



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.12.

7/22/2025

Subject:

Acknowledge Receipt of the FY 2023-2024 Community Redevelopment Agencies Annual Reports, along with an Audit Report

Fiscal Impact:

There is no fiscal impact associated with this requested action.

Dept/Office:

Central Services

Requested Action:

It is requested that the Board of County Commissioners acknowledge receipt of the FY 2023-2024 Community Redevelopment Agencies' Annual Reports and recognize the FY 2024-2025 budget amendments for the City of Melbourne and the City of Titusville.

Summary Explanation and Background:

Pursuant to Section 163.371(2), Florida Statutes, Community Redevelopment Agencies (CRAs) must file an annual report with the Board of County Commissioners to include the FY 2023-24 financial statements and an independent auditors' report. The County has received annual reports from all of the CRAs within Brevard County for the period ending September 30, 2024, along with their most recent financial statements and completed audit report.

In addition, Section 163.387(6)(b), Florida Statutes, CRAs must submit amendments to their budget to the Board of County Commissioners. In May 2025, the County received two budget amendments from the City of Melbourne and the City of Titusville. The City of Melbourne's Downtown Community Redevelopment Agency has amended its budget to recognize Fund Balance (FB) of \$280,156 from the prior fiscal year (PY) and allocated it to reserves. The City of Titusville has amended its budget by \$44,646 to create a new Landscape Improvements project from the Landscape Improvements/US 1 Corridor project.

- City of Cape Canaveral Community Redevelopment Agency
- City of Cocoa Redevelopment Agencies (Downtown CRA and Diamond Square CRA)
- City of Cocoa Beach Downtown Community Redevelopment Agency
- City of Melbourne, Babcock Street Community Redevelopment Agency
- City of Melbourne Downtown Community Redevelopment Agency and Budget Amendment
- City of Melbourne Olde Eau Gallie Riverfront Community Redevelopment Agency
- Merritt Island Redevelopment Agency (MIRA)
- City of Palm Bay Bayfront Community Redevelopment Agency

- City of Rockledge Community Redevelopment Agency
- City of Titusville Community Redevelopment Agency and Budget Amendment
- City of West Melbourne/Brevard County Joint Community Redevelopment Agency

Clerk to the Board Instructions:



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July 23, 2025

M E M O R A N D U M

TO: Kathy Wall, Central Services Director

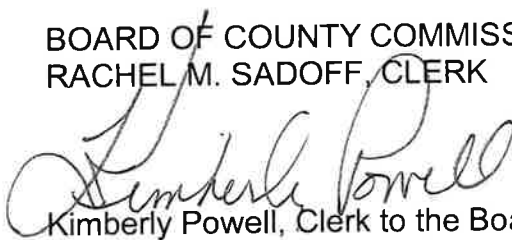
RE: Item F.12., Acknowledge Receipt of the FY 2023-2024 Community Redevelopment Agencies Annual Reports, along with an Audit Report

The Board of County Commissioners, in regular session on July 22, 2025, acknowledged receipt of the FY 2023-2024 Community Redevelopment Agencies Annual Reports, and recognized the FY 2024-2025 budget amendment for the City of Melbourne and the City of Titusville.

Your continued cooperation is always appreciated.

Sincerely,

**BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK**


Kimberly Powell, Clerk to the Board

/ds

City of Cape Canaveral Community Redevelopment Agency (CRA) FY 23/24 Annual Report

MARCH 2025

City of Cape Canaveral
Community Redevelopment Agency
100 Polk Avenue
Cape Canaveral, FL 32920
(321) 868-1220



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Introduction, Mission, & Overview

Florida Statute 163.387(8) requires that the City file an annual report of the CRA's financial activities with taxing authorities each year for the preceding fiscal year. Additionally, the City and Brevard County entered into an Interlocal Agreement, recorded in July of 2018, establishing additional reporting obligations addressed in each CRA Annual Report. This report serves to fulfill reporting obligations for Fiscal Year 23/24 ending September 30, 2024 and provides:

- the organization and membership of the CRA;
- contact information for current CRA Board members and administration;
- an introduction to the CRA and its mission and history;
- the CRA boundary;
- financial reports, statement of liabilities, and income/operating expenses; and
- an overview of public and private construction projects completed/underway within the CRA.

Between the years of 2007 and 2011, Cape Canaveral property valuation data collected by the Brevard County Property Appraiser's Office (BCPAO) indicated a 41% decline in assessed value of commercial and industrial areas and 47% in residential areas. The City initiated "Envision Cape Canaveral" through a public engagement process which ultimately led to the CRA's creation. The CRA is a tool for the City and property owners to help improve property values, business revenues and economic growth within the City of Cape Canaveral. The CRA strives to provide comprehensive support for the community, property owners and businesses.

History

Creation Date: The City and Brevard County entered into an Interlocal Agreement (Resolution No. 2012-10) to establish the City of Cape Canaveral's CRA in 2012.

Plan Amendment Dates: A CRA Plan Update is included in the Proposed FY 25/26 CRA Budget.

Expiration Date: September 30, 2040

Applicable Resolutions & Ordinances: City Resolution No. 2012-10, City Ordinance No. 23-2012, and County Resolution No. 2012-269

For more information, please visit the CRA's webpage at capecanaveral.gov, which includes the CRA's upcoming Board meeting agendas and attendance options as well as minutes from prior meetings. All CRA Board meetings are open to the public and held on a quarterly basis in the Council Chambers at City Hall (100 Polk Avenue, Cape Canaveral, Florida 32920). The City encourages all to attend!



FY 23/24 CRA Officials

Staff

Todd Morley
City Manager/CRA Registered Agent
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Mia Goforth
CRA Clerk/Recording Secretary
(321) 868-1220
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Brianna Soat, AICP
CRA Director
(321) 868-1220 x 118
b.soat@cityofcapecanaveral.org

Governing Board Members

Wes Morrison, Chairperson
w.morrison@cityofcapecanaveral.org

Kim Davis
council.davis@cityofcapecanaveral.org

Mickie Kellum
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Don Willis
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Kay Jackson
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Boundary Lines

The CRA Boundary encompasses 766 acres or 56% of the City's land area.

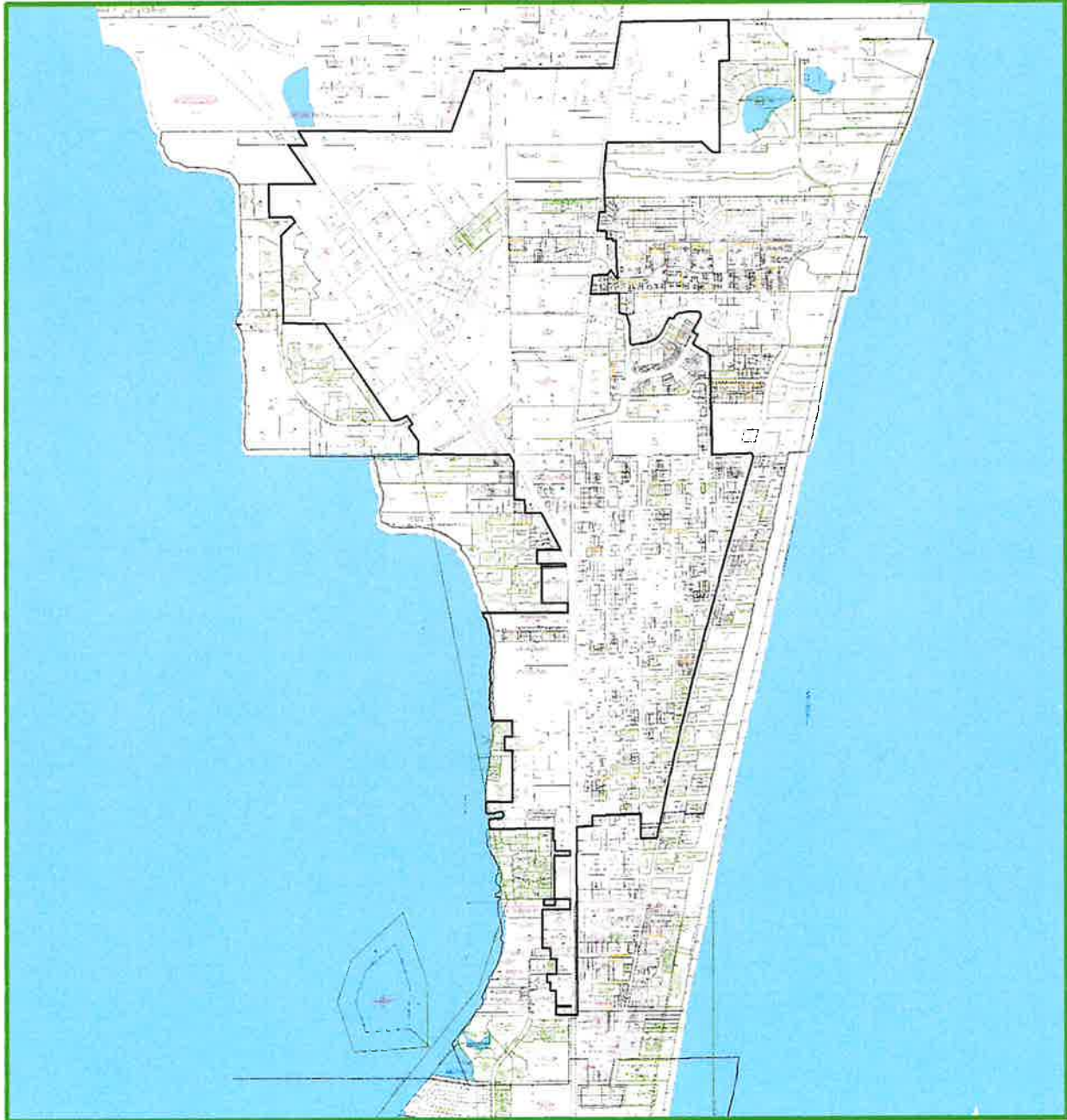


Figure 1. City of Cape Canaveral CRA Boundary
(outlined in black)



Projects Overview & Accomplishments

The CRA adopted its Community Redevelopment Plan in FY12-13 through Tax Increment Financing (TIF) revenues deposited into the Trust Fund to provide comprehensive support for property owners, business owners, and visitors alike to catalyze business development and economic growth along the City's major corridor, State Route A1A (SR A1A). The resulting Tax Increment Revenue allows for the continued expansion of public infrastructure and programs that positively impact the both the City and the County. In its 13th year of operation, the CRA has increased approximately \$491 million in value since inception.

On April 26, 2024, the State of Florida passed HB 7013 revising Florida Statute (FS) § 189.0694 to require all special districts, including Community Redevelopment Agencies (CRAs), to establish goals and objectives for each undertaken program and activity and create performance measures and standards to determine the achievement level of the established goals and objectives. Starting in 2025, special districts must annually publish a report by December 1 each year describing the achievements and unmet targets. Moving forward, the CRA Annual Report will aggregate this information.

Financial Incentive Grant Program

In an effort to increase awareness, economic productivity, and aesthetics within Cape Canaveral, the City launched a series of grant programs to assist commercial and residential property owners in the CRA District with making improvements to their properties. The funds are dedicated to making improvements to both commercial and residential properties. Eligible projects include buildings/facades, signage, residential exterior paint projects, landscaping, and implementing Low Impact Development (LID) practices.

Goal/Objective(s): Provide tax increment financing funds generated by redevelopment projects to neighboring properties to augment further private investment in aesthetics, upkeep, stormwater management, and other means of community beautification to further attract more private redevelopment in an endless loop fashion.

Performance Measure/Standard(s): Award at least \$40,000 by the end of FY 24/25.

FY 23/24 Completion Status: All \$50,000 expended within the confines of the Grant Program; presented a summary of awarded projects to the CRA Board at its Regular Meeting of 9/17/2024.

Presidential Streets Master Plan & Implementation

The City Council accepted the Presidential Streets Master Plan, a conceptual plan for a largely residential area located in the CRA, which provides high-level policy guidance for the systematic redevelopment of the City's Presidential Streets via a design process involving community input, updated environmental, demographic, and traffic analysis and incorporating the latest in future-ready resilient infrastructure. It is intended to provide long range guidance for Staff and Council Members, with recommendations intended to be implemented over the life of the CRA.



Goal/Objective(s): Lead by example as a community that embraces sustainability and resiliency in the design and operation of its facilities, infrastructure, programs, services, budgets, and development through forward-thinking policies, ordinances, and education.

Performance Measure/Standard(s): Complete the design/construction of one Presidential Street.

FY 23/24 Completion Status: Redesign of Fillmore Avenue underway.

C5 Acoustic/Resiliency Upgrades

The “C5” building was planned to serve as the City’s first Resilience Hub to serve as a post-disaster logistics and recovery coordination center. Hardening its infrastructure to remain “storm-ready” improves the city’s chances of resilience upon future natural disasters, as evidenced by lessons learned after 2022’s Hurricanes Ian and Nicole.



Goal/Objective(s): Install protective metal flood barrier infrastructure at all first floor points of ingress/egress to enhance the building’s capacity to withstand urban flood and storm surge events. Install a lightning protection system (CMCE device) atop the roof to severely decrease lightning strike impacts to the surrounding area, including the adjacent public Splash Pad and ball fields. Lessen echo within building to improve communication levels and better facilitate activities.



Performance Measure/Standard(s):

- Install CMCE lightning protection system by 2025.
- Install metal flood barriers by 2025.
- Install acoustics padding by 2025.

FY 23/24 Completion Status: Complete except acoustics padding is on hand and will be installed during the low season.

Canaveral City Park Upgrades

Canaveral City Park is the most centrally located park in the city and the community has expressed desire for upgrades to include playground enhancements, expanded lighting, additional fencing, and electric access points.

Goal/Objective(s): Pursue proactive measures to preserve and enhance the community's appearance as a distinctive small-town coastal community with open and natural environments, green spaces, parks, beaches, and cultural assets, with distinctive and progressive design standards, and appealing public spaces for multi-generational recreation and gatherings.

Performance Measure/Standard(s):

- Increase artificial light spread by 2025.
- Install electric access points per plan by 2026.
- Complete playground lighting and fence installation by 2027.

FY 23/24 Completion Status: On track for completion by September 2025.

Civic Hub Redevelopment

In line with the City's visioning plan that "transforms blighted and unfinished buildings into attractive structures, offers City-wide green spaces, provides exceptional parks with ample shade", the opportunity arose to purchase and redevelop the property at 7404 North Atlantic Avenue. Expansion of the City Hall Plaza into a beautiful civic hub will promote resident/tourist engagement and redevelop an outdated property into a place that completes the municipal campus for all to enjoy.

Goal/Objective(s): Pursue proactive measures to preserve and enhance the community's appearance as a distinctive small-town coastal community with open and natural environments, green spaces, parks, beaches, and cultural assets, with distinctive and progressive design standards, and appealing public spaces for multi-generational recreation and gatherings.

Performance Measure/Standard(s): Create a newly activated public space for gathering, events, and other community-building activities in a central, highly visible location within the city, to include extensive stormwater management infrastructure augmentation.

FY 23/24 Completion Status: Demolition of existing building/structures complete; scope of work refinement near completion.



CAPE Center Upgrade

The City's Culture, Arts, Preservation + Enrichment (CAPE) Center is open to the public between 10:00 a.m. and 4:00 p.m. and has become a utilized space. The CRA seeks to support the Center through safety upgrades.



Goal/Objective(s): Provide a venue to connect the community with the larger world, historically, artistically, and culturally, serving as a beacon of our collective community values and interactive catalyst for individual growth and community entity. It also serves as an event space/conference center.

Performance Measure/Standard(s): Install additional fire safety infrastructure by 2025.

FY 23/24 Completion Status: Complete; received East Central Florida Regional Planning Council (ECFRPC) Diamond Award for Health and Equity honoring the region's most iconic urban planning and development projects, promoting smart growth practices highlighting equity, healthy neighborhoods, conservation, and economic vitality.

Bike Lane Striping

The City finds value in continuing efforts to complete its network of safe bicycle and pedestrian infrastructure in order to provide safer travel experiences for residents, businesses, and visitors, alike, up to the CRA's boundaries, to which other jurisdictional efforts may connect multimodal transportation systems.



Goal/Objective(s): Take steps to move the City into “Vision Zero” status as part of the statewide initiative to reduce the number of transportation-related serious injuries and deaths across Florida to zero.

Performance Measure/Standard(s): Install white and/or green Methyl Methacrylate MMA pavement markings and thermals along North Atlantic Avenue and portions of West Central Avenue by 2025.

FY 23/24 Completion Status: Complete.



Financial Report

Attachment 1 to this report includes the CRA audit report prepared by an independent auditor which certifies that TIF revenues were lawfully expended consistent with Florida Statutes.

Statement of Revenues, Expenditures, & Balance Sheet

	Cape Canaveral CRA Fund	Adjustments	Government Activities
<u>Revenues</u>			
Intergovernmental & Grants	2,601,217	-	2,601,217
Other Revenues	9,238	-	9,238
<i>Total Revenues</i>	<i>2,610,455</i>	<i>-</i>	<i>2,610,455</i>
<u>Expenditures</u>			
Community Redevelopment	106,619	-	106,619
Capital Outlay	300,142	-	300,142
<i>Total Expenditures</i>	<i>406,761</i>	<i>-</i>	<i>406,761</i>
 Net income before transfers	 2,203,694	 -	 2,203,694
<u>Other financing sources (uses)</u>			
Transfers in from primary government	23,164	-	23,164
Transfers out to primary government	(816,060)	-	(816,060)
<i>Total Other Financing Sources (Uses)</i>	<i>(792,896)</i>	<i>-</i>	<i>(792,896)</i>
 Net change in fund balance/net position	 1,410,798	 -	 1,410,798
 Fund balance/net position, beginning of year	 (203,777)	 -	 (203,777)
 Fund balance/net position, end of year	 \$1,207,021	 -	 \$1,207,021

Source: City of Cape Canaveral Audited Annual Financial Report, Cape Canaveral Community Redevelopment Agency Fund for Fiscal Year ending September 30, 2024.

Summary of Projects, Grants, & Debt**Resolution No. CRA-12
Exhibit "A"****Budget Detail
Cape Canaveral Community Redevelopment Agency
Fund 106 - Dept 016**

		2021-2022	2022-2023	2023-2024	2023-2024	2024-2025	%
		Actual	Actual	Original	Amended	Adopted	Inc/Dec
Revenue							
106-000-000-300100	Cash Forward	-	-	-	-	500,800	100%
106-000-000-338000	Shared Revenue-Cape Canaveral	943,062	1,099,809	1,383,417	1,383,417	1,489,627	8%
106-000-000-338001	Shared Revenue-Brevard County	943,062	1,058,562	1,217,800	1,217,800	1,360,216	12%
106-000-000-342102	EV Charging	-	-	-	-	-	0%
106-000-000-361100	Interest from Investment	117	3,917	2,500	2,500	8,000	220%
106-000-000-381001	Transfer in from General Fund	3,141,595	141,958	150,000	150,000	500,800	233%
106-000-000-382100	Transfer in from Stormwater	65,000	-	-	-	-	0%
	Total Revenue	\$ 5,092,836	\$ 2,304,246	\$ 2,753,717	\$ 2,753,717	\$ 3,857,843	40%
Operating							
106-016-559-531000	Legal Fees	1,209	1,307	3,200	3,200	3,280	0%
106-016-559-533000	Professional Services	210	-	152,000	152,000	480,880	163%
106-016-559-531001	Administrative Fees	-	175	-	-	-	0%
106-016-559-540000	Travel & Per Diem	-	-	920	920	920	0%
106-016-559-554000	Membership & Training	-	870	1,095	1,095	1,095	0%
	Total Operating	\$ 1,419	\$ 2,352	\$ 157,215	\$ 157,215	\$ 485,215	158%
Capital Outlay							
106-016-559-563000	Grant Programs	18,744	-	50,000	50,000	50,880	0%
106-016-559-563001	Capital Initiatives	4,813,681	123,688	-	-	16,880	100%
106-016-559-563002	Mobility/Striping/Sidewalk	-	116,071	-	-	-	0%
106-016-559-563003	Oak Lane Improvements	-	-	-	-	550,000	100%
106-016-559-563008	Presidential Streets	-	36,225	300,000	300,000	1,250,000	317%
106-016-559-563009	CS Construction/Resiliency Upgrades	-	69,027	90,000	90,000	-	-100%
106-016-559-563010	Nancy Hanson Rec Center Maint.	-	-	-	-	180,880	100%
106-016-559-563226	Canaveral City Park Upgrade	-	-	75,000	75,000	12,000	-84%
106-016-559-563227	Civic Hub Redevelopment	-	64,665	150,000	150,000	301,482	101%
106-016-559-563228	Cape Center	-	251,019	13,000	13,000	-	-100%
106-016-559-563231	Bike Lane Striping	-	-	50,000	50,000	-	-100%
106-016-559-563248	Canaveral City Park Concession Stand	-	-	-	-	315,000	100%
	Total Capital Outlay	4,832,425	660,695	728,000	728,000	2,594,482	256%
Debt Service							
106-016-559-571000	Debt Service - Principal	729,000	738,000	802,436	802,436	811,047	1%
106-016-559-572000	Debt Service - Interest	91,032	79,822	64,060	64,060	47,099	-26%
	Total Debt Service	820,032	817,822	866,496	866,496	858,146	-1%
Other Expenses							
106-016-581-591001	Transfer to General Fund	-	610,570	300,000	-	-	0%
	Total Other Expenses	-	610,570	300,000	-	-	0%
Contingency							
106-016-559-599000	Contingency	-	-	702,006	1,002,006	0	-100%
	Total Contingency	-	-	702,006	1,002,006	0	-100%
Total Community Redevelopment Agency Fund Budget		\$ 5,653,876	\$ 2,091,438	\$ 2,753,717	\$ 2,753,717	\$ 3,857,843	40%

Performance Information

The following information is provided consistent with the Interlocal Agreement recorded in July 2018, between the City and Brevard County.

Project Performance Summary

Started	4
Ongoing	2
Completed	1
Expended for Affordable Housing	\$0

Jobs Impact

Sector	Construction	Hospitality	Total
Created: Temporary	200	20	220
Created: Full-time	0	75	75
Retained	100%	100%	100%

Numbers represent data-based approximations.



Assessed Valuation

CRA Enactment (2011): \$230M
Current: \$721M

Each year since the creation of the CRA, the BCPAO reported increases in the assessed value of all properties within the CRA area (see Assessed Valuation graph on page 6).

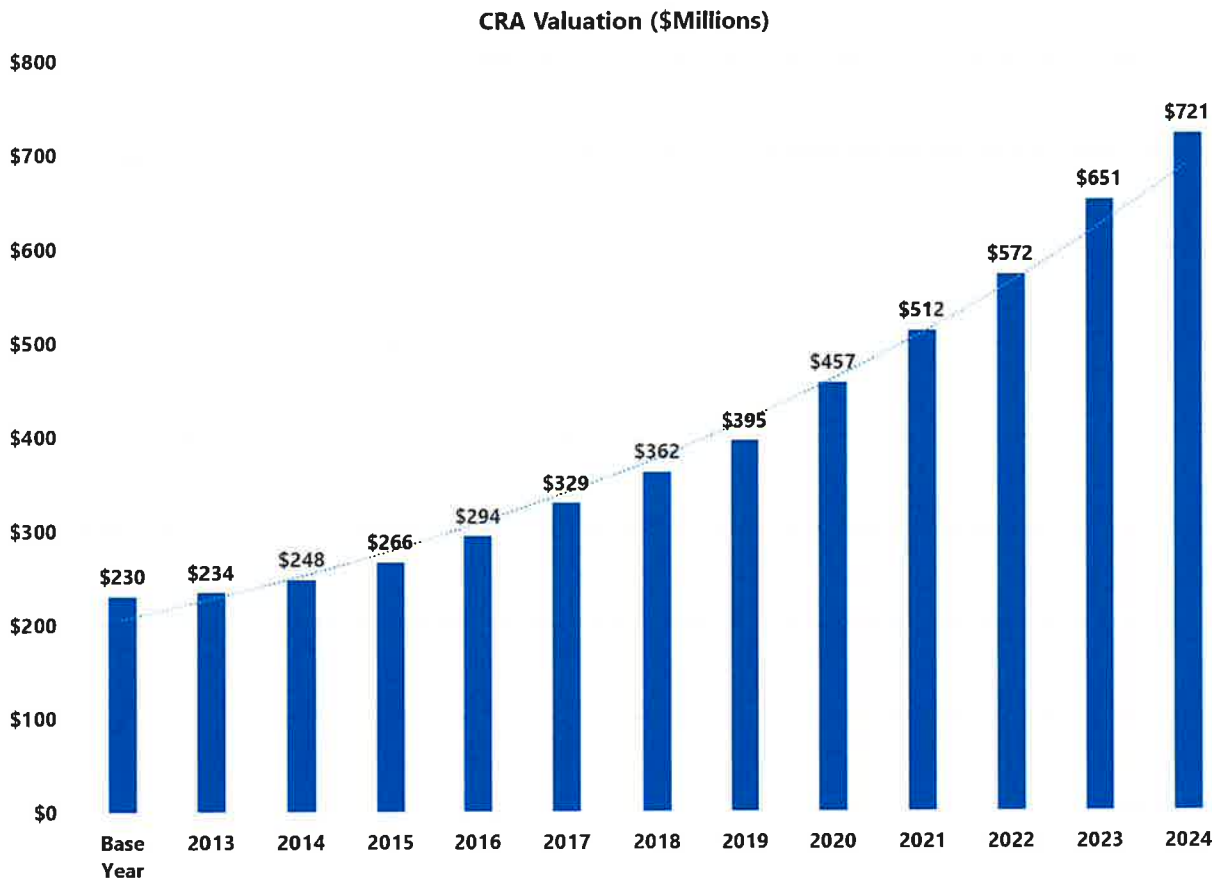


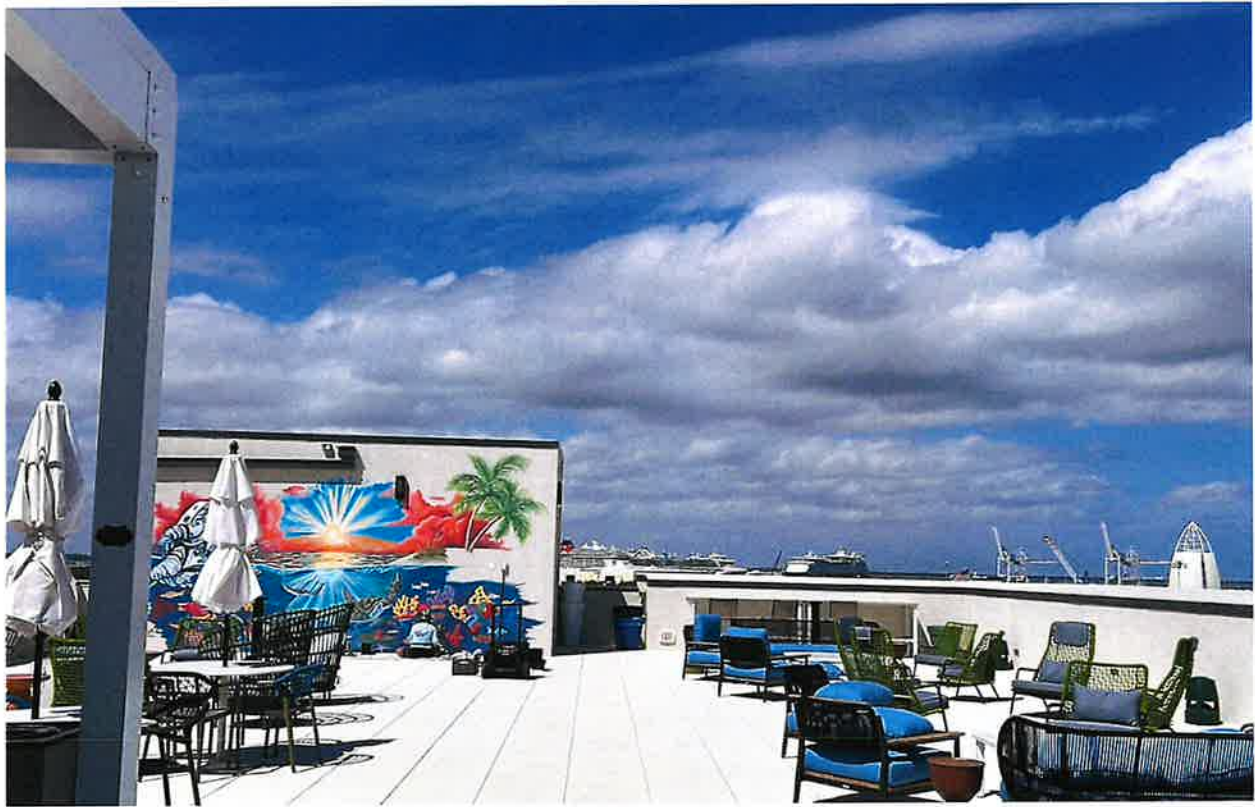
Figure 2. Assessed Valuation as determined by the Brevard County Property Appraiser's Office



Impact

While CRA expenditures have exponential impact on all economic and social activity within its boundaries, the attracted, resulting projects serve vast benefit to areas throughout Brevard County and beyond. For example, hotels within Cape Canaveral's CRA generate more revenue to the County per available room than any other jurisdiction in Brevard County according to the Brevard County Tourist Development Council (TDC). The County utilizes Cape Canaveral hotel tax revenue to fund projects across the County. Similarly, the intense use of a new hotel in Cape Canaveral generates impact fees paid to the County, which the County expends on, for example, transportation and Brevard County Schools. Additionally, other uses within the CRA, such as car rental, cruise parking, and space industry offices, form a strong cornerstone for the success and growth of Port Canaveral, a vital resource to the region and the State. The construction of the Cocoa Brightline rail station on the other end of the causeway will catalyze economic activity even further.

Hyatt Place, 9119 Astronaut Boulevard, Cape Canaveral, FL 32920



This privately-funded hotel and rooftop restaurant was nearing the end of construction at the conclusion of FY 23/24 and received its final Certificate of Occupancy in March 2025. It is the first building to utilize the City's new ordinance expanding height limitations for rooftop amenities (recommended for approval by the Planning and Zoning Board in FY 23/24 and later adopted by City Council).

Hilton Garden Inn, 150 Imperial Boulevard, Cape Canaveral, FL 32920



This privately-funded hotel and ground-floor restaurant was nearing the end of construction at the conclusion of FY 23/24 and is on track to receive its final Certificate of Occupancy in 2025.

Unnamed Hotel, 8955 Columbia Road, Cape Canaveral, FL 32920



The vacant property owner submitted discretionary planning applications for a new hotel with 150 rooms, pervious surface parking, and a rooftop restaurant taking advantage of the aforementioned rooftop amenities ordinance which will become the nearest hotel-top business to rocket launches and cruise embarkments, drawing in countless, widespread visitors.

**CITY OF CAPE CANAVERAL COMMUNITY
REDEVELOPMENT AGENCY
FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

**CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
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SEPTEMBER 30, 2024**

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INDEPENDENT AUDITORS' REPORT

To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Cape Canaveral Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA'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 the governmental activities and each major fund of the CRA, as of September 30, 2024 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 of Opinions

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* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA 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 opinions.

Responsibilities of Management for the Financial Statements

The CRA's 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.

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 the CRA'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' Responsibility

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 auditor's report that includes our opinions. 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 and Government Auditing Standards, 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 the CRA'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 the CRA'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.

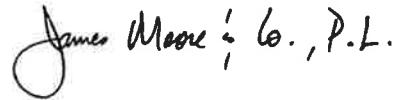
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, 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 February 10, 2025, on our consideration of the CRA'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

Daytona Beach, Florida
February 10, 2025

James Moore & Co., P.L.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Cape Canaveral Community Redevelopment Agency's (the CRA) management's discussion and analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the CRA's financial activity, (c) identify changes in the CRA's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on current year activities, resulting changes, and currently known facts, it should be read in conjunction with the CRA's financial statements which follow this section.

Financial Highlights

- The liabilities of the CRA exceeded its assets at September 30, 2024, by \$1,207,021 (net position). Of this amount, the entire balance (to the extent it is positive) was restricted for redevelopment purposes. Deficits are classified as unrestricted net position.
- As of September 30, 2024, the CRA's reported ending fund balances of \$1,207,021. Fund balance saw a change of \$1,410,798 when compared to the prior year.

The MD&A is intended to serve as an introduction to the CRA's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Overview of the Financial Statements

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) government-wide and fund financial statements, 3) notes to the financial statements, and 4) required supplementary information.

Government-wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the CRA's finances in a manner similar to a private-sector business. The governmental activities of the CRA include reinvesting within the community redevelopment district.

The statement of net position presents information on all of the CRA's assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported using the modified cash basis of accounting.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

Statement of Net Position

The following is a summary of the CRA's governmental activities net position for each of the past two years:

	Governmental Activities	
	2024	2023
ASSETS		
Current and other assets	\$ 1,277,277	\$ 98,390
Total assets	<u>\$ 1,277,277</u>	<u>\$ 98,390</u>
LIABILITIES		
Current liabilities	\$ 70,256	\$ 302,167
Total liabilities	<u>\$ 70,256</u>	<u>\$ 302,167</u>
NET POSITION		
Restricted	\$ 1,207,021	\$ -
Unrestricted	-	(203,777)
Total net position	<u>\$ 1,207,021</u>	<u>\$ (203,777)</u>

Statement of Activities

The following is a summary of the changes in the CRA's governmental activities net position for each of the past two years:

	Governmental Activities	
	2024	2023
REVENUES		
Intergovernmental and grants	\$ 2,601,217	\$ 2,158,371
Other revenues	9,238	3,917
Total revenues	<u>2,610,455</u>	<u>2,162,288</u>
EXPENSES		
Community Redevelopment	106,619	2,351
Capital outlay	300,142	660,695
Total expenses	<u>406,761</u>	<u>663,046</u>
Net income before transfers	2,203,694	1,499,242
Transfers from primary government	23,164	141,958
Transfers to primary government	(816,060)	(1,428,392)
Change in net position	1,410,798	212,808
Net position, beginning of year	<u>(203,777)</u>	<u>(416,585)</u>
Net position, end of year	<u>\$ 1,207,021</u>	<u>\$ (203,777)</u>

Financial Analysis of the General Fund

The focus of the CRA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CRA's general fund reported an ending fund balance of \$1,207,021, a change of \$1,410,798 in comparison with the prior year. This decrease was due to an aggressive capital spending plan and will be made up by future tax increment revenues in excess of expenditures.

At the end of the current fiscal year, the entire fund balance was unassigned (due to the fund balance deficit, similar to the prior year). As the CRA is focused on reinvestment revenues into the CRA district and does not have significant annual operational costs, the CRA does not maintain specific reserve levels for operations.

General Fund Budgetary Highlights

There were no significant amendments between the original and the final CRA budget.

Actual expenditures in the general fund were \$1,480,460 less than final budget amounts. The main reason for this is due to the timing of capital projects and other one-time expenditures.

Budgetary comparisons between the final budget and actual results can be found on page 14 of this report.

Economic Factors and Next Year's Budget

There are many challenges facing local governments today. Property values have continued to increase in recent years, contributing to related growth in the revenues of the CRA. While property values for the subsequent fiscal year have increased, the future outlook of property values, and any potential impact they will have on the CRA's finances, are unknown.

Requests for Information

This report is designed to provide an overview of the CRA's finances for those with an interest in this area. Questions concerning any of the information found in this report, or requests for additional information, should be directed to the City of Cape Canaveral.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET / STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	<u>Balance Sheet</u> <u>General</u> <u>Fund</u>	<u>Adjustments</u>	<u>Statement of</u> <u>Net Position</u> <u>Governmental</u> <u>Activities</u>
ASSETS			
Cash and cash equivalents	\$ 1,267,779	\$ -	\$ 1,267,779
Total assets	<u>\$ 1,267,779</u>	<u>\$ -</u>	<u>\$ 1,267,779</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 16,833	\$ -	\$ 16,833
Due to primary government	-	-	-
Advances from primary government	43,925	-	43,925
Total liabilities	<u>60,758</u>	<u>-</u>	<u>60,758</u>
FUND BALANCE / NET POSITION			
Fund Balance:			
Restricted for:			
Community redevelopment	1,207,021	(1,207,021)	-
Net Position:			
Restricted for:			
Community redevelopment	-	1,207,021	1,207,021
Total fund balance / net position	<u>1,207,021</u>	<u>-</u>	<u>1,207,021</u>
Total liabilities and fund balance / net position	<u>\$ 1,267,779</u>	<u>\$ -</u>	<u>\$ 1,267,779</u>

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

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Statement of Revenues, Expenditures, and Changes in Fund Balance		Statement of Activities
	General Fund	Adjustments	Governmental Activities
Revenues			
Intergovernmental	\$ 2,601,217	\$ -	\$ 2,601,217
Investment income	9,238	-	9,238
Total revenues	<u>2,610,455</u>	<u>-</u>	<u>2,610,455</u>
Expenditures / expenses			
Current:			
Community redevelopment	106,619	-	106,619
Capital outlay	300,142	-	300,142
Total expenditures / expenses	<u>406,761</u>	<u>-</u>	<u>406,761</u>
Excess (deficiency) of revenues over expenditures / operating income (loss)	<u>2,203,694</u>	<u>-</u>	<u>2,203,694</u>
Other financing sources (uses)			
Transfers in from primary government	23,164	-	23,164
Transfers out to primary government	(816,060)	-	(816,060)
Total other financing sources (uses)	<u>(792,896)</u>	<u>-</u>	<u>(792,896)</u>
Net change in fund balance / net position	<u>1,410,798</u>	<u>-</u>	<u>1,410,798</u>
Fund balance / net position, beginning of year	(203,777)	-	(203,777)
Fund balance / net position, end of year	<u>\$ 1,207,021</u>	<u>\$ -</u>	<u>\$ 1,207,021</u>

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

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

The financial statements of the City of Cape Canaveral Community Redevelopment Agency (the CRA), have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles and the CRA has adopted the GASB Codification. The following is a summary of the CRA's significant accounting policies:

(a) **Reporting entity**—The City of Cape Canaveral Community Redevelopment Agency was created in 2016, by City Ordinance 2015-O-04 of the City of Cape Canaveral, Florida (the City), pursuant to Florida Statute 163.387, to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the designated community redevelopment area. Since the City is financially accountable for the activities of the CRA, its governing board is the same, and its relationship to the CRA is significant, the CRA is considered to be a blended component unit in the City's financial statements, where it is also reported as a major special revenue fund. The CRA has determined there are no component units that meet criteria for inclusion in the CRA's financial statements.

(b) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the CRA. The CRA only has governmental activities and does not engage in any business-type activity. Direct expenses are those that are clearly identifiable with a specific function or segment. General revenues include ad valorem taxes and interest income. Fund financial statements are presented for the CRA's General Fund. The General Fund, which accounts for all financial operations of the CRA, is considered to be a major fund and is the only fund of the CRA.

(c) **Measurement focus, basis of accounting, and financial statement presentation**—The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers property revenues to be available if they are collected within 60 days of the end of the current period. Grants, other intergovernmental revenues, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, expenditures related to long-term agreements are recorded only when payment is due.

(d) **Budgets and budgetary accounting**—The governing board of the CRA adopts an annual operating budget, which is prepared on a modified accrual basis and can be amended by the board throughout the year. At the fund level, actual expenditures cannot exceed the budgeted amounts. The accompanying budgeted financial statements for the General Fund reflect the final budget authorization amounts, including all amendments.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

(e) **Deposits and investments**—The CRA’s cash and cash equivalents include cash on hand, demand deposits and short-term investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

(f) **Receivables and payables**—Activity between the CRA and the City has been classified as amount due to/from the primary government on the balance sheet and statement of net position. All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of outstanding balances and historical trends. At September 30, 2024, all of the CRA’s receivables were considered fully collectible.

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

(h) **Capital assets**—The CRA does not own any capital assets. Any capital outlay expenditures made by the CRA are deemed to be on behalf of the City who takes ownership of the assets along with the perpetual maintenance obligation for those assets.

(i) **Long-term obligations**—The CRA does not have any legal indebtedness. Any use of funds for debt service, which is included in transfers to the primary governments, represents payments toward long-term debt issued in the name of the City for which CRA revenues have been pledged.

The CRA does not have any employees. Any employees who provide services to the CRA are employees of the primary government and do so at either no charge to the CRA, or any allocations made to the CRA represent reimbursements by the CRA to the primary government for services rendered (any items recorded to personnel expense accounts are only for ease of tracking the reimbursement amounts). As a result, there is no compensated absences, other post-employment benefits (OPEB), or pension liabilities recorded on the CRA’s financial statements.

(j) **Fund balance**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable – amounts not available to be spent or not in spendable form, such as inventory and prepaid items.

Restricted – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts constrained to specific purposes based on actions taken by the CRA governing board through ordinance.

Assigned – amounts the CRA intends to use for a specific purpose. Intent can be expressed by the CRA governing board or by an official or body which the Board delegates authority.

Unassigned – amounts that are available for any purpose.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available; the CRA considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds and finally, unassigned funds, as needed.

(k) **Net position flow assumption**—Sometimes the CRA will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the CRA's policy to consider restricted net position to have been used before unrestricted net position is applied.

(l) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

(2) **Reconciliation of Government-Wide and Fund Financial Statements:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The CRA has no items reported differently between these two statements.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The CRA has no items reported differently between these two statements.

(3) **Deposits and Investments:**

The CRA is subject to the investment policy of the primary government and has no cash or investment held outside of the CRA's interest in the City's pooled cash and investments. Additional accounts are held for various other purposes, or to segregate cash balances for amounts which are restricted or held on behalf of others. State statutes authorize the CRA to invest excess funds in time deposits, or obligations of the principal and interest of which are unconditionally guaranteed by, the United States Government, commercial paper, corporate bonds, repurchase agreements and/or the State Board of Administration (SBA) Local Government Surplus Trust Fund Investment Pool or other investment vehicles authorized by local ordinance.

CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

As of September 30, 2024, all CRA deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required if deemed necessary.

All of the CRA's deposits are held with public depositories and as of September 30, 2024, the CRA's deposits and investments were not subject to any substantial interest rate, credit, or concentration risks.

(4) Commitments and Contingencies:

The CRA is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2024. The outcomes of established claims are included in these financial statements. In the opinion of the CRA and the primary government's legal counsel, no legal proceedings are pending or threatened against the CRA which are not covered by applicable insurance which would inhibit its ability to perform its operations or materially affect its financial condition.

The CRA 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, all of which is satisfactorily insured by limited risk, high deductible commercial general liability insurance. Commercial insurance policies are also obtained for other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

(5) Recent Accounting Pronouncements:

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the CRA's financial statements:

- (a) GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. GASB Statement No. 102 amends GASB Statement No. 62 regarding the disclosure of a government's vulnerability to risks related to certain concentrations and constraints that limit its ability to acquire resources or control spending. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024.
- (b) GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of GASB 103 improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF CAPE CANAVERAL COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 2,601,217	\$ 2,601,217	\$ 2,601,217	\$ -
Investment income	2,500	2,500	9,238	6,738
Total revenues	<u>2,603,717</u>	<u>2,603,717</u>	<u>2,610,455</u>	<u>6,738</u>
Expenditures				
Current:				
Community redevelopment	909,221	1,209,221	106,619	1,102,602
Capital outlay	678,000	678,000	300,142	377,858
Total expenditures	<u>1,587,221</u>	<u>1,887,221</u>	<u>406,761</u>	<u>1,480,460</u>
Excess (deficiency) of revenues over expenditures	<u>1,016,496</u>	<u>716,496</u>	<u>2,203,694</u>	<u>1,487,198</u>
Other financing sources (uses)				
Transfers in from primary government	150,000	150,000	23,164	(126,836)
Transfers out to primary government	(1,166,496)	(866,496)	(816,060)	50,436
Total other financing sources (uses)	<u>(1,016,496)</u>	<u>(716,496)</u>	<u>(792,896)</u>	<u>(76,400)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>1,410,798</u>	<u>1,410,798</u>
Fund balances, beginning of year	(203,777)	(203,777)	(203,777)	-
Fund balances, end of year	<u>\$ (203,777)</u>	<u>\$ (203,777)</u>	<u>\$ 1,207,021</u>	<u>\$ 1,410,798</u>



**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 Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the governmental activities and each major fund of the City of Cape Canaveral Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements and have issued our report thereon dated February 10, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing 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 CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 CRA'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.

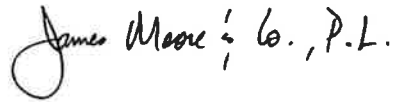
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA'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 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 "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looped initial "J".

Daytona Beach, Florida
February 10, 2025



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

Report on the Financial Statements

We have audited the basic financial statements of the City of Cape Canaveral Community Redevelopment Agency (the CRA), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 10, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 10, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding annual financial audit report. No repeat findings exist from the second preceding audit or prior audit.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The legal authority for the CRA is disclosed in Note 1 of the basic financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the CRA, did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA'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.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had no such recommendations.

Property Assessed Clean Energy (PACE) Programs

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the District did not have a property assessed clean energy (PACE) program that finances qualifying improvements authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the District's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

Specific Special District Information

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CRA reported the following unaudited data:

- a) The total number of district employees compensated in the last pay period of the district's fiscal year: -0-.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year: -0-.

- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$-0-.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$-0-.
- e) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - a. Civic Hub - \$65,219
 - b. C5 Construction - \$70,960
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows: a summary of the budget amendments for the CRA can be found on page 14.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the CRA's governing board and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Daytona Beach, Florida
February 10, 2025

 James Moore & Co., P.L.



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

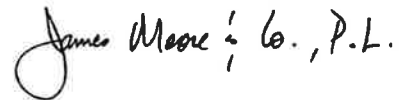
To the Governing Board,
City of Cape Canaveral Community Redevelopment Agency:

We have examined the City of Cape Canaveral Community Redevelopment Agency's (the CRA) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, and Sections 163.387(6) and (7), Florida Statutes, *Redevelopment Trust Fund* (collectively, the "Statutes"), for the year ended September 30, 2024. The City's management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards for a direct examination engagement established by the American Institute of Certified Public Accountants. Those standards require that we obtain reasonable assurance by measuring (or evaluating) the City's CRA against the Statutes, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our measurement or evaluation of the City's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that the City's investment policies were not in accordance with the Statutes, in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, the City of Cape Canaveral Community Redevelopment Agency was in accordance with aforementioned requirements for the year ended September 30, 2024, in all material respects.

James Moore & Co., P.L.

Daytona Beach, Florida
February 10, 2025



2024

COMMUNITY REDEVELOPMENT AGENCIES

ANNUAL REPORT



(321) 433-8577



65 Stone St., Cocoa



www.Cocoafl.gov



rbrowne@cocoafl.gov

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CRA BOUNDARIES

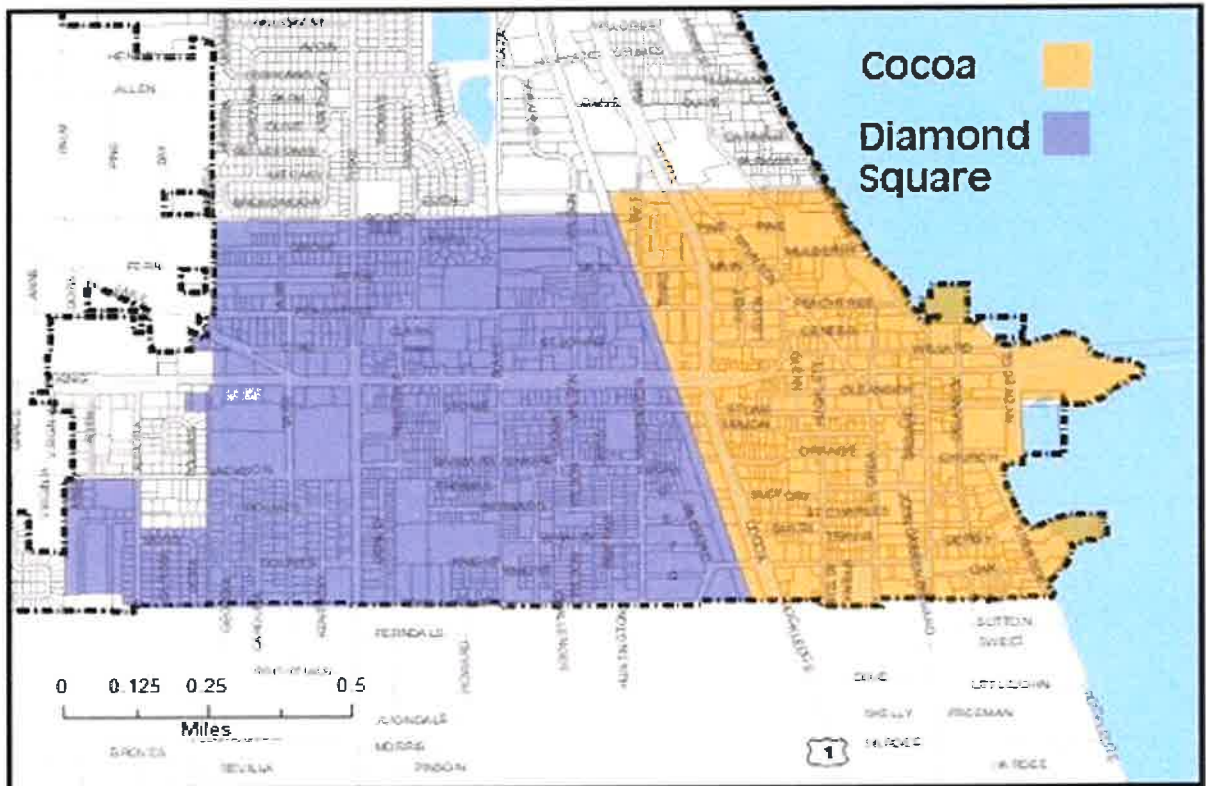


Figure 1 - Community Redevelopment Areas

OVERVIEW

Under Florida's Community Redevelopment Act (F.S. 163, Part III), the City of Cocoa established two Community Redevelopment Agencies (CRAs):



Cocoa CRA

City of Cocoa Ordinance No. 10-81,
Apr 14, 1981



Diamond Square CRA

City of Cocoa Ordinance No. 13-98,
March 24, 1998 (delegated authority by Brevard County BOCC)

Section 163.345, F.S., encourages the rehabilitation or redevelopment of the community redevelopment area by private enterprise and s. 163.287(6), F.S., governs the expenditures of redevelopment trust funds.

Additionally, section 163.370 (2)(c), F.S., governs the community redevelopment and related activities that a CRA may undertake with the community redevelopment area. Consistent with Cocoa CRA's respective community redevelopment plans, agencies offer or have participated in the following general activities and programs:

- Infrastructure – engineering, design, and construction
- Stormwater improvements
- Streetscape design and construction
- Affordable and workforce housing development
- Land acquisition, development, and redevelopment through public/private partnerships.
- Community policing programs and partnerships
- Commercial façade grants

Each CRA is responsible for developing and implementing its own Community Redevelopment Plan that addresses the unique needs of the targeted area. The plans include specific examples of how the approved community redevelopment plan will benefit and has already benefitted, the purpose for which the special district was created, and the overall goals for the redevelopment area.

The overall goal of each CRA is to reduce and eliminate slum and blight conditions, promote private investment and economic development, and enhance property values within the CRA's area. The perception of "image" is a driving force that impacts the level of investment in a community. The projects within the CRA play a strong role in enhancing the image and build the sales tax business income tax and real estate tax base for Brevard County and the State of Florida.

Redevelopment activities in the Community Redevelopment Plan are funded primarily by tax increment financing (TIF), leveraged with public funds to promote private sector activity in the targeted area. CRA's may also issue debt or revenue bonds to fund projects as well.

Since the City of Cocoa is financially accountable for the activities of the Cocoa CRA and the Diamond Square CRA, we have prepared this report in accordance with F.S. 163.356(3)(C). All financial activities of the CRA's are in accordance with the provisions of the Community Redevelopment Act and governed by the City of Cocoa Financial Operations Manual as well as reported in the City of Cocoa Annual Budget, Audited Statements, and the City of Cocoa Comprehensive Annual Financial Report (CAFR).

Our Fiscal Year is October 1 through September 30 of each year. This report is for the period of October 1, 2023 through September 30, 2024 (Fiscal Year 2024).

COCOA CRA

The Cocoa CRA was established through City of Cocoa Ordinance No. 10-81 and is governed by a seven-member board. This CRA redevelopment area includes the waterfront located along the Indian River Lagoon with vibrant Historic Cocoa Village, the Heart of Cocoa, S.R. 50, the Southern portion of the U.S. 1 Corridor and an uptown area north of the Cocoa Village and S.R. 520.

The Cocoa CRA is generally bounded on the northern boundary by Mitchell Street, with the western boundary at the Florida East Coast Railroad, eastern boundary along the western shoreline of the Indian River Lagoon and the southern boundary at Rosa L. Jones Drive.

In 2008, the Cocoa CRA approved the Cocoa Waterfront Master Plan and implementation strategy for the Cocoa CRA with particular focus on improving the activity and connectivity of the waterfront. With the devastation to the Cocoa Waterfront brought on by Hurricane Irma, the Cocoa CRA Board felt compelled to cast a new vision for the waterfront. The result was a 2018 Waterfront Master Plan Update and Cocoa CRA Update which will guide the CRA and the City of Cocoa in the rebuilding of existing waterfront infrastructure, the development of new amenities and addressing waterfront resiliency and sustainability. The implemented plans will result in an important social and economic center and serve as a catalyst for redevelopment activity and business growth.

Meetings take place on the first Monday of each Month at 6:00 pm in City Council Chambers.

Cocoa CRA Board

- Five members of City Council and two members appointed by the City Council
- Two members appointed for 4-year terms and Council members change due to election.

Cocoa CRA Board Members

- Chairperson Michael C. Blake - Mayor
- Vice Chairperson Lavander Hearn - Deputy Mayor
- Agency Member Alex Goins - Councilman
- Agency Member Lorraine Koss – Councilwoman
- Agency Member Patricia Weeks - Councilwoman
- Agency Member Janne Etz
- Agency Member Candace Rogers

COCOA CRA HIGHLIGHTS

During FY24,
Cocoa CRA
accomplished:

The Waterfront Engineering Design and Permitting FIND Grant (Phase I) was begun to determine the best rebuilding process after two hurricanes destroyed the brand-new day slips.

Anticipate completion of Phase I at end of FY25. Then begin Phase II – Building Barrier System



COCOA CRA

PROJECTS



LEE WENNER PARK NEW DOCKING SYSTEM AND BREAKWATER

In March 2023, the Cocoa CRA applied to continue their work on the restoration of the waterfront that was devastated by two back-to-back hurricanes, Ian and Nicole. The Florida Inland Navigation District (FIND) Grant of \$84,000, which along with a 50% match from the CRA of \$84,000, will provide a total of \$168,000 in funding to complete Phase I: Engineering Design and Permitting. This phase should be completed by September 2025.

The Strategic Plan identified for this purpose is Infrastructure and Redevelopment. By improving the waterfront infrastructure, the Cocoa Waterfront will see increased development, thus improving our economic base for the City.

LEE WENNER PARK PARKING LOT RECONSTRUCTION PROJECT

In April 2024, The CRA approved \$1.2 million for the reconstruction of the Lee Wenner Park Parking Lot. This reconfiguration will improve flow and add 74 additional parking spaces to the Park. The project anticipates closure for one year, from Labor Day 2024 – Labor Day 2025. Easements for Florida Power & Light (FPL) and Florida City Gas (FCG) must be completed before the construction portion of the project can begin. The contractor selected was Doug Wilson.

WORKFORCE HOUSING AND MIXED-USE DEVELOPMENT

In October 2023, the Cocoa CRA approved the purchase of 203 Orange Street, for use as future Workforce Housing. In May 2024, Cocoa CRA approved the selection of 360 Hospitality Group, LLC to develop the site at 603 Brevard Avenue, the site of the old City Hall, to become the newest attraction – a Mixed-Use Hotel Project! Negotiations will begin shortly to detail the plans for the site.

COCOA CRA- Plan Amendment

In Late 2022, The Cocoa CRA approved the 2022 Cocoa CRA Redevelopment Plan Update that is related only to incorporating a community policing program. Generally, the Update includes the following language related to Community Policing Initiatives:

The intent and purpose of this Program is to proactively enhance the current level of police patrol and provide a more personal level of service through a direct liaison between the Agency Board/Downtown community and the Cocoa Police Department.

In FY 24, police officers continued in their assignments to a special shift detail to maximize the effectiveness of the Program. Police officers proactively form partnerships with residents and businesses to promote crime prevention, prevent disorder and improve public safety by addressing specific issues indigenous to the Downtown Area.

YEARLY HIGHLIGHTS

	The Cocoa CRA welcomed 19 new businesses to the area, creating a total of 41 full-time jobs and 22 part-time jobs.
	The Commercial Façade Improvement Program (CFIP) was improved from a Grant maximum award of \$10,000 to a maximum of \$20,000. This should attract new applicants, leveraging private sector capital investment. A ROI for every \$1 of TIF invested is usually 2:1; in other words, for every \$1 invested, the usual return is \$2. Thus, doubling the reach of the investment.

YEARLYEVENTS

Cocoa Village hosts many special events, some recurring favorites, and other new and exciting programs.

In FY 2024, 75 events were held.

Visitors from all over attend these events and while the Pandemic's effects still reverberate throughout the world, Cocoa Village has been able to resume many outdoor activities, including:

Leisure Services Special Event List		
Month/Year		Event
10/23	1	Brevard County Dog Training Club Lure Course
	2	HCVMS Fall Art and Craft
	3	St. Mark's Episcopal Academy Fall Festival
	4	Greater St. Paul Breast Cancer Awareness Car Show
	5	City of Cocoa Fall Festival
	6	HCVMS Fall Golf Cart Parade
	7	Space Coast Free Wheelers Century Ride
	8	Soccer Shots Childrens Soccer Club
	9	Game On Riverfront Triathlon
11/23	10	Space Coast Marathon
	11	Seminary Covenant Praise Fest
	12	Brevard County Dog Training Club Lure Course
	13	HCVMS Sip and Stroll
12/23	14	HCVMS Holiday Art and Craft
	15	HCVMS Moonlight and Music on the Promenade
	16	HCVMS Holiday Boat Parade
	17	HCVMS Holiday Bike Parade
	18	HCVMS Moonlight and Music on the Promenade
	19	City of Cocoa Holiday Tree Lighting
	20	Family Promise Big Brunch
	21	Survive First 5K
1/24	22	Brevard County Dog Training Club Lure Course
	23	Soccer Shots Childrens Soccer Club
	24	Yoga in the Park
	25	Rockledge Youth Football and Cheerleading League
	26	MLK Peace March and Service
	27	BCFF Chili Cook Off
	28	Environmental Education Awareness Research
	29	Village Idiot Idiolympics
	30	Deuterman Productions Outdoor Concert
	31	Deuterman Productions Outdoor Concert
2/24	32	Brevard County Dog Training Club Lure Course
	33	Survive First Brewers Bash
	34	Soccer Shots childrens Soccer Club
	35	Cocoa Rotary Party in the Park
	36	HCVMS Sip and Stroll
	37	AEG Southeast Presents Willie Nelson Concert
	38	Deuterman Productions Mardi Gras
3/24	39	Central Brevard Humane Society Mardi Gras Paws
	40	HCVMS Spring Art and Craft Fair
	41	Hope Community Fellowship Praise and Worship
	42	Soccer Shots Childrens Soccer Club
	43	Reggae and Rum Festival

Leisure Services Special Event List

	44	Brevard County Dog Training Club Lure Course
	45	Space Coast Triathlon
	46	Assembly of God Praise Fest
	47	Easter in the Park
4/24	48	City of Cocoa Trash Bash/Arbor Day Celebration
	49	Space Coast Runners Space Coast Classic Run
	50	Cocoa Police Department Tour de Force
	51	HCVMS Book Fair
	52	Soccer Shots Childrens Soccer Club
	53	Brevard County Dog Training Club RDO
	54	American Cancer Society Relay for Life
5/24	55	VIP Street Party
	56	Soccer Shots Childrens Soccer Club
	57	HCVMS Summer Art and Craft Fair
	58	Preclamsia Foundation Promise Walk
	59	City of Cocoa Memorial Day Remembrance
	60	City Ballet Expo
6/24	61	Deuterman Productions Outdoor Concert
	62	Dirty Oar Running Zone Summer Brewery Series
	63	City of Cocoa Juneteenth Celebration
	64	River Road Coffee Anniversary Party
	65	AEG Southeast Presents Outdoor Concert Brett Young
7/24	66	City of Cocoa Independence Day Celebration
	67	Deuterman Productions Outdoor Concert
	68	HCVMS Sip and Stroll
	69	Deuterman Productions Outdoor Concert
8/24	70	City of Cocoa and HCVMS Business Summit
9/24	71	Dirty Oar Anniversary Party
	72	Deuterman Productions and Long Doggers Employee
	73	HCVMS Concours Car Show
	74	Alzheimer's Memory Walk
	75	HCVMS Sip and Stroll

COCOA CRA

COMMUNITY REDEVELOPMENT GOALS

The Cocoa CRA focused on many of its goals as set forth in the 2018 Cocoa CRA Redevelopment Plan Update.

- Economic Development – Goal V (Page 72): Maintain the unique and positive character of the sub-districts while promoting economic vitality of each. In progress
- Economic Development – Goal VI (Page 73): Market the CRA as a major destination point in the Central Florida Region. In progress
- Future Land Use – Goal IX (Page 74): Provide aesthetic improvements and way-finding measures to increase the sense of community identity. In progress
- Transportation – Goal XI (Page 75): Create a safe efficient traffic circulation system which provides sufficient access by all modes of transportation between activity centers within the CRA and the balance of the community. In progress
- Transportation – Goal XII (Page 76): The CRA shall support the development of parking strategies to support the transportation goals. In progress
- Public Facilities and Services – Goal XIV (Page 76): Provide necessary public facilities with acceptable levels of service to accommodate existing needs. as well as new demands as, proposed development occurs with the CRA. In progress
- Coastal – Goal XV (Page 77): The natural resources of the City's CRA coastal planning area shall be preserved, protected, or enhanced to provide the highest possible water quality, habitat for fish and wildlife and use for public recreation. In progress
- Recreation and Open Space – Goal XVI (Page 78): Establish parks, recreation, open space, and beautification efforts to create an identifiable character for the redevelopment area which will reflect a pleasant appealing atmosphere for working, shopping, touring, and residing in the district. In progress

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PROGRAM GM263L
CITY OF COCOA, FLORIDA

2024 BALANCE SHEET

PAGE 1
ACCOUNTING PERIOD 13/2024
Suppression = Y

110 CRA COCOA RDA

DEBITS

CREDITS

ASSETS

101.00-00	ASSETS & OTHER DEBITS / CASH	35,112.18
115.15-08	LEASES RECEIVABLE / POST OFFICE	46,027.71
115.98-08	INTEREST RECEIVABLE / LSD ASSET-POST OFFICE	8.18
128.90-01	NOTE RECEIVABLE LONG TERM / WHITLEY MARINA SETTLEME	271,891.34
151.20-09	SHORT TERM INVESTMENTS / FLCLASS - CRA 94-0009	2,222,405.39
155.00-00	INVESTMENTS / PREPAID ITEMS	18,240.14
156.90-01	ASSETS NON CURRENT / SECURITY DEPOSITS	4,350.00

TOTAL ASSETS

2,598,034.94

LIABILITIES

202.00-00	LIABILITIES / ACCOUNTS PAYABLE	37,947.52
202.20-00	ACCOUNTS PAYABLE / PURCHASING CARDS	651.33
216.00-00	ACCRUED PAYABLES / ACCRUED WAGES PAYABLE	3,314.18
223.10-00	UNAVAILABLE REVENUE / WHITLEY UNAVAIL SETTLMNT	271,891.34

TOTAL LIABILITIES

313,804.37

FUND EQUITY

290.91-08	DEFERRED INFLOW-LEASE / POST OFFICE	45,888.95
FUND BALANCE		2,238,341.62

TOTAL FUND EQUITY

2,284,230.57

TOTAL LIABILITIES AND FUND EQUITY

2,598,034.94

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

	September 30, 2024		
	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and Cash Equivalents	\$ 2,257,517	\$ -	\$ 2,257,517
Prepaid items	18,240	-	18,240
Deposits	4,350	-	4,350
Lease Receivable	46,028	-	46,028
Other Receivables	271,899	-	271,899
Capital Assets			
Nondepreciable	-	122,347	122,347
Depreciable, net	-	3,661,223	3,661,223
TOTAL ASSETS	\$2,598,034	\$3,783,570	\$ 6,381,604
LIABILITIES			
Accounts payable	\$ 38,600	-	\$ 38,600
Accrued payroll and related liabilities	3,314	-	3,314
Lease Liability	-	414,185	414,185
TOTAL LIABILITIES	41,914	414,185	456,099
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - Whitley Bay			
Settlement	271,891	(271,891)	-
Lease Receivable	45,889	-	45,889
TOTAL DEFERRED INFLOWS OF RESOURCES	317,780	(271,891)	45,889
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	64,268	(64,268)	-
Restricted	2,174,072	(2,174,072)	-
TOTAL FUND BALANCES	2,238,340	(2,238,340)	-
TOTAL LIABILITIES AND FUND BALANCES	\$2,598,034		
Net position:			
Net investment in capital assets		3,369,385	3,369,385
Unrestricted		2,510,232	2,510,232
TOTAL NET POSITION		\$ 5,879,617	\$ 5,879,617

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

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Intergovernmental	\$ 1,838,114	\$ -	1,838,114
Investment Income	145,071	-	145,071
Miscellaneous Revenues	78,219	-	78,219
TOTAL REVENUES	<u>2,061,404</u>	<u>-</u>	<u>2,061,404</u>
EXPENDITURES/EXPENSES			
Economic Environment	2,661,857	-	2,661,857
Capital Outlay	40,200	(40,200)	-
Depreciation	-	260,700	260,700
Debt Service:			
Principal	60,055	(60,055)	-
Interest	2,124	-	2,124
TOTAL EXPENDITURES/EXPENSES	<u>2,764,236</u>	<u>160,445</u>	<u>2,924,681</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES/EXPENSES	<u>(702,832)</u>	<u>(160,445)</u>	<u>(863,277)</u>
OTHER FINANCING SOURCES (USES)			
Lease Proceeds	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCE/NET POSITION	(702,832)	(160,445)	(863,277)
FUND BALANCES/NET POSITION			
Beginning of the year	<u>2,941,172</u>	<u>3,801,722</u>	<u>6,742,894</u>
End of the year	<u>\$ 2,238,340</u>	<u>\$ 3,641,277</u>	<u>\$ 5,879,617</u>

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

DIAMOND SQUARE CRA

The Diamond Square CRA was established in April 1998 through a Resolution by the City of Cocoa and Brevard County and a City of Cocoa Ordinance No. 13-98 and is governed by a seven-member board. A Redevelopment Plan was updated and approved in 2014. The Redevelopment Plan is based on Five Strategic Frameworks for Change: Community Living; Community Places; Community Connections; Community Identity; and Community Opportunity.

The Diamond Square CRA is generally bounded by the southern border of the City and encompasses the area bounded by Pineda Street on the west, School Street on the north, the Florida East Coast Railroad on the east, and Rosa L. Jones Drive on the south.

Currently, the Diamond Square Community Redevelopment Agency is scheduled to sunset in 2032. Meetings take place on the third Monday of each month at 6:00 pm in City Council Chambers.

The Diamond Square CRA currently has no outstanding indebtedness.



Diamond Square CRA Board

The terms of the office of each Agency member will be for four years, except that three of the City appointed members shall be designated to serve terms of 1, 2, and 3 years from their date of appointment. No Agency member may serve more than two consecutive terms.

Diamond Square CRA Board Members

- Tracy Moore – Chairperson
- Crystal McQueen - Vice Chairperson
- Larry Brown – Agency Member
 - Appointed by Brevard County
- Amy Robinson (pictured) – Agency Member;
 - Brenda Fox replaced her
 - Appointed May 2024
- Ed Jones (pictured) – Agency Member;
 - Angelia Smith replaced him
 - Appointed May 2024
- Jackie Isom - Agency Member
 - Marilyn Smith - Agency Member



(L-R: Agency Attorney Colombo, Agency Member Jones, Chairperson Moore, Agency Members Smith, Robinson, Isom, and Brown. Not pictured Vice Chairperson McQueen)

DIAMOND SQUARE CRA HIGHLIGHTS

In FY24,
Continuation of
the Diamond
Square CRA Paint
Grant Program and
Beautification
Grant Program



Signs are placed in grantees yard after completion

DIAMOND SQUARE CRA

DIAMOND SQUARE CRA PAINT AND BEAUTIFICATION GRANT PROGRAMS



Two programs that began in June of 2021; the Diamond Square CRA Paint Grant Program and the Beautification Grant Program continued in 2024. Due to the community's interest and program success, the budget for each was increased. These are designed to improve the exterior of the residence and improve aesthetics of the community. Approved applications for the Paint program will have their home pressure washed, receive paint and painting supplies up to the amount of \$1,000 for the exterior of their home and the Beautification Grant Program will provide Florida-friendly landscaping up to the amount of \$500 for the front of their home. In both cases, grant recipients provide their own labor.

These programs have benefited the community by improving the looks of the homes, created a renewed sense of homeowner pride and has a domino effect as more and more applications are submitted. During FY 2024, the CRA approved two Beautification grants totaling \$1,000 and two Paint Grants totaling \$2,000, for a total impact of \$3,000.

COMMERCIAL FACADE GRANT

The Diamond Square CRA sponsors a Commercial Facade Improvement Program to benefit property owners in the redevelopment area. Matching grants of up to \$10,000 are available to qualified business owners to fund exterior improvements such as awnings, landscaping, exterior lighting, fencing, and signage. A proposal in the Cocoa CRA to increase the maximum award to \$20,000 will be considered in the Diamond Square CRA as well, in order to promote an increase in use of the program.

DIAMOND SQUARE CRA

SUMMER CAMP SCHOLARSHIPS

The Diamond Square CRA approved \$6,000 in scholarship funds for a dozen youth to attend the 2024 summer camp provided by Brevard County Parks and Recreation and held at the Dr. Joe Lee Smith Center in Diamond Square.



DIAMOND SQUARE CRA UPSTART SMALL BUSINESS PROGRAM

At the February 8, 2021, Agency Members approved the formulation of Upstart Diamond Square. This program was created as an incentive to promote the growth of minority-owned businesses throughout the Diamond Square Community.

The program and forgivable loans are available to minority and/or women owned small businesses with the goal to empower entrepreneurs to succeed in the Diamond Square community, attract small minority businesses to the area, contribute to the economic vitality by promoting small business, and to cultivate a vibrant neighborhood through the encouragement of diverse businesses.

Awards made to businesses encourage a business to locate or relocate in Diamond Square and support minority entrepreneurs with business skill sets and start-up and marketing expenses. The DS Upstart Cocoa Loan program is designed as a three-year forgivable loan program with a community enrichment component to “pay back” 25% of the grant to the community within three years. After three years of maintaining the business in Diamond Square and successful completion of the “pay back” the loan will be forgiven at 100%.

DIAMOND SQUARE CRA

PROJECTS & FUNDING INITIATIVES

COPS & KIDS



Summer began with 20 youth and a partnership between LLC (Lifetime Counseling Centers) and Cocoa Police Department opportunities were provided for the children to take swimming and water safety lessons. Field trips included Orlando Science Center, Fishing at Sebastian Inlet, Wekiva Springs and a tour of the Cocoa Police Department. Children participate in a variety of activities to include team building, arts and more. With an emphasis on Mental Health, LCC provided counselors for the 4-week camp and Second Harvest Food Bank provided breakfast each day.

DIAMOND SQUARE PARTNERSHIP WITH ALLIANCE FOR NEIGHBORHOOD RESTORATION

The Diamond Square CRA continued its partnership with the Alliance for Neighborhood Restoration (ANR), currently in its 11th year of youth programs at the Harry T. Moore Center primarily serving about 80% of Cocoa youth and the Diamond Square Community. With over 20% of children in Cocoa living below poverty level, the programs provided have become vital to the community it serves.

Additionally, the Diamond Square CRA sponsored the community policing initiative, the Cocoa Police Athletic League (Cocoa PAL), for \$4,500. ANR and Cocoa PAL quickly decided that service to society, specifically the Diamond Square Community, could be provided in different forms.

COCOA POLICE ATHLETIC LEAGUE (PAL)

The Police Athletic League is the oldest and largest law enforcement-based youth crime prevention program in the United States. The program is designed to equip each youth with the skills needed to become future leaders of PAL and the country. Character building, dedicated, honest hard work are the building blocks of PAL. At the core program for delivering youth the Cocoa PAL is a juvenile delinquency prevention program that provides athletic and academic activities to youth through the community.

The Youth Leadership Council is designed to equip each youth with the skills needed to become future leaders of PAL and the country. Character building, dedication, and honest hard work are the building blocks of PAL. Participants held regular meetings to discuss and plan activities, attend local and regional training and volunteers with various agencies.

12 members were selected to attend a two-day State Leadership Training at Disney's Fort Wilderness. Cocoa PAL sponsored 7 Diamond Square youth to attend the State of Florida PAL Leadership Conference at Disney Coronado Springs Resort.



DIAMOND SQUARE CRA



Police Athletic League After School Program

The 2023-24 school year began with 13 youth registered for After-School, focusing on Career Readiness and Character Education. An average of 13 children received daily homework assistance, career readiness, leadership development, social-emotional development, arts and crafts, physical fitness, and nutrition. More than 70% of participants were DS Residents. Second Harvest Food Bank continued to support After-School and Summer Programs with fresh, prepared meals.

State of Florida PAL Regional Training

Cocoa PAL hosted the State of Florida PAL Regional Training at the Joe Lee Smith Center with about 100 youth from around the State of Florida.

PAL Leadership Training

The curriculum includes leader's traits and skills, team building, planning, and executing community projects, community needs assessments and civic responsibility.

Training also included team building exercises and discussions about Social Justice.

Tours and engagement included the Fire Department, Police Department and City Hall. The Youth planned and hosted a Political Forum for the City of Cocoa Candidates, Districts 1 and 2 and the Brevard County Commission, District 2 and was held at the Moore Justice Center.

Cocoa PAL Basketball

Cocoa PAL Basketball Season 23-24 held practices two days per week at the Joe Lee Smith Community Center. Games were scheduled for Saturdays during League competitions with Brevard County Parks and Recreation. Cocoa PAL charged a modest fee of \$25 and registered more than 24 youth throughout the year. However, a 25% drop in participation occurred versus when the fee was waived during the Pandemic.

Youth Employment Training/Phase 1 and Phase 3

12 youth registered for the Youth Employment Training program, of which all 12 completed the four- week course.

Speakers from various occupations shared information about their careers, including Judge Samuel Bookhardt and Sgt Marlon Buggs during a special tour of the Moore Justice Center.

Course instruction included applications for employment, resumes, interviewing skills, dressing for success, financial literacy, and customer Service.

Two Phase 3 Youth Employment Trainees completed job assignments with the City of Cocoa Leisure Services and Brevard County Parks and Recreation.

DIAMOND SQUARE CRA

Alliance for Neighborhood Restoration/Cocoa PAL

2023-2024

Services to Diamond Square Residents

Direct Program Costs paid for or to Diamond Square Residents

Youth Leadership Conference	7 DS youth	809.00 each	5,663.00
Youth Employment Trainee Stipends	12 DS youth	400.00 each	4,800.00
Total payments			10,463.00

*Value of Free Program services to registered Diamond Square participants**

Program	Program Costs	DS Participants	Value
After-School, 180 days x 20.00	3,600 annually	13	46,800
Cops and Kids, 4 weeks x 125.00	500.00	20	10,000
Basketball annual fees	130.00	24	3,120
Youth Employment Training	975.00	12	11,700
Youth Directors Council	*	7	*
Total		76	71,620

23-24 Total Cocoa PAL Registered Youth by Program

After School	26
Cops and Kids	30
Basketball	64
Youth Employment	22
Youth Leadership (YDC)	16
Total	158

DIAMOND SQUARE CRA

YEARLY HIGHLIGHTS



The Diamond Square CRA welcomed 15 new businesses to the area, creating a total of 67 full-time jobs and 10 part-time jobs.

YEARLY EVENTS

2024 Program Highlights

- Annual Winter Festival in Diamond Square
- Annual Fall Festival with the City of Cocoa
- Community Cleanup Project for After-School in Diamond Square
- Keep Brevard Beautiful Trash Bash with the City of Cocoa

COMMUNITY REDEVELOPMENT GOALS

The Diamond Square CRA achieved many of its goals as set forth in the 2014 Diamond Square CRA Redevelopment Plan Update.

Goal 1 – Enhance streetscapes and pedestrian connectivity (Pages 13-15)

- SR520 landscape enhancements - complete
- Peachtree Street Complete Street - complete
- Transportation terminus (SCAT) in DSCRA - complete
- South Fiske Blvd landscaping and mid-block crossing - expect completion 2023

Goal 2 - Increase partnerships with housing developments (Pages 15-17)

- Housing Authority of the City of Cocoa curb appeal - complete
- Finance and home ownership programs - in progress

Goal 3 - Create Neighborhood Gateways (Pages 18-20)

- Neighborhood entry signage and historical/cultural significance - in progress
- Street tree planting - in progress
- Sidewalk system infill and improvements – in progress
- Stormwater and infrastructure – in progress

Goal 4 – Explore the feasibility of creating new community-based centers (Page 21-22)

- Joe Lee Smith Center upgrades and/or reconstruction - complete

Goal 5 – Enhance support for community-based organizations and educational institutions (Pages 23-24)

- Safe routes to school / pedestrian network – in progress
- Role model and mentoring programs – in progress

DIAMOND SQUARE CRA

PREPARED 04/01/2025, 9:18:38		2024 BALANCE SHEET		PAGE 1
PROGRAM GM263L				ACCOUNTING PERIOD 13/2024
CITY OF COCOA, FLORIDA				Suppression = Y
111	CRA DIAMOND SQUARE 626	DEBITS	CREDITS	
ASSETS				
101.00-00	ASSETS & OTHER DEBITS / CASH	509,697.91		
115.02-00	ACCOUNTS RECEIVABLE / OTHER	2,500.00		
155.00-00	INVESTMENTS / PREPAID ITEMS	10,189.00		
	TOTAL ASSETS			522,386.91
LIABILITIES				
202.00-00	LIABILITIES / ACCOUNTS PAYABLE		17,260.25	
202.20-00	ACCOUNTS PAYABLE / PURCHASING CARDS		214.61	
216.00-00	ACCRUED PAYABLES / ACCRUED WAGES PAYABLE		1,267.77	
	TOTAL LIABILITIES		18,742.63	
FUND EQUITY				
	FUND BALANCE		503,644.28	
	TOTAL FUND EQUITY		503,644.28	
	TOTAL LIABILITIES AND FUND EQUITY			522,386.91

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and cash equivalents	\$ 509,698	\$ -	\$ 509,698
Prepaid items	10,189		10,189
Other receivables	2,500	-	2,500
Capital assets			
Nondepreciable	-	181,192	181,192
Depreciable, net	-	318,576	318,576
TOTAL ASSETS	\$ 522,387	\$ 499,768	\$ 1,022,155
LIABILITIES			
Accounts payable	\$ 17,477	-	\$ 17,477
Accrued payroll and related liabilities	1,268	-	1,268
TOTAL LIABILITIES	18,745	-	18,745
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	10,189	(10,189)	-
Restricted	493,453	(493,453)	-
TOTAL FUND BALANCES	503,642	(503,642)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 522,387		
Net position:			
Net investment in capital assets		499,768	499,768
Unrestricted		503,642	503,642
TOTAL NET POSITION		\$ 1,003,410	\$ 1,003,410

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

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Intergovernmental	\$ 497,459	\$ -	\$ 497,459
Investment Income	17,170	-	17,170
Miscellaneous	-	-	-
TOTAL REVENUES	514,629	-	514,629
EXPENDITURES/EXPENSES			
Economic Environment	1,091,109	-	1,091,109
Depreciation	-	15,879	15,879
TOTAL EXPENDITURES/EXPENSES	1,091,109	15,879	1,106,988
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(576,480)	(15,879)	(592,359)
CHANGE IN FUND BALANCE/NET POSITION	(576,480)	(15,879)	(592,359)
FUND BALANCES/NET POSITION			
Beginning of the year	1,086,435	476,934	1,595,769
End of the year	\$ 509,955	\$ 461,055	\$1,003,410

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

KEY CONTACTS



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COCOA COMMUNITY REDEVELOPMENT AGENCY

FINANCIAL STATEMENTS

Year Ended September 30, 2024

Cocoa, FL

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Independent Auditor's Report

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and General Fund of the Cocoa Community Redevelopment Agency (the "CRA"), a component unit of the City of Cocoa, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the CRA as of September 30, 2024, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the CRA, 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

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, 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 the CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's report that includes our opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 the CRA'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 the CRA'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 that audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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 May 2, 2025, on our consideration of the CRA'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Management's Discussion and Analysis

As management of the Cocoa Community Redevelopment Agency (the "CRA"), we offer readers of the CRA's financial statements this narrative overview and analysis of the CRA's financial activities for the fiscal year ended September 30, 2024.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

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

The statement of net position presents information on all of the CRA's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Also, capital assets are capitalized and depreciated on the statement of net position whereas related purchases are expended on government fund financial statements.

General Fund. The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the General Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the General Fund balance sheet and the General Fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between General Fund and governmental activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Other Information. The CRA adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets exceeded liabilities and deferred inflows by \$5,879,617 at the close of the most recent fiscal year. This compares with \$6,742,904 at the close of the previous fiscal year 2023, a decrease of \$863,287. Cash and investments decreased \$689,414 due to increased CRA activity. Other assets decreased by \$32,902 largely from a reduction in the lease receivable. Capital Assets decreased \$220,500 due to depreciation. Long-term liabilities decreased by \$60,054 due to scheduled debt payments.

	Net Position	
	2024	2023
Current and other assets	\$ 2,598,033	\$ 3,320,350
Capital assets	3,783,571	4,004,070
Total assets	6,381,604	7,324,420
Short-term liabilities outstanding	41,913	19,029
Long-term liabilities	414,185	474,239
Total liabilities	456,098	493,268
Deferred Inflow of Resources	45,889	88,248
Total deferred inflows of resources	45,889	88,248
Net position:		
Net invested in capital assets	3,369,386	3,529,831
Unrestricted	2,510,231	3,213,073
Total net position	\$ 5,879,617	\$ 6,742,904

Governmental Activities. The components of governmental activities net position are as follows: Economic Environment activities decreased the CRA's net position by \$2,329,479 in fiscal year 2024. A 7.0% increase in revenue was caused by increases in the City of Cocoa (the "City") and Brevard County (the "County") contributions to the CRA because of increased property values. The increase in expenses of \$2,774,772 is due to expenditures for the Lee Wenner Park parking improvement capital project in FY 2024.

	Changes in Net Position	
	2024	2023
General revenues:		
Intergovernmental	\$ 1,838,114	\$ 1,594,600
Investment income	145,071	40,646
Miscellaneous revenues	78,219	83,418
Total General Revenues	<u>2,061,404</u>	<u>1,718,664</u>
Expenses:		
Economic Environment	2,661,867	332,378
Depreciation	260,700	314,833
Debt Service:		
Interest	2,124	2,699
Total Expenses	<u>2,924,691</u>	<u>649,910</u>
Change in Net Position	(863,287)	1,068,754
Net position – beginning	<u>6,742,904</u>	<u>5,674,150</u>
Net position – ending	<u>\$ 5,879,617</u>	<u>\$ 6,742,904</u>

Financial Analysis of the General Fund

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The purpose of the CRA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA's financing requirements. Particularly, unassigned fund balance may serve as a useful measurement of a government's net resources available for spending at the end of the fiscal year.

The only difference between General Fund operations and governmental activities is the accounting presentation for capital outlay. Capital outlay is accounted for as an expenditure in the General Fund and, to the extent it relates to capital asset additions, is replaced by depreciation expense on the statement of activities.

General Fund Budgetary Highlights

Primary variances between the final budget and actual operating expenditure categories were as follows: Investment revenue was \$145,071 greater than budget due to higher interest rates during the year. Capital Outlay expenses were \$980,448 less than budget due to Cocoa Village Parking (\$750,000) not being started and other capital projects not being started.

Capital Asset Administration

The CRA's capital assets as of September 30, 2024 amount to \$3,783,571, a decrease of \$220,499 due to depreciation and amortization expense. Additional information on the CRA's capital assets can be found in Note 4 *Capital Assets* in the footnote section of this report.

	Capital Assets (net of depreciation and amortization)	
	2024	2023
Land	\$ 4,980	\$ 4,980
CIP	117,368	82,184
Buildings	217,633	234,458
Improvements	2,978,814	3,142,619
Equipment	69,358	79,411
Intangible Leased Assets	395,418	460,018
Total	<u>\$ 3,783,571</u>	<u>\$ 4,004,070</u>

Economic Factors and Conditions

Unemployment in Brevard County was 3.6% at the end of the fiscal year, as compared to 3.3% in the State and 4.1% nationally. The economy performed strongly in FY 2024 and Brevard County experienced significant growth. Actual revenues exceeded expectations due to healthy increases in property values and an increased millage rate. Inflation remained at 3.4% at the end of FY 2024, although operating costs have increased much more than the inflation rate. The Cocoa CRA's proximity to the Kennedy Space Center, Port Canaveral and Orlando make it an ideal place for visiting the Historic Cocoa Village and many cruise passengers visit the Village, enjoying the quaint shops. There are several projects that the Cocoa CRA is working on that will increase the taxable values in the CRA, such as development of the vacant old City Hall site into a hotel/mixed use building and conversion of an old Bank of America building into mixed-use property as well. Many new restaurants and shops opened in the Historic Cocoa Village in FY 2024. In FY 2024, the CRA's millage rate remained the same at 6.9532 mills.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Director, 65 Stone St., Cocoa, FL 32922.

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

	September 30, 2024		
	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and Cash Equivalents	\$ 2,257,516	\$ -	\$ 2,257,516
Prepaid items	18,240	-	18,240
Deposits	4,350	-	4,350
Lease Receivable	46,028	-	46,028
Other Receivables	271,899	-	271,899
Capital Assets			
Nondepreciable	-	122,348	122,348
Depreciable, net	-	3,661,223	3,661,223
TOTAL ASSETS	<u>\$2,598,033</u>	<u>\$3,783,571</u>	<u>\$ 6,381,604</u>
LIABILITIES			
Accounts payable	\$ 38,599	-	\$ 38,599
Accrued payroll and related liabilities	3,314	-	3,314
Lease Liability	-	414,185	414,185
TOTAL LIABILITIES	<u>41,913</u>	<u>414,185</u>	<u>456,098</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - Whitley Bay			
Settlement	271,891	(271,891)	-
Lease Receivable	45,889	-	45,889
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>317,780</u>	<u>(271,891)</u>	<u>45,889</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	64,268	(64,268)	-
Restricted	2,174,072	(2,174,072)	-
TOTAL FUND BALANCES	<u>2,238,340</u>	<u>(2,238,340)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$2,598,035</u>		
Net position:			
Net investment in capital assets		3,369,386	3,369,386
Unrestricted		2,510,231	2,510,231
TOTAL NET POSITION		<u>\$ 5,879,617</u>	<u>\$ 5,879,617</u>

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

COCOA COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Intergovernmental	\$ 1,838,114	\$ -	1,838,114
Investment Income	145,071	-	145,071
Miscellaneous Revenues	78,219	-	78,219
TOTAL REVENUES	<u>2,061,404</u>	<u>-</u>	<u>2,061,404</u>
EXPENDITURES/EXPENSES			
Economic Environment	2,661,867	-	2,661,867
Capital Outlay	40,200	(40,200)	-
Depreciation	-	260,700	260,700
Debt Service:			
Principal	60,055	(60,055)	-
Interest	2,124	-	2,124
TOTAL EXPENDITURES/EXPENSES	<u>2,764,246</u>	<u>160,445</u>	<u>2,924,691</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES/EXPENSES	<u>(702,842)</u>	<u>(160,445)</u>	<u>(863,287)</u>
CHANGE IN FUND BALANCE/NET POSITION	(702,842)	(160,445)	(863,287)
FUND BALANCES/NET POSITION			
Beginning of the year	<u>2,941,182</u>	<u>3,801,722</u>	<u>6,742,904</u>
End of the year	<u>\$ 2,238,340</u>	<u>\$ 3,641,277</u>	<u>\$ 5,879,617</u>

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

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Cocoa Community Redevelopment Agency (the "CRA") is a blended component unit of the City of Cocoa, Florida (the "City") comprised of a seven-member governing board of the CRA that consists of five City of Cocoa Council members and two additional members who reside or are engaged in business in the limits of the City.

The CRA was created pursuant to Section 163.356, Florida Statutes, through ordinances passed by the City and the County. It was created by City Resolution 10-81, dated April 14, 1981. Its primary activities include the rehabilitation, conservation, or redevelopment of slum or blighted areas within the City. The City provides accounting and administrative support to the CRA without charge; the CRA does not have personnel or administrative facilities.

Pursuant to Section 163.387, Florida Statutes, the CRA is funded primarily by incremental ad valorem tax revenues levied and remitted in amounts proportionate to property tax values for each participating entity. The CRA is economically dependent on such revenue.

The accounting policies of the CRA conform to accounting principles generally accepted in the United States of America.

These financial statements present the financial position and results of operations controlled by, or dependent upon, the CRA. In evaluating the CRA as a reporting entity, management has addressed all potential component units for which the CRA may or may not be financially accountable and, as such, be includable in the CRA's financial statements. No component units exist which would require inclusion in the CRA's financial statements.

Government-wide and Fund Financial Statements

The CRA has only governmental activities and only one function, and, as such, it is eligible for special-purpose financial statement presentation; accordingly, the government-wide financial statements are presented together with the governmental fund financial statements, described below, with an adjustment column presented to reconcile the two sets of statements.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental Fund Financial Statements - The CRA has one governmental fund type, which is the General Fund. The General Fund is the primary operating fund used to account for all resources and operations. Governmental funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred.

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

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Budgets and the Budgetary Process

The CRA's Board adopts an annual operating budget, which can be amended by the Board throughout the year.

At the fund level, actual expenditures cannot exceed the budgeted amounts; however, with proper approval by the Board, budgetary transfers between line items can be made.

The accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual for the General Fund reflects the original and final budget authorization amounts, which includes all amendments. Appropriations lapse at the close of the fiscal year.

The CRA's management cannot amend or transfer appropriations.

For the year ended September 30, 2024, the CRA's budget was prepared on a modified accrual basis.

Pooled Cash and Equivalents

Cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash and equivalents are stated at fair value.

Capital Assets

Capital Assets purchased in the General Fund are recorded as expenditures at the time of purchase. It is the policy of the CRA to capitalize property and equipment over \$5,000 or more for equipment or an individual cost of \$25,000 or more for buildings, improvements other than buildings, and infrastructure with an estimated useful life in excess of two years. Lesser amounts are expensed. The CRA does not have donated capital assets.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Depreciation has been recorded over the following estimated useful lives using the straight-line method.

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	15 - 75
Equipment	5 - 20
Intangible Asset-Software	3
Intangible Assets-Leases	3 – 30
Intangible-Subscription	3 – 10
Vehicles	5 – 20

The CRA recognizes amortization of intangible software assets over a period of 3 years using the straight-line method. The CRA recognizes amortization for lease intangible assets over the life of the lease. The CRA recognizes amortization for intangible subscription assets over the term of the subscription for the use of software technology.

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid, using the consumption method, in both the government-wide and fund financial statements. Expenditures are incurred during the period benefited by the prepayment.

Fund Balance

The CRA has classified governmental fund balances as follows:

- Nonspendable Fund Balance – Amounts that are inherently not spendable because of their form (such as inventory) and/or that cannot be readily convertible to cash (such as prepaid assets or the long-term portion of loans receivable).
- Restricted Fund Balance – Amounts that have externally enforceable limitations on their use. These amounts are constrained to the specific purposes by their providers (such as grantors, bondholders, or higher levels of government pursuant to enabling legislation, e.g., gas tax revenues that must be used for road repairs).

Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Receivables

All accounts receivable are shown net of allowance for uncollectible accounts. On 10/01/2021, the CRA entered into a 49-month lease as Lessor for the use of a USPS Post Office. An initial lease receivable was recorded in the amount of \$172,966. As of 9/30/24, the value of the lease receivable is \$46,028. The lessee is required to make monthly fixed payments of \$3,545. The lease has an interest rate of 0.2133%. The value of the deferred inflow of resources as of September 30, 2024 was \$45,889, and the City recognized lease revenue of \$42,359 during the fiscal year.

Leases

The CRA is a lessee for leases of office space. The CRA recognizes a lease liability and an intangible right-to-use lease asset (lease asset).

At the commencement of a lease, the CRA initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portions of lease payments made. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

Key estimated and judgments related to leases include how the CRA determines 1) the discount rate it uses to discount the expected lease payments to present value, 2) the lease term, and 3) lease payments.

The CRA uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the CRA generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payments and any purchase option price that the CRA is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or to not exercise a

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Leases (*Continued*)

termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The CRA monitors changes in circumstances that would require a re-measurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Leased assets are reported with other capital assets and lease liabilities and are reported with long-term debt on the statement of net position.

Payments due under the lease contracts include fixed payments. The office space lease includes costs for common area maintenance.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments less any lease incentives receivable.
- The exercise of a purchase option, if it is reasonably certain that the option will be executed.
- Payments of penalties for terminating the lease, if the lease term reflects the CRA exercising that option.

Lease payments made under certain extension options are also included in the measurement of the liability. Extension and termination options are included in the lease agreements. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The CRA is a lessor for noncancelable leases of office space. The CRA recognizes a lease receivable and a deferred inflow of resources.

At the commencement of a lease, the CRA initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Leases (*Continued*)

lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the term of the lease.

Key estimates and judgments include how the CRA determines the 1) discount rate it uses to discount the expected lease receipts to present value, 2) lease term, and 3) lease receipts. The CRA uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is comprised of fixed payments from the lessee.

The CRA monitors changes in circumstances that would require a re-measurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

New Accounting Pronouncements

The CRA adopted one new GASB pronouncement in fiscal year 2024 - GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. Implementation of GASB Statement No. 100 has no effect on the CRA's FY 2024 financial statements.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Future Pronouncements

GASB Statement No. 101, *Compensated Absences*:

The requirement of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements for this Statement are effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 102, *Certain Risk Disclosures*:

The new disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*:

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

This Statement also addresses certain application issues. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*:

The new disclosures will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. GASB Statement No. 104 is effective for the CRA's fiscal year beginning October 1, 2025.

The CRA is currently evaluating the effects that these statements will have on its 2025 and 2026 financial statements.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Adjustments were made to include capital assets (net of accumulated depreciation), lease liability, and a deferred inflow related to the Whitley Bay Marina Legal Settlement on the statement of net position. This resulted in a net difference between the ending General Fund balances and the total net position of \$5,879,617.

Total fund balance	\$ 2,238,340
Capital assets, net	3,783,571
Lease liability	(414,185)
Deferred inflow – Whitley Bay Marina	271,891
Total net position	<u>\$ 5,879,617</u>

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS *(Continued)*

Adjustments were made to include depreciation expense and eliminate capital outlay expenditures, recognize unavailable revenue, and expense uncompleted project in CIP, on the statement of activities. This resulted in a net difference between "excess revenues over expenditures" and "change in net position" of (\$863,287).

Excess of revenues over expenditures	\$ (702,842)
Capital outlay	40,200
Less: Principal payments	60,055
Less: Depreciation/amortization expense	<u>(260,700)</u>
Change in net position	<u>\$ (863,287)</u>

NOTE 3 - POOLED CASH AND EQUIVALENTS

The CRA's cash and equivalents account is combined with the pooled cash of the City. The City's cash accounts consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, all of which were entirely covered by federal depository insurance or by a multiple financial institution collateral pool pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the City maintain deposits only in "qualified public depositories." All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City.

Earnings from the pooled funds are allocated to the CRA based on the CRA's proportionate share of the pool.

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in the CRA's capital assets during the fiscal year ended September 30, 2024:

	Balance October 1, 2023	Additions and Transfers	Deletions and Transfers	Balance September 30, 2024
Governmental Activities				
Land	\$ 4,980	\$ -	\$ -	\$ 4,980
CIP	82,184	40,200	(5,016)	117,368
Total capital assets, not being depreciated	87,164	40,200	(5,017)	122,347
Capital assets being depreciated:				
Buildings	521,897	-	-	521,897
Equipment	155,353	5,017	-	160,370
Intangibles Right-to-use				
Leased Building	590,419	-	-	590,419
Infrastructure	4,692,669	-	-	4,692,669
Less: Accumulated depreciation/amortization	(2,043,432)	(260,700)	-	(2,304,132)
Total capital assets being depreciated	3,916,906	(255,683)	-	3,661,223
Total capital assets	\$ 4,004,070	\$ (215,483)	\$ (5,016)	\$ 3,783,571

Depreciation and amortization expense amounted to \$260,700 during fiscal year 2024, which is included on the statement of activities.

NOTE 5 - LONG-TERM LIABILITIES

LEASES

On October 1, 2021, the Cocoa CRA entered into a 109-month lease as Lessee for the use of the Cocoa Village Partners/Cocoa CRA Post office lease. An initial lease liability was recorded in the amount of \$590,419. As of September 30, 2024, the value of the lease liability is \$414,185. The Cocoa CRA is required to make monthly fixed payments of \$5,943. The lease has an interest rate of 0.4753%. The value of the right to use intangible lease liability as of September 30, 2024, of \$590,419 with

COCOA COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 5 - LONG-TERM LIABILITIES (Continued)

accumulated amortization of \$195,001 is included with Buildings on the Lease Class activities table found below. The Cocoa CRA has one extension option for 60 months.

COCOA CRA ACTIVITIES:

	Balance October 1, 2023	Additions	Reductions	Balance September 30, 2024
Lease Liability				
Buildings				
CVP/CRA Post Office				
Lease	\$ 474,239	\$ -	\$ (60,055)	\$ 414,185
Total Lease Liability	\$ -	\$ -	\$ (60,055)	\$ 414,185

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	62,210	1,834	64,044
2026	64,432	1,533	65,965
2027	66,722	1,222	67,944
2028	69,082	900	69,982
2029 - 2033	151,739	789	152,528
	\$414,185	\$6,278	\$420,463

NOTE 6 - LITIGATION

The City was involved in a lawsuit filed by the Petitioner against the Florida Department of Environmental Protection and the City to obtain a 25-year sovereign submerged land lease related to a boardwalk and promenade constructed jointly by the City and the Petitioner. On November 8, 2005, the parties reached a settlement agreement whereby the Petitioner agreed to reimburse the City for its portion of construction costs in the amount of \$607,837 to be paid in installments through 2009. In accordance with the settlement agreement, the City received \$135,946 and \$200,000 during 2007 and 2006, respectively.

During 2008, the Petitioner suspended payments, as the note payable to the City is subordinate to other debt of the Petitioner. At such time as the priority debt is paid by the Petitioner, they will resume payments to the City. A receivable for the remaining amount due, \$271,891, is recorded as of September 30, 2024 in the CRA fund as a settlement receivable. The related revenue has been deferred in the governmental fund financial statements, as it is not collectible soon enough to pay liabilities of the current period.

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REQUIRED SUPPLEMENTARY INFORMATION

COCOA COMMUNITY REDEVELOPMENT AGENCY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	
GENERAL FUND				
Revenues:				
Intergovernmental	\$ 1,944,443	\$ 1,838,114	\$ 1,838,114	\$ -
Investment Income	-	-	145,071	145,071
Miscellaneous Revenues	-	35,859	78,219	42,360
TOTAL REVENUES	1,944,443	1,873,973	2,061,404	187,431
EXPENDITURES				
Current:				
Economic Environment	474,822	2,711,930	2,661,867	50,073
Capital Outlay	1,900,000	1,020,648	40,200	980,448
Debt Service:				
Principal	-	60,055	60,055	-
Interest	-	2,124	2,124	-
TOTAL EXPENDITURES	2,374,822	3,794,757	2,764,235	1,030,522
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(430,379)	(1,920,784)	(702,842)	1,217,942
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE				
	(430,379)	(1,920,784)	(702,842)	1,217,942
FUND BALANCE - BEGINNING				
	2,941,182	2,941,182	2,941,182	-
FUND BALANCE - ENDING				
	\$ 2,510,803	\$ 1,020,398	\$ 2,238,340	\$ 1,217,942

COMPLIANCE SECTION

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*

Independent Auditor's Report

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and General Fund of the Cocoa Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 CRA'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 over financial reporting 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

We noted certain matters that we reported to management of the CRA in a separate letter dated May 2, 2025.

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

Forvis Mazars, LLP

Orlando, Florida
May 2, 2025

Independent Accountant's Report

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, Florida

We have examined the Cocoa Community Redevelopment Agency's (the "CRA") compliance with the requirements of Sections 163.387(6) and (7) and 218.415, Florida Statutes, during the year ended September 30, 2024. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the CRA's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Independent Auditor's Management Letter

Board of Commissioners
Cocoa Community Redevelopment Agency
Cocoa, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Cocoa Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 *U.S. Code of Federal Regulations, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 2, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

Section 10.554(1)(i)4., *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. The legal authority is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA 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 CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA'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.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the CRA's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific information of the CRA, a dependent district of the City of Cocoa, Florida, that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, is reported in the City of Cocoa's management letter for the fiscal year ended September 30, 2024.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the CRA Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Orlando, Florida
May 2, 2025

**DIAMOND SQUARE
COMMUNITY REDEVELOPMENT AGENCY**

FINANCIAL STATEMENTS

Year Ended September 30, 2024

Cocoa, Florida



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Independent Auditor's Report

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and General Fund of the Diamond Square Community Redevelopment Agency (the "CRA"), a component unit of the City of Cocoa, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the CRA as of September 30, 2024, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the CRA, 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

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, 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 the CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's report that includes our opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 the CRA'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 the CRA'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 that audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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 May 2, 2025, on our consideration of the CRA'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Management's Discussion and Analysis

As management of the Diamond Square Community Redevelopment Agency (the "CRA"), we offer readers of the CRA's financial statements this narrative overview and analysis of the CRA's financial activities for the fiscal year ended September 30, 2024.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

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

The statement of net position presents information on all the CRA's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Also, capital assets are capitalized and depreciated on the statement of net position, whereas related purchases are expended on government fund financial statements.

General Fund. The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the General Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the General Fund Balance Sheet and the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between General Fund and governmental activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Other Information. The CRA adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, current and other assets exceeded liabilities by \$1,003,410 at the close of the most recent fiscal year. This compares with \$1,595,769 at the close of the previous fiscal year, a decrease of \$592,359. Current and other assets decreased \$574,911 due to expenditures. Capital Assets decreased due to depreciation.

	Net Position	
	2024	2023
Current and other assets	\$ 522,387	\$ 1,097,298
Capital assets	499,768	509,334
Total assets	1,022,155	1,606,632
Short-term liabilities outstanding	18,745	10,863
Net position:		
Net investment in capital assets	499,768	509,334
Unrestricted	503,642	1,086,435
Total net position	\$ 1,003,410	\$ 1,595,769

Governmental Activities. The components are as follows: Governmental activities decreased the CRA's net position by \$592,359 in fiscal year 2024. A 26.0% increase in revenue was caused by increases in the City of Cocoa's (the "City") and Brevard County's (the "County") contributions to the Trust Fund due to increased property values. There was also an increase of \$1,712 in investment income due to favorable interest rates. Economic Environment expenses increased \$977,877 due to an increase in contract services for the Alliance for Neighborhood Restoration.

	Changes in Net Position	
	2024	2023
General revenues:		
Intergovernmental	\$ 497,459	\$ 391,157
Investment income	17,170	15,458
Miscellaneous	-	2,500
Total general revenues	514,629	409,115
Expenditures/Expenses:		
Economic Environment	1,091,109	113,232
Depreciation	15,879	15,879
Total expenses	1,106,988	129,111
Change in net position	(592,359)	280,004
Net position – beginning	1,595,769	1,315,765
Net position – ending	\$ 1,003,410	\$ 1,595,769

Financial Analysis of the General Fund

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The purpose of the CRA’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA’s financing requirements. In particular, unassigned fund balance may serve as a useful measurement of a government’s net resources available for spending at the end of the fiscal year.

The only difference between General Fund operations and governmental activities is the accounting presentation for capital outlay. Capital outlay is accounted for as an expenditure in the General Fund and, to the extent it relates to capital asset additions, is replaced by depreciation expense on the statement of activities.

General Fund Budgetary Highlights

The variance between the final budget and actual operating expenditure categories was \$1,206,278. The reasons for this variance were as follows: Grants & Aids variance \$51,185 was due to budget for Upstart Cocoa of \$10,000 was not spent in FY24 and façade grant funding not being spent. Capital outlay was \$191,367 less than budget because a bus stop pad of \$81,000, Provost Park improvements for \$50,000, and stamped pavement of \$50,000 was budgeted and not spent. Other operating costs’ variance of \$45,638 was due to \$38,700 downpayment assistance for Michael C. Blake subdivision and other budgetary differences for various reasons of \$30,262.

Capital Asset Administration

The CRA’s net investment in capital assets as of September 30, 2024, amounts to \$499,768, a decrease of \$9,566. Additional information on the CRA’s capital assets can be found in Note 4 *Capital Assets* in the footnote section of this report.

	Capital Assets (net of depreciation)	
	2024	2023
Land	\$ 181,192	\$ 181,192
Improvements	318,576	328,142
Construction in progress	6,313	-
Total	<u>\$ 499,768</u>	<u>\$ 509,334</u>

Economic Factors and Conditions

The Diamond Square CRA area is characterized by a mix of residential homes, commercial businesses, and light industrial uses. Diamond Square CRA is in the census tract 626 that is approximately 1 square mile with a population of 3,200 and an 80.81% low-moderate income level. Median household income is approximately \$19,103. The median home value is approximately \$264,000, which is 27% lower than the \$362,500 median home value for Brevard County, Florida. The City has spent \$1.6 million in developing vacant property in the heart of the Diamond Square CRA in the Michael C. Blake subdivision to provide affordable housing opportunities and to aid the increase in home property values. To assist in this endeavor the City is looking for contractors to build on available lots. The City of Cocoa is using existing fund balance from the City’s general fund to make ball field, lighting and fencing improvements at

Provost Park to stimulate recreational opportunities for the CRA residents. Planned capital improvements in the CRA include drainage improvements, sidewalks, and lighting improvements on the roadways. The City receives funding each year from Community Development Block Grants (CDBG), the State Housing Assistance Program (SHIP) and HOME to assist the census tract 626 residents with housing, public service and community development needs. In addition, to revitalizing residential areas, the City has Upstart Cocoa, a program to aid the creation of new businesses or expansion of existing businesses.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Director, 65 Stone Street, Cocoa, Florida 32922.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

September 30, 2024

	<u>General Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Net Position</u>
ASSETS			
Cash and cash equivalents	\$ 509,698	\$ -	\$ 509,698
Prepaid items	10,189		10,189
Other receivables	2,500	-	2,500
Capital assets			
Nondepreciable	-	187,505	187,505
Depreciable, net	-	312,263	312,263
TOTAL ASSETS	<u>\$ 522,387</u>	<u>\$ 499,768</u>	<u>\$ 1,022,155</u>
		,	
LIABILITIES			
Accounts payable	\$ 17,477	-	\$ 17,477
Accrued payroll and related liabilities	1,268	-	1,268
TOTAL LIABILITIES	<u>18,745</u>	<u>-</u>	<u>18,745</u>
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	10,189	(10,189)	-
Restricted	493,453	(493,453)	-
TOTAL FUND BALANCES	<u>503,642</u>	<u>(503,642)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 522,387</u>		
Net position:			
Net investment in capital assets		499,768	499,768
Unrestricted		503,642	503,642
TOTAL NET POSITION		<u>\$ 1,003,410</u>	<u>\$ 1,003,410</u>

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

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental	\$ 497,459	\$ -	\$ 497,459
Investment Income	17,170	-	17,170
Miscellaneous	-	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL REVENUES	514,629	-	514,629
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURES/EXPENSES			
Economic Environment	1,073,843	-	1,073,843
Grants and aids	17,266	-	17,266
Capital Outlay	6,313	(6,313)	-
Depreciation	-	15,879	15,879
	<u> </u>	<u> </u>	<u> </u>
TOTAL EXPENDITURES/EXPENSES	1,097,422	9,566	1,106,988
	<u> </u>	<u> </u>	<u> </u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(582,793)	(9,566)	(592,359)
	<u> </u>	<u> </u>	<u> </u>
CHANGE IN FUND BALANCE/NET POSITION	(582,793)	(9,566)	(592,359)
	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES/NET POSITION			
Beginning of the year	1,086,435	509,334	1,595,769
	<u> </u>	<u> </u>	<u> </u>
End of the year	\$ 503,642	\$ 499,768	\$1,003,410
	<u> </u>	<u> </u>	<u> </u>

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

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Diamond Square Community Redevelopment Agency (the "CRA") is a discretely presented component unit of the City of Cocoa, Florida (the "City"). The CRA was organized under Section 163 of the Florida Statutes and formally came into existence in 1998. The Board is appointed by the City of Cocoa City Council and is comprised of seven members who reside in, or are engaged in business in, the area of the Diamond Square Redevelopment Agency's operation.

The CRA was created pursuant to Section 163.356, Florida Statutes, through ordinances passed by the City and the County. It was created as the Census Tract 626 Community Redevelopment Agency via City Resolution 98-019 on March 24, 1998 and later changed to the Diamond Square Community Redevelopment Agency via Resolution 05-99 on March 23, 1999. Its primary activities include the rehabilitation, conservation, or redevelopment of slum or blighted area within the City. The City provides accounting and administrative support to the CRA without charge; the CRA does not have any personnel or administrative facilities.

Pursuant to Florida Statute 163.387, the CRA is funded primarily by incremental ad valorem tax revenues levied and remitted in amounts proportionate to property tax values for each participating entity. The CRA is economically dependent on such revenue.

The accounting policies of the CRA conform to accounting principles generally accepted in the United States of America.

These financial statements present the financial position and results of operations controlled by or dependent upon the CRA. In evaluating the CRA as a reporting entity, management has addressed all potential component units for which the CRA may or may not be financially accountable and, as such, be includable in the CRA's financial statements. No component units exist which would require inclusion in the CRA's financial statements.

Government-wide and Fund Financial Statements

The CRA has only governmental activities and only one function, and, as such, it is eligible for special-purpose financial statement presentation; accordingly, the government-wide financial statements are presented together with the governmental fund financial statements, described below, with an adjustment column presented to reconcile the two sets of statements.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental Fund Financial Statements - The CRA has one governmental fund type, which is the General Fund. The General Fund is the primary operating fund used to account for all resources and operations. Governmental funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred.

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

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Budgets and the Budgetary Process

The CRA's Board adopts an annual operating budget, which can be amended by the Board throughout the year.

At the fund level, actual expenditures cannot exceed the budgeted amounts; however, with proper approval by the Board, budgetary transfers between line items can be made.

The accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual for the General Fund reflects the original and final budget authorization amounts, which includes all amendments. Appropriations lapse at the close of the fiscal year.

The CRA's management cannot amend or transfer appropriations.

For the year ended September 30, 2024, the CRA's budget was prepared on a modified accrual basis.

Cash and Equivalents

Cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash and equivalents are stated at fair value.

Capital Assets

Capital Assets purchased in the General Fund are recorded as expenditures at the time of purchase. It is the policy of the CRA to capitalize property and equipment over \$5,000 or more for equipment or an individual cost of \$25,000 or more for buildings, improvements other than buildings, and infrastructure with an estimated useful life in excess of two years. Lesser amounts are expensed. The CRA does not have donated capital assets.

Depreciation has been recorded over the following estimated useful lives using the straight-line method.

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	15 - 75
Equipment	5 - 20
Vehicles	5 - 20

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Prepays

Prepays represent payments made to vendors for services that will benefit beyond September 30, 2024. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

Fund Balance

The CRA has classified governmental fund balances as follows:

- Nonspendable Fund Balance – represents fund balance that is (a) not in a spendable form, such as prepaid items and inventory, or (b) legally or contractually required to be maintained intact, such as an endowment.
- Restricted Fund Balance – includes all spendable amounts not contained within the other classification of the General Fund. The unassigned fund balance for governmental funds represents the CRA's resources available for future operations.

Estimates and Assumptions

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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements

The CRA adopted one new GASB pronouncement in fiscal year 2024 - GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. Implementation of GASB Statement No. 100 has no effect on the CRA's FY 2024 financial statements.

Future Pronouncements

GASB Statement No. 101, *Compensated Absences*:

The requirement of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements for this Statement are effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 102, *Certain Risk Disclosures*:

The new disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*:

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

This Statement also addresses certain application issues. GASB Statement 102 is effective for the CRA's fiscal year beginning October 1, 2025.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*:

The new disclosures will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. GASB Statement No. 104 is effective for the CRA's fiscal year beginning October 1, 2025.

The CRA is currently evaluating the effects that these statements will have on its 2025 and 2026 financial statements.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Adjustments were made to include capital assets (net of accumulated depreciation) on the statement of net position. This resulted in a net difference between the ending General Fund balances and the total net position of \$499,768.

Total fund balance	\$ 503,642
Capital assets, net	<u>499,768</u>
Total net position	<u>\$1,003,410</u>

Adjustments were made to include depreciation expense and eliminate capital outlay expenditures, if any, on the statement of activities. This resulted in a net difference between "excess revenues over expenditures" and "change in net position" of (\$15,879).

Excess (Deficiency) of revenues over expenditures	\$(576,480)
Less: Depreciation expense	<u>(15,879)</u>
Change in net position	<u>\$(592,359)</u>

NOTE 3 - POOLED CASH AND EQUIVALENTS

The CRA's cash and equivalents account is combined with the pooled cash of the City. The City's cash accounts consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, all of which were entirely covered by federal depository insurance or by a multiple financial institution collateral pool pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the City maintain deposits only in "qualified public depositories." All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City.

Earnings from the pooled funds are allocated to the CRA based on the CRA's proportionate share of the pool.

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in the CRA's capital assets during the fiscal year ended September 30, 2024:

	Balance October 1, 2023	Additions and Transfers	Deletions and Transfers	Balance September 30, 2024
Governmental Activities				
Land	\$ 181,192	\$ -	\$ -	\$ 181,192
Construction in progress		6,313		6,313
Total capital assets, not being depreciated	181,192	6,313	-	187,505
Capital assets being depreciated:				
Improvements other than	477,850	-	-	477,850
Less: Accumulated depreciation	(149,708)	(15,879)	-	(165,587)
Total capital assets being depreciated	328,142	(15,879)	-	312,263
Total capital assets	<u>\$509,334</u>	<u>\$ (9,566)</u>	<u>\$ -</u>	<u>\$ 499,768</u>

Depreciation expense amounted to \$15,879 during fiscal year 2024, which is included on the statement of activities.

REQUIRED SUPPLEMENTARY INFORMATION

DIAMOND SQUARE COMMUNITY REDEVELOPMENT AGENCY

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
GENERAL FUND				
Revenues:				
Intergovernmental	\$ 526,233	\$ 497,459	\$ 497,459	\$ -
Investment Income	-	-	17,170	(17,170)
TOTAL REVENUES	<u>526,233</u>	<u>497,459</u>	<u>514,629</u>	<u>(17,958)</u>
EXPENDITURES				
Current:				
Economic environment	633,917	1,135,535	1,077,661	57,874
Grants and other aids	201,000	58,320	7,135	51,185
Capital outlay	<u>60,000</u>	<u>197,680</u>	<u>6,313</u>	<u>191,367</u>
TOTAL EXPENDITURES	<u>894,917</u>	<u>1,391,535</u>	<u>1,091,109</u>	<u>300,426</u>
NET CHANGE IN FUND BALANCE	(368,684)	(894,076)	(576,480)	317,596
FUND BALANCE - BEGINNING	<u>-</u>	<u>-</u>	<u>1,086,435</u>	<u>888,682</u>
FUND BALANCE - ENDING	<u>\$ (368,684)</u>	<u>\$ (894,076)</u>	<u>\$ 509,955</u>	<u>\$ 1,206,278</u>

COMPLIANCE SECTION

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*

Independent Auditor's Report

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and General Fund of the Diamond Square Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 CRA'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 over financial reporting 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

We noted certain matters that we reported to management of the CRA in a separate letter dated May 2, 2025.

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

Forvis Mazars, LLP

Orlando, Florida
May 2, 2025

Independent Accountant's Report

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, Florida

We have examined the Diamond Square Community Redevelopment Agency's (the "CRA") compliance with the requirements of Sections 163.387(6) and (7) and 218.415, Florida Statutes, during the year ended September 30, 2024. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the CRA's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

Forvis Mazars, LLP

**Orlando, Florida
May 2, 2025**

Independent Auditor's Management Letter

Board of Commissioners
Diamond Square Community Redevelopment Agency
Cocoa, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Diamond Square Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated May 2, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; Title 2 *U.S. Code of Federal Regulations, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 2, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

Section 10.554(1)(i)4., *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. The legal authority is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA 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 CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA'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.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the CRA's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific information of the CRA, a dependent district of the City of Cocoa, Florida, that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, is reported in the City of Cocoa's management letter for the fiscal year ended September 30, 2024.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the CRA Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Orlando, Florida
May 2, 2025

DOWNTOWN COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY



2024 ANNUAL REPORT



**DOWNTOWN COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY
BOARD MEMBERS**



JEREMY HUTCHERSON



SKIP WILLIAMS



KEITH CAPIZZI



TIM TUMULTY



JOSHUA JACKSON

CRA CHAIR

CITY OF COCOA BEACH:

**CITY MANAGER:
WAYNE CARRAGINO**



CRA ADMINISTRATOR: DEVAN TALY

FINANCE DIRECTOR: HANA JUMAN

DEVELOPMENT SERVICES DIRECTOR: DAVID DICKEY

REGISTERED AGENT AND CITY CLERK: KARIN GROOMS

AUDITORS: MAULDIN & JENKINS, LLC.





DOWNTOWN COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY (DCBCRA)

REDEVELOPMENT PLAN PURPOSE



- ⇒ **SERVE TO ELIMINATE AND REDUCE BLIGHT**
- ⇒ **ESTABLISH COMMUNITY POLICING TO ENCOURAGE COMPLIANCE WITH ESTABLISHED COMMUNITY STANDARDS**
- ⇒ **PROVIDE AND ENCOURAGE THE EXPANSION OF STORMWATER SYSTEMS AND IMPROVEMENTS TO INFRASTRUCTURE**
- ⇒ **PROVIDE AND SUPPORT IMPROVEMENT OF THE ROADWAY NETWORK AND PROMOTE PEDESTRIAN AND BICYCLE SAFE INFRASTRUCTURE**
- ⇒ **PROVIDE AND ENCOURAGE IMPROVEMENTS TO PARKING**
- ⇒ **PROVIDE AND ENCOURAGE IMPROVEMENTS TO LANDSCAPING AND STREETScape**
- ⇒ **ENCOURAGE AND PROVIDE INCENTIVES FOR APPROPRIATE ECONOMIC DEVELOPMENT**
- ⇒ **ENCOURAGE AND FOSTER THE DEVELOPMENT OF ACTIVITIES WHICH IMPACT OUR CULTURE AND QUALITY OF LIFE**
- ⇒ **ANY AND ALL ADDITIONAL PROGRAMS, PROJECTS, AND ACTIVITIES WHICH MAY BE IDENTIFIED BY THE DCBCRA THAT IS CONSISTENT WITH THIS COMPREHENSIVE COMMUNITY REDEVELOPMENT PLAN**



WHAT IS A CRA?

GOVERNING BODY OF CRA

1. A Community Redevelopment Agency (CRA) is a specific geographic area that has met the physical and/or economical conditions of a blighted area as defined in the Community Redevelopment Act of 1969 (Florida Statutes, Chapter 163, Part III).
2. The area has to be formally designated by the local government as appropriate for redevelopment.
3. It has to be determined that dedicated resources should be used to reduce or eliminate these blighted conditions and to stimulate community and economic revitalization.
4. Once the CRA is established, Tax Increment Financing (TIF) programs may be implemented.
5. TIF programs are generally long-term, 30-year commitments.
6. CRA's have been created in other states throughout the country with Florida having more than 140.
7. The Community Redevelopment Act specifies that the governing body of the CRA jurisdiction is from which the area is located.
8. A five to seven member Board, created by the local government, administers the activities and programs within the CRA. The City Commission can act as the Community Redevelopment Agency board, but must act as a separate and distinct agency.
9. Annual budgets, financial reporting, and activity reports are also required by the Community Redevelopment Act.



HISTORY

Redevelopment of the City's historic downtown area has been a focus of the City Commission beginning since the 1990's. Following the enabling of area plans in the City's Comprehensive Plan of 2005, the City began a deliberate planning effort for the City's Historic Downtown area. The result of the planning effort has led to the creation of the Downtown Cocoa Beach Community Redevelopment Agency. (DCBCRA) Anticipating that 2012 would be the year that property values "bottom out" following the national recession of 2007-2009, the CRA completed the Downtown Cocoa Beach Community Redevelopment Plan with professional help of planning consultant, Lawandales Planning Affiliates. The Plan was developed with extensive and collaborative input from citizens and businesses of Cocoa Beach, and relied upon studies and plans developed by city staff and consulting firms Zyscovich Architects and Miller Legg and Associates.

AGENCY OVERVIEW

In accordance with City of Cocoa Beach Charter Section 6.06, on January 29, 2008, the electorate of the City voted to authorize establishment of a Downtown Cocoa Beach Community Redevelopment Agency (DCBCRA).

On April 2, 2008, the Cocoa Beach City Commission adopted Resolution No. 2008-13 requesting Brevard County to delegate to the City Commission the powers to create a Downtown Cocoa Beach Community Redevelopment Agency.

The Brevard County Board of County Commissioners (BCBoFCC) authorized the City to create the DCBCRA, with their adoption of County Resolution 08-125 on May 29, 2008.

With this authority, on August 20, 2009, the City Commission adopted Resolution No. 009-20, finding the need for a CRA given the City's July 2009 "Finding of Necessity" as required by Florida Statute 163.355, in the possible creation of a CRA. This resolution also identified the Redevelopment Area.

Based on the adopted "Finding of Necessity", the City Commission adopted Resolution No. 2009-28 on November 19, 2009, establishing the DCBCRA.

The City Commission adopted Resolution No. 2012-13 on May 17, 2012. Per Florida Statutes Chapter 163.360 the city was required to adopt a plan. The plan was adopted following a review and recommendation by the City's Planning Board (local planning agency) as to the plan's conformity with the City's comprehensive plan.

In Cocoa Beach, the CRA Board has been determined to be the City Commission. No other governance structure, such as an Advisory Board, has been created.

Brevard County Commission signed an interlocal Agreement with the DCBCRA to continue with the CRA and the building of the Parking Garage.

The DCBCRA is the City's only CRA district, and this is the tenth annual report for that agency. The DCBCRA signed an interlocal agreement with the Brevard County Board of Commissioners February 2018. Per the interlocal agreement the CRA shall expire on December 31, 2033.

The Downtown Cocoa Beach Community Redevelopment Agency consists of approximately 234 acres located in the downtown Cocoa Beach. This district is comprised of distinct land uses, physical characteristics and functions. The Land uses of the downtown include, residential, offices/professional, commercial/retail, light industrial, restaurants/bars and mixed use.



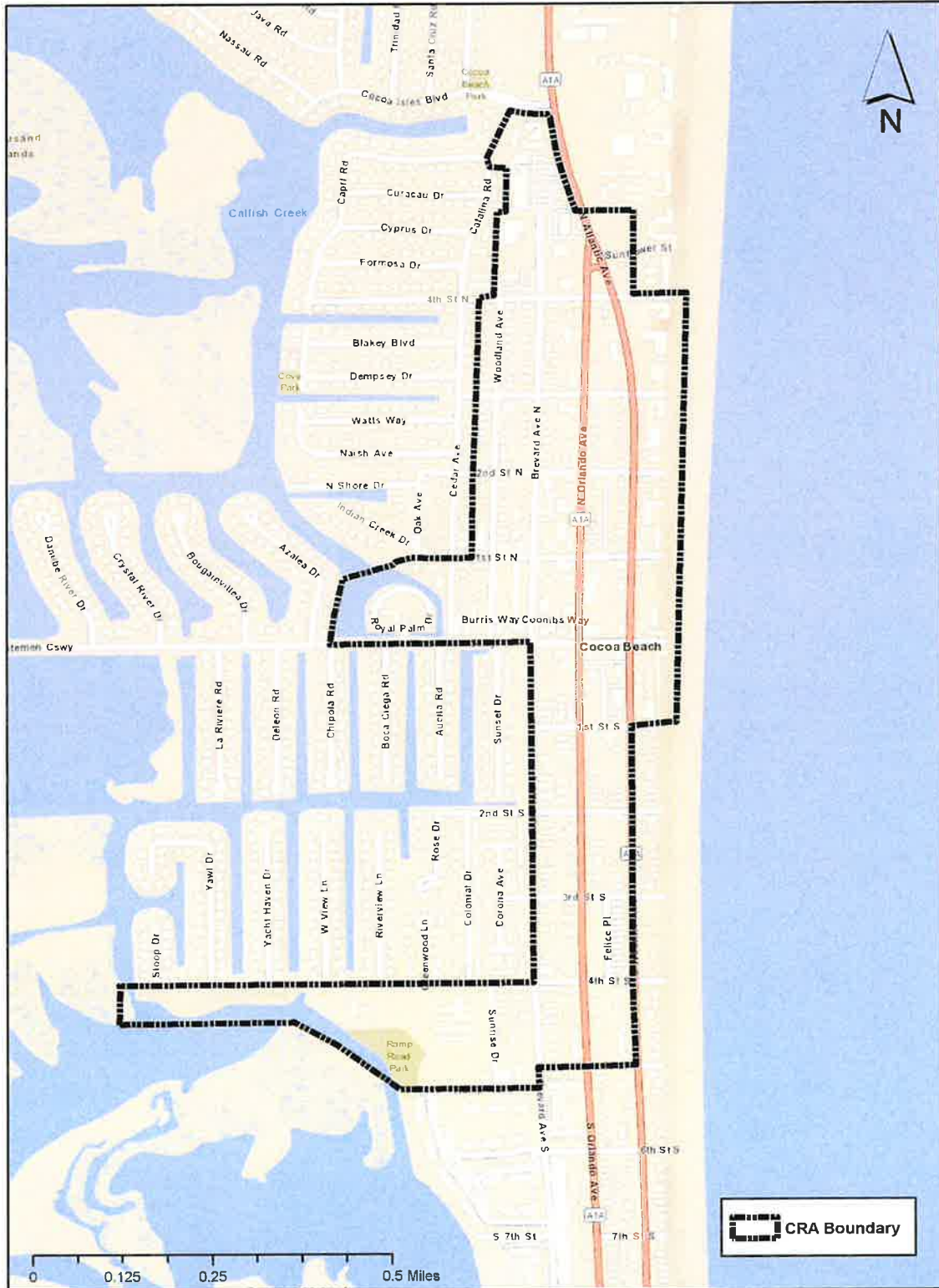
ASSESSED VALUES OVER LAST 10 YEARS

YEAR	ASSESSED VALUE
2008-BASE YEAR	\$118,031,690
2015	\$144,861,700
2016	\$161,977,000
2017	\$176,352,730
2018	\$189,226,110
2019	\$197,339,050
2020	\$212,557,070
2021	\$228,158,640
2022	\$259,707,570
2023	\$276,282,850
2024	\$284,368,030



DCBCRA GEOGRAPHICAL AREA

CRA Map



2024 BUDGET

The Downtown Cocoa Beach Community Redevelopment Agency prepares the annual budget every year and is brought before the board for approval. Once approved, the board will send the final budget to the City Commission to be adopted along with the City's annual budget.

The annual budget has funds for the entire CRA as well as the Parking Garage located in the downtown area.

All data can be found on the City website at www.cityofcocoa beach.com.



FUND: COMMUNITY REDEVELOPMENT (CRA)

ACCOUNT CODE: 125-0000

Fund: Community Redevelopment (CRA)

Account Codes: 125-0000

SOURCES OF FUNDS

	2021	2022	2023	2023	2024
	Actual	Actual	Amended Budget	Estimated	Approved Budget
INTERGOVERNMENTAL					
330 10-00 Intergovernmental - City	468,507	555,429	762,606	762,606	887,799
330 20-00 Intergovernmental - County	296,797	332,647	433,974	403,534	464,352
TOTAL TAXES	765,304	888,076	1,196,580	1,166,140	1,352,151
MISCELLANEOUS REVENUES					
361 20-00 Interest on Investment	(64)	(384)	—	1,107	—
361 90-00 MKT Unrealized Gain/Loss	167	402	377	23,174	8,596
369 30-00 Insurance Refunds	8,894	—	—	—	—
369 40-00 Misc. Other	385	3,000	—	1,000	—
TOTAL MISCELLANEOUS REVENUES	9,382	3,018	377	25,281	8,596
TOTAL REVENUES	774,686	891,094	1,196,957	1,191,421	1,360,747
FUNDS FORWARD					
0000-389. 99-10 Appropriated Fund Balance	324,491	567,312	963,244	963,244	1,698,341
TOTAL SOURCES	1,099,177	1,458,406	2,160,201	2,154,665	3,059,088

The Interlocal Agreement between the City and the County states that 75% of the TIF received from the County be used to retire the bond that was acquired to build the Parking Garage. All of the monies collected from the County through TIF were applied to the Parking Garage Bond.



FUND: COMMUNITY REDEVELOPMENT (CRA)

ACCOUNT CODE: 125-9310

Fund: Community Redevelopment (CRA)

Account Codes: 125-9310

	USES OF FUNDS				
	2021 Actual	2022 Actual	2023 Amended Budget	2023 Estimated	2024 Approved Budget
CRA OPERATING					
559 31-00 Professional Services	9,865	43,246	9,500	1,174	84,500
559 32-10 Auditor	3,000	2,032	5,100	5,100	5,180
559 34-40 Support Services	—	2,000	—	—	56,000
559 45-05 General Liability	5,789	5,980	6,950	6,268	7,367
559 45-45 Cyber/Computer Liability	—	—	—	598	628
559 47-00 Printing and Binding	187	290	1,000	99	2,500
559 52-50 Other	1,723	32	—	—	—
559 54-10 Publications & memberships	—	670	250	1,170	1,000
Subtotal CRA Operating	20,564	54,250	22,800	14,409	157,175
CAPITAL OUTLAY					
559 64-20 Furniture & Equipment	—	—	1,600,000	—	50,000
Subtotal Capital Outlay	—	—	1,600,000	—	50,000
GRANTS/AID					
559 80-00 Aid/Private Organizations	—	—	—	—	200,000
Subtotal Grants	—	—	—	—	200,000
TRANSFERS					
559 91-10 Repayment of Advance to General Fund	87,315	1,252	1,290	1,290	—
559 91-40 Repayment to Stormwater (Minutemen Proj)	20,000	40,000	40,000	40,000	40,000
91-70 Capital Improvement/Buildings - City Hall					
581 Wash Through	—	—	—	—	1,500,000
91-70 Improvements O/T Buildings Cultural Green					
581 Space	—	—	—	—	1,650,000
Subtotal Transfers	107,315	41,252	41,290	41,290	3,190,000
DEBT					
559 71-00 Principal	240,000	250,000	265,000	265,000	280,000
559 72-00 Interest	164,018	149,661	135,625	135,625	122,000
559 73-00 Other Debt Costs	(32)	(1)	—	—	—
Subtotal Debt	403,986	399,660	400,625	400,625	402,000
TOTAL EXPENSES	531,865	495,162	2,064,715	456,324	3,999,175
RESERVES					
9310-590.90-10 Reserved Future Appropriations	567,312	963,244	95,486	1,698,341	(940,087)
TOTAL USES	1,099,177	1,458,406	2,160,201	2,154,665	3,059,088



FUND: COMMUNITY REDEVELOPMENT (CRA)

ACCOUNT CODE: 125-9320

Fund: Community Redevelopment (CRA)

Account Codes: 125-9320 (Parking Garage)

SOURCES OF FUNDS

	2021	2022	2023	2023	2024
	Actual	Actual	Amended Budget	Estimated	Approved Budget
CHARGES FOR SERVICES					
344. 40-00 Electric Charging Stations	611	1,237	1,000	1,111	1,000
344. 60-15 Taxable Meter Fees	268,916	371,698	350,000	385,632	375,000
344. 60-20 Parking Citations	52,514	59,790	40,000	65,858	50,000
TOTAL CHARGES FOR SERVICES	322,041	432,725	391,000	452,601	426,000
MISCELLANEOUS REVENUES					
361 10-00 Int Truist Pooled Funds	—	7	—	—	—
361 20-00 Interest on Investment	(27)	(186)	—	461	—
369 90-00 Misc. Other	69	196	123	9,651	2,804
TOTAL MISCELLANEOUS REVENUES	42	17	123	10,112	2,804
TOTAL REVENUES	322,083	432,742	391,123	462,713	428,804
FUNDS FORWARD					
0000-389. 99-10 Appropriated Fund Balance	10,868	236,246	553,792	553,792	920,527
TOTAL SOURCES	332,951	668,988	944,915	1,016,505	1,349,331



FUND: COMMUNITY REDEVELOPMENT (CRA)

ACCOUNT CODE: 125-9320

Fund: Community Redevelopment (CRA)

Account Codes: 125-9320 (Parking Garage)

USES OF FUNDS					
	2021	2022	2023	2023	2024
	Actual	Actual	Amended Budget	Estimated	Approved Budget
Personal					
559 12-12 Regular	—	—	—	—	55,680
559 13-10 Part Time	—	10,186	27,840	—	—
559 21-00 FICA Taxes	—	779	2,129	—	4,260
559 22-10 General Employees Pension	—	—	—	—	5,148
559 23-10 Group Health	—	—	—	—	24,499
559 23-20 Group Life	—	—	—	—	111
559 23-30 Dental Plan	—	—	—	—	501
559 24-00 Workers Compensation	—	557	2,664	—	2,664
Subtotal Personal	—	11,522	32,633	—	92,863
DOWNTOWN GARAGE OPERATING					
559 34-20 Bank Charges	10,367	13,159	9,634	7,889	9,634
559 34-40 Support Services	53,364	50,942	105,000	49,267	86,275
559 45-15 Property Insurance	11,363	13,337	13,254	14,453	27,424
559 43-10 Electric	9,207	9,983	9,752	8,123	9,752
559 43-20 Water & Sewer	6,457	6,593	9,955	8,476	9,955
559 49-15 Other Current Charges	1,698	2,557	2,000	2,229	2,000
559 52-50 Other Supplies	4,249	7,103	6,000	5,541	6,000
Subtotal Operating	96,705	103,674	155,595	95,978	151,040
CAPITAL OUTLAY					
559 63-21 Improvements O/T Bldg CRA Parking Garage	—	—	—	—	575,000
Subtotal Capital Outlay	—	—	—	—	575,000
TOTAL EXPENDITURES	96,705	115,196	188,228	95,978	818,903
RESERVES					
9320-590.90-10 Reserved Future Appropriations	93,323	553,792	756,687	920,527	530,428
TOTAL USES	190,028	668,988	944,915	1,016,505	1,349,331



FUND: COMMUNITY REDEVELOPMENT (CRA)

EXPENSE REPORT FY2024

ACCOUNT #	ELEMENT DESCRIPTION	SUM OF NET EXPENSE
125-9310-559.31-00	Professional Services	4,550.56
125-9310-559.32-10	Accounting & Auditing	5,100.00
125-9310-559.34-40	Support Services	56,125.60
125-9310-559.45-05	Insurance/General Liability	6,211.08
125-9310-559.45-45	Insurance/Cyber/Computer	627.96
125-9310-559.47-00	Printing & Binding	95.85
125-9310-559.54-10	Books, Publication & Membership	1,367.69
125-9310-559.63-10	Improvements O/T Bldgs	10,970.32
125-9310-559.71-00	Principal	280,000.00
125-9310-559.72-00	Interest	122,000.00
125-9310-559.80-00	Other Grants & Aids	50,000.00
125-9310-559.91-40	Transfers/Stormwater Repay	40,000.00
125-9320-559.12-12	Regular	51,542.37
125-9320-559.21-00	FICA Taxes	3,931.67
125-9320-559.23-10	Group Hospitalization	8,674.65
125-9320-559.23-20	Group Life	164.57
125-9320-559.23-30	Dental Plan	234.63
125-9320-559.24-00	Workers Compensation	6.36
125-9320-559.31-99	Payroll Processing Fees	323.12
125-9320-559.34-20	Bank Charges	15,969.22
125-9320-559.34-40	Support Services	120,865.85
125-9320-559.43-10	Electric	11,018.54
125-9320-559.43-20	Water & Sewer	8,876.88
125-9320-559.45-15	Insurance/Property	21,939.96
125-9320-559.46-05	Building Maintenance	11,584.50
125-9320-559.49-15	Collection Agency	1,720.51
125-9320-559.52-50	Operating Supplies	9,123.06
125-9320-559.63-21	Improvements O/T Bldgs	157,640.83

PERSONNEL SCHEDULE

PERSONNEL SCHEDULE			
DEPARTMENT: Community Redevelopment (CRA)			
POSITION TITLE:	NUMBER OF POSITIONS		
	BUDGET 2023	CHANGE	BUDGET 2024
FULL-TIME			
Garage Maintenance	—	1	1
TOTAL FULL-TIME	—	1	1
PART-TIME			
Garage Maintenance	1	(1)	—
TOTAL PART-TIME	1	(1)	—
TOTAL PERSONAL SERVICES	1	—	1



2024 DOWNTOWN COCOA BEACH COMMUNITY REDEVELOPMENT AGENCY REVIEW



1. For 2024, the CRA Bond continued the focus of making the required bond payments and providing continual maintenance on the Downtown Parking Garage.
2. Redevelopment in the CRA is slowly increasing and allowing for increased taxable values. This includes both residential and commercial properties. Many of the homes within the CRA are being purchased and updated for vacation rentals. Therefore, the demand is high for property within the CRA boundaries and throughout Cocoa Beach.
3. As the economy for the future, the CRA board has committed to focusing on the repayment of the bond and the continual updating and repairs of the parking garage.
4. Property values in the CRA have consistently increased since 2008. This increase has allowed to have funds to be set aside for maintenance of the parking garage. The bond documents do not allow for early repayment for approximately 10 years.
5. To continue on the CRA Redevelopment plan, the city is working on the construction phase of Cocoa Beach Centennial Square. Design phase took place in 2023. This space will allow for residents and visitor to have a green space in the downtown location. This will always be a location for events to held regularly.



**DOWNTOWN COCOA BEACH
COMMUNITY REDEVELOPMENT AGENCY
(A Component Unit of the City of Cocoa Beach, Florida)**

FINANCIAL STATEMENTS

**Fiscal Year Ended
September 30, 2024**

**Prepared by:
Hana Juman, Finance Director
Devan Taly, Deputy Finance Director
With the assistance of the Finance Department staff**



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INTRODUCTORY SECTION



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Downtown Cocoa Beach Community Redevelopment Agency

AGENCY OFFICIALS

YEAR ENDED SEPTEMBER 30, 2024

Agency Board Members

Keith Capizzi, Mayor
Skip Williams, Vice-Mayor
Jeremy Hutcherson, Commissioner
Joshua Jackson, Commissioner
Karalyn Woulas, Commissioner

Administrator

Devan Taly





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FINANCIAL SECTION



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Independent Auditor's Report

**Board of Directors and CRA Administrator
Downtown Cocoa Beach Community Redevelopment Agency
Cocoa Beach, Florida**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund (the "General Fund") of the Downtown Cocoa Beach Community Redevelopment Agency (the "CRA"), a component unit of the City of Cocoa Beach, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and major fund (the "General Fund") of the CRA, as of September 30, 2024, and the respective changes in financial position and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the CRA 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 opinions.

Responsibilities of Management for the Financial Statements

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 the CRA'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.

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the CRA'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 the CRA'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 9 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2025, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 the CRA'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 the CRA's internal control over financial reporting and compliance.



Bradenton, Florida
March 13, 2025



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MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the Downtown Cocoa Beach Community Redevelopment Agency (the "CRA") is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the CRA's financial activity, (c) identify changes in the CRA's financial position, (d) identify any material deviations from the financial plan, and (e) identify its ability to address the net year's challenges. Lastly, the MD&A will recognize any material deviations from the approved budget.

The Downtown Cocoa Beach Community Redevelopment Agency was established in 2009 by the City of Cocoa Beach Commission under Chapter 163, Part III, Florida Statutes. The CRA is a dependent taxing district and a component unit of the City of Cocoa Beach, Florida (the "City"). The CRA is responsible for promoting economic redevelopment activities that include reducing or eliminating blight, improving the tax base, and encouraging public and private investments in the redevelopment area. In Cocoa Beach, the CRA Board has been determined to be the City Commission. No other governance structure, such as an Advisory Board, has been created.

The CRA has presented its financial statements in accordance with the reporting model required by Governmental Accounting Standards Board Statement No 34, *Basic Financial Statements and Managements' Discussion and Analysis for State and Local Governments*.

Financial Highlights

- The assets of the CRA exceeded its liabilities as of September 30, 2024, by \$2,773,305 (net position). Of this amount, \$1,317,148 (net position restricted for community redevelopment) may be used to meet the CRA's ongoing obligations to citizens and creditors.
- The CRA's total net position decreased by \$1,054,505.
- The CRA's tax increment revenues increased by \$160,720. This resulted from increased property values with the CRA district from Fiscal Year 2023 to Fiscal Year 2024.
- Total external debt decreased by \$280,000 in Fiscal Year 2024. The decrease is attributed to the principal payment on debt.

FINANCIAL STATEMENTS

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the CRA's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. This supplementary information should be considered an integral part of the financial statements.

Government-Wide Financial Statements

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

The statement of net position presents information on all of the CRA's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Additionally, capital assets are capitalized and depreciated on the statement of net position whereas related purchases are expended on government fund financial statements.

General Fund

The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Other Information

The CRA adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial report represents the approach mandated by the Governmental Accounting Standards Board (GASB). GASB sets the uniform standards for presenting government financial reports.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The CRA's net position was \$2,773,305 at the close of the Fiscal Year 2024. This is a \$1,054,505 decrease in net position over the \$3,827,810 reported in the prior fiscal year.

The following schedule is a summary of the Fiscal Year 2024 Statement of Net Position with comparative information for Fiscal Year 2023.

Statement of Net Position

	2024	2023
Current and other assets	\$ 1,746,749	\$ 2,823,643
Capital assets	4,416,493	4,373,373
Total assets	<u>\$ 6,163,242</u>	<u>\$ 7,197,016</u>
Long-term liabilities outstanding	\$ 2,960,336	\$ 3,017,601
Other liabilities	429,601	351,605
Total liabilities	<u>\$ 3,389,937</u>	<u>\$ 3,369,206</u>
Net investment in capital assets	\$ 1,456,157	\$ 1,075,772
Restricted	1,317,148	2,752,038
Total net position	<u>\$ 2,773,305</u>	<u>\$ 3,827,810</u>

As stated above, the CRA's net position totaled \$2,773,305 at the end of Fiscal Year 2024. It should be noted that the resources needed to repay the CRA Parking Garage debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The CRA uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The change in net position balance from Fiscal Year 2024 to Fiscal Year 2023 is \$1,054,505 as shown in the Schedule of Changes in Net Position on the next page. This change includes increased tax revenue because of an increase in property values located within the CRA. Some revenues and other financing sources had comparatively modest increases over the prior fiscal year, while the expenditures associated with maintenance of the parking garage increased somewhat over the former fiscal period.

The following schedule of Changes in Net Position shows activities for Fiscal Year 2024 with comparative information for Fiscal Year 2023:

Statement of Activities

	2024	2023
Revenues		
General revenues		
Property tax assessments	\$ 1,326,860	\$ 1,166,140
Charges for services	564,893	648,148
Investment income	58,619	57,763
Miscellaneous income	40	-
Total revenues	1,950,412	1,872,051
Expenses		
Economic environment	399,843	131,924
Depreciation	125,491	125,491
Interest and other	50,485	100,381
Total expenses	575,819	357,796
Interfund transfers out	(2,429,098)	(40,000)
Change in net position	(1,054,505)	1,474,255
Beginning net position	3,827,810	2,353,555
Ending net position	\$ 2,773,305	\$ 3,827,810

General Fund Budgetary Highlights

A budget to actual statement is provided for the General Fund. A budget column for both the original budget adopted for Fiscal Year 2024 as well as the final budget is presented. A comparison of the final budget to the actual amounts for current expenditures shows a final difference of \$1,411,916. This is because operating expenditure actuals were overall below budgeted amounts and transfers for repayments of advances are excluded.

CRA Tax Increment Financing (TIF)

Monies from the incremental increase in property tax revenue (TIF) collected within the designated redevelopment area is recorded in the CRA. Consistent with State law, revenues are utilized and expended in accordance with the Community Redevelopment Plan. The TIF has continued to increase in subsequent years as taxable values have risen. The increase from 2023 to 2024 is \$160,720.

Community Redevelopment Agency Fund (CRA) Tax Increment Values and Payments

	2024	2023	Increase (Decrease)
Taxable value	\$ 270,687,284	\$ 249,309,420	\$ 21,377,864
Less: Base year value	(119,086,930)	(119,086,930)	-
Net taxable value	<u>\$ 151,600,354</u>	<u>\$ 130,222,490</u>	<u>\$ 21,377,864</u>
County tax rate per \$1,000 of value	3.2619	3.2619	0.0000
City tax rate per \$1,000 of value	6.1644	6.1644	0.0000
Tax increment payments:			
County	\$ 439,061	\$ 403,534	\$ 35,527
City	887,799	762,606	125,193
Total tax increment payments	<u>\$ 1,326,860</u>	<u>\$ 1,166,140</u>	<u>\$ 160,720</u>

CAPITAL ASSET ADMINISTRATION

Capital Assets

The CRA's investment in capital assets as of September 30, 2024 is \$4,416,493 (net of accumulated depreciation). This investment in capital assets includes the parking garage facility and improvements to the facility. Governmental activities net investment in capital assets increased by \$43,120 for depreciation. The schedule of changes in capital assets from the current fiscal year to the prior fiscal year is included in the following:

Capital Assets (Net of Accumulated Depreciation)

	2024	2023
Construction in progress	\$ 168,611	\$ -
Buildings	4,218,736	4,340,805
Improvements	29,146	32,568
	<u>\$ 4,416,493</u>	<u>\$ 4,373,373</u>

DEBT ADMINISTRATION

Long-Term Debt

At the end of the current fiscal year, the CRA had total long-term debt in the amount of \$2,760,000.

In Fiscal Year 2017, debt was issued with Florida Municipal Loan Council (FMLC) Revenue Bond 2017B to fund the design and construction of the new parking garage in the Community Redevelopment Agency (CRA). The first payment on the principal of Revenue Bond 2017B was not made until FY 2019 and the outstanding balance is currently \$2,760,000. See Note 2 to the financial statements for additional information.

	Schedule of Outstanding Debt	
	2024	2023
CRA Improvement Revenue Bonds, Series 2017B	\$ 2,760,000	\$ 3,040,000

Total external debt decreased by \$280,000 in Fiscal Year 2024. The decrease is attributed to the principal payment on debt.

ECONOMIC FACTORS AND CHALLENGES

In Fiscal Year 2024, the City continued the construction phase of developing the $\frac{3}{4}$ -acre area where the old City Hall building was located. The cost of the cultural green space is estimated at \$1.65 million, and the estimated cost to the CRA of the wash through is estimated at \$1.5 million. Construction is estimated to reach completion by March of 2025.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the CRA's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Hana Juman, Finance Director, 2 S Orlando Ave, Cocoa Beach, Florida, 32931 or hana.juman@cityofcocoabeach.com. The financial statements are posted on the City's web site at www.cityofcocoabeach.com.

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 29,295
Investments	1,322,690
Accounts receivable	10,939
Prepays	383,825
Capital assets, nondepreciable	168,611
Capital assets, net of accumulated depreciation	4,247,882
Total assets	6,163,242
LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	2,406
Accrued expenses	257,490
Accrued interest	50,250
Other current liabilities	119,455
Noncurrent liabilities	
Due within one year	318,619
Due in more than one year	2,641,717
Total liabilities	3,389,937
NET POSITION	
Net investment in capital assets	1,456,157
Restricted	1,317,148
Total net position	\$ 2,773,305

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

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Functions/programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Economic environment	\$ 525,334	\$ 564,893	\$ -	\$ 39,559
Interest and other fiscal charges	50,485	-	-	(50,485)
Total governmental activities	<u>\$ 575,819</u>	<u>\$ 564,893</u>	<u>\$ -</u>	<u>(10,926)</u>
General revenues				
Property taxes				1,326,860
Unrestricted investment earnings				58,619
Other revenue				40
Transfers to primary government				<u>(2,429,098)</u>
Total general revenues and transfers				<u>(1,043,579)</u>
Change in net position				(1,054,505)
Net position, beginning				<u>3,827,810</u>
Net position, ending				<u>\$ 2,773,305</u>

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

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

BALANCE SHEET - GENERAL FUND

SEPTEMBER 30, 2024

ASSETS	
Cash	\$ 29,295
Investments	1,322,690
Accounts receivable	10,939
Prepaid items	383,825
Total assets	<u>\$ 1,746,749</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable and accrued liabilities	\$ 2,406
Accrued expenses	257,490
Other current liabilities	119,455
Total liabilities	<u>379,351</u>
FUND BALANCE	
Nonspendable:	
Prepays	383,825
Restricted for:	
Community redevelopment	983,573
Total fund balance	<u>1,367,398</u>
Total liabilities and fund balance	<u>\$ 1,746,749</u>

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

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION SEPTEMBER 30, 2024

Total fund balance, General Fund		\$	1,367,398
Amounts reported for the governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Capital assets	\$	5,629,256	
Less accumulated depreciation		(1,212,763)	
			<u>4,416,493</u>
Long-term liabilities are not due and payable in the current period and therefore are not reported in the General Fund.			
			<u>(2,960,336)</u>
Interest on long-term debt is not accrued in governmental funds but rather is recognized as an expenditure when due.			
			<u>(50,250)</u>
Total net position, governmental activities		\$	<u><u>2,773,305</u></u>

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

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

REVENUES

Property taxes	\$	1,326,860
Charges for services		564,893
Investment earnings		58,619
Other revenues		40
Total revenues		<u>1,950,412</u>

EXPENDITURES

Current		
Economic environment		2,828,941
Debt service		
Principal		280,000
Interest		122,000
Capital outlay		168,611
Total expenditures		<u>3,399,552</u>

Deficiency of revenues under expenditures		<u>(1,449,140)</u>
---	--	--------------------

Net change in fund balance		(1,449,140)
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Fund balance, beginning		<u>2,816,538</u>
-------------------------	--	------------------

Fund balance, ending	\$	<u>1,367,398</u>
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The accompanying notes are an integral part of the financial statements.

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GENERAL FUND TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

Net change in fund balance, General Fund	\$	(1,449,140)
--	----	-------------

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.

Capital outlay	\$	168,611	
Depreciation expense		(125,491)	
			<u>43,120</u>

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.

280,000

Interest on long-term debt is not accrued in governmental funds but rather is recognized as an expenditure when due.

Accrued interest and amortization of bond premium		<u>71,515</u>	
			<u>71,515</u>

Change in net position of governmental activities	\$	<u><u>(1,054,505)</u></u>
---	----	---------------------------

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

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual Amount	Variance With Final Budget
Revenues				
Property taxes	\$ 887,799	\$ 887,799	\$ 887,799	\$ -
Intergovernmental revenue	464,352	464,352	439,061	(25,291)
Charges for services	426,000	426,000	564,893	138,893
Investment income	11,400	11,400	58,619	47,219
Other revenues	-	-	40	40
Total revenues	<u>1,789,551</u>	<u>1,789,551</u>	<u>1,950,412</u>	<u>160,861</u>
Expenditures				
Current				
Economic environment	3,791,078	3,784,468	2,828,941	955,527
Debt service				
Principal	280,000	280,000	280,000	-
Interest	122,000	122,000	122,000	-
Capital outlay	625,000	625,000	168,611	456,389
Total expenditures	<u>4,818,078</u>	<u>4,811,468</u>	<u>3,399,552</u>	<u>1,411,916</u>
Excess of revenues over expenditures	<u>(3,028,527)</u>	<u>(3,021,917)</u>	<u>(1,449,140)</u>	<u>1,572,777</u>
Change in fund balances	(1,238,976)	(1,232,366)	501,272	1,733,638
Fund balances, beginning	<u>2,816,538</u>	<u>2,816,538</u>	<u>2,816,538</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,577,562</u>	<u>\$ 1,584,172</u>	<u>\$ 3,317,810</u>	<u>\$ 1,733,638</u>



Basic Financial Statements

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Cocoa Beach, Florida Downtown Community Redevelopment Agency (the "CRA" or "Agency") is a blended component unit of the City of Cocoa Beach, Florida (the "City"). It is a public entity established under the guidelines for the Community Redevelopment Act (Chapter 163, Part III, Florida Statutes (F.S.)) to implement community redevelopment activities. The five-member governing board (the "Board") has been determined to be the City Commission. No other governance structure, such as an Advisory Board, has been created.

On January 29, 2008, the electorate of the City voted to authorize establishment of a Downtown Community Redevelopment Agency (CRA). Accordingly, the City Commission adopted Resolution 2008-13 requesting Brevard County to delegate to the City Commission the powers to create a Downtown CRA. In turn, Brevard County adopted Resolution 08-128 authorizing the creation of the City's CRA for a period of 25 years from its creation. The City Commission adopted Resolution 2009-28 on November 19, 2009, creating the Downtown Community Redevelopment Agency. The CRA shall expire on December 31, 2033.

To implement the purposes of the CRA, the Board and the City have entered into an interlocal agreement authorizing the use of City staff and City resources for the creation of the required Redevelopment Plan for the downtown area.

Pursuant to F.S. 163.387, the CRA is funded primarily by incremental ad valorem tax revenues levied and remitted in amounts proportionate to property tax values for each participating entity. The CRA is economically dependent on such revenue.

In 2018, the Brevard County Commission and CRA Board executed an interlocal agreement to continue with the Downtown CRA tax increments and the building of a parking garage within the CRA.

These financial statements present the financial position and results of operations controlled by or dependent upon the CRA. In evaluating the CRA as a reporting entity, management has addressed all potential component units for which the CRA may or may not be financially accountable and, as such, be includable in the CRA's financial statements. No component units exist which would require inclusion in the CRA's financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the Agency. Governmental activities are those which normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within twelve months of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Agency.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental fund. Separate financial statements are provided for the governmental fund.

Fund Financial Statements

The fund financial statements provide information about the Agency's fund. The emphasis of fund financial statements is on the major governmental fund.

The Agency reports the following major governmental fund:

The *General Fund* is the Agency's operating and general fund. It accounts for all financial resources of the Agency.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Information

The CRA's Board adopts an annual operating budget, which can be amended by the Board throughout the year. The Agency's Administrator or their designee may make transfers of appropriations within a department as long as the total budget of the department is not increased. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

At the fund level, actual expenditures cannot exceed the budgeted amounts; however, with proper approval, budgetary transfers between line items can be made.

Encumbrance accounting is employed for this governmental fund. Open commitments are recognized as expenditures in the period in which the actual goods or services are received and a liability is incurred. Encumbrances (e.g., contracts) outstanding at year end for unfulfilled obligations are cancelled and reappropriated in the succeeding year's budget. Accordingly, there were no encumbrances outstanding at year-end.

The accompanying schedule of revenues, expenditures, and changes in fund balances - budget and actual for the General Fund reflects the original and final budget authorization amounts, which includes all amendments. Appropriations lapse at the close of the fiscal year.

For the year ended September 30, 2024, the CRA's budget was prepared on a modified accrual basis.

Pooled Cash and Cash Equivalents

Pooled cash and equivalents are stated at fair value.

Assets, Liabilities, and Net Position or Fund Balance

Cash and Cash Equivalents

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Restricted Investments

The Agency's restricted investments is comprised of cash held by the fiscal agent for debt service.

Investments

Investments for the Agency are reported at fair value (generally based on quoted market prices) except for the position in the State Board of Administration Local Government Surplus Trust Fund (Florida PRIME), the Florida Public Assets for Liquidity Management (Florida PALM), the Florida Surplus Asset Fund Trust (Florida SAFE) and the Florida Cooperative Liquid Assets Securities System (Florida CLASS). Florida PRIME, PALM, SAFE and CLASS are local government investment pools which meet all of the specified criteria in Section In5: Investment Pools (External) of the GASB Codification (GASBC) to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the Agency's position in the pool is equal to the value of the pooled shares.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

Receivables

All trade and property tax receivables are considered to be fully collectible. As provided by law, the Brevard County Property Appraiser assesses all properties for ad valorem taxing purposes and the Brevard County Tax Collector collects and distributes all taxes. Ad valorem taxes are levied based on property valuation as of January 1. The fiscal year for which ad valorem taxes are levied begins on October 1. Taxes are due beginning November 1, delinquent on April 1, and lien on May 30. Property tax revenues are recognized in the fiscal year for which they are budgeted and also become due and payable. Virtually all unpaid taxes are collected via tax sale certificates sold on or prior to June 1; therefore, no material taxes are receivable at fiscal year-end.

Capital Assets

Capital assets, which include buildings and improvements are reported in the governmental columns in the government-wide financial statements. Capital assets are defined by the CRA as assets with an initial, individual cost of more than \$1,000 and an estimated useful life exceeding one year. The cost of improvements and replacements, which extend the useful lives of assets or increase their capacity, are capitalized. Repairs and maintenance costs, which do not improve or extend the useful life of the respective assets, are charged to expense.

Property and equipment purchased by the CRA is recorded at cost or, if contributed, acquisition value at the date of donation

Capital assets use straight-line depreciation over the following estimated service lives:

Classification	Service Life Ranges
Buildings and building improvements	40 years
Improvements other than buildings	10 - 15 years

Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide financial statements for governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and systematically amortized over the term of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the fiscal year incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as an "other financing" source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

Categories and Classification of Fund Equity

Net position flow assumption – Sometimes the Agency will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions – Sometimes the Agency will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Agency itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Agency's highest level of decision making authority. The governing council is the highest level of decision-making authority for the Agency that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Agency for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for fund balance not meeting criteria to be reported as nonspendable, restricted, committed or assigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Fund Balance (Continued)

Revenues and Expenditures/Expenses

Program revenues – Amounts reported as program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes – Property taxes attach as an enforceable lien on real property and are levied as of July 1st. The tax levy is divided into two billings: the first billing (mailed on July 1) is an estimate of the current year's levy based on the prior year's taxes; the second billing (mailed on January 1) reflects adjustments to the current year's actual levy. The billings are considered past due 30 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 13, 2025, and determined there were no events that occurred that required disclosure.

Recently Issued and Implemented Accounting Pronouncements

The Governmental Accounting Standards Board has issued GASB Statement No. 101, *Compensated Absences*, GASB Statement No. 102, *Certain Risk Disclosures*, GASB Statement No. 103, *Financial Reporting Model Improvements*, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*, which will be effective in future years. Management has not completed its analysis of the effects, if any, of these GASB statements on the financial statements of the City.

NOTE 2. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The Agency pools its deposits with the City. As of September 30, 2024, \$250,000 of the City's bank balances are covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Agency pursuant to Section 280.08, Florida Statutes. At September 30, 2024, the City did not hold funds in excess of FDIC insurance limits in a financial institution that is not a qualified public depository.

The City has not adopted an investment policy and the City's investment policies are governed by state statutes. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant funds' investment to the total pooled investment.

NOTE 2. DETAILED NOTES ON ALL FUNDS (CONTINUED)

The City participates in Florida Public Assets for Liquidity Management (Florida PALM) external investment pool. The Florida PALM is a common law trust established under the laws of the State of Florida and is designed to meet the cash management and short-term needs of its participants. The Fund is sponsored by the Florida School Boards Association and the Florida Association of District School Superintendents and is directed by a board of trustees. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

The City participates in Florida Local Government Investment Trust fund (Florida LGIT) external investment pool. The Florida LGIT is a common law trust established under the laws of the State of Florida and is designed to meet both short- and medium-term cash management needs of its participants. The Fund is sponsored by the Florida Court Clerks and Comptrollers and the Florida Association of Counties and is directed by a board of trustees. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

The Florida Surplus Asset Fund Trust (Florida SAFE) is a common law trust organized under the laws of the State of Florida as an intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes. The investment pool consists of obligations guaranteed by the full faith and credit of the United States, U.S. government agency obligations, commercial paper, bank obligations and other obligations permitted by applicable Florida Statutes. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

The City participates in Florida Cooperative Liquid Assets Securities System, (Florida CLASS), external investment pool. The Florida CLASS is a common law trust established under the laws of the State of Florida and designed to meet short term cash management needs Florida governmental entities. The investment pool consists of obligations guaranteed by the full faith and credit of the United States, U.S. government agency obligations, repurchase agreements, collateralized bond deposits, money market funds and other funds permitted by applicable Florida Statutes. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

Under GASB Codification 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's access to 100% of their account value in the external investment pools.

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the Agency places its deposits are certified as "qualified public depositories," as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest rate risk – The City's investment policy does not address interest rate risk.

NOTE 2. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Deposits and Investments (Continued)

Credit risk – GASB Codification Section 150: *Investments*, requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations.

Foreign currency risk – The City's investments are not exposed to foreign currency risk.

Concentration of credit risk – GASB Codification Section 150: *Investments*, requires disclosures of investments in any one issuer that represents 5% or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments.

Fair Value – GASB Codification Section 3100: *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the codification are described as follows:

Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 (L2): Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

At September 30, 2024, the Agency had the following investments based on the Agency's investment balance allocated from the pooled investments of the City:

	S&P Rating	Level	Fair Value	Maturities (in years)		
				Less than 1	1 - 5	More than 5
Investments by fair value level						
Agency						
FL PALM	AAAm	-	\$ 590,059	\$ 590,059	\$ -	\$ -
FL CLASS	AAAm	-	255,820	255,820	-	-
FL LGIT day to day bond fund	AAAm	-	255,279	255,279	-	-
FL SAFE NAV	AAAm	-	221,532	221,532	-	-
Total Agency			<u>\$ 1,322,690</u>	<u>\$ 1,322,690</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 2. DETAILED NOTES ON ALL FUNDS (CONTINUED)

Capital Assets

The following is a summary of changes in the Agency's capital assets for fiscal year ending September 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Construction in progress	\$ -	\$ 168,611	\$ -	\$ 168,611
Total capital assets not being depreciated	-	168,611	-	168,611
Capital assets, being depreciated				
Buildings	5,407,545	-	-	5,407,545
Improvements other than buildings	53,100	-	-	53,100
Total capital assets being depreciated	5,460,645	-	-	5,460,645
Less accumulated depreciation for				
Infrastructure	(1,066,740)	(122,069)	-	(1,188,809)
Equipment	(20,532)	(3,422)	-	(23,954)
Total accumulated depreciation	(1,087,272)	(125,491)	-	(1,212,763)
Total capital assets being depreciated, net	4,373,373	(125,491)	-	4,247,882
Capital assets, net	\$ 4,373,373	\$ 43,120	\$ -	\$ 4,416,493

Depreciation expense amounted to \$125,491 during fiscal year 2024, which is included on the statement of activities.

Long-Term Debt and Liabilities

Bonds Payable

Florida Municipal Loan Council Refunding and Revenue Bonds, Series 2017B. On September 1, 2017, the Downtown Cocoa Beach Community Redevelopment Agency entered into an interlocal agreement with the Florida Municipal Loan Council for the issuance of bonds in an original amount of \$6,790,000 for which the Agency's proportionate share was \$4,245,000 of serial bonds. The serial bonds are payable in semiannual installments beginning April 2018 through October 2031 and bear interest from 3% to 5% per annum. The bonds were issued to finance construction of a public parking garage in the Downtown Community Redevelopment Area consisting of approximately 241 parking spaces, bathrooms, showers and an elevator.

Pledged revenues and principal and interest payments are as follows:

Pledged Revenue	Amount of Issue*	Future Principal and Interest	Current Pledged Revenue	Current Principal and Interest	Current Percentage of Revenue
Governmental Activities					
Florida Municipal Loan Council					
Refunding and Revenue					
Bonds, Series 2017B	\$ 4,245,000	\$ 2,760,000	\$ 564,893	\$ 402,000	71%

* The Agency's proportionate share

NOTE 2. DETAILED NOTES ON ALL FUNDS (CONTINUED)**Long-Term Debt and Liabilities (Continued)****Bonds Payable (Continued)**

Annual debt service requirements to maturity for the Agency's note payable are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 290,000	\$ 107,750	\$ 397,750
2026	305,000	92,875	397,875
2027	320,000	77,250	397,250
2028	340,000	60,750	400,750
2029	355,000	43,375	398,375
Thereafter	1,150,000	52,500	1,202,500
Totals	<u>\$ 2,760,000</u>	<u>\$ 434,500</u>	<u>\$ 3,194,500</u>

Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2024, was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Florida Municipal Loan Council Refunding and Revenue Bonds, Series 2017B	\$ 3,040,000	\$ -	\$ (280,000)	\$ 2,760,000	\$ 290,000
Plus bond premiums	257,601	-	(57,265)	200,336	28,619
Total governmental activities long-term liabilities	<u>\$ 3,297,601</u>	<u>\$ -</u>	<u>\$ (337,265)</u>	<u>\$ 2,960,336</u>	<u>\$ 318,619</u>

The bond payable is liquidated by tax revenues received by the General Fund.

NOTE 3. RISK MANAGEMENT**Insurance**

The Agency 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.

The Agency, through the City, purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for workers' compensation and automobile claims are limited to the maximum liability exposure the Agency faces under Florida statutes. Coverage for general liability claims is a maximum of \$1,000,000 combined single limit.

The commercial insurance carried is a claims incurred policy for which the Agency is covered for claims originating against the Agency during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The Agency has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended September 30, 2024.

OTHER REPORTS



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

**Board of Directors and Executive Director
Downtown Cocoa Beach Community Redevelopment Agency
Cocoa Beach, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Downtown Cocoa Beach Community Redevelopment Agency (the "CRA"), (a component unit of the City of Cocoa Beach, Florida), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated March 13, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA'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.



Bradenton, Florida
March 13, 2025

Downtown Cocoa Beach Community Redevelopment Agency

(A Component Unit of the City of Cocoa Beach, Florida)

SCHEDULE OF FINDINGS AND RESPONSES

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	☐ Yes	☒ No
Significant deficiencies identified not considered to be material weaknesses?	☐ Yes	☒ None reported
Noncompliance material to financial statements noted?	☐ Yes	☒ No

Federal Awards and State Financial Assistance Projects

The Downtown Cocoa Beach Community Redevelopment Agency did not expend \$750,000 in federal or state funds during its fiscal year ended September 30, 2024.

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III SCHEDULE OF PRIOR YEAR FINDINGS

None reported.



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Independent Auditor's Management

**Board of Directors and CRA Administrator
Downtown Cocoa Beach Community Redevelopment Agency
Cocoa Beach, Florida**

Report on the Financial Statements

We have audited the financial statements of the Downtown Cocoa Beach Community Redevelopment Agency (the "CRA"), (a component unit of the City of Cocoa Beach, Florida) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 13, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standard* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 13, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding annual financial report requiring correction.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The CRA has made these disclosures in the notes to the financial statements. There are no component units.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the CRA'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 the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CRA reported:

- a. The total number of CRA employees compensated in the last pay period of the CRA's fiscal year was one.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year was none.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$2,943.
- d. All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such projects in fiscal year 2024: Green space \$1,650,000 and Wash through \$1,500,000.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the CRA amends a final adopted budget under Section 189.016(6), Florida Statutes, as seen on page 17.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Downtown Cocoa Beach Community Redevelopment Agency reported:

- a. The millage rate or rates imposed by the Agency. **6.1644.**
- b. The total amount of ad valorem taxes collected by or on behalf of the Agency. **\$1,326,860.**
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as **\$3,040,000 due over nine years.**

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General: The Downtown Cocoa Beach Community Redevelopment Agency has not imposed any special assessments and therefore no reporting is required by Section 218.39(3)(c), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Board of Trustees and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Bradenton, Florida
March 13, 2025



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Independent Accountant's Report

**Board of Directors and CRA Administrator
Downtown Cocoa Beach Community Redevelopment Agency
Cocoa Beach, Florida**

We have examined the Downtown Cocoa Beach Community Redevelopment Agency (the "CRA"), (a component unit of the City of Cocoa Beach, Florida) compliance with Sections 218.415, 163.387(6), and 163.387(7), Florida Statutes, during the year ended September 30, 2024. Management of the CRA is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2024.

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 13, 2025



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2024

City of Melbourne

Community Redevelopment Agency (CRA) Annual Report

Babcock Street CRA

2024 Babcock Street CRA Annual Report

Three community redevelopment areas (CRAs) are located within the City of Melbourne: the Melbourne Downtown CRA, the Olde Eau Gallie Riverfront CRA, and the Babcock Street CRA. The following report is an overview of the Babcock Street CRA activities during the fiscal reporting period (FY 2024) from October 1, 2023 to September 30, 2024. The report includes general information, current or completed projects, and financial information, in compliance with Chapter 163.371, Florida Statutes.

A district map identifying the CRA is included in Appendix A. Specific financial information, such as assets, liabilities, income and operating expenses of the Babcock Street CRA trust fund, are part of this report. Balance sheets and statements of revenues and expenditures for the Babcock Street CRA are found in Appendix B. The 2024 Babcock Street CRA audit report, as required in Chapter 163.378(8), Florida Statutes, is found in Appendix C.

Information related to the three CRAs, including annual reports, redevelopment plans, budgets, program information, and reporting requirements are located on the City of Melbourne's web site with the following link on the City's home page:

<https://www.melbourneflorida.org/departments/community-development/community-redevelopment-areas>

Babcock Street CRA

The Babcock Street CRA was established in 1997 and was expanded in 2001 and 2003. The area contained within the CRA boundary is approximately 540 acres, and is shown on the map in Appendix A.

Tax increment Finance (TIF) revenues for FY 2024 increased by approximately 14% over the previous budget cycle in FY 2023. Table 1 indicates valuations from the base year and January 1, 2025¹. The Babcock Street CRA was terminated on September 9, 2024; therefore, the agency spent its resources to complete the remaining capital projects within the Babcock CRA Redevelopment Plan. Remaining funding within the trust fund was returned to each contributing agency.

TABLE 1 - BABCOCK STREET CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2025
Area 1	1997	\$66,708,980	\$246,994,358
Area 2	2001	\$7,579,380	\$12,276,780
Area 3	2004	\$311,060	\$479,120
Totals		\$74,599,420	\$259,750,258

The Babcock Street CRA is located within census tracts 642.01, 648, 647.02 and 647.01. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies all four census tracts as targeted populations and low-income communities². By this classification, these census tracts lack private capital investment because of their deficient demographics which include one or more of the following categories: income, poverty, and unemployment as compared with metropolitan area and national averages. Table 2 provides a summary of these CDFI targeted census populations.

TABLE 2 - BABCOCK STREET CRA CENSUS INFORMATION

Census Tract	Median Income as % of Area Median	Poverty Rate	Unemployment Rate	Investment Area Qualified By CDFI
642.01	78.16%	12.40%	7.70%	Yes
648	59.71%	19.9%	2.00%	Yes
647.02	55.29%	15.30%	7.30%	Yes
647.01	66.33%	26.5%	9.70%	Yes

¹ Valuation of January 1st of the reporting year (2025) is based upon the most recent DR420TIF, certification of taxable value.

² Source: [U.S. Department of the Treasury Community Development Financial Institutions Fund \(CDFI\)](#), 2020 census data. *Targeted population* refers to individuals or an identifiable group of individuals meeting the requirements of 12 C.F.R. § 1805.201(b)(3). According to the regulations, *targeted population* shall mean individuals, or an identifiable group of individuals, who are Low-Income persons or lack adequate access to financial products or financial services in the service area.

Total expenditures from the redevelopment trust fund in FY 2024 were \$2,111,686 which includes operating expenditures, debt service principal³, interest on debt service, and capital project expenditures. Note that the principal payment is not recognized as an expenditure in the CRA statement of revenues and expenses; however, it was recognized as a liability in the balance sheet and was satisfied through funds transfer, prior to the termination of the Babcock CRA Agency.

No funds were expended for affordable housing for low-income and middle-income residents.

Projects and Programs

The Babcock Street CRA used its resources to achieve goals set forth in the redevelopment plan as amended by completing capital improvement projects. The extent to which the CRA has achieved its goals in FY 2023-2024 includes:

- The **MLK⁴ Boulevard South Bound Right Turn Lane Project** was completed in FY 2024. (Image 1) The CRA spent \$549,291 in FY 2024 for construction of the project. This project added a new southbound right-hand turn lane from Dr. Martin Luther King Jr. Boulevard to NASA Boulevard, enhancing capacity of the roadway.
- The construction of the **Apollo Sidewalk Connections Project** was completed FY 2024 (Images 2 & 3). This project provided sidewalk connection on the west side of Apollo Boulevard, from NASA Boulevard to Bulldog Boulevard, including a portion of new sidewalk on Bulldog Boulevard west of Apollo. Additionally, this project encompassed an enhanced pedestrian mid-block crossing on Bulldog Boulevard. The CRA expended \$1,184,092 in FY 2024, for this project.
- Engineering and construction were both completed on the **NASA Boulevard Bus Turn-Out & Shelter Project** in 2024. Foundations and shelters were installed in the eastbound and westbound NASA Boulevard right-of-way (Images 4 & 5). The project was revised to include two new bus shelters without bus turn outs. One shelter facility serves the eastbound transit riders and one shelter facility serves the westbound transit riders. The CRA expended \$110,945 for this project.
- CRA funding of \$73,000 was spent for a portion of Babcock Street reconstruction, within the **Babcock Phase III B Medians Project**. Substantially completed in FY 2023, a portion of the roadway work was not constructed to acceptable standards and required replacement.

³ Debt service principal was an expense of the CRA under a loan agreement from the General Fund but it is accounted as a transfer of funds to satisfy a liability.

⁴ Airport Boulevard was renamed to Dr. Martin Luther King Jr. Boulevard (MLK) in 2019. The original name of this capital project was *Airport Boulevard Southbound Right Turn Lane*.

During the reporting period, there were a total number of 4 projects under development. All four of the projects were completed. Information related to expenditures and estimated costs can be found in Table 3.

TABLE 3 - BABCOCK STREET CRA PROJECT LIST

Project	Name	FY 2024 Expenditure	Estimated Cost	Status
1	MLK Boulevard South Bound Right Turn Lane	\$549,291	\$600,000	Completed
2	Apollo Sidewalk Connections	\$1,184,092	\$1,100,000	Completed
3	NASA Boulevard Bus Turn-Out & Shelters	\$110,915	\$350,000	Completed
4	Babcock Phase III B Medians Project ⁵	\$73,000 ⁶	\$73,000	Completed

Goals

The Babcock Street CRA sunset on September 9, 2024. The final capital projects listed within the 2017 Babcock Street CRA Redevelopment Plan Amendment have been completed; therefore, this document is the final annual report of the Babcock Street Community Redevelopment Agency.

⁵ The Babcock Phase III B project was reported as completed in FY 2022, because the CRA portion of the project was paid for. The original CRA investment reported in FY 2022 was approximately \$2.2 million in CRA funding contribution to the project. The total cost of improvements for the Phase III B medians project was \$3.5 million funded from multiple sources (CRA, General Fund, Water & Sewer, Impact Fees)

⁶ The \$73,000 for roadway repair in FY2024 is in addition to previous project expenditure FY 2022. The funding in FY2024 was used to reconstruct defective portions of Babcock Street that were not originally reconstructed to acceptable standards.

Project and Program Images

Image 1 – Martin Luther King Boulevard South Bound Right Turn Project



Images 2&3 – Apollo Sidewalks connections

IMAGE 2 – APOLLO TO BULLDOG



IMAGE 3- BULLDOG CONNECTION TO APOLLO WITH CROSSWALK

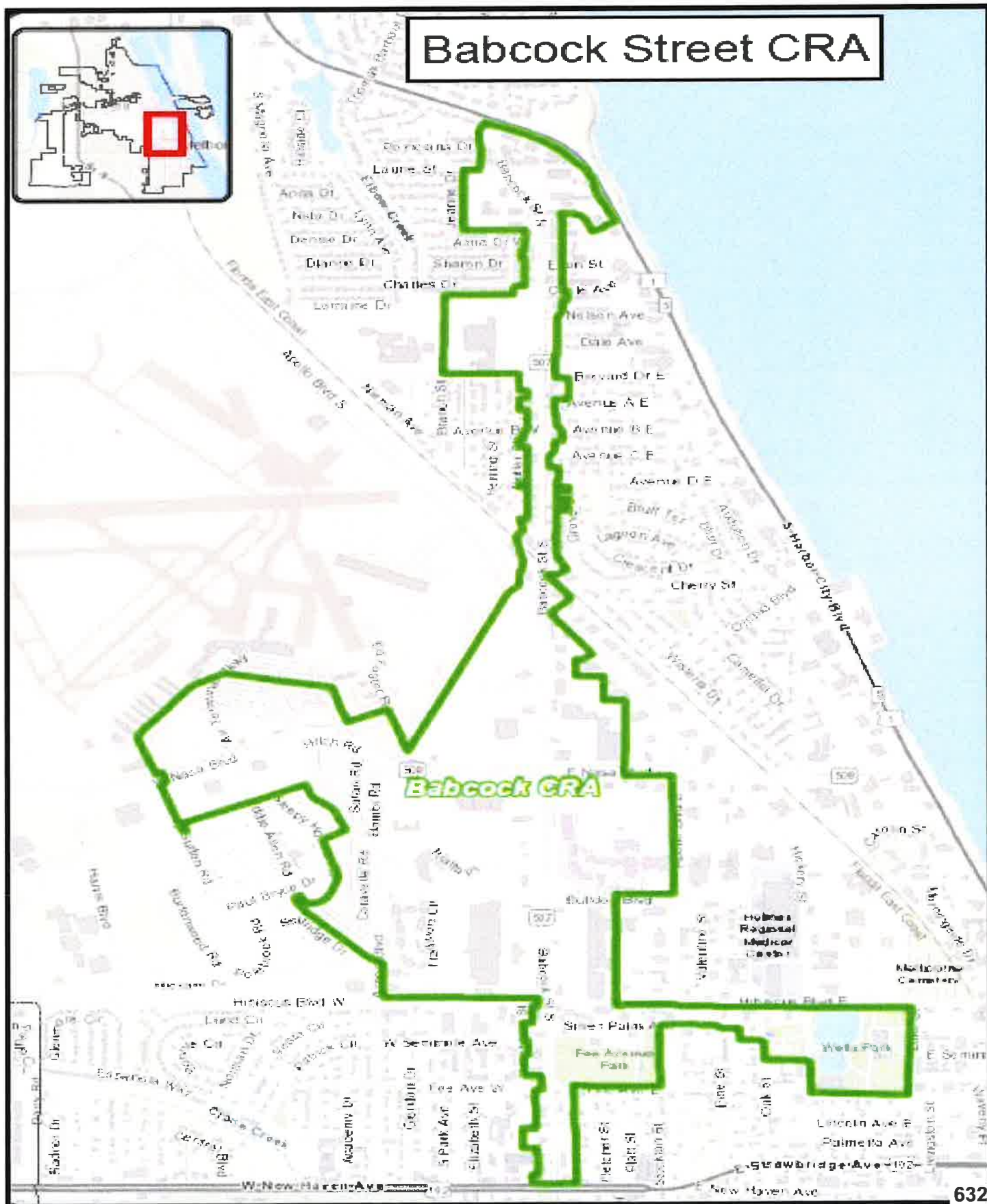
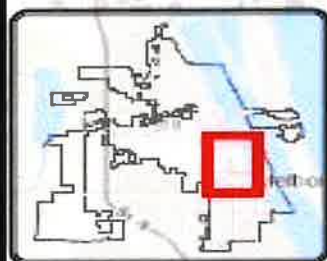


Images 3 & 4– NASA Boulevard Bus Shelter Project



Appendix A – CRA Map

Babcock Street CRA



Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
BABCOCK REDEVELOPMENT
SEPTEMBER 30, 2024**

ASSETS

Equity in pooled investments	\$ -
Interest receivable	-
Total assets	\$ -

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ -
Accrued payroll expenditures	-
Due to other funds	-
Total liabilities	-
Restricted fund balance	-
Total liabilities and fund balance	\$ -

Per ordinance 2018-34 the Babcock Street Community Redevelopment Agency expired September 9, 2024.

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BABCOCK REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

REVENUES

Intergovernmental	\$ 1,393,873
Investment earnings	<u>119,741</u>
Total revenues	<u>1,513,614</u>

EXPENDITURES

Current:		Refunded to	
General government	870,928	close CRA	
Debt service:		(690,823)	180,105
Interest	14,253		14,253
Capital outlay	<u>1,866,139</u>		<u>1,866,139</u>
Total expenditures	<u>2,751,320</u>		<u>2,060,497</u>

Excess (deficiency) of revenues over (under) expenditures	<u>(1,237,706)</u>
--	--------------------

OTHER FINANCING SOURCES (USES)

Transfers in	246,072		
Transfers out	<u>(1,537,049)</u>	(1,464,049)	73,000
		(2,154,872)	2,133,497
Total other financing sources (uses)	<u>(1,290,977)</u>		

Trans to General Fund Project
Total Expenditures of the CRA

Net change in fund balance	(2,528,683)
Fund balance, October 1	<u>2,528,683</u>
Fund balance, September 30	<u>\$ -</u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BABCOCK REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

REVENUES

Intergovernmental	\$ 1,393,873
Investment earnings	119,741
Total revenues	1,513,614

EXPENDITURES

Current:	
General government	870,928
Debt service:	
Interest	14,253
Capital outlay	1,866,139
Total expenditures	2,751,320

Excess (deficiency) of revenues over (under) expenditures	(1,237,706)
--	-------------------

OTHER FINANCING SOURCES (USES)

Transfers in	246,072
Transfers out	(1,537,049)
Total other financing sources (uses)	(1,290,977)

Net change in fund balance	(2,528,683)
----------------------------	-------------

Fund balance, October 1	2,528,683
-------------------------	-----------------

Fund balance, September 30	\$ -
----------------------------	------------------

**REQUIRED SUPPLEMENTARY INFORMATION
CITY OF MELBOURNE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BABCOCK STREET REDEVELOPMENT
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,336,997	\$ 1,393,873	\$ 1,393,873	\$ -
Investment earnings	36,000	119,741	119,741	-
Total revenues	1,372,997	1,513,614	1,513,614	-
EXPENDITURES				
Current:				
General government	189,282	870,928	870,928	-
Debt service:				
Principal	303,715	-	-	-
Interest	10,000	14,253	14,253	-
Capital outlay	2,218,875	1,955,137	1,866,139	88,998
Total expenditures	2,721,872	2,840,318	2,751,320	88,998
Excess (deficiency) of revenues over (under) expenditures	(1,348,875)	(1,326,704)	(1,237,706)	88,998
OTHER FINANCING SOURCES (USES)				
Transfers in	-	(369,843)	246,072	615,915
Transfers out	(925,615)	(1,537,049)	(1,537,049)	-
Total other financing sources (uses)	(925,615)	(1,906,892)	(1,290,977)	615,915
Net change in fund balance	(2,274,490)	(3,233,596)	(2,528,683)	704,913
Fund balance, October 1	2,528,683	2,528,683	2,528,683	-
Fund balance (deficit), September 30	\$ 254,193	\$ (704,913)	\$ -	\$ 704,913

SUPPLEMENTARY INFORMATION
BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Project Number	Project name	Expenditures ⁽¹⁾	Committed ⁽²⁾	Total	Transfers in ⁽³⁾
10122	Nasa Blvd Bus Turn Out & Shelters	\$ 110,944	\$ -	\$ 110,944	\$ (225,843)
10216	Babcock Street Median Enhancements from Apollo Blvd to Brevard Drive	73,000	-	73,000	-
14419	Babcock CRA Martin Luther King Blvd Southbound Right Turn	549,291	-	549,291	(615,915)
14422	Apollo Sidewalk Connections	1,184,092	-	1,184,092	556,208
		<u>\$ 1,917,327</u> ⁽⁴⁾	<u>\$ -</u>	<u>\$ 1,917,327</u>	<u>\$ (285,550)</u>

⁽¹⁾ Expenditures

These are the amounts of the CRA funds that were spent during the fiscal year in a capital projects fund.

⁽²⁾ Committed

These encumbrances are recorded in the capital projects funds.

⁽³⁾ Transfers in (out)

These are the amounts transferred into and out of the individual projects.

⁽⁴⁾ Difference of \$51,188 from the statement of revenues, expenditures and changes in fund balance is due to \$73,000 included in transfers out to capital projects fund (311) for the Babcock street improvements Phase 3, offset by \$21,812 for the infrastructure coded to fund 155 not a project.

Appendix C – CRA Audited Trust Funds

BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT



PICTURED ABOVE IS ONE OF THE MEDIANS ENHANCED BY THE NASA BOULEVARD LANDSCAPE MEDIANS PROJECT

2024

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2024



BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Babcock Street Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of the Babcock Street Community Redevelopment Agency ("Agency"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Babcock Street Community Redevelopment Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Babcock Street Community Redevelopment Agency, as of September 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Babcock Street Community Redevelopment Agency 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 opinions.

Responsibilities of Management 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, 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 the Babcock Street Community Redevelopment Agency'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.

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the Babcock Street Community Redevelopment Agency'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 the Babcock Street Community Redevelopment Agency's ability to continue as a going concern for a reasonable period of time.

Honorable Mayor and Members of the City Council
Babcock Street Community Redevelopment Agency
Page Three

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 7 and 18 – 19 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 March 18, 2025, on our consideration of the Babcock Street Community Redevelopment Agency'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Babcock Street Community Redevelopment Agency's internal control over financial reporting and compliance.

Carr, Rigg & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

The Management's Discussion and Analysis section provides a narrative overview of the Babcock Street Community Redevelopment Agency (the "Agency") financial activities for fiscal year ending September 30, 2024. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the Agency's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the Agency.

Overview

The purpose of the Babcock Street Community Redevelopment Agency is to eliminate slum and blighted conditions within the identified redevelopment area pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue is computed by applying the operating tax rate for the City of Melbourne (the "City") and Brevard County (the "County"), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Further, the governing body of the Babcock Street Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Babcock Community Redevelopment Advisory Committee.

The Agency was established in 1998, by the City of Melbourne, Florida under the provisions of Section 163.333 Florida Statutes.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the Agency's assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The *statement of activities* presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., bond principal and interest payments).

The government-wide financial statements can be found on page 8 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency adopts an annual appropriated budget. A budgetary comparison statement has been provided as part of Required Supplementary Information, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 9-10 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11-17 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Agency's budget. Required supplementary information (RSI) can be found on pages 18-19 of this report.

Government-wide Financial Analysis

Per ordinance 2018-34, the Babcock Street Community Redevelopment Agency expired September 9, 2024.

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2024	2023	Amount
Assets			
Current and other assets	\$ -	\$ 2,843,058	\$ (2,843,058)
Capital assets	-	324,064	(324,064)
Total assets	-	3,167,122	(3,167,122)
Liabilities			
Other liabilities	-	314,375	(314,375)
Total liabilities	-	314,375	(314,375)
Net position			
Net investment in capital assets	-	324,064	(324,064)
Unrestricted	-	2,528,683	(2,528,683)
Total net position	\$ -	\$ 2,852,747	\$ (2,852,747)

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Key elements of the decrease in net position are as follows:

Changes in Net Position

	Governmental Activities		Increase (Decrease)	
	2024	2023	Variance	Percent
Revenue:				
Program revenue:				
Grants and contributions	\$ 1,393,873	\$ 1,267,492	\$ 126,381	10%
General revenue:				
Investment earnings	119,741	36,135	83,606	231%
Total revenues	1,513,614	1,303,627	209,987	16%
Expenses:				
General government	870,928	250,125	620,803	248%
Interest on long-term debt	14,253	19,175	(4,922)	-26%
Total expenses	885,181	269,300	615,881	229%
Change in net position before transfers	628,433	1,034,327	(405,894)	-39%
Transfers from primary government	246,072	1,516,002	(1,269,930)	-84%
Transfers to primary government	(3,727,252)	-	(3,727,252)	100%
Change in net position	(2,852,747)	2,550,329	(5,403,076)	-212%
Net position - October 1	2,852,747	302,418	2,550,329	843%
Net position - September 30	\$ -	\$ 2,852,747	(2,852,747)	-100%

Financial Analysis of the Agency's Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency's financing requirements.

Ordinance 2018-34 states the Babcock Street Redevelopment Agency expired September 9, 2024.

Budgetary Highlights

The following is a brief review of the budget changes from the original to the final amended budget, and a review of the final amended budget and actual amounts (presented on a budgetary basis). A detailed budgetary comparison schedule for the Agency is included on page 18 of the RSI section.

The variance between the final budget and the actual results reflects total revenues of \$0 more than appropriated, total expenditures out of \$88,998 less than appropriated, and transfers in were \$246,072 more than appropriated. These factors caused the change in fund balance to be \$335,070 higher than budgeted.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Capital Asset and Debt Administration

Capital assets. The Agency has no capital assets as of September 30, 2024. All assets were transferred to the general fund upon expiration of the Agency.

Capital Assets

	Governmental Activities	
	2024	2023
Land	\$ -	\$ 275,793
Construction in Progress	-	48,271
Total capital assets, net of depreciation/amortization	\$ -	\$ 324,064

Additional information on the Agency's capital assets can be found in Note (3) B on pages 16 of this report.

Long-term debt. At the end of the current fiscal year, the Agency had no debt outstanding.

Requests for Information

Questions about this report or requests for additional financial information should be addressed to:

City of Melbourne
Financial Services Department
900 E. Strawbridge Ave.
Melbourne, FL 32901
Telephone: (321) 608-7011

Or visit our website at: www.melbourneflorida.org/departments/community-development/community-redevelopment-areas.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net Revenues and Changes in Net Position Governmental Activities</u>
CRA government:			
Governmental activities:			
General government	\$ 870,928	\$ 1,393,873	\$ 522,945
Interest on long-term debt	14,253	-	(14,253)
Total	<u>\$ 885,181</u>	<u>\$ 1,393,873</u>	<u>508,692</u>
General Revenues:			
Interest earnings			119,741
Transfers from primary government			246,072
Transfers to primary government			(3,727,252)
Total general revenues and transfers			<u>(3,361,439)</u>
		Change in net position	(2,852,747)
		Net position, October 1	<u>2,852,747</u>
		Net position, September 30	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
SEPTEMBER 30, 2024**

	FY 2024
	<u> </u>
REVENUES	
Intergovernmental	\$ 1,393,873
Investment earnings	<u>119,741</u>
Total revenues	<u>1,513,614</u>
EXPENDITURES	
Current	
General government	870,928
Debt service	
Interest	14,253
Capital outlay	<u>1,866,139</u>
Total expenditures	<u>2,751,320</u>
Excess of revenues over expenditures	<u>(1,237,706)</u>
OTHER FINANCING USES	
Transfers in	246,072
Transfers out	<u>(1,537,049)</u>
Total other financing uses	<u>(1,290,977)</u>
Net change in fund balance	<u>(2,528,683)</u>
Fund balance, October 1	<u>2,528,683</u>
Fund balance, September 30	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Net change in <i>fund balance</i> - governmental fund	\$ (2,528,683)
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The change in *net position* reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period.

Cost of capital assets	1,866,139	
Depreciation and amortization expense	-	1,866,139

Donations of capital assets decrease net position in the statement of activities.

Capital asset contributed to general government	(1,914,410)	
Land contributions	(275,793)	(2,190,203)

Change in net position of governmental activities	\$ (2,852,747)
---	----------------

The accompanying notes are an integral part of this statement.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Babcock Street Community Redevelopment Agency's (the "Agency") financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. REPORTING ENTITY

Babcock Community Redevelopment Agency was created under Resolution No. 1529 on December 2, 1997. The Babcock Street Community Redevelopment Agency was established in 1998 by the City of Melbourne, Florida (the "City" or "primary government") under the provisions of Section 163.333, Florida Statutes.

The governing body of the Babcock Street Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Babcock Street CRA Advisory Committee.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's annual comprehensive financial report as a blended component unit. This report is not a complete presentation of the City of Melbourne.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide financial statements and fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Agency does not have any business-type activities and has only governmental activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Agency.

The statement of net position, reports the assets and liabilities, including capital assets and long-term debt. Within this statement, the net position of the Agency (assets minus liabilities) is reported in two separate components – net investment in capital assets and restricted net position.

The statement of activities demonstrates the degree to which the direct expenses, including depreciation, are offset by program revenues and operating and capital grants. The statement then reports the extent to which the resulting net costs (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.).

Fund financial statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in an individual fund within the City's accounting system. The fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, reserves, fund equity, revenues and expenditures of the fund. For purposes of this report, the Agency's fund is classified as a major governmental fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to when revenues, expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants, for which the period is 12 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS,
AND NET POSITION OR EQUITY**

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of equity in pooled investments. Investments are stated at fair value, based on the quoted market price.

2. Pooled Cash

Equity in pooled cash consists primarily of investments in debt instruments of the federal government and corporate holdings. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant fund's investment to the total pooled investment. As of September 30, 2024, the Agency participated in pooled cash investments with the City of Melbourne.

3. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Long-term advances between funds are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. All trade receivables are shown net of an allowance for uncollectibles.

4. Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets, other than equipment, are defined by the government as assets with an initial, individual cost of more than \$25,000 (amount not rounded) and an estimated useful life in excess of two years. Equipment is defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value of market transaction at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or materially extend the life of the

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

<u>Classification</u>	<u>Range of</u>
Buildings	20-40 years
Machinery, equipment and other	2-20 years

E. FUND BALANCE

In the governmental fund, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balance is reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental fund. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide fund is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

The Agency applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. REVENUES

Intergovernmental Revenue -The Agency's primary source of revenue is tax increment funds collected from the City and Brevard County deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at \$10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is \$25,000. The incremental difference in value (new assessed value – base year value) is \$15,000. Taxes collected on the property will be split amongst the City and County. The Agency receives all taxes assessed on the incremental increase of \$15,000. Revenues generated by improvements in the Agency district are to be reinvested in the district to continue to spur redevelopment.

Assessed values are established by the Brevard County Property Appraiser. The assessed property value recognized by the City and Brevard County includes the second homestead exemption. The City and Brevard County are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue - In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

G. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the Agency's budgetary information.

As of September 30, 2024, there were no material violations of budgetary requirements.

(3) DETAILED NOTES

A. DEPOSITS AND INVESTMENTS

Deposits –Banks and savings and loans must meet the criteria to be a qualified public depository as described in the Florida Security for Public Deposits Act in accordance with Chapter 280, Florida Statutes before any investment of public funds can be made with them. At September 30, 2024, the carrying amount of the City of Melbourne's deposits with banks was \$8,835,682 and the bank balance was \$8,996,048.

As of September 30, 2024, all of the City's interest-bearing bank balances are covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The City maintains a pool of cash and investments in which each fund, including the Agency, participates on a daily transaction basis. Investment earnings are distributed monthly based on average daily balances.

City daily deposits are deposited in Earnings Credit Rate (ECR) earning accounts. These accounts are fully collateralized in accordance with Florida state law.

City of Melbourne Investment Policy – Pursuant to the requirements of Section 218.415, Florida Statutes, the City of Melbourne adopted Resolution No. 4088 on April 12, 2022, establishing the City's present investment policy. Such investment policy applies to the investment of surplus funds, which include cash and investment balances of the following funds of the City: General, Capital Projects, Special Revenue, Enterprise, Internal Service, Trust and Agency, and Airport. The investment policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, and redemption or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. This policy does not apply to funds not under control of the City; such as, the Police Officers' Retirement System, the Firefighters' Retirement System, and the General Employees' and Special Risk Class Employees' Pension Plan.

All investments are made based on reasonable research as to credit quality, liquidity and interest rate risk prior to the investment being acquired.

The investment policy authorizes the City to invest in U.S. Government securities, agencies, Federal instrumentalities and Supra-nationals, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, interest bearing time deposits or savings accounts, commercial paper, corporate notes, bankers acceptances, and State or local government taxable or tax-exempt debt, and an intergovernmental investment pool. Overnight repurchase agreements restrict investments to obligations of U.S. Government Agencies and Federal instrumentalities.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

The investment policy provides maturity and liquidity requirements for investments. All investments other than investments in the Local Government Surplus Funds Trust Fund are required to be purchased pursuant to competitive bids. A maximum of 25% of available funds may be invested in the Local Government Surplus Funds Trust Fund. The policy also requires diversification of the investment portfolio to control the risk of loss from overconcentration of assets in a specific maturity, issuer, instrument, dealer, savings and loan, or bank through which investments are purchased. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy restricts portfolio composition for federal instrumentalities to 100% total, 40% individually. Concentration percentages for the Federal instrumentalities are provided in the schedule. Currently, the investment of a significant portion of the City's and Airport's portfolios is being managed by the City's financial advisor, PFM Asset Management LLC.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City's investment policy states that all securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The third party custodian holds securities in an account separate and apart from the assets of the financial institution, and are either insured or registered in the City's name.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market conditions. As a means to limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits its investment portfolio to maturities of less than 5.5 years for corporate notes, two years for time deposits, and 270 days for commercial paper.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As a means to limiting its exposure to credit risk, the City limits investments with credit quality ratings from nationally recognized rating agencies of:

- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "MIG 1/A3" by Moody's Investors Services and "SP-1/A-" by Standard & Poor's for long-term debt.
- Corporates and/or commercial paper of any United States company that is rated, at the time of purchase, "P-1" by Moody's and "A-1" by Standard & Poor's.
- Money Market Mutual Funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- Local Government Surplus Funds Trust Fund money market funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- The Agency's equity in pooled investments is all held in the money market funds.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 275,793	\$ -	\$ 275,793	\$ -
Construction in Progress	48,271	1,866,139	1,914,410	-
Total capital assets, not being depreciated/amortized	<u>\$ 324,064</u>	<u>\$ 1,866,139</u>	<u>\$ 2,190,203</u>	<u>\$ -</u>

Depreciation/amortization expense was charged to functions/programs of the Agency as follows:

General government	<u>\$ -</u>
--------------------	-------------

C. ENCUMBRANCE COMMITMENTS

At September 30, 2024, the Agency had no encumbrance commitments.

D. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables of the Agency at September 30, 2024, are \$0.

All interfund receivables and payables with the primary government represent cash transfers for operating purposes and amounts expected to be repaid within one year. Advances represent the non-current portion of interfund loans. In FY 2018, City Council and the CRA Board approved an advance from the City's General Fund of \$1,675,000 to the Agency for the reconstruction of Babcock Street from Hibiscus Boulevard to just north of Apollo Boulevard including crosswalks and drainage improvements. As of September 30, 2024, the advance was paid off.

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

E. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2024 are as follows:

	Primary Government (General Construction fund)	Primary Government (General Fund)	Agency Totals
Tranfers In	\$ 246,072	\$ -	\$ 246,072
Transfers Out	(73,000)	(1,464,049)	1,537,049
Total Financing Sources	<u>\$ 173,072</u>	<u>\$ (1,464,049)</u>	<u>\$ 1,290,977</u>

(4) OTHER INFORMATION

A. RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of or damage to and destruction of assets; errors and omissions; and natural disasters. The primary government purchases commercial insurance with various deductibles for different types of losses. The costs for this insurance program are accounted for in the insurance internal service fund of the primary government.

**REQUIRED SUPPLEMENTARY INFORMATION
CITY OF MELBOURNE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BABCOCK STREET COMMUNITY REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,336,997	\$ 1,393,873	\$ 1,393,873	\$ -
Investment earnings	36,000	119,741	119,741	-
Total revenues	1,372,997	1,513,614	1,513,614	-
EXPENDITURES				
Current:				
General government	189,282	870,928	870,928	-
Debt service:				
Principal	303,715	-	-	-
Interest	10,000	14,253	14,253	-
Capital outlay	2,218,875	1,955,137	1,866,139	88,998
Total expenditures	502,997	2,840,318	2,751,320	88,998
Excess of revenues over expenditures	870,000	(1,326,704)	(1,237,706)	88,998
OTHER FINANCING USES				
Transfers in	-	-	246,072	246,072
Transfers out	(925,615)	(1,537,049)	(1,537,049)	-
Net change in fund balance	(55,615)	(2,863,753)	(2,528,683)	335,070
Fund balance (deficit), October 1	2,528,683	2,528,683	2,528,683	-
Fund balance (deficit), September 30	\$ 2,473,068	\$ (335,070)	\$ -	\$ 335,070

**BABCOCK STREET COMMUNITY DEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

BUDGETARY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City Council typically adopts an annual budget for the Agency. The budget is prepared on a modified accrual basis with encumbrance accounting. Budgetary control is legally maintained at the fund level. Budget transfer authority is provided to the City Manager within a fund as long as the total budget of the fund is not increased. City Council action is required for the approval of a supplemental budget.

Supplemental appropriations were made during the year and all budget amounts presented in the accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance have been adjusted for legally authorized revisions of the annual budget. All appropriations which are not expended, encumbered, or committed lapse at year end. Encumbered appropriations are carried forward to the subsequent year's budget.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are carried forward to the next year's budget and are reported as restricted or assigned fund balance in the governmental fund financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations are presented in accordance with generally accepted accounting principles (GAAP basis) and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the City's legally adopted budget.



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

Honorable Mayor and Members of the City Council
Babcock Street Community Redevelopment Agency

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 Babcock Street Community Redevelopment Agency, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Babcock Street Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Babcock Street Community Redevelopment Agency'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Babcock Street Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Babcock Street Community Redevelopment Agency'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Babcock Street Community Redevelopment Agency'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.

Carr, Rigg & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Mayor and Members of City Council
Babcock Street Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Babcock Street Community Redevelopment Agency, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 18, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Reports on the examination conducted in accordance with *AICPA Professional Standards* and AT-C section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 18, 2025 should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding financial audit report. No recommendations were made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The legal authority for the Babcock Street Community Redevelopment Agency is disclosed in the footnotes. The Babcock Street Community Redevelopment Agency has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether or not the Babcock Street Community Redevelopment Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Babcock Street Community Redevelopment Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Babcock Street Community Redevelopment Agency. It is management's responsibility to monitor the Babcock Street Community Redevelopment Agency's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information (UNAUDITED)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Babcock Street Community Redevelopment Agency reported the schedule below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Babcock Street Community Redevelopment Agency reported:

- | | |
|---|-------------|
| a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as | None |
|---|-------------|

To the Honorable Mayor and Members of City Council
 Babcock Street Community Redevelopment Agency
 Page Three

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as	None
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.	5
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.	\$ 71,321
e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin after October 1 of the fiscal year being reported, together with the total expenditures for such projects.	None
f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes:	See Page 18

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Babcock Street Community Redevelopment Agency reported:

a. The millage rate or rates imposed by the City.	6.5466
The millage rate or rates imposed by the County.	3.0486
b. The total amount of ad valorem taxes collected by or on behalf of the Agency.	\$ 951,010
The total amount of ad valorem taxes collected by or on behalf of the County.	\$ 442,863
c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as	None

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the Babcock Street Community Redevelopment Agency reported:

a. The rate or rates of non-ad valorem special assessments imposed by the Agency as	None
---	-------------

To the Honorable Mayor and Members of City Council
Babcock Street Community Redevelopment Agency
Page Four

- b. The total amount of special assessments collected by or on behalf of the Agency as **None**
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as **None**

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, fraud, waste, or abuse, that has occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 163.387 (7) AND SECTION 163.387(8), FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Babcock Street Community Redevelopment Agency

We have examined the Babcock Street Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(7) and Section 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied with the requirements of Section 163.387(7) and Section 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2024, in all material respects.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Babcock Street Community Redevelopment Agency

We have examined the Babcock Street Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024, in all material respects.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



2024

City of Melbourne

Community Redevelopment Agency (CRA) Annual Report

Melbourne Downtown CRA

2024 Melbourne Downtown CRA Annual Report

Three community redevelopment areas (CRAs) are located within the City of Melbourne: the Melbourne Downtown CRA, the Olde Eau Gallie Riverfront CRA, and the Babcock Street CRA. The following report is an overview of the Melbourne Downtown CRA activities during the fiscal reporting period (FY 2024) from October 1, 2023 to September 30, 2024. The report includes general information, current or completed projects, and financial information, in compliance with Chapter 163.371, Florida Statutes.

A district map identifying the CRA is included in Appendix A. Specific financial information, such as assets, liabilities, income and operating expenses of the Melbourne Downtown CRA trust fund, are part of this report. Balance sheets and statements of revenues and expenditures for the Melbourne Downtown CRA are found in Appendix B. The 2024 Melbourne Downtown CRA audit report, as required in Chapter 163.378(8), Florida Statutes, is found in Appendix C.

Information related to the three CRAs, including annual reports, redevelopment plans, budgets, program information, and reporting requirements are located on the City of Melbourne's web site with the following link on the City's home page:

<https://www.melbourneflorida.org/departments/community-development/community-redevelopment-areas>

Melbourne Downtown CRA

Originally established in 1982, the CRA was expanded in 2006 after the completion of a major redevelopment plan amendment. The area contained within the CRA boundary is approximately 322 acres and is shown on the map in Appendix A.

Tax Increment Finance (TIF) revenues have increased over the last budget cycle, with an increase of 11.8%. This increase is consistent with the overall city-wide percentage increase in ad valorem tax revenue. Table 1 indicates valuations from the base year and January 1, 2025¹. The current 2024-2025 revenue from tax increment and interest income is \$2,559,604², which supports the current operating budget, CRA projects, and CRA programs. The Downtown CRA is scheduled to spend its resources on large capital projects consistent with the adopted Five-Year Capital Plan.

TABLE 1 - MELBOURNE DOWNTOWN CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2025
Area 1	1982	\$23,595,020	\$230,665,920
Area 2	2005	\$19,599,330	\$34,859,460
Totals		\$43,194,350	\$265,525,380

The Melbourne Downtown CRA is located within census tracts 648, 649.02 and 647.01. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies all three census tracts as targeted populations and low-income communities³. By this classification, these census tracts lack private capital investment because of their deficient demographics, based upon one or more of the following categories: income, poverty, or unemployment as compared with metropolitan area and national averages. Table 2 provides a summary of these CDFI targeted census populations.

TABLE 2 - MELBOURNE DOWNTOWN CRA CENSUS INFORMATION

Census Tract	Median Income as % Share	Poverty Rate	Unemployment Rate	Investment Area Qualified By CDFI
648	59.71%	19.90%	2.00%	yes
649.02	33.91%	31.50%	10.10%	yes
647.01	66.33%	26.50%	9.70%	yes

¹ Valuation of January 1st of the reporting year (2025) is based upon the most recent DR420TIF, certification of taxable value.

² Source: 2024-2025 Adopted Annual Budget

³ Source: [U.S. Department of the Treasury Community Development Financial Institutions Fund \(CDFI\)](#), 2020 census data. *Targeted population* refers to individuals or an identifiable group of individuals meeting the requirements of 12 C.F.R. § 1805.201(b)(3). According to the regulations, *targeted population* shall mean individuals, or an identifiable group of individuals, who are Low-Income persons or lack adequate access to financial products or financial services in the service area.

Total expenditures from the redevelopment trust fund in FY 2024 were \$1,388,327 which includes general operating expenditures, debt service principal, interest, and capital project expenditures.

No funds were directly expended for affordable housing for low-and middle-income residents.

Projects and Programs

The Melbourne Downtown CRA continues to utilize its resources to achieve goals set forth in the redevelopment plan through capital improvement projects, programs, and initiatives. The extent to which the CRA has achieved its goals in FY 2022-2024 includes:

- Four **Façade Improvement Program** projects were completed and grant funding in the amount of \$78,209 was reimbursed. The projects are located at 2425 South Harbor City Boulevard, 802 E. New Haven Avenue, 2543 South Harbor City Boulevard, and 730 E. Strawbridge Avenue (Images 1- 4). Façade program grants leveraged \$328,498 of additional private investment.
- The **South Expansion Streetscape Project (Phases I & II)** of U.S. Highway 1 was originally intended to be completed in two phases. The new project limits extend from University Boulevard north to the Crane Creek Bridge. The CRA did not expend funding in FY 2024. This project is now being spearheaded by the Florida Department of Transportation (FDOT), as part of a safety enhanced resurfacing project. FDOT will be taking a context sensitive approach in consideration of all modes of transportation. Community stakeholder meetings were held in 2023 to receive public input for the design and improvement elements. It is anticipated that design and engineering will be completed by April of 2025 and construction will commence in the summer of 2025. The project is currently estimated to be approximately \$7.0 million to be paid for from the following three separate funding sources, the FDOT (\$4.08), the Transportation Planning Organization (\$1.7M) and the Melbourne Downtown CRA (\$1.22M).
- The **805 Palmetto Property Acquisition and Demolition** was approved by the CRA Board in May of 2023 for purchase of approximately 0.34+ acres, including a substandard residential structure. Closing was completed in August of 2023 and the CRA expended \$504,339 for the acquisition. In 2024 the CRA expended \$54,650 in asbestos removal and demolition of the blighted structure (Images 5-9). The CRA will request redevelopment proposals for the site in future years.
- **The Riverview Park Non-Motorized Boat Launch & Powerline Burial Project** was completed in FY 2023. The powerlines that interfered with boating masts have been relocated by Florida Power and Light (FPL). The CRA expended \$47,503 in payment to FPL in FY 2023 for this project. In FY 2024 the CRA made a final payment for engineering services in the amount of \$3,703. Based upon community input received in 2023, the CRA Board did not construct the engineered improvements to the boat launch.
- **The Riverview Park Playground Project** geared to children ages two to five years old, was completed in FY 2024. The project represents a \$110,183 total combined investment from the CRA and the Florida Recreation Development

Assistance Program (FRDAP) Grant. The CRA portion of \$54,483 was spent on upgrading the playground with a rubberized surface.

- Tree removal and sidewalk repairs in the amount of \$19,250 was completed within the downtown right-of-way as part of the **Downtown ROW & Infrastructure Improvements Project**. Tree removal and sidewalk improvements enhanced pedestrian mobility, by elimination of trip hazards resulting from tree root damage.
- The **Downtown Security Cam Installation Project** was completed and resulted in the installation of 12 additional security cameras in the New Haven Avenue core area of the downtown from Waverly Place to U.S. Highway 1. In addition to New Haven Avenue, the cameras also provide some coverage on Municipal Lane, Melbourne Court, Vernon Place and the Vernon Parking Lot. This second phase of camera installation required the burial of 5 security camera poles including installation of underground electrical and fiber optic cable. The CRA spent \$129,436 in 2024 on the second phase of installation.
- Preliminary planning and conceptual design were completed for the **Downtown Core Streetscape Project**. The CRA spent \$24,353 in FY 2024 to complete conceptual design services. City Council approved the conceptual design in December of 2023 (Images 10-11). This project moved to the highest priority in 2022, because Melbourne Main Street advocated to the CRA Board for reprioritization of CRA investment within the original Downtown CRA area. The Melbourne Downtown CRA Board's previous focus for investment was prioritized within the South Expansion Area of the CRA.
- The **West Crane Creek Pedestrian Bridge Project** continues to be included in the CRA's capital improvement program; however, due to the shift in CRA priorities advocated by Melbourne Main Street, this project has fallen to a lower priority status. CRA investment to connect the Downtown core with the South Expansion area of the CRA was viewed as less desirable than investment within the Downtown commercial and retail core.
- An RFP was issued for the **Downtown Parking Management Plan** in June of 2024. THA Consultants, Inc. was selected by an evaluation committee, with a recommendation for City Council's approval of their proposal. In October 2025, City Council approved a \$67,000 contract with THA Consultants to prepare the Parking Management Plan. The drafting of the plan includes several stakeholder meetings and public hearings to receive input prior to final plan adoption.
- The **Public-Private Development Program** was enacted to enable the CRA to enter into public-private partnerships and facilitate desired large-scale real estate development projects. The Program targets vertical mixed-use, residential, office, and hotel projects having an investment of \$5 million or more. Utilizing tax increment finance (TIF) or other CRA assets, the CRA can leverage private real estate investment opportunities and develop markets that are deficient or do not currently exist in Downtown Melbourne. During FY 2024, the CRA had made final preparations for CRA Board and City Council consideration of the Master Redevelopment Agreement (MRA) with DTM Apartments Joint Venture, LLC, a subsidiary of North American Properties (NAP). NAP proposes development of a 246-unit market rate apartment building, located at 2100 Melbourne Court. The

MRA was approved at the beginning of FY 2025. The Public-Private Development Program expired on December 31, 2025; however, City Council may extend the program through a CRA Redevelopment Plan Amendment. Highline Apartments and Hotel Melby have been completed under this program and the CRA committed an annual obligation of the TIF generated from these new investments. In FY 2024 the CRA made bond payments of \$159,153 for the Highline project and a TIF grant reimbursement of \$187,579 for the Hotel Melby Project.

- The following are projects that have been identified by the CRA, which have been funded or partially funded that are in the various stages of development:
 - ***Municipal and Vernon Lighting Project***
 - ***City Hall EV charging Station***
 - ***Public Parking Garage Signage***
 - ***Riverview Park Entrance and Signage***
 - ***Downtown Welcome Sign at U.S. 1 and University Blvd.***
 - ***South Expansion Sidewalk Connections***
 - ***Downtown Gateway Signage at Causeway Split U.S. 192 & New Haven Ave.***

During the reporting period, there were a total number of 18 projects under various levels of development. Twelve projects were started and six projects were completed. Information related to expenditures and estimated costs can be found in Table 3.

TABLE 3 - MELBOURNE DOWNTOWN CRA PROJECT LIST

Project	Name	FY 2024 Expenditure	Estimated Cost	Status
1	Façade Improvement Program Project	\$78,209	\$78,209	Completed
2	South Expansion Streetscape Phases 1&2	\$0	\$1,600,000	Started
3	Parking Management	\$0	\$210,000	Started
4	805 Palmetto Acquisition & Demo	\$54,650	\$554,650	Completed
5	Downtown Core Streetscape Project	\$24,353	12,500,000	Started
6	Downtown ROW and Infrastructure	\$19,250	\$120,000	Started
7a	Public Private Development Program – Highline Apartments, LLC	\$159,153 CRA Bond	\$159,153	Completed
7b	Public Private Development Program – 801 Strawbridge Hotel, LLC	\$187,579 TIF Grant	\$187,579	Completed
8	Riverview Park Non-Motorized Boat Launch & Power Line Burial	\$3,703	\$3,703	Completed

Project	Name	FY 2024 Expenditure	Estimated Cost	Status
9	Security Cam Install Project	\$129,436	\$150,000	Completed
10	Municipal & Vernon Lighting	\$0	\$60,000	Started
11	City Hall EV Charging Station Upgrade	\$0	\$44,000	Started
12	Public Parking Garage Signage	\$0	\$60,000	Started
13	Riverview Park Playground (2–5-Year-Old)	\$54,438 CRA Funds	\$110,000 CRA & FRDAP Funds	Completed
14	Riverview Park Entrance and Signage	\$0	\$1,200,000	Started
15	West Crane Creek Pedestrian Bridge	\$0	\$3,000,000	Started
16	Downtown Welcome Sign US 1 & University	\$0	\$100,000	Started
17	S. Expansion Sidewalk Connections	\$0	\$180,000	Started
18	DTR Gateway Causeway Split US 192 & New Haven	\$0	\$80,000	Started

Goals

The Melbourne Downtown CRA is scheduled to sunset in 2042 and has prioritized a number of projects and initiatives for 2024 and beyond, which include the following:

- FDOT completion of the engineering and design of the South Expansion Streetscape Phases I & II for construction in 2025, which will now be completed as one project spearheaded by FDOT;
- Continue the Façade Improvement Program, providing CRA funding on an annual basis;
- Continue working on a parking management plan and implementation in the downtown retail district, to improve commerce through safe, clean and available parking opportunities, and to fiscally plan for additional parking supply to meet future parking demand;
- Release RFP for engineering and design services, and begin engineering for Downtown Core Streetscaping Project based upon the conceptual design completed in 2023;
- Begin design and engineering of the Riverview Park Entrance and Signage Project.
- Continue the Community Policing Program to assist with crime prevention and business relations;
- Continue coordination of Public-Private Development Program, TIF bond and grant obligations for Highline and Hotel Melby; and

- There are several smaller capital projects programmed, with appropriations available for FY 2025. It is the intention of the CRA to start or complete the following capital projects by the end of FY 2025:
 - The Municipal and Vernon Lighting Project
 - The Electric Vehicle Charging Station Upgrades Project
 - The Public Parking Garage Signage Project
 - South Expansion Sidewalk Connections

Project and Program Images

IMAGES 1-2 FAÇADE PROGRAM 730 E. STRAWBRIDGE AVENUE BEFORE AND AFTER



IMAGES 3 & 4 FAÇADE PROGRAM 802 E. NEW HAVEN AVENUE BEFORE AND AFTER



IMAGES 5-9 – DEMOLITION AND SITE CLEARING 805 PALMETTO AVENUE

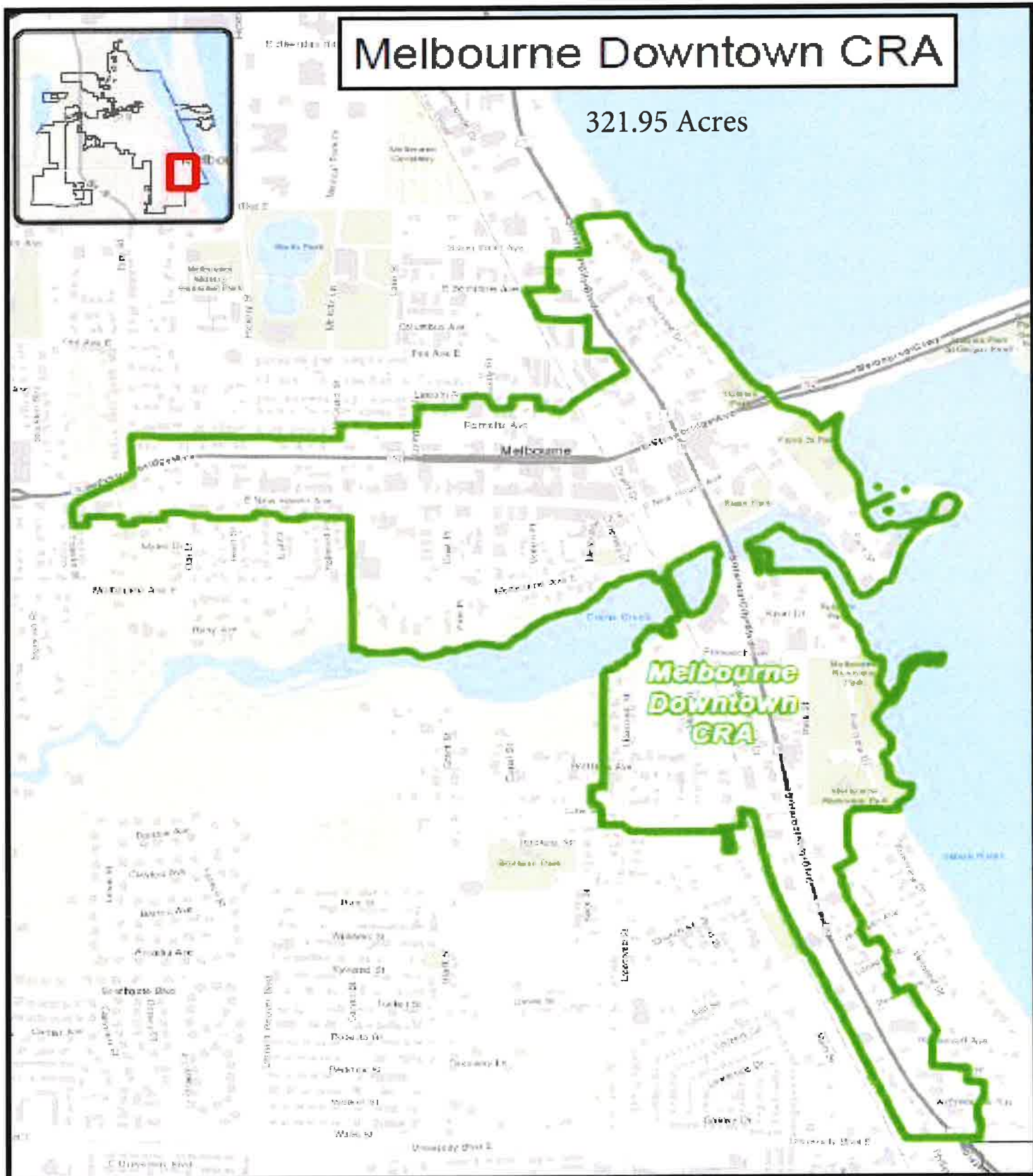




IMAGES 10-11 – DOWNTOWN CORE STREETSCAPE CONCEPTS



Appendix A – CRA Map



Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
DOWNTOWN REDEVELOPMENT
SEPTEMBER 30, 2024**

ASSETS

Equity in pooled investments	\$	4,466,840
Interest receivable		<u>30,860</u>
 Total assets	 \$	 <u><u>4,497,700</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	37,270
Accrued payroll expenditures		<u>11,203</u>
 Total liabilities		 <u><u>48,473</u></u>
 Restricted fund balance		 <u><u>4,449,227</u></u>
 Total liabilities and fund balance	 \$	 <u><u>4,497,700</u></u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
DOWNTOWN REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

REVENUES

Intergovernmental	\$ 2,212,327
Investment earnings	<u>190,147</u>
Total revenues	<u>2,402,474</u>

EXPENDITURES

Current:	
General government	943,345
Debt service:	
Principal	115,000
Interest	44,152
Capital outlay	<u>283,222</u>
Total expenditures	<u>1,385,719</u>
Excess of revenues over expenditures	<u>1,016,755</u>

OTHER FINANCING SOURCES (USES)

Transfers in	<u>50,000</u>
Net change in fund balance	1,066,755
Fund balance, October 1	<u>3,382,472</u>
Fund balance, September 30	<u><u>\$ 4,449,227</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION
CITY OF MELBOURNE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN REDEVELOPMENT
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,286,517	\$ 2,286,517	\$ 2,212,327	\$ (74,190)
Investment earnings	20,000	20,000	190,147	170,147
Total revenues	2,306,517	2,306,517	2,402,474	95,957
EXPENDITURES				
Current:				
General government	1,008,914	1,186,811	1,024,829	(161,982)
Debt service:				
Principal	115,000	115,000	115,000	-
Interest	44,153	44,153	44,152	(1)
Capital outlay	3,276,662	4,687,783	311,338	(4,376,445)
Total expenditures	4,444,729	6,033,747	1,495,319	(4,538,428)
Excess (deficiency) of revenues over (under) expenditures	(2,138,212)	(3,727,230)	907,155	4,634,385
OTHER FINANCING SOURCES (USES)				
Transfers in	-	50,000	50,000	-
Transfers out	(1,432,972)	-	-	-
Total other financing sources (uses)	(1,432,972)	50,000	50,000	-
Net change in fund balance	(3,571,184)	(3,677,230)	957,155	4,634,385
Fund balance, October 1	3,382,472	3,382,472	3,382,472	-
Fund balance, September 30	\$ (188,712)	\$ (294,758)	\$ 4,339,627	\$ 4,634,385

Add explanations for variances. GASB 103

SUPPLEMENTARY INFORMATION
MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
PROJECT REVENUES AND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Project Number	Project name	Expenditures ⁽¹⁾	Committed ⁽²⁾	Total	Transfers in ⁽³⁾
10421	Riverview Park Boat Launch	\$ 3,703	\$ 27,387	\$ 31,090	\$ (14,190)
10623	Riverview Park Playground	54,438	-	54,438	-
13024	Downtown Parking Management	-	-	-	60,000
13123	Security Camera Install Downtown	129,436	34	129,470	83,000
13124	Downtown Gateway @ US1 & Front Street	-	-	-	20,000
13323	Riverview Park Entrance & Signage	-	-	-	800,000
13423	Downtown Welcome Signs @ US1 & University	-	-	-	50,000
13523	805 Palmetto Acquisition & Demolition	54,650	-	54,650	28,989
14011	Downtown CRA South Expansion Streetscape	-	695	695	-
14320	Downtown Right of Way and Easement Access Infrastructure Improvements	19,250	-	19,250	-
17024	Downtown South Sidewalk Expansion	-	-	-	35,000
17123	Downtown Core Streetscape	24,353	-	24,353	517,972
19099	Downtown CRA Misc Projects	-	-	-	1
		<u>\$ 285,830</u>	<u>\$ 28,116</u>	<u>\$ 313,946</u>	<u>\$ 1,580,772</u>

⁽¹⁾ Expenditures

These are the amounts of the CRA funds that were spent during the fiscal year in the Downtown Redevelopment capital projects fund.

⁽²⁾ Committed

These encumbrances are recorded in the Downtown Redevelopment capital projects fund.

⁽³⁾ Transfers in (out)

These are the amounts transferred into and out of the individual projects.

⁽⁴⁾ Difference of \$2,608 from the statement of revenues, expenditures and changes in fund balance is because \$58,353 were not capital expenditures and were included in general government expenses, offset by \$55,745 funded from money other than the Agency.

Appendix C – CRA Audited Trust Funds

**MELBOURNE DOWNTOWN COMMUNITY
REDEVELOPMENT AGENCY**

ANNUAL FINANCIAL REPORT



PICTURED ABOVE IS THE COMPLETED HIGHLINE APARTMENT PROJECT

2024

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2024



MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of the Melbourne Downtown Community Redevelopment Agency, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Melbourne Downtown Community Redevelopment Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Melbourne Downtown Community Redevelopment Agency, as of September 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Melbourne Downtown Community Redevelopment Agency 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 opinions.

Responsibilities of Management 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, 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 the Melbourne Downtown Community Redevelopment Agency'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.

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the Melbourne Downtown Community Redevelopment Agency'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 the Melbourne Downtown Community Redevelopment Agency'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 7 and 23 – 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 March 18, 2025, on our consideration of the Melbourne Downtown Community Redevelopment Agency'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Melbourne Downtown Community Redevelopment Agency's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

The Management's Discussion and Analysis section provides a narrative overview of the Melbourne Downtown Community Redevelopment Agency (the "Agency") financial activities for fiscal year ending September 30, 2024. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the Agency's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the Agency.

Overview

The purpose of the Melbourne Downtown Community Redevelopment Agency is to eliminate slum and blighted conditions within the identified redevelopment area pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue is computed by applying the operating tax rate for the City of Melbourne (the "City") and Brevard County (the "County"), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Further, the governing body of the Melbourne Downtown Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Melbourne Downtown Redevelopment Advisory Committee.

The Agency was established in 1982, by the City of Melbourne, Florida under the provisions of Section 163.333 Florida Statutes.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the Agency's assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The *statement of activities* presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., bond principal and interest payments).

The government-wide financial statements can be found on pages 8-9 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency adopts an annual appropriated budget. A budgetary comparison statement has been provided as part of Required Supplementary Information, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 10-13 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14-21 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Agency's budget. Required supplementary information (RSI) can be found on pages 22-24 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by \$3,830,677.

The net investment in capital assets represents \$1,444,935 of the net position. These assets are not available for future spending. The restricted net position represents resources that are subject to restrictions on how the money can be spent. The unrestricted net position represents the amount the liabilities exceed existing current and other assets.

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2024	2023	Amount
Assets			
Current and other assets	\$ 4,497,700	\$ 3,496,784	\$ 1,000,916
Capital assets	1,444,935	1,330,809	114,126
Total assets	5,942,635	4,827,593	1,115,042
Liabilities			
Long-term liabilities outstanding	2,060,000	2,175,000	(115,000)
Other liabilities	51,958	117,991	(66,033)
Total liabilities	2,111,958	2,292,991	(181,033)
Net position			
Net investment in capital assets	1,444,935	1,330,809	114,126
Unrestricted	2,385,742	1,203,793	1,181,949
Total net position	<u>\$ 3,830,677</u>	<u>\$ 2,534,602</u>	<u>\$ 1,296,075</u>

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Key elements of the increase in net position are as follows:

Changes in Net Position

	Governmental Activities		Increase (Decrease)	
	2024	2023	Variance	Percent
Revenue:				
Program revenue:				
Grants and contributions	\$ 2,212,327	\$ 2,059,225	\$ 153,102	7%
General revenue:				
Investment earnings	190,147	37,254	152,893	410%
Total revenues	<u>2,402,474</u>	<u>2,096,479</u>	<u>305,995</u>	<u>15%</u>
Expenses:				
General government	954,755	805,893	148,862	18%
Interest on long-term debt	43,958	46,292	(2,334)	-5%
Total expenses	<u>998,713</u>	<u>852,185</u>	<u>146,528</u>	<u>17%</u>
Change in net position and transfers	1,403,761	1,244,294	159,467	13%
Loss from disposal of capital assets	(47,503)	-	(47,503)	100%
Transfers from primary government	50,000	2,537,305	(2,487,305)	-98%
Transfers to primary government	(110,183)	(1,114)	(109,069)	9791%
Increase in net position	<u>1,296,075</u>	<u>3,780,485</u>	<u>(2,484,410)</u>	<u>-66%</u>
Net position - October 1	<u>2,534,602</u>	<u>(1,245,883)</u>	<u>3,780,485</u>	<u>-303%</u>
Net position - September 30	<u>\$ 3,830,677</u>	<u>\$ 2,534,602</u>	<u>\$ 1,296,075</u>	<u>51</u>

Financial Analysis of the Agency's Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency's financing requirements.

As of the end of the fiscal year, the Agency's governmental fund reported an ending fund balance of \$4,449,227, an increase of \$1,066,755 in comparison with the prior year. The change in fund balance decreased \$1,936,148 compared to the prior year due to an increase of intergovernmental revenues of \$305,995, and a decrease in transfers in of capital outlay from general construction fund of the primary government amounting to \$2,487,305. The project is now going to be accounted for in the Agency's fund instead of the capital project fund.

Budgetary Highlights

The following is a brief review of the final amended budget and actual amounts (presented on a budgetary basis). A detailed budgetary comparison schedule for the Agency is included on page 22 of the RSI section.

The variance between the final budget and the actual results reflects total revenues of \$95,957 more than appropriated, total expenditures of \$4,538,428 less than appropriated, due to capital projects maintained within the agency. These factors caused the change in fund balance to be \$4,634,385 higher than budgeted.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2024 total \$1,444,935 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

Capital Assets

	Governmental Activities	
	2024	2023
Land	\$ 1,023,063	\$ 518,724
Construction in Progress	165,822	683,970
Improvements other than buildings	256,050	128,115
Total capital assets, net of depreciation/amortization	<u>\$ 1,444,935</u>	<u>\$ 1,330,809</u>

Additional information on the Agency's capital assets can be found in Note (3) B on page 19 of this report.

Long-term debt. At the end of the current fiscal year, the Agency had total debt outstanding of \$2,060,000.

Outstanding Debt

	Governmental Activities	
	2024	2023
Capital Improvement Revenue Note	\$ 2,060,000	\$ 2,175,000
Total	<u>\$ 2,060,000</u>	<u>\$ 2,175,000</u>

Governmental activities debt decreased \$115,000 as a result of the normal bond payment during this fiscal year.

Additional information on the Agency's long-term debt can be found in Note (3) E on page 20 of this report.

Requests for Information

Questions about this report or requests for additional financial information should be addressed to:

City of Melbourne
Financial Services Department
900 E. Strawbridge Ave.
Melbourne, FL 32901
Telephone: (321) 608-7011

Or visit our website at: www.melbourneflorida.org/departments/community-development/community-redevelopment-areas.

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

ASSETS	Governmental Activities
Equity in pooled investments	\$ 4,466,840
Interest receivable	30,860
Capital assets:	
Nondepreciable:	
Land	1,023,063
Construction in progress	165,822
Depreciable:	
Improvements other than buildings	875,738
Less accumulated depreciation/amortization	(619,688)
 Total assets	 <u>\$ 5,942,635</u>
 LIABILITIES	
Accounts payable	\$ 37,270
Accrued payroll expenses	11,203
Accrued interest payable	3,485
Noncurrent liabilities:	
Due within one year:	
Bonds payable, current portion	120,000
Due in more than one year:	
Bonds payable, net of unamortized premium and discount	1,940,000
 Total liabilities	 <u>2,111,958</u>
 NET POSITION	
Net investment in capital assets	1,444,935
Restricted	2,385,742
 Total net position	 <u>\$ 3,830,677</u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net Revenues and Changes in Net Position Governmental Activities</u>
CRA government:			
Governmental activities:			
General government	\$ 954,755	\$ 2,212,327	\$ 1,257,572
Interest on long-term debt	43,958	-	(43,958)
Loss on disposal of capital assets	47,503	-	(47,503)
Total	<u>\$ 1,046,216</u>	<u>\$ 2,212,327</u>	<u>1,166,111</u>
General Revenues:			
Interest earnings			190,147
Transfers, net			<u>(60,183)</u>
Total general revenues and transfers			<u>129,964</u>
		Change in net position	1,296,075
Net position, October 1			<u>2,534,602</u>
Net position, September 30			<u><u>\$ 3,830,677</u></u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
SEPTEMBER 30, 2024
GOVERNMENTAL FUND**

ASSETS

Equity in pooled investments	\$ 4,466,840
Interest receivable	<u>30,860</u>
Total assets	<u><u>\$ 4,497,700</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 37,270
Accrued payroll expenditures	<u>11,203</u>
Total liabilities	<u>48,473</u>
Restricted fund balance	<u>4,449,227</u>
Total liabilities and fund balance	<u><u>\$ 4,497,700</u></u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

Total *fund balance* for governmental fund \$ 4,449,227

Total *net position* reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of:

	Balance	Accumulated Depreciation/ Amortization	
Land	\$ 1,023,063	\$ -	
Construction in progress	165,822	-	
Improvements	875,738	(619,688)	
Total capital assets	<u>\$ 2,064,623</u>	<u>\$ (619,688)</u>	1,444,935

Long-term liabilities, including bonds payable, are not due and payable in the current period, and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position.

Accrued interest on note	\$ (3,485)	
Note payable	<u>(2,060,000)</u>	
Total long-term liabilities and associated accrued interest		<u>(2,063,485)</u>
Net position of governmental activities		<u>\$ 3,830,677</u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

REVENUES

Intergovernmental	\$ 2,212,327
Investment earnings	<u>190,147</u>
Total revenues	<u>2,402,474</u>

EXPENDITURES

Current:	
General government	943,345
Debt service:	
Principal	115,000
Interest	44,152
Capital outlay	<u>283,222</u>
Total expenditures	<u>1,385,719</u>

Excess of revenues over expenditures	<u>1,016,755</u>
--------------------------------------	------------------

OTHER FINANCING SOURCES (USES)

Transfers in	<u>50,000</u>
Net change in fund balance	1,066,755
Fund balance, October 1	<u>3,382,472</u>
Fund balance, September 30	<u><u>\$ 4,449,227</u></u>

The accompanying notes are an integral part of this statement.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Net change in *fund balance* - governmental fund \$ 1,066,755

The change in *net position* reported for governmental activities in the statement of activities is different because:

The governmental fund reports capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period.

Cost of capital assets	283,222	
Depreciation and amortization expense	<u>(11,410)</u>	
		271,812

In the statement of activities, only the gain or loss on the sale of capital assets are reported. However, in the governmental fund, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold or disposed.

Cost of capital assets sold or disposed	(47,503)	
Transfer of capital assets to governmental activities	<u>(110,183)</u>	
		(157,686)

The issuance of long-term debt provides current financial resources to governmental funds and contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, refunding and repayment of debt consume current financial resources of the governmental fund, but reduce the liability in the statement of net position and does not affect the statement of activities.

Principal repayment, bonds and notes	115,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued interest on note	(3,485)
--------------------------	---------

Some expenditures reported in the governmental funds, and adjustments made to expenses reported in the statement of activities have been recognized as expenses in the prior fiscal year in the statement of activities.

Accrued interest on bonds and notes	<u>3,679</u>
-------------------------------------	--------------

Some expenditures reported in the governmental funds have been recognized as expenses in the prior fiscal year in the statement of activities.

Change in net position of governmental activities	<u>\$ 1,296,075</u>
---	---------------------

The accompanying notes are an integral part of this statement

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Melbourne Downtown Community Redevelopment Agency's (the "Agency") financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. REPORTING ENTITY

Melbourne Downtown Community Redevelopment Agency was created under Ordinance No. 1982-38 on August 24, 1982. The Melbourne Downtown Community Redevelopment Agency was established in 1982 by the City of Melbourne, Florida (the "City" or "primary government") under the provisions of Section 163.333, Florida Statutes.

The governing body of the Melbourne Downtown Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Melbourne Downtown Redevelopment Advisory Committee.

For financial reporting purposes, the Agency is a component unit of the City and is thus included in the City's annual comprehensive financial report as a blended component unit. This report is not a complete presentation of the City of Melbourne.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide financial statements and fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Agency does not have any business-type activities and has only governmental activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Agency.

The statement of net position, reports the assets and liabilities, including capital assets and long-term debt. Within this statement, the net position of the Agency (assets minus liabilities) is reported in two separate components – net investment in capital assets and restricted net position.

The statement of activities demonstrates the degree to which the direct expenses, including depreciation, are offset by program revenues and operating and capital grants. The statement then reports the extent to which the resulting net costs (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.).

Fund financial statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in an individual fund within the City's accounting system. The fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, reserves, fund equity, revenues and expenditures of the fund. For purposes of this report, the Agency's fund is classified as a major governmental fund.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to when revenues, expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants, for which the period is 12 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS, AND NET POSITION OR EQUITY

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of equity in pooled investments. Investments are stated at fair value, based on the quoted market price.

2. Pooled Cash

Equity in pooled cash consists primarily of investments in debt instruments of the federal government and corporate holdings. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant fund's investment to the total pooled investment. As of September 30, 2024, the Agency participated in pooled cash investments with the City of Melbourne.

3. Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets, other than equipment, are defined by the government as assets with an initial, individual cost of more than \$25,000 (amount not rounded) and an estimated useful life in excess of two years. Equipment is defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value of market transaction at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or materially extend the life of the respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

<u>Classification</u>	<u>Range of Lives</u>
Buildings	20-40 years
Improvements other than buildings	10-25 years
Machinery, equipment and other	2-20 years

4. Long-Term Liabilities

Long-term liabilities expected to be financed from the Governmental fund are not accounted for in the Governmental fund. Expenditure recognition for Governmental fund types is limited to exclude amounts paid from non-current assets. Such long-term amounts are not recognized as Governmental fund type expenditures or fund liabilities but are incorporated into the governmental column in the Government-wide Statement of Net Position.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

E. FUND BALANCE

In the governmental fund, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balance is reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental fund. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide fund is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

The Agency applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. REVENUES

Intergovernmental Revenue -The Agency's primary source of revenue is tax increment funds collected from the City and Brevard County deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at \$10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is \$25,000. The incremental difference in value (new assessed value – base year value) is \$15,000. Taxes collected on the property will be split amongst the City and County. The Agency receives all taxes assessed on the incremental increase of \$15,000. Revenues generated by improvements in the Agency district are to be reinvested in the district to continue to spur redevelopment.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Assessed values are established by the Brevard County Property Appraiser. The assessed property value recognized by the City and Brevard County includes the second homestead exemption. The City and Brevard County are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue - In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

G. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the Agency's budgetary information.

As of September 30, 2024, there were no material violations of budgetary requirements.

(3) DETAILED NOTES

A. DEPOSITS AND INVESTMENTS

Deposits –Banks and savings and loans must meet the criteria to be a qualified public depository as described in the Florida Security for Public Deposits Act in accordance with Chapter 280, Florida Statutes before any investment of public funds can be made with them. At September 30, 2024, the carrying amount of the City of Melbourne's deposits with banks was \$8,835,682 and the bank balance was \$8,996,048.

As of September 30, 2024, all of the City's interest bearing bank balances are covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The City maintains a pool of cash and investments in which each fund, including the Agency, participates on a daily transaction basis. Investment earnings are distributed monthly based on average daily balances.

City daily deposits are deposited in Earnings Credit Rate (ECR) earning accounts. These accounts are fully collateralized in accordance with Florida state law

City of Melbourne Investment Policy – Pursuant to the requirements of Section 218.415, Florida Statutes, the City of Melbourne adopted Resolution No. 4088 on April 12, 2022, establishing the City's present investment policy. Such investment policy applies to the investment of surplus funds, which include cash and investment balances of the following funds of the City: General, Capital Projects, Special Revenue, Enterprise, Internal Service, Trust and Agency. The investment policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, and redemption or escrow accounts created by ordinance or

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. This policy does not apply to funds not under control of the City; such as, the Police Officers' Retirement System, the Firefighters' Retirement System, and the General Employees' and Special Risk Class Employees' Pension Plan.

All investments are made based on reasonable research as to credit quality, liquidity and interest rate risk prior to the investment being acquired.

The investment policy authorizes the City to invest in U.S. Government securities, agencies, Federal instrumentalities and Supra-nationals, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, interest bearing time deposits or savings accounts, commercial paper, corporate notes, bankers acceptances, and State or local government taxable or tax-exempt debt, and an intergovernmental investment pool. Overnight repurchase agreements restrict investments to obligations of U.S. Government Agencies and Federal instrumentalities.

The investment policy provides maturity and liquidity requirements for investments. All investments other than investments in the Local Government Surplus Funds Trust Fund are required to be purchased pursuant to competitive bids. A maximum of 25% of available funds may be invested in the Local Government Surplus Funds Trust Fund. The policy also requires diversification of the investment portfolio to control the risk of loss from overconcentration of assets in a specific maturity, issuer, instrument, dealer, savings and loan, or bank through which investments are purchased. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy restricts portfolio composition for federal instrumentalities to 100% total, 40% individually. Concentration percentages for the Federal instrumentalities are provided in the schedule. Currently, the investment of a significant portion of the City's portfolios is being managed by the City's financial advisor, PFM Asset Management LLC.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City's investment policy states that all securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The third party custodian holds securities in an account separate and apart from the assets of the financial institution, and are either insured or registered in the City's name.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market conditions. As a means to limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits its investment portfolio to maturities of less than 5.5 years for corporate notes, two years for time deposits, and 270 days for commercial paper.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As a means to limiting its exposure to credit risk, the City limits investments with credit quality ratings from nationally recognized rating agencies of:

- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "MIG 1/A3" by Moody's Investors Services and "SP-1/A-" by Standard & Poor's for long-term debt.
- Corporates and/or commercial paper of any United States company that is rated, at the time of purchase, "P-1" by Moody's and "A-1" by Standard & Poor's.
- Money Market Mutual Funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- Local Government Surplus Funds Trust Fund money market funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- The Agency's equity in pooled investments is all held in money market funds.

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 518,724	\$ 504,339	\$ -	\$ 1,023,063
Construction in Progress	683,970	283,222	801,370	165,822
Total capital assets, not being depreciated/amortized	1,202,694	787,561	801,370	1,188,885
 Capital assets, being depreciated/amortized:				
Improvements other than buildings	736,393	139,345	-	875,738
Total capital assets, being depreciated/amortized	736,393	139,345	-	875,738
 Less accumulated depreciation/amortization for:				
Improvements other than buildings	608,278	11,410	-	619,688
Total accumulated depreciation/amortization	608,278	11,410	-	619,688
 Total capital assets, being depreciated/amortized, net	128,115	127,935	-	256,050
 CRA capital assets, net	\$ 1,330,809	\$ 915,496	\$ 801,370	\$ 1,444,935

Depreciation/amortization expense was charged to functions/programs of the Agency as follows:

General government	\$ 11,410
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C. ENCUMBRANCE COMMITMENTS

At September 30, 2024, the Agency had encumbrance commitments in the Governmental fund in the amount of \$109,600.

D. INTERFUND TRANSACTIONS

Interfund transfers at September 30, 2024 are as follows:

	Primary Government (General Construction fund)	Agency	Total
Primary Government (General Construction fund)	\$ 110,183	\$ 50,000	\$ 160,183
Agency	(50,000)	(110,183)	(160,183)
Total Transfers out	\$ 60,183	\$ (60,183)	\$ -

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

E. LONG-TERM LIABILITIES

1. Debt Service Requirements to Maturity

The annual requirements to amortize all bonded debt outstanding as of September 30, 2024 including interest requirements are described below.

	<u>Principal</u>	<u>Interest</u>
2025	120,000	41,818
2026	120,000	39,382
2027	125,000	36,946
2028	125,000	34,409
2029	130,000	31,871
2030-2034	680,000	119,060
2035-2039	760,000	46,994
	<u>\$ 2,060,000</u>	<u>\$ 350,480</u>

2. Pledged Revenues

Information on pledged revenues and principal and interest payments are as follows:

<u>Pledged Revenue</u>	<u>Term</u>	<u>Future Principal and Interest</u>	<u>Current Pledged Revenue</u>	<u>Current Principal and Interest</u>	<u>Current Percentage of Revenue</u>
Governmental Activities:					
Downtown CRA-Highline	2039	\$ 2,410,480	\$ 2,402,474	\$ 159,152	6.62%
Total government activities		<u>\$ 2,410,480</u>	<u>\$ 2,402,474</u>	<u>\$ 159,152</u>	

3. Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2024 was as follows:

	<u>Balance October 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30, 2024</u>	<u>Amounts Due Within One Year</u>
Government Activities					
Notes from direct borrowings	\$ 2,175,000	\$ -	\$ 115,000	\$ 2,060,000	\$ 120,000
Total Governmental activities	<u>\$ 2,175,000</u>	<u>\$ -</u>	<u>\$ 115,000</u>	<u>\$ 2,060,000</u>	<u>\$ 120,000</u>

The Agency's outstanding notes from direct borrowings related to governmental activities of \$2,060,000 are from the 2020 Downtown CRA Revenue Note at an interest rate of 2.03%. The 2020 Downtown CRA Note contains a provision that in the event of default, the bank is entitled to sue for payment and increase the interest rate by 3%.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

(4) OTHER INFORMATION

A. RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of or damage to and destruction of assets; errors and omissions; and natural disasters. The primary government purchases commercial insurance with various deductibles for different types of losses. The costs for this insurance program are accounted for in the insurance internal service fund of the primary government.

B. SUBSEQUENT EVENTS

On October 22, 2024, the Melbourne Downtown Community Redevelopment Agency approved a site plan for the VIEW Apartments and a master redevelopment agreement between the City, the Downtown CRA and DTM Apartments Joint Venture, LLC.

On November 26, 2024, the Melbourne City Council approved funding from the Space Coast Transportation Planning Organization (SCTPO) in the amount of \$1,754,445 for the Downtown CRA South Expansion Streetscape Project.

On December 10, 2024, the Melbourne Downtown Community Redevelopment Agency approved the funding consideration agreement for FY 2024-2025 with Melbourne Main Street for \$156,550.

**REQUIRED SUPPLEMENTARY INFORMATION
CITY OF MELBOURNE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,286,517	\$ 2,286,517	\$ 2,212,327	\$ (74,190)
Investment earnings	20,000	20,000	190,147	170,147
Total revenues	2,306,517	2,306,517	2,402,474	95,957
EXPENDITURES				
Current:				
General government	1,008,914	1,186,811	1,024,829	(161,982)
Debt service:				
Principal	115,000	115,000	115,000	-
Interest	44,153	44,153	44,152	(1)
Capital outlay	3,276,662	4,687,783	311,338	(4,376,445)
Total expenditures	4,444,729	6,033,747	1,495,319	(4,538,428)
Excess (deficiency) of revenues over (under) expenditures	(2,138,212)	(3,727,230)	907,155	4,634,385
OTHER FINANCING SOURCES (USES)				
Transfers in	-	50,000	50,000	-
Transfers out	(1,432,972)	-	-	-
Total other financing sources (uses)	(1,432,972)	50,000	50,000	-
Net change in fund balance	(3,571,184)	(3,677,230)	957,155	4,634,385
Fund balance, October 1	3,382,472	3,382,472	3,382,472	-
Fund balance, September 30	\$ (188,712)	\$ (294,758)	\$ 4,339,627	\$ 4,634,385

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

BUDGETARY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City Council typically adopts an annual budget for the Agency. The budget is prepared on a modified accrual basis with encumbrance accounting. Budgetary control is legally maintained at the fund level. Budget transfer authority is provided to the City Manager within a fund as long as the total budget of the fund is not increased. City Council action is required for the approval of a supplemental budget.

Supplemental appropriations were made during the year and all budget amounts presented in the accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance have been adjusted for legally authorized revisions of the annual budget. All appropriations which are not expended, encumbered, or committed lapse at year end. Encumbered appropriations are carried forward to the subsequent year's budget.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are carried forward to the next year's budget and are reported as restricted or assigned fund balance in the governmental fund financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations are presented in accordance with generally accepted accounting principles (GAAP basis) and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the City's legally adopted budget.

**MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

A – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Revenues

Actual amounts (budgetary basis) of total revenues as reported on the statement of revenues, expenditures and changes in fund balances - budget and actual equal total revenues as reported on the statement of revenues, expenditures, and changes in fund balance.

Expenditures

Actual amounts (budgetary basis) "total expenditures" as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual	\$ 1,495,319
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Differences - budget to GAAP:

Encumbrances for professional services, supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies and services are received for <i>financial reporting</i> purposes.	<u>(109,600)</u>
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Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance.	<u>\$ 1,385,719</u>
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B – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

The budgetary schedules present comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences in the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis) as compared to the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis) for the year ended September 30, 2024 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis)	\$ 957,155
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Adjustments:

Encumbrances	<u>109,600</u>
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Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis)	<u>\$ 1,066,755</u>
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency

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 Melbourne Downtown Community Redevelopment Agency, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Melbourne Downtown Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Melbourne Downtown Community Redevelopment Agency'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Melbourne Downtown Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Melbourne Downtown Community Redevelopment Agency'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 or significant deficiencies may exist that were not identified.

Honorable Mayor and Members of the City Council
Melbourne Downtown Community Redevelopment Agency
Page Two

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Melbourne Downtown Community Redevelopment Agency'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.

Carr, Rigg & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Melbourne Downtown Community Redevelopment Agency, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 18, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 18, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding financial audit report. No recommendations were made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The legal authority for the Melbourne Downtown Community Redevelopment Agency is disclosed in the footnotes. The Melbourne Downtown Community Redevelopment Agency has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether or not the Melbourne Downtown Community Redevelopment Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Melbourne Downtown Community Redevelopment Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Melbourne Downtown Community Redevelopment Agency. It is management's responsibility to monitor the Melbourne Downtown Community Redevelopment Agency's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information (UNAUDITED)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Melbourne Downtown Community Redevelopment Agency reported the schedule below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Melbourne Downtown Community Redevelopment Agency reported:

- a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as

None

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency
Page Three

- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as **8**
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency. **None**
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency. **\$ 588,067**

- e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin after October 1 of the fiscal year being reported, together with the total expenditures for such projects.

Project	Project Budget	Expenditures
(#13323) Riverview Park Entrance & Signage	\$ 920,000	\$ -
(#17023) Municipal & Vernon Lighting	70,000	-
Total	\$ 990,000	\$ -

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes: **See Page 23**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Melbourne Downtown Community Redevelopment Agency reported:

- | | |
|--|---------------------|
| a. The millage rate or rates imposed by the City. | 6.5466 |
| The millage rate or rates imposed by the County. | 3.0486 |
| b. The total amount of ad valorem taxes collected by or on behalf of the Agency. | \$ 1,509,424 |
| The total amount of ad valorem taxes collected by or on behalf of the County. | \$ 702,903 |
| c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as: | |
| Melbourne Downtown Community Redevelopment Agency Capital Improvement Revenue Note, Series 2020, dated July 23, 2020, interest at a fixed rate of 2.03% and maturing on September 1, 2039. | |
| | \$2,060,000 |

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the Melbourne Downtown Community Redevelopment Agency reported:

- | | |
|--|-------------|
| a. The rate or rates of non-ad valorem special assessments imposed by the Agency as | None |
| b. The total amount of special assessments collected by or on behalf of the Agency as | None |
| c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as | None |

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency
Page Five

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



Carr, Riggs & Ingram, L.L.C.
7506 Lynx Way
Suite 201
Melbourne, FL 32940

321.255.0088
386.336.4189 (fax)
CRIadv.com

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 163.387(7) AND
SECTION 163.387(8), FLORIDA STATUTES**

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency

We have examined the Melbourne Downtown Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(7) and Section 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied with the requirements of Section 163.387(7) and Section 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2024, in all material respects.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



Carr, Riggs & Ingram, L.L.C.
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Suite 201
Melbourne, FL 32940

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Melbourne Downtown Community Redevelopment Agency

We have examined the Melbourne Downtown Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024, in all material respects.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025

City of Melbourne



Community Development
900 E. Strawbridge Avenue • Melbourne, FL 32901 • (321) 608-7500 • Fax (321) 608-7519

May 16, 2025

Via Federal Express: 8115 7623 7629

Mr. Frank Abbate, County Manager
Brevard County Commission
2725 Judge Fran Jamieson Way, Building C
Viera, Florida 32940

RE: Melbourne Downtown CRA Budget Amendment FY 2025

Dear Mr. Abbate:

Under §163.387(6)(b), Florida Statutes, municipalities are required to provide associated county commissions with community redevelopment agency (CRA) budget amendments, within ten days of adoption. The City of Melbourne and the Melbourne Downtown CRA amendments were adopted on May 13, 2025. Please accept the following resolutions of approval: No. 4348, No. 4349, and No. 4350.

In addition to this notification requirement, the City of Melbourne also posts the adopted budgets and amendments on the agency web sites in ADA format, as required under §189.016, Florida Statutes.

If you should have any questions, please do not hesitate to contact me direct at (321) 608-7510.

Sincerely,

Doug Dombroski
Economic Development Manager
douglas.dombroski@mlbfl.org

cc: Jenni Lamb, City Manager
Ross McGinn, Finance Director
Marla Keehn, Budget Officer
Cindy Dittmer, Community Development Director

Enc.

RECEIVED

MAY 29 2025

County Manager's
Office

RESOLUTION NO. 4348

A RESOLUTION OF THE CITY OF MELBOURNE, BREVARD COUNTY, FLORIDA, AMENDING RESOLUTION NO. 4290; IMPLEMENTING BUDGET ADJUSTMENT RECOMMENDATIONS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR ADOPTION.

WHEREAS, on September 25, 2024, the City of Melbourne adopted Resolution No. 4290 providing for adoption of the City's 2024-2025 budget; and

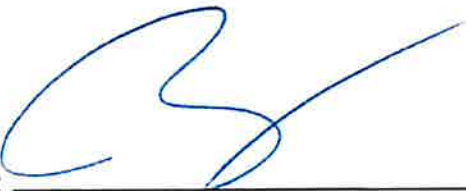
WHEREAS, a budget adjustment is necessary to provide for supplemental appropriations in the amounts identified in the attached Exhibit A.

BE IT RESOLVED BY THE CITY OF MELBOURNE, FLORIDA:

SECTION 1. That the budget for the fiscal year commencing October 1, 2024 is hereby amended by the amounts identified in Exhibit A.

SECTION 2. That this resolution shall become effective immediately upon its adoption in accordance with the Charter of the City of Melbourne.

SECTION 3. That this resolution was duly adopted at a regular meeting of the City Council on the 13th day of May, 2025.

BY: 

Paul Alfrey, Mayor


ATTEST: _____
Kevin McKeown, City Clerk



Attachment: Exhibit A

ATTACHMENT "A"

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT FUND			INCREASE/ DECREASE	REVISED BUDGET
<i>Reconciliation of Year-End FY 2024 Fund Balance</i>				
<i>(Transfer to Operating Reserves)</i>				
<u>Revenue</u>				
5613870	387035	Appropriation from FB PY Surplus	280,156	411,642
		Total	280,156	
<u>Expenditure</u>				
56100552	590340	Reserve Future Project	280,156	439,913
		Total	280,156	
Total Melbourne Downtown CRA Fund			280,156	

RESOLUTION NO. 4349

A RESOLUTION OF THE CITY OF MELBOURNE, BREVARD COUNTY, FLORIDA, AMENDING RESOLUTION NO. 4291; IMPLEMENTING BUDGET ADJUSTMENT RECOMMENDATIONS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR ADOPTION.

WHEREAS, on September 25, 2024, the City of Melbourne adopted Resolution No. 4291 providing for adoption of the Melbourne Downtown Community Redevelopment Agency's 2024-2025 budget; and

WHEREAS, a budget adjustment is necessary to provide for supplemental appropriations in the amounts identified in the attached Exhibit A.

BE IT RESOLVED BY THE CITY OF MELBOURNE, FLORIDA:

SECTION 1. That the Melbourne Downtown Community Redevelopment Agency's budget for the fiscal year commencing October 1, 2024 is hereby amended by the amounts identified in Exhibit A.

SECTION 2. That this resolution shall become effective immediately upon its adoption in accordance with the Charter of the City of Melbourne.

SECTION 3. That this resolution was duly adopted at a regular meeting of the City Council on the 13th day of May, 2025.



BY: _____

Paul Alfrey, Mayor

ATTEST:

Kevin McKeown, City Clerk



Attachment: Exhibit A

Resolution No. 4349

ATTACHMENT "A"

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT FUND			INCREASE/ DECREASE	REVISED BUDGET
<i>Reconciliation of Year-End FY 2024 Fund Balance</i>				
<i>(Transfer to Operating Reserves)</i>				
<u>Revenue</u>				
5613870	387035	Appropriation from FB PY Surplus	280,156	411,642
		Total	280,156	
<u>Expenditure</u>				
56100552	590340	Reserve Future Project	280,156	439,913
		Total	280,156	
Total Melbourne Downtown CRA Fund			280,156	

RESOLUTION NO. 4350

**A RESOLUTION OF THE GOVERNING BODY OF THE
MELBOURNE DOWNTOWN COMMUNITY
REDEVELOPMENT AGENCY, AMENDING RESOLUTION
NO. 4293; IMPLEMENTING BUDGET ADJUSTMENT
RECOMMENDATIONS; PROVIDING AN EFFECTIVE DATE;
AND PROVIDING FOR ADOPTION.**

WHEREAS, on September 25, 2024, the City Council, as the Melbourne Downtown Community Redevelopment Agency (CRA), pursuant to the Special District Act, adopted Resolution No. 4293 providing for adoption of the Melbourne Downtown Community Redevelopment Fund 2024-2025 budget; and

WHEREAS, a budget adjustment is necessary to provide for supplemental appropriations in the amounts identified in Exhibit "A."

BE IT RESOLVED BY THE CITY OF MELBOURNE, FLORIDA AS THE GOVERNING BODY OF THE MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT AGENCY:

SECTION 1. That the Melbourne Downtown Community Redevelopment Agency's budget for the fiscal year commencing October 1, 2024 is hereby amended by the amounts identified in Exhibit A.

SECTION 2. That pursuant to the Special District Act, the City Council, as the Melbourne Downtown CRA, does hereby approve the attached budget amendment to the Melbourne Downtown Community Redevelopment Fund 2024-2025 budget.

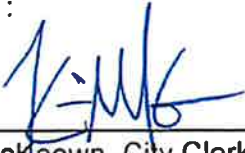
SECTION 3. That this resolution shall take effect immediately upon its adoption by the Agency in accordance with the Charter of the City of Melbourne.

SECTION 4. That this resolution was duly adopted at a regular meeting of the governing body of the Melbourne Downtown Community Redevelopment Agency on the 13th day of May, 2025.



BY: _____
Paul Alfrey, Chair

ATTEST:



Kevin McKeown, City Clerk

Attachment: Exhibit "A"

Resolution No. 4350

ATTACHMENT "A"

MELBOURNE DOWNTOWN COMMUNITY REDEVELOPMENT FUND	INCREASE/ DECREASE	REVISED BUDGET
---	-----------------------	-------------------

Reconciliation of Year-End FY 2024 Fund Balance (Transfer to Operating Reserves)

Revenue

5613870	387035	Appropriation from FB PY Surplus	280,156	411,642
		Total	280,156	

Expenditure

56100552	590340	Reserve Future Project	280,156	439,913
		Total	280,156	

Total Melbourne Downtown CRA Fund	<u>280,156</u>
-----------------------------------	----------------



2024

City of Melbourne

Olde Eau Gallie Riverfront Community
Redevelopment Agency (CRA)

CRA Annual Report

2024 Olde Eau Gallie Riverfront CRA Annual Report

Three community redevelopment areas (CRAs) are located within the City of Melbourne: the Melbourne Downtown CRA, the Olde Eau Gallie Riverfront CRA, and the Babcock Street CRA. The following report is an overview of Olde Eau Gallie Riverfront CRA activities during the fiscal reporting period (FY 2024) from October 1, 2023 to September 30, 2024. The report includes general information, current or completed projects, and financial information, in compliance with Chapter 163.371, Florida Statutes.

A district map identifying the CRA is included in Appendix A. Specific financial information, such as assets, liabilities, income and operating expenses of the Olde Eau Gallie Riverfront CRA trust fund, are part of this report. Balance sheets and statements of revenues and expenditures for the Eau Gallie CRA are found in Appendix B. The 2024 Eau Gallie CRA audit report, as required in Chapter 163.378(8), Florida Statutes, is found in Appendix C.

Information related to the Olde Eau Gallie Riverfront CRA, including annual reports, redevelopment plans, budgets, program information, and reporting requirements are located on the City of Melbourne's web site with the following link on the City's home page:

<https://www.melbourneflorida.org/departments/community-development/community-redevelopment-areas/olde-eau-gallie-riverfront-cra>

Olde Eau Gallie Riverfront CRA

The Olde Eau Gallie Riverfront CRA was established in 2000 and was expanded in 2005 and 2015 through redevelopment plan amendments. In 2021, Brevard County revised their delegation of authority, and subsequently the City of Melbourne amended the redevelopment plan. The area contained within the CRA boundary is approximately 297 acres and is shown on the map in Appendix A.

Applicable resolutions and ordinances related to the CRA creation, the redevelopment plan, and plan amendments include the following:

- Brevard County Resolution No. 2000-249
- City of Melbourne Resolution No. 1657
- City of Melbourne Ordinance No. 2001-23
- City of Melbourne Resolution No. 1939
- City of Melbourne Ordinance No. 2005-77
- City of Melbourne Ordinance No. 2014-15
- City of Melbourne Ordinance No. 2015-31
- Brevard County Resolution No. 2021-083
- City of Melbourne Ordinance No. 2021-37

The Olde Eau Gallie Riverfront CRA Board is comprised of the seven members of the Melbourne City Council¹. The CRA is staffed by the Community Development Department of the City of Melbourne.

Tax Increment Finance (TIF) revenues have increased at a rate of 19.9% mainly due to higher property valuations resulting from increased private investment. Table 1 indicates valuations from the base year and January 1, 2025². The current 2024-2025 revenue from tax increment and interest income is \$1,057,615 which supports the current programmed CRA capital project.

TABLE 1 - OLDE EAU GALLIE RIVERFRONT CRA ASSESSED VALUATIONS

Area	Base Year	Base Valuation	Valuation as of January 1, 2025
Area 1	2000	\$16,958,230	\$74,748,650
Area 2	2005	\$44,041,890	\$101,490,300
Area 3	2015	\$771,910	\$3,125,060
Totals		\$61,772,030	\$179,364,010

¹ CRA Board members periodically change upon City Council election cycles. The current Melbourne City Council members may be found at the following link: <https://www.melbourneflorida.org/about/city-council>

² Valuation of the reporting year (January 2025) is based upon the most recent DR420 TIF Form, certification of taxable value.

The Eau Gallie CRA district is located within census tracts 642.01 and 642.02. The Community Development Financial Institution (CDFI) of the U.S. Treasury classifies both census tracts as targeted populations and low-income communities.³ By this classification, these census tracts lack private capital investment because of their deficient demographics including income, poverty, and unemployment as compared with the metropolitan statistical area and national averages. Table 2 provides a summary of these CDFI targeted census populations.

TABLE 2 - OLDE EAU GALLIE RIVERFRONT CRA CENSUS INFORMATION

Census Tract	Median Income as % of Area Median	Poverty Rate	Unemployment Rate	Investment Area (IA) Qualified By CDFI
642.01	78.16%	12.40%	7.7%	yes
642.02	44.68%	25.4%	1.9%	yes

Total expenditures from the redevelopment trust fund in FY 2024 were \$0. There were no expenditures for operating, capital projects, or debt service. The total tax increment and investment earnings in 2024 was transferred into escrow for future debt service.

No funds were expended for affordable housing for low- and middle-income residents.

Projects and Programs

An **Interlocal Agreement, Delegation of Authority and CRA Plan Amendment** were approved in 2021. The Brevard County Commission revised their original delegation of authority to Melbourne City Council under Resolution No. 2021-083. The County and City agreed to allow for the extension of the CRA agency to 2038, specifically to construct and fund a public parking facility within Downtown Eau Gallie. Additionally, the interlocal agreement provides allowance for CRA bond financing for the project. A CRA redevelopment plan amendment was approved under Ordinance No. 2021-37, formalizing the terms of the interlocal agreement. The amendment extends the sunset date, establishes a public parking facilities capital project, and eliminates all existing programs, projects and initiatives outlined the 2001 “Olde Eau Gallie Riverfront Urban Infill and Community Redevelopment Plan” document. The CRA redevelopment plan also provides for the consideration of a public-private partnership to construct the garage.

Private investment continues to be strong. In 2024, Nomads Canteen opened its doors after an extensive renovation of 617 West Eau Gallie Boulevard. The acquisition and rehabilitation of the

³ Source: [U.S. Department of the Treasury Community Development Financial Institutions Fund \(CDFI\)](#), 2020 census data. *Targeted population* refers to individuals or an identifiable group of individuals meeting the requirements of 12 C.F.R. § 1805.201(b)(3). According to the regulations, *targeted population* shall mean individuals, or an identifiable group of individuals, who are Low-Income persons or lack adequate access to financial products or financial services in the service area.

property was over \$1.0 million (Image 1). Lamb & Company, fish and seafood market also began operations at 1295 Cypress Avenue in 2024 (image 2).

The Olde Eau Gallie Riverfront CRA continues to utilize its resources to achieve goals set forth in the redevelopment plan by setting aside funding to construct the parking facility. The extent to which the CRA has achieved its goals in FY 2023-2024 includes:

- The **EGAD Main Street Program** the CRA discontinued funding the main street program after FY 2022, because of the interlocal agreement between the City of Melbourne and Brevard County. The CRA Redevelopment Plan amendment essentially eliminated all CRA projects, programs with the exception of the Eau Gallie Public Parking Facilities Project. In lieu of CRA funding, City Council made the decision in 2023 to fund EGAD Main Street through with the City's General Fund. City Council approved the renewal of the annual agreement for FY 2024. While not funded with CRA resources, EGAD Main Street is fulfilling the intent of the original CRA redevelopment plan, which encouraged a main street program in the district to assist with redevelopment efforts (Images 3 & 4).
- The CRA expended \$1,100 in engineering services for the **Eau Gallie Parking Facilities Project**, completing geotechnical and environmental studies. The CRA continues to transfer funding in escrow for future debt service associated with the construction of the garage.

During the reporting period there was only one project under development. No projects were completed. Information related to expenditures and estimated costs can be found in Table 3.

TABLE 3 - OLDE EAU GALLIE RIVERFRONT CRA PROJECT LIST

Project	Name	FY 2024 Expenditure	Estimated Cost	Status
1	Eau Gallie Parking Facilities	\$0	\$8,600,000	Started

Goals

Consistent with the current interlocal agreement between Brevard County and the City of Melbourne, the CRA has the following goals for 2024 and Beyond:

- Continue predevelopment for a public parking garage in Downtown Eau Gallie, with consideration of a shared structured parking facility under a public-private partnership.
- Update the terms of the interlocal agreement with Brevard County to reflect current costs and efficiencies that are not reflected within the existing agreement.

Project and Program Images

Image 1- Nomads Canteen 617 W. Eau Gallie Blvd.



Image- 2 Lamb & Company 1295 Cypress

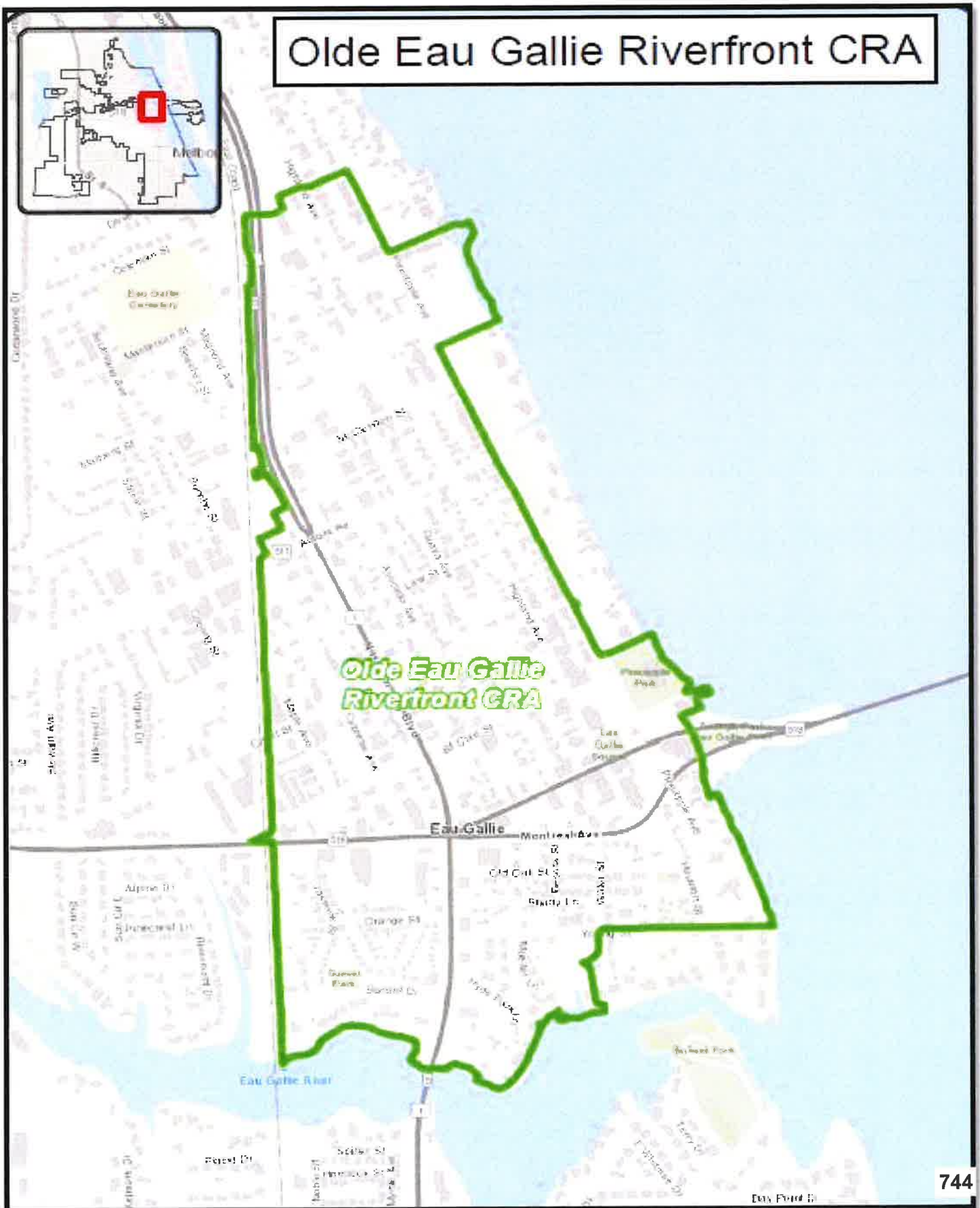


Images 3 & 4- EGAD Main Street



Appendix A – Map

Olde Eau Gallie Riverfront CRA



Appendix B – CRA Financials

Balance Sheets & Statements of Revenue and Expenditures

**CITY OF MELBOURNE, FLORIDA
BALANCE SHEET
EAU GALLIE REDEVELOPMENT
SEPTEMBER 30, 2024**

ASSETS

Cash and cash equivalents	\$ 2,569,790
Equity in pooled investments	1,878,628
Interest receivable	<u>18,764</u>
 Total assets	 <u><u>\$ 4,467,182</u></u>

FUND BALANCE

Restricted fund balance	<u>4,467,182</u>
 Total liabilities and fund balance	 <u><u>\$ 4,467,182</u></u>

**CITY OF MELBOURNE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
EAU GALLIE REDEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

REVENUES

Intergovernmental	\$ 936,336
Investment earnings	<u>118,448</u>
Total revenue	<u>1,054,784</u>

EXPENDITURES

Capital Outlay	<u>-</u>
Excess of revenues over expenditures	<u>1,054,784</u>
Net change in fund balances	1,054,784
Fund balance, October 1	<u>3,412,398</u>
Fund balance, September 30	<u><u>\$ 4,467,182</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION
CITY OF MELBOURNE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OLDE EAU GALLIE REDEVELOPMENT
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 882,142	\$ 882,142	\$ 936,336	\$ 54,194
Investment earnings	-	-	118,448	118,448
Total revenues	882,142	882,142	1,054,784	172,642
EXPENDITURES				
Current:				
General government	882,142	882,142	-	882,142
Capital outlay	8,715,668	8,715,668	-	8,715,668
Total expenditures	9,597,810	9,597,810	-	9,597,810
Excess (deficiency) of revenues over (under) expenditures	(8,715,668)	(8,715,668)	1,054,784	9,770,452
OTHER FINANCING SOURCES (USES)				
Bond proceeds	6,835,000	6,835,000	-	(6,835,000)
Total other financing sources (uses)	6,835,000	6,835,000	-	(6,835,000)
Net change in fund balance	(1,880,668)	(1,880,668)	1,054,784	2,935,452
Fund balance, October 1	3,412,398	3,412,398	3,412,398	-
Fund balance, September 30	\$ 1,531,730	\$ 1,531,730	\$ 4,467,182	\$ 2,935,452

Appendix C – CRA Audited Trust Funds

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT



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2024

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2024



OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY

ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of the Olde Eau Gallie Community Redevelopment Agency, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Olde Eau Gallie Community Redevelopment Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Olde Eau Gallie Community Redevelopment Agency, as of September 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Olde Eau Gallie Community Redevelopment Agency 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 opinions.

Responsibilities of Management 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, 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 the Olde Eau Gallie Community Redevelopment Agency'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.

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the Olde Eau Gallie Community Redevelopment Agency'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 the Olde Eau Gallie Community Redevelopment Agency'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 7 and 20 – 22 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 March 18, 2025 on our consideration of the Olde Eau Gallie Community Redevelopment Agency'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Olde Eau Gallie Community Redevelopment Agency's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

The Management's Discussion and Analysis section provides a narrative overview of the Olde Eau Gallie Riverfront Community Redevelopment Agency (the "Agency") financial activities for fiscal year ending September 30, 2024. This discussion is broken down into three components:

- An overview of the Agency.
- A brief overview of the financial statements, including how they relate to each other and the significant differences in information they provide.
- A concise, condensed financial report that summarizes the results of operations and a narrative financial analysis of the Agency's overall financial condition and results of operations, supported by additional consolidated information about specific services provided by the Agency.

Overview

The purpose of the Olde Eau Gallie Riverfront Community Redevelopment Agency is to eliminate slum and blighted conditions within the identified redevelopment area pursuant to the redevelopment plans of the Agency.

The Agency's primary source of revenue is tax increment funds. The revenue is computed by applying the operating tax rate for the City of Melbourne (the "City") and Brevard County (the "County"), multiplied by the increased value of the property located within the boundaries of the redevelopment areas of the Agency, over the base property value, minus 5% for early payment. The City and County are required to fund this amount annually without regard to tax collections or other obligations.

Further, the governing body of the Olde Eau Gallie Riverfront Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Olde Eau Gallie Riverfront Redevelopment Advisory Committee.

The Agency was established in 2001, by the City of Melbourne, Florida under the provisions of Section 163.333 Florida Statutes.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the Agency's assets and liabilities with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The *statement of activities* presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., bond principal and interest payments).

The government-wide financial statements can be found on pages 8-9 of this report.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency adopts an annual appropriated budget. A budgetary comparison statement has been provided as part of Required Supplementary Information, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 10-12 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-19 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Agency's budget. Required supplementary information (RSI) can be found on pages 20-22 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by \$4,966,832.

The net investment in capital assets represents \$499,650 of the net position. These assets are not available for future spending. The restricted net position represent resources that are subject to restrictions on how the money can be spent. The unrestricted net position represents the amount the liabilities exceed existing current and other assets.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Statement of Net Position

	Governmental Activities		Increase (Decrease)
	2024	2023	Amount
Assets			
Current and other assets	\$ 4,467,182	\$ 3,412,398	\$ 1,054,784
Capital assets	499,650	499,650	-
Total assets	4,966,832	3,912,048	1,054,784
Liabilities			
Other liabilities	-	-	-
Total liabilities	-	-	-
Net position			
Net investment in capital assets	499,650	499,650	-
Restricted	4,467,182	3,412,398	1,054,784
Total net position	\$ 4,966,832	\$ 3,912,048	\$ 1,054,784

Key elements of the increase in net position are as follows:

Changes in Net Position

	Governmental Activities		Increase (Decrease)	
	2024	2023	Variance	Percent
Revenue:				
Program revenue:				
Grants and contributions	\$ 936,336	\$ 798,941	\$ 137,395	17%
General revenue:				
Investment earnings	118,448	52,950	65,498	124%
Total revenues	1,054,784	851,891	202,893	24%
Expenses:				
General government	-	-	-	-
Total expenses	-	-	-	-
Increase in net position				
fund and transfers	1,054,784	851,891	202,893	24%
Transfers	-	3,452	(3,452)	-100%
Increase in net position	1,054,784	855,343	199,441	23%
Net position - October 1	3,912,048	3,056,705	855,343	28%
Net position - September 30	\$ 4,966,832	\$ 3,912,048	\$ 1,054,784	27%

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Financial Analysis of the Agency's Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Agency's financing requirements.

As of the end of the fiscal year, the Agency's governmental fund reported an ending restricted fund balance of \$4,467,182, an increase of \$1,054,784 in comparison with the prior year. The increase resulted from an inter local agreement between Brevard County, City of Melbourne and Olde Eau Gallie CRA, which extends the Eau Gallie CRA for the sole purpose of building a parking structure.

Budgetary Highlights

The following is a brief review of the budget changes from the original to the final amended budget, and a review of the final amended budget and actual amounts (presented on a budgetary basis). A detailed budgetary comparison schedule for the Agency is included on page 20 of the RSI section.

The variance between the final budget and the actual results reflects total revenues of \$172,642 more than appropriated, total expenditures of \$9,597,810 less than appropriated, and bond proceeds \$6,835,000 less than appropriated. These factors caused the change in fund balance to be \$2,935,452 higher than budgeted.

Capital Asset and Debt Administration

Capital assets. The Agency's capital assets for governmental activities as of September 30, 2024 total \$499,650 (net of accumulated depreciation). The capital assets include land and improvements other than buildings.

Capital Assets

	Governmental Activities	
	2024	2023
Land	\$ 480,050	\$ 480,050
Construction in Progress	19,600	19,600
Total capital assets, net of depreciation/amortization	<u>\$ 499,650</u>	<u>\$ 499,650</u>

Additional information on the Agency's capital assets can be found in Note (3) B on pages 18 of this report.

Long-term debt. At the end of the current fiscal year, the Agency had no debt outstanding.

Requests for Information

Questions about this report or requests for additional financial information should be addressed to:

City of Melbourne
Financial Services Department
900 E. Strawbridge Ave.
Melbourne, FL 32901
Telephone: (321) 608-7011

Or visit our website at: www.melbourneflorida.org/departments/community-development/community-redevelopment-areas

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

ASSETS	Governmental Activities
Cash and cash equivalents	\$ 2,569,790
Investments	1,878,628
Interest receivable	18,764
Capital assets:	
Nondepreciable:	
Land	480,050
Construction in progress	19,600
Depreciable:	
Improvements other than buildings	327,353
Less accumulated depreciation/amortization	(327,353)
Total assets	<u>\$ 4,966,832</u>
 NET POSITION	
Net investment in capital assets	\$ 499,650
Restricted	<u>4,467,182</u>
Total net position	<u>\$ 4,966,832</u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net Revenues and Changes in Net Position</u>
		<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
CRA government:			
Governmental activities:			
General government	\$ -	\$ 936,336	\$ 936,336
Total	<u>\$ -</u>	<u>\$ 936,336</u>	<u>936,336</u>
	General Revenues:		
	Interest earnings		<u>118,448</u>
	Total general revenues		<u>118,448</u>
		Change in net position	1,054,784
	Net position, October 1		<u>3,912,048</u>
	Net position, September 30		<u>\$ 4,966,832</u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2024**

ASSETS

Cash and cash equivalents	\$ 2,569,790
Equity in pooled investments	1,878,628
Interest receivable	<u>18,764</u>
Total assets	<u><u>\$ 4,467,182</u></u>

FUND BALANCE

Restricted fund balance	<u>4,467,182</u>
Total liabilities and fund balance	<u><u>\$ 4,467,182</u></u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

Total *fund balance* for governmental fund \$ 4,467,182

Total *net position* reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of:

	Balance	Accumulated Depreciation/ Amortization	
Land	\$ 480,050	\$ -	
Construction in progress	19,600	-	
Improvements	327,353	(327,353)	
Total capital assets	<u>\$ 827,003</u>	<u>\$ (327,353)</u>	<u>499,650</u>
Net position of governmental activities			<u>\$ 4,966,832</u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

REVENUES	
Intergovernmental	\$ 936,336
Investment earnings	<u>118,448</u>
Total revenues	<u>1,054,784</u>
EXPENDITURES	
Total expenditures	<u>-</u>
Excess of revenues over expenditures	<u>1,054,784</u>
Net change in fund balance	1,054,784
Fund balance, October 1	<u>3,412,398</u>
Fund balance, September 30	<u><u>\$ 4,467,182</u></u>

The accompanying notes are an integral part of this statement.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Olde Eau Gallie Riverfront Community Redevelopment Agency's (the "Agency") financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. REPORTING ENTITY

Eau Gallie Community Redevelopment Agency was created under Resolution No. 1627 on September 12, 2000. The Olde Eau Gallie Riverfront Community Redevelopment Agency was established in 2001 by the City of Melbourne, Florida (the "City") under the provisions of Section 163.333, Florida Statutes.

The governing body of the Olde Eau Gallie Riverfront Community Redevelopment Agency is the Melbourne City Council who make decisions on which programs and projects to fund, based on the adopted CRA plan. To review projects and programs and make recommendations, the Redevelopment Agency Board has appointed members to the Olde Eau Gallie Riverfront Redevelopment Advisory Committee.

For financial reporting purposes, the Agency is a component unit of the City of Melbourne (the "primary government") and is thus included in the City's annual comprehensive financial report as a blended component unit. This report is not a complete presentation of the City of Melbourne.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Agency's basic financial statements are presented in two separate and distinct formats. These consist of government-wide financial statements and fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Agency does not have any business-type activities and has only governmental activities.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Agency.

The statement of net position, reports the assets and liabilities, including capital assets and long-term debt. Within this statement, the net position of the Agency (assets minus liabilities) is reported in two separate components – net investment in capital assets and restricted net position.

The statement of activities demonstrates the degree to which the direct expenses, including depreciation, are offset by program revenues and operating and capital grants. The statement then reports the extent to which the resulting net costs (gross expenses less directly-related program revenues and grants) are financed by general revenues of the Agency (i.e. taxes, interest income, etc.).

Fund financial statements report information at a higher level of detail, focusing on separate reporting of individual major funds, rather than consolidating financial data into the broad category of governmental activities.

The financial transactions of the Agency are reported in an individual fund within the City's accounting system. The fund is accounted for by providing a separate, self-balancing set of accounts comprised of the assets, liabilities, reserves, fund equity, revenues and expenditures of the fund. For purposes of this report, the Agency's fund is classified as a major governmental fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Basis of accounting refers to when revenues, expenditures or expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for grants, for which the period is 12 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**D. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS,
AND NET POSITION OR EQUITY**

1. Cash and Cash Equivalents/Investments

Cash and cash equivalents represent all investments which are short term, highly liquid, and readily convertible to a specified cash value. These investments generally have original maturities of three months or less. Cash equivalents consist of equity in pooled investments. Investments are stated at fair value, based on the quoted market price.

2. Pooled Cash

Equity in pooled cash consists primarily of investments in debt instruments of the federal government and corporate holdings. Investment earnings of the pool are allocated to the participating funds at the end of each month based on the ratio of each participant fund's investment to the total pooled investment. As of September 30, 2024, the Agency participated in pooled cash investments with the City of Melbourne.

3. Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets, other than equipment, are defined by the government as assets with an initial, individual cost of more than \$25,000 (amount not rounded) and an estimated useful life in excess of two years. Equipment is defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value of market transaction at date of gift, if donated. Major additions are capitalized while maintenance and repairs which do not improve or materially extend the life of the respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

<u>Classification</u>	<u>Range of Lives</u>
Buildings	20-40 years
Improvements other than buildings	10-25 years

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

E. FUND BALANCE

In the governmental fund, fund balances are reported as nonspendable if they are not in spendable form or are legally or contractually required to be maintained intact. In addition, fund balance is reported as restricted to specific purposes based upon the extent to which the Agency is bound to honor constraints placed on those funds.

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental fund. Encumbered amounts for specific purposes are reported within the applicable restricted, committed or assigned fund balance classifications.

Net position of the government-wide fund is categorized as net investment in capital assets; restricted or unrestricted. Net investment in capital assets consists of capital assets reduced by the outstanding debt issued to acquire, construct or improve those assets, less any unspent debt proceeds. Restricted net position has regulatory or third party limitations on its use.

The Agency applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. REVENUES

Intergovernmental Revenue -The Agency's primary source of revenue is tax increment funds collected from the City and Brevard County deposited into the Community Redevelopment Trust Fund. These entities levy ad valorem property taxes within the legally defined redevelopment area of the Agency. The tax increment revenue is calculated by applying the adopted millage rate to the increase in current year taxable assessed valuations within the designated CRA districts using the year in which they were established as the "base year". For example, if an unimproved property was valued at \$10,000 in the base year and a new house is built on the property tomorrow, the new value of the property is \$25,000. The incremental difference in value (new assessed value – base year value) is \$15,000. Taxes collected on the property will be split amongst the City and County. The Agency receives all taxes assessed on the incremental increase of \$15,000. Revenues generated by improvements in the Agency district are to be reinvested in the district to continue to spur redevelopment.

Assessed values are established by the Brevard County Property Appraiser. The assessed property value recognized by the City and Brevard County includes the second homestead exemption. The City and Brevard County are required to pay 95% of these incremental property taxes to the Agency on or before January 1 of each year, otherwise the full amount of the incremental revenue will be due.

Program Revenue - In the Government-wide Statement of Activities, revenue that is derived directly from the program itself or from outside sources, if restricted to a specific program, is called program revenue. Program revenue is classified as either operating grants or capital grants. Operating grant revenues come from other government entities to support the operation costs of particular functions and also from the earnings of permanent funds that are legally restricted to a particular function. Capital grants come from other government entities for the purpose of constructing or purchasing capital assets.

G. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the Agency's budgetary information.

As of September 30, 2024, there were no material violations of budgetary requirements.

(3) DETAILED NOTES

A. DEPOSITS AND INVESTMENTS

Deposits –Banks and savings and loans must meet the criteria to be a qualified public depository as described in the Florida Security for Public Deposits Act in accordance with Chapter 280, Florida Statutes before any investment of public funds can be made with them. At September 30, 2024, the carrying amount of the City of Melbourne's deposits with banks was \$8,835,682 and the bank balance was \$8,996,048.

As of September 30, 2024, all of the City's interest bearing bank balances are covered by the Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The City maintains a pool of cash and investments in which each fund, including the Agency, participates on a daily transaction basis. Investment earnings are distributed monthly based on average daily balances.

City daily deposits are deposited in Earnings Credit Rate (ECR) earning accounts. These accounts are fully collateralized in accordance with Florida state law.

City of Melbourne Investment Policy – Pursuant to the requirements of Section 218.415, Florida Statutes, the City of Melbourne adopted Resolution No. 4088 on April 12, 2022, establishing the City's present investment policy. Such investment policy applies to the investment of surplus funds, which include cash and investment balances of the following funds of the City: General, Capital Projects, Special Revenue, Enterprise, Internal Service, Trust and Agency, and Airport. The investment policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, and redemption or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. This policy does not apply to funds not under control of the City; such as, the Police Officers' Retirement System, the Firefighters' Retirement System, and the General Employees' and Special Risk Class Employees' Pension Plan.

All investments are made based on reasonable research as to credit quality, liquidity and interest rate risk prior to the investment being acquired.

The investment policy authorizes the City to invest in U.S. Government securities, agencies, Federal instrumentalities and Supra-nationals, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration, interest bearing time deposits or savings accounts, commercial paper, corporate notes, bankers acceptances, and State or local government taxable or tax-exempt debt, and an intergovernmental investment pool. Overnight repurchase agreements restrict investments to obligations of U.S. Government Agencies and Federal instrumentalities.

The investment policy provides maturity and liquidity requirements for investments. All investments other than investments in the Local Government Surplus Funds Trust Fund are required to be purchased pursuant to competitive bids. A maximum of 25% of available funds may be invested in the Local Government Surplus Funds Trust Fund. The policy also requires diversification of the investment portfolio to control the risk of loss from overconcentration of assets in a specific maturity, issuer, instrument, dealer, savings and loan, or bank through which investments are purchased. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy restricts portfolio

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

composition for federal instrumentalities to 100% total, 40% individually. Concentration percentages for the Federal instrumentalities are provided in the schedule. Currently, the investment of a significant portion of the City's and Airport's portfolios is being managed by the City's financial advisor, PFM Asset Management LLC.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City's investment policy states that all securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The third party custodian holds securities in an account separate and apart from the assets of the financial institution, and are either insured or registered in the City's name.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those instruments. Fair values of interest rate-sensitive instruments may be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market conditions. As a means to limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits its investment portfolio to maturities of less than 5.5 years for corporate notes, two years for time deposits, and 270 days for commercial paper.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As a means to limiting its exposure to credit risk, the City limits investments with credit quality ratings from nationally recognized rating agencies of:

- State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "MIG 1/A3" by Moody's Investors Services and "SP-1/A-" by Standard & Poor's for long-term debt.
- Corporates and/or commercial paper of any United States company that is rated, at the time of purchase, "P-1" by Moody's and "A-1" by Standard & Poor's.
- Money Market Mutual Funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- Local Government Surplus Funds Trust Fund money market funds that are rated "AAA" by Standard & Poor's, or the equivalent by another rating agency.
- The Agency's equity in pooled investments is all in the money market funds.

OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

B. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Government Activities				
Capital assets, not being depreciated:				
Land	\$ 480,050	\$ -	\$ -	\$ 480,050
Construction in Progress	19,600	-	-	19,600
Total capital assets, not being depreciated/amortized	499,650	-	-	499,650
Capital assets, being depreciated/amortized:				
Improvements other than buildings	327,353	-	-	327,353
Total capital assets, being depreciated/amortized	327,353	-	-	327,353
Less accumulated depreciation/amortization for:				
Improvements other than buildings	327,353	-	-	327,353
Total accumulated depreciation/amortization	327,353	-	-	327,353
Total capital assets, being depreciated/amortized, net	-	-	-	-
Governmental activities capital assets, net	\$ 499,650	\$ -	\$ -	\$ 499,650

Depreciation/amortization expense was charged to functions/programs of the Agency as follows:

General government	\$ -
--------------------	------

C. ENCUMBRANCE COMMITMENTS

At September 30, 2024, the Agency had no encumbrance commitments in the Governmental fund.

D. INTERFUND TRANSACTIONS

At September 30, 2024, the Agency had no interfund transfers.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

(4) OTHER INFORMATION

A. RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of or damage to and destruction of assets; errors and omissions; and natural disasters. The primary government purchases commercial insurance with various deductibles for different types of losses. The costs for this insurance program are accounted for in the insurance internal service fund of the primary government.

**REQUIRED SUPPLEMENTARY INFORMATION
CITY OF MELBOURNE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
OLDE EAU GALLIE REDEVELOPMENT
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budget Amounts		Actual on (Budgetary Basis) (See Note A)	Variance with Final Budget- Positive/ (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 882,142	\$ 882,142	\$ 936,336	\$ 54,194
Investment earnings	-	-	118,448	118,448
Total revenues	882,142	882,142	1,054,784	172,642
EXPENDITURES				
Current:				
General government	882,142	882,142	-	882,142
Capital outlay	8,715,668	8,715,668	-	8,715,668
Total expenditures	9,597,810	9,597,810	-	9,597,810
Excess of revenues over expenditures	(8,715,668)	(8,715,668)	1,054,784	9,770,452
OTHER FINANCING USES				
Bond proceeds	6,835,000	6,835,000	-	(6,835,000)
Total other financing sources (uses)	6,835,000	6,835,000	-	(6,835,000)
Net change in fund balance	(1,880,668)	(1,880,668)	1,054,784	2,935,452
Fund balance, October 1	3,412,398	3,412,398	3,412,398	-
Fund balance, September 30	\$ 1,531,730	\$ 1,531,730	\$ 4,467,182	\$ 2,935,452

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

BUDGETARY NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The City Council typically adopts an annual budget for the Agency. The budget is prepared on a modified accrual basis with encumbrance accounting. Budgetary control is legally maintained at the fund level. Budget transfer authority is provided to the City Manager within a fund as long as the total budget of the fund is not increased. City Council action is required for the approval of a supplemental budget.

Supplemental appropriations were made during the year and all budget amounts presented in the accompanying Schedule of Revenues, Expenditures and Changes in Fund Balance have been adjusted for legally authorized revisions of the annual budget. All appropriations which are not expended, encumbered, or committed lapse at year end. Encumbered appropriations are carried forward to the subsequent year's budget.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year end are carried forward to the next year's budget and are reported as restricted or assigned fund balance in the governmental fund financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations are presented in accordance with generally accepted accounting principles (GAAP basis) and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the City's legally adopted budget.

**OLDE EAU GALLIE RIVERFRONT COMMUNITY REDEVELOPMENT AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

A – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Revenues

Actual amounts (budgetary basis) of total revenues as reported on the statement of revenues, expenditures and changes in fund balances - budget and actual equal total revenues as reported on the statement of revenues, expenditures, and changes in fund balance.

Expenditures

Actual amounts (budgetary basis) "total expenditures" as reported on the statement of revenues, expenditures and changes in fund balance - budget and actual

Differences - budget to GAAP:

\$ -

Encumbrances for professional services, supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies and services are received for *financial reporting* purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance

\$ -

B – Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

The budgetary schedules present comparisons of the legally adopted budget with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences in the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis) as compared to the excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis) for the year ended September 30, 2024 is presented in the following table:

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (Budgetary Basis)

\$ 4,467,182

Adjustments:

Encumbrances

-

Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses) (GAAP Basis)

\$ 4,467,182



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

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency

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 Olde Eau Gallie Community Redevelopment Agency, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Olde Eau Gallie Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated March 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Olde Eau Gallie Community Redevelopment Agency'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Olde Eau Gallie Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Olde Eau Gallie Community Redevelopment Agency'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 or significant deficiencies may exist that were not identified.

Honorable Mayor and Members of the City Council
Olde Eau Gallie Community Redevelopment Agency
Page Two

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Olde Eau Gallie Community Redevelopment Agency'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.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Olde Eau Gallie Community Redevelopment Agency, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 18, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 18, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding financial audit report. No recommendations were made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The legal authority for the Olde Eau Gallie Community Redevelopment Agency is disclosed in the footnotes. The Olde Eau Gallie Community Redevelopment Agency has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether or not the Olde Eau Gallie Community Redevelopment Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Olde Eau Gallie Community Redevelopment Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Olde Eau Gallie Community Redevelopment Agency. It is management's responsibility to monitor the Olde Eau Gallie Community Redevelopment Agency's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information (UNAUDITED)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Olde Eau Gallie Community Redevelopment Agency reported the schedule below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Olde Eau Gallie Redevelopment Agency reported:

- | | |
|---|-------------|
| a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as | None |
|---|-------------|

To the Honorable Mayor and Members of City Council
 Olde Eau Gallie Community Redevelopment Agency
 Page Three

- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency' fiscal year as **None**
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency. **None**
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency. **None**
- e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin after October 1 of the fiscal year being reported, together with the total expenditures for such projects.

Project	Project Budget	Expenditures
(#10521) Eau Gallie Parking Facilities	\$ 8,739,468	\$ 23,800
Total	\$ 8,739,468	\$ 23,800

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes.: **See Page 20**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the Olde Eau Gallie Community Redevelopment Agency reported:

- a. The millage rate or rates imposed by the City. **6.5466**
 The millage rate or rates imposed by the County. **3.0486**
- b. The total amount of ad valorem taxes collected by or on behalf of the Agency. **\$ 638,842**
 The total amount of ad valorem taxes collected by or on behalf of the County. **\$ 297,494**
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as **None**

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency
Page Four

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the Olde Eau Gallie Community Redevelopment Agency reported:

- | | |
|--|-------------|
| a. The rate or rates of non-ad valorem special assessments imposed by the Agency as | None |
| b. The total amount of special assessments collected by or on behalf of the Agency as | None |
| c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds as | None |

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Council members and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 163.387(7) AND SECTION 163.387(8), FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

We have examined the Olde Eau Gallie Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(7) and Section 163.387(8) Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied with the requirements of Section 163.387(7) and Section 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, for the year ended September 30, 2024, in all material respects.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

To the Honorable Mayor and Members of City Council
Olde Eau Gallie Community Redevelopment Agency

We have examined the Olde Eau Gallie Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied with the specified requirements, in all material respects. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024, in all material respects.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 18, 2025



MERRITT ISLAND
— REDEVELOPMENT AGENCY —

2024
ANNUAL REPORT

FORWARD

The 2024 Annual Report for the Merritt Island Redevelopment Agency was submitted to the Brevard County Board of County Commissioners on March 31, 2025, and prepared under the direction of:

MERRITT ISLAND REDEVELOPMENT AGENCY BOARD OF DIRECTORS

Marcus Herman, Chairman



Cynthia Wall, Vice Chairman



Andrew Barber



Peter Black



Jeffrey Daniels



Corey Mecagni



Graham Smith



MERRITT ISLAND REDEVELOPMENT AGENCY STAFF

Larry Lallo, MBA CEcD, Executive Director

Lisa Nicholas, MPA/URP, FRA-RA, Community Redevelopment Manager

Cheryl Hurren, Executive Assistant

THE MERRITT ISLAND REDEVELOPMENT AGENCY

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SECTION 1. WHAT IS A COMMUNITY REDEVELOPMENT AGENCY?

Authorized by Chapter 163, Part III, Florida Statutes, a community redevelopment agency is created to guide redevelopment activities that are designed to return properties to their highest and best use and to improve the economic vitality of a specially designated area, rendering it more appealing for private-sector investment.



When properly administered, the general purpose of a redevelopment agency is to preserve and enhance the redevelopment district's tax base through development activities and the establishment of public-private partnerships. Redevelopment endeavors are implemented through a public body, which is known as a community redevelopment agency.



Community redevelopment agencies have the ability to utilize a designated funding tool, known as Tax Increment Financing (TIF), which is available for redevelopment activities. Increment Financing is used to leverage public funds to promote private-sector activity in the denoted area or areas. When established, the dollar value of all real property in a redevelopment district is determined as of a fixed date, also known as the "base value." Taxing authorities that contribute to the redevelopment district continue to receive property tax revenues on the base value, and the base value revenues are available for general government purposes. However, any revenues from increases in real property value, referred to as the "increment," are deposited into a community redevelopment agency trust fund and are allocated to the redevelopment district.

BASIC TIF MODEL

ANNUAL TAXES GENERATED \$

REVENUES DIVERTED FOR TIF-ELIGIBLE PURPOSES:

- Work items outlined within the Community Redevelopment Plan, with emphasis on funding infrastructure projects

INCREMENTAL TAXES

NEW TAX BASE REVENUES
Flow to normal taxing bodies

EXISTING TAX BASE

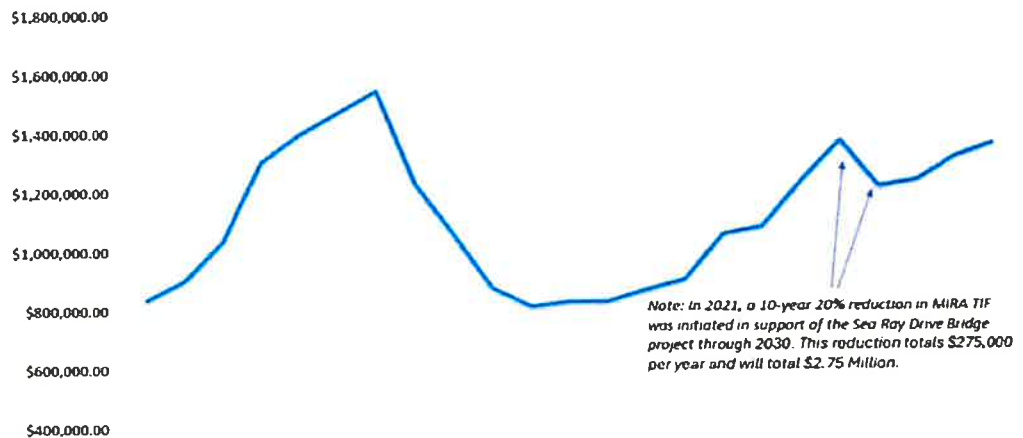
Revenues continue to flow to normal taxing bodies

STATUTORY LIFE OF TIF DISTRICT

All increment revenue is deposited into the Redevelopment Trust Fund

Increment Revenue for the Period 2002-2024

Increment Revenue



MERRITT ISLAND
REDEVELOPMENT AGENCY

SECTION 2. WHAT IS THE MERRITT ISLAND REDEVELOPMENT AGENCY (MIRA)?



Introduction

The Merritt Island Redevelopment Agency (MIRA) was established in 1988 by the Brevard County Board of County Commissioners (BOCC) pursuant to Florida Statutes, Chapters 163, Part III, and 189, as a dependent special district and separate legal County entity. The fundamental responsibility of community redevelopment agencies, per Chapter 163, Part III, Florida Statutes, is the elimination of slum and blight conditions in specifically designated areas.

Throughout its existence, MIRA has been uniquely positioned to spearhead redevelopment efforts and planning objectives that are essential for the continued prosperity of Merritt Island. Because Merritt Island has a deficiency of sizeable, undeveloped parcels and green fields, Merritt Island is increasingly reliant on redevelopment techniques and practices, as well as incentives, to entice private-sector investors to consider Merritt Island for location, relocation, and/or business expansion. Strategic opportunities for attracting commercial investment and residential ventures remain at the forefront of MIRA's work program.

The overarching goal of the Merritt Island Redevelopment Agency (MIRA) is to create and implement a redevelopment strategy on Merritt Island, within specified redevelopment districts, that will eradicate slum and blight conditions; improve public safety; foster sustainable growth; catalyze quality redevelopment projects; enhance the community's infrastructure; and preserve Merritt Island's rich history, vibrant culture, and pristine natural environment.

MIRA staff works with a 7-member Board of Directors, appointed by the Brevard County Board of County Commissioners (BOCC), and actively engages with Brevard County departments, federal and state agencies, the public, and small business owners to facilitate collaborative efforts to execute redevelopment projects, initiate programs, and direct capital improvement initiatives. Relying on the guidance of the MIRA Board of Directors and staff, funding streams, and available services, MIRA's primary focus is on building a foundation for economic vitality and sustainable development within Merritt Island's redevelopment area.

In addition to MIRA's focus on alleviating blight, facilitating redevelopment projects, and rehabilitating infrastructure, MIRA also strives to enhance waterfront access, preserve the environment, optimize recreational opportunities, foster multi-modal transportation, and bolster aesthetic appeal.

In collaboration with numerous partners and stakeholders, MIRA seeks to create vibrant, inclusive, and resilient communities that reflect the spirit and cultural identity of Merritt Island, ensuring a prosperous and sustainable future for generations to come.



History

Spanning nearly 40 miles north to south and six miles east to west along the Atlantic shore of Central Florida, Merritt Island is located in Brevard County, also known as the "Space Coast." The Island is situated between the coastal barrier ridge and the mainland and is connected by State Route (SR) 520.

The Indian River Lagoon forms the western shoreline, and the Banana River forms much of the eastern shoreline. Prior to modern-day development, thousands of acres were used for "Indian River Fruit's" citrus fruit agriculture. Present day Merritt Island's urbanization stems from several key historical developments in the area.

In 1939, President Truman established the Naval Air Station (NAS) Banana River five miles southeast of Merritt Island. Encompassing 1,822 acres, NAS Banana River provided a base

for patrolling shipping lanes and, by 1942, 1,500 military personnel and hundreds of civilian employees were stationed there. For improved access to the facility, the government provided funding assistance for the construction of a new causeway through Merritt Island to the mainland. As such, in 1941, SR 520 opened with a single lane in each direction.

The second relevant factor for growth resulted during the “space race,” when Merritt Island became a highly desirable destination for development due to the creation of NASA.

Subsequently, the John F. Kennedy Space Center (KSC) was constructed in North Merritt Island and became the home of the Apollo Program. Cape Canaveral, just to the northeast of Merritt Island, required thousands of government and contracted employees to operate the program, which resulted in the eruption of Merritt Island’s population from approximately 3,554 people in 1960 to

29,233 inhabitants by 1970. This rapid population growth fostered the need for an influx of new commercial, residential, and industrial development, which led to massive drain and fill projects that destroyed numerous wetland areas, and what had been pristine marshlands became subdivisions, industrial, and commercial uses.

The increase of new residents also resulted in a demand for retail and commercial space, and 1970 marked the opening of the Merritt Square Mall. At that time in Brevard County, there was nothing with which to compare it. The Merritt Square Mall encompassed approximately 80 acres and became the commercial hub and focal point for shopping in the heart of Brevard County.



Challenges

Between 1968 and 1970, more than 12,000 workers became unemployed when NASA curtailed its activities related to the space industry. Merritt Island was particularly harshly impacted, as many residents were forced to leave the area. Moreover, the absence of stormwater regulations until 1978 and the Island's reliance on unregulated septic systems caused nitrogen, phosphorus, and other hazardous materials to seep directly into the Indian River Lagoon for decades. Merritt Island's economic base, which was once heavily supported by commercial fishing, the citrus industry, and tourism, has been significantly and negatively impacted by the inferior condition of the lagoon, as well as saltwater intrusion into the groundwater, leading to millions of square feet of industrial/commercial space becoming vacant and abandoned.

Following the demise of the Space Shuttle Program in 2011, the area experienced a considerable downturn in not only the aerospace industry, but also the maritime, fishing, and service industries, which instigated unemployment, reduced incomes, and resulted in store closings. The ensuing deficit of employers not only had damaging economic impacts on Merritt Island, but it also created abandoned properties.

Concentrations of boat- and auto-repair shops; storage yards; and warehouse-type facilities that depict a lack of maintenance and questionable structural integrity, as well as the potential for soil and groundwater contamination from petroleum and other hazardous substances, exist. Development in Merritt Island within certain portions of the redevelopment area is challenged with regard to a range of historical environmental impacts.



The environmental and climate impacts restrict the ability to expand the local tax base, and there are insufficient funds to address these distressed parcels. At present, Merritt Island's ability to entice commercial and industrial development is uncertain because of a deficiency in large, vacant parcels of land; a lack of shovel-ready sites for industrial development; and increased competition in the retail sector. Still, the commercial space industry continues to burgeon, and Merritt Island remains an integral place on the "Space Coast" and the home of NASA's Kennedy Space Center.

Mission

The mission of the Merritt Island Redevelopment Agency is to create and implement community-based redevelopment strategies that promote quality growth and economic development for the purpose of eliminating slum and blight conditions. MIRA values preserving Merritt Island's history, culture and natural environment, and improving the quality of life for residents, workers, and visitors. Project planning and execution is funded through various sources, including increment revenue (TIF), grants from a variety of partner agencies, and private donations.

MIRA's Mission Focus

Alleviating Blight
and Fostering
Beautification

Improving
Public
Infrastructure

Supporting Multi-
Modal Networks
and Mobility

Encouraging
Viable Economic
Growth

Promoting
Cultural, Natural
& Historic

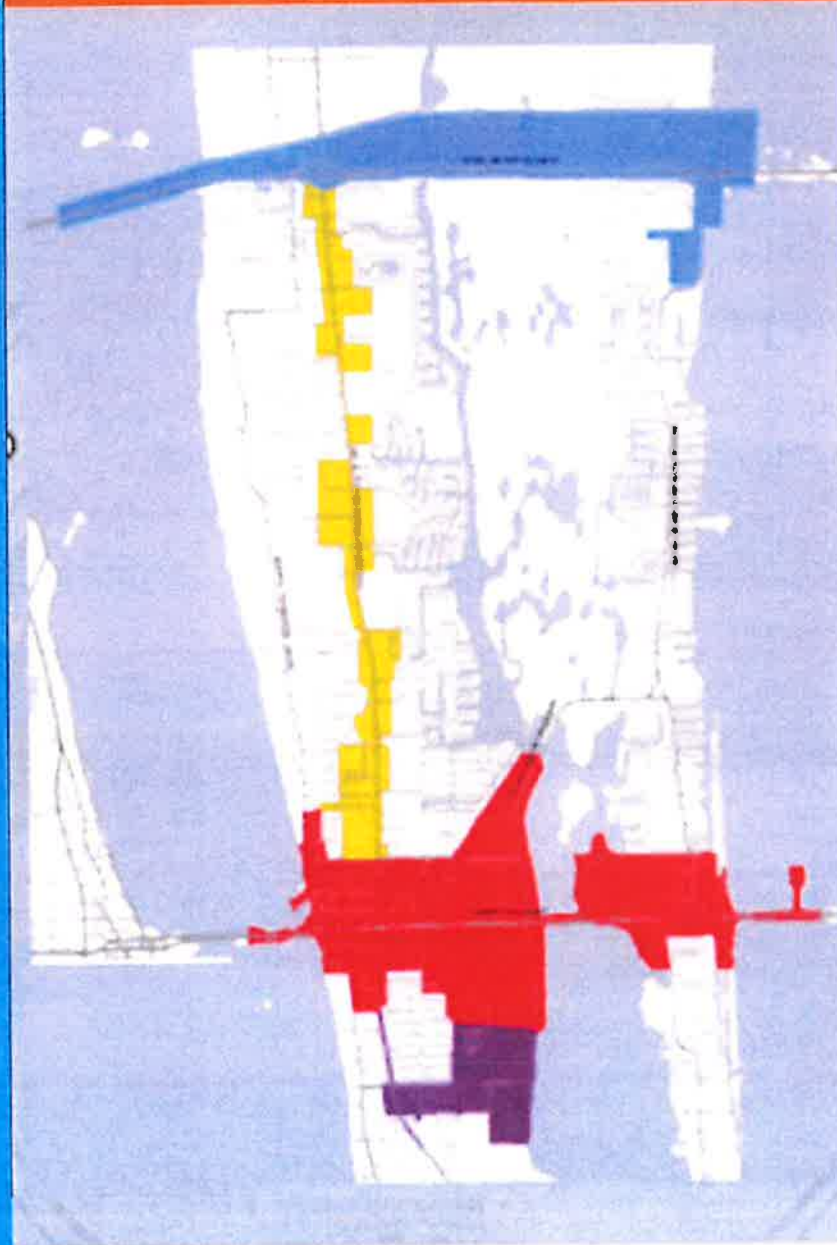
Preserving the
Indian River
Lagoon

Fostering Public-
Private
Partnerships



MERRITT ISLAND
REDEVELOPMENT AGENCY

MIRA's Redevelopment District



The Redevelopment District of the Merritt Island Redevelopment Agency is divided into four contiguous subdistricts as depicted in the graphic to the left.

The entire Redevelopment District comprises less than 10% of the total land area of Merritt Island.

Legend

-  Barge Canal
-  SR 3—Courtenay Parkway
-  SR 520—Commercial Core
-  Cone Road

The Barge Canal Sub-Area



The Barge Canal sub-area can be further divided into three separate components:

◊ *The east end of the sub-area along North Banana River Drive*

The majority of the properties located north of SR 528 are small lots. South of SR 528, the sub-area includes Kelly Park East, a waterfront recreational park, and Kelly Park West, which offers tennis courts, ballfields and other amenities. Both parks are owned and operated by Brevard County.

◊ *The area between North Banana River Drive on the east and SR 3 on the west*

This area includes the privately owned Harbor town Marina facilities, industrial complexes, and large tracts of vacant land under the control and ownership of the Canaveral Port Authority and the State of Florida.

◊ *The area to the west of SR 3*

This area was formerly the Old Tingley Marina and RV Park, which became defunct, and the Port-owned marina. A recent redevelopment project transformed the desolate property into the Cape Crossing Resort and Marina Luxury Vacation Rentals, Cape Crossing Boat Rentals, and Dolphins Bar and Grill restaurant.



BARGE CANAL SUB-AREA

Given the extensive waterfront character and proximity to Port Canaveral, the Barge Canal sub-area is a prime district for redevelopment that will cater to the marine industry and Port-related tourism. Although its waterfront location is extremely desirable, there is insufficient public access to the waterfront, with the exception of Kelly Park East on the sub-area's east side. On the west side of the sub-area, the riverfront property along the SR 528 Causeway may offer additional opportunities for future public access.

The Barge Canal Sub-Area includes SR 528 and the lands to the north that front the Barge Canal; it extends from the Indian River Lagoon to the Banana River

SR 3 / Courtenay Parkway Sub-Area



The SR 3 sub-area consists of parcels along Courtenay Parkway, the primary north-south thoroughfare traversing Merritt Island. The SR 3 sub-area includes Courtenay Parkway and all of the adjacent commercial, multi-family, and vacant properties fronting the roadway. It extends from the SR 528 interchange at the north end to SR 520 at its southern border.

The SR 3 corridor is essentially composed of commercial strip parcels that contain a mix of suburban shopping options, office space, restaurants, and both national and local retail establishments.

While many of the buildings are aging, they are predominantly of sound construction, and some property owners have made sizeable investments in the aesthetic appeal of their businesses. Still, there are several structures in need of rehabilitation or exterior enhancements. Consistent with strip-center commercial areas, the majority of these properties have setbacks that provide for parking in the front of the buildings, with insufficient separation or buffering between the right-of-way and the parking areas. As a result, acquiring additional right-of-way to accommodate bike paths or landscaping is economically prohibitive.

The Florida Department of Transportation (FDOT) and MIRA initiated several design improvements for the southern portion of SR 3, which has resulted in an improved cross-section design, upgraded lighting, pedestrian crossings, and new traffic-signal mast arms, as well as landscaping within the medians. These projects significantly improve the overall aesthetic appearance of this portion of the roadway.



**The Cone Road
Sub-Area**



Because of its proximity to the Merritt Island Airport, the Cone Road sub-area supports a variety of small industrial and service-related businesses. The area was not designed to serve as an industrial park and began as a residential subdivision. To compound the challenges in this area, compliance with current land development regulations seems to vary from parcel to parcel, and there are several properties that remain residential. Flooding and drainage issues are also prevalent.



A parcel of Brevard County-owned property, consisting of approximately 5.7+/- acres, is occupied by the Brevard County Public Works Department and serves as the District 2 Operations Center and Storage Area.

To the south of Cone Road a recent 112-unit condominium project has been constructed (River Fly-In Condominiums). Just North of Cone Road and South of the Merritt Square Mall, the majority of the



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property is owned by Brevard County and is utilized as the recently completed regional stormwater management facility and 80-acre Veterans Memorial Park. In addition, intersecting Cone Road is a north-south roadway, Plumosa Street, which is a collector roadway that contains a blend of commercial and residential uses.

This area is plagued with parking congestion and visual blight. Many of the commercial properties are well-kept and well-maintained, while others are in varying stages of disrepair. The majority of the supply storage areas are cluttered and unkempt, many structures are deteriorated or deteriorating, and vacant lots are not well-maintained.

SR 520 / Commercial Core Sub-Area



The **SR 520 Commercial Core sub-area** extends the entire length of SR 520 from the Indian River Lagoon on the west to the Banana River on the east. The sub-area is bounded by Merritt Avenue on the North and Fortenberry Road on the south. The SR 520 Commercial Core sub-area can be divided into three distinct segments:

- ◊ East Merritt Island, which includes the areas to the north and south of SR 520 and east of Kiwanis Island.
- ◊ Central Merritt Island, which encompasses the area along SR 520 from Newfound Harbor on the east to Courtenay Parkway (SR 3) on the west, spanning north to Merritt Avenue and south to Fortenberry Road.
- ◊ West Merritt Island from Courtenay Parkway (SR 3) on the east to the Indian River Lagoon on the west, extending from Merritt Avenue on the north to Fortenberry Road on the south.

State Road 520 (also known as Merritt Island Causeway) is the primary east/west major arterial roadway, extending from Cocoa on the mainland through Merritt Island to Cocoa Beach



The SR 520 Commercial Core sub-area boasts a diverse blend of regional and local commercial uses, including Merritt Square Mall, which was once one of the predominant regional shopping destinations in Brevard County. Retail trends have been in general decline; however, redevelopment on the SR 520 Corridor is beginning to occur. Small businesses in historic Merritt Park Place, the subject of a MIRA Redevelopment project, is the oldest residential subdivision on Merritt Island. These residences have been transforming to retail, office, and dining uses. The First Merritt Island Baptist Church campus is located at the western portion of this sub-area. It is important to note that Griffis Landing at Blue Crab Cove and Sykes Creek Parkway properties have potential for waterfront redevelopment within this sub-area. Between 2020 and 2024, MIRA funded the redevelopment of Doc's Bait House, adding a roof and fuel docks, as well as dredging the channel for access.

Encompassing approximately 80 acres, the Merritt Square Mall, along with its anchor stores and outparcels, is the largest commercial property in the area. Other substantial retail properties include a Publix-anchored center at the southeast corner of SR 520 and SR 3, along with a sizeable plaza anchored by Harbor Freight and owned by Harbor Freight Tools.



Redevelopment of the mall property is essential for Merritt Island and all of Brevard County. A recent Market Study recommends a mixed-use concept that incorporates retail, commercial, and residential uses for the property. Still, its redevelopment is not without challenges. Anchors such as Macy's, Dillard's, and Sears, as well as certain outparcels, are all under separate ownership. Interest from developers, however, saw an uptick in late 2024.



Other sizeable and important properties in this sub-area include the publicly-owned land that is the site of the Fortenberry Stormwater Treatment project, as well as the Brevard Veterans Memorial Center and Veterans Memorial Park.

MIRA's Redevelopment Plan

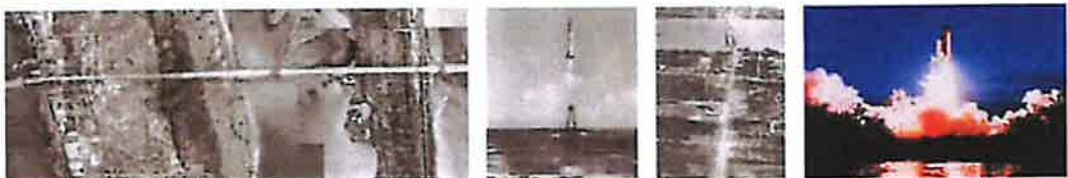
The guiding document of every community redevelopment agency (CRA) is its redevelopment plan. When a CRA is created, a redevelopment plan must be adopted by its governing body. Pursuant to Florida Statutes, if an activity or program is not outlined in the redevelopment plan, it cannot be executed.

If it's not in the plan, don't do it!



2013 Merritt Island Redevelopment Plan Update

Merritt Island Redevelopment Agency
Brevard County Board of County Commissioners
December 2013



MIRA's most recent plan update was in 2013, and staff is working diligently on revisions that will include new projects, programs, and initiatives, as well as the removal of activities that have previously been accomplished and no longer need to be included within the plan.

The redevelopment plan is created by and for the community, must be approved by the Brevard County Board of County Commissioners, and implemented by MIRA. CRAs are uniquely designed to address citizens' specific needs for revitalization, and they use various redevelopment strategies and funding sources, such as increment revenue, grants from partner organizations, and grants from all levels of government.

SECTION 3. ENHANCING INFRASTRUCTURE

Between 1998 and 2024, the Merritt Island Redevelopment Agency (MIRA) spent \$26.546 million, or 86%, of its major expenditures on infrastructure projects. Enhancing outmoded infrastructure or creating new infrastructure, such as installing sanitary sewer lines or drainage and stormwater solutions, is one of the most significant undertakings of community redevelopment agencies. In fact, one of MIRA's earliest fundamental projects focused on improving the drainage in Merritt Park Place, the first plat established in Merritt Island.

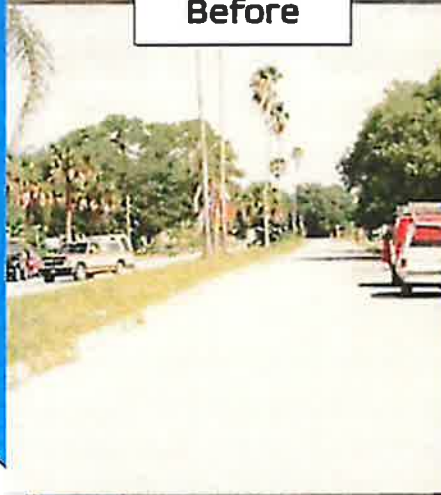
From 2000 to 2005, MIRA focused on this important historic area by installing stormwater remedies on Parnell, Myrtice, Hibiscus, and Tangerine Streets. Using a phased approach, a septic-to-sewer project was initiated, and streetscape beautification and lighting were incorporated on key streets.



Before



After



Cone Road Septic-to-Sewer Conversion

Project costs of approximately \$3.6 million in improvements utilized financial resources from MIRA, Brevard County Public Works Department, St. Johns River Water Management District, Florida Department of Environmental Protection, and Brevard County's Save Our Indian River Lagoon (SOIRL) program. Project objectives were to manage stormwater runoff, septic-



system effluent, and storm-related sewage backups. The collaboration improved local infrastructure, enhanced safety, removed blight, improved property values, and is preserving the future health of the Indian River Lagoon. Benefits to the local economy occurred through the generation of capital investment. Project improvements included:

- ◊ Conversion of more than 80 commercial and residential properties from outmoded septic systems to a new Brevard County sanitary sewer system.
- ◊ Construction of a stormwater treatment infrastructure and water-quality treatment system to divert untreated stormwater to a treatment pond and denitrification bioreactor.
- ◊ A sidewalk along Cone Road to improve vehicle and pedestrian safety and access.
- ◊ A sanitary sewer main to serve more than 60 parcels in the Cone Road industrial area.
- ◊ The prevention of over 3,000 pounds of nitrogen and almost 200 pounds of phosphorous from entering the lagoon.

Fortenberry Regional Stormwater Treatment

This project involved numerous partners, including the Florida Department of Environmental Protection, MIRA, and multiple Brevard County departments. The Fortenberry Regional Stormwater Treatment System provides opportunities for commercial properties within the service area to purchase stormwater credits, thereby offsetting costs to a developer and allowing for optimum use application within the property. Stormwater credit eligibility is determined by Brevard County and, when granted, extends for the life of the development.

Following an interlocal agreement in 2009, MIRA purchased land primarily to develop the system to catalyze strategic redevelopment opportunities. Construction began in 2011 with the mitigation of decades of debris and wetland restoration and has continued through multiple phases that consisted of piping improvements, an extensive path and bridge/trail system, inclusion of benches and shady areas to create the Lakes at Veterans Memorial Park, and installation of floating vegetative islands within the stormwater mitigation ponds for additional filtering of chemicals that are harmful to the Indian River Lagoon and the Banana River. Water testing revealed dramatic improvements in water quality—the expected and desired result of the infrastructure development project plan. This wetlands preservation and eco-restoration, along with a pedestrian-friendly trail around the perimeter, has created a welcomed nature destination for people and wildlife alike.



South Courtenay Parkway Expansion



Increased development activity on South Courtenay Parkway is contributing to unsafe traffic conditions. The entire span of the corridor within the sub-area boundaries experiences significant vehicular congestion, is subject to blight, and suffers from inferior drainage conditions.

Fraught with safety hazards, South Courtenay Parkway is an intimidating roadway with bi-directional center turn lanes and an ineffective road design.

Improvements in the amount of approximately \$4 million for the South Courtenay Parkway corridor include widening of the roadway, drainage improvements, and gateway signage with landscaping between Cone Road and Fortenberry Road. In collaboration with Brevard County, MIRA is striving to reduce traffic and enhance pedestrian safety, as well as eradicate flooding, drainage problems, and blight on South Courtenay Parkway. Brevard County and MIRA will enter into an interlocal agreement to manage the project, which will be funded primarily by MIRA and Brevard County impact fees.

This project was identified as a priority project in the 2013 Merritt Island Redevelopment Plan Update, which set forth that MIRA should provide and support improvement of the roadway network for enhanced circulation, mobility and parking. In addition, emphasis was placed on promoting multi-modal, pedestrian and bicycle-safe infrastructure, as well as incorporating a "complete street" approach for the roadway.

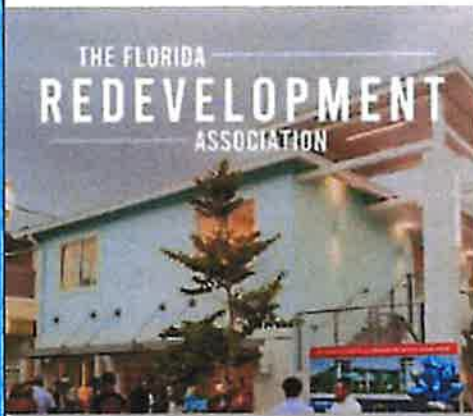
Widening this area of South Courtenay Parkway, from Cone Road to just north of Carib Drive, will improve traffic capacity and eliminate several safety issues at the corner of South Courtenay Parkway and Cone Road. Anticipation of the project has already leveraged completion of over \$5 million in recent redevelopment projects.

SECTION 4. REDEVELOPMENT IN ACTION

Community redevelopment agencies (CRAs) are incredibly successful tools for revitalizing communities that have been neglected, forgotten, or that contain properties that need to be returned to their highest and best use. Their purpose is to eliminate physical blight in its many forms through local leadership and a publicly vetted redevelopment plan.



While CRAs rehabilitate communities through a strategic blend of redevelopment initiatives, they also provide the building blocks for other stakeholders to be involved in the process. At the end of the CRA's lifespan, a more vibrant, livable, and healthy community for all of its citizens exists. Not only do CRAs aid in bolstering the economy and excel at supporting small and local businesses, but they also safeguard public areas and ensure that the community has a sense of place that its residents value.



One vital resource for all CRAs in Florida is the Florida Redevelopment Association (FRA). The FRA serves as a clearinghouse for information that redevelopment practitioners are seeking about issues and challenges, and the organization also provides its members with data and insight on CRA legal practices.

Education is a key component of the FRA's programming, and many redevelopment professionals have graduated from FRA's Redevelopment Academy and obtained their Florida Certified Redevelopment Administrator (FRA-RA) or Professional (FRA-RP) credential.

Within this section, readers will view *redevelopment in action* in Merritt Island and the transformative projects that have been completed within the boundaries of the redevelopment district.

Erdman Automotive Redevelopment

Located in the heart of the Merritt Island commercial core on SR 520, Erdman Automotive relocated one of its auto dealerships to a location further west on SR 520 on the mainland. This relocation resulted in a sizeable parcel (nearly six acres) of property becoming vacant in one of the most desirable locales in Merritt Island. And it was prime for redevelopment.

It did not take long for the development and subsequent operations to begin for:

- ◊ Wawa convenience store and fueling station
- ◊ Chipotle Mexican grill
- ◊ El Car Wash

In addition, Christian Brothers Automotive and Panda Express will be joining the delightful mix of these retail ventures in the near future.



Before

After



Veterans Memorial Park

Veterans Memorial Park was a collaborative effort between MIRA, regional agencies, various Brevard County departments, and the St. Johns River Water Management District.

An 80-acre park within a 165-acre stormwater basin, Veterans Memorial Park features picturesque lakes, trails and boardwalks. This continual redevelopment effort is known as Veterans Memorial Park, the Lakes at Veterans Memorial Park, and the Fortenberry regional stormwater treatment project, which includes:

- ◊ A \$1.4 million contribution from MIRA for sidewalks, boardwalks, an environmentally-friendly parking area, and first-stage landscaping.
- ◊ Approximately \$2.2 million from MIRA for land acquisition.
- ◊ A \$63,000 charitable gift from a donor that was used to create a special landscaped area.
- ◊ New playground equipment with shade canopies.
- ◊ A future exercise trail.
- ◊ A future Medal of Honor Park Tribute area.
- ◊ An \$8.2-million Amphitheatre that is under construction and funded in part with a \$2.5-million grant from the Brevard County Tourism Development Council and a \$1– million grant from the State of Florida.

With more than 75,000 veterans residing in Brevard County, it is appropriate that creating a beautiful park with sparkling lakes, meandering trails, and recreational opportunities is a tangible result of the vision of all of those involved in the planning efforts.

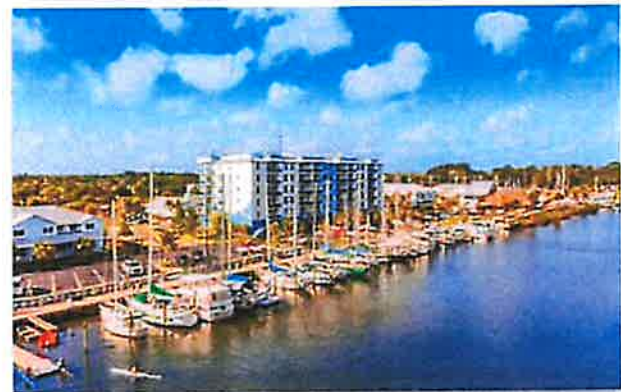


Cape Crossing Resort & Marina



A Merritt Island landmark for more than five decades, Tingley RV Park and Marina was beloved by the community but was suffering from neglect and deterioration. Now, however, the disregarded property has been transformed into what is currently a destination resort with 47 island-style townhomes and a 6-story condominium tower with 35 water-view units.

Since its opening, services such as paddleboard and boat rentals, kayak tours, and a waterfront bar and grill have been added. The community was developed by Tristar Development Partners and was beautifully rehabilitated and now serves as a place where both locals and visitors can bring their families to relax, explore, dine, and enjoy the scenic views.



A deteriorating Marina to the west has since been brought under management of the owners of Cape Crossing and has been dramatically improved.

1450 N. Courtenay Parkway (Victoria Square) Strip-Plaza Redevelopment

Numerous vacancies in a sprawling strip center on the primary north-south thoroughfare in Merritt Island, Courtenay Parkway (SR 3), paved the way for a sizeable redevelopment project that resulted in attracting three national retailers—Burlington, Five Below, and Ulta Beauty. The new and trending shopping options were welcomed by the Merritt Island community and throughout Brevard County. It is believed that this redevelopment project will stimulate additional private-sector investment along the corridor.



Bus Shelter Improvements with Space Coast Area Transit (SCAT)



Since 2021, the Merritt Island Redevelopment Agency has worked in collaboration with Brevard County's Space Coast Area Transit (SCAT) Department on the construction of eight new transit shelters within the redevelopment district. The most recent phase involved four bus shelters, which occurred in 2024. All shelters incorporate attractive amenities, including bicycle racks, solar-powered lighting, and "big-belly" solar-powered

refuse compactors. More recently, the MIRA Board approved the purchase of SIMME seating, an environmentally friendly solution specifically designed for transit stops, at numerous locations.

Comfort:
Perforated
Aluminum for
Ventilation

Safety: Solar
Lighting for Safety

Multi-Modal:
Equipped with bike
racks and bike
repair stations

Elimination of Blight:
"Big Belly" solar-
powered compacting
trash receptacles

Maintenance: MIRA



First Watch

Along the SR 520 (East Merritt Island Causeway) corridor, there exists significant commercial activity. One particular catalyst project for this area dates back to 1970 when the Merritt Square Mall opened its doors.



Encompassing approximately 80 acres, the mall property contains several outparcels, one of which housed a national chain seafood restaurant. More recently, however, a different national chain redeveloped the property, began operations, and the community could not have been more pleased.



In the fall of 2024, First Watch hosted an early "soft" opening on October 19 and 20 and officially welcomed Merritt Islanders, residents of Brevard County, and visitors with a grand-opening celebration on October 21. Numerous diners and spectators were on-hand to witness the new crew in action and to sample some of First Watch's cuisine.

SECTION 5. REDEVELOPMENT STILL IN ACTION



Within this section, readers will view *redevelopment that is STILL in action* in Merritt Island. These are projects that are either in-progress or are in various stages of review and will be starting soon.



Health First Hospital

HEALTH FIRST HOSPITAL

Conceptual Rendering



The relocation of Cape Canaveral Hospital from its current site on State Road 520 in Cocoa Beach to a new site on State Road 520 (East Merritt Island Causeway), adjacent to the Merritt Square mall, will result in the largest capital project in the history of Central Merritt Island with an estimated price tag of \$410 million. The 15-acre footprint will incorporate the following features:

- ◇ 268,000 square-foot, 5-story hospital with state-of-the-art technology
- ◇ 120 private, inpatient beds
- ◇ 25 emergency department treatment rooms
- ◇ 6 operating rooms
- ◇ 650 staff
- ◇ 530+ covered parking spots and 290+ surface-parking spots



The new facility will be constructed with the ability to endure a Category 4 hurricane. In fact, the entire campus is being constructed 13 feet above sea level to ensure that it can withstand flooding and storm surge. Moreover, the hospital will be served by an on-site central energy plant.

It is anticipated that the new health care facility will serve as a catalyst project in the SR 520 Commercial Core sub-area and that it perhaps may even catalyze creation of a medical district.



The groundbreaking for the new Cape Canaveral Hospital campus was held on March 21, 2024, just two weeks after *Newsweek* named Cape Canaveral Hospital as one of its Best

Hospitals in 2024 for the fourth straight year.

Landing on that prestigious list, the facility joined just two other Central Florida hospitals and only 17 facilities from across the State of Florida.



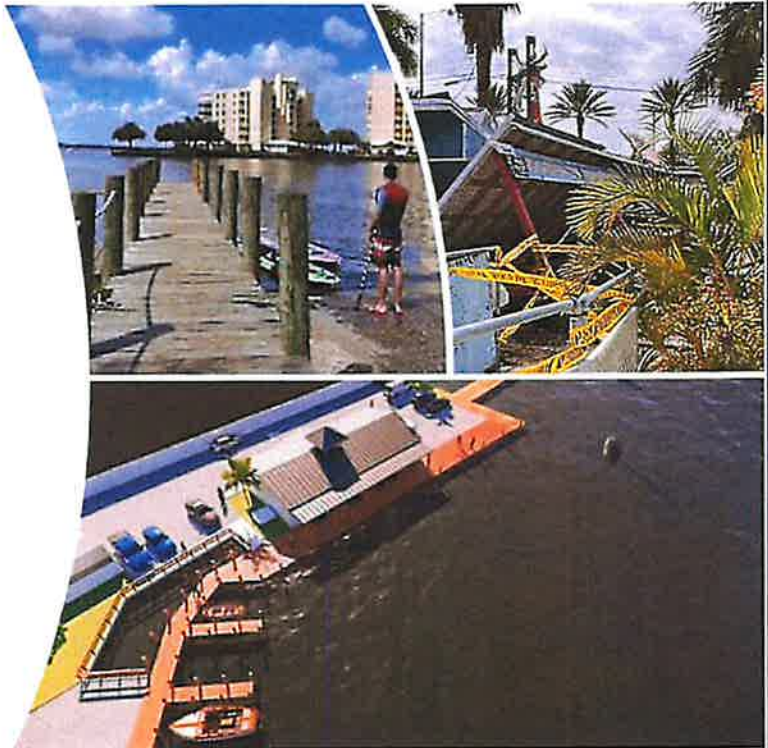
Project completion is anticipated to occur in early 2027



Blue Crab Cove at Griffis Landing

The MIRA/Brevard County joint venture known as Griffis Landing at Blue Crab Cove redevelopment project is a comprehensive improvement plan to preserve and enhance historic value and provide a gathering place at the west entrance to Merritt Island that is reminiscent of the best that working waterfronts and waterside family entertainment that communities have to offer. The primary objectives of this project include:

- ◇ Ensuring channel-depth for docking for commercial fishing
- ◇ Incorporating an area for unloading seafood
- ◇ Including an establishment to sell commercial seafood
- ◇ Providing for storage of fishing gear
- ◇ Educating the public on the heritage of Florida's traditional working waterfronts
- ◇ Fueling for vessels



A 2.7-acre historic working waterfront within the boundaries of MIRA and managed by Brevard County Natural Resources Management Department represents Brevard County's last working waterfront commercial fishery operation, which catches local seafood straight from its docks. Located on the Indian River Lagoon, this historic property has seen numerous enterprises, from a boat haul-out and repair to net making, and both commercial and recreational fishing.

Significant improvements have been made, as damage from hurricanes, such as destruction to the boat ramp, shoreline loading dock, finger piers, and shoreline, contributed to the pre-existing problems with aging infrastructure. Thanks to grant Funding in excess of \$500,000, in cooperation with Brevard County Natural Resources Management's Boating and Waterways Division, the following improvements have been completed:

- ◊ MIRA Land Acquisition Contribution - \$403,000
- ◊ Doc's Bait House - \$367,000 for resiliency improvements and replacement of a flat roof
- ◊ Ms. Apples Crab Shack - design charrette completed; concept plans to improve resiliency
- ◊ Boat Fuel Dock - installation of a 1,000-gallon fuel tank with a \$51,587 contribution
- ◊ Channel Improvements - completion of plans and permits (\$353,542 channel-dredging project)



Ms. Apples Crab Shack at Blue Crab Cove/Griffis Landing sustained significant damage from Hurricanes Helene & Milton in 2024

Brevard County Natural Resources Management is working with FEMA to obtain monetary assistance for the demolition and reconstruction of Ms. Apples Crab Shack, which was severely damaged by Hurricanes Helene and Milton. State grant funding that was allocated previously for the purchase of the property requires the building to be a wholesale working waterfront, meaning that a majority of sales must be obtained from the production and or sale of wholesale seafood that is caught in local waters. Currently, the Florida Fish and Wildlife Commission (FWC) lists more than 250 commercial licensees utilizing Blue Crab Cove. It is anticipated that the redevelopment of this property could generate as many as 200 additional commercial fishing licensees from local users, as well as guests from Indian River and Volusia counties.

Merritt Island Square Redevelopment

Located at 725 North Courtenay Parkway in the SR 3 sub-area, Merritt Island Square is a Dollar-Tree anchored commercial strip center that has performed and continues to perform rather well. Still, its aesthetic appeal is lacking, and a developer has demonstrated interest in renovating and rehabilitating this property.



The developer is proposing the construction of two one-story retail structures toward the east side of the property, adjacent to North Courtenay Parkway. In addition to the construction of the buildings, site and façade

improvements surrounding the proposed buildings and existing plaza, which will include parking lot enhancements, drainage improvements, and landscaping, are also planned. A commercial building adjacent to the existing plaza on the north side of the property would replace a former structure in the same location that was recently demolished.

With all of its potential, such as 33,000 annual average daily traffic (AADT) on North Courtenay Parkway and its proximity to the heart of the "Space Coast," this property is primed and ready for a large-scale makeover.

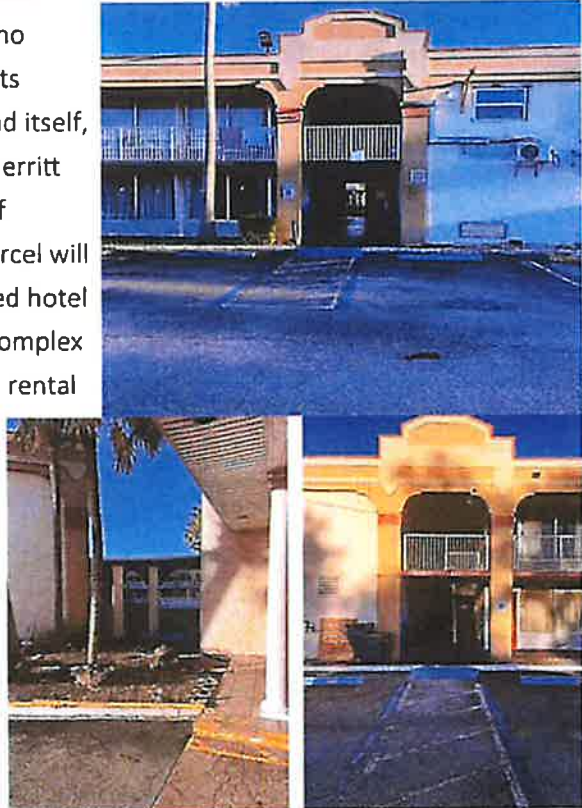


Renderings courtesy of ADAR

Econo Lodge Adaptive Reuse Project

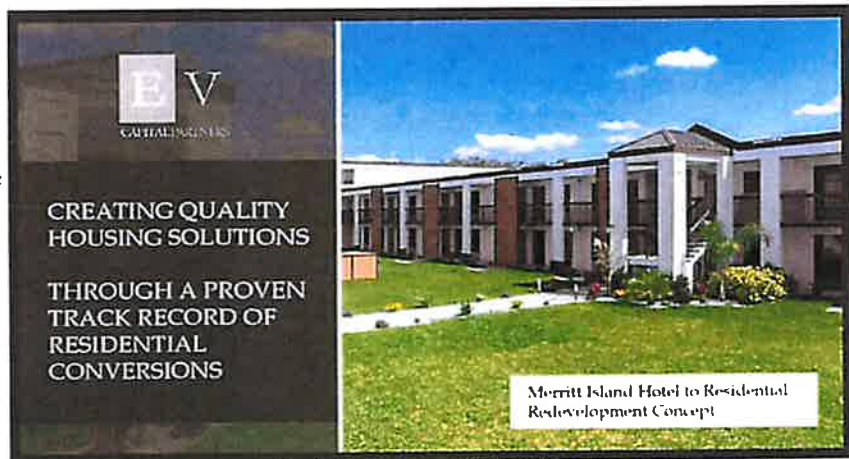
What was once a rather prosperous Econo Lodge, which provided lodging for tourists visiting the nearby beaches and the Island itself, is now a blighted property at 260 East Merritt Island Causeway (SR 520). In the heart of Merritt Island's commercial core, this parcel will be transformed from a 128-room blighted hotel into a 190-unit multi-family residential complex that will feature one- and two-bedroom rental apartments in addition to several three-bedroom rental townhomes. The new community will also feature amenities, such as a co-work space, clubhouse, and swimming pool.

This project not only fulfills a need for workforce housing in the commercial core of Merritt Island, but it will also improve the aesthetic nature of the SR 520 corridor adjacent to the Mall Redevelopment Area and could potentially stimulate a number of neighboring redevelopment projects.



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Rendering courtesy of EV Capital Partners

Merritt Square Mall Redevelopment



Revitalization of this approximate 80-acre blighted mall property, which opened in 1970, would catalyze development throughout the SR 520 Commercial Core sub-area and beyond. Its redevelopment is not without challenges, however, as the property is comprised of multiple parcels that are owned by unrelated property owners.

Moreover, there are concerns with access

agreements, as well as zoning and entitlement challenges. Despite its challenges, 2024 witnessed an uptick in interest from developers. This surge could be the result of adjacent redevelopment projects that have been completed or are underway, such as the Health First hospital construction, creation of the

Amphitheatre at Veterans Memorial Park, the Erdman Automotive redevelopment, and a comprehensive update to MIRA's redevelopment plan, which, if approved will incentivize prospective development and enhance area infrastructure. It is



important to note that, because neither MIRA nor Brevard County maintains ownership of the property, any redevelopment projects must be initiated by the mall's owners. Staff will, however, continue to facilitate and encourage redevelopment projects and policies that will enhance the entire SR 520 Commercial Core sub-area, including the mall property.



The Amphitheatre at Veterans Memorial Park

The Amphitheatre at Veterans Memorial Park has been in the works for almost a decade. This \$8.2 million project was envisioned by MIRA, Brevard County Parks and Recreation, the Brevard Veterans Council, and the Brevard Veterans Memorial Center. MIRA obtained a \$2.5 million grant

from the Brevard County Tourism Development Council, matched with a \$4.7 million MIRA investment. MIRA obtained an additional \$1 million grant from the State of Florida Department of Commerce.



Planned amenities for the Amphitheatre include acoustical engineering for sound quality; an estimated tiered lawn-viewing capacity of approximately 2,500, with lawn-overflow capacity to 5,000; an orchestra-sized performance stage; a greenroom; storage facilities; electrical

infrastructure and stage lighting; concession facilities and picnic seating; handicapped-accessible parking; and restrooms.

A well-designed event destination provides the perfect venue for spectators and vendors alike, and the park is designed to handle inclement weather using a 24-acre master-planned onsite stormwater lake.

Currently under construction, the project is anticipated to be completed in late 2025.



Sea Ray Drive Bridge Project

The Sea Ray Drive Bridge Project is a collaborative effort between the Brevard County Board of County Commissioners, Brevard County Public Works, and MIRA.

MIRA committed to deferring TIF funding for 10 years, through 2030, thereby contributing up to \$275,000 annually to support a portion of the project's cost (\$2.75 million over 10 years).

Currently under construction, the bridge is expected to be completed in 2026 at an estimated cost of approximately \$10 million. Located in the MIRA Barge Canal sub-area, this project is crucial for providing an emergency evacuation route for SR 528 traffic, improving access to major businesses along the working waterfront, and will enhance safer pedestrian and bike connectivity.

Furthermore, construction of the bridge is expected to have a positive impact on economic development through improving access to existing businesses and stimulating additional open space and business development for properties along Sea Ray Drive.



Medal of Honor Tribute at Veterans Memorial Park

A Medal of Honor Tribute is included as a future MIRA project in the Brevard Veterans Memorial Center/Veterans Memorial Park Master Plan. This project will be linked to the Medal



of Honor Congressional Society's Medal of Honor Character Development curriculum, which educates students in grades six through 12 about the meaning of bravery, honor, and sacrifice.

The Medal of Honor is the highest military honor that can be bestowed on an individual. Students will learn the value of military service to their country and will come to appreciate the price that has

been paid for their freedom. Activities include recognition of those awarded the Congressional Space Medal of Honor authorized by the United States Congress. This medal has been awarded to 28 astronauts, 17 of which were conferred posthumously to those that lost their lives preparing for or during an American spaceflight.

The Medal of Honor Tribute will reach approximately 176,000 veterans, guests, students, and visitors who are annually attending Amphitheatre events or visiting the Brevard Veterans Memorial Center, its classrooms and museum, and Veterans Memorial Park. The Medal of Honor Tribute within Veterans Memorial Park will also offer an aesthetic gateway for reflection and for honoring Medal of Honor recipients.



Renderings courtesy of USA River Rats, Inc.

Redevelopment Plan Update

Approved in late 2013, the MIRA redevelopment plan update began undergoing modifications during 2022 at the request of the Brevard County Commissioners. MIRA engaged in editing workshops with County staff, and has sought public input at Merritt Island meetings and events. In 2024, fine tuning continued, and a final plan update is in process. Certain concepts have already been approved by the MIRA Board of Directors; however, per Chapter 163, Part III, Florida Statutes, any revisions to the redevelopment plan must be approved by the governing body, in this instance, the Brevard County Board of County Commissioners.



2013 Merritt Island Redevelopment Plan Update

Merritt Island Redevelopment Agency
Brevard County Board of County Commissioners
December 2013



A recent market study was completed to aid in determining the existing status and projected demand for residential, retail, medical and office space. Particular emphasis was placed on defining the retail and commercial, or mix of uses, that can be supported currently, as well as in the future, by the market.

SR 520-Commercial Core Sub-Area Concept Planning

Utilizing eligible EPA Brownfields Program grant funding, the MIRA Board concluded that it was prudent to seek the assistance of a consultant to assist in creating a master corridor conceptual plan for the SR 520 Commercial Core sub-area, as was recommended in the 2013 Merritt Island Redevelopment Plan Update.

A SR 520 corridor concept plan commenced in 2024 supported by a comprehensive market study that identified key economic trends and indicators to pinpoint market-demand opportunities for this region.

The study made a number of market-based redevelopment recommendations for medical, retail, residential, and mixed use redevelopment.

Because public input and participation are essential in the concept-planning process, the first citizen-oriented workshop was held on March 27, 2025.



You're invited!

Please join the Merritt Island Redevelopment Agency for a Public Input Workshop on the Future Planning for the SR 520 Commercial Core



Make your voice heard!

Please join us for this important public input workshop on the future planning for the primary east-west thoroughfare on Merritt Island, State Road 520.

This will be an informal, open-house style workshop. Attendees can come at any time between 4 p.m. and 6 p.m. and stay as long or as little as they would like.

MIRA staff, along with the project consultants, will be on hand to answer questions and provide information on a variety of concepts that will be presented.

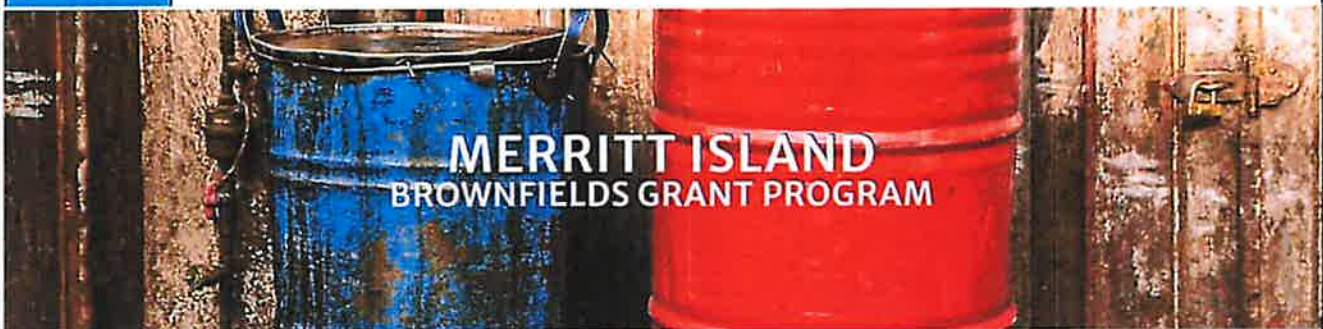
We hope to see you there!

When? March 27, 2025
4 p.m. to 6 p.m.

Where? Merritt Island
Service Complex
2575 N. Courtenay Pkwy.
2nd Floor
Merritt Island, 32953

SECTION 6. MIRA'S BROWNFIELDS PROGRAM

The U.S. Environmental Protection Agency (EPA) defines a brownfield as a property, the expansion, redevelopment, or reuse of which may be complicated by the presence of, or perceived presence of, a hazardous substance, pollutant, or contaminant. Common examples of uses, past or present, that could result in property contamination include industrial facilities, warehouses, historic properties, dry-cleaning facilities, gasoline stations, automobile service and repair shops, paint shops, and more.



In Fiscal Year (FY) 2022, the Merritt Island Redevelopment Agency applied for and received a three-year, \$500,000.00 Brownfields Community-Wide Assessment Grant from the U.S. Environmental Protection Agency (EPA). This funding provides for Phase I and Phase II environmental assessments of contaminated, or potentially contaminated, properties. For developers, access to these assessments becomes a financial incentive because of the expense associated with having to perform environmental evaluations as part of their due-diligence process.

According to the EPA, Phase I environmental assessments utilize existing information to aid a community's understanding of a property's condition by examining current and historical uses of the site and whether potential threats to human health or the environment exist. Environmental assessments must be completed or overseen by an environmental professional, which may include a licensed geologist, engineer or site professional. A Phase II environmental assessment is recommended if the Phase I assessment reveals known or potential contamination on the property. In such instance, an environmental professional develops a sampling plan to evaluate the potential presence of contamination from hazardous substances and petroleum on the property and determines the sources and exposures.

In late 2024, MIRA applied for a subsequent \$500,000.00 Community-Wide Assessment Grant from the EPA. Grantees should be notified if they are successful in May or June of 2025.

SECTION 7. SITE PLAN REVIEWS & REZONINGS

MIRA Reviews

Section 62-2114 of the Brevard County Code states that "When an application is made to the planning and zoning board for a change in zoning or approval of a conditional use permit, or to the board of adjustment for a variance, for property located in the Merritt Island redevelopment area, the application shall be forwarded to the Merritt Island redevelopment agency prior to the applicable public hearing before the planning and zoning board or the board of adjustment." (Code 1979, § 14-20.35)

Furthermore, Section 62-3202 of the Brevard County Code sets forth: "(f) Site development plans located within the Merritt Island Redevelopment Area (MIRA) as described in the Merritt Island Redevelopment Plan, shall be coordinated with the Merritt Island Redevelopment Agency for a determination of consistency with the Merritt Island Redevelopment Plan."

MIRA staff and the MIRA Board of Directors reviewed and provided comments to the Brevard County Planning and Development Department for the following rezoning requests and site plan applications within the MIRA jurisdiction during 2024:

Property	Date	Action Performed
Clover Townhomes	Jan 2024	Site Plan Review
Christian Brothers Automotive	Jan 2024	Site Plan Review
329 Hibiscus Avenue	Jan 2024	Site Plan Review
329 Hibiscus Avenue	Mar 2024	Site Plan Review
Walmart Fuel Station & Site Improvements	Mar 2024	Site Plan Review
Waffle House	Mar 2024	Site Plan Review
Health First Cape Canaveral Hospital	Apr 2024	Site Plan Review
Victoria Square	May 2024	Site Plan Review
First Watch	May 2024	Site Plan Review

MIRA Reviews

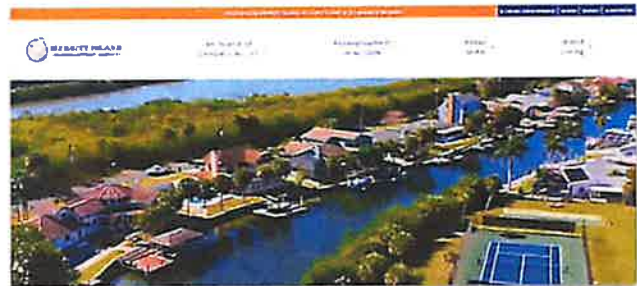
Property	Date	Action Performed
River Fly-In Condos	May 2024	Development Plan Review
329 Hibiscus Avenue	Jun 2024	Site Plan Review
Burger King	Jul 2024	Site Plan Review
245 LeJeune Drive	Oct 2024	Rezoning Review
Chick-fil-A	Dec 2024	Revisions to Site Plan Review
375 East Merritt Avenue	Dec 2024	Rezoning Review
329 Hibiscus Avenue	Dec 2024	Site Plan Review

SECTION 8. COMMUNITY RELATIONS

Engaging the Community and Spreading the News

In order to effectively attract redevelopment activity, provide data and metrics, inform the public about the mission and work of MIRA, and fulfill statutory requirements, MIRA recognized that it needed to improve its website.

MIRA's website, mymerrittislandfl.com, has become the foundation for Agency outreach; communicating statutorily required documents, such as annual reports, audits, and budgets, plans; and redevelopment project news. Through the website, citizens can also remain informed about MIRA's meetings, minutes, and projects. Noteworthy items are placed first on mymerrittislandfl.com and then linked to a variety of other platforms. Realizing the burgeoning influence of social media, MIRA established a LinkedIn page and continues to expand its presence on its pre-existing Facebook platform. These methods have proven invaluable for disseminating information and being able to interact with constituents. In addition to providing a method for communication, the social media outlets have also provided an efficient means for advertising road closures, weather alerts, and traffic-related complications that are occurring within the community. Because the website is so critical, whenever possible, the features that are placed on the social platforms are linked back to the mymerrittislandfl.com website. Although social media provides a wonderful tool for communication, sometimes the tried-and-true methods are also effective, and for the principal events, such as public-input workshops and meetings, MIRA will also conduct outreach through presentations and circulating flyers and other collateral materials throughout the community.



SECTION 9. STATUTORY REPORTING

Reporting Requirements

Pursuant to Section 163.371, Florida Statutes, commencing on March 31, 2020, and not later than March 31 of each subsequent year, a community redevelopment agency is required to file an annual report with the governing body that established the agency. The statute further indicates that the report must be published on the redevelopment agency's website and include the following information:

- a) **The most recent complete audit report of the redevelopment trust fund (s. 163.387(8)).**
To review MIRA's annual audit report for fiscal year 2023-2024, please visit Section 11 (Audit Report) on Page 61.
- b) **The performance data for each plan or project authorized, administered, or managed by the redevelopment agency as of December 31 of the reporting year, including the following:**
 1. **The total number of projects started and completed and the estimated cost for each project.**
Total projects started/in progress: 10
Total projects completed: 9
Further details can be found on Pages 54—57.
 2. **Total program expenses.**
The total program expenses for FY 2023-2024 were \$890,388.00.
For additional information, please refer to Section 10 (Financial Review), Page 58.
 3. **Original assessed real property values within the community redevelopment agency's area of authority as of the day the agency was created.**
The original assessed property values within the community redevelopment agency's area of authority as of the date the agency was created was \$277,935,820.

4. **Total assessed real property values of property within the boundaries of the community redevelopment agency as of January 1 of the reporting year.**
As of January 1, 2024, the total assessed real property values of property within the boundaries of the Merritt Island Redevelopment agency were \$828,991,625.00. This results in a total increased taxable value of \$551,055,805.00 since the redevelopment district/sub-areas' base years. For further details, please review the breakdown of sub-area values and taxes collected in the tables that follow.

Table 1. West SR 520 Commercial Core Sub-Area

1988 Taxable Value	\$124,138,790.00
2024 Taxable Value	\$437,659,930.00
2024 Increase in Taxable Value	\$313,521,140.00
2024 Net Increment Revenue Collected	\$728,687.00

Table 2. East SR 520 Commercial Core Sub-Area

1990 Taxable Value	\$17,082,580.00
2024 Taxable Value	\$70,983,290.00
2024 Increase in Taxable Value	\$53,900,710.00
2024 Net Increment Revenue Collected	\$119,645.00

Table 3. North Courtenay Pkwy. (Merritt Ave. to Lucas Rd.) Sub-Area

2005 Taxable Value	\$50,549,420.00
2024 Taxable Value	\$88,654,835.00
2024 Increase in Taxable Value	\$38,105,415.00
2024 Net Increment Revenue Collected	\$84,584.00

Table 4. Barge Canal and Cone Road Sub-Areas

2014 Taxable Value	\$86,165,030.00
2024 Taxable Value	\$231,693,570.00
2024 Increase in Taxable Value	\$145,528,540.00
2024 Net Increment Revenue Collected	\$323,034.00

Table 5. Totals

Base Taxable Value	\$277,935,820.00
2024 Taxable Value	\$828,991,625.00
2024 Increase in Taxable Value	\$551,055,805.00
2024 Total Net Increment Revenue Collected	\$1,255,950.00

5. Total amount expended for affordable housing for low-income and middle-income residents.

Because the current redevelopment plan does not include an affordable housing component, no funding was expended for affordable or workforce housing projects or for low- and middle-income residents. Staff intends, as directed by the Governing Board, the Brevard County Board of County Commissioners, to incorporate language that addresses affordable/workforce housing and low- and middle-income residents in the redevelopment plan update so that funds can be expended on such projects in the future.

c) A summary indicating to what extent, if any, the community redevelopment agency has achieved the goals set out in its community redevelopment plan.

Currently in effect, the 2013 Merritt Island Redevelopment Plan Update is the most recent iteration of the plan, but a new update is in progress and should be presented to the governing body for approval in 2025. The numerous projects, programs, and initiatives outlined in this annual report, whether completed or in process, most certainly fulfill the goals and objectives of the redevelopment plan.

As set forth in Chapter 163, Part III, Florida Statutes, the overarching goal of all CRAs is to eradicate slum and blighted conditions in order to bolster the overall public health and safety of the community. Furthermore, returning properties to their highest and best use to attract private-sector development is also paramount for CRAs. As outlined in the list of projects that follows, the vast majority of investment has been from the private sector. National retailers, as well as small businesses, that are locating or expanding in Merritt Island are doing so based on the community's demographic data, all of the amenities offered, and the quality of life that are inherent in Brevard County.

Projects Started / In Progress

Project	Estimated Cost	Investment Type	2013 Plan (Active) Goal/Objective
South Courtenay Parkway Expansion	\$4.0 M	Brevard County impact fees; MIRA	Provide and support improvement of the roadway network for enhanced circulation, mobility and parking; promote multi-modal, pedestrian, and bicycle-safe infrastructure
Health First Hospital	\$410.0 M	Private investment	Ensure enhanced community services and facilities in the CRA, including increased public safety
Blue Crab Cove at Griffis Landing	\$1.2 M	Brevard County; MIRA; State grants	Redevelop this key waterfront property in the SR 520 sub-area as a working waterfront that provides much-needed public access to the lagoon
Merritt Island Square Redevelopment	\$14.0 M	Private investment	Encourage upgrades to existing substandard structures through the enforcement of the County's housing and building codes as well as through financial incentives
Econo Lodge Adaptive Reuse Project	\$19.1 M	Private investment	Encourage upgrades to existing substandard structures through the enforcement of the County's housing and building codes as well as through financial incentives
The Amphitheatre at Veterans Memorial Park	\$8.2 M	MIRA; State and TDC grants; private donations	Expand VMP as part of the new Fortenberry regional stormwater public park; encourage development of a master plan for expansion needs; focus attention on enhanced recreation programs and facilities, drainage improvements, and environmental enhancements

Projects Started / In Progress

Project	Estimated Cost	Investment Type	2013 Plan (Active) Goal/Objective
Medal of Honor Tribute at Veterans Memorial Park	\$980,000	MIRA; grants; private donations (Note: MIRA committed \$380,000 but the required sponsor match is currently unfunded)	Create Master Plan for the VMP as part of the new Fortenberry regional stormwater public park; development of the master plan for expansion needs; focus attention on enhanced recreation programs and facilities, drainage improvements, and environmental enhancements
Sea Ray Drive Bridge Project	\$10 M	Brevard County; MIRA	Corridor infrastructure improvement - multi-modal transportation and the incorporation of bike lanes and sidewalks for cyclist and pedestrian safety; enhance public safety
Redevelopment Plan Update	n/a	n/a	Prepare, adopt, and revise as necessary, the redevelopment plan amendment; outline specific goals, objectives, and projects to be implemented in accordance with the Future Land Use Element of the County Comprehensive Plan
SR 520 Commercial Core Sub-Area Concept Planning	\$75,000	USEPA; MIRA (in-kind); grants	Encourage innovation in land planning and site re-development

Significant Projects Completed

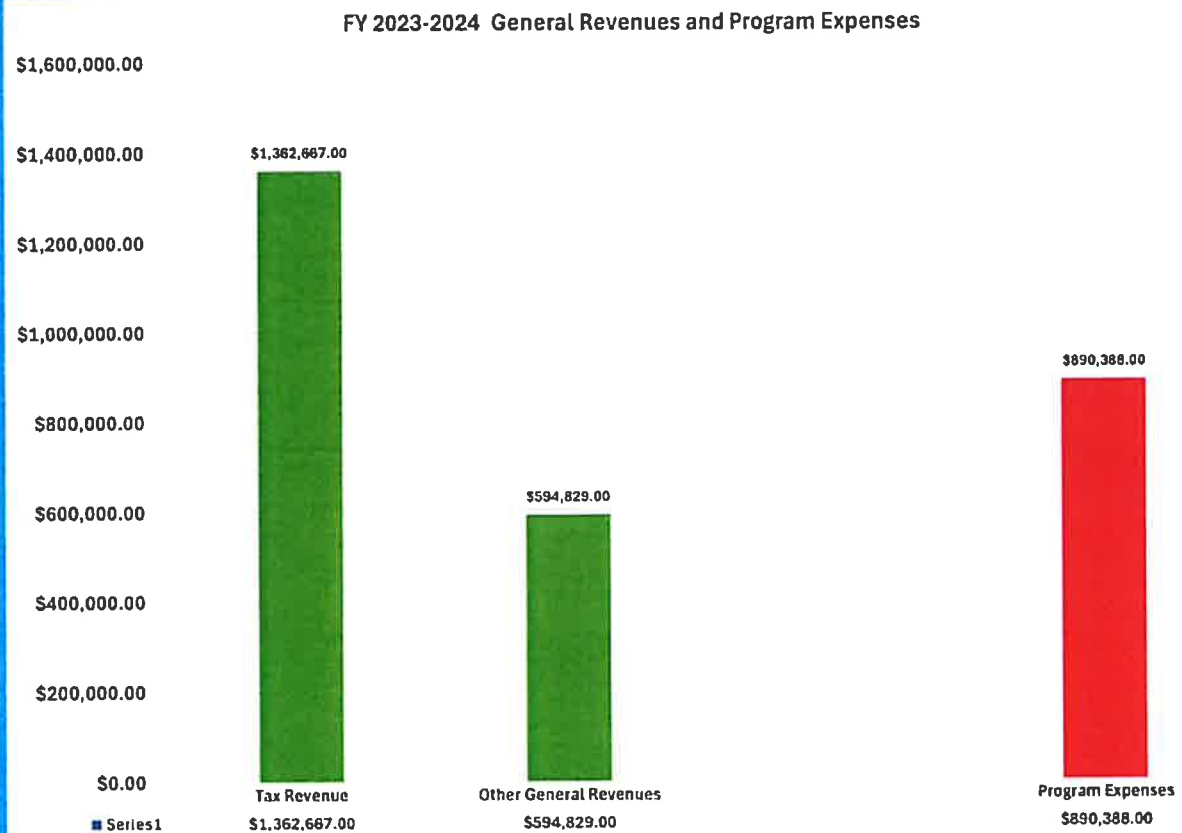
Project	Estimated Cost	Investment Type	2013 Plan (Active) Goal/Objective
Veterans Memorial Park Improvements	\$1.4 M	MIRA; grants	Create and develop Master Plan for the VMP as part of the new Fortenberry regional stormwater public park; encourage development of a master plan for expansion needs; focus attention on enhanced recreation programs and facilities, drainage improvements, and environmental enhancements
Tingley Marina Redevelopment (Cape Crossing)	\$20 M	Private investment	Create investment opportunities that will increase the tax base in the redevelopment area and assist in financing public actions to support redevelopment; establish a partnership between the public and private sectors
1450 N. Courtenay Parkway Redevelopment (Victoria Square) ◊ Burlington ◊ Five Below ◊ Ulta Beauty	\$2 M	Private investment	Encourage diverse residential, retail, and professional service developments throughout the redevelopment area consistent with road and public facility levels of service appropriate for an urban core sector as defined in the County Comprehensive Plan
First Watch	\$937,500	Private investment	Encourage diverse residential, retail, and professional service developments throughout the redevelopment area consistent with road and public facility levels of service appropriate for an urban core sector as defined in the County Comprehensive Plan

Significant Projects Completed

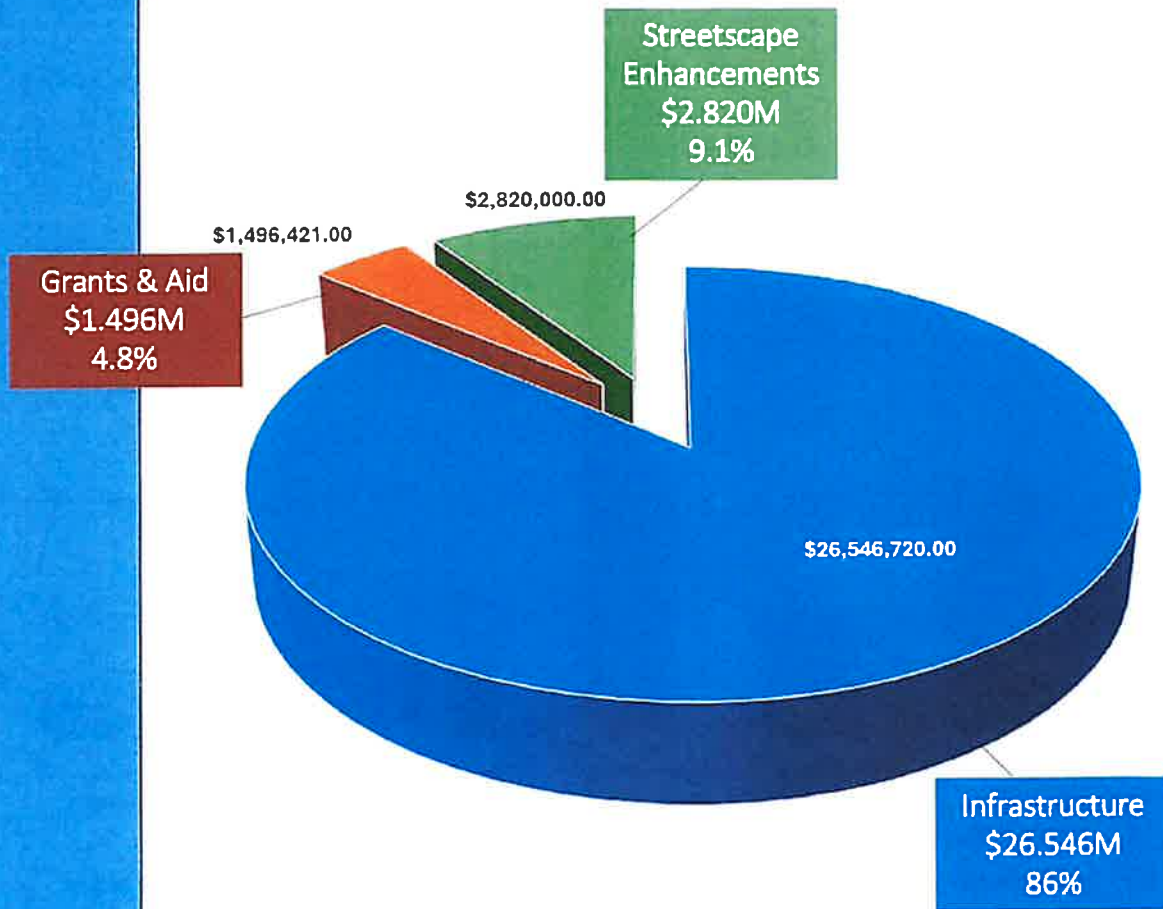
Project	Estimated Cost	Investment Type	2013 Plan (Active) Goal/Objective
Cone Road Septic-to-Sewer Conversion	\$3.6 M	MIRA; Brevard County impact fees; grants	Work with the Brevard County Water/Wastewater Division to develop a sanitary sewer collection system that will serve the entire redevelopment area and all proposed development
Fortenberry Regional Stormwater Treatment Lakes and Park and Piping Infrastructure	\$7.0 M	MIRA; Brevard County; grants	Work closely with County Natural Resources Management to purchase land for the development of a regional stormwater retention facility
Erdman Automotive Redevelopment ◊ Wawa ◊ Chipotle ◊ EL Car Wash	\$3.8 M	MIRA; EPA funds; private investment	Encourage diverse residential, retail, and professional service developments throughout the redevelopment area consistent with road and public facility levels of service appropriate for an urban core sector as defined in the County Comprehensive Plan

SECTION 10. FINANCIAL REVIEW

General Revenues and Program Expenses

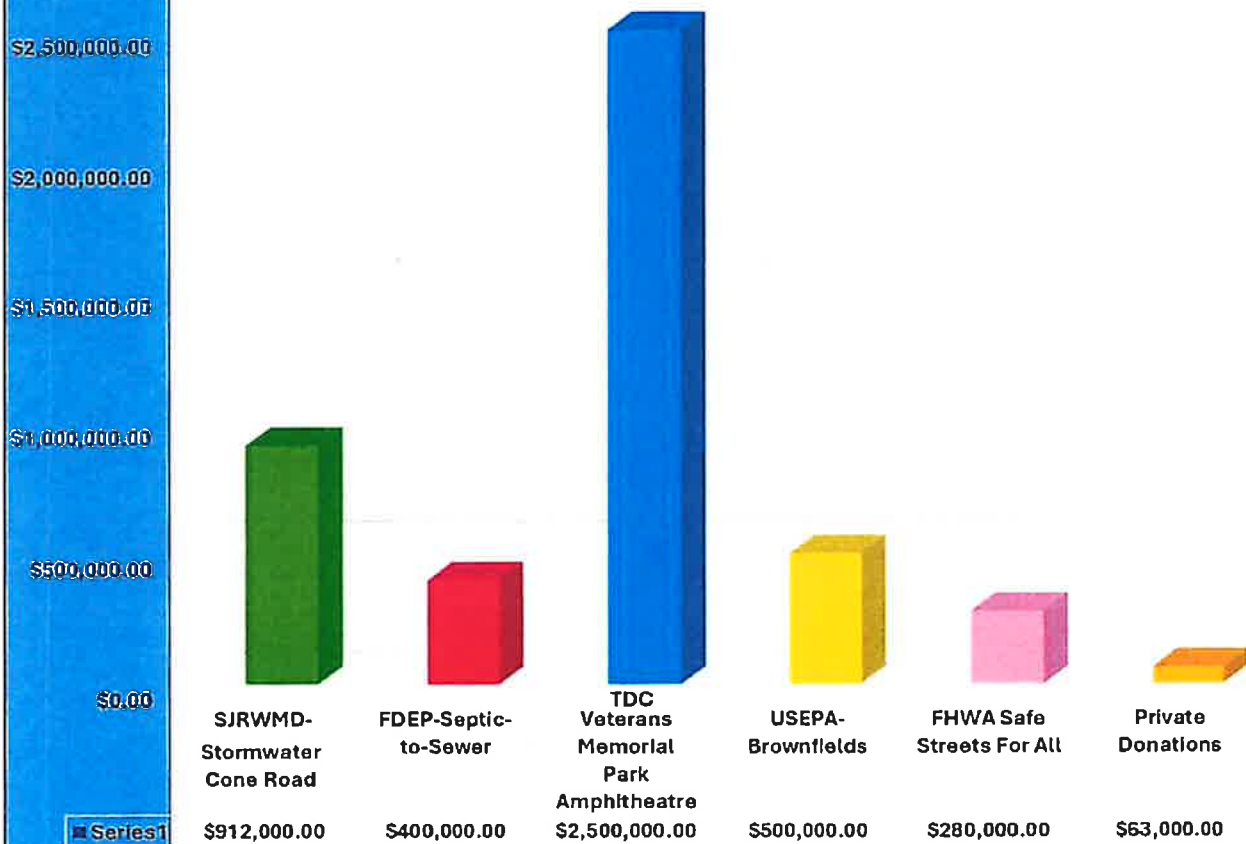


Primary Expenditure Categories



Total Expenditures (1988-2024)—\$30.863 M
Funds Leveraged—\$12.496 M

Special Purpose Grant Funds



Total Grant Funding Awarded—2020–2024
\$4.65 Million

SECTION 11. AUDIT REPORT

Audit Report

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Board of Directors of Merritt Island Redevelopment Agency
c/o Larry Lallo
Merritt Island, Florida

We are engaged to audit the financial statements of the governmental activities and the General Fund of the Merritt Island Redevelopment Agency (the "Agency") for the year ended September 30, 2024. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

OUR RESPONSIBILITY UNDER U.S. GENERALLY ACCEPTED AUDITING STANDARDS

As stated in our contract dated February 14, 2025, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to management's discussion and analysis and required supplementary information, as listed in the financial statements' table of contents, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

PLANNED SCOPE, TIMING OF THE AUDIT, SIGNIFICANT RISKS, AND OTHER

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

cbh.com

We have identified the following significant risk of material misstatement as part of our auditing planning:

- Management override of controls

We expect to begin our audit during February 2025 and issue our report during March 2025. Brian Liffick is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Directors of Merritt Island Redevelopment Agency and management of the Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Cherry Bekaert LLP

Orlando, Florida
March 26, 2025

**MERRITT ISLAND REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF
BREVARD COUNTY, FLORIDA)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

As of and for the Year Ended September 30, 2024

And Reports of Independent Auditor



**MERRITT ISLAND REDEVELOPMENT AGENCY
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Report of Independent Auditor

To the Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Agency, as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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 the Agency'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.

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the Agency'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 the Agency'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 March 28, 2025, on our consideration of the Agency'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 the Agency'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 the Agency's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Orlando, Florida
March 28, 2025

MERRITT ISLAND REDEVELOPMENT AGENCY MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2024

As management of the Merritt Island Redevelopment Agency (the "Agency"), we offer readers of the Agency's financial statements this narrative overview and analysis of the Agency's financial activities for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the financial statements and notes to the financial statements.

The Agency is a discretely presented component unit of Brevard County, Florida (the "County"), and the financial information detailed in this report is also contained in the Brevard County, Florida Annual Comprehensive Financial Report.

Financial Highlights

- The Agency's assets exceeded its liabilities at September 30, 2024 by \$5,825,981 (net position). All of this amount is restricted as the funds are to be used solely for revitalization projects located within the boundaries of the Agency.
- The Agency's net position increased by \$1,067,108 compared to the previous year's amount.

Overview of the Financial Statements

Management's discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) general fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements.

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

The statement of net position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, expenses are reported in this statement for some items where the related cash outflow will occur in future fiscal periods.

General Fund. The general fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the general fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the general fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the general fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the general fund balance sheet and the general fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between general fund and governmental activities.

MERRITT ISLAND REDEVELOPMENT AGENCY MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2024

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by \$5,825,981 at the close of the most recent fiscal year. This compares with \$4,758,873 at the close of the previous fiscal year, an increase of \$1,067,108.

The change in net position can primarily be attributed to the following factors:

- Cash equivalents increased \$1,081,464 during fiscal year 2024 as a result of increased general revenues during 2024 compared to 2023, primarily due to increased investment earnings and a decrease in expenses.
- Total liabilities increased \$14,356 primarily as a result of timing of payment of vouchers and contracts payable.

	Net Position	
	2024	2023
Assets:		
Current assets	\$ 6,126,687	\$ 5,045,223
Total assets	<u>\$ 6,126,687</u>	<u>\$ 5,045,223</u>
Liabilities:		
Current liabilities	\$ 211	\$ 16,798
Noncurrent liabilities	300,495	269,552
Total liabilities	<u>\$ 300,706</u>	<u>\$ 286,350</u>
Net Position:		
Restricted:		
Merritt Island	\$ 5,825,981	\$ 4,758,873
Total net position	<u>\$ 5,825,981</u>	<u>\$ 4,758,873</u>

**MERRITT ISLAND REDEVELOPMENT AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS**

SEPTEMBER 30, 2024

Governmental Activities

Governmental activities increased the Agency's net position by \$1,067,108 in fiscal year 2024, compared to an increase of \$700,027 in the prior fiscal year. Total revenues increased by \$135,584 from last year primarily as a result of a \$102,115 increase in interest received on investment balances compared to fiscal year 2023.

Total expenses decreased by \$231,497, primarily as a result of fewer redevelopment initiatives underway in the current fiscal year, due to completion of projects such as construction of Griffis Landing Fuel Dock in the prior year.

	Changes in Net Position	
	2024	2023
Revenues:		
General revenues:		
Taxes	\$ 1,362,667	\$ 1,317,702
Other general revenues	594,829	504,210
Total general revenues	<u>1,957,496</u>	<u>1,821,912</u>
Expenses:		
Program expenses	<u>890,388</u>	<u>1,121,885</u>
Change in net position	1,067,108	700,027
Net position, beginning	<u>4,758,873</u>	<u>4,058,846</u>
Net position, ending	<u>\$ 5,825,981</u>	<u>\$ 4,758,873</u>

Economic Factors and Conditions

The Agency's major source of revenue, taxes, are based on Brevard County's property tax collections, which are affected by property values and millage rates set by the County.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest in such. Questions concerning any of the information should be addressed to the Executive Director, 2575 N. Courtenay Parkway, Suite 214, Merritt Island, Florida 32953.

BASIC FINANCIAL STATEMENTS

**MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF NET POSITION**

SEPTEMBER 30, 2024

ASSETS	
Cash equivalents	\$ 6,126,687
Total Assets	\$ 6,126,687
LIABILITIES	
Vouchers and contracts payable	\$ 211
Noncurrent Liabilities:	
Due Within One Year:	
Accrued compensated absences	1,654
Due in More than One Year:	
Accrued compensated absences	12,325
Accrued personnel costs	286,516
Total Noncurrent Liabilities	300,495
Total Liabilities	\$ 300,706
NET POSITION	
Restricted for:	
Merritt Island	\$ 5,825,981
Total Net Position	\$ 5,825,981

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

**MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES**

YEAR ENDED SEPTEMBER 30, 2024

General Revenues:	
Taxes - other	\$ 1,362,667
Intergovernmental	170,437
Investment gain	<u>424,392</u>
Total General Revenues	<u>1,957,496</u>
 Program Expenses	 <u>890,388</u>
 Change in net position	 <u>1,067,108</u>
Net position, beginning of the year	<u>4,758,873</u>
Net position, end of the year	<u><u>\$ 5,825,981</u></u>

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

**MERRITT ISLAND REDEVELOPMENT AGENCY
BALANCE SHEET –
GENERAL FUND**

SEPTEMBER 30, 2024

ASSETS	
Cash equivalents	\$ 6,126,687
Due from other governmental units	-
Total Assets	\$ 6,126,687
LIABILITIES	
Vouchers and contracts payable	\$ 211
FUND BALANCE	
Restricted	6,126,476
Total Liabilities and Fund Balance	\$ 6,126,687
Reconciliation of the Balance Sheet to the Statement of Net Position:	
Amounts reported in the Statement of Net Position differ from amounts reported above as follows:	
Fund Balance - General Fund	\$ 6,126,476
Long-term liabilities are not due and payable in the current period and, therefore, are not reported above.	(300,495)
Net Position of Governmental Activities	\$ 5,825,981

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

MERRITT ISLAND REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2024

Revenues:	
Taxes - other	\$ 1,362,667
Intergovernmental	174,091
Investment gain	<u>424,392</u>
Total Revenues	<u>1,961,150</u>
Expenditures:	
Economic environment	<u>859,445</u>
Total Expenditures	<u>859,445</u>
Net change in fund balance	1,101,705
Fund balance, beginning	<u>5,024,771</u>
	<u>\$ 6,126,476</u>
Reconciliation of the Statement of Revenues, Expenditures, and	
Changes in Fund Balances of the General Fund to the Statement of Activities:	
Amounts reported for governmental activities in the Statement of Activities:	
Net change in fund balance-general fund	\$ 1,101,705
Some revenues reported in the Statement of Activities do not provide current resources due to being unavailable and, therefore, are not reported as revenues in governmental funds.	(3,654)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(30,943)</u>
Change in Net Position of Governmental Activities	<u>\$ 1,067,108</u>

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

MERRITT ISLAND REDEVELOPMENT AGENCY NOTES TO THE BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

Note 1—Summary of significant accounting policies

Merritt Island Redevelopment Agency (the "Agency") was established pursuant to Section 163.387, Florida Statutes, and Ordinance 89-28, as amended by 90-188. The Agency's primary activity is the redevelopment in the Merritt Island area through the collection of incremental taxes.

The Agency is funded primarily by tax increment revenues collected and remitted by the Brevard County, Florida, Tax Collector. 95% of the tax revenues generated as a result of increases on property values ("tax increment") within the redevelopment area boundaries are placed in the Agency's Trust Fund.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"). The following is a summary of the more significant policies:

Reporting Entity – The Agency is a legally separate entity with no component units. A seven-member volunteer Board of Directors (the "Board") is responsible for providing the oversight to the Agency. All Board members are recommended for appointment by the District 2 County Commissioner of the Brevard County Board of County Commissioners and are approved for appointment by the Brevard County Board of County Commissioners. A major portion of the Agency's funding is derived from tax increment revenues. Therefore, the Agency, for financial reporting purposes, is considered a discretely presented component unit of Brevard County, Florida (the "County"). The financial statements of the Agency are included in Brevard County, Florida's Annual Comprehensive Financial Report under a discrete presentation format.

Basis of Accounting – Government fund financial statements are organized for reporting purposes on the basis of a general fund, the Agency's major fund, which accounts for all activities of the Agency and is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Agency considers all revenues available if collected within 60 days after year-end. Expenditures are recognized when the related fund liability is incurred.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Balance / Net Position – Fund balance for the Agency is reported in classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts of the fund can be spent. Fund balances are classified either as nonspendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

Nonspendable fund balances include amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. As of September 30, 2024, the Agency did not have any fund balance that was classified as nonspendable.

Spendable fund balances are classified based on a hierarchy of the Agency's ability to control the spending of these fund balances.

Restricted fund balances are fund balance amounts that are constrained for specific purposes by external parties, such as creditors, grantors, or contributors; constitutional provisions; or enabling legislation.

**MERRITT ISLAND REDEVELOPMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS**

SEPTEMBER 30, 2024

Note 1—Summary of significant accounting policies (continued)

Committed fund balances are fund balances constrained for specific purposes by formal action of the District's highest level of decision making authority. Committed fund balances are reported pursuant to resolutions approved by the Governing Board and can only be modified or rescinded through resolutions approved by the Governing Board.

Assigned fund balances are fund balances intended to be used for specific purposes, but which are neither restricted nor committed.

Unassigned fund balances represent the residual positive fund balance within the general fund, which has not been assigned to other funds and has not been restricted, committed, or assigned.

For purposes of fund balance classification, the Agency considers restricted funds to have been spent first when both restricted and unrestricted fund balance is available, followed in order by committed, assigned, and unassigned amounts, as applicable.

The government-wide financial statements utilize a net position presentation. Net position can be categorized as net investment in capital assets, restricted or unrestricted. The Agency does not have any net position categorized as net investment in capital assets or unrestricted as of September 30, 2024. Restricted net position represents amounts that are restricted by requirement of enabling legislation. When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, and then unrestricted resources as they are needed.

Accrued Compensated Absences – It is the Agency's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and a portion of sick pay is accrued when earned and a liability is reported in the government-wide financial statements. A liability is reported in the governmental funds only if a liability results from employee resignations/retirements and they are to be paid with current operating funds. Estimates have been utilized to determine the amount to report as the current portion.

Accrued Personnel Costs – The statement of net position includes a noncurrent liability related to accrued personnel costs. This represents the Agency's liability for pension and other postemployment fringe benefit costs related to the Agency's contracted use of County employees.

Budget – On or before September 30 of each year, the Agency's Board adopts an annual budget sufficient to support the anticipated work program for the year. The budget includes revenues from all sources legitimately available to the Agency. The Agency's Board can legally amend the budget to the extent deemed necessary, provided the budget remains in balance at the fund level. Agency management, other than the Board, cannot amend or transfer appropriations. For the year ended September 30, 2024, no excess of expenditures over appropriations at the legal level of budgetary control occurred.

The budget is adopted on a basis consistent with U.S. GAAP.

Use of Estimates – The preparation of the financial statements requires management to make use of estimates that affect reported amounts. Actual results could differ from those estimates.

**MERRITT ISLAND REDEVELOPMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS**

SEPTEMBER 30, 2024

Note 2—Cash equivalents

All funds of the Agency are invested with the County's cash and investment pool, which consists of the County's cash and investments and that of the component units. There are no restrictions on the Agency's ability to withdraw funds from the County's pool, so all amounts are considered cash equivalents. All cash equivalents are stated at fair value, based on the Agency's investment portion of the fair value of the County's pooled investments. The County's investment pool is not rated.

The Agency's investment policy is established in accordance with the Sections 125.01 and 218.415, Florida Statutes. The policy permits investing directly in or through the County's investment pool, which is authorized to invest in the following: State Board of Administration, state of Florida, direct obligations of the United States Government, obligations of the different agencies of the federal government, Corporate Notes, Commercial Paper, Municipal Bonds, Intergovernmental Investment Pools, Supranationals, Asset-Backed Securities, Multi-Asset Class Portfolio Investments (including both Domestic and International Equities, Emerging Market Debt, Real Estate Investment Trusts-REITS, and Treasury Inflation Protected Securities – TIPS), Registered Investment Companies (Mutual Funds), and time deposits or savings accounts of financial institutions under federal and state regulation.

Note 3—Summary of long-term liabilities

The following is a summary of changes in long-term liabilities during the year ended September 30, 2024:

	October 1, 2023	Additions	Deletions	September 30, 2024	Due within one year
Governmental activities:					
Accrued compensated absences	\$ 11,179	\$ 4,205	\$ 1,405	\$ 13,979	\$ 1,654
Accrued personnel costs	258,373	28,143	-	286,516	-
Total governmental activities long-term liabilities	<u>\$ 269,552</u>	<u>\$ 32,348</u>	<u>\$ 1,405</u>	<u>\$ 300,495</u>	<u>\$ 1,654</u>

Accrued compensated absences and accrued personnel costs are liquidated with resources of the Agency's only fund, the General Fund, through which the related employees' regular salaries and fringe benefits were paid.

Note 4—Related party transactions

The Agency is a discretely presented component unit of Brevard County, Florida. For the year ended September 30, 2024, the Agency's tax increment revenues include \$1,362,667 received from the County.

**MERRITT ISLAND REDEVELOPMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS**

SEPTEMBER 30, 2024

Note 5—Community redevelopment agency

As explained in Note 1, Merritt Island Redevelopment Agency is a discretely presented component unit in the County's Annual Comprehensive Financial Report. As required by Florida Statute, additional information regarding Agency's financial activity during the year ended September 30, 2024 is as follows:

Sources of deposits:	
County tax increment	\$ 1,362,887
Intergovernmental	342,482
Investment gain	424,392
Total deposits	<u>\$ 2,129,541</u>
 Purpose of withdrawals:	
Economic environment	<u>\$ 876,032</u>

The Agency does not have pledged incremental revenues or has not incurred any debt to carry out its activities.

REQUIRED SUPPLEMENTARY INFORMATION

**MERRITT ISLAND REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL - GENERAL FUND**

YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes - other	\$ 1,362,669	\$ 1,362,669	\$ 1,362,667	\$ (2)
Intergovernmental	1,594,736	1,594,736	174,091	(1,420,645)
Miscellaneous	44,967	44,967	424,392	379,425
Total Revenues	3,002,372	3,002,372	1,961,150	(1,041,222)
Expenditures:				
Economic environment	7,348,927	7,648,927	859,445	6,789,482
Total Expenditures	7,348,927	7,648,927	859,445	6,789,482
Net change in fund balance	(4,346,555)	(4,646,555)	1,101,705	(7,830,704)
Fund balance, beginning	4,346,555	4,646,555	5,024,771	378,216
Fund balance, ending	\$ -	\$ -	\$ 6,126,476	\$ 6,126,476

SUPPLEMENTARY REPORTS



**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 Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, 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 governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 28, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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.

Cherry Bekaert LLP

Orlando, Florida
March 28, 2025



Independent Auditor's Management Letter

To the Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

Report of the Financial Statements

We have audited the financial statements of the governmental activities and the General Fund of Merritt Island Redevelopment Agency (the "Agency"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2024, and have issued our report thereon dated March 28, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Report of Independent Accountant on Compliance with Local Government Investment Policies and Community Redevelopment Agency Requirements. Disclosures in those reports, which are dated March 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding annual financial audit report. No findings or recommendations were made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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 included in the notes to the financial statements. There were no component units related to the Agency.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, the results of our tests did not indicate the Agency met any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Agency. It is management's responsibility to monitor the Agency'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.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Program

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the Agency did not operate a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, within the Agency's geographical boundaries during the fiscal year under audit.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Agency provided the following information (unaudited):

- a. The total number of Agency employees compensated in the last pay period of the fiscal year as three.
- b. There are zero independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$229,406.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$-0-.
- e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as listed below:

Project Name	Budget	Inception Date	Expenditures to Date
Griffis Landing	\$300,000	10/1/2024	\$-0-

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, can be found in the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

Cherry Bekaert LLP

Orlando, Florida
March 28, 2025



**Report of Independent Accountant on Compliance with
Local Government Investment Policies and
Community Redevelopment Agency Requirements**

To the Honorable Board of Directors
Merritt Island Redevelopment Agency
Merritt Island, Florida

We have examined Merritt Island Redevelopment Agency's (the "Agency") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with the specified requirements.

The purpose of this report is to comply with the audit requirements of Sections 218.415 and 163.387, Florida Statutes, and Rules of the Auditor General.

In our opinion, the Agency complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, during the year ended September 30, 2024.

Cherry Bekaert LLP

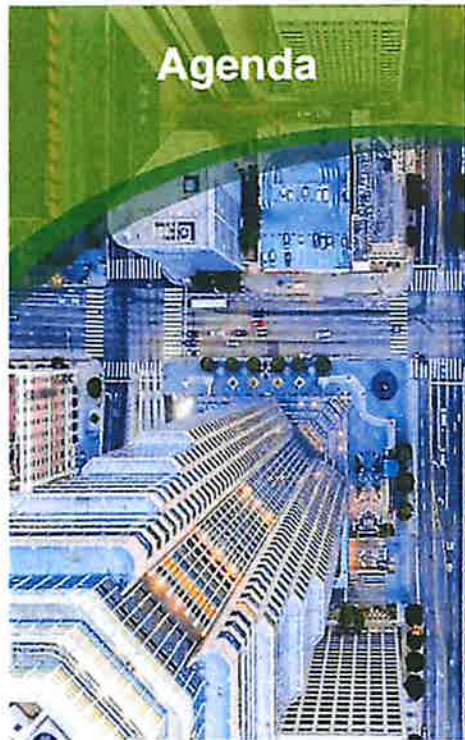
Orlando, Florida
March 28, 2025



Merritt Island Redevelopment Agency **Audit Executive Summary**

March 28, 2025

 Cherry Bekaert

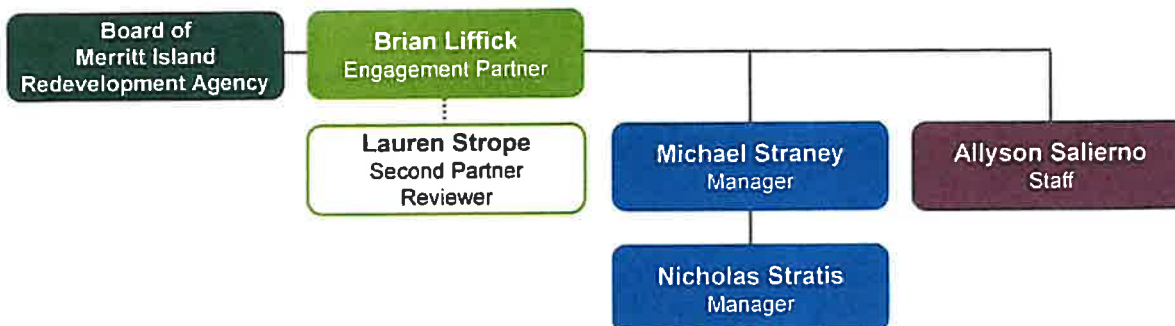


- ▶ Client Service Team
- ▶ Results of the Audit
- ▶ Internal Control Communication
- ▶ Corrected and Uncorrected Misstatements
- ▶ Qualitative Aspects of Accounting Practices
- ▶ Independence Considerations
- ▶ Other Required Communications
- ▶ Other Matters
- ▶ Upcoming Financial Reporting Changes

This information is intended solely for the use of Management and the Honorable Members of the Board of Directors of Merritt Island Redevelopment Agency and is not intended to be, and should not be, used by anyone other than these specified parties.



Client Service Team



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Results of the Audit

We have audited the financial statements of Merritt Island Redevelopment Agency ("MIRA") for the year ended September 30, 2024, in accordance with generally accepted auditing standards and *Government Auditing Standards* and have issued our report thereon dated March 28, 2025.

We have issued unmodified opinions on the financial statements.



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Internal Control Communication

Material Weakness

- ▶ 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 MIRA's financial statements will not be prevented, or detected and corrected, on a timely basis.

Significant Deficiency

- ▶ 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.

There were no significant deficiencies or material weaknesses reported.

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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Corrected Misstatements

- ▶ None noted.

Uncorrected Misstatements

- ▶ None noted.

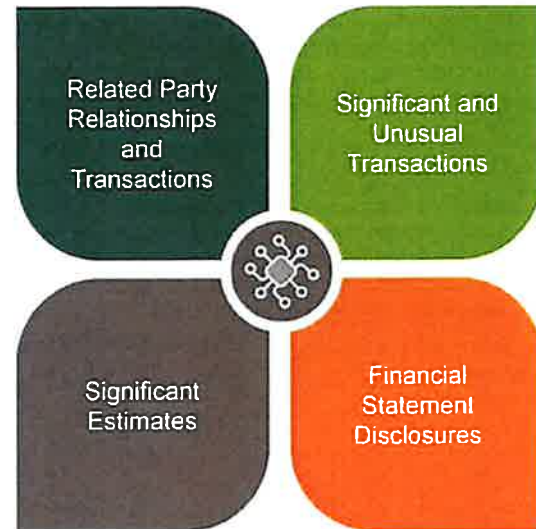
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Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by MIRA are described in Note 1 to the financial statements.

No new accounting policies were adopted that affected the financial statements or disclosures and the application of existing policies was not changed during the year. We noted no inappropriate accounting policies or practices.



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Qualitative Aspects of Accounting Practices

As part of our audit, we evaluated MIRA's identification of, accounting for, and disclosure of MIRA's relationships and transactions with related parties as required by professional standards.

We noted none of the following:

- Related parties or related party relationships or transactions that were previously undisclosed to us;
- Significant related party transactions that have not been approved in accordance with MIRA's policies or procedures or for which exceptions to MIRA's policies or procedures were granted;
- Significant related party transactions that appeared to lack a business purpose;
- Noncompliance with applicable laws or regulations prohibiting or restricting specific types of related party transactions; and
- Difficulties in identifying the party that ultimately controls MIRA.



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Qualitative Aspects of Accounting Practices

We noted no transactions entered into by MIRA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

For purposes of this presentation, professional standards define significant, unusual transactions as transactions that are outside the normal course of business for MIRA or that otherwise appear to be unusual due to their timing, size, or nature. We noted no significant, unusual transactions during our audit.



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Qualitative Aspects of Accounting Practices

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

There were no sensitive accounting estimates applied by management affecting the financial statements.

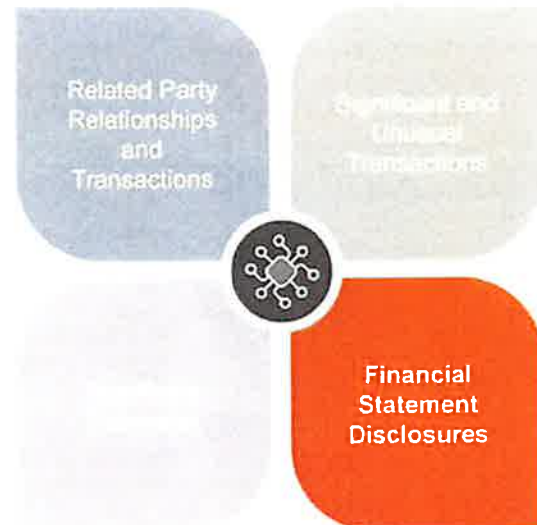


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Qualitative Aspects of Accounting Practices

The financial statement disclosures are neutral, consistent, and clear.



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Independence Considerations



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Other Required Communications

Difficulties Encountered	We encountered no significant difficulties in dealing with management in performing and completing our audit.
Disagreements with Management	Includes disagreements on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are please to report that no such disagreements arose during the course of our audit.
Auditor Consultations	We noted no matters that are difficult or contentious for which the auditor consulted outside the engagement team.
Management Representations	We have requested certain representations from management that are included in the management representation letter dated March 28, 2025.

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Other Required Communications

Management Consultations	In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. To our knowledge, there were no such consultations with other accountants.
Other Findings or Issues	We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year. These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Fraud and Illegal Acts	As of the date of this presentation, no fraud, illegal acts, or violations of laws and regulations noted.
Going Concern	No events or conditions noted that indicate substantial doubt about MIRA's ability to continue as a going concern.

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Other Matters

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquires of management about the method 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 assurance.



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Upcoming Financial Reporting Changes

These standards will be effective for MIRA in the upcoming years and may have a significant impact on MIRA's financial reporting.

We would be happy to discuss with management the potential impacts on the MIRA's financial statements and how we may be able to assist in the implementation efforts.

- ▶ GASB 101, *Compensated Absences*
- ▶ GASB 102, *Certain Risk Disclosures*
- ▶ GASB 103, *Financial Reporting Model Improvements*
- ▶ GASB 104, *Disclosure of Certain Capital Assets*



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Questions

Contacts

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Partner

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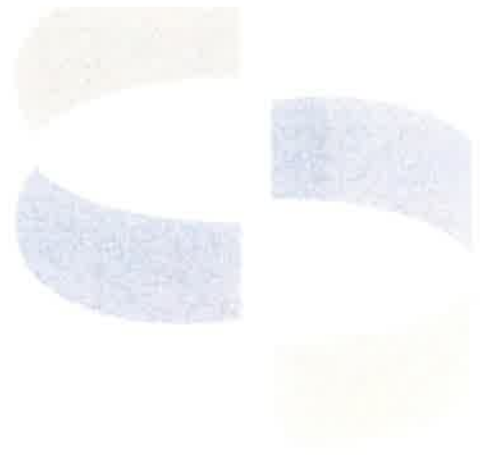
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City of Palm Bay

Bayfront Community Redevelopment Agency

2024 Annual Report

I. Introduction, Mission and Overview

The City established the Bayfront Community Redevelopment District as a Community Redevelopment Agency (CRA) in 1999. The Bayfront Community Redevelopment Agency (Bayfront CRA) sunset on May 4, 2024. A CRA is defined as a separate public entity created by the local municipality in order to implement redevelopment activities outlined in Chapter 163 of the Florida Statutes. The mission of the Bayfront CRA is to remove and reduce blight in the District, facilitate economic renewal and attract new capital investment.

The goal of the Agency, as stated in the adopted redevelopment plan, is to develop, redevelop, and revitalize the area over a 30-year period. The adopted vision of the Bayfront Redevelopment Plan is to have the District be redeveloped as an attractive, inviting, and economically successful community with residential, commercial, retail, and mixed-use development. This planned regional destination includes an active waterfront village for the enjoyment of all Palm Bay residents.

Fiscal Year 2024 Overview

An annual report of the Bayfront Community Redevelopment Agency (Bayfront CRA) for the fiscal year ending on September 30, 2024, is submitted herewith pursuant to Chapters 163.365(3)(c) and 163.371 of the Florida Statutes.

This report consists of the activities of the Agency and an unaudited financial statement of the Agency as reported by the City of Palm Bay's Comprehensive Annual Financial Report, Fiscal Year 2024.

A copy of the audited financial statement will be included herein following the completion of the City of Palm Bay's Comprehensive Annual Financial Report, Fiscal Year 2024, expected at the end of May 2025.

District Year in Review

On April 4, 2024, the CRA sold property located at 1608 Orange Blossom Trail NE, Tax ID: 2832603, (\$60,000) and the parcel just north of 1608 Orange Blossom Trail NE, Tax ID: 2866312, (\$90,000). The sites were purchased as part of a land assemblage for a

large-scale mixed-use future development project to include multi-family, hotel and commercial space.

Total Assessed Taxable Value

The Fiscal Year (FY) 2024 Bayfront Community Redevelopment Agency witnessed another year of increased revenue due to steadily increasing property values within the redevelopment district.

As reported by the Brevard County Property Appraisers Office, the 2023 certified taxable property values within the Bayfront redevelopment district was \$379,056,941, and the 2022 certified taxable value totaled \$332,438,420. The 2022 certified taxable property value represents a net increase of approximately fourteen (14) percent, or \$46,618,521 in taxable property value for over the Fiscal Year.

Tax Revenues

Redevelopment activity within District provided the Bayfront CRA increased tax revenues to \$2,664,894, an approximate eleven (11) percent increase over 2023 (\$2,394,530).

The City portion of the increment equaled \$1,857,777 (70%) while the Brevard County portion totaled \$807,117 (30%) for FY 2023.

Expenditures

Expenditures for the Fiscal Year 2024 totaled \$805,658.

Though the FY 2024 approved budget provided \$1,283,457 in total operational expenses, to include \$799,983 reimbursed to Brevard County for unexpended funds from Fiscal Year 2023 per the Interlocal Agreement (ILA) between Brevard County, City of Palm Bay and Bayfront CRA executed on October 8, 2019. The CRA also initiated a transfer of \$1,863,783 to reimburse the City's General Fund for similar unexpended funds from the previous Fiscal Year 2023.

II. Board Members and Staff

In Fiscal Year 2017, Palm Bay City Council revised the composition of the Agency's governing body. Changes included the establishment of each City Councilman as a Bayfront CRA Commissioner to serve congruently with their term of office with the Mayor and Deputy Mayor serving as Chairman and Vice-Chairman respectively. The Board also includes two at-large citizen commissioners that are appointed by City Council. As of September 30, 2024, the Board Commissioners were as follows:

Members

Rob Medina, Chairperson

Donny Felix, Vice-Chairperson

Kenny Johnson, Commissioner

Randy Foster, Commissioner

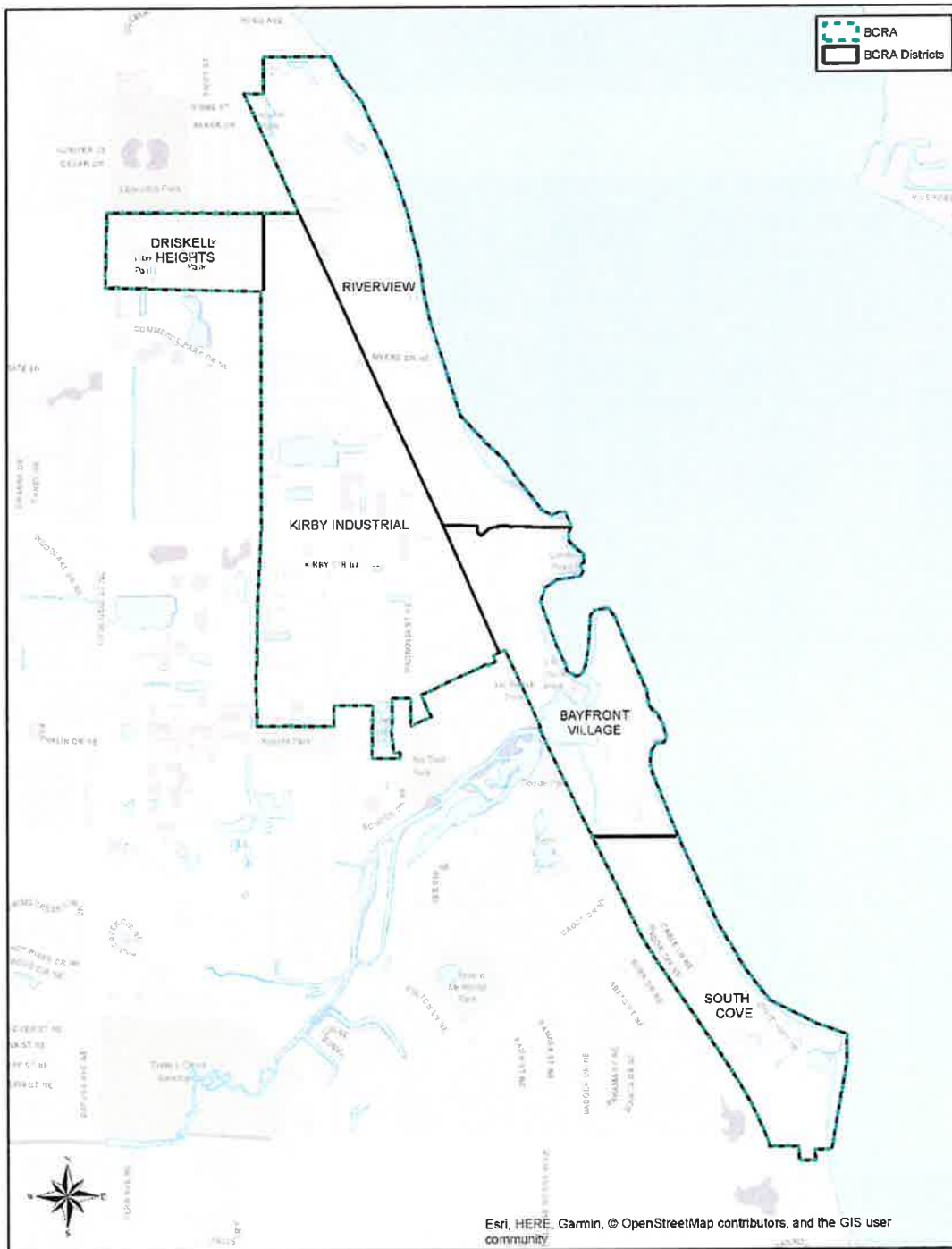
Vacant, Commissioner

Phillip Weinberg, Commissioner At-Large

Ken Parks, Commissioner At-Large

III. Boundary Lines

The Bayfront Community Redevelopment District is a four-mile section of US Highway 1, bound by the city limits of the City of Melbourne on the north and the Town of Malabar on the south. The Indian River Lagoon makes up the eastern boundary and the western boundary runs south from the US Highway 1 and University Boulevard intersection for approximately 500 feet, then west to the Florida East Coast (FEC) Railroad; south along the railroad about 2,200 feet; west along the city limits at Florida Avenue to Lipscomb St.; south on Lipscomb St. to Doreatha Fields Ave. (also known as Pacific Ave.); east on Doreatha Fields Ave. to Northview St.; south on Northview St. to R. J. Conlan Blvd.; south on R. J. Conlan Blvd. to Palm Bay Road; east on Palm Bay Road including those parcels abutting the south side of Palm Bay Road to the FEC Railroad; and south on the FEC Railroad to the Malabar town limits.



IV. History

a. Creation Date

In 1994, the Bayfront Community Redevelopment District was determined to be an area of slum and blight, and in 1999 the Bayfront Community Redevelopment District 2024 Plan was adopted by the City of Palm Bay. The Bayfront Community Redevelopment Agency sunset on May 4, 2024, 25 years from the date of establishment.

b. Plan Amendment Dates

The Bayfront CRA did not conduct a Plan Amendment; however, in October 2009, the CRA commissioned MSCW, Inc. to observe and document the conditions of slum and blight. These findings have been reported in the Plan under Appendix A Field Inventory and Analysis.

c. Applicable Resolution(s) and Ordinances

The City created the Agency pursuant to City Resolution 99-20 and approved its Community Redevelopment Plan after the County delegated its authority under Chapter 163, Part III, Florida Statutes, as set forth in County Resolution 99-11. The City created a tax increment redevelopment trust fund (Agency tax increment fund) pursuant to section 163.387, Florida Statutes under City Ordinance 99-19.

On October 8, 2019, the Brevard County Board of County Commissioners adopted Resolution 2019-198 modifying the delegation of the powers of the City of Palm Bay, revoking the City's authorization to issue bonds, pledge funds, incur debt, obtain loans, and limiting all other financial activities of the Bayfront CRA.

V. District Area Projects Overview

Commercial Property Enhancement Program: Through the City's Commercial Property Enhancement Program (CPEP), three (3) businesses located in the Bayfront District were awarded grant funds for façade improvements to their commercial buildings.

CPEP is a performance-based reimbursement grant awarded to applicants to encourage private investment and improvements to the exterior frontage of commercial properties located on major transportation corridors in Palm Bay. The CPEP is intended to enhance and improve the street view of the built environment from the public perspective.

- Audio Images – 3300 Dixie Hwy. NE: Paint entire exterior of the building, installation of LED lighting, replace existing signage at the street and above the door. Project was completed in January 2024.
- Morel's Bar and Grill – 1921 Robert J Conlan Blvd. NE: Removal of old pole sign and installation of a new illuminated double-sided freestanding pole sign. Project was completed in September 2024.
- Apline Foam – 2860 Palm Bay Rd. NE: Exterior improvements to the building to include new stucco and fresh paint.

All applicants were given priority to funding due to being located in the Bayfront CRA.

VI. Financial Reports

a. Balance Sheet

See Attachment A – Financial Section (Unaudited)

b. Statement of Revenues, Expenditures & Changes in Fund Balances

See Attachment A – Financial Section (Unaudited)

c. Summary of Projects, Grants & Debt

See Attachment A – Financial Section (Unaudited)

VII. Performance Information

a. Total Projects started, completed, and estimated cost for each project:

Brevard County Resolution 2019-198 prohibits the Bayfront CRA from undertaking any new projects that would commit Agency funds. There were no new CRA-funded projects in FY 2024.

b. Number of jobs created and sector of the economy from which these jobs were created within the CRA

There were no jobs created as a direct result of the projects and activities of the Bayfront CRA.

c. Number of jobs retained within the CRA

There were no jobs retained as a direct result of the projects and activities of the Bayfront CRA.

d. Assessed Property Values

When the CRA was enacted in 1998, the base property assessed value was \$100,372,760. The 2024 assessed property value was \$414,014,864 with a current year increment value of \$313,642,104.

e. Affordable Housing

No CRA funds have been expended for affordable housing projects in FY 2024.

ATTACHMENT “A”
Fiscal Year 2023 Financial Reports (*unaudited*)

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET
AND ACTUAL – BAYFRONT COMMUNITY REDEVELOPMENT AGENCY**

For Fiscal Year Ended September 30, 2024 (unaudited)

REVENUES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Taxes	\$ 2,664,894	\$ 2,664,894	\$ -
Investment Income		239,114	(239,114)
Total Revenues	2,664,894	2,904,008	(239,114)

EXPENDITURES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Current:			
Economic Environment	1,283,457	805,658	477,799
Capital Outlay	-	-	-
Debt Service: Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	1,283,457	805,658	477,799
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,381,467	2,098,350	238,685

OTHER FINANCING SOURCES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Transfers Out	(1,863,783)	(1,863,783)	-
Proceeds from Sale of Capital Assets	137,798	137,798	-

OTHER FINANCING SOURCES	Budget	Actual Amounts	Variance with Budget - Positive (Negative)
Total Other Financing Sources	(1,725,985)	(1,725,985)	-
Net Change in Fund Balance	\$ (344,548)	\$ 372,365	\$ 238,685
Fund Balance - Beginning	-	2,663,765	-
Fund Balance - Ending	-	\$ 3,036,130	-

BALANCE SHEET – BAYFRONT COMMUNITY REDEVELOPMENT AGENCY
September 30, 2024 (unaudited)

ASSETS	Bayfront Community Redevelopment Agency Fund
Cash and Cash Equivalents	\$ 51,698
Investments	2,984,432
Total Assets	\$ 3,036,130

LIABILITIES AND FUND BALANCES	Bayfront Community Redevelopment Agency Fund
Liabilities:	
Accounts Payable	-
Total Liabilities	-

LIABILITIES AND FUND BALANCES	Bayfront Community Redevelopment Agency Fund
Fund Balances:	
Restricted	3,036,130
Total Fund Balances	3,036,130
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,663,766

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Bayfront Community Redevelopment Agency
For Fiscal Year Ended September 30, 2024 (unaudited)

REVENUES	Bayfront Community Redevelopment Agency Fund
Taxes	\$ 2,664,894
Investment Income	239,114
Total Revenues	2,904,008

EXPENDITURES	Bayfront Community Redevelopment Agency Fund
Current:	
Economic Environment	805,658
Debt Service: Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	805,658
Excess (Deficiency) of Revenues Over Expenditures	2,098,350

OTHER FINANCING SOURCES (USES)	Bayfront Community Redevelopment Agency Fund
Transfers Out	(1,863,783)

OTHER FINANCING SOURCES (USES)

Proceeds from Sale of Capital Assets	137,798
Total Other Financing Sources and Uses	(1,725,985)
Net Change in Fund Balances	372,365
Fund Balances - Beginning	2,663,765
Fund Balances - Ending	\$ 3,036,130

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

Bayfront Community Redevelopment Agency

Financial Statements

September 30, 2024

Bayfront Community Redevelopment Agency
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September 30, 2024

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Independent Auditor's Report

Board of Commissioners
Bayfront Community Redevelopment Agency
Palm Bay, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and General Fund of the Bayfront Community Redevelopment Agency (the "CRA"), a component unit of the City of Palm Bay, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the CRA as of September 30, 2024, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the CRA, 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

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, 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 the CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's report that includes our opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 the CRA'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 the CRA'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 that audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2025, on our consideration of the CRA'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Orlando, Florida
June 6, 2025

**Bayfront Community Redevelopment Agency
Management's Discussion and Analysis
September 30, 2024**

As management of the Bayfront Community Redevelopment Agency (the "CRA"), we offer readers of the CRA's financial statements this narrative overview and analysis of the CRA's financial activities for the fiscal year ended September 30, 2024.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

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

The statement of net position presents information on all of the CRA's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Also, capital assets are capitalized and depreciated on the statement of net position whereas related purchases are expended on government fund financial statements.

General Fund

The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the General Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the General Fund balance sheet and the General Fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between General Fund and governmental activities.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Other Information

The CRA adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

**Bayfront Community Redevelopment Agency
Management's Discussion and Analysis
September 30, 2024**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets exceeded liabilities by \$7,890,534 at the close of the most recent fiscal year. This compares with \$7,775,974 at the close of the previous fiscal year, an increase of \$114,560. Cash and investments increased \$372,365 due to CRA's proportionate share of incremental tax revenue and return of investments. Capital Assets decreased due to depreciation.

	Net Position	
	2024	2023
Assets		
Current and other assets	\$ 3,036,130	\$ 2,663,766
Capital assets	<u>4,854,404</u>	<u>5,112,208</u>
Total assets	<u>7,890,534</u>	<u>7,775,974</u>
Net position		
Net investment in capital assets	4,854,404	5,112,208
Restricted	<u>3,036,130</u>	<u>2,663,766</u>
Total net position	<u>\$ 7,890,534</u>	<u>\$ 7,775,974</u>

Governmental Activities

The components are as follows: Governmental activities increased the CRA's net position by \$114,560 in fiscal year 2024. Higher assessed property values offset with a decrease in the City's operating millage rate provided for a larger revenue source over FY24. CRA's revenues reflect the sale of 1 vacant lot on Orange Blossom Trail, Palm Bay which the City and CRA owned jointly. Conversely, based on an October 2019 interlocal agreement with the City of Palm Bay, CRA returned \$799,983 of unexpended funds to Brevard County Board of County Commissioners.

	Changes in Net Position	
	2024	2023
General revenues		
Intergovernmental	\$ 2,664,894	\$ 2,394,530
Investment income	<u>239,114</u>	<u>138,224</u>
Total general revenues	<u>2,904,008</u>	<u>2,532,754</u>
Expenditures/Expenses		
General government	2,669,441	1,481,445
Loss from sale of capital	85,267	370,088
Depreciation	<u>205,275</u>	<u>219,749</u>
Total expenses	<u>2,959,983</u>	<u>2,071,282</u>
Change in net position	114,560	461,472
Net position - beginning	<u>7,775,974</u>	<u>7,314,502</u>
Net position - ending	<u>\$ 7,890,534</u>	<u>\$ 7,775,974</u>

Financial Analysis of the General Fund

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The purpose of the CRA’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA’s financing requirements. In particular, unassigned fund balance may serve as a useful measurement of a government’s net resources available for spending at the end of the fiscal year.

The only difference between General Fund operations and governmental activities is the accounting presentation for capital outlay and long-term debt. Capital outlay is accounted for as an expenditure in the General Fund and, to the extent it relates to capital asset additions, is replaced by depreciation expense on the statement of activities. Principal payments are accounted for as an expenditure in the General Fund and is a reduction of the outstanding liability on the statement of net position.

General Fund Budgetary Highlights

The variance between the final budget and actual operating expenditure was due to unfulfilled developer contractual agreements that will be appropriated in FY25.

Capital Asset Administration

The CRA’s net investment in capital assets as of September 30, 2024, amounts to \$4,854,404, a decrease of \$257,805. Additional information on the CRA’s capital assets can be found in Note 4 *Capital Assets* in the footnote section of this report.

	<u>Capital Assets (Net of Depreciation)</u>	
	<u>2024</u>	<u>2023</u>
Land	\$ 440,952	\$ 493,481
Infrastructure	<u>4,413,452</u>	<u>4,618,727</u>
Total	<u><u>\$ 4,854,404</u></u>	<u><u>\$ 5,112,208</u></u>

Economic Factors and Conditions

Median home prices decreased approximately 1.5% from the previous year, which is in keeping with the local real estate market for Central Florida. The City is comparable to other cities in Brevard County with a taxable property value increase in FY24 of 15%, which continue into 2025.

Requests for Information

This financial report is designed to provide a general overview of the CRA’s finances for all those with an interest in the government’s finances. Questions concerning any of the information should be addressed to the Finance Director, 120 Malabar Road SE., Palm Bay, FL 32907.

Bayfront Community Redevelopment Agency
Statement of Net Position and Governmental Fund Balance Sheet
September 30, 2024

	<u>General Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Net Position</u>
ASSETS			
Cash and cash equivalents	\$ 51,698	\$ -	\$ 51,698
Investments	2,984,432	-	2,984,432
Capital assets			
Nondepreciable	-	440,952	440,952
Depreciable, net	-	4,413,452	4,413,452
Total Assets	<u>\$ 3,036,130</u>	<u>4,854,404</u>	<u>7,890,534</u>
Fund Balances/Net Position			
Fund balances:			
Nonspendable	\$ -	-	-
Restricted	3,036,130	(3,036,130)	-
Total Fund Balances	<u>3,036,130</u>	<u>(3,036,130)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 3,036,130</u>		
Net position:			
Net investment in capital assets		4,854,404	4,854,404
Restricted		3,036,130	3,036,130
Total Net Position		<u>\$ 7,890,534</u>	<u>\$ 7,890,534</u>

Bayfront Community Redevelopment Agency
Statement of Activities and Governmental Fund Revenues, Expenditures,
and Changes in Fund Balances
Year Ended September 30, 2024

	<u>General Fund</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Activities</u>
Revenues			
Intergovernmental	\$ 2,664,894	\$ -	\$ 2,664,894
Investment income	239,114	-	239,114
Total Revenues	<u>2,904,008</u>	<u>-</u>	<u>2,904,008</u>
Expenditures/Expenses			
Current			
Economic environment	2,669,441	-	2,669,441
Capital improvements			
Depreciation	-	205,275	205,275
Expenditures/Expenses	<u>2,669,441</u>	<u>205,275</u>	<u>2,874,716</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>234,567</u>	<u>(234,567)</u>	<u>-</u>
Other Financing Sources and (Uses)			
Gain/loss from sale of capital assets	137,797	(52,529)	85,268
Total Other Financing Sources and (Uses)	<u>137,797</u>	<u>(52,529)</u>	<u>85,268</u>
Change in Fund Balance/Net Position	<u>372,364</u>	<u>(257,804)</u>	<u>114,560</u>
Fund Balances/Net Position			
Beginning of the year	<u>2,663,766</u>	<u>5,112,208</u>	<u>7,775,974</u>
End of the year	<u>\$ 3,036,130</u>	<u>\$ 4,854,404</u>	<u>\$ 7,890,534</u>

Note 1. Summary of Significant Accounting Policies

Financial Reporting Entity

The Community Redevelopment Agency (the "CRA") is a blended component unit of the City of Palm Bay, Florida (the "City"). The City Council appoints an advisory board to administer the activities. The seven-member governing board of the CRA consists of five members of the City Council and two additional At-Large commissioners appointed by the City Council in accordance with section 52.002, City of Palm Bay Code of Ordinances and section 163.357(1) (c), Florida Statutes.

The CRA was created pursuant to Section 163.356, Florida Statutes, through ordinances passed by the City and Brevard County. It was created by City Resolution 95-72, dated December 12, 1995. Its primary activities include the rehabilitation, conservation, or redevelopment of slum or blighted areas within the City. The City provides accounting and administrative support to the CRA without charge; the CRA does not have personnel or administrative facilities.

Pursuant to Florida Statute 163.387, the CRA is funded primarily by incremental ad valorem tax revenues levied and remitted in amounts proportionate to property tax values for each participating entity. The CRA is economically dependent on such revenue.

The accounting policies of the CRA conform to accounting principles generally accepted in the United States of America.

These financial statements present the financial position and results of operations controlled by or dependent upon the CRA. In evaluating the CRA as a reporting entity, management has addressed all potential component units for which the CRA may or may not be financially accountable and, as such, be includable in the CRA's financial statements. No component units exist which would require inclusion in the CRA's financial statements.

Government-wide and Fund Financial Statements

The CRA has only governmental activities and only one function, and, as such, it is eligible for special-purpose financial statement presentation; accordingly, the government-wide financial statements are presented together with the governmental fund financial statements, described below, with an adjustment column presented to reconcile the two sets of statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental Fund Financial Statements - The CRA has one governmental fund type, which is the General Fund. The General Fund is the primary operating fund used to account for all resources and operations. Governmental funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

The government-wide financial statements are reported using the *economic resources measurement focus and the accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Bayfront Community Redevelopment Agency
Notes to Financial Statements
September 30, 2024

Governmental fund financial statements are reported using the *current financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers revenues to be available if they are collected within 65 days of the end of the current period. Expenditures generally are recorded when a liability is incurred.

Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period and are recognized as revenue when the amount is received with the availability period which is limited to 60 days after the end of the fiscal year.

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

Budgets and the Budgetary Process

The CRA's Board adopts an annual operating budget, which can be amended by the Board throughout the year.

At the fund level, actual expenditures cannot exceed the budgeted amounts; however, with proper approval by the Board, budgetary transfers between line items can be made.

The accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual for the General Fund reflects the original and final budget authorization amounts, which includes all amendments. Appropriations lapse at the close of the fiscal year.

The CRA's management cannot amend or transfer appropriations.

For the fiscal year ended September 30, 2024, the CRA's budget was prepared on a modified accrual basis.

Pooled Cash and Equivalents and Investments

Cash reported in the financial statements includes interest-bearing, demand accounts and certificates of deposits stated at fair value.

Capital Assets

Capital assets purchased in the General Fund are recorded as expenditures at the time of purchase. It is the policy of the CRA to capitalize property and equipment over \$5,000 with an estimated useful life in excess of one year. Lesser amounts are expensed. The CRA does not have donated fixed assets.

Depreciation has been recorded over the following estimated useful lives using the straight-line method.

<u>Assets</u>	<u>Years</u>
Infrastructure	15-20

Fund Balance

The CRA has classified governmental fund balances as follows:

- Restricted Fund Balance – includes items that are restricted by external creditors, grantors or restricted by legal constitutional provisions.

Bayfront Community Redevelopment Agency
Notes to Financial Statements
September 30, 2024

Estimates and Assumptions

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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Reconciliation of Government-Wide and Fund Financial Statements

Adjustments were made to include capital assets (net of accumulated depreciation) and long-term liabilities on the statement of net position. This resulted in a net difference between the ending General Fund balances and the total net position of \$4,854,404.

Total fund balance	\$ 3,036,130
Capital assets, net	<u>4,854,404</u>
Total net position	<u>\$ 7,890,534</u>

Adjustments were made to include depreciation expense, eliminate capital outlay expenditures, and repayment of debt principal, on the statement of activities. This resulted in a net difference between "change in fund balance" and "change in net position" of \$257,805.

Change in fund balance	\$ 372,364
Cost basis of capital assets sold	(52,529)
Depreciation expense	<u>(205,275)</u>
Change in net position	<u>\$ 114,560</u>

Note 3. Pooled Cash and Equivalents and Investments

Cash and Cash Equivalents

The CRA's pooled cash and equivalents account is combined with the pooled cash of the City. The City's cash accounts consist of interest-bearing, demand accounts and certificates of deposit, all of which were entirely covered by federal depository insurance or by a multiple financial institution collateral pool pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the City maintain deposits only in "qualified public depositories." All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City.

Bayfront Community Redevelopment Agency
Notes to Financial Statements
September 30, 2024

Investments

The CRA participates in the pooled cash and investments of the City. Investments are carried at fair value as defined in GASB Statement 72 Fair Value Measurement and Application. Consistent with GASBC Section 150: Investments, the City categorizes its fair value measurements within the fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability.

The fair value amounts, presented in the following table, are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net position.

Cash and cash equivalents	\$ 51,698
Investments	<u>2,984,432</u>
Total	<u>\$ 3,036,130</u>

The CRA does not manage its own investments. It is a portion of the City's overall pooled investments; refer to Note 3 Deposits and Investments in the City of Palm Bay Annual Comprehensive Financial Report for further information on the City's disclosures for interest rate risk, credit risk, custodial credit risk, and concentration of credit risk.

Note 4. Capital Assets

The following is a summary of changes in the CRA's capital assets during the fiscal year ended September 30, 2024:

	<u>Balance October 1, 2023</u>	<u>Additions and Transfers</u>	<u>Deletions and Transfers</u>	<u>Balance September 30, 2024</u>
Governmental Activities				
Land	<u>\$ 493,481</u>	<u>\$ -</u>	<u>\$ (52,529)</u>	<u>\$ 440,952</u>
Total capital assets, not being depreciated	<u>493,481</u>	<u>-</u>	<u>(52,529)</u>	<u>440,952</u>
Capital assets being depreciated:				
Infrastructure	6,971,444	-	-	6,971,444
Accumulated depreciation	<u>(2,352,717)</u>	<u>(205,275)</u>	<u>-</u>	<u>(2,557,992)</u>
Total capital assets being depreciated	<u>4,618,727</u>	<u>(205,275)</u>	<u>-</u>	<u>4,413,452</u>
Total capital assets	<u>\$ 5,112,208</u>	<u>\$ (205,275)</u>	<u>\$ (52,529)</u>	<u>\$ 4,854,404</u>

Depreciation expense amounted to \$205,275 during fiscal year 2024 which is included on the statement of activities.

Supplementary Information

Bayfront Community Redevelopment Agency
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
General Fund				
Revenues				
Intergovernmental	<u>\$ 2,657,777</u>	<u>\$ 2,664,894</u>	<u>\$ 2,664,894</u>	<u>\$ -</u>
Total Revenues	<u>2,657,777</u>	<u>2,664,894</u>	<u>2,904,008</u>	<u>239,114</u>
Expenditures				
Current				
Economic environment	<u>2,657,777</u>	<u>3,147,240</u>	<u>2,669,441</u>	<u>477,799</u>
Total Expenditures	<u>2,657,777</u>	<u>3,147,240</u>	<u>2,669,441</u>	<u>477,799</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(482,346)	234,567	716,913
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	<u>-</u>	<u>137,797</u>	<u>137,797</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>137,797</u>	<u>137,797</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (344,549)</u>	<u>372,364</u>	<u>\$ 716,913</u>
Fund Balance - Beginning			<u>2,663,766</u>	
Fund Balance - Ending			<u>\$ 3,036,130</u>	

Compliance Section

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*

Independent Auditor's Report

Board of Commissioners
Bayfront Community Redevelopment Agency
Palm Bay, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and General Fund of the Bayfront Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated June 6, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 CRA'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 over financial reporting 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

We noted certain matters that we reported to management of the CRA in a separate letter dated June 6, 2025.

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

Forvis Mazars, LLP

Orlando, Florida
June 6, 2025

Independent Accountant's Report

Board of Commissioners
Bayfront Community Redevelopment Agency
Palm Bay, Florida

We have examined the Bayfront Community Redevelopment Agency's (the "CRA") compliance with the requirements of Sections 163.387(6) and (7) and 218.415, Florida Statutes, during the year ended September 30, 2024. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the CRA's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

Forvis Mazars, LLP

**Orlando, Florida
June 6, 2025**

Independent Auditor's Management Letter

Board of Commissioners
Bayfront Community Redevelopment Agency
Palm Bay, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Bayfront Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated June 6, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 6, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

Section 10.554(1)(i)4., *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. The legal authority is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA 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 CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA'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.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the CRA's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)7, *Rules of the Auditor General*, the CRA reported:

- (A) The total number of district employees compensated in the last pay period of the district's fiscal year as zero (0).
- (B) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero (0).
- (C) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero (0).
- (D) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero (0).
- (E) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as zero (0).

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the CRA Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Orlando, Florida
June 6, 2025



ROCKLEDGE *Florida*
Preserving the past....planning the future

Community Redevelopment Agency 2024 Annual Report

1600 Huntington Lane
Rockledge, FL 32955
Phone: 321-221-7540

Fiscal Year 2023-2024
Published May 2025

About the City of Rockledge

The City of Rockledge was founded on August 7, 1887, making it the first incorporated municipality in Brevard County. The name "Rockledge" is attributed to Gardner S. Hardee, an early settler, and comes from his observation of the many ledges of coquina rock that line the Indian River in an area Hardee originally referred to as "Rock Ledge".

Operating under a Council-Manager form of government, the City of Rockledge is well known for its political stability. The City Council reflects an enduring legislative legacy of public service and longevity and had itself been served by only two city managers from 1963 to 2016, when the third Rockledge City Manager began her tenure.

As a full-service community, the City of Rockledge provides law enforcement, fire and advanced medical life support, solid waste and recycling collection, building services, wastewater and water reclamation, stormwater management, and a Public Works Department.

The City of Rockledge, strategically located in the geographic center of Brevard County on Florida's east coast, is a hub to a number of major thoroughfares, including U.S. Highway 1 and Interstate 95 giving direct passage to all continental U.S. points north and south. State Roads 520 and 528 provide easy access to Orlando, the Orlando International Airport and the west coast of Florida. The Florida East Coast Railway also runs parallel to U.S. Highway 1.

The City of Rockledge is approximately 14 square miles and as of the 2024 Bureau of Economic and Business Research (BEBR) estimate of population, approximately 29,134 residents call Rockledge home. Although the City of Rockledge is primarily a residential community, it does have a stable base of clean, light industry and a growing variety of commercial and retail businesses to meet the needs of its residents. The city is home to six public schools, three private schools and churches of various denominations. Along with considerable assets more often found in larger urban centers, the City of Rockledge greatly benefits from a high level of community engagement bringing the charm of a "hometown" feel to those who reside in and visit the city.

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I. Annual Report Requirements

Chapter 163.371 (2) of the Florida Statutes, requires that Community Redevelopment Agencies file an annual report of their financial activities with the taxing authorities by March 31st of each year for the preceding fiscal year. The details in this report comply with Brevard County and the State of Florida requirements for annual reporting on the Community Redevelopment Agency.

City of Rockledge

Community Redevelopment Agency
1600 Huntington Ln, Rockledge, FL 32955
321-221-7540 x 112 / Fax 321-204-6356
cra@cityofrockledge.org



May 27, 2025

CERTIFIED MAIL#

Sherrill F. Norman, CPA
Florida Auditor General
111 West Madison St
Claude Pepper Building, Suite G74
Tallahassee, FL 32399-1450

RE: Rockledge Community Redevelopment Agency Annual Report

Ms. Norman:

In accordance with Florida Law (Chapter 163, Part III) you will find attached the submittal of the Rockledge Community Redevelopment Agency's Annual Report for fiscal year 2023-2024. The Community Redevelopment Agency Annual Report was filed with the City of Rockledge on May 27, 2025. If you have any questions in regards to this submittal, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "John W. Cooper".

John W. Cooper
Community Development Director
jcooper@cityofrockledge.org

CC: Florida Department of Financial Services
Florida Department of Economic Opportunity
Brevard County Property Appraiser
Rockledge Community Redevelopment Agency
Rockledge City Council
Brevard County Board of Commissioners
Brevard County Manager

II. Mission, Overview and History

Mission:

The mission of the Rockledge Community Redevelopment Agency is to:

- Foster revitalization of the specifically identified sub-districts through public investments in order to improve infrastructure and aesthetics, resulting in an inviting area in which the private sector will want to more actively invest;
- Create a wide variety of opportunities to generate interest in and return people to the City of Rockledge to live, shop and work;
- Pursue economic development opportunities, while also serving as a liaison and advocate for the existing business community.

The vision of the Agency is to:

- Stimulate economic growth;
- Promote private-sector development opportunities;
- And maintain a safe and prosperous community.

...all while enhancing the quality of life for the City's families and citizens.

Overview:

The Rockledge Community Redevelopment Agency was originally established on January 23, 2002. The Community Redevelopment Agency is divided into four sub-districts. Sub-District 1 is the Florida Avenue sub-district that encompasses the commercial areas along Florida Avenue from the northern city limits south to Orange Avenue. Sub-District 2 is the Barton Boulevard sub-district which serves as an important connector route, linking the residential areas surrounding Fiske Boulevard with the residential communities along the riverfront and offering passage through the commercial core of Barton Boulevard. Sub-District 3 is the Rockledge Boulevard (U.S. Highway 1) sub-district that starts just south of Eyster Boulevard and goes south on U.S. Highway 1 to Barnes Boulevard. Sub-District 4 is the Barnes Boulevard sub-district which starts just east of Fiske Boulevard and goes all the way to Riomar Drive.

Per the 2018 inter-local agreement between the City of Rockledge and Brevard County, the Community Redevelopment Agency will sunset on September 30, 2026.

History:

- A. The Community Redevelopment Agency was created on January 23, 2002
- B. The plan was amended on December 5, 2012
- C. Applicable Resolution(s) and Ordinances:
 - i. Resolution 2002 - 481
 - ii. Resolution 2012 - 721

III. Board Members and Staff

The Rockledge Community Redevelopment Agency Board of Commissioners is comprised of several members in the community. As of the end of the 2023-2024 fiscal year (September 30, 2024) below is the team who believes in the future vision of the Community Redevelopment Agency and moving it closer to that goal.

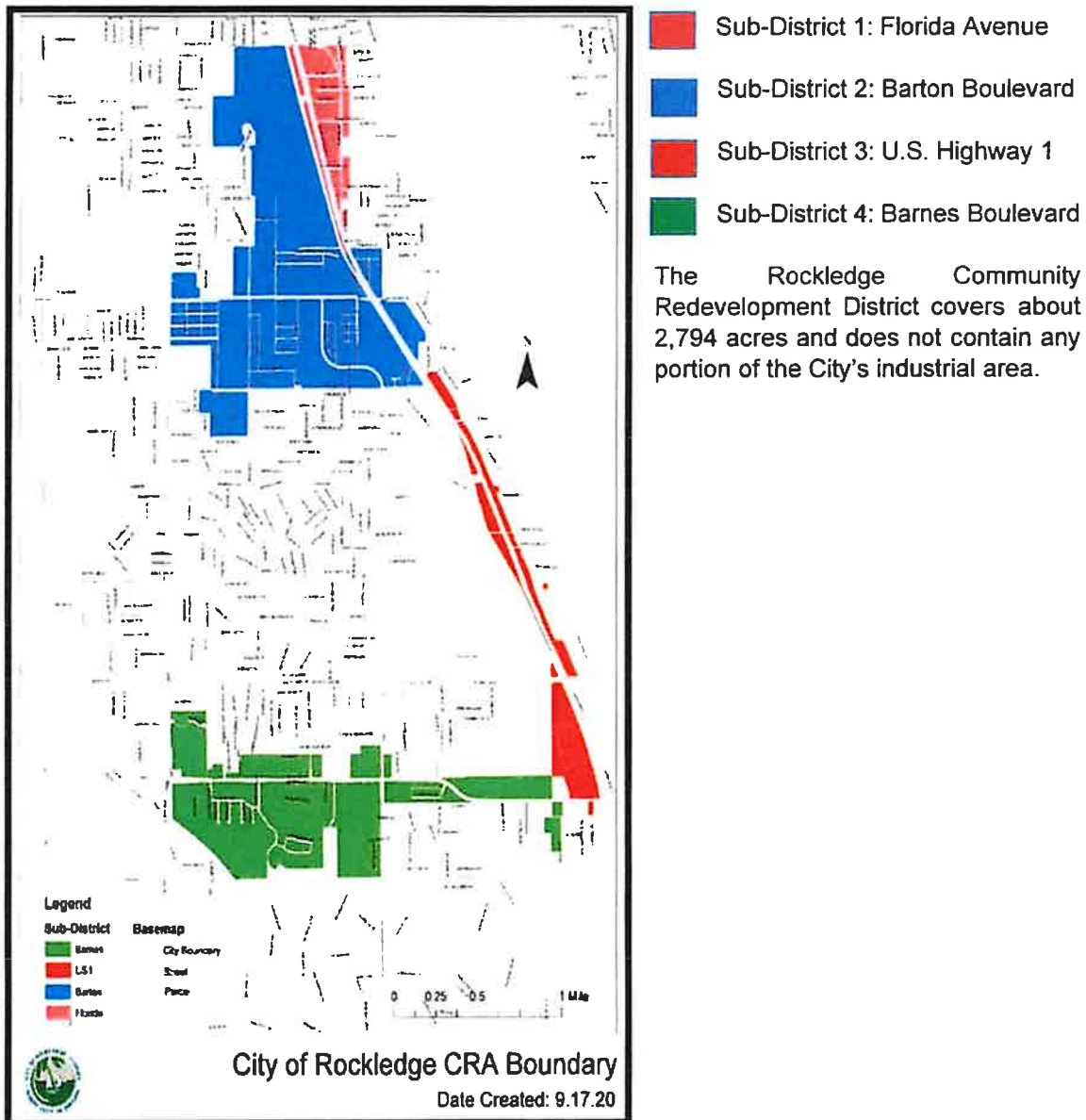
Board of Commissioners	
Edward Inman	Chairman
David Bucher	Vice Chair
Frederick Sanders	Commissioner
Steve Lum	Commissioner
April Fearon	Commissioner
Al Siefert	Commissioner
Martha Rich	Commissioner

City Staff	
Dr. Brenda Fettrow	City Manager (Registered Agent)
Garrett Olsen	Agency Attorney
Matthew Trine	Finance Director/Asst City Manager
John W. Cooper	Community Development Director
Jennifer LeVasseur	City Clerk
Tricia Olsson	Recording Secretary

IV. Community Redevelopment Agency Boundary Lines

After determining it was necessary to tackle the blighted conditions that were threatening the City's commercial core, the City of Rockledge created four contiguous sub-districts, which together comprise the entire Rockledge Community Redevelopment District.

Focused around the City's major arteries and collector roadways these four sub-districts include:



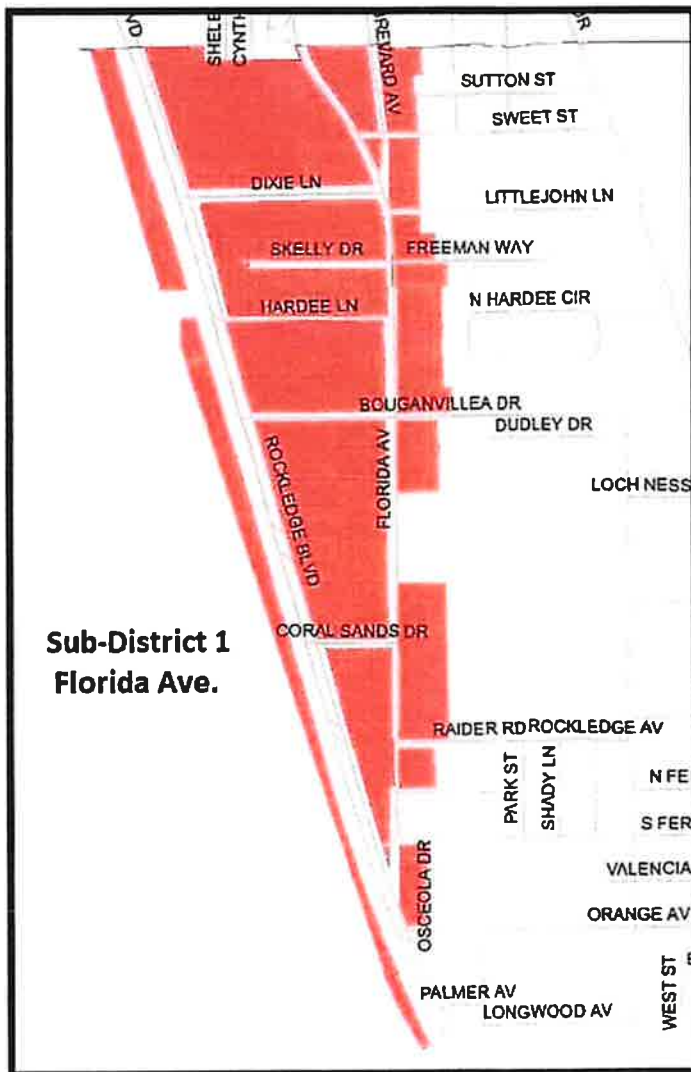
The Rockledge Community Redevelopment District covers about 2,794 acres and does not contain any portion of the City's industrial area.

IV. Community Redevelopment Agency Boundary Lines

Sub-District 1: Florida Avenue

The Florida Avenue Sub-District encompasses the commercial areas along Florida Avenue in the northern portion of Rockledge. This sub-district also includes U.S. Highway 1 (Rockledge Boulevard) from the northern City limits, south to Orange Avenue.

Currently, a number of medical offices that serve to support Rockledge Regional Medical Center maintain a strong presence in this sub-district, and, in adhering to the principles of the Agency's Community Redevelopment Plan, this area will continue to be promoted as a medical hub for the central Brevard area.



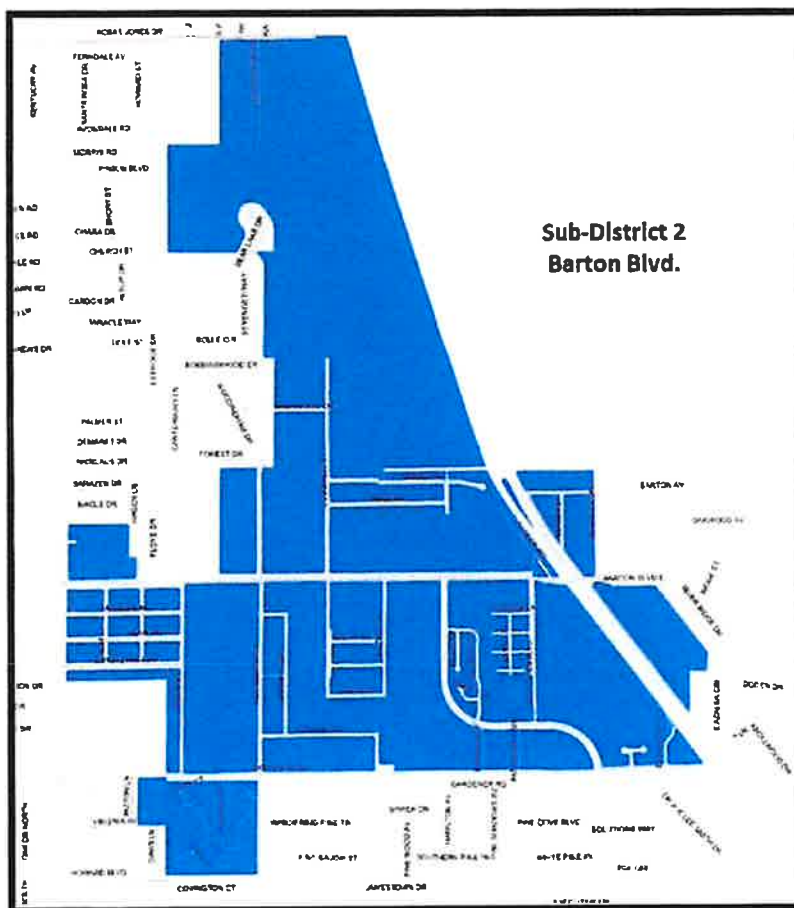
IV. Community Redevelopment Agency Boundary Lines

Sub-District 2: Barton Boulevard

Barton Boulevard serves as one of the most important connector roadways in the City of Rockledge, as it links the residential areas surrounding Fiske Boulevard and the residential communities along the riverfront to the diverse commercial core of Barton Boulevard.

In 2008, this strategically located thoroughfare saw substantial enhancements, including the installation of decorative lighting, extensive landscaping, and sidewalk improvements. The wide-scale project garnered the 2009 Florida Redevelopment Association's Best Capital Project / Beautification Award.

The strategic locale of both Rockledge City Hall and Rockledge Civic Hub at Barton Boulevard and Huntington Lane in the Barton Boulevard Sub-district, serves as a focal point for events and community gatherings. These events have a dual purpose in that they engage the community, but they also bring exposure and publicity to the businesses along this corridor.



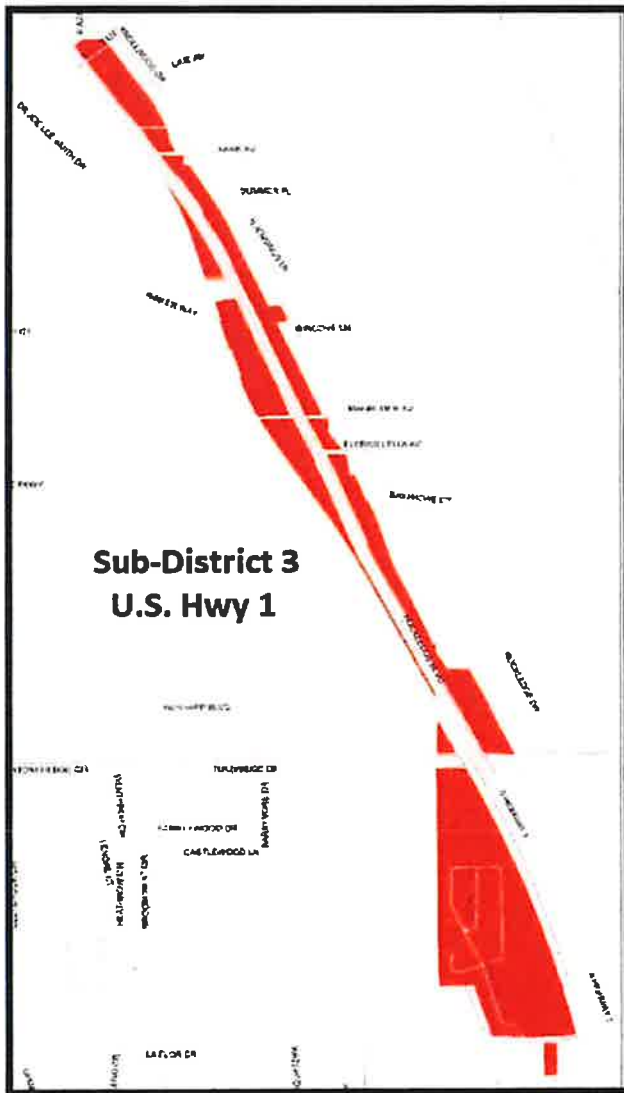
IV. Community Redevelopment Agency Boundary Lines

Sub-District 3: U.S. Highway 1

The widening of U.S. Highway 1 was completed in 2010, and a grand re-opening celebration was held in December of that year to commemorate this landmark achievement.

Stylish lighting, picturesque landscaping, aesthetic signage, and new, meandering sidewalk designs were incorporated into the project.

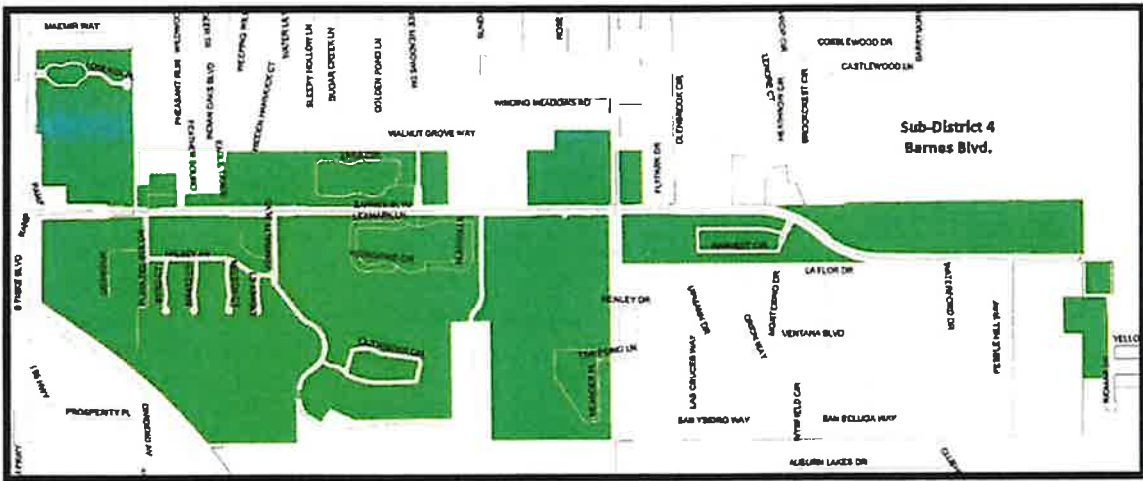
Through the Façade Improvement Grant Program, a significant number of businesses have entered into façade grant renovations and additions which greatly lift the visual appeal of the entire area. The Community Redevelopment Agency looks forward to continuing these vital business community endeavors.



IV. Community Redevelopment Agency Boundary Lines

Sub-District 4: Barnes Boulevard

Throughout the past several years, the Barnes Boulevard Redevelopment Sub-District has attracted the majority of new development. This development is highly desirable for the City of Rockledge and the Redevelopment District, but led to an increased strain on the existing infrastructure. As a result, in 2014, the City of Rockledge invested approximately \$2 million into the Brevard County Road Widening Project, which widened Barnes Boulevard from two lanes to four lanes from Fiske Boulevard to just east of Murrell Road. This project was completed in 2018. And as of June 2021, by resolution, Brevard County conveyed that section of Barnes Boulevard to the City of Rockledge.



V. Projects Overview

Since the inception of the Rockledge Community Redevelopment Agency in 2002, there have been many significant projects that have made an impact and exemplified the objective of redevelopment.

Critical roadway improvements, infrastructure, transformative and reuse endeavors have been of significant importance and have served as a channel for growth as well as renewed interest from the private-sector in retail and commercial investment in the City of Rockledge and the Community Redevelopment District.

- Signage: U.S. Highway 1 Gateway and Barton Boulevard Business District
- Public-Private Partnerships such as the creation of outparcels at Three Meadows Plaza
- Barton Boulevard Streetscape Project – recognized in 2009 with Florida Redevelopment Association's "Best Capital Project Beautification" Award
- Phases I through V drainage improvements with the Cocoa-Rockledge Land Company
- Acquisition of Barton Boulevard properties for future mixed-use development
- Adaptive reuse project transforming the former police station into an office complex and reading room and book repository
- Barnes Boulevard widening and future roadway enhancements
- Florida Avenue Improvement Project – Phase 1 – Roadway milling, resurfacing, striping, and reflective pavement markers
- Civic Hub completion
- Completion of a Market Study of the Barton Boulevard and Florida Avenue sub-districts
- Acquisition of a mixed-use parcels located to the east side of Huntington Lane, north of City Hall
- Completion of the Lake Betsi/Don Griffin Trail resurfacing project which included the installation of an 8-foot sidewalk from Rockledge Flats Apartments to the new trail entrance along Angela Avenue

V. Projects Overview

The State of Florida, in its 2019 legislation, required that Community Redevelopment Agencies report on the total number of projects started and completed and the estimated cost for each project.

Total Projects in FY 2023-2024	Total	Total costs
Façade Improvement Grants		
New Projects started in FY 2023-2024	9	\$157,674.50
Neighborhood Improvements		
Multipurpose Facility	In Progress	\$5,352,933.70
Softball Concession Building	Started	\$53,184.00
Football Meeting Room Remodel	Started	Awaiting GMP

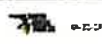
V. Projects Overview

Community Redevelopment Agency Multipurpose Center

The City started the development of a Multipurpose center in FY 2023 and continued its construction in FY 2024 with an opening date of November 12, 2024. The facility is located on the west side of Cogswell within the McKnight Sports Complex. The center will contain sports courts for basketball, volleyball, pickleball and rooms for activities.



Rockledge Sports Complex



06-23



Rockledge Sports Complex



08-23



Rockledge Sports Complex



10-23



Rockledge Sports Complex



10-23



Rockledge Sports Complex



03-24



Rockledge Sports Complex



03-24

V. Projects Overview

Façade Improvement Grant Program

Outside of projects principally funded and managed by the Rockledge Community Redevelopment Agency, the Community Redevelopment Agency also administers a Façade Improvement Grant Program, which has been extremely successful in improving the aesthetics of properties located within the Community Redevelopment Agency. Since it was started in 2004, the Façade Improvement Grant Program has issued 134 grants and paid out over \$1.2 Million in grant award money, which represents approximately \$4.1 million invested by business owners located throughout the Community Redevelopment Agency. In FY 2024, 9 façade improvement grants were awarded, which represents \$324,778.00 invested by business owners located throughout the Community Redevelopment Agency.

Façade Improvement Grants Approved/Completed in FY 2023-2024			
Business Name	Address	Grant amount	Cost of Project
First Baptist Church	1810 Cedar Street	\$36,919.16	\$73,838.32
Elebash and Selig, LLC	833 Barton Boulevard	\$16,748.00	\$33,496.00
Rockledge Plaza Condominium Assoc Inc	1225 Florida Avenue	\$12,336.25	\$28,908.50
Beach Fly Brewing Company	513 Barton Boulevard	\$20,108.85	\$41,427.42
Merco Holdings, LLCP	1013 Rockledge Drive	\$25,000.00	\$53,480.00
Modern Technology Services LLC	854 Cardinal Avenue	\$14,852.35	\$29,704.70
Guaranteed Auto and Air	907 Barton Boulevard	\$18,677.90	\$37,355.80
Lion's Share Holdings, LLC	881 Barton Boulevard	\$12,245.55	\$24,493.11
Derma Bellas	500 Barton Blvd, Suite 4	\$786.44	\$2,074.15
		\$157,674.50	\$324,778.00

VI. Financial Reports

A. Balance Sheet (Full Accrual)

FY 2023-2024 Assets:

Cash	\$3,821,789.00
Redevelopment Escrow	\$1,754,487.00
Prepaid Items	<u>\$6,182.00</u>
Total Assets	\$5,582,460

FY 2023-2024 Liabilities:

Accounts Payable	<u>\$817,616</u>
Total Liabilities	\$817,616

B. Statement of Revenues, Expenditures & Changes in Fund Balances (Modified Accrual)

FY 2023-2024 Revenues:

Increment Financing (County)	\$1,329,251
Misc. income	\$1,596
ARPA Grant Fund	0
Increment Financing (City)	\$2,062,844
Interest	<u>\$107,582</u>
Total Revenue	\$3,501,273

FY 2023-2024 Expenditures:

Personnel costs	\$ 0
Debt Service	\$ 0
Operating Expenditures	\$61,075.00
Capital Projects & Grants	\$5,401,280
Legal	<u>\$18,000</u>
Total Expenditures	\$5,480,355.00

FY 2023-2024 Changes in Fund Balance

Fund Balance – Beginning of the Year	\$6,750,026
Net Activity FY 2023-2024	<u>-\$1,985,182</u>
Fund Balance	\$4,764,844
Less long-term debt	<u>\$ 0</u>
Net Position	\$4,764,844

VI. Financial Reports

A. Summary of Projects, Grants and Debt

During this fiscal year, the Community Redevelopment Agency has honored its debts and is utilizing its working budget for improvements to the districts to create and maintain the property values for the residents and businesses within its boundaries. And when the Community Redevelopment Agency sunsets in September of 2026 there will be zero debt.

VII. Performance Information

A. Total projects started, completed and estimate cost for each project:

Façade Improvement Grants		
Completed or Ongoing Projects	Total	Amount
Projects completed in FY 2023-2024	9	\$157,674.50

Engineering/Design FY 2023-2024		
Project Started	Softball Concession Building	\$53,184.00
Construction FY 2023-2024		
Project Continued	McKnight Sports Complex	\$5,352,933.70
Engineering/Design FY 2023-2024		
Project Started	Football Meeting Building	Awaiting GMP

B. Number of Jobs created and sector of the economy from which these jobs were created within the Community Redevelopment Agency: *Although the Agency had two projects, this was completed through contractors who hired a variety of subcontractors to complete the projects. The number of direct jobs created is not known at this time and they were temporary through the time of the project.*

C. Number of Jobs retained within the Community Redevelopment Agency: *Although the Agency had two projects through a contractor, those jobs were temporary through the time of the project. The City of Rockledge has a list of properties developed or redeveloped in the district since the inception of the Agency.*

D. Assessed property values when the Community Redevelopment Agency was enacted vs. current assessed property values:

Taxable Year 2001, Fiscal Year 2002

County \$145,259,660

City \$145,259,660

Taxable Year 2023, Fiscal Year 2024

County \$536,505,592

City \$536,505,592

E. Total amount expended for affordable housing: *This is not a category eligible for Community Redevelopment Tax Increment Financing.*

VIII. Additional Annual Reporting Requirements

- A. Provide the Board of County Commissioner's the Community Redevelopment Agency's proposed budget for the upcoming fiscal year, 60 days prior to the beginning of the fiscal year: *The Community Redevelopment Agency prepares its budget in the spring and thus is compliant with the County's 60-day requirement prior to September 30, 2024.*
- B. Provide the Board of County Commissioner's any budget amendments to its operating budget within 10 days after the adoption by the Community Redevelopment Agency: *The Community Redevelopment Agency has had one budget amendment in FY 2023-2024 and complied with submitting this to the County Manager's office.*

As the Rockledge Community Redevelopment Agency positions itself to begin to consider priorities and projects to accomplish prior to its sunset, it is also a time to reflect upon the many achievements and success stories and to look forward to continued fulfillment of the Rockledge Community Redevelopment Plan.

The Agency administrators, coupled with the unfailing support and guidance of the Agency commissioners of the Rockledge Community Redevelopment Agency, will continue to bring tangible and meaningful value for the funds entrusted to the Agency and the City of Rockledge while being mindful of the goals and objectives of the Community Redevelopment Plan and adhering to its governing statutes.

**Rockledge Community
Redevelopment Agency
City of Rockledge, Florida**

FINANCIAL STATEMENTS

Year Ended September 30, 2024

Prepared by: Christine Hilty

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
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As of September 30, 2024

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**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
City Officials
As of September 30, 2024**

MAYOR

Thomas J. Price

CITY COUNCIL

Dr. Michael A. Cadore

Dr. R. Shaun Ferguson

Sammie Brown Martin

Frank T. Forester

Duane A. Daski

Tara L. Connor

CITY MANAGER

Dr. Brenda Fettrow

ASSISTANT CITY MANAGER

Matthew D. Trine

CITY ATTORNEY

Garrett Olsen

CITY CLERK/PUBLIC RELATIONS

Jennifer M. LeVasseur

DIRECTOR, COMMUNITY DEVELOPMENT

John W. Cooper

**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Agency Officials
As of September 30, 2024**

**COMMUNITY REDEVELOPMENT
AGENCY BOARD OF COMMISSIONERS**

Edward Inman

Steve Lum

Al Siefert

David Bucher

Martha “Marti” Rich

Gabrielle Busseni

Frederick “Rick” Sanders

CITY MANAGER

Dr. Brenda Fettrow

ASSISTANT CITY MANAGER

Matthew D. Trine

CRA ATTORNEY

Garrett Olsen

CITY CLERK/PUBLIC RELATIONS

Jennifer M. LeVasseur

DIRECTOR, COMMUNITY DEVELOPMENT

John W. Cooper

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May 10, 2024

CITY HALL

1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6356

BUILDING DIVISION

1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6356

PUBLIC SAFETY DEPT.

FIRE DIVISION

1776 JACK OATES BLVD.
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6386

POLICE DIVISION

1776 JACK OATES BLVD.
ROCKLEDGE, FL 32955
TELEPHONE: 321-690-3213
FAX: 321-690-3996

PUBLIC WORKS DEPT.

1400 N. GARDEN ROAD
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6353

**WASTEWATER
TREATMENT & WATER
RECLAMATION DEPT.**

1700 JACK OATES BLVD.
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6377

REDEVELOPMENT

1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6356

www.cityofrockledge.org

The Honorable Chairman and Board of Commissioners,
The Honorable Mayor and Members of the City Council,
And Citizens of the City of Rockledge:

The Annual Financial Report of the Rockledge Community Redevelopment Agency, City of Rockledge, Florida, for the fiscal year ended September 30, 2024, is hereby submitted. The report includes Management's Discussion and Analysis and is reflective of management's position on the financial status of the Agency. Management is responsible for the contents of the annual financial report. As such, management, with the support of the elected officials, has established a comprehensive framework of internal controls to protect the Agency from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Agency's financial statements in conformity with generally accepted accounting principles (GAAP). This framework of internal controls, despite inherent limitations, is established to provide a reasonable basis for asserting that these financial statements are fairly presented. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The firm of Carr, Riggs & Ingram, L.L.C, has audited the Agency's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Agency for the fiscal year ended September 30, 2024, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Agency's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, an overview, and an analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The report reflects work compliant with Governmental Accounting Standards Board (GASB) Statement No. 34 and was performed independently of the audit provisions. This report also includes accounting for capital assets and long-term liabilities. This information will have an impact on the financial structure of the report and there will be additional statements within the document depicting those requirements.

PROFILE OF THE AGENCY

Under its enabling legislation, and pursuant to Chapter 163, Part III, Florida Statutes, the Rockledge City Council (Council) established the City of Rockledge Community Redevelopment Agency (Agency) on January 23, 2002, as a dependent special district to guide the City of Rockledge (City) in its redevelopment efforts. The Agency is governed by a seven-member volunteer Board of Commissioners (Board) appointed by the Council.

Operationally, the City Manager is responsible for carrying out the policies and initiatives of the Agency, overseeing daily operations, and hiring all employees of the City who facilitate the operations of the Agency. All activities of the Agency are conducted by employees of the City.

The Agency, in compliance with its Redevelopment Plan (Plan), as updated in 2012, has designated 4 sub-districts where it strives to foster revitalization through public investments to improve infrastructure and aesthetics. This results in an inviting area in which the private sector is incentivized to actively invest. The Agency pursues economic development opportunities, while also serving as a liaison and advocate for the existing business community, and endeavors to preserve and enhance the tax base.

The annual budget is a foundation for the financial planning and control of the Agency and is meant to further the Plan's vision and intent. The budget process begins at the staff level in May of each year and is worked through the Council Finance and Budget Committee in June, July, and August. A public workshop is held in August and public hearings in September for the budget's adoption, which becomes effective October 1 of each year. The annual tax millage rate is also established at the same time as the budget adoption.

The City Manager can make appropriate transfers within the budget without Council or Board approval. Changes to overall budget requires approval by the Council. The Council and Board receive monthly reports of the financial conditions of the Agency, including detailed comparisons between budgeted and actual revenues and expenditures.

FACTORS AFFECTING FINANCIAL CONDITIONS

As a part of the Central Florida Regional economy, Rockledge has steadily rebounded financially since the recession years of 2009-2012. During Fiscal Year 2024, unemployment remained relatively flat, and ranged between 2.9 and 3 percent. The rate is below recent historical averages and continues the downward trend from what started as double digits during the initial pandemic response period of 2020-2021. The expansion of business in the City and sub-districts continues to be positive. Economic development on a comprehensive basis has been aided by redevelopment projects. The Agency marketing efforts continue in order to attract new businesses, support existing businesses, and revitalize vacant and underutilized properties.

Economic conditions for fiscal year 2024 have continued their improvement from the period of the COVID-19 pandemic, as is evidenced in the overall value of building activity and property values. As a measure of local economic activity, total permit value was down from \$258.2 million in 2023 to \$195.3 million in 2024. Total permits issued were 2,662, down 8 percent from 2,891, the previous year. New construction in residential units decreased (153 new single-family homes, 191 in 2023) and in commercial buildings (24 new commercial buildings, 34 in 2023). While this indicates a reduction in construction activity compared to the previous year, it represents a generally positive sentiment about the local economy. Assessed (gross taxable) property values increased by 9.29 percent in 2024, which is the thirteenth consecutive year of increased values.

The Agency is scheduled to sunset on September 30, 2026, providing two more fiscal years to achieve the remaining objectives of the Plan. Therefore, in Fiscal Year 2024, a continued focus on the Strategic Implementation Plan was maintained, which included the projection of future revenues of the Agency and execution of best-use projects with targeted completions before the sunset date.

As a top priority, the Agency continues to fund Façade Grants and to educate and inform potential private investors about the unique attractive aspects and geographical resources within the City. Additionally, the

Agency has closed out all active debt obligations. The Agency, through the City, has access to a \$500,000 credit line bearing interest at 8.0 % with Community Bank of the South. During the fiscal year, and as of September 30, 2024, this debt instrument remained unutilized.

The Agency's defined purpose of utilizing restricted funds to attain the objectives of the Plan within its lifetime is necessarily different than that of an entity that seeks to be a going concern in perpetuity. Therefore, its financial position and the results of operations are best viewed from this perspective.

ECONOMIC FACTORS, AND NEXT YEAR'S BUDGET AND RATES

When establishing priorities for the Fiscal Year 2024 Budget, the Agency is reliant on the City and Brevard County's budget processes and levied millage rates. Therefore, the Agency emphasizes strategic utilization of its current revenue sources and reserves through intelligent expenditures, low administrative costs, and cost-effective grants and capital projects. Investing these limited resources wisely is key to the ultimate success of the Agency.

The Agency expenditures for capital projects and acquisitions, professional services, private public partnerships, and façade improvement grants were \$3,869,131, \$250,000, \$175,000, and \$1,272,927, respectively, for a total of \$5,567,058 of the \$5,573,246 in aggregate expenditures below budget in the current year. Increased operating cash inflows due to property value increases were partnered with expenditures below those budgeted for the year. The original budgeted decrease in the Agency fund balance was \$7,142,390 but the actual decrease was \$1,566,112 because of this the Agency fund balance was \$4,764,844 as of September 30, 2024. The original target was to reduce fund balance completely. This fund will sunset, by interlocal agreement with Brevard County, on September 30, 2026. The City's goal is to utilize the entire fund balance in accomplishing the mission of the Agency Fund, as delineated within its plan, last amended in 2012.

CONCLUSION

The preparation of this report would not have been possible without the excellent work of the City of Rockledge Finance Division. An extensive amount of detailed effort occurs during the year, as well as during the audit, to ensure accuracy and appropriate evaluation of procedures. The Agency Board and the City's Community Development Division contribute extensively to sound financial practices, ensuring accountability and the carrying out of the Agency's mission. Appreciation is also expressed to the independent audit team led by Christine Noll-Rhan for its tireless efforts on this yearly project. Final thanks are expressed to the Rockledge Community Redevelopment Agency Board, the City Manager, and to City Council, for your direction and your trust in staff to effectively carry out policies throughout the year. It is truly a team effort.

The 2024 Fiscal Year was very successful, with much accomplished. The main emphasis has been placed on the fulfillment of the Agency's plan in a way that will positively impact the local economy in the decades to come. We are honored to have the opportunity to move Rockledge forward and enjoy continued success.

Sincerely,

CITY OF ROCKLEDGE, FLORIDA

Dr. Brenda Fettrow, City Manager

Matthew D. Trine, Assistant City Manager

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INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman and Board of Commissioners
City of Rockledge Community Redevelopment Agency
The Honorable Mayor and Members of the City Council
City of Rockledge, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the City of Rockledge Community Redevelopment Agency (the "Agency"), a component unit of the City of Rockledge, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Agency, as of September 30, 2024, and the respective changes in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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 opinions.

Responsibilities of Management for the Financial Statements

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 the Agency'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.

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the Agency'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 the Agency'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2025, on our consideration of the Agency'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 the Agency'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 Agency's internal control over financial reporting and compliance.

Carr, Rigg & Ingram, L.L.C.

Melbourne, Florida
April 8, 2025

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**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis**

As management of the City of Rockledge (City) Community Redevelopment Agency (Agency), we offer readers of the Agency's financial statements this narrative overview of the financial activities of the Agency for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v to vii of this report.

FINANCIAL HIGHLIGHTS

- Total assets and liabilities of the Agency as of September 30, 2024, were \$5,582,460 and \$817,616, respectively.
- Entity-wide total revenues and transfers in (\$3,501,273) consisted of \$1,329,251 of property taxes assessed, collected, and remitted directly by Brevard County, \$2,062,844 in transferred tax incremental funding collected by the City and \$109,178 in miscellaneous revenues. Total expenses were \$5,486,455.
- The assets of the Agency exceeded its liabilities at the close of the most recent fiscal year by \$4,764,844 (net position). As required by Florida Statutes, this entire amount is restricted for the purpose of fulfilling the Agency's Community Redevelopment Plan.
- The Agency's total net position decreased by (\$1,985,182) or 29.4 percent due to current year operations. This is the result of the Agency's strategic goal to utilize the current and expected future resources of the Agency in the most effective strategic manner to fulfill its mission with a focus on grants and capital investments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis section is intended to serve as an introduction to the Agency's basic financial statements, which comprise three components: (1) entity-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

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

The statement of net position presents information on all the Agency's assets, deferred outflows, liabilities, and deferred inflows, with the difference between these four financial statement elements reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. However, this should be interpreted from the perspective that the Agency's duration is set to expire on September 30, 2026.

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis

The statement of activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the entity-wide financial statements present functions of the Agency from a programmatic perspective. All assets, liabilities, and activities are governmental in nature. The activities of the Agency include general government and planning and development.

The entity-wide financial statements can be found on pages 15 through 16 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been isolated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency is classified as a governmental fund, in that it is almost entirely supported by taxpayer revenues.

Governmental fund. Governmental funds are used to account for essentially the same functions reported as governmental activities in the entity-wide financial statements. However, unlike the entity-wide financial statements, governmental financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating near-term financing requirements.

Because the focus of a governmental fund is narrower than that of the entity-wide financial statements, it is useful to compare the information presented for the governmental fund with similar information presented for governmental activities in the entity-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City adopts an annual appropriated budget for the Agency. A budgetary comparison schedule has been provided for the Agency to demonstrate compliance with the budget and is presented as required supplementary information. The governmental fund financial statements can be found on pages 17 to 18 of this report.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the entity-wide and fund financial statements.

The notes to the financial statements can be found on pages 19 through 27 of this report.

**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis**

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as budgetary comparison information.

The required supplementary information can be found on pages 30 and 31 of this report.

ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the Agency, assets exceeded liabilities by \$4,764,844 as of September 30, 2024.

	Governmental Activities	
	2024	2023
Current and other assets	<u>\$ 5,582,460</u>	<u>\$ 7,148,440</u>
Total assets	<u>5,582,460</u>	<u>7,148,440</u>
Current and other liabilities	<u>817,616</u>	<u>398,414</u>
Total liabilities	<u>817,616</u>	<u>398,414</u>
Net investment in capital assets	-	-
Restricted	<u>4,764,844</u>	<u>6,750,026</u>
Total net position	<u>\$ 4,764,844</u>	<u>\$ 6,750,026</u>

All of the Agency's net position reflects cash and prepaid expenses restricted for the purposes of fulfilling the Agency's Plan. This fact held true in the prior year. This restriction is internal and external, as it is a requirement of Florida State Statutes, as well as enacted by a specific resolution of the Board. The decrease in restricted net position totaled (\$1,985,182) for the Agency in Fiscal Year 2024.

Governmental activities. Governmental activities decreased the Agency's net position by (\$1,985,182), compared to a balance of \$6,750,026 in the prior year. Revenues and transfers in increased by 7.9 percent or \$255,861 with the largest increases related to property taxes (\$71,675), and transfers in (\$150,582), which are comprised mainly of tax incremental revenues.

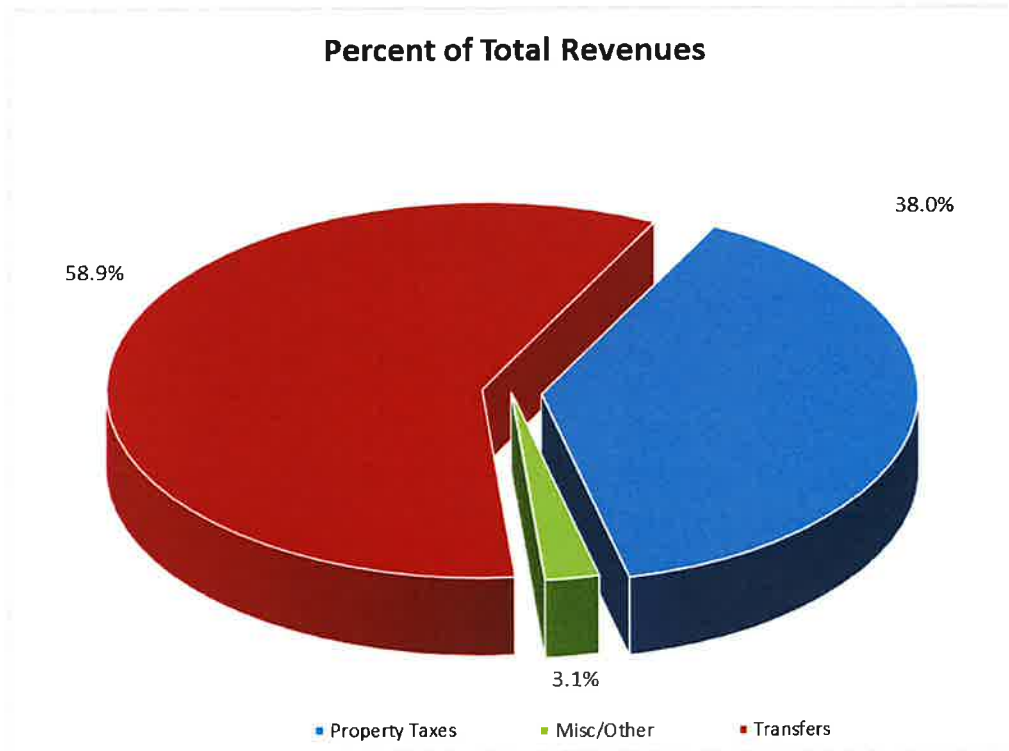
Expenditures increased compared to fiscal year 2023 by \$3,407,325, with the largest increases related to planning and development (\$3,406,425) mainly due to the Barnes Boulevard Beautification, Concession Building and Multiuse Community Center projects. General Government costs, which reflect attorney expenditures, increased \$900.

**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis**

	Governmental Activities	
	2024	2023
Revenues:		
General Revenues:		
Property taxes	\$ 1,329,251	\$ 1,257,576
Other	109,178	75,574
Total revenue	1,438,429	1,333,150
Expenses:		
General government	18,000	17,100
Planning and development	5,468,455	2,062,030
Total expenses	5,486,455	2,079,130
Excess (deficiency) of revenues over expenses	(4,048,026)	(745,980)
Transfers, net	2,062,844	1,912,262
Increase in net position	(1,985,182)	1,166,282
Net position, beginning	6,750,026	5,583,744
Net position, ending	\$ 4,764,844	\$ 6,750,026

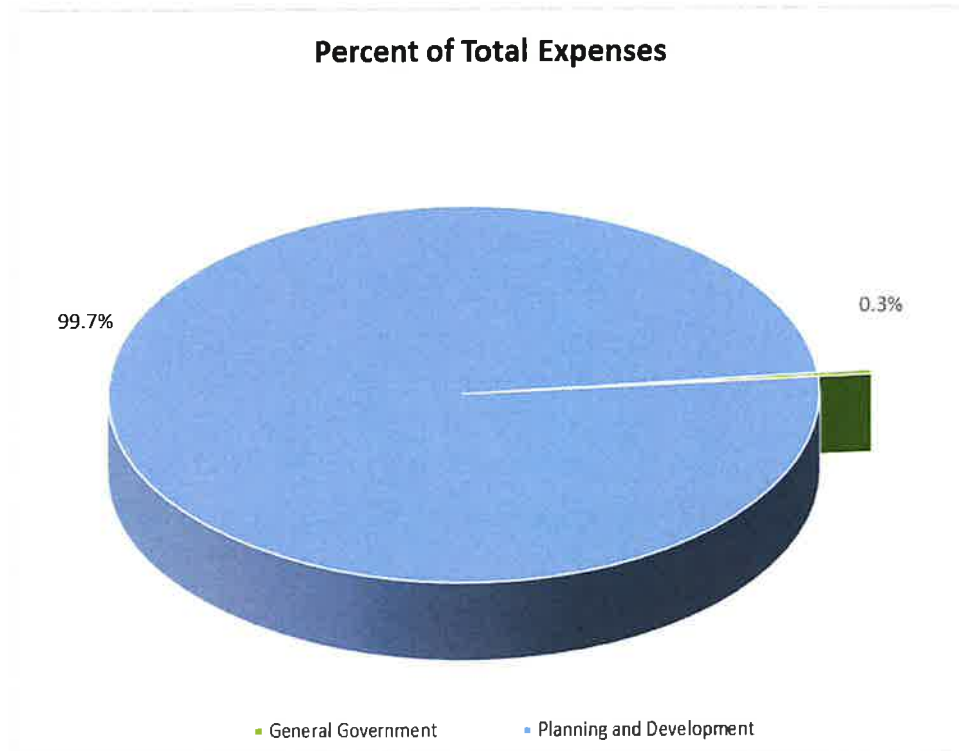
**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis**

**Revenue by Source - Governmental Activities
as a Percentage of Total Revenues**



**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis**

**Expenses by Program - Governmental Activities
as a Percentage of Total Expenses**



**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis**

FINANCIAL ANALYSIS OF THE FUND

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund. The focus of the Agency's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, the fund balance may serve as a useful measure of an entity's net resources available for spending at the end of the fiscal year.

In its 22nd year of existence, the Agency's fund balance decreased by (\$1,985,182) after increasing \$1,166,282 in the prior year. The revenues for this fund are derived from the additional tax revenue generated by new construction and improvements in taxable assessed values, as the Agency is continuing to implement plans and improvements to the area, funds were expended primarily on the capital projects, professional services, and façade grants. A transfer of \$2,062,844, consisting of taxes generated by the "incremental" growth between the current value and the base year value, was made from the City of Rockledge General Fund to the Agency pursuant to an interlocal agreement with Brevard County.

Expenditures for capital projects and acquisitions, professional services, private public partnerships, and façade improvement grants were \$3,869,131, \$250,000, \$175,000, and \$1,272,927, respectively, for a total of \$5,567,058 of the \$5,573,246 in aggregate expenditures below budget in the current year. Increased operating cash inflows due to property value increases were partnered with expenditures below those budgeted for the year. The budgeted reduction of the fund balance for the year ending September 30, 2024 was \$7,142,390 however the actual decrease in the CRA fund balance on a budgetary basis was \$1,566,112. The original target was to reduce fund balance completely. This fund will sunset, by interlocal agreement with Brevard County, on September 30, 2026. The City's goal is to utilize the entire fund balance in accomplishing the mission of the CRA Fund, as delineated within its plan, last amended in 2012.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The Agency's investments in capital assets are transferred to the City of Rockledge, as the Agency's enabling legislation and Plan do not facilitate the care, maintenance, and ownership of capital assets. This investment in capital assets includes land, buildings, improvements, and infrastructure in designated areas of the City of Rockledge which have been specifically identified for redevelopment initiatives.

Long-term debt. The Agency, through the City, obtained an unsecured line of credit during 2014 to provide working capital for the Agency. No balance was outstanding as of September 30, 2024.

See Note 3 for more information on the Agency's debt obligations.

**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Management's Discussion and Analysis**

REQUESTS FOR INFORMATION

Questions about this report or requests for additional financial information should be addressed to:

City of Rockledge
Finance Department
1600 Huntington Lane
Rockledge, FL 32955
321-221-7540

ROCKLEDGE COMMUNITY REDEVELOPMENT AGENCY
CITY OF ROCKLEDGE, FLORIDA
Basic Financial Statements

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Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Statement of Net Position

<i>September 30, 2024</i>	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 5,576,278
Prepaid items	6,182
Total assets	5,582,460
LIABILITIES	
Accounts payable	817,616
Accrued liabilities	-
Total liabilities	817,616
NET POSITION	
Net investment in capital assets	-
Restricted for:	
Redevelopment	4,764,844
Total net position	\$ 4,764,844

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Statement of Activities

Year ended September 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental activities:					
General government	\$ 18,000	\$ -	\$ -	\$ -	\$ (18,000)
Planning and development	5,468,455	-	-	-	(5,468,455)
Total governmental activities	\$ 5,486,455	\$ -	\$ -	\$ -	(5,486,455)
General revenues:					
Taxes:					
Property taxes					1,329,251
Miscellaneous					109,178
Transfers, net					2,062,844
Total general revenues					3,501,273
Change in net position					(1,985,182)
Net position, beginning of year					6,750,026
Net position, end of year					\$ 4,764,844

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Balance Sheet

<i>September 30, 2024</i>	<i>CRA</i>
ASSETS	
Cash and cash equivalents	\$ 5,576,278
Prepaid items	6,182
Total assets	\$ 5,582,460
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 817,616
Total liabilities	817,616
Fund balances:	
Nonspendable:	
Prepays	6,182
Restricted for:	
Redevelopment	4,758,662
Total fund balances	4,764,844
Total liabilities and fund balances	\$ 5,582,460

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Statement of Revenues, Expenditures and Changes in Fund Balance

<i>Year ended September 30, 2024</i>		CRA
Revenues		
Property taxes	\$	1,329,251
Interest and other		107,582
Miscellaneous revenue		1,596
Total revenues		<u>1,438,429</u>
Expenditures		
Current:		
City attorney		18,000
Planning and development		5,468,455
Total expenditures		<u>5,486,455</u>
Excess (deficiency) of revenues over (under) expenditures		(4,048,026)
Other financing sources		
Transfers in		2,062,844
Net change in fund balances		(1,985,182)
Fund balances, beginning of year		6,750,026
Fund balances, end of year	\$	<u><u>4,764,844</u></u>

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pursuant to Chapter 163, Part III, Florida Statutes, the Rockledge City (City) Council (Council) established the City of Rockledge Community Redevelopment Agency (Agency) on January 23, 2002, by Resolution 2002-481, as a dependent special district to guide the City in its redevelopment efforts.

The accounting policies of the Agency conform to generally accepted accounting principles (GAAP) as applied to government units. The more significant accounting policies used by the Agency are described below.

A. REPORTING ENTITY

The Agency fosters revitalization of the specifically identified sub-districts through public investments in order to improve infrastructure and aesthetics, resulting in an inviting area in which the private sector will want to more actively invest; pursues economic development opportunities, while also serving as a liaison and advocate for the existing business community; and endeavors to preserve and enhance the tax base.

The Agency is governed by a seven-member volunteer Board of Commissioners appointed by the City Council.

B. ENTITY-WIDE AND FUND FINANCIAL STATEMENTS

The entity-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all activities of the Agency. Agency activities are considered governmental activities, as they are normally supported by taxes and intergovernmental revenues, as opposed to business-type activities which rely, to a significant extent, on fees and charges for services.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The entity-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due or made.

Property taxes and investment earnings associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when received by the Agency.

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

D. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The Agency has elected to report the budgetary comparison as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI also for the Agency's budgetary information.

The Agency has no material violation of finance-related legal and contractual provisions.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

F. DEPOSITS

Cash and Cash Equivalents

Except as noted below, the Agency's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. DEPOSITS (continued)

The Agency maintains deposits in a pooled cash account of the City of Rockledge, with a local bank. A portion of the resulting investment income is allocated to the Agency based on the respective cash balance in each of the City of Rockledge funds.

The Agency's pooled cash deposits, with a carrying amount of \$3,821,789, and its deposits in the separate Agency escrow account of \$1,754,489, to tie to total Balance Sheet are covered by federal depository insurance and by deposits held in banks that are members of the State of Florida's collateral pool. The Florida collateral pool is a multiple-institution pool with the authority to assess member institutions in the event of any collateral shortfall. For this reason, the City considers these deposits insured. The cash and cash equivalents listed above are exempt from the fair market value hierarchy requirements of GASB 72.

G. RECEIVABLES

All account receivables are shown net of allowances for uncollectable accounts. See Note 2.

H. PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State of Florida regulating tax assessment are also designed to ensure a consistent property valuation method statewide. State statutes permit the City to levy property taxes at a rate of up to ten mills. The operating millage rate in effect for the fiscal year ended September 30, 2024, was 5.55 mills.

All property is assessed according to its fair market value on January 1 of each year and, at that time, a lien is placed on the property for the taxes. The tax levy of the Agency is established by the Council prior to October 1 of each year and the Brevard County Property Appraiser incorporates the City's millage into the total tax levy, which also includes Brevard County, the Brevard County School Board, the Florida Inland Navigation District and the St. Johns Water Management District's tax requirements.

The following procedures were completed on or about the dates listed during the property tax levy process.

July - The Brevard County Property Tax Appraiser (the County Property Appraiser) forwarded to the City a certification of value of all real property within the City's boundaries which included the current year's taxable values, new construction, annexations, deletions, prior year taxable value, prior year millage rates, prior year ad valorem tax proceeds, and roll-back rates.

July - The Council sets the current year tentative millage rate at not more than 110% of the rolled-back millage rate.

**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements**

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. PROPERTY TAXES (continued)

August - Notices of the proposed ad valorem tax assessments were mailed to each property owner by the County Property Appraiser.

September - As required by the State of Florida, a public meeting is held within 80 days of receipt of the certification of value to consider the budget and ad valorem tax millage rate.

September - Within 15 days of the meeting at which the Council adopted a tentative budget, the City advertised its intent to adopt a final budget and millage rate.

September - A final budget and millage rate hearing was held during which the Council set the current year's millage rate.

November - Tax notices were mailed to each property owner by the County Property Appraiser's office.

All taxes are billed on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

I. CAPITAL ASSETS

The purpose of the Agency includes revitalization of sub-districts through public investments to encourage private sector investment and increase economic development opportunities.

The acquisition and improvement of property for revitalization serves a vital role for the Agency. However, the Agency does not maintain or operate any capital assets. Therefore, Agency purchased assets, along with the burden of operating and maintenance costs are transferred to the City.

J. PREPAID ITEMS

Prepaid items represent payments to vendors for services that will benefit the Agency beyond September 30, 2024. These payments are recorded as expenditures or expenses when utilized rather than when cash is paid to the respective vendor.

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. LONG-TERM DEBT

In the entity-wide financial statements, long-term debt is reported as a liability in the statement of net position.

L. NET POSITION

Net position is made up of three components. Net investment in capital assets represents net capital assets less related long-term liabilities, where unspent debt proceeds increase this amount. Restricted net position represents assets that are legally restricted for specific purposes. They include reserve funds, special revenues restricted by statute and ordinance, and other sources restricted for capital projects or improvements. The balance of net position is considered unrestricted net position. At September 30, 2024, the Agency has no unrestricted funds.

M. FUND EQUITY

In the fund financial statements, fund balance is reported in classifications that are based on the relative strength of the constraints that control how amounts in the fund can be spent.

Fund balance is reported in the following five components:

Nonspendable - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. This would include inventories, advances, and prepaid items.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by third-party (creditors, grantors, contributors) agreements, constitutional provisions, or enabling legislation.

Committed - includes fund balance amounts that can only be used for the specific purposes that are internally imposed by a formal action of the government's highest level of decision making authority, which includes ordinances and resolutions. Commitments may be changed by the government only by taking the same action that imposed the constraint initially.

Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The authority for assigning fund balance is expressed by the City Council, Agency Commission, City Manager, or their designee.

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. FUND EQUITY (continued)

Unassigned - includes residual positive fund balance which has not been classified within the other above-mentioned categories. When both restricted and unrestricted (committed, assigned, and unassigned) fund resources are available for use, it is the Agency's policy to generally use restricted resources first, and then unrestricted resources. When unrestricted resources are available for use, it is the Agency's policy to use committed resources first, then assigned, and then unassigned as they are needed.

N. NET POSITION RESTRICTED BY ENABLING LEGISLATION

In the entity-wide financial statements, governmental activities reported a total net position of \$4,764,844 that was restricted by enabling legislation.

Note 2 – ACCOUNTS RECEIVABLE

Property taxes are considered fully collected during and prior to the end of the fiscal year. Therefore, no material amounts of property taxes are receivable as of September 30, 2024. There are no other reserves for receivables recorded by the Agency as of September 30, 2024.

Note 3 – NOTES AND LINES OF CREDIT PAYABLE

On October 7, 2013, the Agency, through the City, opened a \$750,000 line of credit through a local bank in order to facilitate short-term financing needs. In 2013 and 2015, the City drew \$500,000 and \$350,000 from the line of credit, which was used with other funds to purchase parcels of land and buildings. On September 30, 2016, the line of credit was increased to \$1,000,000 and \$200,000 was

drawn to purchase land. On October 4, 2017, the Agency, through the City, increased the line of credit to \$2,000,000 and drew \$396,996 to purchase land and a commercial building. On December 7, 2017, the Agency, through the City, decreased the line of credit to \$1,000,000. On July 29, 2021, the Agency, through the City, decreased the line of credit to \$500,000. As of September 30, 2024, no amount of principal remains outstanding. The line of credit has a maturity date of July 16, 2025, and bears interest at the Wall Street Journal Prime Rate, which was 8.0% on September 30, 2024.

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 4 - TRANSFERS TO / FROM OTHER FUNDS

The Agency received a transfer from the City in the amount of \$2,062,844, which represents the tax incremental financing (TIF) payment required by enabling legislation. This amount is determined by the millage rate passed by City Council, and the change in the applicable taxable value of the tax increment area. Additionally, the Agency received \$1,329,251 from Brevard County, which similarly represents the amount determined by the millage rate enacted by the County Commissioners and the applicable taxable value of the tax increment area. The Agency is economically reliant upon these revenues to carry out its mission. As disclosed in Note 1.I., the Agency's purpose is to revitalize the targeted areas according to its mission and plan. Therefore, it is not charged with the care and maintenance of acquired assets. Assets acquired by the Agency are transferred to the City, along with the related responsibility for their maintenance and disposition.

Note 5 - RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions.

The Agency purchases separate commercial liability insurance coverage to protect against these risks. Coverage for general liability claims is a maximum of \$1,000,000 combined single limit.

The commercial insurance carried is a claim incurred policy for which the Agency is covered for claims originating against the Agency during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The Agency has maintained continuous coverage and does not believe it has any exposure to events that occurred prior to the year ended September 30, 2024.

Note 6 - COMMITMENTS AND CONTINGENCIES

During the ordinary course of its operation, the Agency is a party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Agency, the liabilities that may arise from such actions would not result in losses that would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the Agency or results of activities.

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 7 - COMMUNITY REDEVELOPMENT AGENCY BUDGET

The purpose of the Rockledge Agency is to stimulate economic growth, promote private development opportunities, and maintain a safe, prosperous community while focusing on improving the quality of life of the citizens of Rockledge.

According to Chapter 163.387 (8) of the Florida Statutes, the following information is provided regarding the receipts and expenditures of the Agency.

	Actual Budgetary Basis
Resources (inflows):	
Property taxes	\$ 1,329,251
Income on investments	107,582
Other	1,596
Transfer in	2,062,844
Amounts available for appropriation	3,501,273
Capital Projects	5,007,057
Facade improvement grants	27,073
Legal services	18,000
Insurances	6,182
Accounting and audit	5,857
Travel & Training	1,380
Memberships and dues	1,190
Promotional materials / recruitment	387
Office supplies	259
Total charges to appropriations	5,067,385
Excess of resources over charges to appropriations	(1,566,112)
Fund balance allocation	1,566,112
Excess (deficiency) of resources and fund balance allocation over charges to appropriations	\$ -

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Notes to Financial Statements

Note 7 - COMMUNITY REDEVELOPMENT AGENCY BUDGET (Continued)

The accompanying schedule of revenues, expenditures and change in the Agency fund balance-budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2024, is presented below:

Net change in fund balance - budgetary basis	\$ (1,566,112)
2023 differences in budget vs GAAP	392,364
2024 differences in budget vs GAAP	(811,434)
<u>Allocation over charges to appropriations</u>	<u>\$ (1,985,182)</u>

Property taxes consisted of the incremental tax receipts provided by increased assessed values over 2001 levels.

Note 8 - SUBSEQUENT EVENTS

The Agency, through the City, approved a total of \$87,279 in façade improvement grants to five applicants, ranging in individual value from \$10,322 to \$25,000. The value of a single grant reimbursement has also been increased by the Commission to a maximum of 50 percent of the first \$50,000 of qualified costs. Furthermore, the scope of qualified grant costs has been expanded to include certain interior renovations.

The City has considered subsequent events through (Insert Date)

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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Budgetary Comparison Schedule

	Original Budget	Final Budget	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
<i>Year ended September 30, 2024</i>				
Revenues				
Property taxes	\$ 1,493,097	\$ 1,329,097	\$ 1,329,251	\$ 154
Investment and Miscellaneous revenue	51,300	106,300	109,178	2,878
Total revenues	1,544,397	1,435,397	1,438,429	3,032
Expenditures				
Planning and development:				
Capital projects and acquisitions	9,841,654	8,876,188	5,007,057	3,869,131
Professional services	250,000	250,000	-	250,000
Private public partnerships	250,000	175,000	-	175,000
Façade improvement grants	1,300,000	1,300,000	27,073	1,272,927
Special events	1,000	1,000	-	1,000
Legal services	18,000	18,000	18,000	-
Promotional materials / recruitment	500	500	387	113
Insurances	6,950	6,950	6,182	768
Travel and training	3,000	3,000	1,380	1,620
Accounting and audit	5,393	6,393	5,857	536
Office supplies	100	1,100	259	841
Memberships and dues	2,500	2,500	1,190	1,310
Total expenditures	11,679,097	10,640,631	5,067,385	5,573,246
Excess (deficiency) of revenues over (under) expenditures	(10,134,700)	(9,205,234)	(3,628,956)	5,576,278
Other financing sources				
Transfers in	2,062,844	2,062,844	2,062,844	-
Other financing sources	2,062,844	2,062,844	2,062,844	-
Net change in fund balance	(8,071,856)	(7,142,390)	(1,566,112)	5,576,278
Fund balances, beginning of year	7,030,760	7,030,760	7,030,760	-
Fund balances, end of year	\$(1,041,096)	\$ (111,630)	\$5,464,648	\$ 5,576,278

The accompanying schedule of revenues, expenditures and change in the CRA fund balance- budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2024, is presented below:

Net change in fund balance- budgetary basis	\$ (1,566,112)
2023 differences in budget vs GAAP	392,364
2024 differences in budget vs GAAP	(811,434)
Net change in fund balance- GAAP basis	<u>\$ (1,985,182)</u>

**Rockledge Community Redevelopment Agency
City of Rockledge, Florida
Budgetary Notes**

Note A – BUDGETARY INFORMATION

The Agency adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- a) Prior to the first day of August of each year, the City Manager prepares a proposed budget for the next succeeding fiscal year and submits it to the Agency. The recommended budget includes proposed expenditures and the sources of receipts to finance them.
- b) Complete copies of the proposed budget are made available for public inspection. Public hearings are conducted to obtain taxpayers' comments.
- c) The budget is enacted through passage of an ordinance and becomes the basis for the millage levied by City Council.
- d) The City Manager is authorized to transfer budgeted amounts between line items within a department; however, any revisions that alter the total expenditures of any department must be approved by City Council. Administrative and general government are considered one department. Expenditures may not exceed legal appropriations at the department level. All appropriations lapse at year end.
- e) Formal budgetary integration is employed as a management control device during the year for the Agency.
- f) The budgetary basis for the CRA fund is cash basis.
- g) The budgetary comparison schedule shown in the accompanying required supplementary information presents comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget



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

The Honorable Chairman and Board of Commissioners
City of Rockledge Community Redevelopment Agency
The Honorable Mayor and Members of the City Council
City of Rockledge, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the City of Rockledge Community Redevelopment Agency, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Rockledge Community Redevelopment Agency's basic financial statements, and have issued our report thereon dated April 8, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Rockledge Community Redevelopment Agency's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Rockledge Community Redevelopment Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Rockledge Community Redevelopment Agency'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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Rockledge Community Redevelopment Agency'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 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.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

April 8, 2025



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Chairman and Board of Commissioners
City of Rockledge Community Redevelopment Agency
The Honorable Mayor and Members of the City Council
City of Rockledge, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Rockledge Community Redevelopment Agency (the "Agency") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 8, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding financial audit report. No such recommendations were identified in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The legal authority of the City of Rockledge Community Redevelopment Agency is disclosed in the footnotes. The City of Rockledge Community Redevelopment Agency has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the City of Rockledge Community Redevelopment Agency met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City of Rockledge Community Redevelopment Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City of Rockledge Community Redevelopment Agency. It is management's responsibility to monitor the City of Rockledge Community Redevelopment Agency's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs (Unaudited)

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the City did not operate a PACE program pursuant to Section 163.081 or Section 163.082, Florida Statutes, within the City's geographical boundaries during the fiscal year under audit.

Specific Information (Unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the City of Rockledge Community Redevelopment Agency reported the schedule below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)(7), Rules of the Auditor General, the City of Rockledge Community Redevelopment Agency reported:

a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as	None
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as	5
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.	\$0
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.	\$174,270

- e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin after October 1 of the fiscal year being reported, together with the total expenditures for such projects.

None

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes.:

See Page 30

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)(8), Rules of the Auditor General, the City of Rockledge Community Redevelopment Agency reported:

- a. The millage rate or rates imposed by the Agency. 5.55
- b. The total amount of ad valorem taxes collected by or on behalf of the Agency. \$1,329,251
- c. The total amount of outstanding bonds issued by the District and the terms of such bonds as. None

Information required by Section 218.39(3)(c) Florida Statutes, and Section 10.554(1)(i)(9), Rules of the Auditor General, does not apply as City of Rockledge Community Redevelopment Agency does not impose any special assessments.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the members of the Agency's board and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Rigg & Ingram, L.L.C.

Melbourne, Florida
April 8, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

The Honorable Chairman and Board of Commissioners
City of Rockledge Community Redevelopment Agency
The Honorable Mayor and Members of the City Council
City of Rockledge, Florida

We have examined the City of Rockledge Community Redevelopment Agency's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management is responsible for the City of Rockledge Community Redevelopment Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the City of Rockledge Community Redevelopment Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City of Rockledge Community Redevelopment Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City of Rockledge Community Redevelopment Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the City of Rockledge Community Redevelopment Agency's compliance with specified requirements.

In our opinion, the City of Rockledge Community Redevelopment Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024.

This report is intended solely for the information and use of the Agency's board members, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
April 8, 2025



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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH REDEVELOPMENT
TRUST FUND, FLORIDA STATUTE SECTIONS 163.387(7) AND 163.387(8)**

The Honorable Chairman and Board of Commissioners
City of Rockledge Community Redevelopment Agency
The Honorable Mayor and Members of the City Council
City of Rockledge, Florida

We have examined the City of Rockledge Community Redevelopment Agency's (the "Agency"), compliance with the requirements of Sections 163.387(7) and 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the agency complied, in all material respects, with the requirements of Sections 163.387(7) and 163.387(8), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024.

This report is intended solely for the information and use of Agency's board members, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
April 8, 2025

City of Titusville

Community Redevelopment Agency



Annual Report Fiscal Year 2024

Prepared by
City of Titusville
Community Development
& Finance Departments

Downtown Community Redevelopment Agency

CRA Board Members:

Andrew Conners, Chairperson
Herman Cole, Vice Chairperson
Greg Aker
Jim Ball
Megan Moscoso
Jo Lynn Nelson
Sarah Stoeckel

CRA Staff:

Scott Larese, Executive Director, Community Redevelopment Agency
Richard Broome, City Attorney
Kevin Cook, P.E., Public Works Director
Teri Butler, Finance Director
Jenna Ryan, Finance Manager
Wanda Wells, City Clerk
Brad Parrish, Community Development Department Director

Introduction

The City of Titusville's Community Redevelopment Agency (CRA) was created by the State of Florida in 1982, and the Community Redevelopment Plan was adopted in 1984. Since its creation, the Titusville Community Redevelopment Agency has played an integral role in the revitalization of the Downtown area and the surrounding community. The Downtown area has faced many challenges similar to those in other areas of Florida and the nation. The vision of Titusville's Downtown was established by residents who attended workshops in the 1980's, 1990's, 2000's, and as recently as FY 2022 and determined a set of goals and priorities that have evolved over the years. The original vision of the Redevelopment Plan still stands as a foundation for redevelopment in the Downtown and surrounding neighborhoods.

To provide residents and visitors with a memorable experience, the City envisions the addition of new mixed-use buildings on infill lots, renovated historic buildings, new open space amenities, enhanced streetscape conditions, new public facilities such as water and sewer infrastructure, and low impact development (LID) techniques for storm water. Development standards will be aimed at increasing the area's capacity to accommodate new growth while preserving the historic character of the community. By combining these features with a smarter approach to growth, the City will realize a downtown that will attract sustainable growth and create a unique sense of place in which all residents can be proud.

The Downtown CRA encompasses approximately 300 acres of land on the eastern edge of the City and is over a mile and half from its northernmost area at the municipal waterfront park and marina complex, to its southern terminus at Grace Street. The CRA includes the Historic Downtown area and a number of small neighborhoods. The CRA is bounded by the Indian River waterfront on the east and north and by the Florida East Coast Railroad tracks on the west. The CRA parallels the Indian River and includes over 1.9 miles of waterfront as shown on the following map.



Assessed Real Property Values & Tax Increment Fund Revenue History

The original base year real property value for the Titusville Downtown CRA in 1982 was \$20,495,020. The Titusville Downtown CRA assessed property value in the reporting year of FY 2024 was \$136,915,020 which is an increase of \$9,674,865 in value from the FY 2023 assessed property value.

A history of the Titusville CRA Tax Increment Revenue per year from FY2005–2006 is found in Table-1 below. Prior to FY 2005–2006 the Downtown CRA had a steady but low tax increment since its inception in 1982. Since FY 2009, the CRA's tax increment revenue has been more volatile due to the impacts of both new development and economic conditions.

Table 1: Tax Increment Revenues by Year (Audited)

FY 2005-2006 \$	286,787
FY 2006-2007 \$	589,533
FY 2007-2008 \$	922,899
FY 2008-2009 \$	876,391
FY 2009-2010 \$	792,703
FY 2010-2011 \$	724,997
FY 2011-2012 \$	655,653
FY 2012-2013 \$	631,488
FY 2013-2014 \$	699,901
FY 2014-2015 \$	712,212
FY 2015-2016 \$	766,683
FY 2016-2017 \$	793,838
FY 2017-2018 \$	867,986
FY 2018-2019 \$	919,020
FY 2019-2020 \$	961,910
FY 2020-2021 \$	979,345
FY 2021-2022 \$	982,381
FY 2022-2023 \$	1,038,731
FY 2023-2024 \$	1,088,637

The Tax Increment Financing (TIF) revenues for the Downtown CRA increased substantially in the fiscal year 2006 - 2007 due to the completion of the Harbor Pointe condominium complex. The first building was added to the tax rolls in fiscal year 2006-2007. This revenue allowed the CRA to complete projects that were not possible with revenues from previous years.

The three remaining Harbor Pointe buildings were added to the tax rolls in fiscal year 2007 - 2008. Due to the economic downturn, increased foreclosures nationwide, and the end of the NASA Space Shuttle Program, the revenue in fiscal years 2008 - 2009 to 2012-2013 decreased. The reduction in revenues during those years resulted in a greater percentage of revenues being dedicated to debt service, thereby limiting redevelopment projects that were being undertaken by the CRA during those years. After bottoming out in FY2012-2013, tax increment revenues have increased each year since to where they have surpassed the FY2007-2008 high.

In 2011, the CRA authorized issuance of a Public Improvement Revenue Note in an amount not to exceed \$2,535,000 to finance roadway and landscaping improvements in conjunction with the FDOT U.S. 1 project. In February 2013, the CRA approved partial repayment of the loan for \$850,000. The

repayment funds were the result of lower than anticipated projects costs. The CRA's action produced a total savings of \$1.27 million. The CRA also paid off the Commons Project Bond at a cost of approximately \$95,000. The loan repayments reduced the annual debt service in FY2014-2015 from 34% to 19% of the Annual Revenues, thus providing more opportunities for capital projects in the future. The percentage of annual debt service to annual tax increment values has continued to decline due to a combination of the increase in tax increment values and debt payments.



Harbor Pointe Condominiums on Indian River Avenue

Fiscal Year 2024 Capital and Non-Capital Projects

The Downtown CRA has continued with existing projects during the 2023 - 2024 fiscal year as well as started new projects as shown below.

Completed Capital Projects and Their Estimated Cost:

- ❖ Commercial Interior Building Renovation, Commercial Beautification, and Commercial Mixed Use Grant Programs (operational – see detailed grant payouts in the narrative below),
- ❖ Approved and completed the construction of the Space View Park Walkway Pier (\$1,027,957)
- ❖ Sidewalk Infill (\$87,796)
- ❖ Water Resources Utilities Infrastructure Slip Lining (\$137,018)

Capital Projects Started but not Completed in the Fiscal Year and Their Estimated Cost:

- ❖ Indian River Force Main Improvements upgraded and replaced 8,000 feet of sewer force main (\$97,000)
- ❖ Approved a stormwater infrastructure project that will be a low impact development (LID) demonstration project creating a bioswale and creating pervious parking (\$127,322)
- ❖ Approved New Sidewalk Project – (\$207,127)
- ❖ Aluminum Streetlight Poles - Whiteway Lighting Project Study (\$60,000)
- ❖ Tree Box Filters (\$130,000)

More details about these projects follow.

Commercial Interior Building Renovation, Commercial Beautification, and Permit and Impact Fee Incentive Grant Programs

In FY 2016 – 2017 the CRA created a Commercial Interior Renovation Incentive Grant Program to assist property owners and commercial tenants of older buildings to bring their structures up to current Americans with Disabilities Act (ADA), the Florida Fire Protection Code, and the Florida Building Code standards. The Commercial Interior Building Renovation Incentive Grant Program helps to expand and improve under-used buildings to increase commercial and mixed-use intensity, bring buildings up to code, assist small businesses in the CRA to grow and prosper, and to promote job creation in the district. This grant program offers financial assistance in the form of a reimbursable, fifty percent (50%) matching grant up to a maximum of \$50,000 to the property owner or business owner for eligible expenses associated with the renovation and rehabilitation of the following interior elements of commercial and mixed-use building space:

- ❖ ADA requirements
- ❖ Florida Fire Protection Code requirements
- ❖ Florida Building Code requirements including:
 - Interior plumbing to meet code
 - Interior electrical system including lighting to meet code
 - HVAC system to meet code

During fiscal year 2017-2018 the CRA expanded its matching Building Grants Incentive Programs by drafting and approving a new Permit & Impact Fee Incentive Grant Program, revising the Commercial Interior Renovation Grant Program and reactivating and revising its Commercial Beautification Grant Program. The Permit & Impact Fee Program provides a maximum \$50,000 matching one-to-one grant to help offset the cost of permits and impact fees for new construction in the CRA. The Commercial Interior Renovation Grant Program was revised to provide an additional \$50,000 matching one-to-one grant for interior building renovations that provide residential and nonresidential mixed-use as an incentive for residential units to be added to the CRA and spur housing in the downtown. The Commercial Beautification Grant Program provides a \$40,000 matching one-to-one grant for façade and exterior improvements to buildings in the CRA to improve the appearance of the CRA/downtown and to eliminate blight. The Grant Programs were further revised to provide payment of seventy-five (75%) of the grant award at project completion and the remaining twenty-five (25%) of the grant award with occupancy of the building at one (1) year after completion of the improvements as an incentive for building owners to have their buildings occupied and not sit empty. The expanded grant program became operational in FY 2019. In FY 2023, grease traps were added as an eligible expense to the Commercial Interior Renovation Grant to meet Florida Building Code requirements. In FY 2023, the CRA approved advisability to study the current grant programs and recommend changes in FY 2024. In FY 2024, the CRA approved changes to the Grant Program including eliminating the 2-year waiting period for approval project funding, creating consistency by changing the Exterior Grant maximum to \$50,000, including a contingency coverage in the grant application not to exceed the maximum grant program amount, and projects of \$5,000 or less, 60% is paid by the City of Titusville CRA and 40% by the applicant.

A total of five (5) CRA Building Grants were awarded in the fiscal year for a total of \$127,003.63. Four (4) Commercial Beautification Grants were awarded, and one (1) Commercial Interior Renovation Grant was awarded in FY 2024.

A total of thirteen (13) grant payouts were made during the fiscal year for a total of \$241,220.04. The grant payouts were for nine (9) Commercial Beautification Façade Grants for \$146,781.92, three (3) Commercial Interior grants for \$44,428.12, and one (1) Commercial Mixed-Use grant which provided residential units in the downtown area.

Since these are fifty (50%) matching reimbursable grants with a maximum cap, the grant program leverages more than double the grant amount of investment in the CRA. A CRA Grant Return on Investment History Report completed in FY 2019 found that for completed grant projects and for grant projects under construction the return on investment was \$14.71 for every \$1 of CRA grant money awarded. Considering only completed grant projects since 2008, the ROI was \$3.14 for \$1 of CRA grant money. The reason for the large difference between completed project and both completed and under construction is that there are two (2) major construction projects taking place in the CRA, the Launch Now project with an estimated cost of \$6 million of construction and the Beachwave project with an estimated cost of \$3 million. The Beachwave project was completed in FY 2021. The Launch Now project was completed in FY 2024.

The return-on-investment study shows how the grant program is helping to prevent deterioration of older historic properties in the CRA; stimulate interest and investment in the District; encourage the development of business and job growth; and encourage the utilization of existing business stock and new construction in the CRA.

The expanded Grant Programs implements the City of Titusville's CRA Plan policy 1.1.1.1, goal 4.1, policy 4.3.1.1, objective 4.1.1, objective 4.1.2, and policy 4.1.1.3.s.

Photos of Commercial Grants in FY 2024:



400 Garden Street Vacant Building – Before



400 Garden Street Roots Kava Lounge - After



310 S. Washington – Launch Now – Before



310 S. Washington – Launch Now – After



300 S. Washington – Launch Now – Before



300 S. Washington – Launch Now – After



St. Gabriel's Episcopal Church – After



Sunrise Bakery – After

Space View Park Connecting Pedestrian Pier

The CRA approved a budget amendment in September 2019, to fund a feasibility study for a pedestrian pier to connect Space View Mercury Park to Space View Gemini Park. The parks are separated by an inlet that requires visitors to back track to visit both parks. The pier meets the CRA's Plan goal of connecting the City's parks and providing a waterfront attraction for residents and visitors to view rocket launches. In January 2020, a Request for Qualifications (RFQ) was advertised to conduct a Feasibility and Conceptual Design Study. Taylor Engineering, Jacksonville, Florida, was selected in March 2020 to do the study. A contract with Taylor Engineering was signed in July 2020. In February of 2021, Taylor Engineering presented the Feasibility Study and Conceptual Design to the CRA. Based on the presentation, the CRA recommended moving forward with a contract for a final design. In May 2021, the CRA meeting the CRA and City Council approved an award of contract for Taylor Engineering to provide a final design of the Space View Park Connecting Pedestrian Pier. Taylor Engineering worked on final design and bid plans during the Fiscal Year 2022. In August 2023, the contract for the Space View Park Connection Pedestrian Pier was awarded to Rush Marine. Construction was started and completed in FY 2024. The total cost was approximately \$1,027,957.

The Space View Park Connecting Pedestrian Pier implements the City of Titusville's CRA Plan objective 3.4.1, objective 4.2.2, policy 4.2.2.2, and objective 5.4.1.

Aerial Photography of the completed Space View Pier



Boeing Starliner Launch on June 5, 2024, from the Space View Pier



Sidewalk Infill

The CRA provided for sidewalk infill based on an Americans with Disabilities Act (ADA) study. This project was completed in FY 2024 for a total of approximately \$66,541.09.

The Sidewalk Infill project implements the City of Titusville's CRA Plan objective 6.1.1, policy 6.1.1.3, goal 7.2, and policy 7.2.1.3.



Water Resources Utilities Infrastructure Slip Lining

The Community Redevelopment Agency spent \$137,018 in gravity sewer main and manhole rehabilitation by using cured in place slip lining technology. The total cost of the project within the CRA was approximately \$1,525,813. The majority of the funds utilized were American Rescue Plan Act of 2021 (ARPA) funds. The map below indicates the locations of the areas within the Community Redevelopment Agency District included in this process.



The Water Resources Utilities Infrastructure Slip Lining project implements the City of Titusville's CRA Plan goal 6.2, objective 6.4.1, objective 6.4.2, and policy 6.4.2.2.

Indian River Force Main Infrastructure Improvement

Construction for the Indian River Force Main Project started August 2023. The project includes replacing a 12-inch sewer line with a new 16-inch sewer line of approximately 8,000 feet of existing sewer force main from South Street to the Osprey Water Reclamation Facility on Buffalo Road in north Titusville. A majority of the replacement is in the CRA. The force main replacement started at the intersection of South Street and Indian River Avenue and will continue north under the Max Brewer Causeway, U S Highway 1, and even a portion of the FEC railroad, ending at the Osprey Facility. A map of the project and road closures (as they are scheduled) can be found at [Indian River Ave Sewer Line Replacement \(arcgis.com\)](https://arcgis.com). Titusville's Public Works Department is working with the contractor to minimize the effect of the closures on residents, and closures will be limited to block segments at any one time. This project is still in progress and scheduled for completion is FY 2025. This project is being funded by utilizing a Clean Water State Revolving Fund loan with an estimated cost of approximately \$8.9 million.

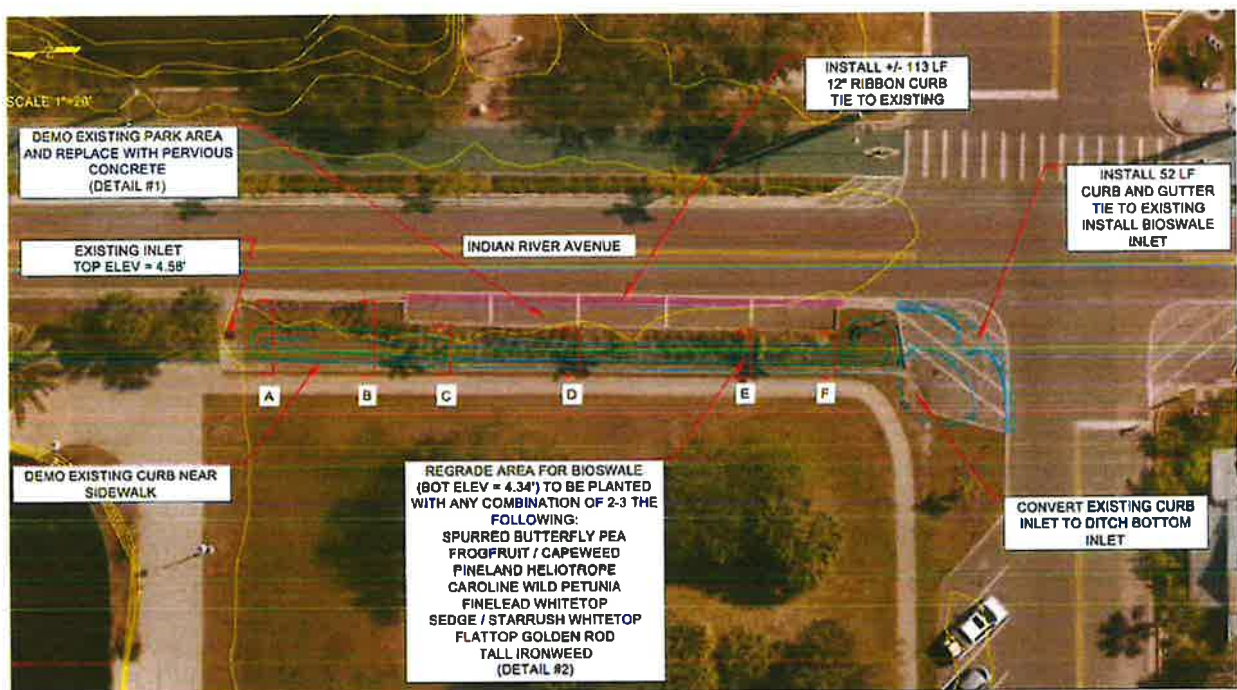
The Indian River Force Main Infrastructure Improvement project implements the City of Titusville's CRA Plan goal 6.2, objective 6.2.1, objective 6.4.1, and objective 6.4.2.



Low Impact Development (LID) Demonstration Project – Indian River Avenue

The CRA approved the funding of a low impact development demonstration (LID) project along Indian River Avenue. On Indian River Avenue, just south of the Space View Park pond, there is one stormwater inlet that discharges directly to the river without any treatment. This project will create a bioswale, turn the five parking spaces next to the bioswale into pervious pavement parking spaces, and raise the elevation of that inlet. This will allow stormwater in that area the space to percolate into the ground in the swale and the pervious parking spaces prior to discharging to the lagoon while still allowing an overflow option to prevent flooding of the roadway. This project was funded in FY 2024 for an estimate of \$127,322 and currently in design.

The LID Indian River Avenue project implements the City of Titusville's CRA Plan objective 6.4.1, policy 6.4.1.2, policy 6.4.1.5, objective 6.4.2, and policy 6.4.2.4.



Whiteway Lighting Project

Whiteway Replacement – The CRA approved the consultant DRMP, Inc. to develop a design scope to replace aluminum highway light poles located on US-1 (Washington Avenue and Hopkins Avenue). Replacement work is expected to begin in FY 2025. This project's estimated cost is \$60,000. The CRA share cost on this project is projected to be \$9,600.

The Whiteway Lighting project implements the City of Titusville's CRA Plan objective 4.2.2, policy 5.2.1.1, policy 6.1.1.3, policy 6.1.1.4, and policy 6.1.1.7.



Tree Box Filters

A tree filter project is proposed in the downtown Commons Area to treat stormwater. Tree box filters are widely deployed as stormwater treatment Best Management Practices (BMPs), normally in stand-alone applications; however, they can also be used as pretreatment for infiltration, rainwater harvesting, and detention. Tree box filters are highly adaptable for most developments due to a small footprint, shallow elevation, and no driving head requirements. Where infiltration is not feasible, tree box filters are an ideal solution. Following Low Impact Development (LID) principles of decentralized design, total pollutant load into the Indian River Lagoon is minimized, enabling a sustainable system that is not compromised by high loading rates. Plant selection allows tree box filters to be seamlessly integrated into the landscape and adds aesthetic value. The CRA approved the installation of twenty (20) tree box projects within the CRA. The estimated cost for the CRA for this project is \$130,000. Grant funds have been applied for the tree box filter project. This project is in progress and installation is scheduled in FY 2025.



The tree box filter project implements the City of Titusville's CRA Plan goal 6.4, objective 6.4.1, policy 6.4.1.2, policy 6.4.1.3, policy 6.4.1.6, objective 6.4.2, and policy 6.4.2.4.

Non-Capital Projects

The Non-Capital Projects that occurred over the fiscal year are as follows:

- ❖ Streetscape Landscaping and Facilities Maintenance
- ❖ Community Policing
- ❖ Historic Preservation Activities
- ❖ Land Use Development Review Activities
- ❖ Funded and Installed two (2) Downtown Directory Kiosks
- ❖ Funded and Installed Streetlight Pole Banners
- ❖ Funded and Installed Downtown Parking signs
- ❖ Funded and Installed two (2) Safety Cameras in parks in the CRA District.
- ❖ Installation of LID Baffle Box in Sand Point Park
- ❖ CRA Community Outreach Meetings

Streetscape Landscaping and Facilities Maintenance

The CRA continued its funding of the general maintenance of the plantings, lighting and street furniture funded by the CRA along the US-1 corridor (Washington Avenue & Hopkins Avenue) and in the Titusville Downtown Commons area. The maintenance provided by the CRA along the US-1 corridor is at a higher level of maintenance than provided by the Florida Department of Transportation and helps to protect the CRA's investment. The CRA also continues to fund the cost of irrigation and utilities along US 1. Landscaping and facilities maintenance in the CRA was approximately \$159,097 for FY 2024.



The streetscape landscaping and facilities maintenance program implements the City of Titusville's CRA Plan objective 4.2.2, policy 4.2.2.2, policy 4.2.2.3, goal 5.2, policy 5.2.1.2, and policy 5.2.1.3.

Community Policing

In June 2014, the CRA initiated a Community Policing program. The program consists of law enforcement officers deployed on an overtime basis during varying days and times. Increased activities in the CRA District include business contacts, directed patrols, traffic details, community relations, neighborhood patrols and anti-burglary details. This is thought to be a more cost-effective method to provide coverage as needed, rather than one full-time officer who would have less flexibility to address issues as they arise. The Community Policing program cost for FY 2024 was \$30,665.

Program accomplishments for the fiscal year are listed below. As the community policing initiative augments the Titusville Police Department's regular presence in the CRA, only those activities conducted during the community policing details are provided.

CRA Police Details totaled 484 hours for the fiscal year 2024.

Property Checks	3,994
Traffic Stops	1,467
Suspicious Persons/Vehicles/Incidents & Unwanted/Trespass	967

CRA Police Details totaled 750 hours for the fiscal year 2023.

Property Checks	4,869
Traffic Stops	1,205
Suspicious Persons/Vehicles/Incidents & Unwanted/Trespass	988

Total incident statistics in the redevelopment district for the fiscal year not part of the CRA Police details were as follows:

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Vehicle Burglaries	8	9	11	18	16	41
Residential Burglaries	0	2	4	0	2	2
Commercial Burglaries	1	8	4	0	10	11
	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019

Traffic Stops	1,467	1,205	1,157	1,269	1,140	748
Traffic Accidents without injury	101	120	137	138	122	165
Traffic Accidents with injury	41	38	43	52	54	29

Burglary Comparison between the CRA and Citywide:

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
CRA District	9	19	18	28	28
City Wide	305	368	326	402	555

Calls for Service between the CRA and Citywide:

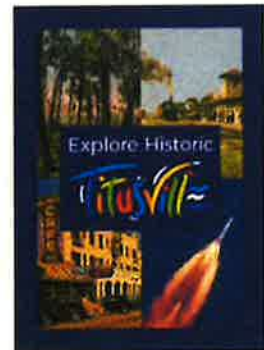
	FY 2024	FY 2023	FY 2022	FY 2021
CRA District	15,345	9,965	7,934	8,683
City Wide	113,696	109,402	95,623	114,392

The incident statistics show that the Community Policing details had a continued emphasis on reducing vehicle burglaries, residential burglaries and enforcing traffic laws during the fiscal year. The statistics show a positive trend in the reduction of crime in the CRA.

The community policing program implements the City of Titusville's CRA Plan objective 7.1.1, policy 7.1.1.2, policy 7.1.1.4, policy 7.1.1.8, and objective 7.1.2.

Historic Preservation Activities

The CRA District is home to many of the City's historic resources. The preservation of these historic resources in the Community Redevelopment District adds to the City's pride and creates pedestrian and visitor appeal, which provides economic development for the City. Historic Preservation activities that directly involved the CRA District included the award of a State of Florida Division of Historical Resources Small Matching Grant in July 2022 in the amount of \$40,000 to fund the creation of Architectural Style and Design Guidelines for use by the City Historic Preservation Board when doing design review of designated historic structures and for property owners of historic and potentially historic structures to use when making renovations to their properties.



The City's Explore Historic Titusville booklet, mobile phone app and web site (<http://history.titusville.com>), which provides walking/driving tours/audio recordings of historic resources of the City from the area's first indigenous inhabitants to the Space Program, was awarded a Florida Preservation 2022 award for Preservation Communication/Media. The majority of the historical and historic landmarks in the booklet, app and web site walking/driving tour are found in the Redevelopment District. The Explore Historic Titusville is an ongoing positive activity generator in the CRA District. This program is funded by the Historic Preservation budget.

This program implements the City of Titusville's CRA Plan goal 3.1, objective 3.1.1, policy 3.1.1.1, policy 3.1.1.3, and policy 3.1.1.5.

Land Use Development Review Activities

One of the duties of the CRA Agency is to provide input and recommendations to the City Council on land use decisions occurring in the redevelopment district. A summary of the land use activities that the CRA was involved in during FY 2024 as follows:

- CUP #3-2024 – A conditional use permit (CUP) was approved with conditions allowing a Vehicle for Hire permit for a tow truck service to operate at 1210 South Hopkins Avenue, Unit B. This conditional use was approved with the condition that a solid, opaque fence made of material other than chain link shall be provided around the perimeter of any vehicle storage areas.
- The CRA provided input and approved Comprehensive Plan Amendments including changes to the Downtown Mixed Use zoning district to include a density pool. This update will help with redevelopment in the CRA by calculating density by the redevelopment district area instead of per parcel.

These activities implement the City of Titusville's CRA Plan objective 8.1.1, polity 8.1.1.1, and policy 8.1.1.4.

Downtown Directory Kiosks

The CRA approved and installed two (2) new downtown directory kiosks that have the same design theme and colors utilized throughout the City for branding purposes. The new directory maps in the kiosks are a new updated design with colors in line with the Titusville Palette. The City of Titusville CRA is continuing efforts to market our local businesses, our trails, and amenities. These improvements and enhancements address the redevelopment strategy of reinforcing the CRA branding and marketing and reinforcing connections. The total cost for this project in FY 2024 was approximately \$22,958.

This project implements the City of Titusville's CRA Plan policy 3.2.1.2, policy 3.4.1.3, policy 3.4.1.5, objective 4.1.2, objective 4.2.2, and policy 4.2.2.2.



Streetlight Pole Banners

In FY 2024 the Community Redevelopment Agency approved the purchase of 176 streetlight pole banners for branding within the CRA District. The banners have 8 themes featuring history, nature, space, and amenities for branding. The banners were purchased in FY 2024 for \$6,739 and will be installed in FY 2025.

This project implements the City of Titusville's CRA Plan goal 3.1, objective 3.4.1, policy 3.4.1.3, objective 4.2.2, and goal 5.2.



Safety Cameras

As part of a Titusville Police Department (TPD) crime prevention initiative, calls for service data analysis was conducted of the CRA in FY 2024. During this data analysis hot spots were identified in 2 parks within the Community Redevelopment Agency District. The CRA Board approved the funding and installation of two (2) Flock Safety Cameras in these parks to deter crime, solve crime, and increase public safety overall. The cost for these cameras in FY 2024 was \$19,458.

This project implements City of Titusville's CRA Plan objective 4.2.2, goal 5.1, objective 6.3.1, policy 7.1.1.1, policy 7.1.1.4, and policy 7.1.1.8.



Sand Point Park Baffle Box

In FY 2024 the CRA approved the installation of a baffle box demonstration project located within Sand Point Park within the CRA near the Indian River Lagoon. A Baffle Box is a structure with a series of settling chambers whose primary function is to remove sediment, debris, trash, and their associated pollutants from stormwater. The box is then vacuum cleaned, and the material is properly disposed of, preventing the sediment, debris and trash from ever entering the Lagoon. This box also includes a filtration media used to remove total nitrogen (TN), total phosphorus (TP), total suspended solids (TSS), and pathogens from the water before it enters the Indian River Lagoon. What makes this box different from the 12 other boxes the City already has installed is that this box has an observation top instead of the regular top. This top allows the citizens to see inside the box and observe the treatment process in action. It is a great educational tool to help inform citizens about all of the projects that are being implemented to help improve the health of the Indian River Lagoon. This project was funded by the Brevard County's Save our Indian River Lagoon Plan and the Florida Department of Environmental Protection.



This project implements the City of Titusville's CRA Plan objective 5.4.1, objective 6.1.1, objective 6.3.1, objective 6.4.1, and objective 6.4.1.3.
Sand Point Park Demonstration Baffle Box

CRA Community Outreach Meeting

On January 29, 2024, a CRA Community Outreach meeting was held to discuss proposed updates to the Goals, Objectives and Policies of the Downtown in the Titusville Comprehensive Plan at St. Gabriel's Episcopal Church in downtown. Staff and the attendees also discussed and promoted the CRA Commercial Grants available in the CRA. This meeting was a positive event with attendees sharing ideas and concepts for the future. These meetings are ongoing. The cost for this program was approximately \$250.

This program implements the City of Titusville's CRA Plan goal 4.3, objective 4.3.1, policy 4.3.1.1, and policy 4.3.2.2.



New Construction & Businesses

A goal of the City's CRA Plan is to encourage private sector investment in the CRA. New building construction and major renovation work to existing buildings helps the City in combating blight. It also encourages others to invest in the CRA. A total of approximately thirty-four (34) new Business Tax Receipts (BTR) were approved in the CRA District during the fiscal year. The following are examples of new businesses and major renovation and construction activity that has occurred in FY 2024 in the CRA District:



Space Coast Ceramics



Burger Robs

Stage 2

The Titusville Playhouse located in the CRA District built an outdoor concert and stage venue in FY 2024, named Stage 2. The completion of Stage 2, a covered pavilion seating 300, more than doubled the operating capacity of Titusville Playhouse, enabling two stage productions to run simultaneously. The project represents an investment of more than \$1.2 million by Titusville Playhouse in its downtown performing arts center. Construction of the venue was assisted with a \$400,000 grant from Florida's Division of Arts and Culture.



Launch Now Mixed-Use Development

The two buildings at 300-310 South Washington Street, both originally constructed in 1924, are contributing buildings to the National Registry of Historic Places in Titusville and a designated site within the Community Redevelopment Agency District. The buildings are over 2200 square feet and rest on .739/acre. Due to neglect, the buildings were nearly vacant in 2017. Launch Now, LLC closed on the property in 2017 and proposed the revitalization and rehabilitation of the properties to promote the economic, cultural, education, aesthetic and general welfare of the community. By protecting, enhancing and upgrading these important historical buildings, history has been acknowledged while building for the future with the explicit goals of increasing the occupancy rates, economic vitality, and property values within the CRA. The renovation of the buildings into a mixed use of commercial and residential uses was completed in FY 2024. This project includes twenty (20) boutique style apartments upstairs, and commercial, retail and office space on the ground floor. This project received \$140,000 in matching grant funding from the Titusville CRA, and approximately \$450,000 from the North Brevard Economic Development Zone to assist in the rehabilitation and revitalization of these historic properties. This completed project was over a \$6 million investment in historic downtown Titusville and the CRA.



Summary of Redevelopment Plan Goals Achievement

State legislation requires a summary indicating to what extent, if any, the community redevelopment agency has achieved the goals set out in its redevelopment plan. As noted above an update to the 2015 Redevelopment Plan Update was prepared in FY 2022 and adopted in Fiscal Year 2023. A summary of the plans, goals, and achievements is as follows.

Administration of the CRA

Administration of the CRA includes effectively utilizing Tax Increment Financing (TIF) for the administration and operation of the Community Redevelopment Agency. During FY 2024, this goal has been met through the many Capital and Non-Capital Improvement Projects completed and still in progress in addition to CRA Grants awarded for qualified commercial projects. The CRA continues collaboration with other agencies such as the North Brevard Economic Development Zone, Space Coast Transit, Titusville Area Chamber of Commerce, Florida Department of Transportation, and others to foster redevelopment in the downtown. In FY 2024, the CRA maintained the professional level of staffing with the replacement CRA Planner earning the FRA-RP designation through training and testing utilizing the Florida Redevelopment Association Academy. Administration of the CRA goals includes keeping compliant with CRA legal requirements by posting the budget, advertising requirements, hosting Community Redevelopment Agency documents online for public access, internal auditing, adhering, and executing the updated adopted CRA Plan, etc. The CRA has increased the transparency of Community Redevelopment Agency operations by hosting Community Outreach workshops and visiting businesses within the CRA District.

Housing

The housing goal involves promoting, encouraging, and incentivizing residential development and occupancy within the CRA. The CRA worked to attain this goal with the Launch Now development with the assistance of the CRA Grant Program. Launch Now provides twenty (20) new boutique apartment units in a mixed-use building in the heart of the Historic Downtown. The Launch Now project with the assistance of CRA Building Program grants was completed in fiscal year 2024. A second residential development with 384 total multifamily units known as Horizon at Sand Point is in the Building Permit stage and is taking advantage of the increase in residential density and building height in the Uptown Subdistrict of the CRA. The CRA provided design approval of the Horizon development in Fiscal Year 2021. The Horizon at Sand Point developer has acquired additional adjacent property in FY 2022 and revised their site plan during Fiscal Year 2023. Construction is estimated to begin in the Fiscal Year 2025. More residential, including workforce, and low & moderate housing are needed as pointed out in the City's Strategic Economic Development Plan to make the CRA more vibrant.

Community and Culture

The Community Redevelopment Agency coordinated with the Historic Preservation Board in FY 2023 to create an Architectural Design Guidelines manual to assist in maintaining historic structures downtown. The CRA continues to encourage and support the rehabilitation and adaptive reuse of historic buildings within the Community Redevelopment Area. The CRA held on-going meetings with the Titusville Playhouse Inc regarding the theater's expansion plans. In FY 2024, the CRA supported the proposed Titusville Playhouse expansions conceptual plans. The Titusville Playhouse has purchased property in the Julia Street – Palm Avenue area and has plans to create an entertainment Arts District in that area with plans to add a new 500 seat theater, a 150-seat black box theater, an outdoor concert and stage venue which was completed in FY 2024, and other ancillary uses including eating and drinking establishments which will add to the vibrancy of the downtown.

The CRA will need to consider additional public infrastructure to help make this area an entertainment district. The CRA has supported the arts by encouraging murals on buildings in the CRA. In addition,

there has been increased tourist activity in the CRA with an increase of rocket launches at the Kennedy Space Center. Based on the increase in launches, improvements were made in Scobie Park including benches and public binoculars for viewing of nature and rocket launches by visitors and residents. The Space View Pier connecting two (2) existing parks separated by water has become a waterfront destination for residents and visitors wanting to view rocket launches and take in the scenic view of the Indian River Lagoon. The Space View Pier Project was completed in FY 2024. The Community Redevelopment Agency held a well-attended community outreach workshop to engage the community and business owners to discuss the future of the downtown area and proposed projects, and available commercial building grants. CRA staff implemented a business retention program in FY 2024.

Economic Development

The CRA has worked in coordination with the City of Titusville's Economic Development Department, the Titusville Area Chamber of Commerce, and the North Brevard Economic Development Zone, to recruit and retain businesses and encourage private-sector investment in the CRA. The CRA has supported efforts of adaptive reuse and repurposing of underused commercial, historic, and public-owned structures into more intense uses. The goal of the CRA's Commercial Beautification & Structural Rehabilitation Grant Program is to provide incentives to existing and new property owners to upgrade the exteriors for aesthetics, interiors to meet code requirements, and to incentivize new construction that will ultimately lead to higher occupancy rates, increased property values and is an economic development tool that has proven to be successful. The Community Redevelopment Agency has continued to educate the public about the Community Redevelopment Agency's business support offerings to build awareness of the business environment and programming available within the CRA by hosting community outreach meetings.

The CRA District is home to many of the City's historic resources. The preservation of these historic resources in the Community Redevelopment District adds to the City's pride and created pedestrian and visitor appeal, which provided economic development for the City. The City's Explore Historic Titusville booklet, mobile phone app and web site (<http://history.titusville.com>) provides walking/driving tours/audio recordings of historic resources of the City from the area's first indigenous inhabitants to the Space Program. The booklet and walking/driving tours help to identify the City's historic resources and will help to provide economic development with visitors touring the city's historic landmarks and visiting city businesses while touring the City. The majority of the historical and historic landmarks in the booklet, app and web site walking/driving tour are found in the Redevelopment District.

Florida visitors spend billions visiting historic sites (Economic Impacts of Historic Preservation in Florida update 2010, Center for Governmental Responsibility, University of Florida Levin College of Law, page 7). The CRA has continued updating the City of Titusville Welcome Center graphics for visitors and updating the downtown business directory kiosks. In FY 2024 new graphics and downtown business directory kiosks were installed by the CRA. Also in FY 2024, new street banners were purchased by the Community Redevelopment Agency and attached to pedestrian light poles in the district. The new graphics include downtown activities such as music, dining, history, culture, space, and the environment. The installation of banners on a seasonal and on a replacement basis due to weathering and age will be a continuing activity that adds to the vibrancy of the City.

Public Spaces

The Community Redevelopment Agency continues to create safe and accessible public spaces within the CRA. With the completion of Scobie Park improvements with benches and public binoculars for viewing of nature and rocket launches, residents and visitors have places to enjoy being in the gateway to nature and space. The Space View Pier connecting two (2) existing parks separated by water has become a waterfront destination for residents and visitors wanting to view rocket launches and take in the scenic view of the Indian River Lagoon. A 960 square foot Native Vegetation Buffer Zone has been created at Sand Point Park is located in the CRA District. Other Park improvements have included a splash pad,

BMX bicycle track, skateboard facility, and others over the years. In Fiscal Year 2022 in partnership with the North Brevard County Parks and Recreation staff, the CRA installed twelve (12) park benches in Sand Park and two (2) shade structures at the dog park in Marina Park. Long range plans call for a waterfront trail to connect recreational sites to the downtown and to areas to the south. The CRA worked with the Florida Department of Transportation to install a non-motorized vehicle and Pedestrian continuous counter on the Downtown Connector Trail on Indian River Avenue between Orange Avenue and Broad Street located in the CRA in September 2023.

Infrastructure

During the fiscal year the water resources utilities infrastructure slip lining project was completed. This project was a gravity sewer main and manhole rehabilitation by using cured in place slip lining technology. Also completed in FY 2024 was a sidewalk infill project based on an Americans with Disabilities (ADA) study. Construction for the Indian River Force Main Project started August 2023. The project includes replacing a 12-inch sewer line with a new 16-inch sewer line of approximately 8,000 feet of existing sewer force main from South Street to the Osprey Water Reclamation Facility on Buffalo Road in north Titusville. The force main replacement started at the intersection of South Street and Indian River Avenue and will continue north under the Max Brewer Causeway, U S Highway 1, and even a portion of the FEC railroad, ending at the Osprey Facility. The CRA approved the engineering firm for Project Manager and approved the award of contract for the construction of the Space View Park Pier in Fiscal Year 2023. The Space View Pier connects two (2) existing parks separated by water and has become a waterfront destination for residents and visitors wanting to view rocket launches and take in the scenic view of the Indian River Lagoon. The Community Redevelopment Agency continued in 2024 to partner with the City of Titusville Public Works and Water Resources to upgrade critical areas to protect the Indian River Lagoon utilizing proposed tree box filters, baffle boxes, slip lining sewer and stormwater lines, and native vegetation. Streetscaping of side streets will become a major goal of the new Plan that was adopted in FY 2023.

Public Health & Safety

Community Policing is an ongoing endeavor in the CRA. Special details to combat homeless and panhandling issues, traffic issues like speeding on S. Washington Avenue and S. Hopkins Avenue, burglaries, prostitution solicitation issues, etc. will be needed to continue to make the CRA a safe place to live, work, visit, invest, and play. Cameras were installed in FY 2022 in three (3) strategic areas of the CRA as a pilot project will help the Police Department in solving traffic incidents and crimes, and thus help in reducing criminal activities. Future expansion of the cameras in the CRA is being studied. The Police Department has also used mail-outs and banner signs to promote various crime prevention campaigns such as "Lock It or Lose It", "Click It or Ticket", and variable message board signs to promote traffic safety in the redevelopment district. In Fiscal Year 2023 the Police Department implemented the Business Trespass Program which authorizes Titusville police officers to advise any person to leave the business premises if the business has registered for this voluntary program. In FY 2023, it has been determined that calls for service in reference to unwanted persons on registered properties decreased by 30%. In FY 2024, the Police Department continued the Crime Prevention Through Environment Design (CPTED) surveys for CRA businesses. In FY 2024, two (2) flock cameras were installed in public parks in the CRA District. The locations were determined by a study conducted by the Titusville Police Department and Code Enforcement and presented to the CRA Board.

Regulatory Environment

In Fiscal Year 2024 the Community Redevelopment Agency has approved and adopted a Comprehensive Plan update to help with redevelopment in the CRA by counting density by redevelopment district area and not per property, known as the Downtown Density Pool. The proposed Downtown Density Pool is an incentive for increased housing and development in the CRA. The Community Redevelopment Agency continues to encourage and incentive Low Impact

Development (LID). LID is a comprehensive land planning and engineering design approach that reduces runoff and utilizes infiltration techniques before the runoff reaches the stormwater facility and protecting the Indian River Lagoon.

Financial Audit Information

The financial information for the Titusville CRA on the following pages is as reported by the independent auditing firm of James Moore & Company, 121 Executive Circle, Daytona Beach, Florida, 32114. The data was taken from the City of Titusville's Comprehensive Annual Financial Report, Fiscal Year ended September 30, 2024. The financial statement provides information on the Agency's assets, liabilities, income, and operating expenses as of the end of fiscal year 2023 – 2024 in accordance with Chapter 163, Part III, Florida Statutes. Total expenditures from the Redevelopment Trust Fund in the fiscal year were \$1,881,586.

An audit report of the CRA's FY2023 - 2024 expenditures by the James Moore & Company is also included in this financial section of the Annual Report.

The total amount of funds expended for affordable housing for low income and middle-income persons and families was zero (0) in the CRA. It should be noted that the CRA adopted a new Redevelopment Plan in October 2022 which provides for new CRA Housing Policies regarding providing for low and moderate and workforce housing in the CRA district. In FY 2024, the Community Redevelopment Agency approved Comprehensive Plan Amendments including changes to the Downtown Mixed Use zoning district to include a density pool. This update is a redevelopment tool to incentivize development for multi-family dwellings and affordable housing in the CRA district. The CRA currently has a grant incentive for interior improvements such as ADA, Plumbing, Electrical, and HVAC to existing buildings to be brought up to code for mixed use buildings and or the conversion of commercial buildings to mixed use that can be used to help provide for low and moderate and workforce housing units. The Building Permit and Impact Fee Grant program can also be utilized to assist in the development of new low- and moderate-income housing in the redevelopment district. The CRA can also provide incentives such as tax increment reimbursement to potential low and moderate housing projects in the CRA district on a case-by-case basis.

TITUSVILE COMMUNITY REDEVELOPMENT AGENCY
FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
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INDEPENDENT AUDITORS' REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Titusville Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA'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 the governmental activities and each major fund of the CRA, as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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* (GAS), 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 the CRA, 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 opinions.

Responsibilities of Management for the Financial Statements

The CRA'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 the CRA'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 opinions. 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 and GAS 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 and GAS, 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 the CRA'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 the CRA'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.

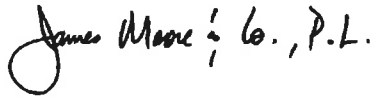
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 March 19, 2025, on our consideration of the CRA'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 the CRA's internal control over financial reporting and compliance.

Daytona Beach, Florida
March 19, 2025

James Moore & Co., P.L.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Titusville Community Redevelopment Agency's (the CRA) management's discussion and analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the CRA's financial activity, (c) identify changes in the CRA's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on current year activities, resulting changes, and currently known facts, it should be read in conjunction with the CRA's financial statements which follow this section.

Financial Highlights

- The assets of the CRA exceeded its liabilities at September 30, 2024, by \$1,250,597 (net position). Of this amount, \$497,973 represents the net investment in capital assets, and \$752,624 was restricted for redevelopment purposes.
- As of September 30, 2024, the CRA reported ending fund balances of \$1,250,597. Fund balance saw a change of \$(830,267) when compared to the prior year.

The MD&A is intended to serve as an introduction to the CRA's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Overview of the Financial Statements

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) government-wide and fund financial statements, 3) notes to the financial statements, and 4) required supplementary information.

Government-wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the CRA's finances in a manner similar to a private-sector business. The governmental activities of the CRA include reinvesting into the community redevelopment district.

The statement of net position presents information on all of the CRA's assets and liabilities, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported using the modified cash basis of accounting.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

Statement of Net Position

The following is a summary of the CRA's governmental activities net position for each of the past two years:

	Governmental Activities	
	2024	2023
ASSETS		
Current and other assets	\$ 800,111	\$ 1,595,577
Capital assets	497,973	510,495
Total assets	<u>\$ 1,298,084</u>	<u>\$ 2,106,072</u>
LIABILITIES		
Current liabilities	\$ 47,487	\$ 25,208
Total liabilities	<u>\$ 47,487</u>	<u>\$ 25,208</u>
NET POSITION		
Net investment in capital assets	\$ 497,973	\$ 510,495
Restricted	752,624	1,570,369
Total net position	<u>\$ 1,250,597</u>	<u>\$ 2,080,864</u>

Statement of Activities

The following is a summary of the changes in the CRA's governmental activities net position for each of the past two years:

	Governmental Activities	
	2024	2023
REVENUES		
Property taxes	\$ 1,088,637	\$ 1,038,731
Other revenues	80,722	46,134
Total revenues	<u>1,169,359</u>	<u>1,084,865</u>
EXPENSES		
Community development	631,272	560,764
Capital outlay	1,250,314	243,857
Total expenses	<u>1,881,586</u>	<u>804,621</u>
Net income before transfers	(712,227)	280,244
Transfers from primary government	-	216,202
Transfers to primary government	(118,040)	(120,950)
Change in net position	(830,267)	375,496
Net position, beginning of year	2,080,864	1,705,368
Net position, end of year	<u>\$ 1,250,597</u>	<u>\$ 2,080,864</u>

Financial Analysis of the General Fund

The focus of the CRA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CRA's general fund reported an ending fund balance of \$1,250,597, a change of \$(830,267), in comparison with the prior year.

At the end of the current fiscal year, the entire fund balance was restricted for community development. As the CRA is focused on reinvestment revenues into the CRA district and does not have significant annual operational costs, the CRA does not maintain specific reserve levels for operations.

General Fund Budgetary Highlights

There were significant amendments between the original and the final CRA budget, which were to provide for spending authority of an additional \$1,570,369 in capital expenditures.

Actual expenditures in the general fund were \$792,099 less than final budget amounts. The main reason for this is due to the timing of capital project and other one-time expenditures.

Budgetary comparisons between the final budget and actual results can be found on page 15 of this report.

Economic Factors and Next Year's Budget

There are many challenges facing local governments today. Property values have continued to increase in recent years, contributing to related growth in the revenues of the CRA. While property values for the subsequent fiscal year have increased, continually changing conditions in the real estate market make the future of the CRA's finances uncertain.

Requests for Information

This report is designed to provide an overview of the CRA's finances for those with an interest in this area. Questions concerning any of the information found in this report, or requests for additional information, should be directed to the City of Titusville.

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
BALANCE SHEET / STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	<u>Balance Sheet</u> <u>General</u> <u>Fund</u>	<u>Adjustments</u>	<u>Statement of</u> <u>Net Position</u> <u>Governmental</u> <u>Activities</u>
ASSETS			
Equity in pooled cash and investments	\$ 800,111	\$ -	\$ 800,111
Capital assets:			
Non-depreciable	-	200,000	200,000
Depreciable, net	-	297,973	297,973
Total assets	<u>\$ 800,111</u>	<u>\$ 497,973</u>	<u>\$ 1,298,084</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 47,487	\$ -	\$ 47,487
Total liabilities	<u>47,487</u>	<u>-</u>	<u>47,487</u>
FUND BALANCE / NET POSITION			
Fund Balance:			
Restricted for:			
Community redevelopment	752,624	(752,624)	-
Net Position:			
Net investment in capital assets	-	497,973	497,973
Restricted for:			
Community redevelopment	-	752,624	752,624
Total fund balance / net position	<u>752,624</u>	<u>497,973</u>	<u>1,250,597</u>
Total liabilities and fund balance / net position	<u>\$ 800,111</u>	<u>\$ 497,973</u>	<u>\$ 1,298,084</u>

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

TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE /
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Statement of Revenues, Expenditures, and Changes in Fund Balance	Total Governmental Funds		Statement of Activities Governmental Activities
	General Fund		Adjustments	
Revenues				
Taxes	\$ 1,088,637	\$ 1,088,637	\$ -	\$ 1,088,637
Investment income (loss)	76,582	76,582	-	76,582
Miscellaneous	4,140	4,140	-	4,140
Total revenues	<u>1,169,359</u>	<u>1,169,359</u>	<u>-</u>	<u>1,169,359</u>
Expenditures / expenses				
Current:				
Community development	618,750	618,750		618,750
Capital outlay	1,250,314	1,250,314	-	1,250,314
Depreciation	-	-	12,522	12,522
Total expenditures / expenses	<u>1,869,064</u>	<u>1,869,064</u>	<u>12,522</u>	<u>1,881,586</u>
Excess (deficiency) of revenues over expenditures / operating income (loss)	<u>(699,705)</u>	<u>(699,705)</u>	<u>(12,522)</u>	<u>(712,227)</u>
Other financing sources (uses)				
Transfers in from primary government	-	-	-	-
Transfers out to primary government	(118,040)	(118,040)	-	(118,040)
Total other financing sources (uses)	<u>(118,040)</u>	<u>(118,040)</u>	<u>-</u>	<u>(118,040)</u>
Net change in fund balance / net position	<u>(817,745)</u>	<u>(817,745)</u>	<u>(12,522)</u>	<u>(830,267)</u>
Fund balance / net position, beginning of year	1,570,369	1,570,369	510,495	2,080,864
Fund balance / net position, end of year	<u>\$ 752,624</u>	<u>\$ 752,624</u>	<u>\$ 497,973</u>	<u>\$ 1,250,597</u>

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

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

(1) Summary of Significant Accounting Policies:

The financial statements of the Titusville Community Redevelopment Agency (the CRA), have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles and the CRA has adopted the GASB Codification. The following is a summary of the CRA's significant accounting policies:

(a) **Reporting entity**—The Titusville Community Redevelopment Agency was created by Ordinance 66-1982 of the City of Titusville, Florida (City) per Chapter 163 Part III of the Florida Statutes. Pursuant to Florida Statute 163.387, the Community Redevelopment Agency has to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the designated community redevelopment area. Since the City is financially accountable for the activities of the CRA, its governing board is substantially the same (the City Council plus two additional appointed members), and its relationship to the CRA is significant, the CRA is considered to be a blended component unit in the City's financial statements, where it is also reported as a major special revenue fund.

The CRA has determined there are no component units that meet criteria for inclusion in the CRA's financial statements.

(b) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the CRA. The CRA only has governmental activities and does not engage in any business-type activity. Direct expenses are those that are clearly identifiable with a specific function or segment. General revenues include ad valorem taxes and interest income. Fund financial statements are presented for the CRA's General Fund. The General Fund, which accounts for all financial operations of the CRA, is considered to be a major fund and is the only fund of the CRA.

(c) **Measurement focus, basis of accounting, and financial statement presentation**—The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the CRA considers property revenues to be available if they are collected within 60 days of the end of the current period. Grants, other intergovernmental revenues, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, expenditures related to long-term agreements are recorded only when payment is due.

(d) **Budgets and budgetary accounting**—The governing board of the CRA adopts an annual operating budget, which is prepared on a modified accrual basis and can be amended by the board throughout the year. At the fund level, actual expenditures cannot exceed the budgeted amounts. The accompanying budgeted financial statements for the General Fund reflect the final budget authorization amounts, including all amendments.

TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

(e) **Deposits and investments**—The CRA's cash and cash equivalents include cash on hand, demand deposits and short-term investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

(f) **Receivables and payables**—Activity between the CRA and the City has been classified as amount due to/from the primary government on the balance sheet and statement of net position. All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of outstanding balances and historical trends. At September 30, 2024, all of the CRA's receivables were considered fully collectible.

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

(h) **Capital assets**— The CRA owns limited capital assets. The majority of capital outlay expenditures made by the CRA are deemed to be on behalf of the City who takes ownership of the assets along with the perpetual maintenance obligation for those assets. Capital assets owned by the CRA, which land and buildings, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, but charged to operating expense as incurred. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30 years

(i) **Long-term obligations**—The CRA does not have any legal indebtedness. Any use of funds for debt service represents payments toward long-term debt issued in the name of the City for which CRA revenues have been pledged.

The CRA does not have any employees. Any employees who provide services to the CRA are employees of the primary government and do so at either no charge to the CRA, or any allocations made to the CRA represent reimbursements by the CRA to the primary government for services rendered (any items recorded to personnel expense accounts are only for ease of tracking the reimbursement amounts). As a result, there is no compensated absences, other post-employment benefits (OPEB), or pension liabilities recorded on the CRA's financial statements.

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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

(j) **Fund balance**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable – amounts not available to be spent or not in spendable form, such as inventory and prepaid items.

Restricted – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts constrained to specific purposes based on actions taken by the CRA governing board through ordinance.

Assigned – amounts the CRA intends to use for a specific purpose. Intent can be expressed by the CRA governing board or by an official or body which the Board delegates authority.

Unassigned – amounts that are available for any purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available; the CRA considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds and finally, unassigned funds, as needed.

(k) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The CRA has no items that meet this reporting criteria.

(l) In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The CRA has no items that meet this reporting criteria.

(m) **Net position flow assumption**—Sometimes the CRA will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the CRA's policy to consider restricted net position to have been used before unrestricted net position is applied.

(n) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

**TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

(2) **Reconciliation of Government-Wide and Fund Financial Statements:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is as follows: capital assets used in governmental activities are not financial resources and, therefore, not reported in the governmental funds.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is as follows: governmental funds report capital outlays as expenditures, however, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.

(3) **Deposits and Investments:**

The CRA is subject to the investment policy of the primary government and maintains interest-bearing banking accounts for substantially all CRA funds. Additional accounts are held for various other purposes, or to segregate cash balances for amounts which are restricted or held on behalf of others. State statutes authorize the CRA to invest excess funds in time deposits, or obligations of the principal and interest of which are unconditionally guaranteed by, the United States Government, commercial paper, corporate bonds, repurchase agreements and/or the State Board of Administration (SBA) Local Government Surplus Trust Fund Investment Pool or other investment vehicles authorized by local ordinance.

As of September 30, 2024, all CRA deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required if deemed necessary.

All of the CRA's deposits are held with public depositories and as of September 30, 2024, the CRA's deposits and investments were not subject to any substantial interest rate, credit, or concentration risks.

TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

(4) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2024, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated –				
Land	\$ 200,000	\$ -	\$ -	\$ 200,000
Total capital assets, not being depreciated	200,000	-	-	200,000
Capital assets, being depreciated –				
Buildings and improvements	376,710	-	-	376,710
Less accumulated depreciation for–				
Buildings and improvements	(66,215)	(12,522)	-	(78,737)
Total capital assets, being depreciated, net	310,495	(12,522)	-	297,973
Governmental activities capital assets, net	<u>\$ 510,495</u>	<u>\$ (12,522)</u>	<u>\$ -</u>	<u>\$ 497,973</u>

Depreciation expense of \$12,522 was charged to the community development function.

(5) Commitments and Contingencies:

The CRA is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2024. The outcomes of established claims are included in these financial statements. In the opinion of the CRA and the primary government's legal counsel, no legal proceedings are pending or threatened against the CRA which are not covered by applicable insurance which would inhibit its ability to perform its operations or materially affect its financial condition.

The CRA 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, all of which is satisfactorily insured by limited risk, high deductible commercial general liability insurance. Commercial insurance policies are also obtained for other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

(6) Recent Accounting Pronouncements:

The Governmental Accounting Standards Board ("GASB") has issued pronouncements that have effective dates that may impact future financial statements. The Shelter has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements, does not believe that any other new or modified principles will have a material impact on the Shelter's reported financial position or operations in the near term.

- (a) GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. GASB Statement No. 102 amends GASB Statement No. 62 regarding the disclosure of a government's vulnerability to risks related to certain concentrations and constraints that limit its ability to acquire resources or control spending. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024.
- (b) GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of GASB 103 improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

REQUIRED SUPPLEMENTARY INFORMATION

TITUSVILLE COMMUNITY REDEVELOPMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 1,096,547	\$ 1,096,547	\$ 1,088,637	\$ (7,910)
Investment income (loss)	-	-	76,582	76,582
Miscellaneous	-	-	4,140	4,140
Total revenues	<u>1,096,547</u>	<u>1,096,547</u>	<u>1,169,359</u>	<u>72,812</u>
Expenditures				
Current:				
Community Development	385,098	656,078	618,750	37,328
Capital outlay	593,409	1,892,798	1,250,314	642,484
Total expenditures	<u>978,507</u>	<u>2,548,876</u>	<u>1,869,064</u>	<u>679,812</u>
Excess (deficiency) of revenues over expenditures	<u>118,040</u>	<u>(1,452,329)</u>	<u>(699,705)</u>	<u>752,624</u>
Other financing sources (uses)				
Transfers out to primary government	(118,040)	(118,040)	(118,040)	-
Total other financing sources (uses)	<u>(118,040)</u>	<u>(118,040)</u>	<u>(118,040)</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(1,570,369)</u>	<u>(817,745)</u>	<u>752,624</u>
Fund balances, beginning of year	1,570,369	1,570,369	1,570,369	-
Fund balances, end of year	<u>\$ 1,570,369</u>	<u>\$ -</u>	<u>\$ 752,624</u>	<u>\$ 752,624</u>



**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 Governing Board,
Titusville Community Redevelopment Agency:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of the Titusville Community Redevelopment Agency (the CRA), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements and have issued our report thereon dated March 19, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA'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 the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 CRA'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. 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. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA'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.

James Moore & Co., P.L.

Daytona Beach, Florida
March 19, 2025



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Governing Board,
Titusville Community Redevelopment Agency:

Report on the Financial Statements

We have audited the basic financial statements of the Titusville Community Redevelopment Agency (the CRA), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 19, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 19, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding annual financial audit report. No findings were noted in the preceding financial audit report or second preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The legal authority for the CRA is disclosed in Note 1 of the basic financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the CRA, did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA'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.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have such recommendations.

Property Assessed Clean Energy (PACE) Programs

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the District did not have a property assessed clean energy (PACE) program that finances qualifying improvements authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the District's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

Specific Special District Information – Titusville Community Redevelopment Agency

The required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the CRA have been reported in the separately-issued audited financial statements of the CRA.

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the CRA reported the following unaudited data:

- a) The total number of district employees compensated in the last pay period of the district's fiscal year: 3 (City employees dedicated to CRA functions).
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year: -0-.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$117,995 paid to City to reimburse for City employee services provided.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$-0-.
- e) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - a. Sidewalk Infill \$66,541
 - b. Utilities Infrastructure - Slip Lining \$137,018
 - c. Spaceview Park Pier \$1,027,957
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows: the district's original budget totaled \$1,096,547 and was amended by the total amount of \$1,570,369 for final budgeted expenditures of \$2,666,916.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the CRA's governing board and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Daytona Beach, Florida
March 19, 2025

James Moore & Co., P.L.



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Governing Board,
Titusville Community Redevelopment Agency:

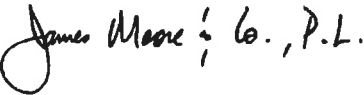
We have examined the Titusville Community Redevelopment Agency's (the CRA) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, and Sections 163.387(6) and (7), Florida Statutes, *Redevelopment Trust Fund* (collectively, the "Statutes"), for the year ended September 30, 2024. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluation the CRA's policies against the statutes, to determine the CRA's compliance and performing other procedures to obtain sufficient appropriate audit evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with attestation standards for a direct examination established by the American Institute of Certified Public Accountants. Those standards require that we obtain reasonable assurance by evaluating the CRA's policies against the Statutes, and performing procedures to obtain sufficient appropriate evidence to express an opinion that conveys the result of our measurement or evaluation of the CRA's compliance for the year ended September 30, 2024. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the CRA, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, the CRA complied with the aforementioned requirements for the year ended September 30, 2024, in all material respects.

Daytona Beach, Florida
March 19, 2025

James Moore & Co., P.L.

City of Titusville

"Gateway to Nature and Space"

555 SOUTH WASHINGTON AVENUE
TITUSVILLE, FLORIDA 32796-3584
POST OFFICE BOX 2806 (32781-2806)



Community Development

www.titusville.com

May 14, 2025

Brevard County Board of County Commissioners
C/O Katherine Wall, Brevard County Manager's Office
2725 Judge Fran Jamieson Way
Viera, Florida 32940

Re: City of Titusville FY2025 CRA Budget Amendment

Dear Katherine Wall,

Per Section 164.387 of the Florida Statutes which requires the submittal of Community Redevelopment Agency's (CRA) annual budgets and any budget amendments to be sent to the Board of County Commissioners for the County within which the agency is located. The City of Titusville CRA has enclosed a copy of Titusville CRA's budget amendment for FY2025. The budget amendment involves transferring the \$44,646 fund balance from 104-5555-515.46-01 CR2204, titled Landscape Improvements/US 1 Corridor to new project CR2502, titled Landscape Improvements. The new project will be dedicated to landscaping in the CRA. Please see enclosed supporting documentation. If you have any questions or comments, please contact me at (321-567-3860).

Sincerely,

Sue E. Williams, FRA-RP
Redevelopment Planner

Cc: Wanda Wells, City Clerk
Richard Broome, City Attorney

City of Titusville
"Gateway to Nature and Space"

REPORT

To: Members of the Community Redevelopment Agency *CRA*
From: Sue Williams, Redevelopment Planner
Subject: Budget Amendment for CRA - Landscape Improvements
Department/Office: Community Development

Recommended Action:

Recommend approval to the City Council for the Budget Amendment for \$44,646.00 to create new Project CR2502, Landscape Improvements and fund from Project CR2204, Landscape Improvements/US 1.

Summary Explanation & Background:

The Landscape Improvements/US 1 Corridor budget project line item is dedicated to landscaping in the FDOT right-of-way. Staff has reviewed the current list of projects, and recommends creating a new project number CR2502, titled Landscape Improvements, and moving all funds from project CR2204, titled Landscape Improvements/US 1 Corridor, to the new project. The new project will be dedicated to landscaping in the CRA. The Budget Amendment is for \$44,646.00.

Alternatives:

As the Board Desires.

Item Budgeted:

Yes

Source/Use of Funds/Budget Book Page:

104-5555-515.46-01 CR2204 Repairs and Maintenance - Landscape Improvements/US1

Strategic Plan:

This action addresses Goal 1.b Quality of life by enhancing the physical appearance of the City, Goal 4.c Economic Development to continue redevelopment efforts to eliminate blight, and Goal 5b. To continue the effectiveness of the CRA Board.

The streetscape landscaping maintenance program implements the City of Titusville's CRA Plan Objective 4.2.2, Policy 4.2.2.2, Policy 4.2.2.3, Goal 5.2, Policy 5.2.1.2, and Policy 5.2.1.3.

Strategic Plan Impact:

This action helps to protect the Community Redevelopment Agency's investments.

ATTACHMENTS:

None



CITY OF TITUSVILLE

COMMUNITY REDEVELOPMENT AGENCY
City Hall in Council Chambers
555 S. Washington Avenue Titusville, Florida 32796
Tuesday, May 13, 2025
5:30 PM

SUMMARY OF ACTION

Any person who decides to appeal any decision of the City Council with respect to any matter considered at this meeting will need a record of the proceedings, and for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Applicants for land use and zoning related items are advised that the resumes of staff members who prepare applicable staff reports are on file in the City Clerk's Office.

The City desires to accommodate persons with disabilities. Accordingly, any physically handicapped person, pursuant to Chapter 286.26 Florida Statutes, should, at least 48 hours prior to the meeting, submit a written request to the chairperson that the physically handicapped person desires to attend the meeting.

- 1. CALL TO ORDER**
- 2. DETERMINATION OF A QUORUM**
- 3. INVOCATION**
A moment of silence was held.

- 4. PLEDGE OF ALLEGIANCE**
- 5. APPROVAL OF MINUTES**
 - A. Minutes**

Approve the minutes of the regular Community Redevelopment Agency meeting on Tuesday, April 8, 2025.

Approved as submitted.

6. SPECIAL RECOGNITIONS AND PRESENTATIONS

7. OLD BUSINESS

A. Safety Cameras for the Welcome Center

Approve the "4K" resolution safety camera package and the Flock Safety Integration Gateway Wing Camera for the Welcome Center not to exceed \$7,500.00.

Approved as recommended.

8. NEW BUSINESS

A. Main Street Program

Direct the Executive Director to report back to the CRA research and findings related to re-establishing the City's Main Street district.

Approved as recommended.

B. Budget Amendment for CRA – Landscape Improvements

Recommend approval to the City Council for the Budget Amendment for \$44,646.00 to create new Project CR2502, Landscape Improvements and fund from Project CR2204, Landscape Improvements/US 1.

Approved as recommended.

9. PETITIONS AND REQUESTS FROM THE PUBLIC PRESENT

No action.

10. EXECUTIVE DIRECTORS REPORT

A. Executive Director's Report

The Executive Directors May Report is included in the agenda packet.

The Community Redevelopment Agency approved to utilize the funds from the budget amendment adjustment in the amount of \$98,527 from the CR 1605 Trail Town Amenities for staff to discuss the repair/maintenance of monuments, lighting and irrigation in Space View Park with the County and bring detailed contract back to the Community Redevelopment Agency for approval.

11. ADJOURNMENT

Meeting adjourned at 5:58 p.m.



CITY OF TITUSVILLE CITY COUNCIL SUMMARY OF ACTION

Regular Meeting
May 13, 2025 - 6:30 PM
Council Chamber at City Hall
555 South Washington Avenue, Titusville, FL 32796

Any person who decides to appeal any decision of the City Council with respect to any matter considered at this meeting will need a record of the proceedings, and for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Applicants for land use and zoning related items are advised that the resumes of staff members who prepare applicable staff reports are on file in the City Clerk's Office.

The City desires to accommodate persons with disabilities. Accordingly, any physically handicapped person, pursuant to Chapter 286.26 Florida Statutes, should, at least 48 hours prior to the meeting, submit a written request to the chairperson that the physically handicapped person desires to attend the meeting.

1. CALL TO ORDER

2. INVOCATION

A. Invocation

Executive Pastor Dustin Sams from the Grove Church will give the invocation.

Executive Pastor was unavailable; therefore, a moment of silence was held.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF MINUTES

A. Minutes

Approve the minutes of the regular City Council meetings on March 27, 2025 (6:30 p.m.) and April 22, 2025 (5:30 p.m.) and special City Council meeting on April 24, 2025.

Approved as submitted.

5. SPECIAL RECOGNITIONS & PRESENTATIONS

City Council Regular- May 13, 2025 (6:30 p.m.)

A. Proclamation - National Safe Boating Week

Mayor Connors will present a proclamation proclaiming 17-23 May 2025 as National Safe Boating Week.

No action.

In addition, Mayor Connors presented a proclamation to City Attorney Richard Broome on behalf of the City Council and citizens of Titusville extending sincere appreciation and gratitude for his many years of dedicated service and wished him a fulfilling and well-earned retirement.

6. BOARDS AND COMMISSIONS

7. PETITIONS AND REQUESTS FROM THE PUBLIC PRESENT (NON-AGENDA ITEMS)

Council directed the City Manager to request that the Titusville Police Department offer Ms. Samantha Charles the opportunity to privately view the available body camera footage related to the recent police involved shooting on February 7, 2025 accompanied by a support person of her choosing contingent upon the signing of a confidentiality or non-disclosure agreement.

No additional action items.

8. CONSENT AGENDA

A. Titusville Police Department Appropriation of Restricted Funds for Mobile Printers

Approve the release of restricted funds to allow for the purchase of mobile printers; approve the associated budget amendment; and approve the use of Sourcewell Contract #121923-CDW, effective through 02/27/2028, for the procurement of printers; and authorize staff to execute the purchase order.

Approved in accordance with recommendations.

B. Advisability - Revision of Code of Ordinances Section 9-8 Access for Fire Rescue/Combat Division, Lock Boxes

Approve the fire prevention division to revise and update Code of Ordinances Section 9-8 Access for fire rescue/combat division, lock boxes.

Approved in accordance with recommendations.

C. Advisability - New Fire Prevention Ordinance for Traffic-Calming Devices

Approve the fire prevention division to draft an ordinance for traffic-calming devices. This ordinance will include, but is not limited to: speed bumps, roundabouts, and other traffic-calming devices.

Approved in accordance with recommendations.

D. Advisability - Revise Land Development Regulations Section 30-258 Fire Hydrants

City Council Regular- May 13, 2025 (6:30 p.m.)

Approve the fire prevention division to revise and update Land Development Regulations Section 30-258 Fire Hydrants to reflect current Florida Fire Prevention Code.

Approved in accordance with recommendations.

E. Affordable Housing Assumption Agreement of Mortgage

Approve execution of Assumption Agreement between the City, North Brevard Charities Sharing Center, and Community of Hope for the transfer of HOME grant project.

Approved in accordance with recommendations.

F. Clean Vessel Act Grant, CVA25-003

Acknowledge the acceptance of the Clean Vessel Act Grant, CVA 25-003 with the State of Florida Department of Environmental Protection, and approve the Budget Amendment recognizing the grant value of \$26,838.63 and the City funded match of \$8,946.21.

Approved in accordance with recommendations.

G. Amendment No. 4 to Loan Agreement DW050331 between the City of Titusville and the Florida Department of Environmental Protection

Approve Amendment 4 to loan agreement DW050331 between the Florida Department of Environmental Protection and the City of Titusville and authorize the City Manager to execute the amendment.

Approved in accordance with recommendations.

H. Contract Assignment for the Spain Group SV23B029SM for Lawn Maintenance Water Production

Approve the transfer/assignment of Contract SV23B029 from the Spain Group, LLC to 1st Class Grass at an annual amount of \$34,000 and authorize the Mayor to execute the assignment.

Approved in accordance with recommendations.

I. Task Order #WPTO003 for Blue Heron Grit Bypass Line

Approve the award of Task Order #WPTO003 to Wright Pierce, Inc. in the amount of \$31,180.00 to provide engineering consulting services including, but not limited to, design, bidding services and permitting coordination of a bypass line for the grit system at the Blue Heron Wastewater Treatment Plant, and authorize the Mayor to execute the Task Order.

Approved in accordance with recommendations.

J. Task Order MHTO004 for the Blue Heron West Train Aeration Feasibility

Approve the award of Task Order MHTO004 to Mead and Hunt, in the amount of \$53,631 to provide engineering consulting services for a preliminary design of the Blue Heron West Train

City Council Regular- May 13, 2025 (6:30 p.m.)

Aeration and authorize the Mayor to execute the Task Order. In addition, approve the associated budget amendment required to fund the effort.

Approved in accordance with recommendations.

K. Use of Forfeiture Dollars to Fund Special Investigations - Resubmission

Approve the use of \$10,000 in forfeiture dollars to fund ongoing Special Investigations. In addition, approve the associated budget amendment.

Approved in accordance with recommendations.

L. Amendment 1 to Save our Indian River Lagoon (SOIRL) Cost Share Agreement 23-233

Approve Amendment #1 to grant agreement #SOIRL 23-233 between the City of Titusville and Brevard County in the amount of \$25,040. Additionally, approve the associated budget amendment and authorize the Mayor to execute the amendment to the agreement.

Approved in accordance with recommendations.

M. Emergency Purchase Order - Traffic Control Devices, LLC

Approve the emergency purchase order issued to Traffic Control Devices in the amount of \$47,502 for the emergency repair to the traffic signal at US1 and Pelican Point.

Approved in accordance with recommendations.

N. City of Titusville Fiscal Year 2026 Strategic Plan

Affirm the FY26 Strategic Plan Goals and Objectives as revised during the City Council Strategic Planning Workshop held on April 24, 2025.

Approved in accordance with recommendations.

O. Approve the addition of Matheny Fire & Emergency to the approved Vendor of Record (VOR) for Emergency Vehicle Repairs

Approve the addition of Matheny Fire & Emergency to the approved Vendor of Record (VOR) for Emergency Vehicle Repairs.

Approved in accordance with recommendations.

P. Budget Amendment for Community Redevelopment Agency (CRA) - Landscape Improvements

Approve budget amendment for \$44,646.00 to create new Project CR2502, Landscape Improvements and fund from Project CR2204, Landscape Improvements/US 1.

Approved in accordance with recommendations.

9. ORDINANCES – SECOND READING, PUBLIC HEARING AND RELATED ACTION

A. Ordinance No. 15-2025 - Expedited Residential Building Permits in Subdivisions

City of Titusville Budget Amendment/Transfer Form

Budget Amendment/Transfer Form

Source of Funds:			
FY2025			
Account Number	Project Number	Description	Budget Amendment/ Budget Transfer
104-5555-515.46-01-CR2204	CR2204	REPAIRS & MAINTENANCE/GENERAL	\$ (44,646)
		Total	\$ (44,646)

Use of Funds:			
FY2025			
Account Number	Project Number	Description	Budget Amendment/ Budget Transfer
104-5555-515.46-01-CR2502	CR2502	REPAIRS & MAINTENANCE/GENERAL	\$ 44,646
		Total	\$ 44,646

Input Name:	Budget Office Approval:	Notes:
Input Date:	Budget Office Approval Date:	CREATE NEW PROJECT CR2502, LANDSCAPE IMPROVEMENTS AND FUND FROM PROJECT CR2204, LANDSCAPE IMPROVEMENTS/US1 CORRIDOR
Manual JE/BA#:	Post Date:	

Conduct the second reading and public hearing of Ordinance No. 15-2025 amending the Code of Ordinances to create a process for issuance of residential building permits in subdivisions prior to approval of final plat and replacing the term "Sketch Plat" with "Preliminary Plat" and clarifying that "Preliminary Plat" is now titled "Site Plan" by amending Sections 30-40 "Tree Survey Required Before Permit", 34-8 "Public Hearing Approvals Required", 34-60 "Conceptual Plat", 34-92 "Minimum Requirements/Application and Approval", 34-93 "Additional Requirements", 34-144 "Approval"; that Chapter 34 "Procedures", Article III "Subdivisions", Division 5 "Plat", Subdivision 1 "Sketch Plat (Conceptual Plan) is renamed Preliminary Plat (Conceptual Plan), and amending Section 34-151 "Procedure"; and by creating Sections 34-153 "Submittal Procedures"; amending Subdivision 2 "Preliminary Plat (Site Plan) to be renamed "Site Plan" and amending Sections 34-161 "Preliminary Plat Definition" to be renamed "Site Plan Definition" and amending 34-162 "Submittal Procedures", 34-163 "Required Exhibits", and 34-164 "Review Procedures", and Subdivision 3 "Final Plat", Sections 34-171 "Definition", 34-172 "Procedure", and 34-173 "Required Exhibits"; by amending Chapter 34 "Procedures", Article III "Subdivisions", to create a new Division 9 "Procedure For Issuance Of Building Permits Prior To Approval Of Final Plat", by adding Sections 34-174 "Purpose", 34-175 "Procedure", 34-176 "Required Submittals And Exhibits", 34-177 "Construction", 34-178 "Procedure For Issuance Of Building Permits Prior To Approval Of Final Plat", 34-179 "Final Plat" and 34-180 "Recording Of Final Plat Required"; amending Sections 34-201 "Recording Of Final Plat Required", 34-214 "Application Classifications And Review Schedules" and 37-1 "Definitions", and by amending Development Review Procedures Manual Sections 6 "Master Plans", 11 "Sketch Plat" to be renamed "Preliminary Plat", 12 "Preliminary Plat" to be renamed "Required Submittals For Expedited Permitting For Residential Permits Prior To Approval Of The Final Plat", 14.5 "Site Plan Required Exhibits" and 17.2 "Land Development Fees"; providing for grandfather provisions, severability, repeal of conflicting ordinances, incorporation into the code and an effective date. This is a legislative item.

On May 7, 2025, the Planning and Zoning Commission recommended approval as presented, 7-0.

A revised ordinance was distributed by staff. Approved the revised ordinance as recommended.

B. Ordinance No. 16-2025 - School Zone Speed Enforcement Program

Conduct the second reading and public hearing of Ordinance No. 16-2025 amending Chapter 20 of the Code of Ordinances by adopting a new Article IV entitled "School Zone Speed Enforcement", by adding Sections 20-70 through 20-80; by providing for purpose, intent and definitions; establishing a school zone speed enforcement program and authorizing the use of speed detection systems within the City; providing for program implementation requirements and designation of school zones; providing for enforcement and administrative procedures; providing for severability; repeal of conflicting ordinances; incorporation into the code; and an effective date.

An ordinance with underlines and strikethroughs was distributed by staff to provide the proposed changes from the current code since it was not included in the agenda packet. Approved as recommended.

Council authorized staff to prepare a letter to the Florida Department of Transportation (FDOT) to request FDOT to address the need for school zones in areas that do not currently have them in place. The letter will be signed by the Mayor. Discussion included requesting private schools to designate school zones, schools not located on state roads, etc.

THE FOLLOWING ITEMS ARE SUBJECT TO QUASI-JUDICIAL RULES OF PROCEDURE. ANYONE WISHING TO SPEAK ON AN ITEM MUST FIRST COMPLETE AN AGENDA SIGN-UP CARD AND SIGN THE OATH CONTAINED THEREON. THOSE SPEAKING IN FAVOR OF A REQUEST WILL BE HEARD FIRST. IF YOU HAVE PHOTOGRAPHS, SKETCHES, OR DOCUMENTS THAT YOU DESIRE FOR CITY COUNCIL TO CONSIDER, THEY MUST BE SUBMITTED INTO EVIDENCE AND WILL BE RETAINED BY THE CITY. SUBMIT THESE EXHIBITS TO THE CITY CLERK.

C. Rezoning (REZ) No. 4-2024 Verona (AKA Willow Creek) PD Master Plan Amendment

Conduct the second reading and public hearing of Ordinance No. 17-2025 for Rezoning (REZ) No. 4-2024 Verona (AKA Willow Creek) PD Master Plan Amendment: Ordinance No. 17-2025, an ordinance of the City of Titusville, Florida, amending Ordinance No. 6-2024, by amending the Master Plan of the Planned Development (PD) zoning district imposed on approximately 638+/- acres of property located west of Grissom Parkway, east of Challenger Parkway (SR 407) and interstate 95, at the western terminus of Willow Creek Boulevard, having Brevard County Parcel ID Nos. 23-35-09-00-1, 23-35-04-00-2, 23-35-09-yr-*-b.10, and 23-35-10-bb-*-179.; providing for severability; repeal of conflicting ordinances; and providing for an effective date.

The Planning and Zoning Commission recommended the following: (1) Motion to recommend approval of the requested fifteen (15) foot setback, reduced from twenty (20), for identified lots, but only for those lots whose lot width fully abuts the stormwater retention lakes in Village C. If the lots are not abutting that boundary, the rear setback cannot be reduced. Approved 7-0; (2) Motion to recommend approval of the request to reduce the minimum lot width from forty (40) feet to twenty (20) feet for multifamily Village E. Approved 7-0; (3) Motion to recommend approval of the developer's request to allow model home clusters of up to four (4) model homes in each development phase of Villages A, B, C, & E with each model home cluster including a real estate sales office and an adjacent ancillary stabilized temporary parking area for the model home cluster/real estate sales office. Approved 7-0; and (4) Motion to recommend that the following conditions be included within the draft PD rezoning ordinance: (a) Accessory building and structures setback standards be incorporated in the conditions of approval; (b) Townhouse and multifamily developments shall have a minimum distance between structures of twenty (20) feet and a maximum of six (6) dwelling units shall be allowed in a building group of townhouse units. Townhouse building groups shall also have staggered setbacks to lessen the straight row effect. Approved 7-0.

The document noted as "Master Plan - Exhibit B per P&Z Motion" has been provided by the applicant to illustrate the recommendation requested by the Planning and Zoning

Commission which reduces the number of lots from 126 to 99. However, the owner requests for the identified lots with a reduced rear setback to remain (126 lots).

Approved with the Planning and Zoning Commission's recommendations, which included the following: (1) Approval of the requested fifteen (15) foot setback, reduced from twenty (20) feet, for identified lots, but only for those lots whose lot width fully abuts the stormwater retention lakes in Village C. If the lots are not abutting that boundary, the rear setback cannot be reduced; (2) Approval of the request to reduce the minimum lot width from forty (40) feet to twenty (20) feet for multifamily Village E; (3) Approval of the developer's request to allow model home clusters of up to four (4) model homes in each development phase of Villages A, B, C, & E with each model home cluster including a real estate sales office and an adjacent ancillary stabilized temporary parking area for the model home cluster/real estate sales office; and (4) To include the following conditions be included within the draft PD rezoning ordinance: (a) Accessory building and structures setback standards be incorporated in the conditions of approval; (b) Townhouse and multifamily developments shall have a minimum distance between structures of twenty (20) feet and a maximum of six (6) dwelling units shall be allowed in a building group of townhouse units. Townhouse building groups shall also have staggered setbacks to lessen the straight row effect.

10. ORDINANCES - FIRST READING

A. Ordinance No. 18-2025 Updating Impact Fees for Water and Sewer

Conduct the first reading of Ordinance No. 18-2025 amending Chapter 34 "Procedures" to increase impact fees for water and sewer, specifically amending sections 34-421 "Impact fee intent", 34-423 "Imposition of impact fees", 34-428 "Use of funds (impact fee)", 34-440 "Impact fee intent", 34-441 "Sewer impact fees", 34-442 "Water charges; meter deposits; refunds"; creating 34-443 fund earmarking requirements; and to clarify water and sewer impact fees as connection fees; and providing for severability; repeal of conflicting ordinances; an effective date and incorporation into the code. **(This is the first reading. The public hearing is scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.)**

Read by title only. The public hearing was scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.

B. Ordinance No. 19-2025 Updating Impact Fees for Police, Fire, City Hall, And Public Works

Conduct the first reading of Ordinance No. 19-2025 amending Chapter 34 "Procedures" to adjust the impact fees for police, fire, city hall, and public works, specifically amending sections 34-421 "Impact fee intent", 34-423 "Imposition of impact fees", and 34-424 "Computation of impact fees", and providing for severability; repeal of conflicting ordinances; an effective date; and incorporation into the code. **(This is the first reading. The public hearing is scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.)**

Read by title only. The public hearing was scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.

City Council Regular- May 13, 2025 (6:30 p.m.)

C. Ordinance No. 20-2025 - Sidewalk Waiver Ordinance

Conduct the first reading of Ordinance No. 20-2025 amending the Code of Ordinances related to waivers to sidewalk construction requirements by amending Chapter 30 "Development Standards", Section 30-238 "Road and Sidewalk requirements" and Section 30-239 "Bicycle Facilities"; providing for severability, repeal of conflicting ordinances, incorporation into the code and an effective date. This is a legislative item. **(This is the first reading. The public hearing is scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.)**

On May 7, 2024, The Planning and Zoning Commission recommended approval as presented, 7-0.

Read by title only. The public hearing was scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.

D. Ordinance No. 21-2025 - Synthetic Turf

Conduct the first reading of Ordinance No. 21-2025 amending the Code of Ordinances to provide standards regulating the use of artificial turf by amending Sections 30-202 "Stormwater Management Permit", 30-321 "Plant Materials", 30-323 "Existing Vegetation", and 37-1 "Definitions", and creating Section 30-325 "Artificial Turf"; providing for severability, repeal of conflicting ordinances, incorporation into the code and an effective date. This is a legislative item. **(This is the first reading. The public hearing is scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.)**

The Planning and Zoning Commission will consider this ordinance at their regular meeting on May 21, 2025.

Read by title only. The public hearing was scheduled for the regular City Council meeting on May 27, 2025 at 6:30 p.m.

11. OLD BUSINESS

A. Increase Annual Authorized Amount - Utility Contractors

Approve an increase of \$1,907,000 to the annual authorized amount for the construction of various utility maintenance and improvement projects under contract CN24P020/LR on an as-needed basis for an annual amount not to exceed \$3,157,000. Additionally, approve the associated budget amendment.

Approved as recommended.

12. NEW BUSINESS

A. Approve the appointment of Interim City Attorney and approve Interim City Attorney Salary Consideration

City Council Regular- May 13, 2025 (6:30 p.m.)

Approve the appointment of an Interim City Attorney and approve Interim City Attorney salary consideration as recommended by the Human Resources Director's referred to in the Memorandum herein attached.

Approved the appointment of Assistant City Attorney Chelsea Farrell as Interim City Attorney and approved the Interim City Attorney's salary consideration as recommended by the Human Resources Director in the memorandum included in the agenda packet.

B. City Attorney Selection Process

Approve the proposed project schedule to select a City Attorney.

Council discussed the proposed project schedule. The date for the one-on-one interviews and full Council interviews of the City Attorney candidates was changed to Saturday, July 12, 2025. Council will need to schedule a special meeting to select the new City Attorney if not completed on July 12, 2025, the day of the one-on-one interviews and full council interviews.

Mayor Connors requested the Human Resources Department provide a list of questions that can and can not be asked of each of the candidates.

13. PETITIONS AND REQUESTS FROM THE PUBLIC PRESENT (NON-AGENDA ITEMS)

No action.

14. MAYOR AND COUNCIL REPORTS

A. Mayor's Report

The Mayor's Report is included in the agenda packet.

Mayor Connors submitted his written report.

No action.

B. Council Reports

Council members will provide their individual reports.

Council authorized a request for a proclamation to recognize October 18, 2025 as National Slow Down Move Over Day as requested by Member Moscoso. This will be scheduled for a future City Council meeting.

No additional action items.

15. CITY MANAGER'S REPORT

A. City Manager's Report

The City Manager's Report is included in the agenda packet.

Interim City Manager Abbate submitted his written report.

City Council Regular- May 13, 2025 (6:30 p.m.)

All items were informational only.

16. CITY ATTORNEY'S REPORT

No action.



Banner from the Redevelopment Master Plan

West Melbourne/Brevard County Joint
Community Redevelopment Agency
Annual Report to Brevard County



Fiscal Year 2023-2024

Published March 18, 2025

Community Redevelopment Agency

City Hall – 2240 Minton Road, West Melbourne, FL 32904

Phone: 321-837-7771 Fax: 321-768-2390

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a. Total projects started, completed and estimate cost for each project	
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d. Assessed property values when CRA was enacted vs. current assessed property values	

e. Total amount expended for affordable housing

IX. ADDITIONAL ANNUAL REPORTING REQUIREMENTS 21

- a. Provide the Board of County Commissioners the CRA's proposed budget for the upcoming fiscal year, 60 days prior to the beginning of the fiscal year
- b. Provide the Board of County Commissioners any budget amendments to its operating budget within 10 days after the adoption by the CRA

X. SUMMARY 22

Appendix – Joint West Melbourne-Brevard County Community
Redevelopment Area map

Note for this report: CRA = Community Redevelopment Area

CRA ≠ Community Redevelopment Agency

The phrase Community Redevelopment Agency is spelled out in this report to distinguish the two terms.

SECTION I – INTRODUCTION

a. MISSION AND OVERVIEW

REQUIRED ANNUAL REPORT -

Chapter 163.356(3) (c), Florida Statutes, requires that community redevelopment agencies file an annual report of their financial activities with the taxing authorities by March 31st of each year for the preceding fiscal year. The details in this report comply with Brevard County and State of Florida requirements for annual reporting on this joint community redevelopment area. This annual report has been prepared and is filed for fiscal year 2023-2024.

This report is a retrospective review of the Community Redevelopment Agency's efforts, the financial status of the trust fund, the beautification efforts near the interchange of I-95 and New Haven Avenue, and capital improvement programs as of the close of the 2023-2024 fiscal year on September 30, 2024.

WHEN WAS IT FORMED?

The unique West Melbourne/Brevard County Joint Community Redevelopment Agency was created in 2011. This redevelopment area encompasses two unincorporated areas and three areas in the West Melbourne city limits along three main corridors: the New Haven Corridor that stretches from the Intersection of I-95 to Dairy Road, the Wickham Road Mixed-Use Corridor that extends north from New Haven Ave to Emerald Drive, and the Ellis Industrial Corridor that extends west from Wickham Road to John Rodes Blvd (the following map shows the CRA boundaries).

Per the 2018 interlocal agreement between the City and County, the CRA will sunset on September 30, 2038 (five years earlier than the statutorily allowed 30 year horizon).



2013 REDEVELOPMENT MASTER PLAN

The adopted Redevelopment Master Plan guides the redevelopment focus of the CRA. The three primary categories addressed in the Plan are:

- 1) Identification of primary redevelopment opportunity areas and corresponding infrastructure including sidewalks, bike paths, stormwater and utilities.
- 2) Identification of private investment opportunities as well as recommended programs for improvements including gateways, streetscape, wayfinding and branding.
- 3) Identification of governmental actions that can implement some of the 55 strategies listed in the Master Plan including updates to comprehensive plans, land development codes, proactive code enforcement, business development programs and incentives for business retention.

However, the 2018 interlocal agreement with Brevard County limits the CRA activities to stormwater drainage related to Ellis Road, stormwater and sewer improvements in the CRA, and lighting along New Haven Avenue. These are the only projects allowed in the joint community redevelopment area.

b. TRANSMITTAL LETTER

West Melbourne/Brevard County Joint
Community Redevelopment Agency

Pat Bentley, Chairman
John Dittmore, Vice-Chairman
Diana Adams
Daniel McDow
Stephen Phrampus
Helen Voltz
Andrea Young
Jason Steele



CITY HALL
2240 Minton Road
West Melbourne, FL 32904
Phone: (321) 727-7700
Fax: (321) 768-2390
www.westmelbourne.org

Date: March 21, 2025

VIA CERTIFIED AND REGISTERED MAIL

Florida Auditor General;
Florida Department of Financial Services;
Florida Department of Economic Opportunity;
Brevard County Property Appraiser;
Joint West Melbourne-Brevard County Community Redevelopment Agency;
City Council; and
Brevard County Board of Commissioners (all); and County Manager

RE: West Melbourne/Brevard County Joint Community Redevelopment Agency Annual
Financial Report

Ladies and Gentlemen,

City staff is pleased to submit the West Melbourne/Brevard County Joint Community Redevelopment Agency Annual Report for fiscal year 2023-2024. The Joint Community Redevelopment Agency Annual Report was filed with the City of West Melbourne and Brevard County on March 18, 2025. Under Florida law (Chapter 163, Part III), local governments are required to file a report of the activities of the previous fiscal year by March 31st of each year. This transparency supports the efficient utilization of resources when they are applied to the redevelopment of our business corridors.

Attachment

SECTION II – BOARD MEMBERS AND STAFF

Who are the members of the Community Redevelopment Agency?

The activities and programs offered within a CRA are administered by the Community Redevelopment Agency. An eight-member Community Redevelopment Agency Board created by the City of West Melbourne and Brevard County in 2011. The Community Redevelopment Agency Board is served by the City of West Melbourne staff at no cost to the Agency. Community Redevelopment Agency members and staff as of January 1, 2024, are listed in the table below.

WEST MELBOURNE/BREVARD COUNTY JOINT COMMUNITY REDEVELOPMENT AGENCY (As of September 30, 2024)

Chairman	Pat Bentley (West Melbourne Mayor)
Vice Chair	Diana Adams (West Melbourne Deputy Mayor)
CRA Official	John Dittmore (West Melbourne Council)
CRA Official	Helen Voltz (West Melbourne Council)
CRA Official	Daniel McDow (West Melbourne Council)
CRA Official	Stephen Phrampus (West Melbourne Council)
CRA Official	Andrea Young (West Melbourne Council)
CRA Official	Jason Steele (District 5 County Commissioner)
Registered Agent	Tim Rhode (West Melbourne City Manager)
CRA Attorney	John Cary (West Melbourne City Attorney)
Executive Director	Christy Fischer (West Melbourne Planning Director)
CRA Clerk	Meighan Alexander (West Melbourne City Clerk)
Financial Officer	Candice Blake (West Melbourne Finance Director)

SECTION III – BOUNDARY LINES (see Appendix map for larger size)



SECTION IV – HISTORY

- a. Creation Date: *July 12, 2012*
- b. Plan Amendment Dates: *None*
- c. Applicable Resolution(s) and Ordinances:
 - i. *City Resolution No. 2011-22*
 - ii. *County Ordinance No. 2011-28*
 - iii. *City Ordinance No. 2012-19*
 - iv. *2018 Interlocal Agreement between the joint CRA, Brevard County and West Melbourne – limits County contribution and use of CRA funds*

SECTION V – PROJECTS OVERVIEW

The Community Redevelopment Agency, in partnership with the community is spearheading redevelopment efforts to create an attractive business climate and promote commercial property improvements. This section lists some of the milestones and accomplishments.

CRA Milestones:

2011 Collaboration - West Melbourne and Brevard County began discussing embarking on a joint community redevelopment area since some of New Haven Avenue and Wickham Road are in unincorporated county areas. The two government entities collaborated for months about creating a community redevelopment area based on the following findings of blight:

- Business corridors with high vacancy rates
- Outdated building density/intensity patterns
- Inadequate transportation and parking facilities
- Faulty lot layouts and inadequate street layouts related to older subdivisions and road widenings

2013 Master Plan Adopted – All CRA's must have a redevelopment plan and can only carry out tasks identified in the master plan. The adoption of a Community Redevelopment Plan for the West Melbourne/Brevard County Joint CRA occurred in March 2013 and the 55 identified strategies outline the main programs and results that the joint CRA is endeavoring to achieve during its 30-year tenure through the year 2043, which has been amended to sunset in 2038. The strategies were partially drawn from a series of workshops conducted with business owners along New Haven Avenue, Wickham Road and Ellis Road.

2013 Revenue Fund Initiated - The tax increment trust fund (revenue) was initiated in May of 2013, and the coding of the specific properties by the Brevard County Property Appraiser that were included in the CRA area occurred in the summer of 2013. The City and County trust fund is limited per Florida Statutes to 95% of the incremental increase of City and County general ad valorem taxes generated in the CRA boundaries over the 2011-2012 base year.

2013 First Budget and First Working Capital – The City of West Melbourne approved an interlocal agreement in September 2013 to extend administrative services to the Community Redevelopment Agency at no cost and to lend the working capital for the Agency for ten years. This working capital loan is a no-interest loan providing the capital required for the Agency start up.

2014 Activities – The 2014 CRA work plan consisted of the initiation of the commercial façade loans, and providing funding for the lighting on New Haven Avenue near I-95. However, coordination with FDOT for its share of the road lighting took longer than initially expected and has continued into 2015 and 2016. The first façade redevelopment loan was approved and work on the façade of the business located along Wickham Road, Space Coast Massage, was completed in 2014.

In 2014-2015, as a separate activity since the interchange of I-95 and New Haven Avenue is not part of the CRA but is next to it, the City of West Melbourne with a grant from FDOT, planted hundreds of trees and a new fountain along the interchange and the State's retention pond. The beautification of this interchange complements the public right of way improvement endeavors of the CRA, since the CRA boundaries end on New Haven Avenue before the interchange and the CRA embarked on a street lighting beautification program on New Haven Avenue, also known as US 192/State Road 500. The FDOT landscape grant was part of FDOT's set aside when highway improvements are completed such as the bridge enhancements and 6-laning of the interstate.



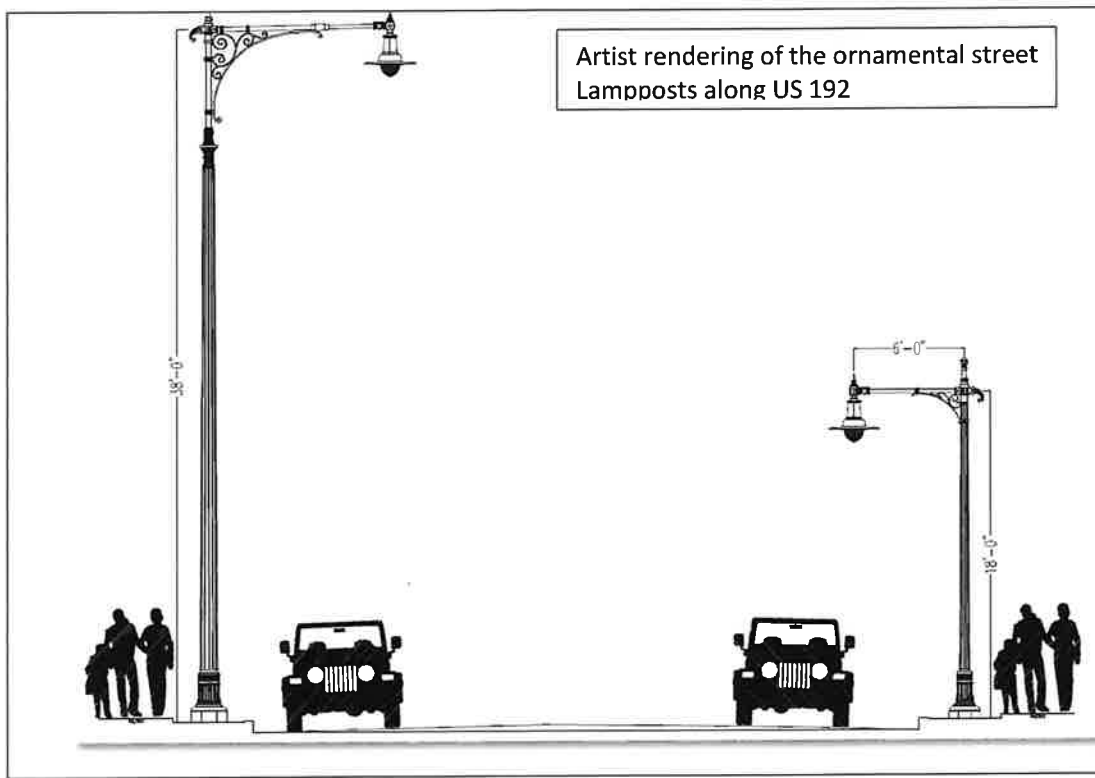
Before -Corner of New Haven Avenue and Interchange prior to landscaping



After - I-95 Landscape Improvements (FDOT grant and City of West Melbourne)

2015 Activities – For the past several years, FDOT identified New Haven Avenue as too dark for motorists and FDOT's typical illumination consists of installing wooden poles and cobra head style street lights. The City of West Melbourne and the Community Redevelopment Agency have joined forces to leverage funds from FDOT and to install decorative lighting on New Haven Avenue from west of I-95 near Columbia Lane to Pearl Street (next to Safelite Auto Glass). The CRA funded section of improvements starts at Dike Road and ends at Pearl Street (see map below). In the spring of 2015, the Community Redevelopment Agency chose the "Parkwood" style of street pole and lamp shown in the black and white drawing below as the enhanced lighting fixture to illuminate the almost one mile of the State road.





2016 Street lighting Activities – The predominant activity in 2016 was the lighting proposal for US 192 from the interstate to Pearl Street. One of the obstacles has been issues related to the design of the lighting plan in FDOT's right of way. The City obtained on behalf of FDOT title to the turn lane in front of Sam's Club by conducting new surveys and ensuring the street light design reflected the updates. The City sent the lighting construction drawings out to bid in 2017 and received the results of the contractor bids on March 21st, 2017 and the project was completed in 2017.

The Community Redevelopment Agency no longer engages in the façade loan program for commercial properties along New Haven Avenue, Ellis Road and Wickham Road. If businesses approach City of West Melbourne staff about using the loan program, this is no longer an option under the 2018 County and City interlocal agreement which only allows funding of water, sewer, streets, drainage infrastructure projects. City staff continues to encourage redevelopment of existing commercial businesses in our three corridors of emphasis as evidenced by the City's passage of collapsed zoning districts along US 192 and Wickham Road that allows property owners greater flexibility and a wider array of possible uses instead of the previous segregation into 4-5 zoning districts of commercial districts with specific differences between neighboring properties. This means that future redevelopment along these two roads will be more cohesive and less confusing to potential developers.

The State of Florida in its 2019 legislation required that Community Redevelopment Agencies report on the total number of projects started and completed and the estimated cost for each project in that fiscal year.

Total Projects started in FY 21-22*	Total amount of affordable housing for low-income and middle-income*
0	0

Total Projects started in FY 22-23*	Total amount of affordable housing for low-income and middle-income*
0	0

*The Joint County-City interlocal agreement in 2018 prohibits use of the tax increments funds for anything other than infrastructure – so housing is not an option.

2017-2018 Street lighting Activities –

In 2017, City Council awarded the bid for the US 192 (New Haven Avenue) street lighting project to the company named PowerCore in the amount of \$764,044.58. This amount excluded the poles and fixtures, which have been purchased directly by the City. The Notice to Proceed was issued with a start date of January 22, 2018. The contractor for the project finished the project in 2018 and not only were there lights illuminating both the sidewalk and US 192 during the holidays, but the City of West Melbourne hangs decorative banners for the holidays.

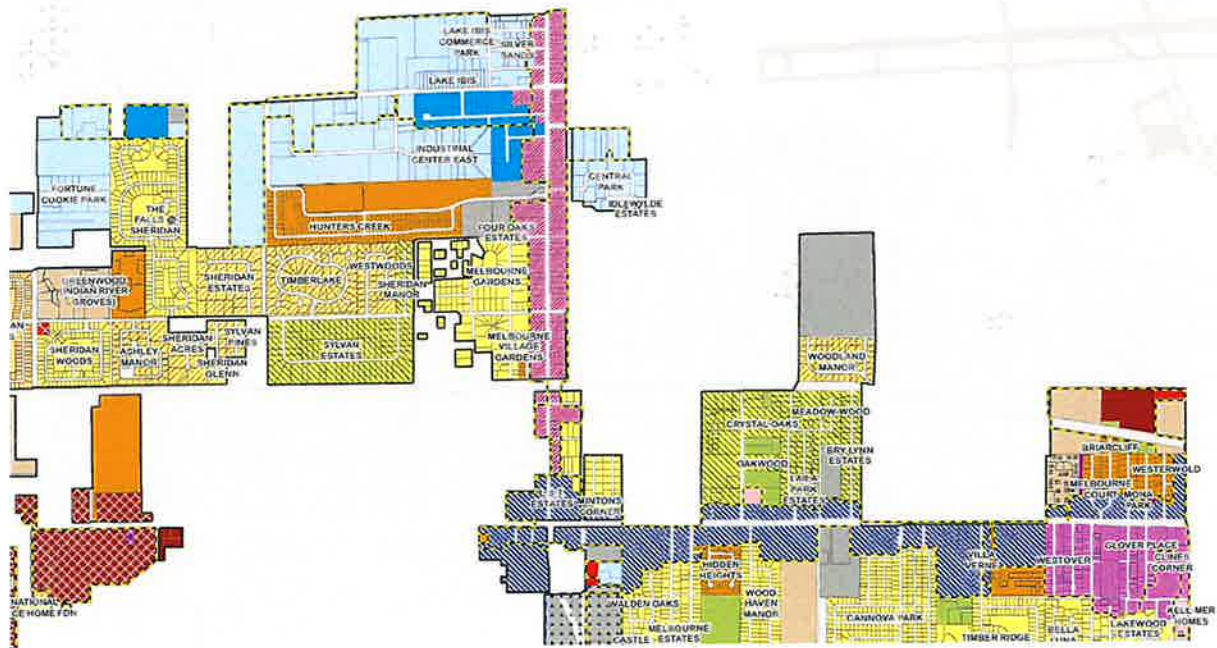


(Street lights installed in 2018 along US 192)

2017-2018 New Zoning Districts – Commercial Wickham and Commercial New Haven Avenue

The City enacted new zoning districts in 2017 along two of our major arterials to consolidate various zoning districts, provide more urban types of standards and promote redevelopment in our city limits. No changes were made to any of the properties that are in unincorporated County. Since enactment of the new zoning districts and its application on the Zoning map, city staff has eliminated some non-conforming uses that conflicted with the City Future Land Use map and made it simpler for developers to aggregate properties of the same zoning district instead of having to rezone adjacent properties. The result was a zoning district for each corridor, Commercial – Wickham and Commercial – New Haven, modeled after the types of uses that existed along Wickham Road and New Haven Avenue with an eye for future enhancements in these corridors.

Current CRA Zoning:



	C-P	Commercial Parkway
	C-1A	Professional Offices and Services
	C-1	Low Density Commercial
	C-2	General Commercial
	M-1	Light Industrial and Warehousing
	M-2	General Industrial
	P-1	Institutional
	IB	Integrated Business

2 New Districts

	C-W	Commercial Wickham
	C-NH	Commercial New Haven

2018 Interlocal Agreement Concerning Brevard County Tax Increment Funding

In 2018, the joint Community Redevelopment Agency (comprised of Brevard and West Melbourne) and Brevard County entered in a voluntary agreement to reduce the funding the County contributed as an increase to the tax increment trust fund. That is, the County no longer contributed 95% of its increment, but rather a reduced amount of 50% (can only be spent on infrastructure projects as defined in the 2018 agreement). The agreement stated that the 45% difference was to be spent solely on the maintenance, construction, reconstruction, lighting of, and/or capacity improvements to, County roads, located within West Melbourne City limits (page 6 of the 2018 interlocal agreement). The interlocal agreement also sunsets the CRA by the year 2038, at least five years before the authorizing County ordinance expired the agency and area in 2043. This newer sunset date was also bolstered by State legislative activities which also sought to shorten the life cycle of CRA's throughout Florida.

2023 Budget Appropriations

The Joint Community Redevelopment Agency appropriated \$648,925 for future land acquisition along Ellis Road and \$476,425 for future stormwater projects in the CRA. Although the four-lane widening of the road has been a transportation priority for multiple governmental agencies, Brevard County has not been able to get federal grants for this multi-million dollar project. The Community Redevelopment Agency remains committed to supporting this enhancement as this widening will probably positively enhance the development pattern along Ellis Road.

WEBSITE

The "West Melbourne/Brevard County Joint Community Redevelopment Agency" was one of the first in Brevard County to update its web site to include an organized outline of the features of the special district statutory requirements. The purpose of the requirements by the State of Florida was to add transparency to a complex maze of special districts by having Community Redevelopment Agencies identify themselves as special districts, with listed purposes, establishment dates, and contact

information. The State of Florida conducted an exhaustive review of existing special districts in 2013, which included identification of all such taxing authorities like ports, inlet districts, airports and community redevelopment agencies and had determined that every special district should include basic information linking their taxing authority or tax source of revenue with a stated purpose. The next page contains the view of the City's "Special District" link on the CRA web site.

Special District website requirements –
(Screen shot of City's "Special District" web page)

SPECIAL DISTRICT

Each special district must post the following information, at a minimum, on its official website:

GENERAL INFORMATION

- Full legal name - Joint West Melbourne-Brevard County Community Redevelopment Area
- Public purpose - Encourage redevelopment along three (3) business corridors, Ellis Road, Wickham Road and New Haven Avenue
- Boundaries/service area (click on link to "Maps")
- Services provided - Redevelop and encourage redevelopment of areas in unincorporated and municipal areas along Ellis Road, Wickham Road and New Haven Avenue.
- Delegation of Authority Issued by Brevard County per County Ordinance Number 2011-28, which provides the following powers:
 - Name the redevelopment agency
 - Conduct boundary surveys
 - Organize and operate the redevelopment agency
 - Give public notice per the Florida Statutes
 - Make a finding of necessity per the Florida Statutes
 - Determine area appropriate for redevelopment area
 - Approve a redevelopment plan
 - Issue redevelopment bonds
 - Acquire and dispose of real estate property
 - Create and maintain redevelopment trust fund, and appropriate funds and expenses
 - Distribute redevelopment information
 - Arrange and request federal financial assistance
 - Obtain property insurance
 - Solicit requests for proposals for property redevelopment
 - Develop, test and report results for redevelopment of slums
 - Assist with relocations of displaced families, persons, companies as a result of redevelopment activities
 - Vacate streets, sidewalks and other public infrastructure and re-route if needed
 - Allow the City to serve as redevelopment agency administrator
- Enabling legislation - Florida Statutes Chapters 163 and 189
- Date Established - August 9, 2011
- Establishing Entity - Brevard County (Charter County)

CONTACT INFORMATION

- Mailing address:
2240 Minton Road
West Melbourne, FL 32904
- Email address - [Email Tim Rhode](mailto:tim.rhode@cityofwestmelbourne.com)
- Telephone number - 321-837-7771
- Website address - [West Melbourne Website](http://www.cityofwestmelbourne.com)
- Registered agent - Tim Rhode, City Manager of West Melbourne at 2240 Minton Road

SECTION VI – FINANCIAL REPORTS

a. Balance Sheet:

FY 2023-2024 Assets:

Cash and Investments	\$2,927,480
Total Assets	\$2,927,480

FY 2023-2024 Liabilities:

City Loan Debt Service – Current	\$100,000
Total Liabilities	\$100,000

b. Statement of Revenues, Expenditures & Changes in Fund Balances:

FY 2023-2024 Revenues:

Increment Financing (County)	\$328,086
Increment Financing (City)	\$328,086
Investment Earnings	\$ 58,992
Total Revenue	\$715,164

FY 2023-2024 Expenditures:

Personnel costs	\$ 0
Operating Expenditures (includes newly required audit)	\$4,295
Total Expenditures	\$4,295

FY 2023-2024 Changes in Fund Balance

Fund Balance -- Beginning of Year	\$2,116,611
Net Activity FY 2023-2024	\$710,869
Fund Balance	\$2,827,480

c. Summary of Projects, Grants & Debt

The Community Redevelopment Agency no longer engages in the façade loan program for commercial properties along New Haven Avenue, Ellis Road and Wickham Road. If businesses approach City of West Melbourne staff about using the loan program, the City explains that per an Interlocal Agreement with Brevard County in 2018 CRA money spending is limited to these categories:

- Property acquisition & road improvements related to Ellis Road
- Street lighting along US 192 (also known as New Haven Avenue)
- Stormwater improvements
- Stormwater facilities related to the widening of Ellis Road from John Rodes Boulevard to Wickham Road
- Sewer projects that serve commercial properties in the unincorporated portions of the CRA

City staff continues to encourage redevelopment of existing commercial businesses in our three corridors of emphasis as evidenced by the City's passage of collapsed zoning districts along US 192 and Wickham Road that allows property owners greater flexibility and a wider array of possible uses instead of the previous segregation into 4-5 zoning districts of commercial districts with specific differences between neighboring properties. Meaning that future redevelopment along these two roads will be more cohesive and less confusing to potential redevelopers. Ellis Road is another project where the joint Brevard County and the City of West Melbourne CRA revenues are being used to fund the 4-laning of this road. The West Melbourne/Brevard County Joint Community Redevelopment Agency is providing 500,000 to the Ellis Road widening.

SECTION VII – PERFORMANCE INFORMATION

- a. Total projects started, completed and estimate cost for each project: *The Community Redevelopment Area (CRA) and its governing agency had no active projects for Fiscal year 2023-2024, although the governing agency still has debt to pay off the original Community Redevelopment Report which established its mission.*
- b. Number of jobs created and sector of the economy from which these jobs were created within the CRA: *There were no active CRA projects from which direct jobs would have been created and this is not one of the agreed upon uses of funds from the 2018 County-City interlocal agreement. However, the City has a list of properties developed or redeveloped in the CRA since the inception of the district, thus fulfilling its mission of redevelopment in the area.*
- c. Number of jobs retained within the CRA: *There were no active CRA projects from which jobs would have directly been retained and this is not one of the agreed upon uses of funds from the 2018 County-City interlocal agreement. However, the City has created a list of properties developed or redeveloped in the CRA since the inception of the district.*
- d. Assessed property values when CRA was enacted vs. current assessed property values:

	Base Year 2012
County	\$219,775,470
City	\$184,197,920

	Taxable Year 2024
County	\$449,900,565
City	\$385,024,645

- e. Total amount expended for affordable housing: *Pursuant to the 2018 County-City interlocal agreement this is not a category eligible for Community Redevelopment Tax Increment Financing.*

Revitalized properties and their annual property value increases

Business Name/Address	Year Built or Renovated	2021 Property Appraiser Value	2022 Property Appraiser Value	2023 Property Appraiser Value	2024 Property Appraiser Value
Cheddar's/2130 W. New Haven Ave.	2013 built	\$1,700,000	\$1,982,280	\$1,989,620	\$2,163,150
Autozone/1340 W. New Haven Ave.	2014 renovated	\$1,908,500	\$1,910,600	\$1,938,530	\$2,289,440
Arby's/2300 W. New Haven Ave.	2015 renovated	\$1,081,700	\$765,920	\$774,360	\$805,220
McDonald's/445 S. Wickham Road	2011 renovated	\$883,990	\$923,620	\$938,080	\$989,960
McDonald's/ 2450 W. New Haven Avenue	2016 renovated	\$1,109,060	\$1,170,210	\$1,188,850	\$1,254,440
Advance Auto/ 450 S. Wickham Road	2013 demo and built	\$909,350	\$909,810	\$922,790	\$1,022,310
Cumberland Farms/440 S. Wickham Road	2015 demo and built	\$1,147,180	\$1,266,430	\$1,435,080	\$1,380,240
Cumberland Farms/ 4440 W. New Haven	2015 demo and built	\$1,171,900	\$1,281,480	\$1,438,370	\$1,225,680
Cumberland Farms/ 1000 W. New Haven Ave.	2015 built	\$1,245,090	\$1,358,190	\$1,528,780	\$1,345,160
Wawa/combination of 3 parcels – 3175 W. New Haven Avenue	2015-2016	\$2,000,000	\$2,000,000	\$1,931,960	\$1,677,580
Health First (used to be Office Depot/Wild Oats plaza) – 1131 W. New Haven Avenue	2016 - renovated	\$4,260,320	\$4,510,350	\$4,975,980	\$5,365,100
Dunkin Donuts (in Coastal Commerce) – 4525 W. New Haven Avenue	2017 new build	\$951,970	\$1,018,410	\$1,074,450	\$1,187,300
Starbucks -1425 W. New Haven Avenue	1993 – original building; 2020 demo and rebuild	\$929,680	\$924,640	\$957,610	\$975,800

Mister Car Wash - 1160 W. New Haven Ave	2024	new build	\$1,293,160.00	\$1,208,980	\$1,263,410	\$964,600
Take 5 Car Wash – 3055 W. New Haven	2024	new build	\$689,320.00	\$984,660	\$984,660	\$1,019,840
Fifth Third Bank – 3035 W. New Haven	2024	new build	\$594,030.00	\$995,430	\$1,016,020	\$545,190

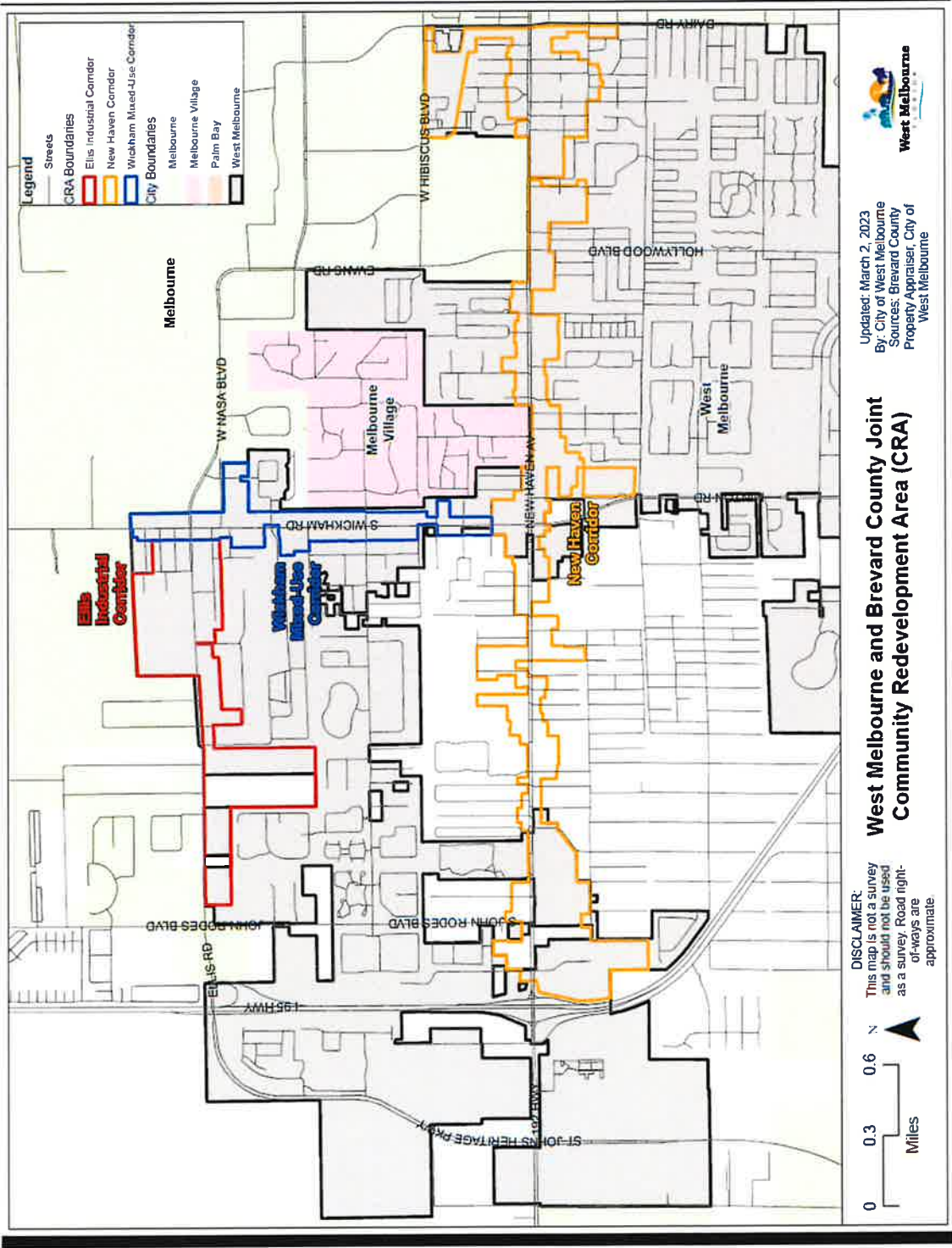
SECTION VIII – ADDITIONAL ANNUAL REPORTING REQUIREMENTS

- a. Provide the Board of County Commissioners the Community Redevelopment Agency's proposed budget for the upcoming fiscal year, 60 days prior to the beginning of the fiscal year: *The Community Redevelopment Agency prepares its budget in the spring and we will send the proposed budget following the first budget hearing and then the final budget within 10 days after adoption.*
- b. Provide the Board of County Commissioners any budget amendments to its operating budget within 10 days after the adoption by the Community Redevelopment Agency: *The Community Redevelopment Agency had no budget amendments in FY 2023-2024 but will comply with the 10-day submittal requirement to the County's.*

SECTION IX – SUMMARY

The primary purpose of a community redevelopment area is to encourage property revitalization and redevelopment. It has been shown that public improvements, such as extension of sewer lines, continuation of sidewalks, street lighting, and other enhancements near undeveloped properties spur private investment in the area and ultimately add value to property values, franchise fees, sales taxes, local retail and housing investments. The West Melbourne/Brevard County Joint Community Redevelopment Agency is in its ninth year of operation. The public improvements of street lighting, development code changes and implementation of other strategies identified in the 2013 Redevelopment Master Plan assists in area redevelopment. The increased property values from redevelopment and new development benefits an area and adjacent properties that lie outside the community redevelopment area that might otherwise continue further into blight conditions.

APPENDIX – COMMUNITY REDEVELOPMENT AGENCY MAP





West Melbourne
FLORIDA

**West Melbourne – Brevard County
Joint Community Redevelopment Agency**
FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2024

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
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September 30, 2024**

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**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Agency Officials
Year Ended September 30, 2024**



CRA Board Members

Pat Bentley, Chairman
Diana Adams, Vice Chair
Jason Steele
John Dittmore
Daniel McDow
Stephen Phrampus
Helen Voltz
Andrea Young



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Chairman and Board members
West Melbourne – Brevard County Joint Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the West Melbourne – Brevard County Joint Community Redevelopment Agency (the "Agency"), a component unit of the City of West Melbourne, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the West Melbourne – Brevard County Joint Community Redevelopment Agency as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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 opinions.

Responsibilities of Management for the Financial Statements

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 the Agency'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.

Auditor's 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 auditor's report that includes our opinions. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 the Agency'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 the Agency'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 9-13, and the budgetary comparison information on pages 34-36 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2025, on our consideration of the Agency'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 the Agency'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 Agency's internal control over financial reporting and compliance.

Carr, Rigg & Morgan, L.L.C.

Melbourne, Florida

March 5, 2025



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West Melbourne – Brevard County Joint Community Redevelopment Agency Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) of the West Melbourne-Brevard Joint Community Redevelopment Agency (the "CRA") is designed to provide an objective and easy to read analysis of the financial activities for the fiscal year ended September 30, 2024 based on currently known facts, decisions, and conditions. The MD&A provides a broad overview, short-term and long-term analysis of the CRA's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the CRA's financial activity and identify changes in the CRA's financial position and its ability to address the next year's challenges. Finally, the MD&A will identify any material deviations from the approved budget.

The West Melbourne-Brevard County Joint Community Redevelopment Agency was created in 2012 by the City of West Melbourne and Brevard County under Chapter 163, Part III, of the Florida Statutes. The CRA is a dependent special district and a component unit of the City of West Melbourne, Florida (the "City"). The City's Planning & Economic Development Director serves as the Executive Director of the CRA, and the CRA has entered into an Interlocal Agreement for the City to provide services to the CRA.

The CRA has presented its financial statements in accordance with the reporting model required by Governmental Accounting Standards Board Statement NO. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

The information contained in this MD&A is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and required supplementary information provided.

Financial Highlights

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$2,827,480 (*net position*).
- The CRA's total net position increased by \$710,869 from fiscal year 2024 activities.
- The CRA's intergovernmental revenues increased slightly in fiscal year 2023-2024 compared to fiscal year 2022-2023 due to an increase in TIF funding.

Overview of the Financial Statements

The CRA's financial statements are comprised of the 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements themselves.

Government-wide financial statements.

The CRA's government-wide financial statements provide readers with a broad overview of the CRA's finances in a manner similar to private-sector business. In addition, the government-wide statements are prepared using the accrual basis of accounting. The Statement of Net Position presents information on the CRA's assets and liabilities, with the difference between them reported as net position.

West Melbourne – Brevard County Joint Community Redevelopment Agency Management's Discussion and Analysis

The Statement of Activities (operating statement) presents information showing how the CRA's net position changed during the most recent fiscal year. All changes in revenues are reported as soon as underlying events giving rise to the change occur regardless of the timing of related cash flows. The expenses are reported as incurred. Therefore, revenue and expenses for some items will only result in cash inflows/outflows in future fiscal periods.

The CRA's government-wide financial statements present functions of the CRA that are principally supported by tax increment financing (governmental activities). The governmental activities of the CRA include general government activities and community development. The CRA has no business-type activities.

The CRA's government-wide financial statements are found beginning on page 17 of this report.

Fund Financial Statements

The governmental fund financial statements provide readers with an overview of each fund and its related function in a traditional format. A fund is a grouping of related accounts that maintain control over resources that are segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements, and it is therefore useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The CRA adopts an annual appropriated budget. Budgetary comparison schedules provided demonstrate compliance with the budget and provides an analysis of significant budgetary variances (both original budget versus the final amended budget, if applicable).

The CRA's governmental fund financial statements can be found on pages 19-20 of this report.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Management's Discussion and Analysis**

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-31 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the CRA's budgetary compliance. The required supplementary information can be found on pages 34-36 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of an Agency's financial position. In the case of the CRA, assets exceeded liabilities by \$2,827,480 at the close of the most recent fiscal year.

The following table reflects the condensed statement of net position:

Summary of Net Position

	Governmental Activities	
	2024	2023
Cash and cash equivalents	\$ 1,813,180	\$ 1,261,303
Investments	1,114,300	1,055,308
Total assets	<u>2,927,480</u>	<u>2,316,611</u>
Due to Primary Government	100,000	100,000
Advances from Primary Government-long-term	-	100,000
Total liabilities	<u>100,000</u>	<u>200,000</u>
Net position		
Restricted for Community Development	2,827,480	2,116,611
Total net position	<u>\$ 2,827,480</u>	<u>\$ 2,116,611</u>

The CRA's total net position increased by \$710,869.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Management's Discussion and Analysis**

Statement of Activities

The following table reflects the Statement of Activities for the current and prior year:

	Governmental Activities	
	2024	2023
Revenues		
Taxes	\$ 328,086	\$ 286,219
Intergovernmental	328,086	286,219
Investment earnings	58,992	47,344
Total revenues	<u>715,164</u>	<u>619,782</u>
Expenses		
Economic environment	<u>4,295</u>	<u>2,795</u>
Total expenses	<u>4,295</u>	<u>2,795</u>
Change in net position	710,869	616,987
Net position, beginning of year	<u>2,116,611</u>	<u>1,499,624</u>
Total net position	<u>\$ 2,827,480</u>	<u>\$ 2,116,611</u>

Financial Analysis of Governmental Funds

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The CRA's intergovernmental revenues increased slightly in fiscal year 2023-2024 compared to fiscal year 2022-2023 due to an increase in TIF funding.

Governmental funds. The focus of the CRA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA's financing requirements. In particular, unassigned fund balance may serve as a useful measure of an agency's net resources available for spending at the end of the fiscal year.

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the CRA and were considered in developing the 2023-2024 fiscal year budget.

- The West Melbourne-Brevard County Joint Community Redevelopment Agency land area consists of 836 acres along three arterial roadway corridors - New Haven Avenue, Wickham Road and Ellis Road. More than eighty percent of the land area is within the city limits of the City of West Melbourne with less than twenty percent in unincorporated Brevard County.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Management's Discussion and Analysis**

- During fiscal year 2024, taxable values in the project area increased by 7.75%.
- As of September 2024, the unemployment rate in the United States was 4.1%. For the State of Florida, unemployment was 3.3%, an increase of 0.5% from a year earlier. For Brevard County, the unemployment rate was 3.6% as reported by Florida Commerce.
- The millage rate for the City of West Melbourne used in the calculation of the tax increment payment to the CRA was 1.9948 for fiscal year 2023–2024, a reduction from the fiscal year 2022–2023 millage rate of 2.1186. The millage rate for Brevard County used in the calculation of the tax increment payment to the CRA was 3.0486, a decrease from the fiscal year 2022–2023 millage rate of 3.2619. It is anticipated that under the terms of the April 10, 2018 Interlocal Agreement concerning Brevard County's tax increment funding of the CRA, the fiscal year 2024-2025 County payment to the Agency will equal the City's payment.

All of these factors were considered in preparing the City's budget for the fiscal year ending September 30, 2025.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of West Melbourne, Attention: Planning & Economic Development Director, 2240 Minton Road, West Melbourne, Florida, 32904.



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BASIC FINANCIAL STATEMENTS



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**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Statement of Net Position – Government-wide**

<i>September 30, 2024</i>	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,813,180
Investments	1,114,300
Total assets	2,927,480
LIABILITIES	
Due to Primary Government	100,000
Total liabilities	100,000
NET POSITION	
Restricted for:	
Community development	2,827,480
Total net position	\$ 2,827,480

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

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Statement of Activities – Government-wide**

For the year ended September 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental activities:					
Economic environment	\$ 4,295	\$ -	\$ -	\$ -	\$ (4,295)
Total governmental activities	\$ 4,295	\$ -	\$ -	\$ -	\$ (4,295)
General revenues:					
Taxes					328,086
Intergovernmental					328,086
Investment earnings					58,992
Total general revenues					715,164
Change in net position					710,869
Net position, beginning of year					2,116,611
Net position, end of year					\$ 2,827,480

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

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Balance Sheet – Governmental Fund**

<i>September 30, 2024</i>	Community Redevelopment Agency
ASSETS	
Cash and cash equivalents	\$ 1,813,180
Investments	1,114,300
Total assets	\$ 2,927,480
LIABILITIES AND FUND BALANCE	
Liabilities	
Due to Primary Government	\$ 100,000
Total liabilities	100,000
Fund balance:	
Restricted for:	
Community development	2,827,480
Total fund balance	2,827,480
Total liabilities and fund balance	\$ 2,927,480

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

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance –
Governmental Fund**

	Community Redevelopment Agency
<i>For the year ended September 30, 2024</i>	
Revenues	
Taxes	\$ 328,086
Intergovernmental	328,086
Investment earnings	58,992
Total revenues	715,164
Expenditures	
Current:	
Economic environment	4,295
Total expenditures	4,295
Excess of revenues over expenditures	710,869
 Net change in fund balance	 710,869
Fund balance, beginning	2,116,611
Fund balance, ending	\$ 2,827,480

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The West Melbourne – Brevard County Joint Community Redevelopment Agency (the “Agency”), a component unit of the City of West Melbourne, Florida (the “City” and “Primary Government”), was created to promote the rehabilitation, conservation and/or redevelopment of the Community Redevelopment Area (the “Area”). The Agency was established by the City of West Melbourne, Florida City Council (“City Council”) via Ordinance 2012-19 in July 2012. The Agency is a legal entity, separate, distinct, and independent of the City. The Agency is governed by a board comprised of eight commissioners, seven of whom also serve as members of the City Council and one Brevard County Commissioner. The Agency does not exercise control over other governmental agencies or authorities.

Revenue sources for the Agency consist primarily of City and County increment financing from property taxes and grants. Any bond issue authorizations are approved by the City Council and the legal liability for the general obligation portion of the Agency’s debt remains with the primary government.

The accompanying financial statements present only the operations of the Agency and are not intended to present the financial position and results of the City of West Melbourne, Florida. Complete financial statements for the City of West Melbourne, Florida may be obtained at the City’s administrative offices located at:

2240 Minton Road
West Melbourne, Florida 32904

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Agency. *Governmental Activities* are those which normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for federal, state, local or private grants or awards, for which the period is 4 months. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under financed purchases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 4 months of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 4 months of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Agency.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental fund. Separate financial statements are provided for the governmental fund.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The fund financial statements provide information about the Agency's fund. The emphasis of fund financial statements is on the major governmental fund.

The Agency reports the following major governmental fund:

- The *West Melbourne-Brevard County Joint Community Redevelopment Agency Fund* ("Community Redevelopment") is used to account for tax increment revenues derived from taxable real property within the geographic boundaries of the community redevelopment area to finance development within that area.

Budgetary Information

The Agency has elected, as permitted by Section 2400: *Budgetary Reporting* of the GASB Codification, to disclose all budgetary information in the notes to the required supplementary information.

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Fund Balance

Cash and Cash Equivalents

The Agency's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Deposits available within various funds of the Primary Government were consolidated for investment purposes. Substantially all deposits of the Primary Government at September 30, 2024, were invested using the pooled investment concept. Interest earned was allocated monthly to the Agency based on its month ending cash and investment balances in proportion to the Primary Government.

Investments for the Agency are reported at fair value for the position in the Florida Local Government Investment Trust (FTIP) Day to Day Fund external investment pool. The FTIP Day to Day Fund external investment pool meets all of the specified criteria in Section 150: *Investments* of the GASB Codification to qualify to elect to measure its investments at amortized cost. Accordingly, the fair value of the Agency's position in the pool is equal to the value of the pooled shares.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Fund Balance
(Continued)***

Investments (Continued)

The Agency is empowered by statute to invest in the following instruments and may divest itself of such investments, at prevailing market prices or rates subject to the limitations of Section 218.415 – a) the Local Government Surplus Funds Trust Fund, administered by the Florida State Board of Administration or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01, Florida Statutes; b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; c) savings accounts in state-certified qualified public depositories, as defined in Florida Statute 280.02; d) certificates of deposits and Repurchased Agreements in state-certified qualified public depositories, as defined in Florida Statute 280.02; e) direct obligation of the U.S. Treasury; and f) Federal agencies and instrumentalities.

Banks and savings and loans in which Agency funds are deposited must be classified as a qualified public depository as defined in the *Florida Security for Public Deposits Act*, Chapter 280, Florida Statutes, before any deposits are made with those institutions.

Receivables

All account and tax receivables are shown net of allowance for uncollectible accounts.

As provided by law, the Brevard County Property Appraiser assesses all properties for ad valorem taxing purposes and the Brevard County Tax Collector collects and distributes all taxes. Ad valorem taxes are levied based on property valuation as of January 1. The fiscal year for which ad valorem taxes are levied begins on October 1. Taxes are due beginning of November 1, delinquent on April 1, and lien on May 30. Property tax revenues are recognized in the fiscal year for which they are budgeted and also become due and payable. Virtually all unpaid taxes are collected via tax sale certificates sold on or prior to June 1; therefore, no material taxes are receivable at fiscal year-end.

Interfund Activities and Transactions

During the course of operations, numerous transactions occur between the Agency and the Primary Government for goods provided or services rendered. These receivables and payables are classified as "due from Primary Government" or "due to Primary Government" within the fund financial statements. Long-term borrowings between funds are classified as "advances to Primary Government" or "advances from Primary Government" in the fund financial statements.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Fund Balance
(Continued)***

Interfund Activities and Transactions (Continued)

Interfund transactions (transactions between the Agency and the Primary Government) are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers.

Categories and Classification of Net Position and Fund Balance

Net position flow assumption – Sometimes the Agency will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions - Sometimes the Agency will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Agency itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable Fund Balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Fund Balance
(Continued)***

Categories and Classification of Net Position and Fund Balance (Continued)

cash (inventories, prepaid expenditures) and items such as the long-term amount of interfund advances to the Primary Government, property acquired for resale, as well as unrealized gains.

Restricted Fund Balance – Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Agency's highest level of decision-making authority. The Agency Board is the highest level of decision-making authority for the Agency that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance.

Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (e.g., the adoption of another ordinance) to remove or revise the limitation.

Assigned Fund Balance – Amounts in the assigned fund balance classification are intended to be used by the Agency for specific purposes but do not meet the criteria to be classified as committed. The authority to assign fund balance lies with the Agency Board and may occur through the budget process or formal action. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for a fund balance not meeting criteria to be reported as nonspendable, restricted, committed, or assigned.

Restricted amounts shall be spent first unless there are legal documents/contracts prohibiting this, such as grant agreements. Further, the order of priority shall be Committed Fund Balance, followed by Assigned Fund Balance, and then Unassigned Fund Balance when expenditures are incurred for purposes for which amounts in any of the classifications could be used.

Revenues and Expenditures/Expenses

Program revenues – Amounts reported as program revenues include, 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses (Continued)

taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues.

Property tax increment – The Agency receives, from the City of West Melbourne and Brevard County, a portion of the property taxes collected by each within the 860-acre CRA project area. These tax increment financing (TIF) payments are established under Section 163.357, Florida Statutes and City Ordinance No. 2013-28. The County's TIF payments are limited under that Interlocal Agreement concerning Brevard County tax increment funding for the West Melbourne-Brevard County Joint Community Redevelopment Agency dated April 10, 2018.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, March 5, 2025, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued and Implemented Accounting Pronouncements

The Agency implemented the following standard during the current year.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting the beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in the accounting principle or error corrections should be presented in the required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this statement.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 101, *Compensated Absences*, The objective of this Statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The Agency is still evaluating the requirements of the statement and impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The Agency pools its deposits with the Primary Government. At September 30, 2024, the Agency's carrying amount of cash deposits was \$1,813,180. As of September 30, 2024, \$250,000 of the Agency's bank balance was covered by Federal Depository Insurance Corporation (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Agency pursuant to Section 280.08, Florida Statutes.

The investment program is established in accordance with the City's investment policy, pertinent bond resolutions and Section 218.45, Florida Statutes, which allows the Agency to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

The Florida Local Government Investment Trust (FTIP) Day to Day Fund is a common law trust organized under the laws of the State of Florida as an intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes. At September 30, 2024, the Agency's share of FTIP Day to Day Fund was \$1,114,300. The fair value of the Agency's position in the pool is equal to the value of the pooled shares or net asset value.

Under GASB Codification 150: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the Agency's access to 100 percent of their account value in the external investment pool.

Deposits available within various funds were consolidated for investment purposes. Interest earned was allocated monthly to the Agency's fund based on its average cash and investment balances.

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution, a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the Agency places its deposits are certified as "qualified public depositories," as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The Agency's investment policy limits interest rate risk by requiring that an attempt be made to match investment maturities with known cash needs and anticipated cash flow requirements. In addition, investments of current operating funds are required to have maturities of no longer than twelve months.

The dollar weighted average days to maturity (WAM) for FTIP Day to Day Fund is 10 days at September 30, 2024.

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

The Agency's investment policy and the investment policy for the City, limit investments to securities with specific ranking criteria.

Foreign currency risk – The Agency's investments are not exposed to foreign currency risk and the Agency's investment policy does not address foreign currency risk.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The Agency's investment policy does not address concentration risk.

At September 30, 2024, the Agency had the following investments:

Investment type	Fair Value	Investment Maturities (in years)				Rating	Agency
		Less than 1	1-5	6-10	More than 10		
FTIP Day to Day Fund Investment							
Pool	\$ 1,114,300	\$ 1,114,300	-	-	-	AAAm	S&P
Total investments	\$ 1,114,300	\$ 1,114,300	\$ -	\$ -	\$ -		

Receivables

There are no receivables as of September 30, 2024, therefore, no allowances for doubtful accounts are maintained.

Property taxes (from which TIF payments are derived) are considered fully collected (96% of levy) during and prior to the end of the fiscal year. Therefore, no material amounts of property taxes are receivable as of September 30, 2024. There are no other reserves for receivables recorded by the Agency as of September 30, 2024.

Interfund Receivables, Payables and Transfers

Interfund balances – The composition of interfund balances as of September 30, 2024, is as follows:

	Primary Government		Total
Due to	\$	100,000	\$ 100,000
Total	\$	100,000	\$ 100,000

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Notes to Financial Statements**

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Governmental Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Agency is bound to observe constraints imposed upon the use of the resources in the governmental funds. The Agency has \$2,827,480 in restricted fund balance at September 30, 2024.

Note 3: RISK MANAGEMENT

Insurance

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; worker's compensation, and natural disasters.

In fiscal year 2023-2024, the Agency was covered as part of the City's membership in the Florida Municipal Insurance Trust (the "Trust"). The Trust is a self-insurance program established to provide worker's compensation, property, and casualty coverage to participating units of local government in Florida pursuant to various provisions of Florida Statutes. The Trust's underwriting and vote-setting policies are established after consultation with an independent actuary. The Trust is non-assessable and therefore, the Agency has no liability for future deficits of the Trust, if any. For the City, only workers compensation is subject to audit, thus avoiding additional premium charges beyond policy expirations. The Agency has no employees.

There have been no significant reductions in insurance coverage during the fiscal year 2024. Also, there have been no settlements that exceeded insurance coverage for each of the past three fiscal years.

Litigation

Various other suits in the ordinary course of operations are pending against the Agency. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Agency, the liabilities that may arise from such actions would not result in losses that would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial position of the Agency or results of operations.



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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**



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**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual**

<i>For the year ended September 30, 2024</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 328,100	\$ 328,100	\$ 328,086	\$ (14)
Intergovernmental	328,100	328,100	328,086	(14)
Miscellaneous	8,000	8,000	58,992	50,992
Total revenues	664,200	664,200	715,164	50,964
Expenditures				
Current:				
Economic environment	6,550	6,550	4,295	2,255
Debt service:				
Principal	100,000	100,000	-	100,000
Total expenditures	106,550	106,550	4,295	102,255
Excess of revenues over expenditures	557,650	557,650	710,869	153,219
Fund balance, beginning of year	2,116,611	2,116,611	2,116,611	-
Fund balance, end of year	\$ 2,674,261	\$ 2,674,261	\$ 2,827,480	\$ 153,219

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Budgetary Notes to Required Supplementary Information**

Note 1: BUDGETARY INFORMATION

An annual operating budget is adopted by the Agency's Board on a cash basis consistent with U.S. generally accepted accounting principles.

Budgets are adopted by the Agency's Board pursuant to state law using the following procedures:

- Budget preparation begins with the formulation of a budget calendar by the City Manager, which is distributed generally during April of each year.
- Workshops with the Agency's Board are then held regarding budget priorities.
- Budget instructions containing Agency's priorities are then distributed to department heads along with forms and worksheets.
- The Agency submits an initial expenditure budget proposal to the Finance Director during May of each year. The Finance Director prepares a proposed budget showing each program activity, purpose or object of expenditure for the past three years, the current year's budget, and the next year's proposed budget.
- The City Manager reviews request, and then meets with Agency's Board, where proposed departmental budgets are amended.
- The City Manager and Finance Director prepare their final revenue estimates, which contain comparative and estimated data for each fund and revenue source, during June.
- The proposed budget is presented to the Agency's Board during June each year.
- The Agency Board considers a resolution adopting the official annual budget of the Agency during August of each year.
- The Agency Board considers the Agency budget after two public hearings held in September each year. After the budget is formally approved, budget documents are distributed to the County Commission within 10 days of adoption for budget implementation on October 1. During the fiscal year, the Finance Director monitors and reviews budgetary activities and prepares projections to be used to determine year-end cash balance and to prepare for the upcoming fiscal year budget.

Budgetary integration is established in the accounting records for management control purposes at the object of expenditure level, however, the City Charter establishes the level at which expenditures may not legally exceed the total Agency's appropriations. Therefore, the City Manager may, at any time, transfer appropriation amounts between line items, expenditure classifications, departments and funds without formal approval by the Agency Board.

However, any revisions that increase the total appropriations at the fund level of the Agency must be approved through amendment by the Agency Board.

**West Melbourne – Brevard County
Joint Community Redevelopment Agency
Budgetary Notes to Required Supplementary Information**

Note 2: ENCUMBRANCES

Open purchase orders and other commitments are recognized as expenditures in the period in which the actual goods or services are received and a liability is incurred. Encumbrances (e.g., purchase order, contracts) outstanding at year end for unfulfilled obligations are cancelled and reappropriated in the succeeding year's budget. Accordingly, there were no encumbrances outstanding at year end.



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

Honorable Chairman and Board Members
West Melbourne – Brevard County Joint Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and the major fund of the West Melbourne – Brevard County Joint Community Redevelopment Agency (the "Agency") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 5, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 Agency'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.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 5, 2025



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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Chairman and Board Members
West Melbourne – Brevard County Joint Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the West Melbourne – Brevard County Joint Community Redevelopment Agency (the "Agency") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 5, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 5, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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 findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., 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. The legal authority of the Agency is disclosed in the notes to the financial statements. There are no component units of the Agency.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the West Melbourne – Brevard County Joint Community Redevelopment Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Agency. It is management's responsibility to monitor the Agency'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.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information (Unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Agency reported the information below. This information has not been subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(1)(e)2. and Section 218.39(1)(e)3. Florida Statutes, as provided for in Section 10.554(1)(i)6, Rules of the Auditor General, the West Melbourne - Brevard County Joint Community Redevelopment Agency reported:

- | | |
|---|-----------|
| a. The total number of Agency employees compensated in the last pay period of the Community Redevelopment Agency's fiscal year. | None |
| b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year. | None |
| c. All compensation earned by or awarded to employees, whether paid or accrued. | None |
| d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued. | None |
| e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1, 2023, together with the total expenditures for such project. | None, \$0 |

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes. See page 35

As required by Section 218.39(3)(c), Florida Statutes, Section 10.554(1)(i)8, Rules of the Auditor General, the West Melbourne - Brevard County Joint Community Redevelopment Agency reported:

- | | |
|--|--------------|
| a. The millage rate or rates imposed by the Agency. | 1.9948 |
| b. The total amount of ad valorem taxes collected by or on behalf of the Agency. | \$ 328,086 * |
| c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds. | None |

* Does not include delinquency interest

The Agency does not impose non-ad valorem special assessments; therefore, reporting required by Section 218.39(3)(c), Florida Statutes and Section 10.554(1)(i)9 does not apply.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal, State and other granting agencies, the Agency Board Members, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Rigg & Ingram, L.L.C.

Melbourne, Florida
March 5, 2025



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CARR, RIGGS & INGRAM, L.L.C.

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

Honorable Chairman and Board Members
West Melbourne – Brevard County Joint Community Redevelopment Agency

We have examined the West Melbourne – Brevard County Joint Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024.

This report is intended solely for the information and use of Agency's Board, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 5, 2025



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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH

The Honorable Chairman and Board Members
West Melbourne – Brevard County Joint Community Redevelopment Agency

We have examined the West Melbourne – Brevard County Joint Community Redevelopment Agency's (the "Agency") compliance with the requirements of Section 163.387(6) and (7), Florida Statutes, *Redevelopment Trust Fund*, during the year ended September 30, 2024. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

This report is intended solely for the information and use of the Agency's Board, management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

March 5, 2025

**City of West Melbourne Community
Redevelopment Agency**

REQUIRED COMMUNICATIONS

September 30, 2024



CARR, RIGGS & INGRAM, L.L.C.

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March 5, 2025

To the Honorable Chairman and Board Members
West Melbourne – Brevard County Joint Community Redevelopment Agency

We are pleased to present the results of our audit of the financial statements of the governmental activities and the major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the West Melbourne – Brevard County Joint Community Redevelopment Agency (the "Agency"), a component unit of the City of West Melbourne, Florida, for the year ended September 30, 2024.

This report to the Chairman and the Agency Board summarizes our audit, the reports issued and various analyses and observations related to the Agency's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the Agency's basic financial statements for the year ended September 30, 2024. We considered the Agency's current and emerging needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you, the Chairman and the Agency Board, expect. We received the full support and assistance of Agency personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the Chairman, Agency Board and management and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 321.255.0088 or laviles@CRLadv.com

Very truly yours,

Lindsay J. Aviles, CPA
Partner
Carr, Riggs & Ingram, L.L.C.



As discussed with management during our planning process and communicated to the Agency Board in our engagement letter to you dated October 25, 2024 and revised on February 3, 2025, our audit plans represented an approach responsive to the assessment of risk for the Agency. Specifically, we planned and performed our audit to:

- Perform audit services, as required by Section 163.387(8)(a) of the Florida Statutes, in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* and Chapter 10.550 of the Rules of the Auditor General, in order to express an opinion on the Agency's basic financial statements for the year ended September 30, 2024;
- 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*;
- Communicate directly with the Chairman, Agency Board and management regarding the results of our procedures;
- Address with the Chairman, Agency Board and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Chairman, Agency Board and management; and
- Address other audit-related projects as they arise and upon request.

Required Communications



We have audited the financial statements of the governmental activities and the major fund, including the related notes to the financial statements of the West Melbourne – Brevard County Joint Community Redevelopment Agency for the year ended September 30, 2024, and have issued our report thereon dated March 5, 2025. Professional standards also require that we communicate to you the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Auditor's responsibility under Generally Accepted Auditing Standards, Government Auditing Standards and Chapter 10.550, Rules of the Florida Auditor General	As stated in our engagement letter dated October 25, 2024 and revised on February 3, 2025 and March 5, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of supplementary information as described in the engagement letter when considered in relation to the financial statements as a whole. Our audit of the financial statements does not relieve you or management of your responsibilities. As part of our audit, we considered the internal control and compliance with laws and regulations of the Agency. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control and compliance with laws and regulations.
Client's responsibility	Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position and results of operations in conformity with the applicable framework. Management, with oversight from those charged with governance, is responsible for the design and implementation of programs and controls to prevent and detect fraud. Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.
Planned scope and timing of the audit	Our initial audit plan was not significantly altered during our fieldwork.

Required Communications



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i>	Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."
Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the Agency and how they are disclosed.</i>	No such risks or exposures were noted.
Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles • <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> • <i>The auditor should also discuss the auditor's judgment about the quality, not just the acceptability, of the Agency's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the Agency in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations.</i> • <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with</i>	The significant accounting policies used by the Agency are described in Note 1 to the financial statements. A new accounting policy was adopted during the fiscal year as a result of the following recently issued accounting pronouncements: • <i>Statement No. 100, Accounting Changes and Error Corrections (GASB 100)</i> The adoption of GASB statement No. 100 had no impact on these financial statements. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was: • The disclosure of Interfund Payables in Note 2 to the financial statements which outlines the Agency's outstanding debt and its ability to repay the Primary Government as it becomes due. Further, the disclosures in the Agency's financial statements are neutral, consistent, and clear.



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<i>client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor. Furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.</i>	
Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i>	We encountered no significant difficulties in dealing with management in performing and completing our audit.
Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that come about based on incomplete facts or preliminary information.</i>	We are pleased to report that no such disagreements arose during the course of our audit.
Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i>	None noted.
Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i>	None noted.
Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the Agency, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform those charged with governance about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i>	See "Summary of Audit Adjustments" section.



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Major issues discussed with management prior to retention <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i>	Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Consultations with other accountants <i>When management has consulted with other accountants about significant accounting or auditing matters.</i>	To our knowledge, there were no such consultations with other accountants.
Written representations <i>A description of the written representations the auditor requested (or a copy of the representation letter).</i>	See "Draft Management Representation Letter" section.
Internal control deficiencies <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.</i>	None noted.
Fraud and illegal acts <i>Fraud involving senior management or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditor's attention involving senior management and any other illegal acts, unless clearly inconsequential.</i>	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.
Other information in documents containing audited financial statements <i>The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i>	Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether: • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.

Required Communications



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Significant unusual accounting transactions <i>Auditor communication with governance to include auditor's views on policies and practices management used, as well as the auditor's understanding of the business purpose.</i>	No significant unusual accounting transactions were noted during the year.
Required Supplementary Information <i>The auditor's responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i>	We applied certain limited procedures to the required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.
Other information accompanying the financial statements <i>The auditor's responsibility for other information accompanying the financial statements.</i>	We were not engaged to report on the other information, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Accounting Policies, Judgements and Sensitive Estimates & CRI Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the Agency's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Chairman, Agency Board and management may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Investments	Excepted as noted below, the Agency reports their investments as fair value. Money market investments and certain interest-earning investment contracts with a remaining maturity of one-year or less at the date of purchase may be reported at amortized cost. Investments in certain investment pools are measured at amortized costs and are reported by the Agency at the net asset value per share as provided by the pool sponsor. The Agency follows the provisions of Section 150: <i>Investments</i>, of the GASB Codification when reporting investments.	X	The Agency relies on investment valuation information from investment pool sponsors based on financial market information	We evaluated the key factors and assumptions used to develop the fair market value estimates of investments in determining that they are reasonable in relation to the financial statements taken as a whole.



During the course of our audit, we accumulate differences between amounts recorded by the Agency and amounts that we believe are required to be recorded under GAAP reporting guidelines. Those adjustments are either recorded (corrected) by the Agency or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditor's judgement, such uncorrected misstatements are immaterial to the financial statements under audit.

There were no adjustments, either corrected or uncorrected as a result of our audit procedures.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both the quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes the net decrease in assets to addition, or vice versa.
- Whether the difference concerns an areas of the Agency's operating environment that has been identified as playing a significant role in the Agency's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



March 5, 2025

Carr Riggs & Ingram, LLC
7506 Lynx Way, Suite 201
Melbourne, FL 32940

This representation letter is provided in connection with your audit of the financial statements of West Melbourne – Brevard Joint Community Redevelopment Agency (the “Agency”), which comprise the respective financial position of the governmental activities and the major fund as of September 30, 2024, and the respective changes in financial position for the year then ended, and the disclosures (collectively, the “financial statements”), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of March 5, 2025, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the original audit engagement letter dated October 25, 2024, and revised on February 3, 2025 and March 5, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) There are no related party relationships or transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties that are required to be accounted for and disclosed in accordance with U.S. GAAP.

Draft Management Representation Letter



- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Agency is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Agency from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Agency Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the Agency and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Agency's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 16) There are no known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the names of the Agency's related parties and all the related party relationships and transactions. There are no side agreements.

Government-specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.



- 20) There have been no investigations or legal proceedings that have been initiated with respect to the period under audit.
- 21) The Agency has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) There are no instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe would have a material effect on the financial statements.
- 24) There are no instances of fraud and suspected fraud and noncompliance with provisions of laws, regulations, contracts and grant agreements that we believe would have a material effect on the financial statements.
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) As part of your audit, you assisted with preparation of the financial statements and disclosures, RSI, other information, and GASB 34 entries. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, (Candice Blake, Finance Director), who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures, RSI, other information, and GASB 34 entries services.
- 27) The Agency has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 28) The Agency has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) The Agency has no component units nor any majority equity interests in legally separate organizations nor joint ventures with an equity interest.
- 30) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended, and GASBS No. 84.
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 32) Investments are properly valued.
- 33) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.



- 34) Revenues are appropriately classified in the statement of activities within program revenues or general revenues.
- 35) Intra-entity activity and balances have been appropriately classified and reported.
- 36) Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 37) Expenditures of federal awards and state programs were below the \$750,000 threshold in the fiscal year ended September 30, 2024, and we were not required to have an audit in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) or the Florida Single Audit Act.
- 38) We have appropriately disclosed the Agency's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 39) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 40) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 41) We have responded fully to all inquiries made to us by you during the engagement.
- 42) The Agency is in compliance with Florida Statute 218.39(3)(c), Florida Statutes. We acknowledge our responsibility for the information required by Section 218.39, Florida Statutes, and its presentation is within prescribed guidelines.
- 43) With respect to the Introductory Section, we acknowledge that we have informed you of all documents that may comprise other information we expect to issue. The financial statements and other information you obtained prior to the auditor's report date are consistent with one another, and the other information does not contain any material misstatements.

Compliance with Florida Statute 218.415

- 44) The Agency is in compliance with Florida Statute 218.415, *Local Government Investment Policies*, in all respects.
- 45) We are responsible for complying with Florida Statute 218.415, *Local Government Investment Policies*.
- 46) We are responsible for establishing and maintaining effective internal control over compliance.
- 47) We have performed an evaluation of the Agency's compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- 48) All relevant matters are reflected in the measurement or evaluation of the Agency's compliance with the specified requirements.

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- 49) We are responsible for selecting the specified requirements and for determining that the specified requirements are appropriate for our purposes.
- 50) There are no known noncompliance with Florida Statute 218.415, *Local Government Investment Policies*, including during the fiscal year and after September 30, 2024, through the date of this letter.
- 51) We have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- 52) There are no known matters that may contradict the Agency's compliance with the specified requirements and there have been no communications from regulatory agencies, consultants and others regarding possible noncompliance with Florida Statute 218.415, *Local Government Investment Policies*, including communications received for the fiscal year and between September 30, 2024 and the date of this letter.

Compliance with Florida Statutes 163.387(6) and 163.387(7)

- 53) The Agency is in compliance with s. 163.387(6) and s. 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, in all respects.
- 54) We are responsible for complying with s. 163.387(6) and s. 163.387(7), Florida Statutes, *Redevelopment Trust Fund*.
- 55) We are responsible for establishing and maintaining effective internal control over compliance.
- 56) We have performed an evaluation of the Agency's compliance with s. 163.387(6) and s. 163.387(7), Florida Statutes, *Redevelopment Trust Fund*.
- 57) All relevant matters are reflected in the measurement or evaluation of the Agency's compliance with the specified requirements.
- 58) We are responsible for selecting the specified requirements and for determining that the specified requirements are appropriate for our purposes.
- 59) There is no known noncompliance with s. 163.387(6) and s. 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, including noncompliance during the fiscal year and after September 30, 2024, and through the date of this letter.
- 60) We have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with s. 163.387(6) and s. 163.387(7), Florida Statutes, *Redevelopment Trust Fund*.
- 61) There are no known matters that may contradict the Agency's compliance with the specified requirements and there have been no communications from regulatory agencies, consultants and others regarding possible noncompliance with s. 163.387(6) and s. 163.387(7), Florida Statutes, *Redevelopment Trust Fund*, including communications received for the fiscal year and between September 30, 2024 and the date of this letter.

Signature: _____

Signature: _____

Title: _____

Title: _____