

**Coral Springs Community
Redevelopment Agency
(A Component Unit of the
City of Coral Springs, Florida)**

Financial Report
Fiscal Year Ended September 30, 2022

**CORAL SPRINGS COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Coral Springs, Florida)**

THE ORGANIZATION

The Coral Springs Community Redevelopment Agency (CRA) was created in accordance with Chapter 163.356 of the Florida Statutes. The City established a Redevelopment Trust Fund for the purpose of utilizing future tax incremental revenue and other qualified funds in connection with the implementation of the CRA Plan.

The Commission of the City of Coral Springs, Florida appointed the Board of Directors. Board members of the CRA for the year ended September 30, 2022, were as follows:

BOARD OF DIRECTORS

Germain Bebe
Lorna E. Brown-Burton
Mike Del Pozo
Mark Mendel
Mary Villalobos

CHAIRMAN OF THE BOARD

Andrew Kasten

Table of Contents

| | |
|---|-------|
| Independent auditor's report | 1-3 |
| <hr/> | |
| Basic financial statements: | |
| Government-wide financial statements: | |
| Statement of net position | 4 |
| Statement of activities | 5 |
| Fund financial statements: | |
| General fund: | |
| Balance sheet | 6 |
| Statement of revenues, expenditures and changes in fund balances | 7 |
| Notes to financial statements | 8-11 |
| <hr/> | |
| Required supplementary information (unaudited): | |
| Schedule of revenue, expenditures and changes in fund balances – budget to actual (budgetary basis) – General Fund | 12 |
| Notes to required supplementary information | 13 |
| Other reports: | |
| Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i> | 14-15 |
| Management Letter in Accordance with Chapter 10.550, <i>Rules of the Auditor General of the State of Florida</i> | 16-17 |
| Independent Accountant's Report on Compliance with Sections 163.387(6) and 163.387(7), <i>Florida Statutes</i> | 18 |



RSM US LLP

Independent Auditor's Report

To the Board of Directors
Coral Springs Community Redevelopment Agency
Coral Springs, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Coral Springs Community Redevelopment Agency (the CRA), a component unit of the City of Coral Springs, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the CRA, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023 on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

RSM US LLP

Fort Lauderdale, Florida
March 31, 2023

Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)

Statement of Net Position
September 30, 2022

| | Governmental Activities |
|---------------------------------------|------------------------------------|
| Assets | |
| Cash and cash equivalents | \$ 1,557,264 |
| Capital assets, net | 74,398 |
| Total assets | <u>1,631,662</u> |
| Liabilities | |
| Accounts payable | 3,500 |
| Total liabilities | <u>3,500</u> |
| Net Position | |
| Net investment in capital assets | 74,398 |
| Restricted for redevelopment projects | 1,182,889 |
| Unrestricted | 370,875 |
| Total net position | <u>\$ 1,628,162</u> |

See notes to financial statements.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

**Statement of Activities
Fiscal Year Ended September 30, 2022**

| | Expenses | Net Revenue (Expense) and Changes in Net Position |
|--------------------------------------|-----------------|--|
| | | Total Governmental Activities |
| <hr/> | | |
| Functions: | | |
| Governmental activities: | | |
| Community redevelopment | \$ 367,055 | \$ (367,055) |
| Total governmental activities | <u>367,055</u> | <u>(367,055)</u> |
| General revenues: | | |
| Tax increment financing | | 679,337 |
| Investment and other income | | 5,255 |
| Total general revenues | | <u>684,592</u> |
| Change in net position | | 317,537 |
| Net position, beginning | | <u>1,310,625</u> |
| Net position, ending | | <u>\$ 1,628,162</u> |

See notes to financial statements.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

**General Fund
Balance Sheet
September 30, 2022**

Assets

Cash and cash equivalents \$ 1,557,264

Liabilities and Fund Balances

Liabilities:

Accounts payable \$ 3,500

Total liabilities 3,500

Fund balance:

Restricted for redevelopment projects 1,182,889

Unassigned 370,875

Total fund balance 1,553,764

Total liabilities and fund balance \$ 1,557,264

Reconciliation of the governmental fund balance sheet to the statement of net position:

Total fund balance – General Fund \$ 1,553,764

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the general fund. 74,398

Net position of governmental activities \$ 1,628,162

See notes to financial statements.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

**General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year Ended September 30, 2022**

| | |
|---|----------------------------|
| <hr/> | |
| Revenues: | |
| Tax increment financing | \$ 679,337 |
| Investment and other income | 5,255 |
| Total revenues | <u>684,592</u> |
| Expenditures: | |
| Current: | |
| Community redevelopment | 384,236 |
| Total expenditures | <u>384,236</u> |
| Net change in fund balance | 300,356 |
| Fund balance, beginning | <u>1,253,408</u> |
| Fund balance, ending | <u><u>\$ 1,553,764</u></u> |
| Reconciliation of change in fund balance to change in net position of governmental activities: | |
| Net change in fund balance – General fund | \$ 300,356 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | |
| Expenditures for capital assets | 20,077 |
| Current year depreciation expense | <u>(2,896)</u> |
| Change in net position of governmental activities | <u><u>\$ 317,537</u></u> |

See notes to financial statements.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

In November 2001, the Coral Springs Community Redevelopment Agency (CRA) was established by the City of Coral Springs, Florida (the City), by Ordinance No. 2001-128 as a public body organized pursuant to Part III of Chapter 163 of the Florida Statutes. The CRA's stated purpose is to intervene in the decline of the economic and physical character of the redevelopment area and transformation of the existing conditions into a functional and vibrant urban center. The governing body of the CRA is the Board of Directors, composed of seven members.

The following is a summary of the significant accounting policies applicable to the CRA:

The accounting policies of the CRA conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the governmental activities of the CRA. The government-wide focus is more on the sustainability of the CRA as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements focus on short-term results of operations and financing decisions at a specific fund level. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given functional category are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific functional category. Program revenues include operating and capital grants and contributions. In 2022, the CRA did not have any program revenues. The CRA reports one function which is community redevelopment. Taxes and other items not included as program revenues are reported as general revenues.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The basic financial statements consist of the government-wide financial statements and fund 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. Tax increment financing from property taxes is recognized as revenue in the year when levied for. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally included on their balance sheet. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide governmental activities column, a reconciliation is sometimes necessary to explain the adjustments needed to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Their operating statements present sources (revenue and financing sources) and uses (expenditures and other financing uses) of available spendable resources during the period. 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 CRA considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except for debt service expenditures, which are recognized when due.

Tax increment financing revenue, when levied for and interest associated with the current fiscal period, are both considered to be measurable and have been recognized as revenues of the current fiscal year, if available.

When both restricted and unrestricted resources are available for use, it is the CRA's policy to use restricted resources first, and then unrestricted resources as they are needed.

The CRA reports the general fund as a major governmental fund. The general fund is used to account for all financial resources received by the CRA. The general fund serves as the primary operating fund of the CRA. The CRA does not have any non-major funds.

D. Assets, Liabilities and Net position

Cash and cash equivalents: Cash and cash equivalents is comprised of deposits with financial institutions.

Capital assets: Capital assets include public art and equipment. Balances are reported in governmental activities in the government-wide financial statements. The CRA capitalizes all capital assets with a cost in excess of a \$1,000 threshold and an estimated life greater than one year. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized but are expensed as incurred.

Capital assets are depreciated using the straight-line method over the estimated useful lives of the related assets. Equipment has been assigned a useful life ranging from 3 to 10 years.

Nature and purpose of fund balance: In the fund financial statements the governmental fund reports fund classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. Amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the CRA Board through an ordinance or resolution are classified as committed fund balances. Amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by the CRA Board or the City Manager. Non-spendable fund balances include amounts that cannot be spent because they are either: a) not in spendable form, or b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that is not restricted, committed or assigned to specific purposes within the general fund.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Unspent tax increment financing revenues are restricted for future redevelopment projects and are reported as restricted fund balance in the financial statements. Unassigned fund balance represents fund balance that has not been restricted, committed or assigned to specific purposes within the general fund.

Net position: The government-wide statements utilized a net position presentation. Net investment in capital assets is that portion of net position that relates to the CRA's capital assets reduced by accumulated depreciation. Restricted net position are unspent tax increment financing revenues that are restricted for future redevelopment projects. Unrestricted net position represents the net position of the CRA that is not restricted for any project or purpose.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Risk management: The CRA is adequately insured for general liability and directors and officers insurance through the purchase of a commercial insurance policy. The amount of settlements has not exceeded insurance coverage in any of the past three years.

Note 2. Deposits and Investments

At year-end, the CRA's bank deposits were \$1,557,264 and carrying amount was \$1,557,264. These are defined as public deposits. All CRA public deposits are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, "Florida Security for Public Deposits Act." Under the act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 25% to 200% depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with an approved financial institution. The Public Depository Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. The CRA's bank balances were insured either by the federal depository insurance corporation or collateralized in the bank's participation in the Florida Security for Public Deposits Act.

The CRA does not have a separate deposit and investment policy and therefore it follows the deposit and investment policies of the City. Florida Statute 218.415 and the City's investment policy authorize investments in certificates of deposit, interest-bearing time deposits or savings accounts in qualified public depositories, obligations of the U.S. Treasury, its agencies and instrumentalities, prime commercial paper, money market mutual funds, state and local taxable and tax-exempt debt, corporate notes and pooled investments of the SBA.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

Notes to Financial Statements

Note 3. Capital Assets

Capital asset activity for the year ended September 30, 2022, follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|----------------------|------------------|-------------|-------------------|
| Capital assets not being depreciated: | | | | |
| Public art | \$ 55,610 | \$ - | \$ - | \$ 55,610 |
| Capital assets being depreciated: | | | | |
| Equipment | 4,743 | 20,077 | - | 24,820 |
| Less accumulated depreciation | (3,136) | (2,896) | - | (6,032) |
| Total capital assets being depreciated, net | 1,607 | 17,181 | - | 18,788 |
| Total capital assets, net | <u>\$ 57,217</u> | <u>\$ 17,181</u> | <u>\$ -</u> | <u>\$ 74,398</u> |

Note 4. Tax Increment Financing Revenue

The CRA is primarily funded through tax-increment financing revenue. This revenue is computed by applying the operating tax for the City, Broward County, the North Broward Hospital District, and the Children’s Services Council of Broward County multiplied by the increased value of property in the district over the base property value minus 5%. The City, Broward County, the North Broward Hospital District and the Children’s Services Council are required to fund this amount annually without regard to tax collections or other obligations. The CRA recognized \$679,337 of tax increment financing revenues for the year ended.

Note 5. Related Party Transactions

The CRA uses office space in a building owned by the City, along with office equipment. Any costs associated with equipment are incurred and paid by the City and no allocation of such costs are charged to the CRA. City employees provide personnel and administrative support to aid in the operations of the CRA. Personnel and administrative costs in the amount of \$111,395 was charged to the CRA and recognized in the accompanying financial statements. The employer share of benefit costs is not charged to the CRA. The CRA does not have any employees.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

**Required Supplementary Information – General Fund
Schedule of Revenue, Expenditures and Changes in Fund Balances –
Budget to Actual (Budgetary Basis) – Unaudited
Fiscal Year Ended September 30, 2022**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|------------------|------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Tax increment financing: | | | | |
| City of Coral Springs | \$ 422,629 | \$ 409,243 | \$ 409,243 | \$ - |
| Broward County | 155,325 | 151,242 | 151,242 | - |
| North Broward Hospital District | 74,681 | 86,882 | 86,882 | - |
| Children's Services Council of Broward County | 31,955 | 31,970 | 31,970 | - |
| Investment and other income | 3,500 | 3,500 | 5,255 | 1,755 |
| Total revenues | 688,090 | 682,837 | 684,592 | 1,755 |
| Expenditures | | | | |
| Administrative: | | | | |
| CRA legal counsel | 45,000 | 45,000 | 42,000 | 3,000 |
| Administrative Services | 111,395 | 111,395 | 111,395 | - |
| Professional services: | | | | |
| Architectural and urban planning | 50,000 | 50,000 | 3,000 | 47,000 |
| Engineering | 1,000 | 1,000 | - | 1,000 |
| Appraisals | 5,000 | 5,000 | - | 5,000 |
| Financial audit | 18,400 | 18,400 | 18,400 | - |
| Marketing and promotion | 17,000 | 17,000 | 4,885 | 12,115 |
| Other professional services | 143,000 | 137,432 | 10,110 | 127,322 |
| Operating expenditures: | | | | |
| Advertisements | 1,000 | 1,000 | - | 1,000 |
| Postage | 100 | 100 | 7 | 93 |
| Meeting expenses | 1,250 | 1,250 | 148 | 1,102 |
| Printing and publishing | 1,500 | 1,500 | 1,363 | 137 |
| Participation in special events | 2,500 | 2,500 | 1,267 | 1,233 |
| Memberships | 495 | 795 | 804 | (9) |
| General liability insurance | 6,649 | 6,649 | 6,649 | - |
| Property maintenance | 5,000 | 5,000 | - | 5,000 |
| DEO special district fee | 175 | 175 | 175 | - |
| Children Services Council of Broward County | 31,955 | 31,970 | 31,970 | - |
| Events | 91,671 | 91,671 | 46,928 | 44,743 |
| Education and training | 5,000 | 5,000 | 1,485 | 3,515 |
| Capital outlay: | | | | |
| Capital outlay | 799,596 | 882,533 | - | 882,533 |
| Other expenditures: | | | | |
| Debt service contribution | 50,000 | 50,000 | 50,000 | - |
| Grants | 100,000 | 100,000 | 53,650 | 46,350 |
| Total expenditures | 1,487,686 | 1,565,370 | 384,236 | 1,181,134 |
| Appropriated fund balance | 799,596 | 882,533 | - | (882,533) |
| Net change in fund balance | \$ - | \$ - | 300,356 | \$ 300,356 |
| Fund balance, beginning | | | 1,253,408 | |
| Fund balance, ending | | | \$ 1,553,764 | |

See notes to required supplementary information.

**Coral Springs Community Redevelopment Agency
(A Component Unit of the City of Coral Springs, Florida)**

Notes to Required Supplementary Information

Note 1. Budgetary Procedures and Budgetary Accounting

The CRA adheres to the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

Prior to September 30th, the CRA Administrator submits, to the Board of Directors, a proposed operating budget for the General Fund for the fiscal year commencing October 1st. The operating budget includes proposed expenditures and the means of financing them.

The CRA budget is also included in the City's budget and is presented to the City Commission for ratification prior to September 30th.

CRA management is authorized to transfer budget amounts. Revisions that alter the total expenditures must be approved by the CRA Board. Legal level of control is maintained at the fund level. There were budget amendments in the current year in the amount of \$77,684, which resulted in total budgeted expenditures of \$1,565,370.

OTHER REPORTS

**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***

Independent Auditor's Report

To the Board of Directors
Coral Springs Community Redevelopment Agency
Coral Springs, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Coral Springs Community Redevelopment Agency (the CRA), a component unit of the City of Coral Springs, Florida (the City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements and have issued our report thereon dated March 31, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

RSM US LLP

Fort Lauderdale, Florida
March 31, 2023

**Management Letter in Accordance with
Chapter 10.550, Rules of the Auditor General of the State of Florida**

To the Board of Directors
Coral Springs Community Redevelopment Agency
Coral Springs, Florida

Report on the Financial Statements

We have audited the financial statements of the Coral Springs Community Redevelopment Agency (the CRA), a component unit of the City of Coral Springs, Florida (the City), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 31, 2023.

Auditor's 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 Auditor's 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*. Disclosures in that report, which is dated March 31, 2023, 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 or recommendations made in the preceding annual financial 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. This is disclosed in Note 1 of the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA 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 CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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 note any such findings.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CRA reported:

- a. There were no CRA employees compensated in the last pay period of the CRA's fiscal year.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year was one.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as approximately \$111,395.
- e. There are no construction projects with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported.
- f. A budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, and the amended budget under Section 189.016(6), Florida Statutes. This information is disclosed as required supplementary information in the CRA's September 30, 2022 financial statements.

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 Board of Directors, and applicable CRA management, and is not intended to be and should not be used by anyone other than these specified parties.

RSM US LLP

Fort Lauderdale, Florida
March 31, 2023



RSM US LLP

**Independent Accountant's Report on Compliance with
Sections 163.387(6) and 163.387(7), Florida Statutes**

To the Board of Directors
Coral Springs Community Redevelopment Agency
Coral Springs, Florida

We have examined the Coral Springs Community Redevelopment Agency's (the CRA), a component unit of the City of Coral Springs, Florida compliance with *Sections 163.387(6) and 163.387(7), Florida Statutes* regarding the redevelopment trust (the specified requirements) during the period October 1, 2021 to September 30, 2022. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

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

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the CRA complied, in all material respects, with the specified requirements during the period October 1, 2021 to September 30, 2022.

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

RSM US LLP

Fort Lauderdale, Florida
March 31, 2023