

**CLAY COUNTY DEVELOPMENT AUTHORITY
REGULAR SCHEDULED PUBLIC MEETING
1845 TOWN CENTER BLVD, STE 410, FLEMING ISLAND, FLORIDA
March 16, 2022**

AGENDA

**CHAIR
VICE-CHAIR
TREASURER
SECRETARY**

**KEITH WARD
DANIEL VALLENCOURT
TINA CLARY
CHERESE STEWART**

- | | |
|--|-------------------------|
| 1) Welcome/Call to Order 4:00 pm | Keith Ward |
| 2) Roll Call | Josh Cockrell |
| 3) Invocation & Pledge | Bruce Butler |
| 4) Comments from the Public | Keith Ward |
| 5) Secretary's Report
Approval of February 16, 2022 Minutes | Chereese Stewart |
| 6) Treasurer's Report
February 2022 Financials
FY 20/21 Financial Audit – presented by James Moore CPAs | Tina Clary |
| 7) Clay EDC Report | Laura Pavlus |
| 8) Chair's Report | Keith Ward |
| 9) Executive Director's Report
Grants Update | Josh Cockrell |
| 10) Attorney's Report | April Scott |
| 11) Old Business/New Business/Board Comments
College Drive Properties | Keith Ward |
| 12) Adjournment | Keith Ward |

Dates of Upcoming CCDA Meetings:

April 20, 2022
May 18, 2022
June 15, 2022
July 20, 2022
August 17, 2022
September 21, 2022

TIME: 4:00 PM

**LOCATION: Clay County Chamber of Commerce
Board Room
1845 Town Center Blvd
STE 410
Fleming Island, FL 32003**

NOTE: Items 5 through 11 above, are subject to discussion, consideration, and action by the Board of the Clay County Development Authority.

PUBLIC COMMENTS: Pursuant to F.S. s. 286.0114 (2021) [, and Clay County Development Authority policy], speakers intending to offer public comment must complete a provided speaker's card, turn in the same to the recording secretary for the public meeting, and may address the Board when recognized by the Chair of the meeting with their public comments for a period of not more than three (3) minutes. The Chair of the meeting has the authority and discretion to make special provisions for a group or faction spokesperson. The Chair of the meeting has all requisite authority and discretion to maintain orderly conduct or proper decorum of the public meeting.

**CLAY COUNTY DEVELOPMENT AUTHORITY
REGULAR SCHEDULED PUBLIC MEETING
MINUTES**

February 16, 2022

Present: Keith Ward, Daniel Vallencourt, Jim Horne, Chereese Stewart, Tina Clary, and Amy Pope-Wells

Absent: Chereese Stewart, Joelle Marquis, and Bruce Butler.

Staff: Josh Cockrell and Ashton Scott (Legal Counsel)

Guests: None.

Call to Order: **Keith Ward** called the Clay County Development Authority (“CCDA”) Public Meeting to order at 4:05 PM.

Invocation: **Amy Pope-Wells** provided the invocation and Pledge of Allegiance.

Comments from the Public: None.

Secretary’s Report

Josh Cockrell presented the meeting minutes from the January meeting. **Keith Ward** motioned for approval. **Amy Pope-Wells** seconded the motion. Motion approved.

Treasurer’s Report

Tina Clary provided the Treasurers report. **Josh Cockrell** updated that the check was received and will be deposited - showing in the February report. **Daniel Vallencourt** motioned to approve. **Jim Horne** seconded the motion.

Executive Director’s Report

Josh Cockrell reported on the grant reimbursement and College Drive property. **Josh Cockrell** stated there is another DIG grant going out soon.

Chair’s Report

Keith Ward did not have anything to report.

Old Business

Josh Cockrell presented the contract to have **Stephen Nebrat** to sell the College Drive properties. After discussion, the majority agreed to entertain the possibility for **Stephen Nebrat** to sell the College Drive property. **Amy Pope-Wells** motioned for the approval. **Jim Horne** seconded the motion. Motion approved.

New Business

Josh Cockrell suggested another property the CCDA could purchase. After discussion, the majority agreed that the board should have similar projects (College Drive) at least once a year. **Amy Pope-Wells** agreed and added that the more projects the CCDA does, the more investment and processes the CCDA can put in place to continue more project activity.

Attorney's Report

Ashton Scott reviewed the contract with **Stephen Nebrat** and Landmark Commercial Realty Group. He had no additional items to report on behalf of **April Scott**.

Adjourned: 4:40 PM



COLEMAN & ASSOCIATES
Certified Public Accounting Firm

ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors of
Clay County Development Authority
Fleming Island, FL

Management is responsible for the accompanying government-wide balance sheets of Clay County Development Authority (a governmental organization) as of February 28, 2022 and 2021, and the related statements of revenues and expenses for the one month and five months then ended which collectively comprise the Authority's financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the management discussion and analysis, the governmental fund financial statements and substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the management discussion and analysis and governmental fund financial statements and omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that budget to actual statements for the one month and five months ending February 28, 2022 be presented to supplement the 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. This information is the representation of management. This information was subject to our compilation engagement; however, we have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

We are not independent with respect to the Clay County Development Authority.

Coleman & Associates Cpa firm

March 11, 2022

Clay County Development Authority

Governmentwide Balance Sheet

As of February 28, 2022

	TOTAL	
	AS OF FEB 28, 2022	AS OF FEB 28, 2021 (PY)
ASSETS		
Current Assets		
Bank Accounts		
100002 SouthState Bank Checking - 1484	410,206	789
100007 Investment - Florida Prime - A	163,228	163,028
100018 SouthState Bank MMKT -1493	84,621	1,822,252
Total Bank Accounts	\$658,055	\$1,986,068
Other Current Assets		
120001 Investments - Real property	1,198,195	
Total Other Current Assets	\$1,198,195	\$0
Total Current Assets	\$1,856,250	\$1,986,068
Fixed Assets		
167900 Accum Depreciation	0	0
Total Fixed Assets	\$0	\$0
TOTAL ASSETS	\$1,856,250	\$1,986,069
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200000 Accounts Payable	1,600	(8,140)
Total Accounts Payable	\$1,600	\$ (8,140)
Other Current Liabilities		
Dept of Revenue Payable	0	0
Total Other Current Liabilities	\$0	\$0
Total Current Liabilities	\$1,600	\$ (8,140)
Total Liabilities	\$1,600	\$ (8,140)
Equity		
272000 Net Asset Balance	1,967,096	2,077,913
320000 Retained Earnings	0	0
Net Income	(112,446)	(83,705)
Total Equity	\$1,854,650	\$1,994,208
TOTAL LIABILITIES AND EQUITY	\$1,856,250	\$1,986,069

Clay County Development Authority

Statement of Revenues and Expenses

February 2022

	TOTAL	
	FEB 2022	OCT 2021 - FEB 2022 (YTD)
Income		
331000 Grant Revenues		400,000
369000 Miscellaneous Revenues	21	970
Total Income	\$21	\$400,970
GROSS PROFIT	\$21	\$400,970
Expenses		
512200 Sponsorships		15,500
513300 Professional Fees	8,400	42,000
513440 Insurance		945
513463 Property expenses and fees		64,911
513510 Office and Operating Expenses	194	5,061
559000 Grant Expense		385,000
Total Expenses	\$8,594	\$513,417
NET OPERATING INCOME	\$ (8,572)	\$ (112,446)
NET INCOME	\$ (8,572)	\$ (112,446)

Clay County Development Authority

Statement of Revenues and Expenses

October 2021 - February 2022

	TOTAL		
	OCT 2021 - FEB 2022	OCT 2020 - FEB 2021 (PY)	CHANGE
Income			
331000 Grant Revenues	400,000		400,000
369000 Miscellaneous Revenues	970	1,420	(449)
Total Income	\$400,970	\$1,420	\$399,551
GROSS PROFIT	\$400,970	\$1,420	\$399,551
Expenses			
512200 Sponsorships	15,500	15,000	500
513300 Professional Fees	42,000	40,700	1,300
513440 Insurance	945		945
513460 Property binders / purchase deposits		25,000	(25,000)
513463 Property expenses and fees	64,911		64,911
513510 Office and Operating Expenses	5,061	4,424	637
559000 Grant Expense	385,000		385,000
Total Expenses	\$513,417	\$85,124	\$428,292
NET OPERATING INCOME	\$ (112,446)	\$ (83,705)	\$ (28,742)
NET INCOME	\$ (112,446)	\$ (83,705)	\$ (28,742)

Clay County Development Authority

Budget vs. Actuals: FY 21-22 Budget - FY22 P&L

February 2022

	ACTUAL	BUDGET	TOTAL OVER BUDGET	% OF BUDGET
Income				
242000 Fund Balance - PY Carryforward		11,065	(11,065)	
369000 Miscellaneous Revenues				
361000 Investment Earnings	21	500	(479)	4.00 %
Total 369000 Miscellaneous Revenues	21	500	(479)	4.00 %
Total Income	\$21	\$11,565	\$ (11,544)	0.00 %
GROSS PROFIT	\$21	\$11,565	\$ (11,544)	0.00 %
Expenses				
513300 Professional Fees				
513306 Admin Contract StellaRea Group	6,500	6,500	0	100.00 %
513310 Attorney Contract Tolson & Associates	1,400	1,400	0	100.00 %
513320 Auditor Contract James Moore CPAs		1,500	(1,500)	
513321 Accounting Coleman & Associates	500	500	0	100.00 %
513340 Attorney Ancillary Charges		285	(285)	
Total 513300 Professional Fees	8,400	10,185	(1,785)	82.00 %
513463 Property expenses and fees				
513463b Maintenance		1,000	(1,000)	
Total 513463 Property expenses and fees		1,000	(1,000)	
513510 Office and Operating Expenses				
513490 Business Meeting		25	(25)	
513512 Office Supplies		25	(25)	
513516 Telephone	70	80	(10)	87.00 %
513518 Website & IT expenses		120	(120)	
513519 Travel	124	100	24	124.00 %
513521 Advertising & Marketing		30	(30)	
Total 513510 Office and Operating Expenses	194	380	(186)	51.00 %
Total Expenses	\$8,594	\$11,565	\$ (2,971)	74.00 %
NET OPERATING INCOME	\$ (8,572)	\$0	\$ (8,572)	0%
NET INCOME	\$ (8,572)	\$0	\$ (8,572)	0%

Clay County Development Authority

Budget vs. Actuals: FY 21-22 Budget - FY22 P&L

October 2021 - February 2022

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
242000 Fund Balance - PY Carryforward		133,045	(133,045)	
331000 Grant Revenues				
330118 CON 20-101 Buffer Land Purchase	385,000	385,000	0	100.00 %
330119 CON 20-101 Buffer Land Purchase Admin Fees	15,000	15,000	0	100.00 %
Total 331000 Grant Revenues	400,000	400,000	0	100.00 %
369000 Miscellaneous Revenues				
361000 Investment Earnings	970	2,500	(1,530)	39.00 %
Total 369000 Miscellaneous Revenues	970	2,500	(1,530)	39.00 %
Total Income	\$400,970	\$535,545	\$ (134,575)	75.00 %
GROSS PROFIT	\$400,970	\$535,545	\$ (134,575)	75.00 %
Expenses				
512200 Sponsorships				
512500 Funding to CEDC	15,000	15,000	0	100.00 %
512600 Clay Day Event Sponsor	500	500	0	100.00 %
Total 512200 Sponsorships	15,500	15,500	0	100.00 %
513300 Professional Fees				
513306 Admin Contract StellaRea Group	32,500	32,500	0	100.00 %
513310 Attorney Contract Tolson & Associates	7,000	7,000	0	100.00 %
513320 Auditor Contract James Moore CPAs		10,500	(10,500)	
513321 Accounting Coleman & Associates	2,500	2,500	0	100.00 %
513335 Accounting Ancillary Charges		700	(700)	
513340 Attorney Ancillary Charges		1,425	(1,425)	
Total 513300 Professional Fees	42,000	54,625	(12,625)	77.00 %
513440 Insurance				
513443 General Liability Coverage	945	945	0	100.00 %
Total 513440 Insurance	945	945	0	100.00 %
513463 Property expenses and fees				
513463a Demolition	56,750	60,000	(3,250)	95.00 %
513463b Maintenance	584	5,000	(4,416)	12.00 %
513463c Rezoning	2,798	7,000	(4,202)	40.00 %
513463d Ad Valorem Taxes	4,779	2,500	2,279	191.00 %
Total 513463 Property expenses and fees	64,911	74,500	(9,589)	87.00 %
513510 Office and Operating Expenses				
513490 Business Meeting		125	(125)	
513494 Dues & Subscriptions	3,070	2,500	570	123.00 %
513512 Office Supplies		125	(125)	
513514 Misc Office Expense		100	(100)	
513516 Telephone	343	400	(57)	86.00 %
513517 Licenses & Fees	225	175	50	129.00 %
513518 Website & IT expenses	433	900	(467)	48.00 %

Clay County Development Authority

Budget vs. Actuals: FY 21-22 Budget - FY22 P&L

October 2021 - February 2022

			TOTAL	
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
513519 Travel	954	500	454	191.00 %
513521 Advertising & Marketing		150	(150)	
513522 Bank Service Charges	36		36	
Total 513510 Office and Operating Expenses	5,061	4,975	86	102.00 %
559000 Grant Expense				
559012 DIG# S0086 Force Security Structure	385,000		385,000	
559015 CON 20-01 Buffer Land Purchase		385,000	(385,000)	
Total 559000 Grant Expense	385,000	385,000	0	100.00 %
Total Expenses	\$513,417	\$535,545	\$ (22,128)	96.00 %
NET OPERATING INCOME	\$ (112,446)	\$0	\$ (112,446)	0%
NET INCOME	\$ (112,446)	\$0	\$ (112,446)	0%



March 16, 2022

To the Board of Directors,
Clay County Development Authority:

We have audited the financial statements of Clay County Development Authority (the Authority) as of and for the year ended September 30, 2021, and have issued our report thereon dated March 16, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 24, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit, if any, in a separate letter to you dated March 16, 2022.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and our firm, have complied with all relevant ethical requirements regarding independence.

We have applied safeguards related to our preparation of the Authority's financial statements, including, but not limited to, an assessment of management's skills, knowledge, and experience.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Authority is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended September 30, 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Authority's financial statements relate to:

The disclosure of deposits and investments in Note 2 to the financial statements discusses the Authority's deposits and investments and related applicability of credit risk factors.

Significant Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements. Listed below are uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

- None noted

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following misstatements were noted:

- None noted

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Authority's financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated March 16, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues


In the normal course of our professional association with the Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Authority's auditors.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This report is intended solely for the use of the Board of Directors and management of the Clay County Development Authority and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



JAMES MOORE & CO., P.L.

Overview

- ❖ Audit Process
- ❖ Thank You

Required Communications

- ❖ Our Responsibility in Relation to Financial Statement Audit
- ❖ Significant Estimates and/or Disclosures
 - Note 3: Deposits and Investments (page 10)
- ❖ Audit Adjustments
 - None
- ❖ Significant Difficulties Performing Audit, Disagreements with Management
 - None

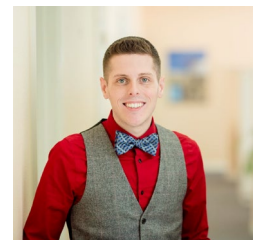
Audit Reports

- ❖ Report on Financial Statements (page 1): Unmodified Opinion
- ❖ Report on Internal Control and Compliance (page 12): No Comments
- ❖ Management Letter Required by Chapter 10.550, Rules of the AG (page 14):
 - No Comments
- ❖ Examination Report on Compliance with F.S. 218.415 (page 17)

Financial Highlights

- ❖ Decrease in Fund Balance \$(110,816)
 - Grant Revenues \$466,650
 - Grant Expenditures \$446,650
- ❖ Fund Balance - \$1,967,097
 - Non-Grant Expenditures: \$132,905
 - 1,480% as percentage of FY2021 non-grant expenditures

Anthony Walsh, CPA
Manager
352.378.1331
Anthony.Walsh@jmco.com



Balance Sheet (page 6)

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 230,977	\$ -	\$ 230,977
Investments	163,144	-	163,144
Property held for sale	1,198,195	-	1,198,195
Grants and accounts receivable	366,650	-	366,650
Prepaid items and deposits	8,140	-	8,140
Total Assets	<u>\$ 1,967,106</u>	<u>\$ -</u>	<u>\$ 1,967,106</u>
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 9</u>
<u>FUND BALANCE / NET POSITION</u>			
Fund balance:			
Nonspendable:			
Prepaid items and deposits	\$ 8,140	\$ (8,140)	\$ -
Property held for sale	1,198,195	(1,198,195)	-
Unassigned	760,762	(760,762)	-
Net position:			
Unrestricted	-	1,967,097	1,967,097
Total Fund Balance / Net Position	<u>1,967,097</u>	<u>\$ -</u>	<u>\$ 1,967,097</u>
Total Liabilities and Fund Balance	<u>\$ 1,967,106</u>		

Income Statement with Budget (page 8)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest income	\$ 24,000	\$ 24,000	\$ 2,058	\$ (21,942)
Grants	866,667	866,667	466,650	(400,017)
Miscellaneous	-	-	31	31
Total revenues	<u>890,667</u>	<u>890,667</u>	<u>468,739</u>	<u>(421,928)</u>
Expenditures / expenses				
Legal and professional	112,150	112,150	108,605	3,545
Funding to CEDC	15,000	15,000	15,000	-
Other grants	500	500	-	500
Special promotion	8,055	8,055	-	8,055
Grant disbursements	831,667	831,667	446,650	385,017
Miscellaneous	3,030	3,030	9,300	(6,270)
Total expenditures / expenses	<u>970,402</u>	<u>970,402</u>	<u>579,555</u>	<u>390,847</u>
Excess (deficiency) of revenues over expenditures	<u>(79,735)</u>	<u>(79,735)</u>	<u>(110,816)</u>	<u>(31,081)</u>
Fund balance, beginning of year	2,077,913	2,077,913	2,077,913	-
Fund balance, end of year	<u>\$ 1,998,178</u>	<u>\$ 1,998,178</u>	<u>\$ 1,967,097</u>	<u>\$ (31,081)</u>

CLAY COUNTY DEVELOPMENT AUTHORITY

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

**CLAY COUNTY DEVELOPMENT AUTHORITY
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SEPTEMBER 30, 2021**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Clay County Development Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the Clay County Development Authority (the Authority), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Authority's 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 an opinion on these financial statements based on our audit. We conducted our audits 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 Authority'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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2021, and the respective changes in financial position thereof and budgetary comparison statement for the general fund, 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 management's discussion and analysis, as listed in the table 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 audits 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 March 16, 2022, on our consideration of the Authority'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 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 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 Authority's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Daytona Beach, Florida
March 16, 2022

**CLAY COUNTY DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

We offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2021.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year and prior year is required to be presented in the MD&A and is presented in the Financial Highlights.

Financial Highlights

Our financial statements provide these insights into the results of this year's operation:

- At September 30, 2021, the Authority's statement of net position reported an ending net position balance of \$1,967,097, which is a change of (\$110,816) from the prior fiscal year. One of the reasons for this decrease is due to the loss of rental income in recent years after a sale of Authority property that eliminated rental income.
- The Authority's assets exceeded its liabilities at September 30, 2021 by \$1,967,097. The full amount (unrestricted net position) may be used to meet the Authority's ongoing obligations.
- Total revenues were \$468,739 and \$858,400 for the fiscal years ending September 30, 2021 and 2020, respectively. Of those amounts, the Authority earned and expended \$466,650 and \$839,366, respectively, in grant revenues.
- Total expenses were \$579,555 and \$940,685 for September 30, 2021 and 2020, respectively. The reason for the decrease in expenses is related to less grant-related expenditures compared to the prior fiscal year.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Authority's financial statements which include a combined governmental fund and a government-wide statement as well as notes to the financial statements. There is additional supplementary information following these financial statements which may be of interest to the reader.

The governmental activities statements include a Statement of Net Position and a Statement of Activities, and are designed to provide you with the financial position of the Authority and are similar to private-sector financial statements.

The Governmental Fund Balance Sheet/Statement of Revenues, Expenditures, and Changes in Fund Balance (general fund column) shows the Authority's near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**CLAY COUNTY DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021
(Continued)**

Government-wide financial statements – Analysis

Statement of Net Position

	2021	2020
Assets		
Current and other assets	\$ 1,967,106	\$ 2,078,091
Total assets	\$ 1,967,106	\$ 2,078,091
Liabilities		
Accounts payable and other liabilities	\$ 9	\$ 178
Total liabilities	\$ 9	\$ 178
Net Position		
Unrestricted	\$ 1,967,097	\$ 2,077,913
Total Net Position	\$ 1,967,097	\$ 2,077,913

The Statement of Net Position column shows the Authority's assets less its liabilities. The difference between these assets and liabilities is reported as net position. Changes in net position over time may be helpful in indicating an improving or deteriorating financial position. The Authority's net position in 2021 remained very similar and stable to the prior years.

Statement of Activities

	2021	2020
Revenues:		
Program revenues:		
Grants	\$ 466,650	\$ 839,366
General revenues:		
Investment income	2,058	19,015
Miscellaneous	31	19
Gain/loss on disposal of capital assets	-	-
Total revenues	468,739	858,400
Expenses:		
Operating costs	132,905	185,685
Facility costs	-	-
Capital grants	446,650	755,000
Total expenses	579,555	940,685
Change in net position	(110,816)	(82,285)
Net Position – beginning	2,077,913	2,160,198
Net Position - ending	\$ 1,967,097	\$ 2,077,913

Because the focus of governmental funds, general fund column, is narrower than that of the government-wide financial statement, net position column, it is useful to compare the information presented for governmental activities in the general fund with governmental information presented for governmental activities in the government-wide column Statement of Net Position.

**CLAY COUNTY DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021
(Continued)**

The Statement of Activities column presents information showing how the net position changed during the fiscal year. The statement presents all underlying events, which give rise to the change, regardless of the timing of the related cash flows.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the combined governmental fund and government-wide statements.

Governmental Funds

The Authority's revenues and other financing sources decreased by approximately \$389,000 when compared to the prior fiscal year, primarily due to significant grant projects being undertaken in the prior fiscal year.

The Authority's expenditures and other financing uses decreased by approximately \$361,000 compared to the prior fiscal year. The decrease in expenditures was mostly attributable to the decrease in grant expenditures of approximately \$308,000.

Budgetary Highlights

Budget to actual statements are provided in the financial statements. No budget amendments were made during the year. The budget to actual statement for the General Fund shows that actual expenditures were less than budgeted expenditures by \$390,847, mostly due to significantly less than anticipated grant disbursements.

Contacting the Authority

This financial report is designed to provide a general overview of the Authority's finances and to show the Authority's accountability for the management of the financial resources of the Authority. If you have any questions about this report or need additional financial information, you may contact the Clay County Development Authority by mail at 1845 Town Center Blvd, Suite 410, Fleming Island, FL 32003.

**CLAY COUNTY DEVELOPMENT AUTHORITY
BALANCE SHEET / STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	General Fund	Adjustments	Statement of Net Position
<u>ASSETS</u>			
Cash and cash equivalents	\$ 230,977	\$ -	\$ 230,977
Investments	163,144	-	163,144
Property held for sale	1,198,195	-	1,198,195
Grants and accounts receivable	366,650	-	366,650
Prepaid items and deposits	8,140	-	8,140
Total Assets	\$ 1,967,106	\$ -	\$ 1,967,106
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	\$ 9	\$ -	\$ 9
<u>FUND BALANCE / NET POSITION</u>			
Fund balance:			
Nonspendable:			
Prepaid items and deposits	\$ 8,140	\$ (8,140)	\$ -
Property held for sale	1,198,195	(1,198,195)	-
Unassigned	760,762	(760,762)	-
Net position:			
Unrestricted	-	1,967,097	1,967,097
Total Fund Balance / Net Position	1,967,097	\$ -	\$ 1,967,097
Total Liabilities and Fund Balance	\$ 1,967,106		

The accompanying notes to financial statements
are an integral part of these statements.

**CLAY COUNTY DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE / STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues			
Interest income	\$ 2,058	\$ -	\$ 2,058
Grants	466,650	-	466,650
Miscellaneous	31	-	31
Total revenues	<u>468,739</u>	<u>-</u>	<u>468,739</u>
Expenditures / expenses			
Legal and professional	108,605	-	108,605
Funding to CEDC	15,000	-	15,000
Grant disbursements	446,650	-	446,650
Miscellaneous	9,300	-	9,300
Total expenditures / expenses	<u>579,555</u>	<u>-</u>	<u>579,555</u>
Excess (deficiency) of revenues over expenditures / operating income (loss)	<u>(110,816)</u>	<u>-</u>	<u>(110,816)</u>
Fund balance / net position, beginning of year	2,077,913	-	2,077,913
Fund balance / net position, end of year	<u><u>\$ 1,967,097</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,967,097</u></u>

The accompanying notes to financial statements
are an integral part of these statements.

**CLAY COUNTY DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Interest income	\$ 24,000	\$ 24,000	\$ 2,058	\$ (21,942)
Grants	866,667	866,667	466,650	(400,017)
Miscellaneous	-	-	31	31
Total revenues	890,667	890,667	468,739	(421,928)
Expenditures / expenses				
Legal and professional	112,150	112,150	108,605	3,545
Funding to CEDC	15,000	15,000	15,000	-
Other grants	500	500	-	500
Special promotion	8,055	8,055	-	8,055
Grant disbursements	831,667	831,667	446,650	385,017
Miscellaneous	3,030	3,030	9,300	(6,270)
Total expenditures / expenses	970,402	970,402	579,555	390,847
Excess (deficiency) of revenues over expenditures	(79,735)	(79,735)	(110,816)	(31,081)
Fund balance, beginning of year	2,077,913	2,077,913	2,077,913	-
Fund balance, end of year	\$ 1,998,178	\$ 1,998,178	\$ 1,967,097	\$ (31,081)

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

CLAY COUNTY DEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(1) Summary of Significant Accounting Policies:

The accounting policies of the Clay County Development Authority (the Authority) conform to generally accepted accounting principles applicable to governmental units. The following is a summary of significant policies.

(a) **Reporting entity**—The Authority is an independent special district created under special act by the Florida Legislature, Chapter 2001-317, House Bill 897, for the purpose of performing such acts as shall be necessary for the sound planning and development of Clay County, Florida. It is composed of ten members who are appointed by the governor. The Authority has adopted Governmental Accounting Standards Board (GASB) Codification and has determined that there are no component units that meet the criteria for inclusion in the Authority's financial statements.

(b) **Measurement focus, basis of accounting, and financial statement presentation**—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 incurred, regardless of the timing of related cash flows. 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 current *financial resources, measurement focus*, and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Authority considers revenues to be available if they are collected within one year of the end of the fiscal year.

(c) **Budget and budgetary accounting**—The Authority prepares a budget on a consistent basis which does not differ materially from generally accepted accounting principles. The budget is approved and amended by Authority members. The Authority has one budgeted governmental fund, which is the General Fund. The legal level of control is the General Fund as a whole.

(d) **Cash and cash equivalents**—Cash and cash equivalents consists of cash on hand and on deposit in banks and money market accounts.

(e) **Investments**—The Authority's investment practices are governed by Chapter 218.415, Florida Statutes. The Authority is authorized to invest in the following:

- 1) The Local Government Surplus Funds Trust Fund;
- 2) Securities and Exchange Commission registered money market funds with the highest credit rating from a nationally recognized rating agency;
- 3) Interest bearing time deposits or savings accounts in qualified public depositories; and
- 4) Direct obligations of the U.S. Treasury.

(f) **Property held for sale**—Property held for sale reports the value of vacant land owned by the Authority and intended to be sold in the future.

(g) **Grants and accounts receivable**—All receivables are determined to be fully collectable. Accordingly, no allowance for doubtful accounts has been provided.

CLAY COUNTY DEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(1) **Summary of Significant Accounting Policies:** (Continued)

(h) **Fund equity**—The Authority had no fund balance other than nonspendable, which represents prepaid items and deposits, assigned, which represent funds designed by the Board for use in the following fiscal year, and unassigned fund balance at September 30, 2021. Should the Authority hold any fund balance/net position that classifies as either restricted or committed, it is the Authority to first apply restricted resources, and then committed resources, before using any unrestricted resources.

(i) **Revenues and expenditures**—Other than grant revenues, the Authority’s primary revenue streams consist of bond fees, earned by the Authority both upon the issuance of conduit debt and on an ongoing basis from conduit debt issuance. Non-grant expenditures generally are for administrative items. The Authority had no conduit debt issuances for the year ended September 30, 2021.

(j) **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 amount of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(2) **Reconciliation of Government-Wide and Fund Financial Statement:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Included with the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. These differences, including various equity reclassifications, are outlined in the “Adjustments” column on the balance sheet / statement of net position.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Included with the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There were no such reconciling items for the current year.

(3) **Deposits and Investments:**

At September 30, 2021, the carrying amount of the Authority’s deposits was \$230,977. In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The Authority’s deposits at year end are considered insured for custodial credit risk purposes.

The Authority measures and records its investments, assets whose use is limited, and restricted assets using fair value measurement guidelines established by the GASB Codification. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

CLAY COUNTY DEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

(3) **Deposits and Investments:** (Continued)

Investments of \$163,144 consist of monies held in the Florida PRIME fund, as managed by the State Board of Administration. The Local Government Surplus Funds Trust Fund (Florida PRIME) is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements of the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than market value to report net assets to compute share prices if certain conditions are met. Those conditions include restrictions on the types of investments held; restrictions on the term-to-maturity of individual investments and the dollar-weighted average of the portfolio; requirements for portfolio diversification; requirements for divestiture considerations in the event of security downgrades and defaults; and required actions if the market value of the portfolio deviates from amortized cost by a specified amount. The Florida PRIME is considered a SEC 2a7-like fund, and the account balance is considered the fair value of the investment. The Florida PRIME is rated by Standard & Poor. The current rating is AAAM. The weighted average days to maturity of the Florida PRIME at September 30, 2021, were 49 days.

Property held for resale of \$1,198,195 is valued based on market conditions and resale data of similar parcels of land, a level 3 input. Based on the short period of time from the purchase date to the financial statement date, the purchase price was been used as the estimated fair value at September 30, 2021.

(4) **Noncommitments and Conduit Debt:**

Chapter 159, Parts II and III, Florida Statutes, and other applicable provisions of law (the "Act") authorizes the Authority to make and execute agreements, contracts, deeds, and other instruments necessary or convenient for the construction of an industrial or manufacturing plant as defined in the Act. The Act also authorizes the purchase of machinery, equipment, land, rights in land, and other related appurtenances and facilities, to the end that the Authority may be able to promote the economic development of Clay County and of the State of Florida; to increase opportunities for gainful employment; and to aid in improving the prosperity and welfare of the State and its inhabitants. The Authority, as permitted by the Act, has issued Industrial Revenue Bonds, the various borrowers of which are solely responsible for debt repayment. A schedule of outstanding conduit debt as of September 30, 2021, is not available.

(5) **Risk Management:**

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Authority carries commercial insurance. There have been no claims or reductions in coverage from the prior year.

(6) **New Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the financial statements:

- (a) GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 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 the 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. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.

**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**

To the Board of Directors,
Clay County Development Authority:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of the Clay County Development Authority (the Authority) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 16, 2022.

Internal Control over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Authority'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority'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.

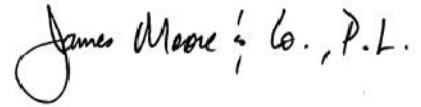
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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 audits 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 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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida
March 16, 2022

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Board of Directors,
Clay County Development Authority:

Report on the Financial Statements

We have audited the basic financial statements of the Clay County Development Authority (the Authority), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 16, 2022.

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 Florida Auditor General.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and 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 March 16, 2022, 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 annual financial audit report. There were no recommendations from the prior fiscal year audit.

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 Clay County Development Authority was established by special act by the Florida Legislature, Chapter 2001-317, HB 897. There are no component units related to the Authority.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audits, we determined that the Authority 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. It is management's responsibility to monitor the Authority'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 address in the management letter 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; therefore, we did not note any such component units that failed to provide the necessary information.

Specific Special District Information – Clay County Development Authority

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

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

- a) The total number of district employees compensated in the last pay period of the district's fiscal year: -0-.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year: 3 (three).
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$-0-.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$98,105.
- e) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - a. No such projects noted.

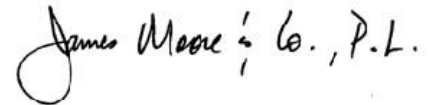
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows: there were no amendments between the original and final total district expenditure budget.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 which warrants the attention of those charged with governance. In connection with our audit, we did not have 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, and applicable management and the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida
March 16, 2022

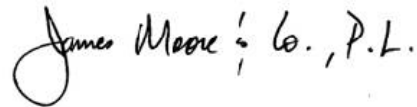
INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Board of Directors,
Clay County Development Authority:

We have examined the Clay County Development Authority's (the Authority) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021. The Authority's management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance 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 Authority complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about the Authority's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, 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.

In our opinion, the Clay County Development Authority complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.



Daytona Beach, Florida
March 16, 2022