

**SOUTH SHORE CORPORATE PARK INDUSTRIAL
COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2014**

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2014, and the related notes to the financial statements, 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. 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 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.

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 the District as of September 30, 2014, and the respective changes in financial position thereof for the fiscal 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 June 30, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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 District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated June 30, 2015, on our consideration of the District's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

June 30, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida's ("District") financial accomplishments provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2014. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$2,303,613.
- The change in the District's total net position in comparison with the prior fiscal year was \$14,404,213, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2014, the District's governmental funds reported combined ending fund balances of \$11,902, an increase of \$5,930 in comparison with the prior fiscal year. A portion of fund balance is non-spendable for deposits and prepaid items and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of 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 Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the residual amount being 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 District is improving or deteriorating.

The statement of activities presents information showing how the government'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. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by developer contributions. The District does not have any business-type activities. The governmental activities of the District include general government (management) and maintenance and operations.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category, governmental funds.

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 District'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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and capital project fund, both of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

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 position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

	NET POSITION	
	SEPTEMBER 30,	
	2014	2013
Current and other assets	\$ 59,820	\$ 70,607
Capital assets not being depreciated	15,854,987	7,844,865
Total assets	15,914,807	7,915,472
Due to primary government		
Current liabilities	43,033	64,635
Long-term liabilities	13,568,161	19,951,437
Total liabilities	13,611,194	20,016,072
Net position		
Net investment in capital assets	2,286,826	839,842
Unrestricted	16,787	(12,940,442)
Total net position	\$ 2,303,613	\$ (12,100,600)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in 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.

The remaining balance of unrestricted net position may be used to meet the District's other obligations.

The District's net position increased during the most recent fiscal year. The majority of the increase represents prepaid assessments collected from the Developer used to reduce the Developer advance coupled with the receipt of grant revenues in the current fiscal year.

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION		
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2014	2013
Revenues:		
Program revenues		
Operating grants and contributions	\$ 11,585,445	\$ 100,366
Capital grants and contributions	3,000,000	-
Total revenues	<u>14,585,445</u>	<u>100,366</u>
Expenses:		
General government	82,297	34,507
Maintenance and infrastructure	98,935	71,986
Total expenses	<u>181,232</u>	<u>106,493</u>
Change in net position	14,404,213	(6,127)
Net position - beginning	(12,100,600)	(12,094,473)
Net position - ending	<u>\$ 2,303,613</u>	<u>\$ (12,100,600)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2014 was \$181,232. The costs of the District's activities were funded by grants and contributions. Both categories of grants and contributions increased from the prior fiscal year as a result of prepaid assessments and grant revenues. In addition, Developer contributions increased as a result of an increase in expenses. In total, expenses increased from the prior fiscal year, the majority of the increase was in district counsel services and landscape maintenance.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2014 was amended to increase revenues and appropriations by \$11,467,398. The majority of the increase was to account for the collection of prepaid assessments used to pay down the existing Developer advance. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2014.

The variance between budgeted and actual general fund revenues was not considered significant. Actual general fund expenditures for the fiscal year ended September 30, 2014 were lower than budgeted amounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2014, the District had \$15,854,987 invested in infrastructure under construction, for its governmental activities. No depreciation has been taken as the assets have not been placed in service. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Capital Debt

At September 30, 2014, the District had advances due to the Developer of \$13,568,161. More detailed information about the District's capital debt is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEARS BUDGET

The District continued construction of infrastructure during fiscal year 2015. It is anticipated that maintenance expenditures will increase as the related assets are placed in service.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide landowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the District's Finance Department at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

FINANCIAL STATEMENTS

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

	Governmental Activities
ASSETS	
Cash	\$ 130
Due from Developer	50,640
Prepays and deposits	9,050
Capital assets:	
Infrastructure under construction	15,854,987
Total assets	15,914,807
 LIABILITIES	
Accounts payable	43,033
Non-current liabilities:	
Developer advances	13,568,161
Total liabilities	13,611,194
 NET POSITION	
Net investment in capital assets	2,286,826
Unrestricted	16,787
Total net position	\$ 2,303,613

See notes to the financial statements

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Primary government:				
Governmental activities:				
General government	\$ 82,297	\$ 82,297	\$ -	\$ -
Maintenance and operations	98,935	107,000	-	8,065
Miscellaneous	-	2,750	-	2,750
Grant revenue	-	-	3,000,000	3,000,000
Debt service	-	11,393,398	-	11,393,398
Total governmental activities	181,232	11,585,445	3,000,000	14,404,213
			Change in net position	14,404,213
			Net position - beginning	(12,100,600)
			Net position - ending	\$ 2,303,613

See notes to the financial statements

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014**

	Major Fund		Total Governmental Funds
	General	Capital Projects	
ASSETS			
Cash	\$ 130	\$ -	\$ 130
Due from Developer	31,878	18,762	50,640
Prepays and deposits	9,050	-	9,050
Total assets	\$ 41,058	\$ 18,762	\$ 59,820
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 24,271	\$ 18,762	\$ 43,033
Total liabilities	24,271	18,762	43,033
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - developer contribution	4,885	-	4,885
Total deferred inflows of resources	4,885	-	4,885
Fund balances:			
Nonspendable:			
Prepays and deposits	9,050	-	9,050
Unassigned, reported in:			
General fund	2,852	-	2,852
Total fund balance	11,902	-	11,902
Total liabilities and fund balance	\$ 41,058	\$ 18,762	\$ 59,820

See notes to the financial statements

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014**

Fund balance - governmental funds	\$	11,902
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.</p>		
Cost of capital assets		15,854,987
<p>Assets recorded in the governmental fund financial statements that are not available to pay for the current-period expenditures are unavailable revenue in the governmental funds.</p>		
		4,885
<p>Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.</p>		
Developer advances		(13,568,161)
Net position of governmental activities	<u>\$</u>	<u>2,303,613</u>

See notes to the financial statements

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

	Major Fund		Total Governmental Funds
	General	Capital Projects	
REVENUES			
Developer contributions	\$ 184,412	\$ -	\$ 184,412
Prepaid assessments	11,393,398	-	11,393,398
Grant revenue	-	3,000,000	3,000,000
Miscellaneous	2,750	-	2,750
Total revenues	<u>11,580,560</u>	<u>3,000,000</u>	<u>14,580,560</u>
EXPENDITURES			
Current:			
General government	82,297	-	82,297
Maintenance and operations	98,935	-	98,935
Debt service:			
Principal	11,393,398	-	11,393,398
Capital outlay	-	5,048,439	5,048,439
Total expenditures	<u>11,574,630</u>	<u>5,048,439</u>	<u>16,623,069</u>
Excess (deficiency) of revenues over (under) expenditures	5,930	(2,048,439)	(2,042,509)
OTHER FINANCING SOURCES			
Developer advances	-	2,048,439	2,048,439
Total other financing sources	<u>-</u>	<u>2,048,439</u>	<u>2,048,439</u>
Net change in fund balances	5,930	-	5,930
Fund balance - beginning	<u>5,972</u>	-	<u>5,972</u>
Fund balance - ending	<u>\$ 11,902</u>	<u>\$ -</u>	<u>\$ 11,902</u>

See notes to the financial statements

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
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, 2014**

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

Net change in fund balances - total governmental funds	\$	5,930
Governmental funds report capital outlays as expenditures, however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net position.		5,048,439
Revenues in the statement of activities that do not provide current financial resources are deferred and not reported as revenues in the fund financial statements.		4,885
Governmental funds report Developer advances as financial resources when cash is received, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.		(2,048,439)
Repayments of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.		<u>11,393,398</u>
Change in net position of governmental activities	\$	<u><u>14,404,213</u></u>

See notes to the financial statements

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

South Shore Corporate Park Industrial Community Development District ("District") was established pursuant to Ordinance 08-4 of Hillsborough County, effective March 17, 2008, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides, among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2014, four of the Board members are affiliated with South Shore Corporate Park, LLC ("Developer") and one seat is vacant.

The Board has the final responsibility for, among other things:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be 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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The District was completely funded by Developer revenues for the current fiscal year.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash on hand and demand deposits are considered to be cash and cash equivalents.

The District does not have a formal investment policy; however, funds are invested in accordance with Section 218.415, Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury;

In addition, surplus funds may be deposited into certificates of deposit which are insured. The District records all interest revenue related to investment activities in the respective funds and reports investments at fair value.

As of September 30, 2014, there were no investments.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and placed in service.

No depreciation has been taken in the current year as the District's infrastructure and other capital assets are under construction.

State and Federal Grants

In accordance with GASB Statement No. 33, the District records amounts from capital grants for capital outlay as contributions when allowable costs are incurred and other eligibility requirements are met.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s). For example, the District would record deferred outflows of resources on the statement of net position related to debit amounts resulting from current and advance refundings resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s). For example, when an asset is recorded in the governmental fund financial statements, but the revenue is unavailable, the District reports a deferred inflow of resources on the balance sheet until such times as the revenue becomes available.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

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 reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 – CASH

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2014 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Infrastructure under construction	\$ 7,844,865	\$ 8,010,122	\$ -	\$ 15,854,987
Total capital assets, not being depreciated	7,844,865	8,010,122	-	15,854,987
Governmental activities capital assets, net	\$ 7,844,865	\$ 8,010,122	\$ -	\$ 15,854,987

The infrastructure intended to serve the District has been estimated at a total cost of approximately \$56,000,000. The infrastructure will include roadways, potable water and wastewater systems and landscaping improvements. The project costs are expected to be financed with the proceeds from the issuance of Bonds; however, as the District has yet to issue Bonds, the District and the Developer entered into the Acquisition of Certain Work Product, Infrastructure and Real Property Agreement ("Acquisition Agreement"), whereby the Developer agreed to advance fund and commence work on behalf of the District to enable the District to expeditiously provide the District's improvement plan. As part of the agreement, the District will pay the actual reasonable cost inclusive of reasonable financing costs incurred by the Developer in preparation of the improvements. As part of the Acquisition Agreement, the Developer conveyed completed improvements totaling \$22,230,594 to the District during a prior fiscal year. The amount remaining as infrastructure under construction represents costs for Phase 1A of the project and includes earthwork, engineering, permitting, signs, roadway construction, etc.

The District was awarded a grant from the Florida Department of Transportation for \$3,000,000. The grant was awarded for construction of specific roadway improvements within the District. During the current fiscal year, the District requested and received the \$3,000,000 of grant funds. The roadway improvements were originally funded by the Developer and once grant funds were received, the Developer was reimbursed. The improvements have been included as additions in the table above.

NOTE 6 – LONG-TERM DEBT

In a prior year, the District authorized the issuance of \$130 million in aggregate Bonds. As of September 30, 2014, Bonds have not been issued.

The advances below represent amounts paid by the Developer for capital assets. See Note 7 – Related Party Agreements and Transactions for additional information regarding Developer advances.

At September 30, 2014, Developer advances were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Advances payable:					
Developer advances	\$ 19,951,437	\$ 5,010,122	\$ 11,393,398	\$ 13,568,161	\$ -
Governmental activity long-term liabilities	\$ 19,951,437	\$ 5,010,122	\$ 11,393,398	\$ 13,568,161	\$ -

NOTE 7 – RELATED PARTY AGREEMENTS AND TRANSACTIONS

Acquisition Agreement

In order to avoid a delay in the implementation of the District's improvement program, which would also delay the Developer from implementing its planned development program, the Developer has completed certain components of the improvements identified in the District's improvement plan. The District, who wishes to acquire those improvements in advance of receiving proceeds from certain Bond issuances, has agreed to pay the Developer the actual reasonable cost inclusive of all reasonable financing costs incurred by the Developer for the construction of the improvements from the proceeds of future Bond issuances. Interest on the advances shall accrue at a rate not to exceed 5.5%, but such interest shall only be payable to the extent that such accrued interest may lawfully be included as a permitted cost of a future issuance of Bonds or Notes to repay the obligations. At September 30, 2014, no interest has been paid by the District in connection with this agreement.

Additionally, in the event Bond proceeds are not available to pay the acquisition price of the improvements, the District's obligation to pay any unpaid portion of the applicable purchase price less the value of any contribution of improvements to be made by the Developer to the District under the applicable agreements shall become deferred obligations and shall be paid, if ever, solely from funds available from the proceeds of Debt or specifically made available under the Trust Indenture to pay deferred obligations. Additionally, the Developer shall be obligated to construct and complete the District's improvements and convey the improvements as provided by the Acquisition Agreement between the District and the Developer whether proceeds of the Debt or other amounts for that purpose under the Trust Indenture are available to pay the applicable acquisition price.

During the current fiscal year, \$11,393,398 was received from RELP Tampa, LLC (an affiliate of the Developer). The funds were used to pay down the Developer advance. As a result, the original Developer advance to the District totaled \$8,558,039 at September 30, 2014. A second note was issued in the current fiscal year.

Second Promissory Note Agreement

On August 1, 2014, the District and the Developer executed a second promissory note agreement whereby the Developer will convey completed infrastructure assets related to the 30th Street Project that have been funded by the District. The total costs were \$8,010,122, \$3 million of which were funded by grants. The remaining \$5,010,122 is to be repaid to the Developer. The note matures on August 31, 2015. If Bonds have been issued prior to the maturity date, the Developer will be repaid from such proceeds. In the event Bonds are not issued prior to the maturity date, the District has no obligation to repay the Developer. As of the date of the report, Bonds have not been issued.

Per the agreement, the first promissory note is subordinate in all respects to the second promissory note.

Bond Financing Agreement

The Developer has also agreed to make available the funds necessary to proceed with the issuance of bonds. These payments are also considered advances and are expected to be reimbursed when and if Bonds are issued.

In connection with the agreement, Developer advances to the District totaled \$102,881 at September 30, 2014.

Developer Contributions

The Developer has agreed to fund the general operations of the District. These funds are considered contributions and repayment is not expected. In connection with that agreement, Developer contributions to the general fund were \$184,412 which includes a receivable of \$31,878 at September 30, 2014.

NOTE 8 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer Landowner, the loss of which could have a material adverse effect on the District's operations.

NOTE 9 – MANAGEMENT COMPANY

The District has contracted with a management company to perform management advisory services, which include financial and accounting advisory services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

NOTE 10 – 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; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. The District has not filed any claims under this commercial coverage during the last three years.

NOTE 11 – SUBSEQUENT EVENT

Asset Conveyance

In October 2014, the District conveyed certain infrastructure assets to Hillsborough County for ownership and maintenance.

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

	Budgeted Amount		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Developer contributions	\$ 123,997	197,997	\$ 184,412	\$ (13,585)
Miscellaneous Income	-	-	2,750	2,750
Prepaid Assessments	-	11,393,398	11,393,398	-
Total revenues	<u>123,997</u>	<u>11,591,395</u>	<u>11,580,560</u>	<u>(10,835)</u>
EXPENDITURES				
Current:				
General government	28,885	87,885	82,297	5,588
Maintenance and operations	95,112	110,112	98,935	11,177
Debt Service				
Principal	-	11,393,398	11,393,398	-
Total expenditures	<u>123,997</u>	<u>11,591,395</u>	<u>11,574,630</u>	<u>16,765</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	5,930	<u>\$ 5,930</u>
Fund balance - beginning			<u>5,972</u>	
Fund balance - ending			<u>\$ 11,902</u>	

See notes to required supplementary information

**SOUTH SHORE CORPORATE PARK INDUSTRIAL COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2014 was amended to increase revenues and appropriations by \$11,467,398. The majority of the increase was to account for the collection of prepaid assessments used to pay down the existing Developer advance. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2014.

The variance between budgeted and actual general fund revenues was not considered significant. Actual general fund expenditures for the fiscal year ended September 30, 2014 were lower than budgeted amounts.



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

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, 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 South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated June 30, 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 our opinions on the financial statements, but not 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 the 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 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 District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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*.

Purpose of this Report

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

June 30, 2015



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
CHAPTER 10.550 RULES OF THE AUDITOR GENERAL**

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, Florida

Report on Compliance for the Major State Project

We have audited the South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida (the "District") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on the District's major state project for the fiscal year ended September 30, 2014. The District's major state project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state project.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major state project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General. Those standards and Chapter 10.550 Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes 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 audit provides a reasonable basis for our opinion on compliance for the major state project. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major State Project

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major state project for the fiscal year ended September 30, 2014.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

Report on Schedule of Expenditures of State Financial Assistance Projects Required by Chapter 69I-5, Rules of the Florida Department of Financial Service, Florida Administrative Code, State Financial Assistance, and Chapter 10.550, Rules of the Auditor General

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida, (the "District") as of and for the fiscal year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated June 30, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements.

The accompanying schedule of expenditures of state financial assistance projects, as required by Chapter 69I-5, Rules of the Florida *Department of Financial Services*, Florida Administrative Code, State Financial Assistance, and Chapter 10.550, Rules of the Auditor General is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Supervisors, management and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

June 30, 2015

**SOUTH SHORE CORPORATE PARK INDUSTRIAL
 COMMONUNITY DEVELOPMENT DISTRICT
 HILLSBOROUGH COUNTY, FLORIDA
 SCHEDULE OF EXPENDITURES OF
 STATE FINANCIAL ASSISTANCE PROJECTS
 FISCAL YEAR ENDED SEPTEMBER 30, 2014**

State Project	Number	Number	Expenditures
STATE FINANCIAL ASSISTANCE			
Florida Department of Transportation			
<i>Economic Development Transportation Projects - Road Fund</i>	55.032	AR573	<u>\$ 3,000,000</u>
Total Expenditures of State Financial Assistance			<u><u>\$ 3,000,000</u></u>

**SOUTH SHORE CORPORATE PARK INDUSTRIAL
COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE PROJECTS**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance projects includes the state grant activity of the South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida (the "District") under the project of the state government for the fiscal year ended September 30, 2014. The information in this schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting.

**SOUTH SHORE CORPORATE PARK INDUSTRIAL
COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
STATE PROJECTS
FISCAL YEAR ENDED SEPTEMBER 30, 2014**

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of the South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida (the "District").
2. No significant deficiencies relating to the audit of the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of the District were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major state project are reported in the independent auditor's report on compliance for each major program and on internal control over compliance required by Chapter 10.550, rules of the Auditor General.
5. The independent auditor's report on compliance with requirements that could have a direct and material effect on the major state project for the District expresses an unmodified opinion.
6. Audit findings relative to the major state project for the District are reported in Parts C and D of this Schedule.
7. The project tested as a major project includes:

<u>State Project</u>	<u>CSFA#</u>
Florida Department of Transportation Economic Development Transportation Projects - Road Fund	55.032
8. The dollar threshold used to distinguish between Type A and Type B for major state projects was \$300,000.

B. FINDINGS –FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - STATE PROJECTS

None

D. OTHER ISSUES

1. No corrective action plan is required because there were no findings required to be reported under the Florida Single Audit Act.



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, Florida

We have examined South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2014. 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, 2014.

This report 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, management, and the Board of Supervisors of South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

June 30, 2015



**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
South Shore Corporate Park Industrial Community Development District
Hillsborough County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated June 30, 2015.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the 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 the financial statements performed in accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 30, 2015, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank South Shore Corporate Park Industrial Community Development District, Hillsborough County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

June 30, 2015

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2013.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2014.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2014.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2014 financial audit report.

6. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

7. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2014. It is management's responsibility to monitor 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.