

**CITY OF MIAMI SOUTHEAST OVERTOWN PARK WEST  
REDEVELOPMENT AGENCY, CITY OF MIAMI OMNI  
COMMUNITY REDEVELOPMENT AGENCY, AND CITY OF  
MIAMI MIDTOWN COMMUNITY REDEVELOPMENT AGENCY  
(COMPONENT UNITS OF THE CITY OF MIAMI, FLORIDA)**

Management Letter in Accordance With the  
*Rules of the Auditor General* of the State of Florida

Year ended September 30, 2007



## Executive Summary

Sanson, Kline, Jacomino & Company, LLP (SKJ) hereby submits this management letter to the City of Miami Southeast Overtown Park West Redevelopment Agency, City of Miami Omni Community Redevelopment Agency, and City of Miami Midtown Community Redevelopment Agency (the Agencies), Component Units of the City of Miami, Florida for the fiscal year ending September 30, 2007. The management letter is presented in accordance with the *Rules of the Auditor General* of the State of Florida. In accordance with *Government Auditing Standards*, we are required to consider the Agencies' internal control during our planning and performing of our audit of the financial statements in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control. In fulfilling this responsibility, estimates, and judgments made by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives on internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of its financial statements in accordance with accounting principles generally accepted in the United States of America.

The management letter is organized in the following manner:

- Executive summary; and
- Responses to the *Rules of the Auditor General* of the State of Florida.

We would be pleased to discuss this report with you and, if desired, to assist you and management in implementing corrective action steps, if any. SKJ appreciates the cooperation we received from the Agencies' staff and management, and is honored to continue to serve the Agencies as its external auditors.



# Sanson, Kline, Jacomino

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## **Management Letter in Accordance with the Rules of the Auditor General of the State of Florida**

To the Board of Directors of the  
City of Miami Southeast Overtown Park West  
Redevelopment Agency, City of Miami Omni  
Community Redevelopment Agency, and City of  
Miami Midtown Community Redevelopment Agency

We have audited the financial statements of the City of Miami Southeast Overtown Park West Redevelopment Agency, City of Miami Omni Community Redevelopment Agency, and City of Miami Midtown Community Redevelopment Agency (collectively referred to as "the Agencies"), Component Units of the City of Miami, Florida, as of and for the fiscal year ended September 30, 2007 and have issued our reports thereon dated December 13, 2007.

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. We have issued our Independent Auditors' Reports on Internal Control over Financial Reporting and on Compliance and Other Matters. Disclosures in those reports, which are dated December 13, 2007, should be considered in conjunction with this management letter.

Additionally, our audits were conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and, unless otherwise required to be reported in the report on compliance and internal controls or schedule of findings and questioned costs, this letter is required to include the following information.

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no significant findings and recommendations made in the preceding annual financial audit report.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Agencies complied with Section 218.415, Florida Statutes.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such recommendations.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that we address violations of provisions of contracts and grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.



- Section 10.554(1)(i)5., Rules of the Auditor General, requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)6., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosure is made in note 1 to the Agencies' financial statements.
- Section 10.554(1)(i)7.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Agencies did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)7.b., Rules of the Auditor General, requires that we determine whether the annual financial reports for the Agencies for the fiscal year ended September 30, 2007, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2007. The Agencies do not file a separate report with the State of Florida Department of Banking and Finance. The financial operations of the Agencies are included in the basic financial statements of the City of Miami, Florida for the year ended September 30, 2007.
- Sections 10.554(1)(i)7.c. and 10.556(7), Rules of the Auditor General, require that we apply financial condition assessment procedures. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

This management letter is intended solely for the information and use of the board of directors, management of the Agencies, and the State of Florida Office of the Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

*Sanson, Kline, Jacome & Company LLP.*

December 13, 2007