ELOISE COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2023



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ELOISE COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
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INDEPENDENT AUDITORS' REPORT

Board Members
Eloise Community Redevelopment Agency
Polk County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Eloise Community Redevelopment Agency (CRA), a component unit of Polk County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the entity'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, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' 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 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 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.

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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Auditors' Responsibility 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 auditors' 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 GAAS 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 GAAS 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 judgement, 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.

Board Members
Eloise Community Redevelopment Agency

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be 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 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 21, 2024 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 the CRA's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
June 21, 2024

ELOISE COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023

As management of the Eloise Community Redevelopment Agency (CRA), we offer the readers of the CRA's basic financial statements this narrative overview and analysis of the financial activities of the CRA for the year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

Financial Highlights

- The assets of the CRA exceeded its liabilities as of September 30, 2023, by $830,603 (net position).
- The CRA's total assets as of September 30, 2023, were $832,796.
- The CRA's total revenue was $23,352, consisting primarily of interest income.
- The CRA's net transfers came to $124,263. The increase in net position was $75,582.

Overview of Financial Statements

The CRA's government-wide financial statements include the following:

- Governmental Fund Balance — reports the CRA's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and Statement of Activities — reports the results of activity over the course of the fiscal year. It details the costs associated with operating the CRA and how those costs were funded. It also provides an explanation of the change in net position from the previous fiscal year-end to the current fiscal year-end.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The analysis of net position, revenues, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the CRA's net position, which can be thought of as the difference between what the CRA owns (assets) and what the CRA owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the CRA.

Over time, significant changes in the CRA's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any CRA, the reader must also consider other nonfinancial factors such as fluctuations in the local economy, fluctuations in fuel prices, and the physical condition of the CRA's capital assets.

Net Position

The difference between an organization's assets and deferred outflows of resources and its liabilities and deferred inflows of resources equals its net position. The CRA's net position is classified as follows:

Net investment in capital assets — Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets.

Restricted — Net position that can only be spent for specific purposes because of constraints imposed by external sources (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Unrestricted — Net position that is not invested in capital assets or subject to restrictions.

Condensed Financial Information

Assets, Liabilities, and Net Position:

	2023	2022
ASSETS		
Current Assets	$ 832,796	$ 757,291
LIABILITIES		
Current Liabilities	2,193	2,270
NET POSITION		
Restricted	$ 830,603	$ 755,021

Assets increased by $75,505 from the prior year, while liabilities decreased by $77 from the prior year, resulting in an increase in net position of $75,582.

Condensed Financial Information (Continued)

Revenues, Expenses, and Changes in Net Position

	2023	2022
GENERAL REVENUES		
Interest Income	$ 21,938	$ 9,143
Net Change in Fair Value of Investments	1,414	(62,225)
Total General Revenue	23,352	(53,082)
EXPENSES		
General Operating Expenses	72,033	22,037
OTHER FINANCING SOURCES (USES)		
Transfers In	129,763	108,998
Transfers Out	(5,500)	(5,500)
Total Other Financing Sources (Uses)	124,263	103,498
CHANGE IN NET POSITION	75,582	28,379
Net Position - Beginning of Year	755,021	726,642
NET POSITION - END OF YEAR	$ 830,603	$ 755,021

Interest Income and transfers in increased by $12,795 and $20,765, respectively. There was a favorable fair value adjustment on investments totaling $63,639.

In fiscal year 2023, total general revenue and transfers in were $153,115, while total expenditures and transfers out were $77,533. This resulted in a positive change in net position of $75,582.

Economic Factors and Next Year's Budgets and Rates

The Eloise Community Redevelopment Agency (CRA) is reported as a blended component unit of Polk County, Florida. Its Annual Budget was approved by Resolution 2022-113 on September 19, 2022. The detailed budgets are available for review upon request.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed as follows:

Comptroller Division of the Clerk of Circuit Court and County Comptroller
P.O. Box 988
Bartow, Florida 33831

Or

www.polkcountyclerk.net

ELOISE COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
GOVERNMENTAL FUND BALANCE SHEET AND STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash and Cash Equivalents	$ 831,004	$ -	$ 831,004
Interest Receivable	1,792	-	1,792
Total Assets	832,796	-	832,796
LIABILITIES			
Vouchers Payable	17	-	17
Accrued Liabilities	1,232	-	1,232
Unearned Revenue	944	-	944
Total Liabilities	2,193	-	2,193
FUND BALANCE / NET POSITION			
Fund Balance			
Restricted	830,603	(830,603)	-
Total Fund Balance	$ 830,603	(830,603)	-
Net Position			
Restricted		830,603	830,603
Total Net Position		$ 830,603	$ 830,603

See accompanying Notes to Financial Statements.

ELOISE COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE AND STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Adjustments	Statement of Activities
GENERAL REVENUES			
Interest Income	$ 21,938	$ -	$ 21,938
Net Change in Fair Value of Investments	1,414	-	1,414
Total Revenues	23,352	-	23,352
EXPENSES			
General Operating Expenses	72,033	-	72,033
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(48,681)	-	(48,681)
OTHER FINANCING SOURCES (USES)			
Transfers In	129,763	(129,763)	-
Transfers Out	(5,500)	5,500	-
Total Other Financing Sources (Uses)	124,263	(124,263)	-
TRANSFERS	-	124,263	124,263
NET CHANGE IN FUND BALANCE / NET POSITION	75,582	-	75,582
Fund Balance/Net Position - Beginning of Year	755,021	-	755,021
FUND BALANCE /NET POSITION - END OF YEAR	$ 830,603	$ -	$ 830,603

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Polk County Board of County Commissioners approved the establishment of the Eloise Community Redevelopment Agency (CRA) by County ordinance 00-33 on June 20, 2000. The CRA board members include the Polk County Board of County Commissioners and the city manager and community development department director, or their designees, to serve as two additional members of the CRA Board. The appointing authority is found in Resolution No. 06-176. The CRA Board holds meetings on an as-needed basis.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units and present only the financial position of the CRA, a component unit of the Polk County, Florida (County), and not the County as a whole.

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as all component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Based on the application of these criteria, the CRA has determined there are no component units.

Basis of Presentation

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category and (or) the governmental and enterprise combined) for the determination of major funds. The CRA has used GASB Statement No. 34 minimum criteria for major fund determination.

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

Currently, the CRA has only one fund, the General Fund. The General Fund is the general operating fund of the CRA. It is used to account for all financial resources and expenditures.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all activities of the CRA. The CRA reports only governmental activities; it does not have any business-type activities. Governmental activities are supported largely by tax increment funding.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues consist of grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Payments received from taxes, insurance proceeds and other items not properly included as program revenues are reported as general revenues.

Separate financial information is provided for the governmental fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 for the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Budgets and Budgetary Data

The following are the procedures in establishing the budget:

The CRA's Executive Director prepares the annual fiscal operating budget. The proposed budget is then presented to the CRA's Board Members for changes and final approval. Once adopted, the budget serves as legal authorization for expenditures.

Formal budgetary integration is employed as a management control device during the year for all governmental fund types. Budgets for the general fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). All appropriations lapse at the close of the fiscal year.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The classifications of fund balances are described as follows:

Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts that can be spent only for specific purposes determined by a formal action of the CRA's highest level of decision-making authority. The CRA has not established a policy regarding authorization to commit fund balance.

Assigned Fund Balance – Amounts the CRA intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the CRA's board or by the CRA's board delegating this responsibility to the CRA Coordinator through the budgeting process. The CRA has not established a formal policy regarding authorization to assign fund balance amounts for a specific purpose.

Unassigned Fund Balance – Amounts that are available for any purpose; these amounts can be reported only in the CRA's general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the CRA considers restricted to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 CASH AND CASH EQUIVALENTS

The CRA participates in the pooled cash and investments program of the Polk County, Florida, Board of County Commissioners for the purpose of maximizing investment yields. The earnings of the pool are allocated on a monthly basis to the individual funds of the Board of County Commissioners and the CRA based upon their average monthly balance in the pool. For the purpose of these financial statements, the CRA pooled cash is primarily cash and cash equivalents.

Pooled cash and investments of the Board of County Commissioners determined to be available in excess of immediate needs is placed in investments in accordance with the Polk County Board of County Commissioners Investments Policy as amended December 17, 2019, under the guidelines of *Florida Statutes* 218.415.

Custodial Credit Risk

To manage custodial credit risk for deposits, the County's investment policy requires that all demand and time deposits, including money market accounts, are insured and fully collateralized. The County's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for each banking relationship. The remaining balances are insured and collateralized in accordance with Chapter 280, *Florida Statutes*, which established the Public Deposit Security Trust Fund, a multiple financial institution collateral pool. Section 280.08, *Florida Statutes* provides for assessments against the members of the pool on a pro rata basis in the event that the collateral pool is insufficient to cover the losses of a member financial institution that fails. As such, all deposits covered by the collateral pool are considered to be fully insured.

NOTE 3 RISK MANAGEMENT

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County.

There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third-party carriers in any of the last three years.

NOTE 4 RELATED PARTY TRANSACTIONS

The members of the CRA board are also members of the Board of County Commissioners. Transactions between the CRA and the County for the year ending September 30, 2023, include $129,763 in transfers in from other funds of the County and $5,500 in transfers out to other funds of the County.

NOTE 5 COMMITMENTS AND CONTINGENCIES

Litigation

Various suits and claims involving disputed ad valorem real property taxes are pending against Polk County. Portions of these taxes have been voluntarily paid, others have been paid under protest, and in certain instances, there are unpaid balances.

Various other suits and claims arising in the ordinary course of County operations, some of which may involve substantial amounts, are pending against the County. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of Polk County or the results of its operations.

ELOISE COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Interest Income	$ 3,031	$ 3,031	$ 21,938	$ 18,907
Net Change in Fair Value of Investments	-	-	1,414	1,414
Total Revenues	3,031	3,031	23,352	20,321
EXPENDITURES				
Current:				
Economic Environment	29,285	29,285	58,128	28,843
Human Services	45,000	227,912	13,905	(214,007)
Total Expenditures	74,285	257,197	72,033	(185,164)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(71,254)	(254,166)	(48,681)	(164,843)
OTHER FINANCING SOURCES (USES)				
Transfers In	130,496	130,496	129,763	(733)
Transfers Out	(5,500)	(5,500)	(5,500)	-
Total Other Financing Sources (Uses)	124,996	124,996	124,263	(733)
NET CHANGE IN FUND BALANCE	53,742	(129,170)	75,582	(165,576)
Fund Balance - Beginning of Year	755,021	755,021	755,021	-
FUND BALANCE - END OF YEAR	$ 808,763	$ 625,851	$ 830,603	$ (165,576)

See accompanying Note to Budgetary Comparison Schedule – General Fund

ELOISE COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
NOTE TO BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
SEPTEMBER 30, 2023

NOTE 1 BUDGETARY INFORMATION

Budgets are prepared and adopted annually for the general fund in accordance with procedures and time intervals prescribed by Florida Statutes. Accordingly, the Polk County Board of County Commissioners adopted an annual budget for the general fund for the fiscal year ended September 30, 2023.

The annual budget serves as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each account. All budget amendments, which change the legally adopted appropriations, are approved by the board, and may be amended at any CRA meeting prior to 60 days after the fiscal year-end. The level of control for appropriations is exercised at the account level. Appropriations lapse at year-end. Budgets are prepared using the same modified accrual basis as is used to account for actual transactions.

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

Board Members
Eloise Community Redevelopment Agency
Polk County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Eloise Community Redevelopment Agency (CRA), a component unit of Polk County, Florida as of and for the year ended September 30, 2023, 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 21, 2024.

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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

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

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

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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, 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*.

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
June 21, 2024

CliftonLarsonAllen LLP
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MANAGEMENT LETTER

Board Members
Eloise Community Redevelopment Agency
Bartow, Florida

Report on the Financial Statements

We have audited the financial statements of the Eloise Community Redevelopment Agency (CRA), a component unit of Polk County, Florida, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 21, 2024.

Auditors' 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 Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 21, 2024, 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. There were no 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. Information regarding the specific legal authority for the entity is contained in Note 1 to the financial statements.

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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 CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions(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 for the CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)(2), Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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*. The CRA has no component units.

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 Eloise Community Redevelopment Agency reported:

a. The total number of district employees compensated in the last pay period of the district's fiscal year was 1.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was 0.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was $21,487.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was $0.

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 was $1.

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, was $75,581.

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. Matters identified in our audit are reported in the Independent Accountants' Report on our testing of compliance with Sections 163.387(6) and (7), Florida Statutes.

Purpose of this Letter

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

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Lakeland, Florida
June 21, 2024

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INDEPENDENT ACCOUNTANTS' REPORT

Board Members
Eloise Community Redevelopment Agency
and the Florida Auditor General
Polk County, Florida

We have examined the Eloise Community Redevelopment Agency (CRA) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds, and Sections 163.387(6) and (7), Florida Statutes, regarding community redevelopment agencies, during the year ended September 30, 2023. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified 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 CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, 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 this engagement.

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

In our opinion, the CRA complied, in all material respects, with Section 218.415, *Florida Statutes*, regarding the investments of public funds; and Sections 163.387(6) and (7), Florida Statutes, regarding community redevelopment agencies; during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
June 21, 2024

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