

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL
ASSISTANCE FOR THE INTERMODAL LOGISTICS
CENTER INFRASTRUCTURE SUPPORT PROGRAM
(CSFA NO. 55.014)

Countyline 2, LLC
Year Ended December 31, 2019
With Report of Independent Auditors

Ernst & Young LLP



Countyline 2, LLC

Schedule of Expenditures of State Financial Assistance For The Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014)

Year Ended December 31, 2019

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Report of Independent Auditors

The Management and the Board of Directors
Countyline 2, LLC

Report on the Schedule of Expenditures of State Financial Assistance

We have audited the accompanying schedule of expenditures of state financial assistance for the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) of Countyline 2, LLC (the Company) for the year ended December 31, 2019, and the related notes (the financial statement).

Management's Responsibility for the Schedule of Expenditures of State Financial Assistance

Management is responsible for the preparation and fair presentation of this financial statement 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 a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. 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 Section 215.97, Florida Statutes. Those standards and Section 215.97, Florida Statutes, require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the expenditures of state financial assistance for the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) of Countyline 2, LLC for the year ended December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

Ernst + Young LLP

August 31, 2020

Countyline 2, LLC

Schedule of Expenditures of State Financial Assistance for the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014)

For the Year Ended December 31, 2019

State Grantor/Pass-through Grantor/Program Title	CSFA Number	Grant/ Contract Number	State Expenditures
Florida Department of Transportation: Intermodal Logistics Center Infrastructure Support Program	55.014	G0X80	<u>\$ 996,237</u>
Total Florida Department of Transportation			<u>996,237</u>
Total Expenditures of State Financial Assistance			<u><u>\$ 996,237</u></u>

See accompanying notes.

Countyline 2, LLC

Notes to Schedule of Expenditures of State Financial Assistance

Year Ended December 31, 2019

1. General

The accompanying Schedule of Expenditures of State Financial Assistance for the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) (the Schedule) presents the activity of that program of Countyline 2, LLC (the Company) for the year ended December 31, 2019. The information in this schedule is presented in accordance with the program-specific option under section 215.97, Florida Statutes (the Florida Single Audit Act) (the Act).

2. Basis of Presentation

The purpose of the Schedule is to present, in summary form, total expenditures of state financial assistance received by the Company for the year ended December 31, 2019, that have been funded under the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014). The Schedule is prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. The information in this schedule is presented in accordance with the requirements of the Florida Single Audit Act. Because the Schedule presents only a selected portion of the results of operations of the Company, it is not intended to and does not present either the financial position or results of operations of the Company.

3. Contingencies

Grant revenue amounts received are subject to audit and adjustment. If any expenditure is disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability to the Company. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreement and applicable state laws and regulations.



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Report of Independent Auditors on Compliance for the Intermodal Logistics
Center Infrastructure Support Program (CSFA No. 55.014) and
Report on Internal Control Over Compliance When Using the
Program-Specific Audit Option to Satisfy Section 215.97,
Florida Statutes, Requirements

The Management and the Board of Directors
Countyline 2, LLC

**Report on Compliance for the Intermodal Logistics Center Infrastructure Support
Program (CSFA No. 55.014)**

We have audited Countyline 2, LLC (the Company)'s compliance with the types of compliance requirements described in the Department of Financial Services' State Financial Assistance Compliance Supplement that could have a direct and material effect on the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) for the year ended December 31, 2019.

Management's Responsibility

Management is responsible for compliance with the requirements with state statutes, regulations, and the terms and conditions of state projects applicable to the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014).

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's compliance based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of section 215.97, Florida Statutes. Those standards and Section 215.97, Florida Statutes, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) occurred. An audit includes examining, on a test basis, evidence about the Company's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014). However, our audit does not provide a legal determination of Company's compliance.

Opinion on Compliance for the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014)

In our opinion, the Company complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the Company is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Company's internal control over compliance with the requirements that could have a direct and material effect on its Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) and to test and report on internal control over compliance in accordance with Section 215.97, Florida Statutes, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control over compliance.

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

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



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Section 215.97, Florida Statutes. Accordingly, this report is not suitable for any other purpose.

Ernst + Young LLP

August 31, 2020

Countyline 2, LLC

Schedule of Findings and Questioned Costs for the Intermodal Logistics Center
Infrastructure Support Program (CSFA No. 55.014)

For the Year Ended December 31, 2019

Section I—Summary of Auditor’s Results

Schedule of Expenditures of State Financial Assistance Section

Type of report the auditor issued on whether the
Schedule of Expenditures of State Financial
Assistance audited was prepared in accordance with
GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

 Yes X **No**

Significant deficiency(ies) identified?

 Yes X **None reported**

Noncompliance material to financial statement noted?

 Yes X **No**

State Financial Assistance Awards Section

Internal control over the Intermodal Logistics Center
Infrastructure Support Program (CSFA No. 55.014):
Material weakness(es) identified?

 Yes X **No**

Significant deficiency(ies) identified?

 Yes X **None reported**

Type of auditor’s report issued on compliance for the
Intermodal Logistics Center Infrastructure Support
Program (CSFA No. 55.014):

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with Section 215.97, Florida
Statutes?

 Yes X **No**

Countyline 2, LLC

Schedule of Findings and Questioned Costs for the Intermodal Logistics Center Infrastructure Support Program (CSFA No. 55.014) (continued)

Identification of major state financial assistance project (program-specific audit option):

CSFA Number	Name of the State Program
55.014	Intermodal Logistics Center Infrastructure Support Program

Section II—Financial Statement Findings

This section should identify the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts and grant agreements, and abuse related to the financial statement for which *Government Auditing Standards* requires reporting.

No findings were identified.

Section III—State Financial Assistance Findings and Questioned Costs

This section should identify the audit findings required to be reported by Section 215.97, Florida Statutes.

No findings were identified.

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CONFIDENTIAL AND PROPRIETARY TRADE SECRET INFORMATION - NOT SUBJECT TO PUBLIC RECORDS DISCLOSURE

Countyline 2 LLC
Program Specific Entity
Balance Sheet
As of December 31, 2019

	<u>December 31, 2019</u>
	<i>(Unaudited)</i>
ASSETS	
Accounts receivable, net	\$ 41,697
Prepaid expenses	11,268
Properties, less accumulated depreciation	19,815,838
TOTAL ASSETS	<u><u>\$ 19,868,803</u></u>
LIABILITIES AND EQUITY	
Liabilities	
Accounts payable and accrued expenses	\$ 1,514,450
Taxes payable	486,605
Other liabilities	321,972
Total Liabilities	<u><u>2,323,027</u></u>
Equity	
Partner's equity	17,545,776
Total Partner's Equity	<u><u>17,545,776</u></u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 19,868,803</u></u>

CONFIDENTIAL AND PROPRIETARY TRADE SECRET INFORMATION - NOT SUBJECT TO PUBLIC RECORDS DISCLOSURE

CONFIDENTIAL AND PROPRIETARY TRADE SECRET INFORMATION - NOT SUBJECT TO PUBLIC RECORDS DISCLOSURE

Countyline 2 LLC
Program Specific Entity
Statement of Operations
Year Ended December 31, 2019

	<u>Year Ended</u> <u>December 31, 2019</u> <i>(Unaudited)</i>
REVENUE	
Revenue	\$ -
Total revenue	<u><u>\$ -</u></u>
 EXPENSES	
Operating Expenses	
Recoverable operating expenses	\$ 17
Property taxes	486,605
Insurance	49
Administrative costs	156,383
Total Operating Expenses	<u><u>643,054</u></u>
Operating loss	<u><u>(643,054)</u></u>
Net loss	<u><u>\$ (643,054)</u></u>

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