

**REVIEW OF LOCAL GOVERNMENTAL ENTITY  
2011-12 FISCAL YEAR AUDIT REPORTS  
PREPARED BY INDEPENDENT CERTIFIED  
PUBLIC ACCOUNTANTS**

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STATE OF FLORIDA  
AUDITOR GENERAL  
DAVID W. MARTIN, CPA

The review was coordinated by Richard Voss, CPA, and supervised by David T. Ward, CPA. Please address inquiries regarding this report to Marilyn D. Rosetti, CPA, Audit Manager, by e-mail at [marilynrosetti@aud.state.fl.us](mailto:marilynrosetti@aud.state.fl.us) or by telephone at (850) 412-2881.

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**REVIEW OF LOCAL GOVERNMENTAL ENTITY  
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**SUMMARY**

Pursuant to Section 218.39, Florida Statutes<sup>1</sup>, counties and certain municipalities and special districts are required to provide for annual financial audits conducted by independent certified public accountants (CPAs). Audit reports for the 2011-12 fiscal year were required to be submitted to us within 45 days after delivery of the audit report to the local governmental entity's governing body, but no later than 9 months after the end of the fiscal year. We are required to review all local governmental entity audit reports submitted pursuant to Section 218.39, Florida Statutes. In addition, pursuant to Section 215.97(11)(f), Florida Statutes, we are required to perform ongoing reviews of a sample of financial reporting packages submitted pursuant to Section 215.97, Florida Statutes (the *Florida Single Audit Act*). We reviewed audit reports for 1,184 local governmental entities, and determined that the audit reports were generally presented in accordance with generally accepted government auditing standards, generally accepted accounting principles, and Rules of the Auditor General. However, we noted instances in which the audit reports were not submitted timely or were not prepared in accordance with all applicable requirements, as follows:

**Finding No. 1:** Audit reports were not submitted to us for 12 municipalities and 25 special districts required to provide for an audit. Also, 2 municipalities and 29 special districts that may have been required to provide for an audit did not submit an audit report to us. Additionally, 133 local governmental entities did not submit the audit report timely, including 59 entities that did not submit the audit reports within the required 45-day time frame, and 74 entities that did not submit the audit reports by the 9-month deadline.

**Finding No. 2:** Our completeness reviews of 1,184 audit reports disclosed instances of noncompliance with certain requirements, primarily related to the auditors' reports, identification of audit findings by reference numbers, and identification of uncorrected findings from the two preceding financial audit reports.

**Finding No. 3:** Our comprehensive reviews of samples of audit reports disclosed several instances of noncompliance with generally accepted government auditing standards, generally accepted accounting principles, and Chapter 10.550, Rules of the Auditor General. Noncompliance was also disclosed related to the presentation of schedules of expenditures, and schedules of findings and questioned costs, for Federal awards and State financial assistance, respectively.

**BACKGROUND**

Section 218.39, Florida Statutes, provides for annual financial audits of each county, and for municipalities and special districts meeting certain revenue or expenditure/expense thresholds. Section 218.31(17), Florida Statutes, defines a financial audit as an examination of financial statements in order to express an opinion on the fairness with which they are presented in conformity with generally accepted accounting principles (GAAP) and an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements. Financial audits must be conducted in accordance with generally accepted auditing standards and generally accepted government auditing standards (*Government Auditing Standards* issued by the Comptroller of the United States).

Section 218.39, Florida Statutes, establishes several requirements that independent CPAs must follow when conducting financial audits of local governmental entities. Independent CPAs performing these financial audits must:

- Prepare a management letter that is included as a part of the financial audit report;
- Discuss all findings that will be included in the financial audit report with the appropriate official(s); and
- Conduct the audits in accordance with Rules of the Auditor General.

<sup>1</sup> All references to the Florida Statutes are to the 2012 Statutes.

Additionally, the law requires that the entity’s officer respond in writing to findings contained in the audit report, and that the written response be submitted to the entity’s governing body within 30 days after delivery of the findings.

We have developed rules that provide, among other things, procedural guidelines for independent CPAs to follow to ensure compliance with the above requirements (Chapter 10.550, Rules of the Auditor General – Local Governmental Entity Audits). These rules require that the scope of a financial audit include: an examination of the financial statements in order to express an opinion on them; an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements; an examination of any additional financial information necessary to comply with GAAP; and, when applicable, the additional activities necessary to determine compliance with the Federal *Single Audit Act Amendments of 1996* and the *Florida Single Audit Act*. To assist auditors in complying with the requirements of generally accepted government auditing standards (GAGAS), GAAP, and applicable laws, rules, and regulations, we promulgated the Local Government Audit Report Review Guidelines. These rules and guidelines are available on our Web site.

**FINDINGS AND RECOMMENDATIONS**

**Finding No. 1: Timely Submission of Audit Reports**

Section 218.39(7), Florida Statutes, requires that the local governmental entity submit the audit report and a written response to any audit report findings to us within 45 days after delivery of the audit report to the entity’s governing body, but no later than 9 months after the fiscal year end. Table 1 shows noncompliance, or potential noncompliance, with the audit report submission requirements for the 2011-12 fiscal year as of October 30, 2013, and the previous four fiscal years.<sup>2</sup>

**Table 1**

Type of Exception	Fiscal Year				
	2011-12	2010-11	2009-10	2008-09	2007-08
Audit required, but report not submitted.	37	53	48	40	57
Audit may have been required, but report not submitted.	31	24	13	15	37
Audit report not submitted within 45-day time frame.	59	111	107	107	67
Audit report submitted after 9 month deadline.	74	70			
Audit report submitted after 12 month deadline.			68	86	104

Source: Auditor General

Further, for the 2011-12 fiscal year information provided in Table 1:

- The 37 local governmental entities required to submit an audit report to us, but did not, included 12 municipalities and 25 special districts (see Exhibit A).
- For the 31 local governmental entities that may have been required to provide for an audit, but which had not submitted an audit report to us, it was not practicable for us to determine for the 2 municipalities and 29 special districts whether an audit was required based on the financial criteria specified in Section 218.39(1), Florida Statutes, because sufficient information was not readily available, either from the entity, the Florida Department of Financial Services’ records (because the entities had not filed annual financial reports, contrary to law), or other sources (see Exhibit B).

<sup>2</sup> Prior to the 2010-11 fiscal year, audit reports were due no later than 12 months after the fiscal year end.

- Audit reports for 59 local governmental entities were not submitted to us within 45 days of delivery to the governing body (up to 116 days late) but were submitted before the 9-month deadline (see Exhibit C).
- Audit reports for 74 local governmental entities were not submitted to us within the 9-month deadline (see Exhibit D).

Local governmental entities that fail to provide for audits may be subject to consequences prescribed in Section 11.40(2), Florida Statutes. Timely audits are necessary to ensure that management is promptly informed of control deficiencies and financial-related noncompliance. Additionally, timely filing of audit reports is necessary to allow timely review by appropriate Federal and State oversight agencies.

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**Recommendation:** Local governmental entities should ensure that audit reports are completed and submitted within the required time frame.

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### **Finding No. 2: Completeness Reviews**

All 1,184 local governmental entity audit reports submitted to us as of July 26, 2013, pursuant to Section 218.39, Florida Statutes, were subjected to completeness reviews to determine: (1) whether the audit reports included the required financial statements, note disclosures, reports, and other items listed in Chapter 10.550, Rules of the Auditor General, and (2) the extent to which they complied, for selected significant matters, with GAGAS, GAAP, and Chapter 10.550, Rules of the Auditor General, as applicable.

Section 11.45(7)(b), Florida Statutes, requires us to request from local governmental entities significant items omitted from audit reports. Accordingly, for those audit reports that did not include required items, such as financial statements, required supplementary information, auditor's reports/management letter, and auditee's response, the local governmental entity was requested by letter to provide the missing items. We concurrently provided a copy of the letter to the local governmental entity's auditor. Local governmental entities are required to provide us with the requested items no later than 45 days after the date of our request.

For the 2011-12 fiscal year, 102 local governmental entities (including county agencies) were sent letters requesting items omitted from the audit report. Most of the items requested related to: (1) including reference numbers for each audit finding in report(s), schedule(s), or management letter, as applicable, or (2) identifying uncorrected audit findings from the two preceding financial audit reports. Of the 102 local governmental entities sent letters requesting items omitted from the audit report, 21 had not provided the requested items as of October 31, 2013, and, pursuant to Section 11.45(7)(b), Florida Statutes, we notified the Legislative Auditing Committee of those entities that had not provided the requested items.

Most of the audit reports included audited financial statements, and notes thereto, and the required auditor's reports on the financial statements and on internal control over financial reporting and compliance. Additionally, most reports reviewed were generally presented in accordance with GAGAS, GAAP, and Chapter 10.550, Rules of the Auditor General. The majority of the instances of noncompliance disclosed by our completeness reviews relate to: (1) presentation of the auditor's report on internal control over financial reporting and compliance in accordance with GAGAS, and (2) the auditor's management letter. For example, where the auditor communicated matters not significant enough to be considered significant deficiencies in a separate letter, the report on internal control and compliance did not call attention to those matters communicated in the separate letter for 54 (14 percent) of 374 applicable reports reviewed. Further, contrary to Section 10.554(1)(i)1., Rules of the Auditor General<sup>3</sup>, the auditor's management letter did not identify those uncorrected findings in the preceding fiscal year financial audit report that

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<sup>3</sup> All Rules of the Auditor General references are to those effective September 30, 2012, except when otherwise noted.

were also included in the second preceding fiscal year financial audit report for 23 (7 percent) of the 310 applicable reports reviewed.

A summary of the deficiencies disclosed by our completeness reviews, with comparative prior year information, and an analysis of the deficiencies disclosed by our completeness reviews by type of local governmental entity, is included as Exhibit E.

External parties rely on audits to provide independent assessments of the accuracy and completeness of the financial statements, and to provide, for financial reporting, a means for evaluating the effectiveness of an entity's internal controls and determining the extent to which an entity has complied with applicable laws, rules, regulations, contractual requirements, and bond covenants. Accordingly, it is important that the various components of the audit report (auditor's reports and management letter, financial statements, notes to financial statements, etc.) be presented in accordance with GAGAS, GAAP, and Chapter 10.550, Rules of the Auditor General, so that the reader can form appropriate conclusions relating to the audited entity.

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**Recommendation: Independent auditors of local governmental entities should ensure that their reports are presented in accordance with GAGAS, GAAP, and Chapter 10.550, Rules of the Auditor General.**

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**Finding No. 3: Comprehensive Reviews**

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In addition to the completeness reviews, we made more comprehensive reviews of selected audit reports for the 2011-12 fiscal year, as follows:

- We reviewed a sample of 60 audit reports (3 counties, 19 municipalities, and 38 special districts) to determine the extent of compliance, on a more comprehensive basis, with GAGAS, GAAP, and Chapter 10.550, Rules of the Auditor General, as they apply to financial statements and notes thereto. The majority of deficiencies disclosed by our comprehensive reviews pertained to financial statements and note disclosures, but we also noted deficiencies with required supplementary information. For example, for the budgetary comparison schedule, information reconciling the budgetary basis presentation to a GAAP basis presentation was missing for 4 (29 percent) of 14 applicable reports reviewed. Additionally, the notes to the financial statements did not disclose significant violations of law for material overexpenditures at the legal level of control identified in the budgetary comparison schedules, or the actions taken to address these significant violations of law, for all 6 applicable reports reviewed. Also, non-rounding mathematical errors in the financial statements were found in 9 (15 percent) of the 60 reports reviewed and 5 (19 percent) of 27 applicable reports reviewed did not disclose the policy for eliminating internal activity in the statement of activities.
- We reviewed a sample of 60 audit reports with pension plan note disclosures to determine the extent of compliance with GAAP. Our review disclosed deficiencies in some pension plan note disclosures. For example, 4 (17 percent) of 23 applicable reports disclosing sole or agent employer defined benefit pension plans did not provide required supplementary information about the plan's funded status. Also, 5 (28 percent) of 18 applicable reports that included a pension trust fund did not provide funding progress for the past six years, and 4 (22 percent) of 18 applicable reports did not provide employer contribution information for the past six years. Further, for 5 (23 percent) of 22 applicable reports reviewed with sole or agent employer defined benefit plans, the notes did not disclose the inflation rate assumed in the actuarial valuations.
- We reviewed of a sample of 60 audit reports with other postemployment benefit (OPEB) plan note disclosures to determine the extent of compliance with GAAP. Our review disclosed a significant number of deficiencies in OPEB plan note disclosures. For example, 35 (61 percent) of 57 applicable reports did not provide a schedule of employer contributions to the plan. Also, 15 (25 percent) of 59 applicable reports reviewed did not disclose whether the amortization period used to determine the actuarially required contribution is open or closed. Further, a statement describing the information presented in the schedule of funding progress was missing for 12 (20 percent) of 59 applicable reports reviewed.

- Section 10.556(6), Rules of the Auditor General, requires that the scope of the audit, when applicable, encompass the additional activities necessary to establish compliance with the Federal *Single Audit Act Amendments of 1996*, Public Law 104-156 (31 U.S.C.A. ss. 7501 to 7507); United States Office of Management and Budget (OMB) Circular No. A-133; other applicable Federal law; and the *Florida Single Audit Act* (i.e., Section 215.97, Florida Statutes). We reviewed a sample of 60 audit reports to determine the extent of compliance with the reporting requirements contained in OMB Circular No. A-133. We also reviewed a sample of 60 audit reports to determine the extent of compliance with the reporting requirements contained in the *Florida Single Audit Act*. Our comprehensive review disclosed various deficiencies related to Federal or State single audit requirements. For example:
  - Total amounts expended for each Federal program and State project, for which multiple awards with the same Catalog<sup>4</sup> number were reported, were not provided on 16 (35 percent) of the 46 applicable schedules of expenditures of Federal awards and on 6 (16 percent) of the 38 applicable schedules of expenditures of State financial assistance.
  - Corrective action plans for Federal awards findings did not include the name and contact information of the person responsible for the corrective action plan for 5 (71 percent) of 7 applicable reports reviewed.
  - The dollar threshold identified in the schedules of findings and questioned costs to distinguish Type A and Type B State projects was calculated incorrectly for 10 (17 percent) of the 60 reports reviewed.

A summary of the deficiencies disclosed by our comprehensive reviews, and an analysis of the deficiencies disclosed by our comprehensive reviews by type of local governmental entity, are included as Exhibit F. Because of the limited number of sample items applicable to each type of local governmental entity, we did not attempt to present comparative prior year information.

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**Recommendation:** Local governmental entities should ensure that financial statements and note disclosures (including pension plan and OPEB disclosures) are presented in accordance with GAAP. In addition, local governmental entities and their auditors should ensure that reports and schedules are prepared in accordance with the requirements of the Federal *Single Audit Act Amendments of 1996* and the *Florida Single Audit Act*.

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## OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of this project were to determine whether the audit reports for the local governmental entities submitted to us:

- Appeared to comply with GAGAS, GAAP, and Chapter 10.550 Rules of the Auditor General; and
- Were prepared by independent CPAs properly licensed by the Florida Board of Accountancy.

The scope of this project included a review of audit reports for 66 counties, 367 municipalities, and 751 special districts (a total of 1,184 entities) prepared by independent CPAs and submitted to us by July 26, 2013, for the 2011-12 fiscal year.

Our review of audit reports was conducted in accordance with applicable GAGAS. Those standards require that we plan and perform the review to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our review objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our review objectives.

Our desk review (i.e., a review that does not include an examination of the CPA's working papers) was necessarily limited to the contents of the audit reports submitted to us and did not extend to a determination of whether the auditors followed all generally accepted government auditing standards in the actual conduct of the audits. Because

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<sup>4</sup> For Federal programs, the Catalog of Federal Domestic Assistance, and for State projects, the Catalog of State Financial Assistance.

our review was limited to the contents of the audit reports provided to us, the review cannot be used as the basis for determining the extent of the entity’s compliance with applicable laws, rules, regulations, charters, contractual requirements, or bond covenants. Likewise, our desk review would not disclose whether the auditor reported all instances of noncompliance or reportable internal control deficiencies noted during the audit, or whether certain required financial disclosures were completely omitted from the audit report.

Due to the volume of reports included in this review, evaluation criteria from our rules and report review guidelines (as discussed in the Background section) were established in the following checklists: basic completeness review, and detailed comprehensive reviews for: financial statements and notes thereto; pension plan disclosures; other postemployment benefit disclosures; and compliance with the reporting requirements contained in the Federal *Single Audit Act Amendments of 1996* and the *Florida Single Audit Act*. We applied the basic completeness review checklist to the 1,184 audit reports received by us through July 26, 2013, and applied the detailed comprehensive review checklists to a sample of 60 audit reports for each comprehensive review topic.

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**AUTHORITY**

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Section 11.45(7)(b), Florida Statutes, requires us to review, in consultation with the Florida Board of Accountancy, all local governmental entity audit reports prepared by independent CPAs and submitted pursuant to Section 218.39, Florida Statutes. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our review of local governmental entity audit reports prepared by independent CPAs for the 2011-12 fiscal year.



David W. Martin, CPA  
Auditor General

**EXHIBIT A**  
**LOCAL GOVERNMENTAL ENTITIES REQUIRED TO SUBMIT AN AUDIT REPORT,**  
**BUT DID NOT FOR THE 2011-12 FISCAL YEAR**  
**AS OF OCTOBER 30, 2013**

<b>MUNICIPALITIES</b>
Astatula, Town of
Boynton Beach, City of
Century, Town of
Chipley, City of
Cottondale, City of
Gretna, Town of
Opa-locka, City of
Quincy, City of
Springfield, City of
Sweetwater, City of
Vernon, City of
Webster, City of
<b>SPECIAL DISTRICTS</b>
Almarante Fire District
Aqua Isles Community Development District (Dissolved 12/11/12)
Business Improvement District of Coral Gables
Central County Water Control District
CrossCreek Community Development District
Cypress Cove Community Development District
Cypress Creek of Hillsborough County Community Development District
Eastpoint Water and Sewer District
Fiddlers Creek Community Development District
Fiddlers Creek Community Development District #2
Freedom Walk Community Development District
Hamilton County Development Authority
Hawk's Point Community Development District
Hollywood Beach Community Development District I
K-Bar Ranch Community Development District
Magnolia Park Community Development District
Renaissance Community Development District
River Bend Community Development District
Solterra Resort Community Development District (FKA Oakmont Grove)
Spring Hill Fire Rescue and Emergency Medical Services District (Dissolved 4/13/12)
Stonebrier Community Development District
Sweetwater Creek Community Development District
Tri-County Airport Authority
Venetian Community Development District
Villages of Avignon Community Development District

**EXHIBIT B**  
**LOCAL GOVERNMENTAL ENTITIES THAT MAY HAVE BEEN REQUIRED TO PROVIDE FOR AN AUDIT,**  
**BUT DID NOT SUBMIT AN AUDIT REPORT FOR THE 2011-12 FISCAL YEAR**  
**AS OF OCTOBER 30, 2013**

<b>MUNICIPALITIES</b>
Caryville, Town of
Esto, Town of
<b>SPECIAL DISTRICTS</b>
Alexen Community Development District (Dissolved 09/25/12)
Ali-Baba Neighborhood Improvement District
Belle Verde East Community Development District
Belle Verde Golf Community Development District
Belle Verde Lake Community Development District
Chipley Redevelopment Agency
Clay Soil and Water Conservation District
East-West Neighborhood Improvement District
Flagler Soil and Water Conservation District
Gretna Neighborhood Improvement District
Heritage Harbour East Community Development District
Huntington Community Development District (Dissolved 06/06/12)
Isle of Palms Special District
Lafayette Soil and Water Conservation District
Lanark Village Water and Sewer District (Dissolved 07/11/13)
Laurel Highlands Community Development District
Moultrie Creek Community Development District
Niles Garden Neighborhood Improvement District
Northern Sweetwater Improvement District (Dissolved 01/07/13)
Polk Soil and Water Conservation District
Santa Rosa Bay Bridge Authority
Stone Dairy Creek Community Development District (Dissolved 06/12/12)
Sumter Soil and Water Conservation District
Town of Marineland Community Redevelopment Agency
Twin Creeks Community Development District (Dissolved 06/25/12)
Vizcaya Community Development District (Dissolved 04/04/12)
Vizcaya in Kendall Community Development District
Westwood Dependent Tax District
Woodbrook Community Development District (Dissolved 01/10/12)

**EXHIBIT C**  
**LOCAL GOVERNMENTAL ENTITIES NOT SUBMITTING AUDIT REPORT FOR THE 2011-12 FISCAL YEAR**  
**WITHIN 45-DAY TIME FRAME**

<b>COUNTIES</b>	<b>Days Late</b>
Santa Rosa County	19
Walton County	9
<b>MUNICIPALITIES</b>	<b>Days Late</b>
Atlantis, City of	30
Clermont, City of	8
Cooper City, City of	16
Deerfield Beach, City of	20
Fort Pierce, City of	18
Greenacres, City of	5
Hollywood, City of	14
Lady Lake, Town of	47
Lauderhill, City of	23
Laurel Hill, City of	11
Lawtey, City of	104
Miramar, City of	11
Mount Dora, City of	35
Newberry, City of	5
North Bay Village, City of	38
Oviedo, City of	45
Surfside, Town of	11
Tallahassee, City of	5
Winter Springs, City of	64
<b>SPECIAL DISTRICTS</b>	<b>Days Late</b>
Arts Council of Hillsborough County	72
Beacon Lakes Community Development District	25
Bobcat Trail Community Development District	71
Cheval West Community Development District	15
Citrus Information Cooperative	116
Columbia County Law Library	41
Country Club of Mount Dora Community Development District	102
Downtown Development Authority City of Miami	91
Fleming Island Plantation Community Development District	11
Greater Orlando Aviation Authority	12
Jackson County Hospital District	33
Lee County Trauma Services District	78
Lee Memorial Health System	78
Legends Bay Community Development District	6
Meadow Pointe II Community Development District	18
North St. Lucie River Water Control District	18
Orange County Industrial Development Authority	102

**EXHIBIT C (CONTINUED)**  
**LOCAL GOVERNMENTAL ENTITIES NOT SUBMITTING AUDIT REPORT FOR THE 2011-12 FISCAL YEAR**  
**WITHIN 45-DAY TIME FRAME**

SPECIAL DISTRICTS (Continued)	Days Late
Palatka Gas Authority	88
Palm Coast Park Community Development District	25
Pasco County Mosquito Control District	15
Pensacola-Escambia Promotion and Development Commission	70
Piney-Z Community Development District	44
Plantation Acres Improvement District	26
Ranger Drainage District	23
Seminole County Industrial Development Authority	102
South Fork Community Development District	68
Space Florida	81
Spring Ridge Community Development District	36
St. Johns Forest Community Development District	5
Stoneybrook West Community Development District	26
Tampa Palms Community Development District	42
Tampa Palms Open Space and Transportation Community Development District	10
University Place Community Development District	19
Vista Lakes Community Development District	38
Wentworth Estates Community Development District	33
Westchase Community Development District	10
Wilderness Coast Public Libraries	15
Withlacoochee Regional Water Supply Authority	50

**EXHIBIT D**  
**LOCAL GOVERNMENTAL ENTITIES SUBMITTING AUDIT REPORT FOR THE 2011-12 FISCAL YEAR**  
**AFTER 9-MONTH DEADLINE**

<b>MUNICIPALITIES</b>	<b>Date Received</b>
Arcadia, City of	08/13/13
Avon Park, City of	07/31/13
Belleair, Town of	08/09/13
Biscayne Park, Village of	09/23/13
Campbellton, Town of	07/11/13
Chattahoochee, City of	08/08/13
Crestview, City of	07/09/13
Crystal River, City of	07/12/13
Flagler Beach, City of	08/06/13
Fruitland Park, City of	07/18/13
Golden Beach, Town of	08/06/13
Groveland, City of	08/09/13
Gulfport, City of	09/20/13
Hialeah Gardens, City of	08/01/13
Indian Creek Village, Village of	08/20/13
Jacob City, City of	08/06/13
Maderia Beach, City of	08/05/13
Manalapan, Town of	07/10/13
Melbourne Village, Town of	07/05/13
Midway, City of	08/19/13
Minneola, City of	08/14/13
New Port Richey, City of	07/23/13
Noma, Town of	09/20/13
Oakland, Town of	07/24/13
South Bay, City of	08/22/13
<b>SPECIAL DISTRICTS</b>	<b>Date Received</b>
Anthem Park Community Development District	09/10/13
Arborwood Community Development District	08/30/13
Beach Mosquito Control District	07/23/13
Belmont Lakes Community Development District	09/06/13
Blackburn Creek Community Development District	08/06/13
Boggy Creek Improvement District	07/31/13
Campbellton-Graceville Hospital District	08/05/13
City Center Community Development District	09/10/13
Creekside Community Development District	07/10/13
Cypress Shadows Community Development District	09/13/13
Forest Brooke Community Development District	07/19/13
Grand Bay at Doral Community Development District	07/22/13
Greenway Improvement District	07/31/13

**EXHIBIT D (CONTINUED)**  
**LOCAL GOVERNMENTAL ENTITIES SUBMITTING AUDIT REPORT FOR THE 2011-12 FISCAL YEAR**  
**AFTER 9-MONTH DEADLINE**

SPECIAL DISTRICTS (Continued)	Date Received
Heritage Plantation Community Development District	09/11/13
Highlands Community Development District	08/01/13
Housing Finance Authority of Polk County	08/09/13
Lake Asbury Municipal Service Benefit District	09/06/13
Lexington Community Development District	08/08/13
Myrtle Creek Improvement District	07/31/13
Palace at Coral Gables Community Development District (The)	07/17/13
Panhandle Public Library Cooperative System	08/28/13
Panther Trace Community Development District	08/08/13
Panther Trace II Community Development District	08/06/13
Parkway Center Community Development District	07/25/13
Pinellas County Construction Licensing Board	08/30/13
Port St. Joe Port Authority	08/19/13
Portofino Cove Community Development District	09/04/13
Portofino Springs Community Development District	08/13/13
Putnam, Alachua, Levy, Library Cooperative	08/12/13
River Hall Community Development District	09/11/13
South Bay Community Development District	08/17/13
Southern Grove Community Development District 5	08/27/13
Suwannee Valley Transit Authority	08/16/13
Terra Bella Community Development District	08/09/13
Tolomato Community Development District	09/04/13
Tradition Community Development District 1	08/27/13
Tradition Community Development District 2	08/27/13
Tradition Community Development District 3	08/27/13
Tradition Community Development District 4	08/27/13
Tradition Community Development District 5	08/27/13
Tradition Community Development District 6	08/27/13
Tradition Community Development District 7	08/27/13
Tradition Community Development District 10	08/27/13
Verandahs Community Development District (The)	07/19/13
Villages of Westport Community Development District	09/03/13
Waters Edge Community Development District (Manatee County)	07/11/13
West Villages Improvement District	08/22/13
Westridge Community Development District	09/18/13
Zephyr Ridge Community Development District	09/11/13

**EXHIBIT E  
COMPLETENESS REVIEWS  
SUMMARY OF DEFICIENCIES  
FOR THE 2011-12 FISCAL YEAR**

Description of Deficiencies – Reports Reviewed for Total of 1,184 Entities	Number of Reports to Which Criteria Applied	<u>Counties</u>		<u>Municipalities</u>		<u>Special District</u>		<u>Total Current Year</u>		<u>Prior Fiscal Year</u>
		Number (1)	Percent (2)	Number (1)	Percent (2)	Number (1)	Percent (2)	Number (1)	Percent (3)	Percent (3)
<b>Auditor’s Report on Internal Control Over Financial Reporting and Compliance</b>										
Description of a departure from standard auditor’s report on the financial statements not included.	40	2	50	1	8	1	4	4	10	34
Statement that noncompliance (not considered material to the financial statements) or items involving internal control over financial reporting (not considered to be significant deficiencies) were communicated to management in a separate management letter not included.	374	11	24	22	13	21	13	54	14	11
<b>Auditor’s Management Letter</b>										
Reference number for each audit finding not included.	374	6	13	10	6	16	10	32	9	23
Uncorrected findings in the preceding financial audit report that were also included in the second preceding fiscal year financial audit report not identified.	310	5	17	10	8	8	5	23	7	29
Legal authority of the primary government and each component unit not included.	1,184	10	15	63	17	12	2	85	7	9
<b>Notes to Financial Statements</b>										
Criteria for including component units within the reporting entity not disclosed.	250	6	11	11	6	0	0	17	7	(4)
Methods for handling risk of loss not disclosed.	1,184	2	3	13	4	49	7	64	5	7
<b>State Financial Assistance</b>										
Schedule of expenditures of State financial assistance not included on schedule of expenditures of Federal awards.	142	2	3	5	10	3	10	10	7	7

- Notes: (1) Number of reports for which the deficiency was noted.  
 (2) Percentage of reports for which the deficiency was noted. The percentage is based on the number of reports for the respective type of local government entity to which the criterion was applied.  
 (3) Percentage of reports for which the deficiency was noted. The percentage is based on the total number of reports for all types of government entities to which the criterion was applied.  
 (4) Percentage not reported in prior fiscal year.

**EXHIBIT F**  
**COMPREHENSIVE REVIEWS**  
**SUMMARY OF DEFICIENCIES**  
**FOR THE 2011-12 FISCAL YEAR**

Description of Deficiencies – Reports Reviewed for Total of 60 Entities	Number of Reports to Which Criteria Applied	<u>Counties</u>		<u>Municipalities</u>		<u>Special Districts</u>		<u>Total Current Year</u>		
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	
		(1)	(2)	(1)	(2)	(1)	(2)	(1)	(3)	
<b>Financial Statements</b>										
Financial statements contained mathematical errors (nonrounding).	60	0	0	3	16	6	16	9	15	
Beginning net assets/fund balances presented did not agree with prior year's ending net assets/fund balances with no explanation provided.	60	0	0	3	16	1	3	4	7	
<b>Required Supplementary Information</b>										
Analysis of the balances and transactions of the individual funds and reason for significant changes not disclosed.	59	0	0	0	0	3	8	3	5	
Information reconciling budgetary basis presentation to GAAP presentation not provided.	14	0	0	0	0	4	50	4	29	
Budget not presented on the basis of accounting in which budget was adopted.	44	0	0	0	0	3	14	3	7	
<b>Notes to the Financial Statements – Other Than Pension Plan and Other Postemployment Benefit Disclosures</b>										
Significant violations of law for material overexpenditures at the legal level of control identified in the budgetary comparison schedule, or the actions taken to address these significant violations of law, not disclosed.	6	0	0	2	100	4	100	6	100	
Totals on supporting schedules or other information in the notes to financial statements did not agree with corresponding account totals on the financial statements (nonrounding).	59	0	0	1	5	2	5	3	5	
Policy for eliminating internal activity in the statement of activities not disclosed.	27	0	0	4	24	1	14	5	19	
Description of the types of transactions included in program revenues not disclosed.	46	0	0	0	0	5	21	5	11	
Principal and interest for long-term liabilities for each of five subsequent years and in five year increments thereafter not disclosed.	39	0	0	0	0	3	14	3	8	

**EXHIBIT F (CONTINUED)  
COMPREHENSIVE REVIEWS  
SUMMARY OF DEFICIENCIES  
FOR THE 2011-12 FISCAL YEAR**

Description of Deficiencies – Reports Reviewed for Total of 60 Entities	Number of Reports to Which Criteria Applied	<u>Counties</u>		<u>Municipalities</u>		<u>Special Districts</u>		<u>Total Current Year</u>	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
		(1)	(2)	(1)	(2)	(1)	(2)	(1)	(3)
<b>Pension Plan Financial Statement Note Disclosures</b>									
For defined benefit plans, identification of the plan as a defined benefit plan not disclosed.	53	2	33	3	11	3	16	8	15
For defined benefit plans, the authority under which plan benefit provisions are established or may be amended not disclosed.	53	2	33	8	29	0	0	10	19
For defined benefit plans, whether the plan issues a stand-alone financial report, or is included in a report of another entity, and how report can be obtained not disclosed.	53	0	0	2	7	1	5	3	6
For defined benefit plans, the authority under which the obligations to contribute are established or may be amended not disclosed.	53	1	17	6	21	0	0	7	13
For cost-sharing defined benefit plans, the required contribution for the current year and preceding two years and the percent contributed not disclosed.	41	1	17	3	16	2	13	6	15
For sole or agent employer defined benefit plans, the current year annual pension cost and dollar amount contributed not disclosed.	23	0	0	2	11	1	33	3	13
For sole or agent employer defined benefit plans, the annual pension cost, pension contributions, and net pension obligation for the current year and preceding two years not disclosed.	23	0	0	2	11	1	33	3	13
Inflation rate assumed in the actuarial valuations of a sole or agent employer defined benefit plan not disclosed.	22	0	0	3	17	2	67	5	23
For sole or agent defined benefit plans, required supplementary information about the plan’s funded status for the most recent and two prior actuarial valuations not presented.	23	0	0	3	16	1	33	4	17
For sole or agent defined benefit plans that do not issue a separate report, required supplementary information about the plan’s funded status or employer contributions for the most recent and two prior actuarial valuations not presented.	16	0	0	4	31	0	0	4	25

**EXHIBIT F (CONTINUED)  
COMPREHENSIVE REVIEWS  
SUMMARY OF DEFICIENCIES  
FOR THE 2011-12 FISCAL YEAR**

Description of Deficiencies – Reports Reviewed for Total of 60 Entities	Number of Reports to Which Criteria Applied	<u>Counties</u>		<u>Municipalities</u>		<u>Special Districts</u>		<u>Total Current Year</u>	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
		(1)	(2)	(1)	(2)	(1)	(2)	(1)	(3)
<b>Pension Plan Financial Statement Note Disclosures (Continued)</b>									
For entities including a pension trust fund as part of the reporting entity, a schedule of funding progress for the past six years not presented.	18	1	100	4	27	0	0	5	28
For entities including a pension trust fund as part of the reporting entity, a schedule of employer contributions for the past six years not presented.	18	1	100	3	20	0	0	4	22
For defined contribution plans, a brief description of plan provisions and the authority under which they are established or amended not disclosed.	27	0	0	2	11	1	13	3	11
<b>Other Postemployment Benefit (OPEB) Plan Financial Statement Note Disclosures</b>									
Brief description of the types of benefits and the authority under which benefit provisions are established or may be amended not disclosed.	60	0	0	3	9	3	19	6	10
Whether the OPEB plan issues a stand-alone financial report or is included in the report of another entity, and if so, how to obtain the report, not disclosed.	60	1	11	5	14	5	31	11	18
Authority under which the obligations of the plan members, employer(s), and other contributing entities to contribute to the plan are established or may be amended not disclosed.	60	0	0	2	6	2	13	4	7
Required contribution of plan members, either as a rate per member or a percentage of covered payroll, not disclosed.	18	1	17	2	20	0	0	3	17
The annual OPEB cost for the current year, and the dollar amount of contributions made, not disclosed.	59	0	0	0	0	3	19	3	5
For net OPEB obligations, the component of the annual OPEB cost and the increase/decrease in net OPEB obligation not disclosed.	59	1	11	1	3	3	19	5	8
The annual OPEB cost, percentage of that cost contributed, and net OPEB obligation for the current year and two preceding years not presented.	59	2	22	1	3	5	31	8	14

**EXHIBIT F (CONTINUED)  
COMPREHENSIVE REVIEWS  
SUMMARY OF DEFICIENCIES  
FOR THE 2011-12 FISCAL YEAR**

Description of Deficiencies – Reports Reviewed for Total of 60 Entities	Number of Reports to Which Criteria Applied	<u>Counties</u>		<u>Municipalities</u>		<u>Special Districts</u>		<u>Total Current Year</u>	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
		(1)	(2)	(1)	(2)	(1)	(2)	(1)	(3)
<b>Other Postemployment Benefit (OPEB) Plan Financial Statement Note Disclosures (Continued)</b>									
Statement that actuarial valuations involve estimates of values and probability of events far into the future and are subject to continual revision not made.	59	1	11	3	9	4	25	8	14
Statement that the schedule of funding progress presents multi-year trend information about the actuarial value of plan assets relative to the actuarial accrued liability not made.	59	4	44	3	9	5	31	12	20
Statement that calculations are based on the benefits provided under the terms of the plan at the time of each valuation and the pattern of sharing costs between employer and members not made.	58	1	11	4	12	3	20	8	14
Statement that actuarial calculations reflect long-term prospective and the methods and assumptions used are designed to reduce short-term volatility in actuarial value of assets and actuarial accrued liabilities not made.	59	1	11	5	15	4	25	10	17
The actuarial cost method used to determine the annual required contribution and funded status of the plan not disclosed.	59	1	11	2	6	3	19	6	10
The significant assumptions used (e.g. inflation rate, investment return) in the actuarial determination of annual required contribution and funded status not disclosed.	59	1	11	2	6	2	13	5	8
The method used to amortize the unfunded actuarial liability not disclosed.	59	1	11	3	9	5	31	9	15
The period over which the unfunded actuarial liability is being amortized not disclosed.	59	1	11	2	6	4	25	7	12
Whether the amortization period used to determine the current annual required contribution for the OPEB plan is open or closed not disclosed.	59	2	22	6	18	7	44	15	25
A schedule of funding progress for the most recent and two preceding actuarial valuations not presented.	57	2	22	2	6	3	20	7	12

**EXHIBIT F (CONTINUED)  
COMPREHENSIVE REVIEWS  
SUMMARY OF DEFICIENCIES  
FOR THE 2011-12 FISCAL YEAR**

Description of Deficiencies – Reports Reviewed for Total of 60 Entities	Number of Reports to Which Criteria Applied	<u>Counties</u>		<u>Municipalities</u>		<u>Special Districts</u>		<u>Total Current Year</u>	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
		(1)	(2)	(1)	(2)	(1)	(2)	(1)	(3)
<b>Other Postemployment Benefit (OPEB) Plan Financial Statement Note Disclosures (Continued)</b>									
Schedule of funding progress did not include the annual covered payroll.	57	2	22	3	9	3	20	8	14
Schedule of funding progress did not include the ratio of the unfunded actuarial liability/funding excess to the annual covered payroll.	57	2	22	3	9	3	20	8	14
A schedule of employer contributions not presented.	57	4	44	19	58	12	80	35	61
<b>Federal Awards</b>									
Total amounts expended for each Federal program, for which multiple awards with the same Catalog of Federal Domestic Assistance number were reported on the schedule of expenditures of Federal awards, not provided.	46	4	29	9	33	3	60	16	35
Report on compliance with requirements applicable to each major program and internal control over compliance did not identify the parties for whom the report was intended and disclaim use by any other parties.	60	4	29	4	11	1	9	9	15
Name and contact information of the person responsible for the plan not included in corrective action plan for Federal program findings.	7	2	67	2	67	1	100	5	71
<b>State Financial Assistance</b>									
Total amounts expended for each State project, for which multiple awards with the same Catalog of State Financial Assistance number were reported on the schedule of expenditures of State financial assistance, not provided.	38	3	14	2	18	1	20	6	16
Notes describing the significant accounting policies used in preparing the schedule of expenditures of State financial assistance not included.	60	4	17	1	5	0	0	5	8

**EXHIBIT F (CONTINUED)  
 COMPREHENSIVE REVIEWS  
 SUMMARY OF DEFICIENCIES  
 FOR THE 2011-12 FISCAL YEAR**

Description of Deficiencies – Reports Reviewed for Total of 60 Entities	Number of Reports to Which Criteria Applied	<u>Counties</u>		<u>Municipalities</u>		<u>Special Districts</u>		<u>Total Current Year</u>	
		Number (1)	Percent (2)	Number (1)	Percent (2)	Number (1)	Percent (2)	Number (1)	Percent (3)
<b>State Financial Assistance (Continued)</b>									
Report on compliance with requirements applicable to each major project and internal control over compliance cites the Executive Office of the Governor, rather than the Florida Department of Financial Services as the authority for the State projects compliance supplement.	52	2	11	3	15	3	23	8	15
Schedule of findings and questioned costs did not declare whether there were any audit findings required to be reported pursuant to Rule 10.554(1)(l)1.f., Rules of the Auditor General.	60	5	22	4	18	1	7	10	17
Schedule of findings and questioned costs did not show the correct dollar threshold used to distinguish Type A and Type B State projects.	60	3	13	5	23	2	13	10	17

- Notes: (1) Number of reports for which the deficiency was noted.  
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 (3) Percentage of reports for which the deficiency was noted. The percentage is based on the total number of reports for all types of government entities to which the criterion was applied.

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