

**AGREEMENT FOR GOLF COURSE MANAGEMENT  
SERVICES AT CYPRESS HEAD**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2022**

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD  
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## INDEPENDENT AUDITORS' REPORT

To the Golf Board, Honorable Mayor, and City Council of the  
City of Port Orange, Florida:

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the Agreement for Golf Course Management Services at Cypress Head (Cypress Head Golf Club) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Cypress Head Golf Club's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of Cypress Head Golf Club as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cypress Head Golf Club and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Cypress Head Golf Club's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cypress Head Golf Club's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cypress Head Golf Club's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Cypress Head Golf Club's ability to continue as a going concern for a reasonable period of time.

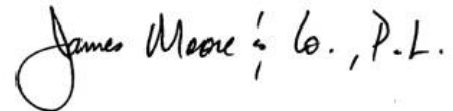
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Emphasis of Matter***

As discussed in Note (1), the financial statements present only the Agreement for Golf Course Management Services at Cypress Head and do not purport to, and do not, present fairly the financial position of City of Port Orange, Florida, or the City's entire Golf Course fund, as of September 30, 2022, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2023, on our consideration of Cypress Head Golf Club'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 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 Cypress Head Golf Club's internal control over financial reporting and compliance.

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

Daytona Beach, Florida  
January 12, 2023

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

**ASSETS**

<b>Current assets</b>	
Cash and cash equivalents	\$ 255,433
Accounts receivable	93,810
Inventories	21,177
Prepaid expenses	51,744
Total current assets	422,164
 <b>Capital assets</b>	
Building improvements	30,598
Machinery and equipment	5,550
Accumulated depreciation	(31,115)
Capital assets, net	5,033
 <b>Total Assets</b>	 \$ 427,197

**LIABILITIES AND NET POSITION**

<b>Current liabilities</b>	
Accounts payable and accrued liabilities	\$ 58,932
Due to the City of Port Orange, Florida	123,027
Unearned revenue	245,238
Total current liabilities	427,197
 <b>Net position</b>	
Net investment in capital assets	5,033
Unrestricted	(5,033)
Total net position	-
 <b>Total Liabilities and Net Position</b>	 \$ 427,197

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

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**Operating Revenue**

Charges for services:	
Green fees and membership charges	\$ 990,017
Cart rentals and trail fees	579,289
Pro-shop sales and merchandise	149,609
Surcharges	80,191
Total operating revenue	1,799,106

**Operating Expenses**

Personnel services	843,515
Cost of sales	84,238
Materials and supplies	172,743
Utilities	68,395
Maintenance and repairs	53,842
Depreciation	1,147
Management fees	75,816
Other expenses	203,879
Total operating expenses	1,503,575

Operating income to City of Port Orange, Florida before transfers	295,531
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**Transfers from (to) the City of Port Orange, Florida**

For (profit) loss from operations	(123,994)
For maintenance and usage of equipment	(131,451)
For renewal and replacement surcharges	(40,086)
Total transfers from (to) the City of Port Orange, Florida	(295,531)

Change in net position after transfers	\$ -
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The accompanying notes to the financial statements  
are an integral part of this statement.

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

<b>Cash flows from operating activities</b>	
Cash received from customers	\$ 1,891,766
Cash paid for personnel services	(839,199)
Cash paid to suppliers	(693,815)
Net cash provided by operating activities	358,752
 <b>Cash flows from noncapital and related financing activities</b>	
Net cash payments from (to) the City of Port Orange, Florida	(175,011)
Net increase (decrease) in cash and cash equivalents	183,741
Cash and cash equivalents, beginning of year	71,692
Cash and cash equivalents, end of year	\$ 255,433
 <b>Reconciliation of operating income to net cash provided by operating activities</b>	
Operating income	\$ 295,531
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,147
Decrease (increase) in current assets:	
Accounts receivable	(91,763)
Inventories	(4,145)
Prepaid expenses	(12,666)
Increase (decrease) in current liabilities:	
Accounts payable and accrued liabilities	(13,775)
Unearned revenue	184,423
Net cash provided by operating activities	\$ 358,752

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



**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

The following is a summary of the significant accounting policies of the Agreement for Golf Course Management Services at Cypress Head, which affect significant elements of the financial statements:

(a) **Organization and nature of activities**—The Cypress Head Golf Club (the "Golf Course") is an 18-hole championship course, with lighted practice facility, driving range, maintenance barn, cart barn, clubhouse, pro shop, and other related facilities wholly owned and operated by the City of Port Orange, Florida (the "City"). The City previously agreed to operate and maintain these facilities for a period of 30 years after the Golf Course opened in 1992. While the term is completed and the formal agreement has not been renewed, the City is continuing to operate the Course, however, it is the City's discretion to simply allow the property to revert to open space. These financial statements provide a separate accounting for the revenues and expenses generated from player fees, pro-shop sales, and other related financial activities of the Golf Course. The Golf Course is managed by an independent sports management company as described in Note (3). The accompanying financial statements were prepared to present only those financial activities of the Golf Course which is managed pursuant to the Agreement for Golf Course Management Services at Cypress Head. Other real and other personal property associated with the Golf Course and related revenues and expenses are recorded only on the City's accounting records. Therefore, these financial statements are not intended to be a complete presentation of the Golf Course's assets, liabilities, revenue, and expenses.

(b) **Basis of accounting**—The financial statements are prepared on the accrual basis of accounting. The use of this method of accounting identifies revenues and expenses with specific periods of time. Revenues are recorded when earned and expenses are recorded as incurred, without regard to the date of receipt or payment of cash.

(c) **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 and disclosures. Accordingly, actual results could vary from those estimates.

(d) **Cash and cash equivalents**—For the purposes of the statement of cash flows, the Golf Course considers all cash, demand deposit accounts, and highly liquid investments with original maturity dates of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

(e) **Accounts receivable**—Accounts receivable are reported at net realizable value. The receivables are stated net of an allowance for uncollectible accounts which has been provided based upon management's analysis of historical trends. Accounts deemed worthless are written off in the year they are determined to be worthless. At September 30, 2022, management has determined no allowance is required.

(f) **Revenue recognition**—Annual golf passes are recognized as revenue in the applicable membership period which is based on the fiscal year. Amounts billed in advance are appropriately recorded and captioned as "Unearned revenue" in the financial statements.

(g) **Inventories**—Inventories are stated at lower of cost (average cost) or market value. Inventories consist of retail golf merchandise.

(h) **Prepaid expenses**—Payments made to vendors for services that will benefit periods beyond the current fiscal year are recorded as prepaid items. Costs are recorded as expenses when consumed rather than when purchased.

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

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

(i) **Capital assets**—Capital assets are accounted for and capitalized at cost or, if donated, at the approximate fair value at the date of donation. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Depreciation is computed using the straight-line method over the assets' estimated useful lives. The estimated useful lives of the major classes of capital assets are as follows:

Assets	Years
Building improvements	20 - 40
Machinery and equipment	7 - 20

(j) **Operating revenue and expenses**—Operating revenue and expenses are distinguished from non-operating revenue. Operating revenue and expenses generally result from providing services and delivering goods in connection with ongoing operations. The principal operating revenue of the Golf Course is charges for services. The Golf Course also charges a \$1.00 surcharge for every 9 holes of golf as authorized by City of Port Orange, Florida Resolution 21-33.

(k) **Accrued payroll and accumulated unpaid vacation pay**—The portion of employees' payroll costs paid subsequent to year-end attributable to services performed prior to year-end is recorded and recognized as a current liability.

(l) **Income taxes**—The City of Port Orange, Florida, is exempt from income taxes as a state or subdivision thereof.

(m) **Subsequent events**—The Course has evaluated events and transactions for potential recognition of disclosure in financial statements through January 12, 2023, the date through which the financial statements were available to be issued. No subsequent events requiring recognition or disclosure have been identified other than the new management agreement referenced in Note 3.

(2) **Cash and Investments:**

(a) **Interest rate risk**—Generally, the Golf Course limits its exposure to fair value losses arising from increases in interest rates by limiting the investment of its operating funds in investments with maturities of less than one year. Substantially all of the Golf Course's surplus funds are invested in non-interest bearing demand deposit accounts.

(b) **Credit risk**—The provisions of Section 218.415, Florida Statutes, require that the investment activity of the Golf Course be conducted in accordance with a written investment plan adopted by the governing body. Under that plan, allowable investment instruments include: bonds, notes, certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America, interest-bearing savings accounts, interest-bearing certificates of deposit, and interest-bearing time deposits, including those held with the Florida State Board of Administration investment pool.

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(2) **Cash and Investments:** (Continued)

(c) **Custodial credit risk**—Custodial credit risk is the risk that in the event of a bank failure, the Golf Course's deposits may not be returned to it. Pursuant to the applicable provisions of Chapter 280, Florida Statutes, The Florida Security for Public Deposits Act (“the Act”), the State of Florida, Department of Financial Services, Division of Treasury, Bureau of Collateral Management have established specific requirements relative to the security and collateralization for public deposits. Accordingly, banks qualifying as a public depository in the State of Florida must adopt the necessary procedures outlined in these statutes and meet all of the requirements of this chapter to be designated by the State's Chief Financial Officer as eligible to receive deposits from municipal depositors. Collateral having a market value equal to 50% of the average daily balance for each month of all public deposits in excess of any applicable depository insurance is required to be pledged or deposited with the State's Chief Financial Officer to secure such deposits. Additional collateral, up to a maximum of 125% may be required if deemed necessary under the conditions set forth in the Act. Securities eligible to be pledged as collateral are generally limited to obligations of the United States government and any state thereof and are held in the name of the State Chief Financial Officer's office. Compliance with the provisions of Chapter 280, Florida Statutes, is monitored by a Qualified Public Depository Oversight Board with members appointed by the State Chief Financial Officer.

At September 30, 2022, the carrying amount of the Golf Course's deposits was \$279,677, all of which was covered by collateral securities in accordance with the Act. Also included in the Golf Course's cash position at year end was \$1,350 of cash on hand used for daily operational purposes, not included in the Golf Course's cash deposits described above.

(3) **Related Party Transactions:**

(a) **Kemper Sports Management**—Effective October 1, 2012, the City of Port Orange, Florida entered into a five-year management agreement for operation of the Golf Course with an independent sports management company. The agreement may be renewed for an additional five year period, solely at the City's option and with the mutual acceptance of Kemper Sports Management. The current agreement expired on September 30, 2022. Under the terms of the original agreement, the management company was paid \$86,700 per year payable in advance in twelve monthly installments on the first business day of each month. There was an addendum to the agreement during the year ended September 30, 2016, to reduce the management fee by 24% beginning November 1, 2015, due to cessation of the Food and Beverage management services as set forth in the original agreement. There was a subsequent addendum to the agreement during the year ended September 30, 2017, to increase the management fee by 15% beginning September 1, 2017 through March 31, 2018, due to temporary resumption of the Food and Beverage management services. The base management fee is increased by two percent of the management fee for the preceding twelve month period. In addition to the base management fee, the management company is entitled to an incentive fee equal to five percent of all gross receipts in excess of \$1,800,000 per annum, if any. The total incentive fee cannot exceed \$85,000. Effective October 1, 2022, a new five-year agreement was entered into by Kemper Sports Management, LLC and the City of Port Orange for Golf Course management services. The agreement will be in effect through September 30, 2027, and it does not include a provision for incentive fees.

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2022**

(3) **Related Party Transactions:** (Continued)

Management fees incurred for the year ended September 30, 2022, are as follows:

Golf Course management fee	\$ 75,816
Incentive management fee	-
Total Management Fees	\$ 75,816

(b) **City of Port Orange, Florida**—Throughout the fiscal year, the City requires the Golf Course to manage and finance its operational affairs from its own cash funds. As surplus funds accumulated exceed, or do not meet, amounts historically needed to provide for its ongoing seasonal operations, cash funds are transferred to and from the City, respectively, as cash and operating reserves dictate.

During the year ended September 30, 2022, the following related party transactions occurred between the Golf Course and the City:

Golf Course expense incurred by the City for:	
Golf Course use of golf carts, equipment, and rolling stock	\$ 131,451
Repayment of interfund capital loan	-
Golf Course operating expenses incurred by the City	4,967
Surcharge for restricted renewal and replacement reserve collected and paid to the City	40,086
Cash transfers to City	140,129
Cash transfers from City	-

(4) **Retirement Plan:**

Kemper Sports Management employs all personnel of the Golf Course and sponsors a defined contribution plan which covers employees over 21 years of age, with a minimum of one year of service, and who work at least 1,000 hours during the plan year. The plan allowed for an employer matching contribution of 25% of the first 5% of employee salaries contributed by employees. For the year ended September 30, 2022, the Golf Course contributed \$1,968 to the plan.

(5) **Risk Management:**

The Golf Course is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Golf Course carries commercial insurance.

**AGREEMENT FOR GOLF COURSE MANAGEMENT SERVICES AT CYPRESS HEAD**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022**

(6) **Capital Assets and Depreciation:**

Capital asset activity of the Golf Course for the 2022 fiscal year was as follows:

	<u>Balance September 30, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance September 30, 2022</u>
Capital assets				
Building improvements	\$ 30,598	\$ -	\$ -	\$ 30,598
Machinery and equipment	5,550	-	-	5,550
Total capital assets	<u>36,148</u>	<u>-</u>	<u>-</u>	<u>36,148</u>
Accumulated depreciation				
Building improvements	(25,529)	(869)	-	(26,398)
Machinery and equipment	<u>(4,439)</u>	<u>(278)</u>	<u>-</u>	<u>(4,717)</u>
Total accumulated depreciation	<u>(29,968)</u>	<u>(1,147)</u>	<u>-</u>	<u>(31,115)</u>
Capital assets, net	<u>\$ 6,180</u>	<u>\$ (1,147)</u>	<u>\$ -</u>	<u>\$ 5,033</u>

Depreciation expense for the year ended September 30, 2022 was \$1,147.

## **COMPLIANCE SECTION**

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

To the Golf Board, Honorable Mayor, and City Council of the  
City of Port Orange, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Agreement for Golf Course Management Services at Cypress Head (Cypress Head Golf Club) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Cypress Head Golf Club's basic financial statements, and have issued our report thereon January 12, 2023.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Cypress Head Golf Club's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cypress Head Golf Club's internal control. Accordingly, we do not express an opinion on the effectiveness of Cypress Head Golf Club'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. We did identify certain deficiencies in internal control as described below that we consider to be significant deficiencies.

### **Bank Reconciliations**

During our testing of cash balances, we noted an error in one of the bank reconciliations, which caused the cash balance in the payroll general ledger account to be overstated by approximately \$26,000. We recommend management increase its review over the bank reconciliation process to ensure accuracy in financial reporting.

#### *Management Response:*

Management has revised procedure for payroll entries. The accrual of payroll expenses at month end will offset to the accrued payroll expense account when using actual payroll summary.

### **Pay Rate Approval**

During our testing of payroll, we noted one out of ten employees selected for testing did not have a properly approved pay rate documentation on file. This employee was a rehire earning a minimum wage, which increased since employee's prior employment with the Golf Course. We recommend management establish a process for ensuring all employees have current documentation on file and all pay rates are properly approved by management and such approval is documented by a signature.

#### *Management Response:*

Approval of PSR forms will be made to all new hire and rehire staff. This will be internally audited on a quarterly basis to ensure compliance going forward.

### **Off Site Data Storage and Testing of Back Up Procedures**

During our audit, we noted that during the year the City experienced a server crash that affected the Golf Course as the accounting records of the Gold Course are kept on the City's server. This resulted in approximately ten months of Golf Course data being identified as not fully restored. We recommend that backups be performed at least monthly and preferably daily and stored in an off-site, secure location to prevent such issues in the future. We also recommend such backups are regularly tested to ensure they are working as designed. Adequate and reliable IT backup systems are critically important to ensure that business operations can continue on an uninterrupted basis.

#### *Management Response:*

Controller is performing backup to a removable hard drive on a weekly basis to ensure data is properly protected. Removable backup is taken offsite in the event of a pending storm.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Cypress Head Golf Club'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*.

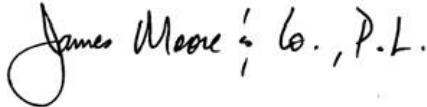


## **Management's Response to Findings**

Management's response to the findings identified in our audit is described previously. Management's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

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

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

Daytona Beach, Florida  
January 12, 2023