of Independent Accountant on Compliance with Local Government Investment Policies, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosure in those reports and schedule, which are dated February 2, 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. Corrective actions have been taken to address findings and recommendations made in the preceding financial 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 statements. The Estuary Program was established by an interlocal agreement pursuant to the authority of Section 163.01, Florida Statutes. The Estuary Program has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Estuary Program has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined the Estuary Program did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Estuary Program. It is management's responsibility to monitor the Estuary Program'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 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

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

a. The total number of district employees compensated in the last pay period of the district's fiscal year as 8.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 17.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $604,979.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $72,504.

e. 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 of the fiscal year being reported, together with the total expenditures for such project as follows: none.

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as $85,632.

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, Estuary Program Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Cherry Bekaert LLP

Tampa, Florida
February 2, 2022

Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Members of the Board of Directors
Tampa Bay Estuary Program
St. Petersburg, Florida

We have examined the Tampa Bay Estuary Program's (the "Estuary Program") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021. Management of the Estuary Program is responsible for the Estuary Program's compliance with those specific requirements. Our responsibility is to express an opinion on the Estuary Program's compliance with the specific requirements based on our examination.

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

Our examination does not provide a legal determination on the Estuary Program's compliance with the specified requirements.

In our opinion, the Estuary Program complied, in all material respects, with the local investment policy requirements Section 218.415, *Florida Statutes*, during the year ended September 30, 2021.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.

Cherry Bekaert LLP

Tampa, Florida
February 2, 2022