

**CARROLLWOOD RECREATION DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2015**

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CARROLLWOOD RECREATION DISTRICT
Board of Trustees
3515 McFarland Road
Tampa, Florida 33618

PROFILE OF CARROLLWOOD RECREATION DISTRICT

HISTORY

With a vision and foresight, Matt Jetton achieved local and national fame in the early 1960's when he developed Original Carrollwood, a deed restricted community. His company, Sunstate Builders, purchased 325+ acres of citrus grove and nursery land, just seven miles north of the City of Tampa. His vision was to create housing to relieve crowding in South Tampa; however, the residents of South Tampa did not care for the rural surroundings of Carrollwood. Located just 10 miles due west of the newly constructed University of South Florida, the Original Carrollwood community was discovered and embraced by the university academia, including University of South Florida's first president, John Allen.

By 1959, Carrollwood had become one of the foremost award-winning "subdivisions" in the area and boasted amenities unheard of at the time, including: air conditioned housing, a planned school, neighborhood parks, lake access for all residents, and an on call handy man and repair services. The winding roads, many cul-de-sacs and lake views added even more charm to this young community.

HISTORY OF THE BOARD

Upon completion of the development of the Carrollwood Subdivision, Sunstate Builders eventually transferred responsibility of common area maintenance to the owners of those areas. The Common areas known as White Sands Beach, Scotty Cooper Park, the Recreation Center and adjoining tennis courts are private property owned by the Carrollwood Civic Association, Inc. Original Carrollwood Park (acquired later) is property of the District. All other common areas are owned by Hillsborough County. As the residents preferred a higher standard of maintenance for the County

maintained areas, and wished for a more efficient way to fund maintenance of the privately owned common areas, the Carrollwood Recreation District and its' governing Board of Trustees was conceived.

The District and Board of Trustees was created by an act of the Florida Legislature, Chapter 72-565. This act was amended and superseded from time to time, and all such amendments were eventually superseded by Chapter 99-418. These acts charged the Board of Trustees with maintenance of the County owned common areas within the District under the provisions of it's enabling legislation. The District leases properties owned by the Civic Association, and under this lease is required to maintain these properties to the owners standards.

The maintenance responsibilities of the Board are funded by annual tax levies of all residential properties located in the District.

THE CARROLLWOOD RECREATION DISTRICT BOARD OF TRUSTEES

The CRD Board of Trustees is comprised of nine uncompensated, resident, registered voters. Each trustee carries fiduciary responsibility to the 925 residences within the community. Seven committees have been formed to address all aspects of the community's needs:

- Executive committee (president, vice president, treasurer and secretary);
- Grounds Committee - maintenance and improvement of landscaping, irrigation, contract and supervise the lawn care contractor;
- Three park committees (Scotty Cooper Park, White Sands Beach and Original Carrollwood Park) - rules enforcement, ascertain and respond to the needs of the park (through communication with resident users and monitoring the parks' conditions);
- Recreation Center Committee - assist in the hiring of a recreation center manager; supervise the manager; oversee the rental of the rooms and grounds; guide the Tennis Subcommittee; ascertain and implement the needs of the facility;
- Community Development Committee - respond to the need for development (structures) of the community; overall property planning.

Committee chairs are entrusted to expend up to \$2,000.00 in budgeted expenses without board approval. Expenses between \$2,001.00 and \$4,000.00 require Board approval even if budgeted. Expenses over \$4,000.00 require solicitation of at least 3 competitive bids and Board

approval. Each board member incurring debt on behalf of the CRD is required to inspect the invoice and indicate its legitimacy by initialing and dating the invoice prior to payment. Each committee chair is charged with submitting requests for appropriations to the treasurer for the annual budget preparation. The preparation process for the budget encompasses a three-month period wherein the treasurer compiles a statement of assets, liabilities and cash requests for the upcoming fiscal year, and the board reviews and modifies the requests as needed. Adoption of the budget occurs annually on the second Monday of June for the following fiscal year, October through September.

OVERVIEW OF CARROLLWOOD RECREATION DISTRICT FACILITIES

The common grounds consist of a recreation center (4,000 sq ft), 4 tennis courts, a formal walled entry to the community, 10 medians, 19 islands and 3 parks which are landscaped and irrigated.

RECREATION CENTER

3515 McFarland Road



New Recreation Center (South Elevation)—officially opened June 16, 2007





Recreation Center south elevation from the tennis courts



Covered patio outside multi-media room on north side



Entrance to lobby from McFarland Road



Entrance to lobby from tennis courts

- Address:** **Carrollwood Recreation Center**
3515 McFarland Road,
Tampa, Florida 33618
Serves as the mailing address for the CCA and CRD
- Phone:** 813-932-1257
- Open:** Office hours: Monday - Friday, from 3:30PM - 6:30PM
- History:** The original recreation center was built in 1975. The new center opened June 16, 2007.
- Features:**
- Multipurpose room (2,340 sq ft) with an adjoining serving room (165 sq ft)
 - Includes: Carpeted space and dance floor
 - Activity/meeting room (500 sq.' tile flooring)
 - Water fountains (interior and exterior)
 - Two ADA compliant tiled lavatories
 - Recreation District office (140 sq.', tiled flooring)
 - Fire sprinkler system
 - Burglar alarm system
 - 500 sq ft lobby (tiled flooring)
 - Organized activities and classes are posted on a bulletin board
 - Covered, concrete patio outside multi-media rooms
 - Covered walkways
 - Four hard surface tennis courts
- Parking:** Paved parking lots accommodate 50+ vehicles
- Guests:** Must be escorted by a resident
- Security:** Keys required for entry to all rooms
Monitored burglar alarms
- Rules:** Rules are posted on the bulletin board and printed on all rental forms.

TENNIS COURTS

Open: Daily 8 a.m. - 10 p.m.

Features:

- Four gated courts, lighted
- Lessons available from an approved instructor by calling Recreation Center

Security: Gates require a key

Rules:

- Reservations made through the rec. center office: Singles 1 $\frac{1}{2}$ hours; Doubles 2 hours; reservations valid up to 10 minutes after reserved time.
- No food or alcohol on courts.
- No bicycles, skateboards or roller blades on courts.
- Adults have priority on courts weekends and after 6 p.m. daily
- Juniors under 18 have priority weekdays from 3 - 6 p.m. Appropriate tennis attire and conduct required
- Absolutely no pets allowed at the tennis courts

WHITE SANDS BEACH
11613 Carrollwood Drive



New pavilion, docks, and landscaping—May 2007 & April 2008



History:

An original neighborhood amenity built in the late 1960's.

Open:

Daily. Gates unlocked at 7 a.m.; Locked at sunset.

Features:

Resident use only:

- Access to swimming, boating, fishing, picnicking, and sightseeing at Lake Carroll.
- Concrete boat ramp—key & decal required.
- Beach volleyball

Special Events:

- Community party held here after July 4th Parade
- December boat parade

Parking:

Paved parking lot for 35 cars

Parties: 25 people maximum. Reservations secured through the Recreation Center

Guests: Must be escorted by a resident

Security:

- Gates locked at sunset. Unlocked at sunrise.
- Guard on duty during spring break and summer vacation (swim seasons)
- Cars left overnight are towed
- Decals required for boat and trailer
- Lavatories—key required

Beach Rules: A complete set of rules is available at the Rec. Center

- No horseplay, pushing, playing tag, throwing sand, stones, shells, etc.
- No glass containers
- No alcohol
- Appropriate bathing attire and conduct required
- Protect your feet. Warning: sharp shells in sand
- Parties to remove their trash and trash bags from beach
- Beach privileges subject to suspension for inappropriate behavior

Pets: Absolutely no pets allowed at White Sands Beach

SCOTTY COOPER PARK
10717 Carrollwood Drive



Renovated pavilion and Playground—October, 2008

History:

Built in 1964, the original site of Carrollwood beach and boat ramp. Renovations completed in October, 2008.

Open:

Daily. Sunrise to sunset

- Features:**
- The 2008 renovation included a new park entrance with iron gates, new bathroom facilities, sweeping design to the structure and roofline, new sprinkler system, and new landscaping.
 - Also included in the renovation were new playground equipment, giant rocks, slides, swings, and various rides for younger children. Benches and picnic equipment were added along with mulch inside the playground area.
 - Open air picnic and grilling area
 - Recently renovated fishing pier
- Special Events:** Annual Spring Egg Hunt held here
- Parking:** Paved parking for 13 vehicles
- Parties:** Reservations made by calling the Recreation Center
- Guests:** Must be escorted by a resident
- Security:**
- Gates locked at sunset; unlocked at sunrise
 - Child safety gate latches
 - Key required for lavatories
- Rules:** Rules are posted on the gate
- Pets:** No pets allowed

ORIGINAL CARROLLWOOD PARK
11430 Orange Grove Drive



Original Carrollwood Park - September 2010

History: Originally the site of a defunct waste water treatment plant which previously served Original Carrollwood. The land was acquired by the Carrollwood Recreation District pursuant to a majority vote of the residents in 1992. In 2010 an Open Air Pavilion with bathroom was built with other amenities. Pavilion maybe reserved for resident events at park.

Open: Daily. Sunrise to sunset

Features:

- 800 Square Foot Open Pavilion with key access bathroom, 350 square feet storage and servery for events. Bathroom, running water and electric
- Fenced, 10 acre park with park benches,
- Covered shade pavilion; water fountain
- Playground equipment for children
- Official sized baseball diamond
- Paved walking/jogging paths
- Fenced dog run

Parking: Across the street at the recreation center

Parties: 50 people maximum. Reservations made by calling the recreation center.

Guests: Must be escorted by a resident

Rules:

- Rules are posted on the gate
- No league sports or practices without a written lease and insurance, approved by CRD Board.
- No scouts or group activities without prior CRD Board Approval.
- No motorized vehicles permitted inside the park
- No alcohol
- Parties should remove their trash and trash bags from the park.

Pets: This is the only facility in Original Carrollwood permitting dogs. However, all dogs must remain on a leash, except when inside the dog run. Of course owners are required to clean up after their pets. The

"on leash" rule is a Hillsborough County ordinance and must be observed. The CRD Board enforces all dog rules for the health and safety of our residents. Warnings will be given in writing to those residents not in compliance; repeat offenders lose their park privileges.

CARROLLWOOD RECREATION DISTRICT

BOARD OF TRUSTEES

	<u>TERM</u>
MARK SNELLGROVE, PRESIDENT	2015 – 2016
MICKEY JAAP, VICE-PRESIDENT & RECREATION CENTER	2015 – 2016
RYAN MAAS, TREASURER	2015 – 2016
JOE COSTA, SECRETARY	2015 – 2016
KEVIN SHIDLER, WHITE SANDS BEACH COMMITTEE	2015 – 2016
MIKE CARELLI, COMMUNITY DEVELOPMENT COMMITTEE	2015 – 2016
DAVID O'DONNELL, SCOTTY COOPER PARK COMMITTEE	2015 – 2016
BILL LAIS, GROUNDS COMMITTEE	2015 – 2016
PAUL SIDDALL, ORIGINAL CARROLLWOOD PARK COMMITTEE	2015 – 2016

INDEPENDENT AUDITORS' REPORT



Brimmer, Burek & Keelan LLP

Certified Public Accountants

5601 Mariner Street, Suite 200 • Tampa, Florida 33609
(813) 282-3400 • Fax (813) 287-8369

Independent Auditors' Report

The Board of Trustees
Carrollwood Recreation District
Tampa, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of Carrollwood Recreation District, as of and for the year ended September 30, 2015, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Brian B. Burek, CPA
John F. Keelan, CPA
Donald T. Keyes, CPA
Kara K. Keyes, CPA
Frank D. Lagor, CPA

Members of:
Center for Audit Quality

American Institute of
Certified Public Accountants

Florida Institute of Certified
Public Accountants

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of Carrollwood Recreation District, as of September 30, 2015, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-7, and the budgetary comparison information on pages 24-25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Carrollwood Recreation District's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2015 on our consideration of the Carrollwood Recreation District'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 Carrollwood Recreation District's internal control over financial reporting and compliance. In accordance with the *Rules of the Florida Auditor General*, we have also issued our management letter dated December 18, 2015.

BRIMMER, BUREK & KEELAN LLP



Certified Public Accountants

December 18, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)

Management Discussion and Analysis

The discussion and analysis of the Carrollwood Recreation District's (CRD) performance provide an overview of the CRD's financial activities for the fiscal year ended September 30, 2015. Consider the information presented in conjunction with the transmittal letter and financial statements.

Financial Highlights

- The assets of the CRD exceeded its liabilities at the close of the most recent fiscal year by \$2,003,728 (net position). Of this amount \$420,439 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$98,027.
- As of the close of the current fiscal year the CRD's governmental funds reported ending fund balance of \$402,759, an increase of \$19,775 in comparison with the prior year. Substantially all of the fund balance is available for spending at the District's discretion (unreserved fund balance).

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the CRD basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statement. The government-wide financial statements are designed to provide readers with a broad overview of the CRD in a manner similar to a private-sector business.

The statement of net position presents information on all of the CRD's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRD is improving or deteriorating.

The government-wide financial statements of the CRD are principally supported by taxes.

The statement of activities presents information showing how CRD's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial

statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The CRD maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general and facilities improvement fund. Only the general fund is considered a major fund. The facilities improvement fund was not utilized in 2015.

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the CRD, assets exceeded liabilities by \$2,003,728 at the close of the most recent fiscal year.

By far the largest portion of the CRD's net position (79 percent) reflects its investment in capital assets (e.g. land, buildings, recreational facilities, parks, and equipment); less any related debt used to acquire those assets (reflected as long-term liabilities in the accompanying statement of net position). The CRD uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the CRD's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Carrollwood Recreation District Net Position

	Governmental Activities		
	2015		2014
Current and other assets	\$ 429,664		\$ 408,352
Capital assets	2,785,583		2,858,005
Total assets	3,215,247		3,266,357
Long-term liabilities outstanding	1,045,410		1,201,757
Other liabilities	166,109		158,899
Total liabilities	1,211,519		1,360,656
Net position	\$ 2,003,728		\$ 1,905,701
Invested in capital assets, net of related debt	1,583,289		1,504,607
Restricted	-		-
Unrestricted	420,439		401,094
Total net position	\$ 2,003,728		\$ 1,905,701

The balance of unrestricted net assets, \$420,439, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the CRD is reporting a positive balance in net position.

Governmental activities. Governmental activities increased the CRD’s net position by \$98,027. Key elements in the Changes in Net Position activity follow:

Carrollwood Recreation District **Changes in Net Position**

	Governmental Activities	
	2015	2014
Revenues:		
Program Revenues		
Charges for services	\$ 15,251	\$ 14,206
Investment earnings (loss)	1,513	618
General revenues		
Special assessments	536,329	538,409
Other	30,192	10,074
Total revenues	583,285	563,307
Expenses:		
Administration	149,310	151,733
Parks and recreation	209,731	177,946
Grounds maintenance	86,381	93,556
Interest and refinance fees	39,836	111,826
Total expenses	485,258	535,061
Increase in net position	98,027	28,246
Net position, October 1,	1,905,701	1,877,455
Net position, September 30,	\$ 2,003,728	\$ 1,905,701

Special Assessments (i.e. taxes) (\$536,329) comprised 92 percent of the total revenues (\$583,285) during the year with the second largest source of revenue being Other (including key and decal fees, and miscellaneous income). Charges for the rental and use of District facilities increased this year by \$1,045 compared to a decrease in the prior year. The increase in net position of was approximately \$70,000 greater than the prior year and is primarily the result of reduced debt service costs.

Governmental funds. The focus of the CRD’s governmental funds is to provide information on near term inflow, outflows, and balances of spendable resources. Such information is useful in assessing the CRD’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At September 30, 2015, the CRD’s governmental fund reported ending fund balance of \$402,759, an increase of \$19,775 in comparison with the prior year. The entire fund balance is available for spending at CRD’s discretion. The general fund is the chief

operating fund of the CRD. As a measure of the general fund’s liquidity, it may be useful to compare the fund balances to total fund expenditures. The total unassigned fund balance represents 71 percent of total general fund expenditures.

Capital Asset and Debt Administration

Capital assets. The CRD’s investment in capital assets for its governmental activities as of September 30, 2015, amounts to \$2,785,583 (net of accumulated depreciation).

This investment in capital assets includes land, building, recreational facilities, parks, and landscaping. The total increase in the CRD’s investment in capital assets (before depreciation) for the current fiscal year was less than 1%. The major capital asset event during the current fiscal was installation and replacement of park fencing.

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Land	\$ 678,357	\$ 678,357
Building	2,271,171	2,271,171
Improvements	541,620	511,706
Equipment	275,147	275,147
	<u>3,766,295</u>	<u>3,736,381</u>
Less: accumulated depreciation	(980,712)	(878,376)
Total	<u><u>\$ 2,785,583</u></u>	<u><u>\$ 2,858,005</u></u>

Long-term debt. On September 30, 2014, the District refinanced Note Series 2005 and Note Series 2006 through issuance by Hillsborough County, Florida of Revenue Refunding Note Series 14 (Carrollwood Recreation District) and a related loan agreement with the Bank of Tampa. At September 30, 2015, the CRD had total debt outstanding of \$1,202,294. The debt is backed by the full faith and credit of CRD for which the District is liable in the event of default.

Request for Information

This financial report provides a general overview of the CRD’s finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to Carrollwood Recreation District, 3515 McFarland Road, Tampa, FL 33618.

BASIC FINANCIAL STATEMENTS

**CARROLLWOOD RECREATION DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2015**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 409,568
Receivables (net)	2,416
Prepaid expenses	17,680
Capital assets	
Land	678,357
Other capital assets, net of depreciation	2,107,226
Total capital assets	2,785,583
Total assets	3,215,247
LIABILITIES	
Accounts payable and accrued expenses	3,175
Rental deposits	6,050
Long-term liabilities	
Due within one year	156,884
Due in more than one year	1,045,410
Total liabilities	1,211,519
NET POSITION	
Invested in capital assets, net of related debt	1,583,289
Restricted	-
Unrestricted	420,439
Total net position	\$ 2,003,728

**CARROLLWOOD RECREATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

	Functions/Programs:				
	Total	Administration	Parks and Recreation	Grounds Maintenance	Debt Service
Expenses:					
Salaries, wages, and benefits	\$ 36,970	\$ -	\$ 36,970	\$ -	\$ -
Materials and supplies	10,824	9,585	1,239	-	-
Maintenance & repairs	156,915	-	74,473	82,442	-
Other program expenses	138,377	138,377	-	-	-
Depreciation	102,336	1,348	97,049	3,939	-
Interest on debt	39,836	-	-	-	39,836
Total expenses	<u>485,258</u>	<u>149,310</u>	<u>209,731</u>	<u>86,381</u>	<u>39,836</u>
Program revenues:					
Charges for services	15,251	-	15,251	-	-
Net program expense	<u>470,007</u>	<u>149,310</u>	<u>194,480</u>	<u>86,381</u>	<u>39,836</u>
General revenues:					
Taxes:					
Real estate	536,329				
Unrestricted investment earnings (loss)	1,513				
Miscellaneous	30,192				
Total general revenues	<u>568,034</u>				
Change in net assets	98,027				
Net position - beginning of year	1,905,701				
Net position - end of year	<u>\$ 2,003,728</u>				

**CARROLLWOOD RECREATION DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015**

	General Fund	Total Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 409,568	\$ 409,568
Due from other governments	2,416	2,416
Total Assets	\$ 411,984	\$ 411,984
LIABILITIES		
Accounts payable	\$ 3,175	\$ 3,175
Deposits payable	6,050	6,050
Total Liabilities	9,225	9,225
FUND BALANCES		
Unassigned fund balance	402,759	402,759
Total fund balances	402,759	402,759
Total liabilities and fund balances	\$ 411,984	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Expenditures recognized when paid in governmental activities are deferred as prepaid or receivables under the matching concept accrual accounting	17,680
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$980,712	2,785,583
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(1,202,294)
Net position of governmental activities	\$ 2,003,728

**CARROLLWOOD RECREATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	General Fund	Total Governmental Funds
REVENUES:		
Charges for services	\$ 15,251	\$ 15,251
Investment income (loss)	1,513	1,513
Special assessments	536,329	536,329
Other miscellaneous revenue	30,192	30,192
Refund of prior year expenditures	-	-
Total Revenues	583,285	583,285
EXPENDITURES:		
Current:		
Culture and recreation		
Personal services:		
Salaries	31,270	31,270
Workers' compensation	1,328	1,328
Payroll taxes	4,372	4,372
Total personal services	36,970	36,970
Other services and charges:		
Professional services	27,464	27,464
Contractual services	29,847	29,847
Travel	-	-
Telephone	2,031	2,031
Utilities	24,678	24,678
Rents and leases	28,000	28,000
Property taxes	489	489
Insurance	39,195	39,195
Repairs and maintenance	127,068	127,068
Other charges	1,239	1,239
Office supplies	9,585	9,585
Property appraiser commission	5,328	5,328
Tax collector commission	10,762	10,762
Undesignated expenditures	-	-
Total other services and charges	305,686	305,686
Total culture and recreation	342,656	342,656
Capital outlay	29,914	29,914
Debt Service		
Principal retirement	151,104	151,104
Interest	39,836	39,836
Total expenditures	563,510	563,510
Excess (Deficiency) of revenues over (under) expenditures	19,775	19,775
OTHER FINANCING SOURCES (USES):		
Capital related debt issued	-	-
Net change in fund balances	19,775	19,775
Fund balances - October 1	382,984	382,984
Fund balances - September 30	\$ 402,759	\$ 402,759

**CARROLLWOOD RECREATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

Reconciliation of the change in fund balances - total governmental funds to the change in net position of governmental activities:

Net change in fund balances - total governmental funds		\$ 19,775
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital asset purchases capitalized	\$ 29,914	
Depreciation expense	<u>(102,336)</u>	
Net adjustment		(72,422)
Governmental funds report payments as expenditures. However, in the Statement of Activities, those costs are recognized in the period that is benefited:		
Change in prepaid expenses recognized		(430)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Position:		
Principal payments made on long-term debt		151,104
Change in net position of governmental activities		\$ 98,027

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Carrollwood Recreation District (“District”) conform to generally accepted accounting principles (“GAAP”) as applicable to governmental entities. GAAP includes all relevant Governmental Accounting Standards Board (“GASB”) pronouncements. Governments are also required to follow the relevant pronouncements of the Financial Accounting Standards Board (“FASB”) that do not conflict with or contradict GASB pronouncements.

A. Reporting Entity

The District is an independent special district of the State of Florida, created under the Laws of Florida, was organized for the purpose of continued development, administration, and maintenance of properties for recreational and related activities for the unincorporated area of Hillsborough County known as Carrollwood Subdivision. The governing body of Carrollwood Recreation District is a Board comprised of nine trustees elected for two-year terms by the qualified voters residing in Carrollwood Subdivision.

For financial reporting purposes, the District is required to include all entities and organizations that are controlled by or dependent upon the District as determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to influence operations, and accountability for fiscal matters. Under the provisions of GASB Statements No. 14 and 39, the District’s financial statements do not include any other component units.

B. Basis of Presentation

Government-wide Financial Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as governmental activities. None of the District activities has been classified as business activities. The governmental activities include general administration, parks and recreation, grounds maintenance and debt service.

In the government-wide Statement of Net Position, governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District’s net assets are reported in three parts – invested in capital assets, net of related debt; restricted net position (if applicable); and unrestricted net position. The District policy first utilizes restricted resources, if any, to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District’s functions. The functions are also supported by general government revenues (property assessments, charges and miscellaneous). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

directly associated with the function (recreational facility rentals). The District does not allocate indirect costs.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories.

The funds maintained by Carrollwood Recreation District are described below:

Major Governmental Funds

General Fund - The General Fund is the general operating fund of the District, and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund. General operating expenditures, debt service and capital improvement costs that are not paid through other funds are paid from the General Fund.

Non-Major Governmental Funds

Capital Projects Fund - The Facilities Improvement Fund is used to account for resources restricted for the acquisition or construction of major capital facilities such as land, parks and recreational buildings. The District did not use this fund during the current reporting period.

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures, including capital outlay, are recorded when the related fund liability is incurred.

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

D. Assets, Liabilities, and Net Assets or Equity

Deposits and Investments

Cash and cash equivalents are considered to be cash and short-term investments with maturities of three months or less. They consist of cash and investments with the State Board of Administration Investment Pool. Investments are reported at fair value.

Receivables

Receivables consist of revenues earned at year-end and not yet received. The major component of receivables is property tax revenues collected by the County Tax Collector but not yet received by the District, and refunds receivable. No allowance for uncollectible accounts receivable has been recorded since management believes that the receivables will be fully collectible.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting treatment over capital assets, which include land, buildings, recreational facilities, parks and landscaping depends on whether the assets are reported in the government-wide or fund financial statements. None of the District assets are reported as infrastructure assets.

Government-wide Statements

In the government-wide financial statements, fixed assets, including capitalized interest cost are accounted for as capital assets, and substantially all of the assets are valued at historical cost. Direct expenses are allocated to the program to which they are most closely associated, whereas indirect expenses are generally not allocated. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	10 – 40 years
Land Improvements	10 – 25 years
Equipment	5 – 15 years

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures upon acquisition.

Long-term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities. The long-term debt consists of bonds payable.

Long-term debt of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest are reported as expenditures.

Compensated Absences

All District employees are considered hourly or part-time and are not eligible for vacation, sick pay, termination or postretirement benefits.

Property Taxes

Florida law provides that the Board of Trustees shall, on or before August 1 of each year, by resolution fix the amount of assessment for the next ensuing year, and shall direct the property appraiser of Hillsborough County to assess and the tax collector of Hillsborough County to collect such tax as assessed upon each improved residential parcel of property within the District. By referendum dated September 10, 2002, the tax assessed shall not exceed \$600 per annum per residential parcel except upon approval by referendum of qualified voters of the District. The assessment is required to be collected in the manner and form as provided for collection of county taxes.

All property taxes become due and payable on November 1 of each year with an enforceable lien date of January 1, and are delinquent on April 1 of the following year. Discounts are allowed for early payment of 4, 3, 2, and 1% in November through February, respectively. Delinquent taxes on real property may be paid after the date of delinquency but prior to the sale of a tax certificate by paying all taxes, costs, advertising charges, and interest. For all real property with delinquent taxes, the tax collector advertises as required by statute and sells tax certificates. All unsold certificates are issued to the County. Any persons owning real property upon which a tax certificate has been sold may redeem the property by paying the tax collector the face amount of the tax certificate plus interest and costs associated with the sale of the certificate.

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

After taxes have been delinquent (April 1) for two years, the owner of a tax certificate may file an application for tax deed sale. The County is able to do the same two years after taxes were due.

Pursuant to Florida Statutes, a fee is to be paid to the county tax collector and the county property appraiser for their services regarding the special assessments.

Total assessments on the 2015 Tax Roll are accounted for as follows:

Total assessments (926 units @ \$600)	\$	555,600
Less: discounts		(19,793)
		535,807
Plus late payment interest		522
		\$ 536,329

Equity Classifications

Government-wide Statements

Equity is required to be classified as net assets and displayed in one or more of three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted – Consists of net assets with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or by law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Statements

Governmental fund equity is classified as fund balance. The District has implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions.” This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources may be used:

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Non-spendable – amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of the District enabling legislation, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority, amounts that cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned – Amounts a government intends to use for a specific purpose expressed by the governing body or by an official or body to which the governing body delegates authority.

Unassigned – Amounts that are available for any purpose; positive amounts are reported only in the general fund.

The District policy considers the most highly restricted resources to be spent first, if any, to finance qualifying expenditures.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions, the actual results may ultimately differ from those estimates, and the differences may be material.

NOTE 2 - DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements:

A. Deposits and Investments

The District's bank account is entirely covered by federal depository insurance or by collateral held by the State Treasurer under the provisions of Florida Statutes.

Florida Statutes restrict and provide various alternatives for the investment of District funds. Investments at September 30, 2015, are held in the Florida PRIME fund of the Local Government Surplus Funds Trust Fund created by Section 218.405, Florida Statutes, which is administered by the State Board of Administration (SBA).

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 2 - DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - CONTINUED

The SBA PRIME Fund is a “2a-7 like” pool in which the fair value of investments are determined by amortized cost, and securities lending cash collateral investments are recorded at fair value. The District is a voluntary participant in the pool and shares in the pool earnings based on its dollar days participation. The fair value of the position in the pool is the same as the value of the pool shares. The Florida Prime is rated by Standard and Poors with a current rating of AAAM. Investment policies of the Prime Fund include limiting exposure of investments to short-term, high-quality fixed income securities and will limit exposure to a maximum of 25% exposure to any single industry sector. At least 50% of the investments must be invested in securities rated A-1+ or comparable and no more than 5% exposure to any single non-governmental issuer or 10% to any single money market mutual fund. The weighted average days to maturity of the Florida PRIME at September 30, 2015 is 29 days.

The PRIME Fund security composition on September 30, 2015 was as follows:

Bank instruments - fixed	19.50%
Corporate CP - fixed	9.20
Corporate CP - floating	6.40
Corporate notes - floating	12.50
Bank instruments - floating	14.00
Asset backed Com. Paper - fixed	6.70
Asset backed Com. Paper - floating	2.70
Mutual funds - money market	19.79
Repurchase agreements	<u>9.30</u>
	<u>100.00%</u>

The District’s adjusted investment value in the Florida Prime fund amounted to \$201,648 at September 30, 2015.

Interest rates on the PRIME fund varied from .16 % to .27 % during the year. Total interest earned on the SBA investment amounted to \$396.

B. Receivables

Receivables at year end consisted primarily of amounts due from the Hillsborough County tax collector. The District determined that no allowance for uncollectible amounts was necessary.

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 2 - DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - CONTINUED

C. Capital Assets

Capital asset activity for the year ended September 30, 2015, was as follows:

Description	Balance October 1, 2014	Increases	Decreases	Balance September 30, 2015
Governmental Activities:				
Land	\$ 678,357	\$ -	\$ -	\$ 678,357
Construction-in-progress	-	-	-	-
Buildings	2,271,171	-	-	2,271,171
Improvements	511,706	29,914	-	541,620
Equipment	275,147	-	-	275,147
Total	<u>3,736,381</u>	<u>29,914</u>	<u>-</u>	<u>3,766,295</u>
Less accumulated depreciation				
Buildings	(416,531)	(59,672)	-	(476,203)
Improvements	(321,676)	(20,274)	-	(341,950)
Equipment	(140,169)	(22,390)	-	(162,559)
Total	<u>(878,376)</u>	<u>(102,336)</u>	<u>-</u>	<u>(980,712)</u>
Capital assets, net	<u>\$ 2,858,005</u>	<u>\$ (72,422)</u>	<u>\$ -</u>	<u>\$ 2,785,583</u>

Depreciation expense was charged to function/programs of the governmental activities as follows:

Governmental activities:

General government	\$ 1,348
Parks and recreation	97,049
Grounds maintenance	3,939
Total depreciation, governmental activities	<u>\$ 102,336</u>

During 2015, the District replaced fencing and improved landscaping throughout the community.

D. Accounts Payable and Accrued Expenses

Payables in the general fund are composed of the following:

Payables to vendors	\$ 1,513
Accrued salaries and benefits	<u>1,662</u>
	<u>\$ 3,175</u>

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 2 - DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - CONTINUED

E. Long-term Debt

A summary of general long-term debt is as follows:

Series 2014, a 3.06% Recreation District Revenue Note dated September 30, 2014. Supported by a Revenue Refunding Note, Series 14 (Carrollwood Recreation District) issued by Hillsborough County, Florida, this credit facility provides for level monthly payments of principal and interest based on a 96 month amortization schedule with final payment due on September 30, 2022. The note is secured by an irrevocable and exclusive lien on the tax revenues, including related deposits, investments and investment earnings.

A summary of debt activity during this fiscal year is as follows:

<u>Description</u>	<u>Balance October 1, 2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance September 30, 2015</u>
Tax Revenue Note, Series 2014	\$ 1,353,398	\$ -	\$ (151,104)	\$ 1,202,294
	<u>\$ 1,353,398</u>	<u>\$ -</u>	<u>\$ (151,104)</u>	<u>\$ 1,202,294</u>

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 2 - DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS - CONTINUED

The remaining debt service requirements to maturity, including principal and interest are as follows:

Year Ending <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 156,884	\$ 34,056
2017	161,199	29,741
2018	166,202	24,739
2019	171,359	19,581
2020	176,677	14,263
2021 - 2022	<u>369,973</u>	<u>11,908</u>
	<u>\$ 1,202,294</u>	<u>\$ 134,288</u>

Loan covenants under the 2014 series note requires the District to maintain its primary operating and deposit accounts with the lender until such time as all obligations under the loan are paid in full. The above note was authorized through Board Resolutions.

NOTE 3 - OTHER NOTES

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Significant losses are covered by commercial insurance for all major areas. There have been no significant reductions in insurance coverage, nor have settlement amounts exceeded insurance coverage for the current year or the three prior years.

B. License Agreement with Carrollwood Civic Association

Under the terms of an irrevocable license agreement with the Carrollwood Civic Association, the District has the right to possess, use and maintain certain land and beaches owned by the Association located within the District for an annual fee, payable on April 1 of each year. The agreement authorized a fee of \$28,000 for the current year.

**CARROLLWOOD RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

NOTE 3 - OTHER NOTES - CONTINUED

C. Pension Plans

All employees are considered hourly or part-time and do not participate in the State of Florida Retirement System.

D. Subsequent Events

Management has considered the effects of events for possible disclosure occurring through December 18, 2015, which is the date that the financial statements were available for issuance.

REQUIRED SUPPLEMENTARY INFORMATION

**CARROLLWOOD RECREATION DISTRICT
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 20,000	\$ 20,000	\$ 15,251	\$ (4,749)
Investment earnings	500	500	1,513	1,013
Special assessments	517,505	517,505	536,329	18,824
Other miscellaneous revenue	5,500	5,500	30,192	24,692
Refund of prior year expenditures	-	-	-	-
Total Revenues	<u>543,505</u>	<u>543,505</u>	<u>583,285</u>	<u>39,780</u>
EXPENDITURES:				
Current:				
Culture and recreation				
Personal services:				
Salaries	30,600	30,600	31,270	(670)
Workers' compensation	400	400	1,328	(928)
Payroll taxes	3,400	3,400	4,372	(972)
Total personal services	<u>34,400</u>	<u>34,400</u>	<u>36,970</u>	<u>(2,570)</u>
Other services and charges:				
Professional services	23,700	23,700	27,464	(3,764)
Contractual services	27,900	27,900	29,847	(1,947)
Telephone	3,000	3,000	2,031	969
Utilities	27,000	27,000	24,678	2,322
Rents and leases	28,000	28,000	28,000	-
Property taxes	500	500	489	11
Insurance	33,000	33,000	39,195	(6,195)
Repairs and maintenance	140,600	140,600	127,068	13,532
Other charges	2,400	2,400	1,239	1,161
Office supplies	9,900	9,900	9,585	315
Property appraiser commission	-	-	5,328	(5,328)
Tax collector commission	-	-	10,762	(10,762)
Undesignated expenditures	10,900	10,900	-	10,900
Total other services and charges	<u>306,900</u>	<u>306,900</u>	<u>305,686</u>	<u>1,214</u>
Total culture and recreation	<u>341,300</u>	<u>341,300</u>	<u>342,656</u>	<u>(1,356)</u>
Capital outlay	94,000	94,000	29,914	64,086
Debt Service				
Principal retirement	160,632	160,632	151,104	9,528
Interest	42,000	42,000	39,836	2,164
Total expenditures	<u>637,932</u>	<u>637,932</u>	<u>563,510</u>	<u>74,422</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(94,427)</u>	<u>(94,427)</u>	<u>19,775</u>	<u>114,202</u>
OTHER FINANCING SOURCES (USES)				
Capital related debt issued	-	-	-	-
Excess (Deficiency) of revenues over (under) expenditures and Other Financing Sources	<u>(94,427)</u>	<u>(94,427)</u>	<u>19,775</u>	<u>114,202</u>
Fund balances - October 1	<u>382,984</u>	<u>382,984</u>	<u>382,984</u>	<u>-</u>
Fund balances - September 30	<u>\$ 288,557</u>	<u>\$ 288,557</u>	<u>\$ 402,759</u>	<u>\$ 114,202</u>

**CARROLLWOOD RECREATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO THE BUDGETARY COMPARISON SCHEDULE
SEPTEMBER 30, 2015**

NOTE 1 - BUDGETARY ACCOUNTING

Section 7 of Chapter 99-418, Laws of Florida (the special act of the Florida Legislature which governs the District) provides for advertising, public hearing, and adoption of an itemized budget on or before July 1 of each year. The act also gives the Board of Trustees the power to transfer funds between line items of the budget, after adoption, up to a maximum of twenty percent by majority vote of the trustees to meet unforeseen contingencies.

The budget is adopted on the modified accrual basis of accounting. All District activity is budgeted within the general fund, including activity for the capital projects fund. Consequently, the actual column includes both funds for ease of comparison with the budget.

Formal integration of budgetary accounts into the general ledger is not employed; however, monthly financial reports are presented to the Board of Trustees reflecting actual revenues and expenditures for the year-to-date, budgeted amounts, and the variance between the budgeted and actual amounts for each line item.

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



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

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Members of:
Center for Audit Quality

American Institute of
Certified Public Accountants

Florida Institute of Certified
Public Accountants

Board of Trustees
Carrollwood Recreation District
Tampa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of Carrollwood Recreation District as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Carrollwood Recreation District's basic financial statements and have issued our report thereon dated December 18, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of Carrollwood Recreation District'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 a combination of deficiencies in control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected on a timely basis. A significant deficiency, or a combination of deficiencies, in internal control 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 those limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carrollwood Recreation District'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 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*.

We noted certain matters that we reported to management of the District in a separate management letter dated December 18, 2015.

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 result 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.

BRIMMER, BUREK & KEELAN LLP

Brimmer, Burek & Keelan LLP

Certified Public Accountants

December 18, 2015

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION
218.415, FLORIDA STATUTES**



Brimmer, Burek & Keelan LLP

Certified Public Accountants

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INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

Brian B. Burek, CPA
John F. Keelan, CPA
Donald T. Keyes, CPA
Kara K. Keyes, CPA
Frank D. Lagor, CPA

Board of Trustees
Carrollwood Recreation District
Tampa, Florida

Members of:
Center for Audit Quality

American Institute of
Certified Public Accountants

Florida Institute of Certified
Public Accountants

We have examined Carrollwood Recreation District’s (the “District”) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2015. Management is responsible for the District’s compliance with those requirements. Our responsibility is to express an opinion on the District’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District’s compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2015.

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

BRIMMER, BUREK & KEELAN LLP

Certified Public Accountants

December 18, 2015

MANAGEMENT LETTER



Brimmer, Burek & Keelan LLP

Certified Public Accountants

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MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

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Members of:
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Florida Institute of Certified
Public Accountants

Board of Trustees
Carrollwood Recreation District
Tampa, Florida

Report on the Financial Statements

We have audited the financial statements of the Carrollwood recreation District, whose headquarters is located in Tampa, Florida, as of and for the fiscal year ended September 30, 2015, and have issued our report thereon dated December 18, 2015.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements performed in accordance with *Government Auditing Standards* and Chapter 10.550 Rules of the Florida Auditor General. Disclosures in those reports should be considered in conjunction with this management letter.

Prior Audit Findings

The Rules of the Auditor General require 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 findings in the prior year report.

Official Title and Legal Authority

The Rules of the Auditor General require 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. Such information has been disclosed in the notes to the financial statements.

Financial Condition

The Rules of the Auditor General require a statement be included as to whether or not the local governmental entity 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 Carrollwood Recreation District did not meet those conditions.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Carrollwood Recreation District'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. Our procedures did not indicate that the District is in a state of financial emergency.

Annual Financial Report

Rules of the Auditor General require that we determine whether the annual financial report for Carrollwood Recreation District for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

Other Matters

The Rules of the Auditor General require 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.

The Rules of the Auditor General require 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 is not intended to be, and should not be, used by anyone other than these specified parties.

BRIMMER, BUREK & KEELAN LLP

Brimmer, Burek & Keelan LLP

Certified Public Accountants

December 18, 2015