

CITY OF TAMPA, FLORIDA - GOLF COURSES FUND,
AS MANAGED BY THE TAMPA SPORTS AUTHORITY

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

September 30, 2020 and 2019

TABLE OF CONTENTS

Independent Auditors' Report	1 - 3
Basic Financial Statements	4
Statements of Net Position	5
Statements of Revenues, Expenses and Changes in Net Position	6
Statements of Cash Flows	7
Notes to Financial Statements	8 - 16
Supplementary Information	17
Combining Statement of Net Position	18
Combining Statement of Revenues, Expenses and Changes in Net Position	19
Combining Statement of Cash Flows	20 – 21
Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill	22
Compliance Reports	23
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	24 – 26
Independent Auditors' Report on Compliance with the Requirements of Section 288.8018, Florida Statutes	27 – 28

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

Board of Directors
Tampa Sports Authority

We have audited the accompanying financial statements of the City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority, as of and for the years ended September 30, 2020 and 2019, 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 misstatements, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority, as of September 30, 2020 and 2019, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A, the financial statements present only the City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority, and do not purport to, and do not, present fairly the financial position of the City of Tampa, Florida or the Tampa Sports Authority as of September 30, 2020 and 2019, and the changes in their financial position, or, where applicable, cash flows for the years 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 Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements of the City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements and the Schedule of Receipts, Expenditures of Funds Related to the Deepwater Horizon Oil Spill are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2021 on our consideration of the City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority’s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Golf Courses Fund’s internal control over financial reporting and compliance.



Tampa, Florida
March 30, 2021

CITY OF TAMPA, FLORIDA - GOLF COURSES FUND,
AS MANAGED BY THE TAMPA SPORTS AUTHORITY

BASIC FINANCIAL STATEMENTS

September 30, 2020 and 2019

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

STATEMENTS OF NET POSITION

September 30,

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,329,906	\$ 977,702
Accounts receivable	49,078	118,817
Interfund receivables	1,849	15,432
Prepaid expenses and deposits	5,822	5,967
Inventory	161,405	150,268
Total current assets	1,548,060	1,268,186
NON-CURRENT ASSETS		
Capital assets, net of depreciation	4,093,293	3,741,707
TOTAL ASSETS	5,641,353	5,009,893
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	277,256	357,596
Interfund payables	1,849	15,432
Unearned revenue	57,570	63,509
Total current liabilities	336,675	436,537
TOTAL LIABILITIES	336,675	436,537
NET POSITION		
Invested in capital assets, net of related debt	4,093,293	3,741,707
Unrestricted	1,211,385	831,649
TOTAL NET POSITION	\$ 5,304,678	\$ 4,573,356

The accompanying notes are an integral part of these statements.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended September 30,

	2020	2019
Operating revenues		
Golf fees	\$ 2,189,269	\$ 2,166,558
Merchandise and food sales	532,698	712,550
Memberships	87,772	90,858
Driving range	137,216	147,214
Event revenue	4,593	13,038
Sponsor revenue	18,683	8,300
Total operating revenues	2,970,231	3,138,518
Operating expenses		
Cost of merchandise sold	302,038	389,090
Clubhouse operations	1,188,396	1,259,333
Course maintenance	1,680,755	1,650,773
General and administrative	634,438	563,960
Event expense	642	7,603
Operating expenses before depreciation expense	3,806,269	3,870,759
Depreciation expense	474,009	462,083
Total operating expenses	4,280,278	4,332,842
Operating loss	(1,310,047)	(1,194,324)
Non-operating revenues (expenses)		
Investment income	2,472	3,823
Loss on disposal of assets	-	(823)
Total non-operating revenues	2,472	3,000
Change in net position before capital grants and contributions	(1,307,575)	(1,191,324)
Capital grants and other contributions	2,038,897	1,409,200
Change in net position	731,322	217,876
Net position at beginning of year	4,573,356	4,355,480
Net position at end of year	\$ 5,304,678	\$ 4,573,356

The accompanying notes are an integral part of these statements.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

STATEMENTS OF CASH FLOWS

For the year ended September 30,

	2020	2019
Cash flows from operating activities		
Cash received from customers	\$ 3,034,031	\$ 3,034,027
Cash payments to vendors for goods and services	(2,545,708)	(2,289,769)
Cash payments to employees for services	(1,351,893)	(1,382,253)
Net cash used by operating activities	(863,570)	(637,995)
Cash flows from capital and related financing activities		
Acquisition of capital assets	(825,595)	(414,450)
Contributions received	2,038,897	1,409,200
Net cash provided by capital and related financing activities	1,213,302	994,750
Cash flows from investing activities		
Investment income	2,472	3,823
Net increase in cash and cash equivalents	352,204	360,578
Cash and cash equivalents at beginning of year	977,702	617,124
Cash and cash equivalents at end of year	\$ 1,329,906	\$ 977,702
Reconciliation of operating loss to net cash used by operating activities		
Operating loss	\$ (1,310,047)	\$ (1,194,324)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation	474,009	462,083
Changes in assets and liabilities		
(Increase) decrease in		
Accounts receivable	69,739	(83,943)
Due from other funds	13,583	1,973
Prepaid expenses and deposits	145	(471)
Inventory	(11,137)	3,045
Increase (decrease) in		
Accounts payable and accrued liabilities	(80,340)	196,164
Due to other funds	(13,583)	(1,974)
Deferred revenue	(5,939)	(20,548)
Total adjustments	446,477	556,329
Net cash used by operating activities	\$ (863,570)	\$ (637,995)

The accompanying notes are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS

September 30, 2020 and 2019

NOTE A - ORGANIZATION AND REPORTING ENTITY

The City of Tampa, Florida (the "City") owns three golf courses located in Hillsborough County, Florida: Babe Zaharias Golf Course, Rocky Point Golf Course and Rogers Park Golf Course, collectively the "Golf Courses Fund". These three golf courses are maintained and operated by the Tampa Sports Authority (the "Sports Authority"), under a Management Agreement between the City and the Sports Authority. The Golf Courses Fund is considered a non-major enterprise fund of the City of Tampa, Florida. These financial statements only include the operations of the City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority, and do not purport to, and do not, present fairly the financial position of the City of Tampa, Florida or the Tampa Sports Authority as of September 30, 2020 and 2019 and the changes in their financial position, or, where applicable, their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The Golf Courses Fund is considered to be a self-supporting enterprise similar to a commercial entity organized for profit. Accordingly, these financial statements are prepared on the accrual basis of accounting similar to that prescribed for proprietary operations of state and local governments. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned and measurable, and expenses are recognized in the period in which the related liability is incurred.

2. Fund Accounting

The operations of the Golf Courses Fund are recorded in a proprietary fund. Proprietary funds are used to account for activities that are similar to those often found in the private sector. All financial transactions of the Golf Courses Fund are grouped in one major fund type, an enterprise fund. Enterprise funds are used to account for operations that are financed primarily through user charges, or where the governing body has concluded that the determination of net position is appropriate.

Proprietary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of the fund are included on the Statement of Net Position. Net position is segregated into its net assets components. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues result from providing goods and services in connection with a proprietary fund's principal ongoing operations; they usually come from exchange or exchange-like transactions.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2020 and 2019

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

All other revenues are non-operating. Operating expenses can be tied specifically to the production of the goods and services, such as materials and labor and direct overhead. Other expenses are non-operating.

3. Capital Grants and Other Contributions

Grants, defined as contributions from governmental entities which are restricted by the grantor for capital acquisitions, construction, or operations, are reported as capital grants and other contributions.

4. Cash and Cash Equivalents

Cash consists of checking accounts, designated as demand deposits. Cash deposits are carried at cost. The Golf Courses Fund considers all highly liquid debt instruments (including restricted assets) with original maturities of three months or less to be cash equivalents. Cash equivalents are recorded at amortized cost, which approximates market value.

5. Accounts Receivable

The Golf Courses Fund records accounts receivable at the estimated net realizable value. Accordingly, accounts receivable at September 30, 2020 and 2019 are shown net of allowances for doubtful accounts. The Golf Courses Fund has set their allowance for doubtful accounts at zero as of September 30, 2020 and 2019, respectively.

6. Inventory

Inventory consisting of merchandise and foods for resale, are valued at cost, which approximates market, using the first-in/first-out method.

7. Property and Equipment

Property and equipment is carried at cost, less accumulated depreciation. Depreciation is provided over the estimated useful lives (twenty to forty years for land improvements and buildings and two to ten years for furniture, fixtures and equipment) utilizing the straight-line method. Acquisitions of \$750 or more are capitalized and expenditures for repairs and maintenance are expensed in the period incurred.

Expenditures for renewals and improvements that significantly add to productive capacity or extend the useful life of the asset are capitalized.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2020 and 2019

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. Compensated Absences

Full time employees earn from 10 to 20 vacation days a year, depending upon their length of employment, and 8 to 12 sick days a year depending upon the plan option that the employee falls under. Annual leave (vacation days) is accrued up to 320 hours during an employee's term of active employment. Sick leave accrual is based on Tampa Sports Authority Employment Policies.

The compensated absences liability is calculated based on the pay or salary rates in effect at the date of the Statement of Net Position. Additionally, accruals have been made for salary-related payments associated with the payment of compensated absences, using the rates in effect at the date of the Statement of Net Position.

9. Use of Estimates

The preparation of 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 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 contributions and expenses during the reporting period. These estimates are based on management's knowledge and experience. Actual results could differ from those estimates.

10. Reclassifications

Certain items from the 2019 financial statements have been reclassified to conform with the 2020 presentation.

NOTE C - CASH AND CASH EQUIVALENTS

1. Deposits

The Golf Courses Fund deposits cash in qualified public depositories ("QPD"). The deposits are insured by the Federal Deposit Insurance Corporation (the FDIC) and are secured by the multiple financial institution collateral pool established under Chapter 280, Florida Statutes. In accordance with these statutes, QPD's are required to pledge eligible collateral in varying percentages. Any losses to public depositors are covered by applicable deposit insurance, by the sale of pledged securities, and if necessary, by assessments against other qualified public depositories. The bank balances of the Golf Courses Fund deposits were \$1,573,274 and \$1,134,472, and the total carrying amounts of its deposits were \$1,326,381 and \$974,177 at September 30, 2020 and 2019, respectively. The difference between the book amount and bank amount is due to outstanding checks and deposits in transit. All of the September 30, 2020 and 2019 bank balances of the Golf Courses Fund were covered by the FDIC and were held in QPD accounts.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2020 and 2019

NOTE C - CASH AND CASH EQUIVALENTS - Continued

2. Cash on Hand

The Golf Courses Fund had cash on hand in its petty cash funds totaling approximately \$3,500 for each of the years ended September 30, 2020 and 2019.

NOTE D - CAPITAL ASSETS

Property and equipment at September 30, 2020 is summarized as follows:

	Balance September 30, 2019	Additions/ Transfers	Dispositions	Balance September 30, 2020
Capital assets not being depreciated:				
Land	\$ 924,662	\$ -	\$ -	\$ 924,662
Construction in process	172,511	9,328	-	181,839
Capital assets being depreciated:				
Improvements other than buildings	6,740,950	332,332	-	7,073,282
Leasehold improvements	4,599,889	332,990	(52,685)	4,880,194
Machinery and equipment	682,409	16,540	(3,397)	695,552
Clubhouse, equipment and furniture	741,892	134,405	(12,816)	863,481
Total capital assets depreciated	<u>13,862,313</u>	<u>825,595</u>	<u>(68,898)</u>	<u>14,619,010</u>
Less accumulated depreciation				
Improvements other than buildings	5,779,730	174,642	-	5,954,372
Leasehold improvements	3,226,576	148,716	(52,685)	3,322,607
Machinery and equipment	573,085	26,363	(3,397)	596,051
Clubhouse, equipment and furniture	541,215	124,288	(12,816)	652,687
Total accumulated depreciation	<u>10,120,606</u>	<u>474,009</u>	<u>(68,898)</u>	<u>10,525,717</u>
Capital assets, net	<u>\$ 3,741,707</u>	<u>\$ 351,586</u>	<u>\$ -</u>	<u>\$ 4,093,293</u>

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2020 and 2019

NOTE D - CAPITAL ASSETS - Continued

Property and equipment at September 30, 2019 is summarized as follows:

	Balance September 30, 2018	Additions/ Transfers	Dispositions	Balance September 30, 2019
Capital assets not being depreciated:				
Land	\$ 924,662	\$ -	\$ -	\$ 924,662
Construction in process	19,311	153,200	-	172,511
Capital assets being depreciated:				
Improvements other than buildings	6,653,762	87,188	-	6,740,950
Leasehold improvements	4,479,831	120,058	-	4,599,889
Machinery and equipment	728,482	47,907	(93,980)	682,409
Clubhouse, equipment and furniture	773,354	6,097	(37,559)	741,892
Total capital assets depreciated	<u>13,579,402</u>	<u>414,450</u>	<u>(131,539)</u>	<u>13,862,313</u>
Less accumulated depreciation				
Improvements other than buildings	5,609,122	170,623	(15)	5,779,730
Leasehold improvements	3,080,424	146,152	-	3,226,576
Machinery and equipment	629,357	36,870	(93,142)	573,085
Clubhouse, equipment and furniture	470,336	108,438	(37,559)	541,215
Total accumulated depreciation	<u>9,789,239</u>	<u>462,083</u>	<u>(130,716)</u>	<u>10,120,606</u>
Capital assets, net	<u>\$ 3,790,163</u>	<u>\$ (47,633)</u>	<u>\$ (823)</u>	<u>\$ 3,741,707</u>

Depreciation expense was \$474,009 and \$462,083 for the years ended September 30, 2020 and 2019, respectively.

NOTE E - MANAGEMENT AGREEMENT

The Sports Authority and the City entered into an agreement on February 28, 1993, stipulating the terms and conditions for the Sports Authority to manage three City-owned golf courses (the "Golf Course Management Agreement") which has been amended seven times. The City has made contributions for improvements to the golf courses since October 2002. Such contributions are repayable to the City only from the Golf Courses Fund's net revenues, as defined.

Net revenues are defined as gross revenue less all operating and maintenance expenses of the golf courses other than fees payable to the City and the Sports Authority. The agreement, as amended, expressly states that the repayment of these moneys to the City shall be due only from net revenues of the golf courses, and in no event is the Sports Authority obligated to repay them from revenues derived from any other source.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2020 and 2019

NOTE E - MANAGEMENT AGREEMENT - Continued

Under the terms of the amended agreement dated February 2000, the Sports Authority is to receive, within 45 days after its fiscal year end, one percent of the golf courses' gross revenue, as defined, as a management fee to be paid only from the golf courses' surplus revenues, defined as net revenues less any debt service installment then due. These management fees have been waived for the fiscal years ended September 30, 2020 and 2019.

Under the terms of the amended agreement dated June 2004, the City shall be responsible for any operating shortfalls realized by the golf courses. An operating shortfall exists only when operating and maintenance expenses, excluding depreciation and any amortization costs approved by the City, exceed gross revenue realized from the operations of the golf courses.

NOTE F - DEFINED BENEFIT PLANS

Employees of the Golf Courses Fund participate in the State of Florida Retirement System (the "FRS"), a multiple-employer cost sharing defined benefit retirement plan or defined contribution retirement plan, and the Retiree Health Insurance Subsidy (HIS) Program, administered by the Florida Department of Administration, Division of Retirement. Contributions to the FRS and HIS for the employees of the Golf Courses Fund are passed through and paid at the same rates as the Sports Authority. Due to this arrangement, the Golf Courses Fund's proportionate share of the net pension liability and related pension amounts are included in the employer portion allocations reported to the Sports Authority by the Florida Department of Administration, Division of Retirement.

No amounts have been allocated to or recognized by the Golf Courses Fund for its proportionate share of the net pension liability and related pension amounts recognized by the Sports Authority as of September 30, 2020 and 2019.

The Golf Courses Fund contributions to the FRS and HIS for the fiscal years ended September 30, 2020 and 2019, were \$121,659 and \$117,306, respectively.

NOTE G - RISK MANAGEMENT

The Golf Courses Fund is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which commercial insurance is purchased. During the year ended September 30, 2020, insurance coverage was not reduced from coverage levels in place as of September 30, 2019. No settlements have exceeded coverage levels in place during the past three fiscal years.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2020 and 2019

NOTE H - COMMITMENTS AND CONTINGENCIES

The Golf Courses Fund is contingently liable to the City for amounts contributed by the City to improve the golf courses at September 30, 2020 and 2019. These advances are only repayable when the golf courses have a positive cash flow. The Golf Courses Fund have recorded these moneys as capital grants and contributions, and no liability is recorded since repayments are based on positive future cash flow.

The Golf Courses Fund has a contract with an unrelated organization to provide landscaping services to the golf courses through September 30, 2022. The total minimum cost for the golf courses is approximately \$1.6 million each year of the agreement for the initial three-year term.

The Golf Courses Fund has a contract with an unrelated organization to provide golf cart and general equipment maintenance for a three-year term beginning October 1, 2017 with a two year renewal option. The total minimum cost to the Golf Courses Fund on this contract is approximately \$62,000 for each year under the initial contract.

Pending Legal Matters

In February of 2021, the Golf Courses were served a complaint, which contains claims under the FLSA and the Florida Minimum Wage Act. The complaint seeks collective action treatment for the FLSA claims and class action treatment for the claims under the Florida Minimum Wage Act. The amount of settlement or potential payment of back wages, if any, has not yet been determined. As such, no amounts have been accrued in the accompanying financial statements.

NOTE I - DEEPWATER HORIZON OIL SPILL SETTLEMENT

The Golf Courses Fund joined with the Tampa Sports Authority ("Claimants") in filing a claim to recover damages resulting from the Deepwater Horizon Oil Spill in April 2010. A settlement was reached in August 2015 in which the Claimants were awarded \$500,000 prior to legal fees. The Golf Courses Fund's allocated portion of the settlement totaled \$270,418, prior to legal fees. Under the terms of the representation agreement, 20% of any recovery would be paid to the Claimants' legal counsel as the legal representation fee and additional legal fees related to the claim would be charged at cost. After the application of legal fees, the Golf Courses Fund recognized a net settlement of \$197,605.

During the years ended September 30, 2020 and 2019, the Golf Courses Fund expended \$68,762 and \$0 of the previously received settlement funds, respectively.

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2020 and 2019

NOTE I - DEEPWATER HORIZON OIL SPILL SETTLEMENT - Continued

A summary of the unexpended funds and expenditures for each of the Golf Courses for the year ended September 30, 2020 follows:

Golf Course	Unexpended Funds September 30, 2019	Expenditures in 2020	Fund Transfers Between Golf Courses	Unexpended Funds September 30, 2020
Babe Zaharias Golf Course	\$ 43,100	\$ (68,762)	\$ 25,662	\$ -
Rocky Point Golf Course	35,610	-	(25,662)	9,948
Total	<u>\$ 78,710</u>	<u>\$ (68,762)</u>	<u>\$ -</u>	<u>\$ 9,948</u>

A summary of the unexpended settlement funds and expenditures for each of the Golf Courses for the year ended September 30, 2019 follows:

Golf Course	Unexpended Funds September 30, 2018	Expenditures in 2019	Fund Transfers Between Golf Courses	Unexpended Funds September 30, 2019
Babe Zaharias Golf Course	\$ 43,100	\$ -	\$ -	\$ 43,100
Rocky Point Golf Course	35,610	-	-	35,610
Total	<u>\$ 78,710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,710</u>

NOTE J - RISKS AND UNCERTAINTIES

In March 2020, COVID-19 was declared a pandemic by the World Health Organization. The Golf Courses Fund's operations were impacted due to the temporary closure of its courses and grills, cancellation of events, and social distancing initiatives. While the immediate impact of the pandemic negatively impacted revenues, once the courses commenced scaled operations revenues exceeded normal levels, as golf was viewed as a safe outdoor activity by our customers. The future financial impact to the golf courses cannot be reasonably estimated at this time.

SUPPLEMENTARY INFORMATION

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

COMBINING STATEMENT OF NET POSITION

September 30, 2020

	BABE ZAHARIAS GOLF COURSE	ROCKY POINT GOLF COURSE	ROGERS PARK GOLF COURSE	Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 201,280	\$ 549,408	\$ 579,218	\$ 1,329,906
Accounts receivable	23,435	8,890	16,753	49,078
Due from other funds	1,744	105	-	1,849
Prepaid expenses and deposits	1,729	2,119	1,974	5,822
Inventory	42,453	63,446	55,506	161,405
Total current assets	<u>270,641</u>	<u>623,968</u>	<u>653,451</u>	<u>1,548,060</u>
NON-CURRENT ASSETS				
Capital assets, net of depreciation	<u>1,394,614</u>	<u>1,056,667</u>	<u>1,642,012</u>	<u>4,093,293</u>
TOTAL ASSETS	<u>1,665,255</u>	<u>1,680,635</u>	<u>2,295,463</u>	<u>5,641,353</u>
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	168,682	77,296	31,278	277,256
Due to other funds	105	1,744	-	1,849
Unearned revenue	16,765	28,700	12,105	57,570
Total current liabilities	<u>185,552</u>	<u>107,740</u>	<u>43,383</u>	<u>336,675</u>
TOTAL LIABILITIES	<u>185,552</u>	<u>107,740</u>	<u>43,383</u>	<u>336,675</u>
NET POSITION				
Invested in capital assets net of related debt	1,394,614	1,056,667	1,642,012	4,093,293
Unrestricted	85,089	516,228	610,068	1,211,385
TOTAL NET POSITION	<u>\$ 1,479,703</u>	<u>\$ 1,572,895</u>	<u>\$ 2,252,080</u>	<u>\$ 5,304,678</u>

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

For the year ended September 30, 2020

	BABE ZAHARIAS GOLF COURSE	ROCKY POINT GOLF COURSE	ROGERS PARK GOLF COURSE	Total
Operating revenues				
Golf fees	\$ 636,510	\$ 884,891	\$ 667,868	\$ 2,189,269
Merchandise and food sales	109,108	278,504	145,086	532,698
Memberships	25,151	41,539	21,082	87,772
Driving range	-	83,933	53,283	137,216
Event revenue	-	3,570	1,023	4,593
Sponsor revenue	-	-	18,683	18,683
Total operating revenues	<u>770,769</u>	<u>1,292,437</u>	<u>907,025</u>	<u>2,970,231</u>
Operating expenses				
Cost of merchandise sold	65,010	146,139	90,889	302,038
Clubhouse operations	320,788	453,116	414,492	1,188,396
Course maintenance	551,805	566,708	562,242	1,680,755
General and administrative	196,217	239,607	198,614	634,438
Event expenses	-	331	311	642
Operating expenses before depreciation expense	<u>1,133,820</u>	<u>1,405,901</u>	<u>1,266,548</u>	<u>3,806,269</u>
Depreciation expense	<u>80,835</u>	<u>222,247</u>	<u>170,927</u>	<u>474,009</u>
Total operating expenses	<u>1,214,655</u>	<u>1,628,148</u>	<u>1,437,475</u>	<u>4,280,278</u>
Total operating loss	<u>(443,886)</u>	<u>(335,711)</u>	<u>(530,450)</u>	<u>(1,310,047)</u>
Non-operating revenues				
Investment income	<u>310</u>	<u>780</u>	<u>1,382</u>	<u>2,472</u>
Total non-operating revenues	<u>310</u>	<u>780</u>	<u>1,382</u>	<u>2,472</u>
Change in net position before capital grants and contributions	(443,576)	(334,931)	(529,068)	(1,307,575)
Capital grants and contributions	<u>707,767</u>	<u>505,557</u>	<u>825,573</u>	<u>2,038,897</u>
Change in net position	264,191	170,626	296,505	731,322
Net position at beginning of year	<u>1,215,512</u>	<u>1,402,269</u>	<u>1,955,575</u>	<u>4,573,356</u>
Net position at end of year	<u>\$ 1,479,703</u>	<u>\$ 1,572,895</u>	<u>\$ 2,252,080</u>	<u>\$ 5,304,678</u>

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

COMBINING STATEMENT OF CASH FLOWS

For the year ended September 30, 2020

	<u>BABE ZAHARIAS GOLF COURSE</u>	<u>ROCKY POINT GOLF COURSE</u>	<u>ROGERS PARK GOLF COURSE</u>	<u>Total</u>
Cash flows used by operating activities				
Cash received from customers	\$ 767,832	\$ 1,314,709	\$ 951,490	\$ 3,034,031
Cash payments to vendors for goods and services	(764,418)	(907,120)	(874,170)	(2,545,708)
Cash payments to employees for services	(394,906)	(508,080)	(448,907)	(1,351,893)
Net cash used by operating activities	<u>(391,492)</u>	<u>(100,491)</u>	<u>(371,587)</u>	<u>(863,570)</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(292,312)	(256,012)	(277,271)	(825,595)
Contributions received	707,767	505,557	825,573	2,038,897
Net cash provided by capital and related financing activities	<u>415,455</u>	<u>249,545</u>	<u>548,302</u>	<u>1,213,302</u>
Cash flows from investing activities				
Investment income	310	780	1,382	2,472
Net decrease in cash and cash equivalents	24,273	149,834	178,097	352,204
Cash and cash equivalents at beginning of year	<u>177,007</u>	<u>399,574</u>	<u>401,121</u>	<u>977,702</u>
Cash and cash equivalents at end of year	<u>\$ 201,280</u>	<u>\$ 549,408</u>	<u>\$ 579,218</u>	<u>\$ 1,329,906</u>

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

COMBINING STATEMENT OF CASH FLOWS - CONTINUED

For the year ended September 30, 2020

	BABE ZAHARIAS GOLF COURSE	ROCKY POINT GOLF COURSE	ROGERS PARK GOLF COURSE	Total
Reconciliation of operating loss to net cash used by operating activities				
Operating loss	\$ (443,886)	\$ (335,711)	\$ (530,450)	\$ (1,310,047)
Adjustments to reconcile operating loss to net cash used by operating activities				
Depreciation	80,835	222,247	170,927	474,009
Changes in assets and liabilities				
(Increases) decreases in				
Accounts receivable	(401)	21,217	48,923	69,739
Receivable from other funds	(1,744)	15,327	-	13,583
Prepaid expenses and deposits	-	145	-	145
Inventory	(5,171)	(5,406)	(560)	(11,137)
Increases (decreases) in				
Accounts payable and accrued liabilities	(18,694)	(21,109)	(40,537)	(80,340)
Payable to other funds	105	1,744	(15,432)	(13,583)
Deferred revenue	(2,536)	1,055	(4,458)	(5,939)
Total adjustments	52,394	235,220	158,863	446,477
Net cash used by operating activities	\$ (391,492)	\$ (100,491)	\$ (371,587)	\$ (863,570)

City of Tampa, Florida - Golf Courses Fund,
As Managed by the Tampa Sports Authority

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS
RELATED TO THE DEEPWATER HORIZON OIL SPILL

For the year ended September 30, 2020

<u>Source</u>	<u>Amount Received in FY2020</u>	<u>Amount Expended in FY2020</u>
British Petroleum settlement	<u>\$ -</u>	<u>\$ 68,762</u>

COMPLIANCE REPORTS

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*

CITY OF TAMPA, FLORIDA - GOLF COURSES FUND,
AS MANAGED BY THE TAMPA SPORTS AUTHORITY

September 30, 2020



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

Board of Directors
 Tampa Sports Authority

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 City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority (the "Golf Courses Fund"), which comprise the statement of net position as of September 30, 2020, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 30, 2021.

Internal Control Over Financial Reporting

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

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 Golf Courses Fund'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 Golf Courses Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Tampa, Florida
March 30, 2011

A handwritten signature in cursive script that reads "Bueco, Gordinier & Company, P.A." The signature is written in black ink and is positioned to the right of the typed text.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 288.8018, *FLORIDA STATUTES*

CITY OF TAMPA, FLORIDA - GOLF COURSES FUND,
AS MANAGED BY THE TAMPA SPORTS AUTHORITY

September 30, 2020



Herman V. Lazzara	Stephen G. Douglas
Marc D. Sasser	Michael E. Helton
Sam A. Lazzara	Christopher F. Terrigino
Kevin R. Bass	James K. O'Connor
Jonathan E. Stein	David M. Bohnsack
Richard B. Gordimer, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

**INDEPENDENT AUDITORS' REPORT ON
COMPLIANCE WITH REQUIREMENTS OF
SECTION 288.8018, FLORIDA STATUTES**

Board of Directors
Tampa Sports Authority

Report on Compliance

We have examined the City of Tampa, Florida - Golf Courses Fund, as managed by the Tampa Sports Authority (the "Golf Courses Fund") compliance with requirements of Section 288.8018, *Florida Statutes*, regarding the Federal and State law, rules, regulations, contracts, or grant agreements governing the receipt and expenditure of the funds related to the Deepwater Horizon Oil Spill that are not Federal awards audited as major programs or State financial assistance audited as major projects, during the year ended September 30, 2020. Management is responsible for the Golf Courses Fund's compliance with those requirements. Our responsibility is to express an opinion on the Golf Courses Fund's compliance based on our examination.

Scope

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 Golf Courses Fund'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 Golf Courses Fund's compliance with specified requirements.

Opinion

In our opinion, the Golf Courses Fund complied in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Purpose

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

Tampa, Florida
March 30, 2021