



**Community Redevelopment Agency  
City of Groveland, Florida  
FINANCIAL STATEMENTS  
Year Ended September 30, 2020**



**CRI** CARR  
RIGGS &  
INGRAM

CPAs and Advisors

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**Groveland Community Redevelopment Agency**  
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**September 30, 2020**

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**Groveland Community Redevelopment Agency  
Agency Officials  
As of September 30, 2020**

**COMMUNITY REDEVELOPMENT  
AGENCY GOVERNING BOARD**

Evelyn Wilson, Chair  
Mike Radzik, Vice Chair  
Mike Smith, Member  
Dina Sweatt, Member  
Briggett Brannon, At-Large Member  
Vacant, At-Large Member

**CRA STAFF**

Michael Hein, City Manager  
Anita Geraci-Carver, Esq, City Attorney  
Dan Murphy, CRA Manager  
John M. Jones, CRA Coordinator  
Chief Shawn Ramsey, Sergeant-at-Arms



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## **INDEPENDENT AUDITORS' REPORT**

The Honorable Chair and Board Members  
Groveland Community Redevelopment Agency

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the major fund of the Groveland Community Redevelopment Agency (the "Agency"), a component unit of the City of Groveland, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Agency, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

*Carly Riggs & Ingram, L.L.C.*

Melbourne, Florida

June 30, 2021

## Groveland Community Redevelopment Agency Management's Discussion and Analysis

As management of the City of Groveland (the "City") Community Redevelopment Agency (the "Agency" and "CRA"), we offer readers of the Agency's financial statements this narrative overview of the financial activities of the Agency for the fiscal year ended September 30, 2020.

### FINANCIAL HIGHLIGHTS

- Total assets and liabilities of the Agency as of September 30, 2020, were \$464,482 and \$67,520, respectively.
- Entity-wide total revenues of \$719,795 consisted of \$291,692 and \$18,977 of property taxes assessed, collected, and remitted directly by Lake County and the Lake County Water Authority respectively, \$292,191 in transferred tax incremental funding collected by the City, \$59,535 in federal grants and \$57,400 in miscellaneous revenues. Total expenses were \$1,049,877.
- The assets of the Agency exceeded its liabilities at the close of the most recent fiscal year by \$396,962 (net position). As required by Florida Statutes, this entire amount is restricted for the purpose of fulfilling the Agency's Community Redevelopment Plan.
- The Agency's total net position decreased by \$254,535 or 39% due to current year operations. This is the result of the Agency's strategic goal to utilize the current and expected future resources of the Agency in the most effective strategic manner to fulfill its mission.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements, which comprise three components: (1) entity-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

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

The statement of net position presents information on all the Agency's assets, deferred outflows, liabilities, and deferred inflows, with the difference between these four financial statement elements reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. However, this should be interpreted from the perspective that the Agency's duration is set to expire in 2022.

The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, vacation leave).



## Groveland Community Redevelopment Agency Management's Discussion and Analysis

Both of the entity-wide financial statements present functions of the Agency from a programmatic perspective. All assets, liabilities, and activities are governmental in nature. The activities of the Agency include general government and planning and development.

The entity-wide financial statements can be found on pages 10 through 11 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency is classified as a governmental fund, in that it is almost entirely supported by taxpayer revenues.

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

Because the focus of a governmental fund is narrower than that of the entity-wide financial statements, it is useful to compare the information presented for the governmental fund with similar information presented for governmental activities in the entity-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City adopts an annual appropriated budget for the CRA. A budgetary comparison schedule has been provided for the Agency to demonstrate compliance with the budget and is presented as required supplementary information. The governmental fund financial statements can be found on pages 12 to 16 of this report.

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

The notes to the financial statements can be found on pages 17 through 25 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as budgetary comparison information.

The required supplementary information can be found on pages 29 and 30 of this report.

## Groveland Community Redevelopment Agency Management's Discussion and Analysis

### ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the Agency, assets exceeded liabilities by \$396,962 at September 30, 2020.

		<u>Statement of Net Position</u>	
		<u>Governmental Activities</u>	
		2020	2019
<b>Assets:</b>			
Cash and cash equivalents	\$	426,897	\$ 575,708
Due from other governments		37,585	-
Prepaid items		-	172,433
Total assets		<u>464,482</u>	<u>748,141</u>
<b>Liabilities:</b>			
Accounts payable		37,091	91,948
Accrued payroll and related liabilities		1,913	4,696
Due to other funds		28,516	-
Total liabilities		<u>67,520</u>	<u>96,644</u>
<b>Net Position:</b>			
Restricted for:			
Community Development		396,962	651,497
	<u>\$</u>	<u>396,962</u>	<u>\$ 651,497</u>

## Groveland Community Redevelopment Agency Management's Discussion and Analysis

All of the Agency's net position reflects cash restricted for the purposes of fulfilling the Agency's Plan. With the addition of prepaid items, this held true in the prior year. This restriction is internal and external, as it is a requirement of Florida State Statutes, as well as enacted by a specific resolution of the Board. The restricted net position decreased by \$254,535 in Fiscal Year 2020.

	<b>Statement of Activities</b>	
	Governmental Activities	
	2020	2019
<b>Revenues:</b>		
<b>Program revenues</b>		
Operating grants & contributions	59,535	-
<b>General Revenues:</b>		
Property taxes	602,860	535,331
Miscellaneous	57,400	55,900
<b>Total revenues</b>	719,795	591,231
 Expenses:		
Community development	1,049,877	740,581
<b>Total expenses</b>	1,049,877	740,581
Increase (decrease) in net position before transfers	(330,082)	(149,350)
Transfers	75,547	-
Decrease in net position	(254,535)	(149,350)
Net position, October 1	651,497	800,847
<b>Net position, September 30</b>	396,962	651,497

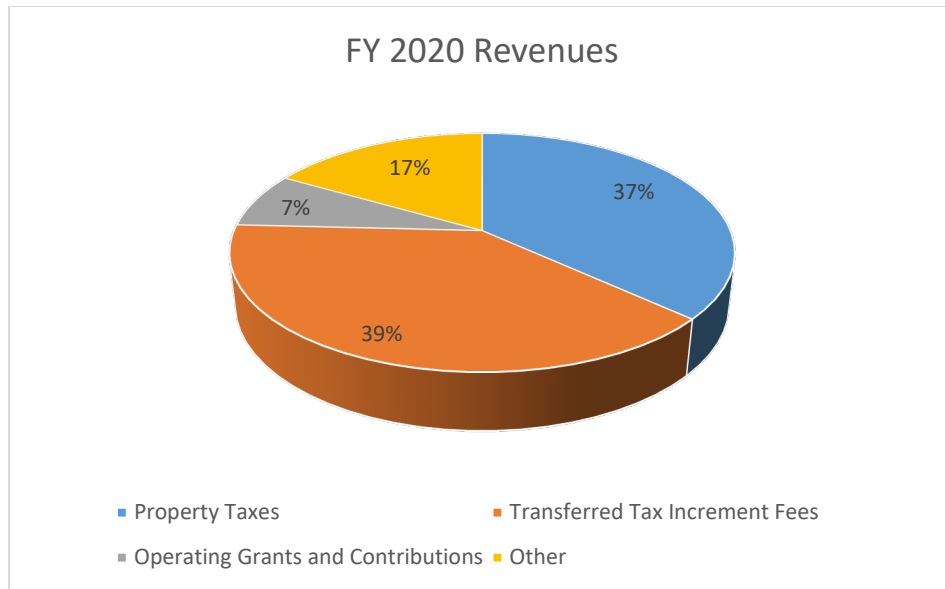
**Governmental activities.** Total revenues, including transfers, increased the Agency's net position by \$795,342, compared to \$591,231 in the prior year. Revenues and transfers increased by 35 percent or \$204,111 with the largest increases related to \$59,535 in Community Development Block Grant (CDBG) funding for housing rehabilitation and transfers in from other funds of \$75,547. Property taxes and transferred tax incremental revenues increased \$67,529.

Total expenditures decreased the Agency's net position by \$1,049,877. Expenditures increased compared to 2019 by \$309,296, with the largest increases related to capital improvements, an increase of \$279,416.

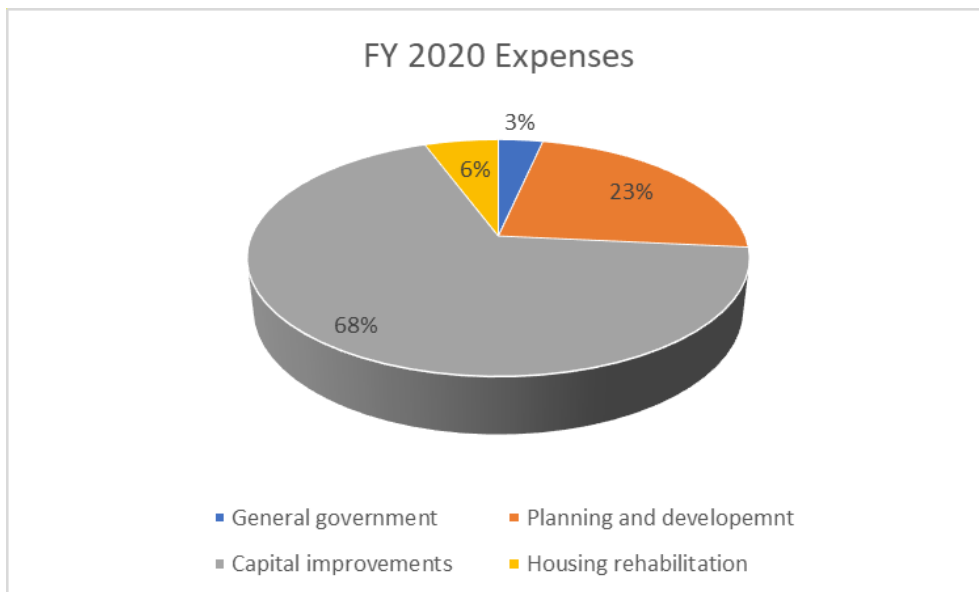
## Groveland Community Redevelopment Agency Management's Discussion and Analysis

The following graphs depict the composition of the Agency's revenues and expenses.

### Revenue by Source - Governmental Activities as a Percentage of Total Revenues



### Expenses by Program - Governmental Activities as a Percentage of Total Expenses



# Groveland Community Redevelopment Agency Management's Discussion and Analysis

## FINANCIAL ANALYSIS OF THE FUND

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

In its 18<sup>th</sup> year of existence, the Agency's fund balance decreased by \$314,070 after decreasing \$149,350 in the prior year. The revenues for this fund are derived from the additional tax revenue generated by new construction and improvements in taxable assessed values, as the Agency is continuing to implement plans and improvements to the area, funds were expended primarily on the debt service, façade grants, and consulting fees. An allocation of \$292,191, consisting of taxes generated by the "incremental" growth between the current value and the base year value, was made from the City of Groveland's General Fund to the Agency. Additional tax increment fees of \$310,669 were assessed, collected, and remitted to the Agency by the Lake County Board of County Commissioners and the Lake County Water Authority.

During the current year, the Agency expended \$338,049 on administration and planning and development activities. An additional \$711,828 was expended on capital outlay, which consisted primarily of land and building acquisitions in the amount of \$234,628, streetscaping in the amount of \$30,921 and park improvements in the amount of \$437,816.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital assets.** The Agency's investments in capital assets are transferred to the City of Groveland, as the Agency's enabling legislation and Plan do not facilitate the care, maintenance, and ownership of capital assets. This investment in capital assets includes land, buildings, improvements, and infrastructure in designated areas of the City of Groveland which have been specifically identified for redevelopment initiatives.

**Long-term debt.** The Agency has no debt.

## REQUESTS FOR INFORMATION

Questions about this report or requests for additional financial information should be addressed to:

City of Groveland  
Finance Department  
156 S. Lake Avenue  
Groveland, FL 34736  
352-429-2141



**GROVELAND COMMUNITY REDEVELOPMENT AGENCY**  
Basic Financial Statements

**Groveland Community Redevelopment Agency  
Statement of Net Position - Government-wide**

<i>September 30, 2020</i>	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 426,897
Due from other governments	37,585
Total assets	464,482
<b>LIABILITIES</b>	
Accounts payable	37,091
Accrued liabilities	1,913
Due to other funds	28,516
Total liabilities	67,520
<b>NET POSITION</b>	
Restricted for:	
Community development	396,962
Total net position	\$ 396,962

*The accompanying notes are an integral part of this financial statement.*

## Groveland Community Redevelopment Agency Statement of Activities – Government-wide

<i>For the year ended September 30, 2020</i>		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Primary Government:					
Governmental activities:					
Community development	\$ 1,049,877	\$ -	\$ 59,535	\$ -	\$ (990,342)
Total governmental activities	<b>1,049,877</b>	<b>-</b>	<b>59,535</b>	<b>-</b>	<b>(990,342)</b>
<b>Total primary government</b>	<b>\$ 1,049,877</b>	<b>\$ -</b>	<b>\$ 59,535</b>	<b>\$ -</b>	<b>(990,342)</b>
General revenues and transfers:					
Taxes:					
Property taxes, levied for general purposes					602,860
Miscellaneous					57,400
Transfers, net					75,547
Total general revenues					<b>735,807</b>
Change in net position					<b>(254,535)</b>
Net position, beginning of year					651,497
Net position, end of year					<b>\$ 396,962</b>

*The accompanying notes are an integral part of this financial statement.*



**Groveland Community Redevelopment Agency  
Balance Sheet - Governmental Fund**

<i>September 30, 2020</i>	<b>Community Redevelopment Agency</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 426,897
Due from other governments	37,585
Total assets	\$ 464,482
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	
Liabilities:	
Accounts payable	\$ 37,091
Accrued payroll and related liabilities	1,913
Due to other funds	28,516
Total liabilities	67,520
Deferred inflows of resources:	
Unavailable revenue	59,535
Total deferred inflows of resources	59,535
Fund balances:	
Restricted	
Community development	337,427
Total fund balances	337,427
Total liabilities, deferred inflows of resources, and fund balances	\$ 464,482

*The accompanying notes are an integral part of this financial statement.*

**Groveland Community Redevelopment Agency  
Reconciliation of the Balance Sheet of the Governmental Fund  
to the Statement of Net Position**

*As of September 30, 2020*

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Total fund balance for the governmental fund	<b>\$ 337,427</b>
Unavailable revenue is recorded as a liability in the fund statements but is recorded as revenue in governmental activities	<b>59,535</b>
<hr/> <b>Net position of governmental activities</b>	<hr/> <b>\$ 396,962</b> <hr/>

*The accompanying notes are an integral part of this financial statement.*



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**Groveland Community Redevelopment Agency  
Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Governmental Fund**

	<b>Community Redevelopment Agency</b>
<i>For the year ended September 30, 2020</i>	
<b>Revenues</b>	
Property taxes	\$ 602,860
Miscellaneous revenue	57,400
Total revenues	<b>660,260</b>
<b>Expenditures</b>	
Current:	
Community development	338,049
Capital outlay	711,828
Total expenditures	<b>1,049,877</b>
Excess (deficiency) of revenues over (under) expenditures	<b>(389,617)</b>
<b>Other financing sources (uses)</b>	
Transfers in	88,521
Transfers out	(12,974)
Net other financing sources (uses)	<b>75,547</b>
Net change in fund balances	<b>(314,070)</b>
Fund balances, beginning of year	651,497
Fund balances, end of year	<b>\$ 337,427</b>

*The accompanying notes are an integral part of this financial statement.*

**Groveland Community Redevelopment Agency  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Fund to the Statement of Activities**

*For the year ended September 30, 2020*

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Net change in fund balances - total governmental funds \$ (314,070)

Amounts reported for governmental activities in the statement of activities are different because:

Unavailable revenue is recorded as a liability in the fund statements  
but is recorded as revenue in governmental activities 59,535

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Change in net position of governmental activities \$ (254,535)

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*The accompanying notes are an integral part of this financial statement.*

## Groveland Community Redevelopment Agency Notes to Financial Statements

### **Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Reporting entity**

The Groveland Community Redevelopment Agency (the “CRA” and “Agency”), a component unit of the City of Groveland, was established to guide redevelopment activities in order to build a vibrant and attractive downtown of the Community Redevelopment Area (the “Area”). The Agency was established by the City of Groveland (the “City” and “Primary Government”) City Council (“City Council”) via Ordinance 2002-05-15 in May 2002. The Agency is a legal entity, separate, distinct, and independent of the City Council. The Agency is governed by seven (7) members, Groveland Community Redevelopment Agency Governing Board consists of the five (5) members of the Groveland City Council and two (2) at-large members who either reside or are engaged in business within the Community Redevelopment Area. The Groveland City Council selects the at-large members of the CRA Governing Board from applications submitted to City.

The accounting policies of the Agency conform to generally accepted accounting principles (GAAP) as applied to government units. The more significant accounting policies used by the Agency are described below.

Revenue sources for the Agency consist primarily of property taxes (tax increment financing). Any bond issue authorizations are approved by the Agency Governing Board and the legal liability for the general obligation portion of the Agency’s debt remains with the Primary Government.

The accompanying financial statements present only the operations of the Agency and are not intended to present the financial position and results of the City of Groveland, Florida. Complete financial statements for the City of Groveland, Florida may be obtained through the City’s web portal.

#### **Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all activities of the Agency. *Governmental activities* are those which normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

## Groveland Community Redevelopment Agency Notes to Financial Statements

### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Measurement focus, basis of accounting and financial statement presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Agency.

#### ***Government-wide financial statements***

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental fund. Separate financial statements are provided for the governmental fund.

# Groveland Community Redevelopment Agency

## Notes to Financial Statements

### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Measurement focus, basis of accounting and financial statement presentation (Continued)

##### *Fund financial statements*

The fund financial statements provide information about the Agency's fund. The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Agency reports the following major governmental fund:

The *Community Redevelopment Trust Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

#### **A. Assets, liabilities, and net position or equity**

##### **1. Cash and cash equivalents**

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

##### **2. Capital assets**

The purpose of the Agency includes revitalization of sub-districts through public investments to encourage private sector investment and increase economic development opportunities. The acquisition and improvement of property for revitalization serves a vital role for the Agency. However, the Agency does not maintain or operate any capital assets. Therefore, Agency purchased assets, along with the burden of operating and maintenance costs are transferred to the City.

##### **3. Interfund activities and transactions**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. Long-term borrowings between funds are classified as "advances to other funds" or "advances from other funds" in the fund financial statements.

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.



## Groveland Community Redevelopment Agency Notes to Financial Statements

### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4. Categories and classification of fund equity

**Net position flow assumption** – Sometimes the Agency will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**Fund balance flow assumptions** – Sometimes the Agency will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund balance policies** – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Agency itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of Section 1800: *Classification and Terminology* of the GASB Codification, specifies the following classifications:

*Nonspendable Fund Balance* – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted Fund Balance* – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* - The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing board is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

## Groveland Community Redevelopment Agency Notes to Financial Statements

### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4. Categories and classification of fund equity (Continued)

*Assigned Fund Balance* - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Unassigned Fund Balance* – Unassigned fund balance is the residual classification of any remaining funds.

#### 5. Revenues and expenditures/expenses

**Program revenues** – Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues. The Agency has no program revenues in the fiscal year ended September 30, 2020.

**Property taxes** – Property taxes attach as an enforceable lien on real property and are levied as of July 1st. The tax levy is divided into two billings: the first billing (mailed on July 1) is an estimate of the current year's levy based on the prior year's taxes; the second billing (mailed on January 1) reflects adjustments to the current year's actual levy. The billings are considered past due 30 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

#### 6. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

#### 7. Subsequent events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 30, 2021. See Note 6 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements..

## Groveland Community Redevelopment Agency Notes to Financial Statements

### Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 8. *Recently Issued Accounting Pronouncements*

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

Under this Statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

In May 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in Statement 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

## Groveland Community Redevelopment Agency Notes to Financial Statements

### **Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **8. Recently Issued Accounting Pronouncements (Continued)**

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

The Agency is evaluating the requirements of the above statements and the impact on reporting.

### **Note 2: DETAILED NOTES ON ALL FUNDS**

#### **A. Deposits**

The Agency pools its deposits with the Primary Government. At September 30, 2020, the Agency's carrying amount of deposits was \$426,897; \$250,000 of the Agency's deposits is covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in excess of FDIC insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Agency pursuant to Section 280.08, Florida Statutes.

**Groveland Community Redevelopment Agency  
Notes to Financial Statements**

**Note 2: DETAILED NOTES ON ALL FUNDS**

**B. Interfund receivables, payables and transfers**

Operating Transfers	Transfers		Net
	In	Out	
Major Funds at Primary Government:			
General Fund	\$ -	\$ (12,974)	\$ (12,974)
Water and Sewer System Fund	88,521	-	88,521
<b>Total</b>	<b>\$ 88,521</b>	<b>\$ (12,974)</b>	<b>\$ 75,547</b>

The transfers to the General Fund were to move reserve balances to pay for administrative services and capital outlay. The transfers from the Water and Sewer System Fund were for expenditures relating to the Sprayfield project.

**Note 3: RISK MANAGEMENT**

***Insurance***

The Agency is a member of Public Risk Management of Florida (the pool), a local government liability risk pool. The pool administers insurance activities relating to property, general liability, police, professional, automobile liability, public officials' liability, workers' compensation, and boiler and machinery. The pool absorbs losses up to a specified amount for each pool year and purchases excess and other specific coverage's from third-party carriers. The pool assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments do not produce sufficient funds to meet its obligations, the pool can make additional limited assessments. Losses, if any, in excess of the pools ability to assess its members would revert back to the member that incurred the loss. There has been no significant reduction in insurance coverage from the prior year, and no settlements in excess of insurance coverage in any of the prior three years. There were no additional assessments levied against the Agency for the fiscal year ended September 30, 2020. The cost of the insurance is allocated among the appropriate departments and funds.

***Litigation***

Various suits in the ordinary course of operations are pending against the Agency. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Agency, the liabilities that may arise from such action would not result in losses that would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial position of the Agency or results of operations.

## **Groveland Community Redevelopment Agency Notes to Financial Statements**

### **Note 4: UNCERTAINTIES**

In March 2020, the World Health Organization made the assessment that the outbreak of the novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the ongoing operating activities and the future results of the Agency. The occurrence and extent of such an impact will depend on future developments, including (i) the and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain as of September 30, 2020.

### **Note 5: SUBSEQUENT EVENTS**

On March 15, 2021, the City approved the expansion of the CRA by 682 acres to help improve additional areas of blight. Ordinance 2021-04 also amended the Agency's plan document, and extended the Agency's life by an additional 40 years.



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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN  
MANAGEMENT'S DISCUSSION AND ANALYSIS**





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**Groveland Community Redevelopment Agency  
Budgetary Comparison Schedule – Community Redevelopment Agency Fund**

<i>For the year ended September 30, 2020</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 624,126	\$ 624,126	\$ 602,860	\$ (21,266)
Miscellaneous revenue	48,086	48,086	57,400	9,314
<b>Total revenues</b>	<b>672,212</b>	<b>672,212</b>	<b>660,260</b>	<b>(11,952)</b>
<b>EXPENDITURES</b>				
Community development	2,155,684	2,155,684	1,049,877	1,105,807
<b>Total expenditures</b>	<b>2,155,684</b>	<b>2,155,684</b>	<b>1,049,877</b>	<b>1,105,807</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,483,472)</b>	<b>(1,483,472)</b>	<b>(389,617)</b>	<b>1,093,855</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	88,521	88,521	88,521	-
Transfers out	(8,615)	(8,615)	(12,974)	(4,359)
<b>Total other financing sources</b>	<b>79,906</b>	<b>79,906</b>	<b>75,547</b>	<b>(4,359)</b>
<b>Net change in fund balance</b>	<b>(1,403,566)</b>	<b>(1,403,566)</b>	<b>(314,070)</b>	<b>1,089,496</b>
<b>Fund balance, beginning of year</b>	<b>651,497</b>	<b>651,497</b>	<b>651,497</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ (752,069)</b>	<b>\$ (752,069)</b>	<b>\$ 337,427</b>	<b>\$ 1,089,496</b>

Note that this schedule is prepared on a budgetary basis, but it is not different from Generally Accepted Accounting Principles (GAAP) in presentation.

## **Groveland Community Redevelopment Agency Budgetary Notes to Required Supplementary Information**

### **Note 1: BUDGETARY INFORMATION**

The Agency follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to the end of the fiscal year, the Agency Finance Director submits to the Agency Governing Board a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public budget workshops are held where the Agency Governing Board, Agency Director and CRA Coordinator refine budget detail items.
3. The general summary of the budget and notice of public hearing is published in the local newspaper.
4. Public hearings are conducted to obtain taxpayer comments.
5. Prior to October 1, the budgets are legally enacted through passage of a resolution.
6. The Agency Director is authorized to transfer budgeted amounts within a department; however, any revisions that alter the total appropriations of any department must be approved by a majority vote of the Agency Governing Board.
7. The level of classification detail at which expenditures may not legally exceed appropriations is the department level.
8. Unexpended, unencumbered appropriations lapse at the close of the fiscal year.
9. Budgets are adopted for the community redevelopment fund on a basis consistent with generally accepted accounting principles, except as described below under Budgetary Basis of Accounting.
10. The Agency Governing Board, by Ordinance, may make supplemental appropriations in excess of those originally estimated for the year up to the amount of available revenues. Budgeted amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions.

#### ***Budgetary basis of accounting***

The Agency includes a portion of the prior year's fund balances represented by unappropriated liquid assets remaining in the fund as budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures.



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

Honorable Chair and Board Members  
Groveland Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Groveland Community Redevelopment Agency, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Groveland Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated June 30, 2021.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described below as item IC 2020-003 that we consider to be a material weakness.

## **MW 2020-003 ACCOUNTS PAYABLE**

Criteria: Expenditures need to be recorded in the period in which the expense was incurred.

Condition: Four expenditures was recorded in the incorrect period.

Cause: Expenditures were entered according to the invoice date instead of the period the services were rendered.

Effect: Accounts payable and expenditures were understated by \$21,613 in the CRA fund.

Recommendation: The Agency should implement procedures to ensure all invoices received dated shortly after year end are examined for the period in which services were rendered or goods were received.

Management's Response: We concur with the recommendation. Staff will work with the auditors to ensure an understanding of the materiality threshold at the individual fund level. All expenditures that individually and collectively meet the materiality threshold will be expensed/accrued in the proper period.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Groveland Community Redevelopment Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Groveland Community Redevelopment Agency's Response to Findings**

The Agency's response to the findings identified in our audit is described below. The Agency's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Carly Riggs & Ingram, L.L.C.*

Melbourne, Florida

June 30, 2021



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## **INDEPENDENT AUDITORS' MANAGEMENT LETTER**

The Honorable Chair and Board Members  
Groveland Community Redevelopment Agency

### **Report on the Financial Statements**

We have audited the financial statements of the Groveland Community Redevelopment Agency (the "Agency") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 30, 2021.

### **Auditors' Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 30, 2021, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings and recommendations made in the preceding financial audit report.

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the Groveland Community Redevelopment Agency is disclosed in the footnotes. The Groveland Community Redevelopment Agency has no component units.

## **Financial Condition and Management**

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following recommendations:

### **IC 2020-001 ANNUAL BUDGET**

Criteria: Under Florida Statute 163.387(6), a community redevelopment agency created by a municipality shall submit its annual budget to the board of county commissioners for the county in which the agency is located within 10 days after the adoption of such budget and submit amendments of its annual budget to the board of county commissioners within 10 days after the adoption date of the amended budget.

Condition: The Agency's annual budget was not submitted to the Lake County board of commissioners.

Cause: The City's previous Finance Director was not aware of this requirement.

Effect: The Agency could provide payments for expenditures that are unallowable.

Recommendation: We recommend the Agency submit the annual budget and amendments to the Lake County Board of Commissioners in accordance with Florida Statute 163.387(6)

Management's Response: We concur with the recommendation. Staff has submitted the Agency's annual budget for Fiscal Year 2020 and Fiscal Year 2021 to the Lake County Board of County Commissioners. Future annual budgets and budget amendments will be submitted to the Lake County Board of County Commissioners as required by statute. Confirmation of submissions will be retained in the Agency's files.

### **IC 2020-002 REMAINING FUNDS**

Criteria: Under Florida Statute 163.387(7), on the last day of the fiscal year, any money which remains in the trust fund after the payment of expenses shall be returned to the taxing authority, used to reduce indebtedness, deposited into an escrow account to later reduce any indebtedness to which

increment revenues are pledged, or be appropriated to a specific redevelopment project pursuant to an approved community redevelopment plan.

Condition: The City did not appropriate all of the remaining funds in the adopted budget for the following fiscal year.

Cause: The Agency estimated less remaining funds at year-end.

Effect: The Agency is in violation of Florida Statute 163.387(7).

Recommendation: We recommend the Agency's remaining funds be handled in accordance with Florida Statute 163.387(7).

Management's Response: We concur with the recommendation. Staff will amend the Agency's Fiscal Year 2021 budget to include all remaining funds from the prior fiscal year. This will be done annually thereafter.

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

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

*Cary Riggs & Ingram, L.L.C.*

Melbourne, Florida  
June 30, 2021





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## **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REDEVELOPMENT TRUST FUND**

The Honorable Chair and Board Members  
Groveland Community Redevelopment Agency

We have examined the Groveland Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(6) and (7), Florida Statutes, Redevelopment Trust Fund Policies, during the year ended September 30, 2020. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

Our examination disclosed the following noncompliance with Section 163.387(6)(b) and 163.387(7), Florida Statutes, applicable to the Groveland Community Redevelopment Agency during the fiscal year ended September 30, 2020. The Agency did not submit its annual budget for fiscal year 2020 or the subsequent amendment to the budget to the Lake County Board of County Commissioners within 10 days after the adoption of such budget or within 10 days after the adoption of the amendment to the fiscal year 2020 budget. Additionally, the Agency did not fully appropriate the remaining fund balance in the Agency for future projects.

In our opinion, the CRA complied, in all material respects, with the requirements of Sections 163.387(6) and 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2020, except as noted above.

This report is intended solely for the information and use of the Agency's Governing Board, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Carr, Riggs & Ingram, L.L.C.*

Melbourne, Florida  
June 30, 2021



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## **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES**

The Honorable Chair and Board Members  
Groveland Community Redevelopment Agency

We have examined the Groveland Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2020.

This report is intended solely for the information and use of the Agency's Governing Board, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Carr, Riggs & Ingram, L.L.C.*

Melbourne, Florida  
June 30, 2021