

2022

Williston Community Redevelopment
Agency

Financial Statements and
Independent Auditor's Report

September 30, 2022

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**WILLISTON COMMUNITY REDEVELOPMENT AGENCY
WILLISTON, FLORIDA**

SEPTEMBER 30, 2022

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of governmental activities and the major fund of the Williston Community Redevelopment Agency (the CRA), a component unit of the City of Williston, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

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 major fund of the CRA, as of September 30, 2022, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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The Board of Directors
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Williston, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 CRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule, as listed in the table of contents, are presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

The Board of Directors
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about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2023, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 CRA '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 CRA's internal control over financial reporting and compliance.



June 29, 2023
Ocala, Florida

**WILLISTON COMMUNITY REDEVELOPMENT AGENCY
CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

This supplement to the Independent Auditor's Report and Financial Statements has been developed in accordance with the Government Accounting Standards Board Statement No. 34. It is intended to provide the readers of this report with a general overview of the financial activities of the Williston Community Redevelopment Agency (the CRA). The CRA provides the following discussion and analysis of the CRA's financial activities for the fiscal year ended September 30, 2022. Management's Discussion and Analysis is designed to: (a) assist the reader to focus on significant financial issues, (b) provide an overview of the CRA's financial activities, (c) identify changes in the CRA's financial position, (d) identify material deviations from the financial plan, and (e) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

The CRA

The CRA was created under Florida Statutes, Chapter 163, and Ordinance No. 380 of the City of Williston (the City). The Governing Board of the CRA (the Board) is appointed by the Williston City Council and, therefore, the City exercises significant influence over its operations and fiscal management. The CRA is considered a component unit for financial reporting purposes and is included as a blended special revenue fund within the City's overall basic financial statements.

These financial statements are presented for the purpose of complying with state law, specifically Florida Statute Section 163.387(8)(a), which requires separate audited financial statements for each Community Redevelopment Agency that has revenues or expenditures that exceed \$100,000.

Financial Highlights

- In the Statement of Net Position, the assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$1,796,389.
- The CRA's fund balance decreased by \$199,537 as a result of 2022 operations.
- Revenues for fiscal year 2022 were \$331,808, which includes the City's portion of the incremental tax revenues, while expenditures totaled \$531,345.
- For the period ended September 30, 2022, actual revenues exceeded budgeted revenues by \$1,080 while actual expenditures were \$195,659 less than budgeted expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements, which are comprised of the following four (4) components:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the CRA's finances, in a manner similar to a private-sector business.

**WILLISTON COMMUNITY REDEVELOPMENT AGENCY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

The *Statement of Net Position* presents financial information on all of the CRA's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating.

The *Statement of Activities* presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements listed above distinguish functions of the CRA that are principally supported by ad-valorem taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activity of the CRA is community redevelopment.

The government-wide financial statements include only the activities of the CRA. However, the CRA is considered a blended component unit the City and, as such, the financial information of the CRA is included in the City's Annual Financial Report for each fiscal year.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the CRA's *near-term* financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the CRA's *near-term* financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The CRA's expendable financial resources and the related liabilities are accounted for through a special revenue fund.

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CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

Restricted Fund Balance

Fund Balance should be reported as Restricted when constraints placed on the use of resources such as enabling legislation, which authorizes the government to access, levy, charge, or otherwise mandate payment of resources. All of the CRA's fund balance is considered Restricted.

Notes to the Financial Statements

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

Required Supplementary Information

Included in this section of the report is the Budgetary Comparison Schedule.

Government-Wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of the CRA's financial position. In the case of the CRA, assets exceeded liabilities by \$1,796,389 (*net position*) as of the close of the most recent fiscal year, an increase of \$199,266 in comparison with the prior year.

The following table reflects a summary of the *Statement of Net Position* for the current and prior year:

**Williston Community Redevelopment Agency
Statement of Net Position and Governmental Fund Balance Sheet
September 30, 2022**

	<u>2022</u>	<u>2021</u>
Assets		
Cash and Cash Equivalents	\$ 489,147	\$ 358,162
Accounts Receivable	-	550
Due from City of Williston's General Fund	37,228	116,585
Capital Assets, Net	<u>1,526,004</u>	<u>1,165,684</u>
Total Assets	<u><u>2,052,379</u></u>	<u><u>1,640,981</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts Payable and Accrued Expenses	<u>255,990</u>	<u>5,375</u>
Total Liabilities	<u>255,990</u>	<u>5,375</u>
Net Position		
Investment in Capital Assets	1,526,004	1,165,684
Restricted:		
Community Redevelopment	<u>270,385</u>	<u>469,922</u>
Total Net Position	<u><u>\$ 1,796,389</u></u>	<u><u>\$ 1,635,606</u></u>

**WILLISTON COMMUNITY REDEVELOPMENT AGENCY
CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

Statement of Activities

The following table reflects the *Statement of Activities* for the current and prior year:

Williston Community Redevelopment Agency

	<u>2022</u>	<u>2021</u>
Revenues		
Property Tax	\$ 330,078	\$ 268,185
Investment Earnings	50	130
Miscellaneous Revenues	1,680	300
Total Revenues	<u>331,808</u>	<u>268,615</u>
Expenditures		
Current:		
Community Redevelopment	85,363	110,194
Depreciation	47,179	48,574
Total Expenditures	<u>132,542</u>	<u>158,768</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>199,266</u>	<u>109,847</u>
Net Change in Net Position	199,266	109,847
Net Position, Beginning of Year (As Restated)	1,597,123	1,525,759
Net Position, End of Year	<u>\$ 1,796,389</u>	<u>\$ 1,635,606</u>

Fiscal year 2022 activities increased the CRA's net position by \$199,266, or 12%, in comparison with the prior year. This change resulted from an increase in tax increment financing revenues in the current year due to an increase in property values within the CRA district.

Financial Analysis of the CRA's Funds

Governmental Funds

The focus of the CRA's *governmental funds* is to provide information on *near-term* inflows, outflows, and balances of *spendable resources*. Such information is useful in assessing the CRA's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The CRA's fund balance of \$270,385 is restricted for redevelopment projects within the CRA district.

Property taxes totaling \$330,078 represented approximately 99% of all revenues. The CRA's fund balance decreased by \$199,537 in the current year. The increase in tax increment financing revenues received by the CRA in the current year resulted from increased property values within the CRA district.

Capital Assets and Debt Administration

The CRA's capital assets, net of depreciation, totaled \$1,526,004. Capital assets include land, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items).

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The major additions for the CRA include downtown parking, Arcade and Main Street enhancements, and streetscape and facade, at a total cost of \$435,983. The increase was offset by the depreciation recorded in the current fiscal year. The CRA did not dispose of any capital assets.

Additional information on the CRA's capital assets can be found in Note 4 of this report.

At September 30, 2022, the CRA had no long-term debt.

Budgetary Highlights

An annual budget is prepared for the CRA and approved by the Board. The legal level of control is maintained at the fund level. The Board may approve supplemental budget appropriations to provide for unanticipated requirements of the period. Budget appropriations may not be legally exceeded on a fund basis. Appropriations lapse at the end of the fiscal year. During 2022, no supplemental budget appropriations were made to provide for unanticipated requirements of the period. The budget is adopted on a basis consistent with generally accepted accounting principles.

Economic Factors and Future Developments

The CRA will continue to plan projects and infrastructure improvements that align with its redevelopment priorities for the designated district. The CRA will continue to implement the community's shared development goals through its redevelopment strategies and critical tasks.

Request for Information

This financial information is designed to present users with a general overview of the CRA's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Williston Community Redevelopment Agency located at 50 N.W. Main Street, Williston, Florida 32696.

FINANCIAL STATEMENTS

WILLISTON COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
SEPTEMBER 30, 2022

	<u>Special Revenue Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Net Position</u>
Assets			
Cash and Cash Equivalents	\$ 489,147	\$ -	\$ 489,147
Due from City of Williston's General Fund	37,228	-	37,228
Capital Assets, Not Being Depreciated	-	769,345	769,345
Capital Assets, Being Depreciated (Net)	-	756,659	756,659
Total Assets	<u>526,375</u>	<u>1,526,004</u>	<u>2,052,379</u>
Liabilities			
Accounts Payable and Accrued Expenses	2,557	-	2,557
Construction and Retainage Payable	253,433	-	253,433
Total Liabilities	<u>255,990</u>	<u>-</u>	<u>255,990</u>
Fund Balance			
Restricted	<u>270,385</u>	<u>(270,385)</u>	<u>-</u>
Total Fund Balance	<u>270,385</u>	<u>(270,385)</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 526,375</u>		
Net Position			
Net Investment in Capital Assets		1,272,571	1,272,571
Restricted for:			
Community Redevelopment		<u>523,818</u>	<u>523,818</u>
Total Net Position		<u>\$ 1,796,389</u>	<u>\$ 1,796,389</u>

See accompanying notes.

WILLISTON COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
SEPTEMBER 30, 2022

	<u>Special Revenue Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Activities</u>
Revenues			
Property Tax	\$ 330,078	\$ -	\$ 330,078
Investment Earnings	50	-	50
Miscellaneous Revenues	1,680	-	1,680
Total Revenues	<u>331,808</u>	<u>-</u>	<u>331,808</u>
Expenditures			
Current:			
Community Redevelopment	85,363	-	85,363
Capital Outlay and Supplies	445,982	(445,982)	-
Depreciation	-	47,179	47,179
Total Expenditures	<u>531,345</u>	<u>(398,803)</u>	<u>132,542</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(199,537)</u>	<u>398,803</u>	<u>199,266</u>
Net Change in Fund Balance	(199,537)	398,803	199,266
Fund Balance/Net Position, Beginning of Year (As Restated)	<u>469,922</u>	<u>1,127,201</u>	<u>1,597,123</u>
Fund Balance/Net Position, End of Year	<u>\$ 270,385</u>	<u>\$ 1,526,004</u>	<u>\$ 1,796,389</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS
WILLISTON COMMUNITY REDEVELOPMENT AGENCY
WILLISTON, FLORIDA

Note 1 - Summary of Significant Accounting Policies

The Williston Community Redevelopment Agency's (the CRA) financial statements are prepared in accordance with generally accepted accounting principles, as applicable to governments. The following is a summary of the more significant policies:

Reporting Entity

The CRA was created under Florida Statutes, Chapter 163, and Ordinance No. 380 of the City of Williston (the City). The CRA was created for the purpose of rehabilitation, conservation, and redevelopment of certain slum and blighted areas in order to serve the interest of public health, safety, morals, and welfare of the community residents. The Governing Board of the CRA (the Board) is appointed by the City Council (the Council) and, therefore, the City exercises significant influence over its operations and fiscal management. This includes final approval of redevelopment plans and determination of areas as slum or blighted. The CRA is considered a component unit for financial reporting purposes and is included as a blended special revenue fund within the City's overall basic financial statements.

Financial Statements

These financial statements are presented for the purpose of complying with state law, specifically Florida Statutes, Section 163.387(8)(a), which requires separate audited financial statements for each Community Redevelopment Agency that has revenues or expenditures that exceed \$100,000.

Entity-wide financial statements are prepared at the City-wide level by the City and include the CRA. Copies of that report can be obtained from the City's Office of Budget and Finance.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are resources when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except for debt service expenditures, which are recorded only when payment is due.

Considering that the fund statements are presented on a different measurement focus and basis of accounting than the government-wide governmental activities column, a reconciliation is sometimes necessary to explain the adjustments needed to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

**NOTES TO FINANCIAL STATEMENTS
WILLISTON COMMUNITY REDEVELOPMENT AGENCY
WILLISTON, FLORIDA**

Tax increment financing revenue, when levied for and interest associated with the current fiscal period, is both considered to be measurable and has been recognized as revenues of the current fiscal year, if available.

When both restricted and unrestricted resources are available for use, it is the CRA’s policy to use restricted resources first, and then unrestricted resources as they are needed.

The CRA reports the special revenue fund as a major governmental fund. The special revenue fund is used to account for all financial resources received by the CRA. The special revenue fund serves as the primary operating fund of the CRA. The CRA does not have any non-major funds.

Budgetary Requirements

An annual budget is prepared for all funds of the City, including the CRA. The budget amounts presented in the accompanying financial statements are as originally adopted, or as legally amended, by the Council during the year ended September 30, 2022. The department heads and City Manager are authorized to make transfers of appropriations within the department; however, all budget appropriations require CRA Board and City Council approval. Budget appropriations may not be legally exceeded on a fund basis. Appropriations lapse at the end of each fiscal year. During 2022, no supplemental budget appropriations were made to provide for unanticipated requirements of the period. The budget is adopted on a basis consistent with generally accepted accounting principles.

Assets, Liabilities and Net Position

Cash and Cash Equivalents and Investments

The CRA’s cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investment earnings are distributed monthly, based on the average monthly balances.

Capital Assets

Capital assets include land, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land, buildings, and equipment of the CRA is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-50
Improvements	5-50
Machinery and Equipment	5-40

NOTES TO FINANCIAL STATEMENTS
WILLISTON COMMUNITY REDEVELOPMENT AGENCY
WILLISTON, FLORIDA

Nature and Purpose of the Fund Balance

In the fund financial statements the governmental fund reports fund classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. Amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation, are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the Board through an ordinance or resolution are classified as committed fund balances. Amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by the Board or the City Manager. Non-spendable fund balances include amounts that cannot be spent because they are either: a) not in spendable form, or b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that is not restricted, committed, or assigned to specific purposes within the general fund.

Unspent tax increment financing revenues are restricted for future redevelopment projects and are reported as restricted fund balance in the financial statements. Unassigned fund balance, if any, represents fund balance that has not been restricted, committed, or assigned to specific purposes within the general fund.

Net Position

The government-wide statements utilized a net position presentation. Restricted net position are unspent tax increment financing revenues that are restricted for future redevelopment projects. Unrestricted net position represents the net position of the CRA that is not restricted for any project or purpose.

Other Significant Accounting Policies

Use of Estimates

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

Payroll-Related Expenses and Liabilities

The CRA does not have any employees of its own. Instead, the CRA is allocated a portion of the City employees' salaries and benefits attributable to CRA activities, based on estimated time spent on these activities as projected during the annual budget process. Any long-term payroll and benefit liabilities, such as compensated absences, other postemployment benefits, or pension liabilities are reported on the City's financial statements.

Note 2 - Explanation of Certain Differences Between the Government-Wide and Fund Financial Statements

Statement of Net Position and Governmental Fund Balance Sheet

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position of governmental activities as reported in the government-wide statement of net position.

NOTES TO FINANCIAL STATEMENTS
WILLISTON COMMUNITY REDEVELOPMENT AGENCY
WILLISTON, FLORIDA

Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$2,032,576 and the accumulated depreciation is \$506,572 for a net of \$1,526,004.

Statement of Activities and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between the capital outlay of the governmental fund and the capital outlay contributed to the primary government as reported in the government-wide statement of activities. Governmental funds report capital purchases as expenditure. However, in the statement of activities, the cost of those assets is depreciated over their estimated lives and reported as depreciation expense. This results in a reconciling item of \$445,982 for capital purchases and \$47,179 for depreciation expenses.

Note 3 - Cash Deposits

At September 30, 2022, the carrying amount of the CRA's cash deposits was \$489,147. The CRA's cash deposits are covered by Federal depository insurance or by collateral held by the CRA's custodial bank, which is pledged to a state trust fund that provides security for the amounts held in excess of Federal Deposit Insurance Corporation (FDIC) coverage in accordance with the *Florida Security for Public Deposits Act* (the Act), Chapter 280, Florida Statutes.

The Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral up to a maximum of 125% may be required if deemed necessary under the conditions set forth in the Act.

Note 4 - Capital Assets

Land, building and improvements, equipment and tangible personal property of the CRA are reported as capital assets in the statement of net assets as part of the basic financial statements of the CRA. Upon acquisition, such assets are recorded as expenditures in the special revenue fund of the CRA and capitalized at cost in the capital asset accounts of the CRA.

Capital asset activity for the year ended September 30, 2022, was as follows:

NOTES TO FINANCIAL STATEMENTS
WILLISTON COMMUNITY REDEVELOPMENT AGENCY
WILLISTON, FLORIDA

	Beginning Balance	Increases	(Decreases)	Ending Balance
Capital Assets, Not Being Depreciated				
Land	\$ 264,165	\$ -	\$ -	\$ 264,165
Construction in Progress	69,197	435,983	-	505,180
Total Capital Assets, Not Being Depreciated	<u>333,362</u>	<u>435,983</u>	<u>-</u>	<u>769,345</u>
Capital Assets, Being Depreciated				
Buildings and Improvements	1,249,104	10,000	-	1,259,104
Equipment	4,127	-	-	4,127
Total Capital Assets, Being Depreciated	<u>1,253,231</u>	<u>10,000</u>	<u>-</u>	<u>1,263,231</u>
Less Accumulated Depreciation				
Buildings and Improvements	(456,952)	(47,037)	-	(503,989)
Equipment	(2,441)	(142)	-	(2,583)
Total Accumulated Depreciation	<u>(459,393)</u>	<u>(47,179)</u>	<u>-</u>	<u>(506,572)</u>
Total Capital Assets Being Depreciated, Net	<u>793,838</u>	<u>(37,179)</u>	<u>-</u>	<u>756,659</u>
Total Capital Assets, Net	<u>\$ 1,127,200</u>	<u>\$ 398,804</u>	<u>\$ -</u>	<u>\$ 1,526,004</u>

Note 5 - Prior Period Adjustment-Capital Assets

Beginning of year Net Position was restated to correct an error in reporting capital assets as follows:

Beginning of Year Net Position (As Previously Reported)	\$ 1,635,606
Correction of Year	<u>(38,483)</u>
Beginning of Year, Net Position (As Rested)	<u>\$ 1,597,123</u>

The correction of error was due to construction in progress amounts overstated in the Building and Improvement account.

Beginning balances were reclassified to correct a capital asset clarification.

Note 6 - Tax Increment Financing Revenue

The CRA is primarily funded through tax increment financing revenue. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts, using the year in which they were established as the "base year". The City is required to contribute 95% of the incremental property taxes levied each year. Levy County is required to contribute 95% of the incremental property taxes levied each year. The City and County shall continue to contribute the required portion of the incremental property taxes levied until all redevelopment projects included in the CRA's Community Redevelopment Plan are completed and paid for or until legally terminated by ordinance, but not to exceed thirty years. The CRA's taxable value is 201% of its base year taxable value.

REQUIRED SUPPLEMENTARY INFORMATION

**WILLISTON COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$ 330,078	\$ 330,078	\$ 330,078	\$ -
Investment Earnings	150	150	50	(100)
Miscellaneous Revenues	500	500	1,680	1,180
Total Revenues	<u>330,728</u>	<u>330,728</u>	<u>331,808</u>	<u>1,080</u>
Expenditures/Expenses				
Current:				
Community Redevelopment	174,284	174,284	85,363	88,921
Capital Outlay	552,720	552,720	445,982	106,738
Total Expenditures	<u>727,004</u>	<u>727,004</u>	<u>531,345</u>	<u>195,659</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(396,276)</u>	<u>(396,276)</u>	<u>(199,537)</u>	<u>196,739</u>
Other Financing Sources (Uses)				
Issuance of Debt	396,276	396,276	-	(396,276)
Total Other Financing Sources (Uses)	<u>396,276</u>	<u>396,276</u>	<u>-</u>	<u>(396,276)</u>
Net Change in Fund Balance	-	-	(199,537)	(199,537)
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>469,922</u>	<u>469,922</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 270,385</u>	<u>\$ 270,385</u>

OTHER REPORTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Board of Directors
Williston Community Redevelopment Agency
Williston, 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 Williston Community Redevelopment Agency (the CRA) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated June 29, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness on the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on

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Williston, Florida

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA'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 CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



June 29, 2023
Ocala, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 163.387(6) AND (7), FLORIDA STATUTES

The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

We have examined the Williston Community Redevelopment Agency's (the CRA) compliance with the requirements of Sections 163.387(6) and (7), Florida Statutes, as of and for the year ended September 30, 2022, as required by Section 10.556(10)(f), *Rules of the Auditor General*. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the CRA's compliance with specific requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, the CRA, its management, and the Board of Directors of the City of Williston, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



June 29, 2023
Ocala, Florida

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

We have examined the Williston Community Redevelopment Agency's (the CRA) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2022, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the CRA's compliance with specific requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, the CRA, its management, and the Board of Directors of the City of Williston, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



June 29, 2023
Ocala, Florida

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MANAGEMENT LETTER

The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

Report on the Financial Statements

We have audited the financial statements of the Williston Community Redevelopment Agency (the CRA) as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 29, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on examination conducted in accordance with the American Institute of Certified Public Accountants, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 29, 2023, 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 financial audit report. Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. Please note the following:

Tabulation of Uncorrected Audit Findings	
Current Year Finding #	2020-2021 FY Finding #
2022-001	2021-001

Finding 2022-001-Budgetary Compliance – Chapter 10.550, *Rules of the Auditor General*, requires auditors of local governmental entities to include an examination pursuant to the American Institute of Certified Public Accountants (AICPA) Professional Standards, and AT-C Section 315, promulgated by the AICPA. As part of this examination, we wanted to bring the following to your attention:

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The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

MANAGEMENT LETTER

- Budget Compliance – Per the Auditor General *Compliance Supplement*, Section 163.387(6) (b), Florida Statutes, requires the CRA Board of Directors to provide the adopted budget to the county which the CRA is located within 10 days of adoption. During the audit process, we made inquiries with management and determined that although the budget was submitted to the county it was not within the 10 day requirements. In future years, we recommend that the CRA Board of Directors provide the budget to the county within 10 days in order to be in compliance with the Florida Statutes.

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 be disclosed in this management Letter, unless disclosed in the notes to the financial statements (see Note 1 of the CRA's financial statements as of and for the year ended September 30, 2022, for this information).

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2, *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In our management letter for the City of Williston (the City), the primary government associated with the CRA, we included an item on the schedule of findings and questioned costs, including management's response, which has partial applicability to the CRA.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the CRA reported the following information that was not subject to auditing procedures:

The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

MANAGEMENT LETTER

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. There were no recommendations to improve financial management.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. There are no special district component units associated with the CRA.

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 information below provided by the City's management that is unaudited and, accordingly, we do not express an opinion or provide any assurance on this information reported:

- a. The total number of district employees compensated in the last pay period of the CRA's fiscal year as \$0.
- b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the CRA's fiscal year as 3.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as \$17,873.
- e. Construction projects with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported is as follows:
 - Arcade and Main Street Enhancement total cost: \$761,960; amount spent to date is \$377,456.
 - Williston Streetscape and Façade total cost: \$75,098; amount spent to date is 66,493.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being report if the district amends a final adopted budget under Section 189.016(6), Florida Statutes is incorporated within this report.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

MANAGEMENT LETTER

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 Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Honorable Mayor, and City of Williston City Council, CRA Board and management, and is not intended to be, and should not be, used by anyone other than these specified parties.



June 29, 2023
Ocala, Florida



June 29, 2023

The Board of Directors
Williston Community Redevelopment Agency
Williston, Florida

RE: MANAGEMENT’S RESPONSE TO AUDIT FINDINGS

This letter represents our required response and follow-up to audit findings under Section 10.558(1), Rules of the Auditor General, State of Florida, for the year ended September 30, 2022:

2022-1 Budgetary Compliance ---- The Finance team agrees with the auditor’s recommendation and will ensure that the budget is provided to the county within 10 days in order to be in compliance with the Florida Statutes.

Very truly yours,

CITY OF WILLISTON, FLORIDA

By Stephen Bloom

Stephen Bloom
Finance Director

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