

**REVIEW OF  
LOCAL GOVERNMENTAL ENTITY  
2014-15 FISCAL YEAR AUDIT REPORTS**

Pursuant to Section 11.45(7)(b), Florida Statutes



The review was coordinated by Richard Voss, CPA, and supervised by Derek H. Noonan, CPA.

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# REVIEW OF LOCAL GOVERNMENTAL ENTITY 2014-15 FISCAL YEAR AUDIT REPORTS

## **SUMMARY**

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State law<sup>1</sup> requires local governmental entities, such as counties and certain municipalities and special districts, to provide for annual financial audits conducted by independent certified public accountants (CPAs). Audit reports are required to be submitted to us within 45 days after delivery of the audit report to the governing body of the entity, but no later than 9 months after the end of the entity's fiscal year.<sup>2</sup>

We reviewed the 2014-15 fiscal year audit reports for local governmental entities submitted to us and determined that the information was generally presented in accordance with generally accepted accounting principles (GAAP) and the audit reports generally complied with generally accepted government auditing standards (GAGAS) and Rules of the Auditor General.<sup>3</sup> However, we noted the following instances in which audit reports were not submitted, not submitted timely, or were not prepared in accordance with all applicable requirements:

**Finding 1:** As of December 2, 2016, 77 local governmental entities had not submitted 2014-15 fiscal year audit reports to us for review. Of these local governmental entities, 37 (12 municipalities and 25 special districts) were required to submit audit reports to us and 40 entities (2 municipalities and 38 special districts) may have been required to provide for an audit. Additionally, 109 local governmental entities (6 counties, 38 municipalities, and 65 special districts) submitted the audit reports more than 9 months after the end of the entity's fiscal year and, although 123 entities (2 counties, 11 municipalities, and 110 special districts) submitted audit reports to us within the 9-month time frame, the reports were not submitted within 45 days after delivery of the audit report to the governing body of the entity.

**Finding 2:** Our completeness reviews of the 1,266 local governmental entity audit reports submitted to us by July 31, 2016, disclosed instances of noncompliance with certain requirements, primarily related to financial statement note disclosures, required supplementary information, and the independent accountant's reports.

**Finding 3:** We performed comprehensive reviews of 60 selected local governmental entity audit reports and noted certain instances of noncompliance with GAAP, GAGAS, Rules of the Auditor General, and Federal and *Florida Single Audit Act* requirements.

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<sup>1</sup> Section 218.39, Florida Statutes.

<sup>2</sup> Section 218.39(7), Florida Statutes.

<sup>3</sup> Chapter 10.550, Rules of the Auditor General, effective September 30, 2015.

## **BACKGROUND**

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State law<sup>4</sup> requires annual financial audits of local governmental entities, such as each county and municipalities and special districts meeting certain revenue or expenditure and expense thresholds. State law<sup>5</sup> defines a financial audit as an examination of financial statements in order to express an opinion on the fairness with which the statements 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 auditing standards generally accepted in the United States and generally accepted government auditing standards (*Government Auditing Standards* issued by the Comptroller General of the United States).<sup>6</sup>

State law establishes several requirements that independent certified public accountants (CPAs) must follow when conducting financial audits of local governmental entities. For example, the CPAs performing these financial audits must:

- Prepare a management letter that is included as a part of the financial audit report.<sup>7</sup>
- Discuss with the appropriate official(s) all findings that will be included in the financial audit report.<sup>8</sup>
- Conduct the audits in accordance with Rules of the Auditor General.<sup>9</sup>

In addition, State law<sup>10</sup> requires the entity's officer to provide a written statement of explanation or a rebuttal concerning the audit findings, including corrective action to be taken. The officer's written statement is to be filed with the entity's governing body within 30 days after delivery of the findings.

To assist auditors in complying with the requirements of generally accepted government auditing standards, and applicable laws, rules, and regulations, we developed rules.<sup>11</sup> These rules require the scope of a financial audit to 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*<sup>12</sup> and the *Florida Single Audit Act*.<sup>13</sup> We also developed guidelines to assist auditors, for example, in determining whether or not a local governmental entity met one or more of the financial emergency conditions described in State law<sup>14</sup> and identifying the specific condition(s) met. These rules and guidelines are made available on our Web site.

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<sup>4</sup> Section 218.39(1), Florida Statutes.

<sup>5</sup> Section 218.31(17), Florida Statutes.

<sup>6</sup> *Government Auditing Standards* incorporate by reference the auditing standards generally accepted in the United States (i.e., *American Institute of Certified Public Accountants Statements on Auditing Standards*).

<sup>7</sup> Section 218.39(4), Florida Statutes.

<sup>8</sup> Section 218.39(5), Florida Statutes.

<sup>9</sup> Section 218.39(7), Florida Statutes.

<sup>10</sup> Section 218.39(6), Florida Statutes.

<sup>11</sup> Chapter 10.550, Rules of the Auditor General, effective September 30, 2015.

<sup>12</sup> Title 31, Chapter 75, United States Code (Public Law 104-156).

<sup>13</sup> Section 215.97, Florida Statutes.

<sup>14</sup> Section 218.503(1), Florida Statutes.

# FINDINGS AND RECOMMENDATIONS

## Finding 1: Noncompliance – Audit Report Submission Requirements

State law<sup>15</sup> requires the applicable local governmental entity to submit the audit report and a written response to any report or management letter findings to us within 45 days after delivery of the audit report to the governing body of the entity, but no later than 9 months after the end of the entity's fiscal year. Table 1 quantifies, as of December 2, 2016, the number of local governmental entities that did not comply with the audit report submission requirements for the 2014-15 fiscal year.

**Table 1**  
**Noncompliance with Audit Report Submission Requirements**

Noncompliance Type	Counties	Municipalities	Special Districts	Total
Audit required, but report not submitted	-	12	25	37
Audit may have been required, but report not submitted	-	2	38	40
Audit report submitted more than 9 months after the end of the entity's fiscal year	6	38	65	109
Audit report submitted more than 45 days after delivery of the audit report to the governing body of the entity	2	11	110	123

Regarding the noncompliance shown in Table 1:

- Thirty-seven local governmental entities (12 municipalities and 25 special districts) did not submit the required audit report to us. **EXHIBIT A** of this report includes a listing of these 37 local governmental entities.
- Forty local governmental entities (2 municipalities and 38 special districts) may have been required to provide for an audit, but did not submit an audit report to us. It was not practicable for us to determine whether an audit was required because sufficient information related to each entity's revenues or expenditures and expenses was not readily available either from the entity, Florida Department of Financial Services (DFS) records, or other sources. If an entity is required to have an audit, the audit report must be filed both with the DFS<sup>16</sup> and the Auditor General. **EXHIBIT B** of this report includes a listing of these 40 local governmental entities.
- One hundred and nine local governmental entities (6 counties, 38 municipalities, and 65 special districts) submitted audit reports to us more than 9 months after the end of the entity's fiscal year. These entities' audit reports were submitted to us 11 to 153 days after the 9-month time frame elapsed. **EXHIBIT C** of this report includes a listing of these 109 local governmental entities.
- Although 123 local governmental entities (2 counties, 11 municipalities, and 110 special districts) submitted audit reports to us within the 9-month time frame, the reports were submitted 51 to 219 days after delivery of the audit report to the governing body of the entity. **EXHIBIT D** of this report includes a listing of these 123 local governmental entities.

<sup>15</sup> Section 218.39(7), Florida Statutes.

<sup>16</sup> Section 218.32(1)(d), Florida Statutes.

Local governmental entities that fail to provide for audits may be subject to consequences prescribed by State law.<sup>17</sup> Timely audits are necessary to ensure that management and those charged with governance are promptly informed of control deficiencies and financial-related noncompliance. Additionally, timely filed audit reports provide for timely review by appropriate Federal and State oversight agencies.

**Recommendation: Local governmental entities should ensure that audit reports are timely completed and submitted in accordance with State law.**

## **Finding 2: Completeness Reviews**

We performed completeness reviews for all 1,266 local governmental entity audit reports submitted to us as of July 31, 2016, to determine whether the audit reports included the required financial statements, note disclosures, reports, and other items required by generally accepted accounting principles (GAAP) and the Rules of the Auditor General;<sup>18</sup> and the extent to which the audit reports complied, for selected significant matters, with GAAP, generally accepted government auditing standards (GAGAS), and Rules of the Auditor General, as applicable. State law<sup>19</sup> requires us to request from local governmental entities any significant items omitted from audit reports and the local governmental entities are to provide us with the requested items no later than 45 days after the date of our request.

Most of the audit reports subjected to our completeness reviews included audited financial statements and notes thereto, the required independent auditor's reports on the financial statements and on internal control over financial reporting and compliance (compliance report), and the independent accountant's report of local governmental entity compliance with State law investment requirements. Additionally, most reports reviewed were generally presented in accordance with GAAP, GAGAS, and Rules of the Auditor General. However, we noted certain instances of noncompliance, many of which related to independent accountant's reports, financial statement note disclosures, and required supplementary information.

For example, 121 audit reports presented material overexpenditures at the legal level of control identified in the budgetary comparison schedules; however, all 121 audit reports either lacked a note disclosing that the overexpenditure represented a significant violation of the legally adopted budget or did not disclose actions taken to address the significant violation. In addition, 219 independent auditor's reports on the financial statements presented pension trust fund information; however, 77 (35 percent) of those reports did not include a schedule of annual money-weighted rate of returns on pension plan investments. **EXHIBIT E** of this report provides, by entity type, a summary of the deficiencies disclosed by our completeness reviews along with comparative prior year information.

We also sent letters to 108 local governmental entities, including county agencies, requesting significant items that had been omitted from audit reports and concurrently provided a copy of the request letter to the respective entity auditors. Most of the items requested from the entities related to:

- Missing or inadequate accountant's report determinations of entity compliance. For example, auditors of entities that received or expended funds related to the Deepwater Horizon oil spill did

<sup>17</sup> Section 11.40(2), Florida Statutes.

<sup>18</sup> Chapter 10.550, Rules of the Auditor General, effective September 30, 2015.

<sup>19</sup> Section 11.45(7)(b), Florida Statutes.

not always determine entity compliance with Federal and State laws, rules, regulations, contracts, or grant agreements related to the receipt and expenditure of these funds.<sup>20</sup>

- Missing auditee responses to Federal or State program audit findings, compliance report findings, or management letter findings.<sup>21</sup>
- Missing disclosures clarifying whether audit findings from the preceding financial audit report were corrected and identification of any uncorrected audit findings from the two preceding financial audit reports.<sup>22</sup>

As of October 20, 2016, 20 of the 108 local governmental entities had not provided the requested items and, pursuant to State law,<sup>23</sup> we notified the Legislative Auditing Committee.

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

**Recommendation: Local governmental entities and their auditors should ensure that audit reports contain information presented in accordance with applicable requirements.**

### **Finding 3: Comprehensive Reviews**

In addition to completeness reviews, we performed comprehensive reviews of selected audit reports for the 2014-15 fiscal year and noted errors and deficiencies. Specifically, we reviewed:

- Sixty (3 county, 17 municipality, and 40 special district) audit reports to determine the extent of compliance, on a more comprehensive basis, with GAGAS, GAAP, and Rules of the Auditor General,<sup>24</sup> and noted deficiencies pertaining to financial statements and note disclosures. For example, 8 (13 percent) of the 60 audit reports we reviewed included nonrounding mathematical errors in the financial statements. Also, audit reports for 5 (8 percent) of the 60 reports we reviewed did not include a statement that the audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.
- Sixty (6 county, 32 municipality, and 22 special district) audit reports with pension plan note disclosures to determine the extent of compliance with GAAP and noted some deficiencies. For example, 12 (50 percent) of the 24 applicable reports presenting single-employer defined benefit plan information did not provide the basis upon which contributions to the plan are determined or the authority on which the contribution is established and can be amended. Similarly, 11 (27 percent) of the 41 applicable reports presenting a defined contribution plan did not provide the authority under which provisions of the plan are established nor the authority under which contribution rates are established and can be amended. A contributing factor for the high number of exceptions may have been because GASB Statement No. 68, *Accounting and Financial*

<sup>20</sup> Section 10.556(10)(e), Rules of the Auditor General, and Section 288.8018(1), Florida Statutes.

<sup>21</sup> Sections 10.557(3)(l) and 10.558(1), Rules of the Auditor General.

<sup>22</sup> Section 10.554(1)(i)1., Rules of the Auditor General.

<sup>23</sup> Section 11.45(7)(b), Florida Statutes.

<sup>24</sup> Chapter 10.550, Rules of the Auditor General, effective September 30, 2015.

*Reporting for Pensions—an amendment of GASB Statement No. 27* significantly changed pension reporting requirements for the 2014-15 fiscal year.

- Sixty (9 county, 36 municipality, and 15 special district) audit reports with other postemployment benefit (OPEB) plan note disclosures and required supplementary information to determine the extent of compliance with GAAP and noted a significant number of deficiencies. For example, 38 (63 percent) of the 60 reports we reviewed did not disclose required plan member contributions either as a rate per member or as a percentage of covered payroll.
- Sixty (16 county, 31 municipality, and 13 special district) audit reports to determine the extent of compliance with the *Federal Single Audit Act Amendments of 1996*<sup>25</sup> and Office of Management and Budget Circular No. A-133 (Federal single audit) reporting requirements and 60 (19 county, 26 municipality, and 15 special district) audit reports to determine the extent of compliance with the *Florida Single Audit Act*<sup>26</sup> (Florida single audit) reporting requirements. Additionally, Rules of the Auditor General<sup>27</sup> require that the scope of the audit, when applicable, encompass the additional activities necessary to establish compliance with the Federal single audit and the Florida single audit.

The deficiencies we noted included, for example, the notes to the schedule of expenditures of Federal awards did not include a description of significant accounting policies used in preparing the schedule for 5 (8 percent) of the 60 Federal single audits, and the notes to the schedule of expenditures of State financial assistance did not include a description of significant accounting policies used in preparing the schedule for 7 (12 percent) of the 60 Florida single audits. Also, for Florida single audits, the dollar threshold identified in the schedule of findings and questioned costs to distinguish Type A and Type B State projects was calculated incorrectly for 6 (10 percent) of the 60 reports reviewed.

**EXHIBIT F** of this report provides a summary, by entity type, of the deficiencies disclosed by our comprehensive reviews. Because of the limited number of reports reviewed for each entity type, **EXHIBIT F** does not present comparative prior year information.

**Recommendation:** Local governmental entities should ensure that their financial statements are mathematically correct and that note disclosures, including pension plan and OPEB disclosures, are presented in accordance with GAAP. In addition, we recommend that local governmental entities improve information reported in accordance with Federal and Florida single audits to ensure the information complies with Federal and State requirements.

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<sup>25</sup> Title 31, Sections 7501 to 7507, United States Code (Public Law 104-156).

<sup>26</sup> Section 215.97, Florida Statutes.

<sup>27</sup> Section 10.556(6), Rules of the Auditor General.

## ***OBJECTIVES, SCOPE, AND METHODOLOGY***

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

- Complied with generally accepted governmental auditing standards (GAGAS), generally accepted accounting principles (GAAP), and Auditor General Rules;<sup>28</sup> and
- Were prepared by independent certified public accountants (CPAs) properly licensed by the Florida Board of Accountancy.

The scope of this project included a review of the 2014-15 fiscal year financial audit reports for 61 counties, 362 municipalities, and 843 special districts (a total of 1,266 entities) prepared by independent CPAs and submitted to us by July 31, 2016.

Our review of the 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 review was necessarily limited to the contents of the audit reports submitted to us and did not extend to an examination of the CPAs' working papers or a determination of whether the auditors followed all GAGAS in the actual conduct of the audits. Because 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 an entity's compliance with applicable laws, rules, regulations, charters, contractual requirements, or bond covenants. Likewise, our 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 of this report) were established in the following checklists: basic completeness review checklists and detailed comprehensive review checklists for the financial statements, financial statement note disclosures (other than pension plan, other postemployment benefit (OPEB) plan disclosures), pension plan note disclosures, OPEB plan note disclosures, and compliance with the Federal and Florida single audit reporting requirements. We applied the basic completeness review checklist to the 1,266 local governmental entity audit reports received by us through July 31, 2016, and we applied the detailed comprehensive review checklists to 60 local governmental entity audit reports selected for each comprehensive review topic.

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<sup>28</sup> Chapter 10.550, Rules of the Auditor General, effective September 30, 2015.

## ***AUTHORITY***

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Section 11.45(7)(b), Florida Statutes, requires the Auditor General to review, in consultation with the Florida Board of Accountancy, all local governmental entity audit reports prepared by independent certified public accountants (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 2014-15 fiscal year.



Sherrill F. Norman, CPA  
Auditor General

# EXHIBIT A

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## LOCAL GOVERNMENTAL ENTITY 2014-15 FISCAL YEAR AUDIT REPORTS THAT WERE REQUIRED BUT NOT RECEIVED AS OF DECEMBER 2, 2016

Number	Municipalities
1	Biscayne Park, Village of
2	Century, Town of
3	DeFuniak Springs, City of
4	Esto, Town of
5	Hampton, City of
6	New Port Richey, City of
7	Noma, Town of
8	Opa-locka, City of
9	Pahokee, City of
10	Springfield, City of
11	Sweetwater, City of
12	Webster, City of

Number	Special Districts
1	Avalon Beach/Mulat Fire Protection District
2	Avelar Creek Community Development District
3	Baker Fire District
4	Buckeye Park Community Development District
5	Campbellton-Graceville Hospital
6	Coquina Water Control District
7	CrossCreek Community Development District
8	Cypress Cove Community Development District
9	Cypress Shadows Community Development District
10	Dorcas Fire District
11	Forest Creek Community Development District
12	Heritage Plantation Community Development District
13	Longleaf Community Development District
14	Mirabella Community Development District
15	Oaks at Shady Creek Community Development District (Established 12/10/14)
16	Parkway Center Community Development District
17	Rivercrest Community Development District
18	South Dade Soil and Water Conservation District
19	South Fork East Community Development District
20	Southern Hills Plantation II Community Development District
21	Spring Lake Community Development District
22	Terra Bella Community Development District
23	Waters Edge Community Development District (Manatee County)
24	WaterGrass Community Development District I
25	Yellow River Soil and Water Conservation District

**37** Total Audit Reports Required But Not Received as of December 2, 2016

## EXHIBIT B

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### LOCAL GOVERNMENTAL ENTITY 2014-15 FISCAL YEAR AUDIT REPORTS THAT MAY HAVE BEEN REQUIRED BUT WERE NOT RECEIVED AS OF DECEMBER 2, 2016

Number	Municipalities
1	Belleair Shore, Town of
2	Caryville, Town of

Number	Special Districts
1	Ali-Baba Neighborhood Improvement District
2	Aqua One Community Development District (Established 1/27/15)
3	Brevard County Educational Facilities Authority
4	Bridge Harbor Community Development District (Dissolved 1/27/15)
5	Buckhead Trails Community Development District (Established 3/13/15)
6	Bullfrog Creek Community Development District
7	Carlton Lakes Community Development District (Established 3/25/15)
8	Cone Ranch South Community Development District (Established 11/20/14)
9	Coquina Road and Bridge District
10	Duval County Research and Development Authority
11	Duval Soil and Water Conservation District
12	East-West Neighborhood Improvement District
13	Florida PACE Funding Agency
14	Gamble Creek Community Development District (Established 5/6/15)
15	Green Corridor Property Assessment Clean Energy (PACE) District
16	Heritage Harbour East Community Development District (Dissolved 9/25/15)
17	Holmes Creek Soil and Water Conservation District
18	Hunter's Lake Special Dependent Tax District
19	La Collina Community Development District
20	Laguna Estates Community Development District
21	Laurel Highlands Community Development District
22	Martin Soil and Water Conservation District
23	Merrick Park Community Development District
24	Millers Creek Special District (Established 2/10/15)
25	New Port Richey Community Redevelopment Agency
26	Niles Garden Neighborhood Improvement District
27	Orange Hill Soil and Water Conservation District
28	Polk Soil and Water Conservation District
29	Santa Rosa Bay Bridge Authority
30	Southbay Community Development District (Manatee County)
31	Springfield Community Redevelopment Agency
32	Summit at Fern Hill Community Development District (Established 3/25/15)
33	Suncoast Community Development District
34	Tarawood Special Dependent Tax District
35	Taylor Soil and Water Conservation District

<b>Number</b>	<b>Special Districts(Continued)</b>
36	Treaty Oaks Community Development District
37	Village Estates West Special District
38	Westwood Dependent Tax District
<b><u>40</u></b>	<b>Total Audit Reports That May Have Been Required But Were Not Received as of December 2, 2016</b>

## EXHIBIT C

### LOCAL GOVERNMENTAL ENTITY 2014-15 FISCAL YEAR AUDIT REPORTS SUBMITTED MORE THAN 9 MONTHS AFTER FISCAL YEAR END

Number	Counties	Date Received
1	Baker County	09/09/16
2	Dixie County	08/18/16
3	Gilchrist County	08/10/16
4	Pasco County	11/03/16
5	St. Johns County	07/27/16
6	Union County	08/16/16

Number	Municipalities	Date Received
1	Apalachicola, City of	08/12/16
2	Astatula, Town of	10/14/16
3	Atlantis, City of	07/29/16
4	Belleair, Town of	09/19/16
5	Boynton Beach, City of	08/24/16
6	Bunnell, City of	08/10/16
7	Campbellton, Town of	07/16/16
8	Carrabelle, City of	08/05/16
9	Chattahoochee, City of	11/22/16
10	Cloud Lake, Town of	08/24/16
11	Cooper City, City of	07/20/16
12	Crestview, City of	08/04/16
13	Deerfield Beach, City of	07/19/16
14	Delray Beach, City of	08/16/16
15	El Portal, Village of	11/06/16
16	Everglades City, City of	07/29/16
17	Frostproof, City of	08/04/16
18	Fruitland Park, City of	08/17/16
19	Indian Shores, Town of	10/21/16
20	Islamorada, Village of	07/25/16
21	Jacob City, City of	11/30/16
22	Manalapan, Town of	07/20/16
23	Mangonia Park, Town of	07/12/16
24	Melbourne Beach, Town of	11/03/16
25	Mexico Beach, City of	07/28/16
26	Monticello, City of	08/15/16
27	Panama City Beach, City of	09/14/16
28	Paxton, City of	07/14/16
29	Redington Shores, Town of	08/08/16
30	Riviera Beach, City of	08/30/16
31	Safety Harbor, City of	07/26/16
32	Shalimar, Town of	08/15/16
33	Tequesta, Village of	07/12/16
34	Venice, City of	08/16/16
35	Vernon, City of	10/26/16

<b>Number</b>	<b>Municipalities (Continued)</b>	<b>Date Received</b>
36	Wildwood, City of	07/27/16
37	Wilton Manors, City of	07/14/16
38	Zephyrhills, City of	08/31/16

<b>Number</b>	<b>Special Districts</b>	<b>Date Received</b>
1	Alafia Preserve Community Development District	07/27/16
2	Amelia Island Mosquito Control District	09/23/16
3	Anastasia Mosquito Control District of St. Johns County	07/15/16
4	Argyle Fire District	09/27/16
5	Ballentrae Hillsborough Community Development District	08/22/16
6	Belmont Lakes Community Development District	08/26/16
7	Business Improvement District of Coral Gables	07/14/16
8	Citrus, Levy, Marion Regional Workforce Development Board (Fiscal year ended 06/30/15)	08/16/16
9	City Gate Community Development District	09/26/16
10	Clearwater Cay Community Development District	09/02/16
11	Collier Soil and Water Conservation District	07/27/16
12	Country Village Special Dependent District	08/15/16
13	Creekside Community Development District	08/19/16
14	Destin Fire Control District	07/28/16
15	Downtown Development Authority City of Miami	07/18/16
16	Eagle Ridge Community Development District	07/27/16
17	East Lake Tarpon Special Fire Control District	07/26/16
18	Eastpoint Water and Sewer District	09/26/16
19	Flagler Estates Road and Water Control District	07/18/16
20	Florida Keys Mosquito Control District	10/31/16
21	Hacienda Lakes Community Development District	08/12/16
22	Hammock Bay Community Development District	08/03/16
23	Harbour Waterway Special District (Fiscal year ended 06/30/15)	04/25/16
24	Highlands Community Development District	08/25/16
25	Hillsborough County Public Transportation Commission	08/23/16
26	Holley-Navarre Fire District	10/05/16
27	Housing Finance Authority of Lee County	07/18/16
28	Indian Trail Improvement District	09/27/16
29	Jackson Soil and Water Conservation District	09/19/16
30	Key Marco Community Development District	08/25/16
31	Lakeside Landings Community Development District	11/03/16
32	Madison County Health and Hospital District	08/11/16
33	Midtown Orlando Community Development District	09/29/16
34	New Port – Tampa Bay Community Development District	07/19/16
35	New River Community Development District	09/28/16
36	North Bay Fire District	08/17/16
37	North St. Lucie River Water Control District	07/11/16
38	Northwood Community Development District	10/05/16
39	PAL Public Library Cooperative	08/19/16
40	Palm Beach Workforce Development Consortium	08/16/16
41	Palm Harbor Special Fire Control and Rescue District	08/09/16
42	Palm River Community Development District	11/10/16
43	Palms of Terra Ceia Bay Community Development District	10/10/16

<b>Number</b>	<b>Special Districts (Continued)</b>	<b>Date Received</b>
44	Park Place Community Development District	08/03/16
45	Parker Road Community Development District	10/04/16
46	Pembroke Harbor Community Development District	08/18/16
47	Pensacola-Escambia Promotion and Development Commission	08/15/16
48	Pinellas Suncoast Fire and Rescue District	07/20/16
49	Port St. Joe Port Authority	08/10/16
50	River Bend Community Development District	11/10/16
51	Rupert J. Smith Law Library of St. Lucie County	08/22/16
52	Seminole County Industrial Development Authority	08/18/16
53	South Central Regional Wastewater Treatment and Disposal Board	08/26/16
54	Space Florida (Fiscal Year End 6/30/15)	06/27/16
55	Suwannee County Conservation District	09/09/16
56	Suwannee Water and Sewer District	07/21/16
57	Tampa Bay Water, A Regional Water Supply Authority	07/12/16
58	Taylor County Development Authority	07/14/16
59	Three Rivers Regional Library System	08/04/16
60	Tolomato Community Development District	07/29/16
61	Tri-County Airport Authority	09/26/16
62	Villages of Avignon Community Development District	09/6/16
63	Vizcaya In Kendall Community Development District	10/03/16
64	Willow Walk Community Development District	10/05/16
65	Wynmere West Community Development District	09/06/16

**109 Total Audit Reports Submitted More Than 9 Months After Fiscal Year End**

## EXHIBIT D

### LOCAL GOVERNMENTAL ENTITY 2014-15 FISCAL YEAR AUDIT REPORTS SUBMITTED MORE THAN 45 DAYS AFTER REPORT WAS DELIVERED TO THE ENTITY'S GOVERNING BODY

Number	Counties	Days Late
1	Osceola County	6
2	Wakulla County <sup>a</sup>	12

Number	Municipalities	Days Late
1	Belle Isle, City of	132
2	Clermont, City of	7
3	Greenwood, Town of	150
4	Gulf Breeze, City of	9
5	Hollywood, City of	11
6	Lake Butler, City of <sup>a</sup>	9
7	Mascotte, City of	17
8	Mount Dora City of	11
9	Rockledge, City of	12
10	St. Marks, City of	22
11	Sea Ranch Lakes, Village of <sup>a</sup>	81

Number	Special Districts	Days Late
1	Arts Council of Hillsborough County <sup>a</sup>	155
2	Astoria Community Development District	60
3	Bahia Lakes Community Development District	24
4	Bainebridge Community Development District	18
5	Beacon Lakes Community Development District	54
6	Bobcat Trail Community Development District	24
7	Bridgewater Community Development District	8
8	Briger Community Development District	95
9	Brighton Lakes Community Development District	53
10	Canaveral Port District	24
11	Catalina At Winkler Preserve Community Development District	18
12	Cedar Hammock Community Development District	76
13	Celebration Community Development District	39
14	Central Florida Regional Transportation Authority	45
15	Cheval West Community Development District	6
16	City of Naples Airport Authority	6
17	Colonial Country Club Community Development District	11
18	Country Greens Community Development District	39
19	Country Walk Community Development District	9
20	Country Line Drainage District	9
21	Covington Park Community Development District	15
22	Deer Island Community Development District	9
23	Delray Beach Community Redevelopment Agency <sup>a</sup>	19
24	Delta Farms Water Control District <sup>a</sup>	89
25	DG Farms Community Development District	80

<b>Number</b>	<b>Special Districts (Continued)</b>	<b>Days Late</b>
26	Doctor's Memorial Hospital (Holmes County Hospital Corporation)	102
27	Dovera Community Development District	99
28	Eagle Pointe Community Development District	87
29	East Mulloch Drainage District	32
30	East Park Community Development District	25
31	Eastlake Oaks Community Development District	74
32	Enterprise Community Development District	21
33	First Coast Workforce Development Consortium	18
34	Fishhawk Community Development District	17
35	Fishhawk Community Development District III	60
36	Fishhawk Community Development District IV	33
37	Fleming Island Plantation Community Development District	22
38	Glen St. Johns Community Development District	32
39	Griffin Lakes Community Development District	64
40	Habitat Community Development District	35
41	Halifax Hospital Medical Center	24
42	Hammocks Community Development District	29
43	Harmony Community Development District	7
44	Heritage Greens Community Development District	22
45	Heritage Harbor Community Development District	24
46	Heritage Isles Community Development District	24
47	Heritage Lake Park Community Development District	42
48	Heritage Oak Park Community Development District	15
49	Heritage Palms Community Development District	29
50	Heritage Springs Community Development District	18
51	Hidden Creek Community Development District	9
52	Indian Ridge Villas Common Facilities District <sup>a</sup>	24
53	International Drive Master Transit and Improvement District <sup>a</sup>	64
54	Jacksonville Port Authority	9
55	Laguna Lakes Community Development District	72
56	Lake Bernadette Community Development District	49
57	Lake Heather Special Dependent Tax District	174
58	Lee County Trauma Services District	98
59	Lee Memorial Health System	98
60	Legends Bay Community Development District	9
61	Lexington Community Development District	31
62	Lexington Oaks Community Development District	38
63	Maple Ridge Community Development District	72
64	Marshall Creek Community Development District	39
65	Meadow Pointe Community Development District	53
66	Meadow Pointe II Community Development District	80
67	Meadow Pointe III Community Development District	55
68	Meadow Pointe IV Community Development District	24
69	Mira Lago West Community Development District	49
70	Naples Heritage Community Development District	10
71	Northeast Florida Regional Transportation Commission	100
72	Oak Creek Community Development District	18

Number	Special Districts (Continued)	Days Late
73	Oakstead Community Development District	28
74	Overoaks Community Development District	49
75	Palma Sola Trace Community Development District	43
76	Pasco County Mosquito Control District <sup>a</sup>	168
77	Piney-Z Community Development District	45
78	Poinciana Community Development District	31
79	Poinciana West Community Development District	45
80	Port of The Islands Community Improvement District	36
81	Preserve at Wilderness Lake Community Development District, The	65
82	Riverwood Community Development District	45
83	Sarasota County Public Hospital District	26
84	Seminole Improvement District	50
85	Somerset Community Development District	122
86	South Florida Regional Transportation Authority	26
87	South Fork Community Development District	29
88	South Lake County Hospital District <sup>a</sup>	107
89	Spicewood Community Development District	126
90	Spring Ridge Community Development District	24
91	St. Johns Forest Community Development District	52
92	Stevens Plantation Community Development District	79
93	Stoneybrook West Community Development District	73
94	Tampa Palms Open Space and Transportation Community Development District	37
95	Tara Community Development District	53
96	Town Center at Palm Coast Community Development District	7
97	Trails Community Development District	10
98	University Place Community Development District	24
99	Upper Captiva Fire Protection and Rescue Service District	18
100	Urban Orlando Community Development District	18
101	Vasari Community Development District	44
102	VillaSol Community Development District	29
103	Vista Lakes Community Development District	73
104	Waterchase Community Development District	50
105	WaterGrass Community Development District II	46
106	Waterset North Community Development District	18
107	Westchase Community Development District	78
108	Woodlands Community Development District, The	23
109	World Commerce Community Development District	17
110	Zephyr Ridge Community Development District <sup>a</sup>	14

**123 Total Number of Audit Reports Not Submitted Within 45 Days After the Report was Delivered to the Entity's Governing Body (Reports were Submitted Within 9 Months After Fiscal Year End)**

- <sup>a</sup> Local governmental entity did not provide us with the date of the delivery of the audit report to the entity's governing body; consequently, we used the report date as the date of delivery for purposes of determining the number of days late.

## EXHIBIT E

### SUMMARY OF DEFICIENCIES NOTED DURING COMPLETENESS REVIEWS OF 2014-15 FISCAL YEAR AUDIT REPORTS

Description of Deficiencies	Number of Reports to Which Criterion Applied <sup>a</sup>	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>c</sup>
<b>Independent Auditor's Report:</b> The opinion on the financial statements did not correctly identify the opinion units upon which the auditor was opining.	1,266	-	-	5	1	65	8	70	6
<b>Auditor's Report on Internal Control Over Financial Reporting and Compliance:</b> The report did not include a description of a modified or disclaimed opinion identified in the auditor's opinion on the financial statements.	46	1	100	4	33	9	27	14	30
<b>Auditor's Management Letter:</b> Neither the management letter nor the notes to financial statements included the legal authority of the primary government and each component unit not included in the reporting entity.	1,266	10	16	105	29	56	7	171	14
<b>Independent Accountant's Report:</b> The report did not include an opinion of whether the county expended E911 funds for authorized purposes.	62	14	23	-	-	-	-	14	23
The report did not include an opinion of whether the clerk of the court complied with budgetary and performance standards.	62	6	10	-	-	-	-	6	10
The report did not include an opinion of whether the clerk of the court complied with requirements for the operation of its depository for alimony, support, and maintenance transactions.	61	15	25	-	-	-	-	15	25
The report did not include an opinion of whether or not the local governmental entity received and expended Deepwater Horizon oil spill funds in compliance with State and Federal laws, rules, regulations, and contracts.	25	-	-	7	58	2	40	9	36
<b>Notes to Financial Statements:</b> The notes did not disclose criteria for including component units within the reporting entity.	263	9	20	20	11	8	20	37	14
The notes did not disclose that significant violations of the legally adopted budget occurred or the actions taken to address these significant violations of law for material budgetary overexpenditures at the legal level of budgetary control.	121	9	100	54	100	58	100	121	100
The notes did not disclose risks of loss to which the entity is exposed and the way those risks are mitigated.	1,265	1	2	6	2	56	7	63	5
<b>Required Supplementary Information:</b> The audit report did not include a schedule of employer's proportionate share of collective net pension liability, covered payroll, and fiduciary net position as a percentage of total pension liability for cost-sharing, defined-benefit pension plans.	378	2	3	16	10	17	11	35	9

Description of Deficiencies	Number of Reports to Which Criterion Applied <sup>a</sup>	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>c</sup>
<b>Required Supplementary Information (Continued):</b>									
The audit report did not include a schedule of employer's required contribution, comparison of required contribution with actual contribution, and covered payroll for cost-sharing defined-benefit pension plans.	378	2	3	18	11	14	9	34	9
The audit report did not include a schedule of money-weighted rate of return on pension plan investments.	219	1	33	59	32	17	52	77	35
The audit report did not include a schedule of funding progress or schedule of employer contributions for an other postemployment benefit (OPEB) plan.	400	5	9	18	8	17	16	40	10
<b>State Financial Assistance:</b>									
The schedule of expenditures of State financial assistance was not combined with the schedule of expenditures of Federal awards.	125	3	6	2	4	2	8	7	6

<sup>a</sup> Completeness reviews were performed for each of the 1,266 audit reports submitted to us as of July 31, 2016, although the review criteria did not always apply to each report.

<sup>b</sup> The percent is based on the number of reports for the respective type of local governmental entity to which each criterion was applied.

<sup>c</sup> The percent is based on the total number of reports for all types of governmental entities to which each criterion was applied.

# EXHIBIT F

## SUMMARY OF DEFICIENCIES NOTED DURING COMPREHENSIVE REVIEWS OF 2014-15 FISCAL YEAR AUDIT REPORTS

Description of Deficiencies	Number of Reports to Which Criterion Applied <sup>a</sup>	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>c</sup>
<b>Financial Statements:</b>									
Financial statements contained mathematical errors (nonrounding).	60	-	-	4	24	4	10	8	13
The statement of changes in fiduciary net position for the pension plan trust fund did not report the difference between total additions and total deductions as a net increase/(decrease) in net position.	24	-	-	19	91	-	-	19	79
<b>Auditor's Report on the Financial Statements:</b>									
The opinion on the financial statements did not include a reference to <i>Government Auditing Standards</i> issued by the Comptroller General of the United States.	60	-	-	-	-	5	13	5	8
<b>Notes to Financial Statements (Other than Pension Plan and Other Postemployment Benefit (OPEB) Plan Disclosures):</b>									
The notes did not identify types of revenues classified as program revenues.	46	1	33	-	-	3	12	4	9
<b>Pension Plan Note Disclosures:</b>									
For single-employer defined benefit plans, the notes did not identify the public employee retirement system or plan.	24	1	100	2	10	-	-	3	13
For single-employer defined benefit plans, the notes did not disclose the plan benefit types and benefits terms.	24	1	100	2	10	-	-	3	13
For single-employer defined benefit plans, the notes did not disclose the authority under which contribution requirements are established and can be amended, the contribution rates, and the basis for determining the contribution.	24	1	100	9	43	2	100	12	50
For single-employer defined benefit plans, the notes did not include significant assumptions and inputs used to measure the total pension liability, such as inflation rates, projected salary and benefits changes, cost-of-living adjustments (COLA), source of mortality assumptions, and dates of experience studies.	24	-	-	4	19	1	50	5	21
For single-employer defined benefit plans, the notes did not disclose asset allocations of the plan's portfolio, including expected real rates of return for each asset class and indication whether the returns are presented on arithmetic or geometric mean.	24	-	-	4	19	-	-	4	17
For single-employer defined benefit plans, the notes did not include information regarding the plan's board of directors and its composition.	24	1	100	6	29	1	50	8	33

Description of Deficiencies	Number of Reports to Which Criterion Applied <sup>a</sup>	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>c</sup>
<b>Pension Plan Note Disclosures (Continued):</b>									
For single-employer defined benefit plans, the notes did not disclose how the fair value of the investments is determined.	24	1	100	4	19	-	-	5	21
For single-employer defined benefit plans, the notes either excluded the annual money-weighted rate of return on investments or excluded an explanation that the rate is net of investment expense.	24	-	-	8	38	1	50	9	38
For cost-sharing defined benefit plans, the notes did not disclose the employees covered, types of benefits, pension formula, and authority under which plan benefit provisions are established and may be amended.	34	2	33	1	7	3	21	6	18
For cost-sharing defined benefit plans, the notes did not disclose significant assumptions and inputs used to measure the total pension liability, such as inflation, salary changes, COLA, source of mortality assumptions, and dates of experience studies.	34	-	-	2	14	2	14	4	12
For cost-sharing defined benefit plans, the notes did not disclose the asset allocation of the plan's portfolio showing expected real rates of return for each asset class and providing whether the returns are presented on arithmetic or geometric means.	34	-	-	2	14	3	21	5	15
For cost-sharing defined benefit plans, the notes did not disclose projected cash flow assumptions as they relate to the discount rate used to determine the total pension liability.	34	2	33	-	-	4	29	6	18
For cost-sharing defined benefit plans, the notes did not include the long-term expected rate of return on plan investments and a description of how it was determined.	34	-	-	-	-	4	29	4	12
For cost-sharing defined benefit plans, the notes did not include the employer's proportionate share of the total pension liability, fiduciary net position, and net pension liability, and the basis on which the proportion was determined and the change from the prior measurement date.	34	-	-	1	7	2	14	3	9
For cost-sharing defined benefit plans, the notes did not disclose both the measurement date and the actuarial valuation date.	34	-	-	1	7	2	14	3	9
For cost-sharing defined benefit plans, the notes did not include the employer's balance of related deferred inflows and outflows and the individual components thereof.	34	-	-	1	7	2	14	3	9
For cost-sharing defined benefit plans, the notes excluded a schedule showing the amounts of related deferred inflows and outflows that will be recognized in future fiscal years' pension expense.	34	-	-	1	7	2	14	3	9
For defined contribution plans, the notes did not disclose the public employee retirement system or administrator of the plan.	41	1	20	4	19	3	20	8	20
For defined contribution plans, the notes did not specify the authority under which provisions of the plan are established and can be amended.	41	1	20	4	19	6	40	11	27

Description of Deficiencies	Number of Reports to Which Criterion Applied <sup>a</sup>	County Reports with Deficiencies		Municipality Reports with Deficiencies		Special District Reports with Deficiencies		Total Reports with Deficiencies	
		Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>b</sup>	Number	Percent <sup>c</sup>
<b>Pension Plan Note Disclosures (Continued):</b>									
For defined contribution plans, the note did not disclose the contribution requirements, and the authority under which contribution rates are established and can be amended.	41	1	20	4	19	6	40	11	27
For defined contribution plans, the notes did not disclose the amount of pension expense recognized during the reporting period.	41	2	40	2	10	4	27	8	20
<b>OPEB Plan Note Disclosures:</b>									
The notes did not disclose 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.	60	1	11	3	8	2	13	6	10
The notes did not include required contributions of plan members, either as a rate per member or a percentage of covered payroll.	60	4	44	21	58	13	87	38	63
<b>OPEB Plan Required Supplementary Information:</b>									
The audit report did not include a schedule of funding progress for the most recent and two preceding actuarial valuations.	60	-	-	3	8	3	20	6	10
<b>Federal Awards:</b>									
The notes to the schedule of expenditures of Federal awards did not describe the significant accounting policies used in preparing the schedule.	60	1	6	3	10	1	8	5	8
The auditor's opinion on the schedule of expenditures of Federal awards did not state that the audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole.	60	2	13	-	-	1	8	3	5
<b>State Financial Assistance:</b>									
The notes to the schedule of expenditures of State financial assistance did not describe the significant accounting policies used in preparing the schedule.	60	2	11	5	19	-	-	7	12
The report on compliance and internal control over compliance did not cite the Florida Department of Financial Services as the authority of the State Projects Compliance Supplement.	60	-	-	3	12	-	-	3	5
The schedule of findings and questioned costs did not include a statement as to whether there were any audit findings required to be reported.	60	5	26	4	15	-	-	9	15
The dollar threshold used to distinguish Type A and Type B State projects in the schedule of findings and questioned costs was not correctly calculated.	60	2	11	2	8	2	13	6	10

<sup>a</sup> Comprehensive reviews were performed for 60 selected reports, although the review criteria did not always apply to each report.

<sup>b</sup> The percent is based on the number of reports for the respective type of local government entity to which each criterion was applied.

<sup>c</sup> Percent of reports for which the deficiency was noted. The percent is based on the total number of selected reports for all types of governmental entities to which each criterion was applied.