# LOCAL GOVERNMENTAL ENTITY AUDIT REPORT SUBMITTAL CHECKLIST

Entity Name: Hillsborough County Industrial Development Authority

Entity Address: 1200 West Platt Street Tampa, Florida 33606

Entity Contact Person:

Name: Thomas Morrison

Title: General Counsel

Phone Number: (813) 258-3311

E-mail Address: tommor@morrisonandmills.com

CPA Firm Contact Person:

Name: Jeanpaul Jimenez

Title: Auditor

Phone Number: (813) 226-6091 ext. 140

E-mail Address: jjimenez@pridacpas.com

Fiscal Year Audited: 2023

Date the auditor delivered the audit report to the entity: 12/27/2023

Does the audit report include the following items required by Section 10.557(3), Rules of the Auditor General?

Required for municipalities, special districts, the county as a whole, and county agencies[1]

Y — The financial statements described in Sections 10.556(3) and (4), Rules of the Auditor General, as applicable, together with related notes to financial statements?

Y — Required supplementary information (RSI) such as the management's discussion and analysis (not required for county agencies), or the budgetary comparison schedule (required as RSI if not presented as part of the financial statements)?

Y — The auditor's report on the financial statements?

Y — The auditor's report on compliance and internal control?

Y — The management letter[2] defined in Section 10.554(1)(i), Rules of the Auditor General?

[1] Pursuant to Section 218.39(2), Florida Statutes, an audit of the board of county commissioners is not required. However, if the county report includes an audit of the board of county commissioners, it should, pursuant to Section 10.554(1)(e), Rules of the Auditor General, include the items required by Section 10.557(3), Rules of the Auditor General.

[2] If required reporting information for a dependent special district is fulfilled by inclusion in the primary local government audit report, a statement to that effect should be made in the dependent special districts' audit reports, and vice versa.

Y The written statement of explanation or rebuttal, including corrective action to be taken, required by Section 10.558(2), Rules of the Auditor General?

Y The auditor's report based on an examination conducted in accordance with *AICPA Professional Standards*, prepared in accordance with AT-C Section 315, promulgated by the American Institute of Certified Public Accountants, regarding the compliance requirements referenced in Section 10.556(10), Rules of the Auditor General?

Required for municipalities, special districts, and the county as a whole

N/A If applicable, any other auditor's reports, related financial information, and auditee-prepared documents required pursuant to Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); or other applicable Federal law?

N/A Any auditor's reports and related financial information required pursuant to the *Florida Single Audit Act* (see Section 10.557(3)(e), Rules of the Auditor General)?

N/A For any fiscal year in which funds related to the Deepwater Horizon oil spill are received or expended, a schedule of receipts and expenditures of such funds required by Section 10.557(3)(m), Rules of the Auditor General?

N/A For any fiscal year in which funds related to the Deepwater Horizon oil spill are received or expended, a report that includes an opinion (or disclaimer of opinion) as to whether the schedule of receipts and expenditures of such funds required by Section 10.557(3)(m), Rules of the Auditor General, is presented fairly in all material respects in relation to the financial statements taken as a whole? The report must be prepared in accordance with AICPA Professional Standards, AU-C Section 725, promulgated by the American Institute of Certified Public Accountants (see Section 10.557(3)(f), Rules of the Auditor General)?

In addition to the above, have the following requirements been complied with:

Y Are all of the above elements of the audit report included in a ***single document*** as required by Section 10.557(3), Rules of the Auditor General?

Y Are ***one*** paper copy and ***one*** electronic copy of the audit report being submitted as required by Section 10.558(4), Rules of the Auditor General?

Y Is the audit report being submitted within 45 days after receipt of the audit report from the auditor, but no later than ***9 months*** after the end of the fiscal year? **NOTE**: There is no provision in law authorizing an extension for filing the audit report.

Y Is the electronic copy named using all lower-case letters as follows: [fiscal year] [name of entity].pdf? Counties should include the word "county" in the entity name; however, it is not necessary for municipalities to include "city of," "town of," etc. in the entity name. For example, the converted document for the 2022-23 fiscal year for Alachua County should be named 2023 alachua county.pdf while the converted document for the 2022-23 fiscal year for the City of Alachua should be named 2023 alachua.pdf.

N/A For entities that have adopted an impact fee by ordinance or resolution, was the affidavit referred to in Section 10.558(1), Rules of the Auditor General, submitted with the audit report if not submitted with the annual financial report?

N/A If the audit report is for a county or municipality, and a dependent special district was audited as part of the county or municipality audit, did the notes to financial statements clearly indicate that the special district had been included as part of the county's or municipality's reporting entity? **NOTE**: Pursuant to Section 218.39(3), Florida Statutes, an independent special district may not be audited as part of a county or municipality audit. When a dependent special district is audited as part of the county or municipality audit, the county or municipality notes to financial statements should clearly disclose that the special district is a component unit included within the county's or municipality's reporting entity.

**This checklist should accompany the audit report.** It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact us if assistance or clarification is needed regarding reporting requirements. Our contact information is as follows:

Auditor General
Local Government Audits/251
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

Telephone: (850) 412-2892

E-mail Address: flaudgen_localgovt@aud.state.fl.us
Web site Address: FLAuditor.gov

# HILLSBOROUGH COUNTY
# INDUSTRIAL DEVELOPMENT AUTHORITY

## Financial Statements and Supplementary Information
## Year Ended September 30, 2023

**HILLSBOROUGH COUNTY**
**INDUSTRIAL DEVELOPMENT AUTHORITY**
**Financial Statements and Supplementary Information**
**Year Ended September 30, 2023**

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PRIDA, GUIDA & PEREZ, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
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TAMPA, FLORIDA 33607
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# INDEPENDENT AUDITORS' REPORT

To the Chairman and Board Members
Hillsborough County Industrial Development Authority
Tampa, Florida

## Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the general fund, and the aggregate remaining fund information of Hillsborough County Industrial Development Authority (the "Authority"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and the general fund of the Authority, as of September 30, 2023, and the respective changes in financial position and for the year then ended in conformity with accounting principles generally accepted in the United States of America ("GAAP").

## 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. 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 Authority, 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 GAAP, 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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### 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 opinion. 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 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, 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 Authority'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 Authority'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 management's discussion and analysis and 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 ("GASB"), 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 GAAS, which consisted of inquiries of

management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated December 27, 2023, on our consideration of Hillsborough County Industrial Development Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contacts, 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 of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the Authority's internal control over financial reporting and compliance.

In accordance with Section 218.39(4), Florida Statutes, and Section 10.554(1)(i), Rules of the Auditor General, we have also issued a statement of auditors' comment addressed to the Authority's Board of Directors, dated December 27, 2023, under the heading Independent Auditors' Management Letter.

Prida, Guida & Perez, P.A.
Tampa, FL
December 27, 2023

This section of the report on the financial statements presents management's discussion and analysis of the Authority's financial performance during the fiscal year ended September 30, 2023. It should be considered in conjunction with the Authority's basic financial statements and required supplementary information. Management's discussion and analysis will include the following:

- An overview of the report on the financial statements, including required supplementary financial information.

- A brief discussion of the basic financial statements, including how they relate to each other and significant differences in information they provide.

- A review and analysis of government-wide financial information, including the reasons for significant changes in net position.

- A review and analysis of individual fund financial information, including the reasons for significant changes in the fund balance.

Overview of the Report on the Financial Statements

This report on the financial statements consists of five parts:
(1) Independent Auditors' Report
(2) Management's Discussion and Analysis
(3) Basic Financial Statements:
    - Government-Wide Financial Statements
    - Fund Financial Statements
    - Notes to the Financial Statements
(4) Required Supplementary Information:
    - Schedule of Revenues, Expenditures and Changes - Budget and Actual - Governmental Funds
    - Note to Required Supplementary Information
(5) Compliance and Internal Control
    - 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*
    - Independent Auditors' Management Letter in accordance with the *Rules of the Auditor General* of the State of Florida
    - Independent Auditors' Report/Compliance with Section 218.415, Florida Statutes

The Notes to the Financial Statements are an integral part of the basic financial statements. They explain some of the information in the financial statements and provide more detail.

The Schedule of Revenues, Expenditures and Changes – Budget (Non-GAAP Basis) and Actual - Governmental Funds is supplementary information required by the Governmental Accounting Standards Board.

The Report on Internal Control Over Financial Reporting and on Compliance and Other Matters is required by Government Auditing Standards issued by the Comptroller General of the United States.

The Independent Auditors' Management Letter is required by the Rules of the Auditor General of the State of Florida which govern audits performed in the State of Florida.

Government-Wide Financial Statements

The government-wide financial statements consist of:
- Statement of Net Position
- Statement of Activities

The government-wide financial statements provide both short-term and long-term information about the Authority's overall financial condition in a manner similar to those of a private-sector business. They are designed to provide financial information about the Authority using an economic resources (net position) measurement focus. This focus considers long-term factors such as long-term debts and investments in fixed assets, which are not included in the fund financial statements which focus on short-term spendable financial resources.

Fund Financial Statements

The fund financial statements consist of:
- Balance Sheet - Governmental Fund
- Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund

A fund is a self-balancing set of accounts which is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure compliance with finance-related legal requirements and prudent fiscal management.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in government-wide financial statements. This focus allows the governmental funds statements to provide information on near-term inflows and outflows of spendable resources as well as balances (fund balances) of spendable resources available at the end of the fiscal year. The Authority only has one fund, the General Fund.

Reconciliation of Fund Financial Statements to Government-Wide Financial Statements

The short-term view presented in fund financial statements are useful when compared to the longer-term view presented in government-wide financial statements. To facilitate this comparison, the following reconciliations are provided between the fund financial statements and the government-wide financial statements:
- Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position of Governmental Activities
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Fund to the Statement of Activities

Government - Wide Financial Analysis

Net Position, End of Year

| | Governmental Activities | |
|---|---|---|
| | 2023 | 2022 |
| Cash | $ 518,698 | $ 358,629 |
| Total assets | $ 518,698 | $ 358,629 |
| Accrued liabilities | $ 136,135 | $ - |
| Total liabilities | $ 136,135 | $ - |
| Unrestricted net position | $ 382,563 | $ 358,629 |
| Total net position | $ 382,563 | $ 358,629 |

Operating Results for the Year

| | Governmental Activities | |
|---|---|---|
| | 2023 | 2022 |
| **Revenues** | | |
| Program revenues | | |
| Fee income | $ 292,220 | $ 200,000 |
| General revenues | | |
| Interest | 3,264 | 541 |
| Total revenues | 295,484 | 200,541 |
| **Expenses** | | |
| Professional fees | 239,310 | 135,955 |
| Application fees | 30,175 | 40,000 |
| Other | 2,065 | 677 |
| Total expenses | 271,550 | 176,632 |
| Change in net position | 23,934 | 23,909 |
| Net position, beginning of year | 358,629 | 334,720 |
| Net position, end of year | $ 382,563 | $ 358,629 |

Government-Wide Financial Analysis (Continued)

*Statement of Net Position –*

- The change in net position was an increase of $23,934 which increased the total net position to $382,563 at September 30, 2023.

*Statement of Activities –*

- During fiscal year 2023, the Authority had an increase in bond applications resulting in revenue from the applications. Additionally, the Authority issued two bonds, collectively totaling approximately $300,000,000. In fiscal year 2022, the Authority only issued one bond for $100,000,000. The current year's increase of $9,220 in program revenues is primarily a result of the issuance of two bonds. The Authority receives revenues for applications when they are filed and for services rendered at the issuance of a bond. The revenue for services rendered can fluctuate depending on the size and complexity of a bond.

- Professional fee expense increased by $103,355 as a direct result of the increase in the issuance of private revenue bonds during the fiscal year 2023 versus the fiscal year 2022. In 2022, the Authority received expedited applications, which it charges substantially more for. There were no expedited applications in the current year resulting in a decrease of $9,825 in application fees.

Governmental Fund

- There were no differences in the reporting of the Authority's fiscal year 2023 and fiscal year 2022 operating results between the government-wide financial statements versus the fund financial statements.

Significant Economic Factors or Other Conditions and Next Year's Budget

The Authority has assertively responded to the economic climate and financial needs of Non-for Profit's in Hillsborough County. They continue to meet throughout the year and review applications as well as assess expenditures and compare them to the budget.

Contacting the Authority's Financial Management

The Report on the financial statements is designed to provide interested parties with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. Should additional information be required, please contact Thomas Morrison, Legal Counsel, at 1200 West Platt Street, Tampa, FL 33606.

**HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**
**Statement of Net Position**
**September 30, 2023**

| | Governmental Activities |
|---|---|
| **ASSETS** | |
| Cash | $ 518,698 |
| Total assets | $ 518,698 |
| **LIABILITIES** | |
| Accrued liabilities | $ 136,135 |
| Total liabilities | $ 136,135 |
| **NET POSITION** | |
| Net position - unrestricted | $ 382,563 |
| Total net position | $ 382,563 |

Read the accompanying notes to the financial statements.

**HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**
**Statement of Activities**
**For the Year Ended September 30, 2023**

| | | |
|---|---|---|
| **Program Revenues** | | |
| Fee income | $ | 292,220 |
| **Operating Expenses** | | |
| Professional fees | | 239,310 |
| Application fees | | 30,175 |
| Transcription and other | | 2,065 |
| Total operating expenses | | 271,550 |
| Total primary government | $ | 20,670 |
| **General Revenues** | | |
| Interest income | | 3,264 |
| Total general revenues | | 3,264 |
| Change in net position | | 23,934 |
| Unrestricted net position, beginning of year | | 358,629 |
| Unrestricted net position, end of year | $ | 382,563 |

Read the accompanying notes to the financial statements.

**HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**
**Balance Sheet - Governmental Fund**
**September 30, 2023**

| | General |
|---|---|
| **ASSETS** | |
| Cash | $ 518,698 |
| Total assets | $ 518,698 |
| **LIABILITIES** | |
| Accrued liabilities | $ 136,135 |
| Total liabilities | $ 136,135 |
| **FUND BALANCE** | |
| Fund balance - unassigned | $ 382,563 |
| Total fund balance | $ 382,563 |

Read the accompanying notes to the financial statements.

**HILLSBOROUGH COUNTRY INDUSTRIAL DEVELOPMENT AUTHORITY**
**Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund**
**For the Year Ended September 30, 2023**

| | General |
|---|---|
| **Revenues** | |
| Fee income | $ 292,220 |
| Interest income | 3,264 |
| Total revenues | 295,484 |
| | |
| **Expenditures** | |
| Professional fees | 239,310 |
| Application fees | 30,175 |
| Other | 2,065 |
| Total expenditures | 271,550 |
| | |
| Net change in fund balance | 23,934 |
| | |
| Fund balance, beginning of year | 358,629 |
| | |
| Fund balance, end of year | $ 382,563 |

Read the accompanying notes to the financial statements.

**HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**
**Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities**
**September 30, 2023**

| | | |
|---|---|---|
| **Total Fund Balance - Governmental Fund Balance Sheet** | $ | 382,563 |
| There are no reconciling items | | - |
| **Total Net Position - Statement of Net Position** | $ | 382,563 |

Read the accompanying notes to the financial statements.

**HILLSBOROUGH COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund to the Statement of Activities**
**For the Year Ended September 30, 2023**

| | |
|---|---|
| **Change in Fund Balance - Statement of Revenues, Expenditures, and Changes in Fund Balance** | $ 23,934 |
| There are no reconciling items | - |
| **Change in Net Position - Statement of Activities** | $ 23,934 |

Read the accompanying notes to the financial statements.

## Note 1 – Nature of Operations

The Hillsborough County Industrial Development Authority (the "Authority") is a dependent and semiautonomous agency of the State of Florida, a body corporate, politic, and a public instrumentality and was activated in October 1971 pursuant to Part III of Chapter 159, Florida Statutes through Resolution; dated October 27, 1971. The Authority was formed to finance or refinance industrial capital projects. The Board of County Commissioners ("BOCC") appoints the board members of the Authority. The BOCC does not have the ability to impose its will on the Authority, nor does it have a financial/benefit burden relationship with the Authority. The Authority is neither financially accountable to, nor fiscally dependent on, the BOCC. The governing body of the Authority consists of seven members. All members of the Authority are voting members. The members are appointed by the BOCC in accordance with Florida Statute 159.45. For financial reporting purposes, the Authority is a separate legal entity. In accordance with current governmental standards, the Authority is not a component unit of Hillsborough County; however, it is a related organization, since Hillsborough County appoints a majority of the board, but is not financially accountable.

## Note 2 – Summary of Significant Accounting Policies

The accounting policies of the Authority have been presented in accordance with accounting principles generally accepted in the United States of America, as applicable to governmental units. The following is a summary of the more significant policies:

*Basis of presentation* – The Authority's basic financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB").

Both government-wide and fund financial statements are presented.

The government-wide financial statements report information for the government as a whole. These statements reflect the economic resources' measurement focus and the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Expenditures are generally recognized when the related fund liability is incurred.

The general fund is the Authority's sole governmental fund.

*Fund Balance* – In accordance with GASB Statement No. 54 − *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned.

**Note 2 – Summary of Significant Accounting Policies (Continued)**

*Basis of Accounting* – The basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Governmental-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the illustration of expenses versus expenditures.

Revenue – On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. On an accrual basis, revenue is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of costs, such as depreciation, are not recognized in the governmental funds.

*Net Position* — Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on the use either through external restrictions imposed by creditors, grantors or laws or regulations of governments. Net position that is used for purposes other than above is classified as unrestricted. The Authority did not possess a restricted net position as of and for the year ended September 30, 2023.

*Use of Estimates* — The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*Income Taxes* — The Authority is exempt from all state and federal income taxes.

## Note 3 – Deposits and Cash

All deposits are held in banking institutions designated as qualified public depositories to hold public funds by the Chief Financial Officer of the State of Florida. All deposits are fully insured by Federal Deposit Insurance Corporation pursuant to Chapter 280 of the Florida Statutes. Under Florida Statutes Chapter 280 "Florida Security for Public Deposits 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 pledging level may range from 25% to 150% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. During the year ended September 30, 2023, the Authority held deposits in qualified public depositories.

## Note 4 – Subsequent Events

The Authority has evaluated subsequent events through December 27, 2023, the date which the financial statements were available to be issued. No events have occurred subsequent to the balance sheet date and through December 27, 2023, that would require any additional adjustment to, or disclosure in, the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

**HILLSBOROUGH COUNTRY INDUSTRIAL DEVELOPMENT AUTHORITY**
**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Governmental Fund**
**For the Year Ended September 30, 2023**

| | General | | |
|---|---|---|---|
| | Original & Final Budget | Actual | Variance Favorable (Unfavorable) |
| **Revenues** | | | |
| Fee income | $ 163,000 | $ 292,220 | $ 129,220 |
| Interest income | 150 | 3,264 | 3,114 |
| Total revenues | 163,150 | 295,484 | 132,334 |
| **Expenditures** | | | |
| Professional fees | 145,000 | 239,310 | (94,310) |
| Application fees | 3,000 | 30,175 | (27,175) |
| Other | - | 2,065 | (2,065) |
| Total expenditures | 148,000 | 271,550 | (123,550) |
| Net change in fund balance | 15,150 | 23,934 | 8,784 |
| Fund balance, beginning of year | 358,629 | 358,629 | - |
| Fund balance, end of year | $ 373,779 | $ 382,563 | $ 8,784 |

See independent auditor's report.

**Note 1 – Budgetary Basis of Accounting**

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., professional and application fees). The budget is approved by the Authority at the beginning of the fiscal year; therefore, due to the uncertainty of issuance of bonds and the timing of adopting the current year budget, it could cause variances. Going forward the authority intends to adjust the budget as the year progresses.

PRIDA, GUIDA & PEREZ, P.A.
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of
Hillsborough County Industrial Development Authority

We have audited the financial statements of the governmental activities and for the general fund of Hillsborough County Industrial Development Authority (the "Authority) as of and for the year ended September 30, 2023, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated December 27, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements of the Authority's governmental activities as of and for the year ended September 30, 2023, in accordance with auditing standards generally accepted in the United States of America, 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 opinions 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 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 may exist that have not been identified.

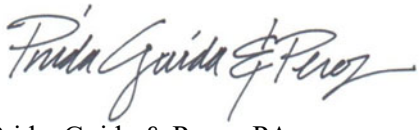
**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS (CONTINUED)***

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and other guidelines, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 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.



Prida, Guida & Perez, PA
Tampa, FL
December 27, 2023

PRIDA, GUIDA & PEREZ, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
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# INDEPENDENT AUDITORS' MANAGEMENT LETTER

## Report on the Financial Statements

We have audited the financial statements of Hillsborough County Development Industrial Authority (the "Authority") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated December 27, 2023.

## Auditors' Responsibility

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

## Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Auditors' 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 and schedule, which are dated December 27, 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 annual financial report. There were no findings and recommendations made in the preceding annual financial audit report.

## Official Title and Legal Authority

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

## INDEPENDENT AUDITORS' MANAGEMENT LETTER (CONTINUED)

### 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 report the results of our determination as to whether or not Hillsborough County Industrial Development 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 audit, 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 the same.

### Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit, municipality, or special district, provided 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 determined that the Authority did not have any special district component units that it relied on to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.32(2), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Hillsborough County Industrial Development Authority reported:

a. The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero.
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 $0.
e. There were no applicable construction projects 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.
f. The budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, as $6,284.

### 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.

## INDEPENDENT AUDITORS' MANAGEMENT LETTER (CONTINUED)

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

Sincerely,

Prida, Guida & Perez, P.A.
Tampa, FL
December 27, 2023

PRIDA, GUIDA & PEREZ, P.A.
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**INDEPENDENT AUDITORS' REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Directors of
Hillsborough County Industrial Development Authority

We have examined Hillsborough County Industrial Development Authority's (the "Authority") compliance with Section 218.415, Florida Statutes during the year ended September 30, 2023. 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 complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Authority's compliance with the specified standards.

In our opinion, Hillsborough County Industrial Development Authority complied, in all material respects, with Section 218.415, Florida Statutes as of September 30, 2023.

Sincerely,

Prida, Guida & Perez, P.A.
Tampa, FL
December 27, 2023