



**FLORIDA  
DEVELOPMENT  
FINANCE** CORP

October 28, 2020

Mr. Barry Burton  
County Administrator  
Pinellas County  
315 Court Street  
Clearwater, Florida 33756

Re: The Florida Development Finance Corporation  
Annual Reporting Requirements

In accordance with Section 288.9610, Florida Statutes, the undersigned, on behalf of the Florida Development Finance Corporation, has enclosed the following information:

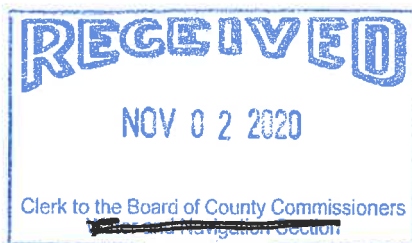
- (1) Audit results conducted pursuant to Section 11.45, Florida Statutes;
- (2) A summary of the activities, operations and accomplishments of the Florida Development Finance Corporation which were conducted during the Fiscal Year ended June 30, 2020, including the number of businesses assisted by the Corporation; and
- (3) The assets, liabilities, income and operating expenses of the Corporation during fiscal year ended June 30, 2020, including a description of all outstanding revenue bonds.

If you have any questions or concerns about this information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'W. Spivey, Jr.'.

William Franklin Spivey, Jr.  
Executive Director



**FLORIDA DEVELOPMENT  
FINANCE CORPORATION**

**FINANCIAL STATEMENTS**

*For the Year Ended June 30, 2020*

*And Reports of Independent Auditor*

**FLORIDA DEVELOPMENT FINANCE CORPORATION**  
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## Report of Independent Auditor

To the Board of Directors,  
Florida Development Finance Corporation:

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

We have audited the accompanying financial statements of Florida Development Finance Corporation ("FDFC") as of and for the year ended June 30, 2020, and the related notes to the 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 an opinion 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 of 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida Development Finance Corporation as of June 30, 2020, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 6 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 October 15, 2020 on our consideration of FDFC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of FDFC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering FDFC's internal control over financial reporting and compliance.



Orlando, Florida  
October 15, 2020

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# FLORIDA DEVELOPMENT FINANCE CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

*JUNE 30, 2020*

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This discussion and analysis of Florida Development Finance Corporation's ("FDFC") financial performance provides an overview of its financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the report of independent auditor and the basic financial statements.

## **Financial Highlights**

FDFC facilitated the authorization and issuance of \$405,115,000 in (7) new money bonds for the fiscal year ending June 30, 2020. The types of borrowers served by the FDFC bond process were 5 charter schools, a not-for-profit healthcare facility and a private, higher education facility. In all, FDFC received application and issuance fees totaling \$561,140. 55% of these fees came from two large bond issuances, but several bond issuances were delayed due to the impacts of the novel coronavirus ("COVID-19") on the capital markets.

In addition, FDFC's Property Assessed Clean Energy ("PACE") Program facilitated the issuance of \$42,146,303 in (19) taxable residential PACE bonds and \$17,346,666 in (7) taxable commercial PACE bonds during the fiscal year ending June 30, 2020. In all, FDFC received issuance fees totaling \$457,019 for the PACE Program.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to FDFC's basic financial statements. The basic financial statements also include notes that explain in more detail some of the information in the financial statements.

## **Required Basic Financial Statements**

FDFC utilizes an enterprise fund for financial reporting purposes. This fund includes all activities of FDFC.

The financial statements of FDFC report information about FDFC using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about its activities. The statement of net position includes all of FDFC's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to FDFC's creditors (liabilities). The statement of net position also provides the basis for computing rate of return, evaluating the capital structure of FDFC and assessing liquidity and financial flexibility of FDFC.

All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses, and changes in net position. This statement measures the success of FDFC's operations over the past year and can be used to determine whether FDFC has successfully recovered all of its costs through its services provided, as well as its profitability, and credit worthiness.

The final required financial statement is the statement of cash flows. The primary purpose of this statement is to provide information about FDFC's cash receipts and payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, non-capital financing and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

**FLORIDA DEVELOPMENT FINANCE CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

*JUNE 30, 2020*

**Financial Analysis**

**Net Position**

Net position may serve over time as a useful indicator of FDFC's financial position. FDFC's assets exceeded liabilities by \$3,438,629, representing an increase in net position for the year of \$68,326. The largest portion of FDFC's net position reflects cash received from bond issuance fees.

**Table A-1:  
Statements of Net Position  
(In thousands of dollars)**

	<u>Fiscal Year</u> <u>2020</u>	<u>Fiscal Year</u> <u>2019</u>	<u>Dollar</u> <u>Change</u>
<b>Assets</b>			
Cash	\$ 3,339	\$ 3,331	\$ 8
Accounts receivable	37	-	37
Prepaid expenses	31	31	-
Capital assets, net	59	31	28
Total assets	<u>3,466</u>	<u>3,393</u>	<u>73</u>
<b>Liabilities</b>			
Accounts payable	10	12	(2)
Accrued expenses	18	11	7
Total liabilities	<u>28</u>	<u>\$ 23</u>	<u>5</u>
<b>Net Position</b>			
Investment in capital assets	59	31	28
Unrestricted	3,379	3,339	40
Total net position	<u>\$ 3,438</u>	<u>\$ 3,370</u>	<u>\$ 68</u>

Total accounts receivable increased due largely to amounts due from Renovate America in the current year. Total capital assets increased due largely to the design plan and buildout for the office in the current year.



**FLORIDA DEVELOPMENT FINANCE CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

*JUNE 30, 2020*

**Changes in Net Position**

The changes in net position displayed below shows FDFC's activities during the past two fiscal years. The increase in net position for each year represents the extent to which revenues exceeded expenses during the year.

**Table A-2:  
Statements of Revenues, Expenses, and Changes in Net Position  
(In thousands of dollars)**

	Fiscal Year 2020	Fiscal Year 2019	Dollar Change
Revenue:			
Fees	\$ 1,250	\$ 3,329	\$ (2,079)
Other revenue	140	484	(344)
Total revenue	<u>1,390</u>	<u>3,813</u>	<u>(2,423)</u>
Expenses:			
General and administrative			
Salaries and wages	785	653	132
Professional fees	111	116	(5)
Other	200	663	(463)
Program:			
PACE program	207	96	111
FRED	19	33	(14)
Total expenses	<u>1,322</u>	<u>1,561</u>	<u>(239)</u>
Change in Net Position	68	2,252	(2,184)
Net Position, beginning of year	3,370	1,118	2,252
Net Position, end of year	<u>\$ 3,438</u>	<u>\$ 3,370</u>	<u>\$ 68</u>

The decrease in revenue is due to the issuance of the two very large Virgin Train USA bonds in the previous year and due to COVID-19 delaying several bond issuances until after June 30, 2020.

The decrease in expenses is due to a decrease in FDFC reimbursables during the year. Fewer traditional bond issuances occurred during the year.

# FLORIDA DEVELOPMENT FINANCE CORPORATION MANAGEMENT'S DISCUSSION AND ANALYSIS

*JUNE 30, 2020*

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## **Economic Factors**

FDFC's primary business is the issuance of tax exempt revenue bonds, which are permissible under the U.S. Internal Revenue Service's private activity regulations and Chapter 288, Part X, Florida Statutes. Those regulations, subject to a number of limitations and restrictions, allow small manufacturers and non-profit corporations to finance capital assets with tax exempt bond proceeds.

FDFC's revenues are exclusively generated by fees charged for issuance of bonds, and the volume of bond issuance can be directly impacted by general economic and perception of policies for conduit issuance by potential borrowers and their finance team. COVID-19 delayed the issuance of six (6) bond deals due to lack of liquidity and appetite for non-rated bonds from March through June 2020. Only highly rated bonds were desired and purchased during this time, as non-investment grade paper did not start pricing until subsequent to year-end.

## **Requests for Information**

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

Bill Spivey  
Executive Director  
156 Tuskawilla Road, Suite 2340  
Winter Springs, Florida 32708

## **BASIC FINANCIAL STATEMENTS**

**FLORIDA DEVELOPMENT FINANCE CORPORATION**  
**STATEMENT OF NET POSITION**

*JUNE 30, 2020*

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**ASSETS**

<b>Current Assets:</b>	
Cash and cash equivalents	\$ 3,339,353
Accounts receivable	36,500
Prepaid expenses	31,162
Capital assets, net	<u>59,351</u>
<b>Total Assets</b>	<u>3,466,366</u>

**LIABILITIES**

<b>Current Liabilities:</b>	
Accounts payable	9,610
Accrued expenses	<u>18,127</u>
<b>Total Liabilities</b>	<u>27,737</u>

**NET POSITION**

Net investment in capital assets	59,351
Unrestricted	<u>3,379,278</u>
<b>Total Net Position</b>	<u>3,438,629</u>
<b>Total Liabilities And Net Position</b>	<u>\$ 3,466,366</u>

**FLORIDA DEVELOPMENT FINANCE CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

*YEAR ENDED JUNE 30, 2020*

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<b>Revenues</b>	
Conduit debt application and issuance fees	\$ 561,140
Conduit debt reimbursement revenues	1,493
PACE program fees	688,821
Interest and other	139,048
<b>Total Revenues</b>	<u>1,390,502</u>
<b>Expenses</b>	
Salaries and wages	784,878
PACE program direct expenses	226,269
Professional fees	110,512
Other	200,517
<b>Total Expenses</b>	<u>1,322,176</u>
<b>Increase in Net Position</b>	68,326
<b>Net Position, Beginning of Year</b>	<u>3,370,303</u>
<b>Net Position, End of Year</b>	<u>\$ 3,438,629</u>

**FLORIDA DEVELOPMENT FINANCE CORPORATION**  
**STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2020

<b>Cash Flows From Operating Activities:</b>	
Receipts from fees and expense reimbursements	\$ 1,304,916
Payments to service providers	(1,300,984)
Interest received	49,086
<b>Net Cash Provided by Operating Activities</b>	<u>53,018</u>
<b>Cash Flows From Investing Activities:</b>	
Purchase of equipment	(44,728)
<b>Net Cash Used in Investing Activities</b>	<u>(44,728)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	8,290
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>3,331,063</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 3,339,353</u>
<b>Reconciliation of Increase in Net Position to Net Cash</b>	
Used in Operating Activities:	
Increase in net position	\$ 68,326
Adjustments to reconcile increase in net position to net cash provided by operating activities:	
Depreciation	16,753
Changes in:	
Accounts receivable	(36,500)
Prepaid expenses	318
Accounts payable	(2,725)
Accrued expenses	6,846
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 53,018</u>

# FLORIDA DEVELOPMENT FINANCE CORPORATION

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

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### Note 1 – Summary of Significant Accounting Policies

#### A. Reporting Entity

Florida Development Finance Corporation ("FDFC") is an independent entity constituted as a public instrumentality of local government, created to facilitate economic development in Florida by working in partnership with the Florida financial services industry and local development organizations to create access to competitive sources of finance for creditworthy borrowers and other firms contributing to job creation and the economic base of Florida. FDFC's bond programs provide access to capital for project development through tax exempt and taxable financing. This includes financing to stimulate and assist in the expansion of all kinds of for-profit and not-for-profit business activity, a portion of which consists of residential and commercial bonds through the Property Assessed Clean Energy ("PACE") Program.

FDFC was formed pursuant to Florida Statutes, Chapter 288, Part X and all acts supplemental thereto and amendatory thereof. FDFC is governed by a five member board of directors, appointed by the Governor, subject to confirmation of the Senate. Each board member is appointed by the Governor and serves a term of four years. The current statutory provisions reflect a related party relationship with the State of Florida, whereas the State of Florida does not impose its will on FDFC. Accordingly, FDFC does not meet the criteria provided by the Governmental Accounting Standards Board for being a component unit of the State of Florida.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 14, as amended, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions that comprise FDFC. Component units are legally separate entities for which FDFC (the primary entity) has financial accountability. Financial accountability is defined as the ability of the primary entity to appoint a voting majority of an organization's governing body and either (1) impose its will over the organization or (2) there is a potential that the organization will provide a specific financial benefit to, or impose a specific financial burden on the primary entity. Financial accountability may also arise if an organization is fiscally dependent on and has a fiscal benefit or burden relationship with the primary government. Using these criteria, FDFC has no component units.

#### B. Measurement Focus and Basis of Accounting

FDFC is accounted for as an enterprise fund. The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are reported when the liability is incurred, regardless of the timing of the related cash flows.

FDFC financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, including application of all relevant GASB pronouncements.

#### C. Deposits and Investments

FDFC places its cash on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation (FDIC) covers \$250,000 for substantially all deposit accounts. At June 30, 2020, FDFC had approximately \$121,000 in excess of the insured amounts. Management believes the associated risk is minimized by placing such assets in quality financial institutions that are designated as qualified public depositories.

FDFC's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of three months or less. Investments classified as cash equivalents include amount placed with the Florida Surplus Asset Fund Trust ("FL SAFE").

FDFC's investment in the FL SAFE is a qualifying local government investment pool and was assigned a rating of "AAAm" by the Standard and Poor's Rating Service. As of June 30, 2020, FDFC had a balance of \$2,984,181 in the FL SAFE. FDFC's position in the pool is valued based on amortized cost, which approximates fair value, and is treated as a cash equivalent in financial statement presentation. The FL SAFE has no limitations or restrictions on withdrawals.

# FLORIDA DEVELOPMENT FINANCE CORPORATION

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

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### Note 1 - Summary of Significant Accounting Policies (continued)

#### C. Deposits and Investments (continued)

FDFC follows the investment policy of Florida Statute §218.415, which states that units of local government electing not to adopt a written investment policy may invest or reinvest any surplus public funds in their control or possession in (1) the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, (2) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, (3) interest-bearing time deposits or savings accounts in qualified public depositories, and (4) direct obligations of the U.S. Treasury.

#### D. Capital Assets

Capital assets consist of computers and equipment, furniture and fixtures, and leasehold improvements, stated at cost when purchased or constructed. The threshold for capitalization of assets is \$1,000. Expenses for maintenance and repairs are charged to operations. Provisions for depreciation are made using the straight-line method, based upon either the useful life of assets or the term of the associated lease.

#### E. Conduit Debt Issuance Fees

Issuance fees paid by borrowers for conduit debt obligations are generally recognized as revenue in the period the bonds are issued; however, application fees are not refundable and are typically recognized when received.

#### F. Reimbursement Revenues

Revenues recognized as reimbursement for conduit debt projects and the PACE program are recorded in the same period as related expenses are incurred.

#### G. Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### H. Income Taxes

FDFC is a not-for-profit corporation and has been determined by the Internal Revenue Service to be a 501(c)(4) organization exempt from taxes under Section 501(a) of the Internal Revenue Code. Accordingly, no provision has been made for income taxes.

#### I. FDFC PACE Program Agreement with FRED

During fiscal 2017, FDFC entered into an agreement with the Florida Resiliency and Energy District ("FRED"), a separate legal entity authorized to facilitate PACE financing pursuant to Section 163.01(14), Florida Statutes. Under the agreement, FDFC serves as FRED's agent for purposes of executing Financing Agreements with property owners on behalf of FRED pursuant to Section 163.08(6), Florida Statutes, for purposes of administering the FDFC PACE Program within the boundaries of FRED and for ensuring compliance with the Florida PACE Act.



**FLORIDA DEVELOPMENT FINANCE CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

**Note 2 – Capital Assets**

The following is a summary of changes in capital assets during the year ended June 30, 2020:

	Balance at July 1, 2019			Additions	Deletions	Balance at June 30, 2020	
Capital assets:							
Leasehold improvements	\$	11,632	\$	33,400	\$	-	\$ 45,032
Computers and equipment		36,447		6,811		-	43,258
Furniture and fixtures		-		4,517		-	4,517
Total capital assets		48,079		44,728		-	92,807
Less accumulated depreciation for:							
Leasehold improvements		5,271		3,821		-	9,092
Computers and equipment		11,433		12,607		-	24,040
Furniture and fixtures		-		324		-	324
Total accumulated depreciation		16,704		16,752		-	33,456
Capital assets, net	\$	31,375	\$	27,976	\$	-	\$ 59,351

FDFC's total depreciation expense was \$16,752 for the year ended June 30, 2020.

**Note 3 - Related Party Transactions**

FDFC enters into bond financing transactions on behalf of borrowers with various financial institutions and investors whereby bond documents have been approved by FDFC's Board of Directors. Certain Board members may be affiliated with financial institutions, which issue term sheets to purchase the bonds. In such cases, these Board members would recuse themselves from voting on items with such affiliation. It is management's opinion that these transactions have been conducted at arm's length.

**Note 4 – Commitments and Contingencies**

FDFC is obligated under an operating lease for the office building. At June 30, 2020, future minimum lease payments under the operating lease are as follows for the years ending June 30:

2021	\$	47,593
2022		49,020
2023		24,871
	\$	<u>121,484</u>

FDFC's total lease expenses were \$46,207 for the year ended June 30, 2020, and are included in other expenses.

**FLORIDA DEVELOPMENT FINANCE CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

*YEAR ENDED JUNE 30, 2020*

**Note 5 - Conduit Debt**

In accordance with its mission and Chapter 288, Part X, Florida Statutes, FDFC has facilitated the issuance of debt obligations whereby FDFC is merely a conduit issuer of bonds issued on behalf of borrowers. These bonds do not constitute a general debt, liability or obligation of FDFC, the State of Florida, or any local government.

Additionally, FDFC has assigned all rights to receive payments from the borrowers to the bond purchaser in all bond financing transactions. Assigned payments are not included in the accompanying basic financial statements.

Changes in PACE residential and commercial bonds conduit debt outstanding for the year ended June 30, 2020 are as follows:

	Balance at July 1, 2019	Additions	Reductions	Balance at June 30, 2020
2019 PACE Residential Bonds	\$ 20,935,357	\$ -	\$ 768,403	\$ 20,166,954
2020 PACE Residential Bonds	-	42,146,303	-	42,146,303
2020 PACE Commercial Bonds	-	17,346,666	-	17,346,666
 Total PACE Bonds	 \$ 20,935,357	 \$ 59,492,969	 \$ 768,403	 \$ 79,659,923

**FLORIDA DEVELOPMENT FINANCE CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2020

**Note 5 - Conduit Debt (continued)**

Changes in other bonds conduit debt outstanding for the year ended June 30, 2020 are as follows:

	Balance at July 1, 2019	Additions	Reductions	Balance at June 30, 2020
1999 Series B5 Composite Investor, LLC	\$ 80,000	\$ -	\$ 80,000	\$ -
2000 Series A2 R.L. Smith Investments, LLC	150,000	-	150,000	-
2001 Series C1 Kelray Realty, Inc. (Glaspro)	30,000	-	30,000	-
2002 Series C4 Serigraphics Arts, Inc.	195,000	-	45,000	150,000
2008 Series A Sculptor Charter School	4,385,000	-	95,000	4,290,000
2009 Series Center Court Properties, Inc.	1,400,000	-	200,000	1,200,000
2009 Series Airport Properties Partners, LLC	10,825,000	-	215,000	10,610,000
2010 Series Lake Eola Charter Schools Foundation, Inc.	1,353,372	-	89,939	1,263,433
2010 Series A&B Renaissance Charter Schools, Inc.	61,670,000	-	55,695,540	5,974,460
2011 Series A&B Renaissance Charter Schools, Inc.	82,295,000	-	82,295,000	-
2011 Series A&B Bay Area Charter Foundation, LLC	32,950,000	-	1,130,000	31,820,000
2012 Series Sculptor Charter School	685,000	-	10,000	675,000
2012 Series A&B Montverde Academy, Inc.	4,095,000	-	315,000	3,780,000
2012 Series A&B Renaissance Charter Schools, Inc.	54,435,000	-	985,000	53,450,000
2013 Series A&B Renaissance Charter Schools, Inc.	75,840,000	-	1,310,000	74,530,000
2013 Series A&B UF Health-Jacksonville	102,360,000	-	5,600,000	96,760,000
2014 Series A&B Miami Arts, Inc.	32,715,000	-	3,320,000	29,395,000
2014 Series A&B Renaissance Charter Schools, Inc.	49,880,000	-	885,000	48,995,000
2014 Series A&B Downtown Doral Charter School, Inc.	21,825,000	-	345,000	21,480,000
2014 Series A&B FL Charter Educational Foundation, Inc.	13,820,000	-	200,000	13,620,000
2014 Series A American Public Media Group	9,230,000	-	345,000	8,885,000
2015 Series A Divine Savior Lutheran Academy	27,919,220	-	873,787	27,045,433
2015 Series A&B Renaissance Charter Schools, Inc.	90,680,000	-	1,420,000	89,260,000
2015 Series A&B UF Health- Jacksonville	85,000,000	-	-	85,000,000
2016 Series A&B Tuscan Isle Property, LLC	51,170,000	-	-	51,170,000
2016 Cypress Point Living, LLC	27,050,000	-	-	27,050,000
2016 Series A&B The Pepin Academies, Inc.	12,165,000	-	175,000	11,990,000
2016 Series A&B Franklin Academy	49,150,000	-	915,000	48,235,000
2016 Series A The Fine School, Inc.	6,630,055	-	211,755	6,418,300
2016 Series A&B Florida Charter Educational Foundation	39,390,000	-	590,000	38,800,000
2017 Series A&B Classical Preparatory, Inc.	10,060,000	-	155,000	9,905,000
2017 Series A&B Palm Bay Academy, Inc.	8,000,000	-	-	8,000,000
2017 Series C,D,&E Palm Bay Academy, Inc.	6,750,000	-	140,000	6,610,000
2017 Series A&B Southwest Charter Foundation, Inc.	40,120,000	-	860,000	39,260,000
2017 Series A&B Downtown Doral Charter School, Inc.	6,300,000	-	175,000	6,125,000
2017 Series C&D Downtown Doral Charter School, Inc.	39,245,000	-	-	39,245,000
2017 Series Waste Pro USA, Inc.	32,500,000	-	-	32,500,000
2018 Series A&B Classical Preparatory, Inc.	4,485,000	-	65,000	4,420,000
2018 Series A&B Learning Gate Community School, Inc.	9,040,000	-	135,000	8,905,000
2018 Series A Midtown Campus Properties, LLC	77,820,000	-	-	77,820,000
2018 Series A Central Florida Fair, Inc.	5,000,000	-	-	5,000,000
2019 Series A&B Image School Broward	19,175,000	-	-	19,175,000
2019 Series A&B Athenian Academy	18,425,000	-	-	18,425,000
2019 Series A Virgin Trains USA	1,750,000,000	-	-	1,750,000,000
2019 Virgin Trains USA Escrow	950,000,000	-	-	950,000,000
2019 Series A&B UF Jacksonville Physicians, Inc.	30,000,000	-	1,740,000	28,260,000
2019 Series Waste Pro USA, Inc.	46,515,000	-	-	46,515,000
2019 Series A&B Classical Preparatory, Inc.	-	5,025,000	-	5,025,000
2019 Series A&B San Jose Academy	-	21,000,000	-	21,000,000
2019 Series A UF Jacksonville Physicians, Inc.	-	20,000,000	-	20,000,000
2020 Series A&B Cornerstone Classical Academy	-	16,960,000	-	16,960,000
2020 Series A&B Renaissance Charter Schools, Inc.	-	96,015,000	-	96,015,000
2020 Series A&B The Pepin Academies	-	11,365,000	-	11,365,000
2020 Series A&B Nova Southeastern University	-	234,750,000	-	234,750,000
<b>Total Other Bonds</b>	<b>\$ 4,002,807,647</b>	<b>\$ 405,115,000</b>	<b>\$ 160,796,021</b>	<b>\$ 4,247,126,626</b>

**SUPPLEMENTARY REPORT OF  
INDEPENDENT AUDITOR**

**Report of Independent Auditor on Internal Control over Financial  
Reporting and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance  
with *Government Auditing Standards***

To the Board of Directors,  
Florida Development Finance Corporation:

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 Florida Development Finance Corporation ("FDFC") as of and for the year ended June 30, 2020 and the related notes to the financial statements, and have issued our report thereon dated October 15, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered FDFC'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 FDFC's internal control. Accordingly, we do not express an opinion on the effectiveness of FDFC'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 FDFC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 "Cheryl Behart LLP". The signature is written in a cursive, flowing style.

Orlando, Florida  
October 15, 2020