

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)**

**FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2021**



WEALTH ADVISORY | OUTSOURCING  
AUDIT, TAX, AND CONSULTING

[CLAconnect.com](http://CLAconnect.com)

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
TABLE OF CONTENTS  
YEAR ENDED SEPTEMBER 30, 2021**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>3</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENTAL FUNDS BALANCE SHEET AND STATEMENT OF NET POSITION</b>	<b>6</b>
<b>GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE AND STATEMENT OF ACTIVITIES</b>	<b>7</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>8</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
<b>BUDGETARY COMPARISON SCHEDULE – GENERAL FUND</b>	<b>13</b>
<b>NOTE TO BUDGETARY COMPARISON SCHEDULE – GENERAL FUND</b>	<b>14</b>
<b>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 <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>15</b>
<b>MANAGEMENT LETTER</b>	<b>17</b>
<b>INDEPENDENT ACCOUNTANTS' REPORT</b>	<b>20</b>



## INDEPENDENT AUDITORS' REPORT

Board Members  
Harden / Parkway Community Redevelopment Agency  
Bartow, Florida

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

We have audited the accompanying financial statements of the governmental activities and the major fund of the Harden / Parkway Community Redevelopment Agency (CRA), a component unit of Polk County, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements, as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the CRA as of September 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2022 on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Lakeland, Florida  
April 28, 2022

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

As management of the Harden / Parkway Community Redevelopment Agency (CRA), we offer the readers of the CRA's basic financial statements this narrative overview and analysis of the financial activities of the CRA for the year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

**Financial Highlights**

- The assets of the CRA exceeded its liabilities as of September 30, 2021, by \$36,077 (net position).
- The CRA's total assets as of September 30, 2021, were \$36,339.
- The CRA's total revenue was \$569,704, consisting primarily of CRA Incremental Tax Revenue.
- The CRA's net transfers came to \$(651,462). The decrease in net position was \$81,758.

**Overview of Financial Statements**

The CRA's government-wide financial statements include the following:

- Governmental Fund Balance — reports the CRA's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and Statement of Activities — reports the results of activity over the course of the fiscal year. It details the costs associated with operating the CRA and how those costs were funded. It also provides an explanation of the change in net position from the previous fiscal year-end to the current fiscal year-end.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The analysis of net position, revenues, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the CRA's net position, which can be thought of as the difference between what the CRA owns (assets) and what the CRA owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the CRA.

Over time, significant changes in the CRA's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any CRA, the reader must also consider other nonfinancial factors such as fluctuations in the local economy, fluctuations in fuel prices, and the physical condition of the CRA's capital assets.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

**Net Position**

The difference between an organization's assets and deferred outflows of resources and its liabilities and deferred inflows of resources equals its net position. The CRA's net position is classified as follows:

Net investment in capital assets — Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets.

Restricted — Net position that can only be spent for specific purposes because of constraints imposed by external sources (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Unrestricted — Net position that is not invested in capital assets or subject to restrictions.

**Condensed Financial Information**

Assets, Liabilities, and Net Position:

	2021	2020
<b>ASSETS</b>		
Current Assets	\$ 36,339	\$ 118,056
<b>LIABILITIES</b>		
Unearned Revenue	262	222
<b>NET POSITION</b>		
Restricted	\$ 36,077	\$ 117,834

Assets decreased by \$81,717 from the prior year, while liabilities increased by \$40 from the prior year. There was a decrease in net position of \$81,757 due to an increase in tax revenues offset by an increase in net transfers out in the current year.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED SEPTEMBER 30, 2021**

**Condensed Financial Information (Continued)**

Revenues, Expenses, and Changes in Net Position

	2021	2020
<b>GENERAL REVENUES</b>		
Taxes	\$ 563,312	\$ 511,860
Interest Income	8,842	16,938
Net Change in Fair Value of Investments	(2,450)	588
Total General Revenue	569,704	529,386
 <b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	748,538	694,971
Transfers Out	(1,400,000)	(1,300,000)
Total Other Financing Sources (Uses)	(651,462)	(605,029)
 <b>CHANGE IN NET POSITION</b>	(81,758)	(75,643)
 Net Position - Beginning of Year	117,835	193,477
 <b>NET POSITION - END OF YEAR</b>	\$ 36,077	\$ 117,834

The decrease in net position was due largely to increases in transfers out.

In fiscal year 2021, total general revenue was \$569,704, while total expenditures and transfers were \$651,462. This resulted in a negative change in net position of \$81,758.

**Economic Factors and Next Year's Budgets and Rates**

The Harden / Parkway Community Redevelopment Agency (CRA) is reported as a blended component unit of Polk County, Florida. Its Annual Budget was approved by Resolution 21-143 on September 20, 2021. The detailed budgets are available for review upon request.

**Requests for Information**

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed as follows:

Comptroller Division of the Clerk of Circuit Court and County Comptroller  
P.O. Box 988  
Bartow, Florida 33831

Or

[www.polkcountyclerk.net](http://www.polkcountyclerk.net)

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
GOVERNMENTAL FUND BALANCE SHEET AND STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021**

	General Fund	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 35,916	\$ -	\$ 35,916
Interest Receivable	423	-	423
Total Assets	36,339	-	36,339
<b>LIABILITIES</b>			
Unearned Revenue	262	-	262
Total Liabilities	262	-	262
<b>FUND BALANCE / NET POSITION</b>			
Fund Balance			
Restricted	36,077	(36,077)	-
Total Fund Balance	\$ 36,077	(36,077)	-
Net Position			
Restricted		36,077	36,077
Total Net Position		\$ 36,077	\$ 36,077

See accompanying Notes to Financial Statements.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE AND STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2021**

	General Fund	Adjustments	Statement of Activities
<b>GENERAL REVENUES</b>			
Taxes	\$ 563,312	\$ -	\$ 563,312
Interest Income	8,842	-	8,842
Net Change in Fair Value of Investments	(2,450)	-	(2,450)
Total Revenues	<u>569,704</u>	<u>-</u>	<u>569,704</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	748,538	(748,538)	-
Transfers Out	(1,400,000)	1,400,000	-
Total Other Financing Sources (Uses)	<u>(651,462)</u>	<u>651,462</u>	<u>-</u>
<b>TRANSFERS</b>	<u>-</u>	<u>(651,462)</u>	<u>(651,462)</u>
<b>NET CHANGE IN FUND BALANCE / NET POSITION</b>	<u>(81,758)</u>	<u>-</u>	<u>(81,758)</u>
Fund Balance/Net Position - Beginning of Year	<u>117,835</u>	<u>-</u>	<u>117,835</u>
<b>FUND BALANCE /NET POSITION - END OF YEAR</b>	<u><u>\$ 36,077</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 36,077</u></u>

See accompanying Notes to Financial Statements.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Polk County Board of County Commissioners approved the establishment of the Harden / Parkway Community Redevelopment Agency (CRA) by County ordinance 04-010 on June 20, 2004. The CRA board members include the Polk County Board of County Commissioners and the city manager and community development department director for the City of Lakeland, or their designees, to serve as two additional members of the CRA Board. The appointing authority is found in Resolution No. 04-010. The CRA Board holds meetings on an as-needed basis.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units and present only the financial position of the CRA, a component unit of the Polk County, Florida (County), and not the County as a whole.

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as all component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Based on the application of these criteria, the CRA has determined there are no component units.

**Basis of Presentation**

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category and (or) the governmental and enterprise combined) for the determination of major funds. The CRA has used GASB Statement No. 34 minimum criteria for major fund determination.

The accounts of the CRA are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Currently, the CRA has only one fund, the General Fund. The General Fund is the general operating fund of the CRA. It is used to account for all financial resources and expenditures.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all activities of the CRA. The CRA reports only governmental activities; it does not have any business-type activities. Governmental activities are supported largely by tax increment funding.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues consist of grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Payments received from taxes, insurance proceeds and other items not properly included as program revenues are reported as general revenues.

Separate financial information is provided for the governmental fund.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

**Budgets and Budgetary Data**

The following are the procedures in establishing the budget:

The CRA's Executive Director prepares the annual fiscal operating budget. The proposed budget is then presented to the CRA's Board Members for changes and final approval. Once adopted, the budget serves as legal authorization for expenditures.

Formal budgetary integration is employed as a management control device during the year for all governmental fund types. Budgets for the general fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). All appropriations lapse at the close of the fiscal year.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance**

The classifications of fund balances are described as follows:

Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts that can be spent only for specific purposes determined by a formal action of the CRA's highest level of decision-making authority. The CRA has not established a policy regarding authorization to commit fund balance.

Assigned Fund Balance – Amounts the CRA intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the CRA's board or by the CRA's board delegating this responsibility to the CRA Coordinator through the budgeting process. The CRA has not established a formal policy regarding authorization to assign fund balance amounts for a specific purpose.

Unassigned Fund Balance – Amounts that are available for any purpose; these amounts can be reported only in the CRA's general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the CRA considers restricted to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**Use of Estimates**

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

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 2 CASH AND CASH EQUIVALENTS**

The CRA participates in the pooled cash and investments program of the Polk County, Florida, Board of County Commissioners for the purpose of maximizing investment yields. The earnings of the pool are allocated on a monthly basis to the individual funds of the Board of County Commissioners and the CRA based upon their average monthly balance in the pool. For the purpose of these financial statements, the CRA pooled cash is primarily cash and cash equivalents.

Pooled cash and investments of the Board of County Commissioners determined to be available in excess of immediate needs is placed in investments in accordance with the Polk County Board of County Commissioners Investments Policy as amended December 17, 2019, under the guidelines of *Florida Statutes* 218.415.

**Custodial Credit Risk**

To manage custodial credit risk for deposits, the County's investment policy requires that all demand and time deposits, including money market accounts, are insured and fully collateralized. The County's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. The remaining balances are insured and collateralized in accordance with Chapter 280, *Florida Statutes*, which established the Public Deposit Security Trust Fund, a multiple financial institution collateral pool. Section 280.08, *Florida Statutes* provides for assessments against the members of the pool on a pro rata basis in the event that the collateral pool is insufficient to cover the losses of a member financial institution that fails. As such, all deposits covered by the collateral pool are considered to be fully insured.

**NOTE 3 RISK MANAGEMENT**

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County.

There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third-party carriers in any of the last three years.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**NOTE 4 RELATED PARTY TRANSACTIONS**

The members of the CRA board are also members of the Board of County Commissioners. Transactions between the CRA and the County for the year ending September 30, 2021, include \$748,538 in transfers in from other funds of the County and \$1,400,000 in transfers out to other funds of the County.

**NOTE 5 COMMITMENTS AND CONTINGENCIES**

**Litigation**

Various suits and claims involving disputed ad valorem real property taxes are pending against Polk County. Portions of these taxes have been voluntarily paid, others have been paid under protest, and in certain instances, there are unpaid balances.

Various other suits and claims arising in the ordinary course of County operations, some of which may involve substantial amounts, are pending against the County. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of Polk County or the results of its operations.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND  
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 573,622	\$ 573,622	\$ 563,312	\$ (10,310)
Interest Income	2,311	2,311	8,842	6,531
Net Change in Fair Value of Investments	-	-	(2,450)	(2,450)
Total Revenues	<u>575,933</u>	<u>575,933</u>	<u>569,704</u>	<u>(6,229)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	575,933	575,933	569,704	(6,229)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	748,538	748,538	748,538	-
Transfers Out	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(651,462)</u>	<u>(651,462)</u>	<u>(651,462)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(75,529)	(75,529)	(81,758)	(6,229)
Fund Balance - Beginning of Year	<u>117,835</u>	<u>117,835</u>	<u>117,835</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 42,306</u></u>	<u><u>\$ 42,306</u></u>	<u><u>\$ 36,077</u></u>	<u><u>\$ (6,229)</u></u>

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY  
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)  
NOTE TO BUDGETARY COMPARISON SCHEDULE – GENERAL FUND  
SEPTEMBER 30, 2021**

**NOTE 1 BUDGETARY INFORMATION**

Budgets are prepared and adopted annually for the general fund in accordance with procedures and time intervals prescribed by Florida Statutes. Accordingly, the Polk County Board of County Commissioners adopted an annual budget for the general fund for the fiscal year ended September 30, 2021.

The annual budget serves as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each account. All budget amendments, which change the legally adopted appropriations, are approved by the board, and may be amended at any CRA meeting prior to 60 days after the fiscal year-end. The level of control for appropriations is exercised at the account level. Appropriations lapse at year-end. Budgets are prepared using the same modified accrual basis as is used to account for actual transactions.



**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**

Board Members  
Harden / Parkway Community Redevelopment Agency  
Bartow, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Harden / Parkway Community Redevelopment Agency (CRA), a component unit of Polk County, Florida as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated April 28, 2022.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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



**CliftonLarsonAllen LLP**

Lakeland, Florida  
April 28, 2022



## MANAGEMENT LETTER

Board Members  
Harden / Parkway Community Redevelopment Agency  
Bartow, Florida

### Report on the Financial Statements

We have audited the financial statements of Harden / Parkway Community Redevelopment Agency (CRA), a component unit of Polk County, Florida, as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated April 28, 2022.

### Auditors' Responsibility

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

### Other Reporting Requirements

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

### Prior Audit Findings

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

### Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Information regarding the specific legal authority for the entity is contained in Note 1 to the financial statements.

### **Financial Condition and Management**

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

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

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

### **Special District Component Units**

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), *Florida Statutes*. The CRA has no component units.

### **Specific Information (For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district)**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Harden/Parkway Community Redevelopment Agency reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year was 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project \$0.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, was \$(6,229).

**Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. Matters identified in our audit are reported in the Independent Accountants' Report on our testing of compliance with Sections 163.387(6) and (7), Florida Statutes.

**Purpose of this Letter**

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



**CliftonLarsonAllen LLP**

Lakeland, Florida  
April 28, 2022



## INDEPENDENT ACCOUNTANTS' REPORT

Board Members  
Harden / Parkway Community Redevelopment Agency  
and the Florida Auditor General  
Bartow, Florida

We have examined the Harden / Parkway Community Redevelopment Agency (CRA) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds, and Sections 163.387(6) and (7), *Florida Statutes*, regarding community redevelopment agencies, during the year ended September 30, 2021. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

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

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

In our opinion, the CRA complied, in all material respects, with Section 218.415, *Florida Statutes*, regarding the investments of public funds; and Sections 163.387(6) and (7), *Florida Statutes*, regarding community redevelopment agencies; during the year ended September 30, 2021.

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Lakeland, Florida  
April 28, 2022

